PRESS RELEASE
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LUKOIL AND GAZPROM PLEDGE STRATEGIC PARTNERSHIP

Vagit Alekperov, OAO LUKOIL President, and Aleksey Miller, Chairman of OAO Gazprom's Management Committee, today signed a 2014-2024 Strategic Partnership Agreement between the companies, as part of the St. Petersburg International Economic Forum 2014.

The document states that the parties intend to consider the possibilities of joint implementation of various oil and gas projects in the Nenets and Yamalo-Nenets Autonomous Okrugs, at the Russian continental shelf, in the Caspian Sea, in East Siberia and the Far East, as well as in other regions to be further agreed on. The joint projects will cover such areas of activity as exploration, production, preparation, transportation and processing.

The parties also intend to work together on projects of exploration and production of hydrocarbons overseas.

Gazprom and LUKOIL will coordinate their activities focused on geologic exploration and data exchange, and thoroughly consider the issue of unification of storage standards for respective data.

The companies also plan to promote cooperation in the area of oil and gas-condensate transportation by sea from the northern districts of the Nenets and Yamalo-Nenets Autonomous Okrugs. Moreover, the parties will cooperate in the area of transportation of LUKOIL's gas via the Gazprom transportation system and also in the area of using LUKOIL's shipment capacities and loading facilities to transport Gazprom's oil.

Gazprom and LUKOIL will maintain their partnership in the area of raw-hydrocarbon supplies and the manufacture of petroleum- and gas-chemical products, as well as in the area of deployment of the available oil and gas condensate at the gas-processing plants and oil refineries both in Russia and abroad.

The agreement provides for joint development and execution of R&D activities in power engineering. The parties will also work together to develop production and infrastructure facilities and to ensure their engineering, information, environmental, social and personnel support.

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The agreement also emphasizes environmental protection. Thus, the parties will strive for maximum cooperation in the area of efficient utilization of associated petroleum gas as engine fuel for transportation vehicles.

“The real outcomes of the long-standing cooperation between LUKOIL and Gazprom demonstrate its mutually beneficial effect for the businesses of our companies. The 2014-2024 Strategic Partnership Agreement offers new opportunities to both LUKOIL and Gazprom,” Mr. Alekperov said.

“We intend to promote mutually beneficial strategic cooperation with LUKOIL. Implementation of the current and would-be projects will considerably strengthen the economic potential of our companies,” Mr. Miller commented.

The previous Master Agreement on Strategic Partnership between Gazprom and LUKOIL was signed in 2005 for the period till 2014.

LUKOIL and Gazprom have a number of joint projects. One of them is gas supplies from LUKOIL’s fields in Bolshekhetskaya Depression and in the Northern Caspian Sea. Along with Kazakhstan, both companies are involved in the geologic exploration and development of Tsentralnoye oil-and-gas-condensate field in the Caspian Sea. Additionally, LUKOIL and Gazprom share a project under which associated petroleum gas from the northern group of fields of OOO LUKOIL-Komi is processed at Gazprom’s gas-processing plant in Sosnogorsk.