

FC 18764

Azerbaijan International Operating Company

Balance sheet as at 31 December 2000

	<u>2000</u> <u>\$</u>	<u>1999</u> <u>\$</u>
Amounts due from Shareholders	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Unlimited Redeemable shares of \$0.01 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

Approved:
Secretary

N. Jemur

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Azerbaijan International Operating Company

Profit and Loss Account for the year ended 31 December 2000

	<u>2000</u>	<u>1999</u>
	<u>\$ '000</u>	<u>\$ '000</u>
<u>Income</u>	0	0
 <u>Expenditure</u>		
Property, Plant and Equipment	140,395	208,247
Direct Operating Costs	105,643	60,493
Indirect Operating Costs	2,420	48,723
Reimbursed by participants in the PSA	<u>(248,458)</u>	<u>(317,463)</u>
	-	-
Net Profit	-	-

Approved:
Secretary

Azerbaijan International Operating Company (AIOC)

Company Formation and Registration

AIOC was registered on 24 February 1995 in its country of incorporation, the Cayman Islands as number 58658 and where its registered office is:

Walker House
Mary Street
P.O. Box 265
George Town
Grand Cayman
British West Indies.

AIOC is also registered in the following places:

In the Azerbaijan Republic as number 144 and where its registered office is: 2 Neftchilar Prospekti, Bailov, Baku.

In the UK at Companies House as an overseas company in accordance with Section 691 of the Companies Act 1985 and as number FC18764.

Activities of the Company

AIOC was formed to conduct Petroleum Operations i.e. operations relating to the exploration, appraisal, development, extraction, production, stabilisation, treatment, stimulation, injection, gathering, storage, handling, lifting, transportation of petroleum, and the marketing of petroleum from the three fields (the Azeri and Chirag Fields and the Deep Water Portion of the Gunashli Field) in the Azerbaijan section of the Caspian Sea on behalf of the eleven International Oil and Gas companies (Contractor Parties) who are its shareholders.

AIOC acts on behalf of the Contractor Parties and owns no assets, although it may manage and use assets or equipment owned by the Contractor Parties in conducting Petroleum Operations on behalf of the Contractor Parties.

AIOC is not entitled to any share of Petroleum produced and operates exclusively as a non profit cost company which can neither make a profit nor incur a loss.

Principle Place of Business

AIOC conducts its Petroleum Operations from its registered office in Baku.

Officers of the Company (as at 31 December 2001)

David Woodward	Director and President
Philip C. Home	Director and Vice President
George Siler	Vice President
Michael Townshend	Vice President
Graham Scotton	Vice President
Ewen Patterson	Vice President
Neil Shaw	Vice President
Bill Hunter	Treasurer
Peter Brookes	Assistant Treasurer
Nick Desmond	Secretary
Masoud Javadi	Assistant Secretary

Shareholders (as at 31 December 2001)

Amoco Caspian Sea Petroleum Limited
BP Exploration (Caspian Sea) Limited
Delta Hess Khazar Limited
Delta Hess (ACG) Limited
Exxon Azerbaijan Limited
Itochu Oil Exploration (Azerbaijan) Inc.
Lukoil Overseas (BVI) Ltd.
Pennzoil Caspian Corporation
Statoil Apsheron a.s.
Turkiye Petrolleri A.O.
Unocal Khazar, Ltd.