

PRESS RELEASE MAY 23, 2014

LUKOIL HOLDS OFFSHORE OIL SPILL RESPONSE MANEUVERS

LUKOIL held special tactical maneuvers today to localize and respond to any oil spills that may happen in the process of drilling prospecting and appraisal wells on the Baltic shelf.

The maneuvers were held according to the plans of oil-spill prevention and response to be applied during the construction of prospecting and appraisal wells at the D-29, D-33, D-6 Yuzhnaya and D-41 structures; OOO LUKOIL-Kaliningradmorneft (a wholly-owned subsidiary of OAO LUKOIL) owns the respective licenses.

At each of the structures, one prospecting and appraisal well is to be drilled until June, 2015 by means of the Arkticheskaya jack-up drilling rig (OOO Gazflot). At the moment, the rig is located at the drilling point of the D-29 structure.

The scenario for the maneuvers supposed that an accident had been registered at the jack-up drilling rig, as a result of which around 1,500 tons of oil were released to the sea, threatening to pollute the coastline.

In order to localize and respond to the spill, operations were initiated swiftly to collect the oily mixture into tankers and transport it to the onshore integrated oil terminal for further treatment. A coastline-protection system was also promptly deployed. Five specialized vessels and an MI-8 helicopter (OOO LUKOIL-Avia) were engaged as part of the maneuvers.

The maneuvers demonstrated that the emergency rescue teams of OOO LUKOIL-Kaliningradmorneft and of its contractors, as well as other regional special services, possess sufficient potential, resources and experience to promptly localize and respond to offshore oil spills.