

THE CONTRACT OF THE CENTURY

Negotiations on joint developments on oil deposits "Azeri", "Chirag" and "Guneshli" in the Azerbaijani sector of the Caspian Sea, with reserves estimated over 500 million tonnes, with the International Consortium of oil companies, which have been going on since 1991 ended successfully.

In September of 1994 Heydar Aliyev, President of the Republic of Azerbaijan, issued a decree to allow the State Oil Company of the Azerbaijan Republic (SOCAR) to sign a contract with the International Consortium of oil companies. The Consortium consisted of oil companies like "AMOCO Caspian Sea Petroleum Ltd.", "British Petroleum Exploration (Caspian Sea) Ltd.", "Den Norske Stats Oleselskap A.S", "LUKoil" joint stock company, "Mc Dermott Azerbaijan Incorporated," "Pennzoil Caspian Corporation", "Ramco Khazar Energy Ltd.," "Turkish Petroleum A.O." and "UNOCAL Khazar Ltd". The contract provides oil developments in the above-mentioned deposits for the term of 30 years.

On September 20, 1994, a solemn ceremony for the signature of the contract was held in the Palace of "Gulustan" Heydar Aliyev, President of the Republic of Azerbaijan, made a brilliant speech in the ceremony of signature.

Paving the way for the foreign companies to Azerbaijan.

This Contract created favourable conditions for making investments to the economy of the republic.

On November 10, 1995, SOCAR signed a contract with "Pennzoil", "AGIP" and "LUKoil" on the Garabag oil structure. Company founded in 1996, began to work in the perspective "Garabag" structure.

On June 4, 1996, SOCAR signed another contract with "LUKoil" of Russia, "BP" of Great Britain, "Statoil" of Norway, "Elf-Aquitaine" of France, "OIEC" of Iran and "Turkish Petroleum A.O." on joint developments in the highly perspective "Shah-deniz" oil structure.

On December 14, 1996, SOCAR signed the fourth contract with "UNOCAL" and "AMOCO" of the USA, "Itochu" of Japan, "Delta" of the Saudi Arabia on joint developments in the oil deposits of "Ashrafi" and "Dan Ulduzu".

On January 14, 1997, SOCAR signed the fifth contract with "Elf-Aquitaine" and "Total" of France on joint explorations, developments and output and "Lankaran-Talish-Deniz"

And finally on July 4, 1997, SOCAR signed a new contract with "LUKoil" and "Rosneft" of Russia on joint oil developments in the deposit of "Kepez" in the Caspian Sea during the visit of the President of the Republic of Azerbaijan Heydar Aliyev to Moscow.

These contracts, signed at the threshold of the XXI century, will raise the welfare of the Azerbaijan people, provide the qualitative renewal of all the industry, the research and industrial-technical balance of the oil industry in the first place.
