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中國石油天然氣股份有限公司  
**PETROCHINA COMPANY LIMITED**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**ANNOUNCEMENT**

A gas blowout occurred at the LuoJia No. 16H gas well located in Kaixian County in Chongqing Municipality on 23 December 2003. The gas well belongs to the Company and was drilled under contract by a company owned by CNPC. This accident is currently under investigation by the government of the People's Republic of China.

At 9:55 pm on 23 December 2003, a blowout occurred at the LuoJia No. 16H gas well located in Kaixian County in Chongqing Municipality. The gas well has not commenced production and belongs to the Southwest Oil and Gas Field Branch of PetroChina Company Limited (the "**Company**"), and was drilled under contract by the No. 12 Drilling Team of the Chuangdong Drilling and Exploration Company of Sichuan Oil Administration Bureau, owned by China National Petroleum Corporation ("**CNPC**"). The gas blowout caused the leakage of a large quantity of sulfurated hydrogen, resulting in many surrounding residents poisoned, injured or dead. We express our mourning towards the affected people with deep grief and send our sincere condolences and regards to the injured and their relatives.

CNPC has attached high importance to this gas blowout accident. Senior officials of CNPC arrived at the scene immediately after the accident to organise rescue operation. At the same time, CNPC issued the Emergency Notice on Further Conducting Safe Production Working Practice, requesting each organisation to pay special attention to safe production and adopt all effective measures to eliminate hidden dangers in the working practice, in order to avoid and prevent the occurrence of serious accidents.

The government of the People's Republic of China has sent out an investigation team to conduct a complete investigation of the causes behind this accident and the related matters. As this investigation has just commenced and is currently ongoing, the Company will continue to closely monitor and assess the situation with a view of evaluating its potential impact on the Company's operational and financial position. When necessary, the Company will make further disclosure to comply with its obligations under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

CNPC is the parent company of the Company, owning approximately 90% of the total issued share capital of the Company.

**PetroChina Company Limited**  
**Li Huaiqi**  
*Secretary to the Board*

31 December 2003

*Please also refer to the published version of this announcement in the (South China Morning Post)*