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LUKOIL PUTS ON STREAM GAS PROCESSING UNIT IN BUDENNOVSK

Today, Deputy Prime Minister of the Russian Federation Arkady Dvorkovich, President of PJSC LUKOIL Vagit Alekperov and Stavropol Region Governor Vladimir Vladimirov took part in the official startup of the first phase of the gas processing unit at the Stavrolen plant in Budennovsk.

This project will make it possible for LUKOIL to fully utilize associated petroleum gas produced from the fields in the Northern Caspian, supply own gas to new power generation facilities of the LUKOIL Group in the Stavropol Region and begin production of petrochemicals. A part of this associated petroleum gas will be processed to produce polyethylene and polypropylene which in turn will stimulate the development of small and mid-sized plastics processing businesses in the region. The capacity of the plant is 2.2 bcm of raw gas per year.

“The startup of this gas processing plant by LUKOIL is especially symbolic in the beginning of the year when the Company celebrates its 25th anniversary and is not only an important event for the region but also an excellent example of the consistent and sound investment decisions across the country,” said Deputy Prime Minister of the Russian Federation Arkady Dvorkovich.

“The startup of the first phase of the gas processing unit at Stavrolen plant is one of a wide range of projects which LUKOIL plans to put in operation in 2016. I am sure that each of them will have a significant impact not only on the economic development of the Company but also on the respective regions where they are located,” - noted President of PJSC LUKOIL Vagit Alekperov.

“Today good economic news is as good as gold and for us it is very important that this news comes from the Stavropol Region. The startup of the gas processing unit in Budennovsk gives evidence of the fact that the region continues implementing its key development plans and that the industrial sector remains a solid foundation for the growth of our economy. LUKOIL is a strategic investor for our region and a social and economic driving force for its eastern areas. Investments, taxes and jobs for our people are exactly what we need today above all things. Cooperation with LUKOIL and other strategic partners of the Stavropol Region helps us achieve that”, - said Stavropol Region Governor Vladimir Vladimirov.

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