



Human Energy™

2010 Supplement to the Annual Report



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Cover photo: A derrick barge lowers the Platong Gas II living quarters onto the topside utility deck, Platong Field, Gulf of Thailand.
Inside front cover photo: The Platong Gas II living quarters after installation in the Gulf of Thailand.

This publication was issued in March 2011 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 of or solicitation of any offer to buy any securities. This report supplements the *Chevron Corporation 2010 Annual Report* to stockholders and should be read in conjunction with it. The financial information contained in this *2010 Supplement to the Annual Report* is expressly qualified by reference to the *2010 Annual Report*, which contains audited financial statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and other supplemental data.

2010 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, build new legacy positions and commercialize the company's equity natural gas resource base while growing a high-impact global gas business. Downstream - improve returns and grow earnings across the value chain. The company also continues to utilize technology across all its businesses to differentiate performance and to invest in profitable renewable energy and energy efficiency solutions.

Accomplishments

Corporate

Safety - Achieved the company's safest year ever, setting new world-class safety records in the days-away-from-work performance metric in both Upstream and Downstream operations.

Financial - Achieved the highest operating cash flows in the company's history, at approximately \$31 billion, and a total stockholder return that led the peer group for the previous five-year period.

Dividends - Paid \$5.7 billion in dividends with 2010 marking the 23rd consecutive year of higher annual dividend payouts. Annual average dividend growth over the period was 7 percent.

Capital and exploratory expenditures - Invested \$21.8 billion in the company's businesses, including \$1.4 billion (Chevron share) of spending by affiliates. Announced 2011 projected outlays of \$26.0 billion, including \$2.0 billion of affiliate expenditures. Focus continues on exploration and production activities.

Stock repurchase program - Resumed the company's common stock repurchases in the fourth quarter, acquiring \$750 million of the company's shares.

Upstream

Exploration - Achieved an exploration drilling success rate of 57 percent. Results included several natural gas discoveries offshore western Australia. Additionally, acquired offshore exploration leases in China, Liberia, Turkey and the United States and captured of shale gas acreage in Canada, Poland and Romania.

Production - Produced 2.763 million net oil-equivalent barrels per day, approximately a 2 percent increase over 2009, with about 75 percent of the volume outside the United States in more than 20 different countries.

Acquisition - Announced plans to acquire Atlas Energy, Inc., providing a shale gas acreage position in the Marcellus Shale, primarily located in southwestern Pennsylvania. (Acquisition completed in February 2011.)

Major projects - Continued progress on the company's development projects to deliver future production growth. Achieved first production at the deepwater Perdido Regional Development Project and the Athabasca Oil Sands Project Expansion and continued to increase production at the Tengizchevroil Sour Gas Injection/ Second Generation Plant Project in Kazakhstan. The company also reached final investment decision on a number of major capital projects, including Jack/St. Malo, Big Foot and Tahiti 2 in the Gulf of Mexico; Papa-Terra in Brazil; and expansion of the Caspian pipeline in Kazakhstan and Russia.

Natural gas projects - Delivered first gas from the Escravos Gas Project Phase 3A in Nigeria. In Australia, continued construction on Barrow Island and awarded approximately \$25 billion of contracts for materials and services for the Gorgon Project. The company also executed additional binding and nonbinding agreements with Asian customers for the delivery of liquefied natural gas from the Gorgon and Wheatstone projects.

Downstream

Refinery upgrades - Completed project start-ups, including the Pascagoula, Mississippi, refinery continuous catalytic reformer and the Yeosu, South Korea, gas-oil hydrocracker. Construction also began on a processing unit designed to further improve the El Segundo, California, refinery's reliability, high-value product yield and flexibility to process a range of crude slates.

Chemical - Commenced operations on the ethylene cracker and polyethylene/normal alpha olefins plants in Qatar. Continued construction on a petrochemical project in Saudi Arabia with start-up expected in late 2011.

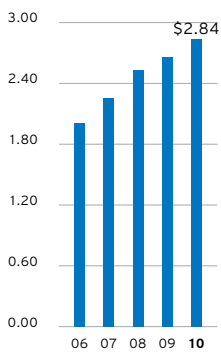
Sale of nonstrategic assets - Sold a 23.4 percent ownership interest in Colonial Pipeline in the United States. Additionally, concluded the sales of businesses in Malawi, Réunion and Zambia and 21 product terminals.

Financial Highlights:

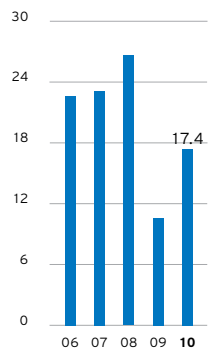
- **Sales and other operating revenues**
\$198 billion
- **Net income attributable to Chevron Corporation**
\$19.0 billion
\$9.48 per share - diluted
- **Return on capital employed**
17.4%
- **Return on stockholders' equity**
19.3%
- **Cash dividends**
\$2.84 per share

Financial Information

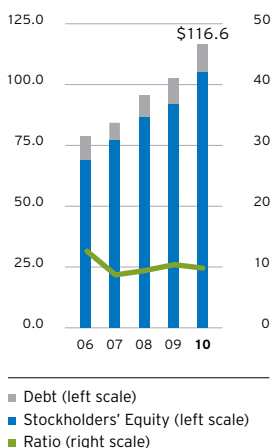
Annual Cash Dividends
Dollars per share



Return on Capital Employed
Percent



Debt Ratio
Billions of dollars/Percent



Financial Summary

Millions of dollars, except per-share amounts

	2010	2009	2008	2007	2006
Net income attributable to Chevron Corporation	\$ 19,024	\$ 10,483	\$ 23,931	\$ 18,688	\$ 17,138
Sales and other operating revenues	198,198	167,402	264,958	214,091	204,892
Cash dividends - common stock	5,674	5,302	5,162	4,791	4,396
Capital and exploratory expenditures	21,755	22,237	22,775	20,026	16,611
Cash provided by operating activities	31,359	19,373	29,632	24,977	24,323
Working capital at December 31	19,829	11,005	4,447	5,579	7,895
Total assets at December 31	184,769	164,621	161,165	148,786	132,628
Total debt and capital lease obligations at December 31	11,476	10,514	8,901	7,232	9,838
Chevron Corporation stockholders' equity at December 31	105,081	91,914	86,648	77,088	68,935
Common shares outstanding at December 31 (Millions)	1,993.3	1,993.6	1,990.1	2,076.3	2,150.4

Per-share data

Net income attributable to Chevron Corporation					
- Basic	\$ 9.53	\$ 5.26	\$ 11.74	\$ 8.83	\$ 7.84
- Diluted	9.48	5.24	11.67	8.77	7.80
Cash dividends	2.84	2.66	2.53	2.26	2.01
Chevron Corporation stockholders' equity at December 31	52.72	46.11	43.54	37.13	32.06
Market price					
- Close at December 31	91.25	76.99	73.97	93.33	73.53
- Intraday high	92.39	79.82	104.63	95.50	76.20
- Intraday low	66.83	56.12	55.50	64.99	53.76

Financial ratios*

Current ratio	1.7	1.4	1.1	1.2	1.3
Interest coverage	101.7	62.3	166.9	69.2	53.5
Debt ratio	9.8%	10.3%	9.3 %	8.6%	12.5%
Return on stockholders' equity	19.3%	11.7%	29.2 %	25.6%	26.0%
Return on capital employed	17.4%	10.6%	26.6 %	23.1%	22.6%
Return on total assets	10.9%	6.4%	15.4 %	13.3%	13.2%
Cash dividends/net income (payout ratio)	29.8%	50.6%	21.6 %	25.6%	25.7%
Cash dividends/cash from operations	18.1%	27.4%	17.4 %	19.2%	18.1%
Total stockholder return	22.9%	8.1%	(18.4)%	30.5%	33.8%

* Refer to page 63 for Financial ratio definitions.

Consolidated Statement of Income

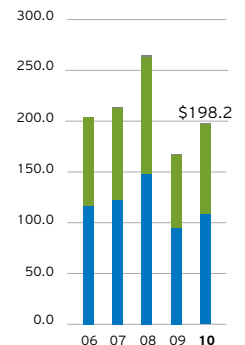
Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
Revenues and Other Income					
Sales and Other Operating Revenues^{1,2}					
Gasoline	\$ 42,553	\$ 37,336	\$ 53,254	\$ 47,074	\$ 42,639
Jet fuel	14,337	11,912	23,056	16,333	15,577
Gas oil and kerosene	25,863	23,311	40,940	32,170	31,647
Residual fuel oil	6,461	5,642	9,937	7,348	7,086
Other refined products	6,232	5,241	6,407	5,886	5,723
Total Refined Products	95,446	83,442	133,594	108,811	102,672
Crude oil and condensate	68,014	53,488	78,600	61,542	61,842
Natural gas	17,290	15,007	31,814	24,437	22,515
Natural gas liquids (NGLs)	3,868	3,130	5,517	4,483	3,488
Other petroleum revenues	2,660	2,123	3,116	2,460	2,862
Chemicals	1,813	1,502	1,694	1,493	1,330
Excise taxes	8,591	8,109	9,846	10,121	9,551
Other	(117)	(103)	(90)	(73)	(65)
Total Upstream and Downstream	197,565	166,698	264,091	213,274	204,195
All Other	633	704	867	817	697
Total Sales and Other Operating Revenues	198,198	167,402	264,958	214,091	204,892
Income from equity affiliates	5,637	3,316	5,366	4,144	4,255
Other income	1,093	918	2,681	2,669	971
Total Revenues and Other Income	204,928	171,636	273,005	220,904	210,118
Costs and Other Deductions					
Purchased crude oil and products ²	116,467	99,653	171,397	133,309	128,151
Operating expenses	19,188	17,857	20,795	16,932	14,624
Selling, general and administrative expenses	4,767	4,527	5,756	5,926	5,093
Exploration expenses	1,147	1,342	1,169	1,323	1,364
Depreciation, depletion and amortization ³	13,063	12,110	9,528	8,708	7,506
Taxes other than on income ¹	18,191	17,591	21,303	22,266	20,883
Interest and debt expense	50	28	-	166	451
Total Costs and Other Deductions	172,873	153,108	229,948	188,630	178,072
Income Before Income Tax Expense	32,055	18,528	43,057	32,274	32,046
Income tax expense	12,919	7,965	19,026	13,479	14,838
Net Income	19,136	10,563	24,031	18,795	17,208
Less: Net income attributable to noncontrolling interests	112	80	100	107	70
Net Income Attributable to Chevron Corporation	\$ 19,024	\$ 10,483	\$ 23,931	\$ 18,688	\$ 17,138

¹ 2006 to 2009 conformed to 2010 presentation.

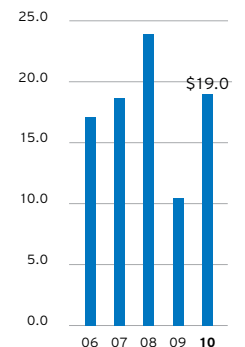
² Includes amounts for buy/sell contracts; associated costs are in "Purchased crude oil and products":

³ Includes asset impairment charges:

\$	-	\$	-	\$	-	\$	-	\$	6,725
\$	121	\$	542	\$	351	\$	415	\$	44

Sales & Other Operating Revenues
Billions of dollars

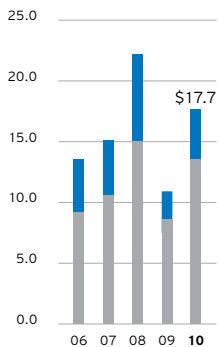
■ All Other
■ Crude Oil & Condensate, Natural Gas, & NGLs
■ Petroleum Products & Chemicals

Net Income Attributable to Chevron Corporation
Billions of dollars

Financial Information

Worldwide Upstream Earnings

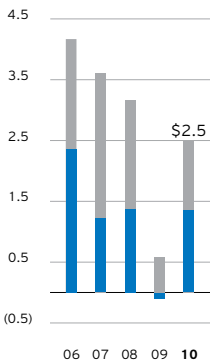
Billions of dollars



■ United States
■ International

Worldwide Downstream Earnings

Billions of dollars



■ International
■ United States

Consolidated Statement of Comprehensive Income

Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
Net income	\$ 19,136	\$ 10,563	\$ 24,031	\$ 18,795	\$ 17,208
Currency translation adjustment	6	60	(112)	31	55
Net unrealized holding (loss) gain on securities	(4)	2	(6)	19	(88)
Net derivatives gain (loss) on hedge transactions	20	(60)	110	(6)	67
Defined benefit plan activity - (loss) gain	(167)	(399)	(1,901)	685	(38)
Other comprehensive (loss) gain, net of tax	(145)	(397)	(1,909)	729	(4)
Comprehensive Income	18,991	10,166	22,122	19,524	17,204
Comprehensive income attributable to noncontrolling interests	(112)	(80)	(100)	(107)	(70)
Comprehensive Income Attributable to Chevron Corporation	\$ 18,879	\$ 10,086	\$ 22,022	\$ 19,417	\$ 17,134

Retained Earnings

Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
Balance at January 1	\$106,289	\$101,102	\$ 82,329	\$ 68,464	\$ 55,738
Net income attributable to Chevron Corporation	19,024	10,483	23,931	18,688	17,138
Cash dividends	(5,674)	(5,302)	(5,162)	(4,791)	(4,396)
Adoption of new accounting standard for stripping costs in the mining industry	-	-	-	-	(19)
Adoption of new accounting standard for uncertain income tax positions	-	-	-	(35)	-
Tax benefit from dividends paid on unallocated ESOP (employee stock ownership plan) shares and other	2	6	4	3	3
Retained Earnings at December 31	\$119,641	\$106,289	\$101,102	\$ 82,329	\$ 68,464

Income Attributable to Chevron Corporation by Major Operating Area

Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
Upstream ¹					
- United States	\$ 4,122	\$ 2,262	\$ 7,147	\$ 4,541	\$ 4,285
- International	13,555	8,670	15,022	10,577	9,208
- Total	17,677	10,932	22,169	15,118	13,493
Downstream ¹					
- United States	1,339	(121)	1,369	1,209	2,353
- International	1,139	594	1,783	2,387	1,808
- Total	2,478	473	3,152	3,596	4,161
All Other ²	(1,131)	(922)	(1,390)	(26)	(516)
Net Income Attributable to Chevron	\$ 19,024	\$ 10,483	\$ 23,931	\$ 18,688	\$ 17,138

¹ 2006 to 2009 conformed to 2010 segment presentation.

² Includes mining operations, power generation businesses, worldwide cash management and debt financing activities, corporate administrative functions, insurance operations, real estate activities, alternative fuels and technology companies, and the company's investment in Dynegy Inc. prior to its sale in May 2007.

Consolidated Balance Sheet

At December 31

Millions of dollars	2010	2009	2008	2007	2006
Assets					
Cash and cash equivalents	\$ 14,060	\$ 8,716	\$ 9,347	\$ 7,362	\$ 10,493
Time deposits	2,855	—	—	—	—
Marketable securities	155	106	213	732	953
Accounts and notes receivable, net	20,759	17,703	15,856	22,446	17,628
Inventories					
Crude oil and petroleum products	3,589	3,680	5,175	4,003	3,586
Chemicals	395	383	459	290	258
Materials, supplies and other	1,509	1,466	1,220	1,017	812
Total inventories	5,493	5,529	6,854	5,310	4,656
Prepaid expenses and other current assets	5,519	5,162	4,200	3,527	2,574
Total Current Assets	48,841	37,216	36,470	39,377	36,304
Long-term receivables, net	2,077	2,282	2,413	2,194	2,203
Investments and advances	21,520	21,158	20,920	20,477	18,552
Properties, plant and equipment, at cost	207,367	188,288	173,299	154,084	137,747
Less: Accumulated depreciation, depletion and amortization	102,863	91,820	81,519	75,474	68,889
Net properties, plant and equipment	104,504	96,468	91,780	78,610	68,858
Deferred charges and other assets	3,210	2,879	4,711	3,491	2,088
Goodwill	4,617	4,618	4,619	4,637	4,623
Assets held for sale	—	—	252	—	—
Total Assets	\$184,769	\$164,621	\$161,165	\$148,786	\$132,628
Liabilities and Equity					
Short-term debt	\$ 187	\$ 384	\$ 2,818	\$ 1,162	\$ 2,159
Accounts payable	19,259	16,437	16,580	21,756	16,675
Accrued liabilities	5,324	5,375	8,077	5,275	4,546
Federal and other taxes on income	2,776	2,624	3,079	3,972	3,626
Other taxes payable	1,466	1,391	1,469	1,633	1,403
Total Current Liabilities	29,012	26,211	32,023	33,798	28,409
Long-term debt and capital lease obligations	11,289	10,130	6,083	6,070	7,679
Deferred credits and other noncurrent obligations	19,264	17,390	17,678	15,007	11,000
Noncurrent deferred income taxes	12,697	11,521	11,539	12,170	11,647
Reserves for employee benefit plans	6,696	6,808	6,725	4,449	4,749
Total Liabilities	78,958	72,060	74,048	71,494	63,484
Chevron Corporation stockholders' equity	105,081	91,914	86,648	77,088	68,935
Noncontrolling interests	730	647	469	204	209
Total Equity	105,811	92,561	87,117	77,292	69,144
Total Liabilities and Equity	\$184,769	\$164,621	\$161,165	\$148,786	\$132,628

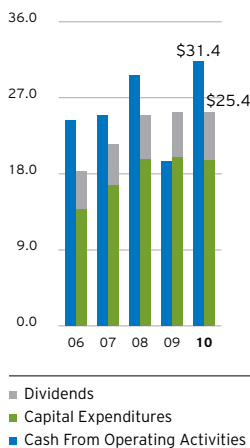
Segment Assets

Millions of dollars					
Upstream ^{1,2}	\$120,242	\$111,305	\$108,440	\$ 92,907	\$ 80,677
Downstream ¹	41,965	39,935	37,842	42,533	36,291
Total Segment Assets	\$162,207	\$151,240	\$146,282	\$135,440	\$116,968
All Other ²	22,562	13,381	14,883	13,346	15,660
Total Assets	\$184,769	\$164,621	\$161,165	\$148,786	\$132,628

¹ 2006 to 2009 conformed to 2010 segment presentation.² Includes goodwill associated with the acquisition of Unocal Corporation: \$ 4,617 \$ 4,618 \$ 4,619 \$ 4,637 \$ 4,623³ "All Other" assets consist primarily of worldwide cash, cash equivalents and marketable securities, real estate, information systems, the company's investment in Dynegy Inc. prior to its disposition in 2007, mining operations, power generation businesses, technology companies, and assets of the corporate administrative functions.

Financial Information

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



Consolidated Statement of Cash Flows

Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
Operating Activities					
Net income	\$ 19,136	\$ 10,563	\$ 24,031	\$ 18,795	\$ 17,208
Adjustments					
Depreciation, depletion and amortization	13,063	12,110	9,528	8,708	7,506
Dry hole expense	496	552	375	507	520
Distributions less than income from equity affiliates	(501)	(103)	(440)	(1,439)	(979)
Net before-tax gains on asset retirements and sales	(1,004)	(1,255)	(1,358)	(2,315)	(229)
Net foreign currency effects	251	466	(355)	378	259
Deferred income tax provision	559	467	598	261	614
Net decrease (increase) in operating working capital composed of:					
(Increase) decrease in accounts and notes receivable	(2,767)	(1,476)	6,030	(3,867)	17
Decrease (increase) in inventories	15	1,213	(1,545)	(749)	(536)
Increase in prepaid expenses and other current assets	(542)	(264)	(621)	(370)	(31)
Increase (decrease) in accounts payable and accrued liabilities	3,049	(1,121)	(4,628)	4,930	1,246
Increase (decrease) in income and other taxes payable	321	(653)	(909)	741	348
Net decrease (increase) in operating working capital	76	(2,301)	(1,673)	685	1,044
Increase in long-term receivables	(12)	(258)	(161)	(82)	(900)
Decrease (increase) in other deferred charges	48	201	(84)	(530)	232
Cash contributions to employee pension plans	(1,450)	(1,739)	(839)	(317)	(449)
Other	697	670	10	326	(503)
Net Cash Provided by Operating Activities	31,359	19,373	29,632	24,977	24,323
Investing Activities					
Capital expenditures	(19,612)	(19,843)	(19,666)	(16,678)	(13,813)
Repayment of loans by equity affiliates	338	336	179	21	463
Proceeds from asset sales	1,995	2,564	1,491	3,338	989
Time deposits purchased	(5,060)	-	-	-	-
Time deposits matured	2,205	-	-	-	-
Net purchases of time deposits	(2,855)	-	-	-	-
Marketable securities purchased	(90)	(30)	(3,236)	(1,975)	(1,271)
Marketable securities sold	41	157	3,719	2,160	1,413
Net (purchases) sales of marketable securities	(49)	127	483	185	142
Net (purchases) sales of other short-term investments	(732)	244	432	(799)	-
Net Cash Used for Investing Activities	(20,915)	(16,572)	(17,081)	(13,933)	(12,219)
Financing Activities					
Net (payments) borrowings of short-term obligations	(212)	(3,192)	2,647	(345)	(677)
Proceeds from issuances of long-term debt	1,250	5,347	-	650	-
Repayments of long-term debt and other financing obligations	(156)	(496)	(965)	(3,343)	(2,224)
Net (purchases) sales of treasury shares	(306)	168	(6,821)	(6,389)	(4,491)
Cash dividends - common stock	(5,674)	(5,302)	(5,162)	(4,791)	(4,396)
Distributions to noncontrolling interests	(72)	(71)	(99)	(77)	(60)
Net Cash Used for Financing Activities	(5,170)	(3,546)	(10,400)	(14,295)	(11,848)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	70	114	(166)	120	194
Net Change in Cash and Cash Equivalents	5,344	(631)	1,985	(3,131)	450
Cash and cash equivalents at January 1	8,716	9,347	7,362	10,493	10,043
Cash and Cash Equivalents at December 31	\$ 14,060	\$ 8,716	\$ 9,347	\$ 7,362	\$ 10,493

Capital and Exploratory Expenditures

(Includes equity share in affiliates)

Millions of dollars	Year ended December 31				
	2010	2009	2008	2007	2006
United States					
Exploration	\$ 638	\$ 605	\$ 1,305	\$ 736	\$ 810
Production	2,800	2,656	4,211	3,822	3,313
Other Upstream ¹	12	33	132	37	20
Refining	948	1,505	1,593	1,099	770
Marketing	49	133	196	160	142
Chemicals	264	210	407	218	146
Other Downstream ¹	195	239	261	280	244
All Other	286	402	618	768	403
Total United States	5,192	5,783	8,723	7,120	5,848
International					
Exploration	2,077	1,385	1,173	1,266	1,339
Production	12,173	12,463	10,771	9,714	7,357
Other Upstream ¹	1,204	1,154	769	325	431
Refining ¹	629	959	801	863	942
Marketing	197	202	311	438	388
Chemicals	69	92	78	53	54
Other Downstream ¹	201	196	142	241	238
All Other	13	3	7	6	14
Total International	16,563	16,454	14,052	12,906	10,763
Worldwide					
Exploration	2,715	1,990	2,478	2,002	2,149
Production	14,973	15,119	14,982	13,536	10,670
Other Upstream ¹	1,216	1,187	901	362	451
Refining ¹	1,577	2,464	2,394	1,962	1,712
Marketing	246	335	507	598	530
Chemicals	333	302	485	271	200
Other Downstream ¹	396	435	403	521	482
All Other	299	405	625	774	417
Total Worldwide	\$ 21,755	\$ 22,237	\$ 22,775	\$ 20,026	\$ 16,611
Memo: Equity share of affiliates' expenditures included above	\$ 1,388	\$ 1,585	\$ 2,306	\$ 2,336	\$ 1,919

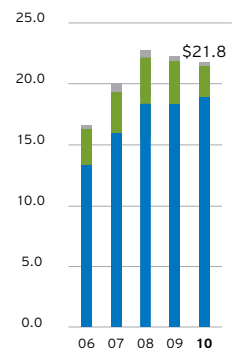
Exploration Expenses²

Millions of dollars

Geological and geophysical	\$ 255	\$ 328	\$ 329	\$ 367	\$ 429
Unproductive wells drilled	496	552	375	507	520
Other ³	396	462	465	449	415
Total Exploration Expenses	\$ 1,147	\$ 1,342	\$ 1,169	\$ 1,323	\$ 1,364
Memo: United States	\$ 186	\$ 451	\$ 370	\$ 511	\$ 431
International	961	891	799	812	933

¹ 2006 to 2009 conformed to 2010 presentation.² Consolidated companies only. Excludes amortization of undeveloped leaseholds.³ Includes expensed well contributions, oil and gas lease rentals, and research and development costs.**Capital & Exploratory Expenditures***

Billions of dollars

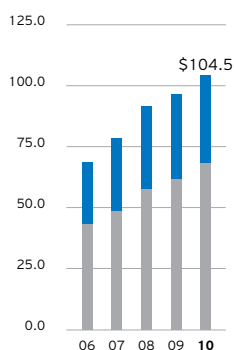


■ All Other
■ Downstream
■ Upstream

*Includes equity share in affiliates.

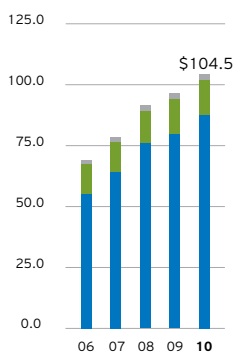
Financial Information

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



■ United States
■ International

Net Properties, Plant & Equipment by Function
Billions of dollars



■ All Other
■ Downstream
■ Upstream

Properties, Plant and Equipment

(Includes capital leases)

At December 31

Millions of dollars	2010	2009	2008	2007	2006
Net Properties, Plant and Equipment at January 1	\$ 96,468	\$ 91,780	\$ 78,610	\$ 68,858	\$ 63,690
Additions at Cost					
Upstream ^{1,2}	19,315	14,321	20,392	16,270	11,041
Downstream ¹	1,560	2,330	2,598	2,093	1,708
All Other ³	270	357	603	685	278
Total Additions at Cost	21,145	17,008	23,593	19,048	13,027
Depreciation, Depletion and Amortization Expense⁴					
Upstream ¹	(11,055)	(10,238)	(7,750)	(6,960)	(6,029)
Downstream ¹	(1,179)	(1,106)	(1,103)	(1,151)	(1,037)
All Other ³	(316)	(303)	(245)	(198)	(165)
Total Depreciation, Depletion and Amortization Expense	(12,550)	(11,647)	(9,098)	(8,309)	(7,231)
Net Retirements and Sales					
Upstream ¹	(254)	(295)	(504)	(151)	(192)
Downstream ¹	(246)	(90)	(579)	(373)	(239)
All Other ³	(18)	(30)	(35)	(13)	(34)
Total Net Retirements and Sales	(518)	(415)	(1,118)	(537)	(465)
Net Intersegment Transfers and Other Changes⁵					
Upstream ^{1,6}	(64)	(137)	(346)	(136)	(2)
Downstream ^{1,6}	6	(122)	121	(305)	(140)
All Other ³	17	1	18	(9)	(21)
Total Net Intersegment Transfers and Other Changes	(41)	(258)	(207)	(450)	(163)
Net Properties, Plant and Equipment at December 31					
Upstream ^{1,7}	87,665	79,723	76,072	64,280	55,257
Downstream ¹	14,327	14,186	13,174	12,137	11,873
All Other ³	2,512	2,559	2,534	2,193	1,728
Total Net Properties, Plant and Equipment at December 31	\$104,504	\$ 96,468	\$ 91,780	\$ 78,610	\$ 68,858
Memo: Gross properties, plant and equipment	\$207,367	\$188,288	\$173,299	\$154,084	\$137,747
Accumulated depreciation, depletion and amortization	(102,863)	(91,820)	(81,519)	(75,474)	(68,889)
Net properties, plant and equipment	\$104,504	\$ 96,468	\$ 91,780	\$ 78,610	\$ 68,858

¹ 2006 to 2009 conformed to 2010 segment presentation.

² Net of exploratory well write-offs.

³ Primarily mining operations, power generation businesses, real estate assets and management information systems.

⁴ 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
Less: Accretion expense

DD&A - Properties, plant and equipment

\$ 13,063	\$ 12,110	\$ 9,528	\$ 8,708	\$ 7,506
(513)	(463)	(430)	(399)	(275)
\$ 12,550	\$ 11,647	\$ 9,098	\$ 8,309	\$ 7,231

⁵ Includes reclassifications to/from other asset accounts.

⁶ Includes reclassification adjustments for "Assets held for sale" in 2008.

⁷ Includes net investment in unproved oil and gas properties:

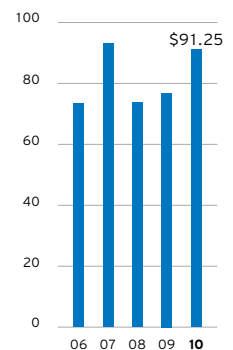
\$ 5,081	\$ 5,321	\$ 5,367	\$ 4,927	\$ 5,218
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Miscellaneous Data

	2010	2009	2008	2007	2006
Common Stock					
Number of shares outstanding at December 31 (Millions)	1,993.3	1,993.6	1,990.1	2,076.3	2,150.4
Weighted-average shares outstanding for the year (Millions)	1,995.9	1,991.5	2,037.4	2,116.6	2,185.0
Number of stockholders of record at December 31 (Thousands)	188	197	206	216	225
Cash dividends on common stock					
Millions of dollars	\$ 5,674	\$ 5,302	\$ 5,162	\$ 4,791	\$ 4,396
Per common share	\$ 2.84	\$ 2.66	\$ 2.53	\$ 2.26	\$ 2.01
Net income attributed to Chevron Corporation					
per common share - Diluted					
First quarter	\$ 2.27	\$ 0.92	\$ 2.48	\$ 2.18	\$ 1.80
Second quarter	2.70	0.87	2.90	2.52	1.97
Third quarter	1.87	1.92	3.85	1.75	2.29
Fourth quarter	2.64	1.53	2.44	2.32	1.74
Year	\$ 9.48	\$ 5.24	\$ 11.67	\$ 8.77	\$ 7.80
Chevron Corporation stockholders' equity per common share at December 31	\$ 52.72	\$ 46.11	\$ 43.54	\$ 37.13	\$ 32.06
Personnel, Payroll and Benefits¹					
Number of employees at December 31					
Excluding service station employees	58,267	59,963	61,604	59,162	55,882
Service station employees	3,929	4,169	5,041	5,873	6,572
Total	62,196	64,132	66,645	65,035	62,454
Payroll costs ² (Millions of dollars)	\$ 4,918	\$ 4,627	\$ 4,473	\$ 4,016	\$ 3,500
Employee benefit costs ³ (Millions of dollars)	\$ 2,793	\$ 2,473	\$ 2,196	\$ 2,100	\$ 1,742
Investment per employee at December 31 ⁴ (Thousands of dollars)	\$ 1,886	\$ 1,607	\$ 1,441	\$ 1,300	\$ 1,265
Average sales per employee ⁵ (Thousands of dollars)	\$ 3,002	\$ 2,436	\$ 3,875	\$ 3,200	\$ 3,198
Average monthly wage per employee	\$ 6,488	\$ 5,897	\$ 5,661	\$ 5,250	\$ 4,775
Capital Employed at December 31 (Millions of dollars)					
Upstream					
- United States ^{6,7}	\$ 14,751	\$ 15,636	\$ 15,027	\$ 13,684	\$ 12,057
- International ^{6,7}	60,621	55,080	47,793	41,329	35,784
- Goodwill	4,617	4,618	4,619	4,637	4,623
- Total	79,989	75,334	67,439	59,650	52,464
Downstream					
- United States ^{6,7}	11,694	11,417	9,966	7,901	6,951
- International ^{6,7}	10,309	10,211	12,086	11,666	11,360
- Total	22,003	21,628	22,052	19,567	18,311
All Other	15,294	6,113	6,527	5,307	8,207
Total Capital Employed	\$117,286	\$103,075	\$ 96,018	\$ 84,524	\$ 78,982
Petroleum Inventories at December 31^{1,8} (Millions of barrels)					
Raw stocks	74	78	95	84	81
Unfinished stocks	33	33	31	28	29
Finished products	37	39	46	51	48
Total	144	150	172	163	158

¹ Consolidated companies only.² Excludes incentive bonuses.³ Includes pension costs, employee severance, savings and profit-sharing plans, other postemployment benefits, social insurance plans and other benefits.⁴ Investment = Total year-end capital employed.⁵ Average sales per employee = Sales and other operating revenues (net of excise taxes)/Average number of employees (beginning and end of year).⁶ 2006 to 2009 conformed to 2010 segment presentation.⁷ Includes a realignment of accounts receivable from Downstream to Upstream that reflects Upstream equity crude marketed by Downstream:

United States	\$ 1,141	\$ 1,052	\$ 270	\$ 1,055	\$ 725
International	2,298	1,881	702	2,052	1,464
Total	\$ 3,439	\$ 2,933	\$ 972	\$ 3,107	\$ 2,189

⁸ On an "owned" inventories basis (i.e., physical inventory adjusted for volumes payable to receivable from others).Chevron Year-End Common Stock Price
Dollars per share

Upstream

Grow profitably in core areas, build new legacy positions and commercialize the company's equity natural gas resource base while growing a high-impact global gas business.



Photo: Natural gas/fuel-oil fired steam generators for the Large-Scale Steamflood Pilot at the First Eocene heavy-oil carbonate reservoir in the Partitioned Zone.

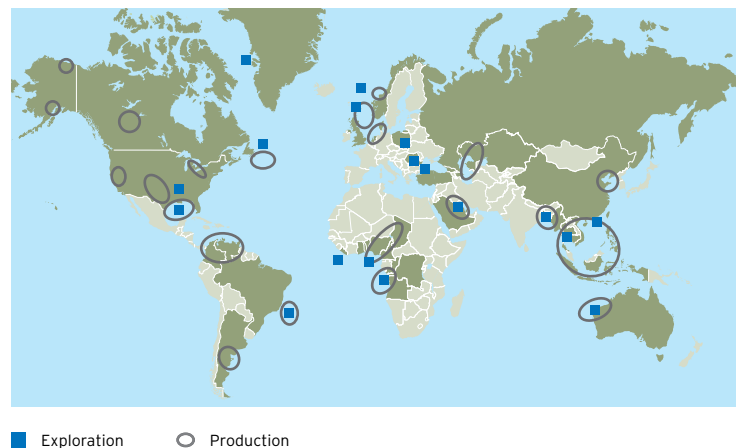
Highlights

Worldwide net oil-equivalent production averaged 2.763 million barrels per day in 2010, 2 percent higher than in 2009. About 26 percent of 2010 production was in the United States and another 13 percent was in Kazakhstan. The company's producing operations are geographically dispersed, with no other country accounting for more than 10 percent of the company's total worldwide output.

The company's focus areas for exploration in 2010 were the deepwater regions of West Africa, the U.S. Gulf of Mexico and offshore northwest Australia. Drilling and seismic activities occurred or were in various stages of planning in several test areas, including offshore United Kingdom, the eastern coast of Canada and deepwater Brazil. In addition, new exploration areas were added in Canada, China, Liberia, Poland, Romania and Turkey.

Aligned with the activities in both exploration and production is the company's strategy to commercialize its significant worldwide natural gas resource base through the development and integration of business activities, including producing, liquefying, transporting, regasifying and marketing natural gas.

Upstream Portfolio



Industry Conditions

Average prices for crude oil were higher in 2010 than in 2009. The spot price for West Texas Intermediate crude oil, a benchmark crude, averaged \$79 per barrel for full-year 2010, compared with \$62 in 2009. The increase in average prices from 2009 is largely associated with improved global economic conditions.

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 during 2010, benchmark prices at Henry Hub averaged \$4.50 per thousand cubic feet (MCF), compared with about \$3.80 per MCF in 2009. 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 and the level of inventory in underground storage. In 2010, Chevron's international natural gas realizations averaged approximately \$4.60 per MCF, compared with about \$4.00 per MCF during 2009. These realizations reflect a strong demand for energy in certain Asian markets.

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.
- Growing and developing equity gas resource base.
- Identifying, capturing and effectively incorporating new core upstream businesses.

2010 Accomplishments

Worldwide

- Achieved a world-class safety record in the days-away-from-work performance metric.
- Reported net income of \$17.7 billion.
- Produced 2.763 million net oil-equivalent barrels per day including synthetic oil, 2 percent higher than oil-equivalent production, including oil sands, in 2009.
- Achieved an exploration drilling success rate of 57 percent.

United States

- Accomplished major milestones on Gulf of Mexico projects:
 - Achieved first production at the deepwater Perdido Regional Development Project.
 - Reached final investment decisions for the Big Foot, Jack/St. Malo and Tahiti 2 deepwater projects.
 - Added 42 offshore leases - 15 in the deep water and 27 on the shelf.
- Reached agreement to acquire Atlas Energy, Inc.
- Produced the company's 5 billionth barrel of net oil-equivalent production from the Permian Basin.

International

Exploration:

- Angola - Made a pre-salt exploration discovery in Block O located near the planned Greater Vanza/Longui Area development.
- Australia - Announced several natural gas discoveries during 2010 and early 2011 offshore Western Australia that are expected to contribute to future growth at company-operated liquefied natural gas (LNG) projects.
- Canada - Acquired shale gas acreage in Western Canada and secured a new exploration lease in the Beaufort Sea.
- China - Acquired interest in three deepwater exploration blocks in the South China Sea.
- Liberia - Acquired interest in three deepwater concessions.
- Poland - Acquired an additional shale gas concession area in southeast Poland.
- Romania - Awarded three shale gas exploration blocks.
- Russia - Signed Heads of Agreement (HOA) for deepwater exploration of the Shatsky Ridge in the Russian Black Sea.
- Turkey - Acquired a deepwater exploration lease in the Turkish Black Sea.

Project Execution:

- Brazil - Reached final investment decision for the deepwater Papa-Terra project.
- Canada - Achieved first production from the Athabasca Oil Sands Project (AOSP) Expansion.
- Canada - Received government approval for front-end engineering and design (FEED) at Hebron project.
- China - Continued construction of the natural gas purification plant at Chuandongbei.
- Indonesia - Received government approval of FEED for the Gendalo-Gehem natural gas project, offshore East Kalimantan.
- Kazakhstan - Continued to increase production at the Tengizchevroil (TCO) Sour Gas Injection/Second Generation Plant Project in Kazakhstan.
- Kazakhstan/Russia - Reached final investment decision for the Caspian Pipeline Consortium Expansion Project.
- Thailand - Completed installation of a central processing platform jacket and living quarters module for the Platong Gas II project.
- Vietnam - Awarded a contract for FEED for the Block B Gas Project offshore development and signed a Business Cooperation Contract for the Block B Gas Pipeline project.
- Venezuela - Signed an agreement to work toward commercializing a heavy-oil project in three blocks within the Carabobo Area of eastern Venezuela's Orinoco Belt.

Global Natural Gas Projects

- Angola - Continued construction on the Angola LNG project and installed the roof on the first of four LNG tanks.
- Angola - Secured right-of-way for Congo River Crossing Pipeline.
- Australia - Awarded approximately \$25 billion of contracts for materials and services for the Gorgon Project.
- Australia - Executed binding and nonbinding agreements with Asian customers for the delivery of LNG from the Gorgon and Wheatstone projects.
- Nigeria - Delivered first gas from the Escravos Gas Project Phase 3A.

2011 Outlook

- Complete acquisition of Atlas Energy, Inc. (Acquisition completed February 2011.)
- Project execution - Advance major projects that are expected to add production in 2011 and beyond:
 - Canada - Commence shale gas appraisal drilling program in Alberta.
 - Canada - Complete AOSP Expansion 1 Upgrader modifications.
 - China - Continue construction and development at Chuandongbei gas project.
 - Indonesia - Commence FEED for the Bangka natural gas project.
 - Kazakhstan - Commence FEED for the TCO Future Growth Project.
 - Nigeria - Continue drilling at Agbami to maintain plateau production.
 - Thailand - Achieve first production on the Platong Gas II Project.
 - United Kingdom - Reach final investment decision for the Clair Ridge development.
 - United States - Reach final investment decision for the Tubular Bells development.
 - United States - Commence FEED for the Mad Dog II development project.
 - Vietnam - Reach final investment decision for the Block B Gas Development Project.
- Exploration - Deliver new hydrocarbon resources through continued exploration investment; build on previous discoveries and appraisal successes. Resume deepwater exploratory drilling in the U.S. Gulf of Mexico.
- Base business - Continue major initiatives to improve operating efficiencies, reduce decline rates and lower costs.
- Global Natural Gas Projects - Progress activities to commercialize the company's natural gas resource base:
 - Angola - Continue construction of the Angola LNG Project.
 - Australia - Continue construction of the Gorgon Project. In early 2011 signed a binding Sales and Purchase Agreement (SPA) with an Asian customer, bringing contracted volumes from signed binding SPAs and nonbinding HOAs to approximately 90 percent of the company's LNG offtake for the project.
 - Australia - Reach final investment decision for the Wheatstone Project.
 - Nigeria - Continue construction of the EGTL facility.

Upstream Financial and Operating Highlights¹

Dollars in millions	United States		International	
	2010	2009	2010	2009
Segment earnings ²	\$ 4,122	\$ 2,262	\$ 13,555	\$ 8,670
Gross liquids production ³ (Thousands of barrels per day)	527	523	1,989	1,857
Net liquids production ³ (Thousands of barrels per day)	489	484	1,434	1,362
Other produced volumes ⁴ (Thousands of barrels per day)	-	-	-	26
Gross natural gas production ³ (Millions of cubic feet per day)	1,507	1,611	4,732	4,519
Net natural gas production ³ (Millions of cubic feet per day)	1,314	1,399	3,726	3,590
Gross proved liquids reserves ³ (Millions of barrels)	1,376	1,463	6,869	7,234
Net proved liquids reserves ³ (Millions of barrels)	1,275	1,361	5,228	5,612
Gross proved natural gas reserves ³ (Billions of cubic feet)	2,813	3,074	26,476	27,741
Net proved natural gas reserves ³ (Billions of cubic feet)	2,472	2,698	21,779	23,351
Natural gas sales (Millions of cubic feet per day)	5,932	5,901	4,493	4,062
Natural gas liquids sales (Thousands of barrels per day)	22	17	27	23
Net productive exploratory oil and gas wells completed ⁵	1	4	11	16
Net productive development oil and gas wells completed ⁵	634	582	522	669
Net productive wells at year-end ^{5,6}	38,182	38,391	14,907	12,831
Net oil and gas acreage ^{7,8} (Thousands of acres)	8,857	7,477	60,286	56,314
Exploration expenditures	\$ 638	\$ 605	\$ 2,077	\$ 1,385
Production expenditures	\$ 2,800	\$ 2,656	\$ 12,173	\$ 12,463
Other upstream expenditures ²	\$ 12	\$ 33	\$ 1,204	\$ 1,154
Total upstream capital and exploratory expenditures ²	\$ 3,450	\$ 3,294	\$ 15,454	\$ 15,002

¹ Includes equity share in affiliates unless otherwise noted.

² 2009 conformed to 2010 segment presentation.

³ Gross production or gross reserves are the company's share of total production or total reserves before deducting royalties (and a government's agreed-upon share of production under a production-sharing contract (PSC)). Net production or net reserves are after deducting royalties (and a government's agreed-upon share of production under a PSC).

⁴ Represents volumes produced at Athabasca (Canada) Oil Sands in 2009.

⁵ Net wells include all wholly owned wells and the sum of the fractional interests in wells that are associated with joint ventures or unitized operations.

⁶ Includes wells producing or capable of producing and injection wells temporarily functioning as producing wells.

⁷ Does not include mining acreage associated with synthetic oil production in Canada.

⁸ Consolidated companies only.

United States

Chevron's U.S. portfolio is composed of a diverse group of assets concentrated in California, the Gulf of Mexico, Louisiana, Texas, New Mexico, the Rocky Mountains and Alaska. In February 2011, the company added natural gas resources and shale acreage primarily in southwestern Pennsylvania and Michigan with the acquisition of Atlas Energy, Inc. In 2010, exploratory drilling efforts were primarily concentrated in the deepwater Gulf of Mexico, where a successful appraisal well was completed early in the year. The government-imposed deepwater drilling moratorium halted drilling activities at several exploration prospects and also impacted development drilling activity in the Gulf of Mexico. The company was the third-largest hydrocarbon producer in the United States during 2010, with net daily oil-equivalent production averaging 708,000 barrels, representing approximately one-fourth of the companywide total.

California

Operating primarily in the San Joaquin Valley, Chevron again ranked No. 1 in net daily oil-equivalent production in California in 2010 at 199,000 barrels, composed of 178,000 barrels of crude oil, 96 million cubic feet of natural gas and 5,000 barrels of natural gas liquids (NGLs). The majority of the production is from company-operated leases located in a portion of three major crude oil fields: Kern River, Midway Sunset and Cymric. In 2010, the total daily production from these leases was 136,000 barrels of crude oil (133,000 net) and 14 million cubic feet of natural gas (14 million net). With respect to these operated leases, Chevron's interest by field was: Kern River, 100 percent; Midway Sunset, 99 percent; and Cymric, 100 percent.

With approximately 84 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. Heat management continues to be a major operational focus in the recovery of these reserves, with emphasis on improved energy efficiency.

The Kern River Field, a mature steamflood operation, had total average daily production from company-operated leases of 75,000 barrels of crude oil (74,000 net) and 2 million cubic feet of natural gas (2 million net). The company drilled 165 infill wells at Kern River in 2010 and planned to drill approximately 197 infill wells in 2011. More than 195 horizontal wells have been drilled in Kern River since 2006 to more efficiently develop remaining resources. Total daily production from these wells averaged 12,000 barrels of crude oil (12,000 net) in 2010. A pilot project to drill horizontal wells at depths of less than 500 feet (152 m) from the surface was initiated in 2010 and is planned to continue into 2011. In addition, the company continues to progress the development of increased water and natural gas handling capacity at the field, which is expected to be completed in third quarter 2011. Dewatering of the reservoir from areas underlying the crude oil accumulation is successfully reducing reservoir pressure and enabling economic steamflooding, resulting in incremental crude oil production and reserve additions.

Diatomite Reservoirs Chevron has crude oil resources in diatomite reservoirs at the Cymric, McKittrick, Midway Sunset and Lost Hills fields. Formed from the remains of microorganisms called diatoms, diatomite is a reservoir rock with very high porosity and low permeability, making commercial production difficult. In 2010,

approximately 42,000 barrels per day, 21 percent of the company's net oil-equivalent production in California, were produced from these diatomite reservoirs.

The diatomite reservoirs at Cymric, McKittrick and Midway Sunset contain heavy oil. A recovery technique utilizing a high-pressure cyclic steaming process continues to improve recovery from Cymric's Antelope reservoir, and the process is also being used at McKittrick and Midway Sunset. The company drilled 64 wells in new, infill and replacement locations during 2010 and plans to drill an additional 56 wells in these diatomite reservoirs in 2011.

In the Lost Hills Field (a light-oil, diatomite reservoir), the company drilled 25 production wells during 2010. 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 23 percent in four producing zones. During 2010, 197 development wells (including producers and injectors) and one delineation well were drilled, including drilling in shale zones, which continued to extend producing boundaries. Total daily production was 44,000 barrels of crude oil (10,000 net), 283 million cubic feet of natural gas (65 million net) and 18,000 barrels of NGLs (4,000 net). In the Shallow Oil Zone, nitrogen injection optimization continued and a second alkaline surfactant polymer flood pilot was initiated. These enhanced-recovery activities are intended to allow production of additional crude oil and natural gas that would not be recoverable using conventional methods.

Gulf of Mexico

During 2010, net daily oil-equivalent production for the company's combined interests in the Gulf of Mexico shelf and deepwater areas and the onshore fields in the region averaged 260,000 barrels, composed of 169,000 barrels of crude oil, 445 million cubic feet of natural gas and 17,000 barrels of NGLs. Chevron has an interest in 686 leases in the Gulf of Mexico, 404 of which are located in water depths greater than 1,000 feet (305 m). At the end of 2010, the company was the largest leaseholder in the Gulf of Mexico.

In April 2010, an accident occurred at the competitor-operated Macondo prospect in the deepwater Gulf of Mexico. Chevron was not a participant in the well. Subsequent to the event, the U.S. Department of the Interior placed a moratorium on the drilling of wells using subsea blowout preventers (BOPs) or surface BOPs on a floating facility in the Gulf of Mexico and the Pacific regions. During the moratorium, Chevron participated in a number of industry efforts to identify opportunities to improve industry standards in prevention, intervention and spill response. In July 2010, Chevron and several other major energy companies announced plans to build and deploy a rapid response system that will be available to capture and contain oil in the unlikely event of a potential future well blowout in the deepwater Gulf of Mexico. In October 2010, the Secretary of the Interior lifted the moratorium on deepwater drilling activity, provided that operators certify compliance with new rules and requirements. The moratorium and the ensuing slowdown in issuing drilling permits have resulted in delays in shallow water drilling activity, delayed drilling of exploratory deepwater wells and impacted development drilling in the Gulf of Mexico. The company's net oil-equivalent production for 2010 in the Gulf of Mexico was reduced by about 10,000 barrels per day, as a result of these delays. In February 2011, the Marine Well Containment Company, that Chevron and other major energy companies formed, announced the completion and availability of an initial well containment response system located on the U.S. Gulf Coast that can operate in water depths up to 8,000 feet (2,438 m) and has storage and processing capacity for up to 60,000 barrels per day of liquids. Also in late February, the government issued the first deepwater drilling permit since April 2010 to another company.

15,000 feet (4,572 m), near producing infrastructure. A total of 27 new Outer Continental Shelf leases were added to the exploration portfolio following the Gulf of Mexico Lease Sale 213 (Central Planning Area) in further support of this deep-gas program.

Deep Water

Chevron is one of the top leaseholders in the deepwater Gulf of Mexico, averaging net daily production of 119,000 barrels of crude oil, 62 million cubic feet of natural gas and 8,000 barrels of NGLs during 2010.

Production

Blind Faith Total daily production in 2010 averaged 48,000 barrels of crude oil (36,000 net), 29 million cubic feet of natural gas (22 million net) and 3,000 barrels of NGLs (2,000 net). Chevron operates and holds a 75 percent working interest in this project. Blind Faith is a four-well subsea development with a tieback to a deep draft, semi-submersible facility, located in Mississippi Canyon. It is the company's deepest operated offshore production facility, located in 6,500 feet (1,981 m) of water with the subsea wells located in 7,000 feet (2,134 m) of water. The field has an estimated production life of 20 years and is estimated to contain more than 100 million barrels of potentially recoverable oil-equivalent.

Mad Dog Total daily production averaged 49,000 barrels of crude oil (8,000 net) and 8 million cubic feet of natural gas (1 million net) during 2010. Chevron has a 15.6 percent nonoperated working interest in this spar floating production facility and field. Due to the loss of the platform drilling rig during Hurricane Ike in 2008, development drilling was stopped. In 2009, the partners authorized replacement of the drilling rig, and development drilling is expected to resume in 2012 once the new rig is installed. An appraisal well to test the Mad Dog north flank potential is planned for 2011.

Perdido Regional Development First oil at the Perdido development was achieved in first quarter 2010; however, production was shut-in shortly after first oil when issues with the compression and export gas systems arose. Production was reestablished during third quarter 2010. As of year-end 2010, three wells were online, producing 23,000 barrels of crude oil (9,000 net) and 6 million cubic feet of natural gas (2 million net). The Perdido Regional Development is located in the ultra-deep Alaminos Canyon, approximately 250 miles (402 km) south of Houston. The development includes a producing host facility in which Chevron has a 37.5 percent nonoperated interest. The host is designed to service multiple Alaminos Canyon fields, including Great White (33.3 percent nonoperated working interest), Silvertip (60 percent nonoperated working interest) and Tobago (57.5 percent nonoperated working interest).

The development utilizes subsea wells and separation facilities with tieback to a spar floating production facility. The shared host, located in approximately 8,000 feet (2,438 m) of water, is the deepest spar production facility in the world. The development has an estimated production life of 25 years. The Perdido development is expected to include a total of 21 wells, which will be completed in a multiyear drilling program. A maximum daily production rate of 130,000 barrels of oil-equivalent is expected to be reached in 2013.



Yellow square icon: Chevron Activity Highlight

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 2010 was 50,000 barrels of crude oil, 382 million cubic feet of natural gas and 9,000 barrels of NGLs. The company drilled 50 development and delineation wells during 2010 and participated in two deep-gas exploration wells. Deep-gas exploration is focused on a series of trends and prospects with subsurface targets below

Tahiti In 2010, total daily production averaged 108,000 barrels of crude oil (63,000 net), 42 million cubic feet of natural gas (24 million net) and 8,000 barrels of NGLs (4,000 net). Chevron operates and holds a 58 percent interest in the Tahiti Field, located in Green Canyon. Tahiti is a subsea development with tieback to a truss-spar floating production facility. A delineation well was completed in July 2010 and is producing back to the floating production facility. The field has an estimated production life of 30 years, and total potentially recoverable volumes from the Tahiti Field are estimated at 400 million to 500 million oil-equivalent barrels.

Other Deep Water The company's remaining deepwater production was from the Genesis, Petronius and Perseus fields. Total daily production at Genesis during 2010 averaged 8,000 barrels of crude oil (4,000 net) and 9 million cubic feet of natural gas (5 million net). Chevron is the operator with a 56.7 percent interest. Total daily production in 2010 from Petronius and the nearby Perseus Field averaged 15,000 barrels of crude oil (7,000 net) and 16 million cubic feet of natural gas (8 million net). Chevron is the operator with a 50 percent interest in both fields.

Development

Big Foot Work continues on the 60 percent-owned and operated Big Foot Project, located in Walker Ridge Block 29. The project completed front-end engineering and design (FEED) in June 2010, and a final investment decision was made in December 2010. The development plan is for a 15-slot drilling and production extended tension leg platform. Maximum total daily production is expected to reach design capacity of about 79,000 barrels of oil-equivalent. Project costs are estimated at \$4.1 billion, and first oil is expected in 2014. At the end of 2010, proved reserves had not been recognized. The field has an estimated production life of 20 years.

Caesar/Tonga The Caesar and Tonga partnerships formed a unit agreement for the area consisting of Green Canyon Blocks 683, 727, 770 and a portion of Block 726, which includes the Caesar, Tonga and West Tonga fields. Chevron holds a 20.3 percent nonoperated working interest in the unitized area. Development plans include a total of four wells, including two development sidetracks completed in 2009, and a subsea tieback to a nearby third-party production facility. Project costs are estimated at \$1.7 billion, and maximum total daily production is expected to be 42,000 barrels of oil-equivalent. Facility construction activities commenced in 2009 with the subsea system and topsides modifications to the host facility. Topsides modifications were completed in 2010. Work on the subsea system, commissioning of the topsides and the initial well completion program carried over into 2011. First production has been delayed due to a mechanical issue with the production riser system. Proved reserves have been recognized for this project.

Jack/St. Malo The Jack and St. Malo fields are located within 25 miles (40 km) of each other and are being jointly developed with a host floating production unit (FPU) located between the two fields. Chevron has a 50 percent interest in Jack (Walker Ridge Blocks 714, 715, 758 and 759 and a portion of Blocks 802 and 803) and a 51 percent interest in St. Malo (Walker Ridge Blocks 673, 674, 677 and 678), following the company's acquisition in March 2010 of an additional 9.8 percent equity interest in St. Malo from a partner. Both fields are company-operated and combined have total potentially recoverable resources in excess of 500 million oil-equivalent barrels. Located in 7,000 feet (2,134 m) of water

and with a reservoir depth of 26,500 feet (8,077 m), development is geologically and technically challenging. FEED activities continued in 2010 and a final investment decision was reached in October 2010. The facility is planned to have a design capacity of 177,000 barrels of oil-equivalent per day to accommodate production from the Jack/St. Malo development, which is estimated at a maximum total daily rate of 94,000 barrels of oil-equivalent, plus production from third-party tiebacks. Total project costs for the initial phase of the development are estimated at \$7.5 billion, and start-up is expected in 2014. The project has an estimated production life of 30 years. At the end of 2010, proved reserves had not been recognized for these fields.

Mad Dog II Development Project An appraisal well drilled in 2009 on the south flank of Mad Dog confirmed a significant resource base in this area of the field. Assessment of development concepts is ongoing for the appraised resource potential on the west and south flanks of the Mad Dog Field outside the drilling radius of the existing spar floating production facility. A decision on the development concept followed by the project moving into the FEED stage is expected to occur in the second-half 2011, and a final investment decision is anticipated in 2012. At the end of 2010, proved reserves had not been recognized for this project.

Tahiti 2 Tahiti 2 is the second development phase for the producing Tahiti Field and is designed to increase recovery from the main producing interval and maintain well capability at the facility capacity of 125,000 barrels of crude oil per day. The project includes three water injection wells, two additional production wells and the facilities required to deliver water to the injection wells. The final investment decision was made in third quarter 2010 with total project costs estimated at \$2.3 billion. Drilling began on the first water injection well in September 2010, and water injection start-up is expected to occur in 2012. At the end of 2010, proved reserves had not been recognized for the Tahiti 2 project.

Tubular Bells Chevron has a 30 percent nonoperated working interest in the Tubular Bells unitized area encompassing Mississippi Canyon Blocks 681, 682, 683, 724, 725 and 726 and the northwest quarter of Block 727. The area is located in 4,300 ft (1,311 m) of water. Studies to screen and evaluate future development alternatives continued into early 2010. A subsea tieback to a planned third-party host has been selected as the development concept. FEED commenced in fourth quarter 2010, with a final investment decision targeted for second quarter 2011. At the end of 2010, proved reserves had not been recognized for this project.

Exploration During 2010, the company participated in five deepwater exploratory wells – two wildcats, two appraisals and a delineation well. Drilling operations on two of these exploration wells were halted in second quarter 2010 as a result of the deepwater drilling moratorium in the Gulf of Mexico, including drilling of the first appraisal well at the 55 percent-owned and operated Buckskin discovery. The first appraisal well at Knotty Head was completed in March 2010 and interpretation of well results continues into 2011. Chevron has a 25 percent nonoperated working interest in this discovery. At the end of 2010, proved reserves had not been recognized for these exploration prospects. Chevron added 15 new leases to its deepwater portfolio as a result of bid awards stemming from the Gulf of Mexico Lease Sale 213 (Central Planning Area) in early 2010.

Other U.S. Areas

The company produces crude oil and natural gas across the mid-continental United States – primarily in Colorado, New Mexico, Oklahoma, Texas and Wyoming – and in Alaska. As a result of the February 2011 acquisition of Atlas Energy, Inc., new producing areas were added, primarily in southwestern Pennsylvania and Michigan.

Chevron is one of the largest hydrocarbon producers in the Permian Basin of West Texas and southeastern New Mexico. Operations in the Permian date back to the 1920s and in 2010, the company's total net production surpassed 5 billion barrels of oil-equivalent. In Alaska, the company has operated and nonoperated working interests in the Cook Inlet and holds nonoperated working interests on the North Slope. In October 2010, the company announced plans to sell its interests in the Cook Inlet, including the interests in two regional pipelines.

In 2010, the company's U.S. net daily oil-equivalent production outside California and the Gulf of Mexico averaged 249,000 barrels, composed of 91,000 barrels of crude oil, 773 million cubic feet of natural gas and 29,000 barrels of NGLs. Capital spending is focused in the Permian Basin, East Texas and the Rockies. During the year, the company drilled 130 wells and participated in drilling 287 partner-operated wells.



Chevron Activity Highlight

Conventional Resources

In this portion of the U.S. portfolio, the company is managing production decline rates in existing conventional fields with a combination of well workovers, artificial-lift techniques, facility and equipment improvements, enhanced-recovery methods such as water and carbon dioxide (CO₂) injection, and additional development drilling.

Chevron has substantial reserves and resources in the United States recoverable through CO₂ enhanced-recovery methods. CO₂ projects are ongoing in fields such as Vacuum in New Mexico, Rangely in Colorado, and Slaughter, Dollarhide and Reinecke in West Texas. Expansions, using both horizontal and vertical drilling, are proceeding in these fields at a pace to optimize facility utilization rates while balancing CO₂ demand and supply.

Unconventional Resources

Chevron continues to pursue opportunities in unconventional oil and gas resources. In West Texas, advances in drilling and completion technologies have opened up widespread targets in the Wolfcamp and associated "tight" rock formations, including the company's Lupin Project, a 100 percent-owned and operated interest, where first oil commenced in mid-2010. Additional production growth is expected from both operated and nonoperated interests in these formations in future years through continued use of these advanced drilling and completion technologies.

In 2010, the company continued the appraisal of the Haynesville shale gas formation in East Texas, where an estimated 2 trillion cubic feet of natural gas is potentially recoverable from Chevron's leases. The company commenced a large 3-D seismic survey of

approximately 600 square miles (1,554 sq km) across Panola County, Texas, with final results from the survey expected in 2012. The company continues to evaluate data from other Haynesville operators and from earlier appraisal drilling in preparation for resuming drilling in 2012.

In the Piceance Basin in northwestern Colorado, the company is continuing development of a 100 percent-owned and operated natural gas field consisting of approximately 35,000 acres (142 sq km). An estimated 3 trillion cubic feet of natural gas are potentially recoverable from this project. Completion activities continued in 2010, with 115 completed wells available to supply natural gas to the central processing facility. An eight-mile (13-km) pipeline to transport the natural gas to a gathering system was completed in 2008, and construction of compression and dehydration facilities to process 65 million cubic feet per day of natural gas

production was completed in 2009. The 2010 work plan focused on optimization of the existing wells and facilities, completion of previously drilled wells, and designing a pilot to test liquefied petroleum gas (LPG) as an alternative fracture fluid. The LPG fracture fluid pilot is planned to begin in late 2011. The company expects an additional 89 wells to be completed and brought online by 2013. This program is highly scalable, and future work is expected to be completed in multiple stages. The full development plan includes drilling more than 2,000 wells from multiwell pads over the next 30 to 40 years, bringing the full development potential up to 350 million cubic feet per day. Proved reserves for subsequent stages of the project had not been recognized at the end of 2010.

The Piceance Basin, along with other Rocky Mountain basins, contains a significant oil shale resource base. In 2007, Chevron was granted a research, development and demonstration lease by the Bureau of Land Management for the purpose of demonstrating a viable commercial technology for the extraction of hydrocarbons from oil shale in the Piceance Basin. In 2009, Chevron completed a 19-well hydrology testing program as a first step in attempting to unlock this resource. Further progress was made in 2010 with completion of an extensive core study, acquisition of multicomponent and cross-well seismic data, a regional and local fracture characterization study, continued success toward converting kerogens to movable oil, and modeling reservoir stimulation. Next steps entail continuing to collect baseline ground water data while developing an environmentally responsible, sustainable and scalable recovery technology.

In February 2011, Chevron acquired Atlas Energy, Inc. The acquisition provides an attractive natural gas resource position in the Appalachian basin, primarily located in southwestern Pennsylvania, and consists of approximately 850,000 total acres (3,440 sq km) of the Marcellus Shale and Utica Shale. The acquisition provides a 49 percent interest in Laurel Mountain Midstream, LLC, an affiliate that owns more than 1,000 miles (1,609 km) of natural gas gathering lines servicing the Marcellus. The acquisition also provides assets in Michigan, which include Antrim Shale producing assets and approximately 380,000 total acres (1,537 sq km) in the Antrim and Collingwood/Utica Shale.

Other Americas

In Other Americas, the company is engaged in exploration and production activities in Canada, Greenland, Argentina, Brazil, Colombia, Trinidad and Tobago, and Venezuela. Net daily oil-equivalent production of 247,000 barrels during 2010 in these countries represented about 9 percent of the companywide total.

Canada

Chevron has ownership interests in oil sands projects and shale gas acreage in the province of Alberta, exploration and development projects offshore in the Atlantic region, and exploration and discovered resource interests in the Mackenzie Delta and Beaufort Sea region of Canada's western Arctic. Total daily production in 2010 from Canadian operations was 223,000 barrels of crude oil (29,000 net), 30 million cubic feet of natural gas (4 million net) and 126,000 barrels of synthetic oil from oil sands (24,000 net).

Western Canada

Production The company holds a 20 percent nonoperated working interest in the Athabasca Oil Sands Project (AOSP) and the AOSP Expansion 1 Project near Fort McMurray, Alberta. The AOSP Expansion 1 Project, which achieved first production from the Jackpine Mine in third quarter 2010, is expected to increase daily production design capacity from oil sands by 100,000 barrels to more than 255,000 barrels in early 2011. In 2010, total daily production from oil sands averaged 126,000 barrels (24,000 net) of synthetic oil. Oil sands are mined from both the Muskeg River and Jackpine mines, and bitumen is extracted from the oil sands and upgraded into synthetic oil using hydroprocessing technology. Expansion of the Scotford Upgrader, also part of the project, is expected to be completed in second quarter 2011.

Exploration Through year-end 2010, the company increased its shale gas exploration leases in Alberta to approximately 200,000 acres (809 sq km), in the Duvernay formation. Exploration planning activities on these 100 percent-owned and operated leases have begun, with plans to commence an appraisal drilling program in the second-half 2011. At the end of 2010, proved reserves had not been recognized for any of these areas.

Atlantic Canada

Production Chevron holds a 26.9 percent nonoperated working interest in the Hibernia Field that comprises two key reservoirs, the Hibernia and Ben Nevis Avalon. Average total daily crude oil production in 2010 was 154,000 barrels (28,000 net).

Development

Hebron Chevron holds a 26.6 percent nonoperated working interest in the planned Hebron Field development located offshore the province of Newfoundland and Labrador. This heavy-oil field is estimated to contain between 400 million and 700 million of potentially recoverable barrels. A concrete gravity-base platform is planned to develop the field using directional drilling techniques. The FEED phase commenced in third quarter 2010, and the project has an expected economic life of 30 years. At the end of 2010, proved reserves had not been recognized for this project.

Hibernia Southern Extension (HSE) The HSE development is expected to stem the production decline from the Hibernia Field. Chevron has a 23.6 percent nonoperated working interest in the unitized HSE areas of the Hibernia Field, with the Newfoundland and Labrador government's energy corporation acquiring a 10 percent working interest in February 2010 as part of the project approval conditions. The development of these unitized areas requires the drilling of producing wells from the existing Hibernia concrete gravity-base platform and subsea drilling of supporting injection wells. Regulatory, federal and provincial government approval of the development plan was received in late 2010, with further government approval of required agreements received in early 2011. The project was subsequently approved by the joint venture. First production from the HSE unitized area is expected in late 2011. At the end of 2010, proved reserves had not been recognized for the HSE unitized blocks.



Exploration Chevron operates and holds a 50 percent interest in an Orphan Basin exploration license totaling approximately 1.5 million acres (6,040 sq km). As of early 2011, Chevron has drilled two exploration wells in the Orphan Basin and is continuing to assess plans for further exploration. Drilling operations on the second Orphan well were completed in mid-2010, and the water depth, at 8,537 feet (2,602 m), set a new record for deepwater wells drilled in Canada.

Planning for a seismic program is under way at the 100 percent-owned and operated Exploration License 1109, totaling 574,000 acres (2,323 sq km) and located approximately 75 miles (121 km) offshore Labrador.

At the end of 2010, proved reserves had not been recognized for either of these exploration prospects.

Northern Canada

Exploration Chevron holds a 25 percent nonoperated working interest in several onshore exploration leases in the Mackenzie Delta region of the Northwest Territories. In 2010 there were no exploration activities on these leases. In the Beaufort Sea, there are two exploration licenses that are 100 percent-owned and operated. One license was acquired in 2010 and covers 508,800 acres (2,060 sq km). Additionally, Chevron holds a 34 percent nonoperated working interest in the offshore Amauligak discovery and is continuing to assess development concept alternatives.

The company also holds additional nonoperated minor working interests in other offshore licenses in the Beaufort Sea. At the end of 2010, proved reserves had not been recognized for any of these areas.

Greenland

Exploration: Evaluation of seismic data for License 2007/26, which covers Block 4, offshore Disko Island West Greenland, commenced in 2010 and is planned to continue in 2011. Chevron holds a 29.2 percent nonoperated working interest in this exploration license.

Argentina

Chevron holds operated interests in five concessions in the Neuquen Basin. Working interests range from 18.8 percent to 100 percent. 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. Chevron sold its interest in the Puesto Prado, Las Bases and El Sauce fields in the Neuquen Basin in 2010.

Production During 2010, total daily production averaged 48,000 barrels of crude oil (31,000 net) and 7 million cubic feet of natural gas (5 million net). In 2010, the company continued the development of El Trapial Field with sequential projects to reduce production declines.

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). In the Santos Basin, the company holds a 20 percent nonoperated working interest in the deepwater Atlanta and Oliva fields.

Production During 2010, total daily production averaged 50,000 barrels of crude oil (23,000 net).

Frade The Frade Field lies in approximately 3,700 feet (1,128 m) of water, 230 miles (370 km) northeast of Rio de Janeiro. Frade includes subsea systems and flowlines tied back to a floating production, storage and offloading vessel (FPSO). Eight development wells and four injection wells had been completed as of year-end 2010. Development drilling is continuing, with planned additions of five development wells and three injection wells by the end of 2011. Maximum total daily production of 68,000 barrels of crude oil and 25 million cubic feet of natural gas is expected to be realized in mid-2011. The concession that includes the Frade Project expires in 2025.

Development

Maromba Evaluation of the field development concept continued in early 2011 for Maromba. The company has a 30 percent nonoperated working interest in this concession, which expires in 2033. At the end of 2010, proved reserves had not been recognized for this project.



■ Chevron Interest

Papa-Terra The Papa-Terra Project, in which Chevron has a 37.5 percent nonoperated working interest, has potentially recoverable crude oil of approximately 380 million barrels and lies in about 3,900 feet (1,189 m) of water. The single-phase development project involves an FPSO and a tension leg well platform with a planned total daily capacity of 140,000 barrels of crude oil. A final investment decision was reached in January 2010. Major construction contracts were awarded in 2010, and development drilling is expected to begin in the second-half 2011. First production is expected in 2013. When completed, the project would be Chevron's largest investment in Brazil. At the end of 2010, proved reserves had not been recognized for this project. The concession expires in 2032.

Exploration Evaluation of the deepwater Atlanta and Oliva fields continued in 2010. At the end of 2010, proved reserves had not been recognized for either field.

Colombia

Chevron's activities in Colombia are focused on the production and commercialization 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 as part of the Guajira Association contract. Chevron receives 43 percent of the production for the remaining life of each field and a variable production volume from a fixed-fee, Build-Operate-Maintain-Transfer agreement based on prior Chuchupa capital contributions. During 2010, Chevron conducted a seismic survey of the offshore, near-shore and onshore development areas, and the evaluation of the results are ongoing.

Production Total daily production in 2010 averaged 714 million cubic feet of natural gas (249 million net).

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. Chevron also operates and holds a 50 percent interest in the Manatee Area of Block 6(d).

Production Total daily production during 2010 from the Dolphin and Dolphin Deep fields averaged 560 million cubic feet of natural gas (223 million net). These volumes were sold under four sales contracts.

Exploration The company drilled a successful exploratory well in the Manatee Area of Block 6(d) in 2005. This well extended the six shallow gas sands discovered in Venezuela's Loran Field in Block 2 into Trinidad and Tobago. In 2007, an overarching treaty supporting unitization was signed by the governments of Venezuela and Trinidad and Tobago. In August 2010, a Loran/Manatee field-specific treaty was signed by the two governments. At the end of 2010, proved reserves had not been recognized for this field.

Venezuela

Chevron's production activities in Venezuela are performed by two affiliates in western Venezuela and one affiliate in the Orinoco Belt. Additionally, a Chevron-led consortium was selected to participate in another heavy oil project in the Orinoco Belt in 2010. Chevron also has interests in three offshore exploratory blocks - two in the Plataforma Deltana region and one off the northwest coast of Venezuela.

Production During 2010, total daily production averaged 101,000 barrels of crude oil (26,000 net), 134,000 barrels of synthetic oil (28,000 net) and 116 million cubic feet of natural gas (25 million net).

Petroboscan The company holds a 39.2 percent interest in Petroboscan, which operates the onshore Boscan Field in western Venezuela under a 20-year contract expiring in 2026. During 2010, Petroboscan total daily production averaged 96,000 barrels of liquids (25,000 net) and 15 million cubic feet of natural gas (6 million net). Fifteen development wells and two water injection wells were drilled during 2010.

Petroindependiente The company holds a 25.2 percent interest in Petroindependiente, which operates the LL-652 Field in Lake Maracaibo under a 20-year contract expiring in 2026. During 2010, Petroindependiente total daily production averaged 5,000 barrels of liquids (1,000 net) and 52 million cubic feet of natural gas (9 million net).

Petropiar Chevron holds a 30 percent interest in Petropiar, which operates the Hamaca Project. The project is located in Venezuela's Orinoco Belt and has a total design capacity for processing and upgrading 190,000 barrels per day of extra heavy crude oil (8.5 degrees API gravity) into 180,000 barrels of lighter, higher-value synthetic oil (26 degrees API gravity). Total daily production averaged 134,000 barrels of synthetic oil (28,000 net) and 49 million cubic feet of natural gas (10 million net) during 2010. Enhanced oil recovery studies continued through 2010.

Exploration 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. In Block 2, which includes the Loran Field, a Declaration of Commerciality was accepted by the Venezuelan government in March 2010. Loran is scheduled to provide the initial natural gas supply for the Delta Caribe liquefied natural gas (LNG) plant, Venezuela's first LNG project. Chevron has a 10 percent nonoperated interest in the LNG facility. At the end of 2010, proved reserves had not been recognized for either of these exploration prospects.

Chevron operates and holds a 100 percent interest in the Cardon III Block, located north of Lake Maracaibo in the Gulf of Venezuela offshore region. At the end of 2010, proved reserves had not been recognized for this exploration prospect.

In February 2010, a Chevron-led consortium was selected to participate in a heavy-oil project in three blocks within the Carabobo Area of eastern Venezuela's Orinoco Belt. A joint operating company, Petroindependencia, was formed in May 2010, and work toward commercialization of the Carabobo 3 Project was initiated. The consortium holds a combined 40 percent interest with Petr leos de Venezuela, S.A., Venezuela's national oil and gas company, holding the remaining interest. Chevron's interest in the project is 34 percent.

Africa

In Africa, the company is engaged in exploration and production activities in Angola, Chad, Democratic Republic of the Congo, Liberia, Nigeria and Republic of the Congo. Net daily oil-equivalent production of 469,000 barrels during 2010 in these countries represented about 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.

During 2010, total daily liquids production averaged 580,000 barrels (152,000 net).



Block O

Production Block O is divided into areas A and B and contains 21 fields that produced a total daily average of 365,000 barrels of liquids (116,000 net) in 2010. Area A comprises 15 producing fields and averaged total daily production of 227,000 barrels of crude oil (72,000 net) and 4,000 barrels of LPG (1,000 net). Area B has six producing fields and averaged total daily production of 119,000 barrels of crude oil and condensate (37,000 net) and 15,000 barrels of LPG (6,000 net). The Block O concession extends through 2030.

Mafumeira Norte The first stage of the Mafumeira Field development, targeting the northern portion of the field, Mafumeira Norte, completed development drilling and achieved maximum total daily production of 57,000 barrels of crude oil in fourth quarter 2010.

Development

Gas Management Projects The Area A Gas Management Projects are a series of four projects designed to eliminate flaring of natural gas by reinjecting excess natural gas into the various Takula and Malongo reservoirs. Three of the four projects started up in 2008 and 2009, and as of year-end 2010, flaring has been reduced by approximately 65 million cubic feet of natural gas per day. Work on the fourth project, Malongo Flare and Relief Modification, continued during 2010 with expected completion in fourth quarter 2011.

Greater Vanza/Longui Area (GVLA) Development concept selection studies continued during 2010, with FEED planned to start in second quarter 2011. At the end of 2010, proved reserves had not been recognized for this project.

Mafumeira Sul The second stage of the Mafumeira field development, Mafumeira Sul, is located in the Southern Malongo Area in 200 feet (61 m) of water. The development plans include a central processing facility, two wellhead platforms, approximately 75 miles (120 km) of subsea pipelines and 51 wells. The maximum total daily production is expected to reach 110,000 barrels of crude oil and 10,000 barrels of LPG. FEED began in January 2010, and a final investment decision is expected in fourth quarter 2011. At the end of 2010, proved reserves had not been recognized for this project.

Nemba Enhanced Secondary Recovery & Flare Reduction

Work continued on the Nemba Enhanced Secondary Recovery & Flare Reduction Project. Development plans include enhancing crude oil recovery by increasing natural gas injection and eliminating routine flaring at the North and South Nemba platforms. The first stage of the project is expected to be completed in second quarter 2011 with the start-up of natural gas injection on the existing South Nemba platform. The total estimated cost for the first stage is \$1.0 billion, and the modifications are expected to enhance total daily liquids production by 16,000 barrels. The next stage of the project includes additional compression facilities on a new platform, which will be connected to the existing South Nemba platform. Gas injection from the new platform is planned to start in 2014.

South N'Dola FEED activities continued during 2010 on the south extension of the N'Dola Field development, which is in 270 feet (82 m) of water. The development plans include a wellhead platform with production from 12 wells tied back to existing infrastructure. A final investment decision is anticipated in fourth quarter 2011. At the end of 2010, proved reserves had not been recognized for this project.

Exploration During 2010, two exploration wells were completed in Area B targeting pre-salt opportunities. The first well was completed in February with successful flow tests from pre-salt zones beneath the Pinda formation of the planned GVLA development. The second well, completed in June, was not successful. Processing of additional seismic data in Area A started in mid-year 2010 and is expected to continue through the end of 2011. Plans are to drill two new exploration wells in Block O during the second-half 2011.

Block 14

Production In 2010, total daily production was 197,000 barrels of liquids (34,000 net) from Benguela Belize-Lobito Tomboco, Kuito, Tombua and Landana fields.

Tombua-Landana Development drilling continued during 2010. At year-end, 12 development wells and five injection wells had been completed. Development drilling is expected to continue with maximum total daily production of 75,000 barrels of crude oil anticipated in second quarter 2011. Development and production rights for these fields expire in 2028.

Development

Lucapa Studies to evaluate development alternatives for the Lucapa Field continued throughout 2010, with FEED expected in third quarter 2011. A successful exploration well was drilled in the Lucapa development area in fourth quarter 2010. At the end of 2010, proved reserves had not been recognized for Lucapa.

Negage In 2009, a portion of the Negage Development Area situated in the southwest corner of Block 14 was designated to be in the Zone of Common Interest, a cooperative arrangement between Angola and Democratic Republic of the Congo. Development activities remain suspended pending final agreements between the two countries. At the end of 2010, proved reserves had not been recognized for this project.

Malange A new development area was granted at Malange Field in 2010 after a successful appraisal well was drilled in 2009.

Infrastructure Shared by Blocks O and 14

Congo River Canyon Crossing Pipeline Chevron holds a 38.1 percent interest in the proposed pipeline designed to transport up to 250 million cubic feet per day of natural gas from Angola's Blocks O and 14 to the Angola LNG plant in Soyo, Angola. The development plans include 87 miles (140 km) of offshore pipeline routed under the Congo River subsea canyon. Project construction is scheduled to begin in the second-half 2011 with completion planned for 2013. A pipeline right-of-way convention was signed in November 2010 with Democratic Republic of Congo.

Block 2 and FST Area

Production Total daily production averaged 18,000 barrels of liquids (2,000 net) in 2010.

Natural Gas Commercialization

Angola LNG Chevron has a 36.4 percent interest in Angola LNG Limited, which will operate the 5.2 million-metric-ton-per-year LNG plant. The onshore plant in Soyo, Angola, is designed with the 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 regasified LNG and up to 63,000 barrels of NGLs. Construction continued throughout 2010, including the installation of the roof on the first of four LNG tanks. The project is expected to enter production in 2012. The estimated total cost of the plant is \$9.0 billion, and the anticipated life is in excess of 20 years. Proved reserves have been recognized for producing operations associated with this project.

Angola-Republic of the Congo Joint Development Area

Chevron is the operator and holds a 31.3 percent interest in the Lianzi unit located in a joint development area shared equally between Angola and Republic of the Congo.

Development The Lianzi Project continued FEED through the end of 2010. The project scope includes three producing wells and three water injection wells with a subsea tie-back to an existing platform in Block 14. A final investment decision is planned for fourth quarter 2011. At the end of 2010, proved reserves had not been recognized for the 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.

Production Total daily production in 2010 from seven fields averaged 14,000 barrels of crude oil (2,000 net).

Republic of the Congo

Chevron has a 31.5 percent nonoperated working interest in the Nkossa, Nsoko and Moho-Bilondo permit areas and a 29.3 percent nonoperated working interest in the Kitina permit area, all of which are offshore. The development and production rights for Nsoko, Kitina and Nkossa expire in 2018, 2019 and 2027, respectively.

Production Average total daily production in 2010 from Republic of the Congo fields was 124,000 barrels of liquids (23,000 net).

Development Drilling of development and injection wells continued in Moho-Bilondo during 2010. Maximum total daily production of 93,000 barrels of crude oil was reached in fourth quarter 2010. The development and production rights for Moho-Bilondo expire in 2030.

Exploration During 2010, two exploration wells were drilled at the northern edge of the producing Moho-Bilondo Field, resulting in crude oil discoveries in two new reservoirs. Studies were planned to evaluate the feasibility of producing these reservoirs by tying back to the existing Moho-Bilondo facilities.

Chad/Cameroon

Chevron holds a nonoperated working interest in crude oil fields in southern Chad. The produced volumes are transported about 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.

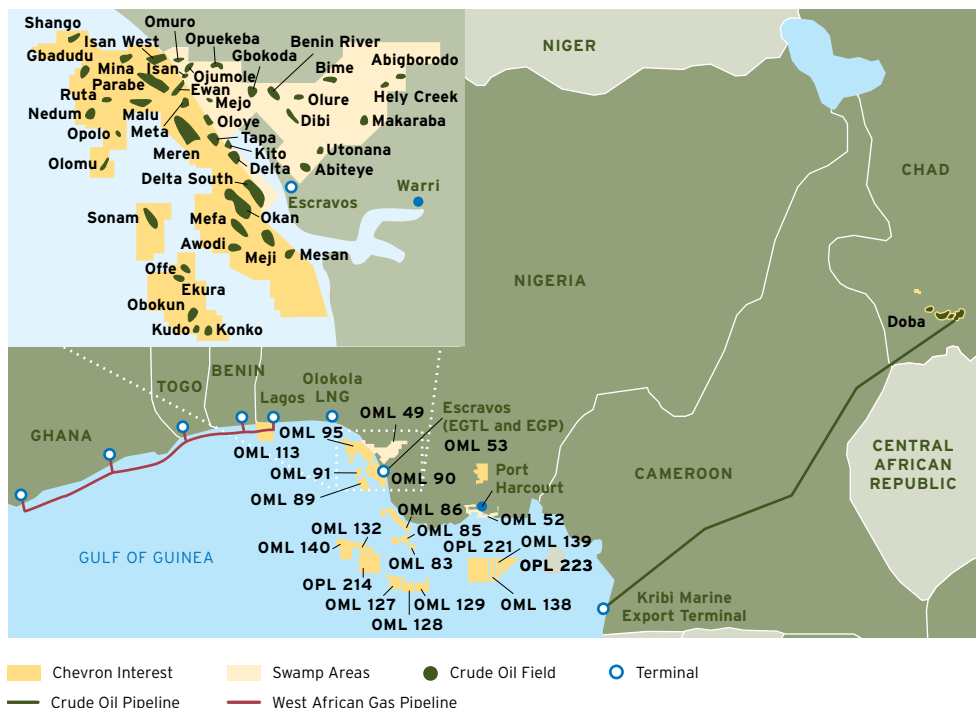
Production Total daily crude oil production in 2010 from seven fields in the Doba Basin averaged 123,000 barrels (27,000 net).

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 concessions cover approximately 2.2 million acres (8,900 sq km) and are operated under a joint-venture arrangement with the Nigerian National Petroleum Corporation (NNPC), which owns a 60 percent interest. The company also holds acreage positions in 10 deepwater blocks with working interests ranging from 18 percent to 100 percent.

Production In 2010, total daily production averaged 524,000 barrels of crude oil (237,000 net), 206 million cubic feet of natural gas (86 million net) and 5,000 barrels of LPG (2,000 net).

Exploration Shallow-water exploration activities in 2010 included reprocessing 3-D seismic data over Oil Mining Lease (OML) 53 and OML 95. Regional studies to identify deep gas prospects were ongoing in early 2011. A natural gas exploration well is scheduled to be drilled in fourth quarter 2011. At the end of 2010, proved reserves had not been recognized for these exploration prospects.



Niger Delta

Production In 2010, total daily production from 32 fields in the Niger Delta averaged 284,000 barrels of crude oil (97,000 net), 190 million cubic feet of natural gas (75 million net) and 5,000 barrels of LPG (2,000 net). In March 2010, gas sales resumed from the Nigerian Gas Company pipeline, which had been vandalized in 2009. In August 2010, three fields returned to production in following the repair of the Nembe Creek Trunk Line that was vandalized in 2008.

Development

Western Niger Delta Construction to rebuild the Olero Creek Flowstation continued in 2010 with project completion anticipated in 2013. Work to lay a new pipeline to transport natural gas from Abiteye to the processing facilities at Escravos continued in 2010 with completion planned for fourth quarter 2011.

The Dibi Long-Term Project is designed to integrate the existing Early Production System (EPS) facility, purchased in 2009, into a permanent flowstation. This project also includes rebuilding the existing Dibi permanent facilities that were vandalized in 2003. FEED was completed in September 2010. A final investment decision is anticipated in second quarter 2011. Total daily production from the Dibi EPS averaged 32,000 barrels (10,000 net).

Deep Water

Production

Agbami In 2010, total daily production from Agbami averaged 239,000 barrels of crude oil (140,000 net) and 16 million cubic feet of natural gas (11 million net). The Chevron-operated Agbami Field is located in a water depth of 4,800 feet (1,463 m), with subsea wells tied back to an FPSO. The geological structure spans 45,000 acres (182 sq km) across OML 127 and OML 128. The field is one of the largest deepwater discoveries in Nigeria and contains an estimated 1 billion barrels of potentially recoverable liquids. In July 2010, an equity redetermination of the unitization agreement for OML 127 and OML 128 reduced the company's interest from 68.2 percent to 67.3 percent.

Development

Agbami 2 In 2009, a subsequent 10-well Phase 2 development program was initiated and is expected to provide 100,000 barrels of total daily liquids production to offset field decline and to sustain a maximum total daily liquids production rate of 250,000 barrels. Drilling began in May 2010 and is expected to continue through 2014. The first well is scheduled to commence production in the second-half 2011. Total costs for the drilling program are estimated at \$1.9 billion. The leases that contain the Agbami Field expire in 2023 and 2024.

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 geological structure and are planned to be developed jointly. The geological structure lies 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. Chevron is expected to have an approximate 20 percent nonoperated working interest in the unit. The project was delayed in 2009 in order to secure stakeholder alignment on scope. During 2010, partners extended a pre-unitization agreement. A final unitization agreement will be signed in advance of a final investment decision. Subsurface and surface facility studies are expected to be completed in second quarter 2011. The project scope is expected to be finalized by third quarter 2011, prior to entering FEED. At the end of 2010, no proved reserves were recognized for this project.

Nsiko Chevron operates and holds a 95 percent interest in the Nsiko discovery in OML 140. This discovery lies in approximately 5,800 feet (1,768 m) of water, 90 miles (145 km) off the coast of the western Niger Delta region. Subsurface evaluations and field development planning were completed in 2008. Development activities and FEED are expected to begin once commercial terms are resolved and further exploration drilling is completed. At the end of 2010, proved reserves had not been recognized for this project.

Usan Chevron holds a 30 percent nonoperated working interest in this development project in OML 138, which lies in 2,461 feet (750 m) of water, 62 miles (100 km) off the coast of the eastern Niger Delta region. The development plan involves subsea wells producing to an FPSO. During 2010, development drilling and construction of the FPSO continued. The FPSO is expected to depart from the fabrication site in second quarter 2011. Maximum total daily production of 180,000 barrels of crude oil is anticipated within one year of start-up, which is expected in 2012. The total costs for the project are estimated at \$8.4 billion. The PSC expires in 2023. Proved reserves have been recognized for this project.

Exploration Chevron had no exploratory drilling activity in Nigeria in 2010. Exploration wells are scheduled to be drilled in third quarter 2011 in the Uge North prospect in Oil Prospecting License (OPL) 214 and the Owowo area in OPL 223. The company has nonoperated working interests of 20 percent and 27 percent in OPL 214 and OPL 223, respectively. The company's interest in OPL 247 was relinquished at year-end 2010. Proved reserves had not been recognized for these exploration activities at the end of 2010.

Natural Gas Commercialization

Escravos Gas Project (EGP) Phase 3A Construction on the Chevron-operated and 40 percent-owned EGP Phase 3A expansion was completed in 2009, and first gas was delivered to the new facilities in June 2010. At the end of 2010, total daily input into the facility was 230 million cubic feet of natural gas, resulting in daily gas sales to the domestic market of 180 million cubic feet and export sales of 8,000 barrels of LPG and condensate. As a result of the expansion, the Escravos Gas Plant's daily processing capacity increased from 285 million to 680 million cubic feet of natural gas and daily LPG and condensate export capacity increased from 15,000 to 58,000 barrels. The expansion also included infrastructure for offshore natural gas gathering and compression and the addition of a second processing facility to process natural gas from the Meji, Delta South, Okan and Mefa fields.

EGP Phase 3B This Chevron-operated and 40 percent-owned development in Escravos is expected to be completed in 2013. EGP Phase 3B is a continuation of the company's Western Delta Gas Development Program, 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 approximately 75 miles (121 km) of subsea pipelines, and modifications to nine existing production platforms. The project is designed to receive natural gas from the Meren, Parabe, Malu, Isan, Opolo, Ewan, Tapa and Delta fields and transport it to the Escravos Gas Plant for processing and sale. Construction of the pipelines and modifications to the production platforms continued through 2010. The engineering, procurement, construction and installation contract for the gas gathering and compression platform is expected to be signed in second quarter 2011. Total capital costs for the project are estimated to be \$2.0 billion. Proved reserves have been recognized for the project.

Gas Supply Expansion Project The Chevron-operated and 40 percent-owned project is designed to deliver 215 million cubic feet of natural gas per day to the domestic gas market and produce 43,000 barrels of liquids per day. The project scope includes facilities required to develop the Sonam natural gas field in the Escravos area as well as expansion of the Escravos Gas Plant to include a third gas processing train. A final investment decision is expected in third quarter 2011. At the end of 2010, proved reserves associated with the project had not been recognized.

EGTL Chevron and the NNPC are developing a 33,000-barrel-per-day gas-to-liquids facility at Escravos that is designed to process 325 million cubic feet per day of natural gas from the EGP Phase 3A expansion. Engineering, procurement and offsite fabrication are complete. Work on the project was approximately 70 percent complete at the end of 2010, with all large modules and equipment greater than 50 metric tons installed on their foundations. Chevron is the operator and has a 75 percent interest in the plant, which is scheduled for start-up in 2013. The estimated cost of the project is \$8.4 billion.

Olokola LNG Project Chevron has a 19.5 percent interest in the OKLNG Free Zone Enterprise (OKLNG) affiliate, which will operate the Olokola LNG Project. OKLNG plans to build a multitrain natural-gas-liquefaction facility and marine terminal located northwest of Escravos. As of early 2011, the timing of a final investment decision was uncertain. At the end of 2010, proved reserves associated with this project had not been recognized.

Onshore Asset Gas Management (OAGM) Chevron operates and holds a 40 percent interest in six fields collectively referred to as the Onshore Area. In 2003, civil unrest in the area resulted in vandalism of the compression infrastructure. The OAGM project is designed to restore these facilities and supply 125 million cubic feet of natural gas per day to the Nigerian domestic gas market. Two onsite construction contracts were awarded in third quarter 2010. Construction activities are ongoing, with start-up scheduled for 2012.

West African Gas Pipeline Chevron is the largest shareholder in West African Gas Pipeline Company Limited, with a 36.7 percent interest, which owns and operates the 421-mile (678-km) West African Gas Pipeline. The pipeline supplies Nigerian natural gas to customers in Ghana, Benin and Togo for industrial applications and power generation. Start-up of compression facilities to increase the pipeline capacity to 170 million cubic feet of natural gas per day occurred in February 2011.

Nigeria - São Tomé e Príncipe Joint Development Zone (JDZ)

Chevron divested its 45.9 percent interest in JDZ Block 1 in fourth quarter 2010.

Liberia

Exploration In 2010, Chevron acquired a 70 percent interest in and is operator of three blocks off the coast of Liberia. The deepwater blocks, LB-11, LB-12 and LB-14, cover a combined area of 2.4 million acres (9,600 sq km). In September 2010, 3-D seismic data was purchased, and an exploration well is planned for fourth quarter 2011.



Asia

In Asia, Upstream activities are located in Azerbaijan, Bangladesh, Cambodia, China, Indonesia, Kazakhstan, Myanmar, the Partitioned Zone between Saudi Arabia and Kuwait, the Philippines, Russia, Thailand, Turkey, and Vietnam. Net daily oil-equivalent production of 1,069,000 barrels during 2010 in these countries represented about 39 percent of the companywide total.

Azerbaijan

Chevron holds an 11.3 percent nonoperated working interest in the Azerbaijan International Operating Company (AIOC) and the crude oil production from the Azeri-Chirag-Gunashli (ACG) Project. AIOC operations are conducted under a PSC that expires in 2024. In third quarter 2010, Chevron increased its working interest in the AIOC from 10.3 percent to 11.3 percent. Chevron also has an 8.9 percent interest in the Baku-Tbilisi-Ceyhan (BTC) Pipeline, which transports the majority of the ACG production from Baku, Azerbaijan, through Georgia to Mediterranean deepwater port facilities at Ceyhan, Turkey.

Production The AIOC's total daily crude oil production in 2010 averaged 822,000 barrels (28,000 net). The AIOC exports the production primarily via the BTC pipeline and the Western Route Export Pipeline (WREP), which is wholly owned by the AIOC. The 1,094-mile (1,762-km) BTC pipeline has a capacity of 1.2 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 of 100,000 barrels per day.

As alternatives to the primary export pipelines, the AIOC could use rail tank cars that connect with a Georgian Black Sea port and/or, provided there is spare capacity, a northern pipeline route that connects to an existing pipeline system in Russia and extends to the Russian Black Sea port of Novorossiysk.

Development In March 2010, the final investment decision was reached at the ACG Chirag Oil Project. The project is designed to further develop the deepwater Gunashli Field and includes a new 48-slot platform. The total estimated cost of the project is \$6 billion with maximum total daily production capacity of 185,000 barrels of oil-equivalent. Proved reserves were recognized in 2010, and production is scheduled to begin in 2013.

Kazakhstan

Chevron has a 50 percent interest in the Tengizchevroil (TCO) affiliate and a 20 percent nonoperated working interest in the Karachaganak Field. TCO production is from the Tengiz and Korolev fields.

Total daily production in 2010 from TCO and Karachaganak was 831,000 barrels of crude oil and NGLs (291,000 net) and 1.7 billion cubic feet of natural gas (487 million net).



Tengiz and Korolev TCO is operating and developing the Tengiz and Korolev crude oil fields in western Kazakhstan under a concession that expires in 2033.

Production Total daily production in 2010 averaged 567,000 barrels of crude oil (234,000 net), 822 million cubic feet of natural gas (338 million net) and 44,000 barrels of NGLs (18,000 net). In 2010, TCO continued to increase production from the Sour Gas Injection (SGI) and Second Generation Plant (SGP) facilities.

During 2010, the majority of TCO's crude oil production was exported through the Caspian Pipeline Consortium (CPC) pipeline. The balance of production was moved by rail to Black Sea ports or to Aktau, Kazakhstan, and then via tanker to Baku, Azerbaijan, also for shipment by rail to Black Sea ports.

Development The Sulfur Expansion Project is expected to increase TCO's sulfur-granulation capacity and eliminate routine addition of sulfur inventory at the storage pads. The project is scheduled to start up in 2012.

TCO continues to evaluate options for an expansion project similar in scale to the SGI/SGP Project. The Future Growth Project will utilize sour gas injection technology developed for SGI/SGP and is expected to increase total daily crude oil production by 250,000 to 300,000 barrels. FEED is scheduled for the second-half 2011, with a final investment decision anticipated in 2012. At the end of 2010, proved reserves had not been recognized for this expansion 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.

Production Total daily production during 2010 averaged 220,000 barrels of liquids (39,000 net) and 840 million cubic feet of natural gas (149 million net). Approximately 175,000 barrels per day of processed liquids (31,000 net) were exported and sold at prices available in world markets. Substantially all of the exported volumes were transported through the CPC pipeline. A portion was exported via the Atyrau-Samara (Russia) pipeline. Liquids not exported by these pipelines were sold as unstable condensate into the Russian market.

Development During 2010, work continued on a fourth train that is designed to increase total liquids-stabilization capacity by 56,000 barrels per day. The project has a slight positive impact on field production rates and enables export of the stabilized condensate to world markets. The fourth train is expected to start up in second quarter 2011.

Work continued on identifying the optimal scope for the next phase of expansion for the field. The timing of a final investment decision on a preferred development alternative for a Phase III expansion is uncertain. At the end of 2010, proved reserves had not been recognized for this 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 pipeline. During 2010, the CPC pipeline transported an average of 743,000 barrels of crude oil per day to Novorossiysk, composed of 607,000 barrels per day originating from Kazakhstan and 136,000 barrels per day from Russia. In addition, approximately 39,000 barrels per day of Tengiz crude oil was discharged from the CPC pipeline in Atyrau, Kazakhstan, for loading onto rail cars. In December 2010, CPC partners made a final investment decision to expand the pipeline capacity by 670,000 barrels per day at a total estimated project cost of \$5.4 billion. The project is planned to be implemented in three phases with capacity increasing progressively until reaching full capacity in 2016. The expansion is expected to provide additional transportation capacity that accommodates future growth in TCO production.

Russia

In June 2010, Chevron signed a Heads of Agreement (HOA) covering the exploration, development, production and marketing of hydrocarbons from the Shatsky Ridge Block in the Black Sea. Technical and commercial evaluation of the opportunity is ongoing in 2011. At the end of 2010, proved reserves had not been recognized for these activities.

Turkey

In September 2010, Chevron signed a Joint Operating Agreement (JOA) for a 50 percent interest in the western part of License 3921 in the Black Sea. The license covers a 5.6 million-acre (22,505-sq-km) block located 220 miles (350 km) northwest of the capital city of Ankara. The initial exploratory well, which had started drilling prior to the JOA, was completed in November 2010 and was unsuccessful. Future plans are under evaluation. At the end of 2010, proved reserves had not been recognized for this area. Chevron relinquished its interest in the Silopi licenses in southeast Turkey subsequent to the February 2010 completion of the unsuccessful Lale exploratory well.

Bangladesh

Chevron holds interests in three operated PSCs in Bangladesh covering Block 7, Block 12 (Bibiyana Field), and Blocks 13 and 14 (Jalalabad and Moulavi Bazar fields). The company has a 43 percent interest in Block 7 and a 98 percent interest in Blocks 12, 13 and 14. The rights to produce from Jalalabad expire in 2025, from Moulavi Bazar in 2028 and from Bibiyana in 2034.

Production In 2010, total daily production averaged 883 million cubic feet of natural gas (404 million net) and 5,000 barrels of condensate (2,000 net).

Development In 2010, the development of the Muchai compression project progressed with the completion of preliminary construction and development activities at the plant site. The project is expected to support additional production starting in 2012 from the Bibiyana, Jalalabad and Moulavi Bazar natural gas fields. Proved reserves have been recognized for this project.

Other development activities included evaluation of a gas plant expansion at Bibiyana, additional development drilling at Moulavi Bazar and an enhanced liquids recovery project at Bibiyana.



Exploration In 2010, the company completed seismic data evaluation and prepared to drill one exploration well in Block 7. The well is planned to be completed in mid-2011. At the end of 2010, proved reserves had not been recognized for these activities.

Cambodia

Chevron owns a 30 percent interest and operates the 1.2 million-acre (4,709-sq-km) Block A, located in the Gulf of Thailand.

Development In 2010, the company drilled three successful exploration wells in Block A. A 30-year production permit under the PSC is expected to be approved by the government in second quarter 2011. A final investment decision for initial development of a wellhead platform and floating storage and offloading vessel (FSO) is expected in 2011. At the end of 2010, 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 in the Andaman Sea. The company also has a 28.3 percent nonoperated interest in a pipeline company that transports the natural gas from Yadana to the Myanmar-Thailand border for delivery to power plants in Thailand. The PSC expires in 2028.

Most of the natural gas production from the Yadana Field is purchased by Thailand's PTT Public Company Limited (PTT) for power plants in Thailand. The remaining volumes are dedicated to the Myanmar market.

Production Total daily natural gas production during 2010 averaged 726 million cubic feet (81 million net).

Development The Medium Compression Project started commercial operation with one compression train in July 2010 to support additional natural gas demand.

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 2022 and 2035. Chevron also has a 16 percent nonoperated working interest in the Arthit Field in the Malay Basin. Concessions for the producing areas in the Malay Basin expire between 2036 and 2040.

The company sells all of the natural gas production to PTT under long-term natural gas sales agreements. The natural gas is used mainly in power generation, but is also consumed by the industrial and transportation sectors and the petrochemical industry. Chevron's production in 2010 supplied approximately one-third of Thailand's total demand for natural gas and half of Thailand's total liquids output.

Production Total average daily production in 2010 was 145,000 barrels of crude oil and condensate (70,000 net) and 1.9 billion cubic feet of natural gas (875 million net).

Development Construction continued on the 69.9 percent-owned and operated Platong Gas II project throughout 2010 with the installation of a central processing platform jacket and living quarters module. The project is expected to achieve first gas by fourth quarter 2011. The project is designed to produce an estimated 330 million cubic feet per day of natural gas and 18,000 barrels per day of NGLs. The estimated total cost is \$3.1 billion. Proved reserves have been recognized for the project.



During 2010, 13 wellhead platforms were installed and 250 development wells were drilled in the Pattani Basin, and five wellhead platforms were installed and 58 development wells were drilled at the Arthit Field.

Exploration In 2010, the company drilled seven exploration wells in the Pattani Basin. Four of the wells, located in Blocks G6/50, G7/50, 10 and 11, were successful and were under evaluation to validate further development strategy. The three unsuccessful exploration wells were drilled in Block G4/50. In fourth quarter, the company withdrew from the block, and government approval for the withdrawal is expected by the end of 2011. Additionally, at the Arthit Field, six exploration wells were drilled. At the end of 2010, proved reserves had not been recognized for these activities. For 2011, 11 operated exploratory wells are planned.

Chevron also holds operated and nonoperated working interests in the Thailand-Cambodia overlapping-claims area that vary from 30 percent to 80 percent. As of early 2011, these areas were inactive pending resolution of border issues between Thailand and Cambodia.

Vietnam

The company is the operator of three PSCs in Vietnam. 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. In Phu Khan Basin, offshore eastern Vietnam, Chevron has a 20 percent ownership interest in a PSC that covers Block 122.

Blocks B, 48/95 and 52/97

Development The Block B Gas Development is designed to produce natural gas from the two Malay Basin PSCs for delivery to state-owned Petrovietnam. The project includes installation of wellhead and hub platforms, an FSO, field pipelines, a living quarters platform, and a central processing platform. The offshore development project entered FEED in 2010. Targeted maximum total daily production is 490 million cubic feet of natural gas and 4,000 barrels of condensate. The final investment decision for the offshore development project is expected in fourth quarter 2011. In conjunction with the offshore development, the company has a 28.7 percent nonoperated working interest in a pipeline project that would deliver natural gas from the development to utility companies in southern Vietnam. The pipeline project entered FEED in 2009, and the engineering and design work is being developed by the operator of the pipeline. The pipeline project received its business license in July 2010. The expected total cost for the offshore development and pipeline projects is \$4.3 billion. At the end of 2010, proved reserves had not been recognized for the development project.

Exploration In 2010, analysis of well results and seismic data processing was completed and utilized to prepare for a drilling campaign expected in 2012. At the end of 2010, proved reserves had not been recognized for these activities.

Other Vietnam In 2010, the seismic processing work and prospect mapping for Block 122 were completed. Evaluation of the prospects continued. Future exploration activities in Block 122 could be impacted by an ongoing territorial-claim issue between Vietnam and China. At the end of 2010, proved reserves had not been recognized for these activities.

China

Chevron has four operated and four nonoperated PSCs in China. Chuandongbei, located in the onshore Sichuan Basin, is 49 percent-owned and operated and is composed of several natural gas fields. The PSC for Chuandongbei expires in 2037. Additionally, in September 2010, the company acquired operated interests in three deepwater blocks in the South China Sea's Pearl River Mouth Basin, which cover exploratory acreage of approximately 5.2 million acres (21,000 sq km). The company is operator during the exploration phase and has a 100 percent interest in Blocks 53/30 and 64/18 and a 59.2 percent interest in Block 42/05.

In the South China Sea, the company has a 32.7 percent nonoperated working interest in offshore Blocks 16/08 and 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. The PSCs for Block 16/08, Block 16/19, the QHD 32-6 Field and Block 11/19 expire between 2013 and 2022. In the onshore Ordos Basin, the company relinquished the nonoperated working interests in all previously held blocks (Linxing, San Jiao Bei, Shenfu and Baode) in 2009. Government approval of the relinquishment is expected in mid-2011.



Production In 2010, total average daily production was 86,000 barrels of crude oil and condensate (18,000 net) and 46 million cubic feet of natural gas (13 million net). Crude oil production from Blocks 16/08 and 16/19 in the South China Sea and Block 11/19 in Bohai Bay was partially restored in the first-half 2010 using temporary FPSOs after the fields were shut-in due to storm damage in 2009. Production is expected to fully resume in third quarter 2011 and in 2013, respectively.

HZ 25-3 and HZ 25-1 First production from the joint development of the HZ 25-3 and HZ 25-1 crude oil fields in Block 16/19 was achieved in March 2010.

Development

Chuandongbei In 2010, the company continued construction of the first natural gas purification plant and initiated development of the Luoiazhai and Gunziping natural gas fields. Construction of a second natural gas purification plant and gathering system in the northern part of the concession is planned to commence in third quarter 2011. Upon completion of the project, the full development will include two new sour gas processing plants with an aggregate design capacity of 740 million cubic feet per day, connected by a gas gathering system to five natural gas fields. Planned maximum total daily natural gas production is 558 million cubic feet. Total project cost is estimated at \$4.7 billion, and start-up of the initial phase is expected in 2012. Proved reserves have been recognized for the project.

Exploration In the Chuandongbei area, drilling is planned to begin for an exploration well by third quarter 2011. In the deepwater exploration blocks in the South China Sea, a 3-D seismic acquisition program started in fourth quarter 2010, and an environmental impact study and an exploration well are planned for 2011.

Indonesia

Chevron's operated interests in Indonesia include two onshore PSCs on the island of Sumatra, four PSCs offshore East Kalimantan and two PSCs onshore in West Papua. In addition, the company operates two geothermal fields in West Java and a cogeneration plant in Sumatra. Chevron holds a nonoperated working interest in the offshore South Natuna Sea Block B, located northeast of the island of Sumatra.

Total daily production in 2010 from all producing areas in Indonesia averaged 477,000 barrels of liquids (187,000 net) and 611 million cubic feet of natural gas (236 million net).

Sumatra Chevron's interests in Sumatra include the 100 percent-owned and operated Rokan and Siak PSCs. Chevron's interest in a third PSC, Mountain Front Kuantan, was transferred to a local operator in April 2010.

Production Total daily production averaged 370,000 barrels of crude oil (161,000 net) and 46 million cubic feet of natural gas (46 million net) in 2010.

During 2010, 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 2010, 80 percent of the field was under steam injection, with total daily production averaging 188,000 barrels of crude oil (98,000 net).

The remaining production from the Rokan PSC is in the Sumatra light oil area, consisting of more than 90 active fields with total daily production that averaged 182,000 barrels of liquids (63,000 net) and 46 million cubic feet of natural gas (46 million net) in 2010. During 2010, 123 wells were drilled in this area. The Rokan PSC expires in 2021.

Development The company continues to implement projects designed to sustain production, increase recovery and improve reliability from existing reservoirs.

In Area 1 through Area 11 of the Duri Field, 206 production and 16 steam injection wells were drilled during 2010. Development also continued in the northern region of the field, where approximately 110 million barrels of crude oil are estimated to be potentially recoverable. The development plan includes sequential development of additional northern expansion areas - North Duri Development Area 12 and North Duri Development Area 13. The Area 12 expansion, was completed in December 2010 with 72 production, 24 steam injection and 10 observation wells drilled during the year. Ramp-up of steam injection continued, with the project reaching a maximum total daily production rate of 45,000 barrels of crude oil

in September 2010. A final investment decision for Area 13 was reached in May 2010 and is awaiting final development plan and bid award approvals from the government of Indonesia, which are expected by year-end 2011.

In the Minas Field, 58 production wells were drilled during 2010, and efforts continued to optimize the waterflood program to sustain field production. Execution of the pilot project for a chemical injection process that could further improve recoverability of light oil in Minas and surrounding fields continued.



Exploration Two wells drilled in the Rokan Block in 2010 resulted in discoveries and were placed on production. Appraisal drilling near the Duri Field resulted in defining additional field expansion opportunities to be further assessed by planned 3-D seismic activity. A successful appraisal well was also drilled at the Bekasap Field. During 2011, additional appraisal drilling is planned in the Kulin and Bekasap fields.

East Kalimantan Chevron's operated interests in Kalimantan include four offshore PSC areas that cover approximately 2.8 million acres (11,100 sq km). The PSC areas are located offshore East Kalimantan in the Kutei Basin, including operated interests in East Kalimantan (92.5 percent), Makassar Strait (90 percent), Rapak (80 percent) and Ganal (80 percent). In December 2010, the company relinquished its interest in East Ambalat, located in the Tarakan Basin offshore northeast Kalimantan. The relinquishment is pending government approval, which is anticipated in the second-half 2011.

In 2010, Chevron finalized an agreement to farm out an 18 percent working interest in the Makassar Strait, Rapak and Ganal PSCs, pending approval by the government of Indonesia, which is expected in the second-half 2011. In addition, under the terms of the Rapak and Ganal PSCs, the company is required to farm out to an Indonesian partner, which would further reduce the company's ownership interest in Rapak and Ganal to 54 percent. The farm-out to the Indonesian partner is expected to be completed by year-end 2011. Once the government has approved these agreements, the company's share of production from the Gendalo-Gehem and Bangka projects will be 55.1 percent and 54.0 percent, respectively.

Production Total daily production averaged 33,000 barrels of crude oil (17,000 net) and 144 million cubic feet of natural gas (104 million net) in 2010.

During 2010, the majority of Kalimantan production came from 14 producing fields in the shelf area within the East Kalimantan PSC. The shelf area averaged 28,000 barrels of liquids (13,000 net) and 113 million cubic feet of natural gas (78 million net). Crude oil and natural gas produced from the northern fields are processed at the company-operated Santan terminal and liquids extraction plant. Natural gas is transported by pipeline to the state-owned Bontang LNG plant and to a fertilizer, ammonia and methanol complex. Crude oil and natural gas from the southern fields are sent to the company-operated Lawe-Lawe terminal. The stored crude oil is either exported by tanker or transported by pipeline to the state-owned Balikpapan Refinery. The natural gas is transported by pipeline for use as fuel gas at the Balikpapan Refinery. The East Kalimantan PSC expires in 2018.

The remaining production came from the deepwater West Seno Field in the Makassar Strait PSC, with total daily production averaging 5,000 barrels of liquids (4,000 net) and 31 million cubic feet of natural gas (26 million net) in 2010. Products are separated offshore in an FPU and are exported by dual subsea pipelines to Santan Terminal. Crude oil is stored at Santan where it is exported by tanker, and natural gas enters the existing Bontang infrastructure. The Makassar Strait PSC expires in 2020.

Development The company continues to implement projects designed to sustain production, increase recovery and improve reliability from existing reservoirs in both the shelf and deepwater areas. In the shelf area, Chevron continued to execute the development program with 22 new wells drilled in 2010. Based on the positive results of the drilling program, additional seismic acquisition and processing is planned for the second-half 2011.

In addition, there are three deepwater development projects under way. The Gendalo-Gehem natural gas project includes two separate hub developments, each with its own FPU, subsea drill centers, natural gas and condensate pipelines, and an onshore receiving facility. In December 2010, the company awarded major FEED contracts for the FPU, the subsea and pipeline components, and the onshore receiving facility. Completion of FEED is dependent on government approvals and achievement of project milestones. Maximum daily production from the project is expected to be 1.1 billion cubic feet of natural gas and 31,000 barrels of condensate. Also in 2010, the Bangka Project development plan was advanced and Chevron approved FEED in the fourth quarter. At the end of 2010, proved reserves had not been recognized for these projects.

The third development project is the Extended Reach Drilling Project for the West Seno Field. The company reached a final investment decision for the project in August 2010. Proved reserves have been recognized for the project.

East Java Sea Basin

Exploration A third obligation well in the NE Madura III Block was drilled in 2009 and resulted in a dry hole. Due to the results of this well and the previously drilled exploration wells, the company settled its obligation to participate in three additional exploration wells and relinquished its 40 percent-owned and nonoperated working interest in the PSC; government approval for the relinquishment is anticipated in the second-half 2011.

West Papua In June 2010, Chevron received final government approval to reduce its operated interest in two onshore exploration blocks in western Papua to 51 percent. During the year, geologic studies continued on West Papua I and West Papua III blocks, and 2-D seismic acquisition is expected to start in second quarter 2011.

South Natuna Sea Block B Chevron holds a 25 percent nonoperated working interest in the offshore South Natuna Sea Block B.

Production Block B production is from seven natural gas fields and four crude oil fields. Total daily production during 2010 averaged 75,000 barrels of liquids (9,000 net) and 421 million cubic feet of natural gas (86 million net).

Development Block B has a five-phase development project to support two long-term natural gas sales contracts with Malaysia and Singapore. Drilling for the initial three development phases continued through 2010. The North Belut Project, the fourth phase of the Block B development, achieved first gas in 2009 and reached a maximum total daily production of 240 million cubic feet of natural gas and 33,000 barrels of liquids in February 2010. Additional development drilling in the North Belut Field is planned to continue through 2011.

During 2010, the Bawal and South Belut projects were progressed as part of the fifth phase of the development plan for Block B. A final investment decision was reached for the Bawal Project in October 2010, and start-up is expected in 2012. Proved reserves have been recognized for this project.

Geothermal and Power

Geothermal/Cogeneration The company operates and holds a 95 percent interest in the Darajat geothermal field located in West Java, Indonesia. The field supplies steam to a three-unit power plant with a total operating capacity of 259 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.

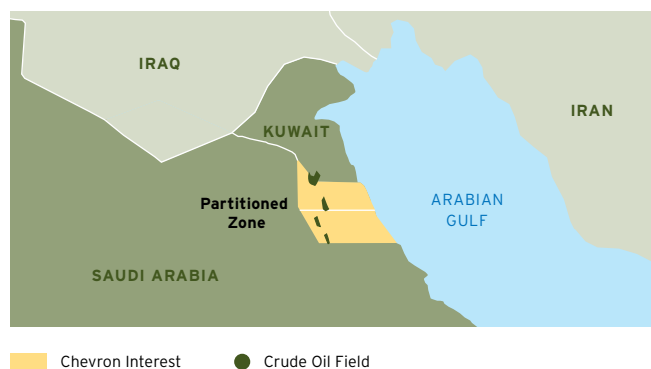
Chevron also operates and holds a 95 percent interest in the North Duri Cogeneration Plant in Sumatra, supplying up to 300 megawatts of electrical power to Chevron's Sumatra operations as well as steam in support of the Duri steamflood project.

In December 2010, Chevron acquired a 95 percent-owned and operated interest in the Suoh-Sekincau prospect area located in the Lampung Barat Regency, South Sumatra, Indonesia. Chevron was issued an exploration license for the area by the government of Indonesia and is in the early phase of geological and geophysical assessment. If successful, additional development could potentially add approximately 200 megawatts to Chevron's geothermal portfolio.

Kuwait

The Chevron-led consortium, which was interested in developing Kuwait's northern fields, ended in May 2010. Kuwait remains an important business relationship and investment partner for Chevron both in Kuwait and globally, and Chevron continues to monitor all business opportunities for possible future investment.

The company's Downstream Technical Service Agreement with Kuwait National Petroleum Corporation for technical assistance with local refineries ended in November 2010.



Partitioned Zone

Chevron holds a concession with the kingdom of Saudi Arabia to operate the kingdom'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.

Production During 2010, total daily production from four fields averaged 236,000 barrels of crude oil (94,000 net) and 45 million cubic feet of natural gas (23 million net). During 2010, 67 wells were drilled, and 1,062 wells were producing at the end of 2010. Development drilling, well workovers and numerous facility-enhancement programs scheduled for 2011 and 2012 are expected to partially offset overall field declines.

Development The Large-Scale Steamflood Pilot Project was commissioned in 2009 and entailed drilling 16 injection wells and 25 producing wells, installing water-treatment and steam-generation facilities and commencing steam injection in the First Eocene carbonate reservoir. A successful application of steam injection could significantly increase recoverability of the heavy oil from the Wafra Field. In 2010, the pilot project was injecting steam and production had increased 600 percent over the initial baseline. In September 2010, a small-scale steam injectivity test was initiated in the Second Eocene reservoir, providing further support for expansion of the Large-Scale Pilot to test additional heavy oil resources. A decision to enter FEED for a full field application is expected in 2012. At the end of 2010, proved reserves had not been recognized for the project.

During 2010, alternatives were being evaluated for the Central Gas Utilization Project. The project is intended to improve natural gas utilization and eliminate natural gas flaring at the Wafra Field. A final investment decision is expected in 2012. At the end of 2010, proved reserves had not been recognized for the project.

Philippines

Chevron holds a 45 percent nonoperated working interest in the Malampaya natural gas field, located about 50 miles (80 km) offshore Palawan Island in water depths of approximately 2,800 feet (853 m). The Malampaya development includes an offshore platform and a 314-mile (505-km) pipeline from the platform to the Batangas onshore natural gas plant. Drilling of one appraisal well was completed in July 2010, and studies are under way to optimize the next stage of development.

Production Total daily production from Malampaya during 2010 averaged 350 million cubic feet of natural gas (124 million net) and 13,000 barrels of condensate (4,000 net).

Geothermal Under an agreement with the Philippine government, Chevron develops and produces steam resources for the third-party Tiwi and Mak-Ban geothermal power plants, which have a combined generating capacity of 637 megawatts. By the end of 2011, Chevron expects to sign a 25-year renewable-energy contract with the government for the continued operation of the steam fields and to supply steam to the two geothermal power plants.



In November 2010, Chevron signed a farm-in agreement and a JOA with two Philippine corporations to explore, develop and operate the Kalinga geothermal prospect in northern Luzon, Philippines. Chevron acquired a 90 percent-owned and operated interest in this project, which is under a 25-year renewable-energy service contract with the Philippine government. The project was in the early phase of geological and geophysical assessment and could potentially add 100 megawatts to Chevron's geothermal portfolio.

Australia

Chevron is the largest holder of natural gas resources in Australia. During 2010, the company's net daily oil-equivalent production averaged 111,000 barrels, representing approximately 4 percent of the companywide total, and was composed of 159,000 barrels of crude oil and condensate (29,000 net), 29,000 barrels of LPG (5,000 net), and 2.7 billion cubic feet of natural gas (458 million net).

Barrow Island and Thevenard Island On Barrow Island and Thevenard Island off the northwest coast of Australia, Chevron-operated total daily production in 2010 averaged 7,000 barrels of crude oil (4,000 net). Chevron's interests are 57.1 percent for Barrow and 51.4 percent for Thevenard.

Browse Basin In early 2010, the Browse LNG development participants commenced design concept evaluation for the Brecknock, Calliance and Torosa fields as a condition of the retention lease renewal set by the Australian government in 2009. During third quarter 2010, the preliminary field development plan was submitted to the state and federal regulators for assessment, with the

final field development plan scheduled to be submitted in mid-2011. The company's nonoperated working interests range from 16.7 percent to 20 percent in the blocks that contain these three fields. The fields are expected to be unitized prior to development, with Chevron's unitized interest becoming effective upon a final investment decision. In addition, the company holds nonoperated working interests ranging from 24.8 percent to 50 percent in other blocks in the Browse Basin. At the end of 2010, proved reserves had not been recognized for any of the Browse Basin fields.

Greater Gorgon Area Chevron holds equity interests in the natural gas resources of the Greater Gorgon Area off the northwest coast of Australia. The company holds a 47.3 percent interest across most of the area and is the operator of the Gorgon Project, which combines the development of the offshore Gorgon Field and the nearby Ito/Jansz Field as one large-scale project.

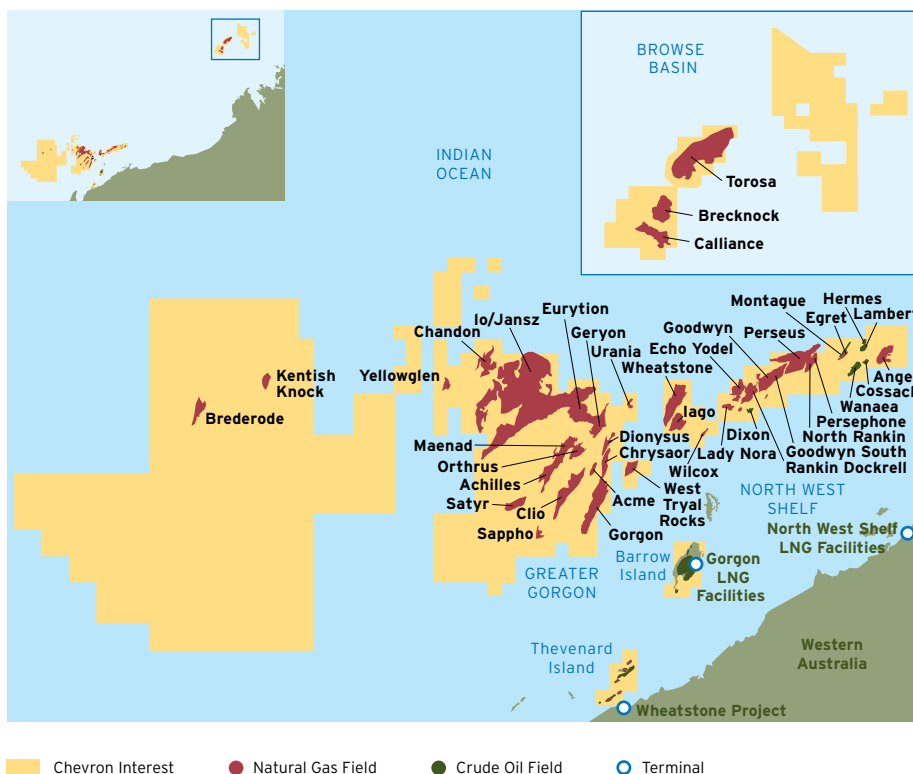
Development Construction and other activities for the Gorgon Project on Barrow Island progressed during 2010 with the awarding of approximately \$25 billion of contracts for materials and services, clearing of the plant site, completion of the first stage of the construction village, commencement of module fabrication, and progression of studies on the possible expansion of the project. Maximum total daily production from the project is expected to be 2.6 billion cubic feet of natural gas and 20,000 barrels of condensate. The development plan includes a three-train, 15.0 million-metric-ton-per-year LNG facility, a carbon sequestration project and a domestic natural gas plant with a capacity of 300 terajoules per day. Start-up of the first train is expected in 2014, and total estimated project cost for the first phase of development is \$37 billion.

Chevron has signed five binding LNG Sales and Purchase Agreements (SPAs) with various Asian customers for delivery of about 4.7 million metric tons per year. Negotiations continue to convert the remaining nonbinding HOAs to binding SPAs, which would bring combined delivery commitments to about 90 percent of Chevron's share of LNG from the project.

Proved reserves have been recognized for this project. The project's estimated economic life exceeds 40 years from the time of start-up.

Exploration During 2010 and early 2011, the company announced natural gas discoveries at the 50 percent-owned and operated Yellowglenn, Sappho and Orthrus prospects in Blocks WA-268-P, WA-392-P and WA-24-R, respectively. These discoveries are expected to help underpin further expansion opportunities on the Gorgon Project. At the end of 2010, proved reserves had not been recognized for any of these discoveries.

North West Shelf (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.



Production Total daily production during 2010 averaged 152,000 barrels of crude oil and condensate (25,000 net), 29,000 barrels of LPG (5,000 net), and 2.7 billion cubic feet of natural gas (456 million net). Approximately 70 percent of the natural gas was sold in the form of LNG to major utilities in Japan, South Korea and China, primarily under long-term contracts. A total of 263 LNG cargoes were sold in 2010. Additionally, 785 million cubic feet of natural gas per day (131 million net) was sold to the Western Australia domestic market.

Development Progress continues on several NWS Venture projects.

The North Rankin 2 Project (NR2) progressed, with fabrication of North Rankin B jacket and topsides and modifications to North Rankin A for process tie-ins and a barge link. Upon completion, North Rankin A and North Rankin B platforms will be operated as a single integrated facility. NR2 is designed to recover remaining low-pressure natural gas from the North Rankin and Perseus fields to meet supply needs for contractual commitments. The maximum total daily production is expected to be 2.0 billion cubic feet of natural gas and 39,000 barrels of condensate. Total estimated project cost is \$4.7 billion, and start-up is expected in 2013.

Work also continued on the NWS Oil Redevelopment Project.

The project is designed to replace the existing FPSO and a portion of existing subsea infrastructure that services production from the Cossack, Hermes, Lambert and Wanaea fields. In January 2011, the subsea infrastructure refurbishment commenced, and completion of construction and commissioning works on the new FPSO is expected in second quarter 2011. Production from wells tied in to the new FPSO is anticipated to commence in third quarter 2011. The project is estimated to cost \$1.9 billion and is expected to extend production past 2020.

The NWS Venture continues to progress additional natural gas supply opportunities through development of several fields on the western flank of the Goodwyn reservoirs. The project is expected to enter FEED in second quarter 2011. These fields contain potentially recoverable volumes of approximately 3 trillion cubic feet of natural gas and 100 million barrels of condensate.

Wheatstone

Development The Chevron-operated Wheatstone Project includes natural-gas-processing facilities that consist of a two-train, 8.9 million-metric-ton-per-year LNG facility and a separate domestic gas plant, both located at Ashburton North, along the West Pilbara coast. The company plans to supply natural gas to the facilities from two Chevron-operated licenses, comprising the majority of the Wheatstone Field and the nearby Iago Field. The maximum total daily production is expected to be 1.4 billion cubic feet of natural gas and 25,000 barrels of condensate.

Through the end of 2010, Chevron

had signed nonbinding HOAs with three Asian customers for the delivery of about 80 percent of Chevron's net LNG offtake per year from the Wheatstone Project. Under these HOAs, the customers also agreed to acquire a combined 21.8 percent nonoperated working interest in the Wheatstone field licenses and a 17.5 percent interest in the foundation natural-gas-processing facilities, contingent on reaching a final investment decision. Negotiations continue to convert the three nonbinding HOAs to binding SPAs.

Agreements were also signed in 2009 and 2010 with two companies to participate in the Wheatstone Project as combined 20 percent LNG facility owners and suppliers of natural gas for the project's first two LNG trains. At the end of 2010, Chevron held an 80 percent interest in the foundation natural-gas-processing facilities. The project entered FEED in 2009, and in March 2010, submissions for environmental approvals were lodged with the Western Australian Environmental Protection Authority for public comment and consideration. Also in 2010, a Native Title HOA was reached with the local indigenous people, and the Native Title agreement for land required to develop the project was executed in December. In early 2011, key approvals were finalized on numerous agreements relating to the facilities and land sites.

The final investment decision for the project is expected in the second-half 2011. At the end of 2010, proved reserves had not been recognized for this project.

Exploration During 2010, the company announced natural gas discoveries at the Clio and Acme prospects in Block WA-205-P. These 67 percent-owned and operated discoveries are expected to support expansion opportunities at the Wheatstone LNG facilities. At the end of 2010, proved reserves had not been recognized for these discoveries.

Other Australia During 2010, the company announced a natural gas discovery at the 50 percent-owned and operated Brederode prospect in Block WA-364-P. At the end of 2010, proved reserves had not been recognized for this discovery.

Europe

In Europe, the company is engaged in exploration and production activities in Denmark, the Netherlands, Norway, Poland, Romania and the United Kingdom. Net daily oil-equivalent production of 159,000 barrels during 2010 in these countries represented about 6 percent of the companywide total.

Denmark

Chevron holds a 15 percent nonoperated working interest in the Danish Underground Consortium (DUC). The DUC has interests in 15 Danish North Sea fields, of which 13 are producing.

Production Average total daily production in 2010 from the DUC was 213,000 barrels of crude oil (32,000 net) and 775 million cubic feet of natural gas (116 million net).

Development During 2010, four development wells were drilled and completed in the Halfdan, Tyra and Valdemar fields. The Halfdan Phase IV development is progressing, and production is utilizing existing facilities. Installation of the new Halfdan facilities were completed in 2010, with hook-up and tie-in planned for second quarter 2011.

Exploration There were no significant exploration activities in 2010. Further appraisal of the Valdemar Field southern extension is planned for second quarter 2011 to assess the viability of broader development.

Netherlands

Chevron operates and holds interests in 10 blocks in the Dutch sector of the North Sea. Five blocks, with a unitized interest of 34.1 percent, comprise the A/B Gas Project. The company also has interests ranging from 46.7 percent to 80 percent in three blocks that contain producing fields, and in September 2010, Chevron acquired a 60 percent interest in the P/1 and P/2 exploration blocks.

Production In 2010, average total daily production was 3,000 barrels of crude oil (2,000 net) and 97 million cubic feet of natural gas (35 million net).

Development The second stage of the A/B Gas Project, the B13 satellite development, is under construction. This stage is composed of a pipeline laid in December 2010, an unmanned platform planned to be installed in second quarter 2011 and four wells planned to be drilled in third quarter 2011. First production is expected in 2012.

Exploration The P/1 and P/2 Blocks contain several natural gas discoveries. In late 2011, the first well since acquisition of the P/2 Block is expected to commence drilling.

Norway

Production Chevron holds a 7.6 percent nonoperated working interest in the Draugen Field. Total daily average production in 2010 was 44,000 barrels of crude oil (3,000 net).

Exploration In 2010, Chevron processed data from a 2-D seismic survey acquired over the PL 527 exploration license and began evaluating options for a subsequent 3-D seismic survey. The 40 percent-owned and operated PL 527 license covers 891,423 acres (3,609 sq km) within the deepwater portion of the Norwegian Sea. In February 2011, Chevron relinquished its 40 percent nonoperated working interest in the PL 397 license in the Barents Sea.



Poland

Exploration In February 2010, Chevron acquired an exploration license for the Grabowiec shale gas concession in southeast Poland, which complements the three other shale gas concessions (Zwierzyniec, Krasnik and Frampol) held by the company. All the licenses are 100 percent-owned and operated and comprise a total of 1.1 million acres (4,433 sq km). The acquisition of 2-D seismic data across the four licenses commenced in October 2010. The data will be used to plan a multiwell drilling program expected to start in late 2011.

Romania

Exploration In July 2010, Chevron submitted the winning bid for three blocks in the 10th Romanian Exploration Licensing Round. Blocks 17, 18 and 19 in southeast Romania comprise approximately 670,000 acres (2,700 sq km). Negotiation of the license agreements for these blocks continued into 2011. In February 2011, Chevron also acquired a 100 percent interest in the EV-2 Barlad concession. This license, which covers 1.5 million acres (6,257 sq km), is located in northeast Romania. A 2-D seismic program is planned to begin in fourth quarter 2011 on the EV-2 Barlad concession.

United Kingdom

Chevron has interests in 10 offshore producing fields in the United Kingdom, including four operated fields (Alba, 23.4 percent; Captain, 85 percent; Erskine, 50 percent; and Strathspey, 67 percent), one jointly operated field (Britannia, 32.4 percent) and five non-operated fields (Brodgar, 25 percent; Callanish, 16.5 percent; Clair, 19.4 percent; Elgin/Franklin, 3.9 percent; and Jade, 19.9 percent).

Production Total daily production in 2010 from the 10 fields averaged 243,000 barrels of crude oil and NGLs (64,000 net) and 1.05 billion cubic feet of natural gas (194 million net). Most of the production was from the Captain Field, with total average daily production of 37,000 barrels of crude oil (32,000 net) and 4 million cubic feet of natural gas (3.2 million net); the Britannia Field, with total average daily production of 11,000 barrels of crude oil (4,000 net) and 276 million cubic feet of natural gas (89 million net); and the Alba Field, with total average daily production of 28,000 barrels of crude oil (7,000 net).

Alba A 4-D seismic survey over Alba was used to plan and execute three additional development wells during 2010. Active drilling programs from both platform and subsea templates are expected to continue beyond 2013.

Captain At Captain, six new development wells, from both platform and subsea locations, added total daily production of 15,000 barrels of crude oil (13,000 net) in 2010. Continued development drilling is expected to maintain production rates through 2013. Enhanced oil recovery was tested through a field pilot study utilizing polymer injection with the objective of increasing rates of recovery. This pilot is planned to continue through 2011.

Development

Alder The 70 percent-owned and operated Alder high-temperature, high-pressure crude oil and natural gas discovery, located approximately 17 miles (27 km) to the west of the Britannia Field, is being evaluated as a potential subsea development. During 2010, the decision was made to move to FEED following selection of the development concept. A final investment decision is expected in 2012. At the end of 2010, proved reserves had not been recognized for this discovery.

Clair Ridge The Clair Ridge project comprises the second phase of the Clair field development. The preferred alternative has been selected and consists of a bridge-linked, twin-jacket structure that includes drilling, processing and living facilities. A final investment decision is expected in late 2011. At the end of 2010, proved reserves had not been recognized for Clair Ridge.

Rosebank The Rosebank Field is 81 miles (130 km) northwest of the Shetland Islands in 3,658 feet (1,115 m) of water. The company operates and holds a 40 percent interest in the project. During 2010, seismic, geophysical, geotechnical and environmental surveys were conducted. Feasibility engineering activities are scheduled to continue through 2011. A final investment decision is planned for 2013. At the end of 2010, proved reserves had not been recognized for this discovery.

Exploration West of the Shetland Islands, a three-well exploration and appraisal drilling program began in September 2010 and is expected to be completed in fourth quarter 2011. This program comprises exploration wells on the Lagavulin prospect in the 60 percent-owned and operated license block P1196 and the Aberlour prospect in the 40 percent-owned and operated license block P1194, followed by appraisal drilling and well testing of the Cambo discovery in the 32.5 percent nonoperated license blocks P1028 and P1189. Chevron will be the operator of the 2011 Cambo drilling activities. At the end of 2010, proved reserves had not been recognized for any of these prospects.

In February 2010, the company sold its 10 percent interest in the nonoperated Laggan/Tormore discovery. In June 2010, Chevron relinquished its equity in the Torridon natural gas discovery. The 3-D seismic acquisition and processing was completed over the Clair Field Unit area, and interpretation of the data to the south-west over previously awarded 25th Round acreage is ongoing.

Gas

Chevron's gas strategy is to commercialize the company's equity natural gas resource base while growing a high-impact global gas business. Significant progress was made in 2010 in reaching key milestones for the Gorgon and Wheatstone projects. In Africa, construction continued at the Angola LNG and EGTL projects. Centers of excellence in gas commercialization, marketing and trading, transportation, and power generation were leveraged to create value across all major segments of the enterprise.

2010 Activities

Angola LNG Angola LNG is an integrated natural gas utilization project encompassing offshore and onshore operations to commercialize natural gas resources through LNG sales. Plant construction continued on schedule throughout 2010. For information on significant project milestones, refer to page 22.

EGTL Chevron and the NNPC are developing a 33,000-barrel-per-day gas-to-liquids facility at Escravos that is designed to process 325 million cubic feet per day of natural gas from the EGP Phase 3A. For more information on this project, refer to page 24.

Gorgon The Gorgon Project comprises the development of natural gas production from fields in the Greater Gorgon Area off the northwest coast of Australia and construction of LNG facilities on Barrow Island. For more information on the Gorgon Project, refer to page 32.

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. Progress continues on several NWS Venture projects. For more information on these projects, refer to pages 32 and 33.

Olokola LNG Chevron has a 19.5 percent interest in the OKLNG affiliate in Nigeria. Plans have been developed to build a multitrain natural-gas-liquefaction facility and marine terminal located northwest of Escravos. For more information on this project, refer to page 24.

Wheatstone The Wheatstone Project comprises development of the Wheatstone and Iago offshore natural gas fields and an onshore LNG and domestic natural gas plant. For more information on the development of this project, refer to page 33.

Natural Gas Marketing and Trading Chevron ranks among the top natural gas marketers in North America, with natural gas sales in 2010 averaging approximately 7 billion cubic feet per day. The company continues to build and develop long-term relationships with producers, end-use natural gas customers, and storage and pipeline operators. Chevron has contracted capacity in a third-party pipeline system, connecting the Sabine Pass LNG terminal to the natural gas pipeline grid. The pipeline provides access to two major salt dome storage fields and 10 major interstate pipeline systems, including access to Chevron's Sabine Pipeline, which connects to the Henry Hub. The Henry Hub interconnects to nine interstate and four intrastate pipelines and is the pricing point for natural gas futures contracts traded on the New York Mercantile Exchange.

Major Capital Projects¹

Major Capital Projects ¹				Maximum Total Production ²	
Year of Start-Up/Project	Location	Ownership Percentage	Operator	Liquids (MBPD) ³	Natural Gas (MMCFPD) ³
2010					
EGP Phase 3A	Nigeria	40.0	Chevron	43 ⁴	395 ⁴
Perdido Regional Development ⁵	United States	33.3-60.0	Partner	130 ^{6,7}	-
2011					
Agbami 2	Nigeria	67.3	Chevron	100 ⁸	-
Platong Gas II	Thailand	69.9 ⁹	Chevron	18	330
2012					
Angola LNG Plant	Angola	36.4	Affiliate	63	670
Chuandongbei	China	49.0	Chevron	-	558
Usan	Nigeria	30.0	Partner	180	-
2013					
EGTL	Nigeria	75.0	Chevron	33 ¹⁰	-
Papa-Terra	Brazil	37.5	Partner	140	-
North Rankin 2	Australia	16.7	Partner	39 ⁸	1,980 ⁸
2014-2016					
Big Foot	United States	60.0	Chevron	75	25
Block B Gas Development	Vietnam	42.9 ⁹	Chevron	4	490
Gas Supply Expansion Project	Nigeria	40.0	Chevron	43	215
Gendalo-Gehem	Indonesia	55.1 ¹¹	Chevron	31	1,071
Gorgon LNG Trains 1-3	Australia	47.3	Chevron	20	2,580
Jack/St. Malo ¹²	United States	50.0-51.0	Chevron	170 ⁶	42 ⁶
Mafumeira Sul	Angola	39.2	Chevron	120	-
Wheatstone LNG Trains 1-2	Australia	80.0 ¹³	Chevron	25	1,410

¹ The projects in the table above are considered the most noteworthy in the company's development portfolio, each with an expected maximum net daily production of 25,000 barrels of oil-equivalent or more. These and other projects in the portfolio are discussed in detail beginning on page 14.

² Targeted maximum total production is total for each field or project except as footnoted. If the project is a new facility, an expansion of existing facilities or a phased project, the indicated production is for the incremental volumes directly attributable to the project or phase.

³ MBPD = thousands of barrels per day; MMCFPD = millions of cubic feet per day.

⁴ Represents incremental volumes to total plant processing capacity.

⁵ Perdido Regional Development includes interests in Great White (33.3 percent), Silvertip (60.0 percent), Tobago (57.5 percent) and the Perdido Regional Host Shared Producing facility (37.5 percent).

⁶ Represents total facility processing capacity.

⁷ Expressed in thousands of oil-equivalent barrels per day.

⁸ Volumes are not incremental. Project designed to maintain capacity.

⁹ Represents a weighted average of Chevron's interest across multiple blocks.

¹⁰ Represents total plant outtake of liquids.

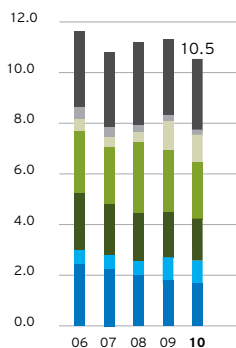
¹¹ Represents the company's ownership percentage following government approval of farm-out agreements.

¹² Jack/St. Malo development includes interests in Jack (50.0 percent), St. Malo (51.0 percent), and the St. Malo Host Shared Producing facility (50.7 percent).

¹³ Represents the company's ownership in the LNG facilities.

Upstream Operating Data

Net Proved Reserves
Billions of BOE*



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

*BOE (barrels of oil-equivalent)

Proved Reserves - Crude Oil, Condensate, Natural Gas Liquids and Synthetic Oil (Liquids)^{1,2}

At December 31

Millions of barrels	2010	2009	2008	2007	2006
Gross Liquids					
Consolidated Companies					
United States	1,376	1,463	1,592	1,761	1,899
Other Americas	643	621	168	187	204
Africa	1,423	1,506	1,632	1,852	2,056
Asia	1,728	1,891	2,145	2,039	2,285
Australia	88	98	73	84	102
Europe	152	170	202	269	303
Total Consolidated Companies	5,410	5,749	5,812	6,192	6,849
Equity Share in Affiliates					
TCO	2,255	2,359	2,420	2,454	2,449
Other	580	589	626	626	701
Total Equity Share in Affiliates	2,835	2,948	3,046	3,080	3,150
Total Worldwide	8,245	8,697	8,858	9,272	9,999
Net Liquids					
Consolidated Companies					
United States	1,275	1,361	1,470	1,624	1,751
Other Americas	574	564	149	165	181
Africa	1,168	1,246	1,385	1,500	1,698
Asia	1,013	1,171	1,456	1,023	1,259
Australia	88	98	73	84	102
Europe	152	170	202	269	303
Total Consolidated Companies	4,270	4,610	4,735	4,665	5,294
Equity Share in Affiliates					
TCO	1,820	1,946	2,176	1,989	1,950
Other	413	417	439	433	562
Total Equity Share in Affiliates	2,233	2,363	2,615	2,422	2,512
Total Worldwide	6,503	6,973	7,350	7,087	7,806

Proved Reserves - Natural Gas^{1,2}

Billions of cubic feet

Gross Natural Gas					
Consolidated Companies					
United States	2,813	3,074	3,630	4,249	4,678
Other Americas	2,358	2,589	2,879	2,882	2,828
Africa	2,944	3,022	3,056	3,049	3,206
Asia	10,594	11,191	11,102	10,698	10,132
Australia	6,056	6,245	1,961	2,105	2,391
Europe	277	345	490	721	849
Total Consolidated Companies	25,042	26,466	23,118	23,704	24,084
Equity Share in Affiliates					
TCO	3,081	3,225	3,348	3,440	3,435
Other	1,166	1,124	947	326	284
Total Equity Share in Affiliates	4,247	4,349	4,295	3,766	3,719
Total Worldwide	29,289	30,815	27,413	27,470	27,803
Net Natural Gas					
Consolidated Companies					
United States	2,472	2,698	3,150	3,677	4,028
Other Americas	1,815	1,985	2,368	2,378	2,334
Africa	2,944	3,021	3,056	3,049	3,206
Asia	7,193	7,860	7,997	7,207	7,103
Australia	6,056	6,245	1,961	2,105	2,391
Europe	275	344	490	721	848
Total Consolidated Companies	20,755	22,153	19,022	19,137	19,910
Equity Share in Affiliates					
TCO	2,386	2,833	3,175	2,748	2,743
Other	1,110	1,063	878	255	231
Total Equity Share in Affiliates	3,496	3,896	4,053	3,003	2,974
Total Worldwide	24,251	26,049	23,075	22,140	22,884

¹ 2006 through 2009 conformed to 2010 geographic presentation.

² Proved reserves are estimated by the company's asset teams, composed of earth scientists and reservoir engineers. These proved-reserve estimates are reviewed annually by the company's Reserves Advisory Committee to ensure that rigorous professional standards and the reserves definitions prescribed by the Securities and Exchange Commission are consistently applied throughout the company. Refer to the Glossary for a definition of proved reserves. Net reserves exclude royalties and interests owned by others and reflect contractual arrangements and royalty obligations in effect at the time of the estimate.

Upstream Operating Data

Net Oil-Equivalent Production^{1,2}

Thousands of barrels per day		Year ended December 31				
		2010	2009	2008	2007	2006
Consolidated Companies						
United States						
Alabama	- Onshore	8	10	9	10	11
	- Offshore	8	9	10	10	11
Alaska	- Onshore	22	23	24	27	30
	- Offshore	9	7	10	10	10
California		199	211	215	221	224
Colorado		27	26	25	27	27
Louisiana	- Onshore	2	2	3	4	5
	- Offshore	233	214	127	174	175
New Mexico		36	37	38	38	40
Oklahoma		9	10	11	12	13
Texas	- Onshore	117	132	149	153	150
	- Offshore	10	9	11	16	22
Wyoming		25	23	28	29	33
Other states		3	4	11	12	12
Total United States		708	717	671	743	763
Other Americas						
Argentina		32	38	44	47	47
Brazil		24	2	-	-	-
Canada		54	28	37	36	47
Colombia		41	41	35	30	29
Trinidad and Tobago		38	34	32	29	29
Venezuela ³		-	-	-	-	7
Total Other Americas		189	143	148	142	159
Africa						
Angola		161	150	154	179	164
Chad		28	27	29	32	35
Democratic Republic of the Congo		2	3	2	3	3
Nigeria		253	232	154	129	144
Republic of the Congo		25	21	13	8	12
Total Africa		469	433	352	351	358
Asia						
Azerbaijan		30	30	29	61	47
Bangladesh		69	66	71	47	21
China		20	19	22	26	26
Indonesia		226	243	235	241	248
Kazakhstan		64	69	66	66	62
Myanmar		13	13	15	17	15
Partitioned Zone		98	105	106	112	114
Philippines		25	27	26	26	24
Thailand		216	198	217	224	216
Total Asia		761	770	787	820	773
Total Australia		111	108	96	100	99
Europe						
Denmark		51	55	61	63	68
Netherlands		8	9	9	4	4
Norway		3	5	6	6	6
United Kingdom		97	110	106	115	115
Total Europe		159	179	182	188	193
Total Consolidated Companies		2,397	2,350	2,236	2,344	2,345
Equity Share in Affiliates						
TCO		308	274	201	176	167
Petropiar (Hamaca prior to 2008)		30	28	35	41	38
Petroboscan ⁴		26	24	28	28	7
Petroindependiente ⁴		2	2	3	3	1
Total Equity Share in Affiliates		366	328	267	248	213
Total Consolidated Companies and Affiliates		2,763	2,678	2,503	2,592	2,558
Other Produced Volumes						
Athabasca Oil Sands in Canada		-	26	27	27	27
Boscan operating service agreement in Venezuela ⁵		-	-	-	-	82
Total Other Produced Volumes		-	26	27	27	109
Total Worldwide		2,763	2,704	2,530	2,619	2,667

¹ 2006 through 2009 conformed to 2010 geographic presentation.

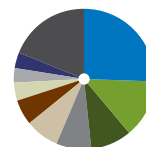
² Net oil-equivalent production excludes royalty interests and a government's agreed-upon share of production under a production-sharing contract (PSC).

³ Includes production from LL-652 through September 2006.

⁴ Joint stock company formed in October 2006.

⁵ Includes volumes through September 2006.

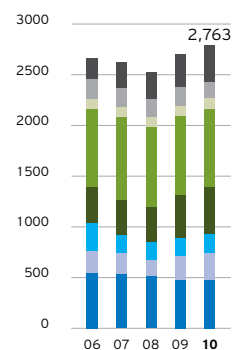
Net Oil-Equivalent Production by Country* Percentage



United States	25.6%
Kazakhstan	13.5%
Nigeria	9.2%
Indonesia	8.2%
Thailand	7.8%
Angola	5.8%
Australia	4.0%
United Kingdom	3.5%
Partitioned Zone	3.5%
Others	18.8%

*Includes equity share in affiliates.

Net Oil-Equivalent Production* Thousands of barrels per day

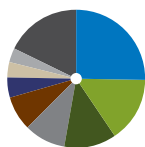


Affiliates
Europe
Australia
Asia
Africa
Other Americas
United States - Offshore
United States - Onshore

*Includes other produced volumes in 2006 to 2009.

Upstream Operating Data

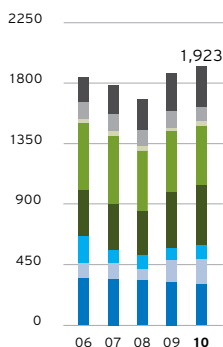
Net Liquids Production by Country*
Percentage



United States	25.4%
Kazakhstan	15.1%
Nigeria	12.4%
Indonesia	9.7%
Angola	7.9%
Partitioned Zone	4.9%
Thailand	3.6%
United Kingdom	3.3%
Others	17.5%

*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 2006 to 2009.

Net Liquids Production^{1,2,3}

Thousands of barrels per day	2010	2009	2008	2007	2006
Consolidated Companies					
United States					
Alaska - Onshore	11	12	12	14	15
- Offshore	3	2	5	5	5
California	183	196	201	205	207
Colorado	10	9	10	10	10
Louisiana - Onshore	1	1	1	2	2
- Offshore	178	154	77	106	101
New Mexico	19	21	21	21	20
Texas - Onshore	66	71	76	77	79
- Offshore	4	3	4	5	6
Wyoming	7	7	7	7	8
Other states	7	8	7	8	9
Total United States	489	484	421	460	462
Other Americas					
Argentina	31	33	37	39	38
Brazil	23	2	-	-	-
Canada	53	27	36	35	46
Trinidad and Tobago	1	1	-	-	-
Venezuela ⁴	-	-	-	-	3
Total Other Americas	108	63	73	74	87
Africa					
Angola	152	141	145	171	156
Chad	27	26	28	31	34
Democratic Republic of the Congo	2	3	2	3	3
Nigeria	239	225	142	126	139
Republic of the Congo	23	19	11	7	11
Total Africa	443	414	328	338	343
Asia					
Azerbaijan	28	28	28	60	46
Bangladesh	2	2	2	2	-
China	18	17	19	22	23
Indonesia	187	199	182	195	198
Kazakhstan	39	42	41	41	38
Partitioned Zone	94	101	103	109	111
Philippines	4	4	5	5	6
Thailand	70	65	67	71	73
Total Asia	442	458	447	505	495
Total Australia	34	35	34	39	39
Europe					
Denmark	32	35	37	41	44
Netherlands	2	2	2	3	3
Norway	3	5	6	6	6
United Kingdom	64	73	71	78	75
Total Europe	101	115	116	128	128
Total Consolidated Companies	1,617	1,569	1,419	1,544	1,554
Equity Share in Affiliates					
TCO	252	226	168	144	135
Petropiar (Hamaca prior to 2008)	28	26	34	39	36
Petroboscan ⁵	25	24	27	28	7
Petroindependiente ⁵	1	1	1	1	-
Total Equity Share in Affiliates	306	277	230	212	178
Total Consolidated Companies and Affiliates	1,923	1,846	1,649	1,756	1,732
Other Produced Volumes					
Athabasca Oil Sands in Canada	-	26	27	27	27
Boscan operating service agreement in Venezuela ⁶	-	-	-	-	82
Total Other Produced Volumes	-	26	27	27	109
Total Worldwide	1,923	1,872	1,676	1,783	1,841

¹ 2006 through 2009 conformed to 2010 geographic presentation.

² Net liquids production excludes royalty interests and a government's agreed-upon share of production under a PSC.

³ Net production of natural gas liquids:

United States	51	50	47	51	48
International	21	20	19	18	19
Total	72	70	66	69	67

⁴ Includes production from LL-652 through September 2006.

⁵ Joint stock company formed in October 2006.

⁶ Includes volumes through September 2006.

Upstream Operating Data

Net Natural Gas Production^{1,2}

Millions of cubic feet per day	Year ended December 31				
	2010	2009	2008	2007	2006
Consolidated Companies					
United States					
Alabama - Onshore	24	29	30	31	36
- Offshore	48	54	56	62	67
Alaska - Onshore	68	69	73	80	85
- Offshore	32	27	30	30	30
California	96	90	88	97	101
Colorado	104	102	90	98	100
Louisiana - Onshore	5	8	10	16	22
- Offshore	332	358	300	405	443
New Mexico	97	99	103	101	122
Oklahoma	39	42	45	52	55
Texas - Onshore	302	364	441	457	425
- Offshore	38	39	46	64	95
Utah	1	1	40	48	50
Wyoming	110	99	129	135	153
Other states	18	18	20	23	26
Total United States	1,314	1,399	1,501	1,699	1,810
Other Americas					
Argentina	5	27	45	50	54
Brazil	7	-	-	-	-
Canada	4	4	4	5	6
Colombia	249	245	209	178	174
Trinidad and Tobago	223	199	189	174	174
Venezuela ³	-	-	-	-	21
Total Other Americas	488	475	447	407	429
Africa					
Angola	52	49	52	48	47
Chad	6	5	5	4	4
Democratic Republic of the Congo	1	1	1	2	2
Nigeria	86	48	72	15	29
Republic of the Congo	10	13	12	7	8
Total Africa	155	116	142	76	90
Asia					
Azerbaijan	11	10	7	5	4
Bangladesh	404	387	414	275	126
China	13	16	22	22	18
Indonesia	236	268	319	277	302
Kazakhstan	149	161	153	149	143
Myanmar	81	76	89	100	89
Partitioned Zone	23	21	20	17	19
Philippines	124	137	128	126	108
Thailand	875	794	894	916	856
Total Asia	1,916	1,870	2,046	1,887	1,665
Total Australia	458	434	376	372	360
Europe					
Denmark	116	119	142	132	146
Netherlands	35	41	40	5	7
Norway	1	1	1	1	1
United Kingdom	194	222	208	220	242
Total Europe	346	383	391	358	396
Total Consolidated Companies	4,677	4,677	4,903	4,799	4,750
Equity Share in Affiliates					
TCO	338	289	195	193	193
Petropiar (Hamaca prior to 2008)	10	8	9	10	9
Petroboscan ⁴	6	6	7	6	1
Petroindependiente ⁴	9	9	11	11	3
Total Equity Share in Affiliates	363	312	222	220	206
Total Worldwide	5,040	4,989	5,125	5,019	4,956

¹ 2006 through 2009 conformed to 2010 geographic presentation.

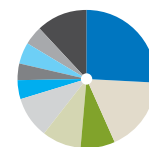
² Net natural gas production excludes royalty interests and a government's agreed-upon share of production under a PSC; includes natural gas consumed in operations:

United States	62	58	70	65	56
International	475	463	450	433	419
Total	537	521	520	498	475

³ Includes production from LL-652 through September 2006.

⁴ Joint stock company formed in October 2006.

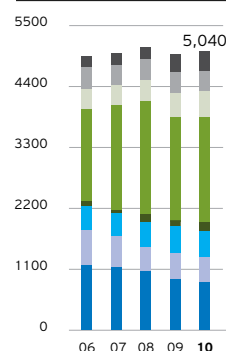
Net Natural Gas Production by Country* Percentage



United States	26.1%
Thailand	17.4%
Kazakhstan	9.7%
Australia	9.1%
Bangladesh	8.0%
Colombia	4.9%
Indonesia	4.7%
Trinidad and Tobago	4.4%
United Kingdom	3.8%
Others	11.9%

*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

Gross Oil-Equivalent Production¹

	Year ended December 31				
Thousands of barrels per day	2010	2009	2008	2007	2006
Consolidated Companies					
United States	778	792	749	838	863
Other Americas	230	179	172	168	185
Africa	588	519	451	432	427
Asia	1,233	1,226	1,265	1,246	1,211
Australia	111	108	96	101	99
Europe	158	178	183	188	192
Total Consolidated Companies	3,098	3,002	2,916	2,973	2,977
Equity Share in Affiliates					
TCO	374	321	243	203	196
Petropiar (Hamaca prior to 2008)	43	39	49	49	45
Petroboscan ²	38	36	42	42	11
Petroindependiente ²	3	4	5	5	1
Total Equity Share in Affiliates	458	400	339	299	253
Total Worldwide	3,556	3,402	3,255	3,272	3,230

Gross Liquids Production¹

Thousands of barrels per day					
Consolidated Companies					
United States	527	523	459	507	510
Other Americas	129	77	80	82	96
Africa	562	500	415	408	413
Asia	779	792	813	838	852
Australia	34	35	33	39	39
Europe	101	114	118	129	126
Total Consolidated Companies	2,132	2,041	1,918	2,003	2,036
Equity Share in Affiliates					
TCO	305	265	202	165	159
Petropiar (Hamaca prior to 2008)	40	38	46	47	43
Petroboscan ²	38	35	41	41	11
Petroindependiente ²	1	1	3	2	-
Total Equity Share in Affiliates	384	339	292	255	213
Total Worldwide	2,516	2,380	2,210	2,258	2,249

Gross Natural Gas Production¹

Millions of cubic feet per day					
Consolidated Companies					
United States	1,507	1,611	1,740	1,983	2,115
Other Americas	605	614	555	518	535
Africa	155	116	213	145	88
Asia	2,723	2,605	2,709	2,439	2,152
Australia	458	435	376	373	359
Europe	346	382	391	358	395
Total Consolidated Companies	5,794	5,763	5,984	5,816	5,644
Equity Share in Affiliates					
TCO	411	337	246	230	222
Petropiar (Hamaca prior to 2008)	15	11	14	13	11
Petroboscan ²	6	6	5	6	1
Petroindependiente ²	13	13	16	17	5
Total Equity Share in Affiliates	445	367	281	266	239
Total Worldwide	6,239	6,130	6,265	6,082	5,883

¹ 2006 through 2009 conformed to 2010 geographic presentation.

² Joint stock company formed in October 2006.

Upstream Operating Data

Natural Gas Realizations^{1,2}

	Year ended December 31				
Dollars per thousand cubic feet	2010	2009	2008	2007	2006
United States	\$ 4.26	\$ 3.73	\$ 7.90	\$ 6.12	\$ 6.29
International	4.64	4.01	5.19	3.90	3.73

Liquids Realizations^{2,3}

Dollars per barrel	2010	2009	2008	2007	2006
United States	\$ 71.59	\$ 54.36	\$ 88.43	\$ 63.16	\$ 56.66
International	72.68	55.97	86.51	65.01	57.65

Natural Gas Sales²

Millions of cubic feet per day	2010	2009	2008	2007	2006
United States	5,932	5,901	7,226	7,624	7,051
International	4,493	4,062	4,215	3,792	3,478
Total	10,425	9,963	11,441	11,416	10,529

Natural Gas Liquids Sales²

Thousands of barrels per day	2010	2009	2008	2007	2006
United States	22	17	15	25	52
International	27	23	17	22	21
Total	49	40	32	47	73

¹ U.S. natural gas realizations are based on revenues from net production. International natural gas realizations are based on revenues from liftings.

² International realizations and sales include equity share in affiliates.

³ U.S. realizations are based on liquids revenues from net production and include intercompany sales at transfer prices that are at estimated market prices. International realizations are based on liquids revenues from liftings.

Exploration and Development Costs^{1,2}

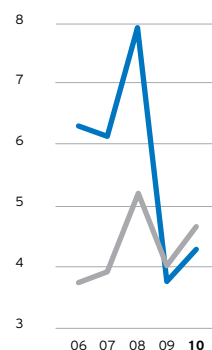
	Year ended December 31				
Millions of dollars	2010	2009	2008	2007	2006
United States					
Exploration	\$ 287	\$ 576	\$ 728	\$ 658	\$ 751
Development	4,446	3,338	4,348	5,210	3,186
Other Americas					
Exploration	203	286	257	191	253
Development	1,611	1,515	1,334	758	469
Africa					
Exploration	236	346	347	408	379
Development	2,985	3,426	3,723	4,176	2,890
Asia					
Exploration	320	154	197	187	257
Development	3,325	2,698	4,697	2,190	1,877
Australia					
Exploration	396	419	322	201	147
Development	2,623	565	540	327	371
Europe					
Exploration	136	143	78	181	135
Development	411	285	545	746	550
Total Consolidated Companies					
Exploration	\$ 1,578	\$ 1,924	\$ 1,929	\$ 1,826	\$ 1,922
Development	15,401	11,827	15,187	13,407	9,343

¹ 2006 through 2009 conformed to 2010 geographic presentation.

² Consolidated companies only. Excludes costs of property acquisitions.

Natural Gas Realizations

Dollars per thousand cubic feet

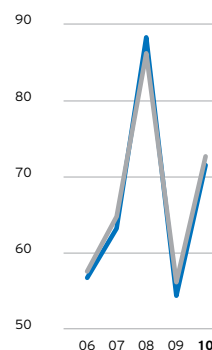


■ International*
■ United States

*Includes equity share in affiliates.

Liquids Realizations

Dollars per barrel



■ International*
■ United States

*Includes equity share in affiliates.

Upstream Operating Data

Oil and Gas Acreage ^{1,2}		At December 31				
	Gross Acres	Net Acres				
Thousands of acres	2010	2010	2009	2008	2007	2006
United States						
Onshore						
Alaska	1,182	464	461	761	850	805
California	303	277	289	292	294	291
Colorado	267	234	224	232	234	274
Louisiana	436	386	275	272	274	344
New Mexico	536	355	335	343	354	376
Texas	4,924	3,575	3,265	3,280	3,405	3,684
Other states	1,061	694	645	661	753	817
Total Onshore	8,709	5,985	5,494	5,841	6,164	6,591
Offshore						
Alaska and Pacific Coast	39	7	9	10	10	31
Gulf Coast	3,919	2,865	1,974	2,369	2,732	3,646
Total Offshore	3,958	2,872	1,983	2,379	2,742	3,677
Total United States	12,667	8,857	7,477	8,220	8,906	10,268
Other Americas						
Argentina	152	141	275	1,402	1,548	1,671
Brazil	225	74	74	74	74	180
Canada	24,748	15,095	14,525	15,244	14,900	14,633
Colombia	202	87	87	87	87	87
Greenland	3,449	1,006	1,028	1,029	1,029	-
Trinidad and Tobago	168	84	84	84	84	84
Venezuela	292	275	275	1,239	1,239	1,239
Total Other Americas	29,236	16,762	16,348	19,159	18,961	17,894
Africa						
Angola	2,393	821	823	828	737	887
Chad	114	29	39	2,043	2,043	2,043
Democratic Republic of the Congo	250	44	44	44	44	44
Liberia	2,372	1,661	-	-	-	-
Libya	-	-	2,796	2,796	2,796	2,796
Nigeria	6,228	2,791	2,871	2,871	2,871	3,120
Republic of the Congo	158	49	49	49	50	59
Total Africa	11,515	5,395	6,622	8,631	8,541	8,949
Asia						
Azerbaijan	108	12	11	11	11	41
Bangladesh	2,036	973	1,828	1,828	1,258	2,115
Cambodia	1,164	349	640	640	640	853
China	5,833	4,766	294	1,081	1,079	812
Georgia	-	-	-	-	206	206
Indonesia	10,387	6,695	6,695	6,695	6,234	6,885
Kazakhstan	80	16	16	16	16	16
Myanmar	6,460	1,826	1,832	1,832	1,832	1,832
Partitioned Zone	1,576	788	788	788	788	788
Philippines	205	93	93	93	93	93
Thailand	17,975	9,281	9,233	9,531	9,531	8,059
Turkey	5,561	2,781	125	125	251	251
Vietnam	2,515	684	684	1,201	1,479	1,479
Total Asia	53,900	28,264	22,239	23,841	23,418	23,430
Total Australia	16,651	7,323	8,660	7,950	9,106	8,740
Europe						
Denmark	420	63	63	63	81	79
Faroe Islands	-	-	-	68	68	68
Germany	-	-	-	26	26	26
Netherlands	54	22	21	22	22	22
Norway	1,405	541	609	252	549	549
Poland	1,085	1,085	790	-	-	-
United Kingdom	1,765	831	962	980	979	1,328
Total Europe	4,729	2,542	2,445	1,411	1,725	2,072
Total Consolidated Companies	128,698	69,143	63,791	69,212	70,657	71,353
Equity Share in Affiliates						
Kazakhstan	608	304	304	304	304	418
Venezuela	291	101	100	100	101	115
Total Equity Share in Affiliates	899	405	404	404	405	533
Total Worldwide	129,597	69,548	64,195	69,616	71,062	71,886

¹ 2006 through 2009 conformed to 2010 geographic presentation. Table does not include mining acreage associated with synthetic oil production in Canada.

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

Upstream Operating Data

Net Wells Completed^{1,2}

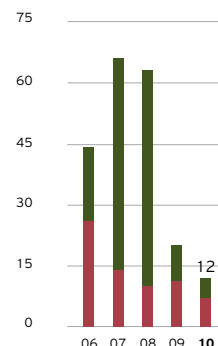
	Year ended December 31									
	2010		2009		2008		2007		2006	
	Productive	Dry	Productive	Dry	Productive	Dry	Productive	Dry	Productive	Dry
Consolidated Companies										
United States										
Exploratory	1	1	4	5	8	2	4	8	16	8
Development	634	7	582	3	846	4	875	5	951	11
Total United States	635	8	586	8	854	6	879	13	967	19
Other Americas										
Exploratory	-	1	1	2	39	2	39	6	4	3
Development	32	-	36	-	35	-	44	-	34	-
Total Other Americas	32	1	37	2	74	2	83	6	38	3
Africa										
Exploratory	1	-	2	1	2	1	6	2	1	-
Development	33	-	40	-	33	-	43	-	45	2
Total Africa	34	-	42	1	35	1	49	2	46	2
Asia										
Exploratory	5	5	9	1	9	2	13	9	18	7
Development	445	15	580	10	665	1	597	-	493	1
Total Asia	450	20	589	11	674	3	610	9	511	8
Australia										
Exploratory	5	2	4	2	4	-	2	-	3	-
Development	-	-	-	-	-	-	-	-	-	-
Total Australia	5	2	4	2	4	-	2	-	3	-
Europe										
Exploratory	-	-	-	-	1	-	2	-	1	-
Development	4	-	7	-	6	-	8	-	9	-
Total Europe	4	-	7	-	7	-	10	-	10	-
Total Consolidated Companies	1,160	31	1,265	24	1,648	12	1,633	30	1,575	32
Equity Share in Affiliates										
Exploratory	-	-	-	-	-	-	-	-	1	-
Development	8	-	6	-	16	-	3	-	13	-
Total Equity Share in Affiliates	8	-	6	-	16	-	3	-	14	-
Total Worldwide	1,168	31	1,271	24	1,664	12	1,636	30	1,589	32

¹ 2006 through 2009 conformed to 2010 geographic presentation.

² 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.

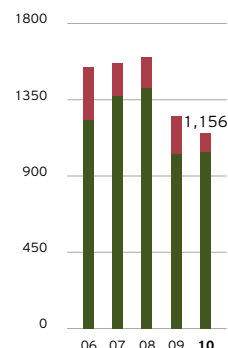
Net Productive Exploratory Wells Completed

Number of wells



Net Productive Development Wells Completed

Number of wells



Net Productive Wells^{1,2}

	At December 31				
	2010	2009	2008	2007	2006
Consolidated Companies					
United States					
Oil	32,462	32,720	33,595	33,217	33,067
Gas	5,720	5,671	5,569	6,043	6,212
Total United States	38,182	38,391	39,164	39,260	39,279
International					
Oil	12,501	10,835	10,290	10,538	9,903
Gas	2,000	1,591	1,837	1,730	1,513
Total International	14,501	12,426	12,127	12,268	11,416
Total Consolidated Companies	52,683	50,817	51,291	51,528	50,695
Equity Share in Affiliates					
Oil	404	403	413	375	375
Gas	2	2	2	-	-
Total Equity Share in Affiliates	406	405	415	375	375
Total Worldwide	53,089	51,222	51,706	51,903	51,070

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

² 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.

Downstream

Improve returns and grow earnings
across the value chain.



Photo: Continuous catalytic reformer, completed during 2010, at the Pascagoula, Mississippi, refinery.

Highlights

The company enjoys a strong presence in all aspects of the downstream industry – refining, marketing, chemicals and transportation.

Industry Conditions

Earnings in refining and marketing in 2010 improved from historic lows in 2009 due to recovering global demand, but remained relatively weak with continued economic softness, excess refined product supplies and surplus refining capacity. Worldwide demand for motor gasoline, jet fuel, naphtha and distillates grew by approximately 3.2 percent in 2010 from depressed levels in the prior year. Despite some capacity coming offline, global refining capacity increased by 1 million barrels per day, according to the December 2010 *Oil & Gas Journal* survey. Overall, these factors contributed to a modest recovery in refining margins during 2010 from very weak levels in 2009. Worldwide marketing margins remained narrow in 2010, but were above 2009 levels.

Chemicals experienced improved business conditions driven by a rebound in product demand. Globally, demand recovered in electrical and electronic applications, transportation, and consumer packaging, which bolstered sales and margins.

Business Strategies

Improve returns and grow earnings across the value chain by:

- Achieving world-class safety and reliability performance.
- Continuing to improve execution of the base business.
- Driving earnings across the crude-to-customer value chain.
- Adding value to upstream operations through integration, technology and organizational capability.

2010 Accomplishments

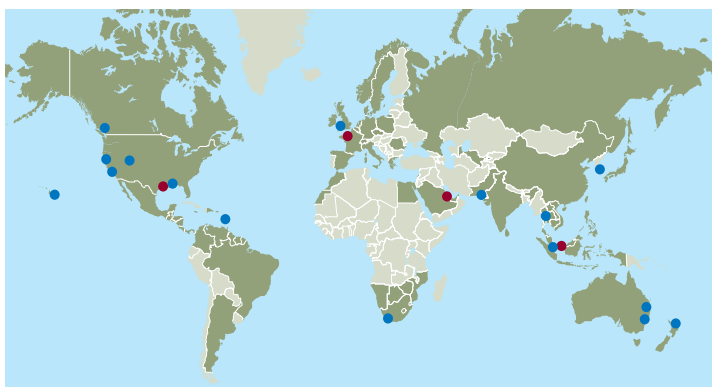
- Achieved the lowest-ever total number of recordable safety incidents.
- Reported net income of \$2.5 billion, including strong financial performance in the lubricants and chemicals businesses.
- Commissioned a new 60,000-barrel-per-day heavy-oil hydrocracker at the Yeosu Refinery in South Korea and a continuous catalytic reformer at the Pascagoula, Mississippi, refinery.
- Commenced operations on two projects in Qatar, including an ethylene cracker located in Ras Laffan and a polyethylene and normal alpha olefins complex located in Mesaieed.
- Restructured the refining and marketing business to improve operating efficiency, reduce costs and achieve sustained improvement in financial performance. Completed the sale of businesses in Mauritius, Réunion and Zambia and 21 product terminals.

2011 Outlook

Expecting ongoing challenging industry conditions, Downstream will continue to focus on lowering operating costs and sustaining reduced capital spending in order to improve efficiency and financial returns. Key objectives include the following:

- Continue to improve safety and refinery reliability.
- Streamline the company's refining and marketing asset portfolio.
- 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.
- Complete cost-reduction programs as part of the restructuring that was announced in 2010.

Downstream Overview



● Fuel Refinery ● Major Chemical Manufacturing Facility

Downstream Financial and Operating Highlights

(Includes equity share in affiliates)

Dollars in millions

	2010	2009
Segment earnings*	\$ 2,478	\$ 473
Refinery crude oil inputs (Thousands of barrels per day)	1,894	1,878
Refinery capacity at year-end (Thousands of barrels per day)	2,160	2,158
U.S. gasoline and jet fuel yields (Percent of U.S. refinery production)	64%	65%
Refined product sales (Thousands of barrels per day)	3,113	3,254
Motor gasoline sales (Thousands of barrels per day)	1,221	1,275
Natural gas liquids (NGLs) sales (Thousands of barrels per day)	217	232
Number of marketing retail outlets at December 31	19,547	21,574
Refining capital expenditures*	\$ 1,577	\$ 2,464
Marketing capital expenditures	\$ 246	\$ 335
Chemicals and other downstream capital expenditures*	\$ 729	\$ 737
Total downstream capital expenditures*	\$ 2,552	\$ 3,536

* 2009 conformed to 2010 segment presentation.

Refining and Marketing

The company's refining and marketing activities are coordinated by two geographic organizations, Americas Products and International Products, focused on optimizing the fuels value chain from crude to customer. Each organization's activities include securing raw materials, manufacturing and blending products at its refineries, and selling finished products through its marketing and commercial networks.

Americas Products

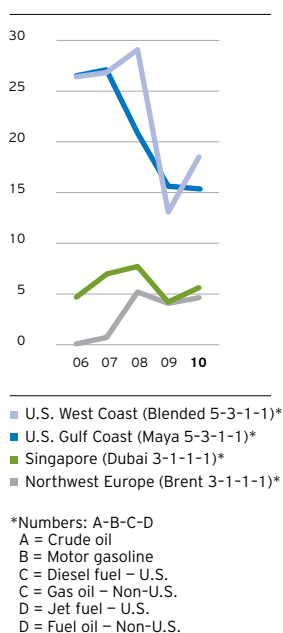
The organization serves commercial and industrial, wholesale, aviation, and retail customers in Canada, Latin America and the United States through the world-class Chevron and Texaco brands.

Serving the Crude-to-Customer Value Chain

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 hydroprocessing units capable of converting lower-quality crude oil into a variety of mid-distillate products.

Through a network of more than 80 fuel terminals, the company serves customers at approximately 9,800 Chevron- and Texaco-branded retail outlets in Canada, Latin America and the United States. During 2010, the organization sold a daily average of approximately 1.6 million barrels of gasoline and other refined products. Chevron continues to leverage its proprietary Techron technology in these markets in order to maintain a leading position in branded fuels. Additionally, Chevron is a major supplier of commercial aviation fuel in the United States.

Industry Refining Margins
Dollars per barrel



Selectively Improving Refining Flexibility and Yield

In 2010, the company continued work on projects to improve refinery flexibility and the capability to process lower-cost feedstocks. In late 2010, construction began on a new processing unit designed to further improve the El Segundo, California, refinery's reliability, high-value product yield and flexibility to process a range of crude slates. Project completion is scheduled for 2012.

Additionally, in fourth quarter 2010, the company commissioned a continuous catalytic reformer at the Pascagoula, Mississippi, refinery, which will improve equipment reliability and utilization and allow the refinery to optimize production of high-value products. Also in Pascagoula, engineering and procurement activities continued on a lubricant base-oil facility. For additional details about this project, refer to the Lubricants section on page 50.

Aligning the Marketing Portfolio

Through market exits and divestitures, the company continues to align its marketing portfolio to source a greater percentage of its refined product sales directly from Chevron's refineries. During 2010, the company discontinued sales of Chevron- and Texaco-branded motor fuels in the District of Columbia, Delaware, Indiana, Kentucky, North Carolina, New Jersey, Maryland, Ohio, Pennsylvania, South Carolina, Virginia, West Virginia and parts of Tennessee, where the company previously sold to retail customers through approximately 1,100 stations and to commercial and industrial customers through supply arrangements. Sales in these markets represented approximately 8 percent of the company's total U.S. retail fuel sales volumes in 2009.

Also in 2010 and early 2011, the company completed eight of its 13 planned U.S. terminal divestitures to strengthen the cost-competitiveness of its terminal network while maintaining the necessary scale to meet the needs of its customers. In 2011, the company expects to complete the sale of additional U.S. terminals as part of the previously announced plan to divest 13 facilities. Additionally, the company intends to grow sales of motor gasoline and diesel fuel under the premium Chevron and Texaco brands in select markets primarily in the western, southeastern and Gulf Coast regions of the United States, where the company enjoys leading market positions.

The company also signed an agreement in late 2010 for the sale of its fuels-marketing and aviation businesses in Antigua, Barbados, Belize, Costa Rica, Dominica, French Guiana, Grenada, Guadeloupe, Guyana, Martinique, Nicaragua, St. Kitts, St. Lucia, St. Vincent, and Trinidad and Tobago and expects to complete all transactions by third quarter 2011, following the receipt of local regulatory and government approvals.

International Products

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

Serving the Crude-to-Customer Value Chain

The International Products portfolio includes nine refineries and is anchored by its four large affiliates in South Korea, Australia, Singapore and Thailand, 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 more than 1 million barrels per day.

Through a network of more than 90 fuel terminals, the company and its affiliates serve customers at approximately 9,800 Caltex- and Texaco-branded retail outlets in Europe, Africa, the Middle East and the Asia-Pacific region. The organization sold a daily average of approximately 1.5 million barrels of gasoline and other refined products during 2010. Chevron continues to leverage its proprietary Techron technology in these markets in order to maintain a leading position in branded fuels. Additionally, commercial aviation fuel is marketed at more than 90 airports across these markets.

Selectively Improving Refining Flexibility and Yield

In 2010, work continued on projects to improve refinery flexibility and the capability to process lower-cost feedstock. In third quarter 2010, a new 60,000-barrel-per-day heavy-oil hydrocracker at the 50 percent-owned Yeosu Refinery in South Korea was commissioned and reached full capacity. The new hydrocracker is designed to reduce feedstock costs and improve high-value product yield and will further strengthen the refinery's competitiveness.

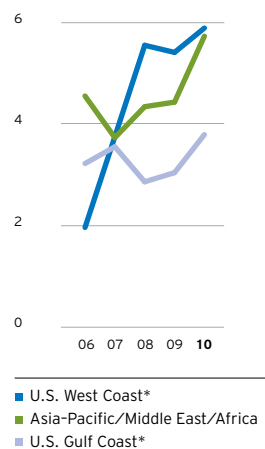
Also at the Yeosu Refinery, plans were announced to construct a 53,000-barrel-per-day gas-oil fluid catalytic cracking unit. The unit is designed to further reduce feedstock costs and improve high-value product yield. Project start-up is scheduled for 2013.

Also in 2010, construction began on modifications to the 64 percent-owned Map Ta Phut Refinery in Thailand to meet regional specifications for cleaner motor gasoline and diesel fuels. Project completion is scheduled for 2012.

Aligning the Marketing Portfolio

Through market exits and divestitures, the company continues to align its marketing portfolio more closely with its refining system. During 2010 and early 2011, the company completed the sale of fuels-marketing businesses in Malawi, Mauritius, Réunion, Tanzania and Zambia. Additionally, the company sold its interest in 15 terminals and converted more than 120 company-owned, company-operated service stations into retailer-owned, retailer-operated sites operating under the Caltex brand. In February 2011, the company announced agreements to sell its fuels-marketing and aviation businesses in Spain. In March 2011, the company announced agreements to sell its United Kingdom and Ireland refining and marketing business, including the Pembroke, United Kingdom, refinery.

Industry/Chevron Marketing Fuel Margins
Dollars per barrel



*Industry margins.

Lubricants

Chevron is among the leading global marketers of finished lubricants and is a top U.S. supplier of premium lubricant base oil. The company provides differentiated products to meet the specific needs of commercial, retail, industrial and marine customers. The product line of lubrication and coolant products includes well-known brands such as Havoline, Delo, Ursa, Meropa and Taro.

Through the company's global network of 16 blending facilities, the Lubricants organization is well positioned to supply markets around the world. This global network has enabled the company to consistently meet customer needs at world-class levels of reliability. Through strategic partnerships with original equipment manufacturers, Chevron is also a leader in developing products to meet future engine and machinery needs at its lubricant technology centers in Australia, Belgium and the United States.

Leveraging Success

In 2010, the Lubricants organization achieved strong financial results and world-class reliability performance. Complexity of operations was further reduced as production facilities were optimized, product lines were streamlined and additional markets outside the United States were exited. In February 2011, the company announced an agreement to sell its finished lubricants business in Spain.

The company's strategic focus continued to be on key growth markets, such as China and Brazil, as well as building distribution channels, with an emphasis on its marketing network. In 2010, the company launched a major initiative to strengthen its network in Brazil and leverage its two Brazilian lubricants-manufacturing plants, which together produce 1 million barrels of lubricating oils, 15,000 tons of industrial greases and 35,000 barrels of coolants annually. Also, in China, the company increased lubricants sales volumes more than 25 percent from 2009 levels by expanding the distributor network and forging new relationships with both Chinese and globally based original equipment manufacturers. The company intends to continue growth initiatives in these and other key markets in 2011.

Building a Premium Base-Oil Leader

Preparations continued in 2010 for the 25,000-barrel-per-day premium base-oil facility at the company's Pascagoula, Mississippi, refinery. The final investment decision was reached in first quarter 2011 on the \$1.4 billion project, and construction is scheduled to be completed by year-end 2013. This addition to Chevron's base-oil production capacity is expected to position the company as the worldwide industry leader in premium base-oil production.

Trading

The Trading organization supports Chevron's global supply chain by maximizing the company's equity crude oil revenues, reducing Downstream's raw material and transportation costs, capturing profitable trading opportunities, and managing the market risks associated with holding physical positions in crude and finished products. The organization's 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 in commodity transactions.

Chemicals

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

CPChem

CPChem is a 50 percent-owned affiliate and is one of the world's leading producers of olefins and polyolefins and a leading supplier of aromatics, alpha olefins, styrenics, specialty chemicals and piping. At year-end 2010, CPChem had 36 manufacturing facilities and four research and technical centers around the world.

Executing Strategy and Expanding the Portfolio

During 2010, CPChem's flexible feedstock capability allowed the company to capitalize on low input costs, which contributed to improved profit margins. In fourth quarter 2010, CPChem commenced operations for its 49 percent-owned Q-Chem II project, with plants located in both Mesaieed and Ras Laffan, Qatar. The project includes a 350,000-metric-ton-per-year high-density polyethylene plant and a 345,000-metric-ton-per-year normal alpha olefins plant in Mesaieed, each utilizing CPChem's proprietary technology. Included in the project is a separate joint venture for a 1.3 million-metric-ton-per-year ethylene cracker in Ras Laffan, in which Q-Chem II owns 54 percent of the capacity rights, which provides ethylene feedstock to the high-density polyethylene and normal alpha olefins plants in Mesaieed. The ethylene cracker in Ras Laffan commenced operations in April 2010.

Also in the Middle East, CPChem's 35 percent-owned joint venture continued construction on a petrochemical project in Al Jubail, Saudi Arabia. The joint-venture project includes olefins, polyethylene, polypropylene, 1-hexene and polystyrene units. Project start-up is expected in late 2011.

In the United States, CPChem announced in fourth quarter 2010 the development of a 200,000-ton-per-year 1-hexene plant at the Cedar Bayou facility in Baytown, Texas, with start-up expected in 2014. The plant is expected to be the largest 1-hexene unit in the world and will utilize CPChem's proprietary 1-hexene technology.

For more information on CPChem, refer to its Web site at www.cpchem.com

Oronite

Oronite is a world-leading developer, manufacturer and marketer of quality additives, which improve the performance of lubricants and fuels. As an industry leader, Oronite conducts research and development for additive component and blending packages to meet the needs of increasingly demanding engine and equipment performance requirements. At year-end 2010, Oronite manufactured, blended or conducted research at 10 locations around the world.

Oronite lubricant additives are blended with refined base oils to produce finished lubricants used primarily in engine applications, such as 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 the desired performance specifications. Specialty additives are marketed for other oil applications, such as 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 gasoline and diesel fuels. Many fuel additive packages are unique and blended specifically to individual customer specifications. Fuel performance standards vary for customers throughout the world, and specific packages are tailored for each region's markets.

Expanding in Key Growth Markets

Following start-up in late 2009, the company achieved full capacity in early 2010 at the detergent expansion facility in Singapore. This additional capacity enhances the company's ability to produce detergent components for applications in marine and automotive engines and strategically positions Oronite to respond to growth in the Asia-Pacific region.

Transportation

The company's transportation businesses, including Pipeline and Shipping operations, are responsible for transporting a variety of products to customers worldwide.

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



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

The company's marine fleet includes both U.S.- and foreign-flagged vessels. The U.S.-flagged vessels are engaged primarily in transporting refined products in the United States between the Gulf Coast and the East Coast and from California refineries to other U.S. West Coast locations, Alaska and Hawaii. The foreign-flagged vessels are engaged in transporting crude oil from the Middle East, Asia, the Black Sea, Mexico and West Africa to ports in the United States, Europe, Australia and Asia, as well as refined products to and from various locations worldwide.

In addition to the vessels described above, the company owns a one-sixth interest in each of seven liquefied natural gas (LNG) tankers, transporting cargoes for the North West Shelf Venture in Australia. Chevron's fleet of owned and chartered tankers is completely double-hulled.

Aligning the Transportation Portfolio

Pipeline The company completed the expansion of approximately 2 billion cubic feet at the Keystone natural gas storage facility near Midland, Texas, bringing capacity to nearly 7 billion cubic feet.

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

deepwater production facility to a platform in Green Canyon Block 19 on the Gulf of Mexico shelf, where there is an interconnect to pipelines delivering crude oil to the Gulf Coast region. The project is expected to be completed by start-up of the production facility, projected for 2014.

Work is in progress to return the Cal-Ky Pipeline, which was decommissioned in 2002, into crude oil service as a supply line for the Pascagoula Refinery. This pipeline, which spans 103 miles (166 km), begins in Plaquemines Parish, Louisiana, and ends at the refinery, is also expected to provide additional outlets for the company's equity crude oil production. The pipeline is expected to return to service in 2012.

In fourth quarter 2010, the company sold its 23.4 percent ownership interest in Colonial Pipeline, which transports products from supply centers on the U.S. Gulf Coast to customers located along the Eastern seaboard.

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

Shipping During 2010, the company managed approximately 2,500 deep-sea tanker voyages, using a combination of single-voyage charters, short- and medium-term charters, and company-owned or bareboat-chartered vessels. As part of its fleet modernization program, the company replaced two U.S.-flagged product tankers in 2010. The new tankers are expected to bring improved efficiencies to Chevron's U.S.-flagged fleet. The company plans to retire an additional U.S.-flagged product tanker in 2011. The company also has contracts in place to build LNG carriers to support future LNG projects. 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 and providing marine project construction support.

Net Pipeline Mileage^{1,2}

At December 31

(Includes equity share in affiliates)

	2010
Crude Oil Lines	
United States	2,417
International ³	700
Total Crude Oil Lines	3,117
Natural Gas Lines	
United States	2,400
International ⁴	650
Total Natural Gas Lines	3,050
Product Lines	
United States ⁵	5,456
International	424
Total Product Lines	5,880
Total Net Pipeline Mileage	12,047

¹ Partially owned pipelines are included at the company's equity percentage of total pipeline mileage.

² Excludes gathering pipelines relating to crude oil and natural gas production function.

³ Includes the company's share of the Chad/Cameroon pipeline, the BTC Pipeline, the WREP and the CPC pipeline.

⁴ Includes the company's share of the WAGP.

⁵ Includes the company's share of chemical pipelines managed by the 50 percent-owned CPCChem.

Downstream Operating Data

Refinery Crude Distillation Utilization¹

(Includes equity share in affiliates)

Percentage of average capacity	Year ended December 31				
	2010	2009	2008	2007	2006
United States	94.6	95.5	94.8	85.0	98.6
Africa-Pakistan	63.6	63.9	63.6	65.0	63.6
Asia-Pacific	92.0	87.5	88.3	92.4	93.1
Europe	100.5	97.4	96.8	97.8	80.4
Other	72.8	88.6	66.6	87.7	89.2
Worldwide	91.9	90.8	86.9	85.4	89.6

Utilization of Cracking and Coking Facilities²

(Wholly owned)

Percentage of average capacity	2010	2009	2008	2007	2006
United States	90.3	84.5	86.1	77.6	85.8

Sources of Crude Oil Input for Worldwide Refineries

(Wholly owned)

Percentage of total input	2010	2009	2008	2007	2006
Middle East	24.2	26.7	27.8	26.4	28.9
South America	16.7	16.1	13.3	9.9	12.6
North Sea	14.7	13.0	14.6	15.4	12.0
United States	12.1	11.4	9.4	9.4	9.8
Mexico	11.4	15.8	18.9	19.1	19.8
Africa	9.4	6.5	4.4	7.8	5.9
Other	11.5	10.5	11.6	12.0	11.0
Total	100.0	100.0	100.0	100.0	100.0

Worldwide Refinery Production of Finished Products

(Wholly owned)

Thousands of barrels per day	2010	2009	2008	2007	2006
Gasoline	579	656	565	598	569
Jet fuel	232	256	252	217	236
Gas oil	293	307	278	266	265
Fuel oil	81	90	99	99	90
Other	133	146	152	146	149
Total	1,318	1,455	1,346	1,326	1,309

Sources of Crude Oil Input for U.S. Refineries

(Wholly owned)

Percentage of total input	2010	2009	2008	2007	2006
Middle East	28.8	30.8	35.0	31.7	33.0
South America	23.2	21.4	16.8	13.8	16.5
United States - excluding Alaska North Slope	8.7	8.6	6.3	7.6	7.0
United States - Alaska North Slope	7.7	6.7	5.5	5.6	5.9
Mexico	15.6	21.0	23.8	26.9	26.0
Africa	6.3	3.2	3.0	5.5	3.9
Asia-Pacific	5.7	5.9	3.8	6.7	6.3
Other	4.0	2.4	5.8	2.2	1.4
Total	100.0	100.0	100.0	100.0	100.0

U.S. Refinery Production of Finished Products

(Wholly owned)

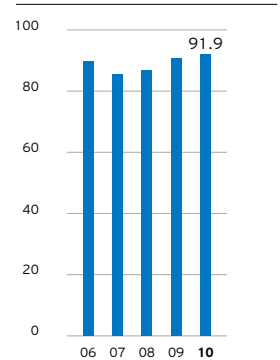
Thousands of barrels per day	2010	2009	2008	2007	2006
Gasoline	417	487	426	431	416
Jet fuel	194	213	211	174	200
Gas oil	187	202	170	157	170
Fuel oil	43	51	56	58	51
Other	115	128	128	128	132
Total	956	1,081	991	948	969

¹ Utilization for fuel refineries only.

² Hydrocrackers, catalytic crackers and coking facilities are the primary facilities used to convert heavier products into gasoline and other light products.

Worldwide Refinery Utilization*

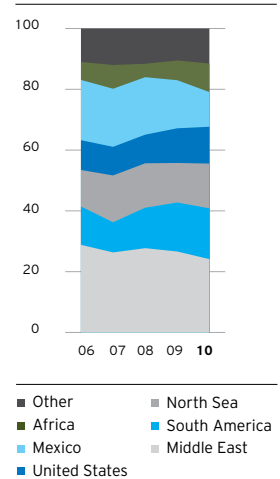
Percent of capacity



*Includes equity share in affiliates.

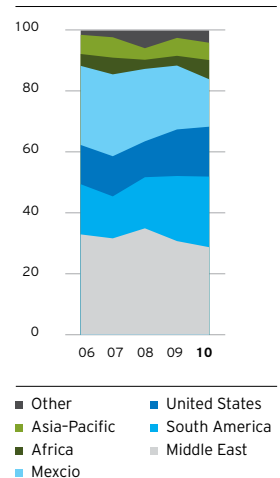
Sources of Crude Oil Input for Worldwide Refineries (Wholly Owned)

Percentage



Sources of Crude Oil Input for U.S. Refineries (Wholly Owned)

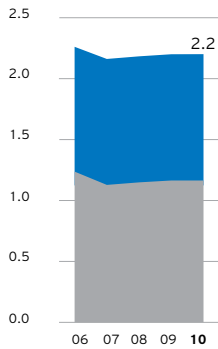
Percentage



Downstream Operating Data

Refinery Capacity at December 31

Millions of barrels per day

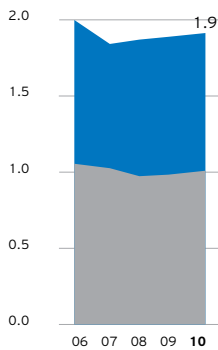


■ United States
■ International*

*Includes equity share in affiliates.

Refinery Crude Oil Inputs

Millions of barrels per day



■ United States
■ International*

*Includes equity share in affiliates.

Refining Capacities and Crude Oil Inputs

(Includes equity share in affiliates)

Year ended December 31

	Chevron Share of Capacity	Chevron Share of Refinery Inputs				
Thousands of barrels per day	At December 31, 2010	2010	2009	2008	2007	2006
United States – Fuel Refineries/Asphalt Plant						
El Segundo, California	269	250	247	263	222	258
Kapolei, Hawaii	54	46	49	46	51	50
Pascagoula, Mississippi	330	325	345	299	285	337
Perth Amboy, New Jersey ¹	80	–	–	8	20	31
Richmond, California	243	228	218	237	192	224
Salt Lake City, Utah	45	41	40	38	42	39
Total United States Fuel Refineries/Asphalt Plant	1,021	890	899	891	812	939
International – Wholly Owned						
Canada – Burnaby, British Columbia	55	40	49	36	49	49
South Africa – Cape Town ²	110	70	72	75	72	71
United Kingdom – Pembroke ³	210	211	205	203	212	165
Total International – Wholly Owned	375	321	326	314	333	285
International – Affiliates						
Australia – Brisbane (50%)	54	40	40	40	44	42
Australia – Sydney (50%)	68	53	56	53	58	57
Cameroon – Limbe (8%) ⁴	–	–	–	1	3	3
Côte d'Ivoire – Abidjan (3.7%) ⁵	–	–	–	–	2	2
Kenya – Mombasa (16%) ⁶	–	–	3	5	6	5
Martinique – Fort-de-France (11.5%)	2	2	1	2	1	2
Netherlands – Europoort (31%) ⁷	–	–	–	–	24	104
New Zealand – Whangarei (12.7%)	14	13	12	12	12	12
Pakistan – Karachi (12%)	6	4	5	5	5	5
Singapore – Pualau Merlimau (50%)	145	119	113	128	132	129
South Korea – Yeosu (50%)	375	351	327	327	307	307
Thailand – Map Ta Phut (64%)	100	101	96	80	94	97
Total International – Affiliates	764	683	653	653	688	765
Total International	1,139	1,004	979	967	1,021	1,050
Total Worldwide	2,160	1,894	1,878	1,858	1,833	1,989

¹ The Perth Amboy plant has been idled since early 2008 and is operated as a terminal.

² Chevron holds 100 percent of the common stock 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. None of the preferred shares had been converted as of March 2011.

³ Chevron announced the agreement to sell this refinery in March 2011.

⁴ Chevron sold its ownership interest in Société Nationale de Raffinage in June 2008.

⁵ Chevron sold its ownership interest in Société Ivoirienne de Raffinage in January 2008.

⁶ Chevron sold its ownership interest in Kenya Petroleum Refinery Ltd. in July 2009.

⁷ Chevron sold its interest in this refinery (Nerefco) in March 2007.

Refining Capacity at Year-End 2010

(Includes equity share in affiliates)

Thousands of barrels per day	Chevron Share of Capacity ¹				
	Atmospheric Distillation ²	Catalytic Cracking ³	Hydro-cracking ⁴	Residuum Conversion ⁵	Lubricants ⁶
United States – Fuel Refineries/Asphalt Plant					
El Segundo, California	269	65	46	68	–
Kapolei, Hawaii	54	21	–	–	–
Pascagoula, Mississippi	330	86	58	98	–
Perth Amboy, New Jersey ⁷	80	–	–	–	–
Richmond, California	243	80	151	–	20
Salt Lake City, Utah	45	13	–	7	–
Total United States Fuel Refineries/Asphalt Plant	1,021	265	255	173	20
International – Wholly Owned					
Canada – Burnaby, British Columbia	55	17	–	–	–
South Africa – Cape Town ⁸	110	22	–	11	–
United Kingdom – Pembroke ⁹	210	90	–	26	–
Total International – Wholly Owned	375	129	–	37	–
International – Affiliates					
Australia – Brisbane (50%) ¹⁰	54	18	–	–	–
Australia – Sydney (50%)	68	22	–	–	–
Martinique – Fort-de-France (11.5%) ¹⁰	2	–	–	–	–
New Zealand – Whangarei (12.7%) ¹⁰	14	–	3	–	–
Pakistan – Karachi (12%) ¹⁰	6	–	–	–	–
Singapore – Pualau Merlimau (50%) ¹⁰	145	23	17	16	–
South Korea – Yeosu (50%)	375	47	42	–	4
Thailand – Map Ta Phut (64%) ¹⁰	100	26	–	–	–
Total International – Affiliates	764	136	62	16	4
Total International	1,139	265	62	53	4
Total Worldwide	2,160	530	317	226	24

¹ 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.

² Atmospheric distillation is the first rough 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.

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

⁴ 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.

⁵ 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.

⁶ Lubricants capacity is based on dewaxed base-oil production.

⁷ The Perth Amboy plant has been idled since early 2008 and is operated as a terminal.

⁸ Chevron holds 100 percent of the common stock 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. None of the preferred shares had been converted as of March 2011.

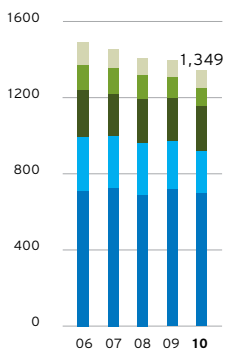
⁹ Chevron announced the agreement to sell this refinery in March 2011.

¹⁰Source: 2010 Oil & Gas Journal Refining Survey.

Downstream Operating Data

U.S. Refined Product Sales

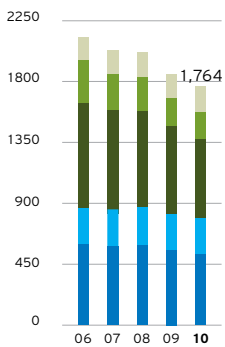
Thousands of barrels per day



Other
Residual Fuel Oil
Gas Oil & Kerosene
Jet Fuel
Gasoline

International Refined Product Sales*

Thousands of barrels per day



Other
Residual Fuel Oil
Gas Oil & Kerosene
Jet Fuel
Gasoline

*Includes equity in affiliates.

Refined Product Sales

Thousands of barrels per day	Year ended December 31				
	2010	2009	2008	2007	2006
United States					
Gasoline	700	720	692	728	712
Gas oil and kerosene	232	226	229	221	252
Jet fuel	223	254	274	271	280
Residual fuel oil	99	110	127	138	128
Other petroleum products	95	93	91	99	122
Total United States	1,349	1,403	1,413	1,457	1,494
International¹					
Gasoline	521	555	589	581	595
Gas oil and kerosene	583	647	710	730	776
Jet fuel	271	264	278	274	266
Residual fuel oil	197	209	257	271	324
Other petroleum products	192	176	182	171	166
Total International	1,764	1,851	2,016	2,027	2,127
Worldwide²					
Gasoline	1,221	1,275	1,281	1,309	1,307
Gas oil and kerosene	815	873	939	951	1,028
Jet fuel	494	518	552	545	546
Residual fuel oil	296	319	384	409	452
Other petroleum products	287	269	273	270	288
Total Worldwide	3,113	3,254	3,429	3,484	3,621
¹ Includes share of equity affiliates' sales:	562	516	512	492	492
² Includes amounts for buy/sell contracts:	-	-	-	-	50

Light Product Sales^{1,2}

	Year ended December 31				
	2010	2009	2008	2007	2006
Sales Revenues (Millions of dollars)					
United States	\$ 39,501	\$ 32,885	\$ 51,279	\$ 41,561	\$ 38,474
International	43,252	39,674	65,686	53,904	51,195
Total Sales Revenues	\$ 82,753	\$ 72,559	\$116,965	\$ 95,465	\$ 89,669
Sales Volumes (Thousands of barrels per day)					
United States	1,155	1,200	1,195	1,220	1,244
International	1,005	1,129	1,256	1,278	1,329
Total Sales Volumes	2,160	2,329	2,451	2,498	2,573

¹ Consolidated companies only and includes amounts for buy/sell contracts prior to second quarter 2006.

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

Natural Gas Liquids Sales

(Includes equity share in affiliates)

Thousands of barrels per day	Year ended December 31				
	2010	2009	2008	2007	2006
United States	139	144	144	135	72
International	78	88	97	96	81
Total	217	232	241	231	153

Downstream Operating Data

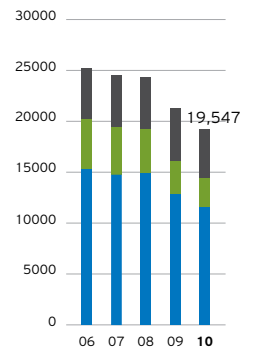
Marketing Retail Outlets^{1,2}

	2010		2009		2008		2007		2006	
	At December 31									
	Company	Other	Company	Other	Company	Other	Company	Other	Company	Other
United States	495	7,756	502	9,089	507	9,178	548	9,183	578	9,050
Canada	159	2	161	–	160	1	162	2	162	2
Europe	56	1,064	74	1,169	84	1,293	101	1,227	396	1,760
Latin America	496	863	541	841	977	2,442	1,040	2,510	1,134	2,575
Asia-Pacific	865	1,264	1,031	1,188	1,091	1,136	1,272	955	1,229	950
Africa-Pakistan	790	828	930	824	1,488	1,100	1,509	1,148	1,480	1,177
Total	2,861	11,777	3,239	13,111	4,307	15,150	4,632	15,025	4,979	15,514

¹ Excludes outlets of equity affiliates totaling 4,909, 5,224, 5,198, 5,095 and 5,033 for 2010, 2009, 2008, 2007 and 2006 respectively.

² 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.

Marketing Retail Outlets Number of outlets



Vessels - Crude Oil and Refined Product Tankers by Type, Dead-Weight Tonnage¹

	2010		2009		2008		2007		2006	
	At December 31									
	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.
Company-Owned and Bareboat-Chartered										
25,000-65,000	5	–	5	–	5	–	4	–	3	–
65,000-120,000	–	6	–	6	–	6	–	6	–	5
120,000-160,000	–	4	–	4	–	4	–	5	–	5
160,000-320,000	–	5	–	6	–	6	–	6	–	6
Above 320,000	–	3	–	3	–	3	–	3	–	3
Total Company-Owned and Bareboat-Chartered	5	18	5	19	5	19	4	20	3	19
Time-Chartered²										
25,000-65,000	–	6	–	7	–	10	–	16	–	14
65,000-120,000	–	6	–	8	–	7	–	8	–	8
160,000-320,000	–	2	–	2	–	–	–	–	–	–
Total Time-Chartered	–	14	–	17	–	17	–	24	–	22
Total Crude Oil and Refined Product Tankers	5	32	5	36	5	36	4	44	3	41

¹ 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.

² Includes tankers chartered for more than one year.

Cargo Transported - Crude Oil and Refined Products*

	2010		2009		2008		2007		2006	
	Year ended December 31									
	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.	U.S.	Int'l.
Millions of barrels	29	301	42	307	32	255	36	278	25	297
Billions of ton-miles	8	332	7	358	5	328	6	333	3	344

* Consolidated companies only. Includes cargo carried by company-owned, bareboat-chartered and time-chartered vessels; excludes cargo carried by single-voyage charters.

Other Businesses

Photo: One of seven next-generation, precommercial solar panel technologies installed at a solar evaluation project, Bakersfield, California.

Technology

Chevron's technology organization supports the company's worldwide businesses by identifying and deploying technology solutions and capabilities that differentiate business performance and create options for the future.

2010 Accomplishments

Upstream and Gas

- Deployed next-generation interpretation and earth modeling software frameworks across Chevron's upstream business, enabling a step change in productivity and decision quality in reservoir characterization and simulation.
- Tested a new modular and mobile seawater injection system for waterflooding marginal offshore oil reservoirs at high rates and low cost.
- Progressed development of a single-trip multizone fracturing system that will provide significant savings in the company's deepwater completions.
- Deployed the heavy oil thermal component of the next-generation reservoir simulator in the Hamaca Field in Venezuela, the Wafra Field in the Partitioned Zone between Saudi Arabia and Kuwait, and the Duri Field in Indonesia.
- Delivered Upstream Workflow Transformation solutions that enable better and faster operating decisions via improved data usage and automated workflows. Additional transformation solutions that added for well performance and waterflood management.
- Established a Machinery Support Center that enables experts to remotely monitor upstream rotating equipment and facilitate faster, cost-effective responses to major equipment problems. As of early 2011, the center supports the company's Angola operations, and additional deployments are planned during the year.
- Commercialized Chevron's patented LPG hydraulic fracturing technique, which offers an improved approach to enhancing production of tight gas reservoirs.
- Patented, in partnership with Colorado State University, a technique using in-well fluorescent tracers to accurately measure subsurface hydrocarbon movement.
- Piloted autonomous underwater vehicle (AUV) operations in the shallow water of the U.S. Gulf of Mexico. AUVs could enhance monitoring of deepwater subsea systems and be used for intervention planning and in response to major incidents, including hurricanes.
- Developed and deployed a proprietary, advanced geographic modeling tool to significantly improve and standardize pipeline route planning and economics.
- Commercialized new downhole communication technology that enables wireless transmission of well data.

Downstream

- Developed the next-generation Isodewaxing catalyst platform to achieve higher yields and improve product quality.
- Commercialized a new mid-distillate hydrocracking catalyst, ICR250, that is capable of processing a wide range of feedstocks, including gas-to-liquids oils.
- Developed ZeolitePlus, a breakthrough technology that enables manufacturing of high-performance zeolite catalysts at much faster throughput with fewer processing steps.

Information Technology

- Implemented interactive 3-D models to train operators of the Tahiti platform and the Agbami floating, production, storage and offloading vessel. The training technique has been deployed to accelerate new facility commissioning, reduce downtime and have a positive impact on safety.
- Completed successful laboratory tests on new fiber optic sensing technologies developed to improve operational efficiency in refining, production and reservoir recovery.

Biofuels/Hydrogen

- Completed a pilot project that utilized Chevron's hydroprocessing and Isodewaxing technologies to refine nonedible bio-oils into renewable fuel that meets road diesel specifications.
- Concluded the multiyear hydrogen demonstration program successfully with the U.S. Department of Energy and the Florida Department of Environmental Protection. Safely completed decommissioning of four hydrogen refueling stations and transferred one prototype station to a third party.

Emerging Energy

- Constructed and commissioned a 1-megawatt concentrating photovoltaic (CPV) solar facility on the tailing site of Chevron's molybdenum mine in Questa, New Mexico. The beneficial reuse project is one of the largest CPV solar installations in the world and will be used to evaluate the benefits of emerging solar technology and applicability to other operations and properties.
- Constructed and commissioned a next-generation 740-kilowatt solar photovoltaic installation on a former refinery site in Bakersfield, California. Seven solar panel technologies are being tested to establish the viability of these technologies for use at other Chevron sites.
- Continued construction of a 29-megawatt solar-to-steam demonstration project in the San Joaquin Valley in California. This new technology application is designed to use solar energy to produce steam for enhanced oil recovery.

Venture Capital

- Transferred 12 new technology applications into Chevron's core operations, including remote visual tracking, remote monitoring and crude oil viscosity technology.
- Invested in five start-up companies involved in high-density materials for hydraulic fracturing, electric submersible pumps, innovative downhole data measurement and transmission, high-performance cloud data storage, and drilling fluid filtering and separation.

Power Generation

Chevron's Global Power Company manages interests in 13 power-generation assets with a total operating capacity of more than 3.1 terawatts, primarily through joint ventures in the United States and Asia. The company has more than 25 years of experience in successfully developing and operating commercial power projects for utilities and large industrial customers worldwide. Twelve of the assets consist of efficient combined-cycle and gas-fired cogeneration facilities that utilize waste-heat recovery to produce electricity and support industrial thermal hosts. The 13th facility is a wind farm, located in Casper, Wyoming, that is designed to optimize the use of a decommissioned refinery site for delivery of clean, renewable energy to the local utility provider.

The global power organization also provides comprehensive technical services, utilizing state-of-the-art tools and technology, benefiting the company's power-generation assets embedded within production and refining facilities, including a number of facilities that provide steam for enhanced recovery in heavy oil operations. As the company's center of excellence for power generation, these assets deliver world-class reliability results.

In addition, Chevron is the world's largest producer of geothermal energy, with major operations in Indonesia and the Philippines. For additional information on the company's geothermal activities, see pages 31 and 32.

Chevron Energy Solutions (CES)

CES is a wholly owned subsidiary that develops and builds sustainable energy projects that increase energy efficiency and renewable power, reduce energy costs, and ensure reliable, high-quality energy for government, education and business facilities. Since 2000, CES has developed hundreds of projects that help customers reduce their energy costs and environmental impact. Projects announced in 2010 include the City of Brea Energy Efficiency and Solar Project in California, the Marine Corps Logistics Base Albany Landfill Gas Project in Georgia, and the University of Utah Thermal Storage and New Central Plant Project.

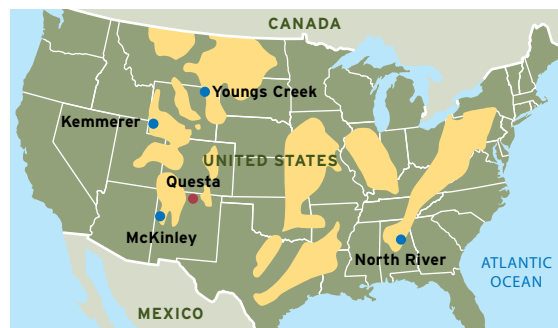
Mining

Chevron's U.S.-based mining company produces and markets coal and molybdenum.

The company owns and is the operator of a surface coal mine in Kemmerer, Wyoming; an underground coal mine in North River, Alabama; a surface coal mine in McKinley, New Mexico; and a molybdenum mine in Questa, New Mexico. The company also owns a 50 percent interest in Youngs Creek Mining Company, LLC, which was formed to develop a coal mine in northern Wyoming.

In March 2011, the company signed a purchase and sale agreement for the sale of the North River Mine and other coal-related assets in Alabama. Additionally, in January 2011, the company announced the intent to divest the remaining coal mining operations, including the Kemmerer Mine and Chevron's interest in Youngs Creek.

Underground development and production plans at the Questa mine remain scaled back in response to price levels in the molybdenum market.



● U.S. Coal Fields ● Mines – Coal ● Mine – Molybdenum

Industry Conditions

Domestic demand for coal has improved from 2009, consistent with increases in electricity consumption. Demand for molybdenum continues to be impacted by the economic slowdown.

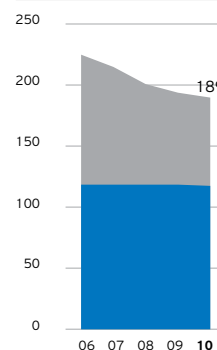
Coal markets are dominated by electricity generators, which consume about 90 percent of the coal used in the United States. During 2010, low natural gas prices relative to coal created a natural gas preference for some power customers.

Molybdenum is primarily used as an alloy agent in steel. The economic slowdown and the resulting decrease in demand for steel led to an overall sharp decrease in molybdenum prices that began in late 2008 and moderated through 2010.

2010 Accomplishments

- Commenced full reclamation activities at the McKinley Mine in New Mexico.
- Shared the 2010 Safety Innovator of the Year at the Questa and McKinley mines, as presented by the New Mexico Mining Association.
- Received an award at Questa for Rescue Response presented jointly by the New Mexico Mining Association in cooperation with the New Mexico Bureau of Mine Safety.

Coal Reserves
Millions of tons



■ Developed Reserves
■ Undeveloped Reserves

Mining Operations¹

Mine Name/Affiliate	State/ Country	Principal Operation		Capacity ²		Annual Sales			
				At 12/31/10	2010	2009	2008	2007	2006
Coal:									
Kemmerer	Wyoming	Truck-and-Shovel (T&S)	Sulfur Content	5.5	4.8	4.5	5.0	5.2	4.6
McKinley ^{3,4}	New Mexico	Dragline/T&S	Low	-	0.1	2.6	3.2	3.7	5.2
North River	Alabama	Longwall	Medium	3.1	2.9	2.7	2.9	3.1	2.8
Total Coal Sales				8.6	7.8	9.8	11.1	12.0	12.6
Minerals:									
Mountain Pass ^{4,5}	California	T&S	Type of Mineral	-	-	-	2.5	4.3	5.3
Questa ^{4,6}	New Mexico	Underground	Rare Earths	4.2	0.2	0.5	4.1	3.9	4.0
CBMM (35%) ⁷	Brazil	T&S	Molybdenum	-	-	-	-	-	6.1
			Niobium	-	-	-	-	-	-

¹ Sales represent the company's share. Quantities at the coal facilities and niobium facility are shown in millions of tons. Volumes of the rare earth and molybdenum facilities are expressed in millions of pounds.

² Quantity shown represents the estimated annual capacity.

³ Mining operations at McKinley were suspended at the end of 2009.

⁴ Environmental reclamation activities are in progress at McKinley, Questa and Mountain Pass (offsite remediation).

⁵ Mining operations at Mountain Pass were sold in September 2008.

⁶ Mining operations at Questa were scaled back in 2009.

⁷ Chevron's interest in CBMM was sold in mid-2006.

Reference

Glossary of Energy and Financial Terms

Energy Terms

Acresage Land leased for crude oil and natural gas exploration and production.

Additives Chemicals to control engine deposits and improve lubricating performance.

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 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 (NGL) 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 hydro-processing technology, bitumen can be refined to yield *synthetic oil*.

Oil Shale Very fine grained sedimentary rocks containing a high proportion of organic matter called kerogen, which may be converted into synthetic crude oil or natural gas.

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.

Production *Total production* refers to all the crude oil (including *synthetic oil*), natural gas liquids and natural gas produced from a property. *Gross production* is the company's share of total production before deducting both royalties paid to landowners and a government's agreed-upon share of production under a *PSC*. *Net production* is *gross production* minus both royalties paid to landowners and a government's agreed-upon share of production under a *PSC*. *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 that 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 may owe income taxes 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 or natural gas contained in underground rock formations called reservoirs and saleable hydrocarbons extracted from oil sands, shale, coalbeds or other nonrenewable natural resources that are intended to be upgraded into *synthetic oil* or gas. *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. 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 only discloses proved reserves in its filings with the U.S. Securities and Exchange Commission (SEC). Certain terms, such as "probable" or "possible" reserves, "potentially recoverable" volumes, and "resources," among others, may be used to describe certain oil and gas properties in this document, which is not filed with the SEC. These other terms are used because they are common to the industry, are measures considered by management to be important in making capital investment and operating decisions, and provide some indication to stockholders of the potential ultimate recovery of oil and gas from properties in which the company has an interest. In that regard, potentially recoverable volumes are those that can be produced using all known primary and enhanced recovery methods. Investors should refer to proved reserves disclosures in Chevron's *Annual Report on Form 10-K* for the year ended December 31, 2010.

Shale Gas Natural gas produced from shale (clay-rich, very fine-grained) formations where the gas was sourced from within the shale itself and is trapped in rocks with low porosity and extremely low permeability. Production of shale gas requires 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*.

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 or 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 pay dividends and fund capital and common stock repurchase programs. 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.

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.

Additional Information

Stock Exchange Listing

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

Publications and Other News Sources

Additional information relating to Chevron is contained in its *2010 Annual Report* to stockholders and its *Annual Report on Form 10-K* for the fiscal year ended December 31, 2010, filed with the U.S. Securities and Exchange Commission. Copies of these reports are available on the company's Web site, 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 *2010 Corporate Responsibility Report* is available in May on the company's Web site, www.chevron.com, or may be requested in writing to:

Chevron Corporation
Policy, Government and Public Affairs
6001 Bollinger Canyon Road, A2098
San Ramon, CA 94583-2324

For additional information about the company and the energy industry, visit Chevron's Web site, 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.

Trademark Notice

Caltex, Chevron, the Chevron Hallmark, Delo, Havoline, Human Energy, Isodewaxing, Meropa, Taro, Techron, Texaco and Ursa are registered trademarks of Chevron Intellectual Property LLC. ZeolitePlus is a trademark of Chevron Intellectual Property LLC.

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

Organizations

Organization Type/Name	Principal Business	Principal Areas of Activity
Operating		
Atlas Energy, Inc.	Exploration and Production	United States
Cabinda Gulf Oil Company Limited	Exploration and Production	Angola
Chevron Africa and Latin America Exploration and Production Company	Exploration and Production	Africa and Latin America
Chevron Asia Pacific Exploration and Production Company	Exploration and Production	Asia-Pacific
Chevron Australia Pty Ltd.	Exploration and Production	Australia
Chevron Canada Limited	Integrated Energy Activities	Canada
Chevron Europe, Eurasia and Middle East Exploration & Production Limited	Exploration and Production	International
Chevron Geothermal Indonesia, Ltd.	Power Generation	Indonesia
Chevron Global Energy Inc.	Integrated Energy Activities	International
Chevron Global Gas	Global Gas Activities	Worldwide
Chevron Global Power Company	Electric Power and Cogeneration	Worldwide
Chevron Mining Inc.	Mining	United States
Chevron Nigeria Limited	Exploration and Production	Nigeria
Chevron North America Exploration and Production Company	Exploration and Production	North America
Chevron Oronite Company LLC	Lubricating Oils and Fuels Additives	Worldwide
Chevron Pipe Line Company	Crude Oil, Refined Products and Natural Gas Transportation	United States
Chevron Products Company	Refining, Marketing, Trading, Supply and Distribution of Crude Oil and Refined Products	United States
Chevron Thailand Exploration and Production, Ltd.	Exploration and Production	Thailand
Chevron Transport Corporation Ltd.	Marine Transportation	International
Chevron U.S.A. Inc.	Integrated Energy Activities	Worldwide
PT Chevron Pacific Indonesia	Exploration and Production	Indonesia
Saudi Arabian Chevron Inc.	Exploration and Production	Partitioned Zone
Texaco Inc.	Exploration and Production	Worldwide
Unocal Corporation	Exploration and Production	Worldwide
Affiliates		
Angola LNG Limited (36.4%)	Liquefied Natural Gas	Angola
The Baku-Tbilisi-Ceyhan Pipeline Company (8.9%)	Crude Oil Transportation	Eurasia
Caltex Australia Limited (50%)	Refining and Marketing	Australia
Caspian Pipeline Consortium (15%)	Crude Oil Transportation	Eurasia
Catchlight Energy LLC (50%)	Biofuels	United States
Chevron Phillips Chemical Company LLC (50%)	Petrochemicals	Worldwide
GS Caltex Corporation (50%)	Refining and Marketing	International
Petrobrascan, S.A. (39.2%)	Exploration and Production	Venezuela
Petroindependencia, S.A. (34.0%)	Exploration and Production	Venezuela
Petroindependiente, S.A. (25.2%)	Exploration and Production	Venezuela
Petropiar, S.A. (30%)	Exploration and Production	Venezuela
Star Petroleum Refining Co., Ltd. (64%)	Refining	Thailand
Tengizchevroil LLP (50%)	Exploration and Production	Kazakhstan
West African Gas Pipeline Company Limited (36.7%)	Natural Gas Transportation	West Africa
Services		
Chevron Business and Real Estate Services	Property Management	Worldwide
Chevron Energy Solutions Company	Energy Services	United States
Chevron Energy Technology Company	Integrated Energy Technology and Services	Worldwide
Chevron Environmental Management Company	Environmental Remediation	United States
Chevron Information Technology Company	Information Technology	Worldwide
Chevron Services Company	Financial, Legal and Technical Support Services	Worldwide
Chevron Technology Ventures	Emerging Technologies	United States
Finance		
Chevron Corporation	Commercial Paper Issuer and Debt Financing	
Texaco Capital Inc.	Debt Financing	

Chevron Corporation has ownership interests in more than 1,000 subsidiaries, branches, divisions, partnerships and affiliates. The above listing represents the most significant of the company's operations. These organizations may represent legal entities or divisions of operating units of legal entities. Chevron's interest is 100 percent unless otherwise noted.

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 manage exploration and production interests of the two companies in the Middle East and Indonesia and provide an outlet for crude oil through The Texas Company's European markets.
- 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 size of 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.



2010 Annual Report



2010 Supplement to the Annual Report



2010 Corporate Responsibility Report

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

This *2010 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," "projects," "believes," "seeks," "schedules," "estimates," "budgets" and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond the company's control and are difficult to predict. Therefore, actual outcomes and results 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 chemical margins; actions of competitors or regulators; timing of exploration expenses; timing of crude oil liftings; the competitiveness of alternate-energy sources or product substitutes; technological developments; the results of operations and financial condition of equity affiliates; the inability or failure of the company's joint-venture partners to fund their share of operations and development activities; the potential failure to achieve expected net production from existing and future crude oil and natural gas development projects; potential delays in the development, construction or start-up of planned projects; the potential disruption or interruption of the company's net production or manufacturing facilities or delivery/transportation networks due to war, accidents, political events, civil unrest, severe weather or crude oil production quotas that might be imposed by the Organization of Petroleum Exporting Countries; the potential liability for remedial actions or assessments under existing or future environmental regulations and litigation; significant investment or product changes under existing or future environmental statutes, regulations and litigation; the potential liability resulting from other pending or future litigation; the company's future acquisition or disposition of assets and gains and losses from asset dispositions or impairments; government-mandated sales, divestitures, recapitalizations, industry-specific taxes, changes in fiscal terms or restrictions on scope of company operations; foreign currency movements compared with the U.S. dollar; the effects of changed accounting rules under generally accepted accounting principles promulgated by rule-setting bodies; and the factors set forth under the heading "Risk Factors" on pages 32 through 34 of the company's *2010 Annual Report on Form 10-K*. In addition, such statements could be affected by general domestic and international economic and political conditions. Unpredictable or unknown factors not discussed in this report could also have material adverse effects on forward-looking statements.



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