



# Bangladesh Fact Sheet

## Highlights of Operations

Chevron is one of the largest foreign investors in Bangladesh, providing employment for about 2,300 workers and supplying nearly 50 percent of the country's natural gas consumption.

The two-year startup of the Bibiyana Field demonstrated our ability to handle complex projects involving many technical, environmental and workforce challenges. To bring the field into production in 2007, Chevron recruited about 2,300 Bangladesh citizens to work on the project.

Chevron also produces natural gas from the Jalalabad and Moulavi Bazar fields, both of which produce near full capacity. We are exploring in Block 7 in southern Bangladesh.

## Business Portfolio

### Exploration and Production

Chevron supports Bangladesh's goal of maximizing the nation's energy potential by actively investing in projects that deliver more gas to Petrobangla, the national oil company. To that end, we have developed natural gas production in three fields: Jalalabad, Moulavi Bazar and Bibiyana. In 2010, total daily production averaged 883 million cubic feet of natural gas (404 million net) and 5,000 barrels of condensate (2,000 net). Condensate is liquid hydrocarbon produced with natural gas.

In 2010, preliminary construction was completed at the site of a compression project at Muchai. The project is expected to support additional production from the existing producing fields starting in 2012.

### Producing Natural Gas in Jalalabad

Chevron operates the Jalalabad gas field in northeastern Bangladesh under a production-sharing contract with Petrobangla, to whom the processed natural gas is sold. Condensate from the field is used to make products such as gasoline and diesel fuel.

Since its inception in 1999, Jalalabad has doubled its production to meet the growing energy demand in the country. The field is one of the most cost-effective sources of energy for Bangladesh and has produced near capacity since 2001.

### Delivering Energy Efficiently in Moulavi Bazar

Chevron produces natural gas from the Moulavi Bazar Field in Block 14, in northeastern Bangladesh, under a production-sharing contract with Petrobangla. The field has operated near capacity since 2005.

### Putting Innovation to Work in Bibiyana

In 2007, Chevron capped a major two-year development program by initiating production from the Bibiyana natural gas field in northeastern Bangladesh.

Discovered in 1998, the field is one of the most significant natural gas discoveries in Bangladesh in both quality and size of the reserve. Chevron signed a gas purchase and sales agreement with Petrobangla in 2004.

For the first time in Bangladesh, 3-D seismic and high-quality imaging technologies were used to identify reserves potential. The total development cost for the project, including 12 development wells, was approximately \$270 million. The original development program included a natural gas processing plant with a capacity of 600 million cubic feet per day and a natural gas pipeline to connect the field to the national natural gas transmission grid.

In 2009, an independent reserve redetermination study conducted by petroleum industry consultants DeGolyer and McNaughton concluded that the field contains a much larger reserve than originally thought.

### **Exploring Block 7**

Chevron has a 43 percent interest in Block 7, in southwest Bangladesh.

In 2010, we evaluated seismic data and prepared to drill one exploration well in Block 7. The well is planned to be completed in mid-2011.

### **Pipelines Connecting Supply and Demand**

Chevron operates a 27-mile (43-km) natural gas pipeline that connects the Bibiyana Field to the country's national gas transmission line. Its construction required us to overcome a number of challenges, among them the weather. To avoid the monsoon season, we installed the entire pipeline within a six-month window. The pipeline has a 600 million-cubic-foot-per-day capacity.

In 2009, Chevron and Petrobangla partnered to improve performance of the national gas transmission line by installing a 2,460-foot (750-m) spur line near Khadimpara, which supplies natural gas to power plants in Sylhet.

### **In the Community**

Chevron Bangladesh is active in community development in our areas of operation through activities and programs that focus primarily on education, health care services, capacity building, economic development and safety training. We provide resources that help the people in these areas gain the skills needed to improve their standard of living while preserving their culture.

We carry out most of these projects in partnership with leading nongovernmental organizations (NGOs). Our employees also play key roles in community development projects by regularly participating in projects ranging from housing and work skills development to tree plantings, and health.

Chevron supports several work skills training programs, including the following:

- Programs near Chevron's Bibiyana, Moulavi Bazar and Jalalabad fields benefit more than 2,800 families living in 55 villages. One example is the Alternative Livelihood Program run by Friends in Villages Development in Bangladesh, an NGO that has provided training and resources to help families start new businesses.
- The Centre for Natural Resources Studies runs a project focused on the needs of about 1,000 families in two villages near the Moulavi Bazar field. The program offers literacy education and skills training in work such as animal rearing and home gardening, which could lead to higher income. Households and schools have received better cooking stoves, solar photovoltaic panels and biogas plants.
- Hathay Bunano operates a skills-training and employment-generation program for women living near the Moulavi Bazar field.

We work with partners on health and safety programs. Among them are the following:

- Three Smiling Sun clinics provide health care to an average of 6,000 villagers per month near the Bibiyana and Moulavi Bazar natural gas fields. These clinics are part of the Smiling Sun Franchise Program sponsored by the U.S. Agency for International Development.
- More than 5,000 families near the Bibiyana and Moulavi Bazar fields benefit from a sanitation program we support.
- We help provide equipment for the Jalalabad Eye Hospital and provide funds to build and renovate buildings for the Jalalabad Disabled Hospital & Rehabilitation Center.
- Chevron's Road Safety Awareness program offers free driver training to local drivers whether or not they work for Chevron.

Chevron also is involved in improving educational opportunities in Bangladesh. Examples include the following:

- In 2010, we provided additional teacher support at four schools and funded more than 900 scholarships for disadvantaged students.
- With our partners Friends in Village Development Bangladesh and Save the Children, Chevron supports a pre-primary program that serves 440 students in 15 schools in the Bibiyana area.
- We are helping to fund a five-year program that offers scholarships and internships to students from South Asia, Southeast Asia and the Middle East who attend the Asian University for Women.
- Chevron also supports an education endowment fund and helps pay for school uniforms, sports equipment and school furniture.

Chevron and our employees assist communities in other ways as well:

- Chevron supplied funds for relief and rehabilitation for the victims of Cyclones Sidr and Aila, which hit southern Bangladesh in 2007 and 2009, respectively.
- Our employees helped plant some 128,000 trees in the greater Sylhet District.

## Record of Achievement

During our time in Bangladesh, Chevron has worked to expand the country's ability to produce energy and has done so in a responsible manner.

During 1998 and 1999, we drilled four exploratory wells and discovered two natural gas fields: Bibiyana and Moulavi Bazar. A second successful exploration well in early 1999 confirmed that the Bibiyana Field held significant reserves. The Jalalabad Field went into production that same year.

In 2000, we signed a production-sharing contract with the government of Bangladesh to explore and develop resources in Block 7. Two natural gas purchase and sales agreements were then signed with Petrobangla—one in 2003 for Moulavi Bazar and the other in 2004 for Bibiyana.

In 2005, Moulavi Bazar began producing natural gas for Petrobangla's network. Bibiyana became the largest producing field in Bangladesh when it came on line in 2007.

## Health, Environment and Safety

Chevron works with our partners in the government of Bangladesh and with Petrobangla to develop the country's energy resources in a safe, environmentally responsible manner. To protect the environment, Chevron uses the latest technologies, and strict inspection procedures ensure safe operations.

Chevron Bangladesh has received seven consecutive Zero Is Attainable awards from the company for its remarkable safety record. As of mid-January 2011, our employees had achieved 20 million work-hours without a single day away from work from an injury.

While acquiring 2-D seismic data, the crew in Block 7 completed 2.5 million work-hours without a recordable incident. Staff drove project vehicles more than 600,000 miles (almost 1 million km) without a motor vehicle crash.

Ensuring safety on roads has been a major focus. Since February 2007, our vehicles in Bangladesh have driven nearly 8.7 million miles (14 million km) without any recordable incidents.

## Contact Us

### Chevron Bangladesh

Obaidullah Al Ejaz  
57 Gulshan Avenue  
Gulshan, Dhaka 1212  
Telephone: +880.2.989.2244  
Fax: +880.2.988.4398

### Chevron Bangladesh Blocks 13 and 14, Ltd.

#### Dhaka Office

Bay's Galleria  
57 Gulshan Avenue (4th Floor)  
Gulshan-1, Dhaka-1212  
Bangladesh  
Telephone: +880.989.2244  
+ 880.882.8891  
Fax: +880.2. 988.4398  
Email: [oejaz@chevron.com](mailto:oejaz@chevron.com)

#### Sylhet Office

Lackatoorah, Airport Road  
Sylhet 3100  
Telephone: +880 0.821.715390  
Fax: +880 0.821.715362

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