

PRESS RELEASE
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LUKOIL BEGINS CONNECTING SEVERO-GUBKINSKOYE FIELD TO
GAZPROM'S GAS PIPELINE SYSTEM

This year LUKOIL intends to start designing of a complex gas treatment plant (CGTP) at the Severo-Gubkinskoye field in Yamalo-Nenets Autonomous Okrug (YNAO) and a supply pipeline connecting it to GAZPROM's gas pipeline system. Similar operations have also been initiated at a number of other fields in order to enhance the associated petroleum gas (APG) utilization efficiency.

The comparison results of alternative APG supply scenarios from the Severo-Gubkinskoye field showed that the construction of an autonomous CGTP aimed at ensuring the maximum amount of gas supplies for own needs of the LUKOIL Group refineries and at supplying it to other consumers via autonomous connection to the CGTP, would guarantee a more than 50% efficiency boost per thousand cubic meters of gas sold.

Currently LUKOIL sells APG from the Severo-Gubkinskoye field to ZAO PURGAZ, whose gas pipeline system is utilized for further supplies of gas to Gazprom's gas pipeline system.