



Human Energy®

# 2013 Supplement to the Annual Report



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**Cover photo:** Aerial view of the 15.6 million-metric-ton-per-year Gorgon liquefied natural gas (LNG) facility, which is under construction on Barrow Island.  
**Inside front cover photo:** Gorgon LNG site, including a dehydration unit, the amine absorbers for Train 1 and 2, and the Train 1 acid gas removal unit.



# 2013 at a Glance

## Corporate Strategies

**Financial-return objective** - Create shareholder value and achieve sustained financial returns from operations that will enable Chevron to outperform its competitors.

**Enterprise strategies** - Invest in people to strengthen organizational capability and develop a talented global workforce that gets results the right way. Execute with excellence through rigorous application of the company's operational excellence and capital stewardship systems and disciplined cost management. Grow profitably by using competitive advantages to maximize value from existing assets and capture new opportunities.

**Major business strategies** - Upstream - grow profitably in core areas and build new legacy positions. Downstream - deliver competitive returns and grow earnings across the value chain. Gas and Midstream - apply commercial excellence to enable success of upstream and downstream strategies. Technology - differentiate performance through technology; invest in profitable renewable energy and energy efficiency solutions.

## Accomplishments

### Corporate

**Safety** - Achieved world-class performance in the days-away-from-work metric.

**Financial** - Achieved a total stockholder return that led the peer group for the previous five-year period.

**Dividends** - Paid \$7.5 billion in dividends, with 2013 marking the 26th consecutive year of higher annual dividend payouts. Since 2004, the dividend has grown at a compound annual rate of 11 percent.

**Capital and exploratory expenditures** - Invested \$41.9 billion in the company's businesses, including \$2.7 billion (Chevron share) of spending by affiliates. Announced 2014 projected outlays of \$39.8 billion, including \$4.8 billion of affiliate expenditures. Focus continues on exploration and production activities.

**Stock repurchase program** - Continued the company's stock repurchases, acquiring \$5.0 billion of the company's shares of common stock.

### Upstream

**Exploration** - Achieved an exploration drilling success rate of 59 percent. Announced two natural gas discoveries in the Carnarvon Basin offshore Western Australia, supporting the company's long-term growth plan for its liquefied natural gas (LNG) projects. Discovered crude oil at the Coronado prospect in the deepwater Gulf of Mexico. Commenced drilling in the Rovi and Sarta blocks in the Kurdistan Region of Iraq. Continued shale oil and natural gas drilling programs in Argentina, Canada, China, Eastern Europe and the United States.

**Portfolio additions** - Signed agreements advancing the development of the Vaca Muerta Shale in Argentina. Added deepwater acreage in Brazil. Acquired interest in a production-sharing contract in the Kurdistan Region of Iraq. Added unconventional acreage in Australia, Canada and the Permian Basin. Acquired a 50 percent-owned and operated interest in the Kitimat LNG Project in Canada.

**Production** - Produced 2.597 million net oil-equivalent barrels per day, with about 75 percent of the volume outside the United States in more than 20 different countries.

**Major projects** - Continued progress on the company's development projects to deliver future production growth. Achieved first LNG shipment from the Angola LNG Project. Achieved first production at the North Rankin 2 Project in Australia, the Papa-Terra Project in Brazil and the Tahiti 2 Project in the U.S. Gulf of Mexico. Continued to ramp up production at the Usan Project in Nigeria, in the Marcellus Shale in western Pennsylvania and in the Delaware Basin in New Mexico. Continued work on the expansion of the Caspian pipeline in Kazakhstan and Russia. Progressed construction of the Gorgon and Wheatstone projects in Australia, reaching approximately 75 percent and 25 percent complete, respectively, at year-end 2013. Executed binding sales agreements for the delivery of additional LNG from the Wheatstone Project. Reached final investment decisions on the Moho Nord Project in the Republic of the Congo and the Alder development in the United Kingdom. Completed the installation of the floating production unit at the Jack/St. Malo Project in the U.S. Gulf of Mexico.

### Downstream

**Refinery upgrades** - Started commercial operations of a 53,000-barrel-per-day gas-oil fluid catalytic cracking unit at the 50 percent-owned Yeosu Refinery in South Korea. Progressed construction on a 25,000-barrel-per-day base-oil plant at the Pascagoula Refinery in the United States.

**Chemical** - Announced final investment decision on a \$6 billion project that includes an ethane cracker with an annual design capacity of 1.5 million metric tons and two polyethylene units, each with an annual design capacity of 500,000 metric tons in Texas (50 percent-owned).

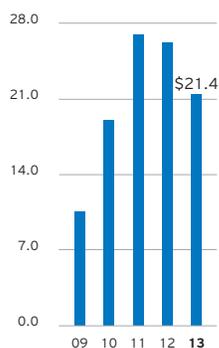
## Financial Highlights

- **Sales and other operating revenues**  
\$220 billion
- **Net income attributable to Chevron Corporation**  
\$21 billion  
\$11.09 per share - diluted
- **Return on capital employed**  
13.5%
- **Return on stockholders' equity**  
15.0%
- **Cash dividends**  
\$3.90 per share

## Financial Information

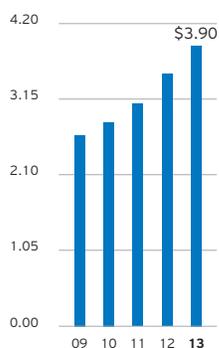
### Net Income Attributable to Chevron Corporation

Billions of dollars



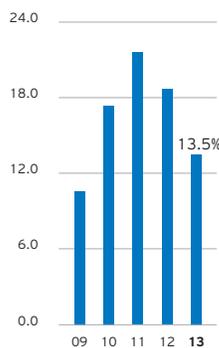
### Annual Cash Dividends

Dollars per share



### Return on Capital Employed

Percent



## Financial Summary

Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
Net income attributable to Chevron Corporation	\$ 21,423	\$ 26,179	\$ 26,895	\$ 19,024	\$ 10,483
Sales and other operating revenues	220,156	230,590	244,371	198,198	167,402
Cash dividends - common stock	7,474	6,844	6,139	5,674	5,302
Capital and exploratory expenditures	41,877	34,229	29,066	21,755	22,237
Cash provided by operating activities	35,002	38,812	41,098	31,359	19,373
Working capital at December 31	17,232	21,508	19,634	19,829	11,005
Total cash and cash equivalents at December 31	16,245	20,939	15,864	14,060	8,716
Total assets at December 31	253,753	232,982	209,474	184,769	164,621
Total debt and capital lease obligations at December 31	20,431	12,192	10,152	11,476	10,514
Total liabilities at December 31	103,326	95,150	87,293	78,958	72,060
Chevron Corporation stockholders' equity at December 31	149,113	136,524	121,382	105,081	91,914
Share repurchases	5,000	5,000	4,250	750	-
Market valuation at December 31	237,258	208,984	209,289	181,890	153,484

## Common Stock

	Year ended December 31				
	2013	2012	2011	2010	2009
Number of shares outstanding at December 31 (Millions)	1,899.4	1,932.5	1,967.0	1,993.3	1,993.6
Weighted-average shares outstanding for the year (Millions)	1,916.3	1,949.7	1,985.7	1,995.9	1,991.5
Number of stockholders of record at December 31 (Thousands)	161	169	179	188	197
Per-share data					
Net income attributable to Chevron Corporation					
- Basic	\$ 11.18	\$ 13.42	\$ 13.54	\$ 9.53	\$ 5.26
- Diluted	11.09	13.32	13.44	9.48	5.24
Cash dividends	3.90	3.51	3.09	2.84	2.66
Chevron Corporation stockholders' equity at December 31	78.50	70.65	61.71	52.72	46.11
Market price					
- Close at December 31	124.91	108.14	106.40	91.25	76.99
- Intraday high	127.83	118.53	110.01	92.39	79.82
- Intraday low	108.74	95.73	86.68	66.83	56.12

## Financial Ratios\*

	Year ended December 31				
	2013	2012	2011	2010	2009
Current ratio	1.5	1.6	1.6	1.7	1.4
Interest coverage ratio	126.2	191.3	165.4	101.7	62.3
Debt ratio	12.1 %	8.2 %	7.7 %	9.8 %	10.3 %
Net debt to capital ratio	2.3 %	(6.5)%	(7.5)%	(4.8)%	1.7 %
Return on stockholders' equity	15.0 %	20.3 %	23.8 %	19.3 %	11.7 %
Return on capital employed	13.5 %	18.7 %	21.6 %	17.4 %	10.6 %
Return on total assets	8.8 %	11.8 %	13.6 %	10.9 %	6.4 %
Cash dividends/net income (payout ratio)	34.9 %	26.1 %	22.8 %	29.8 %	50.6 %
Cash dividends/cash from operations	21.4 %	17.6 %	14.9 %	18.1 %	27.4 %
Total stockholder return	19.2 %	5.0 %	20.3 %	22.9 %	8.1 %

\* Refer to page 59 for financial ratio definitions.

## Capital Employed

Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
Upstream					
- United States	\$ 29,645	\$ 27,582	\$ 22,950	\$ 14,751	\$ 15,636
- International	98,063	77,721	65,597	60,621	55,080
- Goodwill	4,639	4,640	4,642	4,617	4,618
- Total	132,347	109,943	93,189	79,989	75,334
Downstream					
- United States	12,928	11,769	11,077	11,358	11,160
- International	10,325	9,905	10,284	10,645	10,468
- Total	23,253	21,674	21,361	22,003	21,628
All Other	15,258	18,407	17,783	15,294	6,113
<b>Total Capital Employed</b>	<b>\$170,858</b>	<b>\$150,024</b>	<b>\$132,333</b>	<b>\$117,286</b>	<b>\$103,075</b>

## Employees

	Year ended December 31				
	2013	2012	2011	2010	2009
Number of employees					
Employees excluding service station employees	61,345	58,286	57,376	58,267	59,963
Service station employees	3,205	3,656	3,813	3,929	4,169
<b>Total Employed</b>	<b>64,550</b>	<b>61,942</b>	<b>61,189</b>	<b>62,196</b>	<b>64,132</b>

Consolidated Statement of Income

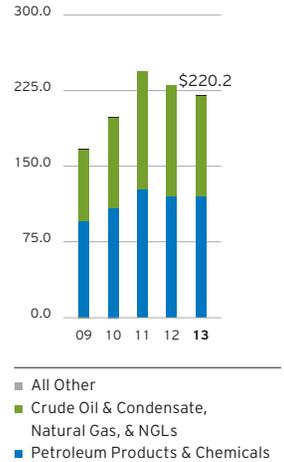
Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
<b>Revenues and Other Income</b>					
<b>Sales and Other Operating Revenues</b>					
Gasoline	\$ 42,736	\$ 45,432	\$ 48,037	\$ 42,553	\$ 37,336
Jet fuel	17,680	18,168	19,030	14,337	11,912
Gas oil and kerosene	27,167	27,231	29,495	25,863	23,311
Residual fuel oil	7,626	8,671	9,510	6,461	5,642
Other refined products	7,858	7,770	8,072	6,232	5,241
<b>Total Refined Products</b>	<b>103,067</b>	107,272	114,144	95,446	83,442
Crude oil and condensate	83,996	91,191	94,936	68,014	53,488
Natural gas	16,733	15,265	17,299	17,290	15,007
Natural gas liquids (NGLs)	3,470	3,965	4,618	3,868	3,130
Other petroleum revenues	2,173	2,589	2,836	2,660	2,123
Chemicals	2,024	2,049	2,045	1,813	1,502
Excise taxes	8,492	8,010	8,085	8,591	8,109
Other	(160)	(133)	(122)	(117)	(103)
<b>Total Upstream and Downstream</b>	<b>219,795</b>	230,208	243,841	197,565	166,698
All Other	361	382	530	633	704
<b>Total Sales and Other Operating Revenues</b>	<b>220,156</b>	230,590	244,371	198,198	167,402
Income from equity affiliates	7,527	6,889	7,363	5,637	3,316
Other income	1,165	4,430	1,972	1,093	918
<b>Total Revenues and Other Income</b>	<b>228,848</b>	241,909	253,706	204,928	171,636
<b>Costs and Other Deductions</b>					
Purchased crude oil and products	134,696	140,766	149,923	116,467	99,653
Operating expenses	24,627	22,570	21,649	19,188	17,857
Selling, general and administrative expenses	4,510	4,724	4,745	4,767	4,527
Exploration expenses	1,861	1,728	1,216	1,147	1,342
Depreciation, depletion and amortization	14,186	13,413	12,911	13,063	12,110
Taxes other than on income	13,063	12,376	15,628	18,191	17,591
Interest and debt expense	-	-	-	50	28
<b>Total Costs and Other Deductions</b>	<b>192,943</b>	195,577	206,072	172,873	153,108
<b>Income Before Income Tax Expense</b>	<b>35,905</b>	46,332	47,634	32,055	18,528
Income tax expense	14,308	19,996	20,626	12,919	7,965
<b>Net Income</b>	<b>21,597</b>	26,336	27,008	19,136	10,563
Less: Net income attributable to noncontrolling interests	174	157	113	112	80
<b>Net Income Attributable to Chevron Corporation</b>	<b>\$ 21,423</b>	\$ 26,179	\$ 26,895	\$ 19,024	\$ 10,483

Income Attributable to Chevron Corporation by Operating Segment

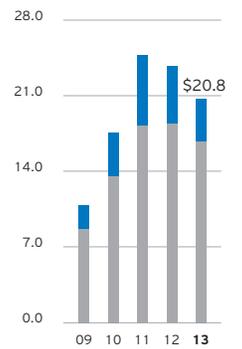
Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
<b>Upstream</b>					
- United States	\$ 4,044	\$ 5,332	\$ 6,512	\$ 4,122	\$ 2,262
- International	16,765	18,456	18,274	13,555	8,670
- Total	20,809	23,788	24,786	17,677	10,932
<b>Downstream</b>					
- United States	787	2,048	1,506	1,339	(121)
- International	1,450	2,251	2,085	1,139	594
- Total	2,237	4,299	3,591	2,478	473
All Other*	(1,623)	(1,908)	(1,482)	(1,131)	(922)
<b>Net Income Attributable to Chevron</b>	<b>\$ 21,423</b>	\$ 26,179	\$ 26,895	\$ 19,024	\$ 10,483

\* "All Other" includes mining operations, power and energy services, worldwide cash management and debt financing activities, corporate administrative functions, insurance operations, real estate activities, alternative fuels, and technology companies.

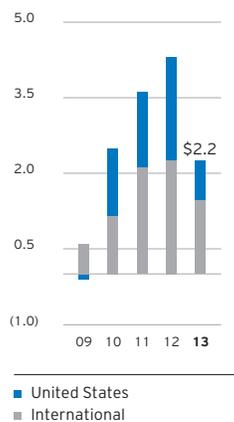
Sales & Other Operating Revenues  
Billions of dollars



Worldwide Upstream Earnings  
Billions of dollars

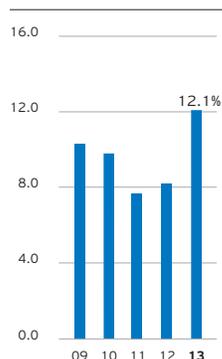


Worldwide Downstream Earnings  
Billions of dollars



## Financial Information

Ratio of Total Debt to Total Debt-Plus-Chevron Corporation Stockholders' Equity Percent



### Consolidated Balance Sheet

At December 31

Millions of dollars	2013	2012	2011	2010	2009
<b>Assets</b>					
Cash and cash equivalents	\$ 16,245	\$ 20,939	\$ 15,864	\$ 14,060	\$ 8,716
Time deposits	8	708	3,958	2,855	-
Marketable securities	263	266	249	155	106
Accounts and notes receivable, net	21,622	20,997	21,793	20,759	17,703
Inventories:					
Crude oil and petroleum products	3,879	3,923	3,420	3,589	3,680
Chemicals	491	475	502	395	383
Materials, supplies and other	2,010	1,746	1,621	1,509	1,466
Total inventories	6,380	6,144	5,543	5,493	5,529
Prepaid expenses and other current assets	5,732	6,666	5,827	5,519	5,162
<b>Total Current Assets</b>	<b>50,250</b>	<b>55,720</b>	<b>53,234</b>	<b>48,841</b>	<b>37,216</b>
Long-term receivables, net	2,833	3,053	2,233	2,077	2,282
Investments and advances	25,502	23,718	22,868	21,520	21,158
Properties, plant and equipment, at cost	296,433	263,481	233,432	207,367	188,288
Less: Accumulated depreciation, depletion and amortization	131,604	122,133	110,824	102,863	91,820
Properties, plant and equipment, net	164,829	141,348	122,608	104,504	96,468
Deferred charges and other assets	5,120	4,503	3,889	3,210	2,879
Goodwill	4,639	4,640	4,642	4,617	4,618
Assets held for sale	580	-	-	-	-
<b>Total Assets</b>	<b>\$253,753</b>	<b>\$232,982</b>	<b>\$209,474</b>	<b>\$184,769</b>	<b>\$164,621</b>
<b>Liabilities and Equity</b>					
Short-term debt	\$ 374	\$ 127	\$ 340	\$ 187	\$ 384
Accounts payable	22,815	22,776	22,147	19,259	16,437
Accrued liabilities	5,402	5,738	5,287	5,324	5,375
Federal and other taxes on income	3,092	4,341	4,584	2,776	2,624
Other taxes payable	1,335	1,230	1,242	1,466	1,391
<b>Total Current Liabilities</b>	<b>33,018</b>	<b>34,212</b>	<b>33,600</b>	<b>29,012</b>	<b>26,211</b>
Long-term debt	19,960	11,966	9,684	11,003	9,829
Capital lease obligations	97	99	128	286	301
Deferred credits and other noncurrent obligations	22,982	21,502	19,181	19,264	17,390
Noncurrent deferred income taxes	21,301	17,672	15,544	12,697	11,521
Noncurrent employee benefit plans	5,968	9,699	9,156	6,696	6,808
<b>Total Liabilities</b>	<b>103,326</b>	<b>95,150</b>	<b>87,293</b>	<b>78,958</b>	<b>72,060</b>
Common stock	1,832	1,832	1,832	1,832	1,832
Capital in excess of par value	15,713	15,497	15,156	14,796	14,631
Retained earnings	173,677	159,730	140,399	119,641	106,289
Accumulated other comprehensive loss	(3,579)	(6,369)	(6,022)	(4,466)	(4,321)
Deferred compensation and benefit plan trust	(240)	(282)	(298)	(311)	(349)
Treasury stock, at cost	(38,290)	(33,884)	(29,685)	(26,411)	(26,168)
<b>Total Chevron Corporation Stockholder's Equity</b>	<b>149,113</b>	<b>136,524</b>	<b>121,382</b>	<b>105,081</b>	<b>91,914</b>
Noncontrolling interests	1,314	1,308	799	730	647
<b>Total Equity</b>	<b>150,427</b>	<b>137,832</b>	<b>122,181</b>	<b>105,811</b>	<b>92,561</b>
<b>Total Liabilities and Equity</b>	<b>\$253,753</b>	<b>\$232,982</b>	<b>\$209,474</b>	<b>\$184,769</b>	<b>\$164,621</b>

### Segment Assets

At December 31

Millions of dollars	2013	2012	2011	2010	2009
Upstream*	\$187,171	\$162,337	\$140,290	\$120,242	\$111,305
Downstream	44,097	43,047	42,699	41,965	39,935
<b>Total Segment Assets</b>	<b>\$231,268</b>	<b>\$205,384</b>	<b>\$182,989</b>	<b>\$162,207</b>	<b>\$151,240</b>
All Other	22,485	27,598	26,485	22,562	13,381
<b>Total Assets</b>	<b>\$253,753</b>	<b>\$232,982</b>	<b>\$209,474</b>	<b>\$184,769</b>	<b>\$164,621</b>

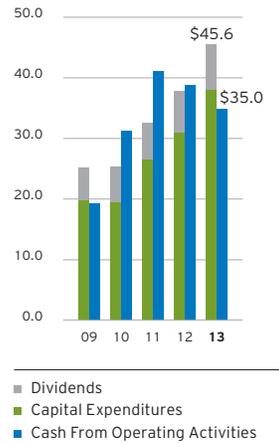
\* Includes goodwill associated with the acquisition of Unocal Corporation in 2005 and Atlas Energy, Inc., in 2011:

\$ 4,639	\$ 4,640	\$ 4,642	\$ 4,617	\$ 4,618
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Consolidated Statement of Cash Flows

Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
<b>Operating Activities</b>					
Net income	\$ 21,597	\$ 26,336	\$ 27,008	\$ 19,136	\$ 10,563
Adjustments:					
Depreciation, depletion and amortization	14,186	13,413	12,911	13,063	12,110
Dry hole expense	683	555	377	496	552
Distributions less than income from equity affiliates	(1,178)	(1,351)	(570)	(501)	(103)
Net before-tax gains on asset retirements and sales	(639)	(4,089)	(1,495)	(1,004)	(1,255)
Net foreign currency effects	(103)	207	(103)	251	466
Deferred income tax provision	1,876	2,015	1,589	559	467
Net (increase) decrease in operating working capital composed of:					
(Increase) decrease in accounts and notes receivable	(1,101)	1,153	(2,156)	(2,767)	(1,476)
(Increase) decrease in inventories	(237)	(233)	(404)	15	1,213
Decrease (increase) in prepaid expenses and other current assets	834	(471)	(853)	(542)	(264)
Increase (decrease) in accounts payable and accrued liabilities	160	544	3,839	3,049	(1,121)
(Decrease) increase in income and other taxes payable	(987)	(630)	1,892	321	(653)
Net (increase) decrease in operating working capital	(1,331)	363	2,318	76	(2,301)
Decrease (increase) in long-term receivables	183	(169)	(150)	(12)	(258)
(Increase) decrease in other deferred charges	(321)	1,047	341	48	201
Cash contributions to employee pension plans	(1,194)	(1,228)	(1,467)	(1,450)	(1,739)
Other	1,243	1,713	336	697	670
<b>Net Cash Provided by Operating Activities</b>	<b>35,002</b>	<b>38,812</b>	<b>41,095</b>	<b>31,359</b>	<b>19,373</b>
<b>Investing Activities</b>					
Acquisition of Atlas Energy	-	-	(3,009)	-	-
Advance to Atlas Energy	-	-	(403)	-	-
Capital expenditures	(37,985)	(30,938)	(26,500)	(19,612)	(19,843)
Proceeds and deposits from asset sales	1,143	2,777	3,517	1,995	2,564
Time deposits purchased	(2,317)	(717)	(6,439)	(5,060)	-
Time deposits matured	3,017	3,967	5,335	2,205	-
Net maturities (purchases) of time deposits	700	3,250	(1,104)	(2,855)	-
Marketable securities purchased	(7)	(35)	(112)	(90)	(30)
Marketable securities sold	10	32	38	41	157
Net sales (purchases) of marketable securities	3	(3)	(74)	(49)	127
Repayment of loans by equity affiliates	314	328	339	338	336
Net sales (purchases) of other short-term investments	216	(210)	(255)	(732)	244
<b>Net Cash Used for Investing Activities</b>	<b>(35,609)</b>	<b>(24,796)</b>	<b>(27,489)</b>	<b>(20,915)</b>	<b>(16,572)</b>
<b>Financing Activities</b>					
Net borrowings (payments) of short-term obligations	2,378	264	23	(212)	(3,192)
Proceeds from issuances of long-term debt	6,000	4,007	377	1,250	5,347
Repayments of long-term debt and other financing obligations	(132)	(2,224)	(2,769)	(156)	(496)
Cash dividends - common stock	(7,474)	(6,844)	(6,136)	(5,674)	(5,302)
Distributions to noncontrolling interests	(99)	(41)	(71)	(72)	(71)
Net (purchases) sales of treasury shares	(4,494)	(4,142)	(3,193)	(306)	168
<b>Net Cash Used for Financing Activities</b>	<b>(3,821)</b>	<b>(8,980)</b>	<b>(11,769)</b>	<b>(5,170)</b>	<b>(3,546)</b>
Effect of exchange rate changes on cash and cash equivalents	(266)	39	(33)	70	114
<b>Net Change in Cash and Cash Equivalents</b>	<b>(4,694)</b>	<b>5,075</b>	<b>1,804</b>	<b>5,344</b>	<b>(631)</b>
Cash and cash equivalents at January 1	20,939	15,864	14,060	8,716	9,347
<b>Cash and Cash Equivalents at December 31</b>	<b>\$ 16,245</b>	<b>\$ 20,939</b>	<b>\$ 15,864</b>	<b>\$ 14,060</b>	<b>\$ 8,716</b>

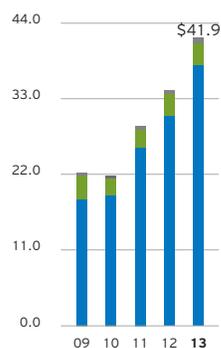
Cash From Operating Activities Compared With Capital Expenditures & Dividends  
Billions of dollars



## Financial Information

### Capital & Exploratory Expenditures\*

Billions of dollars



■ All Other  
■ Downstream  
■ Upstream

\*Includes equity share in affiliates.

### Capital and Exploratory Expenditures

(Includes equity share in affiliates)

Millions of dollars	Year ended December 31				
	2013	2012	2011*	2010	2009
<b>United States</b>					
Exploration	\$ 1,184	\$ 1,827	\$ 528	\$ 638	\$ 605
Production	7,221	6,634	7,767	2,800	2,656
Other Upstream	75	70	23	12	33
Refining	889	1,215	964	948	1,505
Marketing	67	110	80	49	133
Chemicals	723	323	278	264	210
Other Downstream	307	265	139	195	239
All Other	821	602	575	286	402
<b>Total United States</b>	<b>11,287</b>	<b>11,046</b>	<b>10,354</b>	<b>5,192</b>	<b>5,783</b>
<b>International</b>					
Exploration	3,994	2,366	1,690	2,077	1,385
Production	23,964	18,075	14,400	12,173	12,463
Other Upstream	1,420	1,472	1,464	1,204	1,154
Refining	434	627	611	629	959
Marketing	304	283	226	197	202
Chemicals	223	148	93	69	92
Other Downstream	228	201	220	201	196
All Other	23	11	8	13	3
<b>Total International</b>	<b>30,590</b>	<b>23,183</b>	<b>18,712</b>	<b>16,563</b>	<b>16,454</b>
<b>Worldwide</b>					
Exploration	5,178	4,193	2,218	2,715	1,990
Production	31,185	24,709	22,167	14,973	15,119
Other Upstream	1,495	1,542	1,487	1,216	1,187
Refining	1,323	1,842	1,575	1,577	2,464
Marketing	371	393	306	246	335
Chemicals	946	471	371	333	302
Other Downstream	535	466	359	396	435
All Other	844	613	583	299	405
<b>Total Worldwide</b>	<b>\$ 41,877</b>	<b>\$ 34,229</b>	<b>\$ 29,066</b>	<b>\$ 21,755</b>	<b>\$ 22,237</b>
Memo: Equity share of affiliates' expenditures included above	\$ 2,698	\$ 2,117	\$ 1,695	\$ 1,388	\$ 1,585

\* Excludes \$4.5 billion acquisition of Atlas Energy, Inc.

### Exploration Expenses<sup>1</sup>

Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
Geological and geophysical	\$ 493	\$ 499	\$ 391	\$ 255	\$ 328
Unproductive wells drilled	683	555	377	496	552
Other <sup>2</sup>	685	674	448	396	462
<b>Total Exploration Expenses</b>	<b>\$ 1,861</b>	<b>\$ 1,728</b>	<b>\$ 1,216</b>	<b>\$ 1,147</b>	<b>\$ 1,342</b>
Memo: United States	\$ 555	\$ 244	\$ 198	\$ 186	\$ 451
International	1,306	1,484	1,018	961	891

<sup>1</sup> Consolidated companies only. Excludes amortization of undeveloped leaseholds.

<sup>2</sup> Includes expensed well contributions, oil and gas lease rentals, and research and development costs.

**Properties, Plant and Equipment**

(Includes capital leases)

Millions of dollars	At December 31				
	2013	2012	2011	2010	2009
<b>Net Properties, Plant and Equipment at January 1</b>	<b>\$141,348</b>	\$122,608	\$104,504	\$ 96,468	\$ 91,780
<b>Additions at Cost</b>					
Upstream <sup>1</sup>	35,571	29,554	30,126	19,315	14,321
Downstream	1,807	4,042	1,669	1,560	2,330
All Other <sup>2</sup>	744	419	596	270	357
<b>Total Additions at Cost</b>	<b>38,122</b>	34,015	32,391	21,145	17,008
<b>Depreciation, Depletion and Amortization Expense<sup>3</sup></b>					
Upstream	(12,157)	(11,435)	(10,893)	(11,055)	(10,238)
Downstream	(1,138)	(1,094)	(1,119)	(1,179)	(1,106)
All Other <sup>2</sup>	(264)	(255)	(271)	(316)	(303)
<b>Total Depreciation, Depletion and Amortization Expense</b>	<b>(13,559)</b>	(12,784)	(12,283)	(12,550)	(11,647)
<b>Net Retirements and Sales</b>					
Upstream	(107)	(824)	(778)	(254)	(295)
Downstream	(293)	(400)	(1,185)	(246)	(90)
All Other <sup>2</sup>	(55)	(191)	(37)	(18)	(30)
<b>Total Net Retirements and Sales</b>	<b>(455)</b>	(1,415)	(2,000)	(518)	(415)
<b>Net Intersegment Transfers and Other Changes<sup>4</sup></b>					
Upstream <sup>5</sup>	(603)	(72)	(116)	(64)	(137)
Downstream	(19)	(1,003)	26	6	(122)
All Other <sup>2</sup>	(5)	(1)	86	17	1
<b>Total Net Intersegment Transfers and Other Changes</b>	<b>(627)</b>	(1,076)	(4)	(41)	(258)
<b>Net Properties, Plant and Equipment at December 31</b>					
Upstream <sup>6</sup>	145,931	123,227	106,004	87,665	79,723
Downstream	15,620	15,263	13,718	14,327	14,186
All Other <sup>2</sup>	3,278	2,858	2,886	2,512	2,559
<b>Total Net Properties, Plant and Equipment at December 31</b>	<b>\$164,829</b>	\$141,348	\$122,608	\$104,504	\$ 96,468
Memo: Gross properties, plant and equipment	\$296,433	\$263,481	\$233,432	\$207,367	\$188,288
Accumulated depreciation, depletion and amortization	(131,604)	(122,133)	(110,824)	(102,863)	(91,820)
Net properties, plant and equipment	\$164,829	\$141,348	\$122,608	\$104,504	\$ 96,468

<sup>1</sup> Net of exploratory well write-offs.

<sup>2</sup> Primarily mining operations, power and energy services, real estate assets, and management information systems.

<sup>3</sup> Difference between the total depreciation, depletion and amortization (DD&A) and total DD&A expense shown on the income statement relates to accretion expense. Reconciliation as follows:

DD&A on consolidated statement of income	\$ 14,186	\$ 13,413	\$ 12,911	\$ 13,063	\$ 12,110
Less: Accretion expense	(627)	(629)	(628)	(513)	(463)
<b>DD&amp;A - Properties, plant and equipment</b>	<b>\$ 13,559</b>	<b>\$ 12,784</b>	<b>\$ 12,283</b>	<b>\$ 12,550</b>	<b>\$ 11,647</b>

<sup>4</sup> Includes reclassifications to/from other asset accounts.

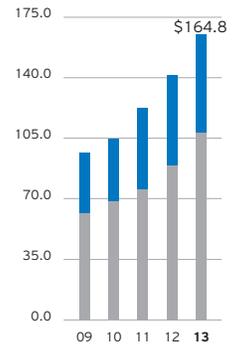
<sup>5</sup> Includes reclassification adjustments for "Assets held for sale" in 2013.

<sup>6</sup> Includes net investment in unproved oil and gas properties:<sup>7</sup>

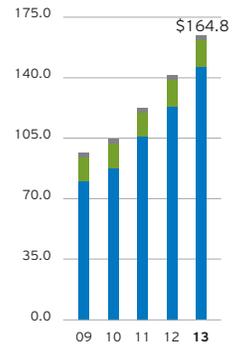
	\$ 15,703	\$ 13,882	\$ 12,000	\$ 5,081	\$ 5,321
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<sup>7</sup> 2012 conformed to 2013 presentation.

**Net Properties, Plant & Equipment by Geographic Area**  
Billions of dollars



**Net Properties, Plant & Equipment by Function**  
Billions of dollars



■ All Other  
■ Downstream  
■ Upstream

# Upstream

Grow profitably in core areas  
and build new legacy positions.



Photo: Jack/St. Malo floating production unit, wharfside in Ingleside, Texas, with the Big Foot platform in the background.

## Highlights

With experience in varied operating environments, innovative technology, project management expertise and the ability to work successfully with multiple partners, Chevron's upstream business has the strengths and capabilities to help meet the world's energy demands. The company's upstream has operations in most of the world's key hydrocarbon basins and a portfolio that provides a foundation for future growth.

### Business Strategies

Grow profitably in core areas and build new legacy positions by:

- Achieving world-class operational performance.
- Maximizing and growing the base business.
- Leading the industry in selection and execution of major capital projects.
- Achieving superior exploration success.
- Commercializing the equity gas resource base.
- Identifying, capturing and effectively incorporating new core upstream businesses.

### Industry Conditions

Average prices for crude oil in 2013 were comparable with 2012. The spot price for West Texas Intermediate (WTI) crude oil averaged \$98 per barrel for full-year 2013, compared with \$94 in 2012. The Brent price averaged \$109 per barrel for full-year 2013, compared with \$112 in 2012. The majority of the company's equity crude production is priced based on the Brent benchmark. WTI continued to trade at a discount to Brent in 2013 due to historically high inventories stemming from strong growth in domestic production and limitations on outbound pipeline capacity from the U.S. midcontinent. After narrowing during the first six months of 2013, the WTI discount slowly widened into the fourth quarter as seasonal refinery turnarounds contributed to surplus supply conditions for WTI.

In contrast to price movements in the global market for crude oil, price changes for natural gas in many regional markets are more closely aligned with supply-and-demand conditions in those markets. In the United States, prices at Henry Hub averaged \$3.70 per thousand cubic feet (MCF) in 2013, compared with \$2.71 per MCF in 2012. Fluctuations in the price for natural gas in the United States are closely associated with customer demand relative to the volumes produced in North America. In 2013, Chevron's international natural gas realizations averaged \$5.91 per MCF, compared with \$5.99 per MCF during 2012. These realizations reflected a strong demand for energy in certain Asian markets. Prices of liquefied natural gas (LNG) in these Asian markets are typically indexed to prices for crude oil.

### Financial and Operational Highlights

In 2013, Chevron's upstream business achieved world-class safety performance in terms of the days-away-from-work metric. Financial performance was strong, with net income of \$20.8 billion. Production of 2.597 million oil-equivalent barrels per day was essentially unchanged from 2012. The benefits of lower maintenance-related downtime and higher reliability at Tengizchevroil (TCO) facilities in Kazakhstan, and ramp-ups at the Usan Project in Nigeria, in the Marcellus Shale in western Pennsylvania and in the Delaware Basin in New Mexico were offset by normal field declines. Upstream capital and exploratory expenditures rose to \$37.9 billion for 2013. In 2014, the upstream capital budget is \$35.8 billion: 10 percent for exploration activities, 60 percent for major capital projects and 30 percent for continued development of the base business.

### Exploration and Portfolio Additions

The company made several significant portfolio additions during 2013. The company signed agreements advancing the Loma Campana Project to develop the Vaca Muerta Shale in Argentina. Offshore acreage was acquired in Brazil, Morocco, South Australia and northeast Greenland. The company also acquired an interest in a production-sharing contract (PSC) in the Kurdistan Region of Iraq. Acreage was added in the Cooper Basin region in Australia, the Duvernay Shale in western Canada and the Permian Basin, providing further opportunities to explore for shale and tight resources. The company also acquired interests in the Kitimat LNG Project in Canada, including acreage in the Horn River Shale and Liard Shale basins.

Upstream Portfolio Overview



■ Exploration Focus Areas    ○ Production

### Upstream Financial and Operating Highlights

(Includes equity share in affiliates)

Dollars in millions

	2013	2012
Earnings	\$ 20,809	\$ 23,788
Net liquids production (Thousands of barrels per day)	1,731	1,764
Net natural gas production (Millions of cubic feet per day)	5,192	5,074
Net oil-equivalent production (Thousands of barrels per day)	2,597	2,610
Net proved reserves* (Millions of barrels of oil-equivalent)	11,203	11,347
Net unrisked resource base* (Billions of barrels of oil-equivalent)	68	65
Capital and exploratory expenditures	\$ 37,858	\$ 30,444

\* For definitions of reserves and resources, refer to pages 58 and 59, respectively.

The company's focus areas for exploration drilling in 2013 were the deepwater regions of West Africa and the U.S. Gulf of Mexico, North American shale and tight resources, and offshore northwest Australia. Drilling and seismic activities occurred or were in various stages of planning in several other areas, including Argentina, the eastern coast of Canada, China, Eastern Europe, Indonesia, the Kurdistan Region of Iraq, Liberia, Norway, Thailand and offshore United Kingdom. The company's exploration activities have added 10.2 billion barrels of risked oil-equivalent resources since 2004.

**2013 Accomplishments:**

- Achieved an exploration drilling success rate of 59 percent.
- Argentina - Signed agreements advancing the Loma Campana Project to develop the Vaca Muerta Shale.
- Argentina - Continued a multiwell drilling program in El Trapial concession, targeting oil and gas in the Vaca Muerta Shale.
- Australia - Announced two natural gas discoveries in the Carnarvon Basin offshore Western Australia, supporting the company's long-term growth plans for its LNG projects.
- Australia - Acquired interests in two onshore natural gas blocks in the Nappamerri Trough in the Cooper Basin region of central Australia and two deepwater blocks in the Bight Basin, offshore South Australia.
- Brazil - Awarded participation in a deepwater block in the Ceara Basin.
- Canada - Acquired a 50 percent-owned and operated interest in the Kitimat LNG Project.
- Canada - Acquired shale gas acreage in the Duvernay, Horn River and Liard basins.
- Greenland - Acquired two exploration licenses in the Kanumas area, offshore northeastern Greenland.
- Kurdistan Region of Iraq - Acquired an 80 percent working interest in and operatorship of a PSC covering the Qara Dagh Block and commenced drilling in the Rovi and Sarta blocks.
- Morocco - Acquired an interest in three deepwater areas.
- Ukraine - Signed a PSC with the government for a 50 percent interest in and operatorship of the Oleska Block in western Ukraine.
- United States - Announced a joint development agreement for additional Permian Basin shale and tight resource acreage and access to related infrastructure.
- United States - Discovered crude oil at the Coronado prospect in the deepwater Gulf of Mexico.
- United States - Added 11 deepwater leases in the central and western Gulf of Mexico.

**2014 Outlook:**

During 2014, the company plans to invest \$3.2 billion in exploration and to drill more than 75 exploration and appraisal wells worldwide, including 12 impact wells (a well with a predrill unrisked resource potential of greater than 100 million barrels of oil-equivalent). This planned spending includes initial appraisal of acreage acquired over the past two years, including Australia, the Kurdistan Region of Iraq and Morocco. The program also supports continued exploration and appraisal activity in Western Australia, the U.S. Gulf of Mexico, West Africa and several shale and tight resource plays around the world.

**Resources and Proved Reserves**

The company's net unrisked resource base at year-end 2013 increased 5 percent from year-end 2012, to 68 billion barrels of oil-equivalent. This increase was primarily due to acquisitions in Argentina, Canada and the United States and exploration success in Canada and the United States. Included in the resource base are 11.2 billion barrels of net proved oil-equivalent reserves at year-end 2013.

The resource base is well diversified across geographic regions, with 24 percent of these resources located in the United States, 12 percent in Australia, 10 percent in Canada and 9 percent in Kazakhstan. The company's resource base is also diversified by type, with liquids representing about 60 percent and natural gas about 40 percent of the total. The company has about 170 trillion cubic feet of unrisked natural gas resources globally, with about half located in Australia and Asia, and is well situated to supply anticipated growth in Asia-Pacific natural gas demand.

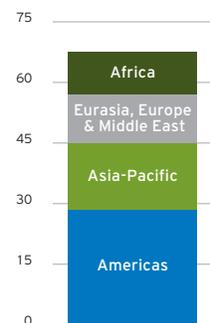
**Base Business**

Continued development of the base business is critical to maintaining the company's crude oil and natural gas production. Through targeted investment in small capital projects and a consistent focus on operating efficiency, maintenance and reliability, the company has been successful in limiting the annual rate of production decline in the base business to less than 3 percent. In addition, the effective use of proprietary technology, including the i-Field program that applies information technology to improve production from mature fields and new projects and the Real-Time Reservoir Management tool that improves the efficiency of reservoir surveillance, has also contributed to improved long-term field performance. Initiatives to improve operating efficiencies, invest in targeted growth and fully leverage existing facilities are planned to continue in 2014.

**Shale and Tight Resources**

An emerging focus area for the company is the development of unconventional oil and gas resources located in shale and tight formations. The company has significant shale and tight resources worldwide with 7 million net acres in seven countries. The company's shale and tight resource position includes legacy acreage in the United States, as well as newly acquired positions in a variety of locations worldwide. Areas of particular focus are the liquids-rich shale formations in the Permian Basin in the United States, the Vaca Muerta Shale in Argentina and the Duvernay Shale in Canada. The exploration and evaluation of these resources in other areas, including Australia, China, Eastern Europe and South Africa are ongoing. The company is focused on identifying those areas most prospective for development and bringing those resources to production in a safe and efficient manner.

**2013 Net Unrisked Resources by Region\***  
Billions of oil-equivalent barrels



\*Refer to page 59 for definition of resources.

**Shale and Tight Resources - Key Areas**

Location	Basin or Plays	Net Acreage (Thousands of acres)
Argentina	Vaca Muerta	143
Australia	Nappamerri Trough, Cooper Basin	192
Canada	Duvernay	325
Canada	Liard/Horn River	322
Eastern Europe	Silurian	3,551
United States	Marcellus	717
United States	Permian (Delaware Basin)	1,000
United States	Permian (Midland Basin)	500
United States	Utica	332

**Major Capital Projects**

Production growth is dependent on bringing resources and proved reserves into production through the successful development of major capital projects. The company has a robust queue of major capital projects expected to sustain the company's production growth through the end of the decade. Several of these projects are building legacy positions in natural gas.

**2013 Accomplishments:**

- Angola - Achieved first LNG shipment from the Angola LNG Project.
- Angola-Republic of the Congo Joint Development Area - Progressed construction of the Lianzi Project.
- Australia - Continued construction of the Gorgon Project, with about 75 percent complete at year-end. (More than 78 percent complete in mid-March 2014.)
- Australia - Progressed construction of the Wheatstone Project, with about 25 percent complete at year-end. (Approximately 30 percent complete as of mid-March 2014.)
- Australia - Executed Sales and Purchase Agreements for the delivery of additional volumes of LNG from the Wheatstone Project. At year-end 2013, 75 percent of Chevron's combined equity LNG offtake from Gorgon and Wheatstone is committed under binding long-term contracts.
- Australia - Commenced production from the North Rankin 2 Project.
- Brazil - Commenced production from the Papa-Terra Project.
- Kazakhstan - TCO and the government of Kazakhstan signed a memorandum of understanding to progress projects designed to expand production at the Tengiz Field.
- Kazakhstan/Russia - Continued work on the Caspian Pipeline Consortium Expansion Project, with completion of the offshore loading system.
- Republic of the Congo - Reached final investment decision for the Moho Nord development.
- Thailand - Commenced front-end engineering and design (FEED) on the Ubon development.
- United Kingdom - Reached final investment decision for the Alder development.
- United States - Continued development drilling activities and completed installation of the floating production unit at the Jack/St. Malo Project, with the project reaching 74 percent complete at year-end. (Approximately 75 percent complete as of mid-March 2014.)
- United States - Commenced FEED for the Jack/St. Malo Stage 2 Project.
- United States - Commenced production from the Tahiti 2 Project.
- United States - Continued construction at the Big Foot Project.
- United States - Continued development drilling activities at the Tubular Bells Project.

**2014 Outlook:**

- Angola - Commence FEED for the Greater Longui Area, Malange and Kambala projects.
- Australia - Continue construction of the Gorgon and Wheatstone projects.
- Azerbaijan - Commence production from the Azeri-Chirag-Gunashli Chirag Oil Project. (First oil was achieved in January 2014.)
- Bangladesh - Commence production at the Bibiyana Expansion Project.
- China - Achieve mechanical completion of the first processing train at the Chuandongbei natural gas project.
- Indonesia - Reach final investment decision for the Indonesia Deepwater Development (Gendalo-Gehem and Bangka projects.)
- Kazakhstan - Reach final investment decision for the Future Growth Project and the Wellhead Pressure Management Project at TCO.
- Kazakhstan/Russia - Achieve a 400,000-barrel-per-day increase in capacity of the Caspian Pipeline Consortium (CPC) pipeline.
- Nigeria - Commence FEED for the Agbami 3 Project. (Commenced FEED in early 2014.)
- Nigeria - Achieve start-up and first product shipment from the Escravos Gas-to-Liquids (EGTL) facility.
- Nigeria - Reach final investment decision for the Agbami 3 and Bonga SW/Aparo projects.
- Philippines - Achieve first production from the Malampaya Phase 2 Project. (Production commenced in first quarter 2014.)
- United States - Commence production at the Jack/St. Malo and Tubular Bells projects.
- United States - Reach final investment decision for the Stampede Project.

The projects in the table below are considered the more significant in the development portfolio and have commenced production or are in the design or construction phases. Each project has a project cost of more than \$500 million, Chevron share.

Major Capital Projects				Facility Design Capacity <sup>1</sup>	
Year of Start-Up/Location	Project	Ownership Percentage	Operator	Liquids (MBPD)	Natural Gas (MMCFPD)
<b>2013</b>					
Angola	Angola LNG Plant	36.4	Affiliate	63 <sup>2</sup>	670 <sup>2</sup>
Australia	North Rankin 2	16.7	Other	Maintain capacity	
Brazil	Papa-Terra	37.5	Other	140	35
United States	Tahiti 2	58.0	Chevron	Maintain capacity	
<b>2014-2016</b>					
Angola	Mafumeira Sul	39.2	Chevron	150	350
	Nemba ESR Stage 1 & 2	39.2	Chevron	12 <sup>3</sup>	-
Angola-Republic of the Congo	Lianzi	31.3	Chevron	46	-
Australia	Gorgon LNG Trains 1-3	47.3	Chevron	20	2,580
	Wheatstone LNG Trains 1-2	80.2/64.1 <sup>4</sup>	Chevron	30	1,608
Azerbaijan	ACG Chirag Oil Project	11.3	Other	183	285
Bangladesh	Bibiyana Expansion	99.0	Chevron	4	300
China	Chuandongbei	49.0	Chevron	-	558 <sup>2</sup>
Kazakhstan/Russia	CPC Expansion	15.0	Affiliate	670 <sup>5</sup>	-
Nigeria	Agbami 3	67.3	Chevron	Maintain capacity	
	EGP Phase 3B	40.0	Chevron	-	120 <sup>6</sup>
	EGTL	75.0	Chevron	33 <sup>7</sup>	-
	Sonam Field Development	40.0	Chevron	30	215
Republic of the Congo	Moho Nord	31.5	Other	140 <sup>3</sup>	-
United Kingdom	Alder	73.7	Chevron	14	110
	Clair Ridge	19.4	Other	120	100
United States	Big Foot	60.0	Chevron	75	25
	Jack/St. Malo	40.6-51.0	Chevron	170	42
	Tubular Bells	42.9	Other	44 <sup>3,8</sup>	-
<b>2017+</b>					
Angola	South N'Dola	39.2	Chevron	28	50
Canada	Hebron	26.6	Other	150	-
	Kitimat LNG	50.0	Chevron	-	1,600
Indonesia	Gendalo-Gehem	~63.0	Chevron	47	1,100
Kazakhstan	TCO Future Growth Project	50.0	Affiliate	250-300 <sup>3,8</sup>	-
	TCO Wellhead Pressure Management Project	50.0	Affiliate	Maintain capacity	
Nigeria	Bonga SW/Aparo	20.0	Other	225	-
Partitioned Zone	Central Gas Utilization Project	50.0	Chevron	-	Eliminate Flaring
	Wafra Steamflood Stage 1	50.0	Chevron	80	-
Thailand	Ubon	35.0	Chevron	35	115
United States	Jack/St. Malo Stage 2	40.6-51.0	Chevron	Maintain capacity	
	Stampede	20.0	Other	80	40

<sup>1</sup> MBPD - thousands of barrels per day; MMCFPD - millions of cubic feet per day.  
<sup>2</sup> Represents facility design outlet capacity.  
<sup>3</sup> Represents expected total daily production.  
<sup>4</sup> Represents the company's ownership in the offshore licenses and LNG facilities.  
<sup>5</sup> Represents incremental throughput capacity. Staged ramp-up with full capacity available in 2016.  
<sup>6</sup> Excludes incremental crude oil production enabled by this project.  
<sup>7</sup> Represents total plant offtake of liquids.  
<sup>8</sup> Expressed in thousands of oil-equivalent barrels per day.

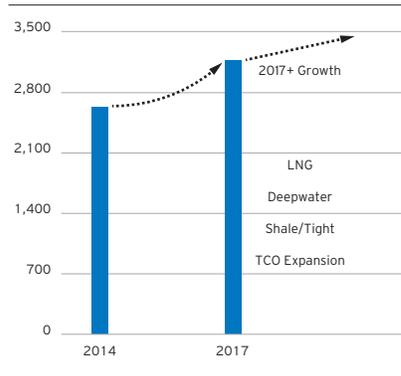
## Production Outlook

The company's production is expected to grow through the end of the decade as a result of continued investment in major capital projects, a sharp focus on mitigating base business declines and continued success in exploration. Production is expected to reach 3.1 million oil-equivalent barrels per day in 2017, driven by the start-up of the Jack/St. Malo and Big Foot projects in the deepwater Gulf of Mexico and the Gorgon and Wheatstone projects in Australia.

This outlook for future production levels is subject to many factors and uncertainties, including production quotas imposed by OPEC; price effects on entitlement volumes; changes in fiscal terms or restrictions on the scope of company operations; delays in the construction, start-up or ramp-up of projects; fluctuations in demand for natural gas; weather conditions; delays in completion of maintenance turnarounds; greater-than-expected declines from mature fields; or other disruptions to operations.

### Net Production Outlook

Thousands of oil-equivalent barrels per day @ \$110/bbl



## United States

Chevron's U.S. portfolio encompasses a diverse group of assets concentrated in California, the Gulf of Mexico, Colorado, Louisiana, Michigan, New Mexico, Ohio, Oklahoma, Pennsylvania, Texas, West Virginia and Wyoming. The company was the largest liquids producer and one of the largest hydrocarbon producers in the United States during 2013, with net daily oil-equivalent production averaging 657,000 barrels, representing approximately one-fourth of the companywide total.

### California

Operating primarily in the San Joaquin Valley, Chevron ranked No. 1 in net daily oil-equivalent production in California in 2013 at 177,000 barrels, composed of 162,000 barrels of crude oil, 69 million cubic feet of natural gas and 4,000 barrels of natural gas liquids (NGLs).

With 86 percent of the company's crude oil production in California considered heavy oil (typically with API gravity lower than 22 degrees), thermal recovery techniques utilizing steam are applied to increase oil recovery. Chevron continues to leverage leading-edge heat management capability in the recovery of these hydrocarbons, with emphasis on improved energy efficiency through new technology and processes.



**Kern River** Chevron has a 99 percent-owned and operated interest in leases covering most of the Kern River Field. Net average daily production from company-operated leases during 2013 was 68,000 barrels of crude oil and 3 million cubic feet of natural gas. The company drilled 393 wells at Kern River in 2013 and has plans to drill more than 360 wells in 2014. New steamflood expansion projects continued in 2013, focusing primarily on new zones at the periphery of the field, along with deeper zones. The company continues to develop steamflooding techniques to successfully increase recovery from thinner, higher-pressure and colder sands.

**Diatomite Reservoirs** Chevron has crude oil resources in diatomite reservoirs at the Cymric, McKittrick, Midway Sunset and Lost Hills fields. Diatomite is a reservoir rock with very high porosity but low permeability, making commercial production challenging. In 2013, net average daily production from these diatomite reservoirs was 36,000 barrels of liquids and 11 million cubic feet of natural gas.

The reservoirs at the company's operated and 100 percent-owned Cymric, 98 percent-owned McKittrick and 94 percent-owned Midway Sunset leases contain heavy oil. A recovery technique utilizing a high-pressure cyclic steaming process continues to improve recovery from these fields. The company drilled 106 wells in the thermal diatomite in 2013 and plans an additional 46 wells for 2014.

At the company's 96 percent-owned leases in the Lost Hills Field (a light-oil diatomite reservoir), waterflood technology is being used to improve recovery of the field's hydrocarbons.

**Elk Hills** An active development program continued at the Elk Hills Field, in which the company has an average nonoperated working interest of approximately 23 percent in four producing zones. A variety of primary and enhanced recovery techniques are used to produce crude oil and natural gas from the field. Net daily production was 9,000 barrels of crude oil, 44 million cubic feet of natural gas and 3,000 barrels of NGLs.

### Gulf of Mexico

During 2013, net daily production for the company's combined interests in the Gulf of Mexico averaged 143,000 barrels of crude oil, 347 million cubic feet of natural gas and 15,000 barrels of NGLs. As of early 2014, Chevron has an interest in 672 leases in the Gulf of Mexico, 415 of which are located in water depths greater than 1,000 feet (305 m). At the end of 2013, the company was the largest leaseholder in the Gulf of Mexico.



### Shelf

Chevron is one of the largest producers of crude oil and natural gas on the Gulf of Mexico shelf. Average net daily production in 2013 was 52,000 barrels of crude oil, 278 million cubic feet of natural gas and 7,000 barrels of NGLs. The company drilled 46 development and delineation wells during 2013. Chevron completed drilling operations on Lineham Creek, an ultra-deep gas exploration well, in third quarter 2013. Well results and forward plans are under evaluation. The ultra-deep drilling program is an extension of the company's Gulf of Mexico shelf deep-gas exploration focus to evaluate the potential of this emerging trend with subsurface targets below 25,000 feet (7,620 m).

### Deep Water

Chevron is one of the top leaseholders in the deepwater Gulf of Mexico. Average net daily production in 2013 was 91,000 barrels of crude oil, 69 million cubic feet of natural gas and 8,000 barrels of NGLs, primarily from the Tahiti, Blind Faith and Caesar/Tonga fields and the Perdido Regional Development.

The company's mobile deepwater rig count in the Gulf of Mexico includes five drillships. Collectively, the fleet is undertaking planned exploration drilling, development drilling and field maintenance well work. Marine Well Containment Company LLC, a nonprofit company sponsored by Chevron and other major energy companies, continues work on an expanded containment system to replace its interim containment system. The expanded system will have increased capacity and compatibility with a wider range of well designs, flow rates and environmental conditions. Included in the expanded system are two marine capture vessels. The first vessel arrived in the Gulf of Mexico in September 2013 and at year-end was undergoing final commissioning and testing. The second vessel is scheduled to arrive in early 2014.

**Jack/St. Malo** The Jack and St. Malo fields are being jointly developed with a host floating production unit (FPU) located between the two fields in 7,000 feet (2,134 m) of water in the Walker Ridge area. Chevron has a 50 percent interest in the Jack Field and a 51 percent interest in the St. Malo Field. Both fields are company-operated. Chevron's interest in the production host facility was reduced to 40.6 percent in 2013, after the owners of the third-party Julia Field acquired an interest in the host. The facility has a design capacity of 170,000 barrels of crude oil and 42 million cubic feet of natural gas per day to accommodate production from the Jack/St. Malo development and third-party tiebacks. Total project costs for the initial phase of the development are estimated at \$7.5 billion. Proved reserves have been recognized for this project.

At the end of 2013, project activities were 74 percent complete. Drilling operations continued during 2013, with six of 10 planned wells drilled. Four of the wells were completed utilizing single-trip, multizone completion system technology. Subsea installation activities commenced in third quarter 2013. The topsides modules were installed on the FPU hull in second quarter 2013, and the FPU was moored at the offshore location in fourth quarter 2013. First oil is expected in late 2014.

In 2013, work continued on the evaluation of additional development opportunities for the Jack and St. Malo fields. Stage 2, the first phase of future development work, is expected to include four additional development wells, two each at the Jack and the St. Malo fields. Front-end engineering and design (FEED) activities for Stage 2 began in mid-2013, and a final investment decision is expected in 2015. At the end of 2013, proved reserves had not been recognized for the Jack/St. Malo Stage 2 Project.

Production from the Jack/St. Malo development is expected to ramp up to a total daily rate of 94,000 barrels of crude oil and 21 million cubic feet of natural gas. The Jack and St. Malo fields have an estimated production life of 30 years and total potentially recoverable oil-equivalent resources are estimated in excess of 500 million barrels. The company continues to study advanced drilling, completion and other production technologies which could be employed in future development phases with the potential to substantially increase incremental recovery at the fields.



**Photo:** In fourth quarter 2013, the FPU for the Jack/St. Malo development was towed to its mooring location.

**Big Foot** The development plan for this 60 percent-owned and operated project, also located in the Walker Ridge area, includes a 15-slot drilling and production platform with water injection facilities. The facility has a design capacity of 75,000 barrels of crude oil and 25 million cubic feet of natural gas per day. Project costs are estimated at \$5.1 billion. The field has an estimated production life of 20 years, and total potentially recoverable oil-equivalent resources are estimated to exceed 200 million barrels. Proved reserves have been recognized for this project.

At the end of 2013, project activities were 84 percent complete. The topsides modules and living quarters were installed on the platform hull in third quarter 2013, and the drilling rig is planned to be installed on the platform in second quarter 2014. The platform is expected to be towed to the location in third quarter 2014, and first oil is expected in 2015.

**Tahiti** In 2013, net daily production averaged 34,000 barrels of crude oil, 14 million cubic feet of natural gas and 2,000 barrels of NGLs at the 58 percent-owned and operated Tahiti Field. The Tahiti 2 Project is the second development phase and is designed to increase recovery from the main producing interval by adding two production wells, three water injection wells and water injection facilities. Water injection began in 2012. Start-up of the first production well occurred in fourth quarter 2013, and the second production well is expected to be completed in late 2014.

Additional infill drilling is scheduled for the Tahiti Field from 2014 through 2016. The next development phase, the Tahiti Vertical Expansion Project, is being planned, with FEED expected in 2015. At the end of 2013, proved reserves had not been recognized for the infill drilling or the Tahiti Vertical Expansion Project. The Tahiti Field has an estimated production life of 30 years.



**Photo:** The Tahiti platform where start-up of the first production well from the Tahiti 2 Project occurred in fourth quarter 2013.

**Tubular Bells** Chevron has a 42.9 percent nonoperated working interest in the Tubular Bells Field located in 4,300 feet (1,311 m) of water in the Mississippi Canyon area. The development plans include three producing and two injection wells, with a subsea tieback to a third-party production facility. Development drilling continued during 2013. First oil is planned for third quarter 2014, with total production expected to reach 44,000 barrels of oil-equivalent per day. The field has an estimated production life of 25 years. Proved reserves have been recognized for this project.

**Perdido Regional Development** The nonoperated Perdido development includes a producing host facility (37.5 percent working interest) that is designed to service multiple Alaminos Canyon fields, including Great White (33.3 percent working interest), Silvertip (60 percent working interest) and Tobago (57.5 percent working interest). Net daily production in 2013 averaged 28,000 barrels of crude oil, 33 million cubic feet of natural gas and 4,000 barrels of NGLs. As of year-end 2013, two injection wells had been completed and placed in service. These new wells increase the field well count to 11 producers and three injectors. Production from new wells and waterflood optimization is expected to offset decline in existing wells.

**Mad Dog** Chevron has a 15.6 percent nonoperated working interest in the Mad Dog Field. In 2013, net daily production averaged 5,000 barrels of liquids and 1 million cubic feet of natural gas. The placement of surface casing on five new wells began in late 2013, and the first well commenced drilling in first quarter 2014.

The next development phase, the Mad Dog II Project, is planned to develop the southern portion of the Mad Dog Field. The project was recycled in 2013 and is expected to reenter FEED in late 2014. The total potentially recoverable oil-equivalent resources for Mad Dog II are estimated in excess of 500 million barrels. At the end of 2013, proved reserves had not been recognized for the Mad Dog II Project.

**Stampede** Chevron holds a 20 percent nonoperated working interest in the Stampede Project, which includes the joint development of the Knotty Head and Pony fields, located in the Green Canyon area. The fields are located at a water depth of 3,500 feet (1,067 m) with a reservoir depth of 30,000 feet (9,144 m). The project entered FEED in second quarter 2013. The development plans include a tension leg platform with a planned design capacity of 80,000 barrels of crude oil and 40 million cubic feet of natural gas per day. A final investment decision is expected in fourth quarter 2014. At the end of 2013, proved reserves had not been recognized for this project.

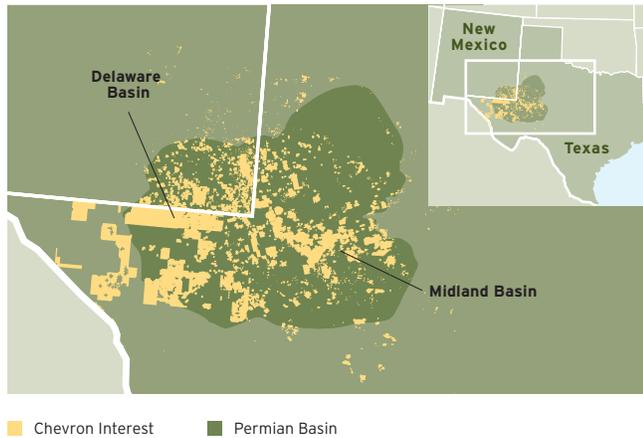
**Buckskin/Moccasin** Pre-FEED activities continue at the 55 percent-owned and operated Buckskin Project. The project is expected to enter FEED in 2015. The Moccasin discovery, located 12 miles (19 km) from Buckskin, is a potential tieback opportunity into Buckskin.

**Exploration** During 2013, the company participated in six deepwater exploratory wells – three appraisal and three wildcat. Drilling concluded on the first appraisal well at the 43.8 percent-owned and operated Moccasin discovery in third quarter 2013. Drilling of an appraisal well at the Buckskin discovery is expected to be completed in second quarter 2014, and drilling of a sidetrack is planned upon completion of the appraisal well. Drilling at the 40 percent-owned and operated Coronado prospect resulted in a crude oil discovery in the Lower Tertiary Wilcox formation in first quarter 2013. The first Coronado appraisal well commenced drilling in December 2013 and is being leveraged by farming out half of Chevron's 40 percent working interest. Operatorship will be relinquished following the drilling of this appraisal well. Chevron also completed drilling a wildcat well at the 30 percent-owned and operated Rio Grande prospect in December 2013 and at the 67.5 percent-owned and operated Oceanographer prospect in January 2014. Chevron added eight leases to the deepwater portfolio as a result of awards from the central Gulf of Mexico Lease Sale 227 held in first quarter 2013. In addition, Chevron acquired three deepwater leases from the western Gulf of Mexico Lease Sale 233 held in third quarter 2013.

## Midcontinent

The company produces crude oil and natural gas in the midcontinent region of the United States, primarily in Colorado, New Mexico, Oklahoma, Texas and Wyoming. In 2013, the company's net daily production in these areas averaged 96,000 barrels of crude oil, 610 million cubic feet of natural gas and 28,000 barrels of NGLs. Capital spending is focused in the liquids-rich basins of southeast New Mexico and West Texas.

The company's most significant interests in the midcontinent region are in the Permian Basin of West Texas and southeast New Mexico, with 3.2 million total acres (14,973 sq km). The Permian includes several basins, including the Delaware Basin and Midland Basin, and it offers both conventional and shale and tight resource opportunities. The total potentially recoverable oil-equivalent resources from the company's acreage in the Permian Basin are estimated at more than 5 billion barrels of oil-equivalent.



### Conventional Resources

Chevron utilizes primary, secondary and tertiary recovery methods to manage its onshore conventional oil and gas assets in the midcontinent region. The company is efficiently maintaining production through infill drilling programs, well workovers, artificial-lift techniques, facility and equipment optimization, and enhanced recovery methods to minimize natural decline rates and maximize the value of these base business operations.

Chevron is the second-largest producer in the Permian Basin of West Texas and southeastern New Mexico. Average net daily production in 2013 was 75,000 barrels of crude oil, 228 million cubic feet of natural gas and 15,000 barrels of NGLs. Substantial hydrocarbons remain and are recoverable through secondary and tertiary techniques that increase ultimate recovery and reduce natural declines while optimizing existing facilities.



Photo: Pump jack in the Permian Basin.

### Shale and Tight Resources

Chevron continues to pursue opportunities in shale and tight resources with an ongoing focus on developing tight oil and liquids-rich shale production.

**Delaware Basin** Chevron is the largest acreage holder in the Delaware Basin, with approximately 1.3 million total acres (5,261 sq km), located in West Texas and southeast New Mexico. Company activity ramped up in 2013 as the acreage acquired in 2012 was assimilated into legacy company positions. In June 2013, the company reached a joint development agreement covering 104,000 total acres (421 sq km) in the Delaware Basin, providing access to related infrastructure. This is one of several joint development agreements that had a total of five rigs active at year-end. The company began drilling horizontal wells in 2012 and had three rigs running at year-end 2013. The company continues to participate in wells drilled by others and added more than 150 wells in the last three years. These activities have defined multiple liquids-rich stacked plays and demonstrated production in the Avalon Shale, Bone Spring Sands and Shale, Wolfcamp Shale, and Delaware Mountain Group. As a result, significant potentially recoverable oil-equivalent resources have been added, and additional exploration opportunities have been identified.

**Midland Basin** In the Midland Basin, the Wolfcamp tight oil play continues to be developed utilizing vertical drilling and multistage fracture stimulation. Chevron holds more than 480,000 total acres (1,943 sq km) in this play. At the end of 2013, these holdings included 107,000 total acres (433 sq km) in properties where Chevron has an average nonoperated working interest of about 70 percent in more than 1,300 wells, with average net daily oil-equivalent production of more than 20,000 barrels and eight rigs active at year-end. The remaining acreage, which is company-operated and approximately 97 percent-owned, continued to ramp up during the year, and eight rigs were operating at year-end 2013.

**East Texas** The company continued development, at a managed pace, of multiple stacked reservoirs in the East Texas area, including the Travis Peak, Cotton Valley, Bossier and Haynesville zones. Development of the liquids-rich Travis Peak and Cotton Valley reservoirs continued through multiwell horizontal drilling projects. The company continues to hold more than 83,000 total acres (336 sq km) of Haynesville Shale acreage. Total potentially recoverable oil-equivalent resources are estimated in excess of 600 million barrels.

**Piceance Basin** The company is continuing operations of 100 percent-owned and operated natural gas properties consisting of 72,000 total acres (291 sq km) located in northwestern Colorado. An estimated 3.5 trillion cubic feet of natural gas is potentially recoverable from this project. Field optimization continues, but the pace of development has slowed due to natural gas market conditions. The Niobrara Shale has been identified as an additional potential resource in this basin, and the company continues to evaluate this opportunity.

### Appalachian Basin/Michigan

The company is a significant leaseholder in the Marcellus Shale and the Utica Shale, primarily located in southwestern Pennsylvania, eastern Ohio and the West Virginia panhandle, and in the Antrim Shale and Collingwood/Utica Shale in Michigan. In 2013, the company's net daily production in these areas averaged 220 million cubic feet of natural gas. Capital spending during 2013 was focused on the Marcellus Shale.



■ Chevron Interest

**Marcellus Shale** In the Marcellus Shale, the company holds 917,000 total acres (3,712 sq km). During 2013, 70 development wells were drilled, mostly funded by a 75 percent drilling carry. The company had seven drilling rigs in operation at year-end. Development is proceeding at a measured pace, focused on improving execution capability and reservoir understanding.



Photo: Drilling operations in the Marcellus Shale area in southwestern Pennsylvania.

**Utica Shale** The company holds a significant position in the Utica Shale, with 345,000 total acres (1,397 sq km). Activity during 2013 included the drilling of seven exploratory wells. This initial activity was focused on acquiring data necessary for potential future development.

**Antrim Shale** In Michigan, the company holds approximately 459,000 total acres (1,858 sq km) in the Antrim Shale and Collingwood/Utica Shale formations, with production in the Antrim.

### U.S. Natural Gas Marketing and Trading

Chevron ranked among the top U.S. natural gas marketers, with natural gas sales in 2013 averaging approximately 6 billion cubic feet per day. Activities include capturing profitable trading opportunities and managing the market risks associated with holding physical natural gas positions. In late 2013, the company initiated a strategic review of its natural gas marketing and trading business as a result of changes in U.S. natural gas market fundamentals.

## Other Americas

In Other Americas, the company is engaged in upstream activities in Argentina, Brazil, Canada, Colombia, Greenland, Suriname, Trinidad and Tobago, and Venezuela. Net daily oil-equivalent production of 226,000 barrels during 2013 in these countries represented 9 percent of the companywide total.

### Canada

Chevron has interests in oil sands projects and shale acreage in the province of Alberta; exploration, development and production projects offshore the province of Newfoundland and Labrador in the Atlantic region; a liquefied natural gas (LNG) project and shale acreage in British Columbia; and exploration and discovered resource interests in the Beaufort Sea region of the Northwest Territories. Net daily production in 2013 from Canadian operations was 27,000 barrels of crude oil, 9 million cubic feet of natural gas and 43,000 barrels of synthetic oil from oil sands.



### Western Canada

**Athabasca Oil Sands Project (AOSP)** The company holds a 20 percent nonoperated working interest in the AOSP near Fort McMurray, Alberta. Oil sands are mined from both the Muskeg River and the Jackpine mines. Bitumen is extracted from the oil sands and transported by pipeline to the Scotford Upgrader near Edmonton, Alberta, where it is upgraded into synthetic oil using hydroprocessing technology. In 2013, average total daily production increased to 236,000 barrels (43,000 net) of synthetic oil. Construction work progressed during 2013 on the Quest Project, a carbon capture and sequestration project that is designed to capture and store more than 1 million tons of carbon dioxide produced annually by bitumen processing at the AOSP by 2015.

**Kitimat LNG** In February 2013, Chevron acquired a 50 percent-owned and operated interest in the proposed Kitimat LNG and Pacific Trail Pipeline projects, and a 50 percent nonoperated working interest in 644,000 total acres (2,606 sq km) in the Horn River and Liard shale gas basins in British Columbia. The Kitimat LNG Project is planned to include a two-train, 10.0 million-metric-ton-per-year LNG facility. The total production capacity for the project is expected to be 1.6 billion cubic feet of natural gas per day. Major environmental and LNG export permits and First Nations benefits agreements are in place. Activities during 2013 included FEED and early site preparation. LNG marketing activities with potential foundation customers are also under way. A final investment decision is dependent on having approximately 60 to 70 percent of the LNG under long-term sales agreements.



**Photo:** Early site preparation is under way at the Kitimat LNG Project.

**Duvernay Shale** During 2013, the company acquired 86,000 total additional acres (348 sq km) in the Duvernay Shale in Alberta, increasing the Duvernay exploration position to 339,000 total acres (1,372 sq km) and approximately 200,000 overlying acres in the Montney tight rock formation. At the end of 2013, these holdings included 316,000 total acres (1,279 sq km) in properties where Chevron has a 100 percent-owned and operated working interest. In 2013, drilling for these tight resources continued, with completion of a multiwell Duvernay program. Nine wells were completed and tied into production facilities by early 2014.

### Atlantic Canada

Chevron holds a 26.9 percent nonoperated working interest in the Hibernia Field that comprises two key reservoirs, Hibernia and Ben Nevis Avalon (BNA). Production decline continues to be mitigated through drilling programs in both reservoirs. Average net daily crude oil production in 2013 was 27,000 barrels.

**Hibernia Southern Extension (HSE)** Chevron has a 23.6 percent nonoperated working interest in the unitized HSE areas of the Hibernia Field. During 2013, two water injection wells began drilling to support the producing wells. Installation of subsea equipment began in 2013. Full production start-up is planned for 2015. Proved reserves have been recognized for this project.

**Hebron** Chevron holds a 26.6 percent nonoperated working interest in the Hebron Field development, which includes a concrete, gravity-base platform with a design capacity of 150,000 barrels of crude oil per day. Procurement and construction activities progressed during 2013. Project costs, including drilling and completion, are estimated at \$14 billion. This heavy oil field is estimated to contain total potentially recoverable oil-equivalent resources of more than 600 million barrels. The project has an expected economic life of 30 years, and first oil is expected in 2017. Proved reserves have been recognized for this project.

**Exploration** In the Flemish Pass Basin, Chevron holds a 40 percent nonoperated working interest in exploration rights for two blocks totaling approximately 1.1 million acres (4,340 sq km). A 3-D seismic survey has been completed on these blocks in anticipation of a drilling decision in 2014. During 2013, the company relinquished its license in the Orphan Basin and Exploration License 1109 located offshore Labrador.

### Northern Canada

Chevron holds two exploration licenses in the Beaufort Sea. One of the licenses is 100 percent-owned and operated. During 2013, Chevron evaluated 3-D seismic data on the second license, which is 60 percent-owned and operated. Chevron also acquired an additional 4.6 percent working interest in the offshore Amauligak discovery, bringing Chevron's total nonoperated working interest to 40 percent. Chevron is continuing to assess development concept alternatives for Amauligak.

### Canada Natural Gas Marketing and Trading

Chevron operates and holds a 94 percent interest in the Aitken Creek and a 43 percent nonoperated interest in the Alberta Hub natural gas storage facilities, which have an aggregate total capacity of approximately 100 billion cubic feet. These facilities are located in western Canada, near the Duvernay, Horn River, Liard and Montney shale gas plays. The company provides natural gas storage services and products to a diverse customer base and conducts trading activities to optimize the overall value of these facilities.

### Greenland

In December 2013, Chevron acquired a 29.2 percent interest in and operatorship of two blocks located in the Kanumas Area, offshore the northeast coast of Greenland. Blocks 9 and 14 are in water depths up to 1,500 feet (450 m) and cover 1.2 million acres (4,854 sq km). The acquisition of seismic data is planned for 2014.



■ Chevron Interest

### Argentina

Chevron holds operated interests in four concessions in the Neuquen Basin, with working interests ranging from 18.8 percent to 100 percent, and a 50 percent nonoperated working interest in one concession. Chevron also holds a 14 percent interest in Oleoductos del Valle S.A., which owns and operates a crude oil pipeline from the Neuquen producing area to the Atlantic coast. During 2013, net daily production averaged 18,000 barrels of crude oil and 6 million cubic feet of natural gas. In 2013, the company continued the development of El Trapial Field to mitigate production declines. El Trapial concession expires in 2032.



Photo: Drilling rig in El Trapial concession.

**Exploration** During 2013, the company completed four exploratory wells in El Trapial concession, targeting oil and gas in the Vaca Muerta Shale. Chevron plans to continue production testing the wells during 2014.

Chevron signed agreements during 2013 to advance the Loma Campana Project to develop the Vaca Muerta Shale. The agreements enable the first phase of development of the Loma Campana lease, including the initial program for drilling 100 wells in a 5,000-acre (20-sq-km) tract, part of a 96,000-acre (388 sq-km) concession. The Vaca Muerta formation is a thick, laterally extensive shale with significant liquids potential. In 2013, 109 wells were drilled and the drilling plan includes approximately 140 wells in 2014.



■ Chevron Activity Highlight

### Brazil

Chevron holds working interests in three deepwater fields in the Campos Basin: Frade (51.7 percent-owned and operated), Papa-Terra and Maromba (37.5 percent and 30 percent nonoperated working interests, respectively). During 2013, net daily production averaged 5,000 barrels of crude oil and 2 million cubic feet of natural gas.

**Frade** In second quarter 2013, the company received regulatory approval to partially resume production at the Frade Field, which is located in 3,700 feet (1,128 m) of water. During 2013, net daily production averaged 5,000 barrels of crude oil and 2 million cubic feet of natural gas. A plan to resume production from additional existing wells has been submitted for regulatory approval. The concession that includes the Frade Field expires in 2025.

**Papa-Terra** Located in 3,900 feet (1,189 m) of water, the Papa-Terra Project includes a floating production, storage and offloading vessel (FPSO) and a tension leg wellhead platform, with a design capacity of 140,000 barrels of crude oil and 35 million cubic feet of natural gas per day. Total potentially recoverable crude oil is estimated at 350 million barrels. First production from the initial well occurred in fourth quarter 2013. Additional development drilling is planned for 2014. Proved reserves have been recognized for this project. The concession expires in 2032.

**Maromba** An initial plan of development was submitted to the authorities in 2012, and the evaluation of the Maromba Field development concept continues. The concession expires in 2032. At the end of 2013, proved reserves had not been recognized for this project.

**Exploration** In May 2013, Chevron was awarded 50 percent interest in and operatorship of Block CE-M715. The deepwater block covers 81,000 total acres (326 sq km) and is located in the Ceara Basin offshore equatorial Brazil. The acquisition of seismic data is planned for 2014.

### Colombia

Chevron's activities in Colombia are focused on the production of natural gas from properties in the Caribbean Sea and adjacent coastal areas of the Guajira Peninsula. The company operates the offshore Chuchupa and the onshore Ballena and Riohacha natural gas fields and receives 43 percent of the production for the remaining life of each field and a variable production volume based on prior Chuchupa capital contributions. Net daily production in 2013 averaged 216 million cubic feet of natural gas. In 2013, additional compression facilities for existing fields were installed.



■ Chevron Activity Highlight

### Suriname

Chevron holds a 50 percent nonoperated working interest in Blocks 42 and 45 offshore Suriname. The deepwater exploration blocks cover a combined area of approximately 2.8 million acres (11,331 sq km). In 2013, seismic data was acquired for Block 45. The data is being processed in 2014 to plan for the drilling of an exploration well in 2015.

### Trinidad and Tobago

The company has a 50 percent nonoperated working interest in three blocks (Block E, Block 5(a) and Block 6) in the offshore East Coast Marine Area of Trinidad, which includes the Dolphin and Dolphin Deep producing natural gas fields and the Starfish development. Net daily production during 2013 from the Dolphin and Dolphin Deep fields averaged 173 million cubic feet of natural gas. These volumes were sold under long-term sales contracts to supply the domestic market and for export.

**Starfish** Development of the Starfish Field, which includes drilling three wells and a subsea tieback to the Dolphin A platform, continued during 2013. Drilling began on the first development well in fourth quarter 2013, and all wells are expected to be completed by mid-2014. First gas is expected in 2015. Natural gas from the project is planned to supply existing contractual commitments. Proved reserves have been recognized for this project.

**Exploration** The company operates and holds a 50 percent interest in the Manatee Area of Block 6(d). The Manatee discovery comprises a single cross-border field with Venezuela's Loran Field in Block 2. In 2013, cross-border agreements were signed between the governments of Trinidad and Tobago and Venezuela, and work continued on maturing commercial development concepts.

### Venezuela

Chevron's production activities in Venezuela are performed by two affiliates in western Venezuela and one affiliate in the Orinoco Belt, which produces and upgrades heavy oil resources. In addition, a Chevron-led consortium is participating in another heavy oil project in the Orinoco Belt. Chevron also has interests in two offshore exploratory blocks in the Plataforma Deltana region. During 2013, net daily production averaged 61,000 barrels of liquids and 26 million cubic feet of natural gas.

**Petroboscan** The company holds a 39.2 percent interest in Petroboscan, which operates the onshore Boscan Field in western Venezuela under a contract expiring in 2026. During 2013, net daily production averaged 26,000 barrels of liquids and 6 million cubic feet of natural gas. Twenty-one development wells were drilled in 2013. A financial agreement was executed during 2013 to enable secure funding for the field's continued development.

**Petroindependiente** The company holds a 25.2 percent interest in Petroindependiente, which operates the LL-652 Field in Lake Maracaibo under a contract expiring in 2026. During 2013, net daily production averaged 1,000 barrels of liquids and 7 million cubic feet of natural gas.

**Petropiar** Chevron holds a 30 percent interest in Petropiar, which operates the Hamaca heavy oil production and upgrading project under an agreement expiring in 2033. The project is located in the Orinoco Belt and includes processing and upgrading of extra heavy crude oil (8.5 degrees API gravity) into lighter, higher-value synthetic oil (up to 26 degrees API gravity). Net daily production averaged 25,000 barrels of synthetic crude oil, 9,000 barrels of extra-heavy crude oil and 13 million cubic feet of natural gas during 2013. Enhanced oil recovery studies continued through the year. Sixty-two development wells were drilled in 2013.

**Petroindependencia** Chevron holds a 34 percent interest in Petroindependencia, which is working toward commercialization of the Carabobo 3 Project. This heavy oil project is located in three blocks within the Carabobo Area of the Orinoco Belt. The primary term of the concession is for 25 years, with a 15-year extension granted upon upgrader start-up and commencement of thermal recovery operations. Project activities in 2013 focused on assessing development alternatives.

**Plataforma Deltana** Chevron operates and holds a 60 percent interest in Block 2 and a 100 percent interest in Block 3 in the offshore Plataforma Deltana region. The Loran Field in Block 2 and the Manatee Field in Trinidad and Tobago form a single, cross-border field that lies along the maritime border of Venezuela and Trinidad and Tobago. In 2013, cross-border agreements were signed between the governments of Trinidad and Tobago and Venezuela, and work continued on maturing commercial development concepts.

## Africa

In Africa, the company is engaged in upstream activities in Angola, Chad, Democratic Republic of the Congo, Liberia, Morocco, Nigeria, the Republic of the Congo, Sierra Leone and South Africa. Net daily oil-equivalent production of 437,000 barrels during 2013 in these countries represented 17 percent of the companywide total.

### Angola

The company operates and holds a 39.2 percent interest in Block O, a concession adjacent to the Cabinda coastline, and a 31 percent interest in a production-sharing contract (PSC) for deepwater Block 14, located west of Block O. The company also has a 20 percent nonoperated working interest in Block 2, which is adjacent to the northwestern part of Angola's coast, south of the Congo River, and a 16.3 percent nonoperated working interest in the onshore Fina Sonangol Texaco (FST) concession area. In addition, Chevron has a 36.4 percent interest in Angola LNG Limited. During 2013, net daily production averaged 119,000 barrels of liquids and 82 million cubic feet of natural gas.



### Block O

Block O is divided into Areas A and B and contains 21 fields that produced a net daily average of 90,000 barrels of liquids in 2013. Area A comprises 15 producing fields and averaged net daily production of 54,000 barrels of crude oil and 2,000 barrels of liquefied petroleum gas (LPG). Area B has six producing fields and averaged net daily production of 29,000 barrels of crude oil and condensate and 5,000 barrels of LPG. The Block O concession extends through 2030.

**Greater Longui Area (GLA)** The GLA Project consists of a two-platform hub concept, enabling future phased development of several Area B crude oil fields, and is anticipated to be a key supplier of gas to Angola LNG. The project is expected to enter FEED in first-half 2014. At the end of 2013, proved reserves had not been recognized for this project.

**Kambala** Planning continues on a Kambala Field Project that would further develop the Toca and Pinda reservoirs and establish production in the Vermelha reservoir. The project is scheduled to enter FEED in second-half 2014. At the end of 2013, proved reserves had not been recognized for this project.

**Lifua** The Lifua Project is a waterflood program for the Likouala and Vermelha reservoirs in the Lifua Field. The project was scheduled to enter FEED in second-half 2013, but has been delayed pending additional work to reduce project cost. At the end of 2013, proved reserves had not been recognized for this project.

**Mafumeira Sul** The second stage of the Mafumeira Field development includes a central processing facility, two wellhead platforms, approximately 75 miles (121 km) of subsea pipelines, 34 producing wells and 16 water injection wells. The facility has a design capacity of 150,000 barrels of liquids and 350 million cubic feet of natural gas per day. Platform fabrication commenced in third quarter 2013, and pipeline construction started in late 2013. Activities planned for 2014 include completion of the pipeline construction, continued platform and topsides fabrication, and brownfield preconstruction. First production is planned for 2015, and ramp-up to full production is expected to continue until 2017. The total potentially recoverable oil-equivalent resources are estimated at 300 million barrels. The project is estimated to cost \$5.6 billion. Proved reserves have been recognized for this project.

**Nemba Enhanced Secondary Recovery (ESR) Stage 1 & 2** Work continued on the Nemba ESR Stage 1 & 2 Project in 2013. In addition to enhanced secondary recovery, this project is planned to decrease flaring in Block O. The two-stage development project includes additional compression facilities on a new platform, and the expected total daily production is 12,000 barrels of crude oil. The facilities will be bridge-connected to the existing South Nemba platform. Installation of the platform was completed in early 2014, and start-up of the project is planned for 2015. Proved reserves have been recognized for this project.

**South N'Dola** FEED activities continued during 2013 on the south extension of the N'Dola Field development. The development plans include a wellhead platform with production from 12 wells tied back to existing infrastructure. The facility is planned to have a design capacity of 28,000 barrels of crude oil and 50 million cubic feet of natural gas per day. Work continues toward a final investment decision. At the end of 2013, proved reserves had not been recognized for this project.

**Exploration** Drilling of an exploration well in Area A was completed in early 2013 and resulted in a discovery in the post-salt Vermelha interval. Plans for future development are under evaluation. Drilling of an appraisal well in the Minzu Field commenced in late 2013 and is planned to be completed in second quarter 2014. A pre-salt exploration well in Area A is planned to commence drilling in second quarter 2014.

#### Block 14

In 2013, net daily production was 27,000 barrels of liquids from Benguela Belize-Lobito Tomboco, Kuito, Tombua and Landana fields. Development and production rights for the various producing fields in Block 14 expire between 2023 and 2028.

**Lucapa** Planning continues on the multireservoir, deepwater project, located on the north rim of the Congo River Canyon. The project was recycled in 2013 to conduct additional subsurface studies over a 12-month period. This allows for the interpretation of reprocessed seismic data to further improve the subsurface definition and additional technical studies to better understand the risks associated with producing shallow oil intervals beneath the seafloor. At the end of 2013, proved reserves had not been recognized for this project.

**Malange** The Malange Field development, a five-well subsea tieback to the existing Tombua-Landana platform, is expected to enter FEED in first-half 2014. The project is anticipated to be a significant supplier of natural gas to Angola LNG. At the end of 2013, proved reserves had not been recognized for this project.

**Exploration** Activity during 2013 concentrated on well planning for key prospects. Additional 2013 exploration activities included the identification of new prospects and reprocessing of 3-D seismic data in Block 14.

#### Block 2 and FST Area

Net daily production averaged 1,000 barrels of liquids in 2013.

#### Natural Gas Commercialization

Natural gas commercialization efforts in Angola are expected to monetize a total potentially recoverable resource of more than 3 trillion cubic feet of natural gas and 130 million barrels of liquids through export sales of LNG and NGLs. Major commercialization projects include participation in Angola LNG Limited and the Congo River Canyon Crossing Pipeline.

**Angola LNG** The 5.2 million-metric-ton-per-year LNG plant is located in Soyo, Angola, and is operated by Angola LNG Limited. The plant has a capacity to process 1.1 billion cubic feet of natural gas per day, with expected average total daily sales of 670 million cubic feet of natural gas and up to 63,000 barrels of NGLs. This is the world's first LNG plant supplied with associated gas, where the natural gas is a by-product of crude oil production. Feedstock for the plant originates from multiple fields and operators. The first LNG shipment from the plant occurred in second quarter 2013. Commissioning and testing of the plant continued through the end of 2013. Due to the variability in the associated gas that supplies Angola LNG, the plant is expected to operate at approximately 50 percent of capacity until permanent plant modifications are completed in 2015, allowing Angola LNG to consistently produce at full capacity. Total daily production in 2013 averaged 83 million cubic feet of natural gas (30 million net) and 2,000 barrels of NGLs (1,000 net). The anticipated economic life of the project is in excess of 20 years.



**Photo:** The Angola LNG plant, where the first LNG shipment occurred in second quarter 2013.

**Congo River Canyon Crossing Pipeline** Chevron holds a 38.1 percent interest in the pipeline, which is designed to transport up to 250 million cubic feet per day of natural gas from Blocks 0 and 14 to the Angola LNG plant. The development plans include 87 miles (140 km) of offshore pipeline routed under the Congo River subsea canyon. Installation of the pipeline and pipeline operation platforms was completed in 2013. The start of drilling operations on the pipeline well intersection under the Congo River subsea canyon, along with final pipeline tie-ins, is planned for second-half 2014. Commissioning and start-up of the pipeline are targeted for 2015.

#### Angola-Republic of the Congo Joint Development Area

Chevron is the operator of and holds a 31.3 percent interest in the Lianzi Unitization Zone, located in an area shared equally by Angola and the Republic of the Congo. The Lianzi Project includes four producing wells and three water injection wells with a subsea tieback to an existing platform in Block 14. The project has a design capacity of 46,000 barrels of crude oil per day. In 2013, detailed engineering was completed, and manufacture of subsea equipment progressed. First production is planned for 2015. Proved reserves have been recognized for this project.

## Democratic Republic of the Congo

Chevron has a 17.7 percent nonoperated working interest in a concession off the coast of Democratic Republic of the Congo. Net daily production in 2013 from seven fields averaged 2,000 barrels of crude oil.

## Republic of the Congo

Chevron has a 31.5 percent nonoperated working interest in the offshore Haute Mer permit areas (Nkossa, Nsoko and Moho-Bilondo). The licenses for Nsoko, Nkossa and Moho-Bilondo expire in 2018, 2027 and 2030, respectively. In September 2013, the company sold its 29.3 percent nonoperated working interest in the Kitina permit area. Average net daily production in 2013 from Republic of the Congo fields was 13,000 barrels of liquids.

**Moho Nord** A final investment decision was reached in first quarter 2013 for the Moho Nord Project, located in the Moho-Bilondo development area. The \$10 billion project development includes Albian reservoirs producing to a new facilities hub and Miocene reservoirs producing to both the new facilities hub and through a subsea tieback to the existing Moho-Bilondo FPU. First production is expected in 2015, and total daily production of 140,000 barrels of crude oil per day is expected in 2017. The initial recognition of proved reserves for this project occurred in 2013.

## Chad/Cameroon

Chevron holds a nonoperated working interest in crude oil fields in southern Chad. The produced volumes are transported 665 miles (1,070 km) by underground pipeline to the coast of Cameroon for export to world markets. Chevron holds a 25 percent interest in the producing operations and an approximate 21 percent interest in the two affiliates that own the pipeline. The Chad producing operations are conducted under a concession agreement that expires in 2030. Net daily crude oil production in 2013 from seven fields in the Doba Basin averaged 18,000 barrels.

## Nigeria

Chevron operates and holds a 40 percent interest in 13 concessions, predominantly in the onshore and near-offshore regions of the Niger Delta. The company also holds acreage positions in three operated and six nonoperated deepwater blocks, with working interests ranging from 18 percent to 100 percent. In 2013, net daily production averaged 233,000 barrels of crude oil, 182 million cubic feet of natural gas and 5,000 barrels of LPG.

## Niger Delta

In 2013, net daily production from 32 fields in the Niger Delta averaged 74,000 barrels of crude oil, 164 million cubic feet of natural gas and 5,000 barrels of LPG.

**Olero Creek Restoration Project** Work to rebuild the Olero Creek production facilities and to lay a new pipeline to transport natural gas from Abiteye to the processing facilities at Escravos was completed in 2012, and start-up occurred in first quarter 2013. The production facilities have a design capacity of 48,000 barrels of crude oil.

**Dibi Long-Term Project** This project is designed to rebuild the Dibi facilities that were vandalized in 2003 and replace the existing Early Production System facility, placed in service in 2007. The facilities have a design capacity of 70,000 barrels of crude oil. A final investment decision was reached in first quarter 2013, and start-up is expected in 2016.

**Exploration** Shallow-water exploration activities to identify and evaluate potential deep hydrocarbon targets are ongoing. Reprocessing of 3-D seismic data over Oil Mining Lease (OML) 49 and regional mapping activities over OML 86 and OML 88 continued in 2013.



### Deep Water

In 2013, net daily production from the deepwater Agbami and Usan fields averaged 159,000 barrels of crude oil and 18 million cubic feet of natural gas.

**Agbami** In 2013, net daily production from the Agbami Field averaged 131,000 barrels of crude oil and 15 million cubic feet of natural gas. The 67.3 percent-owned and operated field spans OML 127 and OML 128. The 10-well Phase 2 development program is expected to offset field decline and to maintain a total daily liquids production rate of 250,000 barrels. Drilling, which started in 2012, is expected to continue through 2015. As of early 2014, four of the wells were producing. The third development phase, Agbami 3, is a five-well drilling program expected to offset field decline. The project entered FEED in early 2014, and a final investment decision is expected in second-half 2014. Drilling is scheduled to continue through 2017. The leases that contain the Agbami Field expire in 2023 and 2024.



Photo: FPSO at the Agbami Field.

**Usan** Chevron holds a 30 percent nonoperated working interest in the Usan Project in OML 138. Net daily production in 2013 averaged 28,000 barrels of crude oil and 3 million cubic feet of natural gas. Additional development drilling is planned for 2014 through 2017. The field is estimated to contain total potentially recoverable crude oil resources in excess of 300 million barrels. The PSC expires in 2023.

**Bonga SW/Aparo** The Aparo Field in OML 132 and OML 140 and the third-party-owned Bonga SW Field in OML 118 share a common geologic structure and are planned to be developed jointly. Chevron holds a 20 percent nonoperated working interest in the unitized area, which is located 70 miles (113 km) off the coast of the western Niger Delta region in 4,300 feet (1,311 m) of water. The proposed development plan involves subsea wells tied back to an FPSO, with a planned design capacity of 225,000 barrels of crude oil per day. The project achieved FEED in second quarter 2013, and a final investment decision is expected in late 2014. At the end of 2013, no proved reserves were recognized for this project.

**Exploration** Chevron operates and holds a 100 percent interest in OML 132, where an exploration well at Aparo North is planned for 2014. Chevron operates and holds a 95 percent interest in OML 140, including the Nsiko discovery that is located 90 miles (145 km) off the coast of the western Niger Delta region in up to 8,000 feet (2,438 m) of water. Additional OML 140 exploration activities are planned for 2014.

### Natural Gas Commercialization

Chevron's natural gas commercialization efforts in the Escravos areas are expected to monetize total potentially recoverable natural gas resources of approximately 18 trillion cubic feet through a combination of domestic and export sales, power generation, and use as fuel in company operations. Major commercialization projects include the continued optimization of the Escravos Gas Plant (EGP), construction of the Escravos Gas-to-Liquids (EGTL) facility and the Sonam Field Development Project. Access to planned nearby LNG plants and expansion of domestic infrastructure may provide additional future commercialization opportunities.

**EGP Phase 3B** Chevron operates and holds a 40 percent interest in the EGP. Phase 3B is focused on eliminating routine flaring of natural gas that is associated with the production of crude oil. The project includes installation of a 120 million-cubic-foot-per-day natural gas gathering and compression platform near the existing Meren 1 complex, installation of 74 miles (119 km) of subsea pipelines, and modifications to nine existing production platforms in eight near-shore fields. Modifications of the production platforms and fabrication of the Meren gas gathering and compression platform continued through 2013. The project is expected to be completed in 2016. Proved reserves have been recognized for the project.

**EGTL** Chevron is the operator of and has a 75 percent interest in this 33,000-barrel-per day gas-to-liquids facility. The facility is designed to process 325 million cubic feet per day of natural gas from the EGP. Production is scheduled to commence in first-half 2014, and the first product shipment is expected to occur in second-half 2014. The estimated cost of the project is \$10 billion.



Photo: The EGTL facility is expected to start up in first-half 2014.

**Sonam Field Development** The 40 percent-owned and operated Sonam natural gas field is located in OML 91. The Sonam Field Development Project is designed to process natural gas through the EGP facilities and has the capacity to deliver a total of 215 million cubic feet of natural gas per day to the domestic gas market and to produce a total of 30,000 barrels of liquids per day. Design and engineering activities were completed in second quarter 2013. Construction of offshore facilities commenced in 2013. First production is expected in 2016. Proved reserves have been recognized for this project.

**West African Gas Pipeline** With a 36.7 percent interest, Chevron is the largest shareholder in West African Gas Pipeline Company Limited, which owns and operates the 421-mile (678-km) West African Gas Pipeline. The pipeline supplies Nigerian natural gas to customers in Benin, Ghana and Togo for industrial applications and power generation and has the capacity to transport 170 million cubic feet of natural gas per day.

**Assa-North/Ohaji South Development** The Ohaji South Field is located in OML 53. The field is planned to be developed jointly with the third-party-owned Assa-North Field. Chevron holds a 20 percent nonoperated working interest in this joint development project, which is planned to supply natural gas to the domestic market. The company is evaluating this asset for possible divestment.

**Agura Independent Power Plant** Chevron operates and holds a 40 percent interest in the Agura Independent Power Plant Project, with a planned design capacity of 330 megawatts. A final investment decision is pending conclusion of commercial agreements and renewal of offshore leases.

## Liberia

Chevron operates and holds a 45 percent interest in three blocks off the coast of Liberia. The deepwater blocks, LB-11, LB-12 and LB-14, cover a combined area of 1.8 million acres (7,364 sq km). In 2014, the company plans additional drilling based on the evaluation of 3-D seismic data and 2012 drilling results.



■ Chevron Interest

## Sierra Leone

The company holds a 55 percent interest in and operates a concession off the coast of Sierra Leone. The concession contains two deepwater blocks, SL-8A-10 and SL-8B-10, with a combined area of approximately 1.4 million acres (5,500 sq km). Interpretation of 2-D seismic data is planned for 2014.

## Morocco

In early 2013, the company acquired a 75 percent-owned and operated interest in three deepwater areas offshore Morocco. The areas, Cap Rhir Deep, Cap Cantin Deep and Cap Walidia Deep, encompass approximately 7.2 million acres (29,200 sq km). The acquisition of seismic data is planned for 2014.



■ Chevron Interest

## South Africa

In 2013, the company continued seeking shale gas exploration opportunities in the Karoo Basin in South Africa under an agreement that allows Chevron and its partner to work together to obtain exploration permits in the 151 million-acre (611,237-sq-km) basin.

## Asia

In Asia, upstream activities are located in Azerbaijan, Bangladesh, Cambodia, China, Indonesia, Kazakhstan, the Kurdistan Region of Iraq, Myanmar, the Partitioned Zone between Saudi Arabia and Kuwait, the Philippines, Russia, Thailand, and Vietnam. Net daily oil-equivalent production of 1,087,000 barrels during 2013 in these countries represented 42 percent of the companywide total.

### Azerbaijan

Chevron holds an 11.3 percent nonoperated working interest in Azerbaijan International Operating Company (AIOC) and the crude oil production from the Azeri-Chirag-Gunashli (ACG) fields. AIOC operations are conducted under a PSC that expires in 2024. Chevron also has an 8.9 percent interest in the Baku-Tbilisi-Ceyhan (BTC) Pipeline affiliate, which transports the majority of ACG production from Baku, Azerbaijan, through Georgia to Mediterranean deepwater port facilities at Ceyhan, Turkey.

In 2013, average net daily production was 26,000 barrels of crude oil and 10 million cubic feet of natural gas. AIOC production is exported primarily via the BTC pipeline and the Western Route Export Pipeline (WREP), which is operated by AIOC. The 1,099-mile (1,768-km) BTC pipeline has a capacity to transport 1 million barrels per day. The WREP runs 515 miles (829 km) from Baku, Azerbaijan, to the terminal at Supsa, Georgia, on the Black Sea and has a capacity to transport 100,000 barrels per day.

**ACG Chirag Oil Project** The ACG Chirag Oil Project further develops the Chirag and Gunashli Fields and includes a new offshore platform. The platform is a single, integrated 48-slot drilling and processing platform located between the Chirag platform and the Deepwater Gunashli offshore complex. The wells target the Pereriv and Balakhany reservoirs. The project has an incremental design capacity of 183,000 barrels of crude oil and 285 million cubic feet of natural gas per day. Production commenced in January 2014.



### Kazakhstan

Chevron has a 50 percent interest in the Tengizchevroil (TCO) affiliate, which operates the Tengiz and Korolev fields, and an 18 percent nonoperated working interest in the Karachaganak Field. Net daily production in 2013 from TCO and Karachaganak was 297,000 barrels of liquids and 482 million cubic feet of natural gas.

**Tengiz and Korolev** TCO is developing the Tengiz and Korolev crude oil fields in western Kazakhstan under a concession agreement that expires in 2033. Net daily production in 2013 averaged 243,000 barrels of crude oil, 347 million cubic feet of natural gas and 20,000 barrels of NGLs. The majority of TCO's crude oil production was exported through the Caspian Pipeline Consortium (CPC) pipeline. The balance of production was exported by rail to Black Sea ports and via the BTC pipeline to the Mediterranean.



**Photo:** Aerial view of the TCO facilities at the Tengiz Field.

In 2013, FEED activities continued for three projects. The Wellhead Pressure Management Project (WPMP) is designed to maintain production capacity and extend the production plateau from existing assets. The Capacity and Reliability (CAR) Project is designed to reduce facility bottlenecks and increase plant efficiency and reliability. The Future Growth Project (FGP) is designed to increase total daily production by 250,000 to 300,000 barrels of oil-equivalent and to increase the ultimate recovery from the reservoir. The project plans to expand the utilization of sour gas injection technology proven in existing operations. During 2013, the company and the government of Kazakhstan signed a memorandum of understanding that establishes the framework and mutual commitments to progress the FGP and the WPMP. The final investment decision for the CAR Project was made in February 2014. The final investment decisions for the FGP and the WPMP are planned for second-half 2014. At the end of 2013, proved reserves have been recognized for the WPMP and the CAR Project.

**Karachaganak** The Karachaganak Field is located in northwest Kazakhstan, and operations are conducted under a PSC that expires in 2038. The development of the field is being conducted in phases. Net daily production during 2013 averaged 34,000 barrels of liquids and 135 million cubic feet of natural gas, including 32,000 net barrels per day of processed liquids, which were exported and sold at prices available in world markets. Most of the exported liquids were transported through the CPC pipeline. A portion was also exported via the Atyrau-Samara (Russia) pipeline. Liquids not exported by these pipelines were sold as condensate into the local and Russian markets. Work continues on identifying the optimal scope for the future expansion of the field. At the end of 2013, proved reserves had not been recognized for a future expansion.

### Kazakhstan/Russia

**CPC** The CPC operates a 935-mile (1,505-km) crude oil export pipeline from the Tengiz Field in Kazakhstan to tanker-loading facilities at Novorossiysk on the Russian coast of the Black Sea, providing the critical export route for crude oil production from both TCO and Karachaganak. Chevron holds a 15 percent interest in the CPC. During 2013, the CPC pipeline transported an average of 706,000 barrels of crude oil per day to Novorossiysk, composed of 635,000 barrels per day originating from Kazakhstan and 71,000 barrels per day from Russia. In addition, 70,000 barrels per day of Tengiz crude oil was discharged from the CPC pipeline in Atyrau, Kazakhstan, for loading onto rail cars.

In 2013, work continued on the 670,000-barrel-per-day expansion of the pipeline capacity with completion of the offshore loading system. The project is being implemented in phases, with capacity increasing progressively until reaching maximum capacity of 1.4 million barrels per day in 2016. The incremental capacity is expected to reach 400,000 barrels per day by year-end 2014, with the first increase expected to be realized by March 2014. The expansion is expected to provide additional transportation capacity that accommodates a portion of the future growth in TCO production.



**Photo:** CPC expansion activities under way at tanker-loading facilities in Novorossiysk.

### Bangladesh

Chevron holds interests in two operated PSCs in Bangladesh covering Block 12 (Bibiyan Field) and Blocks 13 and 14 (Jalalabad and Moulavi Bazar fields). The company holds a 99 percent interest in all three blocks. The rights to produce from Jalalabad expire in 2024, from Moulavi Bazar in 2028 and from Bibiyana in 2034.

The company sells the natural gas production to the government under long-term sales agreements. In 2013, net daily production averaged 663 million cubic feet of natural gas and 2,000 barrels of condensate.



The Bibiyana Expansion Project includes installation of two gas processing trains, additional development wells and an enhanced liquids recovery facility and has an incremental design capacity of 300 million cubic feet of natural gas and 4,000 barrels of condensate per day. First production is expected in late 2014, and the expected economic life of the project is the duration of the PSC. Proved reserves have been recognized for this project.



**Photo:** Work is progressing at the Bibiyana Expansion Project, where first production is expected in late 2014.

The Bibiyana Compression Project entered FEED in fourth quarter 2013. The project is expected to provide incremental production to offset natural field decline. A final investment decision is expected in 2015. Proved reserves have not been recognized for this project.

### Cambodia

Chevron owns a 30 percent interest in and operates the 1.2 million-acre (4,709-sq-km) Block A, located in the Gulf of Thailand. In 2013, the company continued discussions on the production permit and commercial terms for development of Block A. The planned development consists of a wellhead platform and a floating storage and offloading vessel (FSO). A final investment decision for the development is pending resolution of commercial terms. At the end of 2013, proved reserves had not been recognized for the project.

## Myanmar

Chevron has a 28.3 percent nonoperated working interest in a PSC for the production of natural gas from the Yadana and Sein fields, within Blocks M5 and M6, in the Andaman Sea. The PSC expires in 2028. The company also has a 28.3 percent nonoperated working interest in a pipeline company that transports most of the natural gas to the Myanmar-Thailand border for delivery to power plants in Thailand. The remaining volumes are dedicated to the Myanmar market. Net daily natural gas production during 2013 averaged 96 million cubic feet.

An expansion project in the Yadana Field entered FEED in July 2013. The project includes a compression platform, one remote wellhead platform and five initial development wells. A final investment decision is expected in second-half 2014, and the project is expected to maintain the existing Yadana production plateau. At the end of 2013, proved reserves had not been recognized for this project.

A 3-D seismic survey for Block M6 was completed in early 2013. An additional 3-D seismic survey is planned for 2014 to identify exploration opportunities and develop an exploration drilling program.

## Thailand

In the Gulf of Thailand, Chevron has operated and nonoperated working interests in multiple offshore blocks. Operated interests are in the Pattani Basin, with ownership interests ranging from 35 percent to 80 percent. Concessions for the producing areas in the Pattani Basin expire between 2020 and 2035. In the Malay Basin, Chevron holds a 16 percent nonoperated working interest in the Arthit Field. Concessions for the producing areas in the Malay Basin expire between 2036 and 2040. The company sells the natural gas production to the domestic market under long-term sales agreements. Net average daily production in 2013 was 62,000 barrels of crude oil and condensate and 1.0 billion cubic feet of natural gas.

During 2013, 18 wellhead platforms were installed and 343 development wells were drilled in the Pattani Basin, and four wellhead platforms were installed and 41 development wells were drilled at the Arthit Field.

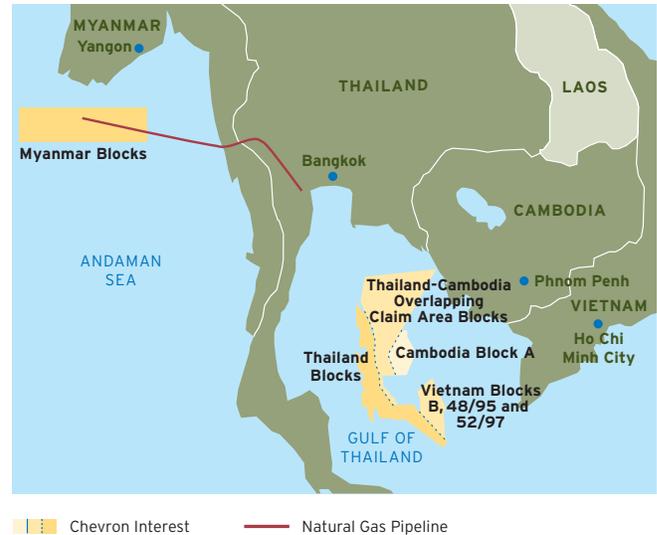


Photo: Platong II natural gas processing facility in the Pattani Basin.

**Ubon** The 35 percent-owned and operated Ubon Project entered FEED in second quarter 2013, and a final investment decision is expected in 2015. The development concept includes facilities and wells to develop resources in Block 12/27. The facilities have a planned design capacity of 35,000 barrels of liquids and 115 million cubic feet of natural gas per day. At the end of 2013, proved reserves had not been recognized for this project.

**Exploration** In 2013, the company drilled five exploration wells and four delineation wells in the operated areas of the Pattani Basin. Three of the exploration wells and all four of the delineation wells were successful. In addition, at the Arthit Field, seven successful exploration wells and one dry delineation well were drilled. One successful exploration well was drilled in Block G8/50 in the North Malay Basin.

Chevron also holds operated and nonoperated working interests in the Thailand-Cambodia overlapping claims area that range from 30 percent to 80 percent. As of year-end 2013, these areas were inactive pending resolution of border issues between Thailand and Cambodia.



## Vietnam

The company is the operator of two PSCs. In the northern part of the Malay Basin offshore southwest Vietnam, Chevron has a 42.4 percent interest in a PSC that includes Blocks B and 48/95, and a 43.4 percent interest in another PSC that covers Block 52/97. The company also has a 28.7 percent nonoperated interest in a pipeline project to deliver natural gas from the Block B Gas Development to utility companies in southern Vietnam.

**Block B Gas Development** In 2013, commercial negotiations continued for the Block B Gas Development Project. The project includes installation of wellhead and hub platforms, an FSO, field pipelines, a living quarters platform, a central processing platform, and a pipeline to shore. The facilities have a design capacity of 640 million cubic feet of natural gas and 21,000 barrels of liquids. A final investment decision for the development is pending resolution of commercial terms. Concurrent with the commercial negotiations, the company is also evaluating these assets for possible divestment. At the end of 2013, proved reserves had not been recognized for the development project.

## China

Chevron has four operated PSCs in China. One is the 49 percent-owned and operated Chuandongbei Project, which is composed of several natural gas fields located onshore in the Sichuan Basin. This PSC expires in 2038. The company also has a 59.2 percent-owned and operated interest in deepwater Block 42/05 in the South China Sea, which covers an exploratory area of 977,000 acres (3,953 sq km). Chevron has a 100 percent-owned and operated interest in shallow-water Blocks 15/10 and 15/28 in the South China Sea, which cover a combined exploratory area of approximately 1.4 million acres (5,782 sq. km).

The company also has three nonoperated PSCs. In the South China Sea, the company has a 32.7 percent nonoperated working interest in offshore Block 16/19, located in the Pearl River Mouth Basin. In Bohai Bay, the company holds a 16.2 percent nonoperated working interest in Block 11/19 and a 24.5 percent nonoperated working interest in the Qinhuangdao (QHD) 32-6 Field. These producing assets will either cease production or reach the end of their respective PSCs prior to 2028. The PSC for Block 16/08 expired at the end of 2013, and the block was relinquished.

In 2013, net average daily production was 19,000 barrels of crude oil and condensate and 6 million cubic feet of natural gas.

In Bohai Bay, an FPSO replacement project was completed in July 2013.

**Chuandongbei** The full development includes two sour gas processing plants connected by a gas gathering system to five natural gas fields. In 2013, the company continued construction of the first natural gas processing plant and development of the Luoziyazhai and Gunziping natural gas fields. The first plant's initial three trains have a design outlet capacity of 258 million cubic feet per day, with the first train targeted for mechanical completion in 2014. Start-up is scheduled for 2015. In addition, site preparation continued in 2013 for the second natural gas processing plant. The total design outlet capacity for the project is 558 million cubic feet of natural gas per day, and the total project cost is estimated to be \$6.4 billion. This project is estimated to contain total potentially recoverable natural gas resources of 3 trillion cubic feet. Proved reserves have been recognized for the project. The project's estimated economic life exceeds 20 years from the time of start-up.



**Photo:** Chuandongbei natural gas project in the Sichuan Basin.

**Exploration** In late 2013, drilling commenced on an exploration well in deepwater Block 42/05 in the South China Sea. The drilling was completed in early 2014, and the well was unsuccessful. Also in the South China Sea, two 3-D seismic surveys were acquired in the shallow-water Blocks 15/10 and 15/28 in September 2013. Processing of this seismic data is ongoing.

During 2013, the company drilled the second and third exploratory wells for shale gas in the Qiannan Basin. Both of the exploration wells were unsuccessful.



## Philippines

**Malampaya** Chevron holds a 45 percent nonoperated working interest in the Malampaya Field. Located in 2,800 feet (853 m) of water, the Malampaya development includes an offshore platform and a 314-mile (505-km) pipeline from the platform to the Batangas onshore natural gas plant. Net daily production during 2013 averaged 119 million cubic feet of natural gas and 3,000 barrels of condensate. The Malampaya Phase 2 Project is designed to maintain capacity at the offshore platform. During 2013, the project progressed with two infill wells being completed. First production commenced in first quarter 2014, with compression facilities to follow in 2015. Proved reserves have been recognized for this project.

**Geothermal** Chevron has a 40 percent interest in the Philippine Geothermal Production Corporation (PGPC) affiliate. The PGPC develops and produces steam resources for the third-party Tiwi and Mak-Ban geothermal power plants in southern Luzon, which have a combined operating capacity of 692 megawatts. During 2013, the PGPC secured a renewable energy service contract for an additional 25 years.

In addition, Chevron holds a 90 percent-owned and operated interest in the Kalinga geothermal prospect area in northern Luzon. During 2013, Chevron held negotiations with the PGPC to sell down equity to comply with local law and to secure a 25-year term for a renewable energy service contract. Negotiations are planned to continue in 2014. The company continues to assess the prospect area. The steam resources could support 100 megawatts of capacity.

## Indonesia

Chevron's operated interests in Indonesia include one onshore PSC on the island of Sumatra, four PSCs offshore eastern Kalimantan and two PSCs onshore in West Papua. In addition, the company operates two geothermal fields in West Java and one geothermal field in South Sumatra. Chevron holds a nonoperated working interest in the offshore South Natuna Sea Block B, located northeast of the island of Sumatra. Net daily production in 2013 from all producing areas in Indonesia averaged 156,000 barrels of liquids and 225 million cubic feet of natural gas.

### Sumatra

In Sumatra, Chevron holds a 100 percent-owned and operated interest in the Rokan PSC, which expires in 2021. Net daily production averaged 136,000 barrels of crude oil and 49 million cubic feet of natural gas in 2013.

During 2013, the majority of Chevron's Sumatran production came from fields under primary or secondary recovery within the Rokan PSC. Duri is the largest producing field in the Rokan PSC. Duri has been under steamflood since 1985 and is one of the world's largest steamflood developments. In 2013, 77 percent of the field was under steam injection, with net daily production averaging 62,000 barrels of crude oil.

The remaining production from the Rokan PSC is in the Sumatra light-oil area, consisting of approximately 77 active fields with net daily production that averaged 73,000 barrels of crude oil and 49 million cubic feet of natural gas in 2013.

The company continues to implement projects designed to sustain production, improve reliability and increase recovery from existing reservoirs. In Area 1 through Area 12 of the Duri Field, 238 production wells and 78 steam injection and observation wells were drilled during 2013. Construction progressed on the Duri Development Area 13 expansion project during 2013. First production from Area 13 occurred in second-half 2013, and ramp-up of production is expected through 2016.

In the Minas Field, 41 production wells were drilled during 2013, and efforts continued to optimize the waterflood program to sustain field production. A pilot project for a chemical injection process that could further improve recoverability of light oil in Minas and surrounding fields was completed in 2013. Further evaluation of the project results is planned during 2014.

The Siak PSC expired in November 2013. Net daily production from Siak averaged 1,000 barrels of crude oil in 2013.

**Exploration** During 2013, three exploration wells were drilled on the island of Sumatra, with one discovery. The two exploration wells drilled in 2012 were evaluated and determined to be uneconomic. Further exploration and appraisal drilling is planned for 2014.



### Kutei Basin

Chevron's operated working interests offshore eastern Kalimantan include four areas in the Kutei Basin: East Kalimantan (92.5 percent), Makassar Strait (72 percent), Rapak (62 percent) and Ganai (62 percent) PSCs. Net daily production averaged 14,000 barrels of crude oil and 97 million cubic feet of natural gas in 2013. The majority of the production came from 14 fields in the shelf area within the East Kalimantan PSC, with the remainder from the deepwater West Seno Field in the Makassar Strait PSC. The PSCs for East Kalimantan, Makassar Strait, Rapak and Ganai expire in 2018, 2020, 2027 and 2028, respectively.

The company continues to implement development projects designed to sustain production, improve reliability and increase recovery from existing reservoirs in both the shelf and deepwater areas. In the shelf area, Chevron continued to execute a development program, with 16 wells drilled in 2013. Based on the positive results of the drilling program, additional seismic data acquisition and processing is planned for 2014.

**Indonesia Deepwater Development** There are two natural gas deepwater development projects in the Kutei Basin progressing under a single plan of development. Collectively, these projects are referred to as the Indonesia Deepwater Development.

One of these projects, Gendalo-Gehem, includes two separate hub developments, each with its own FPU, subsea drill centers, natural gas and condensate pipelines, and onshore receiving facility. Gas from the project is expected to be sold domestically and through LNG export. The project has a planned design capacity of 1.1 billion cubic feet of natural gas and 47,000 barrels of condensate per day. The company's working interest is approximately 63 percent. During 2013, the company received bids for all major contracts. A final investment decision is planned for 2014, but is subject to the timing of government approvals. This project is estimated to contain total potentially recoverable natural gas resources of 3 trillion cubic feet. At the end of 2013, proved reserves had not been recognized for this project.

The other project, Bangka, includes a subsea tieback to the West Seno FPU, with a planned design capacity of 115 million cubic feet of natural gas and 4,000 barrels of condensate per day. The company's working interest is 62 percent. During 2013, the company received bids for all major contracts. A final investment decision is planned for 2014, but is subject to the timing of government approvals. At the end of 2013, proved reserves had not been recognized for this project.

### South Natuna Sea Block B

Chevron holds a 25 percent nonoperated working interest in the offshore South Natuna Sea Block B. Production is from five natural gas fields and two crude oil fields. Net daily production during 2013 averaged 6,000 barrels of liquids and 79 million cubic feet of natural gas.

### West Papua

Chevron's interests in West Papua include the 51 percent-owned and operated West Papua I and West Papua III PSCs. The two onshore blocks cover approximately 2 million acres (8,000 sq km) and are in close proximity to a third-party LNG facility. In 2013, 2-D seismic data acquisition and processing was completed for West Papua III.

### Geothermal

The company operates and holds a 95 percent interest in the Darajat geothermal field located in West Java. The field supplies steam to a three-unit power plant with a total operating capacity of 270 megawatts.

Also in West Java, Chevron operates and holds a 100 percent interest in the Salak geothermal field in the Gunung Salak contract area. The field supplies steam to a six-unit power plant with a total operating capacity of 377 megawatts.

In addition, Chevron holds a 95 percent-owned and operated interest in the Suoh-Sekincau prospect area located in South Sumatra. The company is in the early phase of geological and geophysical assessment. The steam resources could support approximately 200 megawatts of capacity.

### Kurdistan Region of Iraq

The company operates and holds an 80 percent interest in two PSCs covering the Rovi and Sarta blocks. In June 2013, the company acquired the operatorship and an 80 percent interest in the Qara Dagh Block. The three blocks cover a combined area of 444,000 acres (1,798 sq km). In second-half 2013, Chevron commenced exploration drilling in the Rovi and Sarta blocks, and drilling operations were ongoing as of early 2014. In 2014, the company plans to drill three additional exploration wells and acquire 3-D seismic data. At Qara Dagh, the company plans to drill one exploration well and acquire 2-D seismic data.



### Partitioned Zone

Chevron holds a concession agreement to operate the Kingdom of Saudi Arabia's 50 percent interest in the hydrocarbon resources of the onshore area of the Partitioned Zone between Saudi Arabia and Kuwait. Under the concession agreement, Chevron has the right to Saudi Arabia's 50 percent interest in the hydrocarbon resources. The concession expires in 2039.

During 2013, net daily production from four fields averaged 84,000 barrels of crude oil and 19 million cubic feet of natural gas. Development drilling, well workovers and numerous facility-enhancement programs are scheduled to continue through 2014 and are expected to partially offset field declines.

**Wafra** The Large-Scale Steamflood Pilot (LSP) Project at the Wafra Field involves steamflooding in the First Eocene carbonate reservoir. The company continued with the steam injection pilot project in the target reservoir in 2013 and achieved thermal maturity.



Photo: Wafra steamflood facilities.

Development planning also continued on the follow-up to the LSP Project, a full-field steamflood application in the Wafra Field First Eocene carbonate reservoir. The Wafra Steamflood Stage 1 Project has a planned design capacity of 80,000 barrels of crude oil per day and is expected to commence FEED in 2015.

Work also continued to expand the LSP Project to the Second Eocene carbonate reservoir. This project entered FEED in September 2013, with start-up expected by year-end 2014. At the end of 2013, proved reserves had not been recognized for any of these steamflood developments.

The Central Gas Utilization Project is a facility construction project intended to increase natural gas utilization while eliminating natural gas flaring at the Wafra Field. FEED work continued throughout 2013, and a final investment decision is expected in late 2014. At the end of 2013, proved reserves had not been recognized for the project.

## Australia

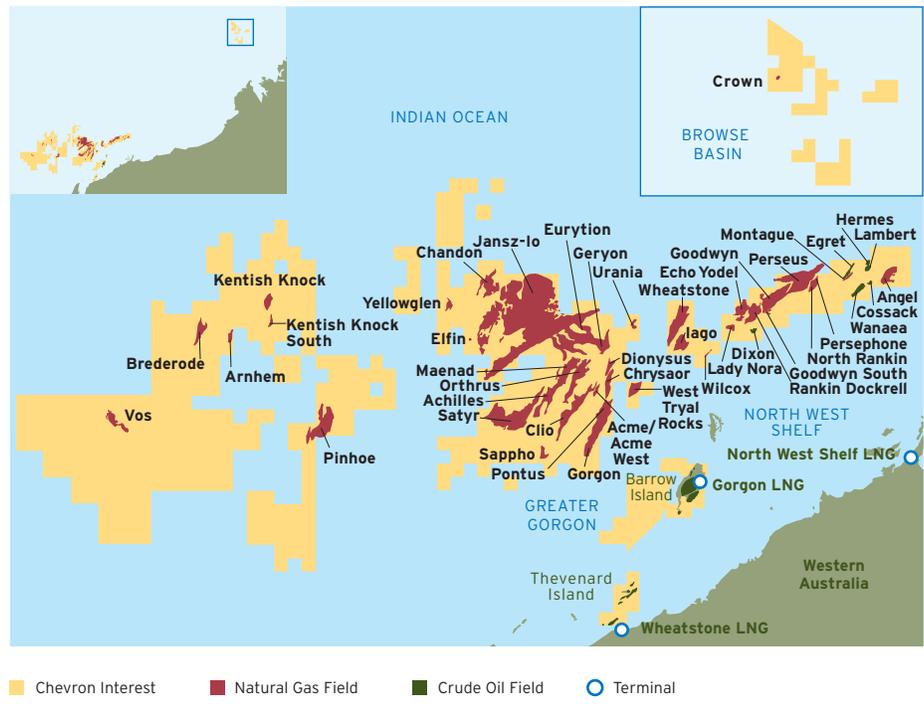
Chevron is the largest holder of natural gas resources in Australia and the operator of two major LNG projects, Gorgon and Wheatstone, where total potentially recoverable natural gas from the fields that are planned to supply these projects is estimated at 50 trillion cubic feet. Chevron also has a nonoperated working interest in the North West Shelf (NWS) Venture, as well as exploration acreage in central Australia and offshore South Australia. Net daily oil-equivalent production of 96,000 barrels during 2013 represented 4 percent of the companywide total.

**Gorgon** Chevron holds a 47.3 percent interest and is the operator of the Gorgon Project, which includes the development of the Gorgon and Jansz-lo fields. The project includes a three-train, 15.6 million-metric-ton-per-year LNG facility, a carbon dioxide injection plant with capacity to supply 280 million cubic feet per day to the Western Australian market. The facilities are under construction on Barrow Island. The offshore portion of the development includes subsea infrastructure and pipelines. The total production capacity for the project is expected to be approximately 2.6 billion cubic feet of natural gas and 20,000 barrels of condensate per day. Gorgon plant start-up and first cargo is planned for mid-2015. The total estimated project cost for the first phase of development is \$54 billion. Proved reserves have been recognized for this project. The project's estimated economic life exceeds 40 years from the time of start-up.

Work on the project continued to progress, with more than 78 percent of the project complete as of mid-March 2014. Through early 2014, 20 of 21 Train 1 LNG plant modules had been delivered and installed at Barrow Island, with the final module expected to arrive by mid-year. Installation activities have also been completed for the domestic gas pipeline from Barrow Island to the mainland, enabling delivery of commissioning gas. Progress continued on the construction of the LNG tanks and jetty, with completion of LNG Tank 1 expected in second-half 2014. Start-up of the first gas turbine generator, allowing first natural gas into the LNG plant, is planned for late 2014.

Construction of the upstream facilities also advanced during 2013. Fourteen of the 18 subsea wells have been drilled and completed. The offshore pipelines from both fields to Barrow Island were completed in 2013. Infield flowlines and subsea structures continue to be installed in 2014. Perforation of all eight development wells in the Gorgon Field and completion of the Jansz-lo drilling program are expected in late 2014.

Chevron has signed binding, long-term LNG Sales and Purchase Agreements with six Asian customers for delivery of approximately 4.8 million metric tons of LNG per year, which brings delivery commitments to 65 percent of Chevron's share of LNG from this project. Discussions continue with potential customers to increase long-term sales to around 80 percent of Chevron's net LNG offtake. Chevron also has binding, long-term agreements for delivery of



approximately 65 million cubic feet per day of natural gas to Western Australian natural gas consumers starting in 2015, and the company continues to market additional natural gas quantities from the Gorgon Project.

The evaluation of expansion options to increase the production capacity of Gorgon is planned to continue in 2014.

**Wheatstone** Chevron is the operator of the Wheatstone Project, which includes a two-train, 8.9 million-metric-ton-per-year LNG facility and a 190 million-cubic-feet-per-day domestic gas plant, both located at Ashburton North, on the coast of Western Australia. The company plans to supply natural gas to the facilities from three company-operated licenses containing the Wheatstone and Iago fields. Chevron holds an 80.2 percent interest in the offshore licenses and a 64.1 percent interest in the LNG facilities. The total production capacity for the Wheatstone and Iago fields and nearby third-party fields is expected to be approximately 1.6 billion cubic feet of natural gas and 30,000 barrels of condensate per day. Start-up of the first train is expected in 2016. The total estimated cost for the foundation phase of the project is \$29 billion. Proved reserves have been recognized, and the project's estimated economic life exceeds 30 years from the time of start-up.

In 2013, construction and fabrication progressed, with a focus on delivering site infrastructure to enable efficient plant construction. The first phase of the construction village has been completed, and a runway was added at the Onslow airport. Boring of the micro-tunnel for the trunkline shore crossing was completed. Offshore dredging, pipeline installation and development well drilling have commenced. Elsewhere, fabrication progressed on key upstream components, including the offshore platform in South Korea and subsea equipment in Singapore. Delivery of the first Train 1 LNG plant modules is expected in second-half 2014, along with the installation of the offshore platform steel gravity-based structure, completion of the natural gas export trunkline and completion of the LNG Tank 1 foundation. The project is approximately 30 percent complete as of mid-March 2014.

In 2013, the company also executed binding long-term LNG Sales and Purchase Agreements with two Asian customers, for the delivery of additional LNG. As of year-end 2013, 85 percent of Chevron's equity LNG offtake is committed under long-term sales agreements with customers in Asia. In addition, the company continues to market its equity share of natural gas to Western Australia customers.



Photo: Construction of the Wheatstone platform topsides in Okpo, South Korea.

**NWS Venture** Chevron has a 16.7 percent nonoperated working interest in the NWS Venture in Western Australia. The joint venture operates offshore producing fields and extensive onshore facilities that include five LNG trains and a domestic gas plant. Production is from the Angel, Echo Yodel, Goodwyn, North Rankin and Perseus natural gas fields and the Cossack, Hermes, Lambert and Wanaea crude oil fields. The NWS Venture concession expires in 2034.

Net daily production in 2013 averaged 19,000 barrels of crude oil and condensate, 419 million cubic feet of natural gas, and 3,000 barrels of LPG. Approximately 70 percent of the natural gas was sold in the form of LNG to major utilities in Asia, primarily under long-term contracts, with the remainder sold to the domestic market in Western Australia.

Production commenced at the North Rankin 2 Project (NR2) in fourth quarter 2013. NR2 is designed to recover remaining low-pressure natural gas from the North Rankin and Perseus fields to meet gas supply needs and maintain NWS daily production of approximately 2 billion cubic feet of natural gas and 39,000 barrels of condensate. The project's estimated economic life exceeds 20 years from the time of start-up.

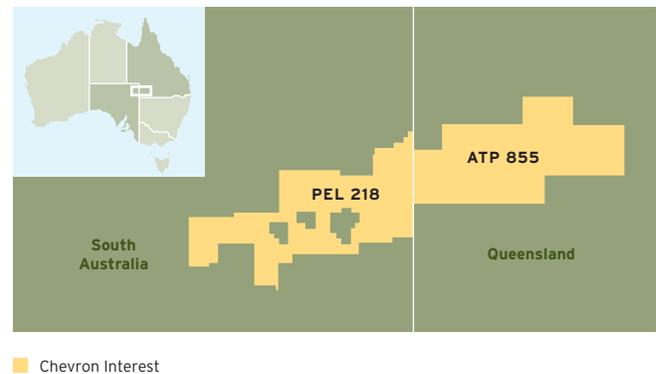
The NWS Venture continues to progress additional natural gas supply opportunities to maintain NWS production through development of a number of smaller fields on the western flank of the Goodwyn Field and undeveloped satellite fields east of the North Rankin Field. During 2013, construction progressed on the Greater Western Flank-1 Project, which is the first phase of these developments. Start-up of the first phase is expected in 2016.

**Barrow Island and Thevenard Island** On these two islands off the northwest coast of Australia, Chevron-operated net daily production in 2013 averaged 4,000 barrels of crude oil. Chevron's interests are 57.1 percent for Barrow and 51.4 percent for Thevenard. In early 2014, production at Thevenard was permanently shut in, in preparation for decommissioning.

**Browse Basin** The company holds nonoperated working interests ranging from 24.8 percent to 50 percent in three blocks in the Browse Basin.

**Carnarvon Basin Exploration** During 2013, Chevron announced two natural gas discoveries in the Carnarvon Basin. These include discoveries at the 50 percent-owned and operated Kentish Knock South prospect in Block WA-365-P and the 50 percent-owned and operated Elfin prospect in Block WA-268-P. These discoveries are expected to contribute to potential expansion at company-operated LNG projects.

**Nappamerri Trough** In 2013, the company acquired exploration interests in two onshore blocks that are prospective for natural gas production from tight sands and shale. The blocks cover 810,000 total acres (3,277 sq km) in the Cooper Basin region in central Australia. The acquisition includes a 30 percent nonoperated working interest in the Permian section of PEL 218 in South Australia and an 18 percent nonoperated working interest in ATP 855 in Queensland. An exploration drilling program is under way to confirm the resource base and associated flow rates. Pending favorable results, Chevron could earn a 60 percent nonoperated working interest in PEL 218 and a 36 percent nonoperated working interest in ATP 855.



**Great Australian Bight** In October 2013, the company acquired exploration interests in offshore Blocks EPP44 and EPP45, which span more than 8 million acres (32,000 sq km) in the Bight Basin off the South Australian coast. Chevron is the operator with a 100 percent interest, and work programs are planned to include seismic surveys, geological and geophysical studies, and two exploration wells in each block over a six-year period.



## Europe

In Europe, the company is engaged in upstream activities in Bulgaria, Denmark, Lithuania, the Netherlands, Norway, Poland, Romania, Ukraine and the United Kingdom. Net daily oil-equivalent production of 94,000 barrels during 2013 in these countries represented approximately 4 percent of the companywide total.

### Denmark

Chevron holds a 12 percent nonoperated working interest in the Danish Underground Consortium (DUC). The DUC has production from 13 North Sea fields, with the majority of crude oil production from three fields (Halfdan, Dan and Valdemar) and the majority of natural gas production from the Tyra Field. Average net daily production in 2013 from the DUC was 19,000 barrels of crude oil and 55 million cubic feet of natural gas. The concession expires in 2042.



### Netherlands

Chevron operates and holds interests in 11 blocks in the Dutch sector of the North Sea. Seven blocks, with working interests ranging from 23.5 percent to 34.1 percent, make up the A/B Gas Project. The company also has interests ranging from 46.7 percent to 80 percent in three blocks that contain other producing fields and a 60 percent interest in the P/2 exploration block. In 2013, average net daily production was 2,000 barrels of crude oil and 41 million cubic feet of natural gas. The company is evaluating these assets for possible divestment.

### Norway

Chevron holds a 7.6 percent nonoperated working interest in the Draugen Field. Net daily average production in 2013 was 2,000 barrels of crude oil. The company is evaluating this asset for possible divestment.

Chevron has a 40 percent-owned and operated interest in the PL 527 exploration license, which covers 892,000 acres (3,609 sq km) within the deepwater portion of the Norwegian Sea. During second quarter 2013, Chevron completed processing of two 3-D seismic surveys and continues to evaluate the data.

Chevron also has a 40 percent-owned and operated interest in exploration license PL 598, which covers 409,000 total acres (1,654 sq km) in the deepwater portion of the Norwegian Sea. Chevron acquired a 3-D seismic survey and plans to complete the seismic data processing by second quarter 2014.

### United Kingdom

Chevron has working interests in 9 offshore producing fields, including three operated fields (Alba, 23.4 percent; Captain, 85 percent and Erskine, 50 percent), one jointly operated field (Britannia, 32.4 percent) and five nonoperated fields (Brodgar, 25 percent; Callanish, 16.5 percent; Clair, 19.4 percent; Elgin/Franklin, 3.9 percent; and Jade, 19.9 percent). In July 2013, Chevron sold its 67 percent working interest in the Strathspey Field.

Net daily production in 2013 from the fields averaged 40,000 barrels of liquids and 94 million cubic feet of natural gas. Most of the production was from three fields: the Captain Field, with net average daily production of 25,000 barrels of liquids and 3 million cubic feet of natural gas; the Britannia Field, with net average daily production of 2,000 barrels of liquids and 54 million cubic feet of natural gas; and the Alba Field, with net average daily production of 4,000 barrels of liquids.

The company continues to implement projects designed to sustain production and increase recovery at Captain, Britannia and Alba. At Captain, continued development drilling is expected through 2020. At Britannia, work continued on a project to install a low-pressure compression module to increase field recovery. Start-up is expected in third quarter 2014. At Alba, development drilling is expected to continue beyond 2018.



**Photo:** In 2016, production from the Alder Field is expected to commence via a subsea well tied back to the Britannia bridge-linked platform.

**Alder** The 73.7 percent-owned and operated Alder high-pressure, high-temperature gas condensate discovery is located 17 miles (27 km) to the west of the Britannia Field in the North Sea. The field is planned to be developed via a single subsea well tied back to the existing Britannia Platform. A final investment decision was made in late 2013, with first production scheduled in 2016. The project has a design capacity of 14,000 barrels of condensate and 110 million cubic feet of natural gas per day. The initial recognition of proved reserves occurred in 2013 for this project.

**Clair Ridge** Chevron holds a 19.4 percent nonoperated working interest in the Clair Ridge Project, located 47 miles (75 km) west of the Shetland Islands. Clair Ridge is the second development phase of the Clair Field. Procurement and fabrication activities continued during 2013. The total estimated cost of the project is \$7 billion, and the design capacity is 120,000 barrels of crude oil and 100 million cubic feet of natural gas per day. Production is scheduled to begin in 2016, and the project's estimated economic life exceeds 40 years from the time of start-up. The project is estimated to provide incremental potentially recoverable resources in excess of 600 million barrels. Proved reserves have been recognized for the Clair Ridge Project.

**Rosebank** The Rosebank Field is 80 miles (129 km) northwest of the Shetland Islands in 3,700 feet (1,115 m) of water. Chevron operates and holds a 40 percent interest in the project. The company continues to assess alternatives for the optimum development of the Rosebank Field. At the end of 2013, proved reserves had not been recognized for this project.

**Exploration** West of the Shetland Islands, an exploration well was drilled in License P1189. The results of this well are under evaluation. In License P1191, 3-D seismic data has been acquired to map the area southwest of the Rosebank Field. In the North Sea, an exploration well to further delineate the southern extension of the Jade Field was drilled in second-half 2013, and the results are under evaluation. If successful, the well is expected to be completed for immediate production.

### Bulgaria

In 2011, the Bulgarian government advised that Chevron had submitted a winning tender for an exploration permit in northeast Bulgaria. However, prior to execution of the license agreement, the government announced the withdrawal of the decision as the Bulgarian parliament imposed a ban on hydraulic fracturing. Chevron continues to work with the government of Bulgaria to provide the necessary assurances that shale hydrocarbons can be developed safely and responsibly.

### Lithuania

Chevron holds a 50 percent interest in an exploration and production company. In 2013, two exploration wells were drilled in the 394,000-acre (1,595-sq-km) Rietavas Block, and the results of the wells are under evaluation. Drilling of a third exploration well commenced in January 2014 and is planned to be completed during second quarter 2014.

### Poland

Chevron holds four shale concessions in southeast Poland (Frampol, Grabowiec, Krasnik and Zwierzyniec), totaling 1.1 million acres (4,391 sq km). All four exploration licenses are 100 percent-owned and operated. In 2013, the first exploration wells were drilled in the Zwierzyniec and Krasnik concessions. A 3-D seismic survey is under way on the Grabowiec concession and is planned to be completed in second quarter 2014. Exploration activities are planned to continue during 2014.



■ Chevron Interest    ■ Successful Bidder

### Romania

Chevron holds a 100 percent interest and operates the 1.6 million-acre (6,350-sq-km) Barlad Shale concession in northeast Romania. Drilling of the first exploration well is planned to commence in second quarter 2014.

In addition, Chevron holds a 100 percent interest and operates three concessions covering 670,000 acres (2,711 sq km) in southeast Romania. In October 2013, the company commenced acquisition of 2-D seismic data across two of the three concessions.

### Ukraine

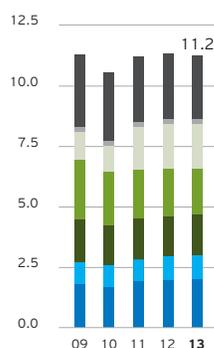
In November 2013, Chevron signed a PSC with the government of Ukraine for a 50 percent interest in and operatorship of the 1.6 million-acre (6,350-sq-km) Oleska Shale block in western Ukraine. As of early 2014, the Joint Operating Agreement terms were being negotiated.

### Europe Natural Gas Marketing and Trading

The company continues to build a natural gas trading presence in Europe, including marketing a portion of equity production and production from a growing third-party supply base.

## Upstream Operating Data

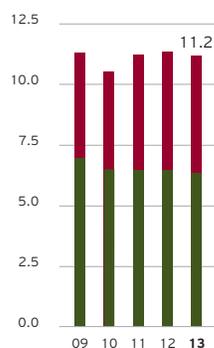
### Net Proved Reserves Billions of BOE\*



■ Affiliates  
 ■ Europe  
 ■ Australia  
 ■ Asia  
 ■ Africa  
 ■ Other Americas  
 ■ United States

\*BOE (barrels of oil-equivalent)

### Net Proved Reserves Liquids vs. Natural Gas Billions of BOE



■ Natural Gas  
 ■ Liquids

### Net Proved Reserves - Liquids<sup>1,2</sup>

At December 31

Millions of barrels	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
United States	1,330	1,359	1,311	1,275	1,361
Other Americas	780	736	636	574	564
Africa	1,104	1,130	1,155	1,168	1,246
Asia	792	837	894	1,013	1,171
Australia	131	134	140	88	98
Europe	166	157	159	152	170
<b>Total Consolidated Companies</b>	<b>4,303</b>	<b>4,353</b>	<b>4,295</b>	<b>4,270</b>	<b>4,610</b>
<b>Equity Share in Affiliates</b>					
TCO	1,668	1,732	1,759	1,820	1,946
Other	374	396	401	413	417
<b>Total Equity Share in Affiliates</b>	<b>2,042</b>	<b>2,128</b>	<b>2,160</b>	<b>2,233</b>	<b>2,363</b>
<b>Total Worldwide</b>	<b>6,345</b>	<b>6,481</b>	<b>6,455</b>	<b>6,503</b>	<b>6,973</b>

<sup>1</sup> Refer to page 58 for a definition of net proved reserves. For additional discussion of the company's proved reserves, refer to the company's 2013 Annual Report on Form 10-K.

<sup>2</sup> Includes crude oil, condensate, NGLs and synthetic oil.

### Net Proved Reserves - Natural Gas\*

At December 31

Billions of cubic feet	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
United States	3,990	3,722	3,646	2,472	2,698
Other Americas	1,300	1,475	1,664	1,815	1,985
Africa	3,045	3,081	3,196	2,944	3,021
Asia	6,745	6,867	6,721	7,193	7,860
Australia	10,327	10,252	9,744	6,056	6,245
Europe	263	257	258	275	344
<b>Total Consolidated Companies</b>	<b>25,670</b>	<b>25,654</b>	<b>25,229</b>	<b>20,755</b>	<b>22,153</b>
<b>Equity Share in Affiliates</b>					
TCO	2,290	2,299	2,251	2,386	2,833
Other	1,186	1,242	1,203	1,110	1,063
<b>Total Equity Share in Affiliates</b>	<b>3,476</b>	<b>3,541</b>	<b>3,454</b>	<b>3,496</b>	<b>3,896</b>
<b>Total Worldwide</b>	<b>29,146</b>	<b>29,195</b>	<b>28,683</b>	<b>24,251</b>	<b>26,049</b>

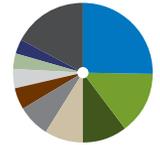
\* Refer to page 58 for a definition of net proved reserves. For additional discussion of the company's proved reserves, refer to the company's 2013 Annual Report on Form 10-K.

## Upstream Operating Data

### Net Oil-Equivalent Production

Thousands of barrels per day	Year ended December 31				
	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
<b>United States</b>					
Alabama - Onshore	6	7	7	8	10
- Offshore	7	7	8	8	9
Alaska - Onshore	11	11	20	22	23
- Offshore	-	-	8	9	7
California	177	178	183	199	211
Colorado	24	26	27	27	26
Louisiana - Onshore	-	2	2	2	2
- Offshore	161	182	205	233	214
Michigan	10	10	9	1	2
New Mexico	43	36	34	36	37
Oklahoma	9	9	8	9	10
Pennsylvania	27	12	7	-	-
Texas - Onshore	121	117	114	117	132
- Offshore	43	38	23	10	9
Wyoming	16	17	20	25	23
Other states	2	3	3	2	2
<b>Total United States</b>	<b>657</b>	<b>655</b>	<b>678</b>	<b>708</b>	<b>717</b>
<b>Other Americas</b>					
Argentina	19	22	27	32	38
Brazil	6	6	35	24	2
Canada	71	69	70	54	28
Colombia	36	36	39	41	41
Trinidad and Tobago	29	29	31	38	34
<b>Total Other Americas</b>	<b>161</b>	<b>162</b>	<b>202</b>	<b>189</b>	<b>143</b>
<b>Africa</b>					
Angola	127	137	147	161	150
Chad	19	23	26	28	27
Democratic Republic of the Congo	3	3	3	2	3
Nigeria	268	269	260	253	232
Republic of the Congo	14	19	23	25	21
<b>Total Africa</b>	<b>431</b>	<b>451</b>	<b>459</b>	<b>469</b>	<b>433</b>
<b>Asia</b>					
Azerbaijan	28	28	28	30	30
Bangladesh	113	94	74	69	66
China	20	21	22	20	19
Indonesia	193	198	208	226	243
Kazakhstan	57	61	62	64	69
Myanmar	16	16	14	13	13
Partitioned Zone	87	90	91	98	105
Philippines	23	24	25	25	27
Thailand	229	243	209	216	198
<b>Total Asia</b>	<b>766</b>	<b>775</b>	<b>733</b>	<b>761</b>	<b>770</b>
<b>Total Australia</b>	<b>96</b>	<b>99</b>	<b>101</b>	<b>111</b>	<b>108</b>
<b>Europe</b>					
Denmark	28	36	44	51	55
Netherlands	9	9	7	8	9
Norway	2	3	3	3	5
United Kingdom	55	66	85	97	110
<b>Total Europe</b>	<b>94</b>	<b>114</b>	<b>139</b>	<b>159</b>	<b>179</b>
<b>Total Consolidated Companies</b>	<b>2,205</b>	<b>2,256</b>	<b>2,312</b>	<b>2,397</b>	<b>2,350</b>
<b>Equity Share in Affiliates</b>					
Angola LNG	6	-	-	-	-
TCO	321	286	296	308	274
Petropiar	36	37	35	30	28
Petroboscan	27	29	28	26	24
Petroindependiente	2	2	2	2	2
<b>Total Equity Share in Affiliates</b>	<b>392</b>	<b>354</b>	<b>361</b>	<b>366</b>	<b>328</b>
<b>Total Consolidated Companies and Affiliates</b>	<b>2,597</b>	<b>2,610</b>	<b>2,673</b>	<b>2,763</b>	<b>2,678</b>
<b>Other Produced Volumes</b>					
Athabasca Oil Sands Project in Canada	-	-	-	-	26
<b>Total Other Produced Volumes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26</b>
<b>Total Worldwide</b>	<b>2,597</b>	<b>2,610</b>	<b>2,673</b>	<b>2,763</b>	<b>2,704</b>

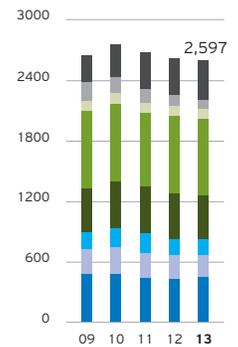
### 2013 Net Oil-Equivalent Production by Country\* Percentage



United States	25.3%
Kazakhstan	14.6%
Nigeria	10.3%
Thailand	8.8%
Indonesia	7.4%
Angola	5.1%
Bangladesh	4.4%
Australia	3.7%
Partitioned Zone	3.3%
Other	17.1%

\*Includes equity share in affiliates.

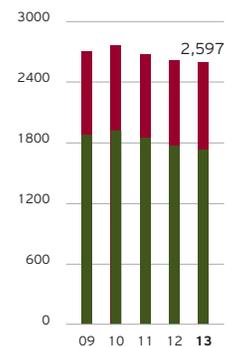
### Net Oil-Equivalent Production\* Thousands of barrels per day



Affiliates
Europe
Australia
Asia
Africa
Other Americas
United States - Offshore
United States - Onshore

\*Includes other produced volumes in 2009.

### Net Production Liquids vs. Natural Gas\* Thousands of barrels per day

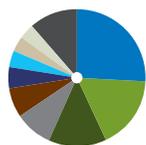


Natural Gas
Liquids

\*Includes other produced volumes in 2009.

## Upstream Operating Data

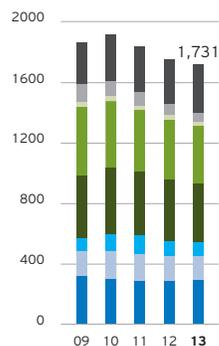
2013 Net Liquids Production by Country\*  
Percentage



United States	25.9%
Kazakhstan	17.2%
Nigeria	13.7%
Indonesia	9.0%
Angola	6.9%
Partitioned Zone	4.9%
Canada	4.0%
Thailand	3.6%
Venezuela	3.5%
Other	11.3%

\*Includes equity share in affiliates.

Net Liquids Production\*  
Thousands of barrels per day



Affiliates	
Europe	
Australia	
Asia	
Africa	
Other Americas	
United States - Offshore	
United States - Onshore	

\*Includes other produced volumes in 2009.

## Net Liquids Production\*

Thousands of barrels per day	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
<b>United States</b>					
Alaska	9	9	11	11	12
- Onshore	-	-	3	3	2
- Offshore	-	-	-	-	-
California	166	167	169	183	196
Colorado	9	10	10	10	9
Louisiana	-	1	1	1	1
- Onshore	-	-	-	-	-
- Offshore	121	136	158	178	154
New Mexico	25	21	19	19	21
Texas	75	71	66	66	71
- Onshore	33	28	15	4	3
- Offshore	42	43	51	62	68
Wyoming	4	5	6	7	7
Other states	7	7	7	7	8
<b>Total United States</b>	<b>449</b>	<b>455</b>	<b>465</b>	<b>489</b>	<b>484</b>
<b>Other Americas</b>					
Argentina	18	21	26	31	33
Brazil	5	6	33	23	2
Canada	70	68	69	53	27
Trinidad and Tobago	-	-	-	1	1
<b>Total Other Americas</b>	<b>93</b>	<b>95</b>	<b>128</b>	<b>108</b>	<b>63</b>
<b>Africa</b>					
Angola	118	128	139	152	141
Chad	18	22	25	27	26
Democratic Republic of the Congo	2	2	3	2	3
Nigeria	238	242	236	239	225
Republic of the Congo	13	17	21	23	19
<b>Total Africa</b>	<b>389</b>	<b>411</b>	<b>424</b>	<b>443</b>	<b>414</b>
<b>Asia</b>					
Azerbaijan	26	26	26	28	28
Bangladesh	2	2	2	2	2
China	19	20	20	18	17
Indonesia	156	158	166	187	199
Kazakhstan	34	37	38	39	42
Partitioned Zone	84	86	88	94	101
Philippines	3	4	4	4	4
Thailand	62	67	65	70	65
<b>Total Asia</b>	<b>386</b>	<b>400</b>	<b>409</b>	<b>442</b>	<b>458</b>
<b>Total Australia</b>					
<b>Total Australia</b>	<b>26</b>	<b>28</b>	<b>26</b>	<b>34</b>	<b>35</b>
<b>Europe</b>					
Denmark	19	24	29	32	35
Netherlands	2	2	2	2	2
Norway	2	3	3	3	5
United Kingdom	40	46	59	64	73
<b>Total Europe</b>	<b>63</b>	<b>75</b>	<b>93</b>	<b>101</b>	<b>115</b>
<b>Total Consolidated Companies</b>	<b>1,406</b>	<b>1,464</b>	<b>1,545</b>	<b>1,617</b>	<b>1,569</b>
<b>Equity Share in Affiliates</b>					
Angola LNG	1	-	-	-	-
TCO	263	236	244	252	226
Petropiar	34	35	32	28	26
Petroboscan	26	28	27	25	24
Petroindependiente	1	1	1	1	1
<b>Total Equity Share in Affiliates</b>	<b>325</b>	<b>300</b>	<b>304</b>	<b>306</b>	<b>277</b>
<b>Total Consolidated Companies and Affiliates</b>	<b>1,731</b>	<b>1,764</b>	<b>1,849</b>	<b>1,923</b>	<b>1,846</b>
<b>Other Produced Volumes</b>					
Athabasca Oil Sands Project in Canada	-	-	-	-	26
<b>Total Other Produced Volumes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26</b>
<b>Total Worldwide</b>	<b>1,731</b>	<b>1,764</b>	<b>1,849</b>	<b>1,923</b>	<b>1,872</b>
* Net production of NGLs:					
United States	48	50	47	51	50
International	20	23	20	21	20
<b>Total</b>	<b>68</b>	<b>73</b>	<b>67</b>	<b>72</b>	<b>70</b>

## Upstream Operating Data

### Net Natural Gas Production<sup>1</sup>

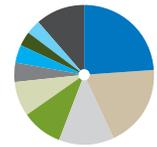
Millions of cubic feet per day	Year ended December 31				
	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
<b>United States</b>					
Alabama - Onshore	17	19	22	24	29
- Offshore	39	43	45	48	54
Alaska - Onshore	12	12	60	68	69
- Offshore	-	-	29	32	27
California	69	70	83	96	90
Colorado	85	98	104	104	102
Louisiana - Onshore	2	5	3	5	8
- Offshore	238	273	287	332	358
Michigan	56	60	55	9	9
New Mexico	109	89	89	97	99
Oklahoma	37	35	35	39	42
Pennsylvania	159	72	39	-	-
Texas - Onshore	283	281	282	302	364
- Offshore	56	59	48	38	39
Wyoming	72	74	85	110	99
Other states	12	13	13	10	10
<b>Total United States</b>	<b>1,246</b>	<b>1,203</b>	<b>1,279</b>	<b>1,314</b>	<b>1,399</b>
<b>Other Americas</b>					
Argentina	6	4	4	5	27
Brazil	2	2	13	7	-
Canada	9	4	4	4	4
Colombia	216	216	234	249	245
Trinidad and Tobago	173	173	183	223	199
<b>Total Other Americas</b>	<b>406</b>	<b>399</b>	<b>438</b>	<b>488</b>	<b>475</b>
<b>Africa</b>					
Angola	52	53	50	52	49
Chad	4	6	6	6	5
Democratic Republic of the Congo	1	1	1	1	1
Nigeria	182	165	142	86	48
Republic of the Congo	10	13	10	10	13
<b>Total Africa</b>	<b>249</b>	<b>238</b>	<b>209</b>	<b>155</b>	<b>116</b>
<b>Asia</b>					
Azerbaijan	10	10	10	11	10
Bangladesh	663	550	434	404	387
China	6	9	10	13	16
Indonesia	225	236	253	236	268
Kazakhstan	135	139	144	149	161
Myanmar	96	94	86	81	76
Partitioned Zone	19	21	20	23	21
Philippines	119	120	126	124	137
Thailand	1,003	1,060	867	875	794
<b>Total Asia</b>	<b>2,276</b>	<b>2,239</b>	<b>1,950</b>	<b>1,916</b>	<b>1,870</b>
<b>Total Australia</b>	<b>421</b>	<b>428</b>	<b>448</b>	<b>458</b>	<b>434</b>
<b>Europe</b>					
Denmark	55	74	91	116	119
Netherlands	41	42	31	35	41
Norway	1	1	1	1	1
United Kingdom	94	122	155	194	222
<b>Total Europe</b>	<b>191</b>	<b>239</b>	<b>278</b>	<b>346</b>	<b>383</b>
<b>Total Consolidated Companies</b>	<b>4,789</b>	<b>4,746</b>	<b>4,602</b>	<b>4,677</b>	<b>4,677</b>
<b>Equity Share in Affiliates</b>					
Angola LNG	30	-	-	-	-
TCO	347	301	312	338	289
Petropiar	13	14	13	10	8
Petroboscan	6	5	6	6	6
Petroindependiente	7	8	8	9	9
<b>Total Equity Share in Affiliates</b>	<b>403</b>	<b>328</b>	<b>339</b>	<b>363</b>	<b>312</b>
<b>Total Worldwide</b>	<b>5,192</b>	<b>5,074</b>	<b>4,941</b>	<b>5,040</b>	<b>4,989</b>
<sup>1</sup> Includes natural gas consumed in operations:					
United States <sup>2</sup>	72	65	69	62	58
International <sup>2</sup>	452	457	447	475	463
Total	524	522	516	537	521

<sup>1</sup> Includes natural gas consumed in operations:

United States <sup>2</sup>	72	65	69	62	58
International <sup>2</sup>	452	457	447	475	463
Total	524	522	516	537	521

<sup>2</sup> 2012 and 2011 conformed to 2013 presentation.

### 2013 Net Natural Gas Production by Country\* Percentage

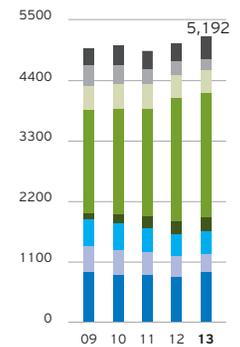


United States	24.0%
Thailand	19.3%
Bangladesh	12.8%
Kazakhstan	9.3%
Australia	8.1%
Indonesia	4.3%
Colombia	4.2%
Nigeria	3.5%
Trinidad and Tobago	3.3%
Other	11.2%

\*Includes equity share in affiliates.

### Net Natural Gas Production

Millions of cubic feet per day



Affiliates	
Europe	
Australia	
Asia	
Africa	
Other Americas	
United States - Offshore	
United States - Onshore	

## Upstream Operating Data

Oil and Gas Acreage <sup>1,2</sup>		At December 31				
		Gross Acres	Net Acres			
Thousands of acres	2013	2013	2012	2011	2010	2009
<b>United States</b>						
<b>Onshore</b>						
Louisiana	453	377	419	411	386	275
Michigan	454	358	362	358	57	56
New Mexico	832	575	565	351	355	335
Pennsylvania	763	690	735	830	-	-
Texas	4,566	3,313	3,531	3,552	3,575	3,265
Other states	2,677	1,636	1,738	1,794	1,612	1,563
<b>Total Onshore</b>	<b>9,745</b>	<b>6,949</b>	<b>7,350</b>	<b>7,296</b>	<b>5,985</b>	<b>5,494</b>
<b>Offshore</b>						
Alaska and Pacific Coast	26	4	7	7	7	9
Gulf Coast	3,847	2,886	2,812	2,755	2,865	1,974
<b>Total Offshore</b>	<b>3,873</b>	<b>2,890</b>	<b>2,819</b>	<b>2,762</b>	<b>2,872</b>	<b>1,983</b>
<b>Total United States</b>	<b>13,618</b>	<b>9,839</b>	<b>10,169</b>	<b>10,058</b>	<b>8,857</b>	<b>7,477</b>
<b>Other Americas</b>						
Argentina	340	216	167	167	141	275
Brazil	256	105	64	64	74	74
Canada	23,255	13,485	14,403	14,050	15,095	14,525
Colombia	203	87	87	87	87	87
Greenland	1,199	350	-	1,006	1,006	1,028
Suriname	2,793	1,396	1,400	-	-	-
Trinidad and Tobago	168	84	84	84	84	84
Venezuela	73	58	58	275	275	275
<b>Total Other Americas</b>	<b>28,287</b>	<b>15,781</b>	<b>16,263</b>	<b>15,733</b>	<b>16,762</b>	<b>16,348</b>
<b>Africa</b>						
Angola	2,354	803	807	875	821	823
Chad	114	28	28	28	29	39
Democratic Republic of the Congo	250	44	44	44	44	44
Liberia	1,820	819	903	1,661	1,661	-
Libya	-	-	-	-	-	2,796
Nigeria	5,498	2,443	2,620	2,634	2,791	2,871
Morocco	7,220	5,415	-	-	-	-
Republic of the Congo	135	43	49	49	49	49
Sierra Leone	1,385	762	762	-	-	-
<b>Total Africa</b>	<b>18,776</b>	<b>10,357</b>	<b>5,213</b>	<b>5,291</b>	<b>5,395</b>	<b>6,622</b>
<b>Asia</b>						
Azerbaijan	108	12	12	12	12	11
Bangladesh	186	184	182	182	973	1,828
Cambodia	1,163	349	349	349	349	640
China	2,734	2,143	921	4,396	4,766	294
Indonesia	10,166	6,468	6,536	6,536	6,695	6,695
Kazakhstan	80	14	14	16	16	16
Kurdistan Region of Iraq	444	355	185	-	-	-
Myanmar	6,460	1,826	1,826	1,826	1,826	1,832
Partitioned Zone	1,361	681	681	681	681	681
Philippines	206	93	93	93	93	93
Thailand	9,696	3,892	3,908	4,118	6,344	6,388
Turkey	-	-	-	2,781	2,781	125
Vietnam	791	339	339	339	684	684
<b>Total Asia</b>	<b>33,395</b>	<b>16,356</b>	<b>15,046</b>	<b>21,329</b>	<b>25,220</b>	<b>19,287</b>
<b>Total Australia</b>	<b>20,330</b>	<b>13,891</b>	<b>5,967</b>	<b>6,304</b>	<b>7,323</b>	<b>8,660</b>
<b>Europe</b>						
Denmark	406	49	50	63	63	63
Netherlands	68	26	30	26	22	21
Norway	1,340	523	526	526	541	609
Poland	1,085	1,085	1,085	1,085	1,085	790
Romania	2,239	2,239	2,239	1,569	-	-
United Kingdom	556	196	349	476	831	962
<b>Total Europe</b>	<b>5,694</b>	<b>4,118</b>	<b>4,279</b>	<b>3,745</b>	<b>2,542</b>	<b>2,445</b>
<b>Total Consolidated Companies</b>	<b>120,100</b>	<b>70,342</b>	<b>56,937</b>	<b>62,460</b>	<b>66,099</b>	<b>60,839</b>
<b>Equity Share in Affiliates</b>						
Kazakhstan	380	190	190	190	304	304
Lithuania	394	197	197	-	-	-
Venezuela	423	145	145	145	145	100
<b>Total Equity Share in Affiliates</b>	<b>1,197</b>	<b>532</b>	<b>532</b>	<b>335</b>	<b>449</b>	<b>404</b>
<b>Total Worldwide</b>	<b>121,297</b>	<b>70,874</b>	<b>57,469</b>	<b>62,795</b>	<b>66,548</b>	<b>61,243</b>

<sup>1</sup> Table does not include mining acreage associated with synthetic oil production in Canada.

<sup>2</sup> Net acreage includes wholly owned interests and the sum of the company's fractional interests in gross acreage.

## Upstream Operating Data

### Net Wells Completed<sup>1</sup>

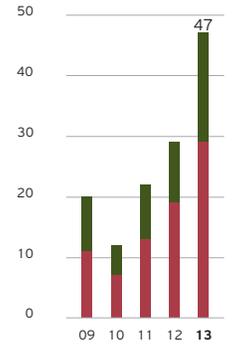
	Year ended December 31									
	2013		2012		2011		2010		2009	
	Productive	Dry	Productive	Dry	Productive	Dry	Productive	Dry	Productive	Dry
<b>Consolidated Companies</b>										
<b>United States</b>										
Exploratory	17	2	4	-	5	1	1	1	4	5
Development	1,101	4	941	6	909	9	634	7	582	3
<b>Total United States</b>	<b>1,118</b>	<b>6</b>	<b>945</b>	<b>6</b>	<b>914</b>	<b>10</b>	<b>635</b>	<b>8</b>	<b>586</b>	<b>8</b>
<b>Other Americas</b>										
Exploratory	12	2	8	-	1	-	-	1	1	2
Development	127	-	50	-	37	-	32	-	36	-
<b>Total Other Americas</b>	<b>139</b>	<b>2</b>	<b>58</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>32</b>	<b>1</b>	<b>37</b>	<b>2</b>
<b>Africa</b>										
Exploratory	-	-	1	2	1	-	1	-	2	1
Development	20	1	23	-	29	-	33	-	40	-
<b>Total Africa</b>	<b>20</b>	<b>1</b>	<b>24</b>	<b>2</b>	<b>30</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>42</b>	<b>1</b>
<b>Asia</b>										
Exploratory	13	4	12	3	10	1	5	5	9	1
Development <sup>2</sup>	535	5	566	6	549	6	445	15	580	10
<b>Total Asia</b>	<b>548</b>	<b>9</b>	<b>578</b>	<b>9</b>	<b>559</b>	<b>7</b>	<b>450</b>	<b>20</b>	<b>589</b>	<b>11</b>
<b>Australia</b>										
Exploratory	3	-	3	-	4	1	5	2	4	2
Development	-	-	-	-	-	-	-	-	-	-
<b>Total Australia</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>2</b>
<b>Europe</b>										
Exploratory	2	2	1	2	-	1	-	-	-	-
Development	3	-	9	-	6	-	4	-	7	-
<b>Total Europe</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>-</b>	<b>7</b>	<b>-</b>
<b>Total Consolidated Companies</b>	<b>1,833</b>	<b>20</b>	<b>1,618</b>	<b>19</b>	<b>1,551</b>	<b>19</b>	<b>1,160</b>	<b>31</b>	<b>1,265</b>	<b>24</b>
<b>Equity Share in Affiliates</b>										
Exploratory	-	-	-	-	1	-	-	-	-	-
Development	25	-	26	-	25	-	8	-	6	-
<b>Total Equity Share in Affiliates</b>	<b>25</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>6</b>	<b>-</b>
<b>Total Worldwide</b>	<b>1,858</b>	<b>20</b>	<b>1,644</b>	<b>19</b>	<b>1,577</b>	<b>19</b>	<b>1,168</b>	<b>31</b>	<b>1,271</b>	<b>24</b>

<sup>1</sup> Net Wells Completed includes wholly owned wells and the sum of the company's fractional interests in jointly owned wells completed during the year, regardless of when drilling was initiated. Completion refers to the installation of permanent equipment for the production of crude oil or natural gas or, in the case of a dry well, the reporting of abandonment to the appropriate agency. Some exploratory wells are not drilled with the intention of producing from the well bore. In such cases, "completion" refers to the completion of drilling. Further categorization of productive or dry is based on the determination as to whether hydrocarbons in a sufficient quantity were found to justify completion as a producing well, whether or not the well is actually going to be completed as a producer.

<sup>2</sup> 2012 and 2011 conformed to 2013 presentation.

### Net Productive Exploratory Wells Completed

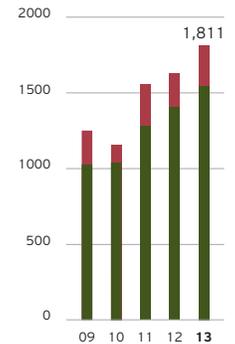
Number of wells



■ Crude Oil  
■ Natural Gas

### Net Productive Development Wells Completed

Number of wells



■ Natural Gas  
■ Crude Oil

### Net Productive Wells<sup>1,2</sup>

	At December 31				
	2013	2012	2011	2010	2009
<b>Consolidated Companies</b>					
<b>United States</b>					
Oil	33,068	32,758	32,368	32,462	32,720
Gas	7,740	7,737	7,671	5,720	5,671
<b>Total United States</b>	<b>40,808</b>	<b>40,495</b>	<b>40,039</b>	<b>38,182</b>	<b>38,391</b>
<b>International</b>					
Oil	13,776	13,299	12,802	12,495	10,873
Gas	2,051	2,018	2,208	2,000	2,061
<b>Total International</b>	<b>15,827</b>	<b>15,317</b>	<b>15,010</b>	<b>14,495</b>	<b>12,934</b>
<b>Total Consolidated Companies</b>	<b>56,635</b>	<b>55,812</b>	<b>55,049</b>	<b>52,677</b>	<b>51,325</b>
<b>Equity Share in Affiliates</b>					
Oil	476	456	434	404	403
Gas	2	2	2	2	2
<b>Total Equity Share in Affiliates</b>	<b>478</b>	<b>458</b>	<b>436</b>	<b>406</b>	<b>405</b>
<b>Total Worldwide</b>	<b>57,113</b>	<b>56,270</b>	<b>55,485</b>	<b>53,083</b>	<b>51,730</b>

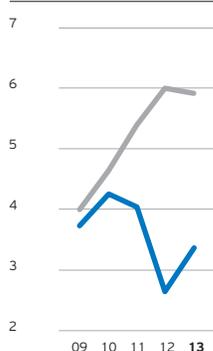
<sup>1</sup> Net Productive Wells includes wholly owned wells and the sum of the company's fractional interests in wells completed in jointly owned operations.

<sup>2</sup> Includes wells producing or capable of producing and injection wells temporarily functioning as producing wells. Wells that produce both crude oil and natural gas are classified as oil wells.

## Upstream Operating Data

### Natural Gas Realizations

Dollars per thousand cubic feet

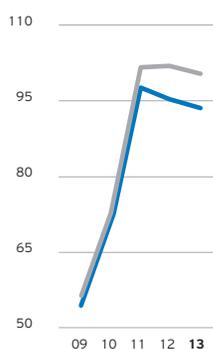


■ International\*  
■ United States

\*Includes equity share in affiliates.

### Liquids Realizations

Dollars per barrel



■ International\*  
■ United States

\*Includes equity share in affiliates.

### Natural Gas Realizations\*

Dollars per thousand cubic feet	Year ended December 31				
	2013	2012	2011	2010	2009
United States	\$ 3.37	\$ 2.64	\$ 4.04	\$ 4.26	\$ 3.73
International	5.91	5.99	5.39	4.64	4.01

\* U.S. natural gas realizations are based on revenues from net production. International natural gas realizations are based on revenues from liftings and include equity share in affiliates.

### Liquids Realizations\*

Dollars per barrel	Year ended December 31				
	2013	2012	2011	2010	2009
United States	\$ 93.46	\$ 95.21	\$ 97.51	\$ 71.59	\$ 54.36
International	100.26	101.88	101.53	72.68	55.97

\* U.S. liquids realizations are based on revenues from net production and include intercompany sales at transfer prices that are at estimated market prices. International liquids realizations are based on revenues from liftings and include equity share in affiliates.

### Natural Gas Sales\*

Millions of cubic feet per day	Year ended December 31				
	2013	2012	2011	2010	2009
United States	5,483	5,470	5,836	5,932	5,901
International	4,251	4,315	4,361	4,493	4,062
<b>Total</b>	<b>9,734</b>	<b>9,785</b>	<b>10,197</b>	<b>10,425</b>	<b>9,963</b>

\* International sales include equity share in affiliates.

### Natural Gas Liquids Sales\*

Thousands of barrels per day	Year ended December 31				
	2013	2012	2011	2010	2009
United States	17	16	15	22	17
International	26	24	24	27	23
<b>Total</b>	<b>43</b>	<b>40</b>	<b>39</b>	<b>49</b>	<b>40</b>

\* International sales include equity share in affiliates.

### Exploration and Development Costs<sup>1</sup>

Millions of dollars	Year ended December 31				
	2013	2012	2011	2010	2009
<b>United States</b>					
Exploration	\$ 894	\$ 511	\$ 506	\$ 287	\$ 576
Development	7,457	6,597	5,517	4,446	3,338
<b>Other Americas</b>					
Exploration	627	362	175	203	286
Development	2,306	1,211	1,537	1,611	1,515
<b>Africa</b>					
Exploration	340	321	252	236	346
Development	3,549	3,118	2,698	2,985	3,426
<b>Asia</b>					
Exploration	601	558	334	320	154
Development	4,907	3,797	2,867	3,325	2,698
<b>Australia</b>					
Exploration	415	434	336	396	419
Development <sup>2</sup>	6,611	5,379	2,638	2,623	565
<b>Europe</b>					
Exploration	309	253	309	136	143
Development	1,046	753	633	411	285
<b>Total Consolidated Companies</b>					
Exploration	\$ 3,186	\$ 2,439	\$ 1,912	\$ 1,578	\$ 1,924
Development	25,876	20,855	15,890	15,401	11,827

<sup>1</sup> Consolidated companies only. Excludes costs of property acquisitions.

<sup>2</sup> 2012 conformed to 2013 presentation.

# Downstream

Deliver competitive returns and grow earnings across the value chain.



**Photo:** Construction advanced during 2013 on the 25,000-barrel-per-day premium base-oil facility at the company's Pascagoula, Mississippi, refinery.

## Highlights

The company has a strong presence in all aspects of the downstream industry – refining, marketing, trading and transporting of hydrocarbon products and petrochemicals. As such, Downstream is an important element of Chevron's integrated value chain to obtain higher value for equity production.

### Business Strategies

Deliver competitive returns and grow earnings across the value chain by:

- Achieving world-class operational excellence.
- Continually improving execution of base business.
- Driving earnings across the crude-to-customer value chain.
- Pursuing targeted growth opportunities.
- Adding value to the upstream business.

The focus on operational excellence drives improved reliability and enhanced safety performance, which are fundamental to the company's competitive position and success. For the base business, the company continues to seek top-tier returns and cost efficiencies, invest in efficient systems, and execute capital projects with excellence. Efforts to drive earnings across the value chain include aligning its highest-return markets and sales channels with its manufacturing assets and utilizing technology capability. The company is selectively pursuing growth opportunities in petrochemicals, additives and lubricants, as well as fuels in Asia. Chevron remains committed to the downstream business because of the benefits of integration in five broad areas: commercial support, new market development, processing of equity crudes, transfer of technology and organizational capability.

### 2013 Accomplishments

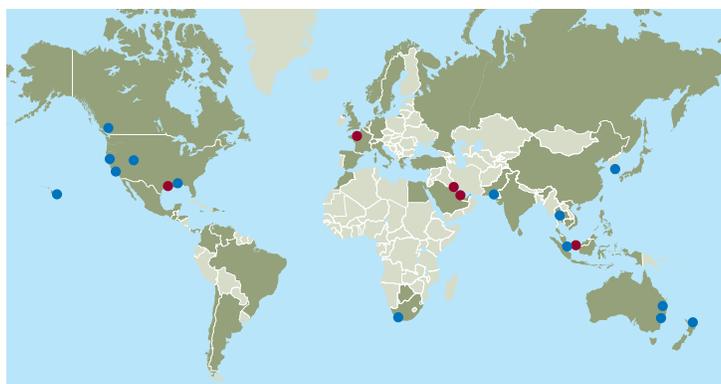
- Achieved world-class safety performance for the downstream business in the days-away-from-work metric.
- Reported net income of \$2.2 billion, including strong financial performance in the chemicals business.
- Started commercial operations of a 53,000-barrel-per-day gas-oil fluid catalytic cracking unit at the 50 percent-owned Yeosu Refinery in South Korea.
- Progressed construction on a 25,000-barrel-per-day premium base-oil plant at the Pascagoula, Mississippi, refinery in the United States.
- Progressed construction of a 1-hexene plant with a design capacity of 250,000 metric tons per year in Texas (50 percent-owned).
- Commenced expansion of annual ethylene production by 90,000 metric tons at the Sweeny complex in Texas (50 percent-owned).
- Announced final investment decision on a \$6 billion petrochemicals project consisting of an ethane cracker with an annual design capacity of 1.5 million metric tons of ethylene and two 500,000-metric-ton-per-year polyethylene units in Texas (all 50 percent-owned).
- Progressed expansions of the existing additives manufacturing plants in Singapore and in Gonfreville, France.

### 2014 Outlook

In expectation of ongoing challenging industry conditions, the downstream business will continue to focus on delivering competitive returns and growing earnings across the value chain. Key objectives include the following:

- Continue to improve safety and refinery reliability.
- Advance projects that improve refinery feedstock flexibility, high-value product yield and energy efficiency.
- Advance projects in the chemicals and base-oil manufacturing businesses that add capacity to serve key markets.
- Continue to reposition the business toward higher growth and higher-margin products.

Downstream Overview



● Refinery ● Major Chemical Manufacturing Facility

### Downstream Financial and Operating Highlights

(Includes equity share in affiliates)

Dollars in millions

	2013	2012
Earnings	\$ 2,237	\$ 4,299
Refinery crude oil inputs (Thousands of barrels per day)	1,638	1,702
Refinery capacity at year-end (Thousands of barrels per day)	1,960	1,953
U.S. gasoline and jet fuel yields (Percent of U.S. refinery production)	64%	66%
Refined product sales (Thousands of barrels per day)	2,711	2,765
Motor gasoline sales (Thousands of barrels per day)	1,011	1,036
Natural gas liquids (NGLs) sales (Thousands of barrels per day)	187	205
Number of marketing retail outlets at December 31	16,634	16,769
Capital expenditures	\$ 3,175	\$ 3,172

## Refining and Marketing

The company's refining and marketing activities are coordinated by two geographic businesses, Americas Products and International Products, each focused on optimizing the fuels value chain from crude to customer. The activities of each business include securing raw materials, manufacturing and blending products at its refineries, and selling finished products through its marketing and commercial networks. The company has complex refining assets concentrated in North America, Asia-Pacific and South Africa.

### Americas Products

The business serves commercial and industrial, wholesale, aviation, and retail customers in Canada, Latin America and the United States through the world-class Chevron and Texaco brands.

The Americas Products portfolio includes six wholly owned refineries in North America with a crude capacity of approximately 1 million barrels per day. Many of these refineries have large hydro-processing units that provide the flexibility to process a wide range of feedstocks into clean, high-value products.

The company serves customers at approximately 8,900 Chevron and Texaco-branded retail outlets in Canada, Latin America and the United States. This network of service stations is supported and served by approximately 50 proprietary fuel terminals. During 2013, the business sold a daily average of approximately 1.4 million barrels of gasoline and other refined products. Chevron continues to leverage its proprietary technology incorporating Techron in these markets in order to maintain a leading position in branded fuels. In addition, commercial aviation fuel is marketed at approximately 50 airports across Canada, Latin America and the United States.

### Selectively Improving Refining Flexibility and Yield

During 2013, the company continued work on projects to improve refinery flexibility and enhance the capability to process lower-cost feedstocks. In early 2013, start-up was achieved on a project at the Pascagoula, Mississippi, refinery that provides additional flexibility to process a broader range of crudes. A project to improve the flexibility at the Salt Lake City, Utah, refinery is scheduled to be completed by mid-2014.

In 2013, the company continued work at the Pascagoula Refinery on a premium base-oil facility. For additional details about this project, refer to the Lubricants section on page 46.

Also in 2013, the company benefited from improved access to rail infrastructure. This has enabled the company to process larger quantities of lower-cost North American light sweet crudes at the refinery in Burnaby, Canada. The company's refineries in Pascagoula and Salt Lake City have also been able to process low-cost feedstocks from the midcontinent region of the United States.

### Creating a Focused Marketing Portfolio

Through targeted market exits and divestitures, the company continues to align its portfolio and focus its operations on its areas of manufacturing strength and to concentrate resources on the core elements of its refining and marketing operations.

Part of this asset rationalization has been focused on terminal operations. In April 2013, the company completed the sale of its Jacksonville, Florida, terminal. In 2014, the company is expected to complete the sale of two additional terminals, one in the United States and one in Latin America.

In select markets of the western, southeastern and Gulf Coast regions of the United States, the company enjoys leading market positions and continues to capture opportunities to grow market share of motor gasoline and diesel fuel under the premium Chevron and Texaco brands. In 2013, the company completed the rollout of a loyalty program with a leading grocery chain. This, coupled with the company's growth strategy, has helped enable Chevron to maintain the No. 1 market position on the West Coast.

### International Products

The business provides premium quality Caltex-branded fuel products to commercial and industrial, wholesale, aviation, and retail customers in Africa, the Middle East and the Asia-Pacific region.

The International Products portfolio includes eight refineries and is anchored by its refineries in Thailand and South Africa and by three large affiliates in South Korea, Australia and Singapore. The company has complex refining assets, which are well positioned to supply expected growth in the Asia-Pacific region. The refinery network, including the company's share of affiliates, has a crude capacity of approximately 1 million barrels per day.

Through a network of more than 60 fuel terminals, the company and its affiliates serve customers at approximately 7,700 Caltex-branded retail outlets in Africa and the Asia-Pacific region. The business sold a daily average of 1.3 million barrels of gasoline and other refined products during 2013. Chevron continues to leverage its proprietary technology incorporating Techron in these markets in order to maintain a leading position in branded fuels. In addition, commercial aviation fuel is marketed at approximately 70 airports across these markets.

### Selectively Improving Refining Flexibility and Yield

GS Caltex, a 50 percent-owned affiliate, started commercial operations of a 53,000-barrel-per-day gas-oil fluid catalytic cracking unit at the Yeosu Refinery in South Korea in second quarter 2013. The unit is designed to increase high-value product yield and lower feedstock costs. This enhancement follows the 2010 completion of a 60,000-barrel-per-day heavy oil hydrocracker and further strengthens the competitiveness and world-class performance of the Yeosu Refinery.



Photo: Yeosu Refinery in South Korea.

The company's 64 percent-owned refinery in Map Ta Phut, Thailand, continues to be a performance leader in the Thailand market. In 2013, Caltex Australia Ltd., a 50 percent-owned affiliate, progressed plans to convert the Kurnell, Australia, refinery to an import terminal in 2014. In February 2014, Singapore Refining Company, Chevron's 50 percent-owned joint venture, reached a final investment decision to install a gasoline clean fuels facility and cogeneration plant. Addition of the facilities is expected to increase the refinery's capability to produce higher value gasoline and improve energy efficiency.

### Creating a Focused Marketing Portfolio

The company continues to more closely align its marketing portfolio with its refining system and expand in selected growth markets, with the addition of more than 50 sites across Asia-Pacific and South Africa in 2013. In addition, the company converted more than 160 company-owned, retailer-operated service stations into retailer-owned, retailer-operated sites operating under the Caltex brand. The majority of the retail network operates under the retailer-owned, retailer-operated model. Rollout of partnerships with several Asian and South African convenience store and fast-food partners continued in 2013.



Photo: Caltex retail station.

## Lubricants

Chevron is among the leading global developers and marketers of lubricants and is a top supplier of premium base oil worldwide. The company provides premium lubricants products to meet the needs of commercial, industrial, consumer and marine customers. Lubricants and coolants are produced and marketed through the Havoline, Delo, Ursa, Meropa, Rando, Clarity and Taro product lines under three brands: Chevron, Texaco and Caltex.

Chevron enables its customers to optimize formulations worldwide by providing a global product slate of premium base oils. Chevron's global supply network includes base-oil facilities at the Richmond, California, and Yeosu refineries, 18 equity-blending facilities, multiple contract-blending facilities, and distribution hubs. The company is well positioned to supply markets around the world and consistently meet customer needs safely and reliably. Chevron is developing products to meet existing and future demand through strategic partnerships with original equipment manufacturers and advanced research at technology centers in the United States, Belgium and Singapore.

### Expanding in Key Growth Markets

In 2013, Lubricants secured new customers in key growth segments, including fleet owner/operators, marine new builds, construction, mining, power generation and oil and gas, as well as with large-scale original equipment manufacturers and motor vehicle makers.

The focus continues to be on key growth markets in the Asia-Pacific and Americas regions, as well as on building distribution channels and growing the marketer network worldwide. For example, in 2013, Chevron completed investments that doubled the lubricant plant capacity in Tianjin, China.

Construction advanced during 2013 on the 25,000-barrel-per-day premium base-oil facility at the company's Pascagoula, Mississippi, refinery. Mechanical completion of the plant is expected in second quarter 2014 and ramp up to full production is planned for mid-year. With this addition, Chevron's worldwide base-oil production capacity increases to about 60,000 barrels per day, which positions the company as the worldwide industry leader in premium base-oil production.



Photo: Premium base-oil plant in Pascagoula, Mississippi.

## Supply and Trading

The supply and trading operation supports Chevron's global supply chain by maximizing the company's equity crude oil revenues, reducing the raw material and transportation costs in the downstream business, optimizing product sales through trade channels, and managing the market risks associated with holding physical positions in crude and finished products. These activities include optimizing the supply of crude and other raw materials to Chevron's refining network and integrating equity crude oil from Chevron's upstream operations. In addition, the company markets crude oil from upstream operations to third parties and supplies finished products to serve Chevron's marketing system. Chevron handles more than 400 different grades of crude oil and petroleum products and manages nearly 5 million barrels per day of these commodity transactions.

## Chemicals

The company's chemical activities are divided into two businesses, Chevron Phillips Chemical Company (CPChem) and Chevron Oronite Company (Oronite).

### CPChem

CPChem is a 50 percent-owned affiliate. It is one of the world's leading producers of olefins, polyolefins and alpha olefins and is a leading supplier of aromatics and polyethylene pipe, in addition to participating in the specialty chemical and specialty plastics markets. At year-end 2013, CPChem had 35 manufacturing facilities and two research and development centers around the world.

#### Leveraging Advantaged Feedstock Position

During 2013, flexible feedstock capability in the United States allowed CPChem to capitalize on low input costs, which contributed to increased profit margins.

CPChem progressed construction of a 1-hexene plant at the company's Cedar Bayou facility in Baytown, Texas, with a design capacity of 250,000 metric tons per year. Start-up is expected in second quarter 2014. The plant, utilizing CPChem's proprietary 1-hexene technology, is expected to be the largest plant of its kind in the world.



Photo: CPChem 1-hexene plant in Baytown, Texas.

Construction has begun on a 90,000-metric-ton-per-year expansion of ethylene production at its Sweeny complex located in Old Ocean, Texas. Start-up is expected in third quarter 2014.

In October 2013, CPChem announced a final investment decision on its U.S. Gulf Coast Petrochemicals Project, which is expected to capitalize on advantaged feedstock sourced from shale gas development in North America. The \$6 billion project includes an ethane cracker with an annual design capacity of 1.5 million metric tons of ethylene at the Cedar Bayou facility and two polyethylene units to be located in Old Ocean, Texas, each with an annual design capacity of 500,000 metric tons. Start-up is expected in 2017.

For more information on CPChem, refer to its website at [www.cpchem.com](http://www.cpchem.com).

### Oronite

Oronite is a world-leading developer, manufacturer and marketer of quality additives that improve the performance of lubricants and fuels. As an industry leader, Oronite conducts research and development for additive component and blended packages to meet the needs of increasingly demanding engine and equipment performance as well as regulatory requirements. At year-end 2013, Oronite manufactured, blended or conducted research and development at 10 locations around the world.

Oronite lubricant additives are blended with refined base oils to produce finished lubricants used primarily in engine applications, including passenger cars, heavy-duty diesel trucks, buses, ships, locomotives and motorcycles. Typically, several additive components, such as dispersants, detergents, inhibitors and viscosity-index improvers, are combined to meet desired performance specifications. Specialty additives are also marketed for other oil applications, including power transmission fluids and hydraulic oils.

Oronite fuel additives are used to improve engine performance and extend engine life. The main additive applications are for blended gasoline and gasoline aftermarket products. Many fuel additive packages are unique and blended specifically to individual customer specifications, the most recognized being the additive package branded as Tychron and used exclusively in Chevron, Texaco and Caltex fuels, as well as in Tychron Concentrate Plus fuel system cleaner. Fuel performance standards vary for customers throughout the world, and specific packages are tailored for each region's markets.

#### Expanding in Key Growth Markets

With its broad global manufacturing coverage and versatile cross-continent supply network, Oronite has a strong foundation to support long-term global growth. In particular, with the majority of global volume growth expected in Asia, Oronite is well-positioned as the largest additive manufacturer on the continent with its Singapore plant. In 2013, to further position itself for future growth, Oronite continued to progress expansion projects at both the Singapore plant and at its world-scale plant in Gonfreville, France.

Oronite's largest project - expanding the manufacturing capacity and blending and shipping capability and improving the overall infrastructure of its Singapore plant - is nearing completion and is expected to begin commercial operations by third quarter 2014. Upon start-up, the plant is expected to double its capacity since it was commissioned in 1999. In Gonfreville, a project to expand dispersant production by more than 25 percent was completed in third quarter 2013, and a project to effectively double detergent capacity began construction with expected completion in late 2014.



Photo: Oronite plant in Singapore.

## Transportation

The company's transportation businesses, including pipeline and shipping operations, are responsible for transporting a variety of products to customers worldwide. Transportation activities are aligned with the needs of the upstream, refining and marketing businesses.

### Pipeline

Chevron owns and operates an extensive network of crude oil, natural gas, NGLs, refined product and chemical pipelines and other infrastructure assets in the United States. The company also has direct and indirect interests in other U.S. and international pipelines.

In June 2013, the company completed the sale of the 100 percent-owned and operated Northwest Products System.

In the U.S. Gulf of Mexico, Chevron is leading the construction of a 136-mile (219-km), 24-inch (61-cm) crude oil pipeline from the planned Jack/St. Malo deep-water production facility to a platform in Green Canyon Block 19 on the U.S. Gulf of Mexico shelf, where there is an interconnect to pipelines that deliver crude oil into Texas and Louisiana. In early 2014, the company completed laying the pipe, which included the installation of two subsea connections for future tie-ins. All remaining work on the pipeline is expected to be completed by start-up of the production facility in late 2014.

Refer to pages 23, 25, 26 and 27 in the Upstream section for information on the Chad/Cameroon pipeline, the West African Gas Pipeline, the Baku-Tbilisi-Ceyhan Pipeline, the Western Route Export Pipeline and the Caspian Pipeline Consortium (CPC).



— Crude Oil — Natural Gas — Products (Including LPG) — Carbon Dioxide

Includes pipelines owned by Upstream but operated by the pipeline business. Interest in each pipeline is 100% unless otherwise noted.

porting crude oil from the Middle East, Southeast Asia, the Black Sea, South America, Mexico and West Africa to ports in the United States, Europe, Australia and Asia, as well as refined products and feedstocks to and from various locations worldwide.

The company also owns a one-sixth interest in each of seven liquefied natural gas (LNG) carriers, transporting cargoes for the North West Shelf Venture in Australia.

During 2013, the company managed approximately 2,100 deep-sea tanker voyages on behalf of Chevron and its affiliates, using a combination of single-voyage, short-term and medium-term charters and company-owned or bareboat-chartered vessels. In 2013, the company took delivery of two vessels that included one bareboat charter VLCC and a dynamically positioned shuttle tanker. Progress continued on contracts in place for bareboat charters and new builds, to modernize the fleet and increase LNG coverage.



**Photo:** The *Brasil Voyager*, a dynamically-positioned shuttle tanker, was delivered in 2013 and is used to transport crude oil from the Papa-Terra Field, offshore Brazil.

Net Pipeline Mileage <sup>1,2</sup>	At December 31
(Includes equity share in affiliates)	<b>2013</b>
<b>Crude Oil Lines</b>	
United States	<b>1,883</b>
International	<b>667</b>
<b>Total Crude Oil Lines</b>	<b>2,550</b>
<b>Natural Gas Lines</b>	
United States	<b>2,638</b>
International	<b>199</b>
<b>Total Natural Gas Lines</b>	<b>2,837</b>
<b>Product Lines</b>	
United States	<b>4,395</b>
International	<b>290</b>
<b>Total Product Lines</b>	<b>4,685</b>
<b>Total Net Pipeline Mileage</b>	<b>10,072</b>

<sup>1</sup> Partially owned pipelines are included at the company's equity percentage of total pipeline mileage.  
<sup>2</sup> Excludes gathering pipelines relating to the crude oil and natural gas production function.

### Shipping

The company's marine fleet includes both U.S.- and foreign-flagged vessels. The U.S.-flagged vessels are engaged in transporting refined products, primarily in the coastal waters of the United States. The foreign-flagged vessels are engaged primarily in trans-

In addition to providing marine transportation services, the company is staffed with a team of marine technical and operational professionals who are responsible for managing marine risk across the company, assisting with marine project conceptual and feasibility studies, conducting marine project engineering and design work, and providing marine project construction support.

## Downstream Operating Data

### Refinery Crude Distillation Utilization

(Includes equity share in affiliates)

Percentage of average capacity	Year ended December 31				
	2013	2012	2011	2010	2009
United States	81.1	87.2	89.3	94.6	95.5
Africa-Pakistan	71.0	71.5	69.9	63.6	63.9
Asia-Pacific <sup>1</sup>	88.6	91.8	90.3	92.0	87.5
Europe <sup>2</sup>	-	-	99.9	100.5	97.4
Other	76.3	89.3	77.4	72.8	88.6
Worldwide	83.5	88.2	88.9	91.9	90.8

<sup>1</sup> As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis.

<sup>2</sup> Chevron completed the sale of the Pembroke, United Kingdom, refinery in August 2011.

### Sources of Crude Oil Input for Worldwide Refineries\*

(Consolidated)

Percentage of total input	Year ended December 31				
	2013	2012	2011	2010	2009
Middle East	36.2	31.7	26.7	24.2	26.7
South America	18.5	23.1	21.0	16.7	16.1
United States	17.7	18.0	12.1	12.1	11.4
Mexico	10.0	9.1	12.0	11.4	15.8
Africa	7.4	7.0	7.4	9.4	6.5
Asia-Pacific	4.6	4.5	3.9	4.2	4.4
Other	5.6	6.6	16.9	22.0	19.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis.

### Worldwide Refinery Production of Finished Products\*

(Consolidated)

Thousands of barrels per day	Year ended December 31				
	2013	2012	2011	2010	2009
Gasoline	477	479	508	579	614
Gas oil	273	260	259	293	290
Jet fuel	201	216	226	232	238
Fuel oil	75	51	52	81	86
Other	129	127	123	133	135
<b>Total</b>	<b>1,155</b>	<b>1,133</b>	<b>1,168</b>	<b>1,318</b>	<b>1,363</b>

\* As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis.

### Sources of Crude Oil Input for U.S. Refineries

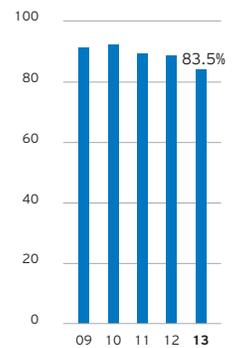
Percentage of total input	Year ended December 31				
	2013	2012	2011	2010	2009
Middle East	27.8	26.9	28.9	28.8	30.8
South America	25.2	29.3	26.9	23.2	21.4
United States - excluding Alaska North Slope	18.1	17.4	10.1	8.7	8.6
United States - Alaska North Slope	6.0	5.4	5.4	7.7	6.7
Mexico	13.6	11.6	15.4	15.6	21.0
Asia-Pacific	5.0	4.2	5.0	5.7	5.9
Africa	2.3	2.8	4.2	6.3	3.2
Other	2.0	2.4	4.1	4.0	2.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### U.S. Refinery Production of Finished Products

Thousands of barrels per day	Year ended December 31				
	2013	2012	2011	2010	2009
Gasoline	387	403	399	417	446
Gas oil	166	178	180	187	185
Jet fuel	172	192	197	194	195
Fuel oil	46	30	28	43	46
Other	97	103	113	115	118
<b>Total</b>	<b>868</b>	<b>906</b>	<b>917</b>	<b>956</b>	<b>990</b>

### Worldwide Refinery Utilization\*

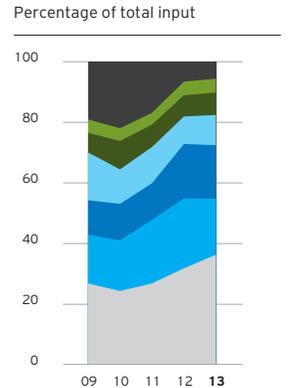
Percent of average capacity



\*Includes equity share in affiliates.

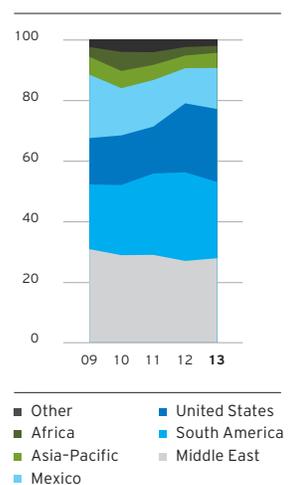
### Sources of Crude Oil Input for Worldwide Refineries (Consolidated)

Percentage of total input



### Sources of Crude Oil Input for U.S. Refineries

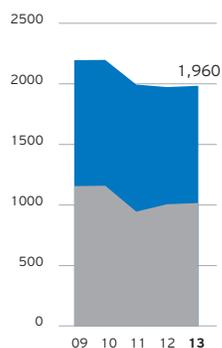
Percentage of total input



## Downstream Operating Data

### Refinery Capacity at December 31

Thousands of barrels per day

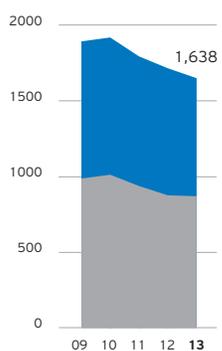


■ United States  
■ International\*

\*Includes equity share in affiliates.

### Refinery Crude Oil Inputs

Thousands of barrels per day



■ United States  
■ International\*

\*Includes equity share in affiliates.

### Refining Capacities and Crude Oil Inputs

Year ended December 31

Thousands of barrels per day	Refinery Capacity		Refinery Inputs			
	At December 31, 2013	2013	2012	2011	2010	2009
<b>United States - Consolidated</b>						
El Segundo, California	269	235	265	244	250	247
Kapolei, Hawaii	54	39	46	47	46	49
Pascagoula, Mississippi	330	304	335	327	325	345
Richmond, California	257	153	142	192	228	218
Salt Lake City, Utah	45	43	45	44	41	40
<b>Total United States - Consolidated</b>	<b>955</b>	<b>774</b>	<b>833</b>	<b>854</b>	<b>890</b>	<b>899</b>
<b>International - Consolidated</b>						
Canada - Burnaby, British Columbia	55	42	49	43	40	49
South Africa - Cape Town <sup>1</sup>	110	78	79	77	70	72
Thailand - Map Ta Phut (64% interest) <sup>2</sup>	165	161	95	-	-	-
United Kingdom - Pembroke <sup>3</sup>	-	-	-	122	211	205
<b>Total International - Consolidated</b>	<b>330</b>	<b>281</b>	<b>223</b>	<b>242</b>	<b>321</b>	<b>326</b>
<b>International - Equity Shares in Affiliates</b>						
Australia - Lytton (50%)	54	44	46	43	40	40
Australia - Kurnell (50%)	68	56	54	48	53	56
Kenya - Mombasa (16%) <sup>4</sup>	-	-	-	-	-	3
Martinique - Fort-de-France (11.5%) <sup>5</sup>	-	-	-	1	2	1
New Zealand - Whangarei (12.7%)	14	14	13	14	13	12
Pakistan - Karachi (12%)	6	4	4	4	4	5
Singapore - Pulau Merlimau (50%)	145	114	128	128	119	113
South Korea - Yeosu (50%)	388	351	359	355	351	327
Thailand - Map Ta Phut (64% interest) <sup>2</sup>	-	-	42	98	101	96
<b>Total International - Equity Shares in Affiliates</b>	<b>675</b>	<b>583</b>	<b>646</b>	<b>691</b>	<b>683</b>	<b>653</b>
<b>Total International</b>	<b>1,005</b>	<b>864</b>	<b>869</b>	<b>933</b>	<b>1,004</b>	<b>979</b>
<b>Total Worldwide</b>	<b>1,960</b>	<b>1,638</b>	<b>1,702</b>	<b>1,787</b>	<b>1,894</b>	<b>1,878</b>

<sup>1</sup> Chevron holds a controlling interest in the shares issued by Chevron South Africa (Pty) Limited, which owns the Cape Town Refinery. A consortium of South African partners owns preferred shares ultimately convertible to a 25 percent equity interest in Chevron South Africa (Pty) Limited.

<sup>2</sup> As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis. Prior to June 2012, crude-input volumes reflect a 64 percent equity interest.

<sup>3</sup> Chevron sold its interest in this refinery in August 2011.

<sup>4</sup> Chevron sold its ownership interest in Kenya Petroleum Refinery Ltd. in July 2009.

<sup>5</sup> Chevron sold its interest in this refinery in August 2011.

## Refining Capacity at Year-End 2013

Thousands of barrels per day	Chevron Share of Capacity <sup>1</sup>				
	Atmospheric Distillation <sup>2</sup>	Catalytic Cracking <sup>3</sup>	Hydro-cracking <sup>4</sup>	Residuum Conversion <sup>5</sup>	Lubricants <sup>6</sup>
<b>United States - Consolidated</b>					
El Segundo, California	269	65	46	68	-
Kapolei, Hawaii	54	21	-	-	-
Pascagoula, Mississippi	330	86	58	98	-
Richmond, California	257	80	151	-	20
Salt Lake City, Utah	45	13	-	7	-
<b>Total United States - Consolidated</b>	<b>955</b>	<b>265</b>	<b>255</b>	<b>173</b>	<b>20</b>
<b>International - Consolidated</b>					
Canada - Burnaby, British Columbia	55	17	-	-	-
South Africa - Cape Town <sup>7</sup>	110	22	-	11	-
Thailand - Map Ta Phut <sup>8,9</sup>	165	41	-	-	-
<b>Total International - Consolidated</b>	<b>330</b>	<b>80</b>	<b>-</b>	<b>11</b>	<b>-</b>
<b>International - Equity Shares in Affiliates</b>					
Australia - Lytton (50%) <sup>9</sup>	54	18	-	-	-
Australia - Kurnell (50%)	68	11	-	-	-
New Zealand - Whangarei (12.7%) <sup>9</sup>	14	-	4	-	-
Pakistan - Karachi (12%) <sup>9</sup>	6	-	-	-	-
Singapore - Pulau Merlimau (50%) <sup>9</sup>	145	23	17	16	-
South Korea - Yeosu (50%)	388	47	74	-	12
<b>Total International - Equity Shares in Affiliates</b>	<b>675</b>	<b>99</b>	<b>95</b>	<b>16</b>	<b>12</b>
<b>Total International</b>	<b>1,005</b>	<b>179</b>	<b>95</b>	<b>27</b>	<b>12</b>
<b>Total Worldwide</b>	<b>1,960</b>	<b>444</b>	<b>350</b>	<b>200</b>	<b>32</b>

<sup>1</sup> Capacities represent typical calendar-day processing rates for feedstocks to process units, determined over extended periods of time. Actual rates may vary depending on feedstock qualities, maintenance schedules and external factors.

<sup>2</sup> Atmospheric distillation is the first distillation cut. Crude oil is heated at atmospheric pressure and separates into a full boiling range of products, such as liquid petroleum gases, gasoline, naphtha, kerosene, gas oil and residuum.

<sup>3</sup> Catalytic cracking uses solid catalysts at high temperatures to produce gasoline and other lighter products from gas-oil feedstocks.

<sup>4</sup> Hydrocracking combines gas-oil feedstocks and hydrogen at high pressure and temperature in the presence of a solid catalyst to reduce impurities and produce lighter products, such as gasoline, diesel and jet fuel.

<sup>5</sup> Residuum conversion includes thermal cracking, visbreaking, coking and hydrocracking processes, which rely primarily on heat to convert heavy residuum feedstock to the maximum production of lighter boiling products.

<sup>6</sup> Lubricants capacity is based on dewaxed base-oil production.

<sup>7</sup> Chevron holds a controlling interest in the shares issued by Chevron South Africa (Pty) Limited, which owns the Cape Town Refinery. A consortium of South African partners owns preferred shares ultimately convertible to a 25 percent equity interest in Chevron South Africa (Pty) Limited.

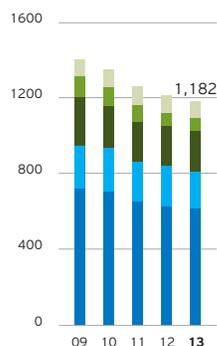
<sup>8</sup> The Map Ta Phut Refinery is reported on a 100 percent consolidated basis.

<sup>9</sup> Source: 2013 Oil & Gas Journal Refining Survey.

## Downstream Operating Data

### U.S. Refined Product Sales

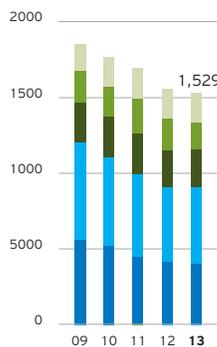
Thousands of barrels per day



■ Other  
■ Residual Fuel Oil  
■ Jet Fuel  
■ Gas Oil & Kerosene  
■ Gasoline

### International Refined Product Sales\*

Thousands of barrels per day

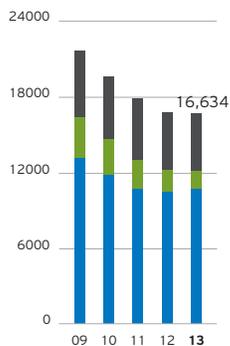


■ Other  
■ Residual Fuel Oil  
■ Jet Fuel  
■ Gas Oil & Kerosene  
■ Gasoline

\*Includes equity share in affiliates.

### Marketing Retail Outlets

Number of outlets



■ Affiliates  
■ Company  
■ Retailer

### Refined Product Sales

Thousands of barrels per day

	2013	2012	2011	2010	2009
<b>United States</b>					
Gasoline	613	624	649	700	720
Gas oil and kerosene	195	213	213	232	226
Jet fuel	215	212	209	223	254
Residual fuel oil	69	68	87	99	110
Other petroleum products <sup>1</sup>	90	94	99	95	93
<b>Total United States</b>	<b>1,182</b>	<b>1,211</b>	<b>1,257</b>	<b>1,349</b>	<b>1,403</b>
<b>International<sup>2,3</sup></b>					
Gasoline	398	412	447	521	555
Gas oil and kerosene	510	496	543	583	647
Jet fuel	245	243	269	271	264
Residual fuel oil	179	210	233	197	209
Other petroleum products	197	193	200	192	176
<b>Total International</b>	<b>1,529</b>	<b>1,554</b>	<b>1,692</b>	<b>1,764</b>	<b>1,851</b>
<b>Worldwide<sup>2,3</sup></b>					
Gasoline	1,011	1,036	1,096	1,221	1,275
Gas oil and kerosene	705	709	756	815	873
Jet fuel	460	455	478	494	518
Residual fuel oil	248	278	320	296	319
Other petroleum products	287	287	299	287	269
<b>Total Worldwide</b>	<b>2,711</b>	<b>2,765</b>	<b>2,949</b>	<b>3,113</b>	<b>3,254</b>

<sup>1</sup> Other petroleum products primarily include naphtha, lubricants, asphalt and coke.

<sup>2</sup> Includes share of equity affiliates' sales:

471 522 556 562 516

<sup>3</sup> As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis.

### Light Product Sales<sup>1,2</sup>

Thousands of barrels per day

	2013	2012	2011	2010	2009
<b>Sales Revenues</b> (Millions of dollars)					
United States	\$ 46,274	\$ 49,473	\$ 48,871	\$ 39,501	\$ 32,885
International <sup>3</sup>	41,308	41,358	47,691	43,252	39,674
<b>Total Sales Revenues</b>	<b>\$ 87,582</b>	<b>\$ 90,831</b>	<b>\$ 96,562</b>	<b>\$ 82,753</b>	<b>\$ 72,559</b>
<b>Sales Volumes</b> (Thousands of barrels per day)					
United States	1,023	1,049	1,071	1,155	1,200
International <sup>3</sup>	842	812	900	1,005	1,129
<b>Total Sales Volumes</b>	<b>1,865</b>	<b>1,861</b>	<b>1,971</b>	<b>2,160</b>	<b>2,329</b>

<sup>1</sup> Consolidated companies only.

<sup>2</sup> Light-product sales include motor gasoline, jet fuel, gas oils and kerosene.

<sup>3</sup> As of June 2012, the Map Ta Phut, Thailand, refinery is reported on a 100 percent consolidated basis.

### Marketing Retail Outlets<sup>1,2</sup>

Number of outlets

	2013		2012		2011		2010		2009	
	Company	Other								
United States	405	7,648	473	7,589	491	7,681	495	7,756	502	9,089
Canada	161	5	161	-	160	2	159	2	161	-
Europe	-	-	-	-	28	35	56	1,064	74	1,169
Latin America	76	627	97	587	336	835	496	863	541	841
Asia-Pacific	343	1,439	495	1,315	672	1,311	865	1,264	1,031	1,188
Africa-Pakistan	418	1,003	460	971	589	857	790	828	930	824
<b>Total</b>	<b>1,403</b>	<b>10,722</b>	<b>1,686</b>	<b>10,462</b>	<b>2,276</b>	<b>10,721</b>	<b>2,861</b>	<b>11,777</b>	<b>3,239</b>	<b>13,111</b>

<sup>1</sup> Excludes outlets of equity affiliates totaling 4,509, 4,621, 4,834, 4,909 and 5,224 for 2013, 2012, 2011, 2010 and 2009, respectively.

<sup>2</sup> Company outlets are motor vehicle outlets that are company owned or leased. These outlets may be either company operated or leased to a dealer. Other outlets consist of all remaining branded outlets that are owned by others and supplied with branded products.

CPChem Plant Capacities and Products at Year-End 2013<sup>1</sup>

Millions of pounds per year	CPChem Share of Capacity by Product <sup>2</sup>							
	Benzene	Cyclohexane	Ethylene	Normal Alpha Olefins	Polyethylene	Propylene	Styrene	Other <sup>3</sup>
<b>United States - Wholly Owned</b>								
Baytown Texas (Cedar Bayou)	-	-	1,840	1,565	2,165	1,030	-	✓
Borger, Texas	-	-	-	-	-	-	-	✓
Conroe Texas	-	-	-	-	-	-	-	✓
La Porte, Texas	-	-	-	-	-	-	-	✓
Old Ocean, Texas (Sweeny)	-	-	4,110	-	-	870	-	-
Orange, Texas	-	-	-	-	970	-	-	-
Pasadena, Texas	-	-	-	-	2,180	-	-	✓
Pascagoula, Mississippi	1,600	-	-	-	-	-	-	✓
Port Arthur, Texas	-	1,060	1,880	-	-	775	-	-
Nine other locations	-	-	-	-	-	-	-	✓
<b>Total United States - Wholly Owned</b>	<b>1,600</b>	<b>1,060</b>	<b>7,830</b>	<b>1,565</b>	<b>5,315</b>	<b>2,675</b>	-	<b>✓</b>
<b>United States - Affiliates</b>								
Allyn's Point, Connecticut (50%)	-	-	-	-	-	-	-	✓
Hanging Rock, Ohio (50%)	-	-	-	-	-	-	-	✓
Joliet, Illinois (50%)	-	-	-	-	-	-	-	✓
Marietta, Ohio (50%)	-	-	-	-	-	-	-	✓
St. James, Louisiana (50%)	-	-	-	-	-	-	1,050	-
Torrance, California (50%)	-	-	-	-	-	-	-	✓
<b>Total United States - Affiliates</b>	-	-	-	-	-	-	<b>1,050</b>	<b>✓</b>
<b>Total United States</b>	<b>1,600</b>	<b>1,060</b>	<b>7,830</b>	<b>1,565</b>	<b>5,315</b>	<b>2,675</b>	<b>1,050</b>	<b>✓</b>
<b>International - Wholly Owned</b>								
Belgium, Beringen	-	-	-	-	-	-	-	✓
Belgium, Kallo-Beveren	-	-	-	-	-	-	-	✓
Belgium, Tessenderlo	-	-	-	-	-	-	-	✓
<b>Total International - Wholly Owned</b>	-	-	-	-	-	-	-	<b>✓</b>
<b>International - Affiliates</b>								
China, Jinshanwei (40%)	-	-	-	-	130	-	-	-
Colombia, Cartagena (50%)	-	-	-	-	-	-	-	✓
Qatar, Mesaieed (49%)	-	-	560	440	875	-	-	-
Qatar, Ras Laffan (49%)	-	-	750	-	-	-	-	-
Saudi Arabia, Al Jubail (50%)	930	395	225	-	-	165	825	-
Saudi Arabia, Al Jubail (35%)	-	-	940	75	850	340	-	✓
Singapore (50%)	-	-	-	-	440	-	-	-
South Korea, Yeosu (60%)	-	-	-	-	-	-	-	✓
<b>Total International - Affiliates</b>	<b>930</b>	<b>395</b>	<b>2,475</b>	<b>515</b>	<b>2,295</b>	<b>505</b>	<b>825</b>	<b>✓</b>
<b>Total International</b>	<b>930</b>	<b>395</b>	<b>2,475</b>	<b>515</b>	<b>2,295</b>	<b>505</b>	<b>825</b>	<b>✓</b>
<b>Total Worldwide</b>	<b>2,530</b>	<b>1,455</b>	<b>10,305</b>	<b>2,080</b>	<b>7,610</b>	<b>3,180</b>	<b>1,875</b>	<b>✓</b>

<sup>1</sup> Includes CPChem's share of equity affiliates.

<sup>2</sup> Capacities represent typical calendar-day processing rates for feedstocks to process units, determined over extended periods of time. Actual rates may vary depending on feedstock qualities, maintenance schedules and external factors.

<sup>3</sup> Other includes K-Resin SBC, paraxylene, polyalphaolefins, polypropylene, polystyrene, Ryton PPS, performance pipe and specialty chemicals.

## Downstream Operating Data

Vessels - Crude Oil and Refined Product Tankers by Type, Dead-Weight Tonnage <sup>1</sup>							At December 31			
	2013		2012		2011		2010		2009	
	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.
<b>Company-Owned and Bareboat-Chartered</b>										
25,000-65,000	4	-	4	-	4	-	5	-	5	-
65,000-120,000	-	6	-	6	-	6	-	6	-	6
120,000-160,000	-	4	-	4	-	4	-	4	-	4
160,000-320,000	-	5	-	6	-	5	-	5	-	6
Above 320,000	-	3	-	3	-	3	-	3	-	3
<b>Total Company-Owned and Bareboat-Chartered</b>	<b>4</b>	<b>18</b>	<b>4</b>	<b>19</b>	<b>4</b>	<b>18</b>	<b>5</b>	<b>18</b>	<b>5</b>	<b>19</b>
<b>Time-Chartered<sup>2</sup></b>										
25,000-65,000	3	3	3	3	-	5	-	6	-	7
65,000-120,000	-	1	-	5	-	5	-	6	-	8
120,000-160,000	-	4	-	2	-	1	-	-	-	-
160,000-320,000	-	1	-	1	-	2	-	2	-	2
<b>Total Time-Chartered</b>	<b>3</b>	<b>9</b>	<b>3</b>	<b>11</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>17</b>
<b>Total Crude Oil and Refined Product Tankers</b>	<b>7</b>	<b>27</b>	<b>7</b>	<b>30</b>	<b>4</b>	<b>31</b>	<b>5</b>	<b>32</b>	<b>5</b>	<b>36</b>

<sup>1</sup> Consolidated companies only. Excludes tankers chartered on a voyage basis, those with dead-weight tonnage less than 25,000 and those used exclusively for storage.

<sup>2</sup> Includes tankers chartered for more than one year.

Cargo Transported - Crude Oil and Refined Products*							Year ended December 31			
	2013		2012		2011		2010		2009	
	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.
Millions of barrels	46	190	61	206	27	275	29	296	42	288
Billions of ton-miles	8	255	12	274	5	340	8	332	7	350

\* Consolidated companies only. Includes cargo transported by company-owned, bareboat-chartered and time-chartered vessels with dead-weight tonnage 25,000 or greater; excludes cargo carried by single-voyage charters.

## Other Businesses



**Photo:** A solar-to-steam demonstration facility at the Coalinga Field in California produces steam from solar energy in support of enhanced oil recovery operations.

## Technology

Chevron's technology activities support the company's worldwide operations and major capital projects by developing and deploying technology solutions that drive business growth and efficiency. The company differentiates performance through the application of technology, applying a portfolio approach that includes proprietary solutions, in-house expertise, strategic partnerships and venture capital investments.

This integrated, open-innovation technology sourcing and deployment approach builds on the company's strengths in upstream and downstream technologies, information technology, and emerging energy.

**Upstream** Chevron's capabilities in subsurface imaging and modeling support exploration, field development and reservoir management. The company integrates rapid advances in commercial seismic data acquisition techniques with proprietary imaging capability, well information, reservoir models and regional knowledge to provide a competitive advantage in geologically complex basins worldwide.

Chevron is among leaders in the application of ocean bottom node sensing technology in deepwater fields, including projects in West Africa, Brazil and the Gulf of Mexico. Ocean bottom cable seismic has been deployed to improve the reservoir characterization of the Sepinggan Field in the Kutei Basin in Indonesia. Acquisition and processing of ocean bottom node data improves subsurface resolution and enables geoscientists to track fluid migration during field production.

Chevron executed its first airborne full-tensor gravity gradiometry (FTG) survey over the Partitioned Zone between Saudi Arabia and Kuwait. The survey, together with other technologies, supports development of the heavy oil resources by improving the identification of potential natural gas and condensate fuel supplies. Successful application in the Partitioned Zone may lead to further development of airborne FTG technology in other operating areas.

In the deep water, Chevron continues to make advances that enable the company to drill and operate safely and efficiently, with technologies such as long-distance power, high-boost subsea pumping and advanced remote inspection monitoring using remote autonomous vehicles. In collaboration with a supplier, Chevron deployed an innovative multizone completion system on the first four Jack and St. Malo wells. This downhole system provided fracture stimulation over multiple thick production zones from a single pass of the fracturing tool and resulted in saving between 15 to 50 days per well compared with conventional completion techniques.

Deepwater fields are typically developed with as few wells as possible. Maintaining optimal production from these wells is critical, and servicing them generally involves using a deepwater rig. In Nigeria, Chevron deployed a multipurpose vessel, at a fraction of the cost of a deepwater rig, to perform well workovers. The "rigless" procedure involves several new technology developments that have been shared among the company's deepwater asset teams.

Chevron has developed proprietary reservoir modeling technology, which enables the company's geoscientists to develop more predictive and realistic models of reservoir distribution, quality and connectivity. By assuring good conformance between appraisal drilling results and model reservoir predictions, Chevron is able to optimize development well locations and completions and reduce overall well count.

Chevron continues efforts to recover more oil from existing fields by piloting and deploying advanced chemical enhanced oil recovery (EOR) processes. By leveraging the company's expertise in chemical formulation, reservoir characterization and production technologies, the best fields are targeted for EOR, and the optimal chemical formulations are applied. The EOR deployments span the globe, including in Europe, Indonesia and North America.

Advances in digital oilfield technologies continue to deliver high-quality data that influence decision making. For example, a deployment of proprietary waterflood surveillance and diagnostics tools provides ready access to new information and greatly improves the ability to understand reservoir performance.

Chevron meets many unique challenges with technology as operating facilities are retired and decommissioned and sites remediated. In 2013, the company and a strategic partner developed a cutting tool that enables removal of an entire platform off the seafloor in a single lift. Deployment is expected in second quarter 2014.

**Downstream** Chevron continues to build on more than four decades of research and development in improved refining catalysts. In 2013, Chevron's step-out ICR 1000 hydrotreating catalyst was commercialized at two Chevron refineries, contributing to improved refinery profitability by extending catalyst life and/or allowing processing of more difficult feedstock. The ICR 1000 catalyst also has the potential to reduce future capital costs of producing clean fuels. The ICR 1000 catalyst is the first member of an industry-leading platform of high-performance hydrotreating catalysts expected to maintain the company's strong leadership position in hydroprocessing technology and catalysis.

Scientists from the lubricants business were recognized by the Society of Automotive Engineers for pioneering work in formulating new heavy-duty engine oil. The zero-phosphorus, ultra-low ash engine oil reduces the maintenance cost of diesel particulate filters by reducing incombustibles 78 percent. This significantly extends or eliminates diesel engine filter maintenance.

**Transportation** In 2013, Chevron took delivery of a dynamically positioned shuttle tanker to be used to transport crude oil produced from the Papa-Terra Field, offshore Brazil. This tanker is equipped with azimuth thrusters that enable it to remain on station without mooring to a floating production, storage and offloading vessel. New technology continues to be applied to improve the monitoring, reliability and fuel efficiency of the company's existing vessels. A state-of-the-art system that monitors and controls overboard discharge has been installed across the entire fleet, ensuring compliance with marine regulations. Energy-saving boss cap fins have been attached to propellers to improve fuel efficiency. Chevron is an early adopter of ballast water treatment systems, which have been installed on two existing vessels and are standard for the company's new vessels. Reliability of rotating equipment, pumps and motors has been enhanced by online vibration monitoring that has been installed on lightering vessels and liquefied natural gas carriers. In addition, to improve personnel safety on the vessels at sea, the company has deployed gas meter technology used in onshore process facilities.

Chevron has made significant advances in leak detection by deploying modeling technology in the majority of the company-operated product pipelines. These sophisticated models enable the company to use real-time operations data to detect and locate pipeline leaks. The company also installed dynamic alarm limits on some of its pipelines. This continuously adjusts alarm thresholds for dynamic pipeline conditions and provides controllers with more reliable leak detection information by eliminating most false alarms.

**Renewable Energy and Energy Efficiency** Chevron continues to evaluate advanced biofuel technologies. Catchlight Energy LLC, a 50 percent-owned joint venture, implemented agreements to supply forest-based feedstock to a third-party conversion plant and to purchase biofuel blendstocks from that plant. The cellulosic distillate and naphtha blendstocks purchased by Catchlight Energy are being blended into finished transportation fuels at Chevron's Pascagoula, Mississippi, refinery.

A demonstration project was brought online to enhance energy efficiency and reliability of cooling towers, using variable-speed direct-drive motors in the McKittrick Field in California. Efficiency gains are in excess of 50 percent, and there is an associated 100-ton-per-year reduction in CO<sub>2</sub> equivalent emissions. The company continues to monitor the project performance to determine the attainment of lower maintenance costs and improved reliability.

A solar-to-steam demonstration project, commissioned in 2011 to produce steam from solar thermal energy in support of enhanced oil recovery operations in Coalinga, California, completed a long-term performance test in 2013. The project produced quality steam in excess of design capacity throughout the test while exhibiting reliable and stable operations. During 2013, the solar-to-steam facility delivered 635,000 barrels of steam.

The photovoltaic projects at Questa, New Mexico, and in the San Joaquin Valley, California, continue to test and evaluate solar technologies and have together produced 10 million kilowatt-hours of renewable energy since inception through year-end 2013.

**Information Technology** Chevron's information technology infrastructure and capabilities are essential to every aspect of the business and critical to data-intensive workflows. Seismic data processing and interpretation, for example, are supported by a networked, high-performance computing infrastructure that provides new levels of processing capability.

Chevron – with a telecommunications partner – deployed an advanced underwater fiber-optic cable linking eight of the company's producing platforms in the Gulf of Thailand with onshore facilities. Fiber optic communication is significantly faster than satellite or microwave and is more secure and reliable, even in bad weather. Operational data is transmitted in real time, enhancing decision making.

**Health Environment and Safety** Chevron continues to improve process safety and asset integrity through deployment of advanced technology. In 2013, the company led the industry in deploying meandering winding magnetometer array, a technology that enables the inspection of pipes through protective barriers to determine pipe wall condition. The technology was developed by a commercial vendor with Chevron support and investment and is planned to be made available industrywide.

Chevron uses technology to monitor the effects of the company's operations on the environment and the community. For example, during seismic operations, Chevron engaged the local fishing communities of Sepinggan in Indonesia to ensure the activities are coordinated, and has used high-resolution photography to monitor fish traps. The company also uses extensive hydrographic surveys to monitor the seafloor and designs its seismic acquisition programs to avoid damaging coral communities.

Challenging environments for data acquisition also exist on land. Chevron takes care to conduct seismic surveys in socially and environmentally responsible ways, as the company did in a remote area of jungle in West Papua, Indonesia, where a 2-D seismic survey was completed in 2013.

**Venture Capital** Chevron launched a \$90 million program during 2013 to invest in early- to mid-stage companies developing emerging technologies with the potential to improve oil and gas base business performance or create new growth opportunities. At year-end 2013, there are four companies in the portfolio, focused on reducing downtime and improving efficiency in surface equipment, advanced directional drilling tools, lightweight intervention and real-time monitoring in long reach wells, and advanced natural gas delivery systems. In addition, several venture capital investments resulted in new technologies being deployed to the company's operations in 2013, including utilization of cloud data storage for collaborative use by a globally distributed workforce and efficient heavy oil pumping systems.

## Mining

Chevron owns and operates the Questa molybdenum mine in New Mexico. At year-end 2013, Chevron had 160 million pounds of proven molybdenum reserves at Questa. Production and underground development in Questa continued at reduced levels in 2013 in response to weak prices for molybdenum.

## Power and Energy Services

In 2014, Chevron Energy Solutions is being combined with Chevron Global Power Company. As the company's power and energy services provider, this business delivers comprehensive commercial, engineering and operational support services to improve power reliability and energy efficiency of Chevron operations worldwide. The responsibilities also include developing and building sustainable energy projects for the production of renewable power and to reduce energy costs that benefit third parties and the environment.

This business also manages Chevron's interest in a variety of gas-fired and renewable power generation assets. The gas-fired cogeneration facilities produce electricity and steam and utilize recovered waste heat to support enhanced oil recovery operations. The renewable facilities consist of wind, geothermal, photovoltaic, and solar-to-steam production assets.

In addition, Chevron is one of the world's largest producers of geothermal energy. For additional information on the company's geothermal activities, see pages 29 and 31.

## Glossary of Energy and Financial Terms

### Energy Terms

**Acreage** Land leased for crude oil and natural gas exploration and production.

**Additives** Specialty chemicals incorporated into fuels and lubricants that enhance the performance of the finished product.

**Barrels of Oil-Equivalent** A unit of measure to quantify crude oil, natural gas liquids and natural gas amounts using the same basis. Natural gas volumes are converted to barrels on the basis of energy content. See *oil-equivalent gas* and *production*.

**Biofuel** Any fuel that is derived from biomass - recently living organisms or their metabolic byproducts - from sources such as farming, forestry and biodegradable industrial and municipal waste. See *renewables*.

**Condensate** Hydrocarbons that are in a gaseous state at reservoir conditions but condense into liquid as they travel up the well bore and reach surface conditions.

**Development** Drilling, construction and related activities following discovery that are necessary to begin production and transportation of crude oil and/or natural gas.

**Enhanced Recovery** Techniques used to increase or prolong production from crude oil and natural gas fields.

**Exploration** Searching for crude oil and/or natural gas by utilizing geological and topographical studies, geophysical and seismic surveys, and drilling of wells.

**Gas-to-Liquids** A process that converts natural gas into high-quality liquid transportation fuels and other products.

**Liquefied Natural Gas (LNG)** Natural gas that is liquefied under extremely cold temperatures to facilitate storage or transportation in specially designed vessels.

**Liquefied Petroleum Gas (LPG)** Light gases, such as butane and propane, that can be maintained as liquids while under pressure.

**Natural Gas Liquids (NGLs)** Separated from natural gas, these include ethane, propane, butane and natural gasoline.

**Oil-Equivalent Gas** The volume of natural gas needed to generate the equivalent amount of heat as a barrel of crude oil. Approximately 6,000 cubic feet of natural gas is equivalent to one barrel of crude oil.

**Oil Sands** Naturally occurring mixture of bitumen (a heavy, viscous form of crude oil), water, sand and clay. Using hydroprocessing technology, bitumen can be refined to yield *synthetic oil*.

**Petrochemicals** Compounds derived from petroleum. These include aromatics, which are used to make plastics, adhesives, synthetic fibers and household detergents; and olefins, which are used to make packaging, plastic pipes, tires, batteries, household detergents and synthetic motor oils.

**Post-Salt, Pre-Salt and Subsalt** *Post-salt* refers to crude oil and natural gas reservoirs lying above and deposited after an autochthonous (deposited in its present position) salt layer. *Pre-salt* refers to reservoirs lying beneath and deposited prior to an autochthonous salt layer. *Subsalt* refers to reservoirs lying beneath allochthonous (deposited at a distance from its present position) salt layers.

**Production** *Total production* refers to all the crude oil (including *synthetic oil*), natural gas liquids and natural gas produced from a property. Net production is the company's share of *total production* after deducting both royalties paid to landowners and a government's agreed-upon share of production under a PSC. *Liquids production* refers to crude oil, condensate, natural gas liquids and synthetic oil volumes. *Oil-equivalent production* is the sum of the barrels of liquids and the oil-equivalent barrels of natural gas produced. See *barrels of oil-equivalent*, *oil-equivalent gas* and *production-sharing contract*.

**Production-Sharing Contract (PSC)** An agreement between a government and a contractor (generally an oil and gas company) whereby production is shared between the parties in a pre-arranged manner. The contractor typically incurs all exploration, development and production costs, which are subsequently recoverable out of an agreed-upon share of any future PSC production, referred to as cost recovery oil and/or gas. Any remaining production, referred to as profit oil and/or gas, is shared between the parties on an agreed-upon basis as stipulated in the PSC. The government also may retain a share of PSC production as a royalty payment, and the contractor typically owes income tax on its portion of the profit oil and/or gas. The contractor's share of PSC oil and/or gas production and reserves varies over time, as it is dependent on prices, costs and specific PSC terms.

**Refinery Utilization** Represents average crude oil consumed in fuel and asphalt refineries for the year, expressed as a percentage of the refineries' average annual crude unit capacity.

**Renewables** Energy resources that are not depleted when consumed or converted into other forms of energy (e.g., solar, geothermal, ocean and tide, wind, hydroelectric power, biofuels, and hydrogen).

**Reserves** Crude oil and natural gas contained in underground rock formations called reservoirs and saleable hydrocarbons extracted from oil sands, shale, coalbeds and other nonrenewable natural resources that are intended to be upgraded into synthetic oil or gas. *Net proved reserves* are the estimated quantities that geoscience and engineering data demonstrate with reasonable certainty to be economically producible in the future from known reservoirs under existing economic conditions, operating methods and government regulations, and exclude royalties and interests owned by others. Estimates change as additional information becomes available. *Oil-equivalent reserves* are the sum of the liquids reserves and the oil-equivalent gas reserves. See *barrels of oil-equivalent* and *oil-equivalent gas*. The company discloses only net proved reserves in its filings with the U.S. Securities and Exchange Commission. Investors should refer to proved reserves disclosures in Chevron's *Annual Report on Form 10-K* for the year ended December 31, 2013.

**Resources** Estimated quantities of oil and gas resources are recorded under Chevron's 6P system, which is modeled after the Society of Petroleum Engineers' Petroleum Resource Management System, and include quantities classified as proved, probable and possible reserves, plus those that remain contingent on commerciality. *Unrisked resources, unrisked resource base* and similar terms represent the arithmetic sum of the amounts recorded under each of these classifications. *Recoverable resources, potentially recoverable volumes* and other similar terms represent estimated remaining quantities that are expected to be ultimately recoverable and produced in the future, adjusted to reflect the relative uncertainty represented by the various classifications. These estimates may change significantly as development work provides additional information. At times, *original oil in place* and similar terms are used to describe total hydrocarbons contained in a reservoir without regard to the likelihood of their being produced. All of these measures are considered by management in making capital investment and operating decisions and may provide some indication to stockholders of the resource potential of oil and gas properties in which the company has an interest.

**Shale Gas** Natural gas produced from shale rock formations where the gas was sourced from within the shale itself. Shale is very fine-grained rock, characterized by low porosity and extremely low permeability. Production of shale gas normally requires formation stimulation such as the use of hydraulic fracturing (pumping a fluid-sand mixture into the formation under high pressure) to help produce the gas.

**Synthetic Oil** A marketable and transportable hydrocarbon liquid, resembling crude oil, that is produced by upgrading highly viscous or solid hydrocarbons, such as extra-heavy crude oil or *oil sands*.

**Tight Oil** Liquid hydrocarbons produced from shale (also referred to as shale oil) and other rock formations with extremely low permeability. As with shale gas, production from tight oil reservoirs normally requires formation stimulation such as hydraulic fracturing.

**Unconventional Oil and Gas Resources** Hydrocarbons contained in formations over very large areas with extremely low permeability that are not influenced by buoyancy. In contrast, conventional resources are contained within geologic structures/stratigraphy and float buoyantly over water. Unconventional resources include shale gas, coalbed methane, crude oil and natural gas from "tight" rock formations, tar sands, kerogen from oil shale, and gas hydrates that cannot commercially flow without well stimulation.

**Wells** Oil and gas wells are classified as either exploration or development wells. *Exploration wells* are wells drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil and gas in another reservoir. *Appraisal wells* are exploration wells drilled to confirm the results of a discovery well. *Delineation wells* are exploration wells drilled to determine the boundaries of a productive formation or to delineate the extent of a find. *Development wells* are wells drilled in an existing reservoir in a proved oil- or gas-producing area. *Completed wells* are wells in which drilling work has been completed and that are capable of producing. *Dry wells* are wells completed as dry holes, that is, wells not capable of producing in commercial quantities.

## Financial Terms

**Capital Employed** The sum of Chevron Corporation stockholders' equity, total debt and noncontrolling interests. Average capital employed is computed by averaging the sum of capital employed at the beginning and end of the year.

**Cash Flow From Operating Activities** Cash generated from the company's businesses; an indicator of a company's ability to fund capital programs and stockholder distributions. Excludes cash flows related to the company's financing and investing activities.

**Current Ratio** Current assets divided by current liabilities.

**Debt Ratio** Total debt, including capital lease obligations, divided by total debt plus Chevron Corporation stockholders' equity.

**Earnings** Net income attributable to Chevron Corporation as presented on the Consolidated Statement of Income.

**Goodwill** An asset representing the future economic benefits arising from the other assets acquired in a business combination that are not individually identified and separately recognized.

**Interest Coverage Ratio** Income before income tax expense, plus interest and debt expense and amortization of capitalized interest, less net income attributable to noncontrolling interests, divided by before-tax interest costs.

**Margin** The difference between the cost of purchasing, producing and/or marketing a product and its sales price.

**Net Debt to Capital** Total debt less the sum of cash and cash equivalents, time deposits, and marketable securities, as a percentage of total debt plus Chevron Corporation's stockholders' equity.

**Return on Capital Employed (ROCE)** Ratio calculated by dividing earnings (adjusted for after-tax interest expense and noncontrolling interests) by average *capital employed*.

**Return on Stockholders' Equity** Ratio calculated by dividing *earnings* by average Chevron Corporation stockholders' equity. Average Chevron Corporation stockholders' equity is computed by averaging the sum of the beginning-of-year and end-of-year balances.

**Return on Total Assets** Ratio calculated by dividing *earnings* by average total assets. Average total assets is computed by averaging the sum of the beginning-of-year and end-of-year balances.

**Total Stockholder Return** The return to stockholders as measured by stock price appreciation and reinvested dividends for a period of time.

## Reference

### Additional Information Publications and Other News Sources

Additional information relating to Chevron is contained in its 2013 *Annual Report* to stockholders and its *Annual Report on Form 10-K* for the fiscal year ended December 31, 2013, filed with the U.S. Securities and Exchange Commission. Copies of these reports are available on the company's website, [www.chevron.com](http://www.chevron.com), or may be requested in writing to:

Chevron Corporation  
Comptroller's Department  
6001 Bollinger Canyon Road, A3201  
San Ramon, CA 94583-2324

The 2013 *Corporate Responsibility Report* is scheduled to be available in May on the company's website, [www.chevron.com](http://www.chevron.com), or may be requested in writing to:

Chevron Corporation  
Policy, Government and Public Affairs  
6101 Bollinger Canyon Road, BR1X3208  
San Ramon, CA 94583-5177

For additional information about the company and the energy industry, visit Chevron's website, [www.chevron.com](http://www.chevron.com). It includes articles, news releases, speeches, quarterly earnings information and the *Proxy Statement*.

### Legal Notice

As used in this report, the terms "Chevron" and "the company" may refer to Chevron Corporation, one or more of its consolidated subsidiaries, or to all of them taken as a whole, but unless the context clearly indicates otherwise, the term should not be read to include "affiliates" of Chevron, that is, those companies accounted for by the equity method (generally owned 50 percent or less) or investments accounted for by the cost method. All of these terms are used for convenience only and are not intended as a precise description of any of the separate companies, each of which manages its own affairs.

### Stock Exchange Listing

Chevron common stock is listed on the New York Stock Exchange. The symbol is "CVX."

### Stockholder Information

Questions about stock ownership, changes of address, dividend payments and direct deposit of dividends should be directed to Chevron's transfer agent and registrar:

Computershare  
P.O. Box 30170  
College Station, TX 77842-3170  
800 368 8357  
[www.computershare.com/investor](http://www.computershare.com/investor)

Overnight correspondence should be mailed to:

Computershare  
211 Quality Circle, Suite 210  
College Station, TX 77845-4470

The Computershare Investment Plan features dividend reinvestment, optional cash investments of \$50 to \$100,000 a year and automatic stock purchase.

### Investor Information

If you have any questions regarding the data included herein, please contact:

Chevron Corporation  
Investor Relations  
6001 Bollinger Canyon Road, A3064  
San Ramon, CA 94583-2324  
925 842 5690  
Email: [invest@chevron.com](mailto:invest@chevron.com)

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### Cautionary Statement Relevant to Forward-Looking Information for the Purpose of "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

This 2013 *Supplement to the Annual Report* of Chevron Corporation 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," "forecasts," "projects," "believes," "seeks," "schedules," "estimates," "budgets," "outlook" 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, many of which are beyond the company's control and are difficult to predict. Therefore, actual outcomes and results may 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 chemicals 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 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 required by 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" on pages 27 through 29 of the company's 2013 *Annual Report on Form 10-K*. In addition, such results could be affected by general domestic and international economic and political conditions. Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on forward-looking statements.

Certain terms, such as "unrisked resources," "unrisked resource base," "recoverable resources" and "oil in place," among others, may be used in this report to describe certain aspects of the company's portfolio and oil and gas properties beyond the proved reserves. For definitions of, and further information regarding, these and other terms, see the "Glossary of Energy and Financial Terms" on pages 58 and 59 of this report.

As used in this report, the term "project" may describe new upstream development activity, individual phases in a multiphase development, maintenance activities, certain existing assets, new investments in downstream and chemicals capacity, investments in emerging and sustainable energy activities, and certain other activities. All of these terms are used for convenience only and are not intended as a precise description of the term "project" as it relates to any specific governmental law or regulation.

This publication was issued in March 2014 solely for the purpose of providing additional Chevron financial and statistical data. It is not a circular or prospectus regarding any security or stock of the company, nor is it issued in connection with any sale, offer for sale or solicitation of any offer to buy any securities. This report supplements the *Chevron Corporation 2013 Annual Report* to stockholders and should be read in conjunction with it. The financial information contained in this 2013 *Supplement to the Annual Report* is expressly qualified by reference to the 2013 *Annual Report*, which contains audited financial statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and other supplemental data.

# Chevron History

## 1879

Incorporated in San Francisco, California, as the Pacific Coast Oil Company.

## 1900

Acquired by the West Coast operations of John D. Rockefeller's original Standard Oil Company.

## 1911

Emerged as an autonomous entity - Standard Oil Company (California) - following U.S. Supreme Court decision to divide the Standard Oil conglomerate into 34 independent companies.

## 1926

Acquired Pacific Oil Company to become Standard Oil Company of California (Socal).

## 1936

Formed the Caltex Group of Companies, jointly owned by Socal and The Texas Company (later became Texaco), to combine Socal's exploration and production interests in the Middle East and Indonesia and provide an outlet for crude oil through The Texas Company's marketing network in Africa and Asia.

## 1947

Acquired Signal Oil Company, obtaining the Signal brand name and adding 2,000 retail stations in the western United States.

## 1961

Acquired Standard Oil Company (Kentucky), a major petroleum products marketer in five southeastern states, to provide outlets for crude oil from southern Louisiana and the U.S. Gulf of Mexico, where the company was a major producer.

## 1984

Acquired Gulf Corporation - nearly doubling the company's crude oil and natural gas activities - and gained significant presence in industrial chemicals, natural gas liquids and coal. Changed name to Chevron Corporation to identify with the name under which most products were marketed.

## 1988

Purchased Tenneco Inc.'s U.S. Gulf of Mexico crude oil and natural gas properties, becoming one of the largest U.S. natural gas producers.

## 1993

Formed Tengizchevroil, a joint venture with the Republic of Kazakhstan, to develop and produce the giant Tengiz Field, becoming the first major Western oil company to enter newly independent Kazakhstan.

## 1999

Acquired Rutherford-Moran Oil Corporation. This acquisition provided inroads to Asian natural gas markets.

## 2001

Merged with Texaco Inc. and changed name to ChevronTexaco Corporation. Became the second-largest U.S.-based energy company.

## 2002

Relocated corporate headquarters from San Francisco, California, to San Ramon, California.

## 2005

Acquired Unocal Corporation, an independent crude oil and natural gas exploration and production company. Unocal's upstream assets bolstered Chevron's already-strong position in the Asia-Pacific, U.S. Gulf of Mexico and Caspian regions. Changed name to Chevron Corporation to convey a clearer, stronger and more unified presence in the global marketplace.

## 2011

Acquired Atlas Energy, Inc., an independent U.S. developer and producer of shale gas resources. The acquired assets provide a targeted, high-quality core acreage position primarily in the Marcellus Shale.



2013 Annual Report



2013 Supplement to the Annual Report



2013 Corporate Responsibility Report



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