

**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)

Announcement

COSL hereby announces selected unaudited key operational statistics of the Company for the nine months ended 30 September 2004. The comparative statistics for the corresponding period of 2003 ended are also disclosed in this announcement.

China Oilfield Services Limited and its subsidiaries ("COSL" or the "Company") is pleased to announce selected unaudited key operational statistics for the 9 months ended 30 September 2004, together with the comparative statistics for the same period of 2003 as follows:

	9 months 2004	9 months 2003	Change (%)
Drilling Activities			
Wells Drilled (no. of jobs)	182	141	29%
Exploration Wells	47	48	-2%
Development Wells	135	93	45%
Operating Days (Day)	3451	2549	35%
Jackup Rigs	2666	2131	25%
Semi-submersibles	785	418	88%
Utilization Rates	100%	85.6%	
Jackup Rigs	100%	93.5%	
Semi-submersibles	100%	59.7%	
Well workover (team days)	5253	4975	6%
	9 months 2004	9 months 2003	Change (%)
Well Services (no. of jobs)			
Logging	464	303	53%
Drilling Fluids	237	137	73%
Directional Drilling	142	83	71%
Cementing	186	107	74%
Well Completion	781	434	80%
Marine Support and Transportation Services	9 months 2004	9 months 2003	Change (%)
Operating Days (Day)	16043	13838	16%
Standby Vessels	8326	6939	20%
AHTS Vessels	4741	3872	22%
PSV Vessels	1886	1761	7%
Utility Vessels	1090	1266	-14%
Vessels Utilization Rates	99.1%	96.3%	
Standby Vessels	98.5%	96.6%	
AHTS Vessels	99.7%	93.3%	
PSV Vessels	99.8%	99.5%	
Utility Vessels	99.5%	100.0%	
	9 months 2004	9 months 2003	Change (%)
Geophysical Services			
2D Seismic Data			
Data Collection (km)	35637	37414	-5%
Data Processing (km)	16889	10878	55%
3D Seismic Data			
Data Collection (km ²)	2681	1760	52%
Data Processing (km ²)	1970	1057	86%

The construction of the Company's new jack up rig, which is capable of drilling in water depths of up to 400 feet, has been commenced and the second-hand jack-up rig "COSL 931" the Company purchased in July 2004 has been sent to the shipyard for overhaul. "COSL 931" is expected to commence operation in November 2004.

Two new standby vessels were added to the Company's fleet in August and September 2004. During the first nine months ended 30 September 2004, a total of six new working vessels were delivered. As of 30 September 2004, the Company owns a fleet of 69 vessels (including 5 oil tankers). Three more new vessels are expected to be delivered in the fourth quarter of 2004.

In August 2004, the Company was awarded a five-year well services contract worth US\$30 million. Pursuant to the contract, the company will use its submersible electronic pump to provide well services in Indonesia.

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

Beijing, 8 November 2004