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FACULTY OF MECHANICAL ENGINEERING
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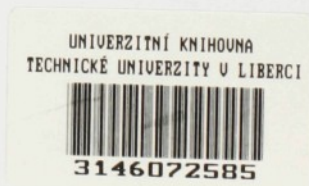
diploma work



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The head and consultant of DP	Doc. Ing. Petr Louda, CSC. TU Liberec

Material characteristic of oil well drilling tubular product
&
New petroleum project proposal, marketing, technical
and financial analysis for future economic company
development, under the title:
Europe Petroleum exploration & drilling corporation
Ltd.

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THEME OF DIPLOMA THESIS

Name a surname

Youssef El hadi

Study program

M2301 Mechanical Engineering

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Direction

Material Engineering

According to Act No. 111/1998 Sb. on Higher Education Institutions you have received diploma work with theme:

**Material characteristic of oil well drilling tubular product
&
New petroleum project proposal, marketing, technical
and financial analysis for future economic company
development, under the title:
Europe Petroleum exploration & drilling corporation
Ltd.**

Instructions for elaboration:

(List principal goals and recommended methods for elaboration of the master thesis)

1. This book forecast the light on the petroleum industrie and the importance of material science in petroworld
2. A overview about the material characteristic of oil well drilling tubular product and their manufacture, as drill pipe, drill collar, heavy weight drill pipe...
3. Testing the hight strengh and toughness, which require the applications of some grad of drill pipe.
4. A "5 years" feasibility study for a futur Czech petroleum project

Annotation

The book is a kind of feasibility study which include a marketing, technical and financial analysis, for a future petroleum company.

The technical study gives us a manufacturing overview about oilwell drilling tubular products, and their material characteristic, surface heat treatment, hardness, type of materials, stress fatigue resistance, corrosion resistance, strenght and toughness and hardfacing ...

All this high quality the material of tubulars products should included in order to complete a successful mission deep in the earth.

Anotace

Tato kniha je zpracována jako studie, jenž zahrnuje marketinkovou, technickou a finanční analýzu budoucí naftařské společnosti.

Technická studie nám umožňuje nahlédnout do výroby naftařských vrtných trubkovitých výrobků a jejich materiálové charakteristice jako je povrchové tepelné zpracování, tvrdost, typ materiálu, odolnost pružnosti proti únavě, odolnost proti rezivění a pevnost, tvrdost povrchu.

Všechny tyto důležité kvality by měly trubkovité výrobky obsahovat, aby mohly úspěšně splnit své poslání hluboko pod zemí.

Elaboration form of the diploma work:

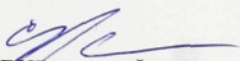
- report with extent from 30 to 130 pages
- attachments and/or appendices


List of literature (Cite recommended professional literature):

- [1] Geophysical Imaging Technology
National Institute of Advanced Industrial Science and Technology (AIST)
Year 2001.
- [2] A Basic Text of Oil and Gas Drilling
Baker Ron, year 2001.
- [3] Grant Prideco tubular technology ,year 2003.

The head and consultant of diploma work Doc. Ing. Petr Louda, CSC.
TU Liberec




prof. RNDr. Petr ŠPATENKA, CSc.
Head of the Department


doc. Ing. Petr LOUDA, CSc.
Dean

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The theme of master thesis is valid 15 months the from abovementioned date. Terms for delivery of master work are determined and published in the time schedule of education for the each study year.



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Symbol and it's equivalent explanation

EOR	Enhanced oil recovery
3-D	Three demonsion
CDP	Conventional difraction pluton
MT	Magnetotelluric
DST	Drill steam test
CNC	Computer numerically controlled
ID	Inside diametre
OD	Outeside diametre
HH	Hand-held survey instrument
PPE	Personal protective equipment
SAE	Society automotive engineer
AISI	American iron and steel institute
API	American petroleum institute
BSR	Bending strength relation
RPM	Round per minute
AISI4142H, AISI 1340	Type of material
HWDP	Heavy weight drill pipe
BOP	Blowout preventer
€	Euro
EPEDC	Europe petroleume exploration & drilling corp.ltd
Km	Kilometre
Hz	Hertz
Kg	Kilogramme
M	Metre
MP	Mega pascal
°C	Degree celsius
HB	Brinell hardness
Ft	Foot
Lb	Liber
In	Inch
T	Temperature
BHN	Brinell hardness number
PSI	Pound-force per squer inch (American standard for mesurement of pressur psi=lbf/in ² =6.89476 KPa)
HI TORQUE, SMOOTHX, SUPERSMOOTHX, SST, TUFF WELD	are special tegnology technique of Grant Prideco
OH, FH, PAC, W, SCH90, HT38, RP7G, SH, H90, NC 23, NC 26 ...etc	Common sizes and styles of conections

1. Introduction

This book is a future vision for a Czech petroleum company
EUROPE PETROLEUM EXPLORATION & DRILLING CORPORATION Ltd.
Leading countries in petroleum energy industry, as USA, France, Holland, Canada, China, Russia, have their own oil companies as Conoco (USA), ExxonMobil (USA), TotalElf Fina (France), Shell (Holland), ... which are looking for oil and gas inside and outside their countries.

So they satisfy the need of their country from the national energy consumption and they make more money in reselling oil to other countries, plus they are solid support for the budget of their state.

When we look to the situation of Czech Republic, we find that it is only a market for other countries.

So it is time to move further and to develop the capacity in the domain of energy and petroleum industries which can have a very healthy consequence on Czech economy.

I think that OMV is a beautiful example for a small country as Austria, which is not among rich countries in oil and gas resources, but with the help of OMV company (which is supported by UAE - 19% chair). Austria get what it need from energy and supply other countries in Europe as Czech republic for example.

Youssef El hadi

2. Marketing analysis



2.1. Middle East Petroleum Energy Sector Offering Investment Opportunities

During the past 20 years the Middle East has probably experienced more attention globally due to its politics and position in world affairs rather than for its enormous energy wealth. Indications that stability is returning to the region heralds good news at the start of the 21st century. History indicates that investors seeking opportunities frequently follow periods of turbulence or uncertainty. Could that also be the case across much of the Middle East?

There are indications that international investors are becoming more frequent visitors to the region. At the same time there appears to be renewed interest across the Middle East in attracting foreign investment mainly in the energy and utility sectors, where substantial capital expenditure is required to meet the increasing demands of growing economies and rising population numbers. The population in the region is estimated at some 200 million at the end of the 20th century and is projected to grow at about 2,6 % during the next 10-20 years.

It is estimated that capital expenditure of around 350 € billion will be required during the next 10 years on major infrastructure projects for oil, gas, electricity and water. Middle East countries may not be able to fund such amounts of capital expenditure from oil revenues unless the price per barrel averages 23 € or more during the next decade. Country budgets have been under pressure due to low oil prices for much of 1990s, and the deficits are costly to fund and require to be repaid.

Financial pressures have been substantial. Fluctuations in oil prices cumulated towards the end of the 1990s at low levels not experienced in decades. Saudi Arabia denied reports in late 1998 that it had made approaches to the United Arab Emirates for a 5 € billion loan to assist finance projected budget deficits. Other countries were reported to have experienced difficulties meeting budgets given the low oil price. These reports are not surprising given the oil price collapsed by more than 50 % and depressed oil export earnings during this period.

Many investment projects in the Middle East are longer term and capital-intensive. Committing future funds for these projects is manageable provided oil export earnings continue to flow at projected levels. However, this depends on volumes sold and price, as well as global supply and demand issues. Given the vast volumes of oil exported by Middle East countries, a movement of 41 per bbl has a significant impact. For instance, in Saudi Arabia the difference in oil revenues would be about 2,7 € billion for a year. Fortunately, the oil price was about 25 € per bbl at the end of December 1999.

The period of low oil prices triggered many governments in the Middle East to consider reducing subsidies to organizations that provide services to their nationals and to initiate plans to retain a larger element of the oil value chain within their direct control. Sustained high levels in population growth are also causing problems to government budgets. Countries in the Middle East are seeking to encourage greater participation by the private sector. The governments see many potential benefits from encouraging growth in that sector. Many regional countries have started programmes to privatize state-owned businesses (generally outside the oil sector) as a means of reducing subsidies and thus conserving cash resources. As part of these programmes regional governments have begun privatizing, for example, telecommunications and electricity. Some countries have also cut expenditure by reducing subsidies, cutting capital expenditure and delaying or canceling projects.

In some countries across the Middle East governments are moving towards permitting foreign investment in upstream oil projects on carefully structured financial arrangements. The governments are balancing the encouragement of foreign participation with retaining control over their oil assets. The involvement of foreign investment also leaves governments with resources for investment into other essential projects, enabling more rapid development of the economy.

To fund the major capital programmes required to further develop the regions' hydrocarbon resources and meet the increasing power generating capacities arising from population growth and industrialization, private and foreign capital will be needed. Indeed, in many countries within the region, such as UAE, Oman and Qatar, this process has already commenced.

The following paragraphs provide an outline to oil and gas related investment opportunities arising in some of the larger economies within the Middle East region as a consequence of these trends. This article focuses on Iran, Kuwait, Oman, Saudi Arabia and UAE, which are key markets because of their large oil and gas reserves, and also Egypt because of the size of its population.

2.1.1. EGYPT

During the last decade the Egyptian economy has made good progress in the wake of government reforms and an International Monetary fund (IMF) stabilization policy. Amidst the privatization plans for key government owned and managed sectors, foreign investment has been actively encouraged and foreign business interests have grown considerably. The privatization programme is expected to continue and the telecommunications and energy sectors, in particular, utilities will be part of this process in the near term.

Egypt has one of the largest populations in the Middle East with about 60 million people. As with other countries in the region it also enjoys a high birth rate and some 500,000 new job seekers enter the employment market annually. Egypt's Government has developed a privatization programme that is fundamental to its future economic strategy. The Government recognizes the need to attract more foreign investment to provide job opportunities and lower the unemployment rate, which is estimated at around 18 %, although official figures are closer to 9 %.

Egypt is a significant oil producer and is becoming an influential player in the gas market. In the coming years energy will continue to be a key element of the economy, as oil exports equate to around 40 % of export revenues and major new gas fields in the Nile delta will enable the country to be counted amongst the world's leading gas exporters.

Although the state-owned Egyptian General Petroleum Company (EGPC) controls most of the country's oil and gas assets it does so through joint-venture arrangements and participation with private and foreign owned companies such as BP, Amoco, Repsol and British Gas. With volumes of oil declining from its older fields the involvement of foreign companies in oil and gas exploration activities has been and continues to be encouraged. In 1999, 15 concessions were offered for bidding. With economic activity in the country increasing these new oil plays are important to help stave off the point when the country becomes a net importer of oil. New production is not just limited to finds by major producers but also involves smaller independents such as Apache, Seagull and Tanganyika Oil.

Part of the drive to conserve oil consumption during the 1990s was a major push to increase the country's gas reserves and production. Significant finds have been made in the Nile Delta and Western Desert, and in 1999 official estimates put Egypt's proven gas reserves at 40 tcf, compared to 20 tcf in 1997. Major companies in the gas sector include The International Egyptian Oil Company, an ENI Group company, BP-Amoco and Shell. The increase in gas reserves now provide an opportunity for investment in export orientated projects, and in November 1999 Shell is reported to have submitted plans to export gas from its block offshore the Nile Delta, where it is committed to spending about 160 million €.

The Egyptian electricity sector is also set to be a major area of investment by foreign companies. Electricity demand in the country is increasing at approximately 7-8% per annum, and significant investment is needed to increase generating capacity. There are plans to privatise elements of this sector by selling shares to private investors, and several BOOT projects are being put in place to finance the expansion of the required generating capacity. A joint venture between Bechtel, Shell and two local partners will develop the first BOOT project at an estimated cost of 450 million €. The scheme is expected to be operational by 2001 and will be the largest private power plant in the Middle East. Electricite de France (EdF) has been awarded a second project with a total investment requirement of about 900 million €.

The country also has plans to link its electricity network to neighbouring countries such as Jordan, Syria and Turkey. The link to Jordan has already been completed at a cost of 240 million €.

2.1.2. IRAN

During the past 20 years the U.S., the world's largest economy, and Iran, the world's second largest oil producer with roughly 9% of the world's oil reserves and 15% of its gas reserves, have had many political differences. In the mid-1990s the Clinton Administration imposed mandatory and discretionary sanctions on non-U.S. companies investing in Iran's oil and gas sector. There is some recent evidence of attitudes between the two countries thawing. This is important as it comes at a time when Iran appears to be prepared to accept controlled foreign investment into its energy industry.

With an ageing energy infrastructure and a young, well educated and growing population foreign investment is almost certainly required to assist fund necessary improvements and development of oil, gas and electricity sector projects. Iran has a population of about 67 million, but has a low gross domestic product per head of population. It has enormous potential as a market for international goods. However, its industries and infrastructure require more investment after years of passive spend by the government.

Iran faced severe financial problems during the last decade, and such matters were only made worse as a result of the 1998-99 oil price drop. In this economic environment with its large oil and gas reserves the country holds huge potential investment opportunities for foreign oil and gas companies. In 1998 President Khatami called for a steps to be taken to modernize the country's oil sector and last year the government approved plans to restructure the industry. Significant progress has been made in the last two years to attract foreign investment to help develop the country's oil and gas assets and negotiations have been held with several multinational companies concerning the proposed buyback contract.

In November 1990 Shell announced a 800 million € project to develop two offshore oil fields at Soroush and Nowrooz. Notwithstanding that the Shell deal is subject to scrutiny by the U.S., its announcement may well be the catalyst for further major deals with foreign oil companies. Non-U.S. companies such as TotalFina, Elf, Petronas and Gazprom have all been involved in significant deals with Iran in recent years, and others such as Lasmo and OMV are starting to queue up to participate in other available oil and gas plays.

Iran not only needs investment to develop and rejuvenate its older fields but is also eager to press ahead to explore for new discoveries. In September 1999 Iran announced the discovery of its largest oil find in 30 years, a 26 billion bbl field at Nir Kabir in the Southwest Khuzestan province close to the border with Iraq. Such discoveries will require significant investment in the coming years, and it is likely that foreign funds will be needed.

Foreign investment in Iran is not limited to the upstream oil and gas sectors. National Petroleum Co (NPC) has embarked on a major five-phase expansion programme to develop the country's petrochemical sector and is actively seeking foreign partners to participate in this process. Current estimates indicate that about 7,2 billion € will be needed to finance the development of the third phase, which is likely to commence this year. Phases one and two involved 10 projects and 3,5 billion € of investment. This scheme involves the creation of two economic zones in Bandar Imam and Assaluyeh, the latter of which will process gas from the South Pars gas field. Foreign companies already involved in the first and second phases include Krupp, Uhde and Bayer. The Bandar Imam zone will include plants to produce products such as paraxlene (MBTE) and PET/PTA1.

2.1.3. KUWAIT

Kuwait has experienced a difficult end to the 20th century but it is well placed to recover, holding roughly 9% of the worlds total oil reserves. The country has a population of around 2 million people and is one of only a few oil producing countries that has significant excess oil production capacity.

Its government has for years applied some of its surplus oil revenues to subsidizing services for its citizens. However, world pressure on oil prices and a stated government desire to privatize state owned businesses (not only oil related) to reduce the government's spend on subsidies indicates a willingness to consider foreign investment or participation in previously highly controlled and financed national businesses.

In 1999 Kuwait made a major policy change regarding involvement of foreign oil companies in upstream operations. Kuwait plans to increase oil production capacity to more than 3 million bpd by 2005 from its current production capacity of 2,4 million bpd. In pursuit of this objective Kuwait has asked foreign oil companies to submit their ideas for boosting oil output in Kuwait's northern fields. The assistance of foreign oil companies may take the form of „operating service contracts“ under which they will be remunerated by way of a per barrel fee, along with recovery of capital investment and incentives for companies to discuss the opening of the upstream sector.

Regarding downstream operations, Kuwait is studying the possibility of setting up additional refinery capacity but no firm decision has been taken as yet. The country's investment focus also includes expanding its overseas operations in Europe and Asia.

The Ministry of Electricity and Water does not currently appear to be receptive to the idea of privatization. As a consequence, international investment in the utilities sector is likely to be limited to the building of new power stations and engineering consulting.

2.1.4. OMAN

Revenues from oil account for 40 % of the country's gross domestic product and 75 % of Government revenues. However, compared to other petroleum dependent countries in the Middle East Oman has limited oil reserves. In fact, at current production levels Oman is expected to exhaust its oil reserves by 2020. To combat the decrease in oil reserves the country has embarked on a plan to diversify its resources of revenue and has become more receptive to foreign direct investment and assistance compared to many other countries in the Middle East region. The country's oil resources are controlled by Petroleum Development Oman Ltd., which is 60 % held by the Government and 40 % by foreign oil companies, including Royal Dutch Shell and Total.

The Government plans to increase current oil production capacity from 900,000 bpd to 1 million bpd by 2004. To achieve this goal the assistance and investment of foreign oil firms is being actively sought in exploring for and developing new fields and also to improve recoveries from existing wells. Several bidding rounds have been undertaken and concession agreements have in recent years been signed with a number of foreign oil companies.

Oman is actively pursuing an economic growth strategy of exporting gas and development of industries that use gas as a feedstock. Much of the investment and developmental efforts by the Government are focused on achievement of this strategy with participation from the private sector. Official projections call for gas projects to contribute about 15 % of gross domestic product by the 2002. Action has already been initiated in this area, and the Oman NLG plant located near Sur, with a total project cost of about 2,5 billion €, is now in its final stages of completion.

Based on current estimates of demand for power arising from the growth in the country's population and industrialization plans, it is anticipated that as a minimum 1,000 MW of additional generating capacity is required in the power sector in the coming years. This will bring significant investment opportunities for the private sector. Together with its neighbour the UAE, there is a growing trend in the country towards privatizing the power sector. The Gulf's first independent power project on a build-own-operate basis was executed at Mannah, and tenders are expected to be called for two more independent power projects at Barka and Sharqiya by the Ministry of Electricity and Water. The Government of Oman is also looking into early privatization of transmission services with the objective of achieving savings in capital expenditure.

2.1.5. QATAR

Qatar is a small country with a population of about 750,000. It has the third largest natural gas reserves in the world and is beginning to emerge as a major exporter of liquefied natural gas. It is also a member of OPEC and exports around 600,000 bpd of oil. By investing in petrochemi-

cal plants, the Government expects to earn more per barrel produced by exporting its refined products. Such investment should also help create jobs in the private sector and reduce dependence upon government agencies for employment.

During the 1990s Qatar has been at the forefront of attracting foreign investments and funding into the region. The country has been successful in raising over 10 billion € in international syndications and has partnered with multinationals such as Mobil, Total, Arco, Occidental and Phillips Petroleum.

Notwithstanding the existing foreign investment in Qatar, much of which has focused on developing the North Dome gas reserves, further upcoming initiatives will help attract more foreign investment. The Doha Securities Market is to be opened to GCC citizens, and other foreigners will be allowed to trade in the shares of new companies through investment funds.

The general environment in the country is receptive to foreign investment, and indications are that this will continue to be so under the guidance of the current Emir. However the scope of future foreign investment is likely to be on scales smaller than the recently completed Rasgas and Qatargas grassroot LNG projects, albeit new trains are likely to be added to these two projects, and plans for the NGL-4 project are well advanced. The larger upcoming development projects will probably focus on downstream initiatives such as Q-Chem, Qatar Vinyl Co, expansion of Qafco-4 and TDI project.

One of the major proposed projects that is creating a great deal of interest from investors and finance providers is the Dolphin gas project with the UAE Offsets Group which involves the off take of 3 bcf/d from the North Dome. The project, which may involve Mobil in its upstream element, involves the laying of an 800-km pipeline to the UAE and Oman. Initial project cost estimates vary between 8-10 billion €. Other North Dome gas export projects include a plan by the GUSA consortium to supply gas by pipeline to Pakistan.

During the next decade Qatar General Petroleum Corporation also plans to invest significant amounts in its existing oil fields to enhance the country's oil production capacity.

As Qatar's industrial base expands and its population grows the addition of new and additional electricity capacity will be a major challenge. There are likely to be opportunities for foreign companies to participate in an IWPP later this year.

2.1.6. SAUDI ARABIA

Saudi Arabia holds one quarter of the world's proven oil reserves and has the world's fifth largest gas reserves. Through the exploration and marketing of its oil the country has established strong ties with the U.S. and western economies. For example in 1998 Saudi Arabia supplied almost 16% of U.S. crude oil imports.

The country's oil and gas sector dominates its economy. However there are increasing signs that the Government is seeking to diversify its income streams and is prepared to embrace privatization. There are steps being taken to liberalise the economy and reduce the reliance on Government funding. In the past year there have been major changes in the public mindset of

many influential persons with the country. Such changes are seen in the proposed privatizations of Saudi Telecommunications Corporation and the country's electricity system. These developments bring with them major opportunities for foreign businesses that are prepared to face the challenges of operating within the country.

Notwithstanding the recent increase in oil prices, „volatility“ is a key issue and one that has hampered many capital expenditure programmes. Petroleum revenues are critical to the development of the country, and optimum utilization of the country's oil and gas resources are fundamental to the well being of the economy.

Because of the need for continued large-scale capital investment and the requirement to use up to date technology the Government is beginning to consider new avenues in terms of developing its hydrocarbon assets. For example, in September 1998 Crown Prince Abdullah invited proposals for investment in the energy sector from foreign oil companies. This resulted in the global oil majors submitting proposals for consideration to the Crown Prince in October 1999. In January 2000 an 11-member Council for Petroleum and Minerals Affairs was established to determine all matters of investment in upstream and downstream oil projects. The council is also mandated to approve the form and areas in which investment from the private sector and foreign direct investment will be sought.

Notwithstanding the formation of the new council, foreign direct investment in upstream oil sector has been ruled out by industry experts and some Saudi officials because currently Saudi Arabia has unused production capacity of almost 3 million bbl a day. Industry sources have indicated that Saudi Arabia is mainly looking for foreign direct investment downstream gas and refinery projects that would help Saudi Arabia in developing and producing additional gas volumes.

Significant investment opportunities are foreseen in the power sector. The power sector's capital investment needs are estimated at 117 billion € by 2020. Currently, there are no independent power projects operating on a build-to-own basis due to low tariffs and absence of regulatory framework. However, the situation is likely to undergo significant change in the next few years due to establishment of Saudi Electricity Company (SEC) in December 1999, which is to be run on commercial lines. The tariff structure for power has been revised effective January 2000, and the new tariffs are considered to be commercially viable and attractive to establishment of IPPs provided a proper regulatory framework is also established.

As an initial measure of the likely success of the initiatives in the power sector, the progress of the STC privatization will be key, because it will set the tone for future developments.

2.1.7. UAE

The United Arab Emirates (UAE) is a key player in world energy markets and within OPEC. It has a small population of about 2.6 million but enjoys an important position in the Gulf, holding roughly 10 % of the world's oil reserves. The UAE is the world's forth-largest oil producer and has reserves sufficient for more than 150 years at current output levels of about 2.5 million bpd. It is also one of the top five holders of natural gas reserves after Russia, Iran, Qatar and Saudi Arabia, with reserves of some 205 tcf.

The UAE is now one of the most diversified economies of all the major oil producers in the Middle East region. Nevertheless, with oil and derivative products accounting for about 78% of the UAE's total exports, the oil price crash in 1998/99 put considerable pressure on the economy.

During the 1970s and 1980s the focus on investment was primarily oil related. In recent years, however, OPEC oil production quotas and increased domestic consumption of electricity have provided incentives for the UAE to develop its gas reserves more aggressively. As part of this development process, the UAE has embarked on major projects costing up to 10 billion € to upgrade its onshore and offshore gas extraction and distribution systems, and to transfer the Taweelah commercial district into a gas-based industrial zone. Unlike countries such as Saudi Arabia and Kuwait, the UAE, whilst maintaining control over its natural resources, has engaged in a number of joint ventures in developing its fields, such as with BPAmoco, Total, Conoco and Exxon.

Dolphin, one of the largest energy related programs undertaken anywhere in the world, was launched in March 1999. As referred to above, this project involves the off-take of gas from Qatar's North field and construction of a new gas pipeline linking Qatar with the UAE and Oman. The project also envisages the construction of gas and liquid processing facilities with the other downstream activities relating to the development of new and existing industrial clusters in the UAE, Qatar and elsewhere in the region.

To add value, the Emirates of Abu Dhabi and Dubai have separately sponsored projects to increase their refining capacities. Downstream developments include Boroque, a joint venture between Borealis and Adnoc, which has awarded a 600 million € + contract to a joint alliance of Germany's Linde AG, and Eastern Bechtel company of the U.S. for construction of an ethylene plant at the Ruwais petrochemical complex. Other new downstream projects include ENOC's 300 million € condensate refinery in Jebel Ali and the independently owned naphtha processing plant being constructed by ISO Octane.

During 1998/99 a restructuring of various elements of ADNOC's activities in the country, investment opportunities are also arising for businesses such as the U.S. - Oman joint venture, Onsite Arabia, which is setting up two hydrocarbon recovery facilities in the UAE.

To help diversify its risk base and to help secure markets for oil products in the face of fluctuating oil prices, the Abu Dhabi Government has also begun to seek downstream investments outside the Middle East region. For example, governments-owned International Petroleum Investment Company (IPIC) recently secured a long-term market for Abu Dhabi crude by purchasing a 50 % stake in a Korean refinery. Previous overseas investments by IPIC include a 19 % stake in OMV and a 10 % share of Spain's CEPSA.

3. Technical analysis



3.1. Geophysical Imaging Technology

3.1.1. Introduction:

Geophysical imaging is an essential tool for exploration of natural resources, such as geothermal, petroleum and mineral resources; for characterization of underground materials for construction of large facilities, such as nuclear waste depository, roads and tunnels; and for environmental monitoring of ground water system and other man-made structures. Distribution of physical properties in subsurface media and their time-lapse changing can be obtained by various geophysical techniques. Accurate estimation of such physical quantities and interpretation for geological and engineering characteristics are increasingly very important for the above applications.

3.1.2. Seismic Data Interpretation:

- Development of interpretation techniques of seismic exploration data for oil exploration, geothermal reservoirs, etc.
- Diffraction analysis technique and its applications in geothermal fields and gas-hydrate research.

Diffraction Stacking of Reflection Data.

We applied the diffraction stacking method to the seismic reflection data obtained in the geothermal field. The field is an active geothermal area associated with a young neo-granitic pluton (Fig. 1). The seismic section obtained by the diffraction stacking has better resolution as compared with the conventional CDP stacking (Fig. 2). Strong reflectors in the section correspond to the brittle-ductile boundary estimated in the granite. The boundary is also supported by microseismicity and other geological data (Fig. 3).

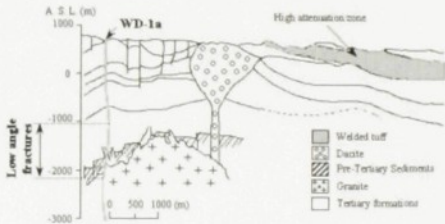


Fig. 1

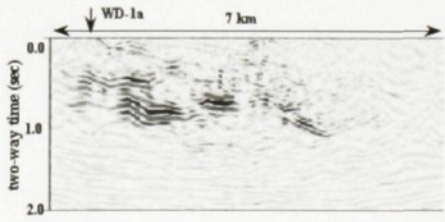


Fig. 2

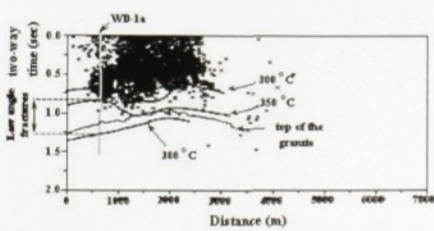
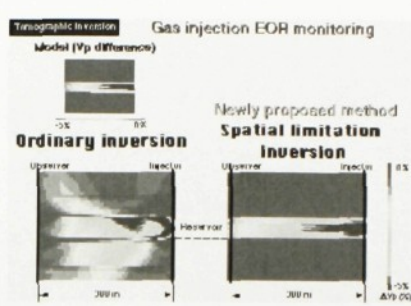


Fig. 3

- Full wave-form inversion of seismic signals for reflection and cross-well tomography data.
- Seismic tomography for time-lapse fluid-flow monitoring

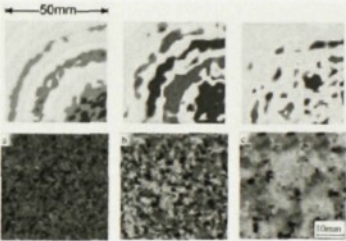
Monitoring the fluid movement in the reservoir is significant for reservoir management especially in the enhanced oil recovery (EOR) stage. Time-lapse 3-D seismic cross-well tomography is expected as a precise fluid monitoring tool with its high resolution output. However, tomographic inversion sometimes fails and reconstructs artifacts because of low velocity in oil reservoir. In order to rectify the problem, we applied a new tomographic inversion technique assuming that the velocity change occurs mainly in the reservoir. The results show an advantage of new technique that it reveals a fine velocity structure in oil reservoir, whereas ordinary inversion methods show strong distortion around the reservoir produced by high velocity layers above and below the reservoir.



3.1.3. Laboratory Study on Rock Properties:

- Laboratory study on seismic wave propagation through inhomogenous and fractured media for development of seismic data interpretation techniques.

Wave fields of the heterogeneous media observed by a laser Doppler vibrometer. The transmitted wave first appears at the lower right corner (the closest point from the wave source), and then spread radially. Wave field becomes complex as the size of heterogeneity increases, corresponding to the microstructures of rocks shown in the bottom.

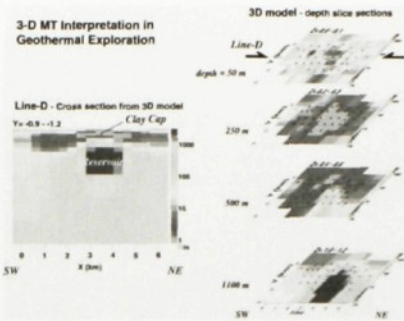


- Characteristics of shear wave splitting and wave form perturbation caused by inhomogeneity.
- Understanding of the relation between rock properties and wave propagation.

3.1.4. Electromagnetic Data Interpretation:

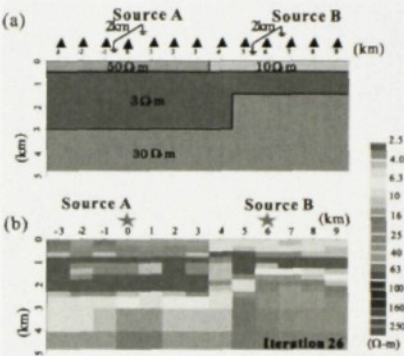
- Development of 3-D inversion technique for magnetotelluric (MT) data and its application to geothermal exploration.

Three-dimensional (3-D) inversion of magnetotelluric (MT) data has been developed and applied to the field data in geothermal fields. This figure is an example of a 3-D model at a geothermal field.



- Development of 2.5-D and 3-D inversion technique for controlled-source electromagnetic (CSEM) method, and its application to natural resource exploration and civil engineering.

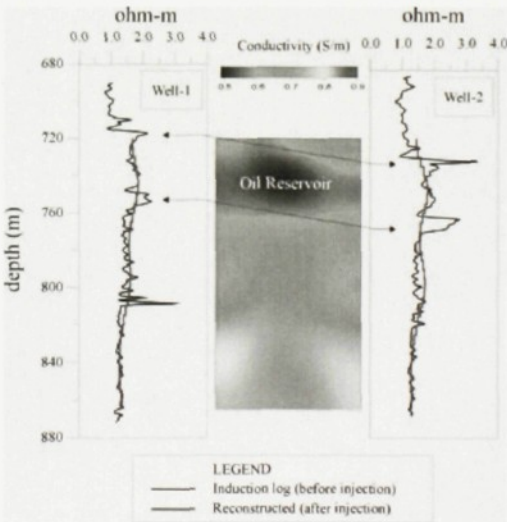
(a) A model for a test of the 2.5-D inversion. Two grounded-wire sources with lengths of 2km are parallel to the y-axis and are placed at $x=0$ and $x=6$ km, respectively. For each source, the vertical magnetic component is computed at 12 sites except the source location for the four frequencies of 30, 3, 0.3 and 0.03 Hz. Our target is an accurate representation of the shape of the resistive basement.



(b) A model estimated after 26 iterations from the joint synthetic data-set generated by both Source A and Source B. The initial model was a 20 ohm-m homogeneous half space.

- Development of electromagnetic travel time tomography for reservoir characterization

2-D conductivity image between two boreholes at an enhanced oil recovery site. The frequency-domain cross-well EM data was first transformed to pseudo-wavefield domain. Then, inverted to 2-D conductivity tomogram by travel time inversion. The section in the middle is the conductivity tomogram between two drillholes. Profiles at both sides are comparison between the logging data (black) and the resistivity from the tomogram (red).



3.2. Drilling ahead

Drilling ahead means the actual drilling of the well.

Specific drilling processes vary, but many of the work hazards are similar. The following generic tasks assume the use of a kelly and rotary table. Other rig designs may include the use of a top drive.

- Handling Tubulars
- Preparing Drilling Fluid
- Starting Drilling
- Making a connection
 - Preparing to Break Out Pipe
 - Breaking Out Pipe
 - Making up Pipe in Mousehole
 - Raising the Kelly and New Joint
 - Adding Pipe to the String
- Resuming Drilling
- Coring



Fig. 1. Drilling rig

3.2.1. Handling Tubulars

The pipe is unloaded from trucks onto the pipe rack. The floor crew brings pipe from the pipe rack and catwalk, using the catline, air hoist or hydraulic winch, up to the drilling floor and places it in the mousehole. This is done for every connection.

Note: The rig supervisor should hold a pre-job meeting with the crew to review responsibilities and to coordinate the operations to be performed.

Potential Hazards:

- Being struck by rolling or falling tubulars.
- Being struck by or caught between tubulars and other objects during movement (for example, being struck by tubulars being tailed into the rig floor).
- Slips, trips, and falls.

Possible Solutions:

- Use powered industrial truck (forklift) properly.
 - Work the tubulars from the ends from ground level.
 - Chock or pin tubulars on the racks properly.
 - Level your pipe racks properly.
 - Stand clear of suspended, hoisted, or moving loads.
- Be aware of tubulars or equipment being lifted through the V-door.

Potential Hazards:

- Getting struck by falling tubulars due to lifting equipment failure.

Possible Solutions:

- Instruct workers in the need for proper use, inspection, and maintenance practices.

Before each tour inspect the:

- Wire rope and slings,
 - Catline ropes and knots (do not allow a rope to lie in standing water), and
 - Chains and hooks.
- Stand clear of suspended, hoisted or moving loads and be aware of your surroundings.



Fig. 2. Loading tubulars

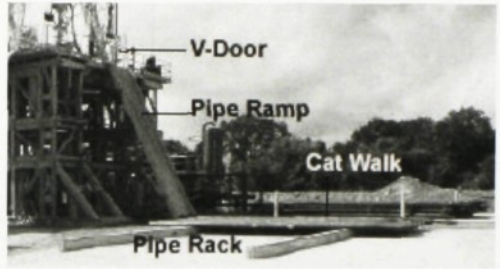


Fig. 3. Catwalk and V-door

3.2.2. Preparing Drilling Fluid

Drilling fluid is an important component in the drilling process [more]. A fluid is required in the wellbore to:

- Cool and lubricate the drill bit,
- Remove the rock fragments, or drill cuttings, from the drilling area and transport them to the surface,
- Counterbalance formation pressure to prevent formation fluids (i.e. oil, gas, and water) from entering the well prematurely (which can lead to a blowout), and
- Prevent the open (uncased) wellbore from caving in.



Fig. 4. Drilling fluid - mud

The mud is monitored throughout the drilling process. A mud engineer and/or the Derrickman may periodically check the mud by measuring its viscosity, density, and other properties.

Potential Hazards:

- Burns, or physical injury caused by contact with skin or eyes.
- Being exposed to explosions or violent reactions from chemicals mixed improperly.
- Being exposed to inhalation hazards.
- Receiving strains and sprains.
- Slips, trips and falls.

Possible Solutions:

- Ensure workers follow the safe handling procedures found in Material Safety
- Wear appropriate personal protective equipment, including, eye and face protection.
- Wear appropriate respiratory protection when handling chemicals and/or mud additives.
- Provide an eyewash station and other appropriate flushing apparatus.
- Provide adequate ventilation.
- Use proper mixing procedures.
- Use designated containers for mixing certain chemicals (for example, baffled container with lid).
- Substitute less hazardous materials or use pre-mixed mud.
- See General Safety & Health.



Fig. 5. Mud Mixing Hopper



Fig. 6. Caustic soda mixing container

3.2.3. Starting Drilling

To start drilling, a surface drill bit is attached to a bottomhole drill collar, which is in turn attached to the kelly. Once made up, the driller lowers the bit through the rotary table and engages the mud pump (s) and checks for leaks and other abnormalities. The driller lowers the drill string and the kelly bushing is set in the rotary drive bushing and the rotary is engaged. The driller then slowly lowers the bit to bottom and begins the drilling operation.

Potential Hazards:

- Being struck by the tongs, the make-up chain, or pipe.
- Being caught between collars and tongs, spinning chain, and pipe.



Fig. 7. Lowering drill bit

Possible Solutions:

- Implement an effective pipe handling, make-up, break-out procedure:
- Stand outside the tong swing radius when breaking pipe.
- Use proper tong latching techniques and use proper hand and finger placement on tong handles.
- Stand clear of the rotary table when it is rotating.
- Use a tail rope on the spinning chain to keep hands away.

Potential Hazards:

- Receiving strains and sprains during lifting or controlling movement of drill collars, bit breaker, pipe, and tongs.

Possible Solutions:

- Use proper lifting technique.
- Hoist slowly to limit pipe momentum.
- Use mechanical lifting aids such as a rig floor winch.
- Use tail rope to guide as necessary.

Make and Break

Initial Make-up

Proper initial make-up is probably the most important factor affecting the life of the tool joint connections.

Here are some recommendations to follow:

1. Proper make-up torque is determined by the connection type, size, OD and ID and may be found in torque tables.
2. Make-up connections slowly, preferably using chain tongs. (High speed Kelly spinners or the spinning chain used on initial make-up can cause galling of the threads.)
3. Tong them up to the predetermined torque using a properly working calibrated torque gauge to measure the required line-pull.
4. Breakout, clean, visually inspect redope and (repeat 1-3). Always use the backup tongs to make and break connections.
5. Stagger breaks on each trip so that each connection can be checked, redoped and made up every second or third trip, depending on the length of drill pipe and size rig.

A new string of drill pipe deserves good surface, handling equipment and tools. Check slips and master bushing before damage occurs to the tube.

Do not stop the downward movement of the drill stem with the slips. This can cause crushing or necking down of the drill pipe tube. The drill pipe can also be damaged by allowing the slips to ride on the pipe during trips out of the hole.

Always use back-up tongs to make and break connections and rotate breaks when tripping. Good rig practices will help eliminate time consuming trips in the future, looking for washouts or finish for drill pipe lost in the hole.



3.2.4. Preparing to Break Out Pipe

The driller stops the drill string from rotating, and hoists the drill string with the drawworks until the kelly is out of the rotary table. The driller then shuts down the mud pump(s). The floor hands set the slips around the joint of pipe. The tongs are then latched onto the tool joints above and below the connection.

Potential Hazards:

- Pinching fingers or other body parts between slips or slip handles and rotary table.
- Experiencing muscle strain from improper lifting technique.
- Pinching fingers when latching the tongs onto the pipe.



Fig. 8. Setting slips

Possible Solutions:

- Implement effective, safe work procedures for using slips and tongs, which include:
 - Proper finger and hand placement on slip handles and tong handles
 - Proper stance and slip lifting techniques
 - Proper tong latching techniques

3.2.5. Breaking Out Pipe

The tongs and cathead are used to break out the pipe. Either the rotary table or kelly spinner is used to spin the drill string or kelly to unscrew it from the drill pipe joint.

Potential Hazards:

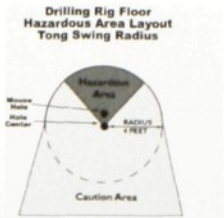
- Being struck by:
 - Swinging tongs if the tong dies fail, or the tong counterweight lines were to break
 - The slip handles if the rotary table is used to spin the drill string
 - Reverse backlash of tongs (backbiting) during spinning out operations
 - The tongs if a snub line breaks or the tongs come unlatched
- Pipe



Fig. 9. Breaking out drill pipe

Possible Solutions:

- Inspect tong dies, counterweight cables, and snub lines tourly and prior to each trip.
- Implement an effective spinning out pipe procedure:
 - Personnel other than tong operators stand outside the tong swing radius when breaking pipe.
 - No one should stand in the red zone (see Diagram 1)
 - Use proper tong latching techniques and use proper hand and finger placement on tong handles.
 - Stand clear of the rotary table when it is rotating.
 - Use special operational procedures when using a high torque connection.
- Maintain good communication between floor crew and driller.



*Diagram 1: Drilling rig floor
Hazardous area layout
Tong swing radius*

Potential Hazards:

- Release of excess drilling mud resulting in skin contact, loss of footing, etc.

Possible Solutions:

- Use a mud bucket to direct mud down into the rotary table.
- Close the mud saver valve on the kelly (if present).

3.2.6. Making Up Pipe in Mousehole

The crew swings the kelly out over the mousehole and stabs it into a new joint of pipe. The driller then spins up the kelly using the kelly spinner or spinning chain and the crew uses tongs to torque the joint.

Potential Hazards:

- Being struck or pinched by the kelly.
- Losing footing while swinging the kelly out over the mousehole and stabbing it into a new joint of pipe.
- Being struck by or caught in the spinning chain.



Fig. 10. Making up mousehole joint

Possible Solutions:

- Use proper hand placement
- Keep the work area around the rotating table clean and clear of mud, ice, snow, debris and other materials that may cause slipping or tripping.
- Inspect chain for broken or distorted links. Chains with the metal reduced by wear at any point less than 90 percent of its original cross section area should be discarded.
- Lubricate and maintain guide rollers to prevent undue wear on the chain or cable.



Fig. 11. Pipe in mousehole

3.2.7. Raising the Kelly and New Joint

The driller uses the drawworks to raise the kelly and attached joint out of the mousehole.

Potential Hazards:

- Being struck by debris or overhead objects if the traveling block runs into the crown block or if the traveling block or swivel hits the derrick.
- Being struck by kelly or pipe.

Possible Solutions:

- Install a crown safety device on the drawworks and ensure proper functioning.
- Keep personnel clear of the potential swing path of the kelly and pipe.

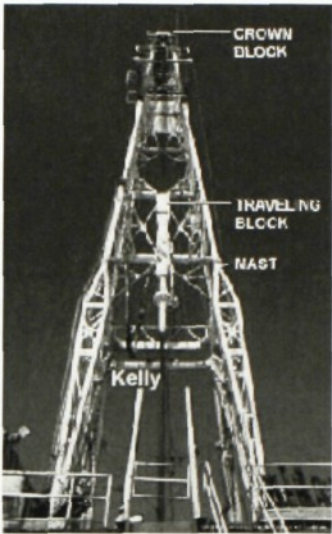


Fig. 12. Raising the traveling block and kelly

3.2.8. Adding Pipe to the String

The new joint is guided over to the drill hole, the tool joint is doped, and stabbed into the end of the pipe suspended in the rotary table with the slips.

The joints are threaded together using the pipe spinner, kelly spinner, or spinning chain. Final torque is provided by the tongs.

The drawworks lifts the kelly and attached string to facilitate removal of the slips.

Potential Hazards:

- Being struck by:
 - Swinging kelly and pipe
 - Tongs if the stabber misses the stump
 - The jerk or spinning chain
- Being caught between the swinging pipe and the tongs.
- Being caught between the joint of pipe being stabbed and the stump.
- Getting pinched between tongs or pipe spinner and pipe.
- Slips, trips, and falls.

Possible Solutions:

- Never step over a jerk chain and stay clear of spinning chain when a connection is being made.
- Keep hands away from end of stump or inside of pipe.
- Keep feet and legs away from underneath tongs when the pipe is being stabbed.
- Use proper tong latching techniques and hand and finger placement on tong handles.



Fig. 13. Applying pipe dope to a connection

- Never stand or walk under suspended loads.
- Keep the work area around the rotary table clean and clear of drilling fluids, mud, ice, snow, debris, and other materials that may cause slipping or tripping.
- Inspect chains for worn or damaged links, and replace a chain having a broken or distorted link with the metal reduced by wear at any point less than 90 percent of its original cross section area.
- See Slips, Trips, and Falls.



Fig. 14. Pulling slips

3.2.9. Resuming Drilling

The driller starts the pump and picks up off the slips. The drill crew then removes the slips. The driller lowers the string until the kelly drive bushing engages the master bushing. Once the bushings are in place, the driller begins rotating the drill string, lowers the bit back to bottom, and continues making hole.



Fig. 15. Lowering kelly bushing

3.2.10. Coring

In some cases the operator orders a core sample of the formation for testing. A special core barrel is lowered to the bottom on the drill string and is rotated to cut a core from the formation. This core is brought to the surface and examined in a laboratory.

Potential Hazards:

- Being pinched or struck by the core barrel and associated tools during floor operations.
- Being struck by the core as it is removed from the barrel.
- Encountering other hazards similar to those encountered during tripping out/in.

Possible Solutions:

- Wear appropriate PPE.
- Instruct workers in handling and using the special tools required during drill core extraction.



Fig. 16. Drill core

3.3. Well Completion

Once the design well depth is reached, the formation must be tested and evaluated to determine whether the well will be completed for production, or plugged and abandoned.

To complete the well production, casing is installed and cemented and the drilling rig is dismantled and moved to the next site.

A service rig is brought in to perforate the production casing and run production tubing. If no further pre-production servicing is needed, the christmas tree is installed and production begins.



Fig. 1. Completed well

Well completion activities include:

- Conducting Drill Stem Test
- Setting Production Casing
- Installing Production Flow
- Beam Pumping Units

After production starts, the well may need further servicing.

If it's decided that the well will not be completed, then it will be plugged and abandoned.



Fig 2. Well completion service rig

To determine the potential of a producing formation, the operator may order a drill stem test (DST). The DST crew makes up the test tool on the bottom of the drill stem, then lowers it to the bottom of the hole. Weight is applied to the tool to expand a hard rubber sealer called a packer. Opening the tool ports allows the formation pressure to be tested. This process enables workers to determine whether the well can be produced.

Potential Hazards:

- Being pinched or struck by the drill stem test tools during floor operations.
- Swabbing the hole on the way out with the test tool could cause a kick to occur, which could result in a blowout leading to injuries and deaths.
- Being exposed to unexpected release of H₂S or other gases or liquids.
- A packer seat failure or fluid loss to an upper formation could cause a kick that might result in a blowout causing injuries and deaths.
- Other hazards are similar to those encountered during trippingout/in.

Possible Solutions:

- Wear appropriate PPE.
- Instruct workers in handling and using the special tools required during drill stem testing.
- Keep a method for filling the hole in place at all times. Before any test starts, the rig management must ensure that the blow-out prevention system includes a kill system that is capable of pumping fluid into the well below the annular preventer and at least on-set of pipe rams.

- Run a pump-out-sub or downhole circulating device in the test string to enable the system to be reversed.
- Ensure all workers on the location understand the dangers before starting any drill stem test. They should be fully informed of and trained in appropriate safety procedures, including the use of safety equipment and breathing apparatus. If in an H₂S area, post a sign indicating the test in full view for the general public to see. Post reliable people to stop them from coming to the location. Define a minimum of two muster points with all vehicles parked in an appointed area.

3.3.1. Setting Production Casing

Production casing is the final casing in a well. It can be set from the bottom to the top. Sometimes a production liner is installed.

This casing is set the same as other casings, then cemented in place.

See Casing Operations and Cementing for more information on specific hazards and solutions.



Fig. 4. Installing production casing

3.3.2. Installing Production Tubing

A well is usually produced through tubing inserted down the production casing. Oil and gas is produced more effectively through this smaller-diameter tubing than through the large-diameter production casing. Joints of tubing are joined together with couplings to make up a tubing string. Tubing is run into the well much the same as casing, but tubing is smaller in diameter and is removable.

The steps for this activity are:

- Tubing elevators are used to lift tubing from the rack to the rig floor.
- The joint is stabbed into the string, which is suspended in the well, with air slips.
- Power tongs are used to make-up tubing.
- This process is repeated until tubing installation is complete.
- The tubing hanger is installed at the wellhead.



Fig. 5. Tubing on rack

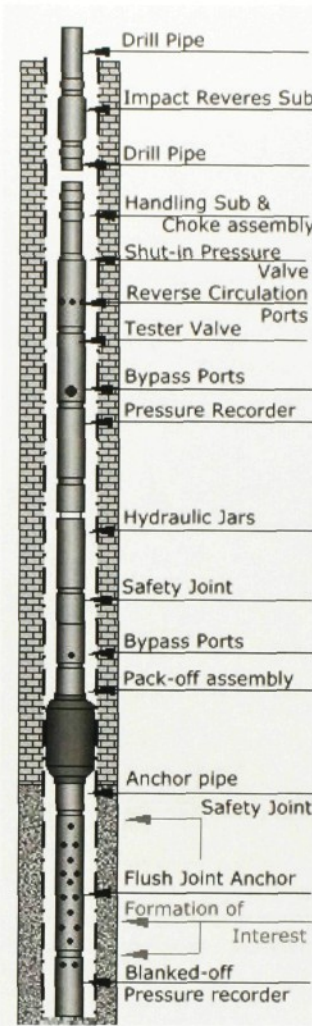


Fig. 3. Drill stem test assembly

New technology allows tubing to be manufactured in a continuous coil, without joints. Coiled tubing is inserted into the well down the production casing without the need for tongs, slips, or elevators, which takes considerably less time to run.

Potential Hazards:

- Getting pinched fingers and hands from tongs and slips.
- Being struck by swinging tubing and tubing elevators.
- Getting caught between the joint and tongs or stump.
- Being struck by the tubing hanger wrench if it should slip.
- Getting fingers and hands pinched and caught between tubing hanger and tubing head.

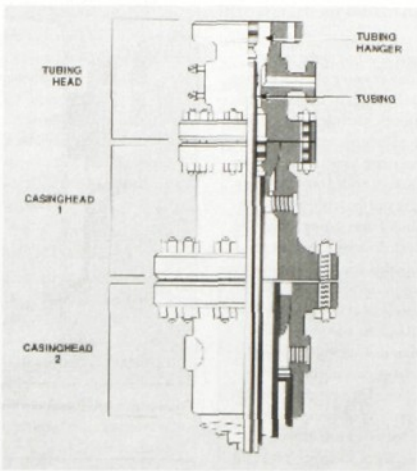


Fig. 6. Tubing head

Possible Solutions:

- Keep all fingers and hands away from pinch points.
- Instruct workers to be on alert when on the rig floor and pipe racking area.
- Avoid placing hands on the end of the tubing stump.
- Use the correct tools for each task.
- Inspect the tools before use.
- Use coiled tubing.



Fig. 7. Installing coil tubing

3.3.3. Starting Production Flow

Production flow is started by washing in the well and setting the packer. Washing in means to pump in water or brine to flush out the drilling fluid. Usually this is enough to start the well flowing. If not, then the well may need to be unloaded. This means to swab the well to remove some of the brine. If this does not work the flow might be started by pumping high-pressure gas into the well before setting the packer.

If the well does not flow on its own, well stimulation or artificial lift may need to be considered.



Fig. 8. Starting production flow

Potential Hazards:

- A blowout may be possible whenever well pressures are changed.

Possible Solutions:

- Monitoring of well pressures and working blow out preventers (BOP's) are the best way to prevent blowouts.



Fig. 9. Beam pumping units

3.3.4. Beam Pumping Units

If the well doesn't produce adequately, a beam pumping unit may be installed.

There are four basic types of beam pumping units. Three involve a walking beam, which seesaws to provide the up and down reciprocating motion to power the pump. The fourth reciprocates by winding a cable on and off a rotating drum. The job of all four types is to change the circular motion of an engine to the reciprocating motion of the pump.



Fig. 10. Assembling beam pumping unit

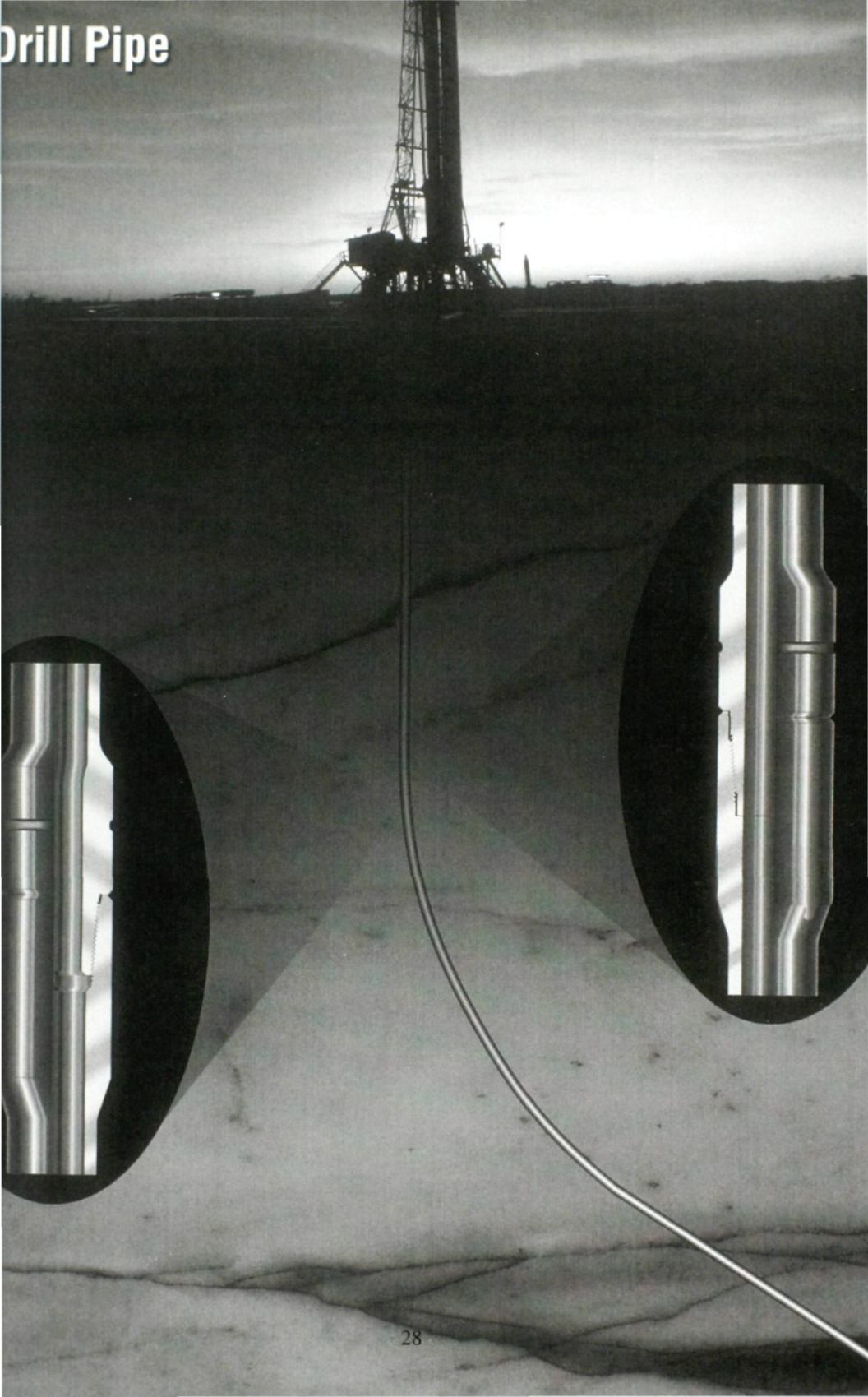
The pump units are brought in disassembled on trucks and off-loaded onsite. The many parts of the pump unit include large heavy metal pieces that need to be assembled.

Potential Hazard:

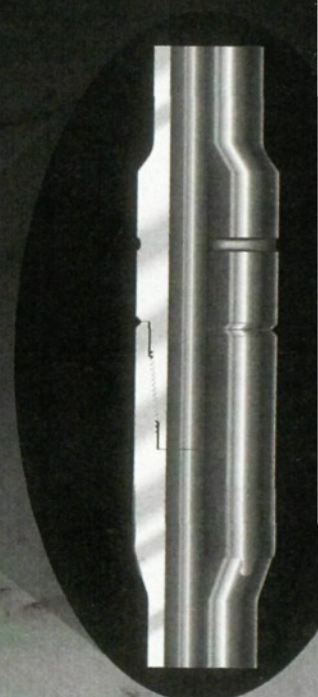
- Being pinched, struck, or crushed by falling or swinging parts during assembly.

Possible Solutions:

- Ensure that the work crew understands the assembly procedures and hazards involved in the tasks.
- Wear appropriate PPE.



Drill Pipe



3.4.1.1. Introduction/Drill Pipe

The three most important components of drill pipe products are quality, technology, and economy.



3.4.1.2. Weldneck/Upset Design

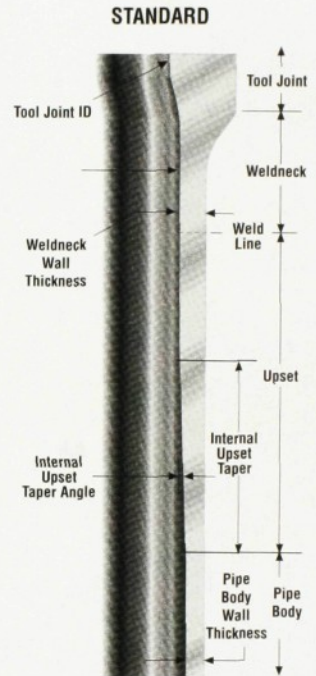
Standard Drill Pipe

A critical section of a joint of drill pipe is transition from the pipe body to the tool joint. This section consists of the weld that joins the pipe and tool joint, and the transition from the thin cross section of the pipe to the thick cross section of the tool joint. The challenge to the drill pipe designer is to ensure that: 1) the weld is stronger than the pipe body and, 2) the smoothest transition between the pipe body and the tool joint is as strong as possible. When drill pipe rotates in a bent condition, tensile and compressive stresses can cause fatigue cracks that may ultimately result in drill pipe “washouts”. Stresses concentrate where geometries change rapidly. The shorter or more irregular the transition, the higher the stress concentration. Alternatively, the smoother or longer the transition, the lower the stress.

The weldneck/upset design is a thoughtful, engineered approach to the design of this important transition.

Engineered Materials

The design starts with engineered materials. Manufacturers incorporate specially designed proprietary steels for both the drill pipe tube and the tool joint. The chemistries of the tube and tool joint materials are matched to ensure good weld compatibility and weld strength. Stringent cleanliness requirements for both materials enhance fracture toughness. The increased hardenability of the materials consistently produces more uniform mechanical properties throughout the entire cross section. This ensures adequate strength in the weld zone and the critical section of the connection.



The weldneck/upset design incorporates a counterbored weldneck, an extended internal upset length, a shallow internal taper angle, and generous radii to produce the optimum stress reducing geometry.

Weldneck/Upset Design

Processing

Modern equipment and patented proprietary processes are also integral parts of the drill pipe weldneck/upset region. Producer's modern austenitizing and tempering furnaces provide a controlled quench and temper heat-treating process for the tubes. The tubes undergo a full-length inspection that checks for defects. Tool joints are 1) precision contoured, 2) heat-treated by a controlled atmosphere quench and temper process, and 3) threaded on Computer Numerically Controlled (CNC) machine tools. Then the tool joints and tubes are joined by a reliable friction or inertia weld process. After welding, the weld's heat-affected zone receives the drill pipe Tuff-Weld quenched and tempered heat-treating process.

Geometry

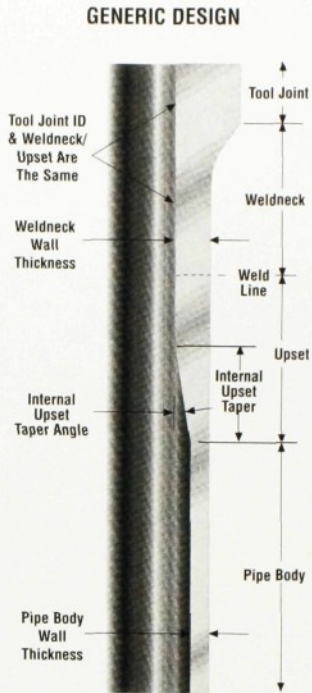
The drill pipes weldneck/upset incorporates a geometry that minimizes stress concentrations. The assembly is configured to optimize the transition from the cross section of the pipe to the tool joint. The length of the internal upset is extended, producing a shallow fadeaway angle that blends into the pipe body's inside diameter (ID) with a generous radius. The surface finish of the assembly adjacent to the weld line is improved by grinding on both the ID and outside diameter (OD).

The thick weldneck, required for adequate weld strength, and the short internal upset of a standard industry design concentrates stress in the adjacent pipe body.

Summary

The drill pipes weldneck/upset design is a comprehensive solution that addresses all the parameters affecting the drill pipe's fatigue strength. Engineered materials and modern processing techniques ensure a tensile strength greater than pipe body, and limit detrimental stress concentration. Precision machining and grinding provide a surface finish that is free of stress risers. State-of-the-art electromagnetic and ultrasonic inspections ensure that inclusions and defects are not present.

The resulting design has lower stress and greater fatigue strength than that obtained with the generic design.



The thick weldneck, required for adequate weld strength, and the short internal upset of a standard industry design concentrates stress in the adjacent pipe body.

3.4.1.3. Drill Pipe Engineered Materials

Specification SN2039 Tool Joint Chemistry

All drill pipe products are manufactured using specially engineered materials. The manufacturer uses special proprietary chemistries and controlled processing. The result is a material with increased hardenability and toughness, more homogeneous microstructures, and consistent metallurgical and mechanical properties throughout the cross section. These enhancements result in a more reliable weld. For standard drill pipe products, as well as high performance and severe environment service, manufacturer engineered materials provide increased product performance and integrity.

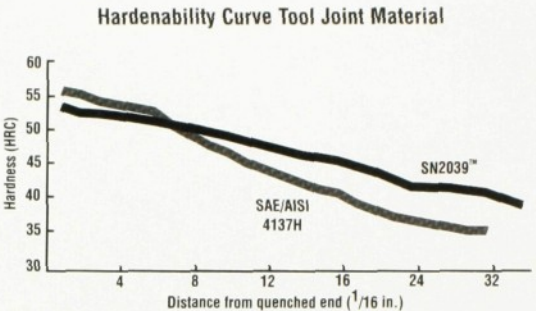
Depending on size and configuration, the producer machines tool joints from forgings, solid round bar, or thick wall tubing. Regardless of the source, all tool joints are made from steel produced to the proprietary specification SN2039. This tool joint material has a modified chrome-molybdenum chemistry designed to improve hardenability. Increased hardenability creates a metallurgical microstructure with more uniform mechanical properties. Stringent cleanliness specifications enhance fracture toughness. Incoming inspections verify that all materials requirements are met.

Drill Pipes Engineered Materials

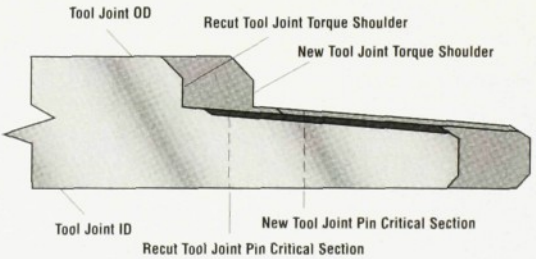
All tool joints are oil quenched and tempered to obtain the required mechanical properties. Modern heat-treating equipment, careful process control, and thorough inspections ensure consistent quality. Hardness is verified on every tool joint by a Brinell hardness test. Tensile and impact properties are verified by destructive testing of one pin and one box per batch. Every tool joint receives a wet magnetic particle inspection to confirm the absence of defects.

Specification Drill Pipe Chemistry

Every drill pipe tube is the product of proprietary steel with a closely controlled chemical formula, stringent cleanliness requirements, quality-conscious processing, and state-of-the-art inspection.



The enhanced hardenability of manufacturer's SN 2039 tool joint steel produces a metallurgical microstructure with more uniform mechanical properties, as compared to the typical tool joint material.



The increased hardenability of producer's proprietary SN2039 tool joint material provides more consistent mechanical properties through the tool joint sections, such as the critical section at the last engaged thread, especially on recut joints.

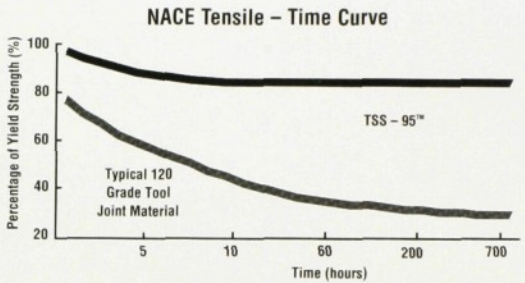
The manufacturer use a steel, which provides excellent hardenability and toughness, and can be heat-treated to produce any API grade. Stringent steel cleanliness requirements result in enhanced fracture toughness. Upon arrival, an incoming inspection verifies that all material requirements are met.

After upsetting of the ends, tubes receive a full-length quenched and tempered heat treatment. Modern austenitizing and tempering furnaces are used. The tubes are externally water-quenched, and tensile and impact properties are verified by destructive tests.

Drill Pipes Engineered Materials

Though Sour Service 95 Grade Drill Pipe

95 grade drill pipe is a proprietary drill pipe grade offered by the manufacturer for service in H₂S environments. Drill pipe features a unique chemical formula and a special quenched and tempered heat treatment. The result is a steel that has optimum fracture toughness, controlled yield strength, and restricted hardness. With and NACE threshold of 85 % of the yield strength, drill pipe is resistant to sulfide stress-cracking. Drill pipe also offers optimum resistance to crack initiation and crack propagation. Its fracture toughness makes it ideal for the more demanding drilling applications, such as those with high bending loads and corrosive environments.



With a NACE threshold of 85 % of the yield strength, drill pipe provides optimum fracture toughness, controlled yield strength, and restricted hardness to service in H₂S environments.

Enhanced Toughness 135 Grade Drill Pipe

It is a proprietary drill pipe grade offered by the manufacturer for applications that require high strength and high toughness. It incorporates a proprietary chemistry and a rigidly controlled quenched and tempered heat-treatment process. The minimum average specified Charpy impact energy is 39.61 m-kG, a 47% increase in impact energy over standard grade. The performance behavior resulting from this increase in toughness provides a margin of safety superior to normal high-strength materials.

The minimum average specified Charpy impact energy is 39.61 m-kG, a 47% increase over that.

Drill Pipe Engineered Materials

The processed drill pipe tubes undergo an intensive inspection process, which includes a magnetic particle end area inspection, and a full-length inspection for longitudinal and transverse defects and wall thickness verification.

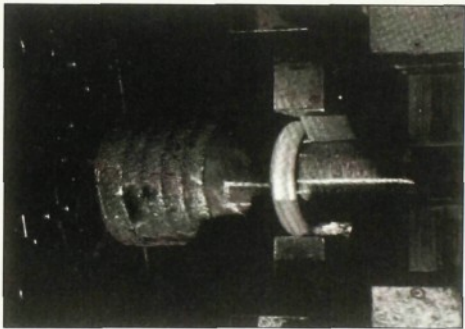
Pipe grade	Min Yield Strength (MPa/PSI)	Max Yield Strength (MPa/PSI)	Min Tensile Strength(MPa/PSI)	Impact Energy 0.14 @ 21.11° C	Hardness
E-75	518 (75,000)	784 (105,000)	690 (100,000)	100 (4)	98 HRB (4)
X-95	655 (95,000)	862 (125,000)	784 (105,000)	90 (4)	23 HRC (4)
G-105	784 (105,000)	931 (135,000)	793 (115,000)	75 (4)	28 HRC (4)
S-135	931 (135,000)	1,138 (165,000)	1000 (145,000)	45 (4)	34 HRC (4)
Tool Joints (3)	873 (120,000)	-	966 (140,000)	60 (4)	285 HB min

- Notes:
- (1) producer proprietary grade, available for both tubes and tool joints.
 - (2) producer proprietary grade.
 - (3) producer proprietary SN2039 material.
 - (4) values shown are typical for 127.10⁻³ m 29.04 kg/m drill pipe.
 - (5) values shown is for typical NC50 tool joints.
- Mechanical Properties determined per ASTM A370.

3.4.1.4. Manufacturing Process

Drill pipe Weld Technology

The manufacturer uses friction or inertia welding processes to join tool joints to drill pipe tubes. Both processes are highly reliable, cost-effective, and produce consistent and uniform weld zone properties. In terms of weld quality, reliability, strength, or metallurgical effects, both processes produce a high-integrity, solid-state weld connection between the tool joint and the drill pipe tube.



The principles of both welding processes are based on the rotation of one surface against another at a relatively high speed and under heavy pressure. The friction between the tool joint surface and the tube surface causes the contact to heat up below the melting temperature at which they are forged together, producing the weld.



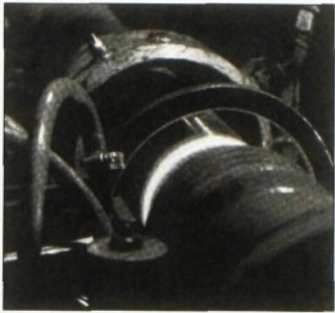
Manufacturing Processes

TUFF-WELD

Every drill pipe assembly receives the patented TUFF-WELD post-weld heat treatment.

TUFF-WELD is quench and temper process. The weld zone is heated by induction to the specified austenitizing temperature. The weld is quenched by precisely positioned fluid nozzles. To ensure that complete tempering occurs, a wider area is reheated by the induction coil to the proper tempering temperature. TUFF-WELD processed welds are checked 100% for hardness to verify that they were adequately tempered.

The benefits of the TUFF-WELD process are shown by comparing the following two weld zone photomicrographs.

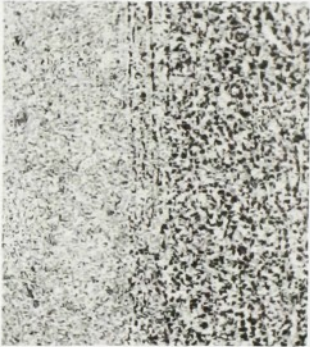


Induction heating and pressurized fluid quench are used in the patented TUFF-WELD post-weld heat-treatment process. The resulting quenched and tempered microstructure maximizes weld area properties.

Manufacturing Processes

Normalized and Tempered

The photomicrograph to the right depicts a typical normalized and tempered weld zone. The weld line is clearly evident by the contrasting microstructures of the tool joint and the tube upset. The microstructure of the higher carbon tool joint contains predominately ferrite and pearlite. The upset is mainly pearlite and lower transitional constituents.



TUFF-WELD

The typical microstructure of an weld zone is shown in the left photomicrograph. The similar microstructures of the tool joint and the tube upset make the weld line difficult to detect. Both display tempered martensitic microstructures. This result in yield strengths and Charpy impact values superior to those of normalized microstructures.



The TUFF-WELD process consistently produces stronger, tougher, and more uniform weld zone properties. This combination of strength and toughness minimizes of strength and toughness minimizes stress and fatigue, making TUFF-WELD the most desired post-weld heat treatment in the industry. More than 50% of the drill pipe in the world is produced using the TUFF-WELD process.

Manufacturing Processes

Benchmark

The patented benchmark provides a reference for dressing the tool joint's make-up shoulders. As shown in the adjacent figures, a $3,175.10^{-3}$ m wide step is machined onto the pin base adjacent to the torque shoulder. Similarly, a $3,175.10^{-3}$ m wide step is machined onto the box counterbore adjacent to the box make-up shoulder. Unlike the API "tangent bar", this step provides a reference that is visible from any position around the connection's circumference.

Traceability

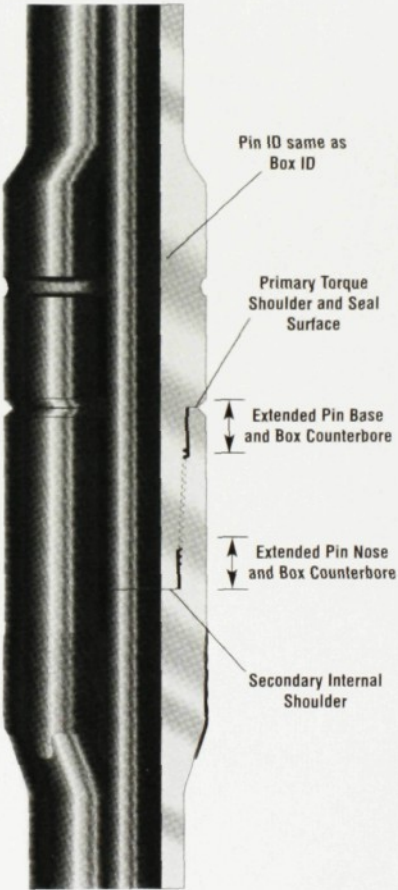
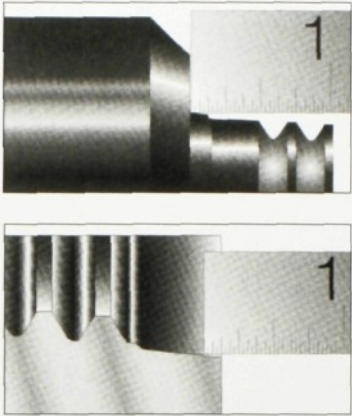
Drill pipe assemblies are produced by welding a tool joint pin and body to an upset and heat-treated drill pipe tube. Material and process traceability are maintained for each of the three components. For the tool joints, the mill material certifications are confirmed by incoming testing and each tool joint blank is given a unique heat code. This code is traceable through the manufacturing process.

3.4.1.5. HI TORQUE Connection

The HI TORQUE connection is a patented, high-performance, rotary shouldered connection available in sizes from $60,325.10^{-3}$ m to $168,275.10^{-3}$ m. The HI TORQUE connection incorporates a double-shouldered design. A secondary internal shoulder on the nose of the pin offers an additional friction surface and mechanical stop. The primary external shoulder still serves as the connection's sealing surface. As shown in the figure to the left, the HI TORQUE design has an extended pin base, pin nose, and box counterbore. These sections are carefully engineered to provide additional elastic deformation during make-up. This ensures that the contact forces are properly proportioned between the two shoulder surfaces. The additional torsional strength provided by the HI TORQUE design offers several advantages and unique solutions in drill string design.

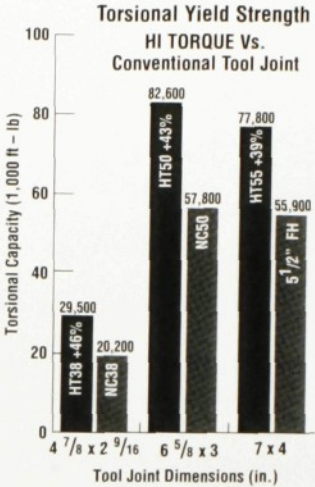
Drill Pipe HI TORQUE Connection

Torque A HI TORQUE connection offers significantly higher torsional capacity than standard API connection of similar size. This additional strength provides an extra margin of safety when drilling in high-risk situation or rugged condition.



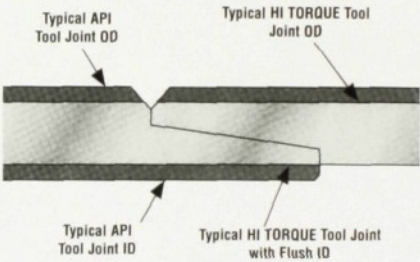
Slim Profile

Another advantage of HI TORQUE's increased torsional strength is the ability to use a streamlined tool joint that is suitable for the pipe's torsional strength. The figure on the next page illustrates the smaller OD and larger ID for HI TORQUE connections compared to standard API connections with identical torsional capacity. Using a streamlined HI TORQUE tool joint allows a larger diameter drill pipe to be used. This provides increased bit weight in horizontal drilling, improved hydraulic efficiency, better hole cleaning, and more drill pipe buckling strength without sacrificing torsional strength without sacrificing torsional strength or fishability. For instance, using a HI TORQUE connection on $139.7 \cdot 10^{-3}$ m pipe will provide 35% more drill pipe buckling strength than a 5" drill pipe with an NC50 connection, and will add only 21% string weight. With HI TORQUE connections, the ability to fish inside an $215.9 \cdot 10^{-3}$ m hole and have torsional capacity matched with the pipe is maintained. Drilling fluid pressure loss is decreased and annular velocities are increased because of the larger pipe. HI TORQUE connections can provide a superior solution for any drilling situation requiring a low-profile tool joint such as, extended reach, horizontal, or slim holedrilling programs.



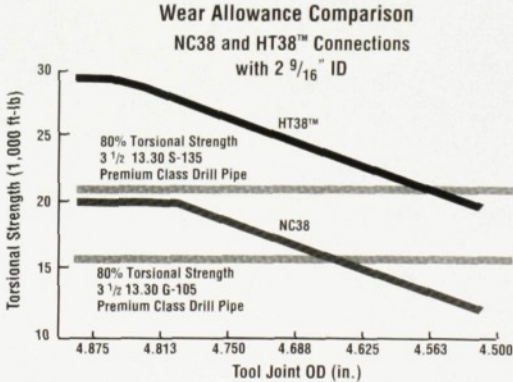
Drill Pipe HI TORQUE Connection

HI TORQUES's increased torsional strength gives the tool joint a more streamlined profile that remains matched with the torsional strength of the pipe. Compared with an API NC profile with equal torsional strength, HI TORQUE offers greater flexibility on OD and ID to provide solutions to today's drilling challenges.



Wear

Because of its increased torsional capacity, the HI TORQUE connection greatly extends the life of the joint by tolerating more OD wear. For example, an NC38 on $88.9 \cdot 10^{-3}$ m - 19.81 kg/m G-105 drill pipe is downgraded to Class 2 when the OD wears picture no. 17 below $118.26 \cdot 10^{-3}$ m. At this diameter, the tool joint is less than 80% as strong as Premium Class pipe. The HT38 HI TORQUE connection can tolerate wear down to a diameter of $111.11 \cdot 10^{-3}$ m before its torsional strength falls below 80% of the pipe strength. The cost of a drill string is a substantial investment. The extended life provided by the HI TORQUE connection can protect that investment.



3.4.1.6. SST Low Stress Fatigue Resistant Thread Form

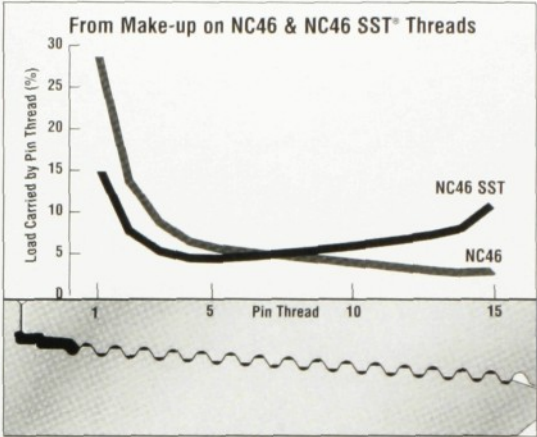
Distribution of Tensile Load Carried by Threads

The SST is a proprietary pin connection that provides increased durability and fatigue resistance compared to a standard API connection.

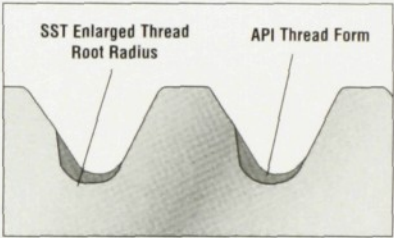
The SST involves a modification to the pin thread only, the mating box thread remains standard. Completely interchangeable with the standard API connections, the SST requires no crossovers or special rig handling procedures.

The SST pin incorporates two primary features. First, the thread form has an enlarged root radius. Second, the pin thread body is machined on a slightly flatter taper than that of the box, effectively behaving like a variable pitch thread. These SST features provide improved fatigue life. The reduction in stress at the pin thread roots and in the load at the last engaged thread enhance the performance of the connection.

Distribution of Tensile Load Carried by Threads



The SST pin tread is machined on a slightly flatter taper, distributing the thread loads more evenly over the entire thread and reducing the load at the last engaged thread by 40%.

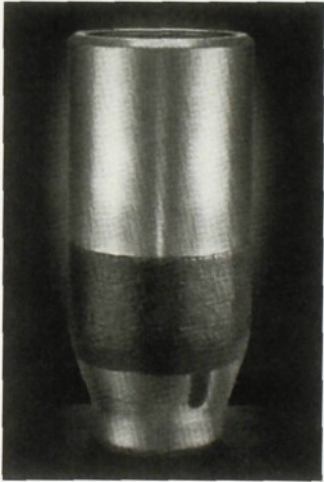


Compared with the standard API thread profile, the enlarged root radius of the SST thread form reduces the stress concentration at the thread root.

3.4.1.7. Hardfacing

The manufacturer Offers Several Hardfacing Options to Meet Customers Needs:

- SUPER SMOOTHX - manufacturer's patented solution for applications requiring both tool joint wear protection and a "machine-finished" tool joint
- SMOOTHX - A patented hardfacing of submerged spherical tungsten carbide granules in a mild steel matrix providing a smooth surface with little or no exposed carbide.
- The producer has series - For open hole applications, which provides economical tool joint protection where casing wear is not a primary concern.



Tool joint with SMOOTHX Hardfacing.

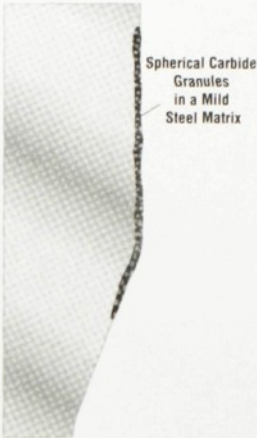
Hardfacing

SMOOTHX Hardfacing

SMOOTHX was developed to minimize tool joint wear.

Five bands of the SMOOTHX are applied around the tool joint, covering approximately 88.9×10^{-3} m to 101.6×10^{-3} m of length. Three “fingers” of SMOOTHX are applied to the elevator shoulders to prevent wear and undercutting adjacent to the last band of hardfacing. Without these fingers, the elevator shoulder could erode, shortening the tool joint’s life.

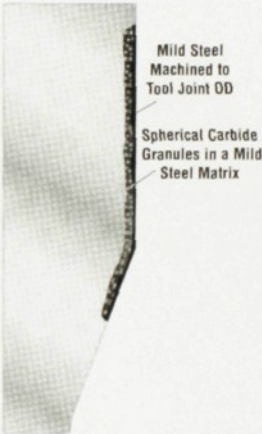
SMOOTHX is applied in a machined groove on the tool joint by dropping a measured quantity of spherical-shaped, sintered, 30-14 mesh, tungsten carbide granules into a molten puddle formed by welding wire. The granules sink into the molten weld metal and leave a smooth surface that has little or no exposed tungsten carbide. The resulting matrix has an increasing density of tungsten carbide from the surface to the bottom of the deposit.



SUPER SMOOTHX Hardfacing with a “Machine-Finish” Surface

SUPERSMOOTHX was developed to meet the surface finish requirements of many North Sea operators.

SUPERSMOOTHX is composed of an initial layer of SMOOTHX applied in slightly deeper pre-machined grooves. A second layer of mild steel is then deposited on the top. The mild steel overlay is then machined to produce the same diameter and surface finish as the OD of the tool joint. The “machined” finish minimizes contact stress.



SUPERSMOOTHX meets the toughest surface finish requirements in the industry.

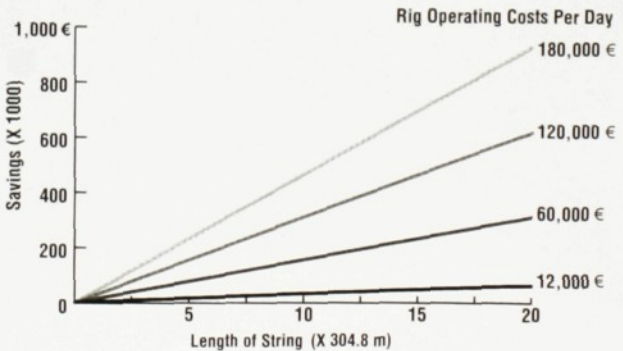
3.4.1.8. Make and Break

Savings on Break-in by using manufacturer’s Factory Break-in

Make and Break Advantages

The drill pipe services are designed to deliver consistency and rig-time savings. Factory break-in of drill pipe ensures that the proper procedures are followed every time. Controlled break-in procedures are

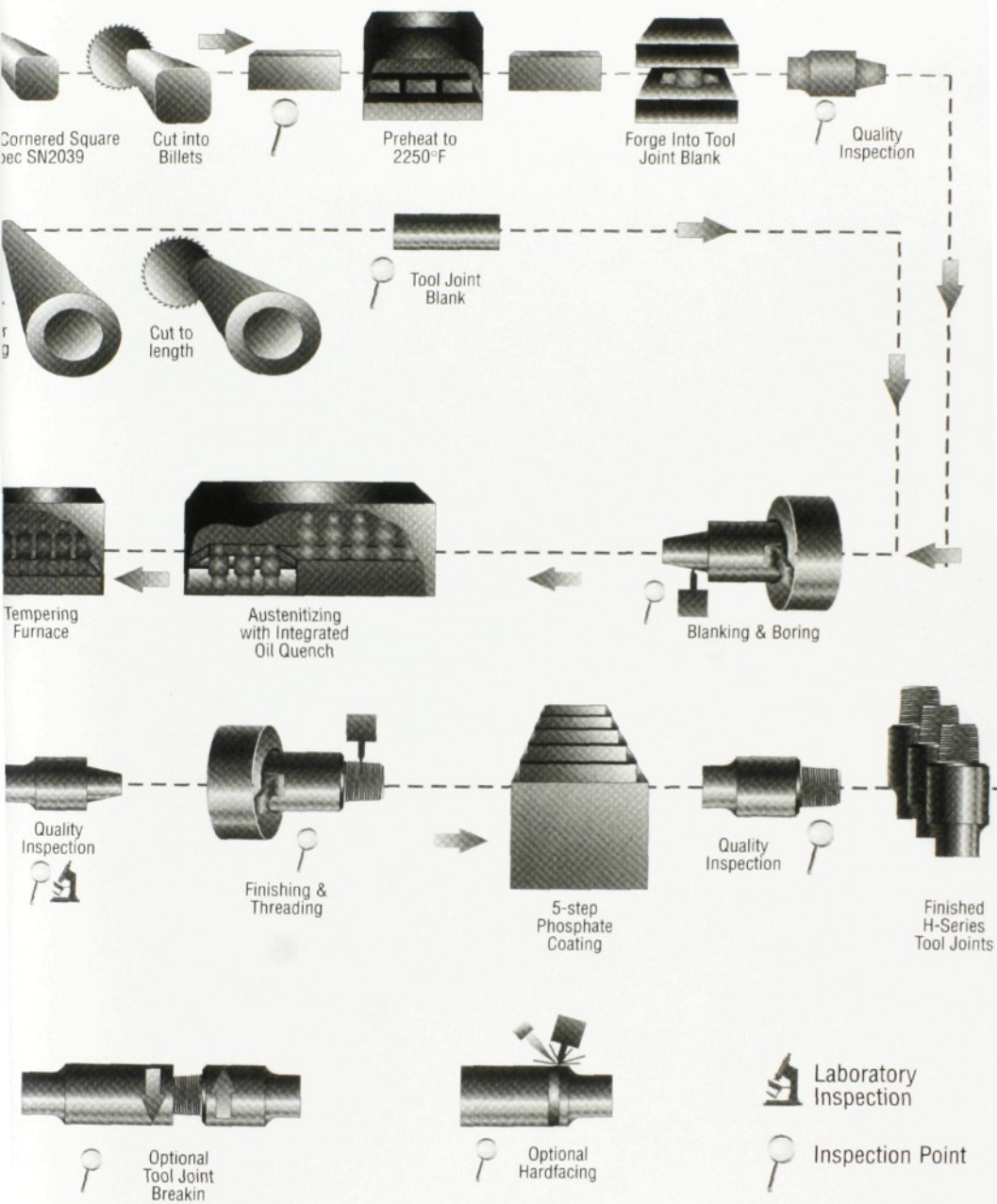
Savings on Break-in by using Factory Break-in

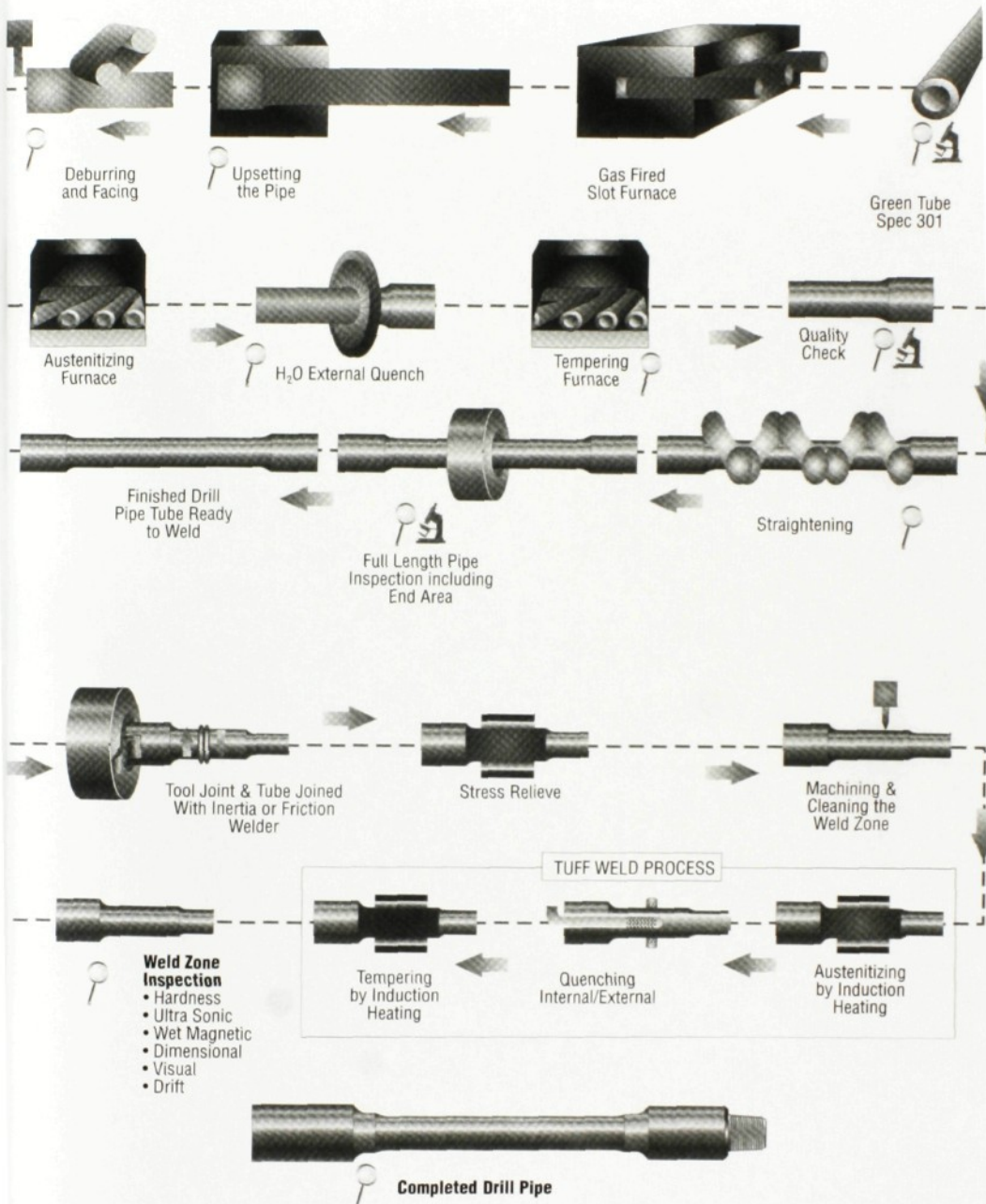


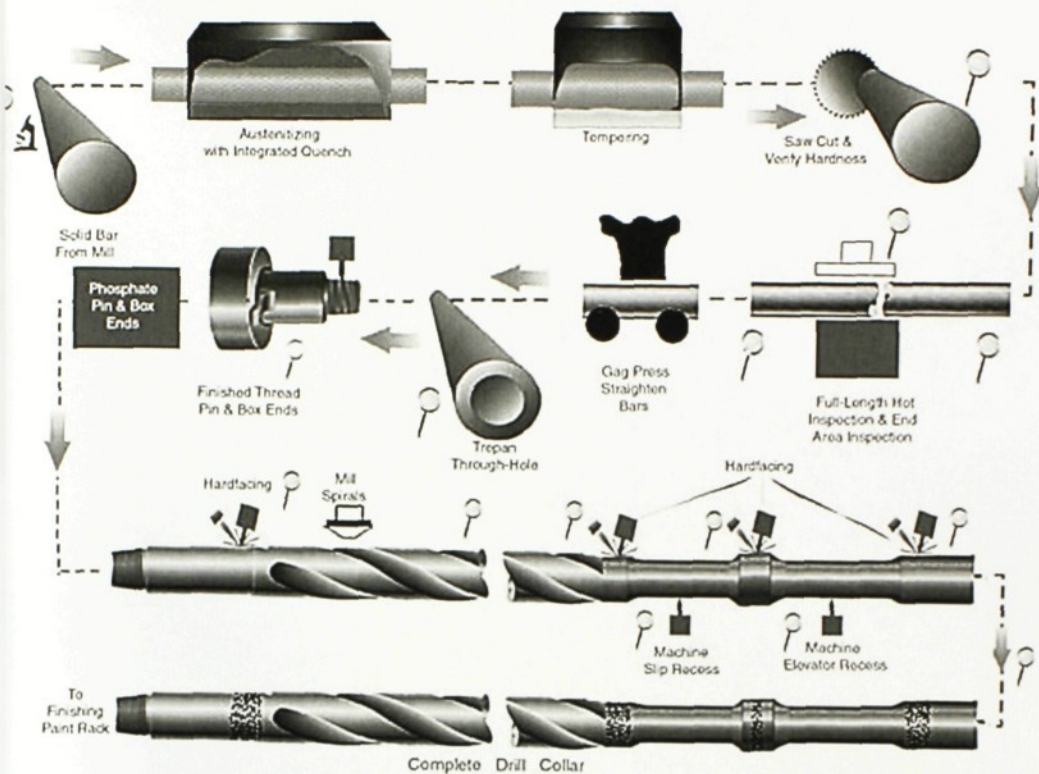
consistently applied to every tool joint. This eliminates the field variables and operational "rush" that cause rig crews to take short cuts or cancel the break-in procedure altogether. Because the drill pipe break-in is performed consistently and correctly every time, it saves money both in materials and rig time.

The curve in the accompanying figure demonstrates the potential rig-time savings of factory break-in. Eliminating rig-site break-in saves approximately 9 ½ minutes per 762.10^3 m length of pipe, depending on the daily rig rate, the cumulative cost savings can be significant.

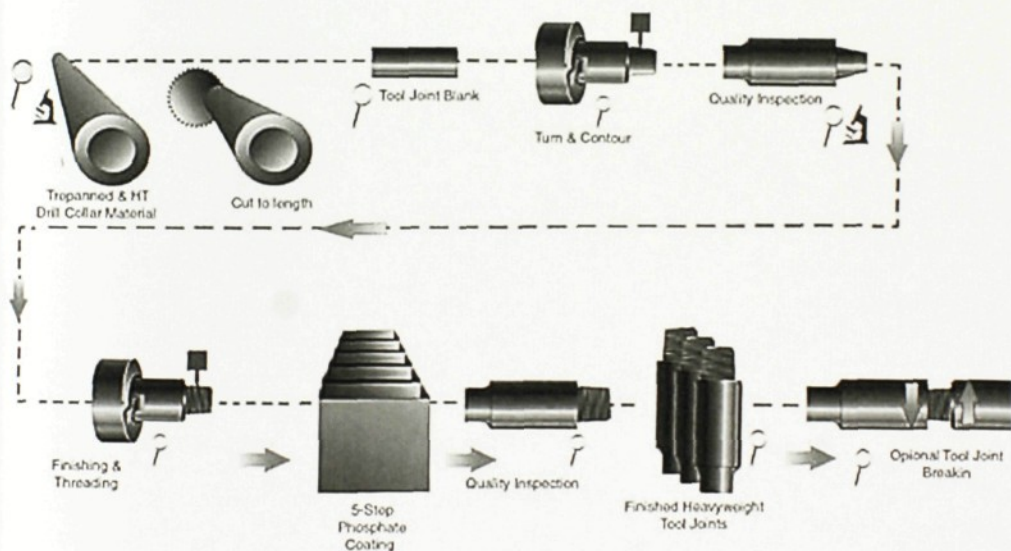
3.4.1.9. Manufacturing Drill Pipe



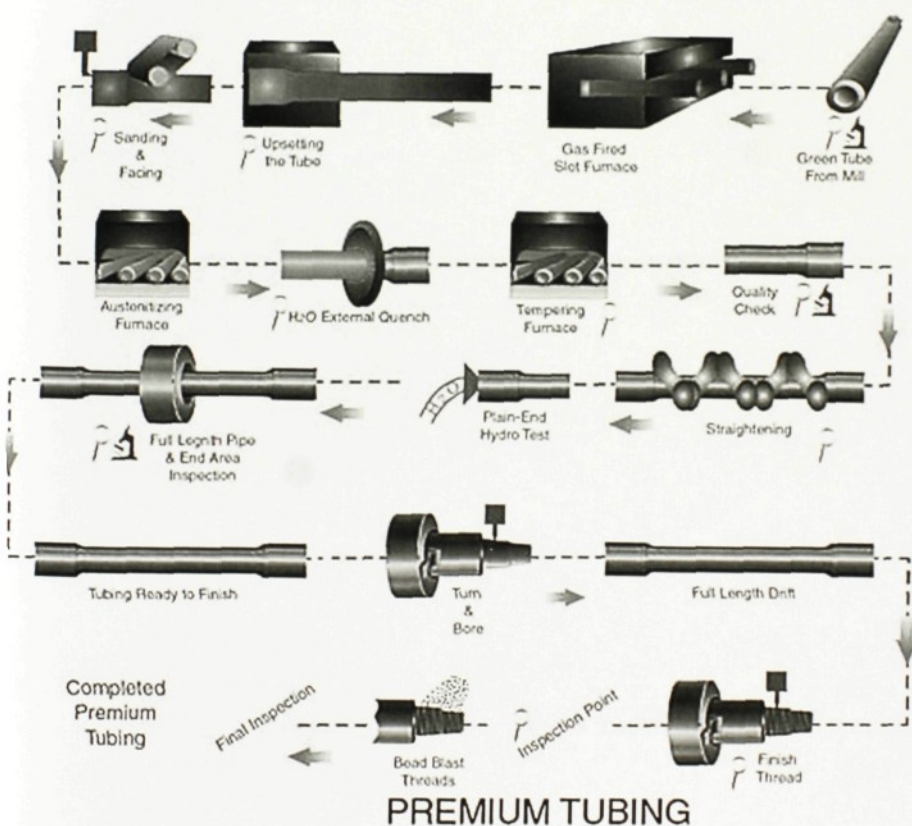
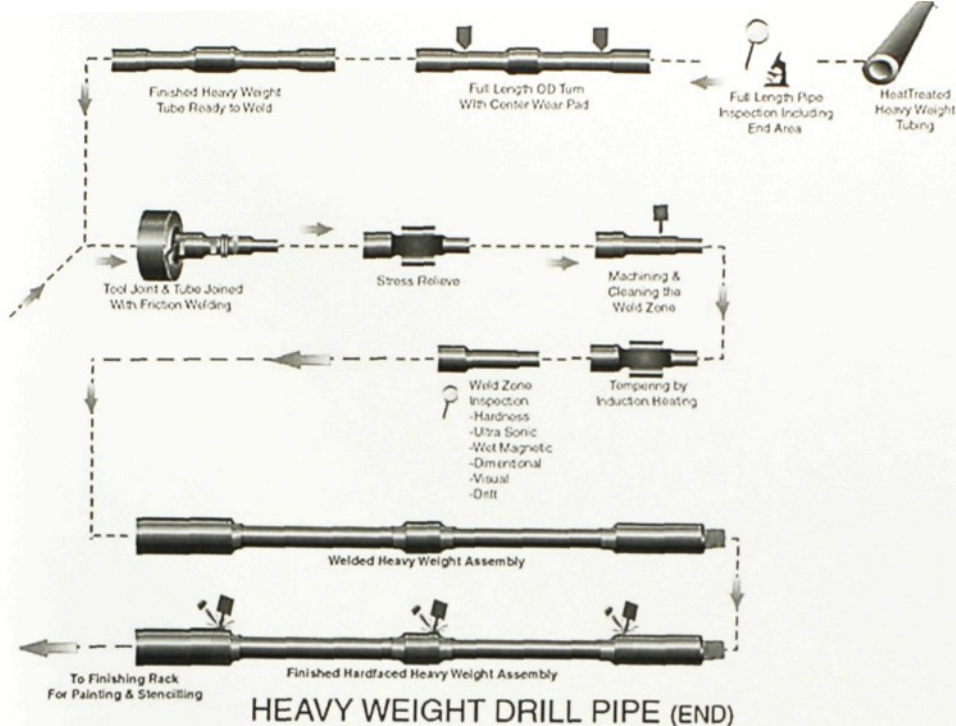




DRILL COLLAR



HEAVY WEIGHT DRILL PIPE



Drill pipe manufacture

1. Tube stock arrival.
2. Tube stock heating to $t = 90^{\circ}\text{C}$ in hot-water bath to exclude cracking in the process of pipes breaking in shears.
3. Tube stock breaking in press-shears to 2500 mm lengths.
4. Tube stock heating in circular furnace to $t = 1280^{\circ}\text{C}$.
5. Hot rolling of pipes in pipe rolling unit.
 - Tube stock broaching in piercing mill.
 - Sleeve rolling in lengthwise rolling mills No. 1 and No. 2.
 - Pipe rolling in reeling mill.
 - Pipe rolling in sizing mill.
6. Pipe cooling in screw cooler.
7. Pipe cooling in chain cooler.
8. Smooth pipes finishing.
 - Pipe straightening in straightener.
 - Pipe ends cutting in pipe cutting mills.
 - Pipes blowing in blowing machines.
 - Acceptance by Quality Inspection Department.
9. Pipe ends heating and upsetting in horizontal forging machine.
10. Pipes turning, boring and facing in Kri-Dan lathes.
11. Beaded end heating in HF unit.
12. Pipes thermal treatment in continuous roller furnaces.
13. Pipes straightening in Bronx straightener.
14. Joints welding to drill pipes in Thompson s friction welder.
 - External flash trimming, internal flash notching.
15. Thermal treatment of welds in drill pipes in HF unit.
16. Welded joint area machining in drill pipes in lathe.
17. Drill pipe welds testing in bending press.
18. Ultrasonic testing of welds in cylindrical part of drill pipe upset ends.
19. Pipes acceptance by Quality Inspection Department.
20. Purging with compressed air.
21. Stamping and marking.
22. Protective parts fitting.
23. Transfer of piles of pipes to storage area.
24. Shipment of pipes to customer.

Threaded pipe manufacture (temporarily closed)

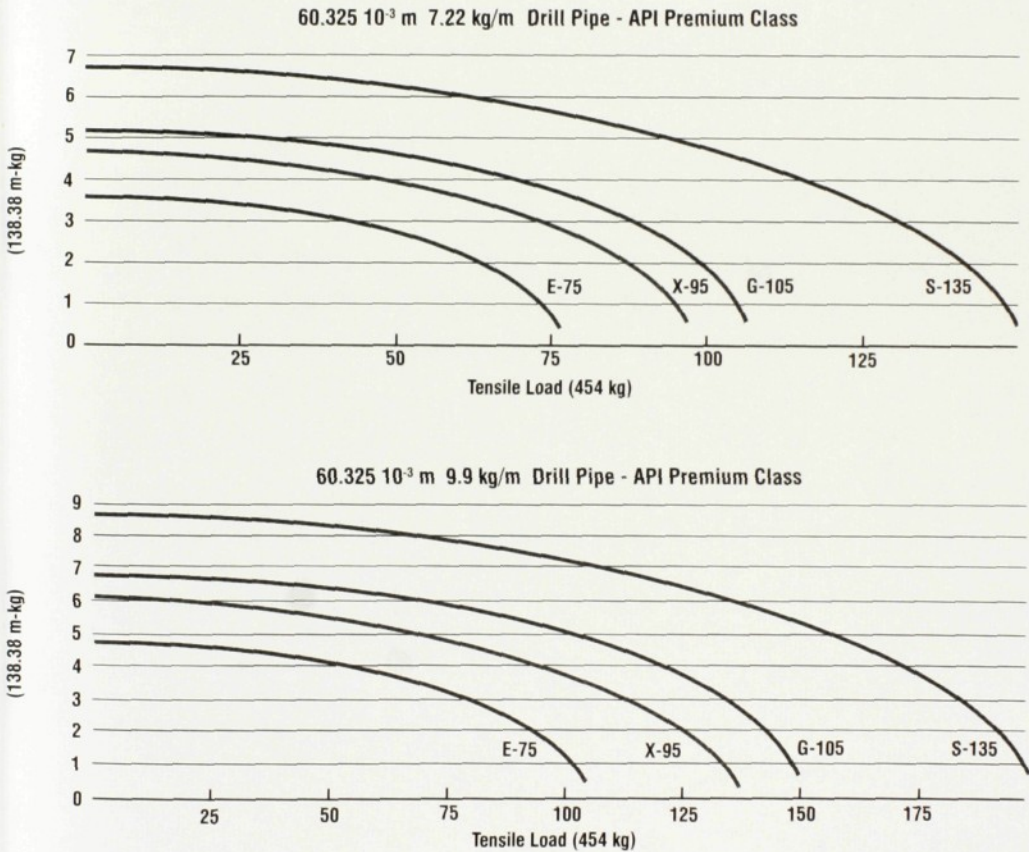
1. Tube stock arrival.
2. Tube stock heating to $t = 90^{\circ}\text{C}$ in hot-water bath to exclude cracking at pipes breaking in shears.
3. Tube stock breaking in press-shears to 2500 mm lengths.
4. Tube stock heating in circular furnace to $t = 1280^{\circ}\text{C}$.
5. Hot rolling of pipes in pipe rolling unit.
 - Tube stock broaching in piercing mill.
 - Sleeve rolling in lengthwise rolling mills No. 1 and No. 2.
 - Pipe rolling in reeling mill.
 - Pipe rolling in sizing mill.
6. Pipe cooling in screw cooler.
7. Pipe cooling in chain cooler.
8. Smooth pipe finishing.
 - Pipe straightening in straightener.
 - Pipe ends cutting in pipe cutting mills.
 - Pipe blowing in blowing machines.
 - Acceptance by Quality Inspection Department.
9. Pipes loading to receiving pocket of threaded pipes flow line.
10. Pipes conveying to template line.
11. Pipe checking against template with mandrel (internal diameter control over the entire length).
12. Pipe ends threading in Emag lathes.
13. Pipe thread inspection by Quality Inspection Department.
14. Pipes coupling in Kizerling machines.
 - Thread packing with grease.
 - Preliminary operation of couplings fitting.
 - Forced couplings fitting.
15. Pipes hydraulic testing in Mannesmann-Demag (line 1), Monbar (line 2) hydraulic presses.
16. Acceptance by Quality Inspection Department.
17. Pipes stamping, weighing, length measuring in Schamber unit.
18. Pipes marking with paint.
19. Fitting of protective components to threaded ends of pipes and couplings.

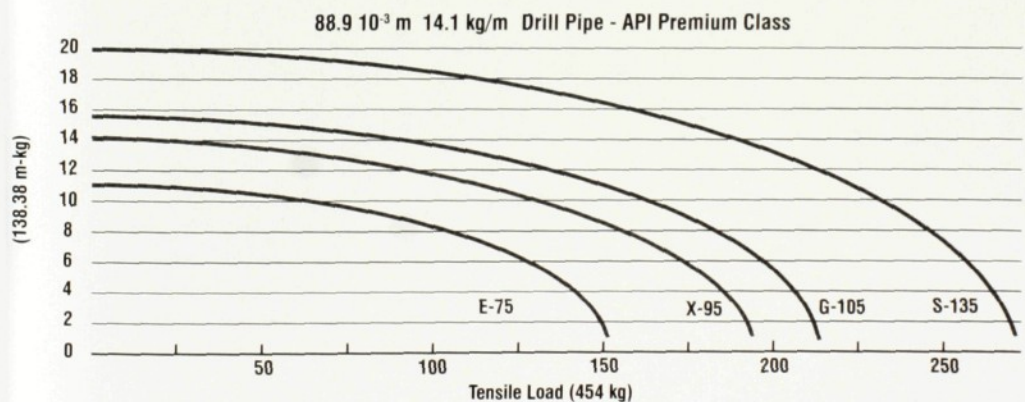
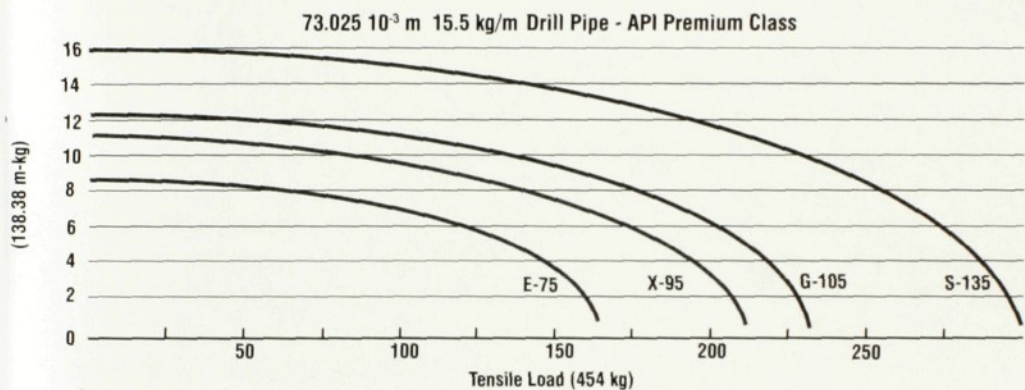
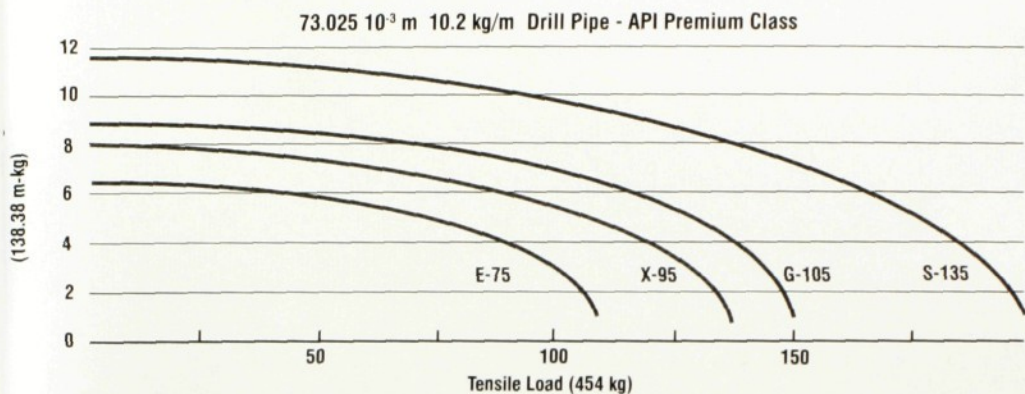
3.4.1.10. Drill Pipe Combined
Torsion-Tension To Yield Pipe Tubes

The charts that follow indicate the minimum torsional yield strength of the pipe body tube under tension.

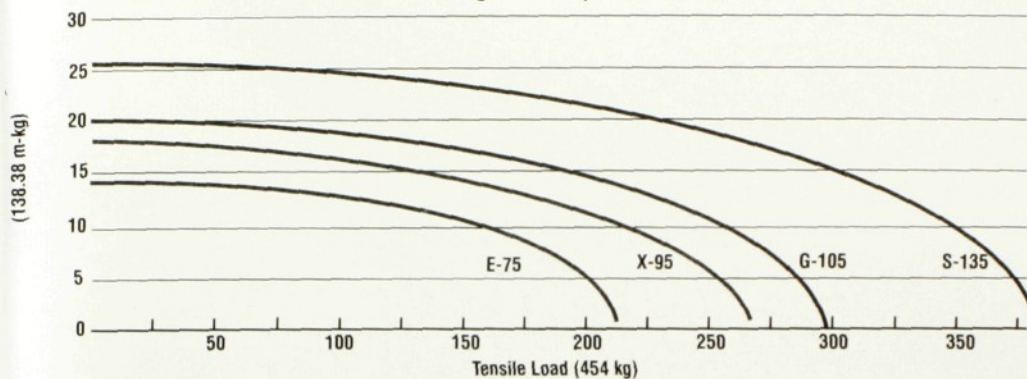
Locate the appropriate figure for the pipe size of interest. The figures have a separate curve for each of the four pipe grades: E-75, X-95, G-105 and S-135. Reference the legend at the bottom of the page to locate the appropriate curve.

The tensile load in 1000s of pounds is indicated on the horizontal axis. The minimum torsional yield strength in 1000s of foot-pounds is indicated on the vertical axis.

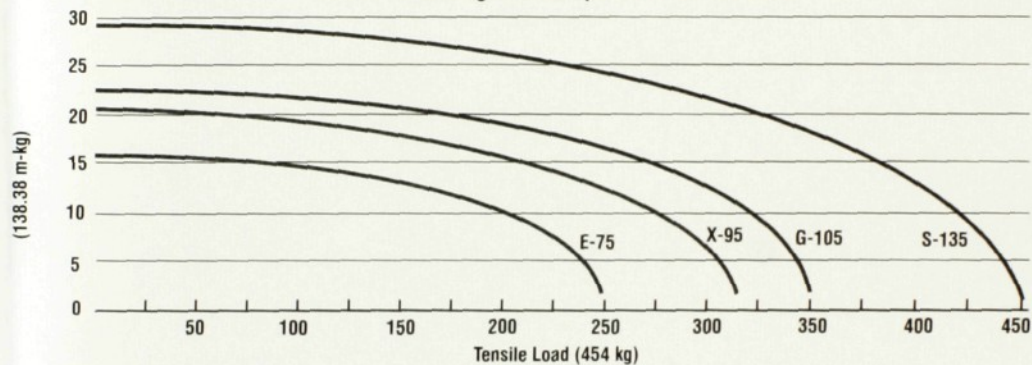




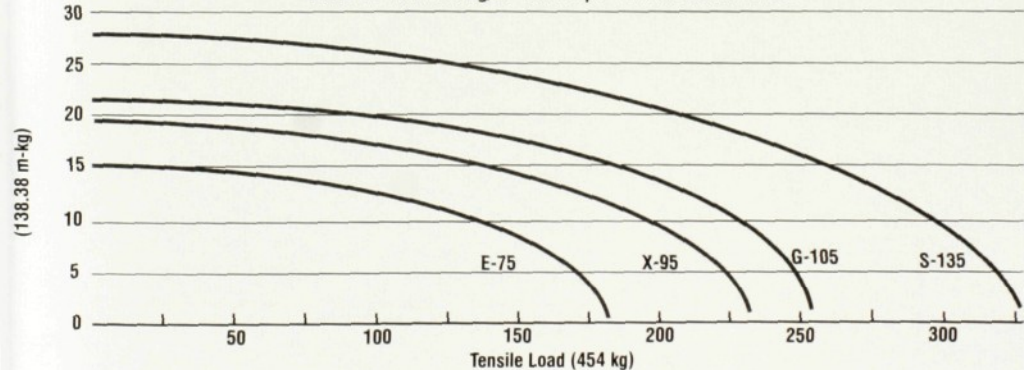
88.9 10⁻³ m 19.8 kg/m Drill Pipe - API Premium Class



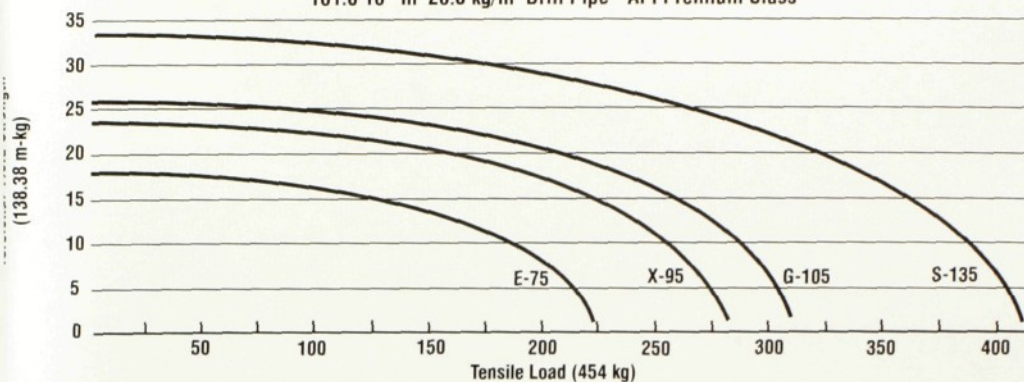
88.9 10⁻³ m 23.1 kg/m Drill Pipe - API Premium Class



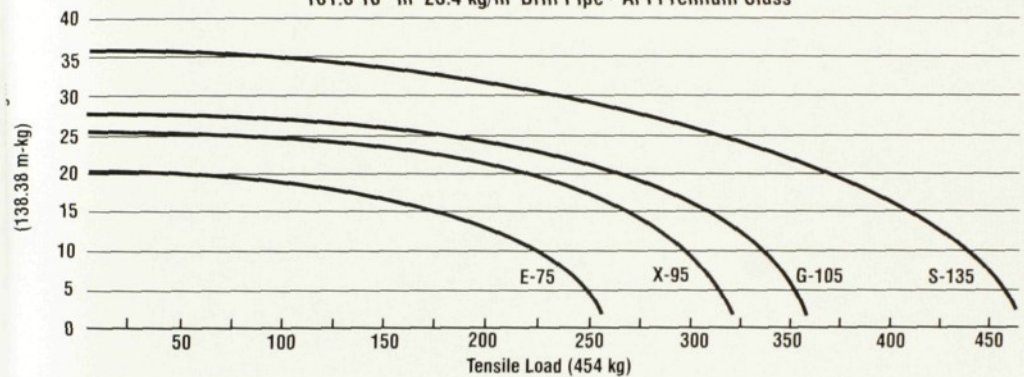
101.6 10⁻³ m 17.6 kg/m Drill Pipe - API Premium Class



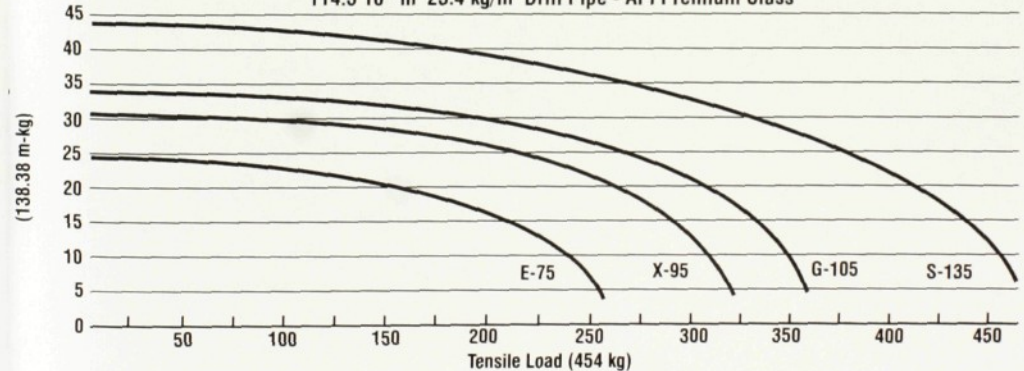
101.6 10^{-3} m 20.8 kg/m Drill Pipe - API Premium Class

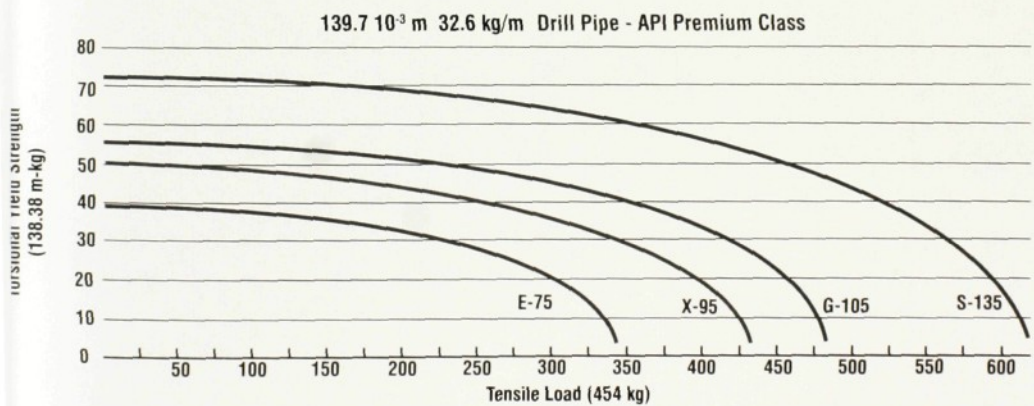
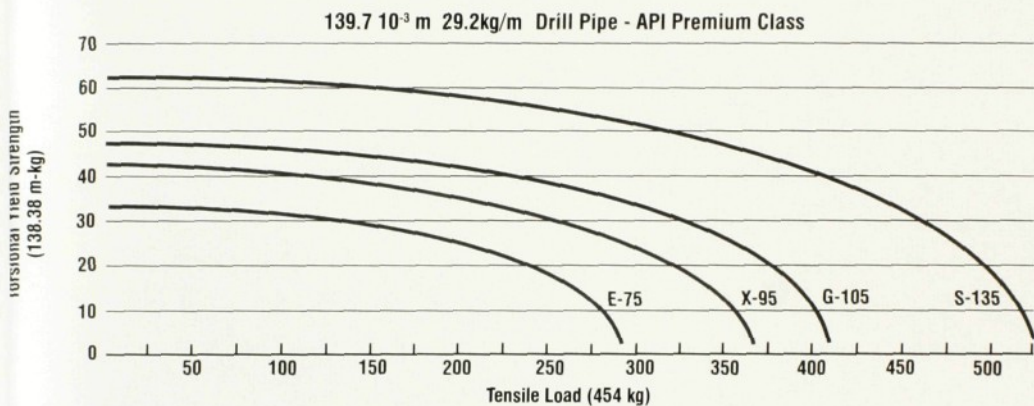
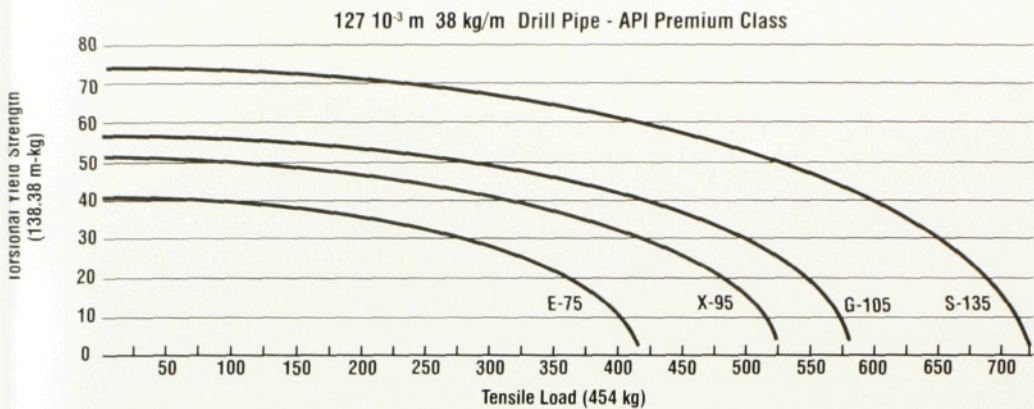


101.6 10^{-3} m 23.4 kg/m Drill Pipe - API Premium Class



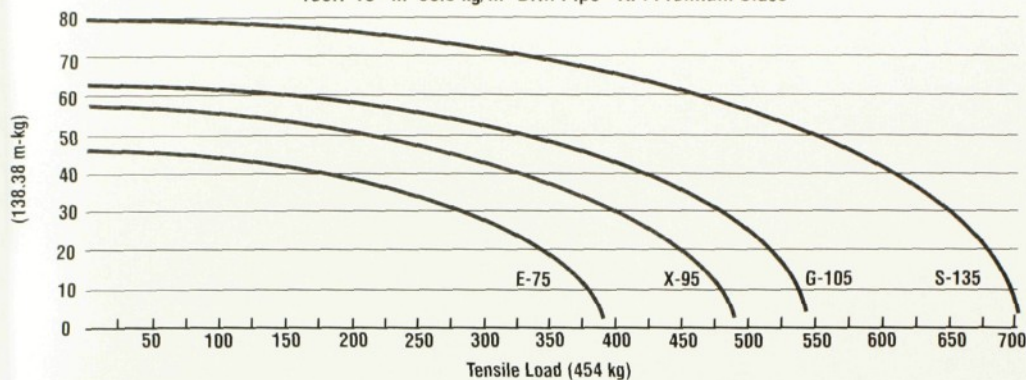
114.3 10^{-3} m 23.4 kg/m Drill Pipe - API Premium Class



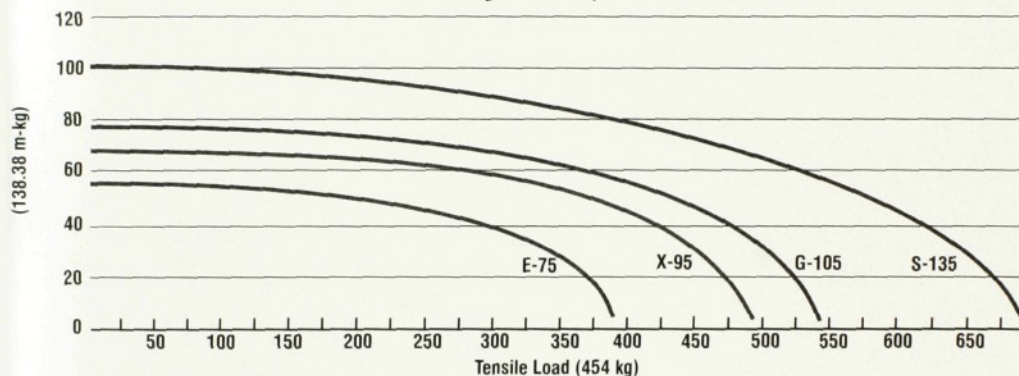


3.4.1.11. Completed Drill Pipe DRILL COLLARS

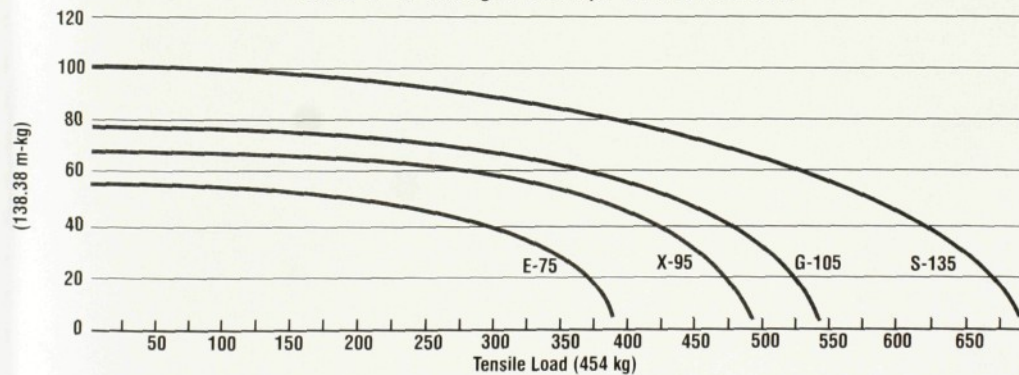
139.7 10^{-3} m 36.8 kg/m Drill Pipe - API Premium Class



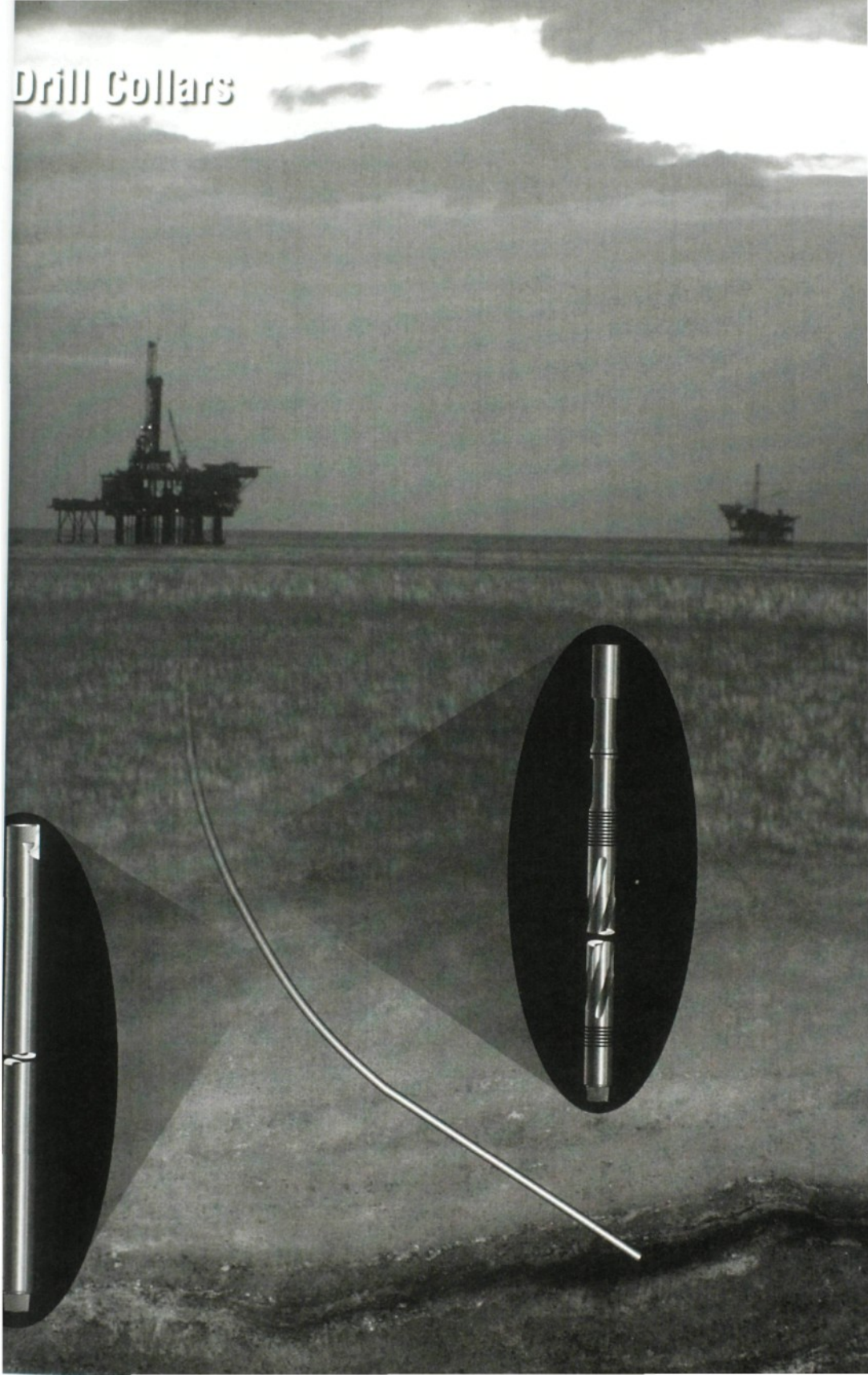
168.27 10^{-3} m 37.5 kg/m Drill Pipe - API Premium Class



168.27 10^{-3} m 37.5 kg/m Drill Pipe - API Premium Class



Drill Collars



Completed Drill Pipe DRILL COLLARS

3.4.2.1. Materials

The drill collars are manufactured from AISI 4142H-4145H modified steel, and are supplied in the “as rolled” surface finish can be provided. Drill collars are trepanned and drifted to API Spec. 7. Full-length heat-treatment processes ensure that mechanical properties meet or exceed API Spec. 7 requirements. A hardness range of 285-341, Brinell Hardness and Charpy “V” notch minimum impact strength of 5.53 m-kg at 21.11 °C are guaranteed one inch below the surface.

Materials Mechanical Properties			
Drill Collar Diameter	Maximum Yield Strength	Maximum Tensile Strength	Maximum Hardness
10 ⁻³	MPa (PSI)	MPa (PSI)	BHN
79.371 to 174.62	759.10 (110,000)	956.10 (140,000)	285
179.8 to 279.4	690.10 (100,000)	931.10 (135,000)	285

Tensile properties are determined by tests on cylindrical specimens conforming to the requirements of the current ASTM A370, 0.2% offset method. Hardness tests are performed on the OD of all drill collars in compliance with current ASTM standards.

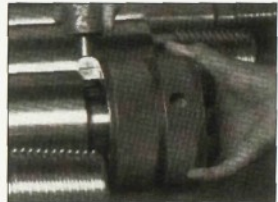
Traceability

The drill collar material and process traceability are maintained from receipt of mill certified raw material to completion of all the manufacturing. Serial numbers are die stamped on bar bodies.



Rigid Inspection Procedures

We inspect all the drill collars to comply with API standards and internal specifications. These inspections include visual dimensional checks as well as ultrasonic inspections over the entire body of the drill collar.



3.4.2.2. Product Specifications

API Connections

The drill collars are manufactured in 762 . 10⁻³ m and 787.4 . 10⁻³ m lengths. All API connections comply with dimensional requirements specified in API Spec. 7 and guidelines presented in API RP7G. Common sizes and styles are summarized on the next page. In addition, other connections, such as OH, FH, PAC, WO, SLH90, SH, and H90, are available to meet specific needs.

Cold Rolling

Drill collar thread roots as well as elevator and slip recess upper radii are cold-rolled. Cold rolling creates a compressive stress condition that increases fatigue life by minimizing crack initiation.



API pin stress relief groove and API boreback box remove unengaged threads in highly stressed areas of the drill collar. Connection.

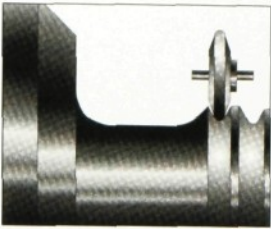
Phosphate Coating

All connections are phosphate-coated to improve resistance to galling.

Stress Relief Features

API pin stress relief groove and API boreback box decrease the frequency of fatigue failures. These features increase connection flexibility and reduce high-stress concentrations that normally occur adjacent to the end of engaged threads. Stress relief features are machined in compliance with API Spec. 7.

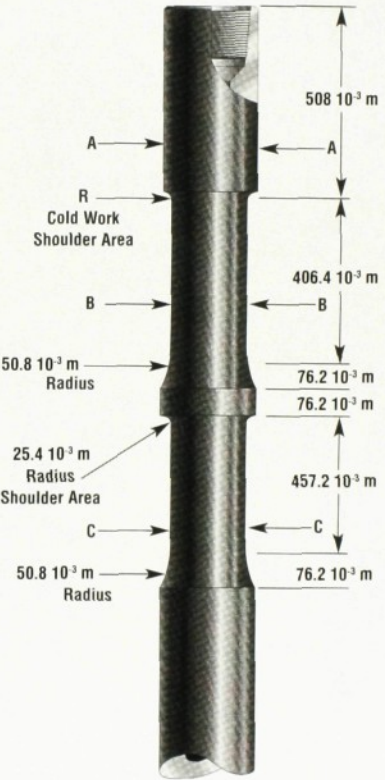
As indicated in API Spec. 7, connections NC23, NC26 (60.3×10^{-3} m IF) and NC31 (73.025×10^{-3} m IF) do not have sufficient metal to accommodate stress relief features.



The cold-rolling process consists of compressing metal fibers by means

3.4.2.3. Slip and Elevator Recesses

The upper radius of the elevator recess is cold-rolled to increase product life. Slip and elevator recesses can be used together or separately. Unless otherwise specified, slip and elevator recesses are machined in compliance with API RP7G guidelines.



3.4.2.4. Drill Collar Hardfacing

The manufacturer Offers Numerous Hardfacing Options:

• **Special Edition:**

Fine Particle Tungsten-Carbide, applied either flush or raised, provides economical protection in open hole applications.

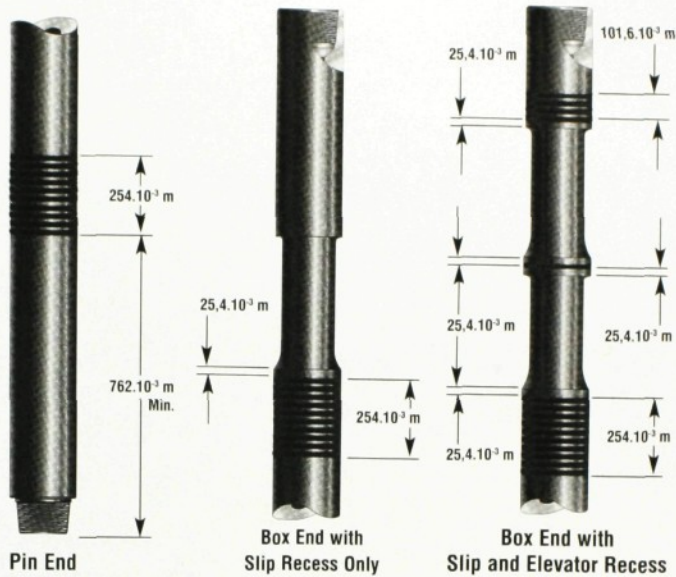
• **SUPERSMOOTHX:**

patented solution for applications requiring a “machine-finished” surface.

• **SMOOTHX:**

patented hardfacing that provides a smooth surface with little or no exposed carbide.

• **Other:** producer offers custom engineering hardfacing for specific applications.



3.4.2.5. HI TORQUE Connection

HI TORQUE Applications

The HI TORQUE is a patented, double-shouldered, high-performance connection that offers significantly more torsional strength than standard API connections of similar size.

Spiral Drill Collar

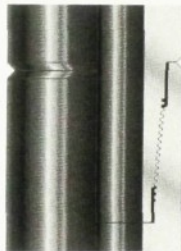
Spiral drill collar are part of manufacturers complete product line. Spiral grooves let mud circulate freely around the drill collar to equalize pressure and prevent a seal from forming. This reduces the occurrence of differential pressure sticking.



Spiral prevents differential sticking



Without Spiral



3.4.2.6. Care and Maintenance

Initial Make-up

Even though quality connections are heavily coated with phosphate, thread damage is not always prevented. A generous and thorough application of high-quality thread dope (40 to 60 % by weight metallic zinc minimum) will help minimize galling.

New connections should be “walked in” with chain tongs. Always use the recommended make-up torque for the thread design. Exercise care to maintain calibrated torque measuring and indicating gauges for future use. After initial make-up, break-out the connection, clean and inspect the threads, faces and shoulders. Repair any minor damage. Re-lubricate and re-torque the connection.

Repeat break-out and make-up a third time before going in the hole. Monitor break-out torque. It should be the same or less than the make-up torque. High break-out torque is an indication of problems and the connection should be inspected for damage.

Maintenance

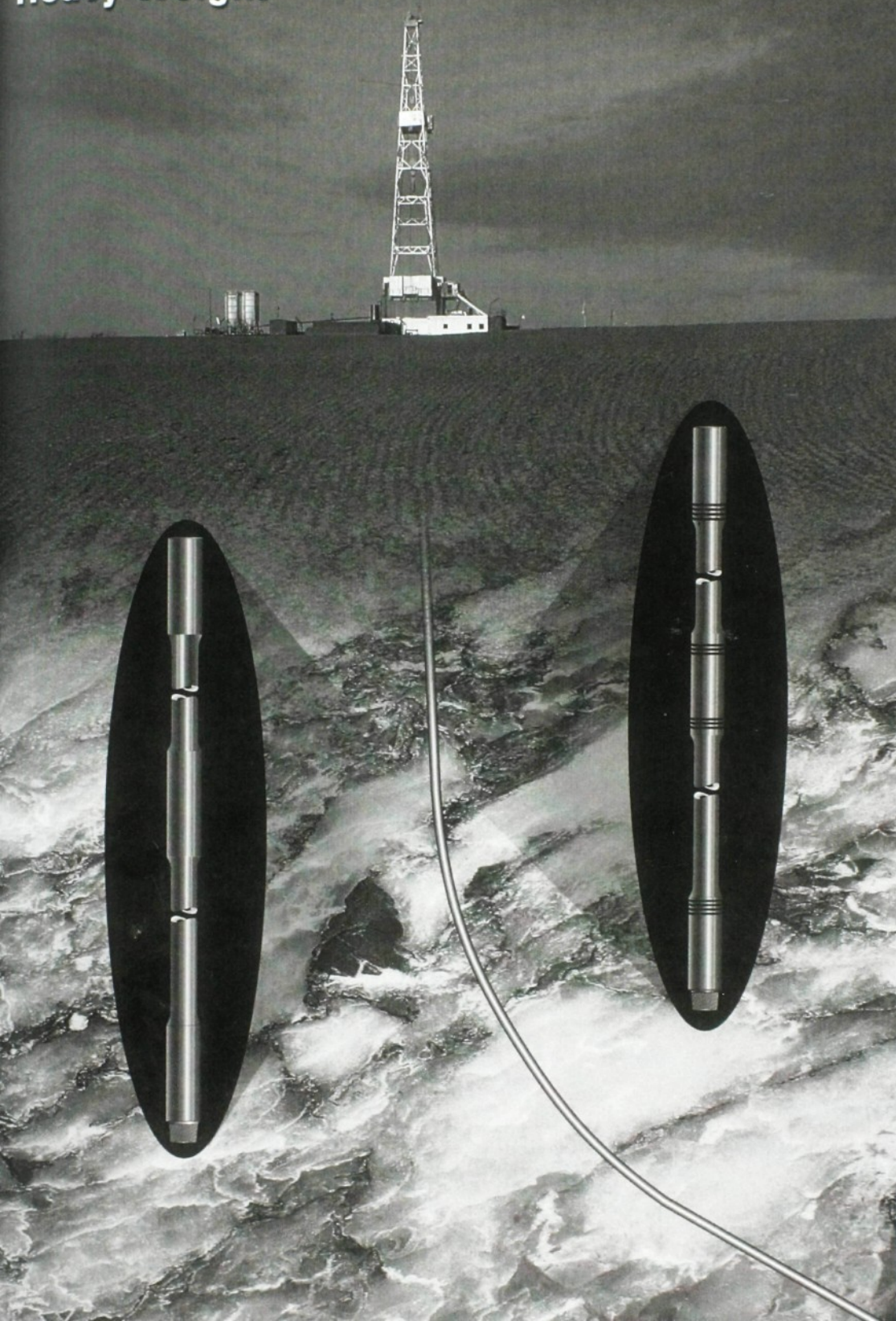
Use thread protectors on both connections when handling drill collars. Rotate breaks on each trip. Clean and inspect the individual connections.

Qualified personnel should periodically conduct a magnetic particle/black light inspection. Collars that are left idle or put in storage should be cleaned, inspected, repaired, and rust-proofed, as necessary, before installing thread protectors.

Bending Strength Ratios

Sizes less than $152.4 \text{ } 10^{-3}$ should have a BSR of 2.25:1 to 2.75:1. Conditions that require high rpm and small collars compared to the hole size, use 2.25:1 to 3.00:1. If the rpm is kept low and the collars are closer to the hole size, use 2.25:1 to 3.20:1. In corrosive environments, use 2.50:1 to 3.00:1.

Heavy Weight



Heavy Weight

3.4.3.1. Materials

Heavy Weight

Drill Pipe is manufactured by welding extra-long tool joints to heavy wall tubes. Standard heavy weight tool joints are manufactured from AISI 41 42H - 41 45H modified drill collar material. The heavy pipe body is manufactured from AISI 1340 material. Extra-long tool joints are designed to provide increased space connection rework.

Heavy weight drill pipe tube materials mechanical properties	
Minimum Yield Strength	Minimum Tensile Strength
MPa (PSI)	MPa (PSI)
380 (55,000)	656 (95,000)

Mechanical properties for tool joint materials are tabulated on page ?? of this catalog.

Traceability

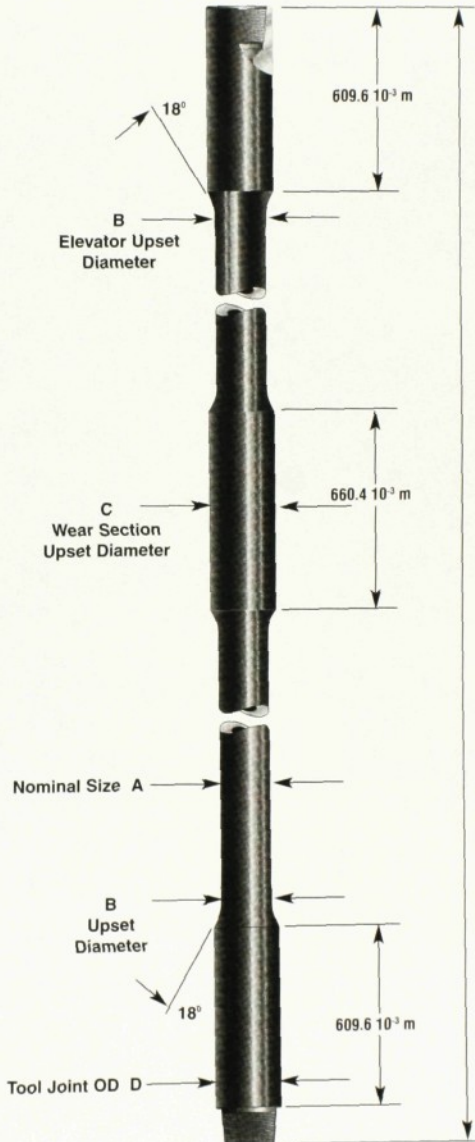
Material and process traceability are maintained for each Heavy Weight Drill Pipe component. For the tool joints, the mill material certifications are confirmed by incoming testing and each tool joint blank is given a three-digit heat code. This code is traceable through the manufacturing process. The heavy weight drill pipe tube is given a permanent identification number.

Cold Rolling

Drill pipe undergoes repeated, severe tensile stresses during a drilling operation. These cyclic stresses are particularly focused on the thread root's and can cause pipe failure. Producer helps alleviate this problem by compressing ("cold rolling") the thread roots on every piece of heavy weight drill pipe. Because the threads are in a compressed state to begin with, the endurance limit to bending forces is increased, thereby decreasing fatigue.

3.4.3.2. Heavy Weight Drill Pipe

Thick-walled pipe, called Heavy Weight Drill Pipe (HWDP), was developed to provide a gradual transition from the heavy drill collar to the relatively lightweight drill pipe. This intermediate-weight pipe was a wall thickness of approximately 1", and helps prevent stress concentration at the top of the drill collar. It also allows you to drill at higher rpms, reducing torque and differential pressure sticking.



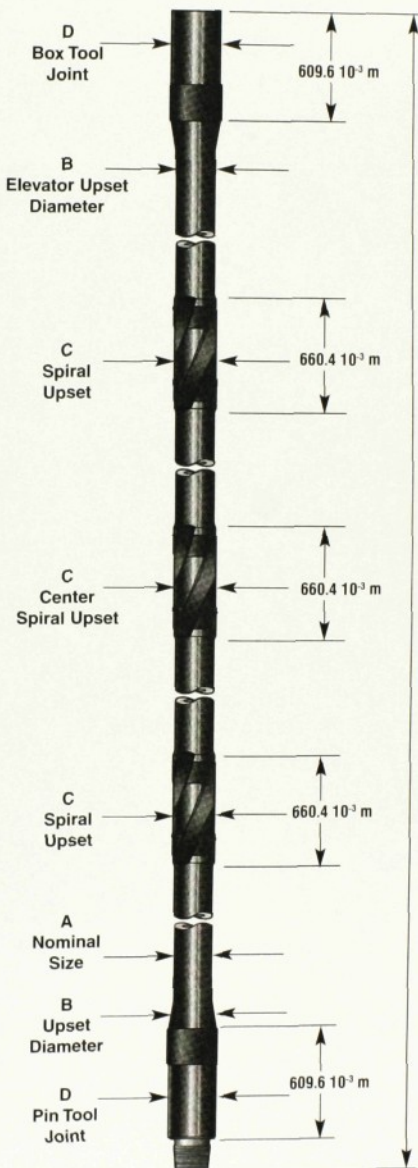
HWDP is intended primarily for directional drilling. Because it bends easily, it simplifies directional control and minimizes connection fatigue problems common to high-angle or horizontal drilling. The reduced number of pipe failures and increased drill-stem service also make HWDP appropriate for some straight-hole applications.

Various combinations of HWDP, drill collars, and standard drill string can be created to meet the challenge of severe drilling conditions.

3.4.3.3. Spiral Heavy Weight Drill Pipe

The producer developed Spiral Heavy Weight Drill Pipe for applications where standard heavy weight drill pipe can fail-extended reach or horizontal drilling. The severe bending stresses and hole-wall contact are reduced by three spiral upsets that are equally spaced between tool joints. The upset design helps reduce buckling and differential sticking, as well as torque and drag. Spiraling the upsets also helps move the cuttings off the low side of the hole for better hole cleaning.

Spiral Heavy Weight Drill Pipe features more weight per joint and better hole cleaning characteristics than standard heavy weight drill pipe, providing optimum performance in severe drilling conditions.



3.4.3.4. Product Features

API Specifications

Heavy Weight Drill Pipe is manufactured in compliance with the following API standards, as applicable.

API Specification 7

API Recommended Practice 7G

API Specification Q1

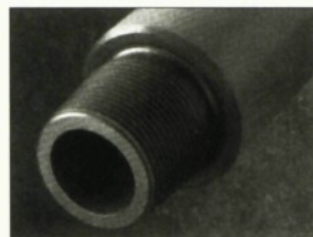
Phosphate Coating

All new connections are hot phosphate-coated to reduce galling and improve the adhesion of the thread compound. Producer's heated coating process applies more phosphate to the connection than cold treatments, which prevents steel-to-steel contact and helps control frictional properties.

Hot phosphate coating is just one more reason why manufacturer's products are superior to other brands.



Before phosphate coating



After phosphate coating

Drill Stem Accessories



Drill Stem Accessories

Pup Joints

Pup joints are manufactured from the same material as drill collars. Heat-treatment processes ensure a hardness range of 285 - 341 Brinell. Charpy “V” notch minimum impact strength of 5.53 10⁻³ at 21.11° C are guaranteed one inch below the surface. The integral drill pipe pups are heat treated to 828.10 MPa minimum yield. Integral pups have the same tensile and torsional rating of S-135 drill pipe with the same pin ID. All connections are phosphate-coated to improve resistance to galling.

Standard lengths are 127 10⁻³ m, 254 10⁻³ m, and 508 10⁻³ m. Additional sizes are available upon request. Same-size pup joints 254 10⁻³ and longer can be produced as welded assemblies.

Thread Protectors

Manufacturer offers steel and cast steel thread protectors for its drill stem products.



Pin

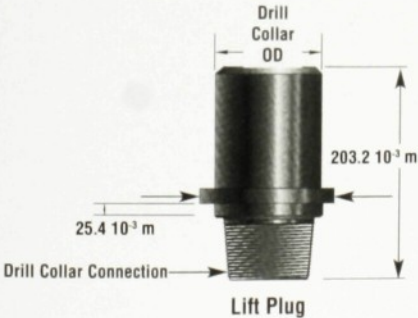


Box



Lift Subs and Lift Plugs

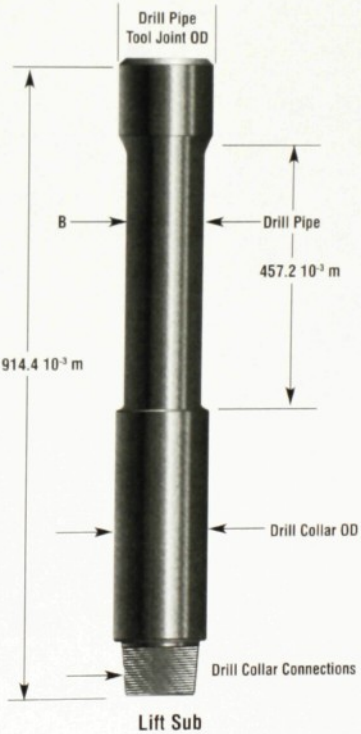
Lift Subs and Lift Plugs are manufactured to the same specifications used for drill collars.



Lift Plug

Lift Plug Plate diameter approximately 50.8 10⁻³ m larger than Drill Collar diameter.

Lift Subs can be ordered with Top Connection.



Lift Sub

Rotary Subs

Rotary subs are available in standard lengths of 914.4 10⁻³ m or 1212.2 10⁻³ m.

Rotary subs are manufactured from drill collar material trepanned and drifted to API Spec. 7 requirements.



Kelly Saver Sub



914.4 10⁻³ m or
1212.2 10⁻³ m

Reduced Section Subs

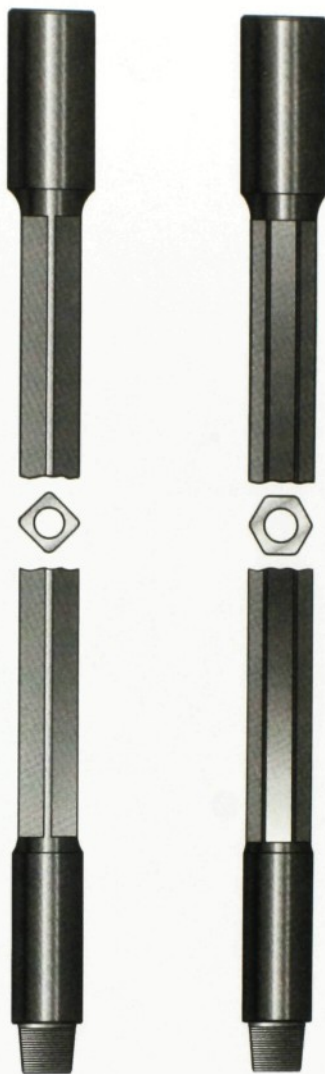


914.4 10⁻³ m or
1212.2 10⁻³ m

Straight OD Subs

Rotary Kellys

Producer offers square and hexagonal kellys. Kelly's are available up to $1168.4 \cdot 10^{-3}$ m long. The kellys are made from 41 45 - modified alloy bars that are quenched and tempered full length. A hardness range of 285 to 341 BHN and a minimum impact value of $1016 \cdot 10^{-3}$ m are maintained $25.4 \cdot 10^{-3}$ m below the surface at room temperature. All ends and center drive sections are machined. Producer's kellys are precision-trepanned to provide true bores. They are drifted to API specifications, and all connections are machined. Producer's kellys are stamped with the API monogram, where applicable.



3.4.5. Summary & Conclusion

Tubular products, for the oil and gas industry, are manufactured throughout the world. The products discussed included drill pipe, drill collars, casing and production tubing.

The function of drill pipe is to extend the drill bit from earth's surface to the well depth and provide a channel for the drilling mud to pass through.

Drill Pipe life is basically the total amount of cycles (bending motion from tension to compression) the pipe can withstand before a fatigue crack develops into a failure. When a length of Drill Pipe is "run bent" the amount of cycles remaining decrease rapidly; thus decreasing its service life.

The function of the drill collar is to provide weight necessary for the bit to penetrate into the earth's surface and also to provide a channel for the drilling mud to pass through.

MANUFACTURING OVERVIEW: Drill pipe performs a number of vital functions. It transmits torque from the drive spindle through the rod to the bit. It transfers axial load to advance the drill string, and it is the pressure tight conduit for drilling fluid. Great amounts of compression, tension and torsion forces are applied to the drill rod. Over time, these

forces can cause fatigue, leading to the unexpected and catastrophic failure of drill rod during drilling operations. That, in turn, can cause unnecessary expenses and a significant loss of revenue. The different forces applied to pipe used in vertical or horizontal drilling are compression, tension and torsion..

Drill pipe rod must withstand strong forces that change rapidly, the pipe must perform despite abrasive wear in a corrosive environment. In addition, drill pipe is subject to continual bending stresses while in compression and torsion. Under these conditions, a pipe with a uniform wall thickness will bend at the joints. Such pipes are weakest at the threads and tend to break at the thread next to the shoulder. To overcome these weaknesses, special connections have been designed to strengthen pipe ends. Another way to strengthen

pipe ends involves increasing wall thickness at the end of the tube during manufacturing – a process termed "upsetting."

TYPES AND METHODS OF MANUFACTURING: Two basic types of drill pipe are in use today: the external flush joint pipe and the elevated shoulder pipe. In external flush joint drill pipe, the upset area and/or tool joints have the same outside diameter as the pipe body. In elevated shoulder drill pipe, the upset area and/or tool joints have a larger outside diameter than the pipe body. Both are good designs for the drill pipe industry. Integral forged, inertia welded or shrink fit welded are the three most common methods for manufacturing drill pipe.

Integral forged drill rod is made solely from one piece of material. This product has the same chemical make-up for the connections and the tube body and no weld zone exists between the two. The green material is cut to the required length to ensure the proper final length tolerances are met. The ends of the cut tube are then heated as to produce a workable material for forging. The forging process creates the desired upset OD, ID and length configuration required for a given connection. The next step in the manufacturing process is to heat treat the

tube to the customer specified grade, producing a tube with a specified minimum yield strength. Once heat-treating has concluded, the connections are then machined on the upsets of each tube, generally one pin and one box. Due to forging constraints, the upset OD, ID and length are limited on the integral forged drill rod, thus an inertia welded product can be used.

Due to connections OD, ID and length requirements, inertia welded drill rods are in popular demand. An inertia welded drill rod is similar to an integral drill rod in that the green tube is cut to length, upsets are forged on the ends and the tube is heat treated. The main difference with the inertia welded drill rod is that the tool joints, connections, and the tubes are manufactured separately. The tool joints

are forged from bar stock, heat treated, inspected and threaded. The tool joints and the tube are then brought together for welding. The welding process creates a seamless bond between the tool joint and the tube by using momentum created by the inertia welding machine. No filler materials are used in this type of welding, so no impurities will be found in the weld. The welding process begins with the tube being held stationary by a set of fixture clamps in the inertia welder. The tool joints are placed in a set of clamps, (collets) and aligned with the turned and bored upset on the tube. The weld cycle begins with the machine rotating the tool joint to a calculated RPM. Once the proper RPM has been reached the machine forces the tool joints and the tube together, creating the bond weld. The weld zone is then heat treated and tested to ensure the proper strength has been obtained to provide a quality product to the customer.

Shrink fit and welded drill rod is manufactured with tubes that may have upset ends or be a parallel wall (or plain end) tube. This process machines the ID of the tube to produce an interference fit with the weld tang of the tool joint connection. The weld tang is actually pressed inside the mid-body tube, and a fillet weld bonds the tool joints to the tube. Because of its mass, shrink fit and welded pipe has similar advantages to inertia-welded pipe. This process is well accepted in all industries and provides a strong joint. The disadvantage of this method is the filler metal between the two mating parts. If you shrink fit a tool joint to the parallel wall of a plain end tube and sustain any wear on the outside diameter, then the connection is weakened and subjected to increased fatigue.

An important service required for the effectiveness and performance of all tubular products is inspection. The most common types of inspections are electromagnetic inspection (EMI) and magnetic particle inspection (MPI).

Inspection of tubular products is a service provided to detect flaws within or on the pipes surface and is a critical factor in the success of drilling and completing a well for production. Some of the factors involved in the cause of these flaws that must be detected prior to failure are: manufacturing errors, strain in which the product is put under during use and /or misuse, and hydrogen sulfide gas found within the earths surface.

4. Financial analysis

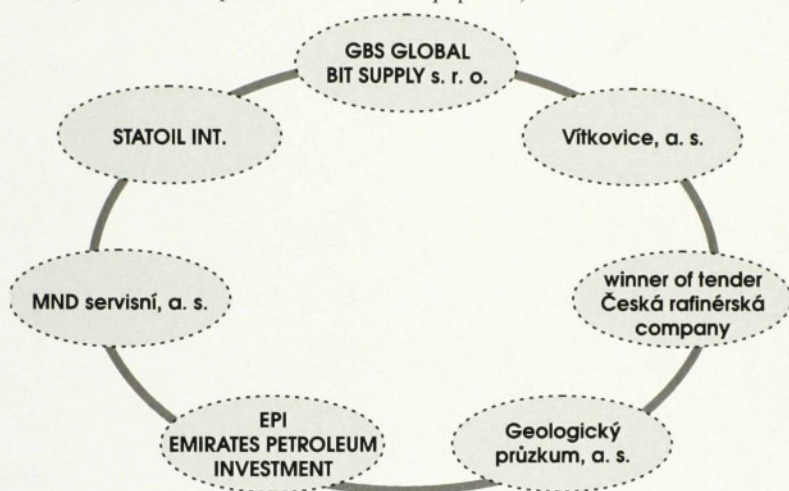


The financial analysis for the company future economic development

4.1. History of company

EPEDC is a new company which include five existing partners:

- GBS GLOBAL BIT SUPPLY s.r.o. contractor (Czech company),
- STATOIL INT. (Norwegian offshore drilling company),
- MND servisní, a.s. (Czech company which operate in the domain of gas and oil well drilling - onshore, water well drilling, directional drilling and work over services),
- EMIRATES PETROLEUM INVESTMENT (located in the United Arab Emirates),
- the winner of the tender for the Česká rafinérská company (The government is privatising 51 % of the Czech refinery company and one of the winners of the tender will get an offer to be a partner in EPEDC). The company shall buy inexpensive high-quality crude oil in the Middle East and sell it in the Czech Republic and Europe,
- Geologický průzkum, a. s. (Czech company, which make exploration operations for oil and gas),
- Vítkovice, a. s. (manufactures petroleum and drill equipment).



4.2. The target of this project

The main target is to expand the supply base of essential raw mineral material sources for The Czech Republic.

Unfortunately, The Czech Republic is not a country rich in raw mineral material resources. Most of its mineral materials are imported, including crude oil and gas. Although crude oil and gas are drilled in several places in The Czech Republic, the sources are not sufficient and the volume of drilled crude oil does not cover the needs of the country. The greater parts of crude-oil and gas supplies are imported, mostly by pipeline, from Russia and German Ingolstadt.

Transport of crude oil and gas from Russia, which is the major supplier, has its risks because of erratic supply. The supply was interrupted several times in the past. So the opportunity of finding an alternative source of supply of crude oil and gas would be beneficial to the Czech Republic. For this reason, the author of this project decided to build a company which would participate in the drilling for crude oil and gas in the Middle East, where rich sources are located. With regard to the experience of establishing similar subjects in the Middle East, this proposed project has all the potential to be successful.

4.3. Property-law related to the project

The proposed project should establish itself and be managed in an office which would be rented in the United Arab Emirates. The office equipment should contain a computer system software, fax machine, phone machines, mobile phones, furniture etc. It will be owned by the established company. The company will buy one personal car to be used for company purposes. The entire collection of drilling equipment needed for the professional work will be managed by the companies STATOIL INT., MND servisní, a. s. and Geologický průzkum, a. s. and be purchased with the companies's own resources. A suitable warehouse will be rented for storing this equipment.

4.4. Technical/technological aspect of the project

The company will provide wells, drilling and researching projects. They should adhere to these activities:

Water well drilling

These will be dug for the purpose of finding new water sources.

Work over services

The company will offer the professional capacity for future customers to provide work over services for old and new oil wells.

Well between wells - Directional drilling of crude oil

This is special technology whereby pre-existing wells can be reused, firstly by researching the surrounding area of the well in a horizontal way, then in the event of a new source of crude oil being found directional drilling can be performed.

Gas and Oil well Drilling - onshore

This activity refers to vertical wells: exploration and drilling of crude oil and gas.

Gas and Oil Well Drilling - offshore

This activity refers to drilling vertical wells: exploration and drilling of crude oil and gas.

Export of crude oil

The company will obtain its crude oil and gas from the Middle East. These products will be transported mainly to the Czech Republic and Europe. Crude will be obtained in two ways:

1. According to an agreement with the customer, the cost of the company's services will be paid in crude oil or gas.
2. The company EPEDC will have to register itself formally and legally in the refinery working in the mentioned area.

Sale and services of the petroleum and drilling equipment

There are many factories in the Czech Republic with experience in the production of petroleum and drilling equipment an example being Vítkovice, a. s. EPEDC is plans to buy this equipment and export it to the Middle East.

4.5. Analysis of taking this project

This project is planned as a minimal variant of company development. This means that calculations are performed assuming maximum expenditure and minimum income. This is possible with the current economy, and if it continues to have similar economic trends. From this we can divide the expenses as follows.

Water well drilling

The company is able to drill a minimum of 500 wells in one year (i.e. about 42 wells per month). The average price per well is 6.500,- € and we can suppose that the total income will be 3.250.000,- € per year (or 270.833,- € monthly).

Work over services

The company plans to provide this service, for 8 hours daily, 26 days/month. The price per hour will be 150,- €, which means 31.200,- € as an average monthly income.

Well between Wells - Directional drilling

The company is capable of producing 1 well over a period of 2 months (minimum). The price of the well is approximately 245.000,- €, so the monthly income from this activity should be 122.500,- € (1.470.000,- € each year).

Gas and Oil Well Drilling - onshore

The company will manage at least 8 wells yearly. The average length of one well is 15.000 feet. One foot will cost the customer 60,- €, meaning that the average price of one well will be 900.000,- €. The total income in one year should be 7.200.000,- € (600.000,- € monthly).

Gas and Oil Well Drilling - offshore

EPEDC could do 3 wells. The total price of one well depends on the depth of the well. Drilling of one foot costs 381,25,- €. The average depth of the well is about 15.000 feet, so the price per well is 5.718.750,- €. The yearly income from this activity should be 17.156.250,- € (so monthly it should be 1.429.687,50 €).

Export of crude oil

Company EPEDC will react according to the market situation and according to the needs of the Czech Republic and Europe. The Czech national consumption is 7 million ton of crude oil each year. This analysis was done as a minimal variant where the influence of incomes from the export of crude oil on the company economy was overlooked.

Sale and service of petroleum and drilling equipment

The price and the volume of purchased and sold petroleum and drilling equipment will depends on the state of the market. As this is the case it must be borne in mind that this analysis is done as a minimal variant, and the influence of the income from petroleum and drilling equipment on the company economy are overlooked.

EPEDC shall be established approximately on 1. March 2004. The company shall use an increasing operational strategy starting on 1. September 2004 with simpler missions such as water well drilling activities and work over services. Within a year EPEDC shall expand its operational area into the horizontal and vertical oil well drilling (onshore) and on the 1. March 2006 EPEDC may expand its activity for offshore drilling. Here is a sample chart of how the structure will be:

Tab. no. 1 - the structure of income (in years)

Activity	2004	2005	2006	2007	2008	TOTAL in €
Water well drilling	1 083 332,00	3 249 996,00	3 249 996,00	3 249 996,00	3 249 996,00	14 083 316,00
Work over services	124 800,00	374 400,00	374 400,00	374 400,00	374 400,00	1 622 400,00
Horizontal drilling	0,00	1 225 000,00	1 470 000,00	1 470 000,00	1 470 000,00	5 635 000,00
Drilling onshore	0,00	6 000 000,00	7 200 000,00	7 200 000,00	7 200 000,00	27 600 000,00
Drilling offshore	0,00	0,00	14 296 875,00	17 156 250,00	17 156 250,00	48 609 375,00
TOTAL in €	1 210 136,00	10 851 401,00	26 593 277,00	29 452 653,00	29 452 654,00	97 560 121,00

Fig. 1

The Development of income in the period 2004 - 2008

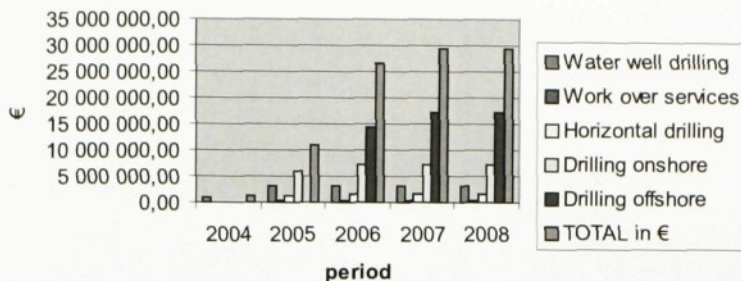
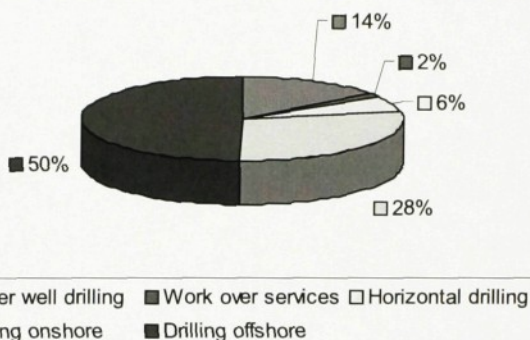


Fig. 2

The Structure of incomes in the period 2004 - 2008



4.6. Analysis of the project costs

The company shall pay costs, whose structures differ in each evolutionary phase. Beginning with the initial establishment of the company, continuing through the market establishment period, and ending in the period when the company has stabilised. It is possible to subdivide these costs as being: The establishment of the company; the cost for running an office; the costs of the initial activity of the company; and loan fees.

4.6.1. Costs associated with the establishment of the company

Mainly there will be initial fees for the company's legal registration with the proper authorities. GBS Global Bit Supply, s. r. o. shall be responsible for this operation. These fees should be about 2.000,- €. It is important for the company to manage its own office. There will be one-off costs, such as buying a company car, furnishing the office and buying office equipment (PC system, software, fax machine, phone machines, portable phones, furniture etc.).

The cost for the company car should be around 8.000,- € and we can expect that the rest of the office equipment will cost about 3.000,- €. In sum, the total cost for establishing this company should be 13.000,- €.

4.6.2. Overhead costs for office activity for which GBS Global Bit Supply, s. r. o. will be responsible

The monthly costs, specified below, should be considered as monthly expenses related to running and maintaining a proper office:

Salary of employees (manager, secretary)	2.500,- €
Renting the office	800,- €
Internet	70,- €
Phones, faxes	400,- €
Office equipment	50,- €
Costs of petrol for company car	20,- €
Travel costs (air tickets, hotels, taxi, visa, fees on the tenders)	750,- €
Other costs	500,- €
TOTAL	5.160,- €

4.6.3. Costs associated with the company activities

There are some specific costs connected with the company activities. As was written previously, the company will often use the services of its suppliers: STATOIL INT., MND servisní, a. s. and Geologický průzkum, a. s. These companies will offer services (as described), which means that they will need to transport their machines and equipment on the location of operations. It is expected that EPEDC would be asked to manage a suitable storage for this equipment. Plus it should be expected to cover the transport of the equipment. The monthly costs of a suitable warehouse is 1,000 €. The transport costs of machinery & equipment should range about 14.000,- € in one year (or 1.167,- € monthly).

Other company costs are very specific, and they vary depending on the type of activity. Because nearly all activities will be managed by the suppliers, it is sure that the company costs will include expenses for the services of STATOIL INT., MND servisní, a. s. and Geologický průzkum, a. s. We can determine the costs on the basis of previous work of this kind:

Water well drilling

The company is able to drill 500 wells yearly (that means 42 wells monthly). The average price of one well is 3.466,- € and total costs are supposed to be about 1.733.000,- € if the activity will run for 1 full year meaning 144.417,- €.

Work over services

It is counted that the company will provide this service 8 hours daily for the 26 days monthly. It will cost the co. 75 € per one working hour. This means that the total average costs for one month will be 15.600,- €.

Well Between Wells - Directional drilling

If the company capacity is producing 1 well/2 months (approx.) the well costs approx. 130.659,- € and monthly costs for this activity will be 65.329,50 € (yearly 783.954,- €).

Gas and Oil Well Drilling - onshore

The co. manages to drill 8 wells yearly (min.). The depth of each well is approximately 15.000 feet as average & 1 foot will cost 32 €. It means that the average price of one well is 480.000 €. The costs of this activity will reach the about 3.840.000,- € yearly (so it is 320.000,- € monthly).

Gas and Oil Well Drilling - offshore

It is supposed to drill 3 wells in one year, total price of one well depends on its depth. The price of one foot is 180,- € and the average depth is 15.000 feet. So the price per well is 2.700.000,- €. Yearly incomes from this activity will be 8.100.000,- € (which means 675.000,- € monthly).

Export of crude oil

Company EPEDC will react according to the situation on the market and the needs of The Czech Republic and Europe. The Czech republic needs about 7 million. tons of crude oil yearly. Since this feasibility study has been made as minimum variant, the influence of costs for import of crude oil and gas on the economy of company was not included.

Sale and service of petroleum and drilling equipment

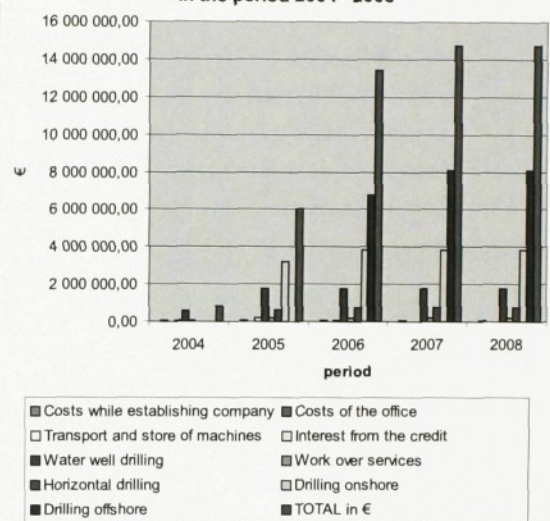
The price and volume of purchased and sold petroleum and drilling equipment will be dependant on the needs of the market. Also in this case we have to remember that this analysis is done as minimal variant and the influence of incomes on the sale and service of petroleum and drilling equipment for the economy of the company is for the purpose of analysis is overlooked.

Interest from credit

It is supposed that the company, to ensure its activity, will use credit offered by some locals banks. It is supposed that EPI (Emirates Petroleum Investment company) will supply credit to the company and will charge interest. It is calculated that its value will be about 9,98 %. The amount of credit which the company will require is 2.400.000,- €. The company will use amount 800.000,- € in the period ending 28. February 2004 and 1.600.00,- € in the period to 31. January 2005. This credit will be repaid back from the beginning of the year 2005 in regular monthly payments. The whole amount will be paid back by the end of the year 2006. The interest to be paid is as follow: 66.533,- € (year 2004), 185.516,- (year 2005) and 74.204,- € (year 2006). The structure of income depends on the period when company will pay them. This structure will look like this:

Fig. 3

The Development of costs in the period 2004 - 2008



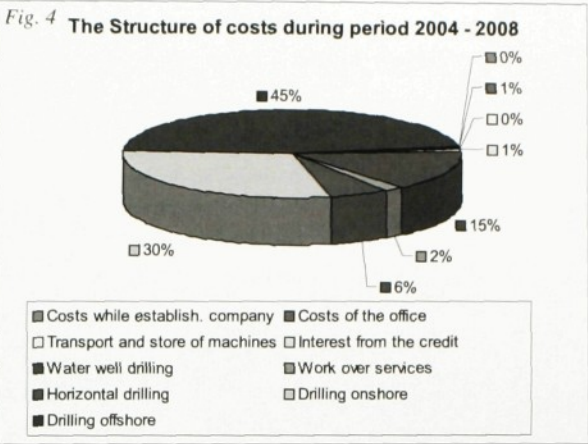
Tab. Number 2 - The structure of income in years

Costs	2004	2005	2006	2007	2008	TOTAL in €
Costs while establishing company	13 000,00	0,00	0,00	0,00	0,00	13 000,00
Costs of the office	51 600,00	61 920,00	61 920,00	61 920,00	61 920,00	299 280,00
Transport and store of machines	21 670,00	26 004,00	26 004,00	26 004,00	26 004,00	125 686,00
Interest from the credit	66 533,30	185 516,10	74 204,46	0,00	0,00	326 253,86
Water well drilling	577 668,00	1 733 004,00	1 733 004,00	1 733 004,00	1 733 004,00	7 509 684,00
Work over services	62 400,00	187 200,00	187 200,00	187 200,00	187 200,00	811 200,00
Horizontal drilling	0,00	653 295,00	783 954,00	783 954,00	783 954,00	3 005 157,00
Drilling onshore	0,00	3 200 000,00	3 840 000,00	3 840 000,00	3 840 000,00	14 720 000,00
Drilling offshore	0,00	0,00	6 750 000,00	8 100 000,00	8 100 000,00	22 950 000,00
TOTAL in €	794 875,30	6 048 944,10	13 458 292,46	14 734 089,00	14 734 090,00	49 770 290,86

4.7. Total company economy

The development of the economy in the period 2004 - 2008 is described in detail in the following attachments. Since the first operational base for the company is Dubai, EPEDC will be a resident of the United Arab Emirates. The company has tax incomes duty only in UAE. At this time there is no income tax duty in the United Arab Emirates. The only requirement for tax duty is to pay tax on dividend paid to the partners who are residing in The Czech republic.

According to the agreement between The Czech republic and The United Arab Emirates with respect to the prevention of double taxation and the prevention of tax outflow in the category of income tax, and tax from the possession, the dividend paid off this way are taxed in The Czech republic. According to Czech legislation, specifically § 20 b section 1 law no. 586/1992 and § 21 sections 3 law no. 586/1992 the companies will be required to pay tax to the Czech government at a rate of 15 %. From the partners' view this taxation regime looks very profitable, whilst also being beneficial to the Czech republic as the recipient of taxes. With regard for the forthcoming profit it is beneficial for the Czech republic that there will be a periodic payments of taxes.



5. ATTACHMENTS:

Profit and lost account 2004

Balance sheet 2004

Profit and lost account 2005

Balance sheet 2005

Profit and lost account 2006

Balance sheet 2006

Profit and lost account 2007

Balance sheet 2007

Profit and lost account 2008

Balance sheet 2008

The program paying back of the credit and interest from the credit

5.1.1. Účetní období 2004

Assets

(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTD.

ROZVAHA

balance sheet

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
	AKTIVA CELKEM TOTAL ASSETS	1	1271761	-3000	1268761	0
A	Pohledávky za upsané vlastní jmění Subscriptions receivables	2			0	
B	Stálá aktiva Fixed assets	3	13000	-3000	10000	0
B I.	Nehmotný investiční majetek Intangible fixed assets	4	2000	0	2000	0
B I. 1	Zřizovací náklady Establishment expenses	5	2000	0	2000	
B I. 2	Nehmotné výsledky výzkumné a obdobné činnosti Intangible results of research activities	6			0	
B I. 3	Software Software	7			0	
B I. 4	Ocenitelná práva Valuable rights	8			0	
B I. 5	Jiný nehmotný investiční majetek Other intangible fixed assets	9			0	
B I. 6	Nedokončené nehmotné investice Non finished intangible fixed assets	10			0	
B I. 7	Poskytnuté zálohy na nehmotný investiční majetek Advance payments for intangible fixed assets	11			0	
B II.	Hmotný investiční majetek Tangible fixed assets	12	11000	-3000	8000	0
B II. 1	Pozemky Land	13			0	
B II. 2	Budovy, haly a stavby Buildings, halls and structures	14			0	
B II. 3	Stroje, přístroje a zařízení, dopravní prostředky a inventář Machines, devices and equipments, transportation, furniture and office equipments	15	8000	-2000	6000	
B II. 4	Pěstitelské celky trvalých porostů Perennial crops	16			0	
B II. 5	Základní stádo a tažná zvířata Breeding and draught animals	17			0	

Účetní období 2004

Assets

(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
B II. 6	Jiný hmotný majetek <i>Other tangible assets</i>	18	3000	-1000	2000	
B II. 7	Nedokončené hmotné investice <i>Non finished tangible assets</i>	19			0	
B II. 8	Poskytnuté zálohy na hmotný investiční majetek <i>Advance payments for tangible assets</i>	20			0	
B II. 9	Opravná položka k nabytému majetku <i>Adjustment to acquired assets</i>	21			0	
B III.	Finanční investice <i>Financial investments</i>	22	0	0	0	0
B III. 1	Podílové cenné papíry a vklady v podnicích s rozhodujícím vlivem <i>Shares and investments in enterprises with controlling influence</i>	23			0	
B III. 2	Podílové cenné papíry a vklady v podnicích s podstatným vlivem <i>Shares and investments in enterprises with substantial influence</i>	24			0	
B III. 3	Ostatní investiční cenné papíry a vklady <i>Other securities and shares</i>	25			0	
B III. 4	Půjčky podnikům ve skupině <i>Intergroup loans</i>	26			0	
B III. 5	Jiné finanční investice <i>Other financial investments</i>	27			0	
C	Oběžná aktiva Current assets	28	1258761	0	1258761	0
C I.	Zásoby <i>Inventory</i>	29	0	0	0	0
C I. 1	Materiál <i>Materials</i>	30			0	
C I. 2	Nedokončená výroba a polotovary <i>Work in progress and semi finished products</i>	31			0	
C I. 3	Výrobky <i>Products</i>	32			0	
C I. 4	Zvířata <i>Animals</i>	33			0	
C I. 5	Zboží <i>Merchandise</i>	34			0	
C I. 6	Poskytnuté zálohy na zásoby <i>Advance payments for inventory</i>	35			0	
C II.	Dlouhodobé pohledávky <i>Long term receivables</i>	36	0	0	0	0
C II. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	37			0	

Účetní období 2004
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets		row řádek	běžné období current period			minulé období last period
				brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b		c				
C II. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>		38			0	
C II. 3	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>		39			0	
C II. 4	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>		40			0	
C II. 5	Jiné pohledávky <i>Other receivables</i>		41			0	
C III.	Krátkodobé pohledávky <i>Short term receivables</i>		42	300000	0	300000	0
C III. 1	Pohledávky z obchodního styku <i>Trade receivables</i>		43	300000		300000	
C III. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>		44			0	
C III. 3	Sociální zabezpečení <i>Social security</i>		45			0	
C III. 4	Stát - daňové pohledávky <i>Due from State - tax receivables</i>		46			0	
C III. 5	Stát - odložená daňová pohledávka <i>Due to State - deferred tax receivables</i>		47			0	
C III. 6	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>		48			0	
C III. 7	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>		49			0	
C III. 8	Jiné pohledávky <i>Other receivables</i>		50			0	
C IV.	Finanční majetek <i>Financial assets</i>		51	958761	0	958761	0
C IV. 1	Peníze <i>Cash</i>		52	2000		2000	
C IV. 2	Účty v bankách <i>Bank accounts</i>		53	956761		956761	
C IV. 3	Krátkodobý finanční majetek <i>Short term financial assets</i>		54			0	

Účetní období 2004
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
D	Ostatní aktiva - přechodné účty aktiv <i>Other assets - temporary accounts</i>	55	0	0	0	0
D I.	Časové rozlišení <i>Accruals</i>	56	0	0	0	0
D I. 1	Náklady příštích období <i>Deferred expenses</i>	57			0	
D I. 2	Příjmy příštích období <i>Accrued revenues</i>	58			0	
D I. 3	Kurzové rozdíly aktivní <i>Foreign currencies exchange losses</i>	59			0	
D II.	Dohadné účty aktivní <i>Estimated receivable</i>	60				
	Kontrolní součet <i>Check number</i>	999	5087044	-12000	5075044	0

Odesláno dne

24.7.2003

Send away

Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.2. Účetní období 2004
Liabilities
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTC

0

ROZVAHA
balance sheet

označení markings	PASIVA liabilities	řádek	běžné období current period	minulé období last period
a	b	c	5	6
	PASIVA CELKEM TOTAL LIABILITIES	61	1268761	0
A	Vlastní jmění Equity	62	466261	0
A I.	Základní jmění <i>Registered capital</i>	63	41000	0
A I. 1	Základní jmění <i>Registered capital</i>	64	41000	
A I. 2	Vlastní akcie <i>Own shares</i>	65		
A II.	Kapitálové fondy <i>Capital funds</i>	66	0	0
A II. 1	Emisní ažio <i>Share premium</i>	67		
A II. 2	Ostatní kapitálové fondy <i>Other capital funds</i>	68		
A II. 3	Oceňovací rozdíly z přecenění majetku <i>Difference from revaluation of assets</i>	69		
A II. 4	Oceňovací rozdíly z kapitálových účastí <i>Difference from investment</i>	70		
A III.	Fondy ze zisku <i>Funds from net profit</i>	71	0	0
A III. 1	Zákonný rezervní fond <i>Legal reserve fund</i>	72		
A III. 2	Nedělitelný fond <i>Indivisible fund</i>	73		
A III. 3	Statutární a ostatní fondy <i>Statutory and other funds</i>	74		
A IV.	Hospodářský výsledek z minulých let <i>Profit / loss previous year</i>	75	0	0
A IV. 1	Nerozdělený zisk z minulých let <i>Retained profits previous year</i>	76		
A IV. 2	Neuhrazená ztráta z minulých let <i>Loss from previous year</i>	77		
A V.	Hospodářský výsledek běžného účetního období <i>Profit / Loss - current period</i>	78	425261	

Účetní období 2004
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B	Cizí zdroje <i>Non-own sources</i>	79	802500	0
B I.	Rezervy <i>Reserves</i>	80	0	0
B I. 1	Zákonné rezervy <i>Legal reserves</i>	81		
B I. 2	Rezerva na kurzovní ztráty <i>Reserve for foreign exchange loss</i>	82		
B I. 3	Ostatní rezervy <i>Other reserves</i>	83		
B II.	Dlouhodobé závazky <i>Long-term payables</i>	84	0	0
B II. 1	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	85		
B II. 2	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	86		
B II. 3	Dlouhodobě přijaté zálohy <i>Long-term payables</i>	87		
B II. 4	Emitované dluhopisy <i>Issued bonds</i>	88		
B II. 5	Dlouhodobé směny k úhradě <i>Long-term bills of exchange</i>	89		
B II. 6	Jiné dlouhodobé závazky <i>Other long-term payables</i>	90		
B III.	Krátkodobé závazky <i>Short-term payables</i>	91	2500	0
B III. 1	Závazky z obchodního styku <i>Trade payables</i>	92		
B III. 2	Závazky ke společníkům a sdružením <i>Payables to partners and associations</i>	93		
B III. 3	Závazky k zaměstnancům <i>Payables to employees</i>	94	2500	
B III. 4	Závazky ze sociálního zabezpečení <i>Payables to social security</i>	95		
B III. 5	Stát - daňové závazky a dotace <i>Due to state - taxes and subsidies</i>	96		
B III. 6	Stát - odložená daň <i>Due to state - deferred tax</i>	97		
B III. 7	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	98		
B III. 8	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	99		
B III. 9	Jiné závazky <i>Other payables</i>	100		

Účetní období 2004
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	řádek row	běžné období current period	minulé období last period
a	b	c	5	6
B IV.	Bankovní úvěry a výpomoc <i>Bank loans and financial assistance</i>	101	800000	0
B IV. 1	Bankovní úvěry dlouhodobé <i>Long term loans</i>	102		
B IV. 2	Běžné bankovní úvěry <i>Current bank loans</i>	103	800000	
B IV. 3	Krátkodobé finanční výpomoci <i>Short term financial assistances</i>	104		
C	Ostatní pasiva - přechodné účty pasiv <i>Other liabilities - temporary accouts</i>	105	0	0
C I.	Časové rozlišení <i>Accruals</i>	106	0	0
C I. 1	Výdaje příštích období <i>Accrued expenses</i>	107		
C I. 2	Výnosy příštích období <i>Deferred revenues</i>	108		
C I. 3	Kurzovní rozdíly pasivní <i>Foreign currencies exchange gains</i>	109		
C II.	Dohadné účty pasivní <i>Estimated payables</i>	110		
	Kontrolní součet <i>Check number</i>	999	4649783	0

Odesláno dne

23.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.3. Účetní období 2004
Profit and loss account
(uvedeno v celých €)

Název účetní jednotky

Name of accounting unit

Sídlo účetní jednotky

Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING C

0

VÝKAZ ZISKU A ZTRÁT
profit and loss account

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
I.	Tržby za prodej zboží <i>Revenues from merchandise</i>	1		
A.	Náklady vynaložené na prodej zboží <i>Expenses on sold goods</i>	2		
+	Obchodní marže <i>Sale margin</i>	3	0	0
II.	Výroba <i>Production</i>	4	1210136	0
II. 1	Tržby za prodej vlastních výrobků a služeb <i>Revenues from own product and services</i>	5	1210136	
2	Změna stavu vnitropodnikových zásob vlastní výroby <i>Change of inventory of own production</i>	6		
3	Aktivace <i>Capitalization</i>	7		
B.	Výrobní spotřeba <i>Production consumption</i>	8	682842	0
B. 1	Spotřeba materiálu a energie <i>Consumption of material and energy</i>	9	5500	
B. 2	Služby <i>Services</i>	10	677342	
+	Přidaná hodnota <i>Added value</i>	11	527294	0
C.	Osobní náklady <i>Personal costs</i>	12	32500	0
C. 1	Mzdové náklady <i>Wages and salaries</i>	13	32500	
C. 2	Odměny členům orgánů společnosti a družstev <i>Remuneration of board members</i>	14		
C. 3	Náklady na sociální zabezpečení <i>Social security</i>	15		
C. 4	Sociální náklady <i>Social expenses</i>	16		
D.	Daně a poplatky <i>Taxes and fees</i>	17		
E.	Odpisy nehmotného a hmotného majetku investičního majetku <i>Depreciations of intangible and tangible assets</i>	18	3000	
III.	Tržby z prodeje investičního majetku <i>Revenues from sale of fixed assets</i>	19		
F.	Zůstatková cena prodaného investičního majetku a materiálu <i>Net book value of sold fixed assets and sold material</i>	20		

Účetní období 2004
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
IV.	Zúčtování rezerv a časové rozlišení provozních výnosů <i>Accounting of reserves and accruals</i>	21		
G.	Tvorba rezerv a časové rozlišení provozních nákladů <i>Additions to reserves and accruals to operating expenses</i>	22		
V.	Zúčtování opravných položek do provozních výnosů <i>Accounting of adjustment to operating revenues</i>	23		
H.	Zúčtování opravných položek do provozních nákladů <i>Accounting of adjustments to operating expenses</i>	24		
VI.	Ostatní provozní výnosy <i>Other operating revenues</i>	25		
I.	Ostatní provozní náklady <i>Other operating expenses</i>	26		
VII.	Převod provozních výnosů <i>Transfer of operating revenues</i>	27		
J.	Převod provozních nákladů <i>Transfer of operating expenses</i>	28		
x	Provozní hospodářský výsledek <i>Operating income</i>	29	491794	0
VIII.	Tržby z prodeje cenných papírů a vkladů <i>Revenues from sale of securities and shares</i>	30		
K.	Prodané cenné papíry <i>Sold securities and shares</i>	31		
IX.	Výnosy z finančních investic <i>Revenues from financial investments</i>	32	0	0
IX. 1	Výnosy z cenných papírů a vkladů v podnicích ve skupině <i>Revenues from securities and shares in group</i>	33		
IX. 2	Výnosy z ostatních investičních cenných papírů a vkladů <i>Revenues from other securities and shares</i>	34		
IX. 3	Výnosy z ostatních finančních investic <i>Revenues from other financial investments</i>	35		
X.	Výnosy z krátkodobého finančního majetku <i>Revenues from short-term financial assets</i>	36		
XI.	Zúčtování rezerv do finančních výnosů <i>Accounting of reserves to financial revenues</i>	37		
L.	Tvorba rezerv na finanční náklady <i>Additions to reserves (financial expenses)</i>	38		
XII.	Zúčtování opravných položek (finanční výnosy) <i>Accounting of adjustments (financial revenues)</i>	39		
M.	Zúčtování opravných položek (finanční náklady) <i>Accounting of adjustments (financial expenses)</i>	40		
XIII.	Výnosové úroky <i>Received interest</i>	41		
N.	Nákladové úroky <i>Paid interest</i>	42	66533	
XIV.	Ostatní finanční výnosy <i>Other financial revenues</i>	43		
O.	Ostatní finanční náklady <i>Other financial expenses</i>	44		

Účetní období 2004
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	row řádek	běžné období current period	minulé období last period
a	b	c	1	2
XV.	Převod finančních výnosů <i>Transfer of financial revenues</i>	45		
P.	Převod finančních nákladů <i>Transfer of financial expenses</i>	46		
x	Hospodářský výsledek z finančních operací <i>Income from financial operations</i>	47	-66533	0
R.	Daň z příjmů za běžnou činnost <i>Income tax from current activity</i>	48	0	0
R. 1	Daň splatná <i>Due tax</i>	49		
R. 2	Daň odložená <i>Tax deferred</i>	50		
		51		
x x	Hospodářský výsledek za běžnou činnost <i>Operating profit (loss) from ordinary activity</i>	52	425261	0
XVI.	Mimořádné výnosy <i>Extraordinary revenues</i>	53		
S.	Mimořádné náklady <i>Extraordinary expenses</i>	54		
T.	Daň z příjmů mimořádné činnosti <i>Income tax from extraordinary income</i>	55	0	0
T. 1	Daň splatná <i>Tax due</i>	56		
T. 2	Daň odložená <i>Deferred tax</i>	57		
x	Mimořádný hospodářský výsledek <i>Operating profit (loss) from extraordinary activity</i>	58	0	0
U.	Převod podílu na hospodářském výsledku <i>Transfer of profit (loss) to partners</i>	59		
x x x	Hospodářský výsledek za účetní období <i>Profit (loss) of current accounting period</i>	60	425261	0
	Kontrolní součet <i>Check sum</i>	99	5723566	0

Odesláno dne

24.7.2003

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YOUSSEF EL HADI

Osoba odpovědná za účetnictví

Person responsible for an accounting

YOUSSEF EL HADI

Osoba odpovědná za účetní závěrku

Person responsible for an accounting balance

5.1.4. Účetní období 2005

Assets

(uvedeno v celých €)

Název účetní jednotky

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTD.

Name of accounting unit

Sídlo účetní jednotky

Place of accounting unit

ROZVAHA

balance sheet

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
	AKTIVA CELKEM TOTAL ASSETS	1	6530734	-7000	6523734	1268761
A	Pohledávky za upsané vlastní jmění Subscriptions receivables	2			0	
B	Stálá aktiva Fixed assets	3	13000	-7000	6000	10000
B I.	Nehmotný investiční majetek Intangible fixed assets	4	2000	-1000	1000	2000
B I. 1	Zřizovací náklady Establishment expenses	5	2000	-1000	1000	2000
B I. 2	Nehmotné výsledky výzkumné a obdobné činnosti Intangible results of research activities	6			0	
B I. 3	Software Software	7			0	
B I. 4	Ocenitelná práva Valuable rights	8			0	
B I. 5	Jiný nehmotný investiční majetek Other intangible fixed assets	9			0	
B I. 6	Nedokončené nehmotné investice Non finished intangible fixed assets	10			0	
B I. 7	Poskytnuté zálohy na nehmotný investiční majetek Advance payments for intangible fixed assets	11			0	
B II.	Hmotný investiční majetek Tangible fixed assets	12	11000	-6000	5000	8000
B II. 1	Pozemky Land	13			0	
B II. 2	Budovy, haly a stavby Buildings, halls and structures	14			0	
B II. 3	Stroje, přístroje a zařízení, dopravní prostředky a inventář Machines, devices and equipments, transportation, furniture and office equipments	15	8000	-4000	4000	6000
B II. 4	Pěstitelské celky trvalých porostů Perennial crops	16			0	
B II. 5	Základní stádo a tažná zvířata Breeding and draught animals	17			0	

Účetní období 2005
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
B II. 6	Jiný hmotný majetek <i>Other tangible assets</i>	18	3000	-2000	1000	2000
B II. 7	Nedokončené hmotné investice <i>Non finished tangible assets</i>	19			0	
B II. 8	Poskytnuté zálohy na hmotný investiční majetek <i>Advance payments for tangible assets</i>	20			0	
B II. 9	Opravná položka k nabytému majetku <i>Adjustment to acquired assets</i>	21			0	
B III.	Finanční investice <i>Financial investments</i>	22	0	0	0	0
B III. 1	Podílové cenné papíry a vklady v podnicích s rozhodujícím vlivem <i>Shares and investments in enterprises with controlling influence</i>	23			0	
B III. 2	Podílové cenné papíry a vklady v podnicích s podstatným vlivem <i>Shares and investments in enterprises with substantial influence</i>	24			0	
B III. 3	Ostatní investiční cenné papíry a vklady <i>Other securities and shares</i>	25			0	
B III. 4	Půjčky podnikům ve skupině <i>Intergroup loans</i>	26			0	
B III. 5	Jiné finanční investice <i>Other financial investments</i>	27			0	
C	Oběžná aktiva <i>Current assets</i>	28	6517734	0	6517734	1258761
C I.	Zásoby <i>Inventory</i>	29	0	0	0	0
C I. 1	Materiál <i>Materials</i>	30			0	
C I. 2	Nedokončená výroba a polotovary <i>Work in progress and semi finished products</i>	31			0	
C I. 3	Výrobky <i>Products</i>	32			0	
C I. 4	Zvířata <i>Animals</i>	33			0	
C I. 5	Zboží <i>Merchandise</i>	34			0	
C I. 6	Poskytnuté zálohy na zásoby <i>Advance payments for inventory</i>	35			0	
C II.	Dlouhodobé pohledávky <i>Long term receivables</i>	36	0	0	0	0
C II. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	37			0	

Účetní období 2005
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets		row řádek	běžné období current period			minulé období last period
				brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b		c				
C II. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>		38			0	
C II. 3	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>		39			0	
C II. 4	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>		40			0	
C II. 5	Jiné pohledávky <i>Other receivables</i>		41			0	
C III.	Krátkodobé pohledávky <i>Short term receivables</i>		42	1452640	0	1452640	300000
C III. 1	Pohledávky z obchodního styku <i>Trade receivables</i>		43	1452640		1452640	300000
C III. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>		44			0	
C III. 3	Sociální zabezpečení <i>Social security</i>		45			0	
C III. 4	Stát - daňové pohledávky <i>Due from State - tax receivables</i>		46			0	
C III. 5	Stát - odložená daňová pohledávka <i>Due to State - deferred tax receivables</i>		47			0	
C III. 6	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>		48			0	
C III. 7	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>		49			0	
C III. 8	Jiné pohledávky <i>Other receivables</i>		50			0	
C IV.	Finanční majetek <i>Financial assets</i>		51	5065094	0	5065094	958761
C IV. 1	Peníze <i>Cash</i>		52	2000		2000	2000
C IV. 2	Účty v bankách <i>Bank accounts</i>		53	5063094		5063094	956761
C IV. 3	Krátkodobý finanční majetek <i>Short term financial assets</i>		54			0	

Účetní období 2005
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
D	Ostatní aktiva - přechodné účty aktiv <i>Other assets - temporary accounts</i>	55	0	0	0	0
D I.	Časové rozlišení <i>Accruals</i>	56	0	0	0	0
D I. 1	Náklady příštích období <i>Deferred expenses</i>	57			0	
D I. 2	Příjmy příštích období <i>Accrued revenues</i>	58			0	
D I. 3	Kurzové rozdíly aktivní <i>Foreign currencies exchange losses</i>	59			0	
D II.	Dohadné účty aktivní <i>Estimated receivable</i>	60				
	Kontrolní součet <i>Check number</i>	999	26122936	-28000	26094936	5075044

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.5. Účetní období 2005

Liabilities

(uvedeno v celých €)

Název účetní jednotky

Name of accounting unit

Sídlo účetní jednotky

Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. I

0

ROZVAHA

balance sheet

označení markings	PASIVA liabilities	řádek row	běžné období current period	minulé období last period
a	b	c	5	6
	PASIVA CELKEM TOTAL LIABILITIES	61	6523734	1268761
A	Vlastní jmění Equity	62	5264718	466261
A I.	Základní jmění <i>Registered capital</i>	63	41000	41000
A I. 1	Základní jmění <i>Registered capital</i>	64	41000	41000
A I. 2	Vlastní akcie <i>Own shares</i>	65		
A II.	Kapitálové fondy <i>Capital funds</i>	66	0	0
A II. 1	Emisní ažio <i>Share premium</i>	67		
A II. 2	Ostatní kapitálové fondy <i>Other capital funds</i>	68		
A II. 3	Oceňovací rozdíly z přecenění majetku <i>Difference from revaluation of assets</i>	69		
A II. 4	Oceňovací rozdíly z kapitálových účastí <i>Difference from investment</i>	70		
A III.	Fondy ze zisku <i>Funds from net profit</i>	71	0	0
A III. 1	Zákonný rezervní fond <i>Legal reserve fund</i>	72		
A III. 2	Nedělitelný fond <i>Indivisible fund</i>	73		
A III. 3	Statutární a ostatní fondy <i>Statutory and other funds</i>	74		
A IV.	Hospodářský výsledek z minulých let <i>Profit / loss previous year</i>	75	425261	0
A IV. 1	Nerozdělený zisk z minulých let <i>Retained profits previous year</i>	76	425261	
A IV. 2	Neuhrazená ztráta z minulých let <i>Loss from previous year</i>	77		
A V.	Hospodářský výsledek běžného účetního období <i>Profit / Loss - current period</i>	78	4798457	425261

Účetní období 2005
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	řádek row	běžné období current period	minulé období last period
a	b	c	5	6
B	Cizí zdroje <i>Non-own sources</i>	79	1259016	802500
B I.	Rezervy <i>Reserves</i>	80	0	0
B I. 1	Zákonné rezervy <i>Legal reserves</i>	81		
B I. 2	Rezerva na kurzovní ztráty <i>Reserve for foreign exchange loss</i>	82		
B I. 3	Ostatní rezervy <i>Other reserves</i>	83		
B II.	Dlouhodobé závazky <i>Long-term payables</i>	84	0	0
B II. 1	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	85		
B II. 2	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	86		
B II. 3	Dlouhodobě přijaté zálohy <i>Long-term payables</i>	87		
B II. 4	Emitované dluhopisy <i>Issued bonds</i>	88		
B II. 5	Dlouhodobé směnky k úhradě <i>Long-term bills of exchange</i>	89		
B II. 6	Jiné dlouhodobé závazky <i>Other long-term payables</i>	90		
B III.	Krátkodobé závazky <i>Short-term payables</i>	91	2500	2500
B III. 1	Závazky z obchodního styku <i>Trade payables</i>	92		
B III. 2	Závazky ke společníkům a sdružením <i>Payables to partners and associations</i>	93		
B III. 3	Závazky k zaměstnancům <i>Payables to employees</i>	94	2500	2500
B III. 4	Závazky ze sociálního zabezpečení <i>Payables to social security</i>	95		
B III. 5	Stát - daňové závazky a dotace <i>Due to state - taxes and subsidies</i>	96		
B III. 6	Stát - odložená daň <i>Due to state - deferred tax</i>	97		
B III. 7	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	98		
B III. 8	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	99		
B III. 9	Jiné závazky <i>Other payables</i>	100		

Účetní období 2005
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B IV.	Bankovní úvěry a výpomoc <i>Bank loans and financial assistance</i>	101	1256516	800000
B IV. 1	Bankovní úvěry dlouhodobé <i>Long term loans</i>	102		
B IV. 2	Běžné bankovní úvěry <i>Current bank loans</i>	103	1256516	800000
B IV. 3	Krátkodobé finanční výpomoci <i>Short term financial assistances</i>	104		
C	Ostatní pasiva - přechodné účty pasiv <i>Other liabilities - temporary accouts</i>	105	0	0
C I.	Časové rozlišení <i>Accruals</i>	106	0	0
C I. 1	Výdaje příštích období <i>Accrued expenses</i>	107		
C I. 2	Výnosy příštích období <i>Deferred revenues</i>	108		
C I. 3	Kurzovní rozdíly pasivní <i>Foreign currencies exchange gains</i>	109		
C II.	Dohadné účty pasivní <i>Estimated payables</i>	110		
	Kontrolní součet <i>Check number</i>	999	21296479	4649783

Odesláno dne

23.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.6. Účetní období 2005
Profit and loss account
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CO

0

VÝKAZ ZISKU A ZTRÁT
profit and loss account

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
I.	Tržby za prodej zboží <i>Revenues from merchandise</i>	1		
A.	Náklady vynaložené na prodej zboží <i>Expenses on sold goods</i>	2		
+	Obchodní marže <i>Sale margin</i>	3	0	0
II.	Výroba <i>Production</i>	4	10851401	1210136
II. 1	Tržby za prodej vlastních výrobků a služeb <i>Revenues from own product and services</i>	5	10851401	1210136
2	Změna stavu vnitropodnikových zásob vlastní výroby <i>Change of inventory of own production</i>	6		
3	Aktivace <i>Capitalization</i>	7		
B.	Výrobní spotřeba <i>Production consumption</i>	8	5824428	682842
B. 1	Spotřeba materiálu a energie <i>Consumption of material and energy</i>	9	6600	5500
B. 2	Služby <i>Services</i>	10	5817828	677342
+	Přidaná hodnota <i>Added value</i>	11	5026973	527294
C.	Osobní náklady <i>Personal costs</i>	12	39000	32500
C. 1	Mzdové náklady <i>Wages and salaries</i>	13	39000	32500
C. 2	Odměny členům orgánů společnosti a družstev <i>Remuneration of board members</i>	14		
C. 3	Náklady na sociální zabezpečení <i>Social security</i>	15		
C. 4	Sociální náklady <i>Social expenses</i>	16		
D.	Daně a poplatky <i>Taxes and fees</i>	17		
E.	Odpisy nehmotného a hmotného majetku investičního majetku <i>Depreciations of intangible and tangible assets</i>	18	4000	3000
III.	Tržby z prodeje investičního majetku <i>Revenues from sale of fixed assets</i>	19		
F.	Zůstatková cena prodaného investičního majetku a materiálu <i>Net book value of sold fixed assets and sold material</i>	20		

Účetní období 2005
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	row řádek	běžné období current period	minulé období last period
a	b	c	1	2
IV.	Zúčtování rezerv a časové rozlišení provozních výnosů <i>Accounting of reserves and accruals</i>	21		
G.	Tvorba rezerv a časové rozlišení provozních nákladů <i>Additions to reserves and accruals to operating expenses</i>	22		
V.	Zúčtování opravných položek do provozních výnosů <i>Accounting of adjustment to operating revenues</i>	23		
H.	Zúčtování opravných položek do provozních nákladů <i>Accounting of adjustments to operating expenses</i>	24		
VI.	Ostatní provozní výnosy <i>Other operating revenues</i>	25		
I.	Ostatní provozní náklady <i>Other operating expenses</i>	26		
VII.	Převod provozních výnosů <i>Transfer of operating revenues</i>	27		
J.	Převod provozních nákladů <i>Transfer of operating expenses</i>	28		
x	Provozní hospodářský výsledek Operating income	29	4983973	491794
VIII.	Tržby z prodeje cenných papírů a vkladů <i>Revenues from sale of securities and shares</i>	30		
K.	Prodané cenné papíry <i>Sold securities and shares</i>	31		
IX.	Výnosy z finančních investic <i>Revenues from financial investments</i>	32	0	0
IX. 1	Výnosy z cenných papírů a vkladů v podnicích ve skupině <i>Revenues from securities and shares in group</i>	33		
IX. 2	Výnosy z ostatních investičních cenných papírů a vkladů <i>Revenues from other securities and shares</i>	34		
IX. 3	Výnosy z ostatních finančních investic <i>Revenues from other financial investments</i>	35		
X.	Výnosy z krátkodobého finančního majetku <i>Revenues from short-term financial assets</i>	36		
XI.	Zúčtování rezerv do finančních výnosů <i>Accounting of reserves to financial revenues</i>	37		
L.	Tvorba rezerv na finanční náklady <i>Additions to reserves (financial expenses)</i>	38		
XII.	Zúčtování opravných položek (finanční výnosy) <i>Accounting of adjustments (financial revenues)</i>	39		
M.	Zúčtování opravných položek (finanční náklady) <i>Accounting of adjustments (financial expenses)</i>	40		
XIII.	Výnosové úroky <i>Received interest</i>	41		
N.	Nákladové úroky <i>Paid interest</i>	42	185516	66533
XIV.	Ostatní finanční výnosy <i>Other financial revenues</i>	43		
O.	Ostatní finanční náklady <i>Other financial expenses</i>	44		

Účetní období 2005
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek	běžné období current period	minulé období last period
a	b	c	1	2
XV.	Převod finančních výnosů <i>Transfer of financial revenues</i>	45		
P.	Převod finančních nákladů <i>Transfer of financial expenses</i>	46		
x	Hospodářský výsledek z finančních operací <i>Income from financial operations</i>	47	-185516	-66533
R.	Daň z příjmů za běžnou činnost <i>Income tax from current activity</i>	48	0	0
R. 1	Daň splatná <i>Due tax</i>	49		
R. 2	Daň odložená <i>Tax deferred</i>	50		
		51		
x x	Hospodářský výsledek za běžnou činnost <i>Operating profit (loss) from ordinary activity</i>	52	4798457	425261
XVI.	Mimořádné výnosy <i>Extraordinary revenues</i>	53		
S.	Mimořádné náklady <i>Extraordinary expenses</i>	54		
T.	Daň z příjmů mimořádné činnosti <i>Income tax from extraordinary income</i>	55	0	0
T. 1	Daň splatná <i>Tax due</i>	56		
T. 2	Daň odložená <i>Deferred tax</i>	57		
x	Mimořádný hospodářský výsledek <i>Operating profit (loss) from extraordinary activity</i>	58	0	0
U.	Převod podílu na hospodářském výsledku <i>Transfer of profit (loss) to partners</i>	59		
x x x	Hospodářský výsledek za účetní období <i>Profit (loss) of current accounting period</i>	60	4798457	425261
	Kontrolní součet <i>Check sum</i>	99	53041518	5723566

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.7. Účetní období 2006

Assets

(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTD.

ROZVAHA

balance sheet

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross	korekce adjustment	netto net	netto net
a	b	c	1	2	3	4
	AKTIVA CELKEM TOTAL ASSETS	1	18409203	-11000	18398203	6523734
A	Pohledávky za upsané vlastní jmění Subscriptions receivables	2			0	
B	Stálá aktiva Fixed assets	3	13000	-11000	2000	6000
B I.	Nehmotný investiční majetek Intangible fixed assets	4	2000	-2000	0	1000
B I. 1	Zřizovací náklady Establishment expenses	5	2000	-2000	0	1000
B I. 2	Nehmotné výsledky výzkumné a obdobné činnosti Intangible results of research activities	6			0	
B I. 3	Software Software	7			0	
B I. 4	Ocenitelná práva Valuable rights	8			0	
B I. 5	Jiný nehmotný investiční majetek Other intangible fixed assets	9			0	
B I. 6	Nedokončené nehmotné investice Non finished intangible fixed assets	10			0	
B I. 7	Poskytnuté zálohy na nehmotný investiční majetek Advance payments for intangible fixed assets	11			0	
B II.	Hmotný investiční majetek Tangible fixed assets	12	11000	-9000	2000	5000
B II. 1	Pozemky Land	13			0	
B II. 2	Budovy, haly a stavby Buildings, halls and structures	14			0	
B II. 3	Stroje, přístroje a zařízení, dopravní prostředky a inventář Machines, devices and equipments, transportation, furniture and office equipments	15	8000	-6000	2000	4000
B II. 4	Pěstitelské celky trvalých porostů Perennial crops	16			0	
B II. 5	Základní stádo a tažná zvířata Breeding and draught animals	17			0	

Účetní období 2006

Assets

(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
B II. 6	Jiný hmotný majetek <i>Other tangible assets</i>	18	3000	-3000	0	1000
B II. 7	Nedokončené hmotné investice <i>Non finished tangible assets</i>	19			0	
B II. 8	Poskytnuté zálohy na hmotný investiční majetek <i>Advance payments for tangible assets</i>	20			0	
B II. 9	Opravná položka k nabytému majetku <i>Adjustment to acquired assets</i>	21			0	
B III.	Finanční investice <i>Financial investments</i>	22	0	0	0	0
B III. 1	Podílové cenné papíry a vklady v podnicích s rozhodujícím vlivem <i>Shares and investments in enterprises with controlling influence</i>	23			0	
B III. 2	Podílové cenné papíry a vklady v podnicích s podstatným vlivem <i>Shares and investments in enterprises with substantial influence</i>	24			0	
B III. 3	Ostatní investiční cenné papíry a vklady <i>Other securities and shares</i>	25			0	
B III. 4	Půjčky podnikům ve skupině <i>Intergroup loans</i>	26			0	
B III. 5	Jiné finanční investice <i>Other financial investments</i>	27			0	
C	Oběžná aktiva <i>Current assets</i>	28	18396203	0	18396203	6517734
C I.	Zásoby <i>Inventory</i>	29	0	0	0	0
C I. 1	Materiál <i>Materials</i>	30			0	
C I. 2	Nedokončená výroba a polotovary <i>Work in progress and semi finished products</i>	31			0	
C I. 3	Výrobky <i>Products</i>	32			0	
C I. 4	Zvířata <i>Animals</i>	33			0	
C I. 5	Zboží <i>Merchandise</i>	34			0	
C I. 6	Poskytnuté zálohy na zásoby <i>Advance payments for inventory</i>	35			0	
C II.	Dlouhodobé pohledávky <i>Long term receivables</i>	36	0	0	0	0
C II. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	37			0	

Účetní období 2006
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
C II. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	38			0	
C II. 3	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	39			0	
C II. 4	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	40			0	
C II. 5	Jiné pohledávky <i>Other receivables</i>	41			0	
C III.	Krátkodobé pohledávky <i>Short term receivables</i>	42	3100328	0	3100328	1452640
C III. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	43	3100328		3100328	1452640
C III. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	44			0	
C III. 3	Sociální zabezpečení <i>Social security</i>	45			0	
C III. 4	Stát - daňové pohledávky <i>Due from State - tax receivables</i>	46			0	
C III. 5	Stát - odložená daňová pohledávka <i>Due to State - deferred tax receivables</i>	47			0	
C III. 6	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	48			0	
C III. 7	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	49			0	
C III. 8	Jiné pohledávky <i>Other receivables</i>	50			0	
C IV.	Finanční majetek <i>Financial assets</i>	51	15295875	0	15295875	5065094
C IV. 1	Peníze <i>Cash</i>	52	5000		5000	2000
C IV. 2	Účty v bankách <i>Bank accounts</i>	53	15290875		15290875	5063094
C IV. 3	Krátkodobý finanční majetek <i>Short term financial assets</i>	54			0	

Účetní období 2006
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
D	Ostatní aktiva - přechodné účty aktiv <i>Other assets - temporary accounts</i>	55	0	0	0	0
D I.	Časové rozlišení <i>Accruals</i>	56	0	0	0	0
D I. 1	Náklady příštích období <i>Deferred expenses</i>	57			0	
D I. 2	Příjmy příštích období <i>Accrued revenues</i>	58			0	
D I. 3	Kurzové rozdíly aktivní <i>Foreign currencies exchange losses</i>	59			0	
D II.	Dohadné účty aktivní <i>Estimated receivable</i>	60				
	Kontrolní součet <i>Check number</i>	999	73636812	-44000	73592812	26094936

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.8. Účetní období 2006

Liabilities

(uvedeno v celých €)

Název účetní jednotky

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. I

Name of accounting unit

Sídlo účetní jednotky

0

Place of accounting unit

ROZVAHA
balance sheet

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
	PASIVA CELKEM TOTAL LIABILITIES	61	18398203	6523734
A	Vlastní jmění Equity	62	18395703	5264718
A I.	Základní jmění <i>Registered capital</i>	63	41000	41000
A I. 1	Základní jmění <i>Registered capital</i>	64	41000	41000
A I. 2	Vlastní akcie <i>Own shares</i>	65		
A II.	Kapitálové fondy <i>Capital funds</i>	66	0	0
A II. 1	Emisní ažo <i>Share premium</i>	67		
A II. 2	Ostatní kapitálové fondy <i>Other capital funds</i>	68		
A II. 3	Oceňovací rozdíly z přecenění majetku <i>Difference from revaluation of assets</i>	69		
A II. 4	Oceňovací rozdíly z kapitálových účastí <i>Difference from investment</i>	70		
A III.	Fondy ze zisku <i>Funds from net profit</i>	71	0	0
A III. 1	Zákonný rezervní fond <i>Legal reserve fund</i>	72		
A III. 2	Nedělitelný fond <i>Indivisible fund</i>	73		
A III. 3	Statutární a ostatní fondy <i>Statutory and other funds</i>	74		
A IV.	Hospodářský výsledek z minulých let <i>Profit / loss previous year</i>	75	5223718	425261
A IV. 1	Nerozdělený zisk z minulých let <i>Retained profits previous year</i>	76	5223718	425261
A IV. 2	Neuhrazená ztráta z minulých let <i>Loss from previous year</i>	77		
A V.	Hospodářský výsledek běžného účetního období <i>Profit / Loss - current period</i>	78	13130985	4798457

Účetní období 2006
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B	Cizí zdroje <i>Non-own sources</i>	79	2500	1259016
B I.	Rezervy <i>Reserves</i>	80	0	0
B I. 1	Zákonné rezervy <i>Legal reserves</i>	81		
B I. 2	Rezerva na kurzovní ztráty <i>Reserve for foreign exchange loss</i>	82		
B I. 3	Ostatní rezervy <i>Other reserves</i>	83		
B II.	Dlouhodobé závazky <i>Long-term payables</i>	84	0	0
B II. 1	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	85		
B II. 2	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	86		
B II. 3	Dlouhodobé přijaté zálohy <i>Long-term payables</i>	87		
B II. 4	Emitované dluhopisy <i>Issued bonds</i>	88		
B II. 5	Dlouhodobé směnky k úhradě <i>Long-term bills of exchange</i>	89		
B II. 6	Jiné dlouhodobé závazky <i>Other long-term payables</i>	90		
B III.	Krátkodobé závazky <i>Short-term payables</i>	91	2500	2500
B III. 1	Závazky z obchodního styku <i>Trade payables</i>	92		
B III. 2	Závazky ke společníkům a sdružením <i>Payables to partners and associations</i>	93		
B III. 3	Závazky k zaměstnancům <i>Payables to employees</i>	94	2500	2500
B III. 4	Závazky ze sociálního zabezpečení <i>Payables to social security</i>	95		
B III. 5	Stát - daňové závazky a dotace <i>Due to state - taxes and subsidies</i>	96		
B III. 6	Stát - odložená daň <i>Due to state - deferred tax</i>	97		
B III. 7	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	98		
B III. 8	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	99		
B III. 9	Jiné závazky <i>Other payables</i>	100		

Účetní období 2006
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B IV.	Bankovní úvěry a výpomoc <i>Bank loans and financial assistance</i>	101	0	1256516
B IV. 1	Bankovní úvěry dlouhodobé <i>Long term loans</i>	102		
B IV. 2	Běžné bankovní úvěry <i>Current bank loans</i>	103	0	1256516
B IV. 3	Krátkodobé finanční výpomoci <i>Short term financial assistances</i>	104		
C	Ostatní pasiva - přechodné účty pasiv <i>Other liabilities - temporary accounts</i>	105	0	0
C I.	Časové rozlišení <i>Accruals</i>	106	0	0
C I. 1	Výdaje příštích období <i>Accrued expenses</i>	107		
C I. 2	Výnosy příštích období <i>Deferred revenues</i>	108		
C I. 3	Kurzovní rozdíly pasivní <i>Foreign currencies exchange gains</i>	109		
C II.	Dohadné účty pasivní <i>Estimated payables</i>	110		
	Kontrolní součet <i>Check number</i>	999	60461827	21296479

Odesláno dne

23.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.9. Účetní období 2006
Profit and loss account
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING C

0

VÝKAZ ZISKU A ZTRÁT
profit and loss account

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
I.	Tržby za prodej zboží <i>Revenues from merchandise</i>	1		
A.	Náklady vynaložené na prodej zboží <i>Expenses on sold goods</i>	2		
+	Obchodní marže <i>Sale margin</i>	3	0	0
II.	Výroba <i>Production</i>	4	26593277	10851401
II. 1	Tržby za prodej vlastních výrobků a služeb <i>Revenues from own product and services</i>	5	26593277	10851401
2	Změna stavu vnitropodnikových zásob vlastní výroby <i>Change of inventory of own production</i>	6		
3	Aktivace <i>Capitalization</i>	7		
B.	Výrobní spotřeba <i>Production consumption</i>	8	13345088	5824428
B. 1	Spotřeba materiálu a energie <i>Consumption of material and energy</i>	9	6600	6600
B. 2	Služby <i>Services</i>	10	13338488	5817828
+	Přidaná hodnota <i>Added value</i>	11	13248189	5026973
C.	Osobní náklady <i>Personal costs</i>	12	39000	39000
C. 1	Mzdové náklady <i>Wages and salaries</i>	13	39000	39000
C. 2	Odměny členům orgánů společnosti a družstev <i>Remuneration of board members</i>	14		
C. 3	Náklady na sociální zabezpečení <i>Social security</i>	15		
C. 4	Sociální náklady <i>Social expenses</i>	16		
D.	Daně a poplatky <i>Taxes and fees</i>	17		
E.	Odpisy nehmotného a hmotného majetku investičního majetku <i>Depreciations of intangible and tangible assets</i>	18	4000	4000
III.	Tržby z prodeje investičního majetku <i>Revenues from sale of fixed assets</i>	19		
F.	Zůstatková cena prodaného investičního majetku a materiálu <i>Net book value of sold fixed assets and sold material</i>	20		

Účetní období 2006
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
IV.	Zúčtování rezerv a časové rozlišení provozních výnosů <i>Accounting of reserves and accruals</i>	21		
G.	Tvorba rezerv a časové rozlišení provozních nákladů <i>Additions to reserves and accruals to operating expenses</i>	22		
V.	Zúčtování opravných položek do provozních výnosů <i>Accounting of adjustment to operating revenues</i>	23		
H.	Zúčtování opravných položek do provozních nákladů <i>Accounting of adjustments to operating expenses</i>	24		
VI.	Ostatní provozní výnosy <i>Other operating revenues</i>	25		
I.	Ostatní provozní náklady <i>Other operating expenses</i>	26		
VII.	Převod provozních výnosů <i>Transfer of operating revenues</i>	27		
J.	Převod provozních nákladů <i>Transfer of operating expenses</i>	28		
x	Provozní hospodářský výsledek <i>Operating income</i>	29	13205189	4983973
VIII.	Tržby z prodeje cenných papírů a vkladů <i>Revenues from sale of securities and shares</i>	30		
K.	Prodané cenné papíry <i>Sold securities and shares</i>	31		
IX.	Výnosy z finančních investic <i>Revenues from financial investments</i>	32	0	0
IX. 1	Výnosy z cenných papírů a vkladů v podnicích ve skupině <i>Revenues from securities and shares in group</i>	33		
IX. 2	Výnosy z ostatních investičních cenných papírů a vkladů <i>Revenues from other securities and shares</i>	34		
IX. 3	Výnosy z ostatních finančních investic <i>Revenues from other financial investments</i>	35		
X.	Výnosy z krátkodobého finančního majetku <i>Revenues from short-term financial assets</i>	36		
XI.	Zúčtování rezerv do finančních výnosů <i>Accounting of reserves to financial revenues</i>	37		
L.	Tvorba rezerv na finanční náklady <i>Additions to reserves (financial expenses)</i>	38		
XII.	Zúčtování opravných položek (finanční výnosy) <i>Accounting of adjustments (financial revenues)</i>	39		
M.	Zúčtování opravných položek (finanční náklady) <i>Accounting of adjustments (financial expenses)</i>	40		
XIII.	Výnosové úroky <i>Received interest</i>	41		
N.	Nákladové úroky <i>Paid interest</i>	42	74204	185516
XIV.	Ostatní finanční výnosy <i>Other financial revenues</i>	43		
O.	Ostatní finanční náklady <i>Other financial expenses</i>	44		

Účetní období 2006
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
XV.	Převod finančních výnosů <i>Transfer of financial revenues</i>	45		
P.	Převod finančních nákladů <i>Transfer of financial expenses</i>	46		
x	Hospodářský výsledek z finančních operací <i>Income from financial operations</i>	47	-74204	-185516
R.	Daň z příjmů za běžnou činnost <i>Income tax from current activity</i>	48	0	0
R. 1	Daň splatná <i>Due tax</i>	49		
R. 2	Daň odložená <i>Tax deferred</i>	50		
		51		
x x	Hospodářský výsledek za běžnou činnost <i>Operating profit (loss) from ordinary activity</i>	52	13130985	4798457
XVI.	Mimořádné výnosy <i>Extraordinary revenues</i>	53		
S.	Mimořádné náklady <i>Extraordinary expenses</i>	54		
T.	Daň z příjmů mimořádné činnosti <i>Income tax from extraordinary income</i>	55	0	0
T. 1	Daň splatná <i>Tax due</i>	56		
T. 2	Daň odložená <i>Deferred tax</i>	57		
x	Mimořádný hospodářský výsledek <i>Operating profit (loss) from extraordinary activity</i>	58	0	0
U.	Převod podílu na hospodářském výsledku <i>Transfer of profit (loss) to partners</i>	59		
x x x	Hospodářský výsledek za účetní období <i>Profit (loss) of current accounting period</i>	60	13130985	4798457
	Kontrolní součet <i>Check sum</i>	99	132674078	53041518

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.10. Účetní období 2007

Assets

(uvedeno v celých €)

Název účetní jednotky

Name of accounting unit

Sídlo účetní jednotky

Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTD.

ROZVAHA

balance sheet

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross	korekce adjustment	netto net	netto net
a	b	c	1	2	3	4
	AKTIVA CELKEM TOTAL ASSETS	1	33127767	-13000	33114767	22171456
A	Pohledávky za upsané vlastní jmění Subscriptions receivables	2			0	
B	Stálá aktiva Fixed assets	3	13000	-13000	0	2000
B I.	Nehmotný investiční majetek Intangible fixed assets	4	2000	-2000	0	0
B I. 1	Zřizovací náklady Establishment expenses	5	2000	-2000	0	0
B I. 2	Nehmotné výsledky výzkumné a obdobné činnosti Intangible results of research activities	6			0	
B I. 3	Software Software	7			0	
B I. 4	Ocenitelná práva Valuable rights	8			0	
B I. 5	Jiný nehmotný investiční majetek Other intangible fixed assets	9			0	
B I. 6	Nedokončené nehmotné investice Non finished intangible fixed assets	10			0	
B I. 7	Poskytnuté zálohy na nehmotný investiční majetek Advance payments for intangible fixed assets	11			0	
B II.	Hmotný investiční majetek Tangible fixed assets	12	11000	-11000	0	2000
B II. 1	Pozemky Land	13			0	
B II. 2	Budovy, haly a stavby Buildings, halls and structures	14			0	
B II. 3	Stroje, přístroje a zařízení, dopravní prostředky a inventář Machines, devices and equipments, transportation, furniture and office equipments	15	8000	-8000	0	2000
B II. 4	Pěstitelské celky trvalých porostů Perennial crops	16			0	
B II. 5	Základní stádo a tažná zvířata Breeding and draught animals	17			0	

Účetní období 2007

Assets

(uvedeno v celých €)

označení markings	AKTIVA assets	řádek row	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
B II. 6	Jiný hmotný majetek <i>Other tangible assets</i>	18	3000	-3000	0	0
B II. 7	Nedokončené hmotné investice <i>Non finished tangible assets</i>	19			0	
B II. 8	Poskytnuté zálohy na hmotný investiční majetek <i>Advance payments for tangible assets</i>	20			0	
B II. 9	Opravná položka k nabytému majetku <i>Adjustment to acquired assets</i>	21			0	
B III.	Finanční investice <i>Financial investments</i>	22	0	0	0	0
B III. 1	Podílové cenné papíry a vklady v podnicích s rozhodujícím vlivem <i>Shares and investments in enterprises with controlling influence</i>	23			0	
B III. 2	Podílové cenné papíry a vklady v podnicích s podstatným vlivem <i>Shares and investments in enterprises with substantial influence</i>	24			0	
B III. 3	Ostatní investiční cenné papíry a vklady <i>Other securities and shares</i>	25			0	
B III. 4	Půjčky podnikům ve skupině <i>Intergrup loans</i>	26			0	
B III. 5	Jiné finanční investice <i>Other financial investments</i>	27			0	
C	Oběžná aktiva Current assets	28	33114767	0	33114767	22169456
C I.	Zásoby <i>Inventory</i>	29	0	0	0	0
C I. 1	Materiál <i>Materials</i>	30			0	
C I. 2	Nedokončená výroba a polotovary <i>Work in progress and semi finished products</i>	31			0	
C I. 3	Výrobky <i>Products</i>	32			0	
C I. 4	Zvířata <i>Animals</i>	33			0	
C I. 5	Zboží <i>Merchandise</i>	34			0	
C I. 6	Poskytnuté zálohy na zásoby <i>Advance payments for inventory</i>	35			0	
C II.	Dlouhodobé pohledávky <i>Long term receivables</i>	36	0	0	0	0
C II. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	37			0	

Účetní období 2007
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
C II. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	38			0	
C II. 3	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	39			0	
C II. 4	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	40			0	
C II. 5	Jiné pohledávky <i>Other receivables</i>	41			0	
C III.	Krátkodobé pohledávky <i>Short term receivables</i>	42	3386265	0	3386265	3100328
C III. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	43	3386265		3386265	3100328
C III. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	44			0	
C III. 3	Sociální zabezpečení <i>Social security</i>	45			0	
C III. 4	Stát - daňové pohledávky <i>Due from State - tax receivables</i>	46			0	
C III. 5	Stát - odložená daňová pohledávka <i>Due to State - deferred tax receivables</i>	47			0	
C III. 6	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	48			0	
C III. 7	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	49			0	
C III. 8	Jiné pohledávky <i>Other receivables</i>	50			0	
C IV.	Finanční majetek <i>Financial assets</i>	51	29728502	0	29728502	19069128
C IV. 1	Peníze <i>Cash</i>	52	5000		5000	5000
C IV. 2	Účty v bankách <i>Bank accounts</i>	53	29723502		29723502	19064128
C IV. 3	Krátkodobý finanční majetek <i>Short term financial assets</i>	54			0	

Účetní období 2007
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
D	Ostatní aktiva - přechodné účty aktiv <i>Other assets - temporary accounts</i>	55	0	0	0	0
D I.	Časové rozlišení <i>Accruals</i>	56	0	0	0	0
D I. 1	Náklady příštích období <i>Deferred expenses</i>	57			0	
D I. 2	Příjmy příštích období <i>Accrued revenues</i>	58			0	
D I. 3	Kurzové rozdíly aktivní <i>Foreign currencies exchange losses</i>	59			0	
D II.	Dohadné účty aktivní <i>Estimated receivable</i>	60				
	Kontrolní součet <i>Check number</i>	999	132511068	-52000	132459068	88685824

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.11. Účetní období 2007
Liabilities
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. I

0

ROZVAHA
balance sheet

označení markings	PASIVA liabilities	řádek row	běžné období current period	minulé období last period
a	b	c	5	6
	PASIVA CELKEM TOTAL LIABILITIES	61	33114767	18398203
A	Vlastní jmění Equity	62	33112267	18395703
A I.	Základní jmění <i>Registered capital</i>	63	41000	41000
A I. 1	Základní jmění <i>Registered capital</i>	64	41000	41000
A I. 2	Vlastní akcie <i>Own shares</i>	65		
A II.	Kapitálové fondy <i>Capital funds</i>	66	0	0
A II. 1	Emisní ažio <i>Share premium</i>	67		
A II. 2	Ostatní kapitálové fondy <i>Other capital funds</i>	68		
A II. 3	Oceňovací rozdíly z přecenění majetku <i>Difference from revaluation of assets</i>	69		
A II. 4	Oceňovací rozdíly z kapitálových účastí <i>Difference from investment</i>	70		
A III.	Fondy ze zisku <i>Funds from net profit</i>	71	0	0
A III. 1	Zákonný rezervní fond <i>Legal reserve fund</i>	72		
A III. 2	Nedělitelný fond <i>Indivisible fund</i>	73		
A III. 3	Statutární a ostatní fondy <i>Statutory and other funds</i>	74		
A IV.	Hospodářský výsledek z minulých let <i>Profit / loss previous year</i>	75	18354703	5223718
A IV. 1	Nerozdělený zisk z minulých let <i>Retained profits previous year</i>	76	18354703	5223718
A IV. 2	Neuhrazená ztráta z minulých let <i>Loss from previous year</i>	77		
A V.	Hospodářský výsledek běžného účetního období <i>Profit / Loss - current period</i>	78	14716564	13130985

Účetní období 2007
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B	Cizí zdroje <i>Non-own sources</i>	79	2500	2500
B I.	Rezervy <i>Reserves</i>	80	0	0
B I. 1	Zákonné rezervy <i>Legal reserves</i>	81		
B I. 2	Rezerva na kurzovní ztráty <i>Reserve for foreign exchange loss</i>	82		
B I. 3	Ostatní rezervy <i>Other reserves</i>	83		
B II.	Dlouhodobé závazky <i>Long-term payables</i>	84	0	0
B II. 1	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	85		
B II. 2	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	86		
B II. 3	Dlouhodobé přijaté zálohy <i>Long-term payables</i>	87		
B II. 4	Emitované dluhopisy <i>Issued bonds</i>	88		
B II. 5	Dlouhodobé směny k úhradě <i>Long-term bills of exchange</i>	89		
B II. 6	Jiné dlouhodobé závazky <i>Other long-term payables</i>	90		
B III.	Krátkodobé závazky <i>Short-term payables</i>	91	2500	2500
B III. 1	Závazky z obchodního styku <i>Trade payables</i>	92		
B III. 2	Závazky ke společníkům a sdružením <i>Payables to partners and associations</i>	93		
B III. 3	Závazky k zaměstnancům <i>Payables to employees</i>	94	2500	2500
B III. 4	Závazky ze sociálního zabezpečení <i>Payables to social security</i>	95		
B III. 5	Stát - daňové závazky a dotace <i>Due to state - taxes and subsidies</i>	96		
B III. 6	Stát - odložená daň <i>Due to state - deferred tax</i>	97		
B III. 7	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	98		
B III. 8	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	99		
B III. 9	Jiné závazky <i>Other payables</i>	100		

Účetní období 2007
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B IV.	Bankovní úvěry a výpomoc <i>Bank loans and financial assistance</i>	101	0	0
B IV. 1	Bankovní úvěry dlouhodobé <i>Long term loans</i>	102		
B IV. 2	Běžné bankovní úvěry <i>Current bank loans</i>	103	0	0
B IV. 3	Krátkodobé finanční výpomoci <i>Short term financial assistances</i>	104		
C	Ostatní pasiva - přechodné účty pasiv <i>Other liabilities - temporary accouts</i>	105	0	0
C I.	Časové rozlišení <i>Accruals</i>	106	0	0
C I. 1	Výdaje příštích období <i>Accrued expenses</i>	107		
C I. 2	Výnosy příštích období <i>Deferred revenues</i>	108		
C I. 3	Kurzovní rozdíly pasivní <i>Foreign currencies exchange gains</i>	109		
C II.	Dohadné účty pasivní <i>Estimated payables</i>	110		
	Kontrolní součet <i>Check number</i>	999	117742504	60461827

Odesláno dne

23.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.12. Účetní období 2007
Profit and loss account
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING C

0

VÝKAZ ZISKU A ZTRÁT
profit and loss account

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
I.	Tržby za prodej zboží <i>Revenues from merchandise</i>	1		
A.	Náklady vynaložené na prodej zboží <i>Expenses on sold goods</i>	2		
+	Obchodní marže <i>Sale margin</i>	3	0	0
II.	Výroba <i>Production</i>	4	29452653	26593277
II. 1	Tržby za prodej vlastních výrobků a služeb <i>Revenues from own product and services</i>	5	29452653	26593277
2	Změna stavu vnitropodnikových zásob vlastní výroby <i>Change of inventory of own production</i>	6		
3	Aktivace <i>Capitalization</i>	7		
B.	Výrobní spotřeba <i>Production consumption</i>	8	14695089	13345088
B. 1	Spotřeba materiálu a energie <i>Consumption of material and energy</i>	9	6600	6600
B. 2	Služby <i>Services</i>	10	14688489	13338488
+	Přidaná hodnota <i>Added value</i>	11	14757564	13248189
C.	Osobní náklady <i>Personal costs</i>	12	39000	39000
C. 1	Mzdové náklady <i>Wages and salaries</i>	13	39000	39000
C. 2	Odměny členům orgánů společnosti a družstev <i>Remuneration of board members</i>	14		
C. 3	Náklady na sociální zabezpečení <i>Social security</i>	15		
C. 4	Sociální náklady <i>Social expenses</i>	16		
D.	Daně a poplatky <i>Taxes and fees</i>	17		
E.	Odpisy nehmotného a hmotného majetku investičního majetku <i>Depreciations of intangible and tangible assets</i>	18	2000	4000
III.	Tržby z prodeje investičního majetku <i>Revenues from sale of fixed assets</i>	19		
F.	Zůstatková cena prodaného investičního majetku a materiálu <i>Net book value of sold fixed assets and sold material</i>	20		

Účetní období 2007
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
IV.	Zúčtování rezerv a časové rozlišení provozních výnosů <i>Accounting of reserves and accruals</i>	21		
G.	Tvorba rezerv a časové rozlišení provozních nákladů <i>Additions to reserves and accruals to operating expenses</i>	22		
V.	Zúčtování opravných položek do provozních výnosů <i>Accounting of adjustment to operating revenues</i>	23		
H.	Zúčtování opravných položek do provozních nákladů <i>Accounting of adjustments to operating expenses</i>	24		
VI.	Ostatní provozní výnosy <i>Other operating revenues</i>	25		
I.	Ostatní provozní náklady <i>Other operating expenses</i>	26		
VII.	Převod provozních výnosů <i>Transfer of operating revenues</i>	27		
J.	Převod provozních nákladů <i>Transfer of operating expenses</i>	28		
x	Provozní hospodářský výsledek <i>Operating income</i>	29	14716564	13205189
VIII.	Tržby z prodeje cenných papírů a vkladů <i>Revenues from sale of securities and shares</i>	30		
K.	Prodané cenné papíry <i>Sold securities and shares</i>	31		
IX.	Výnosy z finančních investic <i>Revenues from financial investments</i>	32	0	0
IX. 1	Výnosy z cenných papírů a vkladů v podnicích ve skupině <i>Revenues from securities and shares in group</i>	33		
IX. 2	Výnosy z ostatních investičních cenných papírů a vkladů <i>Revenues from other securities and shares</i>	34		
IX. 3	Výnosy z ostatních finančních investic <i>Revenues from other financial investments</i>	35		
X.	Výnosy z krátkodobého finančního majetku <i>Revenues from short-term financial assets</i>	36		
XI.	Zúčtování rezerv do finančních výnosů <i>Accounting of reserves to financial revenues</i>	37		
L.	Tvorba rezerv na finanční náklady <i>Additions to reserves (financial expenses)</i>	38		
XII.	Zúčtování opravných položek (finanční výnosy) <i>Accounting of adjustments (financial revenues)</i>	39		
M.	Zúčtování opravných položek (finanční náklady) <i>Accounting of adjustments (financial expenses)</i>	40		
XIII.	Výnosové úroky <i>Received interest</i>	41		
N.	Nákladové úroky <i>Paid interest</i>	42	0	74204
XIV.	Ostatní finanční výnosy <i>Other financial revenues</i>	43		
O.	Ostatní finanční náklady <i>Other financial expenses</i>	44		

Účetní období 2007
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	row řádek	běžné období current period	minulé období last period
a	b	c	1	2
XV.	Převod finančních výnosů <i>Transfer of financial revenues</i>	45		
P.	Převod finančních nákladů <i>Transfer of financial expenses</i>	46		
x	Hospodářský výsledek z finančních operací <i>Income from financial operations</i>	47	0	-74204
R.	Daň z příjmů za běžnou činnost <i>Income tax from current activity</i>	48	0	0
R. 1	Daň splatná <i>Due tax</i>	49		
R. 2	Daň odložená <i>Tax deferred</i>	50		
		51		
x x	Hospodářský výsledek za běžnou činnost <i>Operating profit (loss) from ordinary activity</i>	52	14716564	13130985
XVI.	Mimořádné výnosy <i>Extraordinary revenues</i>	53		
S.	Mimořádné náklady <i>Extraordinary expenses</i>	54		
T.	Daň z příjmů mimořádné činnosti <i>Income tax from extraordinary income</i>	55	0	0
T. 1	Daň splatná <i>Tax due</i>	56		
T. 2	Daň odložená <i>Deferred tax</i>	57		
x	Mimořádný hospodářský výsledek <i>Operating profit (loss) from extraordinary activity</i>	58	0	0
U.	Převod podílu na hospodářském výsledku <i>Transfer of profit (loss) to partners</i>	59		
x x x	Hospodářský výsledek za účetní období <i>Profit (loss) of current accounting period</i>	60	14716564	13130985
	Kontrolní součet <i>Check sum</i>	99	147282740	132674078

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.13. Účetní období 2008

Assets

(uvedeno v celých €)

Název účetní jednotky

Name of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. LTD.

Sídlo účetní jednotky

Place of accounting unit

ROZVAHA

balance sheet

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
	AKTIVA CELKEM TOTAL ASSETS	1	47846331	-13000	47833331	33114767
A	Pohledávky za upsané vlastní jmění Subscriptions receivables	2			0	
B	Stálá aktiva Fixed assets	3	13000	-13000	0	0
B I.	Nehmotný investiční majetek Intangible fixed assets	4	2000	-2000	0	0
B I. 1	Zřizovací náklady Establishment expenses	5	2000	-2000	0	0
B I. 2	Nehmotné výsledky výzkumné a obdobné činnosti Intangible results of research activities	6			0	
B I. 3	Software Software	7			0	
B I. 4	Ocenitelná práva Valuable rights	8			0	
B I. 5	Jiný nehmotný investiční majetek Other intangible fixed assets	9			0	
B I. 6	Nedokončené nehmotné investice Non finished intangible fixed assets	10			0	
B I. 7	Poskytnuté zálohy na nehmotný investiční majetek Advance payments for intangible fixed assets	11			0	
B II.	Hmotný investiční majetek Tangible fixed assets	12	11000	-11000	0	0
B II. 1	Pozemky Land	13			0	
B II. 2	Budovy, haly a stavby Buildings, halls and structures	14			0	
B II. 3	Stroje, přístroje a zařízení, dopravní prostředky a inventář Machines, devices and equipments, transportation, furniture and office equipments	15	8000	-8000	0	0
B II. 4	Pěstitelské celky trvalých porostů Perennial crops	16			0	
B II. 5	Základní stádo a tažná zvířata Breeding and draught animals	17			0	

Účetní období 2008

Assets

(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross	korekce adjustment	netto net	netto net
a	b	c	1	2	3	4
B II. 6	Jiný hmotný majetek <i>Other tangible assets</i>	18	3000	-3000	0	0
B II. 7	Nedokončené hmotné investice <i>Non finished tangible assets</i>	19			0	
B II. 8	Poskytnuté zálohy na hmotný investiční majetek <i>Advance payments for tangible assets</i>	20			0	
B II. 9	Opravná položka k nabytému majetku <i>Adjustment to acquired assets</i>	21			0	
B III.	Finanční investice <i>Financial investments</i>	22	0	0	0	0
B III. 1	Podílové cenné papíry a vklady v podnicích s rozhodujícím vlivem <i>Shares and investments in enterprises with controlling influence</i>	23			0	
B III. 2	Podílové cenné papíry a vklady v podnicích s podstatným vlivem <i>Shares and investments in enterprises with substantial influence</i>	24			0	
B III. 3	Ostatní investiční cenné papíry a vklady <i>Other securities and shares</i>	25			0	
B III. 4	Půjčky podnikům ve skupině <i>Intergrup loans</i>	26			0	
B III. 5	Jiné finanční investice <i>Other financial investments</i>	27			0	
C	Oběžná aktiva Current assets	28	47833331	0	47833331	33114767
C I.	Zásoby <i>Inventory</i>	29	0	0	0	0
C I. 1	Materiál <i>Materials</i>	30			0	
C I. 2	Nedokončená výroba a polotovary <i>Work in progress and semi finished products</i>	31			0	
C I. 3	Výrobky <i>Products</i>	32			0	
C I. 4	Zvířata <i>Animals</i>	33			0	
C I. 5	Zboží <i>Merchandise</i>	34			0	
C I. 6	Poskytnuté zálohy na zásoby <i>Advance payments for inventory</i>	35			0	
C II.	Dlouhodobé pohledávky <i>Long term receivables</i>	36	0	0	0	0
C II. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	37			0	

Účetní období 2008
Assets
(uvedeno v celých €)

označení markings	AKTIVA assets	row řádek	běžné období current period			minulé období last period
			brutto gross 1	korekce adjustment 2	netto net 3	netto net 4
a	b	c				
C II. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	38			0	
C II. 3	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	39			0	
C II. 4	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	40			0	
C II. 5	Jiné pohledávky <i>Other receivables</i>	41			0	
C III.	Krátkodobé pohledávky <i>Short term receivables</i>	42	3386265	0	3386265	3386265
C III. 1	Pohledávky z obchodního styku <i>Trade receivables</i>	43	3386265		3386265	3386265
C III. 2	Pohledávky ke společníkům a sdružením <i>Receivables from partners and association</i>	44			0	
C III. 3	Sociální zabezpečení <i>Social security</i>	45			0	
C III. 4	Stát - daňové pohledávky <i>Due from State - tax receivables</i>	46			0	
C III. 5	Stát - odložená daňová pohledávka <i>Due to State - deferred tax receivables</i>	47			0	
C III. 6	Pohledávky v podnicích s rozhodujícím vlivem <i>Receivables in enterprises with controlling influence</i>	48			0	
C III. 7	Pohledávky v podnicích s podstatným vlivem <i>Receivables in enterprises with substantial influence</i>	49			0	
C III. 8	Jiné pohledávky <i>Other receivables</i>	50			0	
C IV.	Finanční majetek <i>Financial assets</i>	51	44447066	0	44447066	29728502
C IV. 1	Peníze <i>Cash</i>	52	5000		5000	5000
C IV. 2	Účty v bankách <i>Bank accounts</i>	53	44442066		44442066	29723502
C IV. 3	Krátkodobý finanční majetek <i>Short term financial assets</i>	54			0	

Účetní období 2008
Assets
(uvedeno v celých €)

označení <i>markings</i>	AKTIVA <i>assets</i>	row <i>řádek</i>	běžné období <i>current period</i>			minulé období <i>last period</i>
			brutto <i>gross</i>	korekce <i>adjustment</i>	netto <i>net</i>	netto <i>net</i>
a	b	c	1	2	3	4
D	Ostatní aktiva - přechodné účty aktiv <i>Other assets - temporary accounts</i>	55	0	0	0	0
D I.	Časové rozlišení <i>Accruals</i>	56	0	0	0	0
D I. 1	Náklady příštích období <i>Deferred expenses</i>	57			0	
D I. 2	Příjmy příštích období <i>Accrued revenues</i>	58			0	
D I. 3	Kurzové rozdíly aktivní <i>Foreign currencies exchange losses</i>	59			0	
D II.	Dohadné účty aktivní <i>Estimated receivable</i>	60				
	Kontrolní součet <i>Check number</i>	999	191385324	-52000	191333324	132459068

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.14. Účetní období 2008

Liabilities

(uvedeno v celých €)

Název účetní jednotky

EUROPE PETROLEUM EXPLOR. & DRILLING CORP. I

Name of accounting unit

Sídlo účetní jednotky

0

Place of accounting unit

ROZVAHA

balance sheet

označení markings	PASIVA liabilities	řádek row	běžné období current period	minulé období last period
a	b	c	5	6
	PASIVA CELKEM TOTAL LIABILITIES	61	47833331	33114767
A	Vlastní jmění Equity	62	47830831	33112267
A I.	Základní jmění <i>Registered capital</i>	63	41000	41000
A I. 1	Základní jmění <i>Registered capital</i>	64	41000	41000
A I. 2	Vlastní akcie <i>Own shares</i>	65		
A II.	Kapitálové fondy <i>Capital funds</i>	66	0	0
A II. 1	Emisní ažio <i>Share premium</i>	67		
A II. 2	Ostatní kapitálové fondy <i>Other capital funds</i>	68		
A II. 3	Oceňovací rozdíly z přecenění majetku <i>Difference from revaluation of assets</i>	69		
A II. 4	Oceňovací rozdíly z kapitálových účastí <i>Difference from investment</i>	70		
A III.	Fondy ze zisku <i>Funds from net profit</i>	71	0	0
A III. 1	Zákonný rezervní fond <i>Legal reserve fund</i>	72		
A III. 2	Nedělitelný fond <i>Indivisible fund</i>	73		
A III. 3	Statutární a ostatní fondy <i>Statutory and other funds</i>	74		
A IV.	Hospodářský výsledek z minulých let <i>Profit / loss previous year</i>	75	33071267	18354703
A IV. 1	Nerozdělený zisk z minulých let <i>Retained profits previous year</i>	76	33071267	18354703
A IV. 2	Neuhrazená ztráta z minulých let <i>Loss from previous year</i>	77		
A V.	Hospodářský výsledek běžného účetního období <i>Profit / Loss - current period</i>	78	14718564	14716564

Účetní období 2008
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B	Cizí zdroje <i>Non-own sources</i>	79	2500	2500
B I.	Rezervy <i>Reserves</i>	80	0	0
B I. 1	Zákonné rezervy <i>Legal reserves</i>	81		
B I. 2	Rezerva na kurzovní ztráty <i>Reserve for foreign exchange loss</i>	82		
B I. 3	Ostatní rezervy <i>Other reserves</i>	83		
B II.	Dlouhodobé závazky <i>Long-term payables</i>	84	0	0
B II. 1	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	85		
B II. 2	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	86		
B II. 3	Dlouhodobé přijaté zálohy <i>Long-term payables</i>	87		
B II. 4	Emitované dluhopisy <i>Issued bonds</i>	88		
B II. 5	Dlouhodobé směny k úhradě <i>Long-term bills of exchange</i>	89		
B II. 6	Jiné dlouhodobé závazky <i>Other long-term payables</i>	90		
B III.	Krátkodobé závazky <i>Short-term payables</i>	91	2500	2500
B III. 1	Závazky z obchodního styku <i>Trade payables</i>	92		
B III. 2	Závazky ke společníkům a sdružením <i>Payables to partners and associations</i>	93		
B III. 3	Závazky k zaměstnancům <i>Payables to employees</i>	94	2500	2500
B III. 4	Závazky ze sociálního zabezpečení <i>Payables to social security</i>	95		
B III. 5	Stát - daňové závazky a dotace <i>Due to state - taxes and subsidies</i>	96		
B III. 6	Stát - odložená daň <i>Due to state - deferred tax</i>	97		
B III. 7	Závazky k podnikům s rozhodujícím vlivem <i>Payables to enterprises with controlling influence</i>	98		
B III. 8	Závazky k podnikům s podstatným vlivem <i>Payables to enterprises with substantial influence</i>	99		
B III. 9	Jiné závazky <i>Other payables</i>	100		

Účetní období 2008
Liabilities
(uvedeno v celých €)

označení markings	PASIVA liabilities	row řádek	běžné období current period	minulé období last period
a	b	c	5	6
B IV.	Bankovní úvěry a výpomoc <i>Bank loans and financial assistance</i>	101	0	0
B IV. 1	Bankovní úvěry dlouhodobé <i>Long term loans</i>	102		
B IV. 2	Běžné bankovní úvěry <i>Current bank loans</i>	103	0	0
B IV. 3	Krátkodobé finanční výpomoci <i>Short term financial assistances</i>	104		
C	Ostatní pasiva - přechodné účty pasiv <i>Other liabilities - temporary accouts</i>	105	0	0
C I.	Časové rozlišení <i>Accruals</i>	106	0	0
C I. 1	Výdaje příštích období <i>Accrued expenses</i>	107		
C I. 2	Výnosy příštích období <i>Deferred revenues</i>	108		
C I. 3	Kurzovní rozdíly pasivní <i>Foreign currencies exchange gains</i>	109		
C II.	Dohadné účty pasivní <i>Estimated payables</i>	110		
	Kontrolní součet <i>Check number</i>	999	176614760	117742504

Odesláno dne

23.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.15. Účetní období 2008
Profit and loss account
(uvedeno v celých €)

Název účetní jednotky
Name of accounting unit
Sídlo účetní jednotky
Place of accounting unit

EUROPE PETROLEUM EXPLOR. & DRILLING CO

0

VÝKAZ ZISKU A ZTRÁT
profit and loss account

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
I.	Tržby za prodej zboží <i>Revenues from merchandise</i>	1		
A.	Náklady vynaložené na prodej zboží <i>Expenses on sold goods</i>	2		
+	Obchodní marže <i>Sale margin</i>	3	0	0
II.	Výroba <i>Production</i>	4	29452653	29452653
II. 1	Tržby za prodej vlastních výrobků a služeb <i>Revenues from own product and services</i>	5	29452653	29452653
2	Změna stavu vnitropodnikových zásob vlastní výroby <i>Change of inventory of own production</i>	6		
3	Aktivace <i>Capitalization</i>	7		
B.	Výrobní spotřeba <i>Production consumption</i>	8	14695089	14695089
B. 1	Spotřeba materiálu a energie <i>Consumption of material and energy</i>	9	6600	6600
B. 2	Služby <i>Services</i>	10	14688489	14688489
+	Přidaná hodnota <i>Added value</i>	11	14757564	14757564
C.	Osobní náklady <i>Personal costs</i>	12	39000	39000
C. 1	Mzdové náklady <i>Wages and salaries</i>	13	39000	39000
C. 2	Odměny členům orgánů společnosti a družstev <i>Remuneration of board members</i>	14		
C. 3	Náklady na sociální zabezpečení <i>Social security</i>	15		
C. 4	Sociální náklady <i>Social expenses</i>	16		
D.	Daně a poplatky <i>Taxes and fees</i>	17		
E.	Odpisy nehmotného a hmotného majetku investičního majetku <i>Depreciations of intangible and tangible assets</i>	18	0	2000
III.	Tržby z prodeje investičního majetku <i>Revenues from sale of fixed assets</i>	19		
F.	Zůstatková cena prodaného investičního majetku a materiálu <i>Net book value of sold fixed assets and sold material</i>	20		

Účetní období 2008
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	řádek row	běžné období current period	minulé období last period
a	b	c	1	2
IV.	Zúčtování rezerv a časové rozlišení provozních výnosů <i>Accounting of reserves and accruals</i>	21		
G.	Tvorba rezerv a časové rozlišení provozních nákladů <i>Additions to reserves and accruals to operating expenses</i>	22		
V.	Zúčtování opravných položek do provozních výnosů <i>Accounting of adjustment to operating revenues</i>	23		
H.	Zúčtování opravných položek do provozních nákladů <i>Accounting of adjustments to operating expenses</i>	24		
VI.	Ostatní provozní výnosy <i>Other operating revenues</i>	25		
I.	Ostatní provozní náklady <i>Other operating expenses</i>	26		
VII.	Převod provozních výnosů <i>Transfer of operating revenues</i>	27		
J.	Převod provozních nákladů <i>Transfer of operating expenses</i>	28		
x	Provozní hospodářský výsledek <i>Operating income</i>	29	14718564	14716564
VIII.	Tržby z prodeje cenných papírů a vkladů <i>Revenues from sale of securities and shares</i>	30		
K.	Prodané cenné papíry <i>Sold securities and shares</i>	31		
IX.	Výnosy z finančních investic <i>Revenues from financial investments</i>	32	0	0
IX. 1	Výnosy z cenných papírů a vkladů v podnicích ve skupině <i>Revenues from securities and shares in group</i>	33		
IX. 2	Výnosy z ostatních investičních cenných papírů a vkladů <i>Revenues from other securities and shares</i>	34		
IX. 3	Výnosy z ostatních finančních investic <i>Revenues from other financial investments</i>	35		
X.	Výnosy z krátkodobého finančního majetku <i>Revenues from short-term financial assets</i>	36		
XI.	Zúčtování rezerv do finančních výnosů <i>Accounting of reserves to financial revenues</i>	37		
L.	Tvorba rezerv na finanční náklady <i>Additions to reserves (financial expenses)</i>	38		
XII.	Zúčtování opravných položek (finanční výnosy) <i>Accounting of adjustments (financial revenues)</i>	39		
M.	Zúčtování opravných položek (finanční náklady) <i>Accounting of adjustments (financial expenses)</i>	40		
XIII.	Výnosové úroky <i>Received interest</i>	41		
N.	Nákladové úroky <i>Faid interest</i>	42	0	0
XIV.	Ostatní finanční výnosy <i>Other financial revenues</i>	43		
O.	Ostatní finanční náklady <i>Other financial expenses</i>	44		

Účetní období 2008
Profit and loss account
(uvedeno v celých €)

označení markings	TEXT text	row řádek	běžné období current period	minulé období last period
a	b	c	1	2
XV.	Převod finančních výnosů <i>Transfer of financial revenues</i>	45		
P.	Převod finančních nákladů <i>Transfer of financial expenses</i>	46		
x	Hospodářský výsledek z finančních operací <i>Income from financial operations</i>	47	0	0
R.	Daň z příjmů za běžnou činnost <i>Income tax from current activity</i>	48	0	0
R. 1	Daň splatná <i>Due tax</i>	49		
R. 2	Daň odložená <i>Tax deferred</i>	50		
		51		
x x	Hospodářský výsledek za běžnou činnost <i>Operating profit (loss) from ordinary activity</i>	52	14718564	14716564
XVI.	Mimořádné výnosy <i>Extraordinary revenues</i>	53		
S.	Mimořádné náklady <i>Extraordinary expenses</i>	54		
T.	Daň z příjmů mimořádné činnosti <i>Income tax from extraordinary income</i>	55	0	0
T. 1	Daň splatná <i>Tax due</i>	56		
T. 2	Daň odložená <i>Deferred tax</i>	57		
x	Mimořádný hospodářský výsledek <i>Operating profit (loss) from extraordinary activity</i>	58	0	0
U.	Převod podílu na hospodářském výsledku <i>Transfer of profit (loss) to partners</i>	59		
x x x	Hospodářský výsledek za účetní období <i>Profit (loss) of current accounting period</i>	60	14718564	14716564
	Kontrolní součet <i>Check sum</i>	99	147286740	147282740

Odesláno dne

24.7.2003

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Osoba odpovědná za účetnictví

YOUSSEF EL HADI

Person responsible for an accounting

Osoba odpovědná za účetní závěrku

YOUSSEF EL HADI

Person responsible for an accounting balance

5.1.16. Rozvrh splátek úvěru a úroků

110 750	leden 04	únor 04	březen 04	duben 04	květen 04	červen 04	červenec 04	srpen 04	září 04	říjen 04	listopad 04	prosinec 04	CELKEM
zůstatek	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00	800 000,00
úrok		6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33
splátka úvěru		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
splátka celkem		6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33	6 653,33

	leden 05	únor 05	březen 05	duben 05	květen 05	červen 05	červenec 05	srpen 05	září 05	říjen 05	listopad 05	prosinec 05	CELKEM
zůstatek	2 400 000,00	2 302 556,67	2 211 361,47	2 119 381,85	2 026 640,52	1 933 131,06	1 838 847,11	1 743 782,25	1 647 930,02	1 551 283,89	1 453 837,29	1 355 583,59	
úrok	13 306,67	19 554,80	18 770,38	18 008,67	17 240,54	16 466,05	15 685,14	14 897,77	14 103,87	13 303,40	12 496,30	11 682,51	185 516,10
splátka úvěru	97 443,33	91 195,20	91 979,62	92 741,33	93 509,46	94 283,95	95 064,86	95 852,23	96 646,13	97 446,60	98 253,70	99 067,49	1 143 483,90
splátka celkem	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	1 329 000,00

	leden 06	únor 06	březen 06	duben 06	květen 06	červen 06	červenec 06	srpen 06	září 06	říjen 06	listopad 06	prosinec 06	CELKEM
zůstatek	1 256 516,10	1 156 628,08	1 055 912,74	954 363,22	851 972,62	748 733,97	644 640,24	539 684,35	433 859,17	327 157,49	219 572,05	111 095,53	
úrok	10 861,98	10 034,66	9 200,48	8 359,40	7 511,35	6 656,27	5 794,11	4 924,82	4 048,32	3 164,56	2 273,48	1 375,03	74 204,46
splátka úvěru	99 888,02	100 715,34	101 549,52	102 390,60	103 238,65	104 083,73	104 955,89	105 825,18	106 701,68	107 585,44	108 476,52	111 095,53	1 256 516,10
splátka celkem	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	110 750,00	112 470,56	1 330 720,56

Místopřísežné prohlášení:

Místopřísežně prohlašuji, že jsem diplomovou práci vypracoval samostatně s použitím uvedené literatury.

V Liberci , dne 27. Unor. 2004

Yousef El hadi

A handwritten signature in blue ink, consisting of a horizontal line with a small flourish at the end.

Poděkování

Chtěl bych tímto poděkovat marocké královské rodině, která podporuje vzdělání zdarma ku prospěchu mladých lidí. Jedna čtvrtina státního rozpočtu Marockého království je určena pro školství a vzdělání mladých lidí.

Také bych chtěl poděkovat České republice za její velkou podporu a pohostinnost během mého studijního období.

Hlavně bych rád poděkoval svému vedoucímu diplomové práce panu Doc. Ing. Petrovi Loudovi, CSc. Za odborné vedení a veškeré cenné rady a připomínky poskytované v průběhu diplomové práce.

Expressing my thank's

I would like to thank the Moroccan royal family who is trying their best to offer gratis education for the benefit of Moroccan youngness. The quarter of the state budget is given for the scholarship programs and education.

I would like too to thank Czech republic for the great support and kind hospitality during the study period.

And mainly I want to express my sincerely thank's to our professor Mr. Doc. Ing. Petr Louda, CSc. for his great help and valuated advises during the process of making this diploma thesis.

Prohlášení

Byl jsem seznámen s tím, že na mou diplomovou práci se plně vztahuje zákon č. 121/2000 o právu autorském, zejména 35 (o nevýdělečném užití díla k vnitřní potřebě školy). Beru na vědomí, že TUL má právo na uzavření licenční smlouvy o užití mé práce (prodej, zapůjčení apod.).

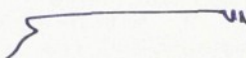
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Jméno a příjmení: Youssef El hadi

Adresa: Ostrava Zábřeh, P. Lumunby 42/2319

Datum: 27.2.2004

Podpis:





Commercial and technical references

OCTG



NOVÁ HUŤ, a.s.

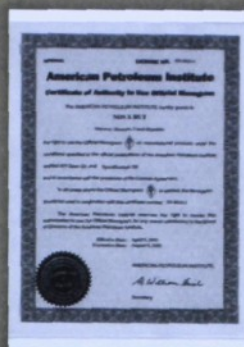
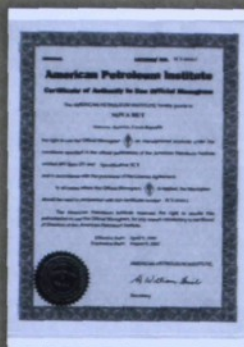


Tube Plant of NOVÁ HUTĚ, a.s. is the prominent producer of seamless tubes and pipes and the only producer of spiral weld pipes in the Czech Republic.

Seamless tubes and pipes are manufactured on two Stiefel mills with diameter from 21.3 mm to 273.1 mm.

Spiral weld pipes are manufactured on quite automatic welding machines with diameter from 323.9 mm to 820 mm.

The tubes and pipes can be produced according to ISO, EN, DIN, ASTM, NF, BS, GOST, ČSN, API Specifications and other standards.



Certification

NOVÁ HUŤ, a.s. is authorized to use continuously the
API monogram on Oil Country Tubular Goods and Line
Pipes since 1957.



Surveying Companies

Vetco Inspection GmbH	Maschweg 5 D-3100 Celle, Germany	☎05141/8020 (05141/802123)
Mobil Oil	Landgrafenstr. 66 D5210 Troisdorf, Germany	☎02241/41163
Oil and Natural Gas Commission	Botawala Chambers, sir P. M. Road, Fort, Bombay - 400 001, India	☎265718
Shell Internationale Petroleum Maatschappij B. U.	Carel van Bylandtlaan 30 Hague, The Netherlands	☎070/774653
Bureau Veritas	Riviera 123, Zbečno 27024, Czech Republic	☎0313/98852
Van Leeuwen	P.O. Box 1 - 3330 AA Zwijndrecht, Peppolaan 32, Dordrecht, The Netherlands	☎3178252510 (3178252638)
Monitor Quality Control	Horstensialaan 11 1943 BG Beverwijk, The Netherlands	☎02510/12248 (02510/12694)
OGI Tuboscope	Memeler Straße 1 D - 4040 Neuss 1, Germany	☎02101/26171 2101301
Lloyd's Register of Shipping	Opernring 1/E/623, 1010 Vienna, Austria	☎0222/5872681 (0222/58726815)
Det Norske Veritas Classification A/S	Baden bei Wien Valeriestr. 11/1/9, A - 2500 Baden, Austria	☎(02252) 85808 (02252) 8500420
Inspekta, a. s.	Na strži 63., Praha 4 14062, Czech Republic	☎236467 - Ostrava
Ingenieurbüro Franke	Fuchsberg 2, D - 3101 Eicklingen/Celle, Germany	☎05149/561 (05149/1443)
SGS Czech Republic, s. r. o.	Vodičková 30, Praha 1 11121, Czech Republic	☎02/2350664 (02/2368770)

Group according to delivered quantity

Casing, Line Pipe

- 1 up to 500 t
- 2 over 500 up to 1 500 t
- 3 over 1 500 up to 3 000 t
- 4 over 3 000 up to 10 000 t
- 5 over 10 000 t

Tubing

- 1 up to 300 t
- 2 over 300 up to 1 000 t
- 3 over 1 000 up to 2 000 t
- 4 over 2 000 t

Drill Pipe

- 1 up to 300 t
- 2 over 300 up to 500 t
- 3 over 500 t

Casing

Firm	Year	Quantity group	Grade	Size
ALTREX INTERNATIONAL LTD. Warsaw, Poland	1995	2	J55	4 1/2", 6 5/8", 9 5/8"
	1996	2	J55	6 5/8", 9 5/8"
	1997	2	J55	6 5/8", 9 5/8"
	1998	2	J55	4 1/2", 9 5/8"
	1999	2	J55, K55	4 1/2", 6 5/8", 9 5/8"
	2000	3	J55, K55, N80, L80/1	4 1/2", 5 1/2", 7", 8 5/8", 9 5/8"
ANICON HANDELSGESELLSCHAFT, Ljubljana, Slovenia	2001	2	J55, K55, N80	9 5/8"
	1993	1	J55, N80	5", 7", 9 5/8"
	1994	1	J55, N80	5", 7"
	1995	1	J55	7", 9 5/8"
	1996	1	J55, N80	5", 9 5/8"
	1997	1	J55, N80	7", 9 5/8"
ANICON GMBH, Nidau-Biel, Switzerland	2000	3	N80, L80/1	5", 7", 9 5/8"
	1998	1	J55	5"
ANICON INDUSTRIAL PRODUCTS GMBH Belp, Slovenia	1999	1	J55	9 5/8"
	2001	1	J55	7"
A.O.W.S. RUDOLF STOFFNER Ried/Innkreis, Austria	1997	1	J55	9 5/8"
	1998	1	J55, K55, N80	7", 9 5/8"
ARAB TRADERS SARL Beirut, Lebanon	1998	4	K55, L80	5", 7", 9 5/8"
	1999	2	K55, L80	5", 7", 9 5/8"
	2001	1	L80/1	9 5/8"
AROSCO, LTD. Kingstown, Pakistan	1996	1	P110	9 5/8"
BMB OCEL Ostrava, Czech Republic	2001	1	L80/1	7"
BRUN FRERES Paris, France	1994	4	K55, N80, P110, C95, L80	5 1/2", 7 5/8", 8 5/8", 9 5/8"
	1996	4	K55, N80	5 3/4", 7", 9 5/8"
	1997	5	K55, N80	5 3/4", 6 5/8", 7", 9 5/8"
	1998	4	J55, K55, N80, L80, P110	5 3/4", 7", 9 5/8"
	1999	1	K55, N80	5 1/2", 9 5/8"
	2000	2	K55, N80, L80/1, P110	4 1/2", 5 1/2", 7", 9 5/8"
	2001	2	N80, L80/1	7", 9 5/8"
CANAM PIPE & SUPPLY Calgary, Canada	2000	2	J55, N80	7", 9 5/8"
CANEDAL LTDA., Santa Fe de Bogota D. C., Columbia	1991	1	N80	9 5/8"
	1992	1	N80	7", 9 5/8"
COUTINHO CARO + CO INTERNATIONAL Hamburg, Germany	1998	1	J55	9 5/8"
	2000	1	J55	7", 9 5/8"
CREMER STEEL, Hamburg 1, Germany	1993	1	K55	9 5/8"
FERROSTAAL AG, Essen, Germany	1995	1	P110	5 1/2", 8 5/8"
FERROSTAAL METALS LTD. Hamilton, Canada	1998	1	N80	9 5/8"
FERROSTAAL ROD & WIRE DIVISION, Brisbane, USA	1995	1	K55	4 1/2", 9 5/8"
FERROSTAL INCORPORATED Houston, USA	1996	1	N80	7"
	1998	1	K55, L80	6 5/8", 7", 9 5/8"
	2000	4	K55, N80, L80/1	5 1/2", 7", 9 5/8"
	2001	4	K55, N80, L80/1, P110	4 1/2" - 10 3/4"
FIRST RATED INTERNATIONAL CORPORATION, Caracas, Venezuela	1991	2	P110, N80	7"
FORJA DE TRATAMIENTO DE TUBULARES, Valencia - Edd. Carabobo, Venezuela	1991	4	N80, J55	7"

Casing

Firm	Year	Quantity group	Grade	Size
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Vienna, Austria	1994	1	J55, N80	5 1/2", 7"
	1995	4	J55, N80	5 1/2", 7", 9 5/8"
	1996	3	J55, K55, N80, C95, P110	7", 9 5/8"
	1997	4	J55, N80, L80, C95, P110	5", 7", 9 5/8"
	1998	4	J55, K55, N80, L80, C95, P110	6 5/8", 7", 7 5/8", 9 5/8"
	1999	4	J55, K55, N80	4 1/2", 5", 6 5/8", 7", 9 5/8"
	2000	4	H40, J55, K55, N80, L80/1, C95, P110	4 1/2", 5", 6 5/8", 7", 9 5/8"
	2001	4	K55, J55, N80, L80/1, P110	4 1/2", 5", 6 5/8", 7", 9 5/8"
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Dusseldorf 1, Germany	1997	1	J55	7", 9 5/8"
	2000	1	N80	7", 9 5/8"
GEOTECHNIK, A.S. Spišská Nová Ves, Slovakia	1996	1	J55	7", 9 5/8"
	1997	1	J55	5 3/4"
	1998	1	J55	6 5/8"
	1999	1	J55	6 5/8"
	2001	1	J55	6 5/8"
GLOBAL OIL, Dublin, Ireland	1995	3	J55	5 3/4", 6 5/8",
	1997	3	J55	5 3/4"
HSC SAL Beirut, Lebanon	1998	4	P110	7"
	1999	4	P110	7", 9 5/8"
	2000	3	J55, L80/1, C75, P110	5 1/2", 8 5/8", 9 5/8"
	2001	5	J55, L80/1, C75/2, C95, P110	5 1/2", 7", 8 5/8", 9 5/8"
HUNTINGEN OILFIELD SERVICES Aberdeen, Kazakhstan	2000	1	K55	7"
IEOC CO. INC., EGYPTIAN BRANCH, Cairo, Egypt	1990	2	N80	9 5/8"
IMTECH Prague, Czech Republic	1998	1	K55, N80	9 5/8"
INTERMARK INC. Tulsa, USA	1998	2	P110	8 5/8"
IPP INC. Houston, USA	1998	3	L80	9 5/8"
	2000	2	P110	9 5/8"
JJS OILFIELD SUPPLY Lachendorf, Germany	1994	1	J55	7", 9 5/8"
	1995	1	N80	7"
	1999	1	J55	8 5/8"
	2000	1	J55, N80	7", 9 5/8"
JOZEF WLAZLO W-SERVIS Chomutov, Czech Republic	2001	1	J55	5 1/2"
KASAMAND OIL TECHNOLOGY Chomutov, Czech Republic	1999	1	C75	9 5/8"
KENYA POWER COMPANY LTD. Nairobi, Kenya	1998	1	K55	7"
KLÖCKNER + CO., Duisburg, Germany	1990	2	N80, K55	5 1/2" - 9 5/8"
	1991	1	J55	9 5/8"
KOFING Ostrava, Czech Republic	2001	1	J55	5 1/2"
KOVINOTEHNA, Celje, Slovenia	1994	1	J55	9 5/8"
KURT ORBAN PARTNERS, Brisbane, USA	1995	1	K55	7", 9 5/8"
LEOPOLD LAZARUS LTD. C/O ASSOCIATED, London, G. B.	1989	3	K55	9 5/8"
	1991	2	K55	9 5/8"
LINKFER S.R.O. Ostrava, Czech Republic	1999	1	K55, N80	7", 9 5/8"
MATFOR SERVICE, Lescar, France	1995	1	N80	7", 9 5/8"

Casing

Firm	Year	Quantity group	Grade	Size
MASTER TRADING & SERVICES SO, Sofia, Bulgaria	1995	1	N80	7", 9 5/8"
METIMEX CO. INC Russia	2000	1	K55	7"
MICKO FINANCE TRADING CO., Antwerp, Belgium	1993	4	J55	5 3/4", 6 5/8"
MICRO DELTA KFT, Budapest, Hungary	1995	1	J55	9 5/8"
MINERALIMPEX, Tirana, Albania	1989	4	P110, N80, J55	5 1/2" - 9 5/8"
	1990	3	N80, J55	5 1/2" - 9 5/8"
	1991	3	N80, J55	6 5/8" - 9 5/8"
M/S OIL & NATURAL GAS Dehra Dun, India	1996	5	J55, N80	9 5/8"
MND SERVISNI	2000	2	J55, K55	7", 9 5/8"
MORAVSKÉ NAFTOVÉ DOLY, a.s. Lužice u Hodonína, Czech Republic	1989	4	J55, N80, C95, P110	6 5/8", 7", 9 5/8"
	1990	3	J55, N80	5", 6 5/8", 9 5/8"
	1991	2	J55, N80	4 1/2", 6 5/8", 7", 9 5/8"
	1992	3	J55, N80	4 1/2" - 9 5/8"
	1993	2	J55, N80, L80	6 5/8", 7", 9 5/8"
	1994	3	J55, N80, P110	5" - 9 5/8"
	1996	1	J55, N80	5 1/2", 6 5/8", 7 5/8", 9 5/8"
	1997	2	J55, N80	5", 6 5/8", 7", 8 5/8", 9 5/8"
	1998	2	J55	7", 9 5/8"
	1999	2	J55, L80, P110	4 1/2", 5 1/2", 7", 9 5/8"
	2000	2	J55	7", 9 5/8"
NAFTA, Gbely, Slovak Republic	1990	3	J55, N80	6 5/8", 7", 9 5/8"
	1991	3	J55, N80, C95, C90	5", 6 5/8", 7", 9 5/8"
	1992	4	J55, N80	6 5/8", 7", 9 5/8"
	1993	2	J55, N80	6 5/8", 7", 9 5/8"
	1994	3	J55, N80	6 5/8", 7", 9 5/8"
	1995	2	J55, N80	6 5/8", 7", 9 5/8"
	1996	3	J55, N80, C95	6 5/8", 7", 9 5/8"
	1997	3	J55, N80	6 5/8", 7", 9 5/8"
	1998	2	J55, N80	6 5/8", 7", 9 5/8"
	1999	1	J55, L80	9 5/8"
	2000	2	J55	9 5/8"
	2001	2	J55, L80	6 5/8", 7", 9 5/8"
NEFTEGAS, Megion, Russia	1992	3	GOST D	146 mm
NELSON MB, Himki Town, Russia	1994	1	P110	9 5/8"
	1995	4	J55, N80	5 1/2", 5 3/4", 6 5/8", 9 5/8"
	1996	2	J55, N80, P110	6 5/8", 9 5/8"
	1997	2	J55, C75, P110	9 5/8"
	1998	2	C75, P110	9 5/8"
NELSON MB CHOMUTOV Chomutov, Czech Republic	1999	3	J55	5 3/4", 6 5/8", 9 5/8"
NEXUS INVESTMENT HOLDING CORP. Road Town, Tortola,	2000	1	J55, P110	5 1/2"
	2001	1	P110	9 5/8"
OCCIDENTAL OF OMAN INC. Sultanate of Oman	1998	1	N80	7", 9 5/8"
OIL AND NATURAL GAS COMMISSION, Dehra Dun, India	1989	1	N80	9 5/8"
	1990	4	P110, N80	7", 9 5/8"
	1991	4	N80	7", 9 5/8"
	1992	4	N80	7", 9 5/8"
OIL & NATURAL GAS CORPN. LTD. DRILLING, Dehra Dun, India	1998	2	P110	9 5/8"
OIL + GAS DEVELOPMENT CORPORATION, Islamabad, Pakistan	1990	2	N80	9 5/8"
	1991	1	N80	9 5/8"

Casing

Firm	Year	Quantity group	Grade	Size
OIL INDIA LIMITED Calcutta, India	1998	1	N80, P110	7", 9 5/8"
OKGT, AGEL, Budapest, Hungary	1991	1	J55	7", 9 5/8"
OMEGA TRADE, Skopje, Macedonia	1994	1	N80	7", 9 5/8"
PIPEX ITALIA S. P. A., Milano, Italy	1993	2	N80	7"
PROMSYRJOIMPORT V/O, Moscow, Russia	1989 1990 1991	5 5 5	N80, K55, GOST D N80, K55, GOST D N80, K55, GOST D	146 mm, 9 5/8" 146 mm, 9 5/8" 146 mm, 9 5/8"
RÖHREN UND STAHLEXPORT, DOBBERTIN GMBH, Hamburg, Germany	1989 1990 1991 1992 1993 1995 1996	3 3 3 1 2 1 1	N80, J55 N80, J55 P110, N80, J55 N80, J55 J55, N80 J55, K55, N80 J55, N80, P110	7" - 9 5/8" 6 5/8" - 9 5/8" 4 1/2" - 9 5/8" 9 5/8" 7", 9 5/8" 7", 9 5/8" 9 5/8"
RÖSTA RÖHREN UND STAHLLAGER GMBH Gommern, Germany	1994 1995 1996 1998 1999 2000 2001	2 1 1 1 1 2 1	P110 J55 J55 J55, N80 J55 J55 J55	6 5/8", 9 5/8" 9 5/8" 9 5/8" 7", 9 5/8" 9 5/8" 5 1/2", 7 5/8" 7 5/8"
ROTEC ENERGY VERTRIEBS AG, Luzern, Switzerland	1994	2	P110	6 5/8", 9 5/8"
S. C. FORAJ SONDE S.A. Craiova, Romania	1998	1	N80	9 5/8"
SERVISNÍ Lužice, Czech Republic	2001	2	J55, K55	7", 9 5/8"
SLÉVÁRNA BAREVNÝCH KOVŮ Ostrava-Vítkovice, Czech Republic	1999 2000	2 2	N80 N80	9 5/8" 7"
SLOVGEOTERM Bratislava, Slovakia	1998	1	N80	9 5/8"
SHELL INTERNATIONALE PETROLEUM, Hague, The Netherlands	1989 1990	3 1	N80, K55 K55	7", 9 5/8" 7"
SOCONORD S.A., Brussels, Belgium	1994 1995 1996 1997	3 3 3 4	K55 N80 N80 K55, N80, L80	9 5/8" 7", 9 5/8" 9 5/8" 7", 9 5/8"
STALEXPORT, Katowice, Poland	1992	2	P110, N80, J55	4 1/2", 7", 9 5/8"
STEELINTER INC., New York, USA	1989 1990 1991	2 2 2	K55 N80, K55 K55	4 1/2" - 9 5/8" 7" 7", 9 5/8"
STOFFNER TRANS GLOBE ENERGY Ried im Innkreis, Austria	2001	1	J55, K55, N80, L80/1	7", 9 5/8"
THYSSEN CANADA LTD., West Vancouver B. C. V7V, Canada	1989	2	K55	5 1/2", 7", 9 5/8"
T.P.A.O. Ankara, Turkey	1995 1998	2 2	N80 N80	9 5/8" 9 5/8"
V/O ROVNESHTORG, Moscow, Russia	1992	4	K55, GOST D	146 mm, 6 5/8"
VLADIMÍR STAŠ-FERST Ostrava-Vítkovice, Czech Republic	1999	1	K55, N80	7"

Tubing

Firm	Year	Quantity group	Grade	Size
ANICON HANDELSGESELLSCHAFT, Biel, Switzerland	1993	1	N80	2 3/8", 2 7/8"
BAŇA DOLINA, Veľký Krtíš, Slovak Republic	1994	1	J55	2 7/8"
BAŇA ZAHORIE, Holič, Slovakia	1998	1	J55	2 7/8"
BOMA - H KTF, Budapest, Hungary	1991	1	J55	2 7/8", 3 1/2"
BRUN FRERES Paris, France	2000	2	C95	2 7/8"
CANEDAL LTDA., Santa Fe de Bogota D. C., Columbia	1992	1	N80	2 7/8"
FERROMET, Prague, Czech Republic	1989	4	J55, N80	2 7/8"
	1990	3	J55, N80	2 7/8", 3 1/2"
	1991	3	J55, N80	2 7/8", 3 1/2"
	1992	1	J55, N80	2 3/8", 2 7/8"
	1993	1	J55	2 3/8"
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Vienna, Austria	1995	2	J55, L80	2 3/8", 2 7/8", 3 1/2"
	1996	1	J55, N80	2 3/8", 2 7/8"
	1997	1	J55	2 7/8"
	1998	1	J55	2 7/8"
	1999	1	N80	4"
	2000	1	J55, N80, C95	2 3/8", 2 7/8", 3 1/2", 4 1/2"
	2001	1	J55, N80	2 3/8", 2 7/8", 4"
GEOLOGICKÝ PRŮZKUM OSTRAVA, Ostrava-Hrabová, Czech Republic	1994	1	J55	2 3/8", 2 7/8", 3 1/2"
	1997	1	J55	2 7/8"
	1998	1	J55	2 7/8"
	2000	1	J55	3 1/2", 4 1/2"
	2001	1	J55	3 1/2", 4 1/2"
KAROTÁŽ A CEMENTACE Hodonín, Czech Republic	1999	1	J55	3 1/2"
MINERALIMPEX, Tirana, Albania	1989	2	J55	2 7/8"
	1990	2	J55	2 7/8"
MORAVSKÉ NAFTOVÉ DOLY, a.s., Hodonín, Czech Republic	1989	2	J55, N80, C90, L80	2 7/8"
	1990	1	J55, N80	2 7/8", 3 1/2"
	1991	1	J55, N80	2 7/8", 3 1/2"
	1992	1	J55, N80	2 3/8", 2 7/8"
	1993	1	J55, N80, L80	2 7/8"
	1994	1	J55, N80	2 3/8", 2 7/8", 3 1/2"
	1996	1	J55	1.900", 2 7/8", 3 1/2"
	1997	1	J55, N80	2 3/8", 2 7/8", 3 1/2", 4"
	1998	1	J55	2 3/8", 2 7/8", 3 1/2"
	1999	1	J55	3 1/2"
MND SERVISNÍ	2000	1	J55	3 1/2"
NAFTA, Gbely, Slovak Republic	1989	1	J55	2 3/8", 2 7/8"
	1990	2	J55, C90	2 3/8" - 3 1/2"
	1991	1	J55, N80	2 3/8" - 3 1/2"
	1992	1	J55	2 3/8" - 3 1/2"
	1993	1	J55	2 7/8", 3 1/2"
	1994	1	J55, L80	2 3/8" - 3 1/2"
	1995	1	J55	2 3/8", 2 7/8"
	1996	1	J55	1.900", 2 7/8"
	1997	1	J55	2 7/8", 3 1/2"
	1998	1	J55	2 7/8", 3 1/2"
	1999	1	J55	3 1/2"
	2000	1	J55	3 1/2"
	2001	1	J55	2 7/8"
NELSON MB, Himki Town, Russia	1995	2	N80	3 1/2"

Tubing

Firm	Year	Quantity group	Grade	Size
OIL AND NATURAL GAS COMMISSION, Sibsagar Assam, India	1991	1	N80	2 7/8"
OKGT, AGEL, Budapest, Hungary	1991	1	N80	2 7/8"
PROMSYRJOIMPORT V/O, Moscow, Russia	1989	4	N80	2 7/8"
	1990	2	N80	2 7/8"
	1991	2	N80	2 7/8"
RÖHREN UND STAHL EXPORT, DOBBERTIN GMBH, Hamburg, Germany	1990	2	J55	3 1/2"
	1991	2	J55	2 7/8", 3 1/2"
SERVISNÍ Lužice, Czech Republic	2001	1	J55	1.900"

Drill Pipe

Firm	Year	Quantity group	Grade	Size
FERROMET, Prague, Czech Republic	1991	2	G105	5"
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Vienna, Austria	1999 2000	1 1	G105 G105	5" 5"
GEOLOGICKÝ PRŮZKUM OSTRAVA, Ostrava-Hrabová, Czech Republic	1994	1	G105	3 1/2"
MORAVSKÉ NAFTOVÉ DOLY a.s., Hodonin, Czech Republic	1989 1990 1997 1998 2000	3 2 1 1 1	G105 G105 G105 G105 G105	3 1/2", 5" 3 1/2", 5" 5" 2 3/8" 2 3/8"
NAFTA, Gbely, Slovak Republic	1990 1991 1992	1 1 1	G105 G105 G105	3 1/2" 3 1/2" 3 1/2"
PETROBRAS - PETROLEO BRASILEIRO S/A, Rio de Janeiro, Brazil	1995 1996 1998	1 1 1	G105 G105 G105	3 1/2" 3 1/2" 3 1/2"
PROMSYRJOIMPORT V/O, Moscow, Russia	1991	2	G105	5"
ROTEC ENERGY VERTRIEBS AG, Luzern, Switzerland	1994 1997	1 1	G105 G105	3 1/2" 3 1/2"
S. C. FORAJ SONDE S.A. Craiova, Romania	1998	1	G105	5"
TOTISA DEL ECUADOR C.A., Moscow, Russia	1994	1	G105	3 1/2"

Line Pipe

Firm	Year	Quantity group	Grade	Size
AMERICAN INTERNATIONAL INDUSTRIES, Singapore, Malaysia	1989	2	B	1" - 8 5/8"
ANBUMA N. V., Lokeren, Belgium	1989	1	B	1" - 8 5/8"
	1990	1	B	1" - 8 5/8"
	1991	1	B	1" - 8 5/8"
	1992	1	B	1" - 8 5/8"
ANICON HANDELSGESELLSCHAFT, Biel, Switzerland	1993	1	B	4 1/2"
APM ALOY PIPE+MEYAL GMBH, Ratingen, Germany	1995	1	B	8 5/8", 10 3/4"
BAHENSKY MIROSLAV, Opava, Czech Republic	1998	1	B	4 1/2", 8 5/8"
COMMERCIAL AND INDUSTRIAL S. A., Athens - Korinth Aspropyrgos, Greece	1989	2	B	1/2" - 8 5/8"
	1990	2	B	1/2" - 8 5/8"
	1991	1	B	1/2" - 8 5/8"
	1992	1	B	1/2" - 8 5/8"
COMMERCIALE TUBI S.R.L., Venezia, Italy	1995	1	X42	6 5/8"
COUTINHO CARO + CO INTERNATIONAL, Hamburg, Germany	2000	1	X52	6 5/8", 10 3/4"
CROATIA-IMPEX D.O.O., Rijeka, Croatia	1999	1	X52	4 1/2", 8 5/8", 10 3/4"
CREDO ANSTALT, Vaduz, Liechtenstein	2001	1	B	4 1/2"
E.T.A. EURO TUBI ACCIAIO S.P.A., Lainate, Italy	2001	1	B	2 7/8", 3 1/2", 4 1/2", 5 9/16"
FAR EAST COMMODITIES AND TRADING CO., Hong Kong, Hong Kong	1994	1	B	1/2" - 4 1/2"
FERROMET, Prague, Czech Republic	1989	3	B	1/2" - 8 5/8"
	1990	3	B	1/2" - 8 5/8"
	1991	4	B	1/2" - 8 5/8"
	1992	2	B	1/2" - 8 5/8"
	1993	1	B	6 5/8", 8 5/8"
	1994	1	B	2 7/8" - 3 1/2"
	1995	1	B	6 5/8", 8 5/8", 10 3/4"
FERROSTAAL AG, Essen 1, Germany	1993	1	B	3 1/2"
FERROSTAAL ROD & WIRE DIVISION, Brisbane, USA	1994	1	B	6 5/8", 8 5/8", 10 3/4"
	1995	4	B, X42	1/2" - 10 3/4"
	1997	2	B	2 3/8" - 8 5/8", 10 3/4"
FERROSTAAL INCORPORATED, Houston, USA	1995	4	X42	2 3/8" - 10 3/4"
	1996	5	X42	2 3/8" - 10 3/4"
	1997	4	X42	2 3/8" - 10 3/4"
	1998	5	X42	2 3/8" - 10 3/4"
	1999	4	X42, X52	2 3/8" - 10 3/4"
	2000	5	B, X42	2 3/8" - 10 3/4"
	2001	4	B, X42, X52	2 3/8" - 10 3/4"
FERROSTAAL PIPING SUPPLY B.V., Hooftge Zwaluwe, The Netherlands	2001	1	X42	8 5/8", 10 3/4"
FEZNAL D.O.O., Ljubljana, Slovenia	1996	1	B	4 1/2", 6 5/8", 8 5/8"
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Düsseldorf, Germany	1992	1	B	1/2" - 2 3/8"
	1993	1	B	4 1/2"
	1998	1	B	6 5/8", 8 5/8", 10 3/4"
	2000	1	B	10 3/4"

Line Pipe

Firm	Year	Quantity group	Grade	Size
FRANK STAHL RÖHREN UND STAHLGROSSHANDEL, Vienna, Austria	1994	1	B	1/2", 3/4"
	1995	3	B, X42	1/2" - 10 3/4"
	1996	4	B, X42, X52	1/2" - 10 3/4"
	1997	4	B	1/2" - 10 3/4"
	1998	4	B, X52	1/2" - 10 3/4"
	1999	4	B, X42	1/2" - 10 3/4"
	2000	4	B, X52	1/2" - 10 3/4"
COUTINHO CARO + CO INTERNATIONAL Hamburg, Germany	2001	4	B, X42	1/2" - 10 3/4"
	2000	1	X52	6 5/8", 10 3/4"
HSC SAL Beirut, Lebanon	2000	2	B	3 1/2", 6 5/8"
	2001	4	B	4 1/2", 8 5/8"
ICS Wembley, U.K.	2001	1	B	8 5/8", 10 3/4"
INTERNATIONAL GULF TRADING CO. Doha, Qatar	1998	1	B	10 3/4"
I.P.S. SRL, Torino, Italy	1994	1	B	6 5/8"
ITOCHU EUROPE PLC., London, United Kingdom	1995	1	B	1/2" - 4 1/2"
JANNONE ARM SPA Napoli, Italy	1996	2	B	3 1/2" - 10 3/4"
	1997	1	B	6 5/8", 8 5/8"
JANNONE FERRO TUBI S.P.A., Segrate (Milano), Italy	1991	1	B	1/2" - 6 5/8"
	1992	1	B	2 3/8" - 8 5/8"
	1995	1	B	6 5/8", 8 5/8"
	1996	1	B	4 1/2"
	1998	1	B	5 9/16", 6 5/8", 8 5/8"
	1999	1	B	1/2", 3/4"
JANNONE TUBI S.R.L. Bari, Italy	1996	1	B	6 5/8"
JANNONE S. A. POLG. IND. CTRA. Sevilla, Spain	1998	1	B	5 9/16", 6 5/8"
KAM STAAL B.V. AC H. I. Ambacht, Belgium	2000	1	B, X42	1/2" - 10 3/4"
	2001	1	B, X42	1/2" - 10 3/4"
KURT ORBAN PARTNERS, Brisbane, USA	1995	3	B	1/2" - 10 3/4"
	1996	4	B	1/2" - 10 3/4"
MARCUS GMBH Hamburg, Germany	1998	2	B	1/2" - 8 5/8"
	1999	1	B	1/2" - 6 5/8"
	2000	1	B	1/2" - 8 5/8"
	2001	1	B	1/2" - 10 3/4"
MARMON KEXSTONE ANBUMA Lokeren, Belgium	1998	1	B	1 1/2" - 6 5/8"
	2000	1	B	1/2" - 3 1/2"
MERCADEX BV Amersfoort, Netherlands	1998	1	B	8 5/8", 10 3/4"
	2000	2	B	5 9/16", 6 5/8", 8 5/8", 10 3/4"
	2001	2	B	5 9/16", 6 5/8", 8 5/8", 10 3/4"
NORTHERN GULF TRADING CO. WLL. Safat, Kuwait	1996	2	B	6 5/8"
	1997	1	B	2 3/8", 3 1/2"
	2000	1	B	1/2" - 10 3/4"
	2001	1	B	1/2" - 10 3/4"
PAMEC TRAVERSO & STORACE S.R.L. Vasto, Italy	1998	1	B	5 9/16", 6 5/8"
	1999	1	B	2 7/8" - 6 5/8"
	2000	1	B	3 1/2", 4 1/2", 5 9/16, 6 5/8"
	2001	1	B	3 1/2", 4 1/2", 5 9/16, 6 5/8"
PETROBRAS - PETROLEO BRASILEIRO S/A, Rio de Janeiro, Brazil	1995	1	B	1/2" - 1 1/2", 10 3/4"
	1996	1	B	1/2", 3/4", 1"
PLYNOSTAV PARDUBICE-SVITKOV Pardubice-Svitkov, Czech Republic	1997	1	X42	10 3/4"

Line Pipe

Firm	Year	Quantity group	Grade	Size
P. VAN LEEUWEN JR S, Zwijndrecht, The Netherlands	1989	2	B	3 1/2" - 8 5/8"
	1990	3	B	3 1/2" - 8 5/8"
	1991	2	B	3 1/2" - 8 5/8"
	1992	2	B	1" - 8 5/8"
RÖHREN UND STAHL EXPORT, DOBBERTIN GMBH, Hamburg, Germany	1992	1	B	3 1/2" - 8 5/8"
	1993	1	B	3/4" - 8 5/8"
	1994	2	B	1/2" - 8 5/8"
	1995	1	B	3 1/2", 6 5/8", 8 5/8"
	1996	1	B	8 5/8"
ROLLA TRAVERSO & STORACE S.P.A. Genova, Italy	1999	1	B	3/4" - 10 3/4"
SAVEX-PRAHA Prague, Czech Republic	2001	1	B	6 5/8"
SCHÖLLER BLECKMANN GMBH, Ternitz, Austria	1993	1	B	4 1/2"
SCOPSI S. P. A., Napoli, Italy	1991	1	B	1/2" - 8 5/8"
	1992	1	B	1/2" - 8 5/8"
SIDERTUBI S. P. A., Segrate, Italy	1991	2	B	1/2" - 8 5/8"
	1992	1	B	1/2" - 8 5/8"
SIGMA SUPPLIES CO. Alexandria, Egypt	1996	1	B	6 5/8", 8 5/8"
	1997	1	B	6 5/8", 8 5/8", 10 3/4"
SINEX AG, Luzern, Switzerland	1994	2	X42	6 5/8"
SOCONORD S.A. Bruxelles, Belgium	1996	1	X42	4 1/2"
	1997	2	B	8 5/8"
STROJIMPORT A.S. Prague 3, Czech Republic	2000	2	B	5 9/16, 8 5/8", 10 3/4"
	2001	2	B	1/2" - 10 3/4"
T.A.L. Milano, Italy	1996	1	B	8 5/8"
T.A.L. S. P. A. Fiorenzuola D'Arda, Italy	1999	1	B	10 3/4"
TPS TECHNITUBERÖHREWERKE GMBH, Daun, Germany	1993	1	B	6 5/8"
TUBISID S.P.A. Mazzo di Rho	1998	1	B	6 5/8"
	2001	1	B	2 3/8", 2 7/8", 3 1/2", 4 1/2"
VALVOROBICA INDUSTRIALE S.P.A. Zanica, Italy	2000	1	B	1/2" - 10 3/4"
	2001	1	B	3 1/2" - 8 5/8"