

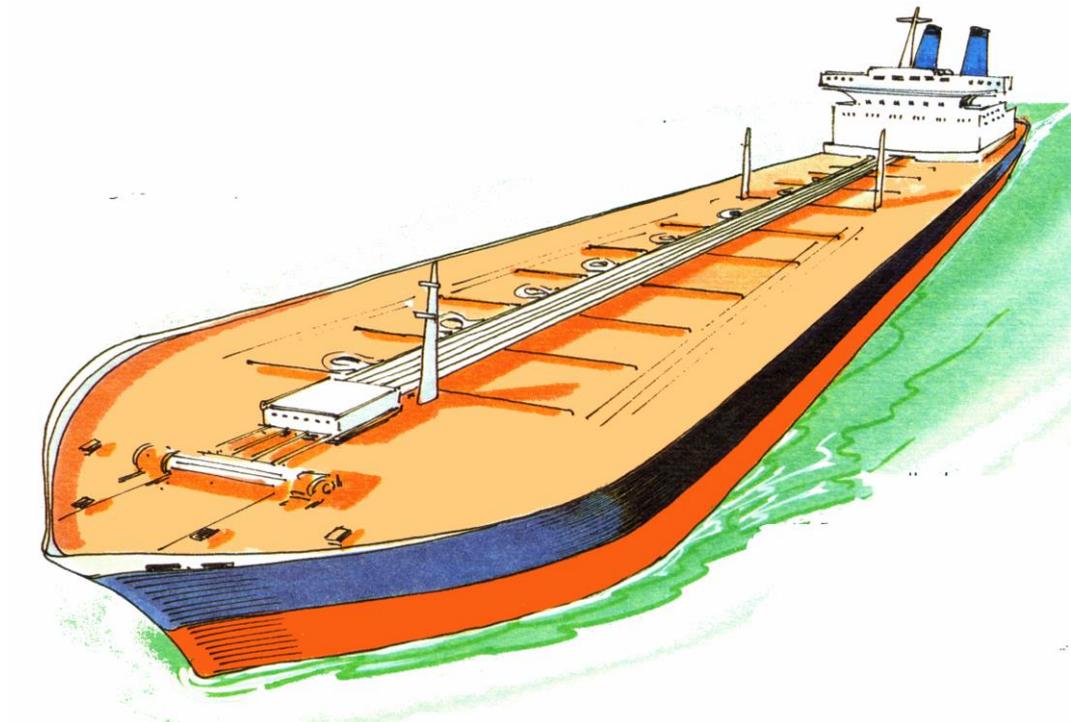


MINISTRY OF NATURAL RESOURCES | KURDISTAN REGIONAL GOVERNMENT
هه‌زاره‌تی سامانه سروشتیه‌کان | حکومه‌تی هه‌ریمی کوردستان

Monthly Export Report

August 2015

Report Prepared: 3rd September 2015



Monthly Export Report

Executive Summary

In August, 2015, the Kurdistan Regional Government (KRG) continued its direct oil sales in Ceyhan to compensate the Region for the budget shortfalls from the federal government in Baghdad and to continue to pay down debts accumulated in 2014 from pre-payments for direct oil sales.

The Kurdistan Regional Government (KRG) exported 14,657,798 barrels of crude oil (an average of 472,832 barrels per day (bpd)) in the month of August through the Kurdistan pipeline network to the port of Ceyhan in Turkey.

Of this amount, fields operated by the KRG contributed 10,958,817 barrels (353,510 bpd on average), while fields operated by the North Oil Company (NOC) contributed 3,698,981 barrels (an average of 119,322 bpd). In August, the KRG supplied SOMO in Ceyhan with 1,579,004 barrels (average of 50,936 bpd).

Due to circumstances beyond the KRG's control, during August there were 9 days of downtime for the export pipeline, which mostly occurred at the beginning of the month. This was due to sabotage and theft on the pipeline in Turkey.

In June 2015, the KRG exported 17,130,639 barrels of crude oil (an average of 571,021 barrels per day). In July, the KRG exported 16,019,090 barrels of crude oil (an average of 516,745 barrels per day). However, in August, total KRG export had fallen to 14,657,798 barrels (average of 472,832 bpd), a decline caused by the sabotage and theft inside Turkey.

These recent attacks on the pipeline in Turkey combined with the global fall in the oil price have added to the economic crisis faced by the KRG and have severely impaired its ability to pay government salaries, fund the fight against IS terrorism and help provide for the Region's 1.8 million refugees and internally displaced people.

Table of Contents

| | |
|---|--------|
| Export Summary | Page 3 |
| Table of Exports via Ceyhan | Page 4 |
| Table of Quantities Delivered to SOMO as per BOTAS Certificates | Page 5 |

Notes

1. For measurement purposes, the definition of a day is 6am on a particular day ending 24 hours later at 6am the next day.
2. Table of exports via Ceyhan (page 4): Transfers to SOMO that start on one day and finish on the next day, will be split pro-rata across both days.
3. Table of quantities delivered to SOMO as per BOTAS certificates (page 5): Transfers to SOMO are assigned to the date of closing according to the BOTAS certificates, with the exception of transfers that are on-going at 6am on the 1st of any month, in which case the recorded volumes are allocated to that month and the previous month.
4. All volumes in this report are measured in barrels at standard condition (60 degrees Fahrenheit and 1 atm), unless stated otherwise.

Export Summary

August 2015

| Storage Summary | |
|---|------------|
| KRG Beginning Storage Tank at Ceyhan 6am-01/08 (bbls) | 313,225 |
| Total Received (KRG & NOC Fields) at Ceyhan by KRG Tanks (bbls) | 14,635,275 |
| Total Delivered to SOMO at Ceyhan (bbls) | 1,579,004 |
| KRG Direct Sales at Ceyhan (bbls) | 12,118,146 |
| KRG End Storage Tank at Ceyhan 6am-01/09 (bbls) | 1,251,350 |

| Export Summary | |
|--|------------|
| Total Exported (KRG & NOC Fields) to Ceyhan (bbls) | 14,657,798 |
| Average Daily Exported (KRG & NOC Fields) to Ceyhan (bbls/day) | 472,832 |
| Total Exported to Ceyhan from KRG Operated Fields (bbls) | 10,958,817 |
| Average Daily Exported to Ceyhan from KRG Operated Fields (bbls/day) | 353,510 |
| Total Exported to Ceyhan from NOC Operated Fields (bbls) | 3,698,981 |
| Average Daily Exported to Ceyhan from NOC Operated Fields (bbls/day) | 119,322 |

| Deliveries to SOMO | |
|--|-----------|
| Total Delivered to SOMO at Ceyhan (bbls) | 1,579,004 |
| Average Daily Delivered to SOMO at Ceyhan (bbls/day) | 50,936 |

| Daily Averages Excluding Periods of Shutdown* | |
|---|---------|
| Average Daily Delivered to Ceyhan for Exports (bbls/day) | 666,264 |
| Average Daily Delivered to Ceyhan for Exports from KRG Operated Fields (bbls/day) | 498,128 |
| Average Daily Delivered to Ceyhan for Exports from NOC Operated Fields (bbls/day) | 168,136 |
| Average Daily Delivered to SOMO at Ceyhan (bbls/day) | 71,773 |

*Cumulatively, there were 9 days of downtime in August due to circumstances beyond the KRG's control. The figures presented in this table show daily averages considering the actual number of days the pipeline was online, which was 22 days.

Exports via Ceyhan

August 2015

| Date | Exported from NOC Operated Fields (bbls) | Exported from KRG Operated Fields (bbls) | Total Exported (bbls) | Total Received at Ceyhan (bbls) | Actual Received by SOMO (bbls) | Cumulative Received by SOMO (bbls) |
|--------------|--|--|-----------------------|---------------------------------|--------------------------------|------------------------------------|
| 01/08/2015 | 0 | 0 | 0 | 0 | 420,651 | 420,651 |
| 02/08/2015 | 0 | 0 | 0 | 0 | 0 | 420,651 |
| 03/08/2015 | 0 | 0 | 0 | 40,741 | 0 | 420,651 |
| 04/08/2015 | 0 | 0 | 0 | 0 | 0 | 420,651 |
| 05/08/2015 | 82,173 | 318,656 | 400,829 | 307,020 | 0 | 420,651 |
| 06/08/2015 | 170,684 | 486,472 | 657,156 | 659,035 | 152,205 | 572,856 |
| 07/08/2015 | 171,117 | 480,977 | 652,094 | 624,426 | 0 | 572,856 |
| 08/08/2015 | 170,698 | 500,366 | 671,064 | 679,142 | 0 | 572,856 |
| 09/08/2015 | 181,618 | 484,990 | 666,608 | 658,523 | 0 | 572,856 |
| 10/08/2015 | 60,395 | 165,168 | 225,563 | 361,320 | 0 | 572,856 |
| 11/08/2015 | 71,892 | 281,909 | 353,801 | 225,330 | 0 | 572,856 |
| 12/08/2015 | 177,678 | 484,104 | 661,782 | 659,976 | 0 | 572,856 |
| 13/08/2015 | 174,780 | 479,694 | 654,474 | 661,137 | 0 | 572,856 |
| 14/08/2015 | 134,369 | 373,298 | 507,667 | 589,707 | 649,992 | 1,222,848 |
| 15/08/2015 | 54,037 | 250,172 | 304,209 | 219,451 | 356,156 | 1,579,004 |
| 16/08/2015 | 163,587 | 501,569 | 665,156 | 679,160 | 0 | 1,579,004 |
| 17/08/2015 | 105,648 | 446,383 | 552,031 | 555,795 | 0 | 1,579,004 |
| 18/08/2015 | 160,401 | 470,534 | 630,935 | 648,042 | 0 | 1,579,004 |
| 19/08/2015 | 171,535 | 487,880 | 659,415 | 686,535 | 0 | 1,579,004 |
| 20/08/2015 | 171,103 | 478,705 | 649,808 | 654,877 | 0 | 1,579,004 |
| 21/08/2015 | 172,168 | 485,537 | 657,705 | 646,824 | 0 | 1,579,004 |
| 22/08/2015 | 172,224 | 486,070 | 658,294 | 674,247 | 0 | 1,579,004 |
| 23/08/2015 | 48,968 | 139,437 | 188,405 | 261,977 | 0 | 1,579,004 |
| 24/08/2015 | 0 | 0 | 0 | 0 | 0 | 1,579,004 |
| 25/08/2015 | 113,563 | 288,087 | 401,650 | 329,916 | 0 | 1,579,004 |
| 26/08/2015 | 156,095 | 475,980 | 632,075 | 573,939 | 0 | 1,579,004 |
| 27/08/2015 | 155,569 | 461,907 | 617,476 | 628,316 | 0 | 1,579,004 |
| 28/08/2015 | 162,838 | 485,906 | 648,744 | 651,096 | 0 | 1,579,004 |
| 29/08/2015 | 167,159 | 487,364 | 654,523 | 650,865 | 0 | 1,579,004 |
| 30/08/2015 | 166,488 | 483,448 | 649,936 | 663,744 | 0 | 1,579,004 |
| 31/08/2015 | 162,194 | 474,208 | 636,402 | 644,134 | 0 | 1,579,004 |
| Total | 3,698,981 | 10,958,817 | 14,657,798 | 14,635,275 | 1,579,004 | |

Quantity Delivered to SOMO as per Certificates from BOTAS

August 2015

| Date | Quantity Received According to BOTAS ⁺ Certificate (bbls) | Certificate/Letter Reference |
|--------------|---|------------------------------|
| 01/08/2015 | 420,651 | - |
| 06/08/2015 | 152,205 | - |
| 14/08/2015 | 649,992 | 116 |
| 15/08/2015 | 356,156 | 117 |
| Total | 1,579,004 | |

⁺BOTAS is a Turkish state owned petroleum pipeline and trading company.