

# Gazprom Gets Exemption

By [The Moscow Times](#)

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Gazprom may get a 10-year tax exemption for crude oil exported from its Prirazlomnoye development, Russia's first major offshore oil project in the Arctic.

The project will probably not be able to turn a profit without the tax relief, said two government officials, who declined to be identified before the exemption is approved. The project has received a temporary exemption from the mineral extraction tax.

Production drilling on the project is planned for around the first quarter of next year, with output planned to peak at about 6 million to 6.5 million tons a year in 2019. The project's platform and 40 wells may cost \$7 billion, Gazprom deputy department head Nikolai Kabanov said Sept. 13.

*(Bloomberg)*

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