



Australia Fact Sheet

Highlights of Operations

Chevron is the largest holder of untapped natural gas resources in Australia, an important asset to meet the country's and Asia's growing need for energy.

We are leading the development of the Gorgon Project, a liquefied natural gas (LNG) and domestic gas joint venture based in the Greater Gorgon gas fields.

We also are developing our wholly owned [Wheatstone Project](#) as an LNG and domestic gas operation near Onslow on the mainland of Western Australia. Chevron has a 40-year history producing oil at Barrow Island and Thevenard Island oil fields. Along with our partners in the North West Shelf Venture, Chevron has exported LNG to Asian customers since 1989.

We're investing in the Browse Basin through the Browse Joint Venture, another LNG project off the coast of Western Australia.

We also run an exploration program based on our offshore interests in Australia's northwest region, one of Chevron's four global focus areas for exploration.

As part of an agreement Chevron Australia signed in 2005, Chevron Energy Technology Co. has established a new technology center in Perth – a resource for Chevron's operations worldwide.

Chevron has a 50 percent interest in Caltex Australia Limited, the country's leading oil refining and marketing company. It refines, distributes and sells fuels and lubricants, including petrol, jet and diesel fuel, liquefied petroleum gas, and industrial and aviation lubricants.

Business Portfolio

Exploration and Production

Chevron continues to make significant strides developing energy resources off the northwest coast of Australia. Our strategy is to grow and commercialize our resources to create an effective natural gas business in Australia and the Asia-Pacific region.

During 2008, total daily production was 159,000 barrels of crude oil and condensate, 23,000 barrels of liquefied petroleum gas (LPG), and 2.3 billion cubic feet of natural gas. The company's net oil-equivalent production in 2008 was 96,000 barrels per day.

The Barrow Island and Thevenard Island oil fields and the North West Shelf Venture make important contributions. These operations lie offshore Western Australia, about 990 miles (1,600 km) north of Perth.

North West Shelf Venture

For 25 years, the North West Shelf Venture (NWSV) has been Western Australia's largest producer of domestic natural gas and currently provides about 65 percent of the state's total production. For 20 years, NWSV has been exporting liquefied natural gas to international customers in the Asia-Pacific region.

NWSV operations include the North Rankin, Goodwyn, Perseus, Angel and Echo Yodel natural gas fields and the Wanaea, Cossack, Lambert and Hermes crude oil fields. Chevron has a 16.7 percent nonoperated working interest in NWSV.

In 2008, Chevron's total daily production from NWSV averaged 150,000 barrels of crude oil and condensate (25,000 net), 23,000 barrels of LPG (4,000 net), and 2.2 billion cubic feet of natural gas (374 million net). Approximately 70 percent of the natural gas is sold as liquefied natural gas (LNG), primarily under long-term contract to major utilities in Japan, South Korea and China. Natural gas also is sold into the Western Australian domestic gas market.

In September 2008, NWSV commissioned a fifth LNG train as part of an AU\$2.6 billion expansion of its onshore LNG facilities. Designed to produce 4.2 million metric tons of LNG per year, Train 5 boosts total plant production capacity to more than 16 million metric tons.

The Angel natural gas field development began production in October 2008. The development includes an unmanned production platform and underwater pipeline that feeds onshore LNG and domestic natural gas plants.

NWSV participants also are evaluating additional natural gas supply projects for feeding the five LNG trains and a domestic gas plant. The first of these projects, the North Rankin 2 project, is designed to recover remaining low-pressure natural gas from the North Rankin and Perseus natural gas field. Plans call for a second platform, North Rankin B, to be built about 330 feet (100 m) away from the existing North Rankin A platform. The project also includes modifications and refurbishment of North Rankin A. The two platforms would be connected by a bridge and are designed to be operated as a single integrated facility. Project startup is expected in 2013.

Additionally, a range of small gas fields in the western section of the Goodwyn reservoirs is slated for development, with startup expected by 2014.

Barrow Island and Thevenard Island

Chevron holds a 57.1 percent interest in the Barrow Island crude oil producing facilities. We operate the field safely and economically while protecting biodiversity within the Barrow Island Nature Reserve.

We also operate fields near Thevenard Island, where we hold a 51.4 percent interest. Thevenard Island, some 43 miles (70 km) southwest of Barrow, provides a base for processing and storing hydrocarbons from several nearby oil fields.

In 2008, total daily production for these operations was 9,000 barrels of crude oil (5,000 net).

Greater Gorgon Area Development

Chevron is the operator and largest stakeholder in the Gorgon LNG and domestic gas project. Natural gas from the Gorgon and Io/Jansz fields is expected to supply the project for at least 40 years.

The Gorgon Project is Australia's largest energy resource project.

The development plan calls for a three-train, 15 million-metric-ton-per-year LNG facility on Barrow Island, integrating domestic gas into the project. Over the last 40 years, we have established a successful record of operating Australia's largest onshore crude oil field on Barrow Island.

In September 2009, after obtaining the necessary approvals from state and federal governments, we made the final investment decision and [announced the project would proceed](#).

In June 2008, Chevron and the Gorgon joint venture secured an additional AU\$1 billion to prepare for a final investment decision on the Gorgon Project.

The Gorgon Project experienced several contract milestones in 2008. A lease was signed to secure a site at Mermaid Marine's Dampier facility for a Gorgon supply base. An agreement was reached with the Australian Marine Complex in Cockburn Sound for a waterfront service area. And Vetcogray was awarded a five-year master service agreement to supply subsea equipment and services.

First gas production from the project is planned for 2014.

[Visit Gorgon Project](#).

Wheatstone

The [Wheatstone](#) and Iago fields are contained in three permits located between the North West Shelf Venture area and the Greater Gorgon Area. Two permits, wholly owned by Chevron, cover the Wheatstone Field. Chevron has a 66.7 percent interest in the southern permit, which contains about half of the Iago Field.

In early 2008, Chevron announced plans to develop an LNG and domestic gas project associated with the Wheatstone natural gas discovery. A successful field appraisal program, which included drilling seven wells and a detailed site screening and selection study, was completed in 2008. Following the completion and analysis of the appraisal program, the fields are estimated to hold enough natural gas resources to support a multitrain LNG facility with an adjacent domestic natural gas plant. Front-end engineering and design is due to begin in the second half of 2009.

Chevron continues to explore for new resources in Australia. In addition to the 2008 appraisal drilling program in the Wheatstone and Iago fields, we conducted appraisal drilling at the Calliance and Torosa fields in the Browse Basin and completed a commitment well in Block WA-274-P testing the northern extension of the Ichthys Field in the east Browse Basin.

During the year, 3-D seismic data was acquired for Block WA-268-P, within which the Chandon discovery is located, and a 2-D 870-mile (1,400-km) seismic survey was completed in WA-383-P in the Exmouth region.

In May 2008, the company divested its interests in Sorrel Basin exploration permits, located offshore Tasmania.

Marketing and Retail

Chevron is pursuing sales to Australian industrial natural gas customers and beyond that to LNG markets in China, Korea and Japan.

By the end of 2008, NWSV participants replaced all but two existing long-term LNG contracts with new sales and purchase agreements, which include revised pricing terms. Another agreement was signed in the first quarter of 2009. NWSV's Japanese customers include:

- Chugoko Electric
- Toho Gas
- Chubu Electric Power Co.
- Kansai Electric Power Company Inc.
- Tokyo Gas
- Osaka Gas Co. Ltd
- Tokyo Electric Power Company Inc.
- Kyushu Electric
- Tohoku Electric

Caltex

Chevron holds a 50 percent interest in Caltex Australia Limited, a publicly listed company on the Australian Stock Exchange. Based in Sydney, Caltex Australia is the country's No.1 petroleum and convenience marketer.

The company trades under the Caltex brand, with wholesale, commercial and retail marketing operations in all states and territories.

Caltex Australia owns and operates two fuel refineries, one at Kurnell in Sydney and the other at Lytton in Brisbane. It also has a lubricating oil refinery at Kurnell.

Caltex Australia's national service station network includes more than 2,000 branded sites, most of which are Caltex-branded. More than 500 are Caltex Woolworth's co-branded outlets. Caltex Australia holds an estimated 35 percent market share of the major transportation fuels sold in the country.

Caltex Australia owns or leases 88 petroleum product storage depots that the company operates or licenses to distributors. In addition, Caltex Australia has commercial and industrial customers in the mining, industrial, aviation and transport sectors.

In the Community

Helping Local Programs

Chevron Australia, our exploration and production organization, supports community investment programs in Western Australia, particularly in the areas of health, education and training.

We encourage students to consider careers in mathematics, engineering, technology and science by sponsoring an education program in local schools called Beyond the Beaker – Discovering Careers in Science. As part of the Schools Information Program, our employees also deliver presentations to 10th-grade students to increase their awareness of the petroleum industry.

We also contribute to the work of the Royal Flying Doctors Service, which serves remote communities in Western Australia, and we support a youth outreach program in Onslow and an early literacy program in Exmouth, in northwest Western Australia.

Chevron Australia is a community development partner in the West Australian Symphony Orchestra, and we support the Perth International Arts Festival.

Chevron Australia employees are actively involved in their local communities through employee volunteer days, the administration of community grants and a payroll donation program.

Caltex Australia supports educational initiatives, including the Caltex Best All Rounder Awards. Some 97 percent of Australia's secondary schools participate in this program, which gives awards to students in their final year of school who have demonstrated outstanding all-around achievement.

Caltex Australia also is a major national sponsor of the Starlight Children's Foundation, a program that raises funds through employee, franchisee, distributor and corporate activities to assist in granting wishes and providing entertainment in hospitals for seriously ill children.

Caltex also recognizes excellence in the performing arts through its sponsorship of the Australian Chamber Orchestra's national tours.

The Caltex refinery at Lytton in Queensland supports 16 local schools through a program that encourages interest in science. The refinery also provides an annual grant to the schools' libraries.

In another refinery-related community program, Caltex provides a fuel sponsorship to assist the Surf Life Saving Association in its work in coastal waters around the Kurnell Peninsula in New South Wales.

As part of an agreement Chevron Australia signed in 2005, Chevron Energy Technology Co. has established a new technology center in Perth, which will enhance Chevron's ability to serve its global business units.

Record of Achievement

Chevron's history in Australia goes back decades.

At the end of World War I, one of our legacy companies, The Texas Co. Australasia Ltd., was incorporated in New South Wales to handle the growing demand for petroleum products. Since 1941, the company's marketing and refining activities in Australia have been run under the Caltex brand name. Our first refinery came online in 1956.

The story of our exploration and production activities in Australia begins in 1951, when Chevron and Texaco began searching for oil in Western Australia under the Caltex banner. In 1952, Caltex and Ampol, an Australian petroleum company, formed West Australian Petroleum Pty. Ltd. (WAPET) to operate on their behalf. This venture made the nation's first discovery, at Rough Range in Western Australia in 1953.

It was through WAPET that our company discovered the Barrow Island Field in 1964, the huge Gorgon gas field in 1981, the Saladin oil field in 1985 and the fields near Thevenard Island in 1989.

Also in 1989, Chevron, along with partners in the North West Shelf Venture, began exporting liquefied natural gas to neighbors in Asia, starting with Japan.

Discoveries continued with more gas fields: Chrysaor in 1994–1995, Dionysus in 1996 and six more gas fields west of the central Gorgon area.

WAPET, with Chevron as technical adviser, continued as operator of the majority of the company's assets in Australia until 2000, when Chevron Australia Pty. Ltd. replaced WAPET. In 2001, Chevron and Texaco merged.

In 2004, the Wheatstone natural gas field was discovered, and Chevron secured a 50 percent interest across most of the Greater Gorgon Area.

Chevron made two natural gas finds in 2006. The first was at its Chandon 1 exploration well within the western reaches of the Greater Gorgon Area, and later in the year, the Clio 1 exploration well was successfully drilled.

Health, Environment and Safety

Chevron and Caltex Australia work hard to keep employees and those visiting our sites safe. We care for the environment, and we recognize our responsibilities to the communities where we work.

Chevron, through its previous participation in WAPET and as current operator, has achieved an outstanding environmental record on Barrow Island. The island, a class "A" nature reserve, is free of introduced plants and animals thanks to Chevron's successful quarantine efforts. Our environmental and quarantine management system has earned us national and international awards over the years.

Energy Efficiency Assessments

Government legislation requires all large energy users in Australia to undertake an assessment to identify opportunities to improve energy efficiency and to make these findings public. The Barrow and Thevenard island operations were assessed during 2008 and a [Public Assessment Report](#) (1.8 MB) was released.

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