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CNOOC LTD
Form 6-K
April 29, 2004

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 April 29, 2004

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 ☐

(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 ☐

X ☒

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A.)

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Company Press Release

CNOOC Limited Reported Offshore China Production Growth for Q1

(Hong Kong, 29 April 2004) CNOOC Limited (the "Company" or "CNOOC Ltd."; NYSE "CEO", SEHK "883") today reported a 7.2% increase in oil and gas production offshore China in the first quarter of 2004 as compared to the same period last year, reaching 314,382 barrels of oil equivalent (boe) per day. Crude oil and liquids production was 273,054 barrels per day and natural gas production was 237 million cubic feet per day. The increase was largely due to an 11.8% increase in crude oil and liquids production in the Eastern South China Sea and a 98.1% increase in natural gas production in the Western South China Sea.

In the first quarter of 2004, overseas assets recorded a total working interest production of 9.1 mmboe and EBITDE of RMB627.8 mm (US\$75.8 mm), stronger than what was expected. Reported net entitlement production for the Company was 362,672 barrels of oil equivalent (boe) per day. Crude oil and liquids production and natural gas production were 306,980 boe per day and 323 mmcf per day, respectively.

Total unaudited revenues were RMB7.78 billion (US\$940.2 million) for the first quarter of 2004, representing a 3.8% increase from the first quarter of 2003. The revenue growth was a result of higher production volume, which was partially offset by the slight decrease in realized oil and gas prices. The average realized oil and gas prices for the first quarter were US\$29.79 per barrel and US\$2.8 per thousand cubic feet, respectively. "This quarter's production growth offshore China was encouraging. The key value driver for overseas operations, cash flow, performed better than expected. We had a good start," commented Mr. Fu Chengyu, Chairman and Chief Executive Officer, "We are however not relaxing."

"Offshore China costs were under effective control in the first quarter of 2004. We will continue to manage our costs closely. Production offshore China is back-loaded this year, some costs components are expected to increase as well," said Mark Qiu, Chief Financial Officer.

WZ 12-1N came on stream earlier this year with an estimated peak production of 14,400 boe per day. CNOOC Limited confirmed a number of discoveries in Bohai Bay. "It was another solid quarter, all 13 major development projects are progressing on track. We expect to meet our key operating targets for the year," commented Mr. Zhou Shouwei, President of the Company.

In February, the Company acquired additional equity interest in the Tangguh LNG Project in Indonesia. As a result, CNOOC's stake in the project increased from 12.5% to 16.96%.

First Quarter and Year-to-Date Production Summary

	2003		2004	
	Q1	YTD	Q1	YTD
Crude Oil & Liquids (b/d)				

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Bohai Bay	125,679	125,679	129,530	129,530
Western South China Sea	67,072	67,072	61,279	61,279
Eastern South China Sea	71,365	71,365	79,801	79,801
East China Sea	2,718	2,718	2,444	2,444
Overseas	41,944	41,944	33,926	33,926
Subtotal (b/d)	308,777	308,777	306,980	306,980
Natural Gas (mmcf/d)				
Bohai Bay	42	42	45	45
Western South China Sea	87	87	173	173
Eastern South China Sea	-	-	-	-
East China Sea	15	15	19	19
Overseas	97	97	86	86
Subtotal (mmcf/d)	242	242	323	323
Total Production (boe/d)	351,378	351,378	362,672	362,672

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

	RMB millions		2004		US\$ millions(1)		2004	
	2003		2003		2003		2004	
	Q1	YTD	Q1	YTD	Q1	YTD	Q1	YTD
Sales Revenue								
Crude oil and liquids	6,966.0	6,966.0	7,094.8	7,094.8	841.6	841.6	857.2	857.2
Natural gas	487.4	487.4	619.9	619.9	58.9	58.9	74.9	74.9
Marketing Revenue, net	16.4	16.4	34.5	34.5	2.0	2.0	4.2	4.2
Others	29.4	29.4	32.5	32.5	3.6	3.6	3.9	3.9
Total	7,499.2	7,499.2	7,781.8	7,781.8	906.0	906.0	940.2	940.2
Capital Expenditures								
Exploration	285.4	285.4	363.6	363.6	34.5	34.5	43.9	43.9
Development	1,116.5	1,116.5	1,804.8	1,804.8	134.9	134.9	218.0	218.0
Others	0.3	0.3	3.3	3.3	0.0	0.0	0.4	0.4
Total	1,402.1	1,402.1	2,171.7	2,171.7	169.4	169.4	262.4	262.4
(1) Converted to US dollars: RMB 8.2771 = US\$1.00								

Ends

Notes to Editors:

CNOOC LIMITED - BACKGROUND

Incorporated in Hong Kong in August 1999, CNOOC Limited (SEHK: 883; NYSE: CEO) is the dominant producer of crude oil and natural gas offshore China. CNOOC Limited is also one of the largest independent crude oil and gas exploration and production companies in the

world.

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As of December 31, 2003, its net proved reserves were 2.1 billion barrels-of-oil equivalents and its net production averaged 356,729 BOE per day.

CNOOC Limited is currently engaged in exploration, development and production in four major areas offshore China, which cover Bohai Bay, Western South China Sea, Eastern South China Sea and East China Sea. The Company is also one of the largest offshore crude producers in Indonesia.

The Company has about 2,447 employees.

CNOOC LIMITED -RELATIONSHIP WITH ITS PARENT COMPANY

CNOOC Limited, incorporated in Hong Kong, is a 70.6% held subsidiary of China National Offshore Oil Corporation ("CNOOC"). CNOOC Limited 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 CNOOC Limited (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 in PRC economic, political and social conditions as well as government policies.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as

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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

Dated: April 29, 2004