PRESS RELEASE
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LUKOIL SINGS SUPPLEMETARY AGREEMENT ON THE DEVELOPMENT OF THE WEST QURNA-2 PROJECT IN IRAQ

The representatives of PJSC LUKOIL and*Basra Oil Company* signed a Supplementary Agreement to the contract on the development and production of oil at the West Qurna-2 field. The singing took place in Baghdad. The agreement provides for better conditions and prolongation of the service contract for 10 years (until 2045), investments into further development of the project, and gradual doubling of the field's output with plateau level reaching 800 thousand barrels per day. This will result in an increase in the economic efficiency of the West Qurna-2 project.

The field development plan envisages bringing new multi-well pads into production, commissioning oil treatment facilities and complex gas treatment facilities for the Yamama formation, construction of export pipelines and water flooding units, as well as expansion of the tank battery.

The development of the West Qurna-2 project under the Supplementary Agreement will promote creation of new jobs for Iraqi citizens. Under the agreement LUKOIL also aims to construct social infrastructure facilities for the locals.

The conclusion of the Supplementary Agreement is a next step in the long-term strategic partnership between LUKOIL and the Ministry of Oil of Iraq, as well as confirms the parties' commitment to continue their joint work on the development of the energy sector of the country.

Information:
Located in the South of Iraq, West Qurna-2 is one of the world's largest oil fields with around 14 billion barrels of initial recoverable reserves. The license area covers around 300 square kilometres.
LUKOIL concluded a service agreement in December of 2009, commenced commercial production of oil in 2014 and subsequently succeeded with Phase 1 of the field's development (the Early Oil of Mishrif Formation project). As of today, West Qurna-2 delivers 9% of Iraqi total oil production.

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