

## PRESS RELEASE OCTOBER 09, 2012

## LUKOIL ESTABLISHES A RESEARCH AND DEVELOPMENT CENTER

LUKOIL has established a Research and Development Center in Kstovo (Nizhny Novgorod Oblast). The Center is a joint project of the LUKOIL-Nizhegorodnefteorgsintez refinery and the LUKOIL-Nizhegorodniinefteprodukt Research and Development Establishment.

The goal of the Center is the promotion and commercialization of energy- and resource-saving technologies. The Center is equipped with a cutting-edge analytical base and pilot units for hydrotreatment, hydrogen concentration, extraction, and bitumen production, all operated from a single control center.

Two pilot units were constructed and commissioned in the Center. They were constructed through the application of the LUKOIL developments and patents, namely, high-purity energy-efficient separation of high-pressure hydrogen from hydrogen-bearing gases and the removal of hard-to-remove sulfur-aromatic compounds from diesel fuel.

Next year, the Center is planning to commission pilot units for hydrotreatment, high-pressure hydrocracking, liquid extraction and also units employing other techniques.

"The opening of the Research and Development Center is a significant contribution made by our company towards the development of the domestic industry-related science for the purpose of enhancing the efficiency of oil and gas processing, the quality of petroleum products and also promotion of new resource-saving technologies", Vladimir Nekrasov, OAO LUKOIL First Vice President, commented.