



## Noble Energy Executes Letter of Intent to Sell Tamar Gas to Israel Electric Corporation

HOUSTON, Dec 28, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Noble Energy, Inc. (NYSE: NBL) announced today that it and its partners have signed a Letter of Intent (LOI) to sell natural gas from the Tamar field, offshore Israel, to Israel Electric Corporation Limited (IEC). According to the LOI, IEC expects to purchase at least 95 billion cubic feet per year with the potential to procure significantly higher quantities for a period of 15 years beginning at the startup of Tamar. The annual revenue under this LOI is estimated to be between \$400 million and \$750 million and will ultimately depend on the actual quantity of natural gas purchased and the price received, which is affected by oil pricing at the time of sale. Total revenue for the 15-year period is currently estimated by the Company to be approximately \$9.5 billion using expected sales volumes and prices calculated with current oil futures' prices.

Charles D. Davidson, Noble Energy's Chairman and CEO, said, "We are very excited about the execution of this letter of intent with the IEC, which is a very important step in the continuing development of the Tamar project. The progress on both the development and marketing of Tamar continues to move us along towards first production in 2012, consistent with our original projections."

The Company and its partners have now signed LOIs for natural gas sales from Tamar with cumulative total revenues estimated at \$10.5 billion. The LOIs will be followed by the negotiation and execution of definitive agreements by the parties. Additional discussions are ongoing with a number of potential customers regarding the supply of natural gas from Tamar, where the Company estimates total gross mean resources of 6.3 trillion cubic feet.

As part of a separate LOI, IEC expects to purchase natural gas from the Company and its partners to establish a strategic inventory reserve at Mari-B. The Mari-B partners would provide IEC with injection, storage and withdrawal capabilities for this inventory under a related service agreement.

Noble Energy operates Tamar, offshore Israel in the Matan license, with a 36 percent working interest. Other interest owners are Isramco Negev 2 with 28.75 percent, Delek Drilling with 15.625 percent, Avner Oil Exploration with 15.625 percent and Dor Gas Exploration with the remaining four percent.

The Company is also the operator of Mari-B with a 47.059 percent working interest. Delek Drilling has a 25.5 percent interest, Avner Oil Exploration holds 23 percent and Delek Investment has 4.441 percent.

Noble Energy is a leading independent energy company engaged in worldwide oil and gas exploration and production. The Company operates primarily in the Rocky Mountains, Mid-Continent, and deepwater Gulf of Mexico areas in the United States, with key international operations offshore Israel, UK and West Africa. Noble Energy is listed on the New York Stock Exchange and is traded under the ticker symbol NBL. Visit Noble Energy online at [www.nobleenergyinc.com](http://www.nobleenergyinc.com).

*This news release may include projections and other "forward-looking statements" within the meaning of the federal securities laws. Any such projections or statements reflect Noble Energy's current views about future events and financial performance. No assurances can be given that such events or performance will occur as projected, and actual results may differ materially from those projected. Risks, uncertainties and assumptions that could cause actual results to differ materially from those projected include, without limitation, the volatility in commodity prices for crude oil and natural gas, the presence or recoverability of estimated reserves, the ability to replace reserves, environmental risks, drilling and operating risks, exploration and development risks, competition, government regulation or other action, the ability of management to execute its plans to meet its goals and other risks inherent in Noble Energy's business that are detailed in its Securities and Exchange Commission filings. Words such as "anticipates," "believes," "expects," "intends," "will," "should", "may," and similar expressions may be used to identify forward-looking statements. Noble Energy assumes no obligation and expressly disclaims any duty to update the information contained herein except as required by law.*

*The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only 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. We use certain terms in this news release, such as "resources," that the SEC's guidelines strictly prohibit us from including in filings with the SEC. Investors are urged to consider closely the disclosures and risk factors in our Forms 10-K and 10-Q, File No. 1-07964, available from Noble Energy's offices or website, <http://www.nobleenergyinc.com>. These forms can also be obtained from the SEC by calling 1-800-SEC-0330.*

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