



CNOOC Limited
中国海洋石油有限公司

2017 First Quarter Review

Financial and Operating Highlights
for the Quarter Ended March 31, 2017



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Overview

Operation Highlights

- 🚢 Net production of 119.1mm boe, down 4.2% YoY
- 🚢 5 new discoveries and 6 successful appraisal wells
- 🚢 Penglai 19-9 oil field comprehensive adjustment and Enping 23-1 oil fields came on stream, and other new projects progressed smoothly

Financial Results

- 🚢 Oil and gas sales revenues of RMB 38.39 billion, up 55.8% YoY
- 🚢 Capex of RMB 8.67 billion, down 10.6% YoY
- 🚢 Realized oil price of US\$ 51.64/bbl, up 58.7% YoY
- 🚢 Realized gas price of US\$ 6.00/mcf, up 5.4% YoY

Production Summary

	2017Q1*			2016年Q1*		
	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)
China						
Bohai	40.5	13.6	42.7	43.8	13.5	46.1
Western South China Sea	9.3	25.7	13.7	9.9	25.7	14.3
Eastern South China Sea	17.5	18.8	20.7	17.9	17.9	20.9
East China Sea	0.4	5.6	1.4	0.4	5.7	1.3
Subtotal	67.7	63.7	78.4	72.0	62.9	82.6
Overseas						
Asia (Ex. China)	4.6	12.8	6.9	4.5	13.9	7.0
Oceania	0.2	4.3	1.0	0.3	7.3	1.7
Africa	7.2	-	7.2	6.8	-	6.8
North America (Ex. Canada)	4.2	11.0	6.0	4.2	11.2	6.1
Canada	4.9	4.0	5.6	3.7	5.1	4.6
South America	2.0	12.3	4.1	2.2	13.6	4.5
Europe	9.4	2.5	9.8	10.3	4.0	11.0
Subtotal	32.4	46.9	40.6	32.0	55.2	41.7
Total	100.2	110.6	119.1	104.1	118.0	124.3

*Including our interest in equity-accounted investees, which is approximately 4.2 mm boe in 2017Q1 and 4.6 mm boe in 2016Q1.

In 2017Q1, production percentage of China and overseas was 66% v.s. 34%; Crude liquids and natural gas was 84% v.s. 16%.

Revenues and Capital Expenditure

(unaudited)	2017Q1	2016Q1	Change	2017Q1	2016Q1
	RMB millions		%	USD millions*	
Sales Revenue					
Crude and Liquids	34,354	20,777	65.3%	4,990	3,184
Natural Gas	4,039	3,861	4.6%	587	592
Marketing Revenue, net	228	253	-9.9%	33	39
Others	1,857	928	100.1%	270	142
Total Revenue	40,478	25,819	56.8%	5,880	3,957
Capital Expenditures**					
Exploration	2,101	2,059	2.0%	305	316
Development	5,599	6,678	-16.2%	813	1,024
Production	962	954	0.8%	140	146
Others	7	3	133.3%	1	0
Total Capex	8,669	9,694	-10.6%	1,259	1,486
Average Realized Prices					
Oil (US\$/bbl)				51.64	32.54
Gas (US\$/mcf)				6.00	5.69

Exploration Highlights

Offshore China

Overseas

Qinhuangdao36

Well	Type	Status
Penglai 7-6-4d	Appraisal	Successful

Bonan

Well	Type	Status
Bozhong 29-6-1	Wildcat	Successful
Bozhong 29-6S-1	Wildcat	Successful
Bozhong 36-1-2d	Appraisal	Successful
Bozhong 36-1-2Sa	Appraisal	Successful
Bozhong 29-6S-1Sa	Appraisal	Successful

Yulin35, Weizhou12

Well	Type	Status
Weizhou 11-2E-1	Wildcat	Successful
Weizhou 11-12W-1	Wildcat	Successful
Weizhou 16-1W-3d	Appraisal	Successful

Guyana

Well	Type	Status
Snoek	Wildcat	Successful

Brazil

Well	Type	Status
NW-7	Appraisal	Successful

「In the first quarter, we achieved 5 new discoveries and 6 successful appraisal wells.」



Successful Exploration Program



New discoveries Bozhong 29-6/29-6S

- Located in the northern slope of the middle sag in Yellow River mouth area in Bohai
- Discovery wells BZ29-6-1 and BZ29-6S-1 encountered oil pay zones with total thickness of ~53 meters and ~33 meters, respectively
- Drilled and completed at a depth of 1,870 meters and 1,850 meters, respectively
- Demonstrated good exploration potential of this area



Successful appraisal of Penglai 7-6

- Located in the south of Bodong low uplift in Bohai
- Appraisal well PL7-6-4d encountered oil pay zones with total thickness of ~ 21 meters
- Drilled and completed at a depth of 2,341 meters
- Proved to be a mid-size oil and gas structure*

New Projects in 2017

Project	Location	Status	Expected Startup	Peak Production (boe/d)	Working Interests
Penglai 19-9 oil field comprehensive adjustment	Bohai	Commenced production	First half	13,000	51%
Enping 23-1 oil fields	Eastern South China Sea	Commenced production	First half	24,800	100%
Weizhou 12-2 oil field Phase II	Western South China Sea	Offshore installation and commission	Second half	11,800	100%
BD gas field	Indonesia	Commission	First half	25,500	40%
Hangingstone Project	Canada	Commission	Second half	18,100	25%



Penglai 19-9 comprehensive adjustment and Enping 23-1 already came on stream, and other projects progressed smoothly.



HSE Performance

- 🌐 Health, safety and environmental protection are always our top priority
- 🌐 OSHA statistics maintained at good level in the first quarter

	2017Q1	2016Q1
Rate of Recordable Cases	0.13	0.14
Rate of Lost Workdays Cases (per 200,000 man hours)	0.03	0.05



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