The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Kazakhstan Tells U.S. It Has Priority in Local Lukoil Buyout Bid

February 23, 2026

Lukoil office in Astana. **Vladimir Bugaev / TASS**

Kazakhstan has notified the United States that it holds the preemptive right to buy out sanctioned Russian oil producer Lukoil's assets in the country, its energy ministry told the Interfax news agency Monday.

The U.S. slapped sanctions on Lukoil in October 2025 as part of efforts to pressure Russia to end the war in Ukraine, prompting the company to start seeking a buyer for its foreign assets. Lukoil's current license to sell overseas assets expires on Saturday.

Kazakhstan's energy minister said in late January it had submitted a formal Lukoil buyout bid to the U.S. Office of Foreign Assets Control (OFAC), which approves potential transactions that could be affected by U.S. sanctions.

"The letter to OFAC is a notification of Kazakhstan's priority right to acquire stakes in projects," the Kazakh energy ministry told Interfax on Monday.

Lukoil holds a 13.5% stake in Kazakhstan's Karachaganak field, 12.5% in the Caspian Pipeline Consortium and 5% in the Tengiz field.

Last week, Kazakhstan's national oil company Kazmunaygas said it was negotiating with Lukoil on the future of these assets.

Lukoil accounts for about 2% of global oil production, with roughly one quarter of that coming from its international operations.

Besides Kazakh projects, the company owns three refineries in Europe, stakes in oilfields in Ghana, Egypt, Iraq, Nigeria, Mexico and Uzbekistan, and hundreds of filling stations worldwide, including in the U.S.

Lukoil's international assets were valued at about $22 billion in 2024.

Following the sanctions, the U.S. Treasury granted Lukoil a license to sell its overseas assets and has twice extended it. The current license is set to expire on Feb. 28.

Original url:
https://www.themoscowtimes.com/2026/02/23/kazakhstan-tells-us-it-has-priority-in-local-lukoil-buyout-bid-a92024