

Limited Liabilities Company LUKOIL-Western Siberia Kogalymneftegaz TPP

31-21-926 Date August 30, 2004 For # 424 of August 30, 2004

Letter of Commendation to APCS of oil heating for facilities of Kogalymneftegaz TPP

Insist Avtomatika began work on modernization of automation systems for oil heaters PTB-10 and Magdeburg in 2000. The subcontractor in this project was oil heaters developer – Saratovsky research and development centre.

For the time past the following work was performed:

- R&D "Development of an off-the-shelf solution for APCS of oil heating";
- development of design documentation on modification of oil heaters in accordance with requirements of valid normative documents and rules of safe operation;
- examination of industrial safety of the project;
- linkage of a typical project to central oil gathering plant of Povck oil field, central oil gathering plant of Yuzhno-Yagunskoe oil field, central oil gathering plant of Vat'egan oil field;
- supply of equipment for APCS of oil heating for central oil gathering plant of Povck oil field, central oil gathering plant of Yuzhno-Yagunskoe oil field, central oil gathering plant of Vat'egan oil fiel;
- contract supervision for oil heaters modification of APCS of oil heating for central oil gathering plant of Povck oil field, central oil gathering plant of Yuzhno-Yagunskoe oil field, central oil gathering plant of Vat'egan oil field;
- commissioning of APCS of oil heating for central oil gathering plant of Povck oil field, central oil gathering plant of Yuzhno-Yagunskoe oil field;
- warranty and post-warranty maintenance of implemented APCS.

APCS of oil heating developed by Insist Avtomatika using controllers manufactured by Allen-Bradley operate at 11 oil heaters of Kogalymneftegaz TPP and have positive letters of commendation from operating personnel.

Nowadays Insist Avtomatika performs commissioning of APCS of oil heating for 5 oil heaters at CPF of Central Oil Gathering Plant, Vat'egan oil field.

Kagalymneftegaz TPP plans to involve Insist Avtomatika to perform work on development of APCS of oil heating for 6 oil heaters of Central Oil Gathering Plant, Teylinsko-Russkinskoe oil field.

If comparing with oil heaters automation systems of other vendors APCS of oil heating developed by Insist Avtomatika do not have analogues as of quality of performance, engineering level, number of functions, and field equipment applied. APCS developed by Insist Avtomatika ensures:

- fulfillment of requirements of current normative documents on oil heaters operation safety;
- automatic maintenance of oil heaters' operating mode (preparation, ignition, switch to normal mode, operation in normal mode, emergency and planned shutdown) in accordance with regulations;
- remote control and control over oil heaters operation and process interlocks from operator's workstation and local operator panels being an integral part of oil heaters control stations:
- automatic maintenance of set temperature of product at oil heaters' outlet at optimum relationship "gas-air";
- alarm, protection and blockage of oil heaters operation with reason interpretation;
- accumulation and archiving of data on oil heaters, equipment operation, and personnel actions in database and formation of reports;
- rise in activity efficiency of personnel maintaining oil heaters and improvement of labour conditions:
- rise in equipment durability due to gradual automatic switch of oil heater to normal mode and use of variable frequency drive;
- electric energy saving due to use of variable frequency drive;
- ecological advancement at the facility due to automatic support of optimum relationship "gas-air" when burning fuel.

Insist Avtomatika performs a complex of work on development of APCS of oil heating including design of APCS considering individual requirements of a facility, complete delivery of equipment, contract supervision, commissioning at a facility, and start of operation of APCS.

Works on development of APCS are performed well in within the time limit. Kogalymneftegaz TPP does not have negative comments on work performed by Insist Avtomatika.

Deputy Principal Engineer, Automation, Information Systems, and Metrology Department

Shloman