

BAHAR ENERGY OPERATING COMPANY
MONTHLY REPORT

September 2021

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EXECUTIVE SUMMARY: *Reported by the President*

A summary of activities during September 2021 is below:

a) Health Safety and Environment:

On September 19th, 2021, at about 00:50 a.m., a fire incident occurred at the living quarters of B148 platform. Smoke was observed from the canteen container and because of the windy weather conditions, the fire spread to nearby living containers. The workers tried to extinguish the fire by using firefighting equipment, but were not successful. According BEOCL Emergency Response Plan operation department's authorities gave instructions to shut-down the production wells on the platform and also shut of the electrical power supplied from nearest platform. All POB (personal on board) were evacuated to the work platform (safe zone) from the living block. Management immediately disseminated fire incident information to the government and related agencies. POB was evacuated from Platform 48 by "Shuvalan" and "Ulluchay" vessels at 08:30 a.m. No injuries were sustained to POB. As a result of the fire BEOC's TRIR increased 0.39 as of the end of September. 45 PTWs were issued. Environmentally no spills were reported.

The HSE department has been continuously taking preventive actions in the BEOC buildings and main roads against potential Corona Virus infection. Information about COVID-19 vaccination of our BEOCL employees was registered with the authorities and daily monitoring was carried out by the HSE department. In total 637 employees received their 1st dose and 502 employees received their 2nd dose vaccine by the end of September.

b) Production:

- Oil production was 497 Bopd, up 43 Bopd from August 2021, due to reinstalling ESP's in South GD and the recompletion of the GD372 & GD716 well.
- Gas production was 16.9 MMcfd, which was down 1.6 MMcfd from August production due to natural field declines and a drop in flowing pressure the B144 well.
- BEOC also utilized 3.9 MMcfd for fuel gas in Gum Deniz & Bahar operations. The increased gas utilization resulted from delivering gas to sales at higher pressures, which required additional compression fuel.
- Total production of 3,548 BOE/d in September was 40 percent below the Budget forecast for the month. This shortfall is mainly due to the longer period of the Bahar workovers to reach the target zones.

c) Workovers:

- In Gum Deniz, workovers in the GD716 & 038 continued with the GD430, GD372, and GD 479wells completed and returned to oil production.
- In Bahar, well BH 196, 165 and 206 continued fishing and recompletion activities. Good progress continues in the milling and fishing operations.

d) Construction:

- Offshore construction operations continued on GZU 2, PLT 65, and PLT 20 in the Bahar field. Continued laying 10" gas transmission pipeline connected to the 35 atm main line where BEOCL natural gas is transported from SOCAR Oil & Gas Production Dept. after 28 May to Gas export dept. Work continues with SOCAR Construction Trust to install the production line between the South Gum Deniz platforms 409 and 412 in November 2020.

e) Subsurface

- The work continues building geo and simulation models for main producing reservoirs in both GD and Bahar fields. Work on a revised Plan of Development has been completed and it will be reviewed with SOCAR Upstream before formal submission to the Steering Committee for approval.

f) General Management

- Preparations for the 2022 WP&B continue, and a CMC meeting was scheduled for October 1, 2021, to review the Amended Development Programme and the Proposed 2022 WP&B.

BEOC continues to monitor the Corona Virus situation cautiously, and it is complying with all SOCAR and Ministry directives to ensure a safe workplace for all our employees and contractors.

I - HEALTH, SAFETY & ENVIRONMENT: *Reported by Nuslet Safarov Head of HSE Division*

a) Summary: HSE:

- No any incident was recorded in September.
- TRIR is 0.39 by the end of September.

b) Monthly Safety statistics for September 2021

Month	LTI	Man Hours	TRIR	Incidents (FA,LTI,NM, PD,RT)	PTW
January	0	120243	0	0	39
February	0	108897	1.84	1	40
March	0	131328	0	0	58
April	0	121035	0	0	64
May	0	118062	0	0	56
June	0	109240	0	0	57
July	0	108323	0	0	50
August	0	102113	0	0	55
September	0	105311	1.84	1	45
Total	0	1024552	0.39	2	464

Legend:

- LTI: Lost Time Incident
- Man Hours: Total number of man hours worked
- TRIR: Total Recordable Incident Rate(Number of Injuries and Occupational Illness X 200,000 / Employee hours worked)
- Near Miss: Near Miss Incidents number
- PTW: Permit to work

c) High Level HSE Comments: 1 fire incident was recorded during this month.

Fire incident:

On 19.09.2021 at about 00:50 a.m., fire incident was occurred at the living block of the offshore platform #48. Firstly, smoke was observed from the canteen container and because of the windy wheatear condition smoke turned to the fire and instantly started to spread to the nearby living containers. The workers immediately tried to extinguish the fire by using existing firefighting equipment, but unfortunately as a north windy condition were not successful. According to BEOCL Emergency Response Plan operation department's authorities gave instructions to shut-down the production wells on the platform and also shut down the electrical power supplied from nearest platform. All POB (personal on board) was evacuated to the work platform (safe zone) from the living block. According Emergency Response Plan BEOCL Managemet disseminated fire incident information to the government and related agencies. About 02:30 fire was diminished and it was completely extinguished itself. For safe evacuation from platform and for firefighting operation SOCAR provided us with "Shuvalan" vessel and "VIXR" vessel to assist the emergency situation. POB was evacuated from #48 platform by "Shuvalan" and "Ulluchay" vessel at 08:30 a.m.

No any injury to POB. The incident investigation was initiated by the commission of the ERM

(FHN) State Fire Control Service authorities. The immediate cause of the incident was assumed as an electrical short circuit.

d) HSE Activity

- HEALTH:

- Information about COVID-19 vaccination of BEOCL employees was registered and daily monitoring was carried out by HSE department. 637 employees got their 1st dose and 502 employees got the 2nd dose vaccine by the end of September.
- HSE department has been taking preventive disinfecting actions at the BEOC work places against potential Corona Virus infection.
- Before commencing crew change operation for the offshore staff BEOCL organized testing employees for COVID-19 to be confident about health condition of workers.
- HSE department performed weekly disinfecting company's rented buses against potential Corona Virus infection.
- Installed 25 special dispensers for hand sanitizer are regularly controlled and fulfilled by HSE representatives at the BEOCL premises.
- 60 BEOCL employees applied to First Aid Room with non-work related diseases during the reported period. All of them were rendered corresponding examination and treatment.

- SAFETY:

- Safety inspections of BEOCL sites and work performance were carried out.
- General HSE induction was conducted for 49 newcomers/ visitors.
- In accordance with Local regulation, the Health and Safety knowledge evaluation of 10 BEOCL technical and engineering employees was carried out.
- HSE Audit of BEOCL Permits to Work and associated certificates, verification, risk assessments and other related documentation were monitored.
- Firefighting equipment monthly inspections were provided and reported. Firefighting water pumps were tested at the Oil Process and Transportation field.

- ENVIRONMENT

- Environmental Statistics for Month/Annual

Month	Spills Number	Spill Volume	Comments
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
Total	0	0	0

- Waste segregation process was supervised by HSE department.
- BEOCL sewage water was disposed through Hovsan Sewage treatment plant.
- Expired Ecological normative documentation (Ecological passport, atmospheric emissions inventory, disposable waste limit, Permissible discharge limit etc.) were developed.

- AR Ministry of Ecology and Natural Resources Caspian Complex Environmental Monitoring Administration (CCEMA) took samples of produced water for analysis of the amount of oil hydrocarbons in the produced water from discharged point into the sea.

e) Training and other activities:

- As a part of HSE assurance plan 2021 Safety Stand down Meetings were conducted at the BEOCL worksites in the following themes in September:

“Safe welding and grinding operations” for 24 employees;

“Working at height” for 28 employees;

“Safe and correct usage of PPE and CPE” for 23 employees.

Total participants were 75 workers.

// - PRODUCTION / OPERATIONS: *Reported by Aliiskender Gurbanzade*

a) Production year to date is shown in the table below:

OIL and GAS Production 2021 Budget and Actual																		
Sep-21	Oil Shipped to sales Point Actual ton/day	One ton equal to barrel	Oil Shipped to sales Point Actual BOE	Oil Production Actual ton/day	Actual BOE for Oil	Oil Production Budget ton/day	Budget BOE for Oil (equal to barrel 7,4)	Gas Production Actual m3/day	Gas Production Actual scf/day	Gas Production BOE	Gas Delivery m3/day	Gas Delivery scf/day	Gas Delivery BOE	Gas Production Budget m3/day	Gas Production Budget scf/day	Budget BOE for Gas	Total Actual BOE	Total Budget BOE
January	79	7.52	591	80	598	90	666	596,055	21,049,682	3,787	574,092	20,274,059	3,647	728,000	25,709,320	4,625	4,238	5,291
February	65	7.53	486	70	530	93	688	589,044	20,802,089	3,742	559,874	19,771,950	3,557	726,000	25,638,690	4,612	4,043	5,300
March	58	7.58	439	59	447	94	696	584,848	20,653,907	3,715	552,837	19,523,439	3,512	767,000	27,086,605	4,873	3,951	5,568
Q1 Average	67	7.54	506	70	525	92	683	589,982	20,835,226	3,748	562,268	19,856,483	3,572	740,333	26,144,872	4,703	4,078	5,386
April	69	7.54	517	69	520	93	688	578,516	20,430,293	3,675	543,913	19,208,288	3,455	797,000	28,146,055	5,063	3,972	5,751
May	59	7.51	443	60	447	59	437	589,893	20,832,071	3,747	528,386	18,659,952	3,357	568,000	20,058,920	3,608	3,800	4,045
June	70	7.49	525	81	609	70	520	606,061	21,403,044	3,850	536,300	18,939,435	3,407	582,000	20,553,330	3,697	3,932	4,217
Q2 Average	66	7.51	495	70	525	74	548	591,490	20,888,469	3,758	536,200	18,935,891	3,406	649,000	22,919,435	4,123	3,901	4,671
July	95	7.44	707	91	680	72	534	599,410	21,168,164	3,808	545,596	19,267,723	3,466	578,000	20,412,070	3,672	4,173	4,205
August	63	7.43	468	61	454	75	556	578,268	20,421,534	3,674	524,872	18,535,855	3,334	597,000	21,083,055	3,793	3,802	4,349
September	67	7.43	496	67	497	82	609	545,164	19,252,467	3,463	480,417	16,965,926	3,052	834,433	29,468,001	5,301	3,548	5,910
Q3 Average	75	7.43	557	73	544	77	566	574,281	20,280,722	3,648	516,962	18,256,501	3,284	669,811	23,654,375	4,255	3,841	4,821
October																		
November																		
December																		
Q4 Average																		

b) Production – Gum Deniz

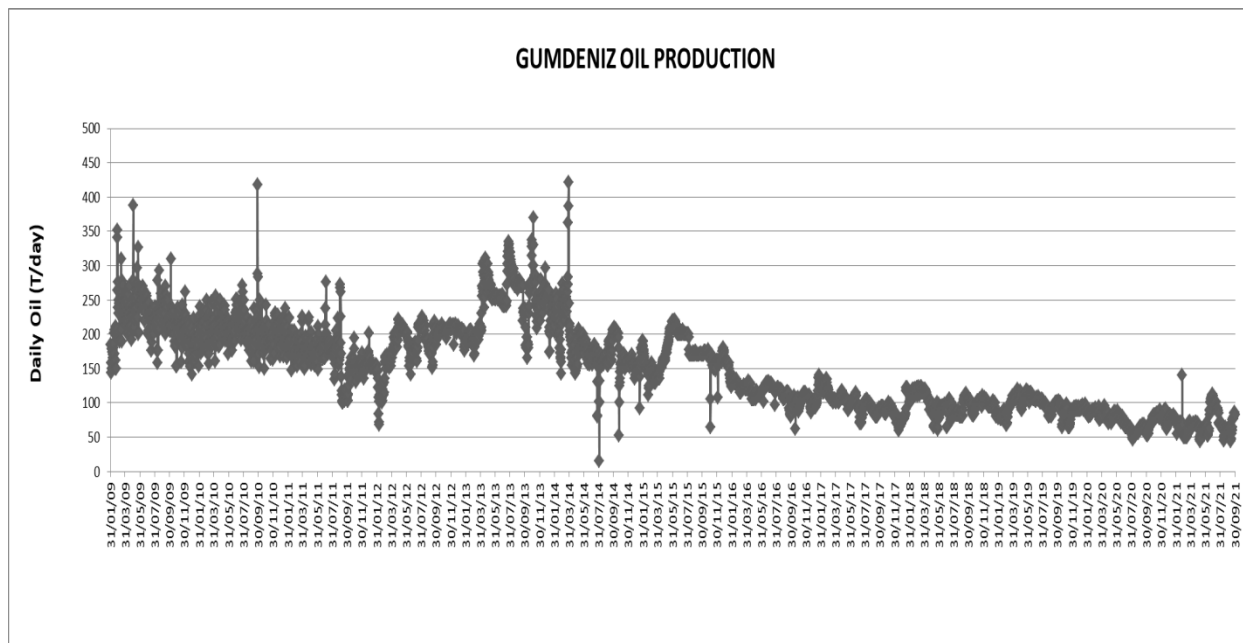
- Production rate of the Gum Deniz field averaged 67 tons/day. Tühvil 67 tons/day .
- During the report covering period we haven't delivered any solution gas, the volume of gas used by compressors for internal needs for oil refinery was 3 540 000 m3 (118 000 x 30).

The chart below shows the reasons for the oil production decrease

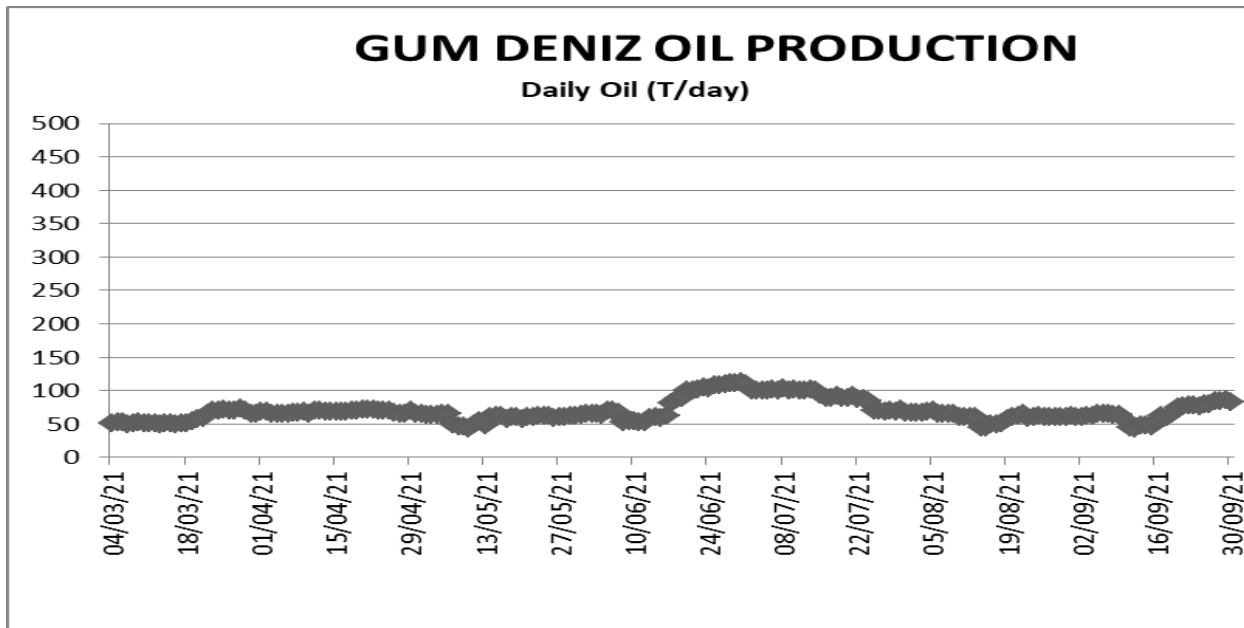
Oil Production Rate Differences Between August and September 2021																																		
Date / Well#	006	009	012	020	038	372	412	413	414	417	418	430	438	444	445	447	456	461	465	466	467	468	470	471	475	477	478	479	504	601	715	716	774	Total, m3
August 2021	1.0	2.2	0.7	0.0	3.5	3.7	0.2	2.6	9.2	0.0	3.8	2.5	0.0	0.0	0.7	2.9	1.9	0.0	0.0	0.7	0.7	2.0	2.3	3.1	6.0	3.5	3.6	9.4	1.6	0.0	6.1	0.8	0.6	75.2
September 2021	1.1	2.2	0.7	0.0	3.0	10.5	0.8	0.0	3.9	0.0	1.7	3.88	0.0	0.0	0.0	2.7	1.9	0.0	0.0	0.9	1.1	2.0	2.3	3.4	6.0	4.0	4.6	8.5	1.7	0.0	7.2	0.3	0.6	75.0
Difference																											-0.2							

- WOs in the well GD-716 were completed, due to no production, it went back under WO, continue.
- WOs in the well GD-479 were completed. SLB ESP RIH, completion carried out.
- WOs in the well GD-413 were completed. SLB ESP RIH, completion carried out.
- Due to production decrease in GD-038 well went under WO, continue.

c) Year to Date Production: Gum Deniz



d) Oil Production for Last six months.



e) Production – Bahar

- Bahar daily gas delivery realized as an average of 480 417 m3/day
- Gas delivery was 16.966 MMcfd.

The chart below shows the reasons for gas delivery decrease.

Gas Production Rate Differences Between August and September 2021													
Date / Well#	83	140	144	167	169	170	171	175	179	182	205	241	Total, x1000 m3
August 2021	33	42	37	32	74	111	35	76	75	1	16	42	574.0
September 2021	33	42	20	27	70	110	34	76	75	1	14	42	544.3
Difference													-29.7

- WOs completed in the well 196 at PLT196 of Bahar field
- WOs continue in the well 165 at PLT168 of Bahar field.
- WOs continue in the well 206 at PLT20 of Bahar field.
- Construction crews continue repairs on PLT48 & PLT65 at OGSU.2 of Bahar field

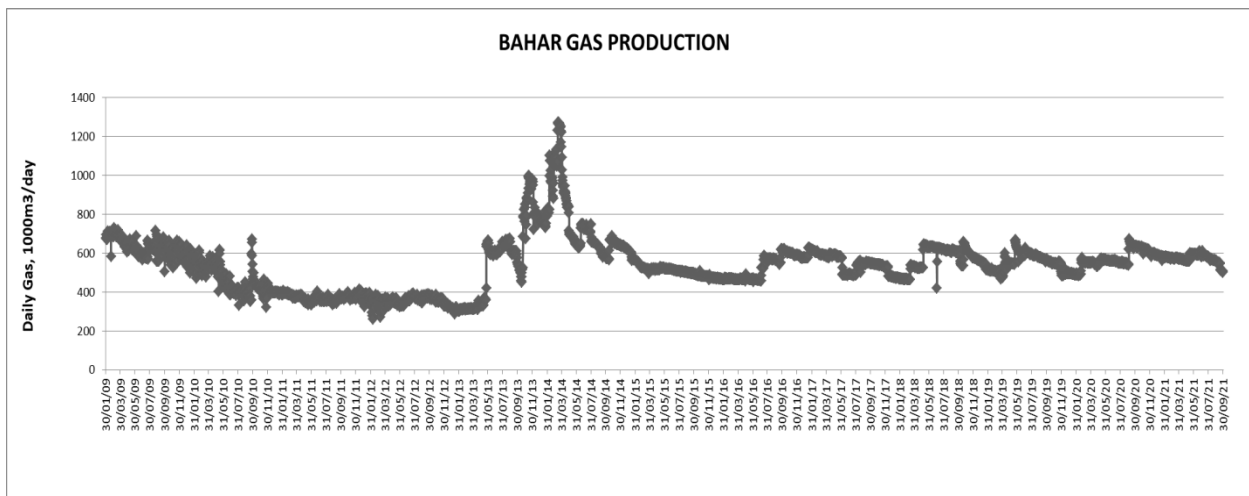
“Atlet-8” crane vessels have carried out following works during reporting period based on request:

“Ulluçay” crane vessel was under repair till 15.09.2021.

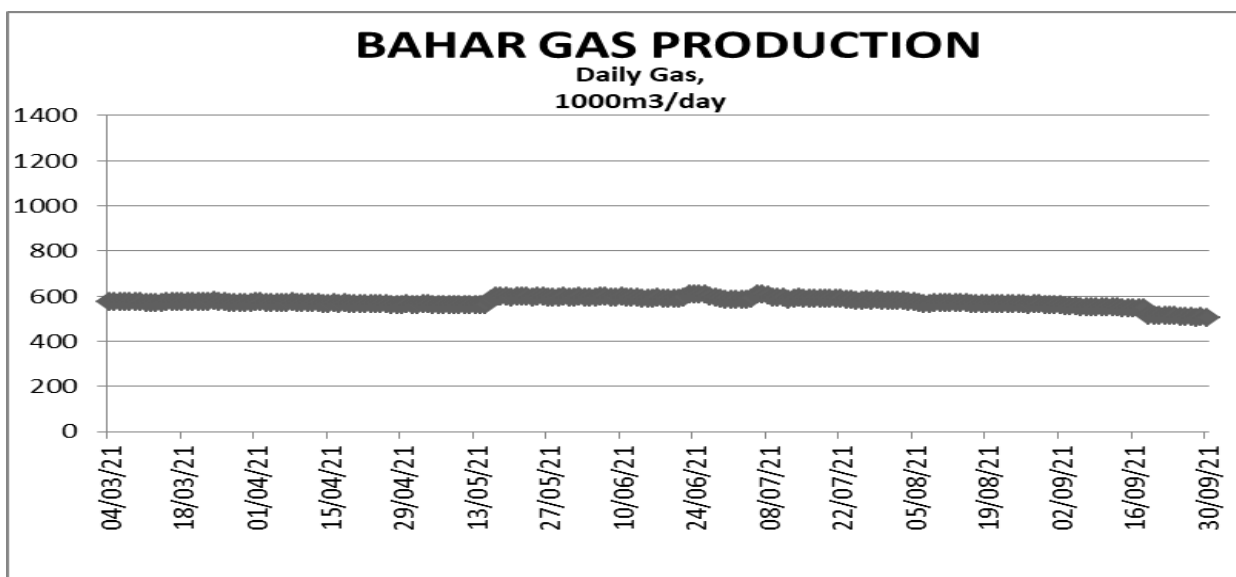
Following works carried out by "Atlet-8" crane vessel: Loaded 2 generators on board from PLT208. Unloaded 2 generators to “Hovsan port” & loaded on board following construction materials: 39 pcs of angles, 93 pcs of metal sheets, 34 pcs of 60mm i-beams, 3pcs of 50mm i-beam, 47 pcs of 40mm i-beams. Unloaded 75 pcs of metal sheets, 24 pcs of 60mm i-beams, 47 pcs of 40mm i-beams, 39 pcs of angles over PLT209 & loaded on board 2 pcs of 89x10 panel. Unloaded 2 pcs of 8m x 10m panel & 15 pieces of metals sheets over Bahar PLT65. Unloaded 10 pcs of 60mm i-beams, 3pcs of 50mm i-

beam, 2 pcs of metal sheets over Bahar PLT168, and loaded on board 2 pcs of 10x10 panels, 4 jts of 16”pipe. Carried out relocation of V12 skid pump on the PLT. Unloaded 2 pcs of 10x10 panels, 2 pcs of metal sheets & 4 jts of 16”pipe over Bahar PLT65. Loaded on board 3 living shacks, 1 WC, 5 cylinders full of oxygen & 5 empty, 1 cylinder full of liquid gas another 1 empty, unload it over PLT48. Loaded on board 1 unit of Power Swivel & 800l of fuel in 1m3 plastic tank from PLT196. Unloaded 1 unit of Power Swivel & 800l of fuel in 1m3 plastic tank over PLT20. Loaded 1 unit of PS on “Ulluchay” crane vessel’s board. Loaded 25-tonner mobile crane 99 ST 823, 1 set of power tongs, compressor hose on board from “Ulluchay” crane vessel. Unloaded 25 tonner mobile crane 99 ST 823, 1 set of power tongs, compressor hose over PLT412. Ulluchay staff got off the “Ulluchay” crane vessel. "Atlet -8" crane vessel has done its job and sailed back to Zig port.

f) Year to Date Production: Bahar



g) Bahar Gas Production for Last Six Months.



h) Additional Production Works:

- Construction of “**Closed Loop System**” project stipulated to prevent pollution of environment through discharge of formation water from technological storage reservoirs located at Oil Processing Unit is ongoing by “Construction Division”.
- Relocation of gas / fluid measuring junction continues at 470 that belongs to “Gum-Deniz” area.
- Due to removal of Gas Distribution Point at causeway connected to PLT450 “Construction Department” initiated laying of 3 ea of 2.5” gas lift lines running from causeway PLT009 to PLT450 at Gum-Deniz Field, connection works will be proceeded.
- Several leaks occurred on 6 ”subsea production lines between PLT 409 and 412 and 8” subsea production lines between PLT409-PLT208 and were eliminated by diving crews.
- Connection of 10” line was done in the area of Oil & Gas Production Dept. after 28 May , continue laying 10” gas transmission pipeline connected to the 35atm main where BEOCL natural gas is transported from SOCAR Oil & Gas Production Dept. after 28 May to Gas export dept.

September 2021	
Name of the operation	Completed Operations
Hot Light Oil Operation in wells	8(7 wells)
Fluid level survey	77(14 wells)
Sulfanol treatment in wells	3(3 well)
Salinity measurement in wells	68(32 wells)
Soap stick application in gas wells	-

i) Auto-Transportation Sub-Division.

Report for September 2021								
Description	Number	Work hours	Moto hours	Repair Hours	Milage km	Amount of works carried out		
						Number of Vehicles/hourly	Number of Vehicles/monthly	Number of Vehicles/daily
TRF	154							
Pulling Units serving for WO	9	597.5	597.5	54				
Stationary Type Pump (V-12)	1	71.5	71.5	20				
Stationary Type Pump (V-16)	1			7				
Drawwork (QBQ-120)	2	697.5	697.5	18				
Mobile Boiler Truck (Consisting of two parts)	1	5	5					
Cement Trucks serving all BEOC Departments	11	1332	273	103	17			
Water Tank Trucks of Autotransportation Workshop	3	336	53	29	3113			
Other vehicles of Autotransportation field	7	1136	140.1	104	1555.1			
Fire trucks	3			6				
Number of Trucks put back into service after a long term repair works								
Rented Heavy duty trucks						19/299	8/months	28/68

Logistic Report for Lifting Operations for September 2021			
01.09-30.09			
Months	Orders	Weight (kg)	Hours
GENERAL	<u>Total: 154</u>	<u>Total: 2721000</u>	<u>Total: 609</u>

j) Marine Sub-Divison.

Report for September 2021								
	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION
		OUTBOUND	INBOUND					
ULLUCHAY	5 days					14	TOTAL-31	TOTAL-13
MAGIC-1	17 days	347	318		NO			
IUTOQA	1 day			136,784 liters of diesel fuel AND 30,000 kg water	NO			
KESSON	3 days				NO			
SLV-370	3 days			168,300 kg water	NO			
ATLET-8	2 days			524,600 kg	NO			

k) Power usage and charges chart:

POWER/ELECTRICITY COST by MONTHS - 2021

ACTIVE ENERGY	Kwatt									
LOCATION	January	February	March	April	May	June	July	August	September	TOTAL
GumDeniz - Field	710,000	640,000	653,000	651,500	527,000	410,000	430,000	300,000	356,000	4,677,500
Compressor station 14	73,000	66,000	69,000	68,600	70,000	80,000	970,000	855,000	120,000	2,371,600
Compressor station 1	342,000	297,000	317,000	319,500	349,000	300,000	384,000	375,000	365,000	3,608,500
Compressor station 2	540,000	478,000	484,000	488,200	539,000	500,000	662,000	700,000	560,000	4,397,700
Automotization Industrial Processes	6,800	6,200	6,200	6,000	5,000	5600	6,000	6,300	6,500	55,400
Electric workshop	7,100	6,400	6,500	6,500	5,800	6200	6,700	7,000	7,300	112,200
Oil Process	90,000	80,000	80,000	80,600	89,600	73000	78,000	65,000	60,000	636,200
5000 area	126,000	107,000	108,000	90,000	98,000	75000	63,000	55,000	50,000	772,000
Gas Process	6,769	6,033	6,533	6,435	3,148	3175	3,791	4,055	3,427	43,366
Workover	30,247	25,220	27,220	26,423	27,625	22412	20,600	20,400	21,751	221,898
Offices	40,036	34,061	34,064	34,064	35,266	29065	27,253	27,042	28,394	289,245
Transportation	36,078	32,486	35,456	34,456	35,658	23443	21,631	21,423	22,774	263,405
Laboratory	13,640	12,217	12,217	11,216	12,418	9212	9,100	8,900	10,251	99,171
Construction	39,680	35,250	35,250	35,252	36,454	30241	28,430	28,220	29,572	298,349
Water supply	148	116	196	197	59	67	79	68	83	1,013
TOTAL -KW	2,061,498	1,825,983	1,874,636	1,858,943	1,834,028	1,567,415	2,710,584	2,473,408	1,641,052	17,847,547
0.076271187										
COST AZN total	157,233	139,270	142,981	141,784	139,883	119,549	206,739	188,650	125,165	1,361,254
REACTIVE ENERGY kVAR										
kVAR	927,459	735,329	895,218	998,319	1,126,012	1,171,496	1,895,056	1,749,188	1,075,679	10,573,756

I) Workover Division.

Bahar WO's

- BHR 196 – Fished out 30 joint of DP. Total fished 399 joints of LH DP's out. Decision been made to defer operation due to Rig power. Will back to well operation with Derrick and draw work. RD the Rig and LD WO equipment. Getting ready to move the Rig over the G351, equipment to B074 well.
- BHR 165 – Successfully managed milling of deformed / damaged tubing string occurred as a result of perforation made through tubing at 3763 - 3767m interval in 1995. Had parted drill pipe string, fished out, and got back to milling operation. Milling TOF at 3834m. Continue...
- BHR 206 – Had parted drill pipe string , fished out and got back to milling operation. Milling TOF at 3593.37m. RIH w/ 93mm STC String, tagged fish top at 3593.37m. Ongoing...

Gum Deniz WO's.

- GD 479 – Set the ESP Assy. at desired depth. Well back on production.
- GD 716 – Pulled out and LD ESP Assy. Observed second pump out of function. MU and RIH w/Open end Reentry guide, tagged TOS at 2772m. Poured fine sand into the hole and made TOS at 2670m (2673m by WM). Prep to POOH w/string. Dumped cement on TOS and made PBSD at 2670.4m. RIH w/GLV PS 2303m. POP & produce 2618 – 2624m perforation intervals. MWP.

- GD 601 – Pulled w/GLV PS. RU SGGI WU. TD confirmed at 3098m. Set BP at 3095m, dump cement on top and make TOS at 3093m. Perforated at 2976-2978m, 2985-2986m, 3038-3040m intervals w/73mm Casing Guns. All shots were fired. RIH w/GLV Production string to 2300m. POP. But couldn't get production out of the well. Recovered equipment shut the well-off. Moved the Rig over G038well on the Island.
- GD 203 – Successfully pulled out w/40years old 2000m production string and GLVs. Tubing condition is good, nothing left in hole. Will RIH w/ 136.5mm JM. Suspending due to operations in G716 well.
- GD 038 – Moved the Rig, pulled out w/production string. RU Wireline. Confirmed TD at 2950m. Performed INNK Log up to 1850m. Secured the well. W / O Log interpretation result

South Gum Deniz WO's.

- GD 413 – Pulled out w/ESP Assy. Observed rust on the cable and cable clamps. Last 35m of cable unusable. Observed hole on tubing at 1150m. MU and RIH back in w/New ESP Assy. on Brand new tubing string. Landed at 1681m. Well put back on production.

Out of Field.

- Working on the design adaption of 28m Derrick at PLT 2 with intention of having heavy Rig on the well for future planned well WO / Intervention.
- Working on straddle packer application in B177.
- Worked on design of Mobile Cement Batch Mixer and submitted for RFQ. Coordinating with suppliers in regards to technical details.

Working with BH GE on cementing application for GD wells with low injectivity zones which need to be isolated from contribution into the production fluid.

a) Monthly / Annual Workover Statistics

Month	Workover & Well Service Jobs completed	Number WO & WS Success
January	4	1
February	8	3
March	10	4
April	12	4
May	10	5
June	8	5
July	10	2
August	12	6
September	9	5
Total	85	35

b) Summary of Workover Activity

Workover Operations					
Well	Operation	AFE #	Actual Cost	AFE Amount	Difference
BHR 196	Fishing / Recompletion	40-2-196-01-21	265M \$	238M \$	-27M \$
BHR 165	Fishing / Recompletion	40-2-165-01-21	129M \$	308M \$	179M \$
BHR 206	Recompletion	40-2-206-01-21	86M \$	327M \$	241M \$
GD 601	Recompletion	40-1-601-03-21	77M \$	41M \$	-36M \$
GD 203	Fishing / Recompletion	40-1-203-01-21	9M \$	42M \$	33M \$

c) Summary of Well Service Activity

Well Services		
Well	Operation	Actual Cost
GD 716	Replace ESP to GLV system	50M \$
GD 479	ESP replace	30M \$
GD 413	ESP replace	22M \$
GD 038	Well service	9.7M \$

III – CONSTRUCTION: Reported by Ali İskender Gurbanzade

CONSTRUCTION PROGRESS REPORT FOR September 2021

#	Field/Location	Work Description	Status
Gum-Deniz			
1	Gum-Deniz, Causeways PLT2	Repair & reconstruction at PLT2 Gum-Deniz to carry out WO jobs in the wells 351 & 352. Completed hammering of 11ea piles out of 12" pipes. Connecting hammered piles with existing metal sheets' 600 & 400 steel beams. Continue with welding and mounting of 4 ea 12" pipes for rotary supports.	in progress
2	Gum-Deniz, Causeways	Installation and connection of piles made of 10" pipes in front of PLT66, for the repair of bad parts of the ocauseway and the vehicle overpass. Completed hammering of 4 piles and connection of 400 mm double beams between the piles. Additionally, hammering of new piles on the east side of previously hammered piles.	in progress
3	Gum-Deniz, Causeways PLT9	Connection of 600mm i-beam with 10x10 panels installed on the causways' piles for the widening of the vehicle pass at the causeway in between the crossroads and PLT9 where 6 / 0.4kV Distribution Unit No. 13 located.	in progress
4	Gum-Deniz, PLT2	Concerning WO of wells 203;297; 716; 504 at PLT2, skidding and installation of the UPT-50 pulling unit pedestal and the pipe racks.	in progress
5	Gum-Deniz, Causeway, PLT209	Carrying out works on installation of 12th, 13th 14th & 15th 8x10x0,4m & 10x10x0,6m sized metal panels at PLT209.	in progress
6	Gum-Deniz, Fab.shop	Welding and setting up works in the Fab. shop on the cable spooler used during WO operations (POOH & RIH) at ESP wells of Gum-Deniz field."	in progress
7	Gum-Deniz, Causeways	Continuing welding gas lines and elbows on 2.5" gaslift line layed from PLT9 to PLT450	in progress
Bahar field			
8	Bahar, GZU-2	Proceeding the installation of 12" gas flow line pipe supports along the existing bridge according to the project. Expansion of the existing comb separator area in the south-western part of the working area. Reinforcement of lines coming from wells in the southern part of the existing working site and installation of 6x13m service platform. Have started installation of pipe fittings and comb type separator fabricated in the workshop, on the panels.	in progress
9	Qum-D niz, PLT65	Moving construction crew to PLT65 to carry out restoration and repairs as well to prepare wells 187, 189, 190 & 191 for WOs. Installation of 8th panel 60mm 10x10. Fabrication of pedestal on the east side of the well 191.	in progress
10	Bahar, PLT20	Carrying out repair and restoration works in order to prepare the well 206 for WO located at PLT20 of "Bahar" field, Completed assembling the 4th 10x10m panel. Installation of new panel, rig on the pedestal and fixing-tighting works.	completed
11	Bahar, PLT 48	Repair & installation works as preparation of wells 145 & 146 at PLT48 Bahar field for WO ops.	in progress

Additional Works

1	In the hangar No. 1 of the central warehouse area, the installation of shelves for the collection of goods and materials has commenced, continues.	in progress
2	Hammering of piles made of 10" pipes and welding works over the laying of gas transmission line of 10" pipes connected to the 35atm main where BEOCL natural gas is transported from Oil & Gas Production Dept. after 28 May to Gas export dept.	in progress
3	Construction of new oil trap for oil separation and construction of pump station at Oil Prep. & Transportation area, rooms walls and flooring covering with metal sheets. Installation works on PS on going.	in progress
4	Installation and connection works completed in between old gas lift pipeline along the dam road and the entrance and existing water line close area to the "Halikamas" restaurant as well as installation of vertical pipeline supports. Work is on-going on cutting of old unused lines and installation of additional pipe supports on the existing water line on-going.	in progress
5	Based on the project, BEOCL Representative Office in the Republic of Azerbaijan works on reconstruction of the separator system, to improve the quality of sales gas from Bahar field in GZU #2. Carry on with 12" piles hammering over the prepared area.	in progress
6	Construction of entrance road, demolishing existing concrete and spreading it all around the area, area widening, area levelling and planning, and preparation of concrete slabs for A-80 rig (1-st stage). In order to get well 58 at Gum-deniz field back on production.	in progress
7	In order to re-commission and put back on production the well No. 005, that was suspended for a long time located on 470 in the island area, which has been out of operation for a long time, re-installation and connection of "GSU", "Fluid Measurement" junction and "Household gas" separator located in the area preparation of details in the workshop for laying lines.	in progress
8	Completing repair of rooms and corridor at 1st level of "D" "C" & "B"-block in new Admin. Bld. Continue repair of entrance and basement of B-block.	in progress
9	Pulling submersible pumps out of pits, that serve for the injection system at PLT209 to clean it (2 units) and cleaning of submersible pumps that serves the technical water line at PLT450 GD.	in progress

III – SUBSURFACE: *Reported by Ray Larijani*

Workover Programs prepared

- GD-038 If the perforation zone is plugged, then run Sand Bailer to clean the sand up to TD. RIH and perform , QR/CCL v INNG (2960-2840m) logging. Further operations will be planned according to INNG results.
- GD-203 RIH special mill drill, the cement plug 2105m, fishing tubing strings 2 7/8" -15m (Fishing top-2108m) and mapset packer, cement plug 2426m and 2508m. Clean well down to 2532m. RIH and perform , QR/QUAD/CCL(2532-1870m) logging. Further operations will be planned according to GR/QUAD results.
- GD-413 Run 1730m 2 7/8" tubing with ESP in the well.
- GD-479 Run sand bailer to clean down to TD. If there will be a sand plug. Inspect the condition of the pump and Run 2200m 2 7/8" tubing with ESP in the well.
- GD-601 Add 250 m to the tubing string (1st WP). POOH tubing with gaslift valves (2nd WP).
- GD-716 POOH outer tubing string with ESP. RIH special mill set artificial sand plug at 2673m. Check TD with GR/CCL. Set 2m cement plug at 2671m. Run 2300m. 2 7/8" tubing with gas lift valves in the well (1st WP). Shorten 200m tubing string (2nd WP).

Wells logged/re-logged

Wells completed

1. B-196 Fishing/Recompletion. Ongoing. Expected free gas rate is 50 Mm3/d from B_VII f/u. Actual cost 265 M \$.
2. B-165 Fishing/Recompletion. Ongoing. Expected free gas rate is 55 Mm3/d B_X f/u. Actual cost 129 M \$.
3. B-206 Recompletion. Ongoing. Expected free gas rate is 29 Mm3/d. Actual cost 86 M \$.
4. GD-601 Recompletion. Not successful. Actual cost 77 M \$.
5. GD-716 ESP replaced with GL. Well is under monitoring. Actual cost 50 M \$.
6. GD-479 ESP replace. Well produces with 15m3/d oil, 83 m3/d water, and 1 Mm3/d solution gas. Actual cost 30 M \$.
7. GD-413 ESP replace. Well is under monitoring. Actual cost 22 M \$.
8. GD-203 Well Service. Continues. Expected oil rate is 10 m3/d . Actual cost 9.5 M \$.
9. GD-038 Well Service. Continues. Actual cost 9.7 M \$.

Note* Actual cost is taken from WO monthly reports and reported amount is for only current month.

Cased-hole logging:

Interpreted logs from GGI:

Geology

- PLT-002, PLT-208a, PLT-223, PLT-163, PLT-160b, and PLT-450 wells WO candidates evaluated and presented to management.
- GumDeniz island side-track drilling program prepared and presented to management.

Reservoir Engineering

- BEOC Reserves Report prepared and submitted to management.
- GumDeniz South GumDeniz area simulation and WO candidates forecasting continues.
- GumDeniz PK and KaS horizon simulation model history match in progress.
- AWP 2022 prepared.
- WO Success file updated.
- Monthly Reports for SOCAR (Production, Delivery, Used, Production and Delivery Indicators, Well Fund).
- Updated Bahar and GD OFGM database.
- Updated daily and monthly production follow-up database.

<u>September 2021 Planned and Fact Production Comparison</u>			
	Plan	Fact	Difference
Oil and Condensate, tons	3320.05	2006.931659	-40%
Free Gas, Mm3	25032.8	16354.93014	-35%
Solution Gas, Mm3	2722.43	1916.486	-30%

Seismic

3D visualization and interpretation of the “Victory” Prospect continues.

Task Schedule

No.	Tasks started	Start date	Provisional completion date
	GD Field		
1	GD South GumDeniz simulation model history matching	15 June 2021	31 October 2021
2	GumDeniz PK and KaS horizon simulation model	15 July 2021	31 October 2021

IV- FINANCE: *Reported by Rasul Gafarov*

On a Monthly Base:

Completed Aug-21 accounting cycle in accordance with the monthly schedule.
According to JOA issued Aug-21 Monthly reports to Contractor Parties.
According to JOA and Sep-21 – Oct-21 Cash Calls distributed to Contractor Parties.

Issued Aug-21 Additional Monthly reports to Contractor Parties.
Issued and distributed Aug-21 Monthly departmental cost reports to Budget Holders / Department Managers.

Issued and submitted Aug-21 monthly reports to government bodies, including but not limited:

Prepared and submitted monthly Aug-21 Financial Highlights report to the Management.

VAT, payroll, social fund and statistical reports;

On an Annual Base:

Start preparation for 2021 six month Audit with the below shown reports and actions:

- BEOC Cost Recovery Report;
- BEL Profit Tax Return;

V – LEGAL PROCESS AND HUMAN RESOURCES: *Reported by*

Ahmadiyya Musayev

Legal, Compliance, Document Control & Translation issues

- Necessary information was provided for the 2022 AWP and Budget;
- Employee and authorities' letters regarding redundancy were answered;
- Replacement payment court case-related actions were undertaken;
- Necessary documents related to Oilmen's Day award were prepared and submitted to SOCAR;
- Relevant documents were prepared and the employment contract of Deputy G&G was terminated;
- A new letter was addressed to FHN regarding the fire safety contract;
- Certain incoming letters were addressed with the necessary input;
- Liaison activities with Surakhany Mayor's office continued;
- Necessary internal orders were drafted/reviewed and commented;
- Rep Office's different structural units were provided with other necessary legal support, including in relation to certain issues arising from PSA and legislation; JAFZA renewals and other activities were carried out;
- Document control function covering both internal and external correspondence, and maintenance of archive was performed;
- Verbal and written translation support was ensured.

a) HR issues

- Use of the outstanding vacations was monitored.
- Employment Agreements of 13 employees were terminated.
- Employment Agreements were signed with 3 new employees.
- To be expired contracts were followed up and management was updated.
- Overall, 683 HR-related operations have been made through this month.
- Organizational structures have been updated as per last changes.
- 135 vacations and 24 bulletins have been written and entered to the HRB system.
- Review and revisions of current job descriptions were ongoing.
- Review of employee personal files continued.
- Meetings were held with HRB system provider to discuss issues related with software.

VII– ADMINISTRATION & SECURITY: *Reported by Ahmadiyya Musayev*

- The indicators of Azersu water meters were reported;
- Monthly schedules and timesheets for the Administrative as well as for their contractors have been prepared;
- MRs were prepared for takeoff of the goods entered into Administration warehouse;
- Monthly reports on turnover goods and materials, low value goods and write-off acts as well as low value goods use acts were prepared;
- Technical inspections in the rooms and offices belonging to the Representative Office were carried out, inspection of the rooms and offices, supervising the cleanliness and tidiness of the offices, rooms and around the main office was performed;
- Heating radiators were inspected, required radiators were registered;
- Damaged equipment was replaced with new ones in sanitary facilities;

- New curtains installed to 20 offices-101, 102, 103, 104, 105, 107, 108, 109, 110, 111, 112, 113, 115, 206, 207, 208, 209, 210, 211, 213;
- 10 air conditioners transported from Operations old administrative building to Main office-#102, 103,104, 105, 106, 108, 109, 110, 111, 112.
- 1 new air conditioner installed to Finance division's open space.
- 82 BEOCL employees applied to First Aid Room with non-work related diseases during the reported period. All of them were rendered corresponding examination and treatment.

b) Security& Civil Defense activities

- 350 one-time permissions were issued for 230 persons and 203 vehicles entered to BEOC premises based on the requests received.
- Records in the log book of 741 employees who left for Bahar (working per shift) were maintained and their availability at work was checked during the current month.
- Deployment of employees (working on shifts) to Bahar field on vessels was accompanied on 01,10,16,19,25,28 day of current month by the Department's rescue-diver personnel.
- The specialists of the Department took part in the control of the transfer of 136784 liters of diesel fuel to "Bahar" area on 25.09.2021.
- 5 letters were sent to Avtandil Aqayarov, the Chief of " Tornado-S " LTD, in order to get permission certificates for 22 employees and 13 special vehicles to be able to enter the "BEOCL" area, according to terms of the contract.
- T-cards control was carried out as per the established procedure.
- Civil defense-related activities continued per the approved plan.

VIII – PROCUREMENT & MATERIALS: *Reported by Rasul Gafarov*

Procurement Division

- 75 MRs & SRs Received;
- 53 POs and SOs prepared in SUN System;
- 0 MRs canceled/oh hold;
- 0 MRs & SRs passed to Contract/Tender;
- 50 MRs & SRs under sourcing stage.

Tendered Contracts under process – 1

- BEOCL 10173 - Rent of ESP's

Number of Active Contracts

- OPS/WO/LOG – 103 (incl. 15 transportation services and 21 services contracts for empl.);
- Construction - 31;
- HSE – 13 (including 1 service contract for empl.);
- G&G – 11 (incl. 2 consultancy contracts & 1 contracts for payment purpose only)
- ADMIN – 20 (incl. 3 service contracts for empl.)

- HR – 5;
- ITC – 12;
- Legal – 16;
- PM – 17 (incl. 1 contracts for payment purpose only);
- Finance – 3;

Materials Division:

- 1,548,532.00 kg handled without incident;
- WHS received 77 PO's, 304 line items for the amount of AZN 1,790,594.49;
- WHS issued 386 line items for the amount of AZN 671,144.92;
- 89 NCR's raised; 29 NCR's was closed;
- Fuel station received 170,980.00 Liter of Diesel;
- Fuel station issued 159,129.00 Liters of Diesel;
- Fuel balance at October 1, 2021, is 40,378.00 Liters;

IX – IT: Reported by Eldar Eyyubov

- No disruption in ICT department within June
- Within September was no disruption in ICT dept.
- 101 helpdesk requests were processed
- All new employees were provided with access cards
- Checked the equipment of resigned personal
- Installed the equipment of relocated personal
- Fixed were 3 printers and 2 desktop computers
- Upgraded the simulation server
- All empty cartridges were replaced
- All printers have been checked
- All servers checked and backed up.

-----**End of Report**-----