PRESS RELEASE
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LUKOIL AND GAZPROM SIGN MASTER AGREEMENT ON DEVELOPMENT OF TWO FIELDS IN THE NENETS REGION

President of LUKOIL Vagit Alekperov and Chairman of the Management Committee of Gazprom Alexey Miller signed the *Master Agreement on the Terms of the Development of Vaneyvisskoye and Layavozhskoye fields* (located in the Nenets region, Russia) today.

Governor of the Nenets Autonomous District Yuri Bezdudny also took part in the signing ceremony.

This document builds on the earlier agreement, which had been concluded in 2018 at the St. Petersburg International Economic Forum, and elaborates on the necessary arrangements to commence hydrocarbon production at the fields.

Among other matters, the parties decided on the course for creating a joint venture to carry out the project. It will be established by LUKOIL and Gazprom subsidiaries: *LUKOIL-Komi* and *Gazprom Dobycha Krasnodar*. This special-purpose entity will receive the licence to develop the fields.

At the preparatory stage, the joint venture will focus in particular on the design and survey work, put together documentation for the construction of field facilities and necessary infrastructure for hydrocarbon treatment and transport to LUKOIL's oil receiving facility and an entry point to Gazprom's gas transportation system. The venture will also determine prospective contractors and equipment suppliers, and make suggestions with respect to the contracting strategy and ways to fund the project.

The fields are located in the immediate vicinity of LUKOIL's operational production site. Thus, realization of the project will result in a synergy and require only a minimum of infrastructure to be created.

Information:
Relations between LUKOIL and Gazprom are guided by the General Agreement on Strategic Partnership for 2014-2024.
Gazprom is a current holder of a subsoil use license to explore and produce hydrocarbons in the area of federal significance that includes Vaneyvisskoye and Layavozhskoye fields located in the Nenets region, Russia, eastward of the city of

Naryan-Mar.
Vaneyvisskoye and Layavozhskoye fields have cumulative recoverable resources of 27.4 million tonnes of liquid hydrocarbons and 225.3 billion cubic meters of natural gas.