

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: November 23, 1998
(Date of earliest event reported)

CHEVRON CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-368-2 (Commission File Number)	94-0890210 (IRS Employer Identification No.)
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575 Market Street, San Francisco, CA 94105
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (415) 894-7700

Item 5. Other Events.

On November 23, 1998, the Board of Directors declared a dividend distribution on each outstanding share of Common Stock of one Right to purchase Chevron's Series A Participating Preferred Stock. The dividend will be paid to stockholders of record at the close of business on December 3, 1998. No income was recognized by stockholders for tax purposes on payment of the dividend. The Rights are not now exercisable, and it is not known at this time whether they ever will be exercisable. No action can be taken by holders of Rights at this time. The Rights will expire on the earlier of (1) November 23, 2008, or (2) redemption or exchange of the Rights as described below.

In general, until the Rights are exercisable or are redeemed or exchanged or expire unexercised, each Right is associated with and cannot be separated from the underlying share of Common Stock on which the right was declared as a dividend. Accordingly, until the Rights are separate from the Common Stock, (1) each holder of outstanding shares of Common Stock is also the holder of an equal number of Rights, (2) any sale or other transfer of shares of Common Stock by a holder thereof also will cause a transfer of the associated Rights, (3) no income or loss will be recognized with respect to the sale of Rights incident to a sale of Common Stock, and (4) no certificates will be issued to evidence ownership of the Rights, but certificates for shares of Common Stock issued after the Record Date will refer to the associated Rights. Until a Right is exercised, it confers no rights as a stockholder, including, without limitation, the right to vote or to receive dividends.

The Rights will separate from the Common Stock if there is a "Distribution Date." A Distribution Date would occur upon the earliest to happen of (1) a public announcement that someone has become an "Acquiring Person," meaning that such person (including affiliated or associated persons or entities) has acquired, or obtained the right to acquire, beneficial ownership of 10 percent or more of the outstanding shares of Common Stock, other than as a result of repurchases of stock by Chevron, or (2) 10 days (unless such date is extended by the Board of Directors) having elapsed following the commencement of (or a public announcement of an intention to make) a tender offer or exchange offer that would result in someone becoming an Acquiring Person. If a Distribution Date occurs, the Rights will become exercisable and separately tradable, and Chevron will issue certificates for the Rights as soon as possible.

The Preferred Stock purchasable upon exercise of the Rights will be nonredeemable and junior to any other series of preferred stock Chevron may issue (unless otherwise provided in the terms of such stock). Each share of Preferred Stock will have a preferential quarterly dividend in an amount equal to 1,000 times the dividend declared on each share of Common Stock, but in no event less than \$25. In the event of liquidation, the holders of shares of Preferred Stock will receive a preferred liquidation payment equal to the greater of \$1,000 or 1,000 times the payment made per each share of Common Stock.

Each share of Preferred Stock will have 1,000 votes, voting together with the shares of Common Stock. In the event of any merger, consolidation or other transaction in which shares of Common Stock are exchanged, each share of Preferred Stock will be entitled to receive 1,000 times the amount and type of consideration received per share of Common Stock. The rights of the Preferred Stock as to dividends, liquidation and voting, and in the event of mergers and consolidations, are protected by customary anti-dilution provisions.

The amount of Preferred Stock that the holder of a Right is entitled to receive upon exercise of a Right and the Purchase Price payable upon exercise of a Right are both subject to adjustment. Initially, the Purchase Price is \$320 per Right. If no one has yet become an Acquiring Person, payment of the Purchase Price entitles the holder of a Right to receive only one one-thousandth of a share of Preferred Stock. If someone has become an Acquiring Person, however, payment of the Purchase Price entitles the holder to receive a number of one one-thousandth shares having a value, based on the then current market value of the Common Stock, equal to two times the Purchase Price. In addition, if someone has become an Acquiring Person, and thereafter Chevron is involved in a merger or other business combination transaction, a holder of a Right also will be able to acquire, upon payment of the Purchase Price, Common Stock of Chevron or its successor having a value, based on the market value of Chevron or its successor at the time of the transaction, equal to twice the value of the Purchase Price. Some limitations apply to the timing of exercise of the Rights, and any Rights belonging to an Acquiring Person are null and void.

The Board of Directors may redeem the Rights in whole, but not in part, at the Redemption Price of \$0.01 per Right, at any time before there is an Acquiring Person. After there is an Acquiring Person, the Rights may be redeemed only in very limited circumstances. However, the Board of Directors may in some cases also exchange all or part of the then outstanding and exercisable Rights (except for Rights that have become void) for shares of Common Stock at a rate of one share of Common Stock (or substitute consideration) per Right. Upon redemption or exchange, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price or the exchange consideration, as applicable.

A full description of the Rights is set forth in the Rights Agreement between Chevron and the Rights Agent, ChaseMellon Shareholder Services, L.L.C. A copy of the Rights Agreement has been filed with the Securities and Exchange Commission as an exhibit to a Registration Statement on Form 8-A. THIS SUMMARY DESCRIPTION OF THE RIGHTS DOES NOT PURPORT TO BE COMPLETE AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE RIGHTS AGREEMENT, WHICH IS INCORPORATED HEREIN BY REFERENCE.

Item 7. Financial Statements and Exhibits.

(c) Exhibits

- 4.1 Rights Agreement dated as of November 23, 1998 between Chevron Corporation and ChaseMellon Shareholder Services, L.L.C., which includes as Exhibit B the form of Rights Certificate. Pursuant to the Rights Agreement, Rights Certificates will not be mailed until the earlier of (i) a public announcement that a person or a group of affiliated or associated persons has acquired beneficial ownership of securities representing 10% or more of the outstanding common stock or (ii) ten days after a person or a group of affiliated or associated persons has commenced or announced an intent to commence a tender offer or exchange offer which, upon consummation thereof, would cause such person or group to own beneficially securities representing 10% or more of the outstanding common stock (filed as Exhibit 4.1 to the Company's Registration Statement on Form 8-A relating to the Series A Participating Preferred Stock Purchase Rights and incorporated herein by reference).
- 99.1 Press release dated November 23, 1998.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 23, 1998.

CHEVRON CORPORATION

By /s/ LYDIA I. BEEBE

Lydia I. Beebe
Secretary

EXHIBIT INDEX

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FOR IMMEDIATE RELEASE

CHEVRON RENEWS STOCKHOLDER RIGHTS PLAN

SAN FRANCISCO, Nov. 23 -- Chevron Corp.'s Board of Directors today adopted a new Stockholder Rights Plan to replace a similar plan, adopted in 1988, that expired yesterday. A Summary of Rights will be mailed to stockholders in December.

As part of its action, the Board intends to review the plan at least every third year to ensure that it remains consistent with stockholder interests. The review would be carried out by the Board Nominating and Governance Committee, which is composed exclusively of non-employee directors.

Integral to the plan is a rights dividend payable on shares of Chevron's common stock. Under the Rights Agreement, one right to purchase Series A Participating Preferred Stock will be allocated to each share of common stock held of record at the close of business Dec. 3, 1998. Initially, the rights will not be exercisable and cannot be separated from shares of Chevron common stock. The rights would become exercisable and trade independently after either: 1) an acquirer announces publicly that it has obtained ownership, or the right to take ownership, of 10 percent or more of the company's outstanding shares, or 2) 10 days lapse after a hostile tender offer commences to acquire 10 percent or more of the company's outstanding shares.

The rights will expire Nov. 23, 2008, or earlier if they become exercisable and are redeemed or exchanged.

A copy of the Rights Agreement will be available by Dec. 3, 1998, at www.chevron.com or by writing to the Corporate Secretary.

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11/23/98

Contact: Mike Libbey -- (415) 894-4440

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