



Bahar Energy Operating Company Limited

Operational and Financial Highlights

Month Ended

31-Jan-20

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Operational			
Active Natural Gas Wells	9		9
Inactive Natural Gas Wells (Shut in)	12		12
Abandoned Natural Gas Wells	69		69
Total Natural Gas Wells	90		90
Active Crude Oil Wells	32		31
Inactive Crude Oil Wells (Shut in)	20		21
Abandoned Crude Oil Wells	76		76
Total Crude Oil Wells	128		128
Total Active Wells	41		40
Total Inactive Wells (Shut in)	32		33
Total Abandoned Wells	145		145
Total Wells	218		218
Non-Compensatory Petroleum Delivered (daily - 90 % of total production)			
Crude Oil and Condensate, (bbl/d)	617	718	610
Natural Gas, (mcf/d)	15,687	18,062	15,679
Non-Compensatory Production Delivered, (boe/d)	3,232	3,728	3,223
Compensatory Petroleum Delivered			
Crude Oil and Condensate, (bbl/d)	69	80	68
Natural Gas, (mcf/d)	1,743	2,007	1,742
Compensatory Production Delivered, (boe/d)	359	414	358
Total Production Delivered (daily)			
Crude Oil and Condensate, (bbl/d)	686	798	678
Natural Gas, (mcf/d)	17,430	20,069	17,421
Total Production Delivered, (boe/d)	3,591	4,142	3,581
Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)			
BEL's portion, %	97.61%	95.69%	94.11%
Crude Oil and Condensate, (bbl/m)	18,679	21,292	17,799
Natural Gas, (mcf/m)	474,656	535,804	457,409
Barrel Oil Equivalent, (boe/m) - (1)	97,788	110,593	94,033
SOA's portion, %	0.91%	0.99%	0.00%
Crude Oil and Condensate, (bbl/m)	175	220	-
Natural Gas, (mcf/m)	4,438	5,543	-
Barrel Oil Equivalent, (boe/m) - (1)	914	1,144	-
SOFAZ's portion, %	1.48%	3.32%	5.89%
Crude Oil and Condensate, (bbl/m)	283	739	1,115
Natural Gas, (mcf/m)	7,199	18,590	28,647
Barrel Oil Equivalent, (boe/m) - (1)	1,483	3,837	5,889
Total NCP Joint Lifting Entitlements, (boe/m)	100,185	115,574	99,923
Saleable Compensatory Petroleum (monthly)			
SOA's portion, %			
Crude Oil and Condensate, (bbl/m)	2,126	2,472	2,101
Natural Gas, (mcf/m)	54,032	62,215	54,006
Barrel Oil Equivalent, (boe/m) - (1)	11,132	12,842	11,103
Total Production, (boe/m)	111,317	128,416	111,025



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Operational and Financial Highlights

Month Ended

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(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Financial			
Joint Lifting Entitlement Revenue (monthly) - Based on best estimate of Oil Price			
BEL's portion	97.61%	95.69%	94.11%
Crude Oil and Condensate, 000' \$ - (2)	887	1,224	1,073
Natural Gas, 000' \$ - (3)	1,277	1,441	1,230
Total BEL's Entitlement, 000' \$	2,164	2,666	2,303
SOA's portion	0.91%	0.99%	0.00%
Crude Oil and Condensate, 000' \$ - (2)	8	13	-
Natural Gas, 000' \$ - (3)	12	15	-
Total SOA's Entitlement, 000' \$	20	28	-
SOFAZ's portion	1.48%	3.32%	5.89%
Crude Oil and Condensate, 000' \$ - (2)	13	42	67
Natural Gas, 000' \$ - (3)	19	50	77
Total SOFAZ's Entitlement, 000' \$	33	92	144
Total Joint Lifting Entitlement Revenue, 000' \$	2,217	2,786	2,448
Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price			
Crude Oil and Condensate, 000' \$ - (2)	101	142	127
Natural Gas, 000' \$ - (3)	145	167	145
Total Compensatory Petroleum Revenue, 000' \$	246	310	272
Total Revenue, 000' \$	2,463	3,095	2,720
Crude Oil Revenue, \$/boe - (4)	47.48	57.50	60.28
Natural Gas Revenue, \$/mcf - (4)	2.69	2.69	2.69
Total Revenue, \$/boe - (4)	22.13	24.10	24.49
Total Marketing and Transportation Costs, 000' \$	59	55	72
Total Operating Costs, 000' \$ - (5)	2,455	2,336	2,428
Total Marketing, Transportation, Operating Costs, 000' \$	2,515	2,390	2,499
Operating Costs, \$/boe	22.59	18.61	22.51
Operating Margin, \$/boe	(0.46)	5.49	1.98
Capital Costs (Recoverable), 000' \$	303	1,188	554
Cash Available, 000' \$	346	-	110
Changes in Working Capital, 000' \$		-	

(1) - Uses a conversion factor 6 mcf/boe;

(2) - Oil Price is based on best estimate;

(3) - Natural Gas price after 31.03.17 remains constant \$ 2.69 \$/mcf;

(4) - Revenue from and Production of Compensatory Petroleum is considered on calculation of these ratios

(5) - Following costs are not considered in this report:

* Reallocation of Expenses for IFRS Purposes; * Depreciation; * Acreage Fee; * Unrealised Forex; * Admin Overhead; * AOC WHT 6%



Bahar Energy Operating Company Limited
Cash Reconciliation Report
Month Ended
31-Jan-20

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
Opening Balance	110	718
Cash Call from BEL	1,774	1,678
Cash Call from SOA Cash Call Account	218	219
Gas Sales Collection	2,118	588
Recovery-Transfer of Inventory	294	-
Loan	307	-
Oil Sales Collection	-	1,441
Reimbursement of VAT	434	106
Advances Returned	1	-
Exchange Gain	0	71
Cash In	5,146	4,102
Profit Petroleum payments to BEL	(1,797)	(1,706)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(218)	(219)
Profit Petroleum payments to SOFAZ	(50)	(50)
Construction	(75)	(51)
Production Equipment and Facilities	(62)	(62)
CAPEX Other	-	(0)
Workover	(452)	(26)
Seismic and G&G	(0)	(1)
Drilling	-	-
Personnel Costs	(925)	(1,434)
Insurance	-	(0)
Electricity, Water, Sewage, Gas Usage	(102)	(126)
Fuel	(40)	(48)
SOCAR and State Services	(21)	(54)
Rental of Transportation and Other Equipment	(473)	(433)
Repair and Maintenance - Wells	(268)	-
Repair and Maintenance - Facilities	(64)	(40)
Materials and Spare Parts - Other	(0)	(4)
Third Party Services	(10)	(36)
General and Administrative Expenses	(9)	(21)
Services Provided by Shareholders	(42)	(8)
Marketing and Transportation Cost	-	(48)
Non Recoverable Training Cost	(0)	-
Value Added Tax	(286)	(332)
Advances Given	(1)	-
Exchange Loss	(15)	(11)
Cash Out	(4,911)	(4,710)
Closing Balance	346	110



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Treasury Report

000'USD

Description	Opening Balance	Closing Balance
Cash on Hand	2	2
International Bank of Azerbaijan (IBA)	6	-
Pasha Bank (PB)	102	303
VAT Deposit Account	-	41
Total Cash Available	110	346

Note 1: Restricted cash at BA in amount of \$ US 5.7 mln. Provision for Doubtful Accounts was recorded on Dec-15.

Accounts Receivable Summary

000'USD

Description	BEL's Share	SOA's Share	SOFAZ's Share	COMP's Share	Total
Receivable from Gas Sales	3,619	12	166	422	4,219
Receivable from Oil Sales	2,936	8	142	343	3,429
Other Income AOC	970	-	-	-	970
Other Income KGIT	59	-	-	-	59
Total Receivable	7,584	20	308	765	8,677

Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q3-2019 is approximately US\$ 32.8 mln.

Note 2: VAT Receivable from Gas Sales is approximately US\$ 770k, and other Receivable \$ 28k.

Accounts Payable Summary

000'USD

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities:	805	119	2,868	3,792	3,924
2 - Government Related Liabilities:	72	156	1,203	1,431	1,340
3 - SOCAR Related Liabilities	253	206	1,579	2,038	2,426
4 - Baghlan Related Liabilities	-	-	-	-	-
Total Liabilities	1,130	480	5,651	7,261	7,691

Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 2.199 mln.

Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 631k.

Inventory Movement Summary

000'USD

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	11,043	48	202	10,889
Construction	2,732	1	75	2,657
Production	3,703	83	155	3,631
Others	70	8	10	68
Total Inventory	17,548	140	442	17,245

Note: Prepayment against inventory is approximately US\$ 577 k.