



# Canada Fact Sheet

## Highlights of Operations

Chevron's relationship with Canada spans more than 70 years and includes finding, producing and refining crude oil and natural gas and delivering needed energy.

Our subsidiaries in Canada include Chevron Canada Resources, which explores for new crude oil and natural gas fields and produces energy from existing resources, and Chevron Canada Ltd., which serves the needs of motorists and sells aviation fuels. In British Columbia, where Chevron Canada Ltd. operates the Burnaby Refinery, we are the top seller of transportation fuels.

Chevron is a partner in the Athabasca Oil Sands Project in northern Alberta, which produces bitumen from oil sands. We also are developing [natural gas from shale](#) in Alberta.

Most of our crude oil production comes from the Hibernia Field, offshore Newfoundland and Labrador. Chevron continues to pursue other opportunities offshore eastern Canada and in northern Canada.

Our company and employees are active in the community, promoting many educational, cultural and environmental programs.

## Business Portfolio

### Exploration and Production

Chevron's Canadian exploration and production efforts include traditional onshore and offshore crude oil and natural gas projects in the north and west and off the east coast. We also are involved in [developing energy from oil sands](#) extraction projects and shale acreage in Alberta. Chevron's total daily production in 2011 from Canadian operations averaged 197,000 barrels of crude oil (29,000 net), 28 million cubic feet of natural gas (4 million net) and 210,000 barrels of synthetic oil from oil sands (40,000 net).

### Oil Sands Innovation

Oil sands, such as those found in northern Alberta, are a naturally occurring mixture of bitumen—a heavy, viscous form of crude oil mixed with water, sand and clay. Using hydroprocessing technology, bitumen can be refined to yield synthetic crude oil.

Chevron has a 20 percent nonoperated interest in the Athabasca Oil Sands Project (AOSP) near Fort McMurray, Alberta. In June 2011, the AOSP Expansion 1 Project was completed, including startup of the expanded Scotford Upgrader, which increased daily production capacity from oil sands to approximately 255,000 barrels. In 2011, total daily production from oil sands averaged 210,000 barrels (40,000 net) of synthetic oil.

### Exploring for Shale Gas

Chevron is developing [natural gas from shale](#) resources in western Canada. By the end of 2011, Chevron had increased the number of shale exploration leases held in Alberta to include approximately 253,000 acres (1,024 sq km) in the Duvernay formation. In the third quarter of 2011, we began drilling the first well of a multiwell program. A long-term well test is planned for the fourth quarter of 2012, when the first well is expected to be tied in to third-party processing facilities.

## High Technology Offshore Newfoundland and Labrador

Off the east coast of Newfoundland and Labrador, Chevron has a 26.9 percent nonoperated working interest in the Hibernia Field that includes two key reservoirs, Hibernia and Ben Nevis Avalon. Production decline from 2010 to 2011 was mitigated through a Hibernia reservoir drilling program. Average total daily crude oil production in 2011 was 151,000 barrels (28,000 net).

At the Hibernia Field, cutting-edge, cost-effective technologies are employed. The production platform is specially built to withstand blows from large icebergs. The field includes a 4.5-mile-long (7.2-km) directional well, drilled to a depth of almost 13,000 feet (3,960 m).

The Hibernia Southern Extension (HSE) Unit development is expected to stem the production decline from the Hibernia Field. Chevron has a 23.6 percent nonoperated working interest in the unitized HSE areas of the Hibernia Field. The \$1.7 million project includes drilling of producing wells from the existing Hibernia platform and subsea drilling of water-injection wells. During 2011, two producing wells were successfully drilled to obtain early reservoir information. Progress was made on the fabrication of topside and subsea equipment. More drilling is scheduled for 2013, once the subsea facilities are installed. Full production startup is expected in 2014.

Southeast of Hibernia lies Hebron, a heavy oil field in which Chevron holds a 26.6 percent nonoperated working interest. Plans call for a freestanding concrete gravity-base structure using directional drilling techniques. Front-end engineering and design work continued in 2011.

North of Hibernia and Hebron is the deepwater Orphan Basin project. Chevron operates and holds a 65 percent interest in an exploration license totaling 1.5 million acres (6,040 sq km). We have drilled two exploration wells in the Orphan Basin. In 2010, we set a water-depth record of 8,537 feet (2,602 m) for deepwater wells drilled in Canada. A third well is planned for the third quarter of 2012.

Chevron owns and operates Exploration License 1109 offshore eastern Labrador. The parcel is approximately 75 miles (121 km) out to sea and covers 574,000 acres (2,323 sq km) in water depths of 500 to 6,600 feet (150 to 2,000 m). A seismic survey in the North Grand Banks region offshore Newfoundland has been deferred while we assess plans for exploration.

In the fourth quarter of 2011, Chevron was awarded a 40 percent nonoperated interest for exploration rights in two blocks totaling approximately 1.1 million acres (4,340 sq km) in the Flemish Pass Basin.

## Arctic Exploration

Chevron is pursuing the development of resources in the Northwest Territories and the Canadian Beaufort Sea.

In the Beaufort Sea, Chevron operates two exploration licenses. One is owned by Chevron. In 2011, Chevron reduced its working interest in the other from 100 percent to 60 percent. There was no exploration done in either in 2011.

Chevron holds a 35.4 percent nonoperated working interest in the offshore Amauligak discovery and is assessing development alternatives.

The company also has additional minor nonoperated working interests in licenses in the Beaufort Sea. In the Mackenzie Delta region of the Northwest Territories, the company holds a 25 percent nonoperated working interest in several discoveries in onshore licenses.

In Calgary, Alberta, the Chevron Arctic Center is home base for some of the world's foremost experts in northern crude oil and natural gas exploration and development.

## Natural Gas Trading and Storage

Chevron provides customers with natural gas storage and conducts trading activities in Canada. The company has a 94 percent interest in Aitken Creek and a 43 percent nonoperated interest in the Alberta Hub natural gas storage facilities. Together they

have an approximate total capacity of 100 billion cubic feet. These facilities are adjacent to the Duvernay, Horn River and Montney shale gas formations.

## Marketing and Retail

With an average of more than 80,000 customer visits per day, Chevron Canada ranks as British Columbia's market leader in transportation fuels. Our network also makes us the largest gasoline convenience store marketer in the province. It includes:

- 162 service stations
- 134 Town Pantry® convenience stores
- 21 White Spot Triple O™ quick-serve restaurants

Chevron is a key supplier of condensates in British Columbia. We service the trucking and other commercial industries from a network of 37 commercial credit card operated facilities, commercial bulk fuel delivery facilities and marinas throughout British Columbia and Alberta. In addition, we supply more than 40 percent of the jet fuel used at Vancouver International Airport.

## Refining

Chevron's Burnaby Refinery was established in 1935. The 55,000-barrel-per-day facility is the only refinery on the coast of British Columbia, Chevron Canada Ltd.'s primary marketing area.

In Burnaby, on the shores of Burrard Inlet near Vancouver, the refinery produces petroleum products from Canadian crude oil. The oil arrives at the refinery by pipeline from northern British Columbia and Alberta.

Conventional and synthetic crude oils, natural gas condensate, and butane are transformed into gasoline, diesel and jet fuels; asphalt; heating fuels; heavy fuel oils; butane; and propane.

## In the Community

Our company supports the Canadian communities where we operate and contributes to a wide range of programs and organizations that focus on basic human needs, education and training. We have worked with some of our community partners for more than 20 years, and in 2012, we will host the 25th annual Chevron Science Olympics.

Chevron sponsors numerous programs and organizations, whose services range from teaching leadership skills to First Nations youth and community leaders to addressing early childhood literacy and youth homelessness.

We sponsor the award-winning Chevron Open Minds School Program®, which gives children and their teachers a weeklong hands-on learning experience tied directly to curriculum objectives. Programs take place at a zoo, museum, historical park, science center or other community site. Chevron sponsors three Open Minds sites, one in Calgary and one in Fort McMurray, Alberta, and another in St. John's, Newfoundland and Labrador.

We support programs that help train and equip people and organizations for success. For example, our support for the Stella Burry Foundation in Newfoundland and Labrador helps provide low-income clients with work skills and basic life skills.

Chevron employees are directly involved in community engagement. The company supports employees and retirees who volunteer through company-organized initiatives or projects they work on in their own time. In addition, Chevron offers time off for volunteering as well as matching grants and grants for accumulated volunteer time.

In 2009, Chevron added Memorial University of Newfoundland and Labrador to its [University Partnership Program](#). It is the first Canadian university to be included. Through this partnership, the Chevron Process Engineering and Design Research Lab will be established at the university.

In 2010, Chevron and the Research & Development Corporation of Newfoundland and Labrador announced a \$1 million partnership to create a Chevron Chair in Petroleum Engineering at Memorial University. The chair and a research program will

focus on one or more of the following areas: reservoir engineering, numerical simulation of reservoirs, complex well performance modeling, and advanced well design and construction.

## Record of Achievement

In 1935, Chevron opened a refinery in Burnaby and began selling branded fuel and lubricants in British Columbia and Alberta. The company opened the 2,000-barrel-per-day Stanovan Refinery in Burnaby in January 1936. During World War II, we increased our production and began supplying aviation fuel to Canada.

In 1954, Chevron produced an average of 11,000 barrels of oil per day. Production increased to 35,000 barrels per day in 1976. Major upgrades to the refinery's crude unit were completed in the 1980s, and in response to the growing demand for unleaded fuels, a new alkylation unit was built. A new effluent treatment plant was inaugurated in 1998 to improve the quality of the refinery's discharged water.

By 2001, the refinery's plant capacity had risen to 52,000 barrels per day. In 2005, a program to reduce sulfur oxide emissions was started in collaboration with air regulators and the local community. As part of the refinery's largest capital expenditure plan yet, a new cooling tower was commissioned. In 2008, the refinery's safety flaring system and critical electrical infrastructure were upgraded.

In 2008, Chevron successfully led the Hebron partnership in reaching binding agreements with the government of Newfoundland and Labrador to enable the offshore heavy oil project to proceed.

In 2009, the Burnaby Refinery and distribution terminal completed modifications required to meet new provincial biofuels regulations that came into effect in January 2010.

## Texaco

Texaco® products have been sold in Canada for 50 years.

Beginning in 1989, Texaco marketing efforts in Canada concentrated on the sale of lubricants. In 2002, as a result of the Chevron-Texaco merger, the company became a national marketer of Texaco and Chevron® lubricants.

## Exploring for Energy

Chevron drilled its first successful exploration wells in southern Alberta in 1939 and 1940 and began producing crude oil in 1941.

Field discoveries such as Princess, Acheson, Homeglen-Rimbey and Nevis in the 1940s and 1950s made Chevron known in the Canadian petroleum industry for our innovation and technical expertise. Next came the Mitsue and Kaybob discoveries in the 1960s, followed by Hibernia in 1979. The natural gas field in Fort Liard, Northwest Territories, was discovered in the 1990s.

In 2010, Chevron Canada Resources was named the Outstanding Philanthropist of the Year for Newfoundland and Labrador by the Newfoundland and Labrador Chapter of the Association of Fundraising Professionals, a prominent trade organization in that province.

## Contact Us

### Chevron Canada Resources

Headquarters  
500 Fifth Ave. S.W.  
Calgary, AB T2P 0L7  
+1 403.234.5200

Atlantic Canada Office  
Suite 700, 215 Water St.  
St. John's, NL  
A1C 6C9  
+1 709.757.6100

## **Chevron Canada Limited**

Chevron Canada Limited Marketing  
1500 - 1050 West Pender St.  
Vancouver, BC V6E 3T4  
+1 604.668.5300

Burnaby Refinery  
355 North Willingdon Ave.  
Burnaby, BC  
V5C 1X4

Updated: April 2012

### **CAUTIONARY STATEMENT RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

*This page from Chevron.com contains forward-looking statements relating to Chevron's operations that are based on management's current expectations, estimates and projections about the petroleum, chemicals and other energy-related industries. Words such as "anticipates," "expects," "intends," "plans," "targets," "projects," "believes," "seeks," "schedules," "estimates," "budgets" and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond the company's control and are difficult to predict. Therefore, actual outcomes and results April differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. Unless legally required, Chevron undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.*

*Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are: changing crude oil and natural gas prices; changing refining, marketing and chemical margins; actions of competitors or regulators; timing of exploration expenses; timing of crude oil liftings; the competitiveness of alternate-energy sources or product substitutes; technological developments; the results of operations and financial condition of equity affiliates; the inability or failure of the company's joint-venture partners to fund their share of operations and development activities; the potential failure to achieve expected net production from existing and future crude oil and natural gas development projects; potential delays in the development, construction or start-up of planned projects; the potential disruption or interruption of the company's net production or manufacturing facilities or delivery/transportation networks due to war, accidents, political events, civil unrest, severe weather or crude oil production quotas that might be imposed by the Organization of Petroleum Exporting Countries; the potential liability for remedial actions or assessments under existing or future environmental regulations and litigation; significant investment or product changes under existing or future environmental statutes, regulations and litigation; the potential liability resulting from other pending or future litigation; the company's future acquisition or disposition of assets and gains and losses from asset dispositions or impairments; government-mandated sales, divestitures, recapitalizations, industry-specific taxes, changes in fiscal terms or restrictions on scope of company operations; foreign currency movements compared with the U.S. dollar; the effects of changed accounting rules under generally accepted accounting principles promulgated by rule-setting bodies; and the factors set forth under the heading "Risk Factors" in Chevron's Annual Report on Form 10-K for the year ended December 31, 2011. In addition, such statements could be affected by general domestic and international economic and political conditions.*

*Unpredictable or unknown factors not discussed in Chevron's Annual Report on Form 10-K for the year ended December 31, 2011 could also have material adverse effects on forward-looking statements.*

*CHEVRON, the CHEVRON HALLMARK, CALTEX, TEXACO, DELO, HAVOLINE, ISOCRACKING, ISODEWAXING, ISOFINISHING, POWER DIESEL, REVTEX, STAR MART, STAR LUBE, TECHRON, TOWN COUNTRY, URSA, and XPRESS LUBE are registered trademarks of Chevron Intellectual Property LLC.*