



CNOOC Limited
中国海洋石油有限公司

2019 First Quarter Review

Financial and Operating Highlights
for the Quarter Ended March 31, 2019



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 analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate under the circumstances. However, whether actual results and developments will meet the expectations and predictions of the Company depends on a number of risks and uncertainties which could cause the actual results, performance and financial condition 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 the terms and 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 risks and uncertainties, please see the documents the Company files from time to time with the United States Securities and Exchange Commission, including the Annual Report on Form 20-F filed in April of the latest fiscal year.

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.







Overview

Operation Highlights

-  Net production remained stable YoY and reached 120.1 mm boe
-  4 new discoveries and 10 successful appraisal wells
-  Egina oil field and Huizhou 32-5 oil field comprehensive adjustment/Huizhou 33-1 oil field joint development project came on stream, other new projects progressed smoothly

Financial Results

-  Oil and gas sales revenue of RMB 42.05 billion, down 1.1% YoY
-  Capex of RMB 14.08 billion, up 45.8% YoY
-  Realized oil price of US\$ 60.78/bbl, down 4.3% YoY
-  Realized gas price of US\$ 6.88/mcf, up 6.3% YoY

Production Summary

	2019Q1			2018Q1		
	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)
China						
Bohai	38.7	15.0	41.2	38.8	15.0	41.3
Western South China Sea	9.5	26.3	14.0	9.5	24.6	13.6
Eastern South China Sea	16.9	34.6	22.7	16.7	26.8	21.2
East China Sea	0.4	4.6	1.2	0.4	5.3	1.3
Subtotal*	65.5	80.6	79.3	65.5	71.9	77.5
Overseas						
Asia (Ex. China)	2.9	13.5	5.2	6.2	14.1	8.8
Oceania	0.1	3.9	0.9	0.3	6.8	1.6
Africa	8.9	-	8.9	5.9	-	5.9
North America (Ex. Canada)	5.2	11.9	7.2	4.5	11.9	6.4
Canada	6.2	1.3	6.4	5.8	3.5	6.3
South America	2.9	13.9	5.3	2.6	15.2	5.2
Europe	6.6	1.3	6.9	7.9	2.3	8.3
Subtotal	32.8	45.9	40.8	33.1	53.8	42.6
Total**	98.3	126.5	120.1	98.6	125.7	120.1

*Including other production from onshore China, which is approximately 0.3 mm boe in Q1 2019 and approximately 0.04 mm boe in Q1 2018.

**Including our interest in equity-accounted investees, which is approximately 5.1 mm boe in 2019 Q1 and 5.2 mm boe in 2018 Q1.



CNOOC Limited In 2019 Q1, production percentage of China and overseas was 66% v.s. 34%; Crude liquids and natural gas was 82% v.s. 18%.
中国海洋石油有限公司

Revenues and Capital Expenditure

(unaudited)	2019Q1	2018Q1	Change	2019Q1	2018Q1
	RMB millions		%	USD millions*	
Sales Revenue					
Crude and Liquids	36,787	38,001	-3.2%	5,466	5,977
Natural Gas	5,262	4,535	16.0%	782	713
Marketing Revenue, net	682	341	100.0%	101	54
Others	1,468	1,798	-18.4%	218	283
Total Revenue	44,199	44,675	-1.1%	6,567	7,027
Capital Expenditures**					
Exploration	3,284	1,901	72.8%	488	299
Development	8,036	5,963	34.8%	1,194	938
Production	2,571	1,775	44.8%	382	279
Others	185	16	1056.3%	27	3
Total Capex	14,076	9,655	45.8%	2,091	1,519
Average Realized Prices					
Oil (US\$/bbl)				60.78	63.50
Gas (US\$/mcf)				6.88	6.47

Exploration Highlights

Offshore China

Overseas

North Sea, UK

Well	Type	Status
Glengorm	Wildcat	Successful

Eastern South China Sea

Well	Type	Status
EP20-4-2	Appraisal	Successful

Western South China Sea

Well	Type	Status
WS16-1-11d	Appraisal	Successful
WS16-1-11dSa	Appraisal	Successful
WZ11-2E-14d	Appraisal	Successful
WZ11-2E-14dSa	Appraisal	Successful
WZ11-1-5	Appraisal	Successful

Bohai

Well	Type	Status
LD25-1-1	Wildcat	Successful
LD25-1-1Sa	Wildcat	Successful
SZ36-1N-2	Appraisal	Successful
BZ22-1-3	Appraisal	Successful
BZ19-6-13	Appraisal	Successful
LD29-1-3	Appraisal	Successful

Guyana

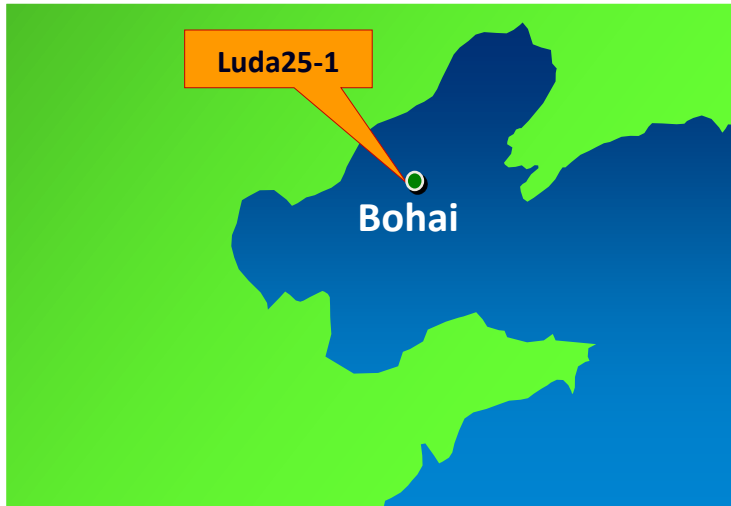
Well	Type	Status
Haimara-1	Wildcat	Successful
Tilapia-1	Wildcat	Successful

「In the first quarter, we achieved 4 new discoveries and 10 successful appraisal wells.」



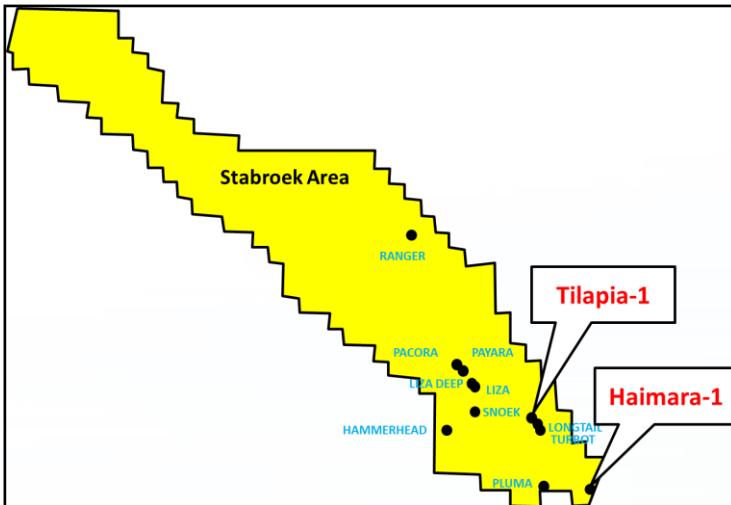
CNOOC Limited
中国海洋石油有限公司

Successful Exploration Program



New discovery of Luda 25-1

- Located in the south of Liaoxi uplift in Bohai, with an average water depth of 26 meters
- Discovery wells Luda 25-1-1 and Luda 25-1-1Sa drilled and completed at the depth of 3,369 meters and 3,508 meters, respectively
- Encountered oil pay zones with total thickness of ~130 meters
- Expected to be a mid-sized oil-bearing structure



New discoveries in Stabroek block of Guyana

- In the first quarter, the 11th and 12th discoveries, Tilapia and Haimara, were made in the block
- Discovery well Tilapia-1 encountered oil and gas pay zones with total thickness of ~90 meters
- Discovery well Haimara-1 encountered gas-condensate pay zones with total thickness of ~60 meters
- In April, Yellowtail-1 well marked 13th discovery in the block, adding to estimated 5.5 billion BOE recoverable resource



New projects in 2019

Project	Location	Status	Expected Startup	Peak Production (boe/d)	Working Interests
Egina oil field	Nigeria	Commenced production	First half	200,000	45%
Huizhou 32-5 oil field comprehensive adjustment/Huizhou 33-1 oil field joint development project	Eastern South China Sea	Commenced production	First half	19,200	100%
Bozhong 34-9 oil field	Bohai	Commissioning	First half	22,500	100%
Appomattox project	U.S. GoM	Installation and commissioning	Second half	175,000	21%
Caofeidian 11-1/11-6 comprehensive adjustment project	Bohai	Onshore construction	Second half	28,700	51%~60%
Wenchang 13-2 comprehensive adjustment project	Western South China Sea	Onshore construction	Second half	11,500	100%



HSE Performance

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

	2019Q1	2018Q1
Rate of Recordable Cases	0.06	0.06
Rate of Lost Workdays Cases (per 200,000 man hours)	0.03	0.01



www.cnooc.com