



NOVATEK

NOVATEK LAUNCHES GAS CONDENSATE DE-ETHANIZATION UNIT

15 July, 2004. Novatek has launched a condensate de-ethanization unit at its East-Tarkosalinskoye field. Construction was completed in 9 months.

The main equipment supplier for the unit was DKG-East (Hungary), which won the tender to manufacture the equipment for the unit. The unit will improve the quality of gas condensate preparation before transportation for additional processing at the Surgut Gas Condensate Stabilization Plant. Starting in 2005, the de-ethanized gas condensate will be sent to Novatek's Purovsky Condensate Stabilization and Liquid Extraction Plant, currently under construction.

The launching of the condensate de-ethanization unit will decrease losses during preparation of condensate for transportation and reduce hazardous emissions. The unit will de-ethanize the gas condensate produced at the East-Tarkosalinskoye and Khancheyskoye fields. There is a low temperature separation unit at the East-Tarkosalinskoye field which has been in operation since 2002. In November 2003, a similar unit was launched at the adjacent Khancheyskoye field.

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NOTE:

OAO NOVATEK (www.novatek.ru) - is the largest independent gas producer in Russia. The company's largest fields - Yurkharovskoye, East-Tarkosalinskoye and Khancheyskoye – are situated in the Yamal-Nenets Autonomous Region, which accounts for approximately 90 per cent of all Russian gas production. The company controls and has equity stakes in the following production companies: OOO Yurkharovneftegas, OAO NK Tarkosalneftegas, OOO Khancheyneftegas, OAO Purneftegasgeologia, OOO Geoilbent, OAO Selkupneftegas and OAO Tambeyneftegas.