

Dear friends and family,

Having been delayed here longer than anticipated, I wanted to pass on my greetings, and offer an update on what is keeping me away so long.

From our camp out here in the vast and at times harsh but strikingly beautiful western Kazakh steppes, we recently were blessed with access to the internet - what a joy! But expensive joy: since satellite phone connections cost dearly. I am presently in an area called Ravninnoe, hardly found on any map, though a careful eye can spot the location on a good satellite photo. If you do have access to a map showing the port cities of Atyrau and Aktau along the NE coast of the Caspian Sea, then we are somewhat between them near the Opornaya train station far inland and nearly due east from the massive Tengiz oil field.

Starting December of 2006, I accepted a contract to help a group of investors prove hydrocarbon production in a couple of small Kazakh fields. Our goal is to enhance efforts attracting the necessary BIG dollars to create an actual oil producing company in partnership with local Kazakh shareholders. My contribution is to manage ground operations. This entails organizing and seeing through related services required to get oil out of the ground. We contract local work-over rigs and support services along with some foreign know-how for areas where we wish newer / more reliable technology than what is usually dominated by Russian / Soviet expertise. Knowing how to use local equipment and techniques, sprinkled occasionally with something new or different, is key to helping budding companies like this succeed. Having worked in the petroleum business for over 35 years and here in the Former Soviet Union since 1994 - I find my accumulated skills quite valuable and in-demand. This is a good thing!

Weather problems and an accumulation of little things here and there going haywire have delayed plans a bit. I am quite accustomed to that and stick to the advice an experienced achiever in these parts passed to me back in 1997; "take the initial cost estimate a company is hoping for, double it and add 10% - only then will you really have a good chance to match your end results with what it will actually cost". His wise conclusion to gathered experience has often proved true. I constantly fight with western employers spending huge amounts of time coming up with numbers as to what they think a project will cost in this part of the world - only to ultimately spend nearly twice as much time and money getting not quite what they expected.

Cost projecting is a tough job - but then - that is not my job. I am tasked to make things happen on-the-ground! It remains hard for me to convince investors as to what projects will really cost, but they do look to resources like me to control expenditures as much as possible. Companies need and respect feed-back that proves accurate. This is the world Caspian Steppes is growing in.

So here we are, battling with budgets and time schedules to gain results in unlikely environments. But in that effort can be found enormous benefits, satisfaction, and where great things can happen. Building a reliable team on all sides is a major part of the process, and then knowing when to make critical judgment calls - is probably the largest component. I am having a great time and love the challenge of using accumulated skills in productive ways. Events here with this particular project are quickly coming to conclusion and we are all excited to see the forthcoming results.

Lately these steppes are either frozen solid Siberian style - or thawing with bountiful gifting of their ancient sea bottom muds. Last week has been a nightmare of impassible sludge ponds waiting in ambush to deeply suck down misplaced truck tires. This seasonal freeze/thaw flip flopping morphing of nature has virtually shut down our operation. Luckily last nite a bitter cold front opted to freeze again the soaked sparse pastures. Deep ice-hardened unrelenting ruts drivers now have to arduously navigate at least allow ground transport to get through. And those trucks we need! So, serious cold is a good thing sometimes - but hard on us humans. Even the thick haired Kazakh camp dogs suffer as their tightly curled furry wads stay fixed near the kitchen door.

The camp generator is turned off about 4-5 hours most nites to save fuel, dropping the living quarter temperatures to just bearable; demanding long johns, drawn-low wool caps and nestling deep under blankets. Sounding far from ideal, it is actually great for sleeping once getting cozy. I actually hope this blast lasts the next three days as we need to bring in a couple heavy trucks previously bogged down in deep muck to make it to us across the road less steppe.

There are indeed adventurous parts of this contract as I work in sometimes desolate patches of Kazakhstani outback, carefully guarded by alert and ever hungry foxes and raptors. I take pleasure in the local human character and natural wonders. Around this particular region, I especially enjoy the two humped Bactrian camels, that here, roam everywhere. Many now sport colorful winter felt and carpet coverings tied on their backs to protect from the chilling wind. Long haired flopping hump-tops poking out from the shielding fabric make them quite a site. In the morning by the hundreds, they wander themselves out of corrals near an occasional yurt or pens attached to squat adobe walled local houses. Their quiet swaying meandering on wide thick padded feet through village streets and allays seeking the open steppe in search of scraggly grasses and bushes is not a sight daily seen in an American setting! They leave behind their own dung-smoke filled air from the human effort to capture warmth and cooking fuel from treeless savannahs - an ancient but odoriferous plant fiber recycling. The Bactrian then dot the far undulating landscape until late afternoon, when they begin to work their own way back home. Vehicular traffic is beholden to their trudging as they merge together following chosen leaders along and across roads. Nobody needs to lead these independent beasts - just taking heed to get out of their way....

Getting here begins with an all nite jangling-clackiting train ride into the seemingly endless deep steppe with hospitable vodka drinking Kazakhs. At least we can afford sleeper cars, sometimes buying all four tickets to capture an entire bunked private cabin. After disembarking upon barren ground by the tracks, (few stations show off loading platforms), we are picked up in a not so comfortable, but reliably tough Russian built 'Gaz' truck to make our way to the camp, pitched alone on the wonderfully wild and pristine prairie. Hey, Ruskies make darn good off-road trucks!

Out here we live and work with interesting people from both common and odd origins and addresses. At this site, mostly Kazakh nationality prevails. Mongol features blended with Russian influence makes for an interesting mix. The language of everyday business is Russian. A few well placed Kazakh words help bind the needed relationships.

As often as possible while in the field, I try to take long walks out upon the steppe. Befriended camp dogs jostle in glee and compete for attention and a wet snuzzle with an outstretched hand when they realize I am off for a trek. The locals call me the 'Han of the dogs', as our troop meanders off through the sparse low scrub. The canine think the outing is just to stalk - then rush with pounding feet darting chipmunks and ground squirrels. Whereas I hunt for the interesting ridge, Shepard camps long abandoned and eroded stream banks. My friends faithfully trail along. Mostly the solitude, opportunity to see something new and chance for reflection drives such xcursions.

Yesterday while contemplating the most efficient 5 kilometer return to camp in failing light, I had to dig out tucked away glove liners, scarf and balaclava that I keep constantly in jacket pockets for such occasions to enhance already donned winter gear. A person does not want to get caught without defense in the dangerous cold accompaniment of nightfall. Recognizing in time that the pre-determined trek objective had been a bit too far, we decisively abandoned the goal, and struck back together in a reassuring caravan. At least the wind was then from behind. After adjusting the added protection - we set out trying to stay on convenient long worn animal paths as long as possible. Constant plowing a forced path through the tough grasses and scrub becomes a chore to sensibly

avoid. The dogs exhausted from unsuccessful sprints after surely disappearing varmints, bumped purposely in turn against my steady pace for recognition. I knew the Central Asian music drifting from the Uzbek cook's cassette player would warm my ears. Exotic local dishes would satisfy my hunger and culinary expectations. And sure enough, the local Kazakh company partner had the half finished bottle of vodka from last nite placed invitingly on the table, with him waiting his meal, and the kitchen crew ready to provide despite my tardy return.

Only part of my time is in the field. Mostly organization of operations takes place from the cliff-perched city of Aktau, overlooking the Caspian Sea. This spot is one of my favorites in this country, and indeed, throughout the Stan's. Rich Sheiks of the Persian Gulf have also recently recognized this piece of paradise, and in their style, have planned a gaudy Dubai type business and entertainment Mecca to attract the new Kazakh rich. Unfortunately, that reality will change forever this most interesting and formerly secret and closed Soviet city. The Russians had poured heavily their riches and specialists into this well placed out-post along the Caspian in over-optimistic hopes to create a potent military and energy powerhouse taking advantage of discovered hydrocarbon and uranium riches nearby. However, time ran out as the empire crumbled, and the once ethnic Russian dominated haven is now only populated by remnants hanging on to numbers measured in mere teens after little more than a decade. Now mostly foreign wealth has captured the goods - with aggressive involvement of Western, Russian and Chinese companies. The local population is now made up of scattered Westerners, Chechens, Azeri's, Bashkerians, Tatars, ethnic European Soviet displacements and the ever growing local Kazakhs. So far, I continue to really like the place.

My client supports an apartment for me in Aktau for refuge from the hard field trips, and a temporary office. I have a Romanian field supervisor to watch over the daily monitoring of specific field affairs, thus freeing me up to organize efforts in other fields the investors want to poke around with. I am learning a lot and adjust to opportunities as they present themselves. Taking over managing this operation has come easier than first thought. Solid understanding of the industry surely helps, but mostly it is hard earned life experience forming the best foundation providing necessary confidence to guide me through bountiful challenges and multicultural sensitivities.

What I love is being on the front-line, far away from the 'suits and politicians', tasked to make things happen despite unfair odds at times. I grew up observing my dad in similar situations in far away adventurous places - and now taste the satisfaction of doing it myself. If not for the interesting parts of what I do - Caspian Steppes would not exist. I could have selected an occupation a bit closer to home - but then the company name would be a bit different as well. Heck, enjoying what we do for a living is primary priority - right?!? I now realize that my planned placement in the region as an available resource, of which Caspian Steppes simply is, has allowed me to do mostly just what I want - a nice achievement actually.....

Marge remains in Michigan with her ailing parents. She fulfills an important mission and a wonderful opportunity to share quality time with her folks. I wish I could have spent more time with my parents before losing them forever! Meanwhile life goes on, and working in these assignments could go on non-stop as well. So, I will work out a firm stop-point and rush back to Houston to reconnect with Marge, with friends, with my by now wild yard plants, and with the good ole USA.

As ever,

Brooks  
Ravninnoe Field, 18-Feb-07