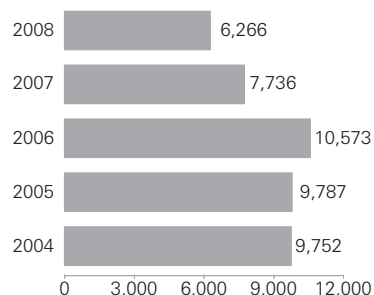
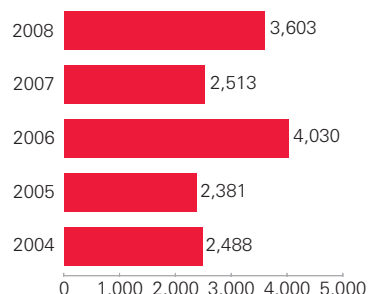
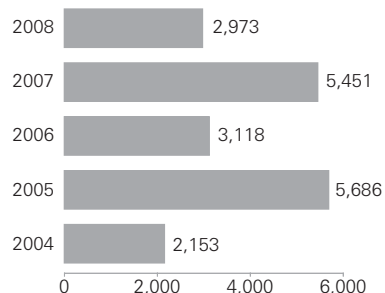


## GEOLOGICAL EXPLORATION

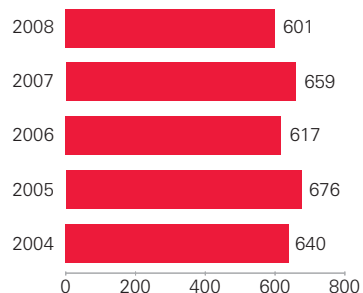
2D seismic prospecting, km



Geo-electrics, km


 3D seismic prospecting, km<sup>2</sup>


Proved hydrocarbon reserve extensions and discoveries, mln boe



### Geological exploration

|   | 2004  | 2005  | 2006   | 2007  | 2008  |
|---|-------|-------|--------|-------|-------|
| 2D seismic prospecting, km              | 9,752 | 9,787 | 10,573 | 7,736 | 6,266 |
| 3D seismic prospecting, km <sup>2</sup> | 2,153 | 5,686 | 3,118  | 5,451 | 2,973 |
| VSP*, wells                             | 45    | 40    | 33     | 30    | 15    |
| Geo-electrics, km                       | 2,488 | 2,381 | 4,030  | 2,513 | 3,603 |

\*Vertical seismic profiling.

### Exploration drilling by regions, th. meters

|                            | 2004       | 2005       | 2006       | 2007       | 2008       |
|----------------------------|------------|------------|------------|------------|------------|
| <b>Total</b>               | <b>118</b> | <b>131</b> | <b>162</b> | <b>143</b> | <b>150</b> |
| <i>Russia</i>              | 111        | 119        | 139        | 130        | 123        |
| Western Siberia            | 44         | 44         | 60         | 54         | 63         |
| Urals                      | 11         | 11         | 9          | 9          | 9          |
| Volga                      | 17         | 23         | 29         | 31         | 17         |
| including Caspian          | 0          | 2          | 2          | 4          | 0          |
| Timan-Pechora              | 24         | 26         | 27         | 18         | 18         |
| Bolshekhetskaya Depression | 4          | 6          | 4          | 6          | 4          |
| Other                      | 11         | 9          | 10         | 12         | 12         |
| <i>International</i>       | 7          | 12         | 23         | 13         | 27         |

### Number and average depth of exploration wells drilled in Russia

|                       | 2004  | 2005  | 2006  | 2007  | 2008  |
|-----------------------|-------|-------|-------|-------|-------|
| Number of wells       | 47    | 28    | 40    | 49    | 41    |
| Average depth, meters | 2,541 | 2,548 | 2,417 | 2,797 | 2,553 |

### Number of newly discovered fields and strata at existing fields

|   | 2004      | 2005      | 2006      | 2007      | 2008      |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Fields</b>                           | <b>13</b> | <b>5</b>  | <b>10</b> | <b>7</b>  | <b>8</b>  |
| Oil (including oil, gas and condensate) | 12        | 5         | 9         | 7         | 8         |
| Gas                                     | 0         | 0         | 1         | 0         | 0         |
| Gas condensate                          | 1         | 0         | 0         | 0         | 0         |
| <b>Strata</b>                           | <b>10</b> | <b>11</b> | <b>15</b> | <b>17</b> | <b>18</b> |
| Oil                                     | 10        | 11        | 15        | 13        | 18        |
| Gas                                     | 0         | 0         | 0         | 0         | 0         |
| Gas condensate                          | 0         | 0         | 0         | 4         | 0         |

### Proved reserve extensions and discoveries, mln boe

|                     | 2004       | 2005       | 2006       | 2007       | 2008       |
|---------------------|------------|------------|------------|------------|------------|
| Oil                 | 624        | 506        | 551        | 518        | 529        |
| Gas                 | 16         | 170        | 66         | 141        | 72         |
| <b>Hydrocarbons</b> | <b>640</b> | <b>676</b> | <b>617</b> | <b>659</b> | <b>601</b> |

**Proved reserve replacement by extensions and discoveries, %**

|                     | 2004      | 2005      | 2006*     | 2007      | 2008      |
|---------------------|-----------|-----------|-----------|-----------|-----------|
| Oil                 | 98        | 76        | 78        | 73        | 75        |
| Gas                 | 55        | 510       | 71        | 146       | 63        |
| <b>Hydrocarbons</b> | <b>96</b> | <b>97</b> | <b>77</b> | <b>81</b> | <b>74</b> |

\* Starting from 2006 reserves are calculated on the basis of total gas production including losses, own use and reinjection.

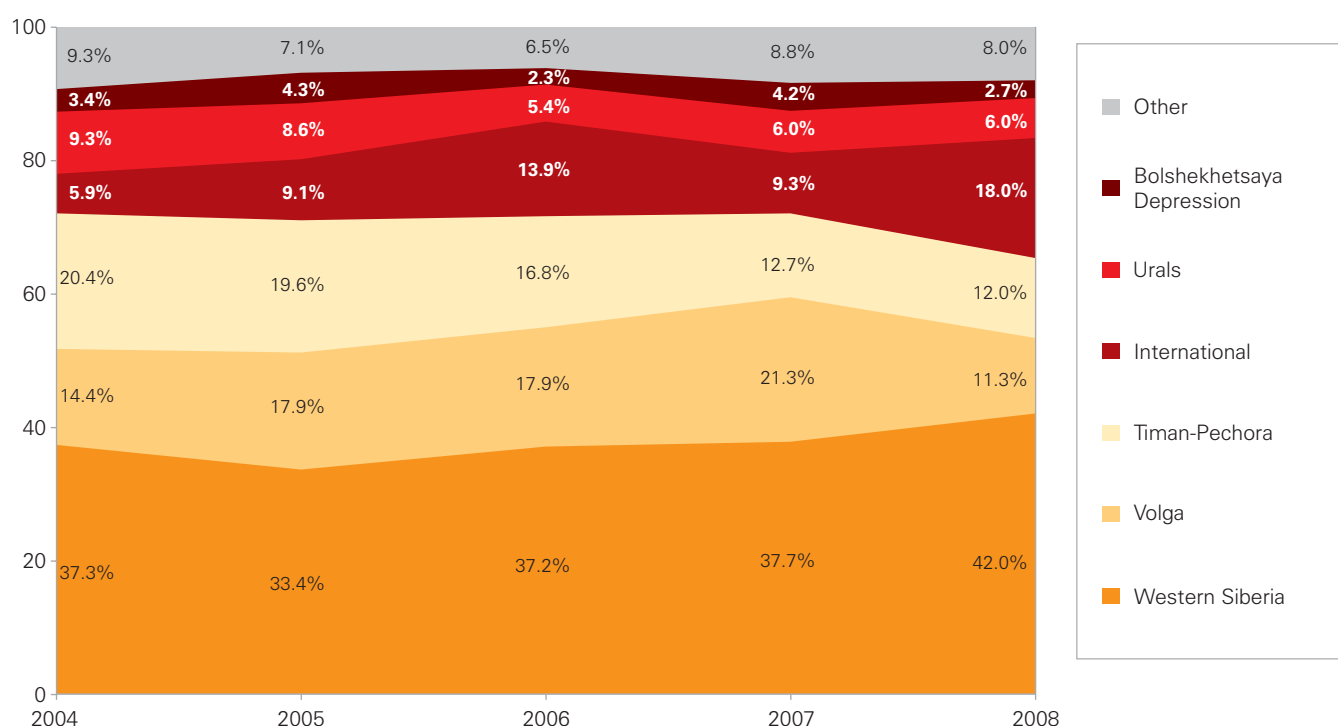
**Exploration expenses, mln USD**

|                       | 2004       | 2005       | 2006       | 2007       | 2008       |
|-----------------------|------------|------------|------------|------------|------------|
| <b>Total expenses</b> | <b>309</b> | <b>426</b> | <b>479</b> | <b>558</b> | <b>679</b> |
| <i>Subsidiaries</i>   | 306        | 423        | 468        | 546        | 670        |
| Russia                | 225        | 252        | 276        | 366        | 313        |
| International         | 81         | 171        | 192        | 180        | 357        |
| <i>Affiliates</i>     | 3          | 3          | 11         | 12         | 9          |
| Russia                | 3          | 3          | 10         | 12         | 9          |
| International         | 0          | 0          | 1          | 0          | 0          |

**Finding & development costs of LUKOIL Group subsidiaries**

$$\text{Finding and development costs} = \frac{\text{Exploration expenses} + \text{Development expenses} + \text{Acquisition of unproved reserves}}{\text{Proved reserve extensions and discoveries}}$$

|   | 2002–2004   | 2003–2005   | 2004–2006   | 2005–2007   | 2006–2008    |
|---|-------------|-------------|-------------|-------------|--------------|
| Reserve extensions and discoveries, mln barrels | 2,258       | 1,720       | 1,898       | 1,899       | 1,824        |
| Exploration expenses, mln USD                   | 651         | 985         | 1,197       | 1,437       | 1,684        |
| Acquisition of unproved reserves, mln USD       | 395         | 1,444       | 1,905       | 2,347       | 1,341        |
| Development expenses, mln USD                   | 4,833       | 6,006       | 8,973       | 13,547      | 18,201       |
| <b>F&amp;D costs, USD per barrel</b>            | <b>2.60</b> | <b>4.90</b> | <b>6.36</b> | <b>9.13</b> | <b>11.64</b> |

**Exploration drilling by regions, %**

**OIL RESERVES**
**Oil reserves of LUKOIL Group (end of year), mln barrels**

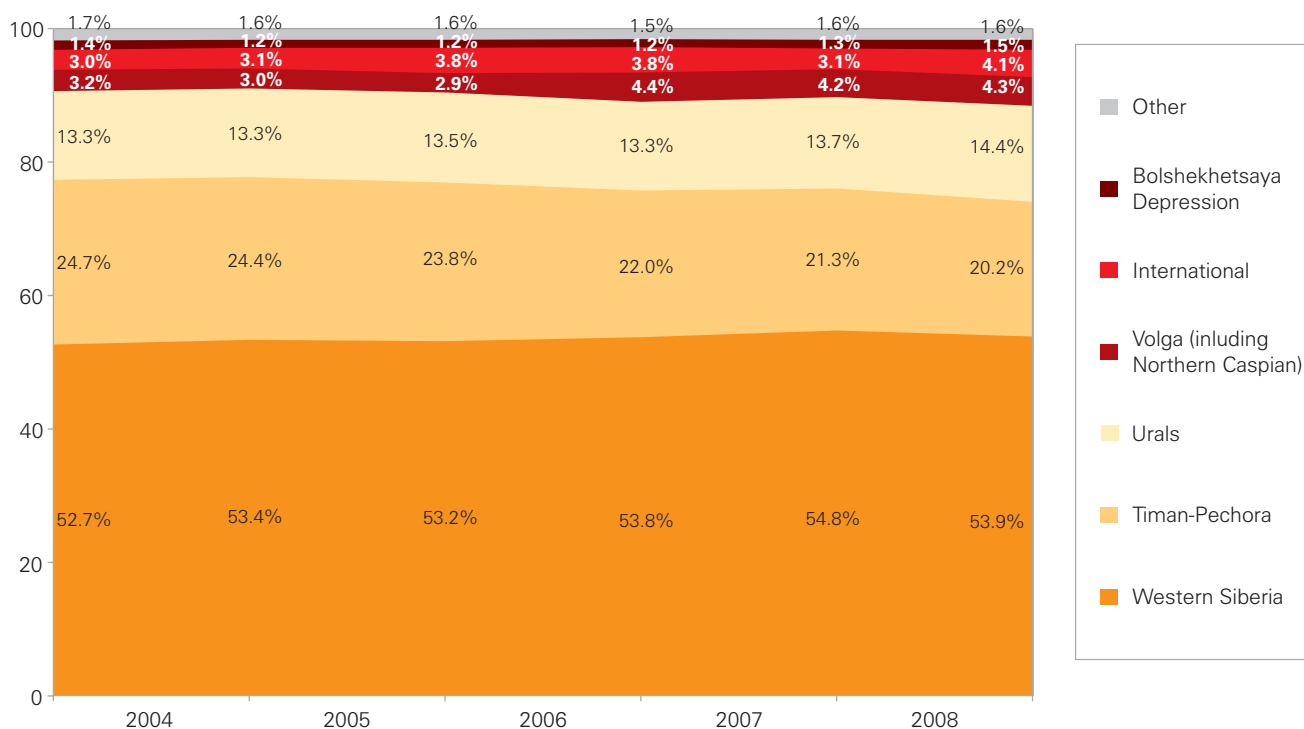
|              | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Proved       | 15,977        | 15,972        | 16,114        | 15,927        | 15,715        | 14,458        |
| Developed    | 10,207        | 10,651        | 10,583        | 10,176        | 10,059        | 9,170         |
| Undeveloped  | 5,770         | 5,321         | 5,531         | 5,751         | 5,656         | 5,288         |
| Probable     | 7,238         | 7,424         | 8,869         | 8,767         | 8,679         | 8,083         |
| Possible     | 3,326         | 3,269         | 4,336         | 4,275         | 4,446         | 3,333         |
| <b>Total</b> | <b>26,541</b> | <b>26,665</b> | <b>29,319</b> | <b>28,969</b> | <b>28,840</b> | <b>25,874</b> |

**Proved oil reserves of LUKOIL Group (end of year), mln barrels**

|                            | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total</b>               | <b>15,977</b> | <b>15,972</b> | <b>16,114</b> | <b>15,927</b> | <b>15,715</b> | <b>14,458</b> |
| <i>Russia</i>              | 15,506        | 15,485        | 15,500        | 15,319        | 15,220        | 13,866        |
| Western Siberia            | 8,421         | 8,536         | 8,572         | 8,574         | 8,616         | 7,798         |
| Urals                      | 2,124         | 2,130         | 2,170         | 2,112         | 2,151         | 2,082         |
| Volga                      | 516           | 478           | 468           | 697           | 657           | 623           |
| including Caspian          | 185           | 184           | 183           | 448           | 407           | 376           |
| Timan-Pechora              | 3,953         | 3,892         | 3,833         | 3,496         | 3,346         | 2,912         |
| Bolshekhetskaya Depression | 216           | 195           | 203           | 197           | 203           | 219           |
| Other                      | 276           | 254           | 254           | 243           | 247           | 232           |
| <i>International</i>       | 471           | 487           | 614           | 608           | 495           | 592           |

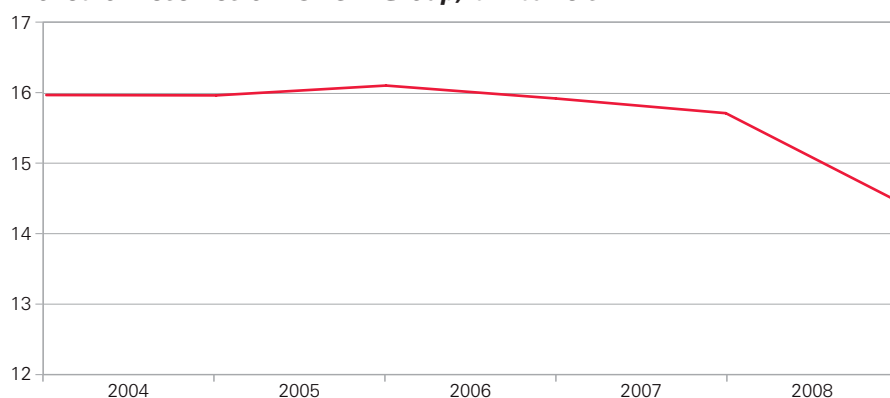
|                                   |     |    |     |    |    |      |
|-----------------------------------|-----|----|-----|----|----|------|
| Oil reserves replacement ratio, % | 221 | 99 | 121 | 73 | 70 | (79) |
|-----------------------------------|-----|----|-----|----|----|------|

|   |      |      |      |      |      |      |
|---|------|------|------|------|------|------|
| Oil reserves to production ratio, years | 27.0 | 25.2 | 24.3 | 22.7 | 22.0 | 20.6 |
|---|------|------|------|------|------|------|

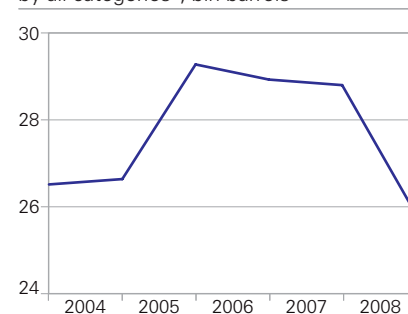
**Proved oil reserves of LUKOIL Group by regions, %**


**Factors of change in proved oil reserves, mln barrels**

|                                  | 2004   | 2005   | 2006   | 2007   | 2008    |
|----------------------------------|--------|--------|--------|--------|---------|
| Reserves at start of year        | 15,977 | 15,972 | 16,114 | 15,927 | 15,715  |
| Extensions and discoveries       | 624    | 506    | 551    | 518    | 529     |
| Production                       | (635)  | (664)  | (703)  | (713)  | (703)   |
| Acquisition and sale of reserves | (4)    | 320    | 216    | (31)   | 41      |
| Revision of previous estimates   | 10     | (20)   | (251)  | 14     | (1,124) |
| Reserves at end of year          | 15,972 | 16,114 | 15,927 | 15,715 | 14,458  |

**Proved oil reserves of LUKOIL Group, bln barrels**

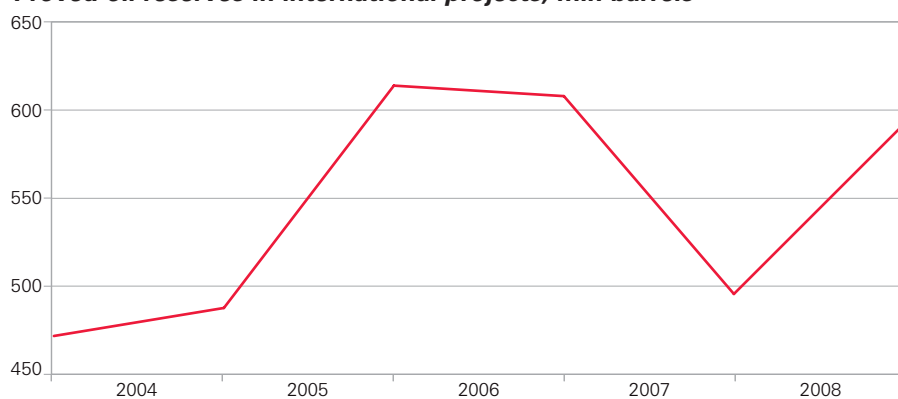
Total oil reserves of LUKOIL Group by all categories\*, bln barrels



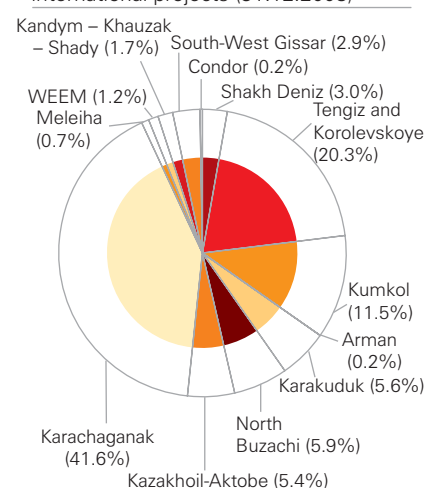
\* Proved, probable and possible.

**Proved oil reserves in international projects (end of year), mln barrels**

|                          | 2003       | 2004       | 2005       | 2006       | 2007       | 2008       |
|--------------------------|------------|------------|------------|------------|------------|------------|
| <b>Azerbaijan</b>        |            |            |            |            |            |            |
| Shakh Deniz              | 7          | 15         | 11         | 10         | 11         | 18         |
| <b>Kazakhstan</b>        |            |            |            |            |            |            |
| Tengiz and Korolevskoye  | 106        | 112        | 118        | 120        | 117        | 120        |
| Kumkol                   | 107        | 111        | 89         | 79         | 78         | 68         |
| Karachaganak             | 232        | 231        | 208        | 173        | 157        | 246        |
| Arman                    | –          | –          | 3          | 4          | 2          | 1          |
| Karakuduk                | –          | –          | 38         | 50         | 34         | 33         |
| North Buzachi            | –          | –          | 42         | 80         | 41         | 35         |
| Kazakhoil-Aktobe         | –          | –          | 89         | 76         | 35         | 32         |
| <b>Egypt</b>             |            |            |            |            |            |            |
| Meleiha                  | 4          | 1          | 3          | 2          | 3          | 4          |
| WEEM                     | 15         | 13         | 7          | 6          | 5          | 7          |
| <b>Uzbekistan</b>        |            |            |            |            |            |            |
| Kandym – Khauzak – Shady | –          | 4          | 6          | 8          | 6          | 10         |
| South-West Gissar        | –          | –          | –          | –          | –          | 17         |
| <b>Colombia</b>          |            |            |            |            |            |            |
| Condor                   | –          | –          | –          | –          | 6          | 1          |
| <b>Total</b>             | <b>471</b> | <b>487</b> | <b>614</b> | <b>608</b> | <b>495</b> | <b>592</b> |

**Proved oil reserves in international projects, mln barrels**

Proved oil reserves in international projects (31.12.2008)



## GAS RESERVES

### Gas reserves of LUKOIL Group (end of year), bcf

|              | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Proved       | 24,473        | 24,598        | 25,298        | 26,597        | 27,921        | 29,253        |
| Developed    | 2,914         | 4,958         | 6,089         | 7,480         | 8,055         | 7,919         |
| Undeveloped  | 21,559        | 19,640        | 19,209        | 19,117        | 19,866        | 21,334        |
| Probable     | 14,616        | 15,537        | 20,587        | 21,436        | 21,048        | 22,103        |
| Possible     | 3,548         | 5,103         | 10,240        | 10,479        | 11,134        | 11,694        |
| <b>Total</b> | <b>42,637</b> | <b>45,238</b> | <b>56,125</b> | <b>58,512</b> | <b>60,103</b> | <b>63,050</b> |

### Proved gas reserves of LUKOIL Group (end of year), bcf

|                            | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total</b>               | <b>24,473</b> | <b>24,598</b> | <b>25,298</b> | <b>26,597</b> | <b>27,921</b> | <b>29,253</b> |
| <i>Russia</i>              | 22,167        | 21,382        | 21,453        | 22,155        | 22,853        | 22,281        |
| Western Siberia            | 1,284         | 1,414         | 1,698         | 1,999         | 2,163         | 1,726         |
| Urals                      | 568           | 667           | 607           | 619           | 471           | 496           |
| Volga                      | 5,926         | 5,913         | 5,783         | 6,031         | 6,255         | 6,278         |
| including Caspian          | 5,763         | 5,736         | 5,603         | 5,786         | 6,057         | 6,060         |
| Timan-Pechora              | 577           | 463           | 176           | 708           | 709           | 631           |
| Bolshekhetskaya Depression | 13,806        | 12,919        | 13,185        | 12,788        | 13,243        | 13,138        |
| Other                      | 6             | 6             | 4             | 10            | 12            | 12            |
| <i>International</i>       | 2,306         | 3,216         | 3,845         | 4,442         | 5,068         | 6,972         |

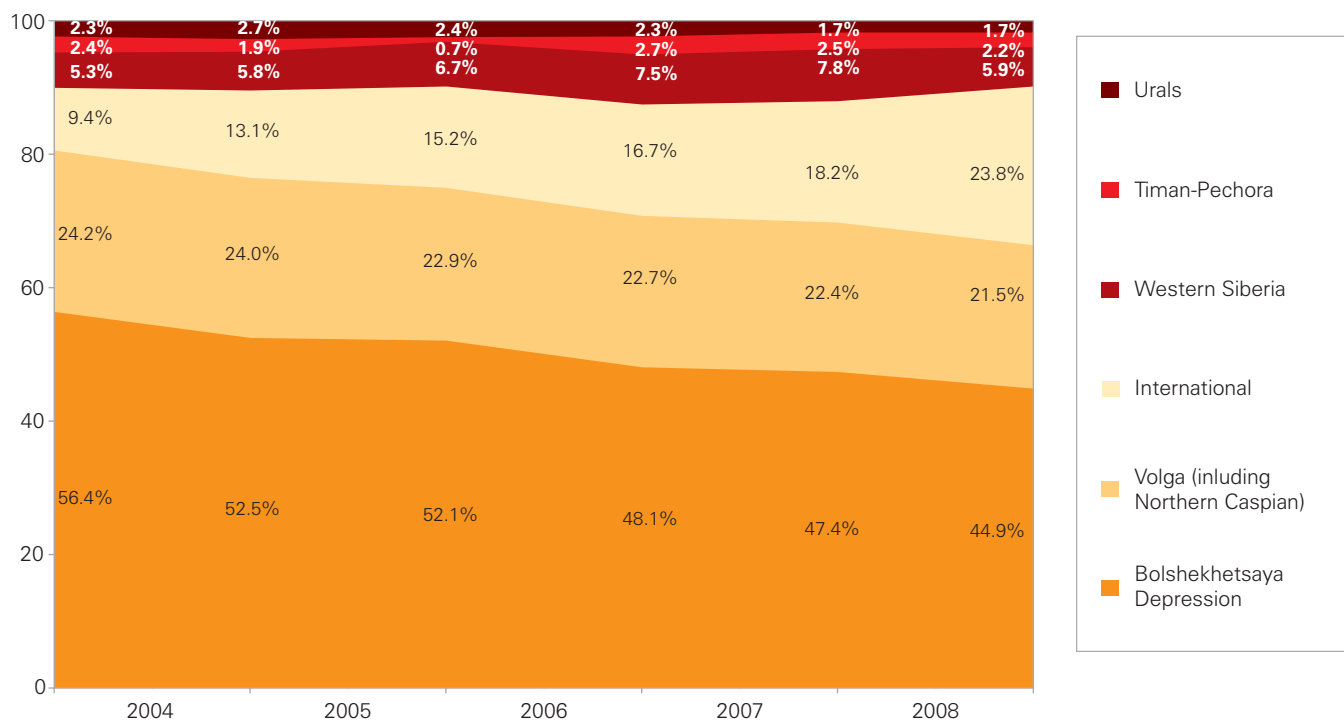
Gas reserves replacement ratio, %

332      172      450      330      329      294

Gas reserves to production ratio, years

184.0      141.4      126.5      47.1      48.2      42.6

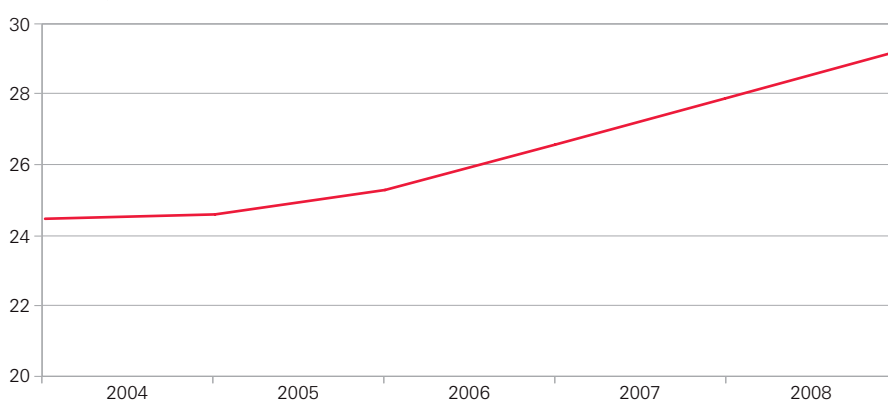
### Proved gas reserves of LUKOIL Group by regions, %



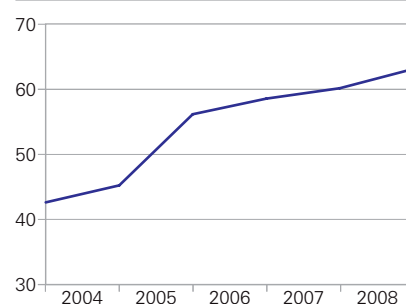
**Factors of change in proved gas reserves, bcf**

|                                  | 2004   | 2005   | 2006*  | 2007   | 2008   |
|----------------------------------|--------|--------|--------|--------|--------|
| Reserves at start of year        | 24,473 | 24,598 | 25,298 | 26,597 | 27,921 |
| Extensions and discoveries       | 95     | 1,020  | 399    | 844    | 435    |
| Production                       | (174)  | (200)  | (565)  | (579)  | (686)  |
| Acquisition and sale of reserves | 1,171  | 2      | (2)    | 5      | 1,399  |
| Revision of previous estimates   | (967)  | (122)  | 1,467  | 1,054  | 184    |
| Reserves at end of year          | 24,598 | 25,298 | 26,597 | 27,921 | 29,253 |

\* Starting from 2006 reserves are calculated on the basis of total gas production including losses, own use and reinjection.

**Proved gas reserves of LUKOIL Group, tcf**

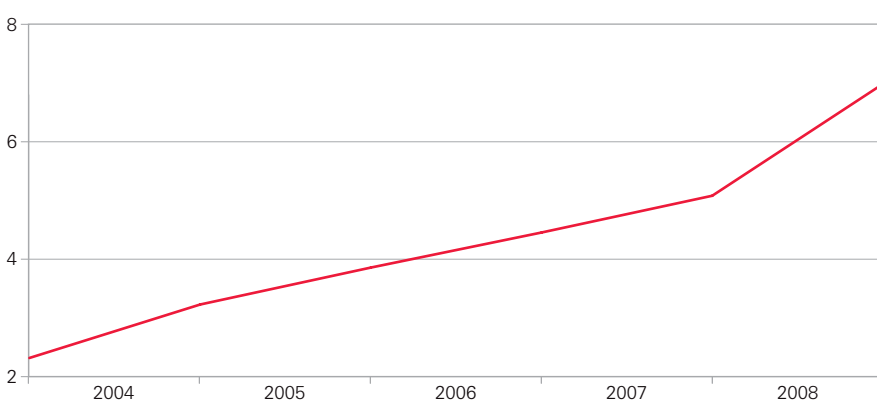
Total gas reserves of LUKOIL Group by all categories\*\*, tcf



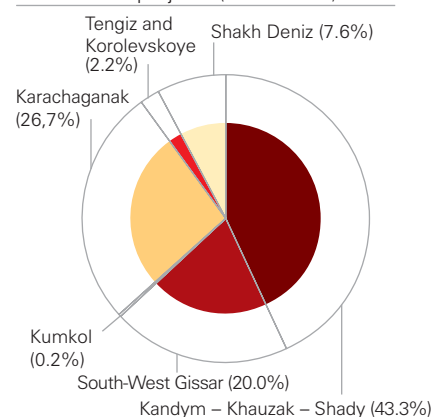
\*\* Proved, probable and possible.

**Proved gas reserves in international projects (end of year), bcf**

|                          | 2003         | 2004         | 2005         | 2006         | 2007         | 2008         |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Azerbaijan</b>        |              |              |              |              |              |              |
| Shakh Deniz              | 125          | 338          | 249          | 314          | 476          | 532          |
| <b>Kazakhstan</b>        |              |              |              |              |              |              |
| Tengiz and Korolevskoye  | 151          | 188          | 177          | 154          | 151          | 152          |
| Karachaganak             | 2,030        | 1,624        | 1,441        | 1,203        | 1,137        | 1,861        |
| Kumkol                   | 0            | 0            | 0            | 13           | 14           | 13           |
| <b>Uzbekistan</b>        |              |              |              |              |              |              |
| Kandym – Khauzak – Shady | –            | 1,066        | 1,978        | 2,758        | 3,290        | 3,019        |
| South-West Gissar        | –            | –            | –            | –            | –            | 1,395        |
| <b>Total</b>             | <b>2,306</b> | <b>3,216</b> | <b>3,845</b> | <b>4,442</b> | <b>5,068</b> | <b>6,972</b> |

**Proved gas reserves in international projects, tcf**

Proved gas reserves in international projects (31.12.2008)



## HYDROCARBON RESERVES

### Hydrocarbon reserves of LUKOIL Group (end of year), mln boe

|              | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Proved       | 20,056        | 20,072        | 20,330        | 20,360        | 20,369        | 19,334        |
| Developed    | 10,693        | 11,477        | 11,598        | 11,423        | 11,402        | 10,490        |
| Undeveloped  | 9,363         | 8,595         | 8,732         | 8,937         | 8,967         | 8,844         |
| Probable     | 9,674         | 10,014        | 12,300        | 12,340        | 12,187        | 11,767        |
| Possible     | 3,917         | 4,119         | 6,043         | 6,022         | 6,301         | 5,282         |
| <b>Total</b> | <b>33,647</b> | <b>34,205</b> | <b>38,673</b> | <b>38,722</b> | <b>38,857</b> | <b>36,383</b> |

### Proved hydrocarbon reserves of LUKOIL Group (end of year), mln boe

|                            | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total</b>               | <b>20,056</b> | <b>20,072</b> | <b>20,330</b> | <b>20,360</b> | <b>20,369</b> | <b>19,334</b> |
| <i>Russia</i>              | 19,201        | 19,049        | 19,075        | 19,010        | 19,030        | 17,580        |
| Western Siberia            | 8,635         | 8,772         | 8,855         | 8,907         | 8,977         | 8,085         |
| Urals                      | 2,219         | 2,241         | 2,271         | 2,215         | 2,230         | 2,165         |
| Volga                      | 1,504         | 1,464         | 1,432         | 1,702         | 1,699         | 1,670         |
| including Caspian          | 1,146         | 1,140         | 1,117         | 1,412         | 1,417         | 1,386         |
| Timan-Pechora              | 4,049         | 3,969         | 3,862         | 3,614         | 3,465         | 3,017         |
| Bolshekhetskaya Depression | 2,517         | 2,348         | 2,400         | 2,327         | 2,410         | 2,409         |
| Other                      | 277           | 255           | 255           | 245           | 249           | 234           |
| <i>International</i>       | 855           | 1,023         | 1,255         | 1,350         | 1,339         | 1,754         |

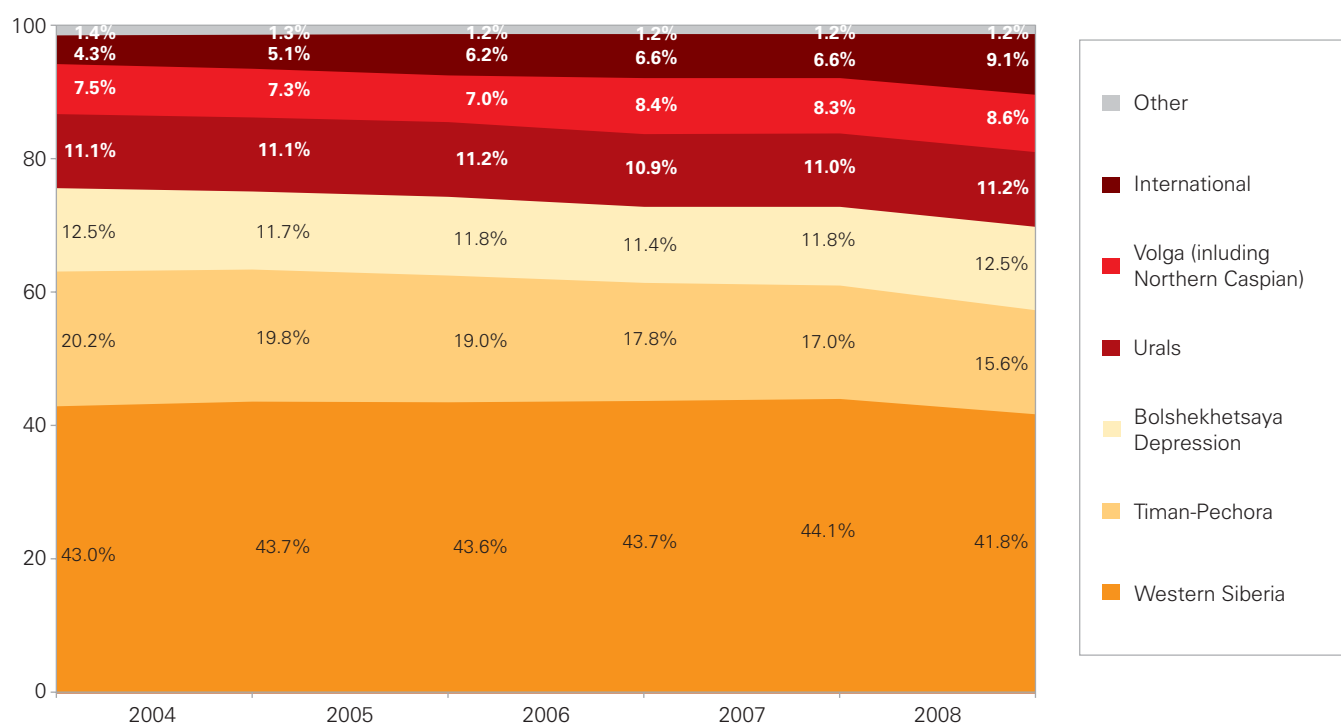
### Hydrocarbon reserves replacement

|          |     |     |     |     |     |      |
|----------|-----|-----|-----|-----|-----|------|
| ratio, % | 226 | 102 | 137 | 104 | 101 | (27) |
|----------|-----|-----|-----|-----|-----|------|

### Hydrocarbon reserves to production

|              |      |      |      |      |      |      |
|--------------|------|------|------|------|------|------|
| ratio, years | 32.7 | 30.2 | 29.2 | 25.5 | 25.2 | 23.7 |
|--------------|------|------|------|------|------|------|

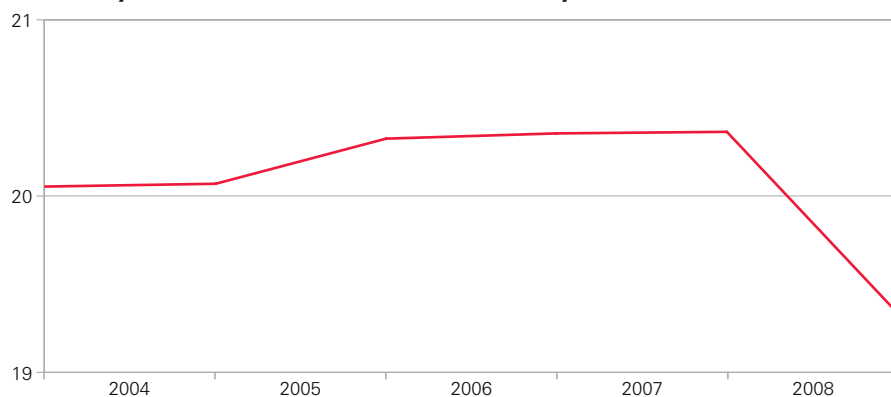
### Proved hydrocarbon reserves of LUKOIL Group by regions, %



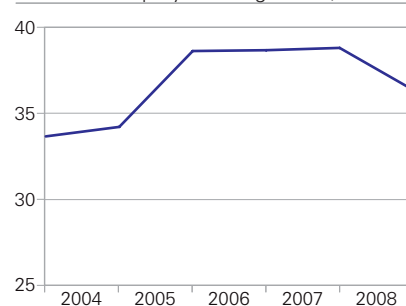
**Factors of change in proved hydrocarbon reserves, mln boe**

|                                  | 2004   | 2005   | 2006*  | 2007   | 2008    |
|----------------------------------|--------|--------|--------|--------|---------|
| Reserves at start of year        | 20,056 | 20,072 | 20,330 | 20,360 | 20,369  |
| Extensions and discoveries       | 640    | 676    | 617    | 659    | 601     |
| Production                       | (665)  | (697)  | (797)  | (809)  | (817)   |
| Acquisition and sale of reserves | 192    | 320    | 217    | (31)   | 274     |
| Revision of previous estimates   | (151)  | (41)   | (7)    | 190    | (1,093) |
| Reserves at end of year          | 20,072 | 20,330 | 20,360 | 20,369 | 19,334  |

\* Starting from 2006 reserves are calculated on the basis of total gas production including losses, own use and reinjection.

**Proved hydrocarbon reserves of LUKOIL Group, bln boe**

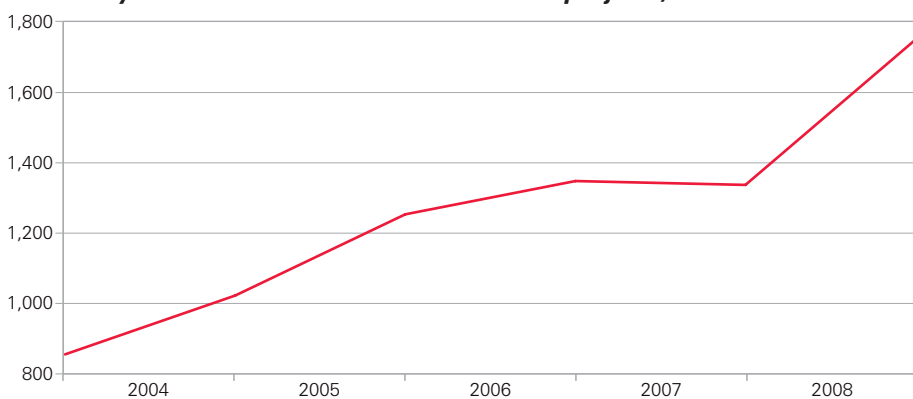
Total hydrocarbon reserves of LUKOIL Group by all categories\*\*, bln boe



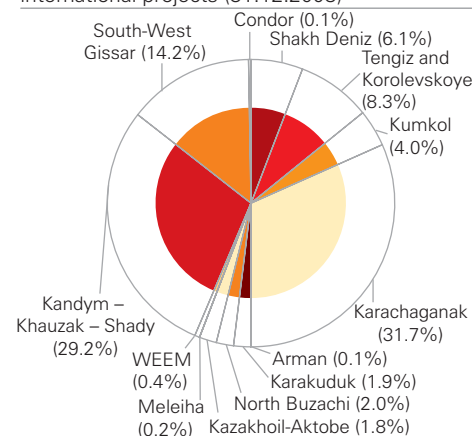
\*\* Proved, probable and possible.

**Proved hydrocarbon reserves in international projects (end of year), mln boe**

|                          | 2003       | 2004         | 2005         | 2006         | 2007         | 2008         |
|--------------------------|------------|--------------|--------------|--------------|--------------|--------------|
| <i>Azerbaijan</i>        |            |              |              |              |              |              |
| Shakh Deniz              | 28         | 71           | 53           | 63           | 90           | 107          |
| <i>Kazakhstan</i>        |            |              |              |              |              |              |
| Tengiz and Korolevskoye  | 131        | 143          | 147          | 146          | 142          | 145          |
| Kumkol                   | 107        | 111          | 89           | 81           | 80           | 70           |
| Karachaganak             | 570        | 502          | 448          | 374          | 347          | 556          |
| Arman                    | –          | –            | 3            | 4            | 2            | 1            |
| Karakuduk                | –          | –            | 38           | 50           | 34           | 33           |
| North Buzachi            | –          | –            | 42           | 80           | 41           | 35           |
| Kazakhoil-Aktobe         | –          | –            | 89           | 76           | 35           | 32           |
| <i>Egypt</i>             |            |              |              |              |              |              |
| Meleiha                  | 4          | 1            | 3            | 2            | 3            | 4            |
| WEEM                     | 15         | 13           | 7            | 6            | 5            | 7            |
| <i>Uzbekistan</i>        |            |              |              |              |              |              |
| Kandym – Khauzak – Shady | –          | 182          | 336          | 468          | 554          | 513          |
| South-West Gissar        | –          | –            | –            | –            | –            | 250          |
| <i>Colombia</i>          |            |              |              |              |              |              |
| Condor                   | –          | –            | –            | –            | 6            | 1            |
| <b>Total</b>             | <b>855</b> | <b>1,023</b> | <b>1,255</b> | <b>1,350</b> | <b>1,339</b> | <b>1,754</b> |

**Proved hydrocarbon reserves in international projects, mln boe**

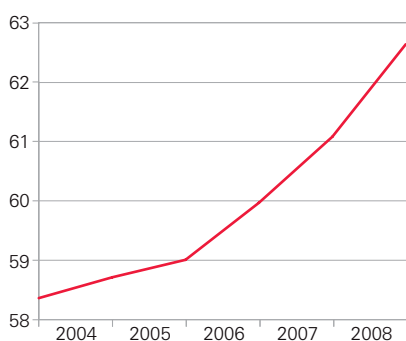
Proved hydrocarbon reserves in international projects (31.12.2008)



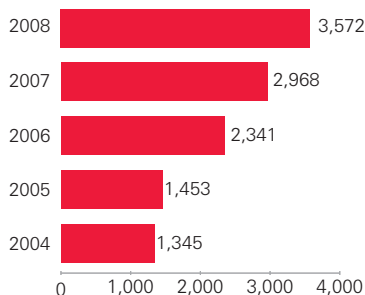


## FIELD DEVELOPMENT

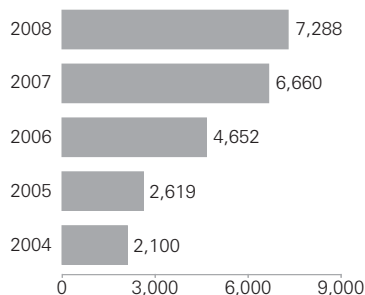
Drilled wells at oil &amp; gas fields of LUKOIL Group, th. wells



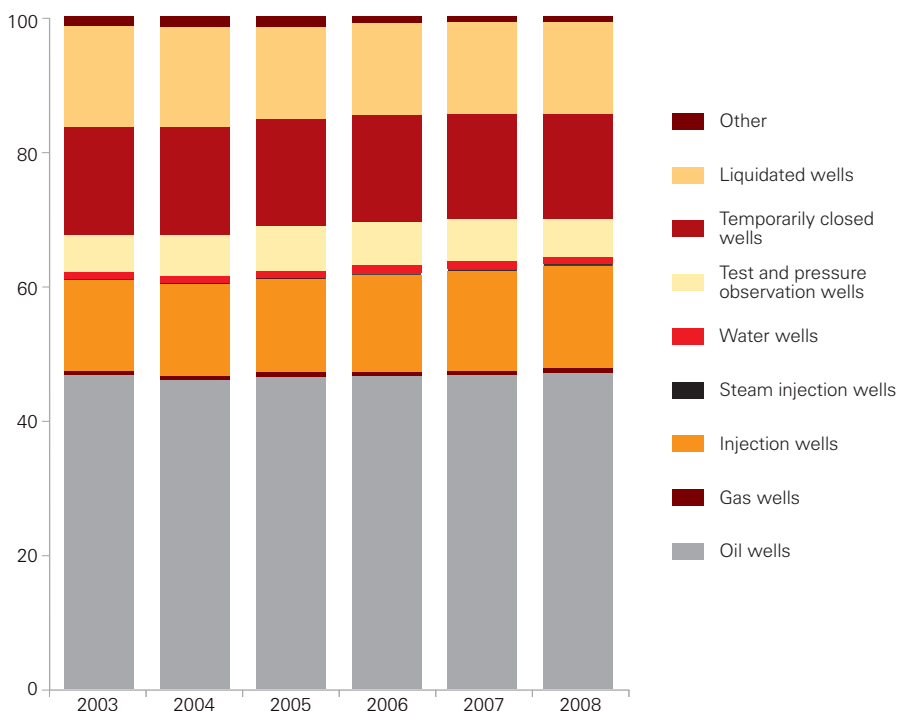
Production drilling, th. meters



Development expenses, mln USD



Structure of drilled wells at oil &amp; gas fields of LUKOIL (end of year), %



Number of fields put into operation and their reserves (at the end of year when they were put into operation)

|   | 2004  | 2005  | 2006 | 2007 | 2008  |
|---|-------|-------|------|------|-------|
| Fields  | 7     | 9     | 11   | 13   | 11    |
| Reserves (proved, probable and possible), mln boe | 1,302 | 1,618 | 681  | 354  | 1,016 |

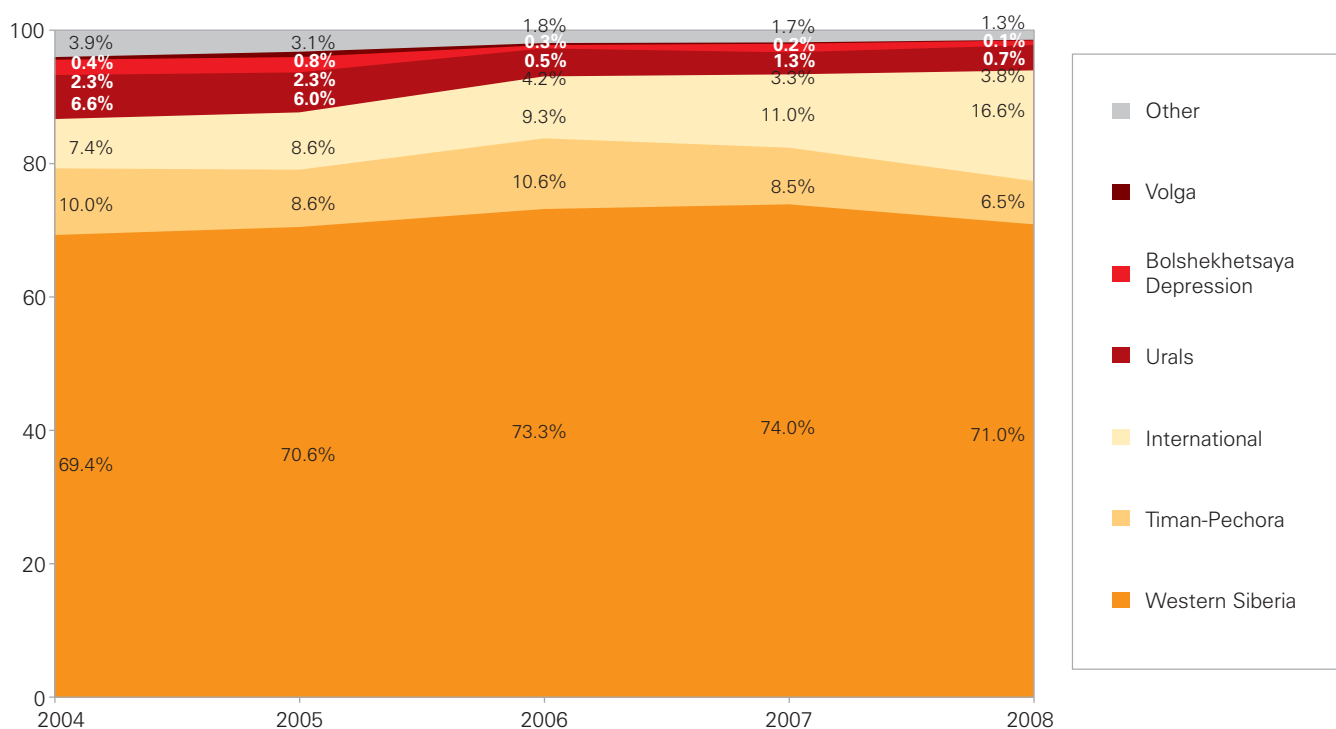
Production drilling by regions, th. meters

|                            | 2004         | 2005         | 2006         | 2007         | 2008         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total</b>               | <b>1,345</b> | <b>1,453</b> | <b>2,341</b> | <b>2,968</b> | <b>3,572</b> |
| <i>Russia</i>              | <i>1,245</i> | <i>1,328</i> | <i>2,122</i> | <i>2,641</i> | <i>2,981</i> |
| Western Siberia            | 933          | 1,027        | 1,716        | 2,197        | 2,563        |
| Urals                      | 88           | 88           | 98           | 98           | 137          |
| Volga                      | 5            | 11           | 7            | 5            | 3            |
| Timan-Pechora              | 135          | 125          | 248          | 254          | 231          |
| Bolshekhetskaya Depression | 31           | 33           | 11           | 37           | 0            |
| Other                      | 53           | 44           | 42           | 50           | 47           |
| <i>International</i>       | <i>100</i>   | <i>125</i>   | <i>219</i>   | <i>327</i>   | <i>591</i>   |

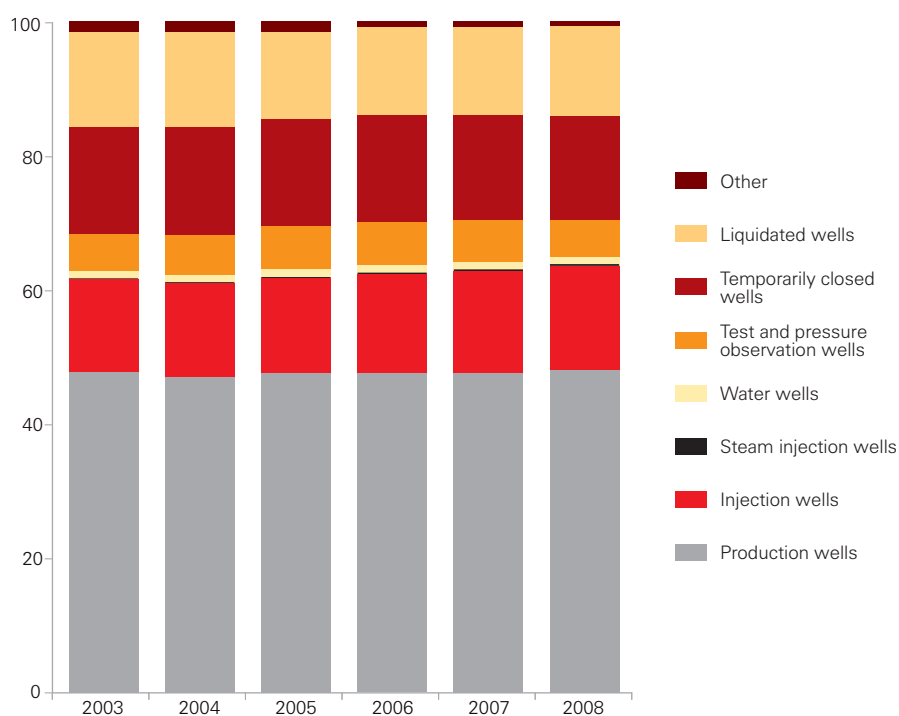
Development expenses, mln USD

|                            | 2004         | 2005         | 2006         | 2007         | 2008         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total</b>               | <b>2,100</b> | <b>2,619</b> | <b>4,652</b> | <b>6,660</b> | <b>7,288</b> |
| <i>Subsidiaries</i>        | <i>1,983</i> | <i>2,495</i> | <i>4,495</i> | <i>6,557</i> | <i>7,149</i> |
| Russia                     | 1,875        | 2,235        | 3,901        | 5,887        | 6,430        |
| International              | 108          | 260          | 594          | 670          | 719          |
| <i>Share in affiliates</i> | <i>117</i>   | <i>124</i>   | <i>157</i>   | <i>103</i>   | <i>139</i>   |

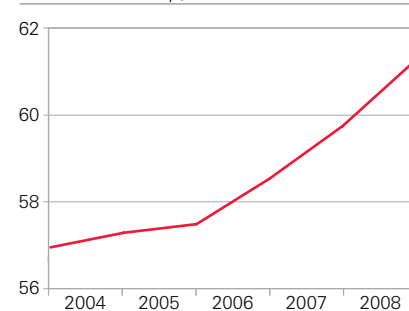
**Production drilling of LUKOIL Group by regions, %**



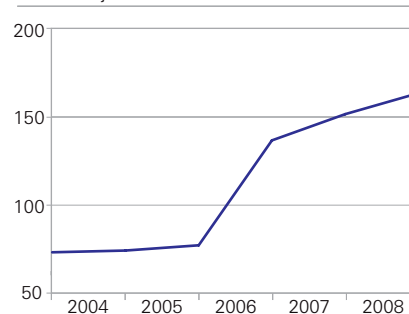
**Drilled wells at oil fields (end of year), %**



Drilled wells at oil fields of LUKOIL Group, th. wells



Steam injection wells



**Number and average depth of production wells drilled in Russia**

|                            | 2004  | 2005  | 2006  | 2007  | 2008  |
|----------------------------|-------|-------|-------|-------|-------|
| Number of production wells | 459   | 511   | 707   | 941   | 1,151 |
| Average depth, meters      | 2,350 | 2,330 | 2,652 | 2,722 | 2,625 |

**New oil wells put into operation**

|       | 2004 | 2005 | 2006 | 2007  | 2008  |
|-------|------|------|------|-------|-------|
| Wells | 514  | 558  | 945  | 1,193 | 1,510 |

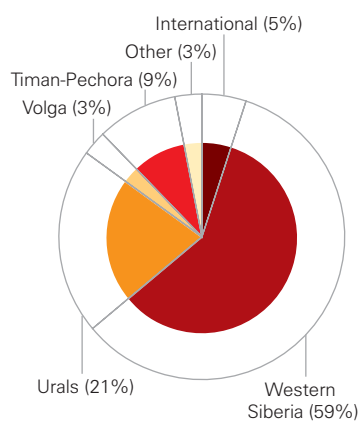
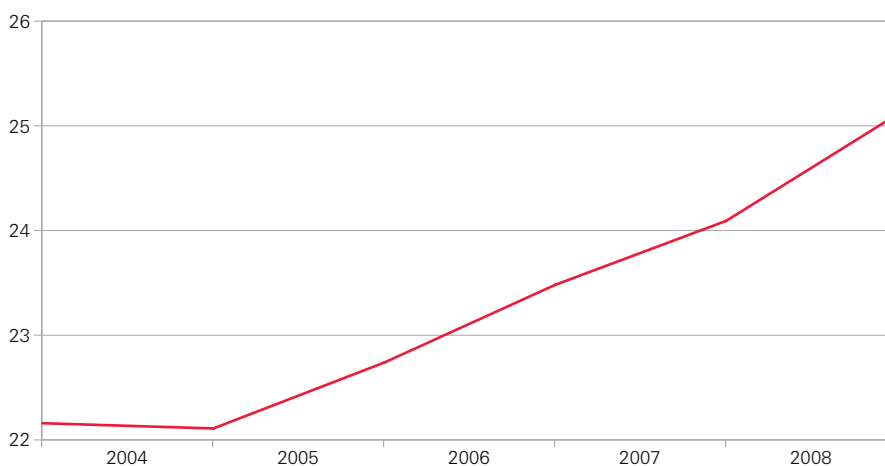
**Oil production wells (end of year), wells**

|                      | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total</b>         | <b>27,221</b> | <b>26,936</b> | <b>27,354</b> | <b>27,833</b> | <b>28,468</b> | <b>29,417</b> |
| <i>Russia</i>        | 26,812        | 26,502        | 26,619        | 26,965        | 27,451        | 28,097        |
| Western Siberia      | 15,436        | 15,256        | 15,417        | 15,940        | 16,372        | 16,797        |
| Urals                | 6,343         | 6,142         | 6,104         | 6,134         | 6,255         | 6,393         |
| Volga                | 1,114         | 1,087         | 1,051         | 1,001         | 906           | 869           |
| Timan-Pechora        | 3,395         | 3,447         | 3,473         | 3,288         | 3,286         | 3,387         |
| Other                | 524           | 570           | 574           | 602           | 632           | 651           |
| <i>International</i> | 409           | 434           | 735           | 868           | 1,017         | 1,320         |

**Oil production wells in use (end of year), wells**

|                      | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total</b>         | <b>22,172</b> | <b>22,122</b> | <b>22,750</b> | <b>23,490</b> | <b>24,099</b> | <b>25,112</b> |
| <i>Russia</i>        | 21,844        | 21,761        | 22,150        | 22,799        | 23,238        | 23,964        |
| Western Siberia      | 12,721        | 12,802        | 13,346        | 13,879        | 14,337        | 14,775        |
| Urals                | 5,582         | 5,480         | 5,322         | 5,298         | 5,225         | 5,375         |
| Volga                | 1,045         | 982           | 951           | 895           | 790           | 785           |
| Timan-Pechora        | 1,990         | 1,937         | 1,967         | 2,133         | 2,266         | 2,394         |
| Other                | 506           | 560           | 564           | 594           | 620           | 635           |
| <i>International</i> | 328           | 361           | 600           | 691           | 861           | 1,148         |

Oil production wells in use by regions (31.12.2008)


**Oil production wells in use, th. wells**

**Share of idle wells in total oil production wells (end of year), %**

|                      | 2003        | 2004        | 2005        | 2006        | 2007        | 2008        |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total</b>         | <b>18.5</b> | <b>17.9</b> | <b>16.8</b> | <b>15.6</b> | <b>15.3</b> | <b>14.6</b> |
| <i>Russia</i>        | 18.5        | 17.9        | 16.8        | 15.4        | 15.3        | 14.7        |
| Western Siberia      | 17.6        | 16.1        | 13.4        | 12.9        | 12.4        | 12.0        |
| Urals                | 12.0        | 10.8        | 12.8        | 13.6        | 16.5        | 15.9        |
| Volga                | 6.2         | 9.7         | 9.5         | 10.6        | 12.8        | 9.7         |
| Timan-Pechora        | 41.4        | 43.8        | 43.4        | 35.1        | 31.0        | 29.3        |
| Other                | 3.4         | 1.8         | 1.7         | 1.3         | 1.9         | 2.5         |
| <i>International</i> | 19.8        | 16.8        | 18.4        | 20.4        | 15.3        | 13.0        |

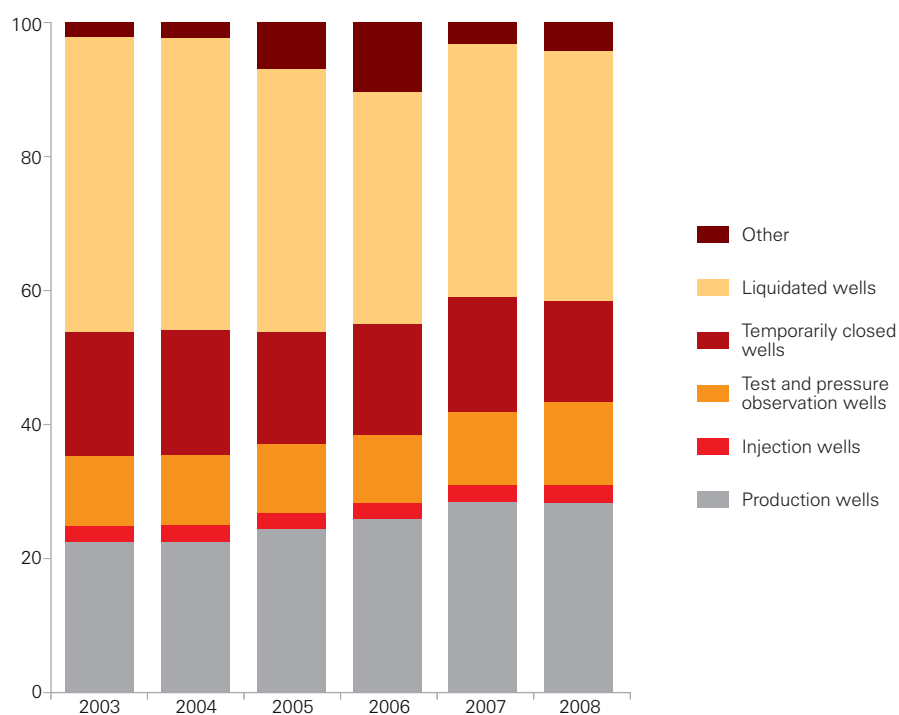
**Injection wells at oil fields (end of year), wells**

|                               | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  |
|-------------------------------|-------|-------|-------|-------|-------|-------|
| <i>Operating wells</i>        | 7,848 | 8,007 | 8,158 | 8,663 | 9,064 | 9,552 |
| Russia                        | 7,780 | 7,937 | 8,048 | 8,501 | 8,859 | 9,303 |
| International                 | 68    | 70    | 110   | 162   | 205   | 249   |
| <i>Wells under pressure</i>   | 5,196 | 5,434 | 5,769 | 6,338 | 6,656 | 7,047 |
| Russia                        | 5,133 | 5,365 | 5,669 | 6,193 | 6,471 | 6,835 |
| International                 | 63    | 69    | 100   | 145   | 185   | 212   |
| <i>Share of idle wells, %</i> | 33.8  | 32.1  | 29.3  | 26.8  | 26.6  | 26.2  |
| Russia                        | 34.0  | 32.4  | 29.6  | 27.1  | 27.0  | 26.5  |
| International                 | 7.4   | 1.4   | 9.1   | 10.5  | 9.8   | 14.9  |

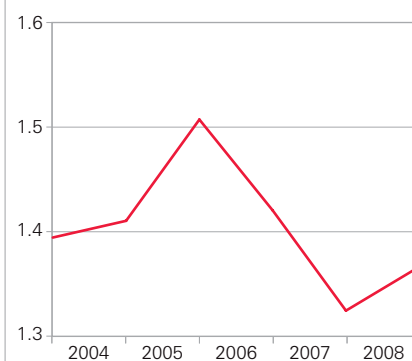
**Number of steam injection wells at oil fields\* (end of year), wells**

|       | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|-------|------|------|------|------|------|------|
| Wells | 73   | 74   | 77   | 137  | 152  | 164  |

\* LUKOIL-Komi is the only LUKOIL subsidiary operating steam injection wells.

**Drilled wells at gas fields (end of year), %**

Drilled wells at gas fields of LUKOIL Group, th. wells

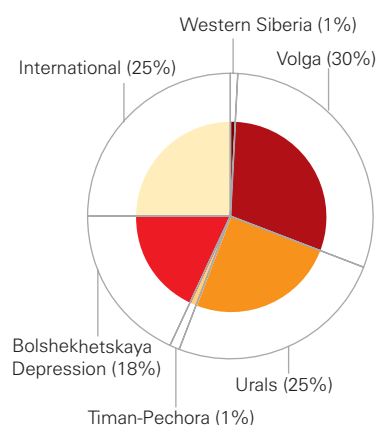
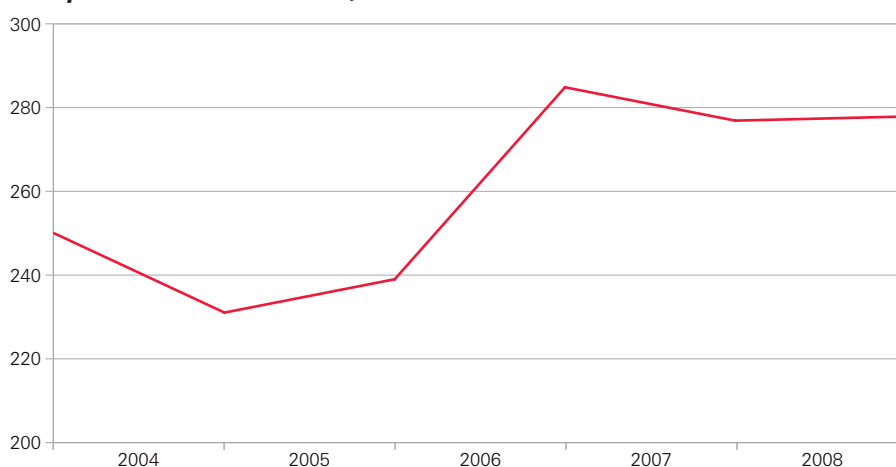
**Gas production wells (end of year), wells**

|                            | 2003       | 2004       | 2005       | 2006       | 2007       | 2008       |
|----------------------------|------------|------------|------------|------------|------------|------------|
| <b>Total</b>               | <b>313</b> | <b>317</b> | <b>365</b> | <b>367</b> | <b>376</b> | <b>387</b> |
| <i>Russia</i>              | 254        | 258        | 302        | 295        | 297        | 299        |
| Western Siberia            | 0          | 0          | 4          | 4          | 5          | 6          |
| Urals                      | 85         | 81         | 74         | 72         | 73         | 73         |
| Volga                      | 122        | 118        | 119        | 123        | 123        | 124        |
| Timan-Pechora              | 47         | 56         | 56         | 35         | 35         | 35         |
| Bolshekhetskaya Depression | 0          | 3          | 49         | 61         | 61         | 61         |
| <i>International</i>       | 59         | 59         | 63         | 72         | 79         | 88         |

**Gas production wells in use (end of year), wells**

|                            | 2003       | 2004       | 2005       | 2006       | 2007       | 2008       |
|----------------------------|------------|------------|------------|------------|------------|------------|
| <b>Total</b>               | <b>250</b> | <b>231</b> | <b>239</b> | <b>285</b> | <b>277</b> | <b>278</b> |
| <i>Russia</i>              | 213        | 190        | 194        | 239        | 221        | 209        |
| Western Siberia            | 0          | 0          | 2          | 2          | 1          | 2          |
| Urals                      | 75         | 74         | 73         | 71         | 71         | 71         |
| Volga                      | 97         | 101        | 101        | 104        | 87         | 83         |
| Timan-Pechora              | 41         | 14         | 5          | 1          | 1          | 2          |
| Bolshekhetskaya Depression | 0          | 1          | 13         | 61         | 61         | 51         |
| <i>International</i>       | 37         | 41         | 45         | 46         | 56         | 69         |

Gas production wells in use by regions (31.12.2008)


**Gas production wells in use, wells**

**Share of idle wells in gas production wells (end of year), %**

|                            | 2003        | 2004        | 2005        | 2006        | 2007        | 2008        |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total</b>               | <b>20.1</b> | <b>27.1</b> | <b>34.5</b> | <b>22.3</b> | <b>26.3</b> | <b>28.2</b> |
| <i>Russia</i>              | 16.1        | 26.4        | 35.8        | 19.0        | 25.6        | 30.1        |
| Western Siberia            | –           | –           | 50.0        | 50.0        | 80.0        | 66.7        |
| Urals                      | 11.8        | 8.6         | 1.4         | 1.4         | 2.7         | 2.7         |
| Volga                      | 20.5        | 14.4        | 15.1        | 15.4        | 29.3        | 33.1        |
| Timan-Pechora              | 12.8        | 75.0        | 91.1        | 97.1        | 97.1        | 94.3        |
| Bolshekhetskaya Depression | –           | 66.7        | 73.5        | 0.0         | 0.0         | 16.4        |
| <i>International</i>       | 37.3        | 30.5        | 28.6        | 36.1        | 29.1        | 21.6        |

**Injection wells at gas fields (end of year), wells**

|               | 2003      | 2004      | 2005      | 2006      | 2007      | 2008      |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Total</b>  | <b>34</b> | <b>34</b> | <b>35</b> | <b>35</b> | <b>35</b> | <b>35</b> |
| Russia        | 20        | 20        | 20        | 20        | 20        | 20        |
| International | 14        | 14        | 15        | 15        | 15        | 15        |

## Oil PRODUCTION

### LUKOIL's main hydrocarbon production regions



### Oil production by LUKOIL Group

|                     | 2004   | 2005   | 2006   | 2007   | 2008   |
|---------------------|--------|--------|--------|--------|--------|
| Th. tons            | 86,200 | 90,158 | 95,235 | 96,645 | 95,240 |
| Mln barrels         | 636    | 664    | 703    | 713    | 703    |
| Th. tons per day    | 236    | 247    | 261    | 265    | 260    |
| Th. barrels per day | 1,738  | 1,820  | 1,926  | 1,953  | 1,921  |

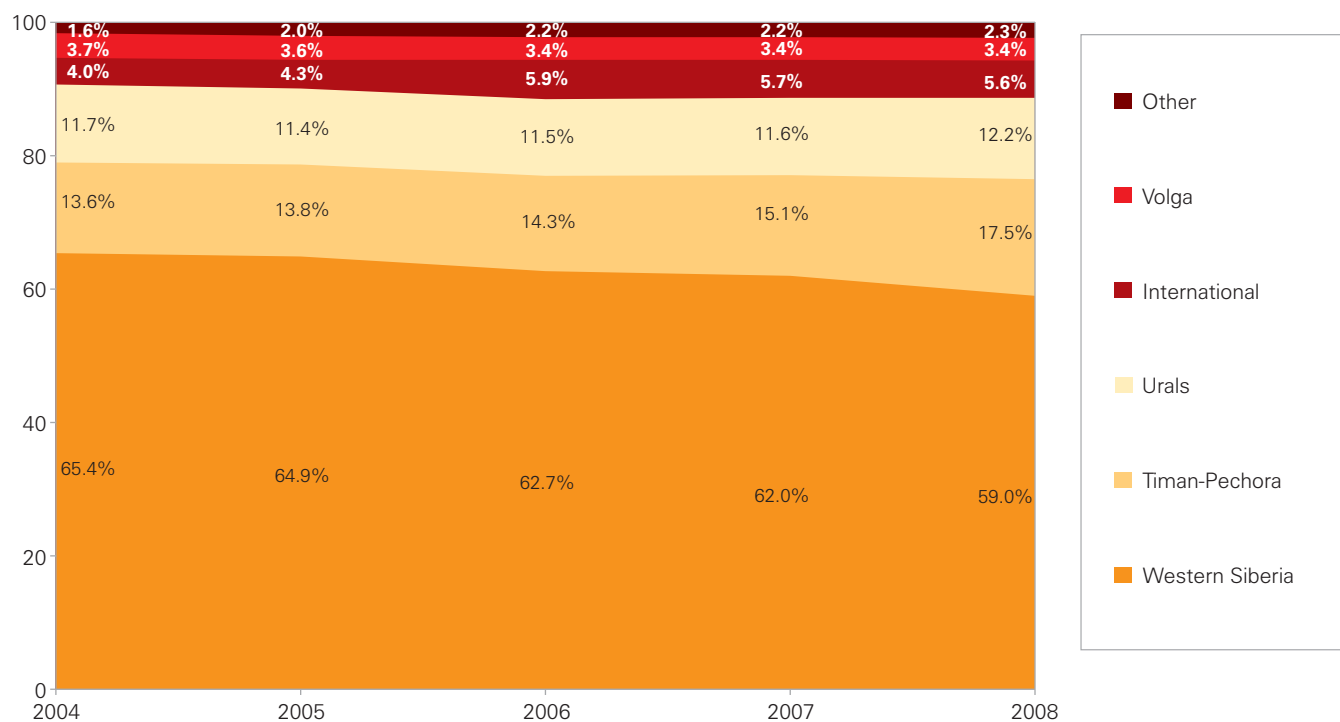
### Oil production by LUKOIL Group, mln barrels

|  | 2004       | 2005       | 2006       | 2007       | 2008       |
|--|------------|------------|------------|------------|------------|
| <b>LUKOIL Group production, total</b>    | <b>636</b> | <b>664</b> | <b>703</b> | <b>713</b> | <b>703</b> |
| <i>Subsidiaries</i>                      | 607        | 634        | 675        | 694        | 684        |
| Russia                                   | 596        | 619        | 648        | 668        | 660        |
| International                            | 11         | 15         | 27         | 26         | 24         |
| <i>Share in production by affiliates</i> | 29         | 30         | 28         | 19         | 19         |

### Oil production by regions, th. tons

|                                       | 2004          | 2005          | 2006          | 2007          | 2008          |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>LUKOIL Group production, total</b> | <b>86,200</b> | <b>90,158</b> | <b>95,235</b> | <b>96,645</b> | <b>95,240</b> |
| <i>Russia</i>                         | 82,720        | 86,277        | 89,561        | 91,100        | 89,945        |
| Western Siberia                       | 56,351        | 58,469        | 59,764        | 59,917        | 56,187        |
| Urals                                 | 10,082        | 10,307        | 10,923        | 11,257        | 11,625        |
| Volga                                 | 3,175         | 3,210         | 3,214         | 3,240         | 3,263         |
| Timan-Pechora                         | 11,732        | 12,476        | 13,601        | 14,576        | 16,685        |
| Other                                 | 1,380         | 1,815         | 2,059         | 2,110         | 2,185         |
| <i>International</i>                  | 3,480         | 3,881         | 5,674         | 5,545         | 5,295         |

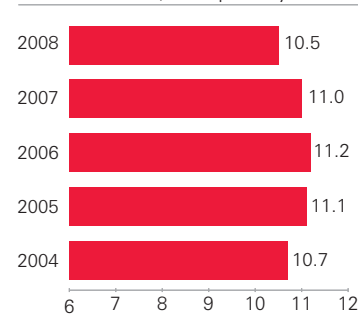
|  | 2004          | 2005          | 2006          | 2007          | 2008          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>Subsidiaries</b>                      | <b>82,408</b> | <b>86,193</b> | <b>91,537</b> | <b>94,147</b> | <b>92,846</b> |
| <i>Russia</i>                            | <i>81,039</i> | <i>84,180</i> | <i>87,930</i> | <i>90,735</i> | <i>89,646</i> |
| Western Siberia                          | 55,630        | 57,345        | 58,414        | 59,849        | 56,187        |
| Urals                                    | 10,010        | 10,234        | 10,855        | 11,183        | 11,548        |
| Volga                                    | 2,969         | 3,001         | 3,001         | 3,017         | 3,041         |
| Timan-Pechora                            | 11,050        | 11,785        | 13,601        | 14,576        | 16,685        |
| Other                                    | 1,380         | 1,815         | 2,059         | 2,110         | 2,185         |
| <i>International</i>                     | <i>1,369</i>  | <i>2,013</i>  | <i>3,607</i>  | <i>3,412</i>  | <i>3,200</i>  |
| <b>Share in production by affiliates</b> | <b>3,792</b>  | <b>3,965</b>  | <b>3,698</b>  | <b>2,498</b>  | <b>2,394</b>  |
| <i>Russia</i>                            | <i>1,681</i>  | <i>2,097</i>  | <i>1,631</i>  | <i>365</i>    | <i>299</i>    |
| Western Siberia                          | 721           | 1,124         | 1,350         | 68            | 0             |
| Urals                                    | 72            | 73            | 68            | 74            | 77            |
| Volga                                    | 206           | 209           | 213           | 223           | 222           |
| Timan-Pechora                            | 682           | 691           | 0             | 0             | 0             |
| Other                                    | 0             | 0             | 0             | 0             | 0             |
| <i>International</i>                     | <i>2,111</i>  | <i>1,868</i>  | <i>2,067</i>  | <i>2,133</i>  | <i>2,095</i>  |

**Oil production by regions, %**


**Flow rate of Russian oil wells of LUKOIL Group, tons per day**

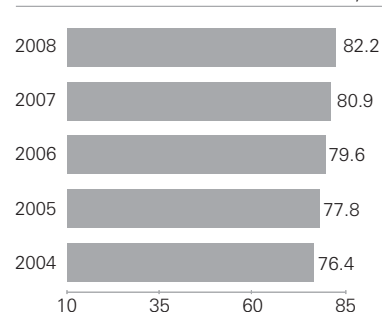
|                    | 2004        | 2005        | 2006        | 2007        | 2008        |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| New wells          | 44.3        | 41.9        | 37.3        | 33.0        | 36.1        |
| Old wells          | 10.4        | 10.8        | 10.8        | 10.6        | 10.0        |
| <b>Total wells</b> | <b>10.7</b> | <b>11.1</b> | <b>11.2</b> | <b>11.0</b> | <b>10.5</b> |
| Western Siberia    | 12.3        | 12.4        | 12.3        | 11.7        | 10.5        |
| Urals              | 5.2         | 5.4         | 5.8         | 6.0         | 6.2         |
| Volga              | 9.1         | 9.7         | 10.3        | 11.4        | 10.8        |
| Timan-Pechora      | 17.5        | 18.7        | 18.6        | 18.4        | 19.8        |
| Other              | 7.3         | 9.2         | 10.0        | 10.0        | 9.7         |

Average flow rate of LUKOIL oil wells in Russia, tons per day

**Watercut of Russian oil wells of LUKOIL Group, %**

|                    | 2004        | 2005        | 2006        | 2007        | 2008        |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| New wells          | 21.1        | 22.0        | 27.4        | 35.1        | 32.1        |
| Old wells          | 77.1        | 78.5        | 80.4        | 83.0        | 83.1        |
| <b>Total wells</b> | <b>76.4</b> | <b>77.8</b> | <b>79.6</b> | <b>80.9</b> | <b>82.2</b> |
| Western Siberia    | 78.7        | 80.5        | 82.5        | 84.1        | 85.9        |
| Urals              | 69.7        | 69.7        | 68.5        | 66.6        | 65.7        |
| Volga              | 62.7        | 63.4        | 62.2        | 60.0        | 64.3        |
| Timan-Pechora      | 71.3        | 70.5        | 71.8        | 72.3        | 71.4        |
| Other              | 66.8        | 62.2        | 60.8        | 62.7        | 64.8        |

Watercut of LUKOIL wells in Russia, %

**Application of enhanced oil recovery methods and latest technologies**

|   | 2004 | 2005  | 2006  | 2007 | 2008 |
|---|------|-------|-------|------|------|
| Drilling of horizontal wells                | 29   | 41    | 56    | 109  | 112  |
| Average flow rate, tons per day             | 79.6 | 125.4 | 110.4 | 65.5 | 58.4 |
| Drilling of sidetracks                      | 63   | 102   | 146   | 188  | 260  |
| Average increase in flow rate, tons per day | 21.9 | 25.0  | 25.9  | 19.2 | 18.1 |
| Hydrofracturing, wells                      | 583  | 850   | 1,002 | 762  | 711  |
| Average increase in flow rate, tons per day | 15.9 | 13.7  | 10.2  | 8.9  | 9.4  |

**Additional oil production from application of enhanced oil recovery methods in Russia, mln tons**

|                                      | 2004         | 2005         | 2006         | 2007         | 2008         |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>LUKOIL Group in Russia, total</b> | <b>21.53</b> | <b>22.07</b> | <b>24.19</b> | <b>23.75</b> | <b>22.95</b> |
| Western Siberia                      | 17.46        | 17.74        | 19.16        | 18.19        | 16.76        |
| Urals                                | 1.34         | 1.51         | 1.84         | 2.17         | 2.76         |
| Volga                                | 0.56         | 0.59         | 0.57         | 0.64         | 0.51         |
| Timan-Pechora                        | 2.00         | 2.06         | 2.41         | 2.69         | 2.73         |
| Other                                | 0.17         | 0.17         | 0.21         | 0.06         | 0.19         |




**GAS PRODUCTION**
**Marketable gas production by LUKOIL Group\***

|                 | 2004  | 2005  | 2006    | 2007    | 2008    |
|-----------------|-------|-------|---------|---------|---------|
| Mcm             | 4,924 | 5,635 | 13,612  | 13,955  | 17,020  |
| Bcf             | 174   | 200   | 481     | 493     | 601     |
| Mln boe         | 29.0  | 33.2  | 80.1    | 82.1    | 100.2   |
| Mcm per day     | 13.5  | 15.4  | 37.3    | 38.1    | 46.5    |
| Mcf per day     | 475.1 | 545.2 | 1,317.0 | 1,350.0 | 1,642.1 |
| Th. boe per day | 79    | 91    | 219     | 225     | 273     |

**Natural gas production, mcm**

|  | 2004         | 2005         | 2006          | 2007          | 2008          |
|--|--------------|--------------|---------------|---------------|---------------|
| <b>Total production of natural gas**</b>     | <b>1,828</b> | <b>2,628</b> | <b>10,709</b> | <b>10,787</b> | <b>13,888</b> |
| <b>Production of marketable natural gas*</b> | <b>1,395</b> | <b>1,878</b> | <b>9,821</b>  | <b>9,652</b>  | <b>12,671</b> |
| including:                                   |              |              |               |               |               |
| <b>Subsidiaries</b>                          | <b>1,395</b> | <b>1,878</b> | <b>9,821</b>  | <b>9,652</b>  | <b>12,671</b> |
| <i>Russia</i>                                | 478          | 899          | 8,816         | 8,161         | 8,711         |
| Western Siberia                              | 0            | 0            | 0             | 0             | 0             |
| Bolshekhetskaya Depression                   | 3            | 433          | 8,348         | 7,719         | 8,313         |
| Urals  | 326          | 319          | 326           | 322           | 291           |
| Volga  | 148          | 146          | 141           | 119           | 106           |
| Timan-Pechora                                | 1            | 1            | 1             | 1             | 1             |
| Other  | 0            | 0            | 0             | 0             | 0             |
| <i>International</i>                         | 917          | 979          | 1,005         | 1,491         | 3,960         |
| <b>Share in production by affiliates</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| <i>Russia</i>                                | 0            | 0            | 0             | 0             | 0             |
| <i>International</i>                         | 0            | 0            | 0             | 0             | 0             |

**Associated petroleum gas production, mcm**

|   |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>Total production of associated petroleum gas**</b>     | <b>4,645</b> | <b>4,941</b> | <b>5,258</b> | <b>5,610</b> | <b>5,549</b> |
| <b>Production of marketable associated petroleum gas*</b> | <b>3,529</b> | <b>3,757</b> | <b>3,791</b> | <b>4,303</b> | <b>4,349</b> |
| including:  |              |              |              |              |              |
| <b>Subsidiaries</b>                                       | <b>3,281</b> | <b>3,499</b> | <b>3,576</b> | <b>4,079</b> | <b>4,084</b> |
| <i>Russia</i>   | 3,281        | 3,497        | 3,576        | 4,079        | 4,084        |
| Western Siberia   | 1,983        | 2,103        | 2,089        | 2,528        | 2,549        |
| Urals   | 433          | 487          | 527          | 575          | 576          |
| Volga   | 381          | 398          | 409          | 403          | 426          |
| Timan-Pechora   | 474          | 499          | 542          | 564          | 524          |
| Other   | 10           | 10           | 9            | 9            | 9            |
| <i>International</i>                                      | 0            | 2            | 0            | 0            | 0            |
| <b>Share in production by affiliates</b>                  | <b>248</b>   | <b>258</b>   | <b>215</b>   | <b>224</b>   | <b>265</b>   |
| <i>Russia</i>   | 30           | 31           | 31           | 33           | 33           |
| <i>International</i>                                      | 218          | 227          | 184          | 191          | 232          |
| <b>Utilization rate of associated petroleum gas, %</b>    | <b>79.7</b>  | <b>79.1</b>  | <b>72.2</b>  | <b>69.0</b>  | <b>70.4</b>  |

\* Includes gas for sale, does not include reinjection and own consumption as well as production and transportation losses.

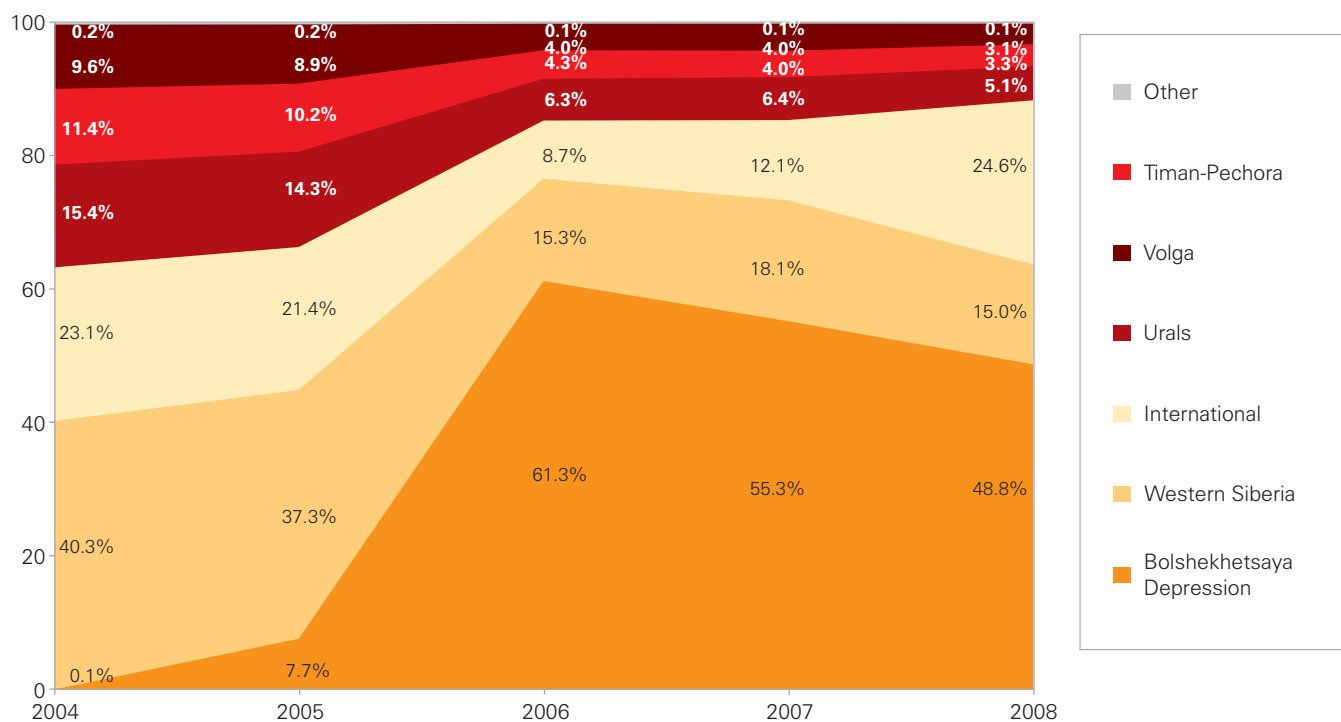
\*\* Includes gas for sale, reinjection and own consumption as well as production and transportation losses.

**Natural and associated petroleum gas production, mcm**

|  | 2004         | 2005         | 2006          | 2007          | 2008          |
|--|--------------|--------------|---------------|---------------|---------------|
| <b>Total production of gas**</b>         | <b>6,473</b> | <b>7,569</b> | <b>15,967</b> | <b>16,397</b> | <b>19,437</b> |
| <b>Production of marketable gas*</b>     | <b>4,924</b> | <b>5,635</b> | <b>13,612</b> | <b>13,955</b> | <b>17,020</b> |
| including:                               |              |              |               |               |               |
| <b>Subsidiaries</b>                      | <b>4,676</b> | <b>5,377</b> | <b>13,397</b> | <b>13,731</b> | <b>16,755</b> |
| <i>Russia</i>                            | 3,759        | 4,396        | 12,392        | 12,240        | 12,795        |
| Western Siberia                          | 1,983        | 2,103        | 2,089         | 2,528         | 2,549         |
| Bolshekhetskaya Depression               | 3            | 433          | 8,348         | 7,719         | 8,313         |
| Urals                                    | 759          | 806          | 853           | 897           | 867           |
| Volga                                    | 529          | 544          | 550           | 522           | 532           |
| Timan-Pechora                            | 475          | 500          | 543           | 565           | 525           |
| Other                                    | 10           | 10           | 9             | 9             | 9             |
| <i>International</i>                     | 917          | 981          | 1,005         | 1,491         | 3,960         |
| <b>Share in production by affiliates</b> | <b>248</b>   | <b>258</b>   | <b>215</b>    | <b>224</b>    | <b>265</b>    |
| <i>Russia</i>                            | 30           | 31           | 31            | 33            | 33            |
| <i>International</i>                     | 218          | 227          | 184           | 191           | 232           |

\* Includes gas for sale, does not include reinjection and own consumption as well as production and transportation losses.

\*\* Includes gas for sale, reinjection and own consumption as well as production and transportation losses.

**Gas production by regions, %**


**HYDROCARBON PRODUCTION**
**LUKOIL Group hydrocarbon production, mln boe**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| Oil  | 636          | 664          | 703          | 713          | 703          |
| Gas*   | 38           | 45           | 94           | 96           | 114          |
| <b>Total production by LUKOIL Group</b>                  | <b>674</b>   | <b>709</b>   | <b>797</b>   | <b>809</b>   | <b>817</b>   |
| <b>Total production by LUKOIL Group, th. boe per day</b> | <b>1,842</b> | <b>1,942</b> | <b>2,184</b> | <b>2,218</b> | <b>2,232</b> |

**Production of marketable hydrocarbons (including marketable gas\*\*)**

|   |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | <b>665</b>   | <b>697</b>   | <b>783</b>   | <b>795</b>   | <b>803</b>   |
| <b>Production of marketable hydrocarbons, th. boe per day</b> | <b>1,817</b> | <b>1,911</b> | <b>2,145</b> | <b>2,178</b> | <b>2,194</b> |

**Marketable hydrocarbon production by regions, mln boe**

|   | 2004       | 2005       | 2006       | 2007       | 2008       |
|---|------------|------------|------------|------------|------------|
| <b>Total production by LUKOIL Group</b> | <b>665</b> | <b>697</b> | <b>783</b> | <b>795</b> | <b>803</b> |
| <i>Russia</i>                           | 632        | 660        | 733        | 743        | 738        |
| Western Siberia                         | 430        | 444        | 455        | 459        | 431        |
| Bolshekhetskaya Depression              | 0          | 3          | 49         | 45         | 49         |
| Urals                                   | 78         | 80         | 84         | 87         | 90         |
| Volga                                   | 27         | 27         | 28         | 28         | 28         |
| Timan-Pechora                           | 87         | 93         | 102        | 108        | 124        |
| Other                                   | 10         | 13         | 15         | 16         | 16         |
| <i>International</i>                    | 33         | 37         | 50         | 52         | 65         |

**Subsidiaries**

|                            |            |            |            |            |            |
|----------------------------|------------|------------|------------|------------|------------|
|                            | <b>635</b> | <b>665</b> | <b>754</b> | <b>775</b> | <b>783</b> |
| <i>Russia</i>              | 619        | 643        | 721        | 740        | 735        |
| Western Siberia            | 425        | 435        | 445        | 458        | 431        |
| Bolshekhetskaya Depression | 0          | 3          | 49         | 45         | 49         |
| Urals                      | 77         | 79         | 84         | 86         | 89         |
| Volga                      | 25         | 25         | 26         | 27         | 26         |
| Timan-Pechora              | 82         | 88         | 102        | 108        | 124        |
| Other                      | 10         | 13         | 15         | 16         | 16         |
| <i>International</i>       | 16         | 22         | 33         | 35         | 48         |

**Share in production by affiliates**

|                            |           |           |           |           |           |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
|                            | <b>30</b> | <b>32</b> | <b>29</b> | <b>20</b> | <b>20</b> |
| <i>Russia</i>              | 13        | 17        | 12        | 3         | 3         |
| Western Siberia            | 5         | 9         | 10        | 1         | 0         |
| Bolshekhetskaya Depression | 0         | 0         | 0         | 0         | 0         |
| Urals                      | 1         | 1         | 0         | 1         | 1         |
| Volga                      | 2         | 2         | 2         | 1         | 2         |
| Timan-Pechora              | 5         | 5         | 0         | 0         | 0         |
| Other                      | 0         | 0         | 0         | 0         | 0         |
| <i>International</i>       | 17        | 15        | 17        | 17        | 17        |

**Hydrocarbon lifting costs of LUKOIL Group subsidiaries, USD per boe**

|               | 2004        | 2005        | 2006        | 2007        | 2008        |
|---------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total</b>  | <b>2.46</b> | <b>2.66</b> | <b>3.08</b> | <b>3.58</b> | <b>4.12</b> |
| Russia        | 2.44        | 2.60        | 3.01        | 3.55        | 4.11        |
| International | 3.52        | 4.50        | 4.67        | 4.16        | 4.32        |

\* Includes gas for sale, does not include reinjection and own consumption as well as production and transportation losses.

\*\* Includes gas for sale, reinjection and own consumption as well as production and transportation losses.

## MAJOR FIELDS OF LUKOIL GROUP IN RUSSIA

### Oil fields\*

#### Western Siberia

|  | 2004        | 2005        | 2006        | 2007        | 2008        |
|--|-------------|-------------|-------------|-------------|-------------|
| Total LUKOIL production of oil in Western Siberia, th. tons                        | 56,351      | 58,469      | 59,764      | 59,917      | 56,187      |
| Oil production from 15 major oil fields of the Group in the region, th. tons       | 44,536      | 45,543      | 45,821      | 44,857      | 42,249      |
| <b>Share, %</b>  | <b>79.0</b> | <b>77.9</b> | <b>76.7</b> | <b>74.9</b> | <b>75.2</b> |
| LUKOIL proved oil reserves in Western Siberia, mln barrels                         |             |             |             |             | 7,798       |
| Proved oil reserves of 15 major oil fields of the Group in the region, mln barrels |             |             |             |             | 5,801       |
| <b>Share, %</b>  |             |             |             |             | <b>74.4</b> |

#### Tevlinsko-Russkinskoye field

|  | 2004          | 2005          | 2006          | 2007         | 2008         |
|--|---------------|---------------|---------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |               |               |               |              | <b>1,023</b> |
| <b>Oil production, th. tons</b>          | <b>11,367</b> | <b>11,443</b> | <b>10,382</b> | <b>9,486</b> | <b>8,608</b> |
| Cumulative oil production, mln tons      | 102.7         | 114.2         | 124.6         | 134.1        | 142.7        |
| <i>Total wells</i>                       | <i>2,088</i>  | <i>2,151</i>  | <i>2,229</i>  | <i>2,297</i> | <i>2,407</i> |
| Production wells                         | 1,233         | 1,332         | 1,383         | 1,404        | 1,423        |
| Production wells in use                  | 1,171         | 1,227         | 1,281         | 1,300        | 1,333        |
| Average flow rate per well, tons per day | 26.2          | 25.6          | 22.7          | 20.3         | 17.9         |
| Watercut, %                              | 45.4          | 54.9          | 64.2          | 70.4         | 75.4         |

#### Vat-Yeganskoye field

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>1,292</b> |
| <b>Oil production, th. tons</b>          | <b>8,058</b> | <b>8,175</b> | <b>8,344</b> | <b>8,086</b> | <b>7,626</b> |
| <b>Group's share, th. tons</b>           | <b>7,943</b> | <b>8,087</b> | <b>8,265</b> | <b>8,086</b> | <b>7,626</b> |
| Cumulative oil production, mln tons      | 136.2        | 144.4        | 152.7        | 160.8        | 168.4        |
| <i>Total wells</i>                       | <i>3,476</i> | <i>3,563</i> | <i>3,643</i> | <i>3,722</i> | <i>3,834</i> |
| Production wells                         | 2,362        | 2,390        | 2,331        | 2,310        | 2,357        |
| Production wells in use                  | 2,144        | 2,124        | 2,041        | 2,017        | 2,074        |
| Average flow rate per well, tons per day | 10.6         | 10.7         | 11.0         | 11.0         | 10.2         |
| Watercut, %                              | 78.4         | 80.8         | 81.8         | 83.0         | 85.0         |

#### Povkhovskoye field

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>760</b>   |
| <b>Oil production, th. tons</b>          | <b>5,618</b> | <b>5,824</b> | <b>6,093</b> | <b>6,183</b> | <b>5,898</b> |
| Cumulative oil production, mln tons      | 160.0        | 165.8        | 171.9        | 178.1        | 184.0        |
| <i>Total wells</i>                       | <i>3,202</i> | <i>3,202</i> | <i>3,213</i> | <i>3,261</i> | <i>3,268</i> |
| Production wells                         | 1,831        | 1,836        | 1,824        | 1,873        | 1,886        |
| Production wells in use                  | 1,330        | 1,422        | 1,428        | 1,466        | 1,535        |
| Average flow rate per well, tons per day | 11.9         | 11.8         | 11.9         | 11.8         | 10.7         |
| Watercut, %                              | 61.5         | 66.3         | 70.1         | 71.2         | 73.4         |

\* Reserves are stated in accordance with the share of the Group. If the Group's share in production is less than 100%, then the share is stated in a separate line. Summary production data are stated in accordance with the share of the Group.

***Yuzhno-Yagunskoye field***

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>571</b>   |
| <b>Oil production, th. tons</b>          | <b>4,535</b> | <b>4,387</b> | <b>3,711</b> | <b>3,142</b> | <b>2,810</b> |
| <b>Group's share, th. tons</b>           | <b>4,512</b> | <b>4,365</b> | <b>3,689</b> | <b>3,142</b> | <b>2,810</b> |
| Cumulative oil production, mln tons      | 113.2        | 117.5        | 121.2        | 124.3        | 127.1        |
| <i>Total wells</i>                       | <i>1,771</i> | <i>1,776</i> | <i>1,783</i> | <i>1,810</i> | <i>1,879</i> |
| Production wells                         | 1,006        | 1,046        | 979          | 975          | 990          |
| Production wells in use                  | 907          | 943          | 875          | 860          | 883          |
| Average flow rate per well, tons per day | 14.6         | 13.2         | 11.3         | 10.0         | 8.7          |
| Watercut, %                              | 76.3         | 80.1         | 83.3         | 86.7         | 89.6         |

***Pokachevskoye field***

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>321</b>   |
| <b>Oil production, th. tons</b>          | <b>3,096</b> | <b>3,412</b> | <b>3,468</b> | <b>3,582</b> | <b>3,125</b> |
| Cumulative oil production, mln tons      | 132.8        | 136.2        | 139.7        | 143.3        | 146.4        |
| <i>Total wells</i>                       | <i>2,206</i> | <i>2,214</i> | <i>2,215</i> | <i>2,243</i> | <i>2,272</i> |
| Production wells                         | 1,182        | 1,165        | 1,232        | 1,341        | 1,362        |
| Production wells in use                  | 965          | 978          | 1,059        | 1,151        | 1,158        |
| Average flow rate per well, tons per day | 8.7          | 9.4          | 9.0          | 8.9          | 7.4          |
| Watercut, %                              | 87.7         | 88.6         | 91.0         | 92.1         | 93.3         |

***Kogalymskoye field***

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>273</b>   |
| <b>Oil production, th. tons</b>          | <b>2,380</b> | <b>2,460</b> | <b>2,623</b> | <b>2,793</b> | <b>2,846</b> |
| Cumulative oil production, mln tons      | 20.9         | 23.4         | 26.0         | 28.8         | 31.6         |
| <i>Total wells</i>                       | <i>473</i>   | <i>504</i>   | <i>520</i>   | <i>553</i>   | <i>574</i>   |
| Production wells                         | 240          | 267          | 282          | 294          | 308          |
| Production wells in use                  | 217          | 232          | 248          | 275          | 287          |
| Average flow rate per well, tons per day | 33.5         | 30.8         | 30.9         | 29.1         | 27.4         |
| Watercut, %                              | 40.2         | 41.9         | 42.3         | 45.7         | 50.3         |

***Uryevskoye field***

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>310</b>   |
| <b>Oil production, th. tons</b>          | <b>1,987</b> | <b>1,935</b> | <b>1,847</b> | <b>2,227</b> | <b>2,394</b> |
| Cumulative oil production, mln tons      | 74.8         | 76.7         | 78.6         | 80.8         | 83.2         |
| <i>Total wells</i>                       | <i>1,984</i> | <i>2,008</i> | <i>2,011</i> | <i>2,076</i> | <i>2,200</i> |
| Production wells                         | 989          | 945          | 906          | 921          | 945          |
| Production wells in use                  | 782          | 798          | 811          | 818          | 833          |
| Average flow rate per well, tons per day | 7.0          | 6.7          | 6.4          | 7.6          | 8.0          |
| Watercut, %                              | 90.3         | 90.9         | 91.6         | 90.0         | 89.7         |

**Nong-Yeganskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>192</b>   |
| <b>Oil production, th. tons</b>          | <b>1,456</b> | <b>1,536</b> | <b>1,447</b> | <b>1,340</b> | <b>1,026</b> |
| Cumulative oil production, mln tons      | 27.3         | 28.8         | 30.3         | 31.6         | 32.6         |
| <i>Total wells</i>                       | 443          | 443          | 444          | 454          | 469          |
| Production wells                         | 223          | 240          | 257          | 285          | 300          |
| Production wells in use                  | 195          | 204          | 222          | 250          | 263          |
| Average flow rate per well, tons per day | 20.1         | 21.3         | 18.2         | 15.5         | 10.9         |
| Watercut, %                              | 73.0         | 75.4         | 83.7         | 86.4         | 89.6         |

**Kluhevoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008       |
|--|--------------|--------------|--------------|--------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>101</b> |
| <b>Oil production, th. tons</b>          | <b>1,751</b> | <b>1,464</b> | <b>1,385</b> | <b>1,160</b> | <b>884</b> |
| Cumulative oil production, mln tons      | 17.2         | 18.6         | 20.0         | 21.2         | 22.1       |
| <i>Total wells</i>                       | 409          | 409          | 409          | 409          | 407        |
| Production wells                         | 299          | 295          | 292          | 295          | 302        |
| Production wells in use                  | 275          | 259          | 248          | 261          | 264        |
| Average flow rate per well, tons per day | 17.2         | 14.9         | 14.3         | 12.2         | 9.2        |
| Watercut, %                              | 71.5         | 78.8         | 85.4         | 88.3         | 91.8       |

**Druzhnoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>140</b>   |
| <b>Oil production, th. tons</b>          | <b>1,287</b> | <b>1,380</b> | <b>1,682</b> | <b>1,655</b> | <b>1,477</b> |
| Cumulative oil production, mln tons      | 41.4         | 42.8         | 44.4         | 46.1         | 47.6         |
| <i>Total wells</i>                       | 896          | 915          | 945          | 966          | 998          |
| Production wells                         | 333          | 363          | 436          | 467          | 440          |
| Production wells in use                  | 288          | 324          | 378          | 415          | 400          |
| Average flow rate per well, tons per day | 12.8         | 12.7         | 13.6         | 11.5         | 9.8          |
| Watercut, %                              | 80.8         | 81.6         | 83.0         | 85.2         | 87.3         |

**Nivagalskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>345</b>   |
| <b>Oil production, th. tons</b>          | <b>1,422</b> | <b>1,283</b> | <b>1,198</b> | <b>1,330</b> | <b>1,632</b> |
| Cumulative oil production, mln tons      | 15.1         | 16.4         | 17.6         | 18.9         | 20.5         |
| <i>Total wells</i>                       | 931          | 931          | 934          | 936          | 968          |
| Production wells                         | 501          | 474          | 459          | 473          | 489          |
| Production wells in use                  | 356          | 376          | 380          | 386          | 402          |
| Average flow rate per well, tons per day | 10.7         | 9.7          | 8.7          | 9.6          | 11.7         |
| Watercut, %                              | 75.6         | 79.9         | 83.0         | 82.1         | 81.2         |

**Sredne-Khulymenskoye field**

|  | 2004       | 2005         | 2006         | 2007       | 2008       |
|--|------------|--------------|--------------|------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |            |              |              |            | <b>32</b>  |
| <b>Oil production, th. tons</b>          | <b>781</b> | <b>1,090</b> | <b>1,035</b> | <b>969</b> | <b>840</b> |
| Cumulative oil production, mln tons      | 1.2        | 2.3          | 3.4          | 4.4        | 5.2        |
| <i>Total wells</i>                       | <i>61</i>  | <i>85</i>    | <i>114</i>   | <i>138</i> | <i>142</i> |
| Production wells                         | 53         | 72           | 81           | 93         | 96         |
| Production wells in use                  | 51         | 69           | 79           | 89         | 91         |
| Average flow rate per well, tons per day | 59.1       | 52.5         | 39.9         | 29.6       | 26.9       |
| Watercut, %                              | 19.3       | 23.8         | 31.3         | 38.2       | 44.7       |

**Severo-Pokachevskoye field**

|  | 2004       | 2005       | 2006       | 2007         | 2008         |
|--|------------|------------|------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |            |            |            |              | <b>73</b>    |
| <b>Oil production, th. tons</b>          | <b>476</b> | <b>680</b> | <b>853</b> | <b>1,093</b> | <b>1,036</b> |
| Cumulative oil production, mln tons      | 0.9        | 1.6        | 2.5        | 3.6          | 4.6          |
| <i>Total wells</i>                       | <i>89</i>  | <i>105</i> | <i>125</i> | <i>154</i>   | <i>204</i>   |
| Production wells                         | 53         | 59         | 76         | 88           | 104          |
| Production wells in use                  | 46         | 50         | 69         | 77           | 91           |
| Average flow rate per well, tons per day | 32.7       | 41.4       | 40.0       | 44.4         | 34.7         |
| Watercut, %                              | 16.2       | 28.1       | 34.4       | 43.6         | 59.7         |

**Kamenny license area** (eastern part of the Kamennaya area of the Krasnoleninskoye field)

|  | 2004     | 2005     | 2006         | 2007         | 2008         |
|--|----------|----------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |          |          |              |              | <b>192</b>   |
| <b>Oil production, th. tons</b>          | –        | –        | <b>1,124</b> | <b>1,081</b> | <b>1,079</b> |
| Cumulative oil production, mln tons      | –        | –        | 2.8          | 2.9          | 5.0          |
| <i>Total wells</i>                       | <i>–</i> | <i>–</i> | <i>311</i>   | <i>332</i>   | <i>434</i>   |
| Production wells                         | –        | –        | 196          | 205          | 294          |
| Production wells in use                  | –        | –        | 148          | 170          | 264          |
| Average flow rate per well, tons per day | –        | –        | 23.5         | 18.2         | 14.7         |
| Watercut, %                              | –        | –        | 43.7         | 50.4         | 62.0         |

**Kechimovskoye field**

|  | 2004       | 2005       | 2006       | 2007       | 2008       |
|--|------------|------------|------------|------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |            |            |            |            | <b>176</b> |
| <b>Oil production, th. tons</b>          | <b>460</b> | <b>584</b> | <b>730</b> | <b>731</b> | <b>968</b> |
| Cumulative oil production, mln tons      | 2.6        | 3.2        | 4.0        | 4.7        | 5.7        |
| <i>Total wells</i>                       | <i>146</i> | <i>167</i> | <i>177</i> | <i>200</i> | <i>327</i> |
| Production wells                         | 83         | 101        | 98         | 112        | 177        |
| Production wells in use                  | 73         | 86         | 83         | 97         | 155        |
| Average flow rate per well, tons per day | 17.4       | 20.7       | 24.2       | 22.9       | 22.1       |
| Watercut, %                              | 61.7       | 63.5       | 65.9       | 68.2       | 73.8       |

**Timan-Pechora**

|   | 2004        | 2005        | 2006        | 2007        | 2008        |
|---|-------------|-------------|-------------|-------------|-------------|
| Total LUKOIL production of oil in Timan-Pechora, th. tons                         | 11,732      | 12,476      | 13,601      | 14,576      | 16,685      |
| Oil production from 7 major oil fields of the Group in the region, th. tons       | 7,235       | 7,631       | 8,475       | 9,152       | 10,714      |
| <b>Share, %</b>   | <b>61.7</b> | <b>61.2</b> | <b>62.3</b> | <b>62.8</b> | <b>64.2</b> |
| LUKOIL proved oil reserves in Timan-Pechora, mln barrels                          |             |             |             |             | 2,912       |
| Proved oil reserves of 7 major oil fields of the Group in the region, mln barrels |             |             |             |             | 1,608       |
| <b>Share, %</b>   |             |             |             |             | <b>55.2</b> |

**Kharyaginskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>298</b>   |
| <b>Oil production, th. tons</b>          | <b>2,711</b> | <b>2,721</b> | <b>2,827</b> | <b>2,874</b> | <b>2,901</b> |
| Cumulative oil production, mln tons      | 27.7         | 30.5         | 33.3         | 36.2         | 39.1         |
| <i>Total wells</i>                       | <i>331</i>   | <i>333</i>   | <i>348</i>   | <i>356</i>   | <i>365</i>   |
| Production wells                         | 221          | 226          | 237          | 250          | 261          |
| Production wells in use                  | 184          | 188          | 213          | 217          | 234          |
| Average flow rate per well, tons per day | 40.7         | 39.6         | 40.0         | 37.0         | 34.9         |
| Watercut, %                              | 38.5         | 42.0         | 45.2         | 47.2         | 51.9         |

**Usinskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>518</b>   |
| <b>Oil production, th. tons</b>          | <b>2,128</b> | <b>2,149</b> | <b>2,129</b> | <b>2,113</b> | <b>2,109</b> |
| Cumulative oil production, mln tons      | 148.5        | 150.7        | 152.8        | 154.9        | 157.0        |
| <i>Total wells</i>                       | <i>1,755</i> | <i>1,752</i> | <i>1,748</i> | <i>1,745</i> | <i>1,730</i> |
| Production wells                         | 1,210        | 1,224        | 1,228        | 1,241        | 1,247        |
| Production wells in use                  | 680          | 670          | 726          | 757          | 793          |
| Average flow rate per well, tons per day | 8.8          | 8.8          | 8.5          | 7.9          | 7.4          |
| Watercut, %                              | 83.1         | 83.3         | 83.1         | 83.9         | 84.0         |

**Yuzhno-Shapkinskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008       |
|--|--------------|--------------|--------------|--------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>82</b>  |
| <b>Oil production, th. tons</b>          | <b>1,346</b> | <b>1,498</b> | <b>1,341</b> | <b>1,299</b> | <b>903</b> |
| <b>Group's share, th. tons</b>           | <b>672</b>   | <b>811</b>   | <b>1,341</b> | <b>1,299</b> | <b>903</b> |
| Cumulative oil production, mln tons      | 1.9          | 3.4          | 4.7          | 6.0          | 6.9        |
| <i>Total wells</i>                       | <i>43</i>    | <i>57</i>    | <i>60</i>    | <i>62</i>    | <i>68</i>  |
| Production wells                         | 27           | 30           | 34           | 42           | 48         |
| Production wells in use                  | 24           | 28           | 33           | 41           | 44         |
| Average flow rate per well, tons per day | 198.2        | 157.2        | 127.2        | 96.3         | 61.3       |
| Watercut, %                              | 7.9          | 21.1         | 52.1         | 57.2         | 67.5       |



**Vozeiskoye field**

|  | 2004         | 2005         | 2006         | 2007         | 2008         |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |              |              |              |              | <b>120</b>   |
| <b>Oil production, th. tons</b>          | <b>1,085</b> | <b>1,058</b> | <b>1,058</b> | <b>1,138</b> | <b>1,278</b> |
| Cumulative oil production, mln tons      | 95.8         | 96.8         | 97.9         | 99.0         | 100.3        |
| <i>Total wells</i>                       | <i>1,587</i> | <i>1,588</i> | <i>1,586</i> | <i>1,585</i> | <i>1,583</i> |
| Production wells                         | 768          | 819          | 760          | 767          | 787          |
| Production wells in use                  | 347          | 363          | 403          | 439          | 465          |
| Average flow rate per well, tons per day | 9.0          | 8.4          | 7.7          | 7.6          | 7.8          |
| Watercut, %                              | 89.8         | 89.7         | 90.3         | 90.0         | 89.3         |

**Tedinskoye field**

|  | 2004       | 2005       | 2006         | 2007         | 2008         |
|--|------------|------------|--------------|--------------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |            |            |              |              | <b>46</b>    |
| <b>Oil production, th. tons</b>          | <b>621</b> | <b>882</b> | <b>1,037</b> | <b>1,099</b> | <b>1,042</b> |
| Cumulative oil production, mln tons      | 1.2        | 2.0        | 3.1          | 4.2          | 5.2          |
| <i>Total wells</i>                       | <i>19</i>  | <i>28</i>  | <i>36</i>    | <i>50</i>    | <i>58</i>    |
| Production wells                         | 19         | 28         | 35           | 43           | 49           |
| Production wells in use                  | 19         | 27         | 35           | 43           | 49           |
| Average flow rate per well, tons per day | 124.9      | 106.8      | 93.5         | 80.2         | 65.0         |
| Watercut, %                              | 5.8        | 23.3       | 39.6         | 54.0         | 65.5         |

**Pashshorskoye field**

|  | 2004      | 2005      | 2006      | 2007       | 2008       |
|--|-----------|-----------|-----------|------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |           |           |           |            | <b>39</b>  |
| <b>Oil production, th. tons</b>          | <b>18</b> | <b>10</b> | <b>83</b> | <b>629</b> | <b>954</b> |
| Cumulative oil production, mln tons      | 0         | 0         | 0         | 0.8        | 1.7        |
| <i>Total wells</i>                       | <i>6</i>  | <i>6</i>  | <i>6</i>  | <i>14</i>  | <i>21</i>  |
| Production wells                         | 2         | 2         | 3         | 12         | 19         |
| Production wells in use                  | 2         | 2         | 3         | 10         | 16         |
| Average flow rate per well, tons per day | 386.0     | 356.4     | 317.1     | 226.0      | 190.2      |
| Watercut, %                              | 0.7       | 0.0       | 11.0      | 13.1       | 10.6       |

**Yuzhno-Khylchuyuskoye field**

|  | 2004     | 2005     | 2006     | 2007     | 2008         |
|--|----------|----------|----------|----------|--------------|
| <b>Proved oil reserves, mln barrels</b>  |          |          |          |          | <b>505</b>   |
| <b>Oil production, th. tons</b>          | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>1,527</b> |
| Cumulative oil production, mln tons      | -        | -        | -        | -        | 1.6          |
| <i>Total wells</i>                       | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>68</i>    |
| Production wells                         | -        | -        | -        | -        | 22           |
| Production wells in use                  | -        | -        | -        | -        | 22           |
| Average flow rate per well, tons per day | -        | -        | -        | -        | 539.9        |
| Watercut, %                              | -        | -        | -        | -        | 2.0          |

**Urals**

|   | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Share of the Unvinskoye field in LUKOIL oil production in Urals, %      | 10.2 | 11.2 | 11.7 | 12.3 | 11.9 |
| Share of the Unvinskoye field in LUKOIL proved oil reserves in Urals, % |      |      |      |      | 8.1  |

**Unvinskoye field**

|  | 2004  | 2005  | 2006  | 2007  | 2008  |
|--|-------|-------|-------|-------|-------|
| Proved oil reserves, mln barrels         |       |       |       |       | 169   |
| Oil production, th. tons                 | 1,033 | 1,152 | 1,274 | 1,385 | 1,385 |
| Cumulative oil production, mln tons      | 21.5  | 22.7  | 23.9  | 25.3  | 26.7  |
| Total wells                              | 428   | 428   | 428   | 428   | 420   |
| Production wells                         | 289   | 294   | 291   | 293   | 294   |
| Production wells in use                  | 262   | 233   | 252   | 251   | 261   |
| Average flow rate per well, tons per day | 11.3  | 13.6  | 14.6  | 16.2  | 15.3  |
| Watercut, %                              | 24.3  | 19.8  | 19.6  | 27.3  | 30.2  |

**Volga**

|  | 2004 | 2005 | 2006 | 2007 | 2008 |
|--|------|------|------|------|------|
| Share of the Pamyatno-Sasovskoye field in LUKOIL oil production in Volga, %                          | 70.4 | 72.1 | 72.8 | 76.0 | 73.2 |
| Share of the Pamyatno-Sasovskoye field in LUKOIL proved oil reserves in Volga (excluding Caspian), % |      |      |      |      | 58.3 |

**Pamyatno-Sasovskoye field**

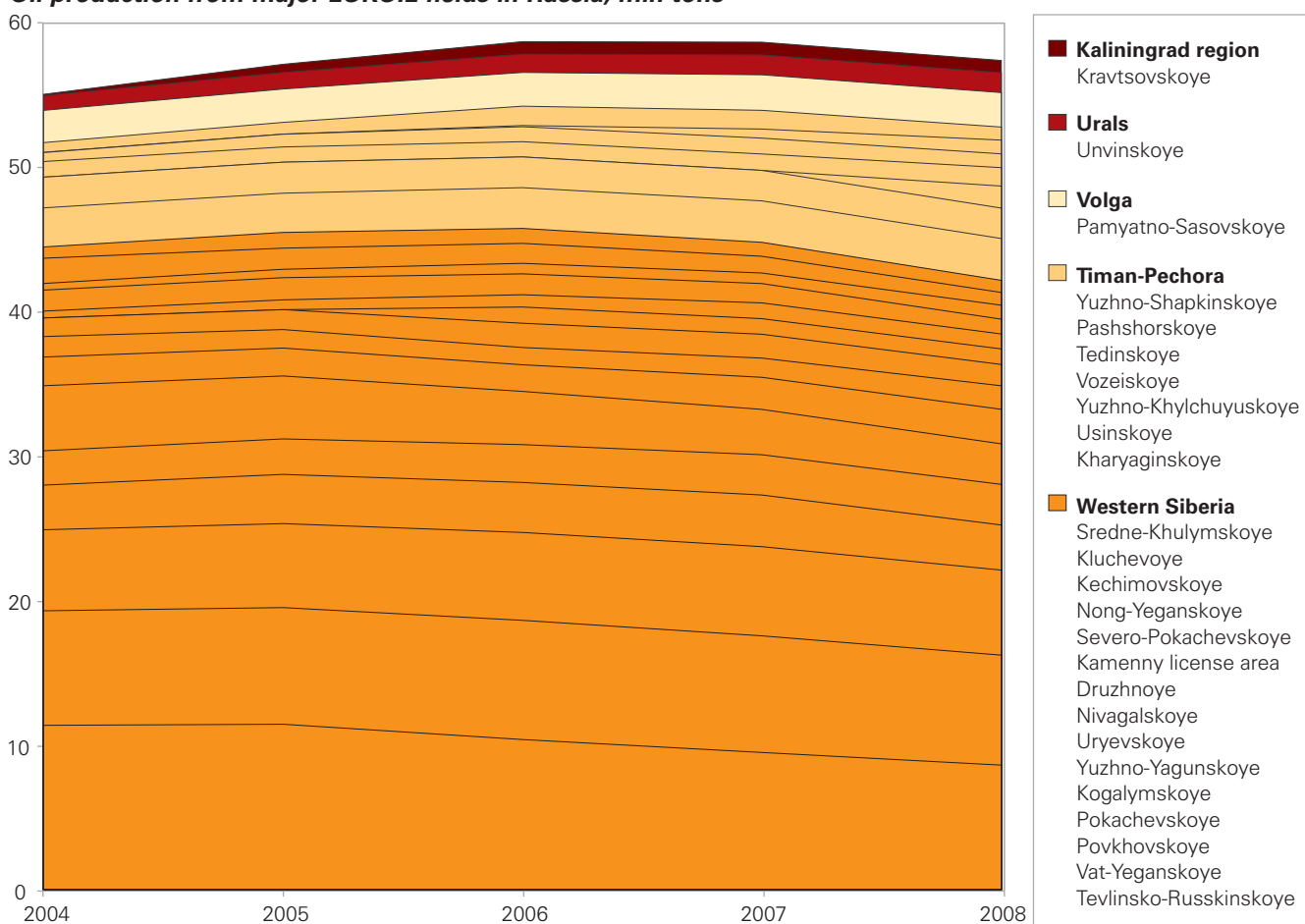
|  | 2004  | 2005  | 2006  | 2007  | 2008  |
|--|-------|-------|-------|-------|-------|
| Proved oil reserves, mln barrels         |       |       |       |       | 144   |
| Oil production, th. tons                 | 2,439 | 2,518 | 2,547 | 2,667 | 2,585 |
| Group's share, th. tons                  | 2,236 | 2,313 | 2,341 | 2,464 | 2,390 |
| Cumulative oil production, mln tons      | 24.7  | 27.2  | 29.8  | 32.4  | 35.0  |
| Total wells                              | 61    | 62    | 65    | 65    | 65    |
| Production wells                         | 49    | 48    | 49    | 49    | 49    |
| Production wells in use                  | 49    | 47    | 49    | 49    | 48    |
| Average flow rate per well, tons per day | 135.5 | 143.5 | 143.7 | 147.3 | 146.4 |
| Watercut, %                              | 0.2   | 0.7   | 0.9   | 2.3   | 3.8   |

**Kaliningrad region**

|   | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|------|------|------|------|------|
| Share of the Kravtsovskoye field in LUKOIL oil production in Kaliningrad region, %      | 10.3 | 47.3 | 60.9 | 61.7 | 59.1 |
| Share of the Kravtsovskoye field in LUKOIL proved oil reserves in Kaliningrad region, % |      |      |      |      | 42.4 |

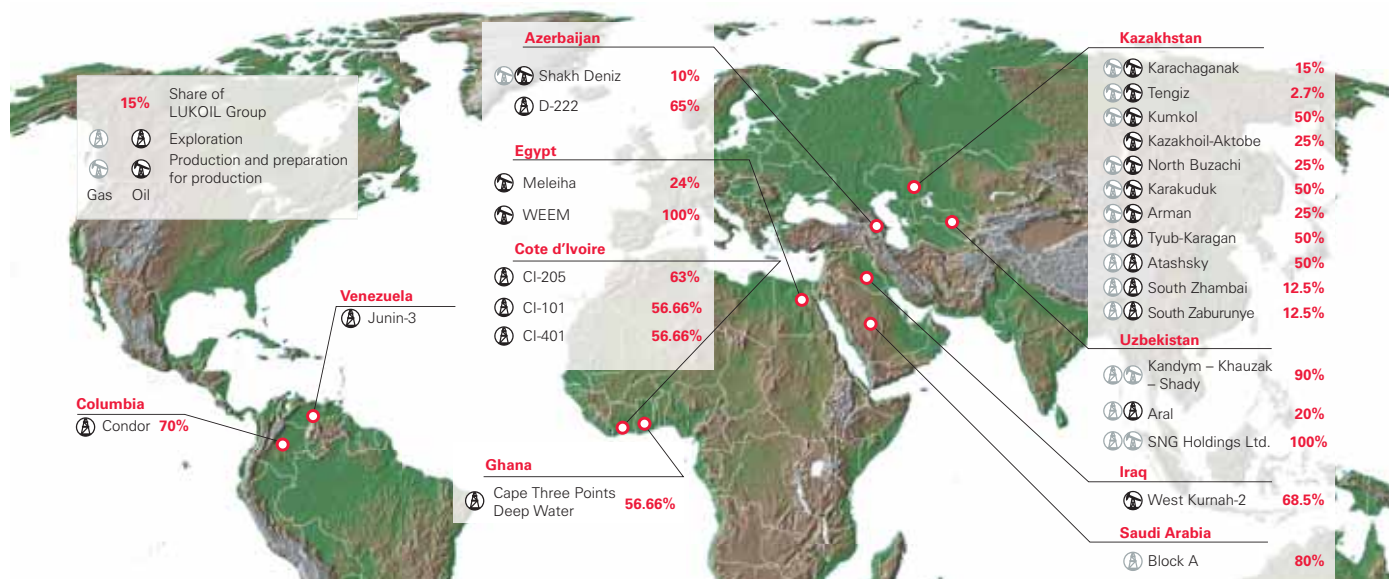
**Kravtsovskoye field**

|  | 2004      | 2005       | 2006       | 2007       | 2008       |
|--|-----------|------------|------------|------------|------------|
| <b>Proved oil reserves, mln barrels</b>  |           |            |            |            | <b>33</b>  |
| <b>Oil production, th. tons</b>          | <b>80</b> | <b>562</b> | <b>861</b> | <b>877</b> | <b>842</b> |
| Cumulative oil production, mln tons      | 0.1       | 0.6        | 1.5        | 2.4        | 3.2        |
| <i>Total wells</i>                       | 3         | 8          | 12         | 18         | 19         |
| Production wells                         | 3         | 8          | 12         | 12         | 13         |
| Production wells in use                  | 3         | 8          | 12         | 12         | 13         |
| Average flow rate per well, tons per day | 237.4     | 277.0      | 252.3      | 200.5      | 171.3      |
| Watercut, %                              | 14.5      | 5.5        | 8.7        | 14.0       | 22.3       |

**Oil production from major LUKOIL fields in Russia, mln tons**

**Gas fields**
**Nakhodkinskoye field**

|   | 2004     | 2005       | 2006         | 2007         | 2008         |
|---|----------|------------|--------------|--------------|--------------|
| <b>Proved natural gas reserves, bcf</b> |          |            |              |              | <b>3,703</b> |
| <b>Natural gas production, mcm</b>      | <b>7</b> | <b>472</b> | <b>8,486</b> | <b>7,798</b> | <b>8,408</b> |
| Cumulative natural gas production, mcm  | 0.0      | 0.5        | 9.0          | 16.8         | 25.2         |
| <i>Total wells</i>                      | –        | 52         | 69           | 65           | 65           |
| Production wells                        | –        | 49         | 61           | 61           | 61           |
| Production wells in use                 | –        | 13         | 61           | 61           | 50           |

## INTERNATIONAL PROJECTS OF LUKOIL GROUP



### International projects\*, total

|  | 2004  | 2005  | 2006  | 2007  | 2008  |
|--|-------|-------|-------|-------|-------|
| Proved oil reserves, mln barrels           | 487   | 614   | 608   | 495   | 592   |
| Proved gas reserves, bcf                   | 3,216 | 3,845 | 4,442 | 5,068 | 6,972 |
| Hydrocarbon reserves, mln boe              | 1,023 | 1,255 | 1,350 | 1,339 | 1,754 |
| Oil production, th. tons                   | 3,480 | 3,881 | 5,674 | 5,545 | 5,295 |
| Marketable gas production, mcm             | 1,135 | 1,208 | 1,189 | 1,682 | 4,192 |
| Marketable hydrocarbon production, mln boe | 33    | 37    | 50    | 52    | 65    |

### Kazakhstan

#### Karachaganak

|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Proved oil reserves, mln barrels           | 231   | 208   | 173   | 157   | 246   |
| Proved gas reserves, bcf                   | 1,624 | 1,441 | 1,203 | 1,137 | 1,861 |
| Hydrocarbon reserves, mln boe              | 502   | 448   | 374   | 347   | 556   |
| Oil production, th. tons                   | 1,189 | 1,438 | 1,448 | 1,601 | 1,565 |
| Marketable gas production, mcm             | 1,189 | 979   | 1,005 | 1,046 | 1,069 |
| Marketable hydrocarbon production, mln boe | 15    | 17    | 17    | 19    | 18    |

#### Kumkol

|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Proved oil reserves, mln barrels           | 111   | 89    | 79    | 78    | 68    |
| Proved gas reserves, bcf                   | 0     | 0     | 13    | 14    | 13    |
| Hydrocarbon reserves, mln boe              | 111   | 89    | 81    | 80    | 70    |
| Oil production, th. tons                   | 1,689 | 1,502 | 1,707 | 1,756 | 1,628 |
| Marketable gas production, mcm             | 51    | 54    | 41    | 44    | 42    |
| Marketable hydrocarbon production, mln boe | 13    | 12    | 13    | 14    | 13    |

#### Tengiz

|  |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|
| Proved oil reserves, mln barrels           | 112 | 118 | 120 | 117 | 120 |
| Proved gas reserves, bcf                   | 188 | 177 | 154 | 151 | 152 |
| Hydrocarbon reserves, mln boe              | 143 | 147 | 146 | 142 | 145 |
| Oil production, th. tons                   | 369 | 366 | 360 | 376 | 466 |
| Marketable gas production, mcm             | 167 | 172 | 143 | 147 | 190 |
| Marketable hydrocarbon production, mln boe | 4   | 4   | 4   | 4   | 5   |

#### North Buzachi

|  |   |     |     |     |     |
|--|---|-----|-----|-----|-----|
| Proved oil reserves, mln barrels           | – | 42  | 80  | 41  | 35  |
| Oil production, th. tons                   | – | 103 | 668 | 524 | 428 |
| Marketable gas production, mcm             | – | 2   | –   | –   | –   |
| Marketable hydrocarbon production, mln boe | – | 0.7 | 5   | 4   | 3   |

\* Group's share.

|   | 2004  | 2005  | 2006  | 2007  | 2008  |
|---|-------|-------|-------|-------|-------|
| <b>Arman</b>                                      |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | –     | 3     | 4     | 2     | 0.6   |
| Oil production, th. tons                          | –     | 19    | 82    | 44    | 26    |
| <i>Oil production, mln barrels</i>                | –     | 0.1   | 0.6   | 0.3   | 0.2   |
| <b>Karakuduk</b>                                  |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | –     | 38    | 50    | 34    | 33    |
| Oil production, th. tons                          | –     | 125   | 702   | 668   | 636   |
| Marketable gas production, mcm                    | –     | 1     | –     | –     | –     |
| <i>Marketable hydrocarbon production, mln boe</i> | –     | 1     | 5     | 5     | 5     |
| <b>Kazakhoil-Aktobe</b>                           |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | –     | 89    | 76    | 35    | 32    |
| Oil production, th. tons                          | –     | 114   | 508   | 286   | 190   |
| <i>Oil production, mln barrels</i>                | –     | 1     | 4     | 2     | 1     |
| <b>Egypt</b>                                      |       |       |       |       |       |
| <b>Meleiha</b>                                    |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | 1     | 3     | 2     | 3     | 4     |
| Oil production, th. tons                          | 53    | 47    | 40    | 46    | 47    |
| <i>Oil production, mln barrels</i>                | 0.4   | 0.4   | 0.3   | 0.4   | 0.4   |
| <b>WEEM</b>                                       |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | 13    | 7     | 6     | 5     | 7     |
| Oil production, th. tons                          | 180   | 167   | 159   | 154   | 144   |
| <i>Oil production, mln barrels</i>                | 1     | 1     | 1     | 1     | 1     |
| <b>Azerbaijan</b>                                 |       |       |       |       |       |
| <b>Shakh Deniz</b>                                |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | 15    | 11    | 10    | 11    | 18    |
| Proved gas reserves, bcf                          | 338   | 249   | 314   | 476   | 532   |
| <i>Hydrocarbon reserves, mln boe</i>              | 71    | 53    | 63    | 90    | 107   |
| Oil production, th. tons                          | –     | –     | –     | 88    | 147   |
| Marketable gas production, mcm                    | –     | –     | –     | 309   | 551   |
| <i>Marketable hydrocarbon production, mln boe</i> | –     | –     | –     | 2     | 4     |
| <b>Uzbekistan</b>                                 |       |       |       |       |       |
| <b>Kandym – Khauzak – Shady</b>                   |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | 4     | 6     | 8     | 6     | 10    |
| Proved gas reserves, bcf                          | 1,066 | 1,978 | 2,758 | 3,290 | 3,019 |
| <i>Hydrocarbon reserves, mln boe</i>              | 182   | 336   | 468   | 554   | 513   |
| Oil production, th. tons                          | –     | –     | –     | 2     | 12    |
| Marketable gas production, mcm                    | –     | –     | –     | 136   | 2,340 |
| <i>Marketable hydrocarbon production, mln boe</i> | –     | –     | –     | 0.8   | 14    |
| <b>South-West Gissar</b>                          |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | –     | –     | –     | –     | 17    |
| Proved gas reserves, bcf                          | –     | –     | –     | –     | 1,395 |
| <i>Hydrocarbon reserves, mln boe</i>              | –     | –     | –     | –     | 250   |
| Oil production, th. tons                          | –     | –     | –     | –     | 6     |
| <i>Marketable hydrocarbon production, mln boe</i> | –     | –     | –     | –     | 0.1   |
| <b>Columbia</b>                                   |       |       |       |       |       |
| <b>Condor</b>                                     |       |       |       |       |       |
| Proved oil reserves, mln barrels                  | –     | –     | –     | 6     | 1     |
| Proved gas reserves, bcf                          | –     | –     | –     | –     | –     |
| <i>Hydrocarbon reserves, mln boe</i>              | –     | –     | –     | 6     | 1     |

## OIL REFINING

### LUKOIL Group refineries



\* Capacity of the ISAB complex is shown in accordance with the Company share (49%). The throughput represents the Company share in December 2008.

### Input capacity of LUKOIL facilities, th. barrels per day

|                 | Crude          | Vacuum distillation | Coking      | Thermal operations | Catalytic cracking | Catalytic reforming | Catalytic hydrocracking | Catalytic hydrotreating |
|-----------------|----------------|---------------------|-------------|--------------------|--------------------|---------------------|-------------------------|-------------------------|
| Perm            | 254.6          | 116.3               | 17.6        | –                  | 9.3                | 36.9                | 65.2                    | 146.3                   |
| Volgograd       | 225.2          | 68.2                | 18.5        | –                  | –                  | 43.7                | –                       | 95.9                    |
| Nizhny Novgorod | 337.1          | 132.4               | –           | 42.2               | –                  | 47.1                | –                       | 158.5                   |
| Ukhta           | 73.4           | 18.1                | –           | 14.1               | –                  | 9.2                 | –                       | 29.4                    |
| Burgas          | 175.1          | 72.6                | –           | 26.4               | 34.8               | 14.4                | –                       | 101.4                   |
| Ploiesti        | 47.8           | 21.8                | 10.5        | –                  | 18.5               | 10.1                | –                       | 45.7                    |
| Odessa          | 55.7           | 25.5                | –           | 12.3               | –                  | 11.5                | –                       | 33.9                    |
| <b>Total*</b>   | <b>1,168.9</b> | <b>454.9</b>        | <b>46.6</b> | <b>95.0</b>        | <b>62.6</b>        | <b>172.9</b>        | <b>65.2</b>             | <b>611.1</b>            |

### Production capacity of LUKOIL facilities, th. barrels per day

|                 | Alkylation | Aromatics  | Isomerization | Lubricants  | Oxygenates | Hydrogen, mcf per day | Sulfur, tons per day | Bitumen     |
|-----------------|------------|------------|---------------|-------------|------------|-----------------------|----------------------|-------------|
| Perm            | –          | 2.2        | 12.0          | 9.4         | –          | 119.4                 | 213.7                | 12.1        |
| Volgograd       | –          | 1.8        | 9.8           | 11.3        | –          | 10.7                  | 111.8                | 4.2         |
| Nizhny Novgorod | –          | –          | 11.8          | 4.5         | –          | –                     | –                    | 20.7        |
| Ukhta           | –          | –          | –             | –           | –          | 11.9                  | 11.0                 | 4.4         |
| Burgas          | 4.6        | 3.3        | 1.3           | –           | 1.9        | 16.1                  | 164.4                | 4.8         |
| Ploiesti        | –          | –          | 3.8           | –           | 2.6        | 3.9                   | 54.8                 | –           |
| Odessa          | –          | –          | 3.2           | –           | –          | –                     | 21.1                 | 3.3         |
| <b>Total*</b>   | <b>4.6</b> | <b>7.3</b> | <b>41.9</b>   | <b>25.2</b> | <b>4.5</b> | <b>162.0</b>          | <b>576.8</b>         | <b>49.5</b> |

### Capital expenditures in refining, mln USD

|              | 2004 | 2005 | 2006 | 2007 | 2008  |
|--------------|------|------|------|------|-------|
| Expenditures | 428  | 412  | 696  | 830  | 1,023 |

### Refining expenses, mln USD

|                       | 2004 | 2005 | 2006 | 2007 | 2008  |
|-----------------------|------|------|------|------|-------|
| Owned refineries      | 532  | 644  | 730  | 880  | 1,115 |
| Affiliated refineries | n/a  | 104  | 230  | 242  | 439   |

\* Excluding mini-refineries and ISAB Complex.