



# Kuwait Fact Sheet

## Highlights of Operations

Chevron is actively engaged in Kuwait's oil and gas industry, demonstrating technological expertise, employee capability and commitment to the region. We continue to seek out new ways to share our energy expertise.

Under an agreement signed in 2003 with the Kuwait National Petroleum Co., our technical, operational and managerial employees share their knowledge with employees of the Kuwait National Petroleum Company's three refineries.

In the onshore Partitioned Neutral Zone located between the Kingdom of Saudi Arabia and Kuwait, Joint Operations – staffed and funded equally by Saudi Arabian Chevron Inc. and Kuwait Gulf Oil Co. – explores for and produces oil and gas. The production from these operations is jointly shared by the governments of Kuwait and Saudi Arabia.

## Business Portfolio

### Exploration and Production

Chevron has a long, impressive record of developing oil and gas in the Middle East, dating back to our earliest discovery in Bahrain in 1932.

Chevron is the operator of a consortium competing to develop Kuwait's northern fields. In 2008 and into 2009, the company continued dialogue with the Kuwaiti government about plans for this development, known as Project Kuwait.

In 1994, Chevron reentered Kuwait through a technical service agreement for the Burgan Field. Chevron elected not to extend that agreement when it expired in August 2008.

Saudi Arabian Chevron and companies that later became part of Chevron have been producing oil on behalf of the Kingdom of Saudi Arabia in the onshore Partitioned Neutral Zone between Kuwait and Saudi Arabia since 1949. A 30-year extension of the operating agreement governing this arrangement was granted in early 2009.

During 2008, 87 wells were drilled in the Partitioned Neutral Zone (PNZ), bringing the 2008 year-end active well count to 976.

In June 2009, Chevron [achieved the first steam](#) injection at its Large Scale Pilot steamflood project at the Wafra Field in the onshore PNZ. The project is designed to determine the technical and economic viability of thermal-recovery projects in the Eocene heavy-oil carbonate reservoir.

Steamflooding involves injecting steam into heavy oil reservoirs to heat the crude oil underground, reducing its viscosity and allowing its extraction through wells. This phase of the project involves drilling 16 injection wells, 25 producing wells and 16 observation wells and installing water treatment and steam generation and distribution facilities.

The \$340 million pilot, which is the final test phase for the steamflood project, is expected to lead to full-field steamflooding of the First Eocene reservoir, marking the first commercial application of a conventional steamflood in a carbonate reservoir anywhere in the world.

### Refining

Chevron employees have been consulting at Kuwait's Shuaiba, Mina Abdullah and Mina Al-Ahmadi refineries under an agreement with the Kuwait National Petroleum Co. That agreement was extended in 2008.

## Shipping

Saudi Arabian Chevron (SAC) operates a storage and marine export facility at Mina Saud in the PNZ.

In 2008, we marked our sixth consecutive year with no reductions or delays in scheduled tanker loading, lost-time incidents or spillage attributable to SAC operations. A total of 77 tankers were loaded at the company's crude shipping terminals, handling a volume of more than 47 million barrels of Ratawi and Eocene crude.

## In the Community

Chevron supports programs that benefit education, the community, the environment and training organizations.

Every year, Chevron sponsors community involvement programs such as AMIDEAST's Chevron Youth Camp. The program allows 20 Kuwaiti youth – both males and females – to spend time in the United States to familiarize themselves with Americans and their culture.

During 2006, Saudi Arabian Chevron and the Kuwait Gulf Oil Co. co-sponsored one of Kuwait's first surveys of plants and wildlife. Conducted by the Kuwait Institute for Scientific Research, the survey yielded valuable data and encouraging insights into the plants and wildlife in the vicinity of Joint Operations at Wafra. The program is in keeping with Chevron's environmental stewardship expectations, which include maintaining local biological diversity.

We also pride ourselves on protecting the health and safety of our employees, their families and the community. The company's hospital and field clinic for Partitioned Neutral Zone (PNZ) operations recorded 20,000 visits by employees, their families and other community members in 2008.

Reflecting our commitment to a safe work environment, Chevron has achieved impressive results in the PNZ. At the end of 2008, employees of Saudi Arabian Chevron at Mina Saud and Wafra had logged more than 11 million work-hours over the course of more than eight years without a lost-time incident. They also had logged more than 10.5 million work-hours without a recordable work-related injury.

Joint Operations has made significant progress in its Zero Discharge program to eliminate surface disposal of produced waters and reclaim former water disposal areas to international standards.

## Record of Achievement

Chevron has played a major role in developing the resources of Kuwait and its neighboring area. Gulf Oil Corp., which became part of Chevron in 1984, discovered Kuwait's super-giant Burgan Field in 1938. The discovery helped transform Kuwait into a world-class oil producer. As a 50 percent owner of Kuwait Oil Company, the company was involved in the production operations and management of Kuwait's oil fields.

Under a 1994 agreement with the Kuwait Oil Co., Chevron employees provided technical expertise for the continued development of the Burgan Field. Chevron allowed the agreement to expire in August 2008.

Chevron, the Kuwait Gulf Oil Company and predecessor companies have operated four oil fields in the onshore Partitioned Neutral Zone (PNZ) under an agreement through which Kuwait and Saudi Arabia share petroleum revenues jointly. In 2008, a 60-year operating agreement originally drawn up between the Kingdom of Saudi Arabia and Getty Oil Co. was extended for another 30 years.

Getty Oil Co. became part of Texaco in 1984, and Texaco merged with Chevron in 2001. Kuwait Gulf Oil Company operates Kuwait's 50 percent interest.

In 2004, we celebrated a milestone when the PNZ's operations surpassed 3 billion barrels of production. More recently, we have been testing the feasibility of using steamflooding to increase production from its heavy-oil Eocene reservoirs.

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