

=====
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report

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

Date of Report (Date of earliest event reported): March 8, 1998

Chevron Corporation
(Exact name of registrant as specified in its charter)

Delaware 1-368-2 94-0890210
(State or other jurisdiction (Commission File Number) (I.R.S. Employer No.)
of incorporation)

575 Market Street, San Francisco, CA 94105
(Address of principal executive offices) (Zip Code)

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

NONE
(Former name or former address, if changed since last report)

Item 5. Other Events.

On March 5, 1999, Chevron Corporation issued a press release announcing revised Net Income for the year ending December 31, 1998.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press Release of Chevron Corporation dated March 5, 1999, entitled "Chevron revises 1998 Net Income to \$1.339 billion to include potential impact of recent Oklahoma Supreme Court opinion"

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: March 8, 1999

CHEVRON CORPORATION

By /s/ S. J. CROWE
S. J. Crowe, Comptroller
(Duly Authorized Officer)

CHEVRON REVISES 1998 NET INCOME TO \$1.339 BILLION TO INCLUDE POTENTIAL IMPACT
OF RECENT OKLAHOMA SUPREME COURT OPINION

SAN FRANCISCO, March 5, 1999 -- Chevron Corp. today announced that net income for the fourth quarter and year 1998 has been revised to include a special charge of \$637 million arising from the March 2 Oklahoma Supreme Court opinion in the Cities Service case.

Even though Chevron plans to aggressively seek further review of this case in the courts, the company indicated the adjustment was made to comply with accounting standards that require recognition of certain potential losses.

Net income for 1998 was reduced to \$1.339 billion (\$2.04 per share - diluted) from the previously reported preliminary earnings of \$1.976 billion. Fourth quarter net income was reduced to a loss of \$206 million (\$0.31 loss per share - diluted) from the previously reported preliminary profit of \$431 million.

Excluding special items, operating earnings for 1998 of \$1.945 billion were not affected. The \$637 million charge reflects an increased reserve for the potential estimated after-tax impact of the \$742.2 million judgement in July 1996, plus interest through December 31, 1998.

The case reaches back to 1982 when Cities Service Co., a Tulsa oil company, filed suit against Gulf Oil Corp., when Gulf terminated plans to acquire Cities Service. In the years since the suit was filed, both companies were acquired by other energy firms: Cities Service by Occidental Petroleum and Gulf by Chevron. The lawsuit remained in the names of the original parties.

3/5/99

Attachment
-1-

CHEVRON CORPORATION - FINANCIAL REVIEW - REVISED MARCH 4, 1999
(MILLIONS OF DOLLARS EXCEPT PER-SHARE AMOUNTS)

CONSOLIDATED STATEMENT OF INCOME

	Fourth Quarter (unaudited)		Year Ended December 31,	
	1998	1997	1998 (2)	1997
REVENUES:				
Sales and Other Operating Revenues (1)	\$ 7,164	\$ 9,725	\$ 29,943	\$ 40,596
Income from Equity Affiliates	(66)	153	228	688
Other Income	184	390	386	679
	7,282	10,268	30,557	41,963
COSTS AND OTHER DEDUCTIONS:				
Purchased Crude Oil and Products	3,358	4,599	14,036	20,223
Operating Expenses	1,160	1,303	4,834	5,280
Selling and Administrative Expenses	1,343	496	2,239	1,533
Exploration Expenses	117	205	478	493
Depreciation, Depletion and Amortization	646	657	2,320	2,300
Taxes Other Than on Income (1)	1,115	1,525	4,411	6,320
Interest and Debt Expense	109	85	405	312
	7,848	8,870	28,723	36,461
INCOME BEFORE INCOME TAX EXPENSE	(566)	1,398	1,834	5,502
Income Tax Expense	(360)	523	495	2,246
NET INCOME	\$ (206)	\$ 875	\$ 1,339	\$ 3,256
PER-SHARE AMOUNTS				
Earnings - Basic	\$ (0.31)	\$ 1.33	\$ 2.05	\$ 4.97
Earnings - Diluted	\$ (0.31)	\$ 1.33	\$ 2.04	\$ 4.95
Dividends	\$.61	\$.58	\$ 2.44	\$ 2.28
Average Common Shares Outstanding (000's)				
- Basic	654,076	658,249	654,858	656,306
- Diluted	656,237	660,826	657,076	658,363

NET INCOME BY MAJOR OPERATING AREA

	Fourth Quarter (unaudited)		Year Ended December 31,	
	1998	1997	1998	1997
Exploration and Production				

United States	\$	72	\$	265	\$	365	\$	1,001
International		202		261		707		1,252
		-----		-----		-----		-----
Total Exploration and Production		274		526		1,072		2,253
		-----		-----		-----		-----
Refining, Marketing and Transportation								
United States		114		156		572		601
International		(118)		139		28		298
		-----		-----		-----		-----
Total Refining, Marketing and Transportation		(4)		295		600		899
		-----		-----		-----		-----
Chemicals		(2)		63		122		228
All Other (3) (4)		(474)		(9)		(455)		(124)
		-----		-----		-----		-----
NET INCOME	\$	(206)	\$	875	\$	1,339	\$	3,256
		=====		=====		=====		=====

- (1) Includes consumer excise taxes. \$ 943 \$ 1,339 \$ 3,756 \$ 5,587
1997 amounts have been reclassified to conform to the 1998 presentation
- (2) Includes restatements of 1998 periods for the company's share of the cumulative effect of accounting changes, effective January 1, 1998, the net effect of which was immaterial.
- (3) Renamed in connection with the fourth quarter 1998 implementation of SFAS 131, "Disclosures about Segments of an Enterprise and Related Information".
- (4) "All Other" includes coal operations, interest expense, interest income on cash and marketable securities, corporate center costs, real estate and insurance activities.

CHEVRON CORPORATION - FINANCIAL REVIEW - REVISED MARCH 4, 1999
(MILLIONS OF DOLLARS)

SPECIAL ITEMS BY MAJOR OPERATING AREA	Fourth Quarter (unaudited)		Year Ended December 31,	
	1998	1997	1998 (1)	1997
U. S. Exploration and Production	\$ (34)	\$ (3)	\$ (16)	\$ 29
International Exploration and Production	(7)	(4)	(10)	55
U. S. Refining, Marketing and Transportation	(48)	(18)	(61)	(61)
International Refining, Marketing and Transportation	(27)	6	(95)	(69)
Chemicals	(24)	22	(29)	4
All Other (2) (3)	(569)	65	(395)	118
Total Special Items	\$ (709)	\$ 68	\$ (606)	\$ 76

SUMMARY OF SPECIAL ITEMS	Fourth Quarter (unaudited)		Year Ended December 31,	
	1998	1997	1998	1997
Asset Dispositions	\$ 29	\$ 156	\$ (9)	\$ 183
Asset Write-offs and Revaluations	(91)	(78)	(159)	(86)
Environmental Remediation Provisions	(21)	-	(39)	(35)
Prior-Year Tax Adjustments	81	54	271	152
Restructurings & Reorganizations	-	(60)	(43)	(60)
LIFO Inventory (Losses) Gains	(25)	5	(25)	5
Other, Net	(682)	(9)	(602)	(83)
Total Special Items	\$ (709)	\$ 68	\$ (606)	\$ 76

FOREIGN EXCHANGE (LOSSES) GAINS	\$ (71)	\$ 205	\$ (47)	\$ 246
---------------------------------	---------	--------	---------	--------

EARNINGS BY MAJOR OPERATING AREA
EXCLUDING SPECIAL ITEMS

	Fourth Quarter (unaudited)		Year Ended December 31,	
	1998	1997	1998	1997
Exploration and Production				
United States	\$ 106	\$ 268	\$ 381	\$ 972
International	209	265	717	1,197
Total Exploration and Production	315	533	1,098	2,169
Refining, Marketing and Transportation				
United States	162	174	633	662
International	(91)	133	123	367
Total Refining, Marketing and Transportation	71	307	756	1,029
Chemicals	22	41	151	224
All Other (2) (3)	95	(74)	(60)	(242)
Earnings Excluding Special Items	503	807	1,945	3,180
Special Items	(709)	68	(606)	76
Net Income	\$ (206)	\$ 875	\$ 1,339	\$ 3,256

- (1) Includes restatements of 1998 periods for the company's share of the cumulative effect of accounting changes, effective January 1, 1998, the net effect of which was immaterial.
- (2) "All Other" includes interest expense, interest income on cash and marketable securities, corporate center costs, coal operations, real estate and insurance activities.
- (3) Renamed in connection with the fourth quarter 1998 implementation of SFAS 131, "Disclosures about Segments of an Enterprise and Related Information".