



# **CNOOC LIMITED**

# **中国海洋石油有限公司**

## **2013 First Quarter Review**

**Financial and Operating Highlights  
for the Quarter Ended March 31, 2013**



# 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 “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analysis made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes reasonable under the circumstances. However, whether actual results and developments will meet the Company’s expectations and predictions depends on a number of risks and uncertainties which could cause the actual results, performance and financial conditions to differ materially from the Company’s expectations, including those associated with fluctuations in crude oil and natural gas prices, the exploration or development activities, the capital expenditure requirements, the business strategy, whether the transactions entered into by the Group can complete on schedule pursuant to its timetable or at all, the highly competitive nature of the oil and natural gas industries, the 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 the Company has filed from time to time with the United States Securities and Exchange Commission, including 2012 Annual Report on Form 20-F filed on April 24, 2013.

Consequently, all of the forward-looking statements made in this presentation are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realized or, even if substantially realized, that they will have the expected effect on the Company, its business or operations.



## Operation Highlights

- **Net production of 93.6 million boe\***
  - Including Nexen contribution of 6.9 million boe
- **5 new discoveries and 6 successful appraisal wells**
- **New projects went smoothly**
- **Nexen transaction completed in Feb 2013**

## Financial Results

- **Oil and gas sales revenue of RMB 55.31 billion, up 13.3% YoY**
- **Capex of RMB 14.80 billion, up 53.5% YoY**
  - Including Nexen Capex of RMB 1.82 billion
- **Realized oil price of US\$ 110.29/bbl, down 8.7% YoY**
- **Realized gas price of US\$ 5.79/mcf, down 1.5% YoY**

\* Including our interest in equity-accounted investees



# Production Summary

	2013Q1*		2012Q1*	
	Oil (mm bbls)	Gas (bcf)	Oil (mm bbls)	Gas (bcf)
<b>China</b>				
Bohai	37.4	12.1	35.5	11.4
Western South China Sea	6.1	29.1	6.1	31.4
Eastern South China Sea	13.8	13.9	11.1	10.6
East China Sea	0.1	2.6	0.1	3.2
<b>Subtotal</b>	<b>57.4</b>	<b>57.7</b>	<b>52.9</b>	<b>56.6</b>
<b>Overseas</b>				
Asia	2.3	13.3	1.1	16.6
Oceania	0.2	5.8	0.2	4.2
Africa	6.2	-	5.7	-
North America	5.1	11.9	1.7	4.1
South America	1.9	11.5	2.2	11.3
Europe	3.5	1.3	-	-
<b>Subtotal</b>	<b>19.0</b>	<b>43.8</b>	<b>10.9</b>	<b>36.2</b>
<b>Total</b>	<b>76.5</b>	<b>101.5</b>	<b>63.8</b>	<b>92.8</b>
<b>Total production (mm boe)</b>		<b>93.6</b>		<b>79.8</b>

\*Including our interest in equity-accounted investees, which is approximately 3.8 mm boe in 2013Q1 and 4.3 mm boe in 2012Q1. Production in 2013Q1 includes contribution from Nexen of 6.9 mm boe (5.7 mm bbls of oil and 7.0 bcf of gas)



# Revenue and Capital Expenditure

(unaudited)	RMB millions		%Change	USD millions*	
	2013Q1**	2012Q1		2013Q1**	2012Q1
<b>Sales Revenue</b>					
Crude Oil and Liquids	52,050	45,842	13.5%	8,291	7,276
Natural Gas	3,260	2,993	8.9%	519	475
Marketing Revenue, net	417	40	942.5%	66	6
Others	452	407	11.1%	72	65
<b>Total Revenue</b>	<b>56,179</b>	<b>49,282</b>	<b>14.0%</b>	<b>8,948</b>	<b>7,822</b>
<b>Capital Expenditures</b>					
Exploration	2,668	2,626	1.6%	425	417
Development	10,297	6,130	68.0%	1,640	973
Production	1,834	887	106.8%	292	141
<b>Total Capex</b>	<b>14,800</b>	<b>9,642</b>	<b>53.5%</b>	<b>2,357</b>	<b>1,530</b>
<b>Average realized prices</b>					
Oil, US\$/bbl				110.29	120.79
Gas, US\$/mcf				5.79	5.88

\*Converted to US dollars at RMB6.2782=USD1.00 for 2013Q1; RMB6.3003=USD1.00 for 2012Q1.

\*\*Nexen Inc. became a wholly-owned subsidiary of CNOOC Limited after completion of the transaction, and has been consolidated in the financial statement.



# Exploration Program

## 06/17

Name of wells	Type of wells	Description
QHD29-2E-6	Appraisal	Success

## Caofeidian24

Name of wells	Type of wells	Description
KL2-1-3	Appraisal	Success
KL9-6-1	Wildcat	Success

## Weizhou12

Name of wells	Type of wells	Description
WS22-7-1	Wildcat	Success

## Lingao15

Name of wells	Type of wells	Description
DF1-4-2	Appraisal	Success

## Bozhong09

Name of wells	Type of wells	Description
BZ23-3-1	Wildcat	Success
PL15-2-7	Appraisal	Success
PL15-2-8D	Appraisal	Success
PL15-2-6	Appraisal	Success

## Bonan

Name of wells	Type of wells	Description
BZ34-9-1	Wildcat	Success

## Algeria HBR\*

Name of wells	Type of wells	Description
RDA-1	Wildcat	Success

\*CNOOC interest: 24.5%



**5 discoveries and 6 successful appraisal wells were made in 2013Q1.**



# Exploration Breakthrough



- **Successful appraisal of Penglai 15-2**
  - **Three successful appraisal wells in Q1**
    - PL 15-2-6 encountered oil pay zones of 48.2 meters
    - PL 15-2-7 encountered oil pay zones of 71.6 meters
    - PL 15-2-8D encountered oil pay zones of 185.6 meters
  - **Extended the reserve scale of this area**
  - **PL 15-2 proved to be a mid to large size crude oil discovery**
  - **Good prospect for future exploration in this area**



# Major New Projects in 2013



**New projects progressed smoothly. Weizhou 6-12 already came on stream recently.**





# Health, Safety and Environment

- Health, safety and environmental protection are always our top priority.
- Continue to strengthen the company's safety and environmental protection management efforts, further refine and improve the relevant measures.
- Continue to proactively perform social responsibilities.

**2013Q1**

**2012Q1**

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

**0.06**

**0.12**

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

**0.02**

**0.04**



<http://www.cnooc.com>