APPROVED
by the General Meeting of Shareholders
of JSC Gazprom Neft
(Minutes No.___dated_____)

Regulations on the Board of Directors of Open Joint Stock Company Gazprom Neft

2007

1. General Provisions

1.1. These Regulations on the Board of Directors of JSC Gazprom Neft (hereinafter – the Regulations) are worked out in accordance with the laws of the Russian Federation, the Charter of JSC Gazprom Neft (hereinafter – the Company) and Company's basic principles of corporate governance, which are aimed at increase of effectiveness and transparency of Company's internal management tools, improvement of system of control and accountability of its management bodies, respect of shareholders' rights.

1.2. The Board of Directors shall ensure the realization by the Company of its purposes and objectives, provided by the Charter of the Company.

1.3. The major objectives of the Board of Directors are strategy determination for the Company development, aimed at increase in its capitalization and investment attractiveness, determination of the Company asset management principles, and implementation of the effective Company's financial and economic performance control system.

1.4. The Board of Directors shall operate according to the laws of the Russian Federation, the Charter of the Company, resolutions of the General Meeting of Shareholders, these Regulations and other internal documents of the Company.

1.5. The Board of Directors shall act in the best interests of the Company and its shareholders and accountable to the General Meeting of Shareholders.

2. The Board of Directors Competence

2.1. The Board of Directors competence is governed by the Federal Law "On Joint-Stock Companies" and the Charter of the Company.

2.2. The Board of Directors competence covers the solution of issues of general management of the Company activity, except for the issues, referred by the Federal Law "On Joint-Stock Companies" to the competence of the General Meeting of Shareholders.

2.3. Issues within the Board of Directors competence cannot be referred for solution to the executive bodies of the Company.

2.4. According to its competence, the Board of Directors shall determine the strategy, policy and general principles of the Company activity, including investment and credit activity, risk management and administration of assets and other fields of activity, and exercise control over their implementation.

3. Composition and Term of Office of the Board of Directors

3.1. According to the Charter of the Company, the Board of Directors includes 10 members.

3.2. The members of the Board of Directors may be only individuals no matter whether they are Company's shareholders or not.

3.3. Members of the Management Board of the Company shall not make up more than one fourth of the number of the members of the Board of Directors.

3.4. Members of the Board of Directors cannot be the members of the Company Auditing Commission.

3.5. The General Director of the Company cannot be the Chairman of the Board of Directors.

3.6. Members of the Board of Directors shall be elected by the General Meeting of Shareholders for the period up to the next annual General Meeting of Shareholders. If an annual General Meeting of Shareholders was not held within the period established by the Charter of the Company, the Board of Directors authority shall be terminated, except for the authority of preparation, convening and holding an annual General Meeting of Shareholders.

3.7. In case of retirement of the Board of Directors member, authority of other members of the Board of Directors do not cease except in cases provided by article 9.4 of these Regulations.

3.8. The Board of Directors authority may be early terminated according to the decision of the General Meeting of Shareholders.

4. The Chairman of the Board of Directors and his Deputy

4.1. The Chairman and the deputy Chairman of the Board of Directors shall be elected by the members of the Board of Directors from among themselves by a majority vote of elected Board of Directors members.

4.2. The Board of Directors has the right to re-elect its Chairman and/or his deputy at any time, by a majority vote of elected Board of Directors members.

4.3. The Chairman of the Board of Directors shall organize its work, convene meetings of the Board of Directors and preside over them, organize minutes keeping, preside over the General Meeting of Shareholders, sign contracts with the Company General Director and the Management Board members on behalf of the Company, perform other functions provided by the Charter of the Company and these Regulations.

4.4. In case of absence of the Chairman of the Board of Directors, his functions shall be performed by the deputy Chairman of the Board of Directors, in case of absence of the Chairman of the Board of Directors and his deputy, his functions shall be performed by any Board of Directors member by the decision of the Board of Directors.

5. Rights, Duties and Responsibilities of the Board of Directors Members

5.1. Members of the Board of Directors, in exercising their rights and discharging their duties, must act in the best interests of the Company, exercise their rights and discharge their duties in respect of the Company prudently and in good faith.

5.2. Members of the Board of Directors have the right to examine regulatory, accounting, financial and other documents and materials of the Company, including complete audit opinions, minutes of the Company Management Board meetings, which are required for the solution of the issues pertained to the competence of the Board of Directors, as well as inquire the General Director for other information related to the Company activity.

5.3. The Secretary of the Board of Directors, as well as the Company officials or employees, shall provide to the Board of Directors members access to documents and information required and shall provide at their request the copies of necessary documents and materials within 5 calendar days from the receipt of the request.

5.4. By the decision of the General Meeting of Shareholders, during the period of execution of their duties, members of the Board of Directors may get rewards and (or) compensation for expenses related to execution of their duties of the members of the Board of Directors. The rate of these rewards and compensations shall be established by the resolution of the General Meeting of Shareholders of the Company.

5.5. The Board of Directors members must operate according to the laws of the Russian Federation, the Charter of the Company, resolutions of the General Meeting of Shareholders, these Regulations and other internal documents of the Company.

5.6. The Board of Directors members must participate in the Board of Directors meetings in person. In case of inability of presence on the meeting, the Board of Directors member shall inform the Board of Directors about this fact stating the reasons. In the meantime, the Board of Directors member has the right to forward his written opinion concerning the agenda items in accordance with these Regulations.

5.7. The Board of Directors members must disclose to the Company Board of Directors the information:

- on legal entities, in which they own independently or jointly with their affiliated person (persons) 20 or more percent of voting shares (stakes, participatory interests);

- on legal entities, in management bodies of which they hold offices;

- on transactions being effected or planned, of which they know, in which they may be acknowledged interested;

- on holding of the Company securities, with specification of their number and category (type), as well as on selling and (or) purchasing of the Company securities, and quantity of the Company securities of each category (type), which can be obtained by him in execution of his rights on Company options belonging to him.

- on any affinity with other persons who are members of the Company management bodies and/or .

This information shall be disclosed to the Company Board of Directors in writing within 5 calendar days from date of of the circumstances.

The Board of Directors members shall provide essential contact details, including postal address, contact telephone, fax and E-mail, to the Secretary of the Board of Directors.

5.8. The Board of Directors members shall be liable to the Company for losses caused by their faulty actions (omissions), whereas other responsibility reasons are not established by federal laws.

The Board of Directors members, who voted against a decision which caused losses to the Company, or having not taken part in the voting, shall not be held liable.

6. The Secretary of the Board of Directors

6.1. Organizational support of the Board of Directors activity shall be the responsibility of the Secretary of the Board of Directors.

6.2. The Secretary of the Board of Directors shall be appointed, as advised by the Chairman of the Board of Directors from the persons who are not members of the Board of Directors, by the majority of vote of the Board of Directors members, who participate in the meeting.

6.3. The Secretary of the Board of Directors shall:

- receive claims and forward notifications about convening of the Board of Directors meeting;

-forward voting bulletins, documents and materials for the Board of Directors meetings according to clause 8.8 of these Regulations.

- receive voting bulletins filled in by the Board of Directors members;

- keep minutes of the Board of Directors meetings and prepare minutes according to the results of the absentee voting;

- exercise other functions in accordance with these Regulations, internal Company documents and instructions of the Chairman of the Board of Directors.

6.4. The Secretary of the Board of Directors, according to instructions of the Chairman of the Board of Directors, has the right to require information and documents, needed for preparation of materials concerning the agenda items of the Board of Directors meetings, from the Company officials and employees.

6.5. The Company employee, who performs the functions of the Secretary of the Board of Directors, may get rewards and compensation for expenses related to execution of the said additional functions, in the amount and order determined by the decision of the Board of Directors.

7. Plan of Operation of the Board of Directors

7.1. The Board of Directors meetings shall be held based of the operation plan, formed in accordance with proposals of the Chairman of the Board of Directors, the Board of Directors members, the General Director, the Management Board, the Auditing Commission and auditor of the Company.

7.2. Proposals concerning the operation plan of the Board of Directors shall be submitted not later than 30 calendar days before the planned period (half-year, year).

Proposal of including an issue in the operation plan of the Board of Directors must contain:

- information on person (body), making a proposal;

- wording of issues proposed for consideration of the Board of Directors;

- justification (reasons) of raising these issues;

-proposed time of consideration of issues;

- signature of person (head of body) making a proposal.

7.3. Control over preparation of the draft operating plan of the Board of Directors shall be exercised by the Chairman of the Board of Directors.

7.4. The operating plan shall be approved by the Board of Directors, as advised by the Chairman of the Board of Directors.

8. Convening Meetings of the Board of Directors

8.1. A meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors according to the approved operation plan, as well as on his own initiative, at the request of a member of the Board of Directors, Management Board, General Director, the Auditing Commission or auditor of the Company.

8.2. A request to convene a meeting of the Board of Directors shall contain:

- information on the person (body) submitting the request;

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- justification (reasons) of raising these issues;

- documents and other materials required for consideration of the issues raised;

- signature of the person (head of body) requesting to convene the meeting.

8.3. The person having submitted the request to convene a meeting of the Board of Directors may propose a date of the meeting of the Board of Directors and draft resolution on the corresponding item of the agenda.

A request to convene a meeting, stating a date of the meeting, shall be sent to the Board of Directors not later than 30 calendar days before the suggested date, except requests related to issues of urgent nature.

8.4. Within 5 calendar days from a date of request to convene a meeting of the Board of Directors, the Chairman of the Board of Directors shall make one of the following decisions:

- on convening a meeting of the Board of Directors (including item into the agenda of the regular meeting) within 30 calendar days, if other term for decision of this item is not established by the legislation.

- on refusal to convene a meeting.

The Chairman of the Board of Directors informs the person (head of body) submitting the request to convene a meeting, as well as members of the Board of Directors and the General Director on the decision made.

8.5. The Chairman of the Board of Directors has the right to refuse to convene a meeting of the Board of Directors, if the item has been submitted by a non-authorized person, is not referred to the competence of the Board of Directors or if a request to convene a meeting of the Board of Directors does not contain the information stipulated by clause 8.2. of these Regulations.

8.6. The Chairman of the Board of Directors, according to the Federal Law “On Joint-Stock Companies”, shall convene a meeting of the Board of Directors:

for consideration of shareholders' proposals on items to be included into the agenda of the annual General Meeting of Shareholders and nomination of candidates for the managing bodies and control bodies;

- for making a decision on convening the annual General Meeting of Shareholders and decisions on other matters relating to convening and holding such a meeting envisaged by the Federal Law “On Joint-Stock Companies”, the Charter of the Company and Regulations on the General Meeting of Shareholders of the Company;

- for making a decision on convening or refusal to convene the extraordinary General Meeting of Shareholders on demand by shareholders, the Auditing Commission, auditor of the Company;

- for convening an extraordinary General Meeting of Shareholders for election of new members of the Board of Directors and/or formation of the Company Management Board in the cases when the number of members of these management bodies does not ensure a quorum for decision-making.

8.7. The agenda of the regular meeting of the Board of Directors shall be formed and approved by the Chairman of the Board of Directors based of the Board of Directors operation plan, as well as requests of persons (bodies) to convene a meeting, received in accordance with the current legislation and these Regulations.

8.8. Not later than 15 calendar days before the date of meeting of the Board of Directors, and in case of absentee voting – not later then 20 days before the date of voting, the Chairman of the Board of Directors shall forward to all members of the Board of Directors a nominal written notification of convening the meeting of the Board of Directors, including:

- date, place and time of meeting (in case of joint physical presence);

- list of persons, invited to the meeting (in case of joint physical presence);

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Following documents shall be attached to the notification:

- the Board of Directors draft resolutions;

- reasons for the necessity of the proposed decision making;

-documents and other information materials;

- voting bulletins (in case of absentee voting) stating the date of filled in bulletins presentation to the Board of Directors.

Written notification shall be forwarded to the Board of Directors members by post, fax, telegraph, teletype, E-mail or other communication means.

8.9. Draft resolution of the Board of Directors and confidential materials, containing commercial or official secrets, are submitted for consideration of the Board of Directors as documents with the mark “confidential” or “trade secret”.

8.10. The order of preparation and presentation of materials to the Board of Directors meetings shall be governed by internal document of the Company, approved by the Board of Directors.

8.11. In case of the emergence of circumstances that make the holding of a meeting of the Board of Directors in the place and (or) time that members of the Board of Directors had been notified impossible or complicated, the meeting with the approved agenda may be held in a different place and (or) at different time. This meeting shall be held not more than 10 calendar days after the date of the cancelled meeting.

All members of the Board of Directors shall be notified of change of the place and (or) time of the meeting of the Board of Directors, and adequate time shall be given to members of the Board of Directors to arrive at the meeting. Notice of the respective changes shall be given to the members of the Board of Directors in any form guaranteeing the receipt of the notice.

8.12. Convening of a meeting of the Board of Directors at night (between 10 p.m. and 6 a.m. local time) is not allowed.

Holding of a meeting at a time or in a place that creates serious obstacles for most of the members of the Board of Directors to attend the meeting or makes such attendance impossible, including manufacturing and other premises, wherein the normal operation of the Board of Directors is impossible, is not allowed.

9. Procedure of Meetings of the Board of Directors and Decision Making

9.1. The Chairman of the Board of Directors shall organize the meeting of the Board of Directors holding according to the agenda.

The order of the meeting of the Board of Directors holding shall be defined by the Chairman of the Board of Directors.

9.2. Members of the executive bodies of the Company, members of the Auditing Commission, representative of the Company auditor, officials, and persons who prepared information and materials related to the agenda items, Company and affiliated companies employees and other persons may be invited to the meeting of the Board of Directors.

9.3. The person acting on the meeting as a chairman shall secure an order of holding of the meeting, business and constructive consideration of the agenda items, ensure the right of the Board of Directors members to discuss these items.

If it is necessary, the Board of Directors may take a break during the meeting, but not more than 3 calendar days. Within the specified term the meeting must be continued with the same agenda.

After each item consideration, the chairman shall announce vote returns and announce a decision on the item.

9.4. The quorum for meeting holding of the Board of Directors on items of the agenda, decisions on which shall be made by the majority of members of the Board of Directors, participating in the meeting, comprises more than half of a number of elected members of the Board of Directors.

If the number of Board of Directors members is less than an indicated quorum, the Company Board of Directors is obliged to convene an extraordinary General Meeting of Shareholders to elect new members of the Board of Directors.

9.5. Decisions at the meeting of Board of Directors shall be made by majority votes of the Board of Directors members participating in the meeting, unless otherwise provided by the Federal Law "On Joint-Stock Companies" and the Charter of the Company.

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- a member

- no less than 3 members of the Board of Directors are present at the meeting in person.

written opinion containing amendments and restrictions to the proposed draft resolution shall not be taken into account for quorum ascertainment and vote results calculation. In case amendments to the draft resolution are introduced during the Board of Directors meeting, a written opinion shall not be taken into account for quorum ascertainment and vote results calculation.

If written opinion was not forwarded to the members of the Board of Directors together with notification about convening the meeting, this written opinion shall be announced by the chairman at the meeting.

Written opinions shall be taken into account for quorum ascertainment and vote results calculation separately on each item.

9.6. Decisions of the Board of Directors shall be taken unanimously, i. e. by all elected Board of Directors members, on the following items:

- on submission for consideration of the General Meeting of Shareholders, as well as on including into agenda of the General Meeting of Shareholders items concerning to the Company restructuring or Company liquidation, and liquidation commission appointment.

- on implementation of major transaction, the subject matter of which is property with the value ranging from 25 to 50 percent of the book value of the Company assets on date of making decision of this transaction;

- on increasing the Company charter capital by placing additional shares in the range of declared shares.

When decisions of the Board of Directors shall be taken unanimously, votes of retired members of the Board of Directors shall not be taken into account.

9.7. Decisions by qualified majority, no less than two thirds of the number of the elected members of the Board of Directors, shall be taken on the following items:

- on refusal to convene extraordinary General Meeting of Shareholders;

- on refusal to include item into agenda of the General Meeting of Shareholders, or to include candidate into voting list for election to the Board of Directors and the Auditing Commission in cases

provided respectively by item 6 of article 55 and by item 5 of article 53 of the Federal Law "On Joint-Stock Companies".

When decisions of the Board of Directors shall be taken by qualified majority, votes of retired members of the Board of Directors shall not be taken into account.

9.8. Decision on the Company approval of the interested party transaction and evaluation of market price of disposed or purchased property or services, shall be made by the Board of Directors as prescribed by the Federal Law "On Joint-Stock Companies".

9.9. Decisions of the Board of Directors, which shall be taken unanimously, or by qualified majority, shall be taken only on the meetings of the Board of Directors, with physical presence of the members of the Board of Directors, by voting in person.

Other decisions of the Board of Directors may be made by absentee voting (by poll).

9.10. . Appointment by members of the Board of Directors of representatives for participation in the meeting of the Board of Directors, or reassignment of the voting right in decision making by poll to any other person, including some other member of the Board of Directors, is not allowed.

9.11. Each member of the Board of Directors shall have one vote, except in cases, provided by clause 9.8 of these Regulations. Reassignment of the voting right from a member of the Board of Directors to any other person, including some other member of the Board of Directors, is not allowed.

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Deputy Chairman of the Board of Directors.

10. Procedure of Absentee Voting

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10.2. For holding an absentee voting all members of the Board of Directors shall be sent notification of holding an absentee voting, as per clause 8.8 of these Regulations.

Voting bulletins shall contain the deadline for submission of filled in voting bulletins to the Board of Directors.

Notifications on holding an absentee voting shall be forwarded to all members of the Board of Directors not later than 20 calendar days before the deadline for submission of filled in voting bulletin to the Board of Directors.

10.3. Voting bulletins, filled in and signed in person by the members of the Board of Directors, shall be passed to the Secretary of the Board of Directors (Corporate Secretary).

10.4. Members of the Board of Directors are considered to have taken part in the absentee voting if their bulletins received by the Board of Directors not later than the date specified in the bulletin for submission of filled in voting bulletin.

10.5. A voting bulletin may be recognized as null and void fully or partially as regards specific items, if any marks are available in more than one column of vote options on the item, or if the voting bulletin bears no signature of the voting member of the Board of Directors, as well as if the bulletin contains amendments and/or restrictions to the proposed draft resolution.

10.6. The minutes shall be made on the basis of the absentee vote results pursuant to section 11 of these Regulations.

11. Procedure of Execution of Resolutions of the Board of Directors

11.1. The Secretary of the Board of Directors shall keep minutes of the meeting of the Board of Directors.

The minutes of a meeting of the Board of Directors shall be made not later than 3 calendar days after the meeting day.

The minutes shall specify:

- place and time of the meeting;

- attendee;

- agenda of the meeting;

- items put to the vote and vote results;

- decisions made.

The minutes of a meeting of the Board of Directors shall be signed by the chairman, who must accept responsibility for accuracy of the minutes keeping.

Written opinions of the members of the Board of Directors shall be enclosed to the minutes of the meeting of the Board of Directors in case if they shall be taken into account for quorum ascertainment and vote results calculation on agenda items (the form of the minutes of the Board of Directors is attached).

11.2. If a decision of the Board of Directors is made by absentee voting, the minutes of the meeting (absentee voting) shall specify:

- the date of the minutes;

- the members of the Board of Directors who submitted filled in voting bulletins by this date;

- agenda;

- items put to the vote and vote results;

- decisions made.

The minutes of a meeting (absentee voting) shall be made no later than within 3 calendar days from the date set for submission of filled in voting bulletins.

The minutes of a meeting (absentee voting) shall be signed by the Chairman Signed voting bulletins of the members of the Board of Directors shall be enclosed to the minutes (the form of the minutes of the Board of Directors for absentee voting is attached)[1]

11.3. Certified copies of the minutes and/or resolutions shall be forwarded or delivered to the members of the Board of Directors and General Director of the Company.

11.4. Minutes of meetings of the Board of Directors shall be given to the Auditing Commission and auditor of the Company on request.

12. Control over Compliance with Resolutions of the Board of Directors

12.1. On the basis of received copies of the minutes and/or resolutions of the Board of Directors to be performed, the General Director shall make an order on arrangement for performance

[1] Based on minutes on each agenda item resolutions of the Board of Directors may be executed, which shall be sign by the Chairman of the Board of Directors

of resolutions adopted by the Board of Directors with specification of performance period and responsible persons.

12.2. Heads of Company organization departments shall inform the General Director of the Company on the results of performing the resolutions adopted by the Board of Directors.

12.3. A member of the Board of Directors has the right to inquire from the General Director information on the results of performing the resolutions adopted by the Board of Directors at any time.

13. Committees and Commissions of the Board of Directors

13.1. With a view to ensure founded and effective decision-making, the Board of Directors shall establish permanent and temporary (for decision on particular items) committees of the Board of Directors, including the Audit Committee and Staff and Remuneration Committee.

13.2. Key functions of committees shall be preliminary comprehensive study of the items within the Board of Directors competence, in the line with their activity, and preparation of recommendation for the Board of Directors.

13.3. The Board of Directors committees are formed and operating in accordance with regulations on committees, approved by the Board of Directors, and are governed by the laws of the Russian Federation, Charter of the Company and internal documents of the Company, decisions of its management bodies.

13.4. The Board of Directors may establish commissions of the Board of Directors for examination of particular lines of activity and projects of the Company.

14. Final Provisions

14.1. These Regulations, as well as amendments and supplements hereto shall come into force from the day of approval by the General Meeting of Shareholders.

14.2. In case particular provisions of these Regulations conflict with the legislation of the Russian Federation and/or the Company Charter, they become invalid and corresponding provisions of the legislation of the Russian Federation and/or the Company Charter shall be applied. .