



CNOOC LIMITED

中国海洋石油有限公司

2012 Third Quarter Review

Financial and Operating Highlights
for the Quarter Ended September 30, 2012



Disclaimer

This presentation includes “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospectus or financial results. The words “believe,” “intend,” “expect,” “anticipate,” “project,” “estimate,” “plan,” “predict” and similar expressions are intended to identify such forward-looking statements.

These statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties which could cause our actual results, performance and financial condition to differ materially from our expectations, including those associated with fluctuations in crude oil and natural gas prices, our exploration or development activities, our capital expenditure requirements, our business strategy, the highly competitive nature of the oil and natural gas industries, our foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the People’s Republic of China. For a description of these and other risks and uncertainties, please see the documents we file from time to time with the United States Securities and Exchange Commission, including our 2011 Annual Report on Form 20-F filed on April 20, 2012. Consequently, all of the forward-looking statements made in this presentation are qualified by these cautionary statements. We cannot assure that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected effect on us, our business or our operations.



Overview

Operation Highlights

- Net production of 87.8 mm boe
- 8 successful appraisal wells offshore China
- Weizhou 6-9/6-10 and Weizhou 11-2 successfully came on stream

Financial Results

- Oil and gas sales revenues of RMB 48.44 billion, up 4.7% YoY
- Capex of RMB 15.00 billion, up 46.7% YoY
- Realized oil price of US\$ 104.74/bbl, down 6.5% YoY
- Realized gas price of US\$ 5.83/mcf, up 12.5% YoY



Production Summary

Net production

2012Q3*

2011Q3*

Crude oil and liquids (mm bbls)

Bohai	38.6	35.6
Western South China Sea	6.6	6.1
Eastern South China Sea	11.5	9.8
East China Sea	0.1	0.1
Overseas	12.9	9.8
Subtotal	69.6	61.4

Natural gas (bcf)

Bohai	10.2	10.7
Western South China Sea	35.7	37.1
Eastern South China Sea	14.5	14.9
East China Sea	3.0	2.5
Overseas	41.4	48.8
Subtotal	104.7	114.0

Total (mm boe)

87.8

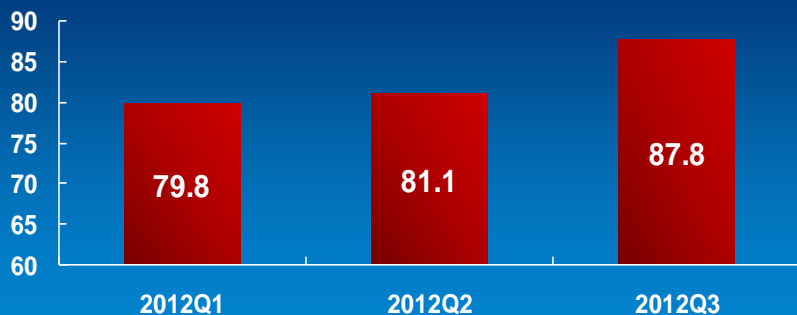
80.9

* Including our interest in equity-accounted investees, which is approximately 4.1 mm boe in 2012Q3 and 4.6 mm boe in 2011Q3.

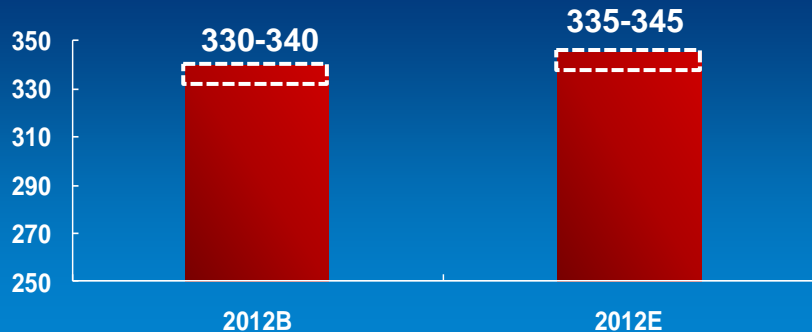


Production Growth

(mm boe)



(mm boe)



- Net production of 87.8 mm boe in Q3, representing 8.3% increase from Q2, mainly driven by:
 - Contribution from new projects and new development wells
 - Ramp up of overseas projects, e.g. Eagle Ford
 - Stable performance of producing fields
 - Effective adjustment measures
 - Most of the scheduled maintenance completed in 1H, and oilfields back to normal production
- Production in Q4 will remain robust, and full year production is expected to reach 335-345 mm boe.



Revenues and Capital Expenditure

(unaudited)	3 months ended September 30			9 months ended September 30		
	2012	2011	%Chg	2012	2011	%Chg
<i>(RMB Million)</i>						
Revenues						
Crude Oil & liquids	45,052	42,897	5.0%	134,339	134,027	0.2%
Natural Gas	3,392	3,363	0.9%	9,764	9,264	5.4%
Marketing Revenues, net	101	28		205	112	
Others	416	227		1,142	655	
Total	48,961	46,515	5.3%	145,450	144,058	1.0%
Capital Expenditure						
Exploration	3,129	2,500	25.2%	9,856	6,526	51.0%
Development	9,221	5,868	57.1%	24,446	13,736	78.0%
Production	2,651	1,855	42.9%	5,066	4,654	8.9%
Total	15,001	10,223	46.7%	39,368	24,916	58.0%
Average Realized Prices						
Oil (US\$/bbl)	104.74	112.04	-6.5%	112.54	109.41	2.9%
Natural Gas (US\$/mcf)	5.83	5.18	12.5%	5.88	5.01	17.4%



Exploration Highlights



We achieved 8 successful appraisal wells offshore China in Q3.



Successful Appraisal of KL9-1 and DF13-2



- **Successful appraisal of Kenli 9-1**
 - Discovered in 2011
 - KL9-1-2 encountered oil pay zones with total thickness of 40.9 meters
 - KL9-1-3 encountered oil pay zones of 32.3 meters
 - Good prospect for future exploration in this area
 - KL9-1 proved to be a mid-size discovery



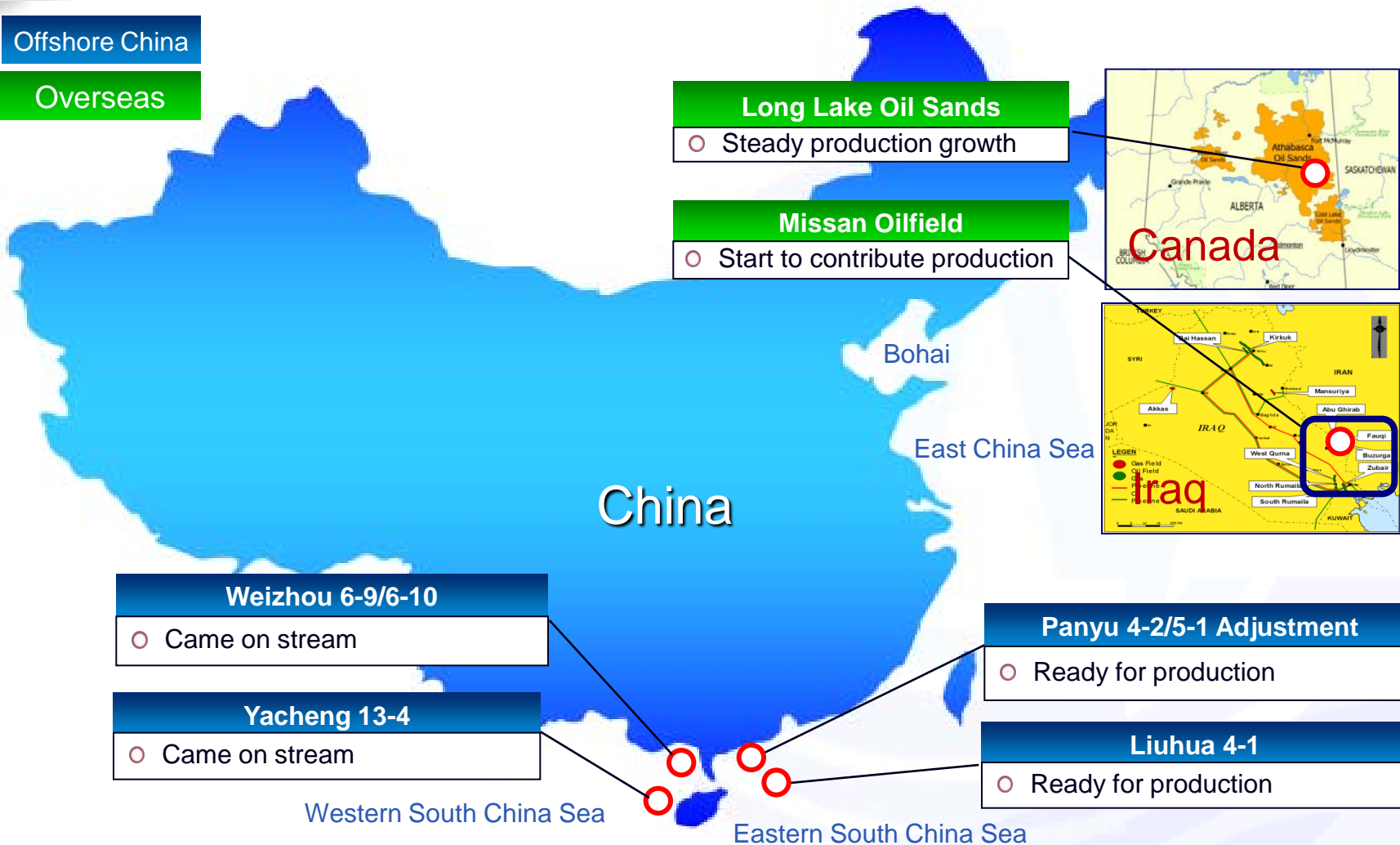
- **Successful appraisal of Dongfang 13-2**
 - Discovered in 1H 2012
 - DF13-2-3 encountered gas pay zones of 40.2 meters
 - DF13-2-4 encountered gas pay zones of 18.3 meters
 - Enlarge the reserve scale of this area and good prospect for future exploration
 - DF13-2 proved to be a large-size discovery



Major New Projects

Offshore China

Overseas



Two of the four new projects scheduled this year offshore China already came on stream. Besides, Weizhou 11-2 also started production.



HSE Performance

- Health, safety and environment protection are always our top priority.
- 2012 was made “Safety and environment protection promotion year” of the Company.
- Continue to closely monitor the production operations of all oil and gas fields.
- Continue to proactively perform social responsibilities.

	2012Q3	2011Q3
Rate of Recordable Cases (per 200,000 man hours)	0.11	0.13
Rate of Lost Workdays Cases (per 200,000 man hours)	0.05	0.08



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