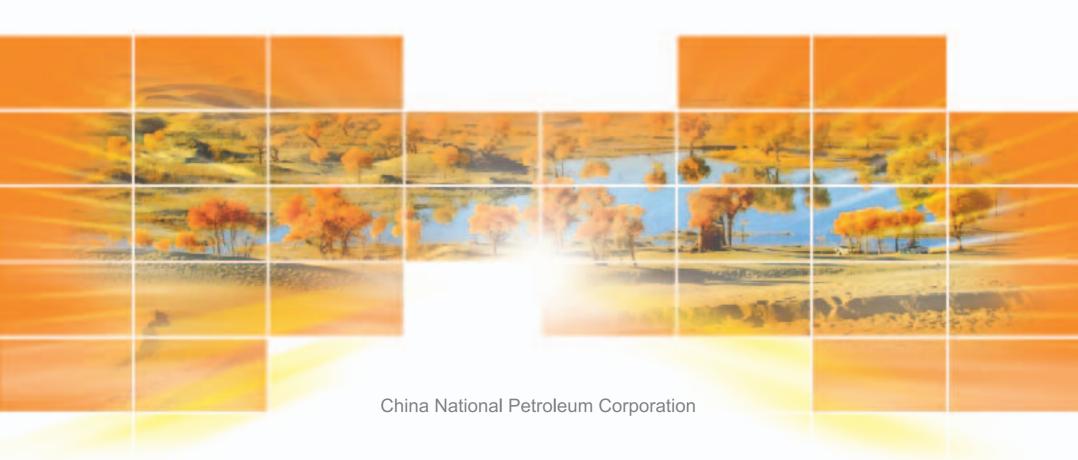


## Responsibility

Clean Energy for Surrounding Communities





Covering an area of 560,000 square kilometers, the Tarim Basin (Tarim Oilfield) is located in the south of the Xinjiang Uygur Autonomous Region, with the Tianshan Mountains to the north and Kunlun and Altyn Tagh mountains to the south. It is China's largest inland basin, comprising the 337,000-square kilometer Taklimakan Desert, which is China's largest and most arid desert, and the one with the greatest variation in the height of its sand dunes. The basin is a part of the exploration area of CNPC's Tarim Oilfield Company.



Tazhong Oilfield, China's largest desert oilfield, has 61.3 million tons of proven oil in place and 20.36 million tons of recoverable reserves.



Hade Oilfield, China's first hundred-million-ton grade marine sandstone oilfield, has 120 million tons of proven and probable reserves.



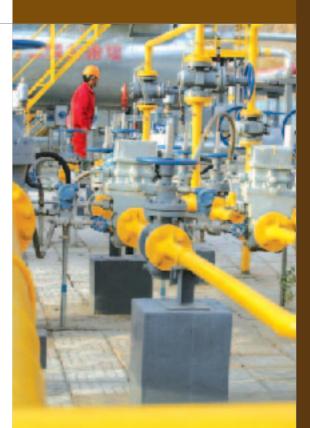
Kela-2 Gas Field, China's largest uncompartmentalized gas field with ultra-high pressure, ultra-high output and ultra-high abundance, has 284 billion cubic meters of proven gas in place and 229 billion cubic meters of recoverable reserves.



Yaha-Yingmaili oil and gas fields is the largest condensate gas accumulation zone in China.



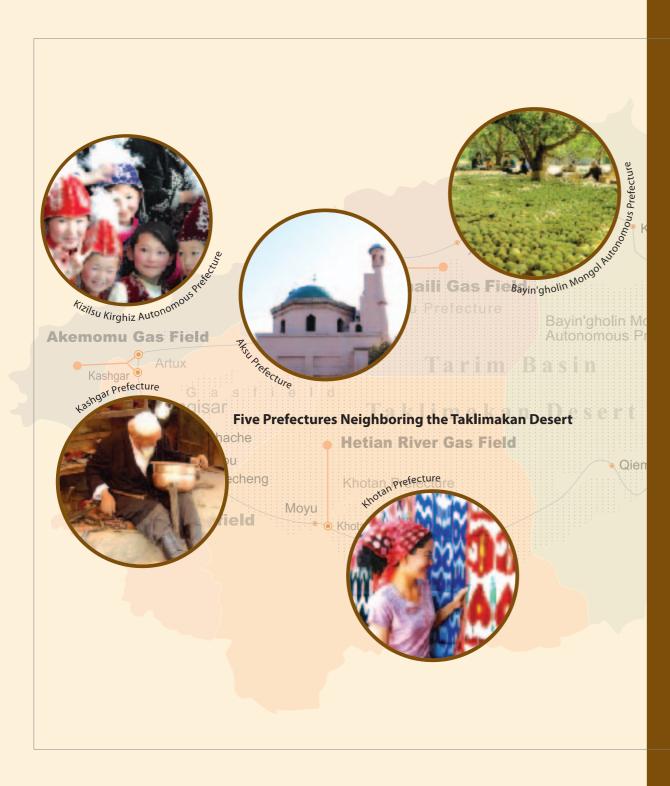
Tazhong-I Gas Field is China's first hundred-million-ton grade gas field of reef flat facies.



## **General Information**

Hydrocarbon exploration efforts in Tarim Basin pay dividends.

A great volume of natural gas resources have been proven and a modern oil and gas production base has taken shape. The proven gas reserves can ensure gas supplies for the West-East Gas Pipeline Project for the coming two decades.



In view of the continuous discovery and exploitation of hydrocarbon resources in this region, CNPC launched an outreach program for gas supply to the communities neighboring the Taklimakan Desert in 1999. The program focuses on the development of small gas fields to introduce clean energy to local communities and replace the conventional fuel used by local people, as a part of the efforts to mitigate the risk of desertification and protect the local environment.

## Gas Supply Project for Communities Neighboring the Taklimakan Desert

- In October 1999, Tazhong Oilfield started to supply gas to Korla, the capital city of Bayin'gholin Mongol Autonomous Prefecture, which was the first community to enjoy the benefits offered by the Around-Taklimakan Gas Supply Project. Clean fuel is now available to 98.22% of Korla's population.
- In November 2004, Hetian River Gas Field was put into production and started supplying gas to Khotan Prefecture.
  Today, over 50,000 people in Khotan City benefit directly from the Around-Taklimakan Gas Supply Project, with an entire reach to a population of 100,000 within the prefecture.
- In December 2004, Akemomu Gas Field was put into production and started supplying gas to Kashgar Prefecture and Kizilsu Kirghiz Autonomous Prefecture. Around 50,000 households in the two prefectures have access to natural gas from the gas field.
- In April 2007, Yingmaili Gas Field was put into production and started supplying gas to Aksu Prefecture.

After a decade of efforts, clean fuel is now available to 25 counties and neighborhoods in the five prefectures, accounting for 52% of the total, thanks to CNPC's Around-Taklimakan Gas Supply Project.



## A New Ulugqat

Ulugqat is a county in the Kizilsu Kirghiz Autonomous Prefecture located in the far west of Xinjiang where the southern part of the Tianshan Mountains and the northern part of the Kunlun Mountains join each other at the west of the Tarim Basin. This is where the village of Simuhana, the last place in China to observe the disappearance of the sun below the western horizon, is located.

Dry cattle and sheep feces and firewood were used by the local people for cooking or heating before 2005. They even had to burn precious desert wood such as Euphrates poplar, Tamarix chinensis and Haloxylon ammodendron as a result of fuel shortages, and consequently endangered the local environment.

In November 2005, natural gas was delivered to Ulugqat County through the pipeline invested and constructed by Tarim Oilfield. As a result, almost 1,300 households, accounting for over 90% of the total in the county, started to use natural gas.

The fuel structure of the local community has been drastically altered since the introduction of natural gas. Fewer trees are cut down, which not only protects the fragile environment but also helps to solve the pollution issue caused by the burning of wood.





The previous decade has witnessed CNPC's constant endeavors to extend the availability of natural gas for communities neighboring the Taklimakan Desert, with an aim to help change conventional ways of fuel use while protecting desert vegetation and restoring the environment. CNPC's efforts have played a significant role in building harmonious communities and promoting the growth of the local economy.

