PRESS RELEASE
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OAO LUKOIL HAS PROVED RESERVES OF 16.6 BILLION BARRELS OF OIL EQUIVALENT

OAO LUKOIL and Miller and Lents petroleum engineering company (USA), have completed evaluation of the oil and gas reserves of LUKOIL as of January 1, 2002 under the requirements of the US SPE (US Society of Petroleum Engineers). Proved oil and gas reserves amounted 16.6 billion barrels of oil equivalent (2.3 billion tons), all reserves categories combined (including probable and possible) totaled 29.2 billion barrels (4.0 billion tons). The growth of LUKOIL reserves over 2001 was 11%. 88% of proven reserves is oil. Gas share increased from 4% to 12%.

Reserve growth was mainly attributable to significant volume and productivity of geological surveys. Last year LUKOIL's share in exploration and production drilling of all Russian companies reached 32%. In 2001, subsidiaries and affiliates of LUKOIL performed 420,000 meters of exploratory drilling and built 134 wells. 17 new fields were discovered, including a gas condensate field. 18 oil and gas deposits were found at earlier discovered properties.

The major sources of hydrocarbon reserves growth were the Company's new operating regions: Caspian shelf and Russia's North. In 2001 significant reserves were added in the Republic of Komi (+26%) due to an increase in exploratory works, new discoveries, rehabilitation of idle wells and implementation of enhanced recovery techniques.

LUKOIL's combined reserves estimated under international requirements include one of the five properties discovered in the Caspian in 2000-2001. The Korchagin oil field underwent the State examination procedure and it is best prepared for commercial development compared to the other fields. Oil to gas ratio of the field reserves is 60% to 40%. The estimated reserves of Korchagin field include 1P – 258 million barrels, 2P – 497 million barrels, 3P – 757 million barrels (all figures in oil equivalent). The total recoverable reserves at the discovered and prospective properties of the Caspian exceed 1 billion tons of oil equivalent.

The total addition of oil and gas reserves due to exploratory works reached 129 million tons of conventional fuel, exploration efficiency exceeded 300 tons per meter of drilling, reserve replacement ratio reached 165%. The total exploration costs reached RUB 11.7 bn in 2001.

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In 2001, LUKOIL acquired a controlling stake in OAO Yamalneftegazdobycha that owns 4 licenses to develop hydrocarbon reserves in Bolshekhetsky depression within the Yamal-Nenets autonomous region. Recoverable C1+C2 gas reserves are estimated at 615 bln cu. meters. Together with gas reserves discoveries in the Russian and Azeri sectors of the Caspian shelf, this helped the Company to create a resource base for gas production.

LUKOIL OIL AND GAS RESERVES

(audited under US SPE requirements)

crude oil, million barrels

gas, billion cubic feet

oil + gas, million barrels of oil equivalent

As of December 31	**2000**						**2001**		
	Not including OAO "AGD"			**Including OAO "AGD"**			**Including OAO "AGD"**		
	oil	gas	oil+gas	oil	gas	oil+gas	oil	gas	oil+gas
*Proved developed	8,695	1,880	9,008	8,728	1,880	9,041	9,142	2,230	9,514
*Proved undeveloped	4,259	1,745	4,550	5,515	1,745	5,806	5,374	10,160	7,067
Total proved reserves	**12,954**	**3,625**	**13,558**	**14,243**	**3,625**	**14,847**	**14,516**	**12,39**	**16,581**

Probable	**5,969**	**1,099**	**6,152**	**6,513**	**1,099**	**6,696**	**6,646**	**3,359**	**7,206**
Possible	**2,653**	**453**	**2,729**	**4,689**	**453**	**4,765**	**4,752**	**4,048**	**5,427**

Notes:

1. Gross reserves relate to 100% of reserves in the subsidiaries and LUKOIL net interests in affiliated companies and production sharing agreements.

2. 1 barrel of oil equivalent = 6,000 cubic feet of gas.

3. Acquisition of the controlling stake of OAO "Archangelskgeologodobycha" (or AGD) (74.1%) was completed in March 2001

The evaluation was based upon the following assumptions:

1. The prices were assumed constant and based on netback price of $10,98/barrel.

2. Operating expenses were evaluated using actual data and were assumed at $3,23/boe for the whole period of development of all reserves. Capex for reserve development were evaluated using actual data. Operating expenses and Capex were evaluated in the constant prices as of January 1, 2002. Expenses did not include any changes due to future inflation, exchange rates and purchasing capacity of the Russian and foreign currency.

The taxation regime (for Russian fields) was calculated on the basis of the new Russian Tax Code effective from January 1, 2002.