

The following is the text of a letter, summary of values and valuation certificate, prepared for the purpose of incorporation in this Prospectus received from Sallmanns (Far East) Limited, an independent valuer, in connection with their valuations as at September 30, 2002 of our property interests of the Group in the PRC and the USA.



CHARTERED SURVEYORS, PROPERTY CONSULTANTS
LAND, BUILDING, PLANT & MACHINERY VALUERS
FINANCIAL AND INTANGIBLE ASSET VALUERS

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November 11, 2002

The Directors
China Oilfield Services Limited
3-1516 Hebei Road
Haiyang New and Hi-Tech Development Zone
Tanggu, Tianjin 300451
People's Republic of China

Dear Sirs,

In accordance with your instructions to value the properties in which China Oilfield Services Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC") and the United States of America (the "USA"), we confirm that we have, save for the property owned by the Group in the USA, carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the relevant property interests as at September 30, 2002.

Our valuations of the property interests are our opinion of the open market value which we would define as intended to mean "the best price at which an interest in a property might reasonably be expected to have been completed unconditionally for cash consideration on the date of the valuation, assuming:

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion."

Our valuations have been made on the assumption that the owner sells the property interests on the open market in their existing state without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property interests.

Based on the open market approach, the property interests in Groups III which are rented/occupied by the Group have no commercial value due mainly to the short-term nature or the prohibition against sub-letting or assignment or otherwise due to the lack of substantial profit rents.

In the course of the valuation of the property interests in the PRC, we have complied with all the requirements contained in Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the relevant properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. Based on our experience of valuation of similar properties in the PRC, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions measurements and areas are approximations.

We have been shown copies of various title documents and official site plans relating to the property interests that are owned by the Group in the PRC. However, we have not searched the original documents to verify ownership or to verify any lease amendments, which may not appear on the copies handed to us. Due to nature of the land registration system in the PRC, we are unable to search the original documents to verify the existing title of the properties or any material encumbrances that might be attached to the property interests. Therefore, in the course of our valuation, we have relied to a considerable extent on the advice given by the Group and the Company's PRC legal advisers, Commerce & Finance Law Offices, in the legal opinion regarding the title of the PRC property interests.

Save for the property owned by the Group in the USA, we have inspected the exterior and the interior of the properties included in the attached valuation certificate, in respect of which we have been provided with such information, as we have required for the purpose of our valuations. However, no structural survey has been made, but in the course of our inspection we did not note any serious defects. We are not, however, able to report that the properties are free from rot, infestation or any other structural defects. No tests were carried out to any of the services.

No allowance has been made in our report for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their value.

We have relied to a considerable extent on the information provided to us and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, occupations, lettings, rentals, site and floor areas and all other relevant matters.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group and have been assured by the directors that all such information is correct. We have also sought and received confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

In relation to the property owned by the Group in the U.S.A., we have examined the valuation report undertaken by Mr. James L. Hendricks, JR, a qualified valuer who has about 20 years of property valuation experience and is a professional member of the Member Appraisal Institute. Mr. James L. Hendricks JR is a qualified property valuer certified by the Texas State Certified General Real Estate Appraiser (Certificate No. TX-1320326-G), Arizona State Certified General Real Estate Appraiser and Michigan State Certified General Real Estate Appraiser. Mr. James L. Hendricks JR. has prepared the property valuation report in relation to the property interest owned by the Group in the U.S.A. in accordance with USPAP (Uniform Standards of Professional Appraisal Practice) and the Appraiser Institute Guidelines which he followed in preparing the valuation report. Save for inspection of the property concerned, we have undertaken the same procedures and performed the same tasks which we undertook and performed for the purpose of issuing the valuation certificate with respect to the properties owned by the Group in the PRC. We have also had regard to the relevant requirements contained in the Rules Governing the Listing of Securities in The Stock Exchange of Hong Kong Limited.

Unless otherwise stated, all monetary amounts stated in this report are in Renminbi (Rmb). The exchange rate used in calculating the value of the property interests in Group II into Renminbi, being US\$1 = Rmb 8.203 with no significant fluctuation in such exchange rate has been found between the date of valuation and the date of this letter.

Our valuations are summarized below and the valuation certificate is attached herewith.

Yours faithfully,
for and on behalf of

SALLMANN'S (FAR EAST) LIMITED
Paul L. Brown
BSc FRICS FHKIS
Director

Note: Paul L. Brown is a Chartered Surveyor who has 19 years' experience in the valuation of properties in the PRC and 22 years' property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.

SUMMARY OF VALUES

GROUP I - PROPERTY INTERESTS HELD AND OCCUPIED BY A JOINT-VENTURE
COMPANY OF THE GROUP IN PRC

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>	Interest attributable to the Group	Open market value in existing state attributable to the Group as at September 30, 2002 <i>Rmb</i>
1 Room 604 on Level 6, Block 2 Ying Bin Building Zone 2, Bitao Yuan Apartment Taizi Nan Road Shekou Shenzhen City Guangdong Province PRC	292,000	50%	146,000
2 Rooms 6A, 6B on Level 6 and 7A on Level 7 Peng Zhu Court Haiwan Garden Haichang Street Shekou Shenzhen City Guangdong Province PRC	671,000	50%	335,500
		Sub-total:	481,500

GROUP II - PROPERTY INTEREST HELD AND OCCUPIED BY THE GROUP IN THE USA

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>	Interest attributable to the Group	Open market value in existing state attributable to the Group as at September 30, 2002 <i>Rmb</i>
3 A house located at 8015 Sharpview Drive (also referred to as Lot 4, Block 25 Sharpstown Country Club Terrace) Houston Texas 77036 USA	1,025,000	100%	1,025,000
		Sub-total:	1,025,000

GROUP III - PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN PRC

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
4 Rooms 1505 and 1506 on Level 16 of Ocean-Petroleum Building No.1 Road 2 Shekou Nanshan District Shenzhen City Guangdong Province PRC	No Commercial Value
5 Various buildings located at Ocean Petroleum Yard Xinggong East Street Yanjiao Development District Sanhe City Hebei Province PRC	No Commercial Value
6 Various buildings located at Donggu Shi You Xin Cun Tanggu Tianjin PRC	No Commercial Value
7 Various buildings located at Nanhai West Petroleum Base Zhanjiang City Guangdong Province PRC	No Commercial Value
8 Rooms 1301-1305 and 1322-1324 on Level 13 Aijian No.3 Building No.583 Lingling Road Xuhui District Shanghai PRC	No Commercial Value
9 Room 401, No. 278 Wan Ping South Road Xin Cun Xuhui District Shanghai PRC	No Commercial Value

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
10 Rooms 1403, 1405 and 1406 Aijian No.1 Building No.590, Wanping South Road Shanghai PRC	No Commercial Value
11 Room 202, No. 20 Lane 571, Dong Lan Road Minxing District Shanghai PRC	No Commercial Value
12 Room 101, Block 11 Lane 612, Haiyang Road Shanghai PRC	No Commercial Value
13 Room 402, Block 5 Lane 457, Yuyuan Road Jingan District Shanghai PRC	No Commercial Value
14 Two parcels of land, a building and a warehouse located at No. 627, Ougao Road Gaoqiao District Shanghai PRC	No Commercial Value
15 An office unit located at No.627, Ougao Road Gaoqiao District Shanghai PRC	No Commercial Value
16 Room 201, Unit 3, Block 15 Jinguan Garden Kuerle City Xinjiang Uygur Autonomous Region PRC	No Commercial Value
17 Four buildings and a room located at Wu Jiao Hua Station Kuerle City Xinjiang Uygur Autonomous Region PRC	No Commercial Value

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
18 Petroleum warehouses F3-3 and F4-1 located inside Chiwan Petroleum Supply Base Shenzhen City PRC	No Commercial Value
19 Various workshops/office rooms/warehouses and an open site located at Shi You Xin Cun Tanggu District Tianjin PRC	No Commercial Value
20 Unit 53-105 Bin Hai Xin Cun Bohai Tanggu District Tianjin PRC	No Commercial Value
21 A parcel of land located at Bohai Shi You Xin Cun Tanggu District Tianjin PRC	No Commercial Value
22 Three office units and a warehouse located at Bohai Petroleum Supply Base Tanggu District Tianjin PRC	No Commercial Value
23 Warehouse No.5 Nanyou Petroleum Supply Base Potou District Zhanjiang City Guangdong Province PRC	No Commercial Value
24 Tianyu Villa B Block 17, Area A No.21 Xinbei Road Tanggu District Tianjin PRC	No Commercial Value

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
25 Room 7C, Block D1 located at Rong Chun Tanggu District Tianjin PRC	No Commercial Value
26 Room 402, Block 31 Tai Da Chui Heng Cun Tanggu District Tianjin PRC	No Commercial Value
27 A warehouse building located at Bohai Petroleum Supply Base Tanggu District Tianjin PRC	No Commercial Value
28 Unit 502 on Level 5, Block 8 Hua Yuan Xiao Qu Donggu Shi You Xin Cun Bohai Petroleum Tanggu District Tianjin PRC	No Commercial Value
29 A parcel of land located at No. 169, Dong Gu Zha South Road Tanggu District Tianjin PRC	No Commercial Value
30 A parcel of land located at No. 138 Donggu Xikai Street Tanggu District Tianjin PRC	No Commercial Value
31 A parcel of land located at the right hand side of the south gate of Bohai Petroleum Bureau Tianjin Development Zone Tianjin PRC	No Commercial Value

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
32 Warehouse F3-4 and Yard F3 located at Chiwan Petroleum Supply Base Chiwan Road Shenzhen City Guangdong Province PRC	No Commercial Value
33 Unit Nos. F, G and H, Level 32 New Times Square No. 1, Taizi Road Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
34 A house located at No. 23 Qingshan Villa located at Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
35 Unit No. 603 on Level 6, North of Wan Xia Garden located at Houhai Road Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
36 Unit No. 13-15D on Level 15, Hua Yuan Cheng located at Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
37 Unit No. 13-303 on Level 3, Cui Wei Garden located at Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
38 Portion of warehouse A1, portion of open yard B2 and an office unit on Level 1 of Base Building located at Chiwan Petroleum Supply Base Shenzhen City Guangdong Province PRC	No Commercial Value

Property	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
39 A warehouse unit located at A4-2 Chiwan Petroleum Supply Base Shekou Shenzhen City Guangdong Province PRC	No Commercial Value
40 Room 402 on Level 4, Bihai Building Haibin Garden Binhai East Road Shekou Shenzhen City PRC	No Commercial Value
41 Unit 16A on Level 16, Block 5 No. 2, Weilan Hai An Houhai Road Shekou Shenzhen City PRC	No Commercial Value
42 Two office units of Chiwan Petroleum Building and a warehouse located at Chiwan Petroleum Supply Base Shekou Shenzhen City PRC	No Commercial Value
43 A warehouse located at Resources Supply Warehouse West Station of the National Highway No. 314 Kuerle City Xinjiang Uygur Autonomous Region PRC	No Commercial Value
44 Room 518 No. 3-1516 Hebei Road Haiyang New and Hi-Tech Development Zone Tanggu Tianjin PRC	No Commercial Value
Sub-total:	Nil
Total:	1,506,500

VALUATION CERTIFICATE

GROUP I - PROPERTY INTERESTS HELD AND OCCUPIED BY A JOINT-VENTURE
COMPANY OF THE GROUP IN PRC

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
1 Room 604 on Level 6, Block 2 Ying Bin Building Zone 2, Bitayuan Apartment Taizi Nan Road Shekou Shenzhen City Guangdong Province PRC	The property comprises a residential unit on level 6 of a 7-storey residential building completed in about 1985. The property has a gross floor area of approximately 157.9 sq.m. The property has been granted with the land use rights for a term of 30 years expiring on May 9, 2010 for residential use.	The property is currently occupied by the Group as staff quarter.	292,000 50% attributable to the Group: 146,000

Notes:

1. China Offshore Thales GeoSolutions (Tianjin) Company Limited (the "JV Company") is 50% owned by the Group.
2. According to a Realty Title Certificate, Shen Fang Di Zi Di No.4000056061 issued by Shenzhen Realty Administrative Bureau dated November 13, 2001, the property is held by the JV Company for residential use.
3. According to an opinion given by the Company's PRC legal advisers:
 - i. The JV Company has duly obtained the land use rights and building ownership rights of the property.
 - ii. The Realty Title Certificate is valid.
 - iii. The property can be freely transferred, leased, or mortgaged by the JV Company.
 - iv. The property is not subject to any mortgage or other third party rights and liabilities.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
2 Rooms 6A, 6B on Level 6 and 7A on Level 7 Peng Zhu Court Haiwan Garden Haichang Street Shekou Shenzhen City Guangdong Province PRC	<p>The property comprises three residential units on levels 6 and 7 of a 7-storey residential building completed in about 1989.</p> <p>The property has a total gross floor area of approximately 349.8 sq.m.</p> <p>The property has been granted with land use rights for a term expiring on May 30, 2038 for commercial/residential use.</p>	The property is currently occupied by the Group as staff quarters.	671,000 50% attributable to the Group: 335,500

Notes:

1. China Offshore Thales GeoSolutions (Tianjin) Company Limited (the "JV Company") is 50% owned by the Group.
2. According to three Realty Title Certificates, Shen Fang Di Zi Di Nos. 4000056062 to 4000056064 issued by Shenzhen Realty Administrative Bureau dated November 13, 2001, the property is held by the JV Company for commercial/residential use.
3. According to an opinion given by the PRC legal adviser to the Company:
 - i. The JV Company has duly obtained the land use rights and building ownership rights of the property.
 - ii. The Realty Title Certificates are valid.
 - iii. The property can be freely transferred, leased, or mortgaged by the JV Company.
 - iv. The property is not subject to any mortgage or other third party rights and liabilities.

GROUP II - PROPERTY INTEREST HELD AND OCCUPIED BY THE GROUP IN THE USA

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
3 A house located at 8015 Sharpview Drive (also referred to as Lot 4, Block 25 Sharpstown Country Club Terrace) Houston Texas 77036 USA	The property comprises a single-storey detached house with a gross floor area of approximately 2,335 sq.ft. (216.9 sq.m.) completed in about 1962.	The property is currently occupied by a subsidiary of the Group for residential purposes.	1,025,000

Notes:

1. Lico International Inc. is a wholly owned subsidiary of the Group.
2. According to a Notice to Purchaser(s) No. 194 - 48 - 0140, the property is held by Lico International, Inc.
3. As confirmed by the Company, the property is not subject to any mortgage.
4. We make our valuation having regard to the valuation report undertaken by Mr. James L. Hendricks JR, a qualified valuer who has about 20 years of valuation experience and is a professional member of Member Appraisal Institute, Texas State Certified General Real Estate Appraiser (Certificate No. TX-1320326-G), Arizona State Certified General Real Estate Appraiser and Michigan State Certified General Real Estate Appraiser.

GROUP III - PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN PRC

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
4 Rooms 1505 and 1506 on Level 16 of Ocean-Petroleum Building No.1 Road 2 Shekou Nanshan District Shenzhen City Guangdong Province PRC	<p>The property comprises two office units on level 16 of a 16-storey office building completed in about 1987.</p> <p>The property has a total gross floor area of approximately 721 sq.m.</p> <p>According to a Tenancy Agreement dated January 14, 2002, the property is leased to the Company from Shenzhen Nanhai Eastern Oil Company Shekou Base Company for a term of one year commencing from January 15, 2002 at a monthly rental of Rmb 33,166 inclusive of property tax, land use rights and management fees but exclusive of water, electricity and service charges.</p>	The property is currently occupied by the Company for office purposes.	No Commercial Value

Notes:

1. Shenzhen Nanhai Eastern Oil Company Shekou Base Company is a wholly owned subsidiary of CNOOC.
2. According to the opinion given by the Company's PRC legal advisers:
 - i. The land use rights of the two office units were obtained by way of administrative allocation.
 - ii. The land use rights and the building ownership rights of the property are legally held by Shenzhen Nanhai Eastern Oil Company Shekou Base Company.
 - iii. The Tenancy Agreement made between the Company and Shenzhen Nanhai Eastern Oil Company Shekou Base Company is valid, legally binding and enforceable under PRC law.
 - iv. According to relevant property laws in the PRC, administrative allocated land is not allowed to be freely leased unless permission is obtained from the relevant land administration bureau and the relevant rentals generated from the land use rights have to be paid to the government.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
5 Various buildings located at Ocean Petroleum Yard Xinggong East Street Yanjiao Development District Sanhe City Hebei Province PRC	<p>The property comprises 12 office buildings, workshops and warehouses completed in various years from 1979 to 1999.</p> <p>The property has a total gross floor area of approximately 33,305.48 sq.m.</p> <p>Pursuant to a Tenancy Agreement dated September 27, 2002 entered into between the Company and China Offshore Yanjiao Enterprises Company (“Yanjiao Enterprises”), the property is leased to the Company from Yanjiao Enterprises for a term of one year commencing from September 27, 2002 at an annual rental of Rmb 5,159,229.08 exclusive of management and service fees.</p>	The property is currently occupied by the Group for composite uses.	No Commercial Value

Notes:

1. Yanjiao Enterprises is a wholly owned subsidiary of CNOOC.
2. According to an opinion given by the PRC legal adviser to the Company:
 - i. The land use rights of the property have been granted to Yanjiao Enterprises.
 - ii. The land use rights and the building ownership rights of the property are legally held by Yanjiao Enterprises.
 - iii. The Tenancy Agreement made between the Company and Yanjiao Enterprises is valid, legally binding and enforceable under PRC law.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
6 Various buildings located at Donggu Shi You Xin Cun Tanggu Tianjin PRC	<p>The property comprises 26 office buildings, workshops, warehouses and other ancillary buildings completed in various years from 1978 to 1999.</p> <p>The property has a total gross floor area of approximately 21,918 sq.m.</p> <p>Pursuant to a Tenancy Agreement dated September 27, 2002 entered into between the Company and China Offshore Oil Bohai Company (“Bohai Company”), the property is leased to the Company from Bohai Company for a term of one year commencing from September 27, 2002 at an annual rental of Rmb 1,817,990.08 exclusive of management and service fees.</p>	The property is currently occupied by the Group for production, office and storage purposes.	No Commercial Value

Notes:

1. Bohai Company is a wholly owned subsidiary of CNOOC.
2. According to an opinion given by the PRC legal adviser to the Company:
 - i. The land use rights of 23 buildings of the property with a total gross floor area of approximately 11,648 sq.m. were obtained by way of administrative allocation. The remaining three buildings of the property with a total gross floor area of approximately 10,270 sq.m. are erected on state-owned granted land.
 - ii. The land use rights and the building ownership right of the property are legally held by Bohai Company.
 - iii. The Tenancy Agreement made between the Company and Bohai Company is valid, legally binding and enforceable under the PRC laws.
 - iv. According to relevant property laws in the PRC, administrative allocated land is not allowed to be freely leased unless it has obtained permission from relevant land administration bureau and the relevant rentals generated from the land use rights have to be paid to the government.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
7 Various buildings located at Nanhai West Petroleum Base Zhanjiang City Guangdong Province PRC	<p>The property comprises 10 office buildings, workshops, dormitory buildings completed in various years from 1979 to 1999.</p> <p>The property has a total gross floor area of approximately 21,498.72 sq.m.</p> <p>Pursuant to a Building Tenancy Agreement dated September 27, 2002 entered into between the Company and CNOOC Western Nanhai Oil Company (“Western Nanhai Oil Company”), the property is leased to the Company from Western Nanhai Oil Company for a term of one year commencing from September 27, 2002 at an annual rental of Rmb 625,573.02 exclusive of management and service fees.</p>	The property is currently occupied by the Group for production, office and dormitory uses.	No Commercial Value

Notes:

1. Western Nanhai Oil Company is a wholly owned subsidiary of CNOOC.
2. According to an opinion given by the PRC legal adviser to the Company:
 - i. The land use rights of 6 buildings of the property with a total gross floor area of approximately 12,914.39 sq.m. were obtained by way of administrative allocation. The remaining 4 buildings of the property with a total gross floor area of approximately 8,584.33 sq.m. are erected on state-owned granted land.
 - ii. The land use rights and the building ownership rights of the property are legally held by Western Nanhai Oil Company.
 - iii. The Building Agreement made between the Company and Western Nanhai Oil Company is valid, legally binding and enforceable under the PRC laws.
 - iv. According to relevant property laws in the PRC, administrative allocated land is not allowed to be freely leased unless it has obtained permission from relevant land administration bureau and the relevant rentals generated from the land use rights have to be paid to the government.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
8 Rooms 1301-1305 and 1322-1324 on Level 13 Aijian No.3 Building No.583 Lingling Road Xuhui District Shanghai PRC	<p>The property comprises eight office units on level 13 of a 31-storey office building completed in about 1984.</p> <p>The property has a total gross floor area of approximately 352.25 sq.m.</p> <p>According to a Tenancy Agreement dated November 1, 2002, the property is leased to the Company from an independent third party for a term of 5 years commencing from November 1, 2002 at a monthly rental of Rmb 24,305 inclusive of management fee.</p>	The property is currently occupied by the Group for office purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			
9 Room 401, No. 278 Wan Ping South Road Xin Cun Xuhui District Shanghai PRC	<p>The property comprises a residential unit on a residential building.</p> <p>The property has a total gross floor area of approximately 92 sq.m.</p> <p>According to a Tenancy Agreement dated April 29, 2002, the property is leased to the Company from an independent third party for a term of 1 year commencing from May 1, 2002 at a monthly rental of Rmb 3,800 inclusive of monthly management fee, water rates etc.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
10 Rooms 1403, 1405 and 1406 Aijian No.1 Building No.590, Wanping South Road Shanghai PRC	The property comprises three units on level 14 of a 15-storey office building completed in about 1984. The property has a total gross floor area of approximately 215 sq.m. According to a Tenancy Agreement No.B02HH085 dated June 16, 2002, the property is leased to Shanghai Branch of the Company from an independent third party for a term of one year commencing from June 16, 2002 at a monthly rental of Rmb 11,320.	The property is currently occupied by the Group for office purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			
11 Room 202, No. 20 Lane 571, Dong Lan Road Minxing District Shanghai PRC	The property comprises a unit on level 2 of a ten-storey residential building completed in about 2002. The property has a total gross floor area of approximately 106.65 sq.m. According to a Tenancy Agreement No.B02HH036 dated March 30, 2002, the property is leased to Shanghai Branch of the Company from an independent third party for a term of one year commencing from April 1, 2002 at a monthly rental of Rmb 4,000, exclusive of electricity, water, gas and telecommunication fees.	The property is currently occupied by the Group for residential purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
12 Room 101, Block 11 Lane 612, Haiyang Road Shanghai PRC	<p>The property comprises a unit on level 2 of a six-storey residential building completed in about 2002.</p> <p>The property has a total gross floor area of approximately 105.89 sq.m.</p> <p>According to a Tenancy Agreement No. B02HH976 dated April 29, 2002, the property is leased to Shanghai Branch of the Company from an independent third party for a term of one year commencing from May 1, 2002 at a monthly rental of Rmb 4,200.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			
13 Room 402, Block 5 Lane 457, Yuyuan Road Jingan District Shanghai PRC	<p>The property comprises a unit on level 4 of a four-storey residential building completed in about 2000.</p> <p>The property has a total gross floor area of approximately 60.66 sq.m.</p> <p>According to a Tenancy Agreement No. B02HH394 dated April 1, 2002, the property is leased to Shanghai Branch of the Company from an independent third party for a term of one year commencing from April 1, 2002 at a monthly rental of Rmb 1,900.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
14 Two parcels of land, a building and a warehouse located at No. 627, Ougao Road Gaoqiao District Shanghai PRC	<p>The property comprises two parcels of land on which a 2-storey production building and a warehouse are erected.</p> <p>The property has a total gross floor area of approximately 510 sq.m.</p> <p>The total site area of the land is approximately 1,100 sq.m.</p> <p>According to a Tenancy Agreement dated December 28, 2001 No. B02HH021, the 2-storey production building with a total gross floor area of 480 sq.m. and a parcel of land with a site area of 400 sq.m. are leased to the Company from an independent third party (the "Landlord") for a term of one year commencing from January 1, 2002 at a monthly rental of Rmb 12,240.</p> <p>According to a Supplemental Agreement, a parcel of land with a site area of approximately 700 sq.m. is leased to the Company from the Landlord for a term of 1 year commencing from May 1, 2002 at a monthly rental of Rmb 6,300.</p> <p>According to a Supplemental Agreement dated June 17, 2002, the warehouse with a gross floor area of approximately 30 sq.m. is leased to the Company for a term of 1 year commencing from June 17, 2002 at a monthly rental of Rmb 540.</p>	The property is currently occupied by the Group for production purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
15 An office unit located at No. 627, Ougao Road Gaoqiao District Shanghai PRC	The property comprises an office unit and a storeroom in an office building completed in about 1994. The property has a total gross floor area of approximately 28 sq.m. According to a Tenancy Agreement No. C02H2060 dated June 27, 2002, the property is leased to Shanghai Branch of the Company from an independent third party on a daily basis at a daily rental of Rmb 2 per sq.m. (See Note 1).	The property is currently occupied by the Group for office and storage purposes.	No Commercial Value
Notes:			
<ol style="list-style-type: none"> 1. According to the Tenancy Agreement, the term of the tenancy depends on the practical requirement of measurement for the depth of wells. 2. According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws. 			
16 Room 201, Unit 3, Block 15 Jinguan Garden Kuerle City Xinjiang Uygur Autonomous Region PRC	The property comprises a unit in a building completed in about 1997. The property has a total gross floor area of approximately 138 sq.m. According to a Tenancy Agreement dated December 20, 2001, the property is leased to Xinjiang Branch of the Company from an independent third party for a term commencing from December 21, 2001 to December 21, 2004 at a monthly rental of Rmb 550.	The property is currently occupied by the Group for office and residential purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
17 Four buildings and a room located at Wu Jiao Hua Station Kuerle City Xinjiang Uygur Autonomous Region PRC	<p>The property comprises four buildings and a room completed in about 1980.</p> <p>The property has a total gross floor area of approximately 3,240 sq.m.</p> <p>According to a Tenancy Agreement dated July 1, 2002, the property is leased to Xinjiang Branch of the Company from an independent third party for a term of 4 years commencing from July 1, 2002 at a total rental of Rmb 63,000 for the term from July 1, 2002 to December 31, 2002 and Rmb 369,600 for the term from January 1, 2003 to June 30, 2006.</p>	The property is currently occupied by the Group for of office and storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

18 Petroleum warehouses F3-3 and F4-1 located inside Chiwan Petroleum Supply Base Shenzhen City PRC	<p>The property comprises two warehouses on level 1 of two 2-storey buildings completed in about 1998.</p> <p>The property has a total gross floor area of approximately 1,314 sq.m.</p> <p>According to two Tenancy Agreements dated April 16, 2002, Storerooms F3-3 and F4-1, both with a gross floor area of approximately 657 sq.m., are leased to the Company from an independent third party for a term of 2 years commencing from April 1, 2002 respectively at a monthly rental of Rmb 33,948 and US\$4,400.</p>	The property is currently occupied by the Group for storage purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreements are valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
19 Various workshops/ office rooms/ warehouses and an open site located at Shi You Xin Cun Tangu District Tianjin PRC	<p>The property comprises various workshops, office rooms and warehouses completed in 2000 and an open site with an area of approximately 2,144 sq.m.</p> <p>The property has a total gross floor area of approximately 1,353 sq.m.</p> <p>According to a Tenancy Agreement, a Supplemental Agreement and a Renewed Tenancy Agreement respectively dated September 20, 2001, April 18, 2002 and October 30, 2002, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from Equipment Technology Service Company, a wholly-owned subsidiary of CNOOC, for a term commencing from October 1, 2001 to December 31, 2002 at a total monthly rental of Rmb 64,583.</p>	The property is currently occupied by the Group for production and ancillary office and storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreements are valid, legally binding and enforceable under the relevant PRC laws.

20 Unit 53-105 Bin Hai Xin Cun Bohai Tangu District Tianjin PRC	<p>The property comprises a unit on level 1 of a residential building completed in about 1991.</p> <p>The property has a gross floor area of approximately 110.99 sq.m.</p> <p>According to a Tenancy Agreement dated April 2, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from Bohai Oil Binhai Property Company, a wholly-owned subsidiary of CNOOC, for a term of 1 year commencing from January 1, 2002 at an annual rental of Rmb 33,297.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
21 A parcel of land located at Bohai Shi You Xin Cun Tanggu District Tianjin PRC	<p>The property comprises a parcel of land with a site area of approximately 2,000 sq.m.</p> <p>According to a Tenancy Agreement dated May 15, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from Bohai Oil Communication Company, a wholly owned subsidiary of CNOOC, for a term commencing from May 15, 2002 to May 31, 2005 at a monthly rental of Rmb 15,000.</p>	The property is currently occupied by the Group for storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

22 Three office units and a warehouse located at Bohai Petroleum Supply Base Tanggu District Tianjin PRC	<p>The property comprises 3 office units of an office building and a warehouse completed in about 1986 inside Bohai Petroleum Supply Base.</p> <p>The property has a total gross floor area of approximately 510 sq.m. (See Note 1).</p> <p>According to a Tenancy Agreement and a Service Agreement respectively dated March 15, 2002 and January 15, 2002, the three office units with a total gross floor area of approximately 60 sq.m. is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from Bohai Oil Material Supply Company, a wholly owned subsidiary of CNOOC, for a term commencing from March 1, 2002 to March 1, 2005 at a monthly rental of Rmb 4,980. The warehouse with a gross floor area of approximately 450 sq.m. is leased on a daily basis at a daily rental of Rmb 1 per sq.m. (See Note 1).</p>	The property is currently occupied by the Group for office and storage purposes.	No Commercial Value
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Notes:

- As advised by Bohai Oil Material Supply Company, the area of the warehouse leased depends on the practical operation of their business and the existing area of warehouse leased is approximately 450 sq.m.
- According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement and Service Agreement are valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
23 Warehouse No.5 Nanyou Petroleum Supply Base Potou District Zhanjiang City Guangdong Province PRC	<p>The property comprises a warehouse completed in about 1982.</p> <p>The property has a gross floor area of approximately 2,922 sq.m.</p> <p>According to a Tenancy Agreement dated January 1, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from Nanyaon Wharf Service Company, a wholly-owned subsidiary of CNOOC, for a term of 2 years commencing from January 1, 2002 at a daily rental of Rmb 1,236.6 exclusive of waste treatment charges.</p>	The property is currently occupied by the Group for storeroom purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			
24 Tianyu Villa B Block 17, Area A No. 21 Xinbei Road Tanggu District Tianjin PRC	<p>The property comprises a 2-storey residential detached house completed in about 1997.</p> <p>The property has a gross floor area of approximately 343.26 sq.m.</p> <p>According to a Tenancy Agreement dated May 28, 1997, the property is leased to China Offshore Thales GeoSolutions (Tianjin) Company Limited, a joint venture company of the Company, from an independent third party for a term commencing from May 1, 1997 to March 1, 2003 at a monthly rental of Rmb 22,857.14.</p>	The property is currently occupied by the Group as residential purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
25 Room 7C, Block D1 located at Rong Chun Tanggu District Tianjin PRC	<p>The property comprises a residential unit on level 7 of a 8-storey building completed in about 1994.</p> <p>The property has a gross floor area of approximately 93 sq.m.</p> <p>According to a Tenancy Extension Agreement dated July 1, 2002, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term commencing from June 30, 2002 to June 30, 2003 at a monthly rental of Rmb 4,500.00.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

26 Room 402, Block 31 Tai Da Chui Heng Cun Tanggu District Tianjin PRC	<p>The property comprises a residential unit on level 4 of a 8-storey building completed in about 1999.</p> <p>The property has a gross floor area of approximately 85 sq.m.</p> <p>According to a Tenancy Agreement dated March 30, 2002, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term commencing from April 1, 2002 to December 31, 2002 on a quarterly basis at a quarterly rental of Rmb 22,200.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
27 A warehouse building located at Bohai Petroleum Supply Base Tanggu District Tianjin PRC	<p>The property comprises a single-storey warehouse building located at Bohai Petroleum Supply Base.</p> <p>The property has a gross floor area of approximately 362 sq.m.</p> <p>According to a Tenancy Extension Agreement dated November 10, 2001, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term of 1 year commencing from January 1, 2002 at a monthly rental of Rmb 8,688.</p>	The property is currently occupied by the Group for storage purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			
28 Unit 502 on Level 5, Block 8 Hua Yuan Xiao Qu Donggu Shi You Xin Cun Bohai Petroleum Tanggu District Tianjin PRC	<p>The property comprises a residential unit of a 5-storey building completed in about 1997.</p> <p>The property has a gross floor area of approximately 65 sq.m.</p> <p>According to a Tenancy Agreement dated September 5, 2001, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from an independent third party for a term commencing from September 5, 2001 on a monthly basis at a monthly rental of Rmb 1,000 (See Note 1).</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value

Notes:

1. According to the Tenancy Agreement, the tenancy agreement will expire when the tenant ceases to pay the rental.
2. According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
29 A parcel of land located at No. 169, Dong Gu Zha South Road Tanggu District Tianjin PRC	The property comprises a parcel of concrete land with a site area of approximately 3,000 sq.m. According to a Field Tenancy Agreement dated March 1, 2002, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from an independent third party for a term commencing from March 1, 2002 to March 2, 2003 at an annual rental of Rmb 35,000.	The property is currently occupied by the Group for storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

30 A parcel of land located at No. 138 Donggu Xikai Street Tanggu District Tianjin PRC	The property comprises a parcel of land with a site area of approximately 475 sq.m. According to an Operation Auxiliary Service Agreement dated October 16, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company from an independent third party, for a term commencing from July 1, 2002 to December 30, 2002 at a monthly rental of Rmb 2,565.	The property is currently occupied by the Group for auxiliary service purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Service Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
31 A parcel of land located at the right hand side of the south gate of Bohai Petroleum Bureau Tianjin Development Zone Tianjin PRC	The property comprises a parcel of land with a site area of approximately 600 sq.m. According to an Operation Auxiliary Service Agreement dated October 16, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from an independent third party for a term commencing from July 1, 2002 to December 30, 2002 at a daily rental of Rmb 108.	The property is currently occupied by the Group for auxiliary service purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Service Agreement is valid, legally binding and enforceable under the relevant PRC laws.

32 Warehouse F3-4 and Yard F3 located at Chiwan Petroleum Supply Base Chiwan Road Shenzhen City Guangdong Province PRC	The property comprises a parcel of land with a site area of approximately 343 sq.m. and a warehouse completed in about 1996. The property has a total gross floor area of approximately 657 sq.m. According to a Tenancy Agreement dated September 12, 2001, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from an independent third party or a term commencing from April 1, 1999 to December 31, 2002 at a monthly rental of Rmb 42,666.	The property is currently occupied by the Group for office and storage purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
33 Unit Nos. F, G and H, Level 32 New Times Square No. 1, Taizi Road Shekou Shenzhen City Guangdong Province PRC	The property comprises an office on level 32 of a 35-storey building completed in about 1998. The property has a total gross floor area of approximately 363.19 sq.m. According to a Tenancy Agreement dated September 14, 2000, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term of 3 years commencing from May 1, 2000 at a monthly rental of Rmb 32,600.	The property is currently occupied by the Group for office purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			
34 A house located at No.23 Qingshan Villa located at Shekou Shenzhen City Guangdong Province PRC	The property comprises a house with a gross floor area of approximately 246.9 sq.m. completed in about 1987. According to a Tenancy Extension Agreement dated May 30, 2002, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term of 1 year commencing from June 1, 2002 at a monthly rental of Rmb 18,279.	The property is currently occupied by the Group for residential purposes.	No Commercial Value
Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.			

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
35 Unit No. 603 on Level 6, North of Wan Xia Garden located at Houhai Road Shekou Shenzhen City Guangdong Province PRC	<p>The property comprises a residential unit on level 6 of a 8-storey residential building completed in about 1998.</p> <p>The property has a gross floor area of approximately 127 sq.m.</p> <p>According to a Tenancy Agreement dated January 1, 2000, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term of 2 years expiring on December 31, 2002 at a monthly rental of Rmb 4,900.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

36 Unit No. 13-15D on Level 15, Hua Yuan Cheng located at Shekou Shenzhen City Guangdong Province PRC	<p>The property comprises a residential unit on level 15 of a 15-storey residential building completed in about 2000.</p> <p>The property has a gross floor area of approximately 150 sq.m.</p> <p>According to a Tenancy Agreement dated September 30, 2001, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term of 1 year and 3 months commencing from October 1, 2001 at a monthly rental of Rmb 4,500.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
37 Unit No. 13-303 on Level 3, Cui Wei Garden located at Shekou Shenzhen City Guangdong Province PRC	<p>The property comprises a residential unit on level 3 of a 8-storey residential building completed in about 1993.</p> <p>The property has a gross floor area of approximately 97 sq.m.</p> <p>According to a Tenancy Agreement dated July 18, 2002, the property is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term commencing from July 18, 2002 to January 18, 2003 at a monthly rental of Rmb 4,500.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			
38 Portion of warehouse A1, portion of open yard B2 and an office unit on Level 1 of Base Building located at Chiwan Petroleum Supply Base Shenzhen City Guangdong Province PRC	<p>The property comprises portion of a single-storey warehouse, portion of an open yard with a site area of approximately 430 sq.m. and an office unit on level 1 of a 5-storey office building.</p> <p>The property has a total gross floor area of approximately 891 sq.m.</p> <p>According to a Tenancy Extension Agreement dated August 3, 2002, the office unit with a gross floor area of approximately 25 sq.m. is leased to China Nanhai-Magcobar Mud Corporation Limited, a joint venture company of the Company, from an independent third party for a term commencing from May 1, 2000 to May 31, 2005 at a monthly rental of US\$137.5. The portion of warehouse A1 with a gross floor area of approximately 866 sq.m. and the portion of an open yard with a site area of approximately 430 sq.m. are leased for a term commencing from June 1, 2002 to May 31, 2005 at a total monthly rental of US\$4,627.4.</p>	The property is currently occupied by the Group for composite purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, and the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
39 A warehouse unit located at A4-2 Chiwan Petroleum Supply Base Shekou Shenzhen City Guangdong Province PRC	<p>The property comprises a warehouse completed in 1995.</p> <p>The property has a gross floor area of approximately 781.2 sq.m.</p> <p>According to a Tenancy Extension Agreement dated September 4, 2001, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from an independent third party for a term commencing from July 1, 2001 to December 31, 2003 at a monthly rental of US\$4,100.</p>	The property is currently occupied by the Group for storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

40 Room 402 on Level 4, Bihai Building Haibin Garden Binhai East Road Shekou Shenzhen City PRC	<p>The property comprises a residential unit on level 4 of a six-storey building completed in 1995.</p> <p>The property has a gross floor area of approximately 180 sq.m.</p> <p>According to a Tenancy Agreement with a memorial No. CHC2002-040R dated July 1, 2002, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from an independent third party for a term of 1 year commencing from July 1, 2002 at a monthly rental of Rmb 4,500.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
41 Unit 16A on Level 16, Block 5 No. 2 Weilan Hai An Houhai Road Shekou Shenzhen City PRC	<p>The property comprises a residential unit on level 16 of a 20-storey building completed in 1995.</p> <p>The property has a gross floor area of approximately 120 sq.m.</p> <p>According to a Tenancy Agreement with a memorial No. CHC2002-049R dated August 29, 2002, the property is leased to CNOOC-OTIS Well Completion Services Limited, a joint venture company of the Company, from an independent third party for a term commencing from August 1, 2002 to August 1, 2003 at a monthly rental of Rmb 3,500.</p>	The property is currently occupied by the Group for residential purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement is valid, legally binding and enforceable under the relevant PRC laws.</p>			
42 Two office units of Chiwan Petroleum Building and a warehouse located at Chiwan Petroleum Supply Base Shekou Shenzhen City PRC	<p>The property comprises two office units on levels 1 and 2 of a 5-storey office building and a warehouse adjacent to the building completed in about 1999.</p> <p>The property has a total gross floor area of approximately 854 sq.m.</p> <p>According to a Tenancy Agreement and a Renewed Tenancy Agreement, respectively dated September 7, 2000 and October 31, 2002, the property is leased to China Offshore Thales GeoSolutions (Tianjin) Company Limited, a joint venture company of the Company, from an independent third party for a term commencing from October 1, 2000 to September 30, 2003 at a monthly rental of US\$4,522.</p>	The property is currently occupied by the Group for office purposes.	No Commercial Value
<p>Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreements are valid, legally binding and enforceable under the relevant PRC laws.</p>			

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at September 30, 2002 <i>Rmb</i>
43 A warehouse located at Resources Supply Warehouse West Station of the National Highway No. 314 Kuerle City Xinjiang Uygur Autonomous Region PRC	The property comprises a warehouse completed in about 1990. The property has a gross floor area of approximately 100 sq.m. According to a Well Equipment Deposit Contract dated July 5, 2002, the property is leased to China France Bohai Geoservices Company Limited, a joint venture company of the Company, from an independent third party for a term commencing from July 5, 2002 to December 31, 2003 at a monthly rental of Rmb 300.	The property is currently occupied by the Group for storage purposes.	No Commercial Value

Note: According to the opinion of the Company's PRC legal advisers, the Contract is valid, legally binding and enforceable under the relevant PRC laws.

44. Room 518 No. 3-1516 Hebei Road Haiyang New and Hi-Tech Development Zone Tanggu Tianjin PRC	The property comprises an office unit on Level 5 of an office building. The property has a gross floor area of approximately 40 sq.m. According to a Tenancy Agreement dated November 15, 2001 and a Supplemental Agreement dated November 6, 2002, the property is leased to the Company from an independent third party for a term of 3 years commencing from November 15, 2001 to November 14, 2004 at an annual rental of Rmb 10,080	The property is currently occupied by the Company for office purposes.	No Commercial Value
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Note: According to the opinion of the Company's PRC legal advisers, the Tenancy Agreement and the Supplemental Agreement are valid, legally binding and enforceable under the relevant PRC laws.