PRESS RELEASE
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LUKOIL AND NENETS AUTONOMOUS DISTRICT CONTINUE COOPERATION

Vagit Alekperov, OAO LUKOIL President, and Igor Fedorov, Governor of the Nenets Autonomous District, signed a cooperation agreement between the Company and the District in Moscow today.

According to the document, the parties will work together in geological exploration of the subsoil, in oil and gas production, in development of a petroleum-product supply system and of a production and social infrastructures, and also in other spheres of mutual interest.

The administration of the district will encourage taking decisions regarding the arrangement of open or closed tenders for subsoil areas presenting interest to the Company with respect to the Company's bids. The tender conditions will provide for reimbursement of the Company's expenses on the geological exploration already conducted within the territory of the tendered sites and on the oil-field facilities and communications already established there, in case the licenses should be granted to other subsoil users.

According to the agreement, the Nenets Autonomous District will also encourage the introduction and development of modern payment systems, including change-over to electronic non-cash payments to settle accounts for petroleum products consumed by enterprises and organizations which are financed out of the district budget.

LUKOIL will develop an infrastructure for the storage and sale of petroleum products, which includes new filling stations and a reconstruction of the operating ones in the Nenets Autonomous District.

The Company's enterprises will participate in financing the social and economic development of the district, including professional training of local residents, creation and development of a social infrastructure and also funding of scientific research which is conducted within the framework of the region's research programs.

The cooperation agreement between OAO LUKOIL and the Nenets Autonomous District is valid till December 31, 2014. The previous agreement, signed December

13, 2006, has expired.