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CNOOC LTD
Form 6-K
October 25, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For October 25, 2002

CNOOC Limited
(Translation of registrant's name into English)

65th Floor
Bank of China Tower
One Garden Road
Central, Hong Kong
(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F)

Form 20-F Form 40-F
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(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No
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(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A.)

Company Press Release

CNOOC Limited Announces Third Quarter Financial and Operational Highlights

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(Hong Kong, 25 October 2002) - CNOOC Limited (the "Company", NYSE: "CEO", SEHK: "883") is pleased to announce today a 56.5% increase in unaudited oil and gas revenues of RMB 6.79 billion for the third quarter of 2002, compared to revenues of RMB 4.34 billion during the same quarter of 2001. For the nine months ended September 30, 2002, oil and gas revenues were RMB 16.42 billion, compared to RMB 13.90 billion during the same period last year, an 18.1% increase year-over-year.

Underpinned by continued strong domestic demand in China and results from the Company's Indonesian assets, the Company's experienced total production of 382,409 barrels of oil equivalent (boe) per day in the third quarter, a 47.0% increase over the prior-year period. In the first nine months, total production grew 27.4% year-over-year to 332,634 boe per day. In Bohai Bay, crude oil production experienced another strong quarter, posting a 24.2% increase over the prior-year period and a 31.3% year-over-year increase in the first nine months.

The Company realized an average price of US\$25.21 per barrel for crude oil during the quarter and US\$22.82 during the first nine months, compared to US\$24.59 and US\$25.43 for the prior-year periods, respectively. Average realized price for natural gas was US\$3.19 per thousand cubic feet during the quarter and US\$3.14 for the first nine months.

"Buoyed by higher commodity prices, strong production growth, and continued execution of our low cost operating strategy, the Company has performed extremely well during the quarter," said Mr. Zhou Shouwei, President of the Company. "The Company's strong financial and operating performance over the years coupled with the current oil price environment have placed the Company in an enviable financial position to comfortably fund current and future investments that will contribute to the Company's continued growth."

The Company has made strong progress in its active exploration and development program. During the first nine months, the Company and its PSC partners have completed drilling more than 75% of the wells planned for the year. Of the 55 wells drilled during the first nine months, 39 were completed independently. Furthermore, the Company and its partners have an overall 47.2% exploration success rate during the first nine months. During this period, the Company achieved certain development milestones. WC 13-1, WC 13-2, and QHD 32-6 C/D well head platforms came on stream and PL 19-3 Phase I is on track to come on stream by the end of the year.

Reflecting increased exploration and development activity, the Company's exploration capital expenditures increased 135.2% year-over-year to RMB 1.37 billion and development capital expenditures increased 8.0% year-over-year to RMB 3.70 billion.

Notes to Editors:

CNOOC LIMITED - BACKGROUND

Incorporated in Hong Kong in August 1999, the Company is the dominant producer of crude oil and natural gas offshore China. The Company is also one of the largest independent crude oil and gas exploration and production companies in the world. As of December 31, 2001, its net proved reserves were 1.8 billion barrels-of-oil equivalents and its net production totaled 261,379 BOE per day.

The Company has interests in 45 crude oil and gas properties in four major

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producing areas: Bohai Bay, Western South China Sea, Eastern South China Sea and East China Sea. The Company is a major oil and gas company in China with slightly over 1,000 employees. The Company has become the largest offshore producer in Indonesia after the acquisition of Indonesian assets.

CNOOC LIMITED - RELATIONSHIP WITH ITS PARENT COMPANY

The Company is a 70.6% held subsidiary of China National Offshore Oil Corporation ("CNOOC"). The Company is the sole vehicle through which CNOOC carries out oil and gas exploration, development, production and selling activities offshore China and internationally.

CNOOC, the parent company, is involved in the administrative, research, and services functions for the China offshore petroleum industry as well as other mid- or downstream petroleum projects.

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This press release contains statements that are not historical facts, including statements about beliefs and expectations of the directors of the Company. These forward-looking statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and the directors of the Company undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. You are cautioned that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, changes of the PRC's economic, political and social conditions as well as government policies.

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Third Quarter and Year-to-Date Production Summary

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	3 Months Ended September 30,			9 Months Ended September	
	2001	2002	% Change	2001	2002
Crude Oil & Liquids (b/d)					
Bohai Bay	103,942	129,071	24.2%	94,941	124,615
Western South China Sea	41,818	75,784	81.2%	44,506	51,814
Eastern South China Sea	74,806	77,364	3.4%	82,929	75,710
East China Sea	4,922	2,504	-49.1%	4,067	3,408
Overseas(1)	968	48,089	4,865.4%	2,245	33,718
Subtotal (b/d)	226,457	332,812	47.0%	228,689	289,265
Natural Gas (mmcf/d)					
Bohai Bay	48	43	-11.0%	45	46
Western South China Sea	144	140	-2.8%	140	138
Eastern South China Sea	-	-	-	-	-
East China Sea	10	13	25.1%	9	12
Overseas(1)	-	96	-	-	60
Subtotal (mmcf/d)	202	291	43.8%	194	256
Total Production (boe/d)	260,187	382,409	47.0%	261,061	332,634

(1) Results from acquisition of Indonesian assets consolidated from April 1, 2002

Third Quarter and Year-to-Date Revenue and Capital Expenditures (Unaudited) (1)

	3 Months Ended September 30,			9 Months Ended September	
	2001	2002	% Change	2001	2002
RMB million					
Sales Revenue(2)					
Crude oil and liquids	3,893	6,144	57.8%	12,647	14,731
Natural gas	448	649	44.7%	1,257	1,690
Marketing revenues, net	12	14	16.8%	61	35
Other	198	101	-49.0%	499	318
Capital Expenditures/Investments					
Exploration	295	584	98.0%	583	1,371
Development	1,086	1,778	63.7%	3,423	3,696
Other	21	6	-71.4%	23	30
Acquisition	-	-	-	-	4,699
Average Realized Prices					

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Oil, US\$/bbl	24.59	25.21	2.5%	25.43	22.82
Gas, US\$/Mcf	3.10	3.19	2.9%	3.10	3.14

- (1) Results from acquisition of Indonesian assets consolidated from April 1, 2002
- (2) Does not include sales of oil & gas from Pinghu

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be issued on its behalf by the undersigned, thereunto duly authorized.

CNOOC Limited

By: /s/ Cao Yunshi

Name: Cao Yunshi
Title: Company Secretary,
General Counsel and
Senior Vice President

Dated: October 25, 2002