



Bahar Energy Operating Company Limited

Operational and Financial Highlights

Month Ended

30-Sep-20

(Accrual Base)

Description	Current Month Actuals	Current Month Budgeted	Prior Month Actuals
Operational			
Active Natural Gas Wells	12		11
Inactive Natural Gas Wells (Shut in)	11		11
Abandoned Natural Gas Wells	69		69
Total Natural Gas Wells	92		91
Active Crude Oil Wells	27		28
Inactive Crude Oil Wells (Shut in)	24		23
Abandoned Crude Oil Wells	76		76
Total Crude Oil Wells	127		127
Total Active Wells	39		39
Total Inactive Wells (Shut in)	35		34
Total Abandoned Wells	145		145
Total Wells	219		218
Non-Compensatory Petroleum Delivered (daily - 90 % of total production)			
Crude Oil and Condensate, (bbl/d)	563	746	566
Natural Gas, (mcf/d)	18,806	20,774	16,452
Non-Compensatory Production Delivered, (boe/d)	3,697	4,208	3,308
Compensatory Petroleum Delivered			
Crude Oil and Condensate, (bbl/d)	63	83	63
Natural Gas, (mcf/d)	2,090	2,308	1,828
Compensatory Production Delivered, (boe/d)	411	468	368
Total Production Delivered (daily)			
Crude Oil and Condensate, (bbl/d)	625	829	629
Natural Gas, (mcf/d)	20,895	23,082	18,280
Total Production Delivered, (boe/d)	4,108	4,676	3,676
Non-Compensatory Petroleum Joint Lifting Entitlements (monthly)			
BEL's portion, %	94.21%	95.69%	94.21%
Crude Oil and Condensate, (bbl/m)	15,906	21,411	16,537
Natural Gas, (mcf/m)	531,512	596,361	480,493
Barrel Oil Equivalent, (boe/m) - (1)	104,491	120,805	96,619
SOA's portion, %	1.87%	0.99%	1.87%
Crude Oil and Condensate, (bbl/m)	316	222	329
Natural Gas, (mcf/m)	10,567	6,170	9,553
Barrel Oil Equivalent, (boe/m) - (1)	2,077	1,250	1,921
SOFAZ's portion, %	3.92%	3.32%	3.92%
Crude Oil and Condensate, (bbl/m)	661	743	687
Natural Gas, (mcf/m)	22,097	20,691	19,976
Barrel Oil Equivalent, (boe/m) - (1)	4,344	4,191	4,017
Total NCP Joint Lifting Entitlements, (boe/m)	110,913	126,246	102,556
Saleable Compensatory Petroleum (monthly)			
SOA's portion, %			
Crude Oil and Condensate, (bbl/m)	1,876	2,486	1,950
Natural Gas, (mcf/m)	62,686	69,247	56,669
Barrel Oil Equivalent, (boe/m) - (1)	12,324	14,027	11,395
Total Production, (boe/m)	123,236	140,273	113,952



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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	94.21%	95.69%	94.21%
Crude Oil and Condensate, 000' \$ - (2)	603	1,231	666
Natural Gas, 000' \$ - (3)	1,430	1,604	1,293
Total BEL's Entitlement, 000' \$	2,033	2,835	1,958
SOA's portion	1.87%	0.99%	1.87%
Crude Oil and Condensate, 000' \$ - (2)	12	13	13
Natural Gas, 000' \$ - (3)	28	17	26
Total SOA's Entitlement, 000' \$	40	29	39
SOFAZ's portion	3.92%	3.32%	3.92%
Crude Oil and Condensate, 000' \$ - (2)	25	43	28
Natural Gas, 000' \$ - (3)	59	56	54
Total SOFAZ's Entitlement, 000' \$	85	98	81
Total Joint Lifting Entitlement Revenue, 000' \$	2,158	2,963	2,079
Compensatory Petroleum Revenue based on Protocol (monthly) - Based on best estimate of Oil Price			
Crude Oil and Condensate, 000' \$ - (2)	71	143	79
Natural Gas, 000' \$ - (3)	169	186	152
Total Compensatory Petroleum Revenue, 000' \$	240	329	231
Total Revenue, 000' \$	2,398	3,292	2,309
Crude Oil Revenue, \$/boe - (4)	37.92	57.50	40.25
Natural Gas Revenue, \$/mcf - (4)	2.69	2.69	2.69
Total Revenue, \$/boe - (4)	19.46	23.47	20.27
Total Marketing and Transportation Costs, 000' \$	44	55	48
Total Operating Costs, 000' \$ - (5)	1,618	2,301	1,896
Total Marketing, Transportation, Operating Costs, 000' \$	1,662	2,356	1,943
Operating Costs, \$/boe	13.49	16.80	17.05
Operating Margin, \$/boe	5.97	6.67	3.21
Capital Costs (Recoverable), 000' \$	299	820	311
Cash Available, 000' \$	24	-	54
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
30-Sep-20

(Cash Base) - 000'USD

Description	Current Month Actuals	Prior Month Actuals
Opening Balance	54	30
Cash Call from BEL	1,527	1,739
Cash Call from SOA Cash Call Account	220	252
Gas Sales Collection	1,039	1,235
Recovery-Transfer of Inventory	-	-
Loan	-	-
Oil Sales Collection	783	833
Reimbursement of VAT	187	222
Advances Returned	1	1
Exchange Gain	0	0
Cash In	3,758	4,282
Profit Petroleum payments to BEL	(1,566)	(1,788)
Profit Petroleum payments to SOA	-	-
Payments to SOA's Cash Call Account	(220)	(252)
Profit Petroleum payments to SOFAZ	-	-
Construction	(109)	(109)
Production Equipment and Facilities	(0)	(62)
CAPEX Other	-	-
Workover	(37)	(64)
Seismic and G&G	-	-
Drilling	-	-
Personnel Costs	(692)	(973)
Insurance	(15)	-
Electricity, Water, Sewage, Gas Usage	(125)	(139)
Fuel	(30)	(4)
SOCAR and State Services	(6)	(2)
Rental of Transportation and Other Equipment	(498)	(481)
Repair and Maintenance - Wells	(1)	(0)
Repair and Maintenance - Facilities	(231)	(99)
Materials and Spare Parts - Other	(3)	(15)
Third Party Services	(9)	(10)
General and Administrative Expenses	(22)	(23)
Services Provided by Shareholders	-	-
Marketing and Transportation Cost	-	-
Non Recoverable Training Cost	-	-
Value Added Tax	(187)	(202)
Advances Given	(0)	(1)
Exchange Loss	(35)	(33)
Cash Out	(3,788)	(4,258)
Closing Balance	24	54



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Treasury Report

000'USD

Description	Opening Balance	Closing Balance
Cash on Hand	1	0
International Bank of Azerbaijan (IBA)	0	1
Pasha Bank (PB)	53	22
VAT Deposit Account	-	-
Total Cash Available	54	24

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	6,389	150	175	746	7,460
Receivable from Oil Sales	1,261	25	52	149	1,487
Other Income AOC	1,402	-	-	-	1,402
Other Income KGIT	59	-	-	-	59
Total Receivable	9,112	175	228	895	10,409

Note 1: Sum of Carry 1 and Carry 3 Balance (Recoverable from SOA) at the end of Q2-2020 is approximately US\$ 30.7 mln.

Note 2: VAT Receivable from Gas Sales is approximately US\$ 1.353 mln, and other Receivable \$ 27k.

Accounts Payable Summary

000'USD

Description	< 30 days	> 30 days < 60 days	> 60 days	Current Month Total	Previous Month Total
1 - Other Contractors Liabilities	823	122	2,864	3,809	3,913
2 - Government Related Liabilities	100	216	1,671	1,987	2,175
3 - SOCAR Related Liabilities	199	162	1,241	1,601	1,512
Total Liabilities	1,122	499	5,776	7,397	7,601

Note 1: Other Liabilities related to Payroll and taxes is approximately US\$ 3.644 mln.

Note 2: Debt to SOA is US\$ 323k and debt to SOFAZ is US\$ 947k.

Inventory Movement Summary

000'USD

Description	Opening Balance	Acquisition	Consumption	Closing Balance
Drilling & Workover	10,652		145	10,507
Construction	1,914	1	140	1,775
Production	3,080	82	123	3,039
Others	48	13	2	59
Total Inventory	15,694	96	410	15,380

Note: Prepayment against inventory is approximately US\$ 530 k.