PRESS RELEASE
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LUKOIL AND ROSNEFT BUILD UP COOPERATION

Vagit Alekperov, President of OAO LUKOIL, and Eduard Khudainatov, President of OAO NK Rosneft, in the presence of Igor Sechin, Deputy Prime-Minister of the Russian Federation, signed an Agreement on Long-term Cooperation between the two companies, in Moscow today.

In view of the efficient and mutually beneficial cooperation on gas transportation from the Vankorskoye field and the Bolshekhetskaya Depression and also the logistics of hydrocarbons supply from the fields of the Nenets Autonomous District and the exploration operations on the shelves of the Caspian Sea and the Sea of Azov, LUKOIL and Rosneft are going to look into opportunities of expanding cooperation in the following areas:

- Pooling efforts in exploration, field development and transportation of hydrocarbons from the license areas of the Nenets Autonomous District;

- Geological exploration in the license areas of Rosneft on Russia's shelf and development of fields already discovered;

- Pooling efforts in developing the market of home-produced petroleum products, petrochemicals, products of gas processing and oils;

- Joint marketing of associated and natural gas from fields in the Bolshekhetskaya and Vankorskaya zones;

- Reciprocal supplies of petroleum products, liquefied gases and petrochemicals to the marketing and production facilities.

- Joint work to elaborate decisions aimed at more efficient sales of petrochemicals, petroleum products and products of gas processing both in the Russian Federation and abroad;

- Pooling efforts in using the logistical infrastructure, including capacities for the transshipment of oil, petroleum products and petrochemicals for export;

- Development and implementation of projects in the area of a transportation infrastructure for petroleum products; two of the projects are: construction of a

product pipeline up to the “Moscow Product Ring” and project “South”.

The parties agreed to establish joint working groups in the above areas before May 15, 2011.