

**AV Tamar—The Opening of a Frontier Basin
in the Eastern Mediterranean***

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General Comments

Noble Energy has been operating in the eastern Mediterranean Sea since 1998. Noble has a 47% interest in the Mari-B field, Israel’s the first offshore natural gas production facility.

Significant exploration discoveries are at Tamar, Dalit, and Leviathan. Noble has a 36% interest at Tamar, the largest deepwater gas discovery in 2009, with current estimate of 8.4 trillion cubic feet (Tcf) of natural gas. Leviathan represents the largest exploration success in Noble’s history, with mean resources of 16 Tcf.

Supported by 3D seismic acquisitions in 2009 and 2010, Noble Energy has identified a number of additional prospects on its “acreage” positions in offshore Israel and Cyprus, with plans for 3-4 exploration/appraisal wells this year (2011). It operates approximately 3 million gross acres.

The background of the slide features a blurred image of an oil rig against a sunset sky with warm orange and red tones transitioning into a clear blue sky. The rig is positioned on the left side of the frame.

NBL

NOBLE ENERGY

Tamar Discovery Levant Basin

AAPG Discovery Forum, April 11, 2011

Outline

- ▶ **Noble Energy – The Company**
- ▶ **Discovery Thinking – Exploration at Noble**
- ▶ **The Story of Noble and Tamar**
 - ▲ Reality vs Possibility
 - ▲ Future Possibilities



Noble Energy

Creating long-term value

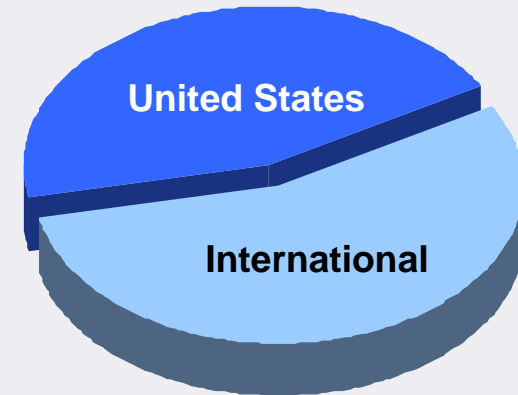
- 
- ▶ **Diversified ... but Focused Asset Portfolio**
 - ▲ Allows optimal capital allocation for superior returns
 - ▶ **Exploration-led Growth**
 - ▲ Proven track record, “game-changing” opportunities
 - ▶ **Broad Lineup of Major Development Projects**
 - ▲ Provides sustainable, visible growth
 - ▶ **Fortress Balance Sheet Strategy**
 - ▲ Designed to support long-term plans
 - ▶ **Organizational Strength**
 - ▲ Talent and experience, “action-oriented” culture

Balanced and Diversified Portfolio

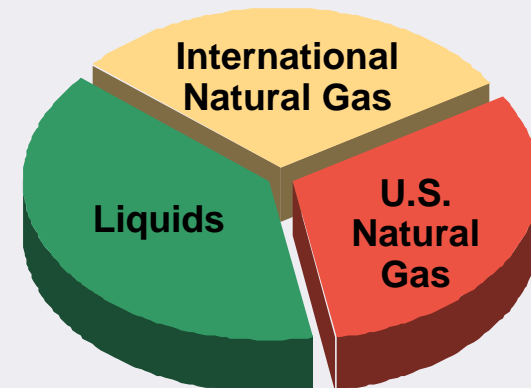
Provides stability and strength

- ▶ **Leverage to U.S and International Markets**
- ▶ **Exposure to Crude Oil and Natural Gas**
- ▶ **Quality Asset Foundation**
 - ⋄ Resilient to price volatility
 - ⋄ Low cost structure
 - ⋄ Extensive project inventory
- ▶ **Four Core Operating Areas with Growth Attributes**
 - ⋄ Onshore United States
 - ⋄ Deepwater Gulf of Mexico
 - ⋄ West Africa
 - ⋄ Eastern Mediterranean

Reserves YE 2010
1.1 BBoe



Volumes 2011E
208 to 218 MBoe/d



Four Key Operating Areas

Sustaining and transforming Noble Energy

▶ Onshore United States

- ▶ Large inventory of low-risk projects
- ▶ Liquid focus with substantial exposure to horizontal Niobrara play

▶ Gulf of Mexico – Deepwater

- ▶ Galapagos well completion work done
- ▶ Extensive exploration portfolio

▶ West Africa – Offshore EG and Cameroon

- ▶ Aseng and Alen liquid developments moving forward
- ▶ Additional liquid and gas projects on the horizon

▶ Eastern Mediterranean – Offshore Israel and Cyprus

- ▶ Growing natural gas markets
- ▶ Tamar development sanctioned
- ▶ Significant discovery at Leviathan

Discovery Thinking

Exploration Process



▶ Identify the Opportunity

- ⌘ Disciplined New Ventures assessment process

▶ Comprehensive Evaluation from Regional to Prospect Scale

- ⌘ Appropriate combination of technologies early in the program

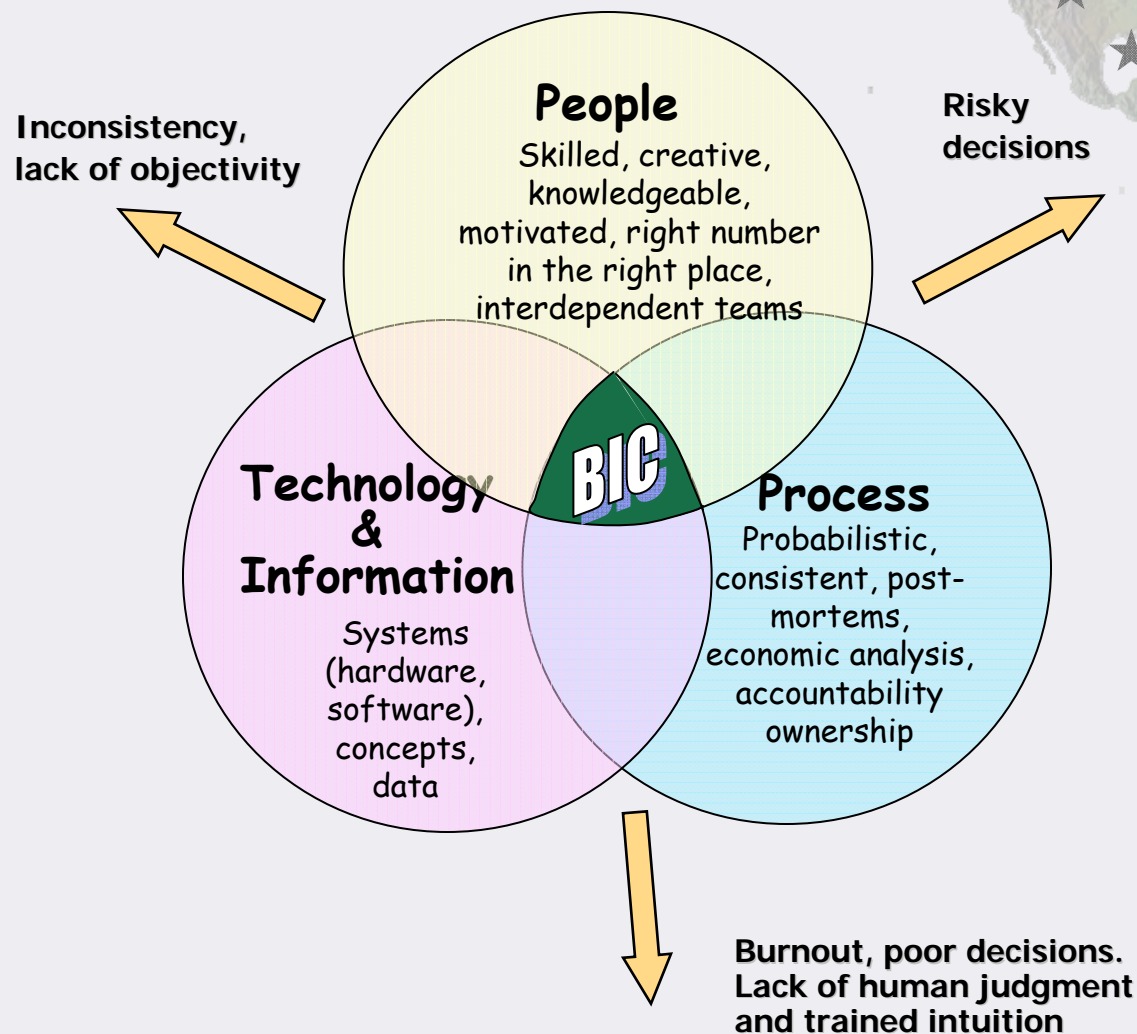
▶ Apply Disciplined Exploration Process

- ⌘ Robust technology and organization capacity
- ⌘ Leverage knowledge and ideas
- ⌘ Probabilistic assessment of opportunities from basin to well recovery
- ⌘ Learnings leveraged and integrated into full program
- ⌘ Exploration peer review and risk analysis

▶ Apply Disciplined Appraisal Process

- ⌘ Evaluate key uncertainties
- ⌘ Establish data needs and well locations to maximize learning and reduce uncertainty

Defining the 'Sweet Spot' for High Performance *Within the Umbrella of Company Values and Strategy*



After Knowledge Reservoir

The Sweet Spot for Discovery Thinking

Maintaining balance and positive tension

Technical Grounding



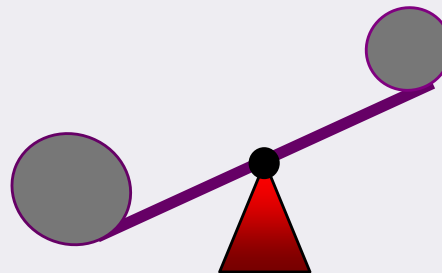
Pursuing Possibility

...Results in Value Destruction



Relying on Experience and Gut Feel Only...

Relying on Technical Analysis & Objectivity Only...



...Large Value Creation Unlikely

Value Destruction Unlikely



BALANCE

Opportunity for Significant Value Creation

Exploration Track Record

The right people, technology, strategy, and processes

▶ Discovered nearly 2 BBoe in Last 5 Years

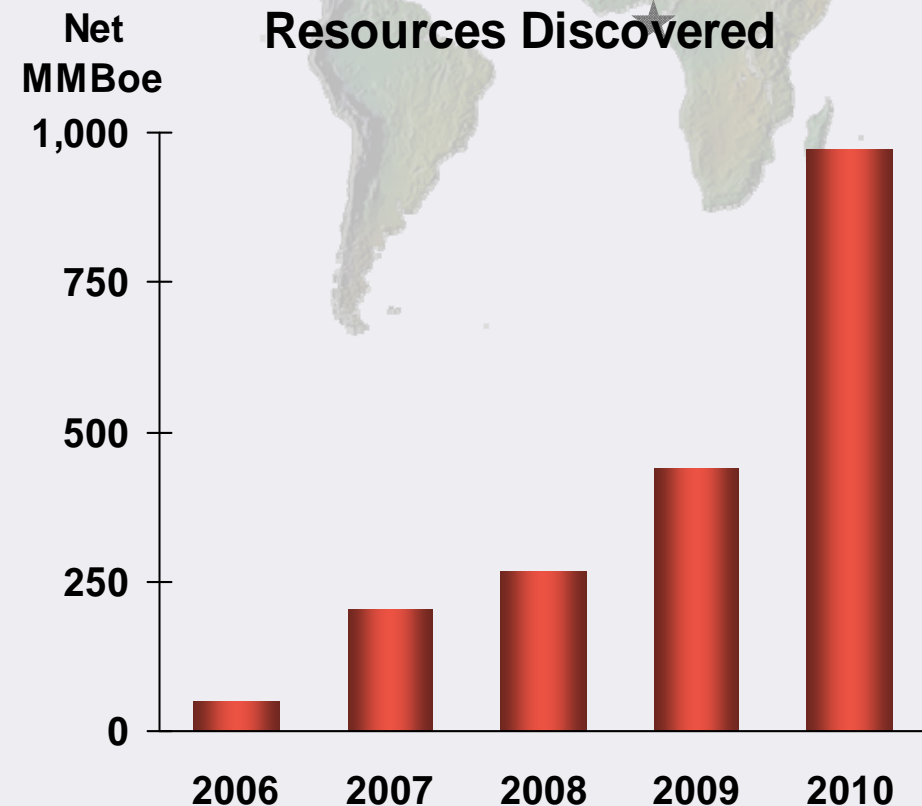
- ▶ Very low finding costs per unit
- ▶ Replaced about 25 times annual production
- ▶ Led by liquids and international gas

▶ Focus on Large Resource Opportunities

- ▶ Exposure to new legacy assets

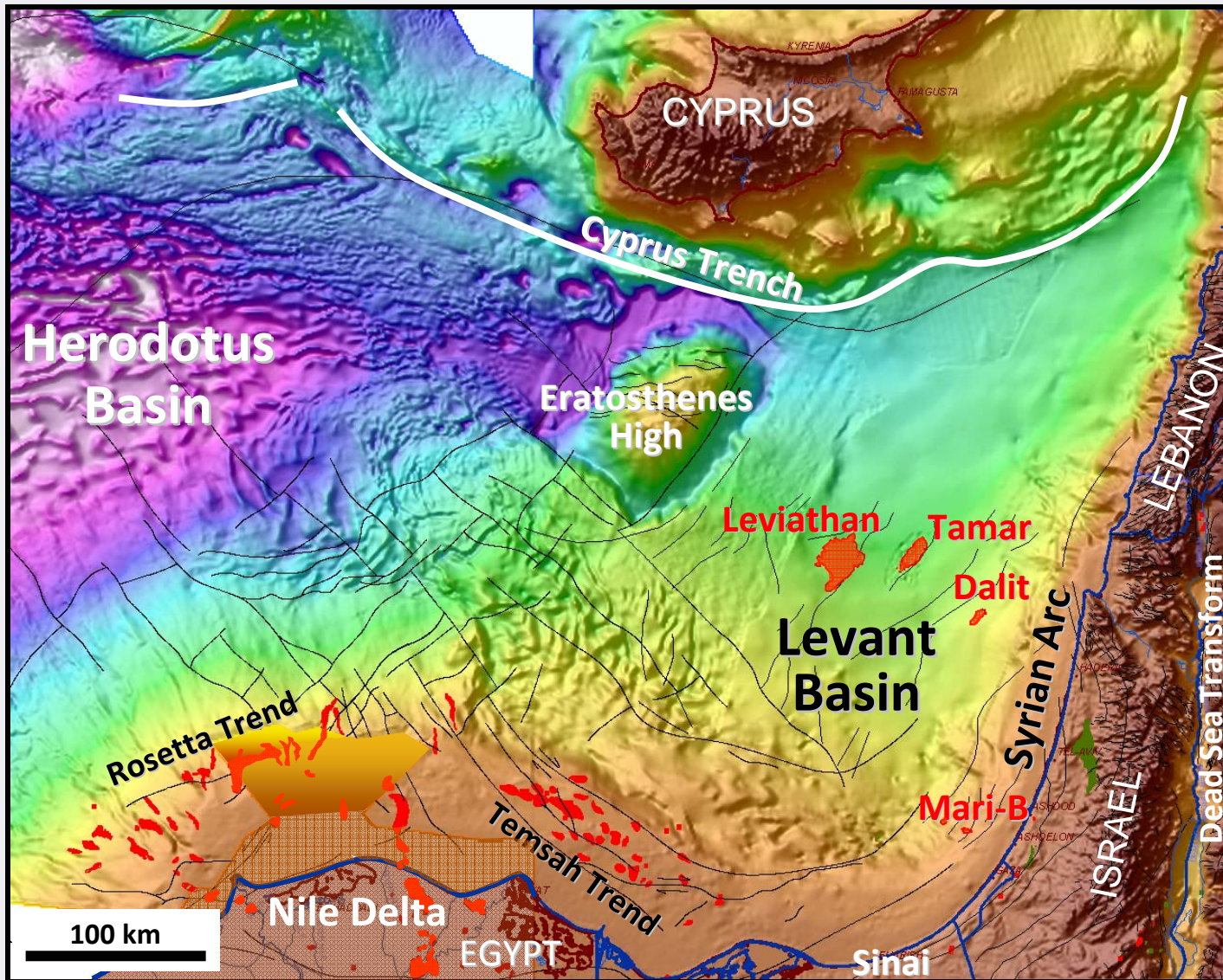
▶ Leverage Exploration Success

- ▶ Large acreage positions with similar plays



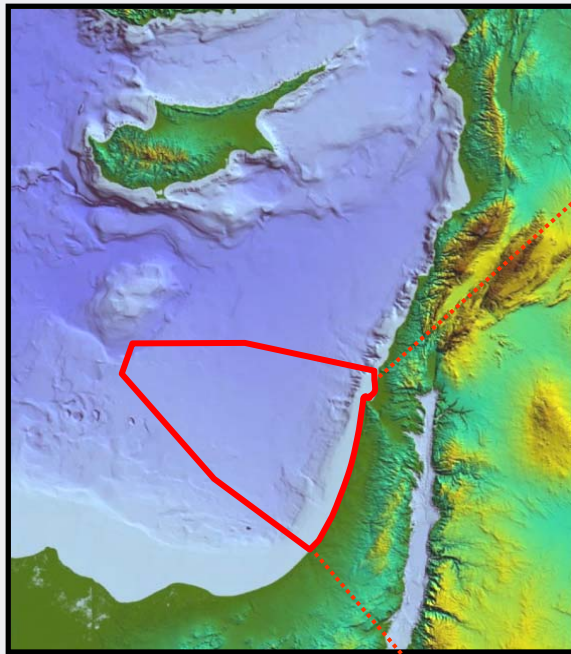
Tamar Discovery

The Levant Basin

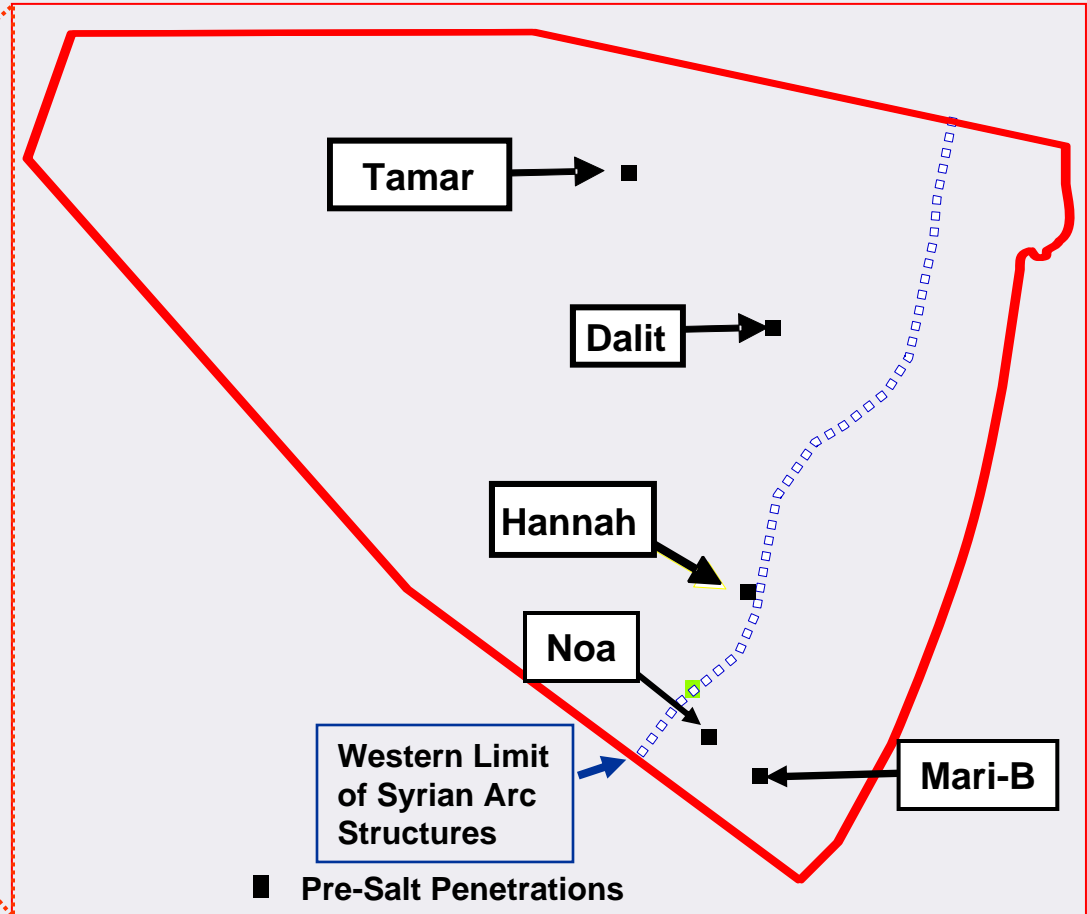


Levant Basin in 2009

Essentially Undrilled outside Syrian Arc



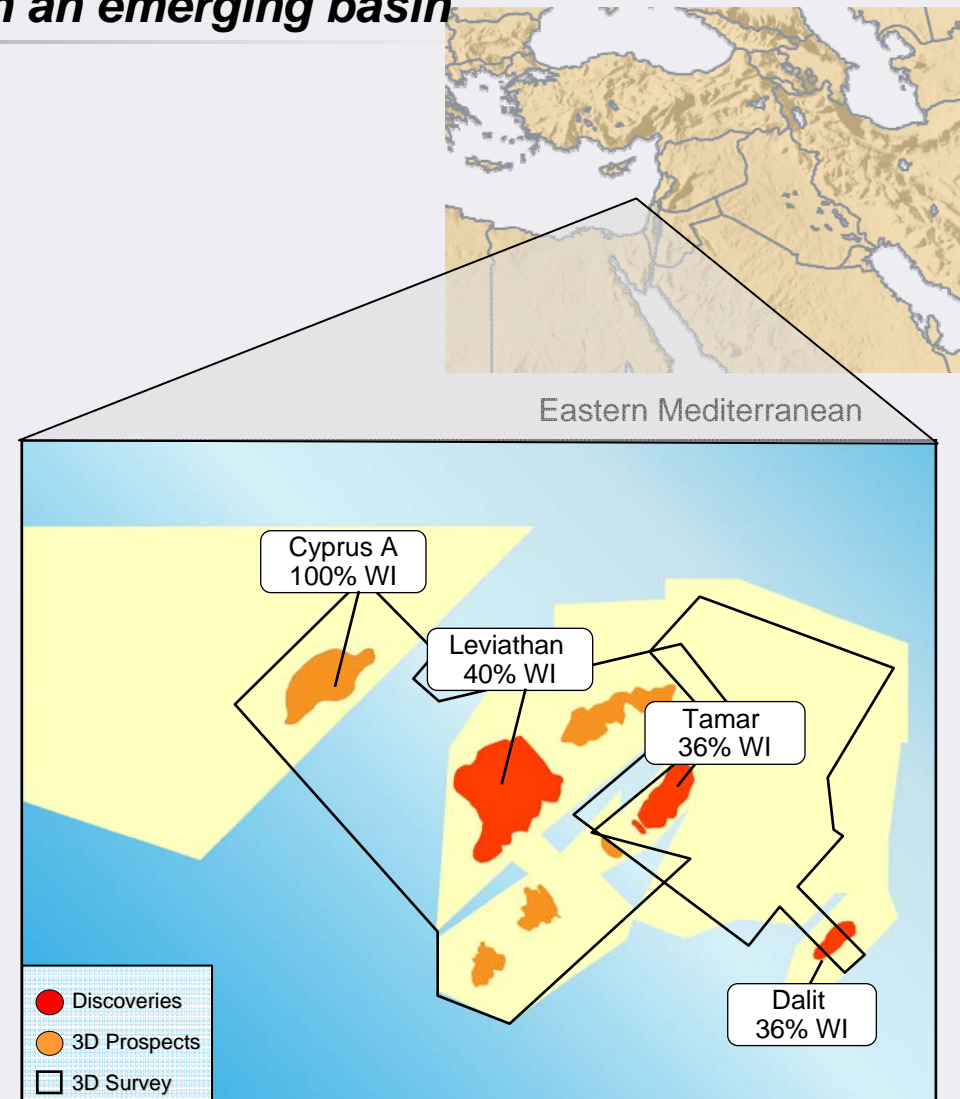
(Depth Map Removed Intentionally)



Eastern Mediterranean Exploration

Noble's leading acreage position in an emerging basin

- ▶ **NBL Operates ~3 MM Gross Acres**
- ▶ **Four Consecutive Successful Wells**
 - ▲ Based on geologic model and 3D Interpretation
- ▶ **Multiple Prospects and Leads Identified**
- ▶ **Additional 3D Seismic Recently Acquired**
- ▶ **Planning for 3-4 Exploration / Appraisal Wells in 2011**
 - ▲ Including appraisal of Leviathan



Discovery Thinking

The Tamar Opportunity

▶ Previous Operator Withdrew from Block

- ▲ Saw high operational and technical risks
- ▲ Did not recognize upside

▶ Being the Partner of Choice

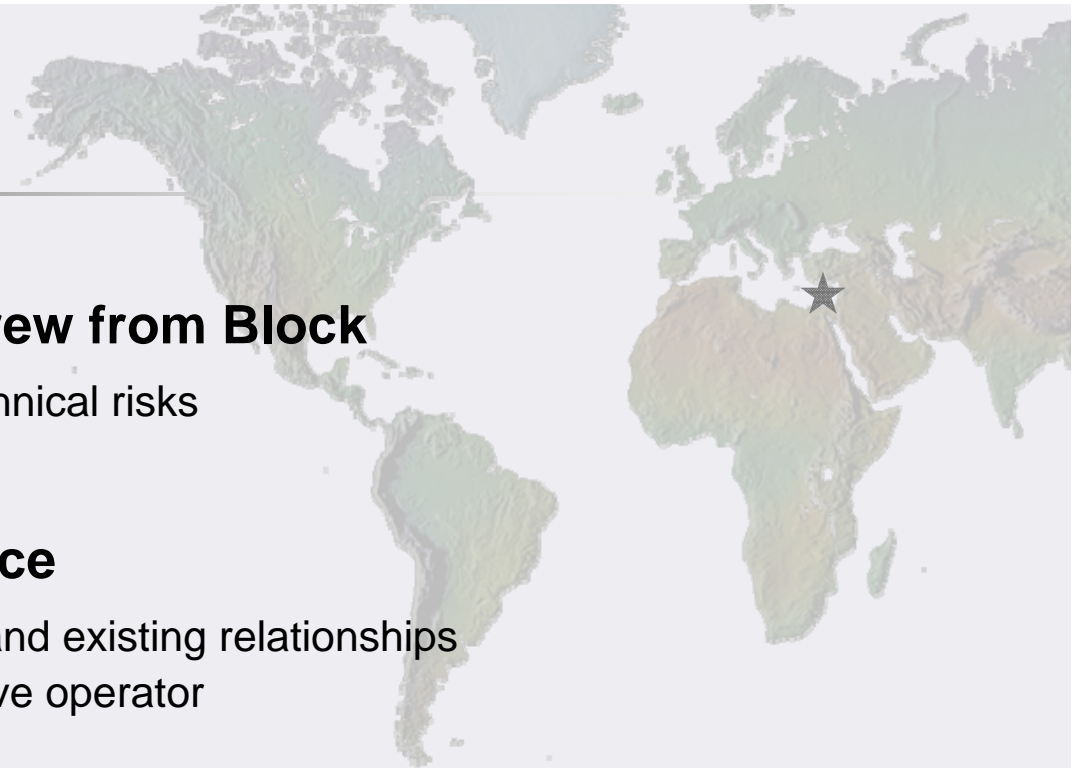
- ▲ Importance of local partners and existing relationships
- ▲ Reputation as reliable, effective operator

▶ Keeping the Possibility Alive

- ▲ Tenacity of individuals - partners and Noble Energy

▶ Other Factors

- ▲ Familiarity with Israel market
- ▲ Regional and local geologic knowledge
- ▲ Successful operations in the past
- ▲ Levant Basin virtually undrilled



Discovery Thinking

How We Decided

- ▶ ***Our Diverse and Balanced Portfolio* creates opportunity** ★
 - ⌘ Allows Noble to pursue high risk/high reward ventures
- ▶ **Robust Due Diligence & Peer Review Process**
 - ⌘ After which we assessed it to be moderate not high risk
- ▶ **Asking “Why Not?”**
 - ⌘ The importance of proving / disproving alternative hypotheses
 - ⌘ Breaking free of the tendency to embrace Group Think
- ▶ **Regional “Homework” and Global Analogs**
- ▶ **Acknowledging risk and seeing the possibility**

Discovery Thinking

Current Thinking vs Possibility

Current Thinking

No market

Eastern sediment source

Flat spots risky

No source rock proven

Prospect evaluation

Difficult to drill - overpressure



Possibility

Create market

Different setting

Ruled out CO₂, diagenesis, seismic multiples, etc.

SR could not be *disproven*, *and* it has a flat spot

Regional thinking

Technical rigor – moderate pressure



Possibility....

Possibility of Deep Marine Reservoirs

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The Result

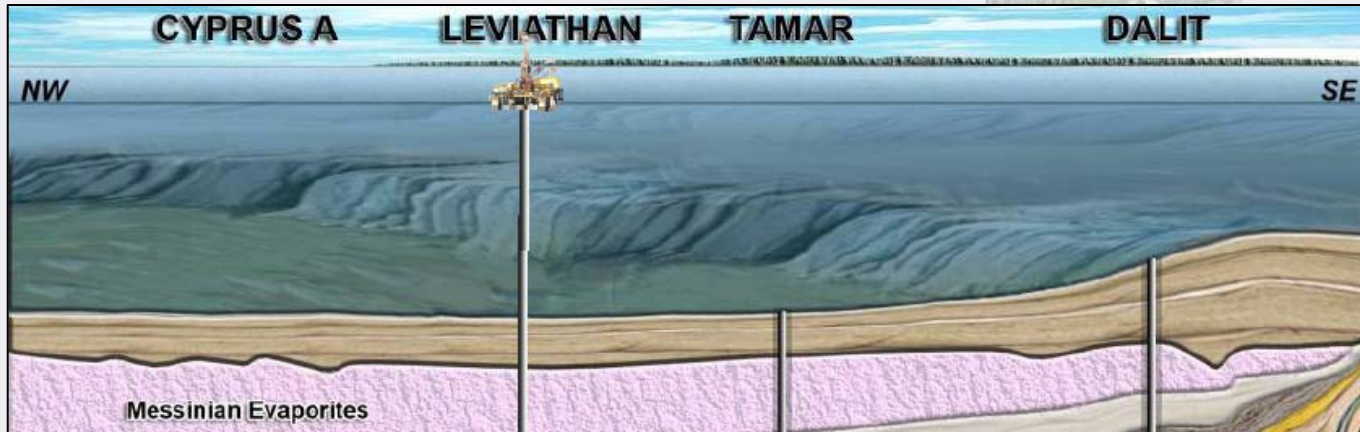
Tamar Discovery to Production in ~3 years

- ▶ **Discovered in 2009**
 - ⋄ Current estimate 8.4 TCFG
 - ⋄ Appraisal well drilled same year
- ▶ **Development Project Sanctioned in 2010**
- ▶ **5 Development wells to be drilled in 2011**
- ▶ **First Production in 2012**



The Result

Exposure to World Class Exploration Potential



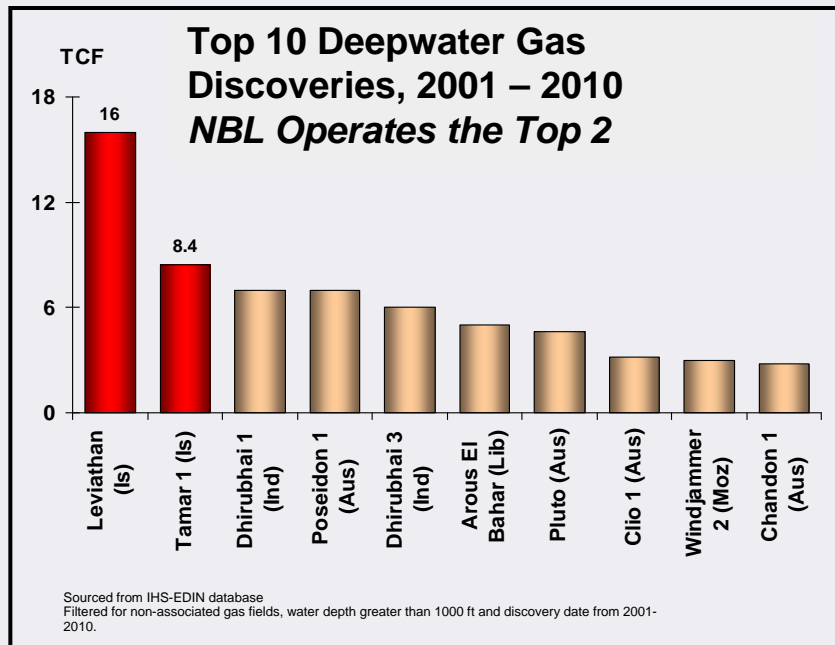
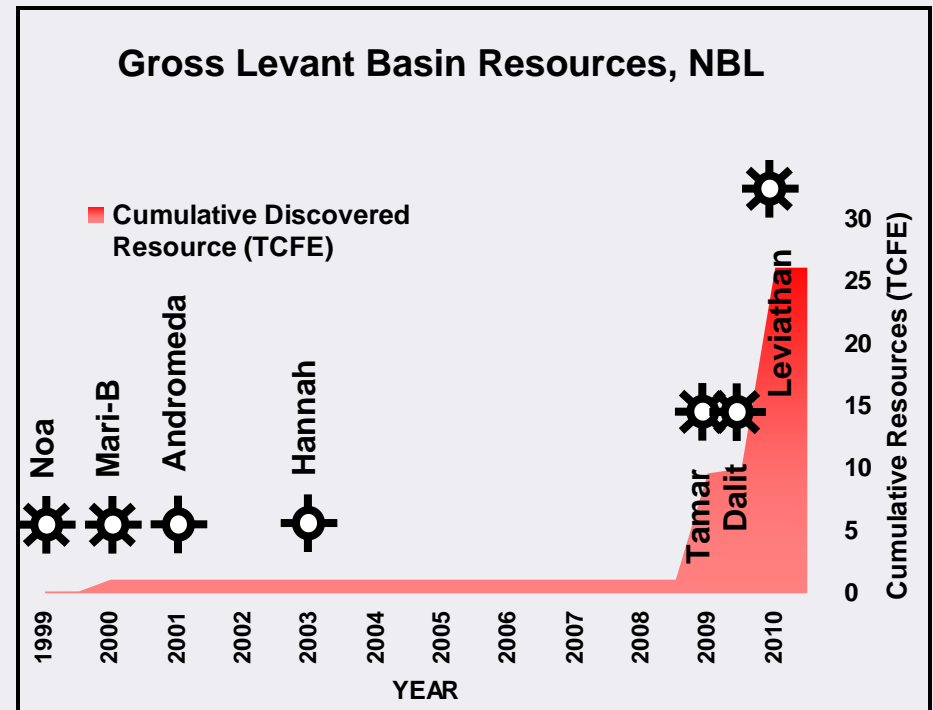
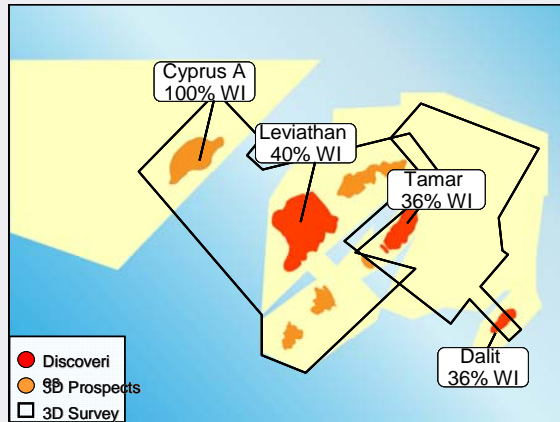
Deeper Image
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Leviathan Prospect with 16 TCF mean resources
Testing deeper potential

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Building a Legacy

We are not done



Acknowledgements

Our Partners



Avner Oil Exploration LP

Delek Drilling LP

Ratio Oil Exploration

Isramco Negev 2 LP

Dor Gas Exploration

Impacting the World



Energizing the world,
bettering people's lives

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This presentation also contains certain historical and forward-looking non-GAAP measures of financial performance that management believes are good tools for internal use and the investment community in evaluating Noble Energy’s overall financial performance. These non-GAAP measures are broadly used to value and compare companies in the crude oil and natural gas industry. Please also see the Appendix to this presentation and Noble Energy’s website at <http://www.nobleenergyinc.com> under “Investors” for reconciliations of the differences between any historical non-GAAP measures used in this presentation and the most directly comparable GAAP financial measures. The GAAP measures most comparable to the forward-looking non-GAAP financial measures are not accessible on a forward-looking basis and reconciling information is not available without unreasonable effort.

The Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Beginning with year-end reserves for 2009, the SEC permits the optional disclosure of probable and possible reserves. We have elected not to disclose the Company’s probable and possible reserves in our filings with the SEC. We use certain terms in this presentation, such as “gross mean resources” and “unrisked resource potential,” that the SEC’s guidelines strictly prohibit us from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realized. Investors are urged to consider closely the disclosures and risk factors in our Form 10-K for the year ended December 31, 2010, available from Noble Energy’s offices or website, <http://www.nobleenergyinc.com>. This forms can also be obtained from the SEC by calling 1-800-SEC-0330.

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