PRESS RELEASE
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LUKOIL AND GAZPROM AGREED ON GAS SUPPLIES

Today Vagit Alekperov, President of OAO LUKOIL ("LUKOIL"), and Alexei Miller, Chairman of the Board of OAO Gazprom ("Gazprom"), signed a cooperation agreement for gas supplies from Nakhodkinskoye field of Bolshekhetskaya Depression (Yamalo-Nenets autonomous district).

The parties agreed that LUKOIL is to sell to Gazprom up to 0.75 bln. cu. m. of gas in the 4th quarter of 2005 and up to 8 bln. cu. m. of gas – in 2006. Gazprom committed to pay for gas and its transport via the Russian Unified gas supply system.

The document also determines the pricing formula according to which Gazprom will be buying gas from Nakhodkinskoye field at the Yamburg compressor station.

This Agreement shall be an additional part of the general agreement on strategic partnership between LUKOIL and Gazprom for 2002-2005. The general agreement confirms, in particular, the joint implementation of projects on exploration and development of oil and gas fields in Yamalo-Nenets autonomous district, Nenets autonomous district and Russian sector of the Caspian Sea.

"The agreement which has been signed today demonstrates a significant expansion of cooperation between two major Russian energy companies. I am confident that this document lays a foundation for a civilized gas market in the country," said Alexei Miller, Chairman of the Board of OAO Gazprom.

"Today's event is another step on our way to implementing joint projects. LUKOIL's cooperation with Gazprom will be strengthened further in the future as the Company becomes one of the largest gas producers", said Vagit Alekperov, President of OAO LUKOIL.

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