



# **CNOOC LIMITED**

# **中国海洋石油有限公司**

## **2011 First Quarter Review**

**Financial and Operating Highlights  
for the Quarter Ended March 31, 2011**



# Overview

## Operation Highlights

- Total net production of 85.2 million boe, an increase of 26.6% YoY
- 5 new discoveries and 6 successful appraisal wells
- Jinzhou 25-1 came on stream

## Financial Results

- Total revenue of RMB 48,510.7 million, an increase of 59.1% YoY
- Total Capex of RMB 6,402.4 million, an increase of 10.3% YoY
- Average realized oil price of US\$99.98/bbl, an increase of 32.7% YoY
- Average realized gas price of US\$4.81/mcf, an increase of 8.6% YoY



# Production Summary

<b>Net production</b>	<b>2011Q1</b>	<b>2010Q1</b>
<b>Crude oil and liquids (mmbbls)</b>		
Bohai Bay	39.6	30.4
Western South China Sea	7.5	7.6
Eastern South China Sea	11.9	9.8
East China Sea	0.03	0.01
Overseas	9.8	7.2
<b>Subtotal</b>	<b>68.8</b>	<b>55.0</b>
<b>Natural gas (bcf)</b>		
Bohai Bay	12.1	9.8
Western South China Sea	34.7	26.9
Eastern South China Sea	15.1	10.3
East China Sea	1.7	0.5
Overseas	33.1	24.1
<b>Subtotal</b>	<b>96.7</b>	<b>71.6</b>
<b>Total production (mm boe)</b>	<b>85.2</b>	<b>67.3</b>



# Revenue and Capital Expenditure

(unaudited)	RMB millions		%Change	USD millions <sup>(1)</sup>	
	2011Q1	2010Q1		2011Q1	2010Q1
<b>Sales Revenue</b>					
Crude Oil and Liquids	45,154.8	27,990.9	61.3%	6,857.6	4,100.0
Natural Gas	3,059.5	2,165.1	41.3%	464.7	317.1
Marketing Revenue, net	39.8	44.2	-10.0%	6.0	6.5
Others	256.6	293.1	-12.5%	39.0	42.9
<b>Total Revenue</b>	<b>48,510.7</b>	<b>30,493.3</b>	<b>59.1%</b>	<b>7,376.3</b>	<b>4,466.5</b>
<b>Capital Expenditures</b>					
Exploration	1,996.6	927.3	115.3%	303.2	135.8
Development	3,277.3	3,094.2	5.9%	497.7	453.2
Production	1,128.5	1,781.2	-36.6%	171.4	260.9
<b>Total Capex</b>	<b>6,402.4</b>	<b>5,802.7</b>	<b>10.3%</b>	<b>972.3</b>	<b>849.9</b>
<b>Average realized prices</b>					
Oil, US\$/bbl				99.98	75.37
Gas, US\$/mcf				4.81	4.43

(1) Converted to US dollars at RMB6.5846= US\$1.00 for 2011 Q1; RMB6.8271= US\$1.00 for 2010 Q1.



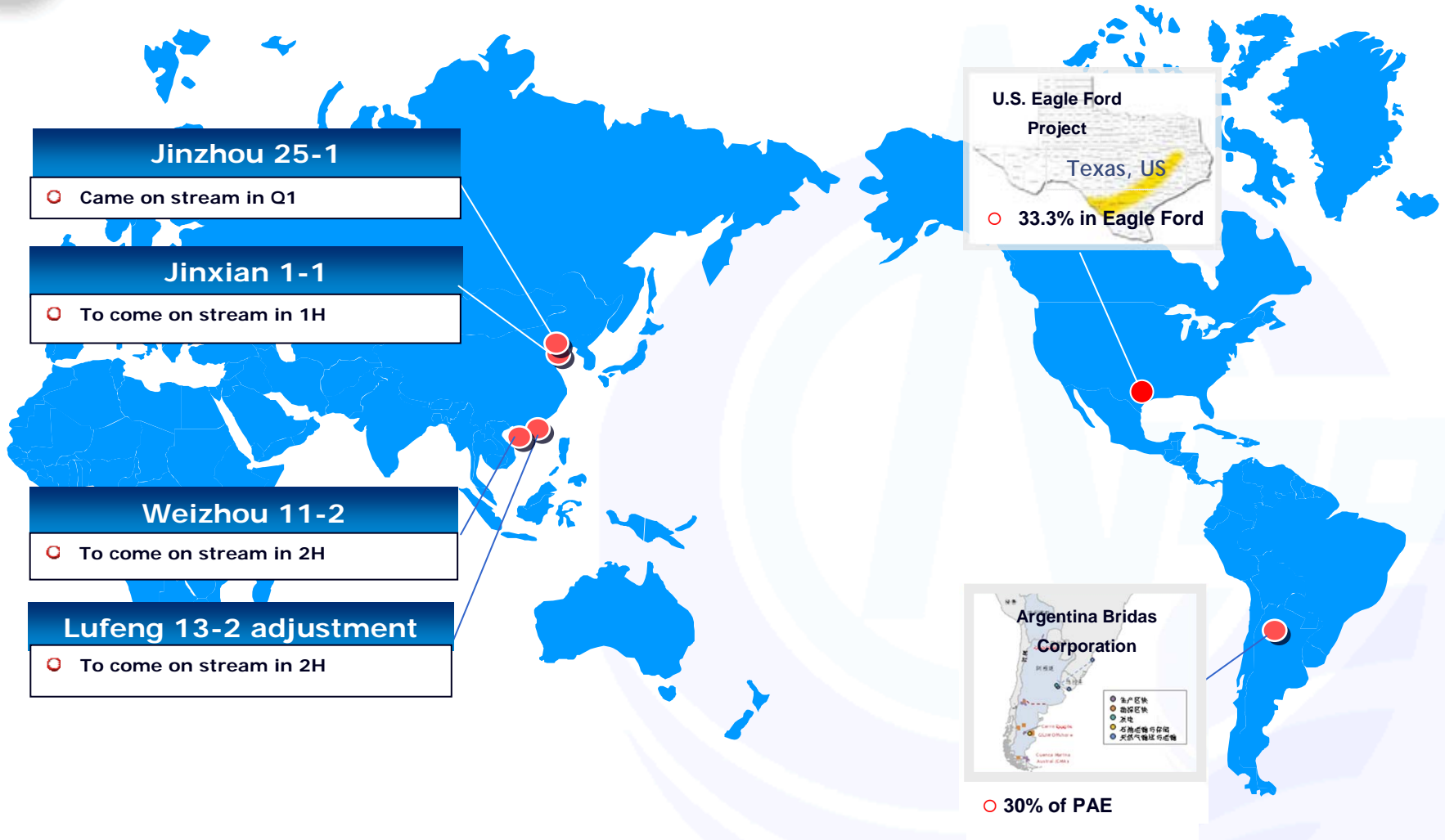
# Exploration Highlights



5 successful wildcats and 6 successful appraisal wells were made in Q1 2011.



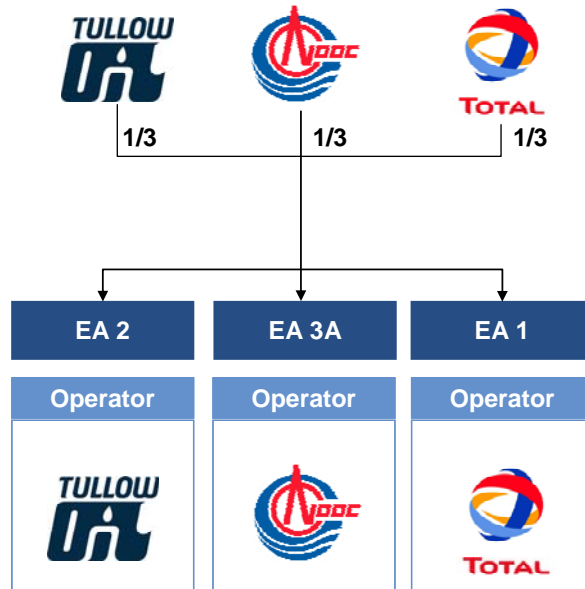
# Major New Projects



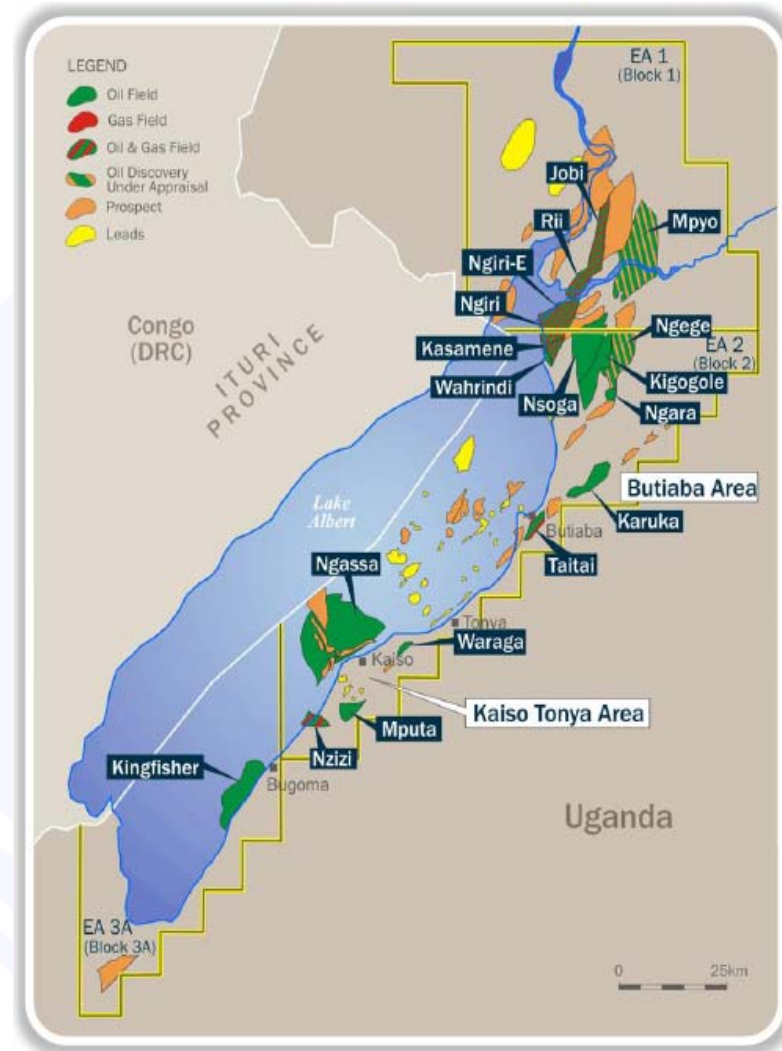
Jinzhou 25-1 came on stream in Q1 as scheduled. Other projects went on smoothly.



# Acquisition of Tullow's Uganda Assets

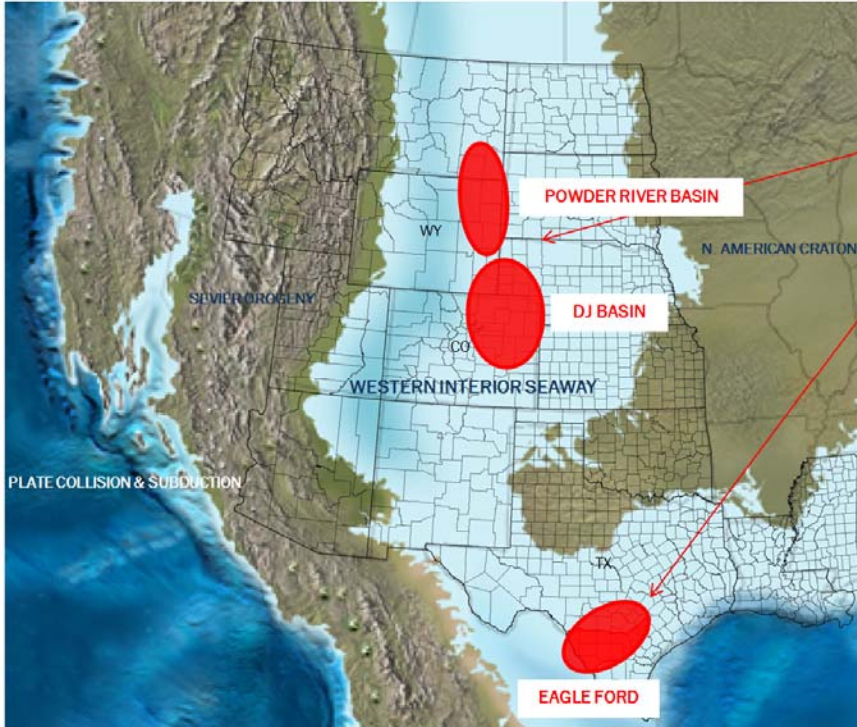


- Signing: March 29, 2011
- Total transaction consideration: approx. US\$1.467bn in cash, subject to closing adjustments
- P-50 recoverable volume of oil: >1 billion barrels
- The basin-wide production rate: >200,000 barrels of oil per day
- Expected completion: 1H 2011

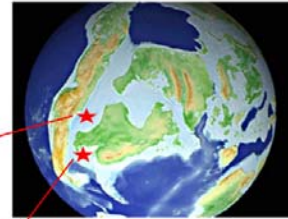




# Chesapeake Niobrara Project



WESTERN NORTH AMERICA AT TIME OF NIOBRARA DEPOSITION; U. CRETACEOUS ~85 mya (Blakey)



- **Timing:**
  - Signing: Jan 31, 2011**
  - Closing: Feb 17, 2011**
- **33.3% undivided interest in Chesapeake's Niobrara project**
- **Project acreage : 800,000 leasehold acres**
- **Consideration of the transaction: \$570 million in cash**
- **Fund 66.7% of Chesapeake's share of drilling and completion costs up to \$697 million**





# Health, Safety and Environment

- We consider HSE as the foundation of the Company's existence and a guarantee of its development
- One of the top priorities since established
- Strictly follow the HSE standards issued by the government and exercise the industry best practice
- HSE incidents closely monitored and effectively handled
- No major HSE accidents in the past ten years

**2011Q1**

**2010Q1**

Rate of recordable cases  
(per 200,000 man hours)

0.11

0.14

Rate of lost work days cases  
(per 200,000 man hours)

0.07

0.00



<http://www.cnooc.com>