

TABLE OF CONTENTS

CONSOLIDATED FINANCIAL DATA

- 2 Financial Highlights
- 3 Consolidated Statement of Income
- 4 Consolidated Balance Sheet
- 6 Consolidated Statement of Stockholders' Equity
- 8 Consolidated Statement of Cash Flows
- 9 Segment Information
- 10 Properties, Plant and Equipment
- 10 Depreciation, Depletion and Amortization Expense
- 11 Capital and Exploratory Expenditures
- 12 Operational Highlights

PRODUCING ACTIVITIES

- 13 Estimated Net Proved Reserves of Crude Oil and Natural Gas Liquids
- 14 Estimated Net Proved Reserves of Natural Gas
- 15 Standardized Measure of Discounted Future Net Cash Flows
- 16 Capitalized Costs — Exploration and Producing Activities
- 17 Costs Incurred — Exploration and Development Activities
- 18 Results of Operations — Exploration and Producing Activities
- 19 Results of Operations Per Unit of Sold Production
- 20 Oil and Gas Net Acreage
- 21 Net Production of Crude Oil and Natural Gas Liquids
- 22 Net Production of Natural Gas
- 22 Natural Gas Sales
- 23 Number of Wells Capable of Producing
- 23 Additional Well Data
- 24 Exploratory and Development Wells Completed

MANUFACTURING ACTIVITIES

- 25 Refinery Input of Crude Oil, Natural Gas Liquids and Distillates
- 26 Refinery Crude Oil Capacity

MARKETING ACTIVITIES

- 27 Refined Product Sales
- 28 Branded Retail Outlets

Complete information regarding Texaco is contained in its Annual Reports to Stockholders and its Forms 10-K. You may also visit our World Wide Web site at www.texaco.com.

FINANCIAL HIGHLIGHTS

(Millions of dollars, except per share amounts in dollars and ratio data)

	2000	1999	1998	1997	1996
Revenues	\$ 51,130	\$ 35,691	\$ 31,707	\$ 46,667	\$ 45,500
Net income before special items and cumulative effect of accounting change	\$ 2,898	\$ 1,214	\$ 894	\$ 1,894	\$ 1,665
Special items	(356)	(37)	(291)	770	353
Cumulative effect of accounting change	—	—	(25)	—	—
Net income	\$ 2,542	\$ 1,177	\$ 578	\$ 2,664	\$ 2,018
Diluted income per common share (dollars)*					
Before special items and cumulative effect of accounting change	\$ 5.31	\$ 2.21	\$ 1.59	\$ 3.45	\$ 3.03
Special items	(.66)	(.07)	(.55)	1.42	.65
Cumulative effect of accounting change	—	—	(.05)	—	—
Net income	\$ 4.65	\$ 2.14	\$.99	\$ 4.87	\$ 3.68
Cash dividends paid					
Common	\$ 976	\$ 964	\$ 952	\$ 918	\$ 859
Per share*	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.75	\$ 1.65
Preferred	\$ 15	\$ 28	\$ 53	\$ 55	\$ 58
Total assets	\$ 30,867	\$ 28,972	\$ 28,570	\$ 29,600	\$ 26,963
Total debt	\$ 7,191	\$ 7,647	\$ 7,291	\$ 6,392	\$ 5,590
Stockholders' equity	\$ 13,444	\$ 12,042	\$ 11,833	\$ 12,766	\$ 10,372
Capital and exploratory expenditures	\$ 4,234	\$ 3,893	\$ 4,019	\$ 5,930	\$ 3,431
Per common share*					
Common stockholders' equity	\$ 24.30	\$ 21.59	\$ 21.24	\$ 22.75	\$ 18.76
Market price					
High	\$ 63.75	\$ 70.06	\$ 65.00	\$ 63.44	\$ 53.57
Low	\$ 44.25	\$ 44.56	\$ 49.06	\$ 48.88	\$ 37.75
At year end	\$ 62.13	\$ 54.31	\$ 53.00	\$ 54.38	\$ 49.07
Ratios					
Current ratio	1.18	1.05	1.07	1.07	1.24
Return on average stockholders' equity**	20.1%	10.0%	4.9%	23.5%	20.4%
Return on average capital employed**	14.5%	8.1%	5.0%	17.3%	14.9%
Total debt to total borrowed and invested capital	33.7%	37.5%	36.8%	32.3%	33.6%
Number of common stockholders at year end	184,958	198,698	210,737	210,710	195,801
Number of common shares outstanding (thousands) at year end*	550,163 ^(a)	553,108 ^(a)	534,630 ^(a)	542,139 ^(a)	527,396 ^(a)

*Reflects two-for-one stock split effective September 29, 1997.

**Returns exclude the cumulative effect of accounting change.

(a) Includes 9.2 million shares in 2000, 1999, 1998 and 1997 and 8 million shares in 1996 held in a benefit plan trust. These shares are not considered outstanding for earnings per share purposes.

CONSOLIDATED STATEMENT OF INCOME

For the years ended December 31 (Millions of dollars)

	2000	1999	1998	1997	1996
Revenues					
Sales and services (includes transactions with significant affiliates of \$7,811; \$4,839; \$4,169; \$3,633 and \$3,867 in 2000 to 1996)					
Refined products	\$ 29,887	\$ 22,633	\$ 20,263	\$ 24,322	\$ 22,997
Crude oil	13,073	8,430	6,339	14,297	15,415
Natural gas	6,455	3,212	3,531	3,766	3,143
Other – including natural gas liquids	685	700	777	2,802	3,006
Total sales and services	<u>50,100</u>	<u>34,975</u>	<u>30,910</u>	<u>45,187</u>	<u>44,561</u>
Other revenues					
Equity in income of affiliates	785	482	485	702	711
Gains on asset sales	141	87	109	561	19
Other, including interest income	104	147	203	217	209
Total other revenues	<u>1,030</u>	<u>716</u>	<u>797</u>	<u>1,480</u>	<u>939</u>
	<u>51,130</u>	<u>35,691</u>	<u>31,707</u>	<u>46,667</u>	<u>45,500</u>
Deductions					
Purchases and other costs (includes transactions with significant affiliates of \$3,266; \$1,691; \$1,669; \$2,178 and \$2,048 in 2000 to 1996)	39,576	27,442	24,179	35,230	34,643
Operating expenses	2,808	2,319	2,508	3,251	3,235
Selling, general and administrative expenses	1,291	1,186	1,224	1,755	1,803
Exploratory expenses	358	501	461	471	379
Depreciation, depletion and amortization	1,917	1,543	1,675	1,633	1,455
Interest expense	458	504	480	412	434
Taxes other than income taxes*	379	334	423	520	496
Minority interest	125	83	56	68	72
	<u>46,912</u>	<u>33,912</u>	<u>31,006</u>	<u>43,340</u>	<u>42,517</u>
Income before income taxes and cumulative effect of accounting change	4,218	1,779	701	3,327	2,983
Provision for (benefit from) income taxes					
Current	1,542	742	250	212	985
Deferred	134	(140)	(152)	451	(20)
Total provision for income taxes	<u>1,676</u>	<u>602</u>	<u>98</u>	<u>663</u>	<u>965</u>
Net Income					
Income before cumulative effect of accounting change	2,542	1,177	603	2,664	2,018
Cumulative effect of accounting change	—	—	(25)	—	—
Net income	<u>\$ 2,542</u>	<u>\$ 1,177</u>	<u>\$ 578</u>	<u>\$ 2,664</u>	<u>\$ 2,018</u>
Preferred stock dividend requirements	\$ 15	\$ 29	\$ 54	\$ 56	\$ 58
Net income available for common stock	<u>\$ 2,527</u>	<u>\$ 1,148</u>	<u>\$ 524</u>	<u>\$ 2,608</u>	<u>\$ 1,960</u>
Net Income Per Common Share (dollars)					
Basic					
Income before cumulative effect of accounting change	\$ 4.66	\$ 2.14	\$ 1.04	\$ 4.99	\$ 3.77
Cumulative effect of accounting change	—	—	(.05)	—	—
Net income	<u>\$ 4.66</u>	<u>\$ 2.14</u>	<u>\$.99</u>	<u>\$ 4.99</u>	<u>\$ 3.77</u>
Diluted					
Income before cumulative effect of accounting change	\$ 4.65	\$ 2.14	\$ 1.04	\$ 4.87	\$ 3.68
Cumulative effect of accounting change	—	—	(.05)	—	—
Net income	<u>\$ 4.65</u>	<u>\$ 2.14</u>	<u>\$.99</u>	<u>\$ 4.87</u>	<u>\$ 3.68</u>
Average Number of Common Shares Outstanding (for computation of earnings per share) (thousands)					
Basic	542,322	535,369	528,416	522,234	520,392
Diluted	<u>543,952</u>	<u>537,860</u>	<u>528,965</u>	<u>542,570</u>	<u>541,824</u>

*In addition, motor fuel, value added and other taxes collected from consumers for governmental agencies in the United States and abroad amounted to \$2,519; \$2,097; \$2,148; \$3,370 and \$3,237 millions during 2000 to 1996.

CONSOLIDATED BALANCE SHEET

As of December 31 (Millions of dollars)

	2000	1999	1998	1997	1996
Assets					
Current Assets					
Cash and cash equivalents	\$ 207	\$ 419	\$ 249	\$ 311	\$ 511
Short-term investments – at fair value	46	29	22	84	41
Accounts and notes receivable (includes receivables from significant affiliates of \$667; \$585; \$694; \$234 and \$299 in 2000 to 1996), less allowance for doubtful accounts of \$27; \$27; \$28; \$22 and \$34 in 2000 to 1996	5,583	4,060	3,955	4,230	5,195
Inventories					
Crude oil	127	141	116	308	296
Petroleum products and other	732	857	839	952	962
Materials and supplies	164	184	199	223	202
Total inventories	1,023	1,182	1,154	1,483	1,460
Deferred income taxes and other current assets	194	273	256	324	458
Total current assets	7,053	5,963	5,636	6,432	7,665
Investments and Advances					
Affiliates accounted for on the equity method					
Equilon Enterprises LLC	1,724	1,953	2,266	—	—
Motiva Enterprises LLC	743	686	896	—	—
Star Enterprise	—	—	—	889	756
Caltex Group	2,152	2,139	2,199	2,297	2,127
Other affiliates	1,282	785	655	635	928
Total	5,901	5,563	6,016	3,821	3,811
Miscellaneous investments and other	988	863	1,168	1,276	1,185
Total investments and advances	6,889	6,426	7,184	5,097	4,996
Properties, Plant and Equipment					
At cost	32,821	36,527	35,494	38,956	33,988
Less – Accumulated depreciation, depletion and amortization	17,140	20,967	20,733	21,840	20,577
Net properties, plant and equipment	15,681	15,560	14,761	17,116	13,411
Deferred Charges					
Total	1,244	1,023	989	955	891
Total	\$ 30,867	\$ 28,972	\$ 28,570	\$ 29,600	\$ 26,963

CONSOLIDATED BALANCE SHEET

As of December 31 (Millions of dollars)

	2000	1999	1998	1997	1996
Liabilities and Stockholders' Equity					
Current Liabilities					
Notes payable, commercial paper and current portion of long-term debt	\$ 376	\$ 1,041	\$ 939	\$ 885	\$ 465
Accounts payable and accrued liabilities (includes payables to significant affiliates of \$146; \$61; \$395; \$106 and \$144 in 2000 to 1996)					
Trade liabilities	3,314	2,585	2,302	2,669	3,472
Accrued liabilities	1,347	1,203	1,368	1,480	1,333
Total accounts payable and accrued liabilities	4,661	3,788	3,670	4,149	4,805
Estimated income and other taxes	947	839	655	960	914
Total current liabilities	5,984	5,668	5,264	5,994	6,184
Long-Term Debt					
Capital Lease Obligations	39	39	55	119	132
Deferred Income Taxes	1,547	1,468	1,644	1,825	795
Employee Retirement Benefits	1,118	1,184	1,248	1,224	1,236
Deferred Credits and Other Non-current Liabilities	1,246	1,294	1,550	1,639	2,593
Minority Interest in Subsidiary Companies	713	710	679	645	658
Total	17,423	16,930	16,737	16,834	16,591
Stockholders' Equity					
Market auction preferred shares (Series G, H, I and J)	300	300	300	300	300
ESOP convertible preferred stock	—	—	428	457	474
Unearned employee compensation and benefit plan trust	(310)	(306)	(334)	(389)	(378)
Common stock	1,774	1,774	1,774	1,774	1,714
Paid-in capital in excess of par value	1,301	1,287	1,640	1,688	630
Retained earnings	11,297	9,748	9,561	9,987	8,292
Other comprehensive income	(130)	(119)	(101)	(95)	(32)
	14,232	12,684	13,268	13,722	11,000
Less – Common stock held in treasury, at cost	788	642	1,435	956	628
Total stockholders' equity	13,444	12,042	11,833	12,766	10,372
Total	\$ 30,867	\$ 28,972	\$ 28,570	\$ 29,600	\$ 26,963
Number of Common Shares (850,000,000 authorized)					
Number of common shares issued (thousands)	567,577	567,577	567,606	567,606	548,587
Less – treasury shares (thousands)	17,414	14,469	32,976	25,467	21,191
Number of common shares outstanding at year end (thousands)	550,163*	553,108*	534,630*	542,139*	527,396*

*Includes 9.2 million shares in 2000, 1999, 1998 and 1997 and 8 million shares in 1996 held in a benefit plan trust. These shares are not considered outstanding for earnings per share purposes.

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Shares in thousands; amounts in millions of dollars)	2000		1999		1998		1997		1996	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Preferred Stock par value \$1; Shares authorized – 30,000,000										
Market Auction Preferred Shares (Series G, H, I and J) – liquidation preference of \$250,000 per share										
Beginning and end of year	1	\$ 300	1	\$ 300	1	\$ 300	1	\$ 300	1	\$ 300
Series B ESOP Convertible Preferred Stock – liquidation value of \$600 per share										
Beginning of year	—	—	649	389	693	416	720	432	751	450
Redemptions	—	—	(587)	(352)	—	—	—	—	—	—
Retirements	—	—	(62)	(37)	(44)	(27)	(27)	(16)	(31)	(18)
End of year	—	—	—	—	649	389	693	416	720	432
Series F ESOP Convertible Preferred Stock – liquidation value of \$737.50 per share										
Beginning of year	—	—	53	39	56	41	57	42	60	45
Redemptions	—	—	(53)	(39)	—	—	—	—	—	—
Retirements	—	—	—	—	(3)	(2)	(1)	(1)	(3)	(3)
End of year	—	—	—	—	53	39	56	41	57	42
Unearned Employee Compensation (related to ESOP and restricted stock awards)										
Beginning of year		(66)		(94)		(149)		(175)		(234)
Awards		(30)		(18)		(36)		(16)		(22)
Amortization and other		26		46		91		42		81
End of year		(70)		(66)		(94)		(149)		(175)
Benefit Plan Trust (common stock)										
Beginning of year	9,200	(240)	9,200	(240)	9,200	(240)	8,000	(203)	8,000	(203)
Establishment/additions	—	—	—	—	—	—	1,200	(37)	—	—
End of year	9,200	(240)	9,200	(240)	9,200	(240)	9,200	(240)	8,000	(203)
Common Stock par value \$3.125; Shares authorized – 850,000,000										
Beginning of year	567,577	1,774	567,606	1,774	567,606	1,774	548,587	1,714	548,587	1,714
Monterey acquisition	—	—	(29)	—	—	—	19,019	60	—	—
End of year	567,577	1,774	567,577	1,774	567,606	1,774	567,606	1,774	548,587	1,714
Common Stock Held in Treasury, at Cost										
Beginning of year	14,469	(642)	32,976	(1,435)	25,467	(956)	21,191	(628)	20,152	(517)
Redemption of Series B and Series F ESOP Convertible Preferred Stock										
Purchases of common stock	3,331	(169)	—	—	9,572	(551)	7,423	(410)	3,515	(159)
Transfer to benefit plan trust	—	—	—	—	—	—	(1,200)	37	—	—
Other – mainly employee benefit plans	(386)	23	(2,327)	94	(2,063)	72	(1,947)	45	(2,476)	48
End of year	17,414	\$ (788)	14,469	\$ (642)	32,976	\$ (1,435)	25,467	\$ (956)	21,191	\$ (628)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Millions of dollars)

	2000	1999	1998	1997	1996
Paid-in Capital in Excess of Par Value					
Beginning of year	\$ 1,287	\$ 1,640	\$ 1,688	\$ 630	\$ 655
Redemption of Series B and Series F ESOP Convertible Preferred Stock	—	(308)	—	—	—
Monterey acquisition	—	(2)	—	1,091	—
Treasury stock transactions relating to investor services plan and employee compensation plans	14	(43)	(48)	(33)	(25)
End of year	1,301	1,287	1,640	1,688	630
Retained Earnings					
Balance at beginning of year	9,748	9,561	9,987	8,292	7,186
Add:					
Net income	2,542	1,177	578	2,664	2,018
Tax benefit associated with dividends on unallocated ESOP Convertible Preferred Stock and Common Stock	—	2	3	4	5
Deduct:					
Dividends declared on common stock (\$1.80 per share in 2000, 1999 and 1998; \$1.75 per share in 1997 and \$1.65 per share in 1996)	976	964	952	918	859
Preferred stock					
Market Auction Preferred Shares (Series G, H, I and J of \$14,189, \$14,307, \$14,301 and \$12,823 in 2000; \$7,713, \$7,772, \$7,989 and \$7,935 in 1999; \$11,280, \$11,296, \$11,227 and \$11,218 per share in 1998; \$9,689, \$9,650, \$9,675 and \$9,774 per share in 1997 and \$9,510, \$11,043, \$11,009 and \$11,015 per share in 1996)	17	9	13	11	12
Series B ESOP Convertible Preferred Stock (\$57.00 per share in 1999 to 1996)	—	17	38	40	42
Series F ESOP Convertible Preferred Stock (\$64.53 per share in 1999 to 1996)	—	2	4	4	4
Balance at end of year	11,297	9,748	9,561	9,987	8,292
Other Comprehensive Income					
Currency Translation Adjustment					
Beginning of year	(99)	(107)	(105)	(65)	61
Change during year	(7)	8	(2)	(40)	(126)
End of year	(106)	(99)	(107)	(105)	(65)
Minimum Pension Liability Adjustment					
Beginning of year	(23)	(24)	(16)	—	—
Establishment	—	—	—	(16)	—
Change during year	(4)	1	(8)	—	—
End of year	(27)	(23)	(24)	(16)	—
Unrealized Net Gain on Investments					
Beginning of year	3	30	26	33	62
Change during year	—	(27)	4	(7)	(29)
End of year	3	3	30	26	33
Total other comprehensive income	(130)	(119)	(101)	(95)	(32)
Stockholders' Equity					
End of year (including preceding page)	\$ 13,444	\$ 12,042	\$ 11,833	\$ 12,766	\$ 10,372

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31 (Millions of dollars)

	2000	1999	1998	1997	1996
Operating Activities					
Net income	\$ 2,542	\$ 1,177	\$ 578	\$ 2,664	\$ 2,018
Reconciliation to net cash provided by (used in) operating activities					
Cumulative effect of accounting change	—	—	25	—	—
Depreciation, depletion and amortization	1,917	1,543	1,675	1,633	1,455
Deferred income taxes	134	(140)	(152)	451	(20)
Minority interest in net income	125	83	56	68	72
Dividends from affiliates, greater than (less than) equity in income	77	233	224	(370)	167
Gains on asset sales	(141)	(87)	(109)	(558)	(19)
Changes in operating working capital					
Accounts and notes receivable	(1,549)	(637)	125	718	(1,072)
Inventories	131	(28)	(51)	(56)	(104)
Accounts payable and accrued liabilities	621	382	16	(856)	716
Other – mainly estimated income and other taxes	50	130	(205)	(64)	97
Other – net	(43)	29	(89)	(184)	72
Net cash provided by operating activities	3,864	2,685	2,093	3,446	3,382
Investing Activities					
Capital expenditures	(2,974)	(2,473)	(2,650)	(3,159)	(2,517)
Proceeds from asset sales	684	321	282	1,036	125
Proceeds from sale of discontinued operations	—	—	—	—	344
Sales (purchases) of leasehold interests	—	(23)	25	(503)	261
Purchases of investment instruments	(340)	(432)	(947)	(1,102)	(1,668)
Sales/maturities of investment instruments	279	778	1,118	1,096	1,816
Collection of note/formation payments from U.S. affiliate	—	101	612	—	—
Other – net	—	—	—	(57)	70
Net cash used in investing activities	(2,351)	(1,728)	(1,560)	(2,689)	(1,569)
Financing Activities					
Borrowings having original terms in excess of three months					
Proceeds	808	2,353	1,300	507	307
Repayments	(2,167)	(1,080)	(741)	(637)	(802)
Net increase (decrease) in other borrowings	915	(983)	493	628	(143)
Purchases of common stock	(169)	—	(579)	(382)	(159)
Dividends paid to the company's stockholders					
Common	(976)	(964)	(952)	(918)	(859)
Preferred	(15)	(28)	(53)	(55)	(58)
Dividends paid to minority stockholders	(125)	(55)	(52)	(81)	(87)
Net cash used in financing activities	(1,729)	(757)	(584)	(938)	(1,801)
Cash and Cash Equivalents					
Effect of exchange rate changes	4	(30)	(11)	(19)	(2)
Increase (decrease) during year	(212)	170	(62)	(200)	10
Beginning of year	419	249	311	511	501
End of year	\$ 207	\$ 419	\$ 249	\$ 311	\$ 511

SEGMENT INFORMATION

<i>For the years ended December 31 (Millions of dollars)</i>	2000	1999	1998
Operating income (losses)			
Exploration and production			
United States			
Operating income before special items	\$ 1,788	\$ 666	\$ 381
Write-downs of assets	(126)	—	(51)
Environmental, litigation and royalty issues	(15)	(30)	—
Gains (losses) on major asset sales	(129)	18	—
Reorganization, restructuring, employee related and other costs	—	(11)	(29)
Tax issues	—	9	—
	1,518	652	301
International			
Operating income before special items	1,058	386	181
Write-downs of assets	(20)	—	(42)
Gains on major asset sales	90	—	—
Reorganization, restructuring, employee related and other costs	(14)	(2)	(10)
Tax issues	(37)	(24)	—
	1,077	360	129
Total exploration and production	2,595	1,012	430
Refining, marketing and distribution			
United States			
Operating income before special items	243	287	276
Write-downs of assets	(10)	(76)	—
Environmental, litigation and royalty issues	(45)	—	—
Losses on major asset sales	(48)	—	—
Reorganization, restructuring, employee related and other costs	18	(11)	(21)
Inventory valuation adjustments	—	8	(34)
	158	208	221
International			
Operating income before special items	272	338	503
Write-downs of assets	(112)	(23)	—
Environmental, litigation and royalty issues	(5)	—	—
Losses on major asset sales	—	(80)	—
Reorganization, restructuring, employee related and other costs	(12)	(41)	(63)
Tax issues	—	32	—
Inventory valuation adjustments	—	144	(108)
	143	370	332
Total refining, marketing and distribution	301	578	553
Global gas, power and energy technology			
Operating income (loss) before special items	50	21	(33)
Write-downs of assets	—	(32)	—
Gains on major asset sales	—	—	20
Reorganization, restructuring, employee related and other costs	—	(3)	(3)
Total global gas, power and energy technology	50	(14)	(16)
Segment totals	2,946	1,576	967
Other business units	(11)	(3)	(2)
Total operating earnings	2,935	1,573	965
Corporate/Non-operating			
Results before special items	(502)	(481)	(412)
Write-downs of assets	(4)	(26)	—
Environmental, litigation and royalty issues	(73)	(12)	—
Losses on major asset sales	(7)	—	—
Reorganization, restructuring, employee related and other costs	—	(6)	(18)
Tax issues	133	89	25
Tax benefits on asset sales	70	40	43
Merger costs	(10)	—	—
Total Corporate/Non-operating	(393)	(396)	(362)
Income before cumulative effect of accounting change	2,542	1,177	603
Cumulative effect of accounting change	—	—	(25)
Net income	\$ 2,542	\$ 1,177	\$ 578

PROPERTIES, PLANT AND EQUIPMENT

<i>As of December 31 (Millions of dollars)</i>	2000		1999		1998	
	Gross	Net	Gross	Net	Gross	Net
Exploration and production						
United States	\$ 19,301	\$ 7,258	\$ 21,565	\$ 7,822	\$ 21,991	\$ 7,945
International	7,418	4,612	8,835	3,804	7,554	2,950
Total	26,719	11,870	30,400	11,626	29,545	10,895
Refining, marketing and distribution						
United States	37	23	33	22	75	27
International	4,684	3,031	4,575	3,107	4,487	3,055
Total	4,721	3,054	4,608	3,129	4,562	3,082
Global gas, power and energy technology						
Other	766	477	771	488	727	517
Total	\$ 32,821	\$ 15,681	\$ 36,527	\$ 15,560	\$ 35,494	\$ 14,761

DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSE

<i>For the years ended December 31 (Millions of dollars)</i>	2000	1999	1998
Exploration and production			
United States	\$ 1,148	\$ 758	\$ 892
International	406	451	513
Total	1,554	1,209	1,405
Refining, marketing and distribution			
United States	2	3	29
International	328	220	204
Total	330	223	233
Global gas, power and energy technology			
Other	22	46	22
Total	\$ 1,917	\$ 1,543	\$ 1,675

CAPITAL AND EXPLORATORY EXPENDITURES

For the years ended December 31 (Millions of dollars)

	2000	1999	1998
Texaco Inc. and Subsidiary Companies:			
Exploration and production			
United States			
Exploratory expenses	\$ 120	\$ 234	\$ 257
Capital expenditures	968	666	1,177
International			
Exploratory expenses	238	267	204
Capital expenditures	1,541	1,354	837
Total exploration and production	2,867	2,521	2,475
Refining, marketing and distribution			
United States			
Marketing	8	3	—
International			
Refining	56	77	86
Marketing	228	281	311
Total refining, marketing and distribution	292	361	397
Global gas, power and energy technology	269	156	121
Other			
United States	60	18	29
International	1	7	2
Total other	61	25	31
Total Texaco Inc. and subsidiary companies	3,489	3,063	3,024
Equity in Affiliates:			
Exploration and production			
United States	—	—	2
International	188	202	178
Total exploration and production	188	202	180
Refining, marketing, distribution and other			
United States			
Refining	94	140	174
Marketing	291	192	170
Distribution	12	44	87
International			
Refining	12	14	148
Marketing	81	108	172
Distribution	3	7	—
Total refining, marketing, distribution and other	493	505	751
Global gas, power and energy technology	64	123	64
Total equity in affiliates	745	830	995
Total worldwide	\$ 4,234	\$ 3,893	\$ 4,019

OPERATIONAL HIGHLIGHTS

	2000	1999	1998	1997	1996
Estimated net proved reserves of crude oil and natural gas liquids (Millions of barrels)					
United States	1,560	1,782	1,824	1,767	1,322
International	1,958	1,698	1,749	1,500	1,382
Worldwide	3,518	3,480	3,573	3,267	2,704
Estimated net proved reserves of natural gas (Billions of cubic feet)					
United States	4,430	4,205	4,105	4,022	3,728
International	3,862	3,903	2,412	2,220	2,245
Worldwide	8,292	8,108	6,517	6,242	5,973
Net production of crude oil and natural gas liquids (Thousands of barrels a day)					
United States	356	395	433	396	388
International	444	490	497	437	399
Worldwide	800	885	930	833	787
Net production of natural gas available for sale* (Millions of cubic feet a day)					
United States	1,310	1,462	1,679	1,706	1,675
International	557	537	548	471	382
Worldwide	1,867	1,999	2,227	2,177	2,057
Natural gas sales* (Millions of cubic feet a day)					
United States	3,854	3,373	3,873	3,584	3,176
International	586	567	664	592	477
Worldwide	4,440	3,940	4,537	4,176	3,653
Natural gas liquids sales (Thousands of barrels a day)					
United States	215	216	233	184	206
International	7	66	120	97	89
Worldwide	222	282	353	281	295
Refinery input (Thousands of barrels a day)					
United States	524	671	698	747	724
International	794	820	832	804	762
Worldwide	1,318	1,491	1,530	1,551	1,486
Refined product sales (Thousands of barrels a day)					
United States	1,373	1,347	1,203	1,022	1,036
International	1,752	1,789	1,685	1,563	1,552
Worldwide	3,125	3,136	2,888	2,585	2,588
Number of employees at year end					
United States	6,839	6,836	12,815	17,905	17,634
International	12,172	11,607	11,813	11,408	11,323
Worldwide	19,011	18,443	24,628	29,313	28,957
Payrolls and Benefits (for continuing operations)* (Millions of dollars)					
United States	\$ 737	\$ 774	\$ 1,186	\$ 1,197	\$ 1,286
International	538	532	605	554	597
Worldwide	\$ 1,275	\$ 1,306	\$ 1,791	\$ 1,751	\$ 1,883
Research, Development and Technical Support Expenditures (For continuing operations)* (Millions of dollars)					
Worldwide	\$ 108	\$ 96	\$ 138	\$ 147	\$ 139

*Texaco Inc. and subsidiary companies only.

ESTIMATED NET PROVED RESERVES OF CRUDE OIL AND NATURAL GAS LIQUIDS

<i>(Millions of barrels)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate-Other West	Affiliate-Other East	Total	
Developed reserves	1,125	52	142	413	1,732	—	350	350	2,082
Undeveloped reserves	216	2	208	62	488	—	88	88	576
As of December 31, 1995	1,341	54	350	475	2,220	—	438	438	2,658
Discoveries & extensions	82	4	80	29	195	—	1	1	196
Improved recovery	20	—	—	—	20	—	81	81	101
Revisions	44	2	6	21	73	—	(3)	(3)	70
Net purchases (sales)	(23)	—	3	(1)	(21)	—	—	—	(21)
Production	(142)	(4)	(42)	(58)	(246)	—	(54)	(54)	(300)
Total changes	(19)	2	47	(9)	21	—	25	25	46
Developed reserves	1,100	50	165	418	1,733	—	354	354	2,087
Undeveloped reserves	222	6	232	48	508	—	109	109	617
As of December 31, 1996*	1,322	56	397	466	2,241	—	463	463	2,704
Discoveries & extensions	107	13	34	61	215	—	4	4	219
Improved recovery	15	—	65	—	80	—	18	18	98
Revisions	55	3	11	100	169	—	22	22	191
Net purchases (sales)	413	(2)	(31)	(8)	372	—	—	—	372
Production	(145)	(5)	(45)	(66)	(261)	—	(56)	(56)	(317)
Total changes	445	9	34	87	575	—	(12)	(12)	563
Developed reserves	1,374	54	210	463	2,101	—	354	354	2,455
Undeveloped reserves	393	11	221	90	715	—	97	97	812
As of December 31, 1997*	1,767	65	431	553	2,816	—	451	451	3,267
Discoveries & extensions	70	2	8	32	112	—	1	1	113
Improved recovery	136	—	16	3	155	—	156	156	311
Revisions	46	(15)	22	55	108	—	137	137	245
Net purchases (sales)	(38)	—	—	26	(12)	—	—	—	(12)
Production	(157)	(4)	(58)	(71)	(290)	—	(61)	(61)	(351)
Total changes	57	(17)	(12)	45	73	—	233	233	306
Developed reserves	1,415	39	246	490	2,190	—	456	456	2,646
Undeveloped reserves	409	9	173	108	699	—	228	228	927
As of December 31, 1998*	1,824	48	419	598	2,889	—	684	684	3,573
Discoveries & extensions	66	11	23	23	123	—	2	2	125
Improved recovery	34	—	2	29	65	—	52	52	117
Revision	11	—	36	72	119	—	(132)	(132)	(13)
Net purchases (sales)	(9)	—	—	23	14	—	—	—	14
Production	(144)	(4)	(53)	(75)	(276)	—	(60)	(60)	(336)
Total changes	(42)	7	8	72	45	—	(138)	(138)	(93)
Developed reserves	1,361	39	261	545	2,206	—	316	316	2,522
Undeveloped reserves	421	16	166	125	728	—	230	230	958
As of December 31, 1999*	1,782	55	427	670	2,934	—	546	546	3,480
Discoveries & extensions	39	—	21	9	69	374	—	374	443
Improved recovery	25	—	—	39	64	—	14	14	78
Revisions	(21)	—	9	30	18	—	37	37	55
Net purchases (sales)	(135)	(52)	(44)	—	(231)	—	—	—	(231)
Production	(130)	(3)	(44)	(78)	(255)	—	(52)	(52)	(307)
Total changes	(222)	(55)	(58)	—	(335)	374	(1)	373	38
Developed reserves	1,202	—	219	559	1,980	—	282	282	2,262
Undeveloped reserves	358	—	150	111	619	374	263	637	1,256
As of December 31, 2000*	1,560	—	369	670	2,599	374	545	919	3,518
*Includes net proved NGL reserves									
As of December 31, 1996	207	1	54	1	263	—	6	6	269
As of December 31, 1997	246	—	71	—	317	—	4	4	321
As of December 31, 1998	250	—	68	22	340	—	6	6	346
As of December 31, 1999	250	—	74	134	458	—	1	1	459
As of December 31, 2000	219	—	67	162	448	—	1	1	449

ESTIMATED NET PROVED RESERVES OF NATURAL GAS

<i>(Billions of cubic feet)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate-Other West	Affiliate-Other East	Total	
Developed reserves	3,666	522	452	84	4,724	—	140	140	4,864
Undeveloped reserves	396	325	492	3	1,216	—	15	15	1,231
As of December 31, 1995	4,062	847	944	87	5,940	—	155	155	6,095
Discoveries & extensions	436	263	34	3	736	—	15	15	751
Improved recovery	8	—	—	—	8	—	1	1	9
Revisions	(99)	(1)	58	13	(29)	—	—	—	(29)
Net purchases (sales)	(53)	(7)	—	1	(59)	—	—	—	(59)
Production	(626)	(71)	(75)	(4)	(776)	—	(18)	(18)	(794)
Total changes	(334)	184	17	13	(120)	—	(2)	(2)	(122)
Developed reserves	3,360	893	452	96	4,801	—	136	136	4,937
Undeveloped reserves	368	138	509	4	1,019	—	17	17	1,036
As of December 31, 1996	3,728	1,031	961	100	5,820	—	153	153	5,973
Discoveries & extensions	692	26	92	346	1,156	—	2	2	1,158
Improved recovery	7	—	22	—	29	—	5	5	34
Revisions	228	75	41	(22)	322	—	19	19	341
Net purchases (sales)	10	(118)	(7)	(310)	(425)	—	—	—	(425)
Production	(643)	(96)	(81)	(2)	(822)	—	(17)	(17)	(839)
Total changes	294	(113)	67	12	260	—	9	9	269
Developed reserves	3,379	792	576	110	4,857	—	145	145	5,002
Undeveloped reserves	643	126	452	2	1,223	—	17	17	1,240
As of December 31, 1997	4,022	918	1,028	112	6,080	—	162	162	6,242
Discoveries & extensions	599	6	47	98	750	—	1	1	751
Improved recovery	4	—	7	—	11	—	3	3	14
Revisions	152	(12)	(6)	34	168	—	10	10	178
Net purchases (sales)	(39)	—	—	250	211	—	—	—	211
Production	(633)	(92)	(112)	(17)	(854)	—	(25)	(25)	(879)
Total changes	83	(98)	(64)	365	286	—	(11)	(11)	275
Developed reserves	3,345	688	615	374	5,022	—	135	135	5,157
Undeveloped reserves	760	132	349	103	1,344	—	16	16	1,360
As of December 31, 1998	4,105	820	964	477	6,366	—	151	151	6,517
Discoveries & extensions	442	7	93	42	584	—	5	5	589
Improved recovery	4	—	2	235	241	—	1	1	242
Revisions	285	193	7	427	912	—	3	3	915
Net purchases (sales)	(81)	—	—	712	631	—	—	—	631
Production	(550)	(79)	(104)	(27)	(760)	—	(26)	(26)	(786)
Total changes	100	121	(2)	1,389	1,608	—	(17)	(17)	1,591
Developed reserves	3,388	865	557	787	5,597	—	131	131	5,728
Undeveloped reserves	817	76	405	1,079	2,377	—	3	3	2,380
As of December 31, 1999	4,205	941	962	1,866	7,974	—	134	134	8,108
Discoveries & extensions	585	—	—	—	585	33	4	37	622
Improved recovery	5	—	—	—	5	—	—	—	5
Revisions	121	12	43	164	340	—	8	8	348
Net purchases (sales)	8	(58)	(11)	—	(61)	—	—	—	(61)
Production	(494)	(95)	(81)	(36)	(706)	—	(24)	(24)	(730)
Total changes	225	(141)	(49)	128	163	33	(12)	21	184
Developed reserves	3,299	738	573	977	5,587	—	121	121	5,708
Undeveloped reserves	1,131	62	340	1,017	2,550	33	1	34	2,584
As of December 31, 2000	4,430	800*	913	1,994	8,137*	33	122	155	8,292*

*Additionally, there are approximately 302 BCF of natural gas in Other West which will be available from production during the period 2005–2016 under a long-term purchase associated with a service agreement.

STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS

<i>(Millions of dollars)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate-Other West	Affiliate-Other East	Total	
As of December 31, 2000									
Future cash inflows from sale of oil & gas, and service fee revenue	\$ 67,115	\$ 1,559	\$ 10,549	\$ 15,512	\$ 94,735	\$ 3,917	\$ 7,873	\$ 11,790	\$ 106,525
Future production costs	(13,107)	(252)	(2,074)	(2,768)	(18,201)	(273)	(2,853)	(3,126)	(21,327)
Future development costs	(3,588)	(30)	(1,244)	(1,280)	(6,142)	(406)	(694)	(1,100)	(7,242)
Future income tax expense	(17,024)	(612)	(2,238)	(6,681)	(26,555)	(1,101)	(2,189)	(3,290)	(29,845)
Net future cash flows before discount	33,396	665	4,993	4,783	43,837	2,137	2,137	4,274	48,111
10% discount for timing of future cash flows	(15,407)	(259)	(1,778)	(2,239)	(19,683)	(1,431)	(809)	(2,240)	(21,923)
Standardized measure of discounted future net cash flows	\$ 17,989	\$ 406	\$ 3,215	\$ 2,544	\$ 24,154	\$ 706	\$ 1,328	\$ 2,034	\$ 26,188
As of December 31, 1999									
Future cash inflows from sale of oil & gas, and service fee revenue	\$ 45,281	\$ 2,668	\$ 11,875	\$ 16,890	\$ 76,714	\$ —	\$ 7,646	\$ 7,646	\$ 84,360
Future production costs	(10,956)	(913)	(2,264)	(2,946)	(17,079)	—	(2,254)	(2,254)	(19,333)
Future development costs	(3,853)	(239)	(1,749)	(1,956)	(7,797)	—	(767)	(767)	(8,564)
Future income tax expense	(8,304)	(758)	(2,428)	(7,665)	(19,155)	—	(2,340)	(2,340)	(21,495)
Net future cash flows before discount	22,168	758	5,434	4,323	32,683	—	2,285	2,285	34,968
10% discount for timing of future cash flows	(10,816)	(327)	(1,985)	(2,243)	(15,371)	—	(887)	(887)	(16,258)
Standardized measure of discounted future net cash flows	\$ 11,352	\$ 431	\$ 3,449	\$ 2,080	\$ 17,312	\$ —	\$ 1,398	\$ 1,398	\$ 18,710
As of December 31, 1998									
Future cash inflows from sale of oil & gas, and service fee revenue	\$ 23,147	\$ 1,657	\$ 6,581	\$ 4,816	\$ 36,201	\$ —	\$ 4,708	\$ 4,708	\$ 40,909
Future production costs	(10,465)	(605)	(2,574)	(2,551)	(16,195)	—	(1,992)	(1,992)	(18,187)
Future development costs	(4,055)	(142)	(1,695)	(761)	(6,653)	—	(803)	(803)	(7,456)
Future income tax expense	(2,583)	(419)	(715)	(1,023)	(4,740)	—	(967)	(967)	(5,707)
Net future cash flows before discount	6,044	491	1,597	481	8,613	—	946	946	9,559
10% discount for timing of future cash flows	(2,626)	(244)	(644)	(167)	(3,681)	—	(391)	(391)	(4,072)
Standardized measure of discounted future net cash flows	\$ 3,418	\$ 247	\$ 953	\$ 314	\$ 4,932	\$ —	\$ 555	\$ 555	\$ 5,487
As of December 31, 1997									
Future cash inflows from sale of oil & gas, and service fee revenue	\$ 34,084	\$ 2,305	\$ 9,395	\$ 7,690	\$ 53,474	\$ —	\$ 5,182	\$ 5,182	\$ 58,656
Future production costs	(10,980)	(807)	(2,854)	(2,303)	(16,944)	—	(1,840)	(1,840)	(18,784)
Future development costs	(4,693)	(132)	(1,809)	(749)	(7,383)	—	(476)	(476)	(7,859)
Future income tax expense	(5,512)	(652)	(898)	(3,445)	(10,507)	—	(1,519)	(1,519)	(12,026)
Net future cash flows before discount	12,899	714	3,834	1,193	18,640	—	1,347	1,347	19,987
10% discount for timing of future cash flows	(5,361)	(252)	(1,424)	(374)	(7,411)	—	(519)	(519)	(7,930)
Standardized measure of discounted future net cash flows	\$ 7,538	\$ 462	\$ 2,410	\$ 819	\$ 11,229	\$ —	\$ 828	\$ 828	\$ 12,057
As of December 31, 1996									
Future cash inflows from sale of oil & gas, and service fee revenue	\$ 41,807	\$ 2,863	\$ 11,242	\$ 9,261	\$ 65,173	\$ —	\$ 6,632	\$ 6,632	\$ 71,805
Future production costs	(8,080)	(894)	(2,368)	(1,993)	(13,335)	—	(1,776)	(1,776)	(15,111)
Future development costs	(2,790)	(141)	(2,094)	(551)	(5,576)	—	(740)	(740)	(6,316)
Future income tax expense	(10,444)	(758)	(1,946)	(5,099)	(18,247)	—	(2,181)	(2,181)	(20,428)
Net future cash flows before discount	20,493	1,070	4,834	1,618	28,015	—	1,935	1,935	29,950
10% discount for timing of future cash flows	(8,602)	(458)	(1,740)	(489)	(11,289)	—	(695)	(695)	(11,984)
Standardized measure of discounted future net cash flows	\$ 11,891	\$ 612	\$ 3,094	\$ 1,129	\$ 16,726	\$ —	\$ 1,240	\$ 1,240	\$ 17,966

CAPITALIZED COSTS — EXPLORATION AND PRODUCING ACTIVITIES

<i>(Millions of dollars)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate—Other West*	Affiliate—Other East	Total	
As of December 31, 2000									
Proved properties	\$ 18,213	\$ 137	\$ 3,295	\$ 3,699	\$ 25,344	\$ 66	\$ 1,370	\$ 1,436	\$ 26,780
Unproved properties	1,026	98	58	655	1,837	68	265	333	2,170
Support equipment and facilities	257	81	28	135	501	42	906	948	1,449
Gross capitalized costs	19,496	316	3,381	4,489	27,682	176	2,541	2,717	30,399
Accumulated depreciation, depletion and amortization	(12,084)	(92)	(1,821)	(1,508)	(15,505)	(1)	(1,349)	(1,350)	(16,855)
Net capitalized costs	\$ 7,412	\$ 224	\$ 1,560	\$ 2,981	\$ 12,177	\$ 175	\$ 1,192	\$ 1,367	\$ 13,544
As of December 31, 1999									
Proved properties	\$ 20,364	\$ 304	\$ 5,327	\$ 2,525	\$ 28,520	\$ —	\$ 1,158	\$ 1,158	\$ 29,678
Unproved properties	983	139	50	619	1,791	—	335	335	2,126
Support equipment and facilities	441	267	37	277	1,022	—	902	902	1,924
Gross capitalized costs	21,788	710	5,414	3,421	31,333	—	2,395	2,395	33,728
Accumulated depreciation, depletion and amortization	(13,855)	(298)	(3,955)	(1,365)	(19,473)	—	(1,217)	(1,217)	(20,690)
Net capitalized costs	\$ 7,933	\$ 412	\$ 1,459	\$ 2,056	\$ 11,860	\$ —	\$ 1,178	\$ 1,178	\$ 13,038
As of December 31, 1998									
Proved properties	\$ 20,601	\$ 515	\$ 4,709	\$ 2,017	\$ 27,842	\$ —	\$ 1,015	\$ 1,015	\$ 28,857
Unproved properties	1,188	53	71	390	1,702	—	408	408	2,110
Support equipment and facilities	437	27	37	124	625	—	768	768	1,393
Gross capitalized costs	22,226	595	4,817	2,531	30,169	—	2,191	2,191	32,360
Accumulated depreciation, depletion and amortization	(14,140)	(277)	(3,381)	(1,253)	(19,051)	—	(1,119)	(1,119)	(20,170)
Net capitalized costs	\$ 8,086	\$ 318	\$ 1,436	\$ 1,278	\$ 11,118	\$ —	\$ 1,072	\$ 1,072	\$ 12,190
As of December 31, 1997									
Proved properties	\$ 20,196	\$ 581	\$ 4,584	\$ 1,799	\$ 27,160	\$ —	\$ 1,112	\$ 1,112	\$ 28,272
Unproved properties	1,248	16	89	225	1,578	—	338	338	1,916
Support equipment and facilities	438	26	37	52	553	—	578	578	1,131
Gross capitalized costs	21,882	623	4,710	2,076	29,291	—	2,028	2,028	31,319
Accumulated depreciation, depletion and amortization	(13,849)	(298)	(3,135)	(1,131)	(18,413)	—	(1,013)	(1,013)	(19,426)
Net capitalized costs	\$ 8,033	\$ 325	\$ 1,575	\$ 945	\$ 10,878	\$ —	\$ 1,015	\$ 1,015	\$ 11,893
As of December 31, 1996									
Proved properties	\$ 17,450	\$ 603	\$ 4,102	\$ 1,502	\$ 23,657	\$ —	\$ 1,018	\$ 1,018	\$ 24,675
Unproved properties	370	15	81	210	676	—	293	293	969
Support equipment and facilities	432	32	38	55	557	—	548	548	1,105
Gross capitalized costs	18,252	650	4,221	1,767	24,890	—	1,859	1,859	26,749
Accumulated depreciation, depletion and amortization	(13,158)	(308)	(2,739)	(1,012)	(17,217)	—	(903)	(903)	(18,120)
Net capitalized costs	\$ 5,094	\$ 342	\$ 1,482	\$ 755	\$ 7,673	\$ —	\$ 956	\$ 956	\$ 8,629

*Existing costs were transferred from a consolidated subsidiary to an affiliate at year-end 2000.

COSTS INCURRED — EXPLORATION AND DEVELOPMENT ACTIVITIES

<i>(Millions of dollars)</i>	Consolidated Subsidiaries					Equity			World- wide
	United States	Other West	Europe	Other East	Total	Affiliate- Other West	Affiliate- Other East	Total	
For the year ended December 31, 2000									
Proved property acquisition	\$ 138	\$ —	\$ —	\$ 276	\$ 414	\$ —	\$ —	\$ —	\$ 414
Unproved property acquisition	5	12	—	—	17	—	—	—	17
Exploration	227	62	18	287	594	—	19	19	613
Development	716	121	334	677	1,848	—	169	169	2,017
Total	\$ 1,086	\$ 195	\$ 352	\$ 1,240	\$ 2,873	\$ —	\$ 188	\$ 188	\$ 3,061
For the year ended December 31, 1999									
Proved property acquisition	\$ 4	\$ —	\$ —	\$ 481	\$ 485	\$ —	\$ —	\$ —	\$ 485
Unproved property acquisition	39	25	—	27	91	—	—	—	91
Exploration	204	92	23	224	543	—	19	19	562
Development	698	97	319	301	1,415	—	183	183	1,598
Total	\$ 945	\$ 214	\$ 342	\$ 1,033	\$ 2,534	\$ —	\$ 202	\$ 202	\$ 2,736
For the year ended December 31, 1998									
Proved property acquisition	\$ 27	\$ —	\$ —	\$ 199	\$ 226	\$ —	\$ —	\$ —	\$ 226
Unproved property acquisition	85	1	—	32	118	—	—	—	118
Exploration	417	92	65	277	851	—	19	19	870
Development	1,073	25	308	204	1,610	—	160	160	1,770
Total	\$ 1,602	\$ 118	\$ 373	\$ 712	\$ 2,805	\$ —	\$ 179	\$ 179	\$ 2,984
For the year ended December 31, 1997									
Proved property acquisition	\$ 1,099*	\$ —	\$ —	\$ —	\$ 1,099	\$ —	\$ —	\$ —	\$ 1,099
Unproved property acquisition	527*	1	—	23	551	—	—	—	551
Exploration	480	15	59	234	788	—	18	18	806
Development	1,220	62	419	108	1,809	—	167	167	1,976
Total	\$ 3,326	\$ 78	\$ 478	\$ 365	\$ 4,247	\$ —	\$ 185	\$ 185	\$ 4,432
For the year ended December 31, 1996									
Proved property acquisition	\$ 56	\$ —	\$ —	\$ —	\$ 56	\$ —	\$ —	\$ —	\$ 56
Unproved property acquisition	91	5	—	20	116	—	—	—	116
Exploration	356	18	90	225	689	—	9	9	698
Development	827	107	384	113	1,431	—	144	144	1,575
Total	\$ 1,330	\$ 130	\$ 474	\$ 358	\$ 2,292	\$ —	\$ 153	\$ 153	\$ 2,445

*Includes the acquisition of Monterey Resources on a net cost basis of \$1,520 million, which is net of deferred income taxes amounting to \$469 million and \$245 million for the acquired proved and unproved properties.

RESULTS OF OPERATIONS — EXPLORATION AND PRODUCING ACTIVITIES

<i>(Millions of dollars)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate-Other West	Affiliate-Other East	Total	
For the year ended December 31, 2000									
Gross revenues from:									
Sales and transfers, including affiliate sales	\$ 4,460	\$ —	\$ 869	\$1,440	\$ 6,769	\$ —	\$ 831	\$ 831	\$ 7,600
Sales to unaffiliated entities	545	190	591	315	1,641	—	50	50	1,691
Production costs	(1,070)	(46)	(375)	(232)	(1,723)	—	(223)	(223)	(1,946)
Exploration costs	(130)	(62)	(18)	(152)	(362)	—	(14)	(14)	(376)
Depreciation, depletion and amortization	(723)	(18)	(221)	(147)	(1,109)	—	(129)	(129)	(1,238)
Other expenses	(190)	(27)	(2)	(88)	(307)	—	(2)	(2)	(309)
Results before estimated income taxes	2,892	37	844	1,136	4,909	—	513	513	5,422
Estimated income taxes	(972)	(48)	(269)	(945)	(2,234)	—	(258)	(258)	(2,492)
Net results	\$ 1,920	\$ (11)	\$ 575	\$ 191	\$ 2,675	\$ —	\$ 255	\$ 255	\$ 2,930
For the year ended December 31, 1999									
Gross revenues from:									
Sales and transfers, including affiliate sales	\$ 2,936	\$ —	\$ 617	\$ 935	\$ 4,488	\$ —	\$ 592	\$ 592	\$ 5,080
Sales to unaffiliated entities	230	116	498	202	1,046	—	24	24	1,070
Production costs	(943)	(39)	(435)	(252)	(1,669)	—	(205)	(205)	(1,874)
Exploration costs	(243)	(97)	(21)	(154)	(515)	—	(17)	(17)	(532)
Depreciation, depletion and amortization	(794)	(22)	(336)	(134)	(1,286)	—	(109)	(109)	(1,395)
Other expenses	(138)	(15)	(1)	(53)	(207)	—	(3)	(3)	(210)
Results before estimated income taxes	1,048	(57)	322	544	1,857	—	282	282	2,139
Estimated income taxes	(322)	(8)	(114)	(457)	(901)	—	(143)	(143)	(1,044)
Net results	\$ 726	\$ (65)	\$ 208	\$ 87	\$ 956	\$ —	\$ 139	\$ 139	\$ 1,095
For the year ended December 31, 1998									
Gross revenues from:									
Sales and transfers, including affiliate sales	\$ 2,570	\$ —	\$ 438	\$ 571	\$ 3,579	\$ —	\$ 454	\$ 454	\$ 4,033
Sales to unaffiliated entities	218	120	509	122	969	—	28	28	997
Production costs	(1,066)	(35)	(400)	(250)	(1,751)	—	(150)	(150)	(1,901)
Exploration costs	(286)	(31)	(53)	(137)	(507)	—	(16)	(16)	(523)
Depreciation, depletion and amortization	(832)	(22)	(422)	(113)	(1,389)	—	(106)	(106)	(1,495)
Other expenses	(198)	—	(4)	(10)	(212)	—	(1)	(1)	(213)
Results before estimated income taxes	406	32	68	183	689	—	209	209	898
Estimated income taxes	(49)	(14)	(27)	(166)	(256)	—	(102)	(102)	(358)
Net results	\$ 357	\$ 18	\$ 41	\$ 17	\$ 433	\$ —	\$ 107	\$ 107	\$ 540
For the year ended December 31, 1997									
Gross revenues from:									
Sales and transfers, including affiliate sales	\$ 3,492	\$ —	\$ 495	\$ 934	\$ 4,921	\$ —	\$ 610	\$ 610	\$ 5,531
Sales to unaffiliated entities	312	165	499	178	1,154	—	43	43	1,197
Production costs	(986)	(57)	(323)	(249)	(1,615)	—	(192)	(192)	(1,807)
Exploration costs	(238)	(10)	(60)	(195)	(503)	—	(16)	(16)	(519)
Depreciation, depletion and amortization	(735)	(27)	(382)	(129)	(1,273)	—	(110)	(110)	(1,383)
Other expenses	(249)	—	—	(24)	(273)	—	9	9	(264)
Results before estimated income taxes	1,596	71	229	515	2,411	—	344	344	2,755
Estimated income taxes	(511)	(40)	(85)	(418)	(1,054)	—	(173)	(173)	(1,227)
Net results	\$ 1,085	\$ 31	\$ 144	\$ 97	\$ 1,357	\$ —	\$ 171	\$ 171	\$ 1,528
For the year ended December 31, 1996									
Gross revenues from:									
Sales and transfers, including affiliate sales	\$ 3,383	\$ —	\$ 524	\$ 863	\$ 4,770	\$ —	\$ 648	\$ 648	\$ 5,418
Sales to unaffiliated entities	310	140	475	181	1,106	—	45	45	1,151
Production costs	(937)	(54)	(321)	(215)	(1,527)	—	(183)	(183)	(1,710)
Exploration costs	(196)	(27)	(57)	(150)	(430)	—	(8)	(8)	(438)
Depreciation, depletion and amortization	(652)	(24)	(310)	(107)	(1,093)	—	(110)	(110)	(1,203)
Other expenses	(241)	(1)	(1)	(40)	(283)	—	8	8	(275)
Results before estimated income taxes	1,667	34	310	532	2,543	—	400	400	2,943
Estimated income taxes	(534)	(26)	(112)	(417)	(1,089)	—	(212)	(212)	(1,301)
Net results	\$ 1,133	\$ 8	\$ 198	\$ 115	\$ 1,454	\$ —	\$ 188	\$ 188	\$ 1,642

RESULTS OF OPERATIONS PER UNIT OF SOLD PRODUCTION*

<i>(Dollars per unit)</i>	Consolidated Subsidiaries					Equity			World-wide
	United States	Other West	Europe	Other East	Total	Affiliate-Other West	Affiliate-Other East	Total	
For the year ended December 31, 2000									
Revenues:									
Liquids (\$/bbl.)	\$ 24.96	\$ 22.74	\$ 26.63	\$ 22.81	\$ 24.59	\$ —	\$ 21.52	\$ 21.52	\$ 24.17
Natural Gas (\$/mcf)	3.67	1.13	2.49	1.23	3.05	—	—	—	3.05
Total (\$/BOE)	23.85	9.41	23.92	21.69	22.63	—	21.52	21.52	22.52
Production costs	(5.10)	(2.36)	(6.16)	(2.81)	(4.62)	—	(5.45)	(5.45)	(4.70)
Exploration expenses	(0.62)	(3.21)	(0.29)	(1.84)	(0.97)	—	(0.34)	(0.34)	(0.91)
Depreciation, depletion and amortization	(3.45)	(0.89)	(3.63)	(1.78)	(2.97)	—	(3.16)	(3.16)	(2.99)
Other expenses	(0.91)	(1.41)	(0.03)	(1.06)	(0.83)	—	(0.04)	(0.04)	(0.75)
Results before estimated income taxes	13.77	1.54	13.81	14.20	13.24	—	12.53	12.53	13.17
Estimated income taxes	(4.63)	(2.46)	(4.43)	(11.44)	(5.99)	—	(6.31)	(6.31)	(6.03)
Net results	\$ 9.14	\$ (0.92)	\$ 9.38	\$ 2.76	\$ 7.25	\$ —	\$ 6.22	\$ 6.22	\$ 7.14
For the year ended December 31, 1999									
Revenues:									
Liquids (\$/bbl.)	\$ 14.27	\$ 14.12	\$ 17.06	\$ 15.33	\$ 15.10	\$ —	\$ 13.24	\$ 13.24	\$ 14.84
Natural Gas (\$/mcf)	2.07	0.77	1.99	0.18	1.86	—	—	—	1.86
Total (\$/BOE)	13.57	6.86	15.80	14.70	13.92	—	13.24	13.24	13.85
Production costs	(4.04)	(2.28)	(6.17)	(2.84)	(4.07)	—	(4.40)	(4.40)	(4.11)
Exploration expenses	(1.04)	(5.75)	(0.30)	(1.74)	(1.26)	—	(0.36)	(0.36)	(1.17)
Depreciation, depletion and amortization	(3.40)	(1.32)	(4.75)	(1.50)	(3.14)	—	(2.36)	(2.36)	(3.06)
Other expenses	(0.59)	(0.89)	(0.02)	(0.60)	(0.51)	—	(0.06)	(0.06)	(0.46)
Results before estimated income taxes	4.50	(3.38)	4.56	8.02	4.94	—	6.06	6.06	5.05
Estimated income taxes	(1.38)	(0.46)	(1.62)	(5.15)	(2.20)	—	(3.07)	(3.07)	(2.29)
Net results	\$ 3.12	\$ (3.84)	\$ 2.94	\$ 2.87	\$ 2.74	\$ —	\$ 2.99	\$ 2.99	\$ 2.76
For the year ended December 31, 1998									
Revenues:									
Liquids (\$/bbl.)	\$ 10.14	\$ 9.65	\$ 11.73	\$ 9.61	\$ 10.31	\$ —	\$ 9.81	\$ 9.81	\$ 10.24
Natural Gas (\$/mcf)	1.93	0.92	2.42	0.38	1.86	—	—	—	1.86
Total (\$/BOE)	10.72	6.35	12.34	9.44	10.57	—	9.81	9.81	10.50
Production costs	(4.10)	(1.82)	(5.22)	(3.04)	(4.00)	—	(3.06)	(3.06)	(3.90)
Exploration expenses	(1.10)	(1.65)	(0.69)	(1.66)	(1.16)	—	(0.32)	(0.32)	(1.07)
Depreciation, depletion and amortization	(3.20)	(1.15)	(5.50)	(1.38)	(3.17)	—	(2.16)	(2.16)	(3.07)
Other expenses	(0.76)	(0.01)	(0.06)	(0.13)	(0.49)	—	(0.01)	(0.01)	(0.44)
Results before estimated income taxes	1.56	1.72	0.87	3.23	1.75	—	4.26	4.26	2.02
Estimated income taxes	(0.19)	(0.77)	(0.35)	(2.02)	(0.59)	—	(2.07)	(2.07)	(0.74)
Net results	\$ 1.37	\$ 0.95	\$ 0.52	\$ 1.21	\$ 1.16	\$ —	\$ 2.19	\$ 2.19	\$ 1.28
For the year ended December 31, 1997									
Revenues:									
Liquids (\$/bbl.)	\$ 16.32	\$ 14.40	\$ 18.41	\$ 16.87	\$ 16.78	\$ —	\$ 14.89	\$ 14.89	\$ 16.51
Natural Gas (\$/mcf)	2.32	1.03	2.42	1.89	2.17	—	—	—	2.17
Total (\$/BOE)	15.31	8.04	17.54	16.86	15.51	—	14.89	14.89	15.45
Production costs	(3.97)	(2.77)	(5.71)	(3.77)	(4.13)	—	(4.38)	(4.38)	(4.15)
Exploration expenses	(0.96)	(0.51)	(1.06)	(2.95)	(1.28)	—	(0.35)	(0.35)	(1.19)
Depreciation, depletion and amortization	(2.96)	(1.32)	(6.73)	(1.95)	(3.25)	—	(2.52)	(2.52)	(3.17)
Other expenses	(1.00)	—	—	(0.37)	(0.70)	—	0.21	0.21	(0.61)
Results before estimated income taxes	6.42	3.44	4.04	7.82	6.15	—	7.85	7.85	6.33
Estimated income taxes	(2.06)	(1.97)	(1.50)	(6.34)	(2.69)	—	(3.94)	(3.94)	(2.82)
Net results	\$ 4.36	\$ 1.47	\$ 2.54	\$ 1.48	\$ 3.46	\$ —	\$ 3.91	\$ 3.91	\$ 3.51
For the year ended December 31, 1996									
Revenues:									
Liquids (\$/bbl.)	\$ 16.97	\$ 16.80	\$ 20.37	\$ 18.61	\$ 17.90	\$ —	\$ 16.30	\$ 16.30	\$ 17.66
Natural Gas (\$/mcf)	2.10	0.96	2.47	3.20	2.03	—	—	—	2.03
Total (\$/BOE)	15.14	8.76	19.15	18.62	15.95	—	16.30	16.30	15.98
Production costs	(3.84)	(3.39)	(6.16)	(3.85)	(4.15)	—	(4.26)	(4.26)	(4.16)
Exploration expenses	(0.80)	(1.66)	(1.09)	(2.68)	(1.17)	—	(0.19)	(0.19)	(1.06)
Depreciation, depletion and amortization	(2.67)	(1.53)	(5.94)	(1.91)	(2.97)	—	(2.56)	(2.56)	(2.93)
Other expenses	(0.99)	(0.04)	(0.02)	(0.70)	(0.77)	—	0.19	0.19	(0.67)
Results before estimated income taxes	6.84	2.14	5.94	9.48	6.89	—	9.48	9.48	7.16
Estimated income taxes	(2.19)	(1.65)	(2.16)	(7.46)	(2.95)	—	(4.93)	(4.93)	(3.15)
Net results	\$ 4.65	\$ 0.49	\$ 3.78	\$ 2.02	\$ 3.94	\$ —	\$ 4.55	\$ 4.55	\$ 4.01

*Units of production are on an as-sold basis, whereas units used to calculate lifting costs per barrel of oil equivalent by geographic area on page 77 of the Annual Report are on an as-produced basis. Barrels of oil equivalent (BOE) are calculated at a rate of 6 mcf of natural gas equals 1 BOE.

OIL AND GAS NET ACREAGE

<i>As of December 31 (Thousands of acres)</i>	2000	1999	1998	1997	1996
Producing					
Subsidiaries					
United States					
California	57	77	90	114	84
Louisiana	546	626	637	642	643
New Mexico	97	96	107	110	106
Oklahoma	108	123	111	111	114
Texas	605	662	692	723	714
Other	150	155	155	175	174
	1,563	1,739	1,792	1,875	1,835
Other Western Hemisphere	22	28	53	63	169
Eastern Hemisphere					
Europe	121	125	53	53	29
Australia	75	75	57	57	102
China	19	19	19	19	19
Other Eastern Hemisphere	83	80	79	78	78
	298	299	208	207	228
Total subsidiaries	1,883	2,066	2,053	2,145	2,232
Equity in an Affiliate – Other Eastern Hemisphere	112	105	105	103	103
Worldwide – Producing	1,995	2,171	2,158	2,248	2,335
Undeveloped					
Subsidiaries					
United States					
Louisiana	1,016	1,436	1,537	1,441	1,432
Texas	3,198	3,268	3,366	2,949	2,754
Other	977	1,101	1,170	1,139	1,049
	5,191	5,805	6,073	5,529	5,235
Other Western Hemisphere					
Brazil	3,467	2,774	—	—	—
Colombia	4,685	6,638	6,873	474	556
Trinidad	280	353	391	83	83
Venezuela	—	49	33	33	—
Other	2,200	2,200	2,200	4,371	4,623
	10,632	12,014	9,497	4,961	5,262
Eastern Hemisphere					
Europe*	2,071	2,281	2,549	3,032	2,831
Angola	1,052	2,242	2,425	1,835	834
Australia	3,905	2,797	2,874	2,874	761
China*	6,112	6,125	12,694	11,849	11,849
Indonesia	2,799	2,802	6,527	6,527	5,784
Nigeria	1,809	1,809	1,363	1,363	484
Thailand	—	—	2,900	2,900	4,369
Other Eastern Hemisphere	1,093	1,092	967	287	7,023
	18,841	19,148	32,299	30,667	33,935
Total subsidiaries	34,664	36,967	47,869	41,157	44,432
Equity in an Affiliate – Other Western Hemisphere**	49	—	—	—	—
Equity in an Affiliate – Other Eastern Hemisphere	865	873	873	1,120	1,120
Worldwide – Undeveloped	35,578	37,840	48,742	42,277	45,552
Total Oil and Gas Acreage	37,573	40,011	50,900	44,525	47,887

*Various acreage will be relinquished in early 2001.

**Existing acreage was transferred from a consolidated subsidiary to an affiliate at year-end 2000.

NET PRODUCTION OF CRUDE OIL AND NATURAL GAS LIQUIDS

<i>For the years ended December 31 (Thousands of barrels a day)</i>	2000	1999	1998	1997	1996
United States					
California	158	166	167	124	118
Louisiana	70	72	97	97	102
Texas	74	83	95	98	91
Other	54	74	74	77	77
	356	395	433	396	388
Other Western Hemisphere					
Trinidad	8	11	10	9	10
Canada	—	—	—	3	2
	8	11	10	12	12
Eastern Hemisphere					
Angola	9	14	17	17	14
Nigeria	8	7	10	12	11
United Kingdom	81	112	126	93	86
Denmark	39	35	32	32	29
Kazakhstan	17	13	7	—	—
China	14	14	12	13	14
Indonesia	19	25	31	30	29
West Australia	7	8	9	11	12
Neutral Zone	139	124	108	97	76
	333	352	352	305	271
Total	697	758	795	713	671
Equity in an Affiliate – Other Eastern Hemisphere	103	127	135	120	116
Worldwide	800	885	930	833	787
Natural gas liquids included above:					
United States	59	67	80	82	80
Eastern Hemisphere	7	8	10	10	8
Worldwide	66	75	90	92	88

NET PRODUCTION OF NATURAL GAS *

<i>For the years ended December 31 (Millions of cubic feet a day)</i>	2000	1999	1998	1997	1996
United States					
Alabama	65	69	69	64	59
California	—	11	34	44	50
Louisiana	505	633	754	790	793
New Mexico	78	131	46	108	109
Oklahoma	56	59	73	75	67
Texas	386	375	462	476	455
Wyoming	69	184	76	77	74
Other	151	—	165	72	68
Total United States	1,310	1,462	1,679	1,706	1,675
International					
Other Western Hemisphere					
Canada	—	—	—	10	33
Colombia	194	165	180	177	125
Trinidad	63	46	69	73	33
	257	211	249	260	191
Eastern Hemisphere					
Australia	—	—	1	2	3
Denmark	89	93	92	98	80
United Kingdom	128	170	175	111	108
Kazakhstan	83	63	31	—	—
	300	326	299	211	191
Total International	557	537	548	471	382
Worldwide	1,867	1,999	2,227	2,177	2,057

*Represents marketable production on an as-sold basis and not total gas recovered at the surface from producing wells. Excluded are quantities not sold, such as those applicable to flared gas, injected gas and gas consumed in producing operations.

NATURAL GAS SALES

<i>(Includes purchased volumes)</i> <i>For the years ended December 31 (Millions of cubic feet a day)</i>	2000	1999	1998	1997	1996
United States	3,854	3,373	3,873	3,584	3,176
International					
Other Western Hemisphere	346	282	287	270	207
Eastern Hemisphere					
Europe	240	285	376	320	267
Other Eastern Hemisphere	—	—	1	2	3
Total	240	285	377	322	270
International	586	567	664	592	477
Worldwide	4,440	3,940	4,537	4,176	3,653

NUMBER OF WELLS CAPABLE OF PRODUCING*

As of December 31	Gross					Net				
	2000	1999	1998	1997	1996	2000	1999	1998	1997	1996
Oil Wells										
Subsidiaries										
United States	27,900	34,934	33,876	34,498	29,439	15,696	17,683	18,033	19,110	14,377
Other Western Hemisphere	—	689	661	1,747	1,912	—	230	220	262	227
Europe	175	236	258	237	238	44	69	75	64	61
Other Eastern Hemisphere	1,916	1,812	1,568	1,692	1,574	763	715	592	616	558
Total Subsidiaries	29,991	37,671	36,363	38,174	33,163	16,503	18,697	18,920	20,052	15,223
Equity in an Affiliate –										
Other Eastern Hemisphere	8,708	8,067	4,744	4,698	4,334	4,354	4,034	2,372	2,349	2,167
Worldwide**	38,699	45,738	41,107	42,872	37,497	20,857	22,731	21,292	22,401	17,390
Gas Wells										
Subsidiaries										
United States	7,925	7,785	7,363	7,607	6,838	3,392	3,516	3,233	3,463	3,119
Other Western Hemisphere	33	33	33	33	273	17	17	17	17	69
Europe	66	55	36	50	44	11	9	10	11	10
Other Eastern Hemisphere	62	54	34	2	22	13	11	6	—	7
Total Subsidiaries	8,086	7,927	7,466	7,692	7,177	3,433	3,553	3,266	3,491	3,205
Equity in an Affiliate –										
Other Eastern Hemisphere	58	55	47	40	32	29	28	24	20	16
Worldwide**	8,144	7,982	7,513	7,732	7,209	3,462	3,581	3,290	3,511	3,221

*Producible well counts include active wells and wells temporarily shut-in. Consistent with general industry practice, injection or service wells and wells shut-in that have been identified for plug and abandonment have been excluded from the number of wells capable of producing.

**Includes 98 gross and 23 net multiple completion oil wells and 43 gross and 22 net multiple completion gas wells in 2000.

ADDITIONAL WELL DATA

As of December 31, 2000	Texaco Inc. and Subsidiaries					Equity	
	United States	Other Western Hemisphere	Europe	Other Eastern Hemisphere	Total	Affiliate–Other Eastern Hemisphere	Worldwide
Wells in the process of drilling							
Gross	171	—	6	91	268	5	273
Net	90	—	1	33	124	3	127
Pressure maintenance installations in operation							
	281	—	8	269	558	8	566

EXPLORATORY AND DEVELOPMENT WELLS COMPLETED

For the years ended December 31	2000			1999			1998			1997			1996		
	Oil	Gas	Dry	Oil	Gas	Dry	Oil	Gas	Dry	Oil	Gas	Dry	Oil	Gas	Dry
Net exploratory wells*															
Subsidiaries															
United States	3	6	8	3	15	10	14	14	26	32	22	35	29	28	29
Other Western Hemisphere	1	—	1	—	1	2	—	2	2	1	—	1	—	3	1
Europe	—	—	1	—	—	1	—	—	1	4	—	1	3	—	1
Other Eastern Hemisphere	4	2	1	2	2	4	4	4	2	1	3	5	1	2	2
Total	8	8	11	5	18	17	18	20	31	38	25	42	33	33	33
Equity in an Affiliate –															
Other Eastern Hemisphere	2	—	—	2	—	1	2	—	2	2	—	—	—	—	—
Worldwide	10	8	11	7	18	18	20	20	33	40	25	42	33	33	33
Net development wells															
Subsidiaries															
United States	408	163	7	345	100	7	585	106	14	769	165	23	283	191	44
Other Western Hemisphere	—	1	—	9	—	—	109	3	—	107	1	3	33	8	—
Europe	2	—	—	2	4	—	21	2	—	6	3	—	1	—	1
Other Eastern Hemisphere	44	1	1	61	6	1	38	27	—	45	1	—	44	—	1
Total	454	165	8	417	110	8	753	138	14	927	170	26	361	199	46
Equity in an Affiliate –															
Other Eastern Hemisphere	218	—	—	219	—	—	271	—	—	143	1	—	259	1	—
Worldwide	672	165	8	636	110	8	1,024	138	14	1,070	171	26	620	200	46
Gross exploratory and development wells															
Subsidiaries															
United States	556	319	28	475	225	27	913	260	77	1,210	343	103	707	325	106
Other Western Hemisphere	1	4	2	27	2	5	326	11	4	164	6	4	67	24	4
Europe	14	2	2	13	6	—	34	12	3	23	10	5	16	3	4
Other Eastern Hemisphere	90	7	10	141	19	10	118	161	7	112	5	16	125	7	10
Total	661	332	42	656	252	42	1,391	444	91	1,509	364	128	915	359	124
Equity in an Affiliate –															
Other Eastern Hemisphere	440	1	1	442	1	2	546	—	4	291	2	—	518	2	—
Worldwide	1,101	333	43	1,098	253	44	1,937	444	95	1,800	366	128	1,433	361	124

*Exploratory wells which identify oil and gas reserves, but have not resulted in recording of proved reserves pending further evaluation, are not considered completed wells. Reserves which are identified by such wells are included in Texaco's proved reserves when sufficient information is available to make that determination. This is particularly applicable to deepwater exploratory areas which may require extended time periods to assess, such as the U.K. sector of the North Sea and the U.S. Gulf of Mexico.

REFINERY INPUT OF CRUDE OIL, NATURAL GAS LIQUIDS AND DISTILLATES

<i>For the years ended December 31 (Thousands of barrels a day)</i>	Percent Ownership 12-31-00	2000	1999	1998	1997	1996
United States*						
Equilon Area						
Wood River, IL	—	47	130	127	—	—
Martinez, CA	44.0	65	71	70	—	—
Anacortes, WA	44.0	58	60	62	146	146
El Dorado, KS	—	—	44	48	104	105
Los Angeles, CA	44.0	46	40	43	99	96
Bakersfield, CA	44.0	30	29	28	64	57
Odessa, TX	—	—	—	9	—	—
Motiva Area						
Port Arthur, TX	30.6	77	90	107	133	133
Convent, LA	30.6	73	71	93	118	113
Delaware City, DE	30.6	47	54	70	83	74
Norco, LA	30.6	81	82	41	—	—
Total United States		524	671	698	747	724
Other Western Hemisphere*						
Panama	100.0	44	49	45	40	40
Guatemala	100.0	16	17	16	16	14
Martinique	11.5	2	2	2	2	2
Total Other Western Hemisphere		62	68	63	58	56
Europe						
United Kingdom	100.0	266	241	224	210	205
Netherlands	31.0	108	112	126	126	135
Total Europe		374	353	350	336	340
Other Eastern Hemisphere*						
Caltex Operations						
Kenya – Mombasa	8.0	3	3	3	2	2
Bahrain	—	—	—	—	—	13
Australia – Kurnell	25.0	27	28	29	22	22
– Lytton	25.0	22	22	22	17	17
Philippines – Batangas	50.0	32	35	33	35	35
Japan – Negishi	—	—	—	—	—	20
– Muroran	—	—	—	—	—	10
– Marifu	—	—	14	26	27	25
– Osaka	—	—	10	23	19	19
Korea – Yocheon	25.0	153	155	148	143	93
New Zealand – Whangarei	6.3	6	6	7	6	5
Singapore – Pualau Merilimau	16.7	36	39	41	51	51
South Africa – Capetown	50.0	32	36	43	43	32
Thailand – Map Ta Phut	32.0	45	49	42	43	20
Total Caltex Operations		356	397	417	408	364
Ivory Coast	3.7	2	2	2	2	2
Total Other Eastern Hemisphere		358	399	419	410	366
Worldwide		1,318	1,491	1,530	1,551	1,486

*See refinery capacity footnotes on page 26.

REFINERY CRUDE OIL CAPACITY

<i>(Including interests in affiliates) As of December 31 (Thousands of barrels a day)</i>	Percent Ownership 12-31-00	2000	1999	1998	1997	1996
United States*						
Equilon Area						
Wood River, IL	—	—	126	121	—	—
Martinez, CA	44.0	68	68	67	—	—
Anacortes, WA	44.0	64	64	64	140	140
El Dorado, KS	—	—	—	48	100	100
Los Angeles, CA	44.0	42	42	40	90	91
Bakersfield, CA	44.0	28	27	27	58	57
Motiva Area						
Port Arthur, TX	30.6	73	78	77	118	118
Convent, LA	30.6	69	73	73	113	112
Delaware City, DE	30.6	47	49	51	70	70
Norco, LA	30.6	70	75	73	—	—
Total United States		461	602	641	689	688
Other Western Hemisphere						
Panama	100.0	60	60	60	60	60
Guatemala	100.0	17	17	17	16	16
Martinique	11.5	2	2	2	2	2
Total Other Western Hemisphere		79	79	79	78	78
Europe						
United Kingdom	100.0	215	190	190	180	180
Netherlands	31.0	124	124	118	140	140
Total Europe		339	314	308	320	320
Other Eastern Hemisphere**						
Caltex Operations						
Kenya – Mombasa	8.0	7	7	7	5	5
Australia – Kurnell	25.0	29	29	29	27	20
– Lytton	25.0	25	25	25	25	19
Philippines – Batangas	50.0	38	38	36	36	36
Japan – Marifu	—	—	—	32	32	32
– Osaka	—	—	—	26	26	26
Korea – Yocheon	25.0	163	163	163	150	150
New Zealand – Whangarei	6.3	7	7	7	6	6
Singapore – Pualau Merilimau	16.7	48	47	47	53	53
South Africa – Capetown	50.0	56	56	56	56	56
Thailand – Map Ta Phut	32.0	48	48	48	42	42
Total Caltex Operations		421	420	476	458	445
Ivory Coast	3.7	2	2	2	1	1
Total Other Eastern Hemisphere		423	422	478	459	446
Worldwide		1,302	1,417	1,506	1,546	1,532
Weighted Average Crude Utilization Rate		90%	95%	92%	95%	93%

*Effective January 1, 1998, Texaco and Shell formed the joint venture Equilon Enterprises LLC, in which Texaco has a 44% interest. As a result, Texaco added interests in the Wood River, Martinez and Odessa refineries. Odessa was sold in October 1998. Prior to 1998, Texaco had a 100% interest in the Anacortes, Los Angeles, Bakersfield and El Dorado refineries. The El Dorado refinery was sold in November 1999 and the Wood River refinery was sold in June 2000.

Effective July 1, 1998, Texaco, Saudi Aramco and Shell formed the joint venture Motiva Enterprises LLC, in which Texaco has a 30.6% interest. As a result, Texaco added an interest in the Norco refinery. Prior to July 1, 1998 Texaco held a 50% interest in Star Enterprise refineries located at Port Arthur, Convent and Delaware City.

**Excluded are those refineries in Pakistan and Thailand where Caltex has only purchase agreements. Caltex' interest in Koa Oil Company, Limited was sold effective August 26, 1999.

REFINED PRODUCT SALES — BY OPERATING AREA

<i>For the years ended December 31 (Thousands of barrels a day)</i>	2000	1999	1998	1997	1996
Volumes					
Texaco Inc. and Subsidiary Companies (including interest in affiliates)					
United States					
Equilon Area	688	682	585	493	478
Motiva Area	361	377	377	323	316
Other Operations	324	288	241	206	242
	1,373	1,347	1,203	1,022	1,036
International					
Europe	636	606	571	509	496
Caltex	540	614	593	571	601
Latin America/West Africa	484	493	462	418	391
Other Operations	92	76	59	65	64
	1,752	1,789	1,685	1,563	1,552
Worldwide	3,125	3,136	2,888	2,585	2,588

REFINED PRODUCT SALES — OTHER INFORMATION *

<i>For the years ended December 31, excluding interest in affiliates (Millions of dollars)</i>	2000	1999	1998	1997	1996
Revenues					
Refined Product Revenues					
United States	\$ 3,742	\$ 2,035	\$ 2,488	\$ 7,474	\$ 7,993
International	19,231	13,526	11,541	11,970	11,250
Duties	6,914	7,072	6,234	4,878	3,754
Worldwide	\$ 29,887	\$ 22,633	\$ 20,263	\$ 24,322	\$ 22,997
Refined Product Volumes <i>(Thousands of barrels per day)</i>					
United States	326	288	241	699	720
International	1,192	1,151	1,070	969	928
Worldwide	1,518	1,439	1,311	1,668	1,648
Outside Unit Sales Revenue Per Barrel (excluding duties)					
United States					
Gasolines	\$ 38.58	\$ 26.73	\$ 22.16	\$ 32.21	\$ 32.24
Middle distillates	34.43	19.06	15.03	27.10	28.84
Avjet fuels	38.74	22.78	18.90	25.64	26.78
Residual fuel oils	23.02	13.86	10.56	15.23	16.47
International					
Gasolines	\$ 50.94	\$ 38.09	\$ 39.29	\$ 44.75	\$ 39.73
Middle distillates	41.12	27.65	27.15	32.64	32.90
Avjet fuels	40.82	26.71	23.60	31.06	32.57
Residual fuel oils	23.39	15.52	12.10	16.56	17.98

*Excludes motor fuel, value added and other taxes collected from consumers for government agencies in the United States and abroad.

Effective January 1, 1998, Texaco formed the joint venture Equilon Enterprises LLC, in which it owns a 44% interest. Accordingly, Texaco's 1998 refined product sales exclude the results of the formerly consolidated operations which were contributed to Equilon.

BRANDED RETAIL OUTLETS

(Units in which Texaco holds ownership interest) As of December 31

	2000	1999	1998	1997	1996
United States*	22,294	23,989	23,651	13,859	13,550
International					
Other Western Hemisphere					
Brazil	2,795	3,082	3,157	3,022	2,992
Colombia	305	299	288	298	296
Dominican Republic	174	169	164	163	159
Guatemala	178	186	200	194	181
Honduras	98	98	95	91	84
Panama	112	115	100	100	93
Peru	128	123	114	111	33
Puerto Rico	301	298	297	293	294
Uruguay	90	90	91	92	91
Venezuela	78	77	80	—	—
Other areas	663	768	684	673	596
Total	4,922	5,305	5,270	5,037	4,819
Eastern Hemisphere, including Europe					
Cameroon	97	107	110	110	115
Nigeria	277	265	311	314	360
United Kingdom	1,458	1,341	1,211	1,224	691
Belgium/Luxembourg	418	445	464	479	488
Denmark	491	514	535	526	425
Greece	—	394	388	343	334
Ireland	298	370	338	441	423
Netherlands	558	558	507	551	555
Norway	410	411	411	444	400
Caltex areas of operation	4,624	4,544	4,700	4,600	4,600
Other areas	180	180	182	189	149
Total	8,811	9,129	9,157	9,221	8,540
Total International	13,733	14,434	14,427	14,258	13,359
Worldwide	36,027	38,423	38,078	28,117	26,909

*U.S. amounts for 2000, 1999 and 1998 include total branded retail outlets for Equilon and Motiva.