Gorgon Upstream Overview

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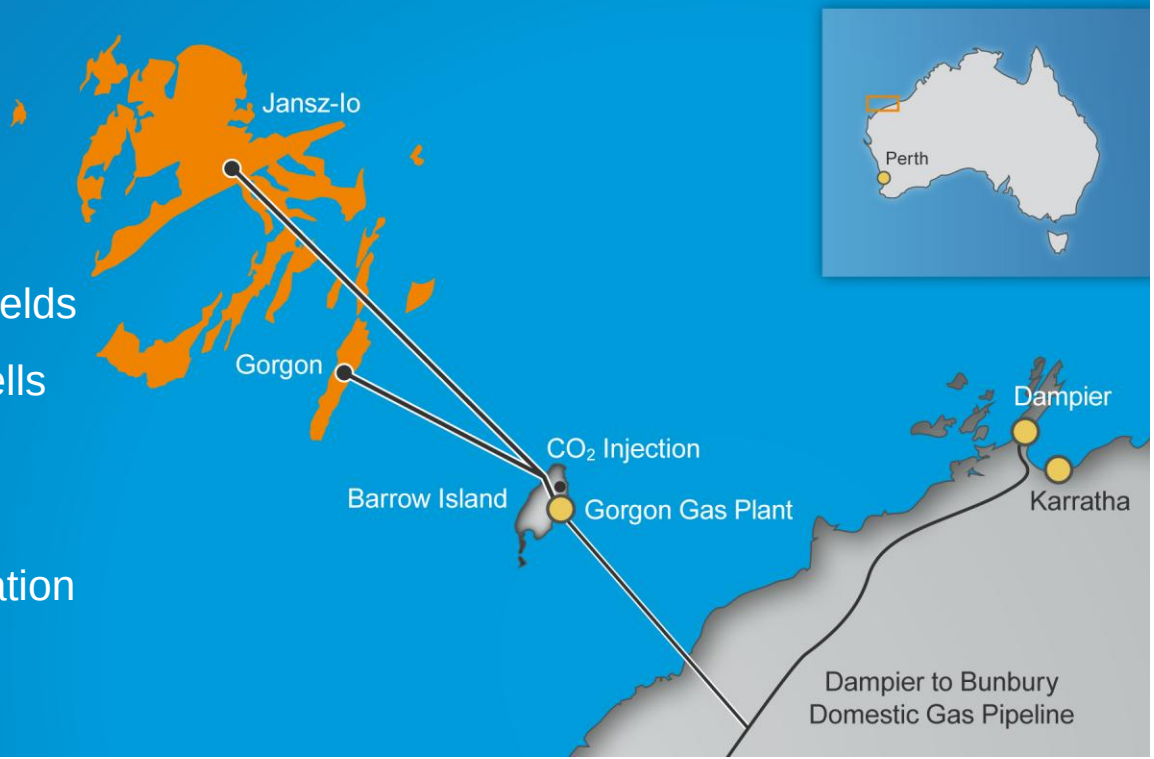
Gorgon Upstream Development

25 September 2012

Upstream Scope

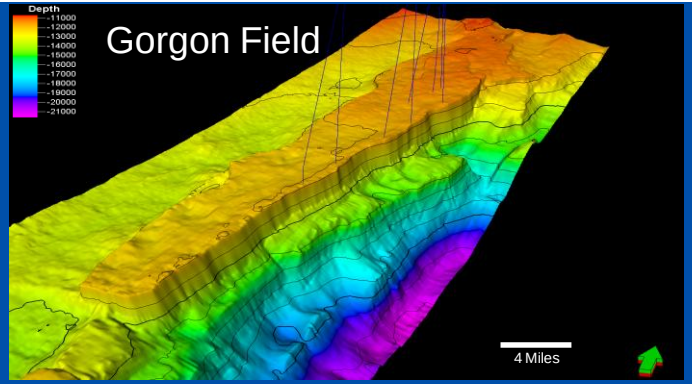
- 22 Tcf resource* to underpin foundation
- Gorgon and Jansz-Io, two separate world-class gas fields
- 18 high-rate, large bore gas wells
- All subsea facilities
- > 500 miles of pipelines with 2.0 million tons of rock stabilization

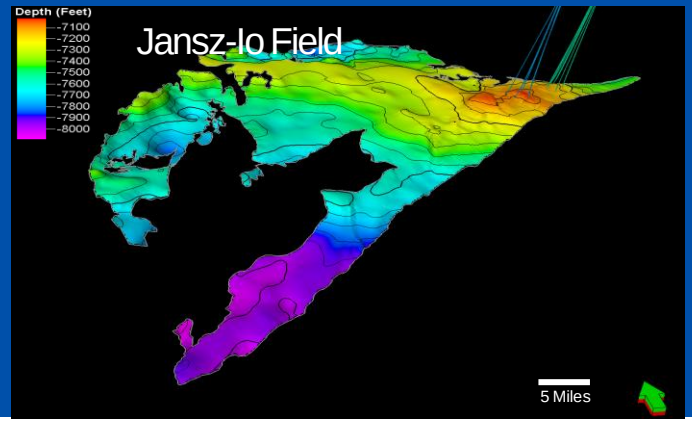


* Recoverable resources as defined in the Supplement to the Annual Report and available at Chevron.com

Drilling and Completion Scope

- 18 high-rate, big-bore development wells
- All Gorgon wells drilled, ready to complete
- 8 out of 10 Jansz-Io wells spudded, one drilled and completed
- Three Gorgon, two Jansz-Io subsea drill centres
- 655 ft – 4,265 ft water depth
- 10,350 ft – 13,600 ft well depth
- 3.1 bcf/d production (Gorgon 1.7, Jansz-Io 1.4)
- Well deliverability
  - Gorgon 270 mmscf/d
  - Jansz-Io 240 mmscf/d
- Gorgon 14% CO_2, Jansz-Io less than 1% CO_2



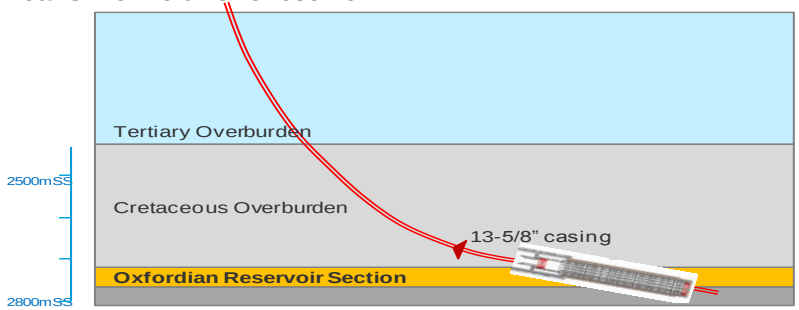


World Class Wells
High Deliverability

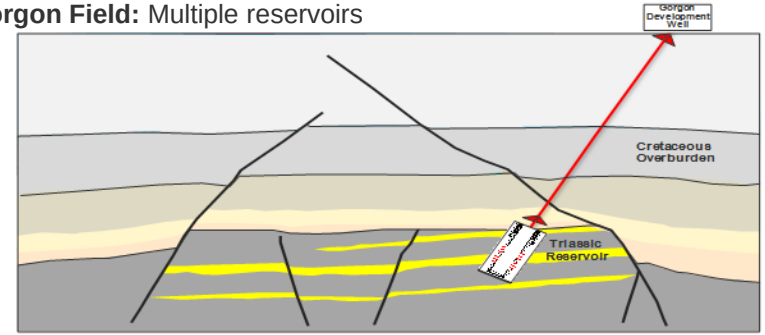
Project	Location	Wells	Avg. Well rate* (mmscf/d)	Field Gas Rate (mmscf/d)	Well Life (years)
Gorgon / Jansz-Io	Australia	18	164	2,950	25+
Troll East	Norway	40	58	2,331	15+
Sakhalin	Russia	13	133	1,728	15+
Shale Gas	United States	Thousands	1.0-2.6		1 - 4
Coal Bed Methane Gas	Queensland	Thousands	0.2-0.8		1 - 4

* Source: Geoscience Australia, Society of Petroleum Engineers, and company estimates

Jansz-Io Field: One reservoir



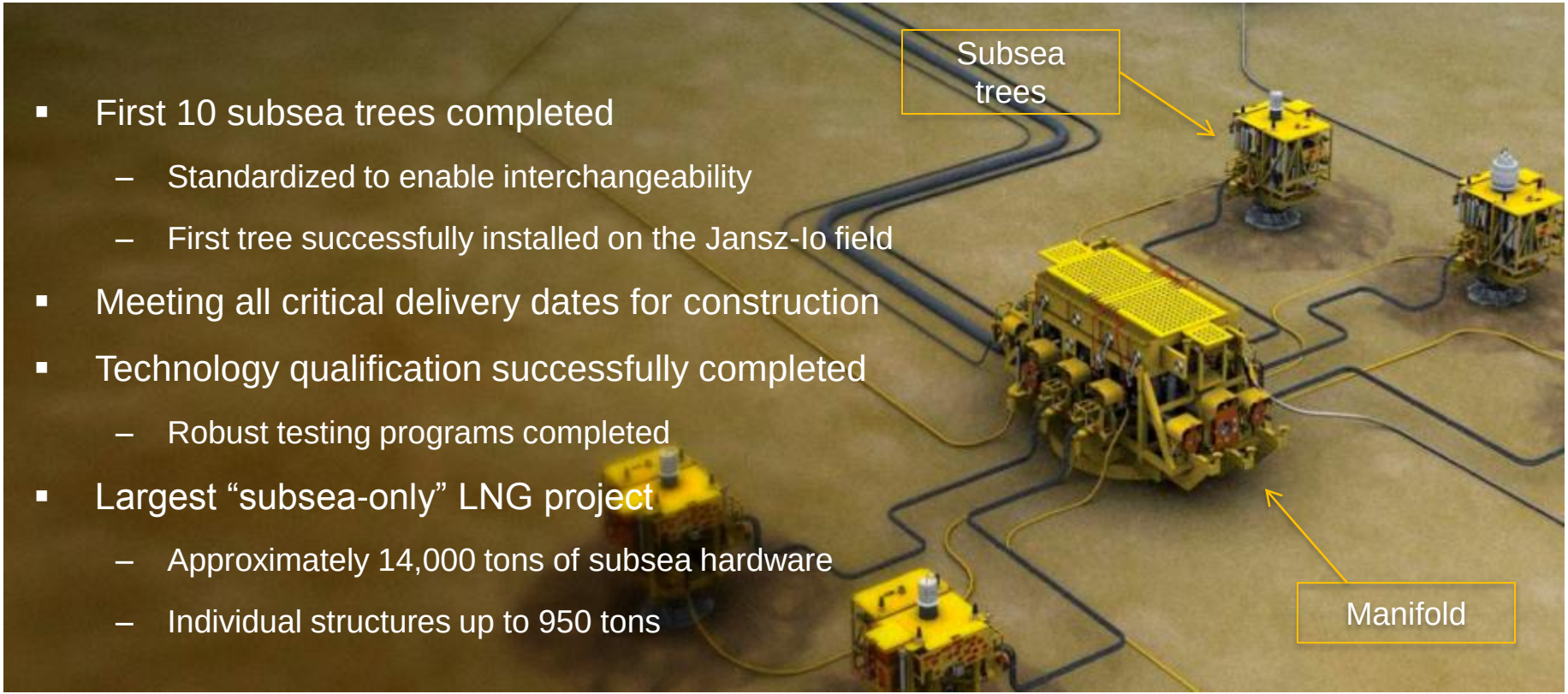
Gorgon Field: Multiple reservoirs



World Class Wells
Large Scale Completions

	Jansz completion	Gorgon completion	Typical gas completion
Hole size	$8^1/_2$ inches	$8^3/_4$ inches	$8^1/_2$ inches
Completion type	Open hole with 5-$^1/_2$" gravel pack screens	7" perforated production casing	7" perforated production casing (or gravel pack)
Tubing	9 $^5/_8$ inches	7 $^5/_8$ inches	$4^1/_2$ inches
Wellbore inclination	75° - 80°	0° - 40°	0° - 40°
Perforation length	230 – 330 feet	500 feet	100 feet
Capacity (erosion limited)	240 mscf/d	270 mscf/d	30 mscf/d
Completion life	25+ years	25+ years	10 years

Subsea Scope



- First 10 subsea trees completed
  - Standardized to enable interchangeability
  - First tree successfully installed on the Jansz-Io field
- Meeting all critical delivery dates for construction
- Technology qualification successfully completed
  - Robust testing programs completed
- Largest “subsea-only” LNG project
  - Approximately 14,000 tons of subsea hardware
  - Individual structures up to 950 tons

Proven Upstream Contractors

Key Project Drivers

- FEED provided high-quality definition
- Strategy to divide packages into manageable scope
- Global economic conditions in 2009 provided opportunities to capture savings

Subsea

- Proven global leaders enrolled
- Technology driven with joint venture expertise
- Subsea equipment vendors
- Corrosion resistant alloy pipe manufacturing technology

Drilling

- Chevron and ExxonMobil global drilling leverage
- Synergy capture
- Common execution plans
- Legacy experience on Barrow Island for CO_2

Upstream Progress Delivering as Predicted

43%
complete
Upstream activities on track, on budget

1,200
People in the field

22+
Vessels supporting operations

2012 Achievements

- First five subsea trees delivered, first Jansz-Io tree installed
- Jansz-Io drilling program started, first well drilled and completed
- Eight Gorgon wells drilled and ready for completion
- Directionally drilled shore crossing complete
- Construction on the domestic gas pipeline well underway
- All line pipe manufactured and 97% coating complete
- Main subsea umbilical manufactured, ready for shipment
- All shallow water small-diameter pipelines installed

Directionally drilled shore crossing site on Barrow Island

Pipeline installation underway looking out from the shore crossing site.

Pipeline Progress

- More than 500 miles of total pipelines
- Pipe coating completed with 50% delivered to site
- 200 miles of offshore pipeline now installed
- Cross-island pipeline approximately half complete
- Domestic gas pipeline mobilized in June with 30 miles laid
- Large deepwater pipe lay program begins Q1 2013

Cross-island pipe lay activity

Offshore pipe lay vessel

Drilling Progress

Gorgon Field

- Custom built, new semi-submersible deepwater drill rig
- 8 gas wells drilled to total depth and casing installed
- Results confirmed pre-drill subsurface predictions for reservoir thickness, quality
- Completions and flowbacks scheduled for Q1 2013

Jansz-Io Field

- First Jansz-Io well spudded April 2012
- Batch drilling to capture efficiencies
- First lower completion and open-hole gravel pack installed
- First subsea tree installed

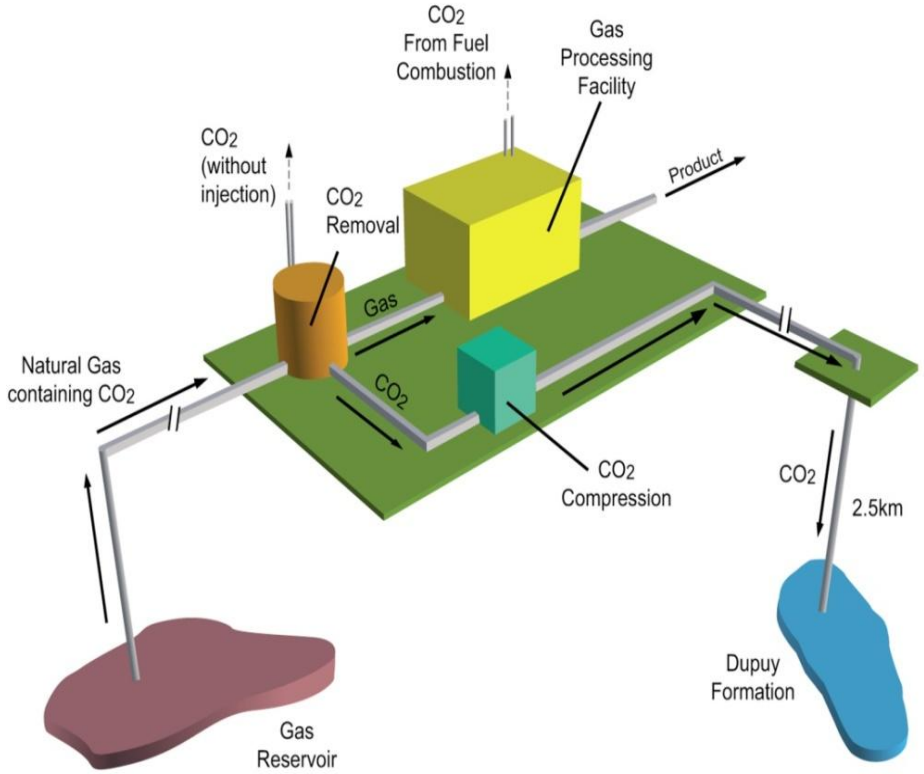
CO_2 Program

- Custom-built, new drilling rig
- Drilling program commences in 2013
- Ready for Gorgon field gas

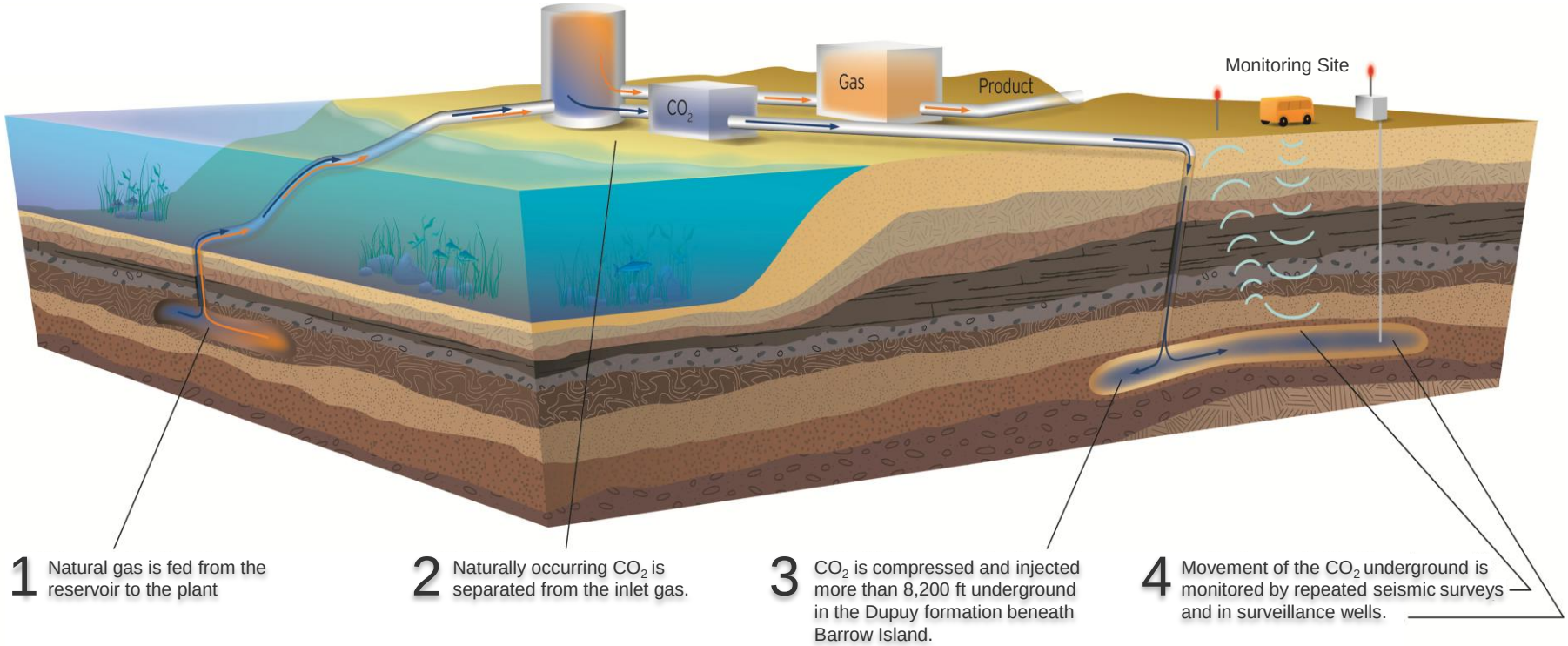
The Atwood Osprey semi-submersible deepwater drill rig.

CO_2 Injection and Storage History

- Chevron injecting CO_2 for decades for tertiary oil recovery
- Gorgon reservoirs contain 14% by volume of CO_2
- Chevron participation in CO_2 sequestration research in Australia since 1995
- Dupuy formation under Barrow Island is ideal rock for sequestration
- Government expectation for CO_2 injection included in Barrow Island Act

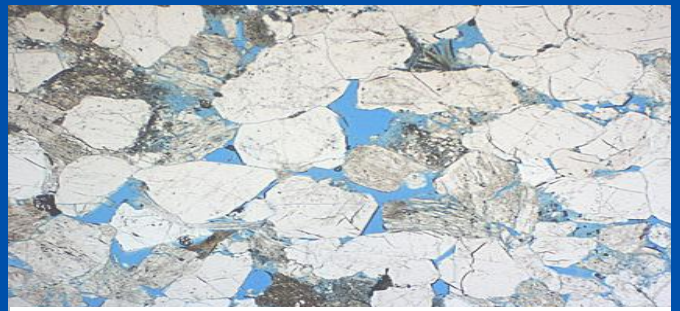


Reservoir Carbon Dioxide Disposal
World's Largest CO_2 Injection Project

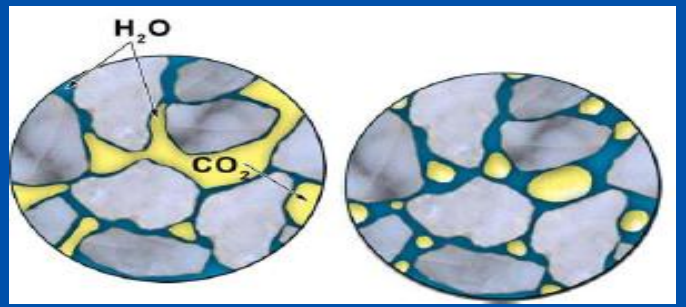


Dupuy Formation Containment Mechanisms

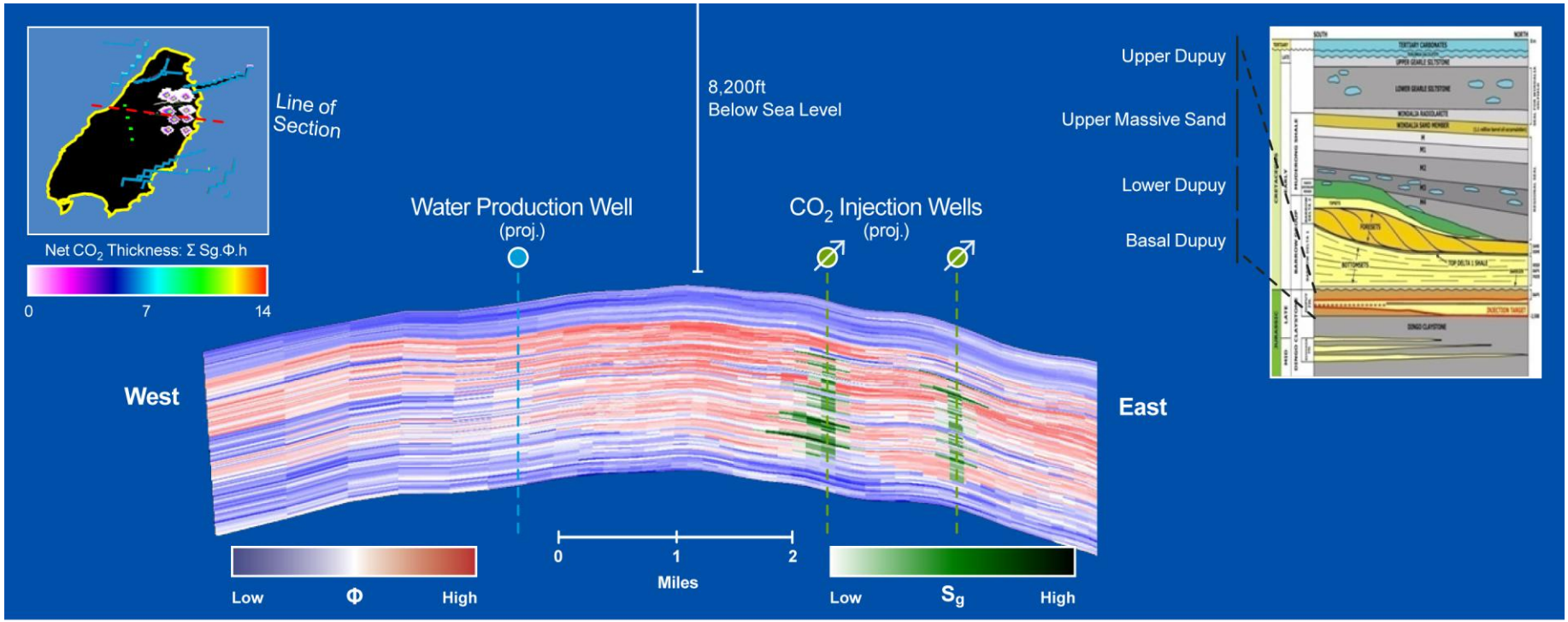
- Two main trapping mechanisms
  - CO_2 solution into formation water
  - Residual gas trapping
- Dupuy formation has ideal permeability
- Other mechanisms
  - Large scale geometric trapping not required (smaller scale structural/ stratigraphic trapping will occur)
  - Dupuy Formation - chemically inert so mineralogical trapping is a longer term effect



Fine-grained sandstone

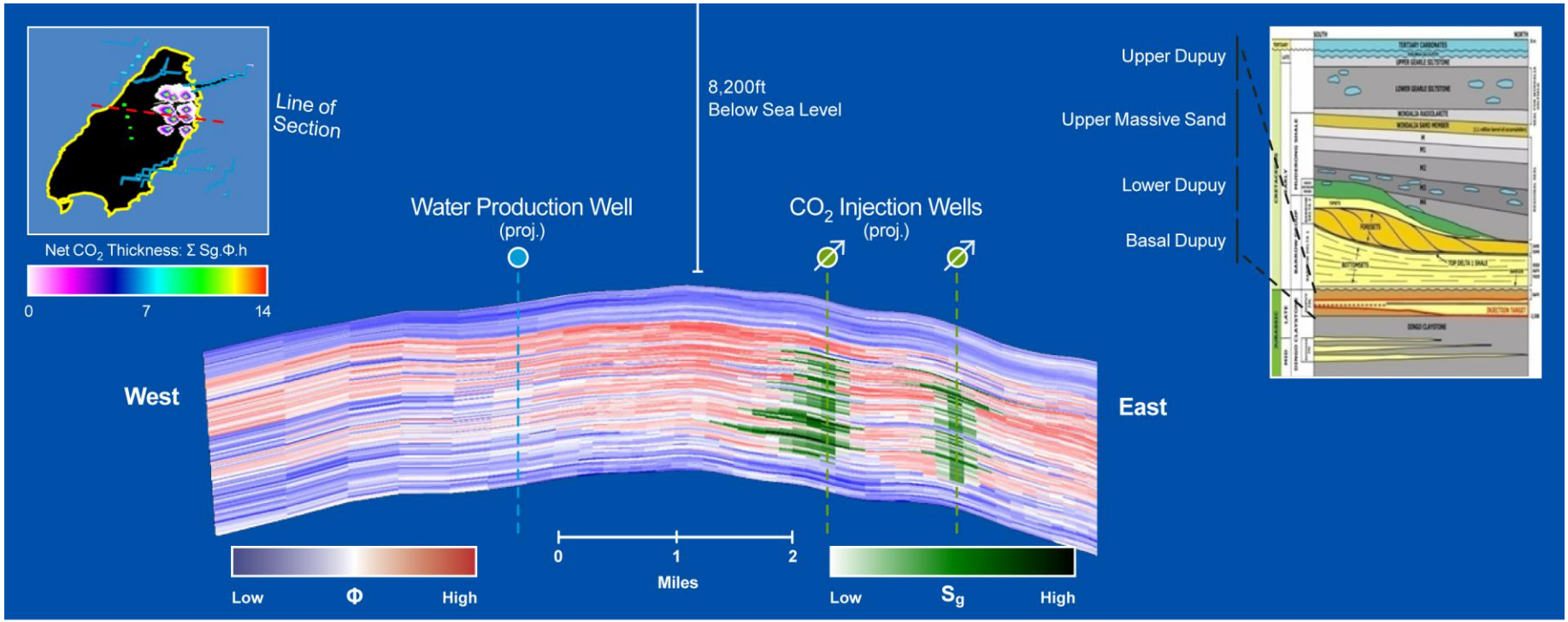


Modeled Migration of CO_2 Over Time
YEAR: 0005



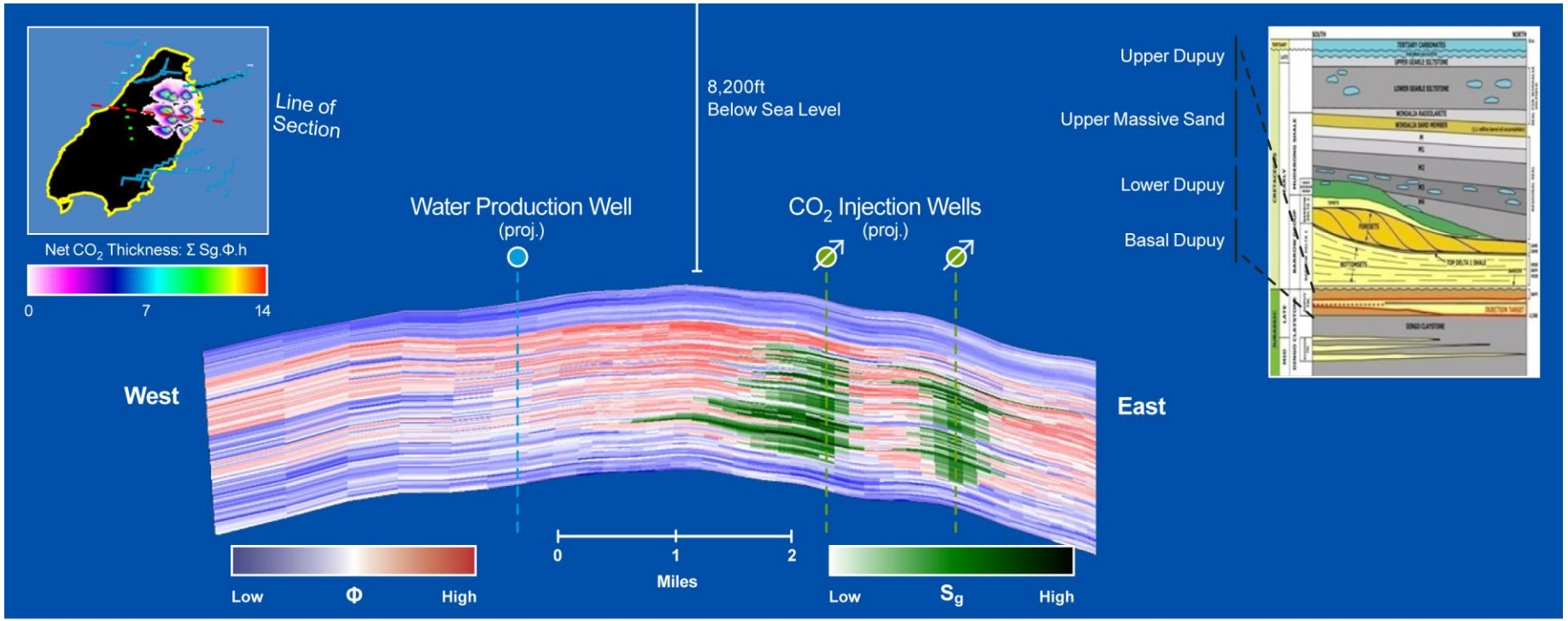
Years 5

Modeled Migration of CO_2 Over Time
YEAR: 0010



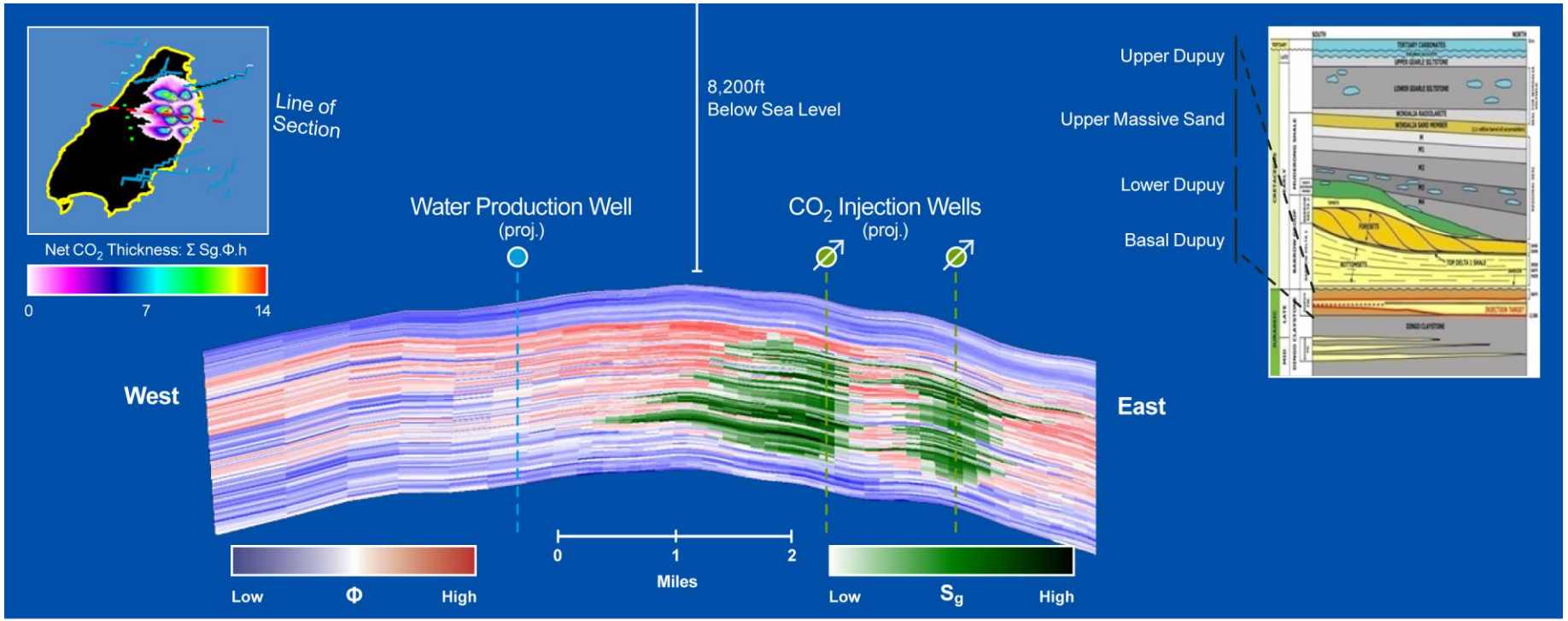
Year 5 10

Modeled Migration of CO_2 Over Time
YEAR: 0020



Year 5 10 20

Modeled Migration of CO_2 Over Time
YEAR: 0040



Year 5 10 20 40

Modeled Migration of CO_2 Over Time
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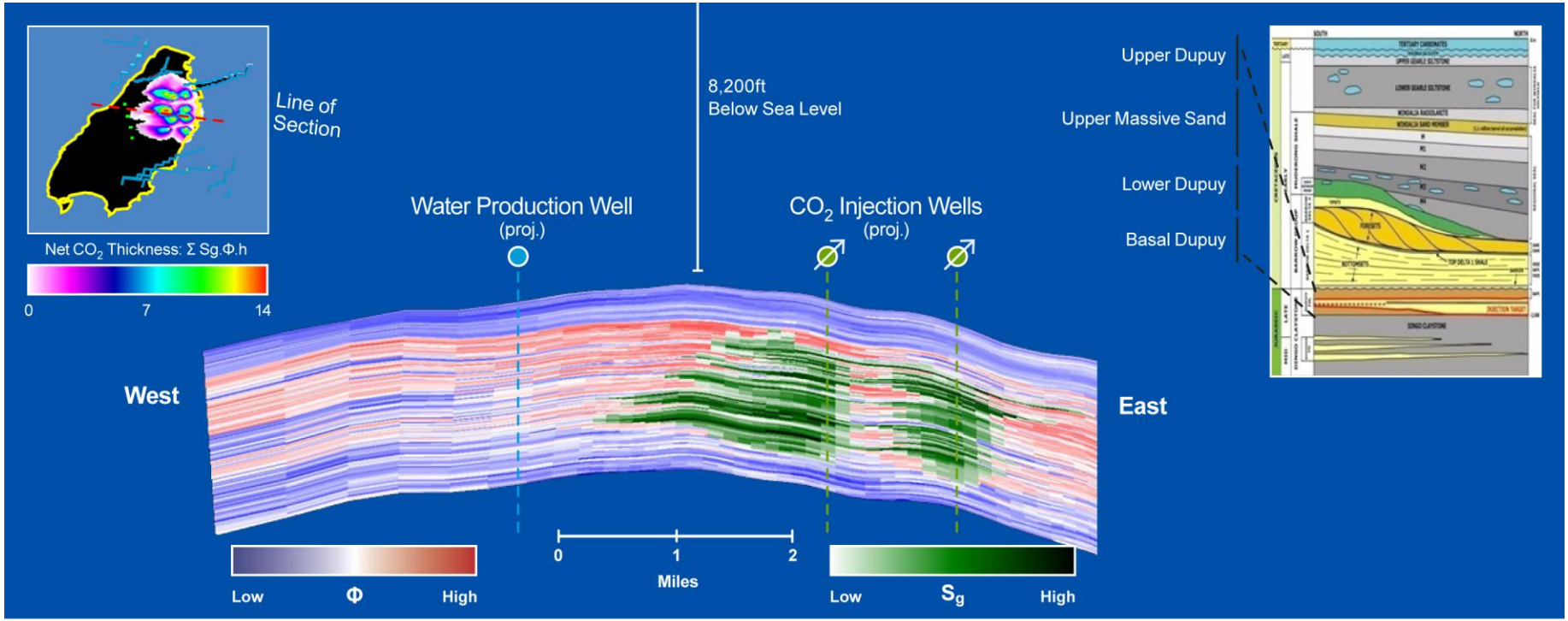

Year 5 10 20 40 65

Modeled Migration of CO_2 Over Time
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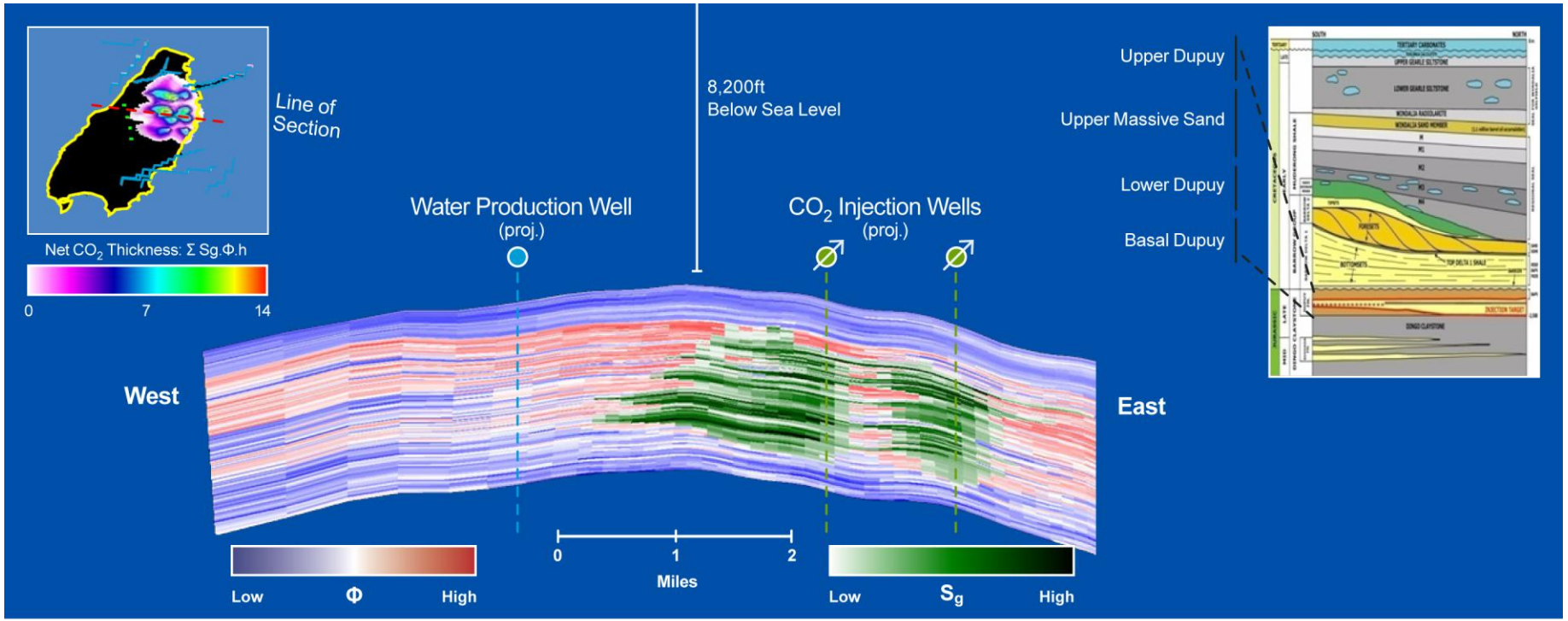
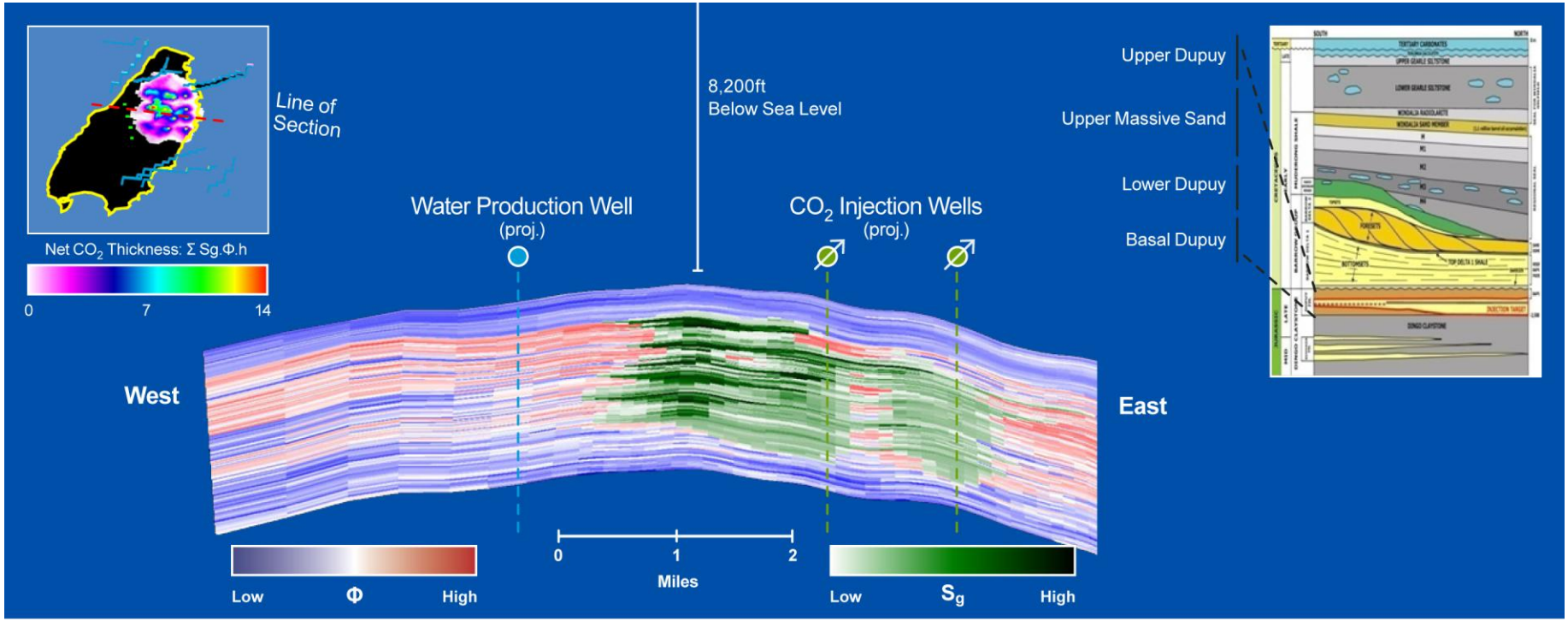


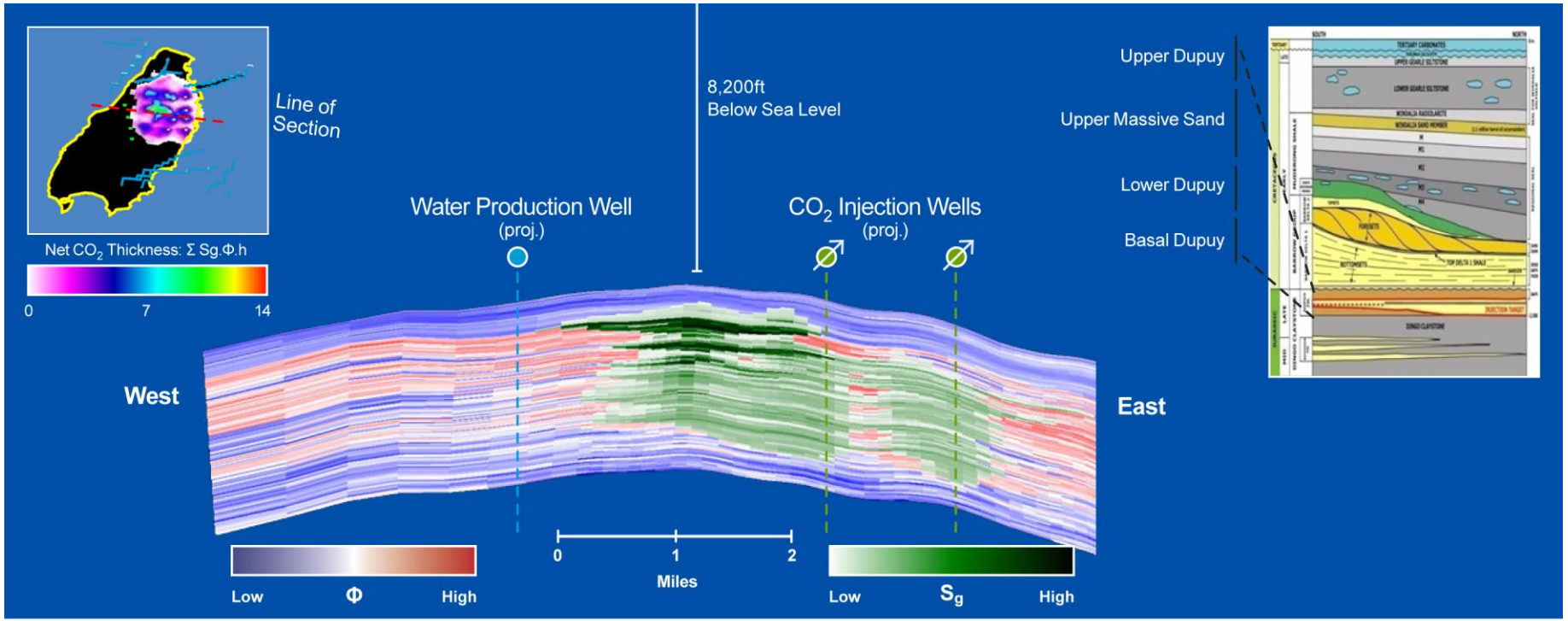
Year 5 10 20 40 65 100

Modeled Migration of CO_2 Over Time
YEAR: 0500



Year 100 500

Modeled Migration of CO_2 Over Time
YEAR: 1000



Year 100 500 1000

Compressor Design and Assurance Testing

Project includes six CO_2 compressors to be incorporated into three modules

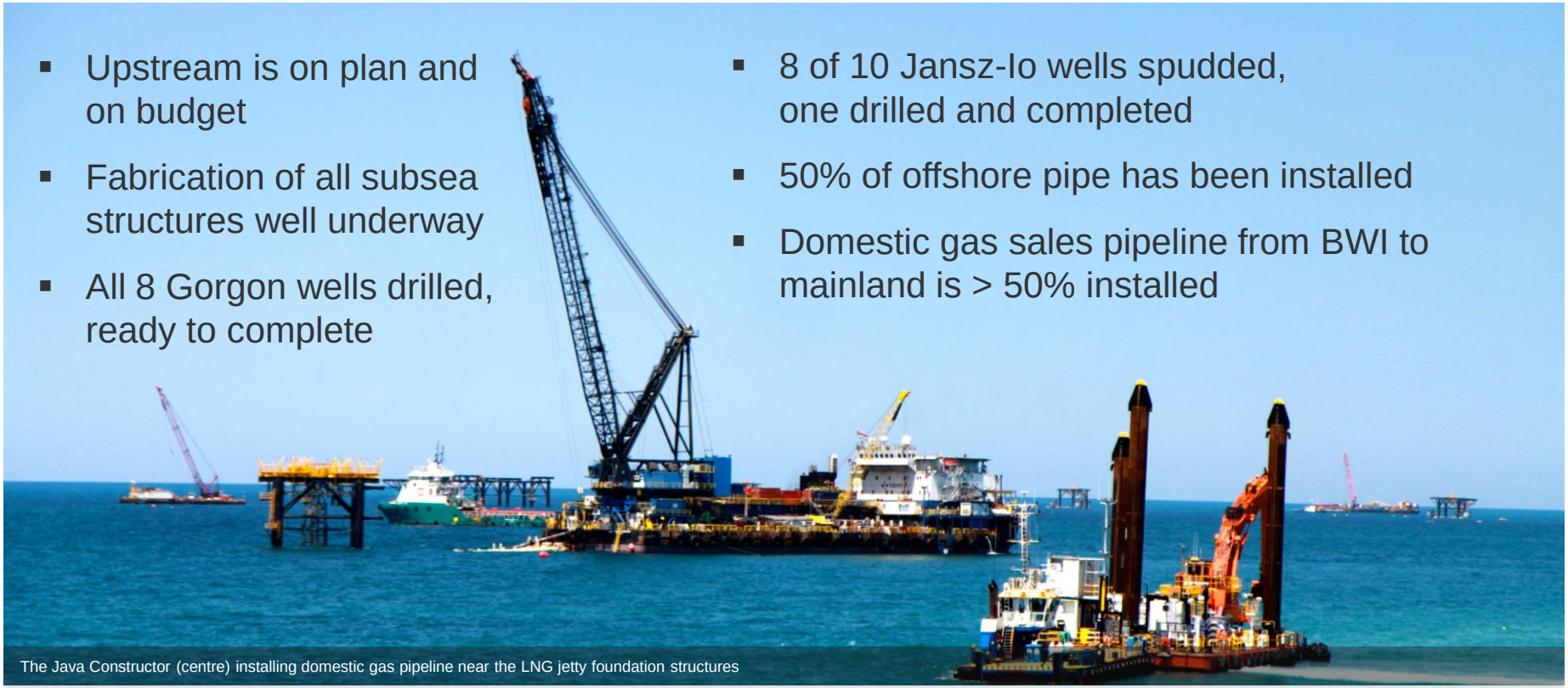
- 200 mmscf/d throughput
- Variable speed electric drive
- Corrosion resistant materials
- Full train assurance test at manufacturing site

Compressor train animation

Compressor train under construction

Upstream Progress

- Upstream is on plan and on budget
- Fabrication of all subsea structures well underway
- All 8 Gorgon wells drilled, ready to complete
- 8 of 10 Jansz-Io wells spudded, one drilled and completed
- 50% of offshore pipe has been installed
- Domestic gas sales pipeline from BWI to mainland is > 50% installed



The Java Constructor (centre) installing domestic gas pipeline near the LNG jetty foundation structures

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