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CNOOC Limited
(中國海洋石油有限公司)

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 00883)

ANNOUNCEMENT

The Board hereby announces certain selected unaudited key operational statistics of the Group for the first quarter of 2014 (ended 31 March 2014). The comparative statistics for the first quarter of 2013 (ended 31 March 2013) are also disclosed in this announcement.

The board of directors of CNOOC Limited (the “Company”) (the “Board”) hereby announces certain selected unaudited key operational statistics of the Company and its subsidiaries (together the “Group”) for the first quarter of 2014 (ended 31 March 2014). The comparative statistics for the first quarter of 2013 (ended 31 March 2013) are also disclosed in this announcement.

The Company achieved a total net production of 108.1 million barrels of oil equivalent (“BOE”) for the first quarter of 2014, representing an increase of 15.5% year over year (“YoY”), mainly attributable to: firstly, the production contribution from the acquisition of Nexen Inc. (“Nexen”); secondly, production ramp-up from major overseas projects such as Eagle Ford in the U.S. and Missan oilfields in Iraq.

For the first quarter of 2014, the Company made five new discoveries and eight successful appraisal wells in offshore China. New discovery of Bozhong 22-1 demonstrated great exploration potential of natural gas in Bohai buried hill at deeper zone; Another discovery of Lingshui 17-2 marked a breakthrough of the Company’s independent deepwater exploration. After further successful appraisals, Bozhong 8-4 and Wushi 17-2 were proved to be mid-sized oil and gas structures.

The unaudited oil and gas sales revenue of the Company reached approximately RMB 59.15 billion for the first quarter of 2014, representing an increase of 6.9% YoY, mainly due to the increase of oil and gas production. During the period, the Company’s average realized oil price decreased 5.1% YoY to US\$104.63 per barrel, mainly due to the weak performances of the Far East benchmark oil prices and Brent oil price. The Company’s average realized gas price was US\$6.33 per thousand cubic feet, representing an increase of 9.3% YoY, mainly due to the price hike with certain customers in China and higher realized gas price of Nexen.

For the first quarter of 2014, the Company's capital expenditure reached approximately RMB 19.31 billion.

First Quarter and Year-to-Date Net Production Summary (Unaudited)*

		2014						2013					
		Q1			YTD			Q1			YTD		
		Crude & Liquids	Natural Gas	Total	Crude & Liquids	Natural Gas	Total	Crude & Liquids	Natural Gas	Total	Crude & Liquids	Natural Gas	Total
		(mmbbls)	(bcf)	(mm BOE)	(mmbbls)	(bcf)	(mm BOE)	(mmbbls)	(bcf)	(mm BOE)	(mmbbls)	(bcf)	(mm BOE)
China													
	Bohai	34.8	13.0	37.0	34.8	13.0	37.0	37.4	12.1	39.5	37.4	12.1	39.5
	Western South China Sea	8.5	31.6	13.9	8.5	31.6	13.9	6.1	29.1	11.2	6.1	29.1	11.2
	Eastern South China Sea	13.3	13.6	15.6	13.3	13.6	15.6	13.8	13.9	16.1	13.8	13.9	16.1
	East China Sea	0.2	2.7	0.6	0.2	2.7	0.6	0.1	2.6	0.5	0.1	2.6	0.5
	Subtotal	56.8	60.9	67.1	56.8	60.9	67.1	57.4	57.7	67.2	57.4	57.7	67.2
Overseas													
	Asia (excluding China)	2.9	11.8	5.0	2.9	11.8	5.0	2.3	13.3	4.5	2.3	13.3	4.5
	Oceania	0.3	6.6	1.6	0.3	6.6	1.6	0.2	5.8	1.2	0.2	5.8	1.2
	Africa	7.2	-	7.2	7.2	-	7.2	6.2	-	6.2	6.2	-	6.2
	North America (excluding Canada)	4.0	9.7	5.6	4.0	9.7	5.6	3.1	7.8	4.4	3.1	7.8	4.4
	Canada	4.9	11.7	6.9	4.9	11.7	6.9	2.0	4.2	2.6	2.0	4.2	2.6
	South America	2.1	12.1	4.2	2.1	12.1	4.2	1.9	11.5	3.8	1.9	11.5	3.8
	Europe	9.7	5.5	10.6	9.7	5.5	10.6	3.5	1.3	3.7	3.5	1.3	3.7
	Subtotal	31.1	57.4	41.0	31.1	57.4	41.0	19.0	43.8	26.3	19.0	43.8	26.3
Total		87.8	118.3	108.1	87.8	118.3	108.1	76.5	101.5	93.6	76.5	101.5	93.6

* Including our interest in equity method investees, which is approximately 4.2 mmboe in Q1 2014 and 3.8 mmboe in Q1 2013.
Nexen production in Q1 2014 and Q1 2013 were 19.3 and 6.9 mmboe respectively.

First Quarter and Year-to-Date Revenue and Capital Expenditure (Unaudited)

	RMB (millions)				US\$ (millions)			
	2014 Q1	YTD	2013 Q1	YTD	2014 Q1	YTD	2013 Q1	YTD
Sales Revenue								
Crude and liquids	55,051	55,051	52,050	52,050	9,000	9,000	8,291	8,291
Natural gas	4,102	4,102	3,260	3,260	671	671	519	519
Marketing revenue, net	560	560	417	417	92	92	66	66
Others	745	745	452	452	122	122	72	72
Total	60,458	60,458	56,179	56,179	9,885	9,885	8,948	8,948
Capital Expenditures								
Exploration	5,028	5,028	2,668	2,668	822	822	425	425
Development	12,442	12,442	10,297	10,297	2,034	2,034	1,640	1,640
Production	1,681	1,681	1,834	1,834	275	275	292	292
Others	160	160	78	78	26	26	12	12
Total	19,310	19,310	14,878	14,878	3,157	3,157	2,370	2,370

For the purpose of this announcement, unless otherwise indicated, an exchange rate of US\$1 = RMB6.1170 has been used for the first quarter of 2014, and an exchange rate of US\$1 = RMB6.2782 has been used for the first quarter of 2013, where applicable. The usage of these exchange rates is for illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged or converted at the above rates or at any other rate at all.

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By Order of the Board
CNOOC Limited
Zhong Hua
Joint Company Secretary

Hong Kong, 22 April 2014

As at the date of this announcement, the Board comprises:

Executive Directors

Li Fanrong
Wu Guangqi

Independent Non-executive Directors

Chiu Sung Hong
Lawrence J. Lau
Tse Hau Yin, Aloysius
Kevin G. Lynch

Non-executive Directors

Wang Yilin (*Chairman*)
Yang Hua (*Vice Chairman*)
Lv Bo
Zhang Jianwei
Wang Jiaxiang