



# **CNOOC LIMITED**

## **中国海洋石油有限公司**

### **2007 First Quarter Review**

**Financial and Operating Highlights  
for the Quarter Ending March 31, 2007**



# Overview

## Operation Highlights

- Total production 473,280 boe/d, a 5.1% YoY increase
- Major development projects on track
- 2 successful wildcats and 2 successful appraisals

## Financial Achievements

- Total revenue of RMB 14,850.7 million (US\$1,909.9 million), a 10.9% YoY decrease mainly due to weaker oil price
- Total Capex of RMB 6,333.6 million (US\$814.5 million), a 70.3% YoY increase
- Average realized oil price of US\$52.45/bbl, a decrease of 15.1% YoY



# Production Summary

Net Production	2006Q1	2007Q1	%Change
<b>Crude Oil &amp; Liquids (b/d)</b>			
Bohai Bay	200,473	207,247	3.4%
Western South China Sea	45,820	33,190	-27.6%
Eastern South China Sea	116,474	111,451	-4.3%
East China Sea	1,634	1,527	-6.5%
Overseas	19,119	25,318	32.4%
<b>Subtotal (b/d)</b>	<b>383,519</b>	<b>378,734</b>	<b>-1.2%</b>
<b>Natural Gas (mmcf/d)</b>			
Bohai Bay	65	71	8.9%
Western South China Sea	199	248	24.7%
Eastern South China Sea	9	27	214.7%
East China Sea	20	26	33.2%
Overseas	97	177	82.4%
<b>Subtotal (mmcf/d)</b>	<b>390</b>	<b>550</b>	<b>41.1%</b>
<b>Total Production (boe/d)</b>	<b>450,463</b>	<b>473,280</b>	<b>5.1%</b>



**Daily oil and gas production overseas sharply increased by 60.9% YoY due to commencement of NWS and SES Gas Project.**



# Revenue and Capital Expenditures



	RMB millions			US\$ millions <sup>(1)</sup>	
	2006Q1	2007Q1	%Change	2006Q1	2007Q1
<b>Sales Revenue</b>					
Crude Oil and Liquids	15,616.3	13,632.6	-12.7%	1,938.1	1,753.2
Natural Gas	816.0	1,173.9	43.9%	101.3	151.0
Marketing Revenue, net	120.9	26.4		15.0	3.4
Others	106.8	17.8		13.3	2.3
<b>Total Revenue</b>	<b>16,660.0</b>	<b>14,850.7</b>	<b>-10.9%</b>	<b>2,067.6</b>	<b>1,909.9</b>
<b>Capital Expenditures</b>					
Exploration	426.6	958.9	124.8%	52.9	123.3
Development	3,292.9	5,374.7	63.2%	408.7	691.2
<b>Total Capex</b>	<b>3,719.5</b>	<b>6,333.6</b>	<b>70.3%</b>	<b>461.6</b>	<b>814.5</b>
<b>Average Realized Prices</b>					
Oil, US\$/bbl				58.13	52.45
Gas, US\$/mcf				3.10	3.19

(1) Note: Converted to US dollars at RMB 8.0575= US\$1.00 for 2006 Q1; 7.7757 for 2007 Q1



# Major Development Highlights





# Exploration Highlights



350 km of 2D seismic and 1013 km<sup>2</sup> of 3D seismic were acquired offshore China, and 4,371 km 2D overseas.



## Health, Safety and Environment

- **CNOOC Limited strives to maintain high standards for its health, safety and environmental performance**
  - Health and safety incidents are closely monitored, recorded and promptly reported to government agencies and organizations
  - OSHA data improved from the same period of 2006

<b>CNOOC Limited Performance</b>	<b>2006 Q1</b>	<b>2007 Q1</b>
Rate of recordable cases (per 200,000 man hours)	0.28	0.12
Rate of lost work days cases (per 200,000 man hours)	0.34	0.11



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