

COSL

CHINA OILFIELD SERVICES LIMITED

中海油田服務股份有限公司

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883.HK)

ANNOUNCEMENT

China Oilfield Services Limited ("COSL" or the "Company"; stock code: 2883 HK) hereby announces that the Company has entered into agreements with GOIMAR S.A de C.V ("GOIMAR") for the construction of and subsequent provision of services for four module rigs in the Gulf of Mexico.

Pursuant to the provisions of the contract, COSL will be responsible for the investment and construction of the four module rigs, and the mobilization, installation and rig-up. Each rig will be employed for three years under the contract. Under the terms of the contract, two rigs will be leased together with the operating staff of COSL. The service charge will be charged on a day-rate basis. The construction of the four module rigs is expected to be completed in the second quarter of 2007. These module rigs will be installed and positioned on conduit racks.

GOIMAR S.A de C.V is an oilfield services company in the Gulf of Mexico with more than ten years of experience in technical services. Its scope of services includes oil and gas services, electrical services, steel structures and other services. Its service capacity ranges from the provision of soldering machines to large-scale services such as drilling platforms. It also supplies equipment such as drilling platforms, electrical generators, barges, service vessels and cranes.

By Order of the Board
China Oilfield Services Limited
Chen Weidong
Company Secretary

Beijing, 15 December 2006

As of the date of this announcement, the executive directors of the Company are Messrs. Yuan Guangyu and Li Yong; the non-executive directors are Messrs. Fu Chengyu and Wu Mengfei; and the independent non-executive directors are Messrs. Gordon Che Keung Kwong, Andrew Y. Yan and Simon X. Jiang.