

PRESS RELEASE
MAY 12, 2015

LUKOIL STARTS PRODUCTION TESTS AT FACILITIES FOR KANDYM EARLY GAS PROJECT IN UZBEKISTAN

LUKOIL has begun production tests of two Gas Treatment Plants (GTPs) at the Northern Shady Site and the Kuvachi-Alat Field in Uzbekistan's Bukhara Region as part of the Kandym Early Gas Project, which is being implemented together with National Holding Company Uzbekneftegaz.

The GTPs have a combined annual capacity of 2.2 bcm and will process natural gas from 34 wells to supply the Mubarek Gas Processing Plant. Launching the new facilities will allow LUKOIL to significantly increase its gas production in Uzbekistan.

More than 170 km of power lines, an electric substation, over 180 km of high- and medium-pressure pipelines, 237 km of fiber-optic lines, 150 km of roads and 7 bridges have been built under the Kandym Early Gas Project.

The Kandym Early Gas Project is the initial stage of the large-scale Kandym Group of Fields Surface Facilities Construction Project under the Kandym-Khauzak-Shady-Kungrad PSA. The Kandym group consists of six gas condensate fields – Kandym, Kuvachi-Alat, Akkum, Parsankul, Khoji and West Khoji. The Northern Shady Site (Dengizkul Field) is located within the Khauzak-Shady Project area, but its surface facilities are being constructed as part of the Kandym Early Gas Project.