Upstream and Gas

George Kirkland

Executive Vice President
Upstream & Gas

Profitable Growth

Effective Execution

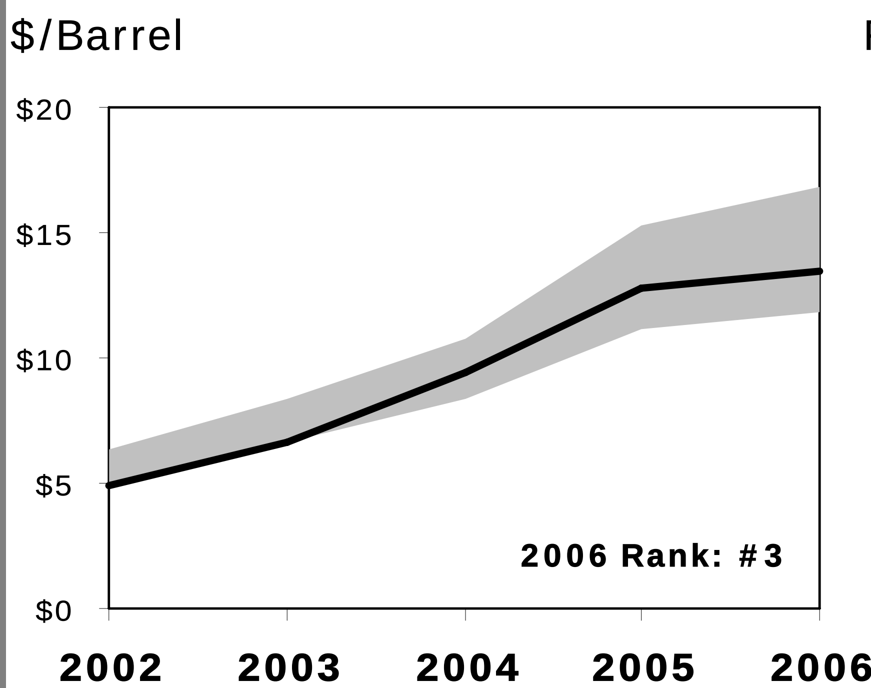
Right Strategies

What We Delivered in 2006

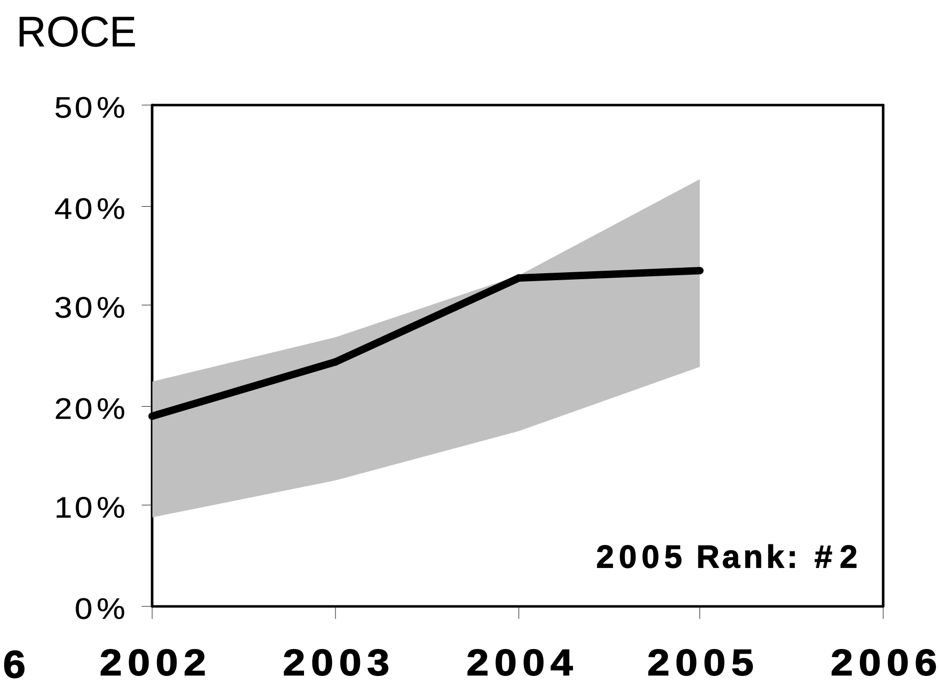
- ✓ Superior Safety Performance
- ✓ >5% Production Growth from 2005
- ✓ BBLT Startup
- ✓ Tengiz SGI Facilities Startup
- ✓ Angola LNG Progressing to FID
- ✓ Exploration Success
- ✓ Successful Unocal Integration
- ✓ Progress on Major Capital Projects
- ✓ Competitive Margins and Returns

Delivering Strong Earnings per Barrel and Competitive ROCE

Earnings/BOE (A/T)



ROCE

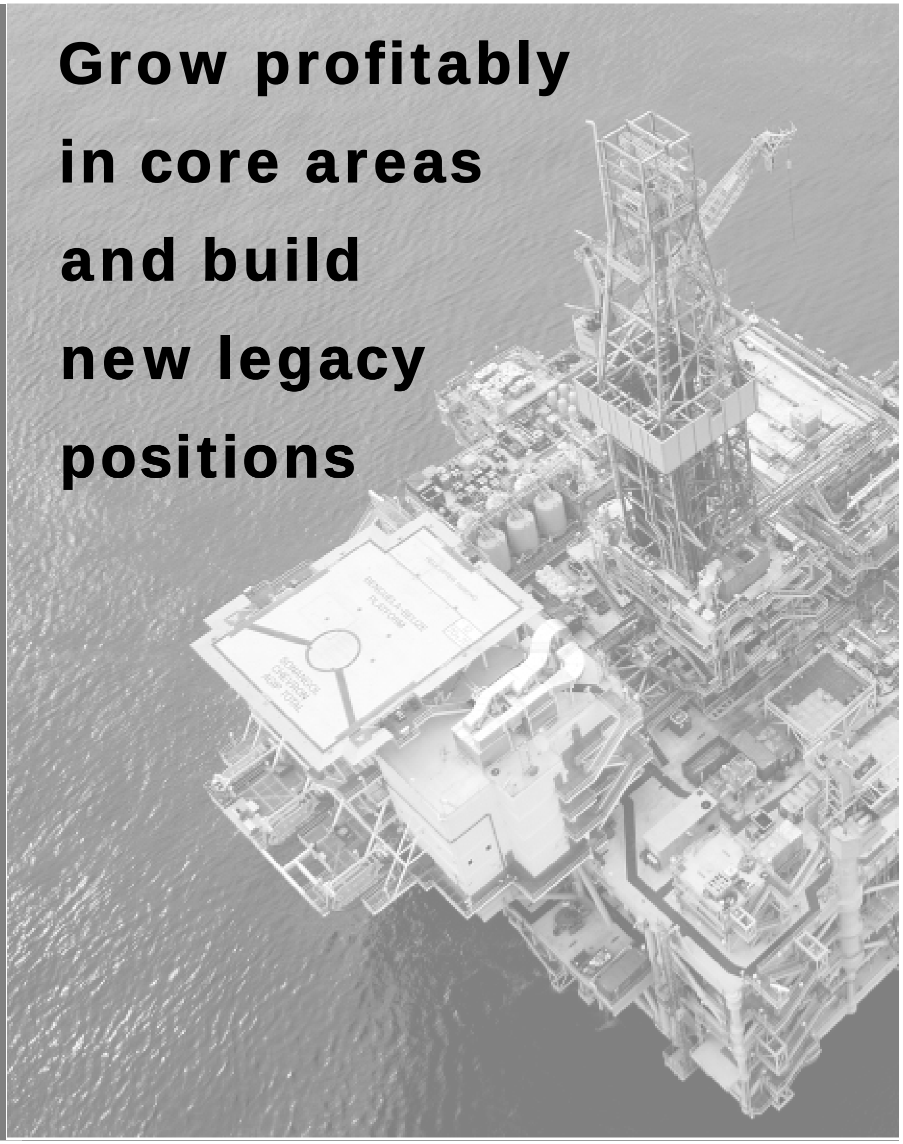


Competitor Group: XOM, BP, COP, RDS.

Competitive ROCE calculated based on CVX estimates and public information handled on a consistent basis. Excludes special items. Reconciliation to non-GAAP earnings measure for CVX is available at www.chevron.com under Investors.

Right Strategies

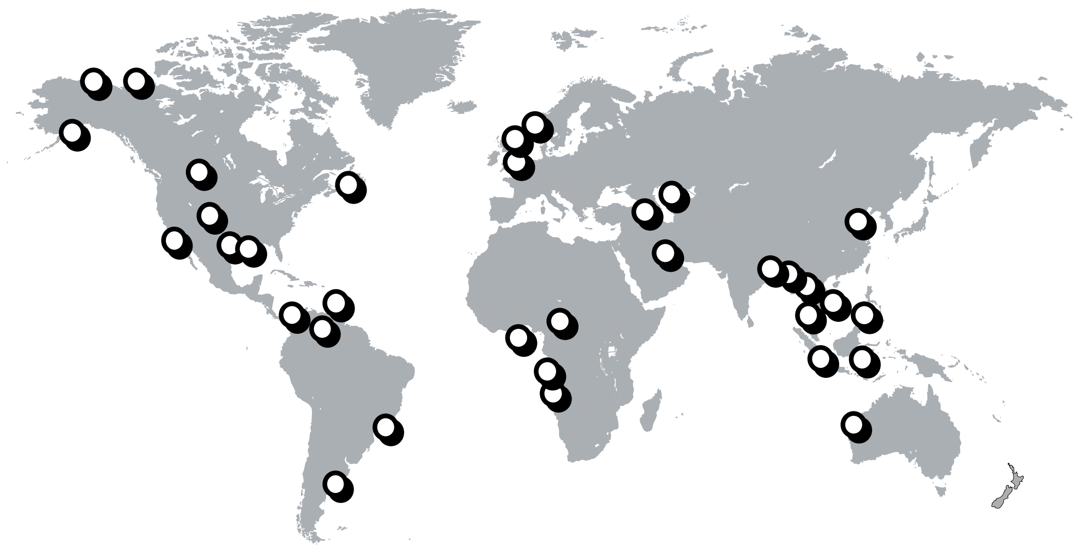
Upstream Has the Right Strategies



Grow profitably in core areas and build new legacy positions

- Achieve world-class operational performance
- Maximize and grow the Base Business
- Lead the industry in selection and execution of Major Capital Projects
- Achieve superior Exploration performance
- Identify, capture and effectively incorporate new core positions

Positioned With a Strong Worldwide Portfolio



Upstream Areas of Operation

- 12 billion BOE net proved oil & gas reserves
- 2.7 million BOE daily net production capacity
- E&P activities in more than 30 countries

Leveraging an Effective Organizational Structure Across the Portfolio

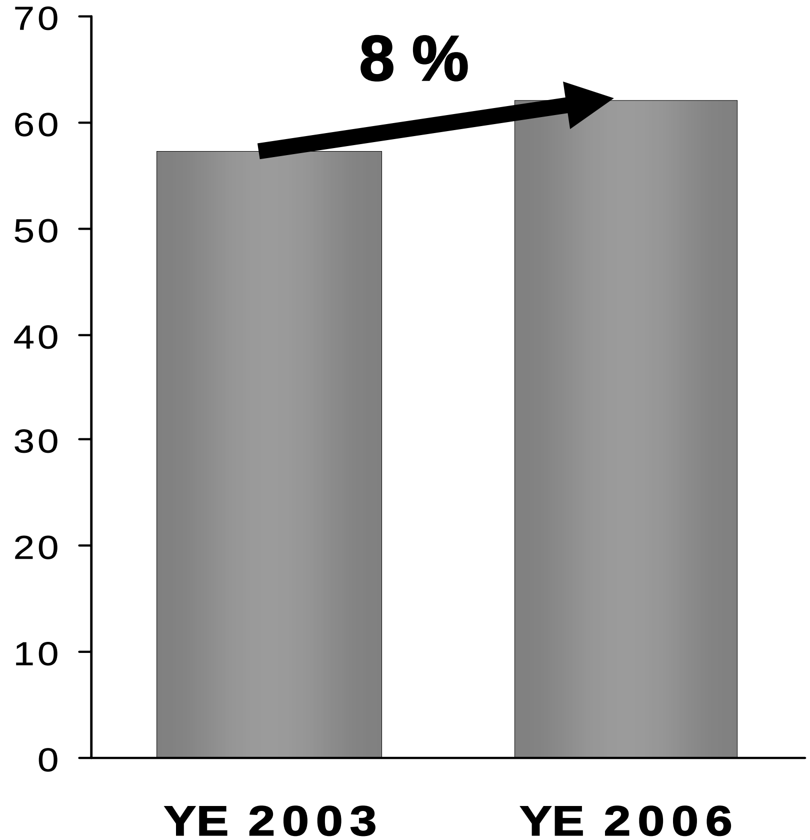
- Exploration
- Drilling & Completions
- Project Management
- Reservoir Management
- Technology Support

- 14 Strategic Business Units
- Localized decision-making
- Strengthened relationship with host governments
- Integral part of the communities
- Onsite functional expertise

Growing a Diversified Resource Portfolio

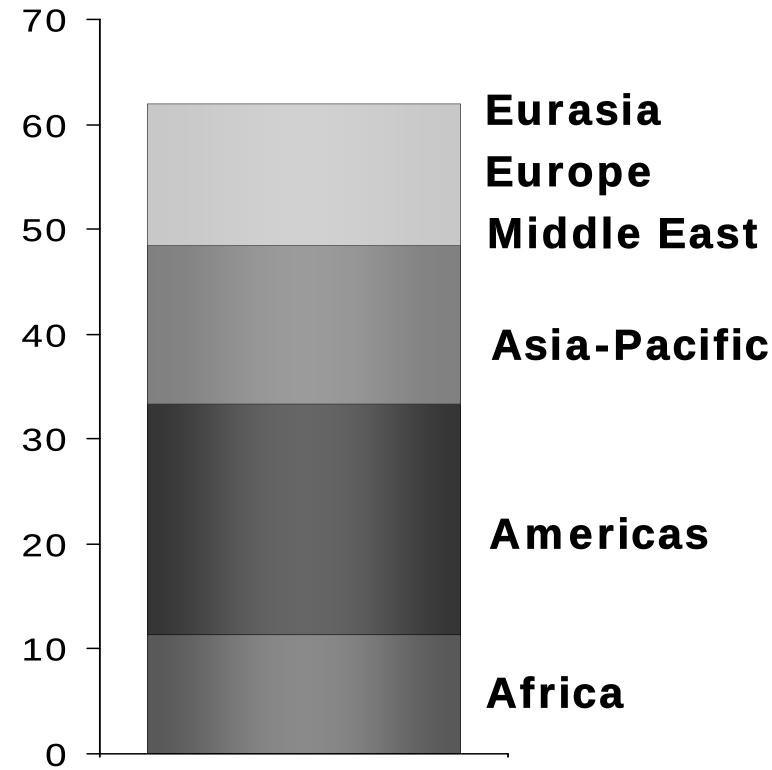
Resource Growth

Billion BOE



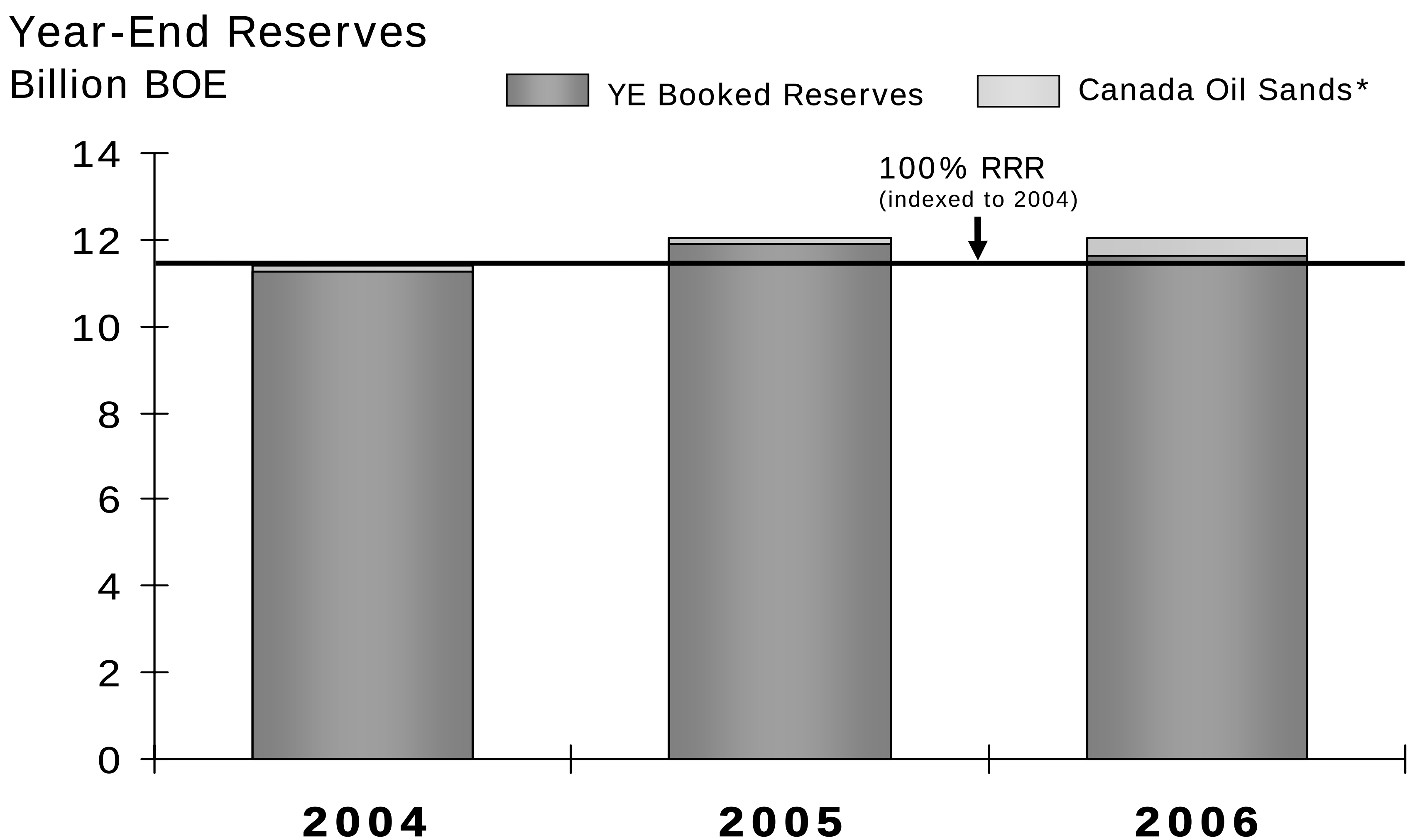
Resource Distribution

Billion BOE



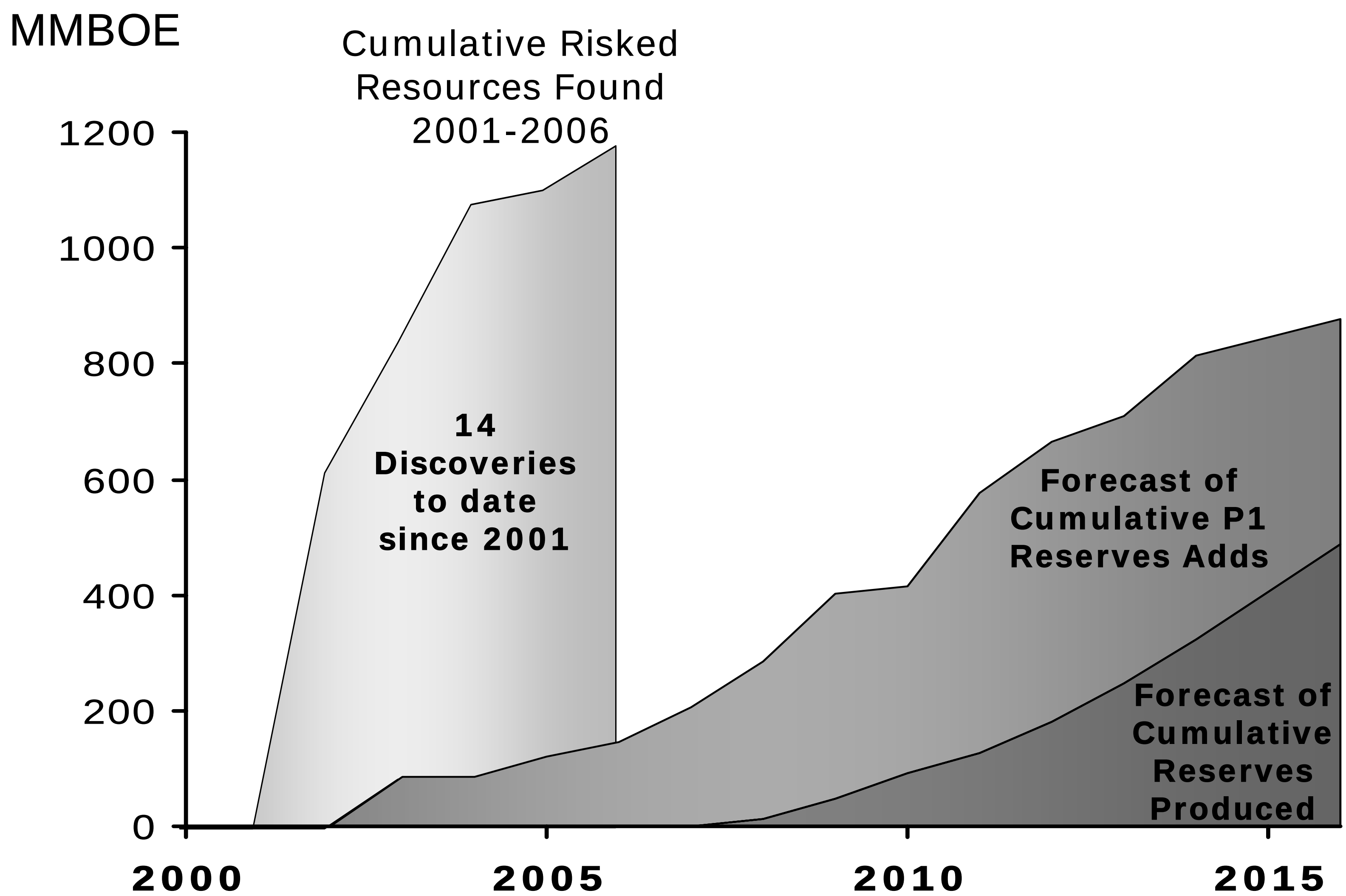
Resource is defined as unrisked proved, probable and possible reserves plus potential recoverable resources contingent on commerciality. Includes oil volumes associated with Athabasca Oil Sands mining. Crude oil extracted through bitumen mining operations is not considered to be an oil and gas producing activity by the Securities and Exchange Commission.

Average Reserves Replacement Greater Than 100% Since 2004



* Crude oil extracted through bitumen mining operations is not considered to be an oil and gas producing activity by the Securities and Exchange Commission.

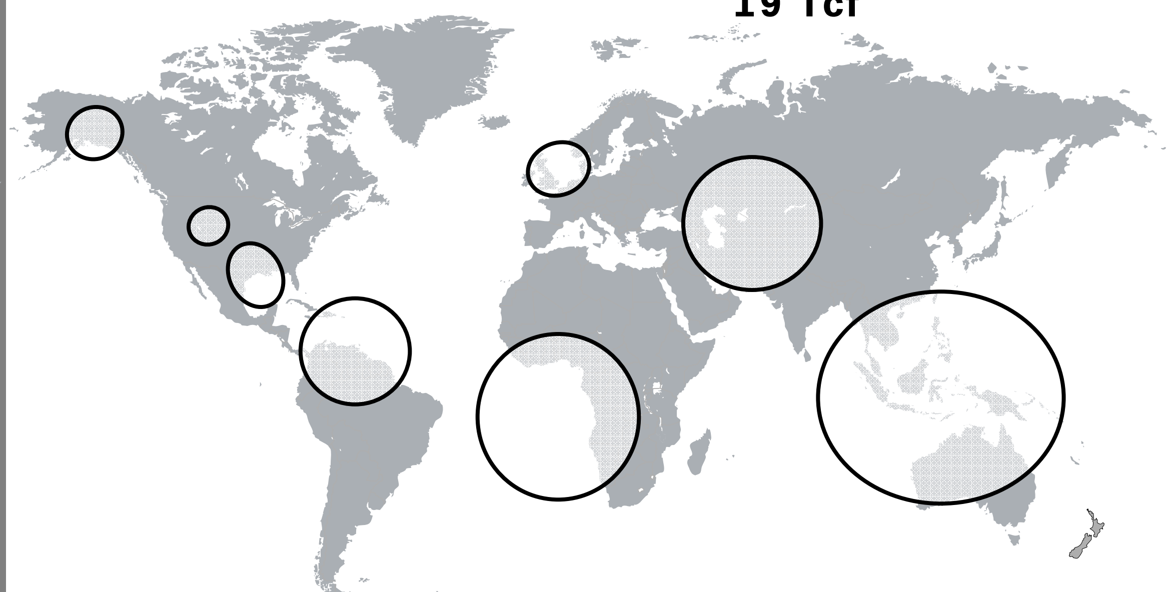
Six Years of Success in Deepwater Gulf of Mexico



140 Tcf of Equity Natural Gas Resources*

Gas production is growing and becoming a key component of Chevron’s overall production.

Europe / Central Asia / Middle East
19 Tcf



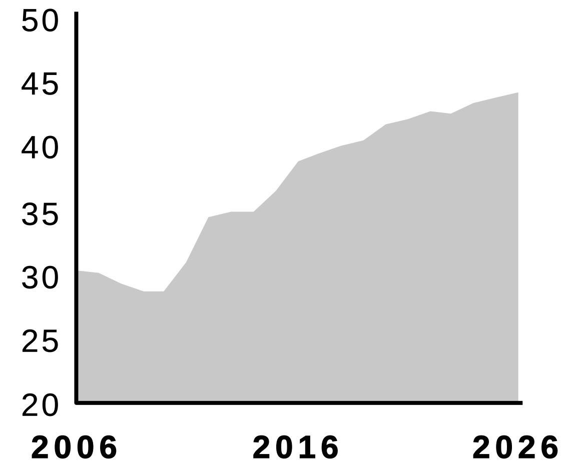
Americas
34 Tcf

Africa
25 Tcf

Asia-Pacific
62 Tcf

Gas Production as % of Total CVX Net Production

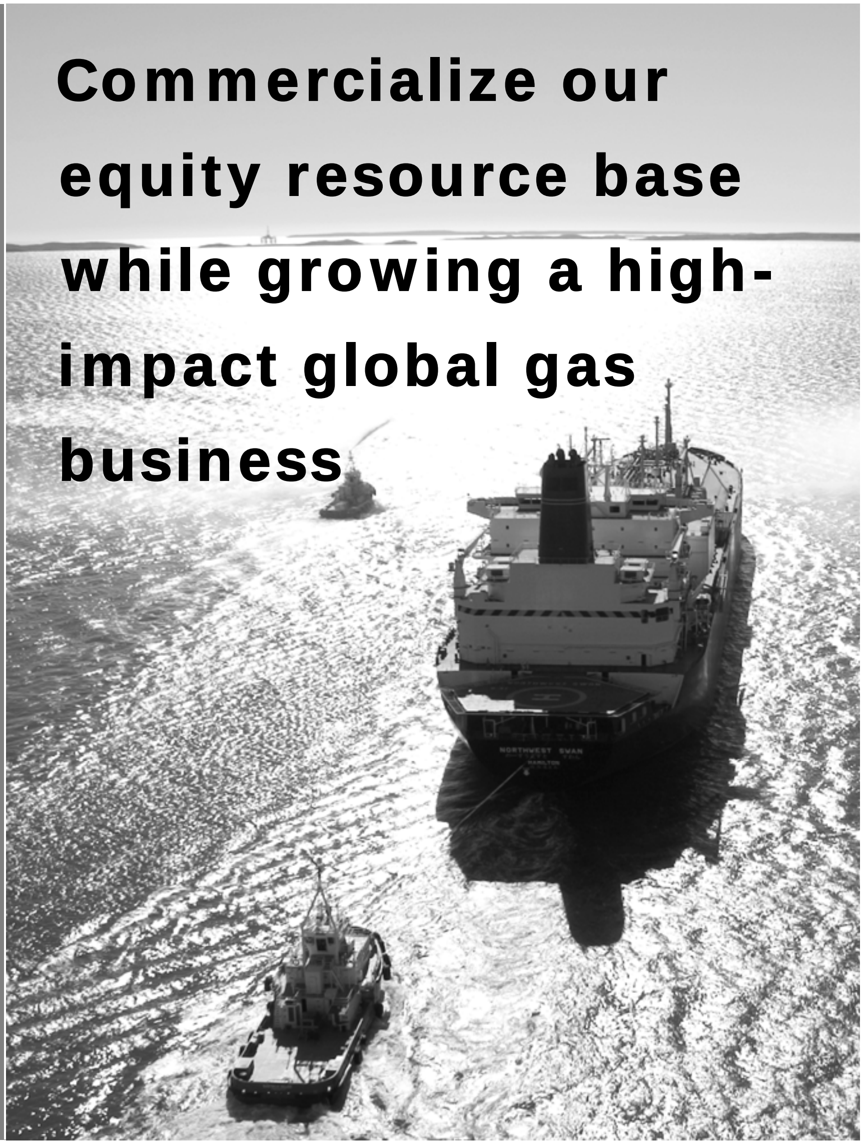
Percent



Circles represent geographic coverage and not the size of the resource.

* Unrisked

Growing the Global Gas Business

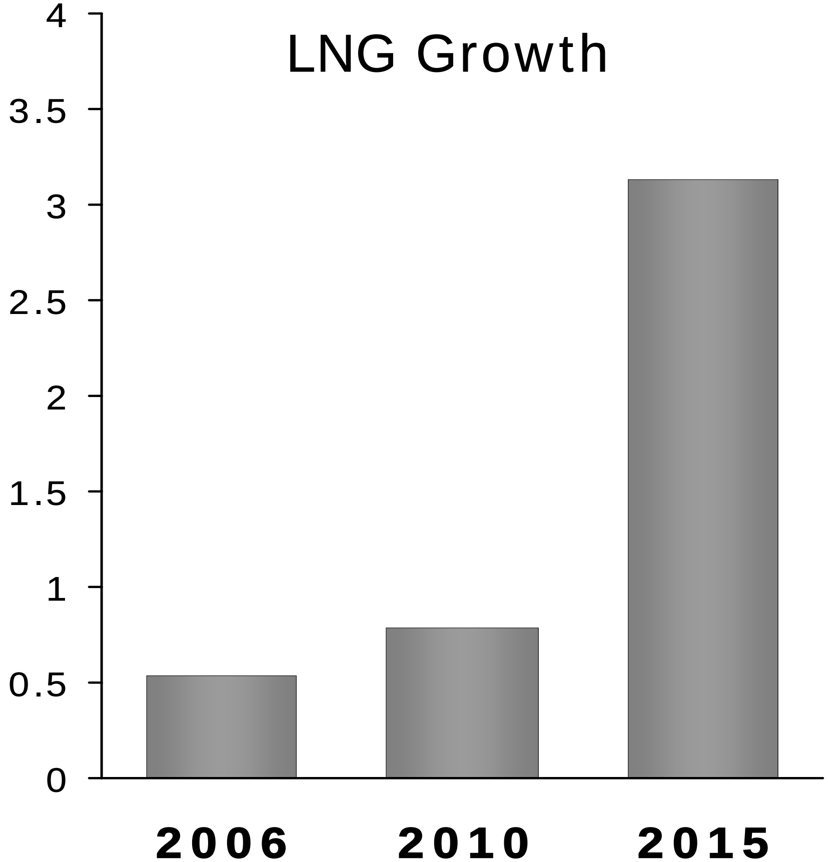


Commercialize our equity resource base while growing a high-impact global gas business

- Pursuing growth in both LNG and GTL
- Developing profitable value chains
- Applying technology to reduce costs
- Leveraging our value chains and technology to access new gas resources

Growing a Top-Tier LNG Business

Gas to LNG
(BCFD)

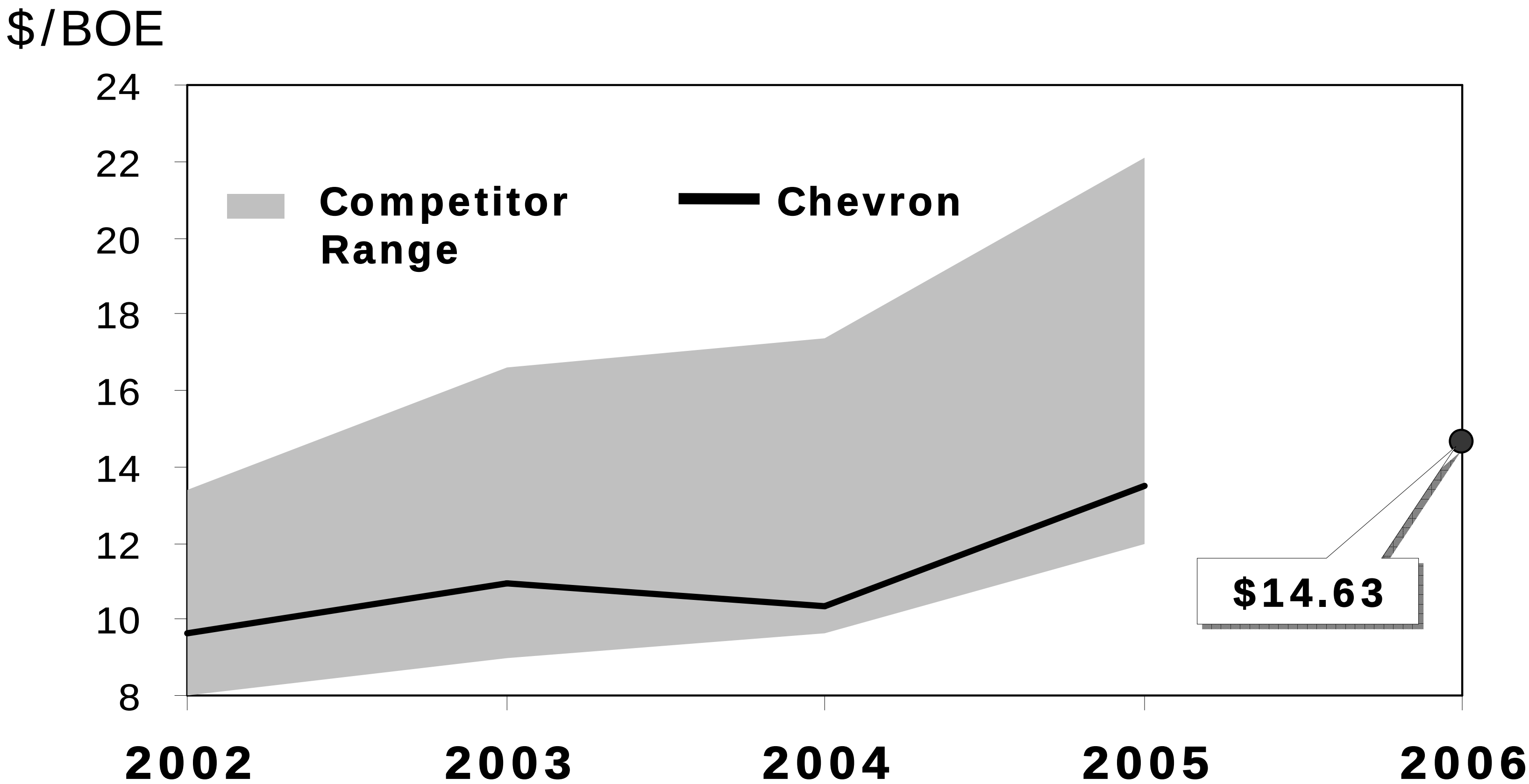


- Highest growth rate among all LNG competitors
- Anchored by extensive gas resource base

Source: Wood Mackenzie
Competitors include COP, NNPC, RDS, Sonatrach, TOT, XOM, BP, INPEX, Petronas, Gazprom, Woodside, ENI, Oman, BG

Effective Execution

Upstream Costs Have Been Among the Lowest



Ranking: 3/10 | 3/10 | 2/10 | 3/10

Source: AG Edwards; includes production costs, exploration expense and DD&A
Competitors include BP, COP, RDS, XOM, HES, MRO, MUR, OXY, TOT

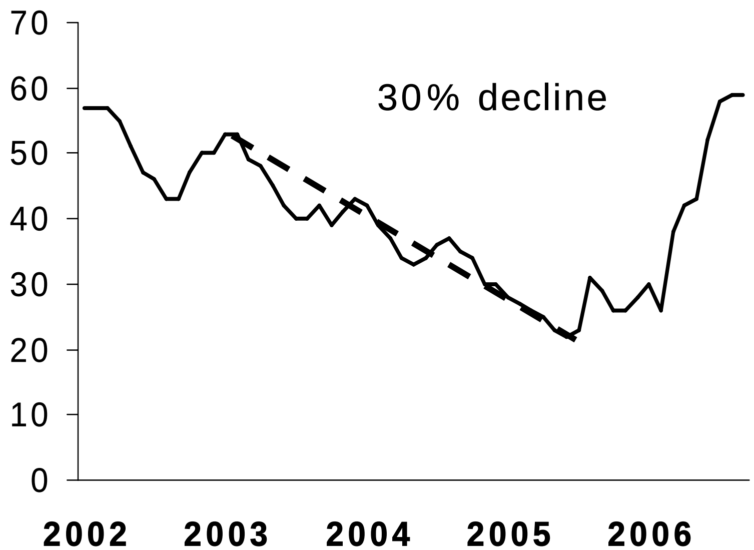
Disciplined Base Business Focus

North America - South Texas

New seismic interpretation

McAllen Ranch Field

Production - MMCFPD

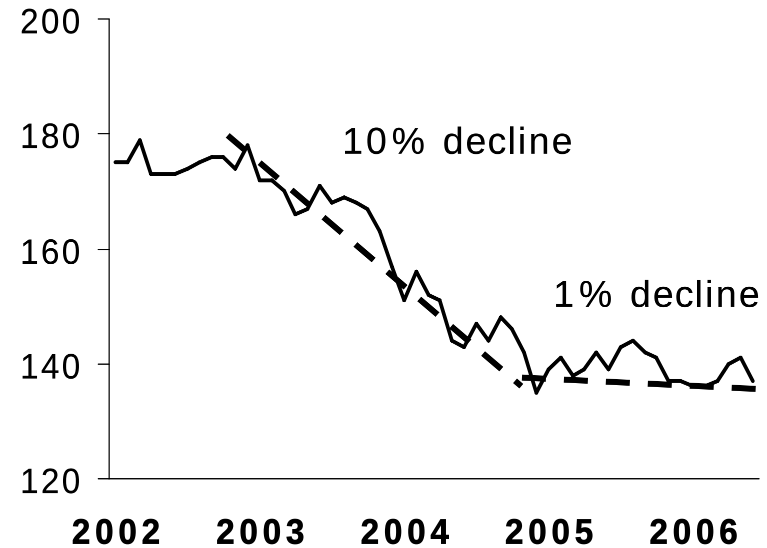


Saudi Arabia/PNZ

Waterflood optimization

Wafra Ratawi Field

Production - MBOEPD



A Clear Leader in Drilling & Completions

Focused and disciplined plan to identify and capture

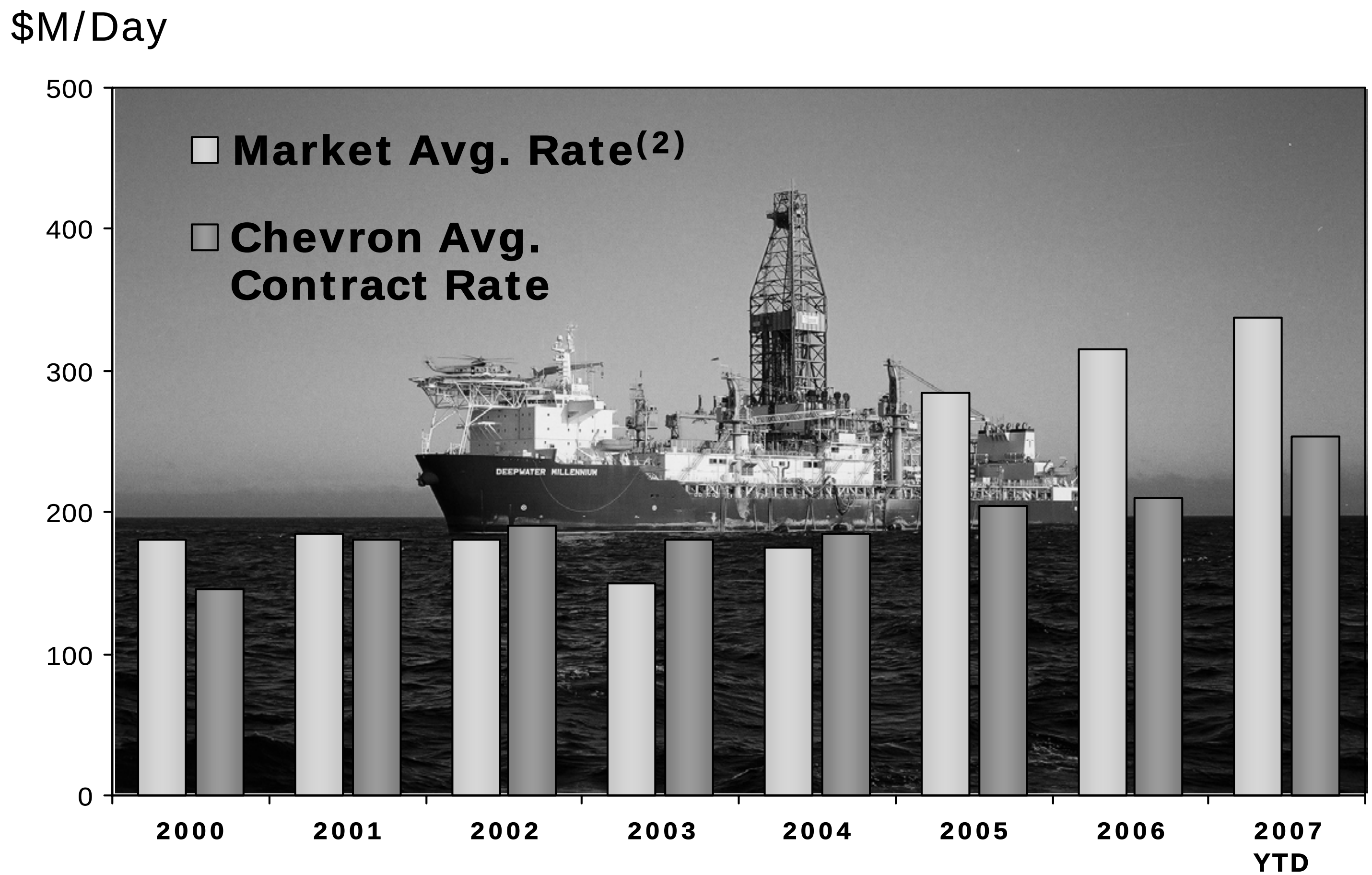
- Best practices
- Innovative technologies
- Process improvements

Savings of over $400 MM realized in 2006

- Operational Reliability: $70 MM
- Operational Efficiency: $100 MM
- Technology: $125 MM
- Contracting: $100 MM

Superior Contracting Strategies Have Cushioned Rising Deepwater Rig Rates

Worldwide Deepwater Rig Rates (1)

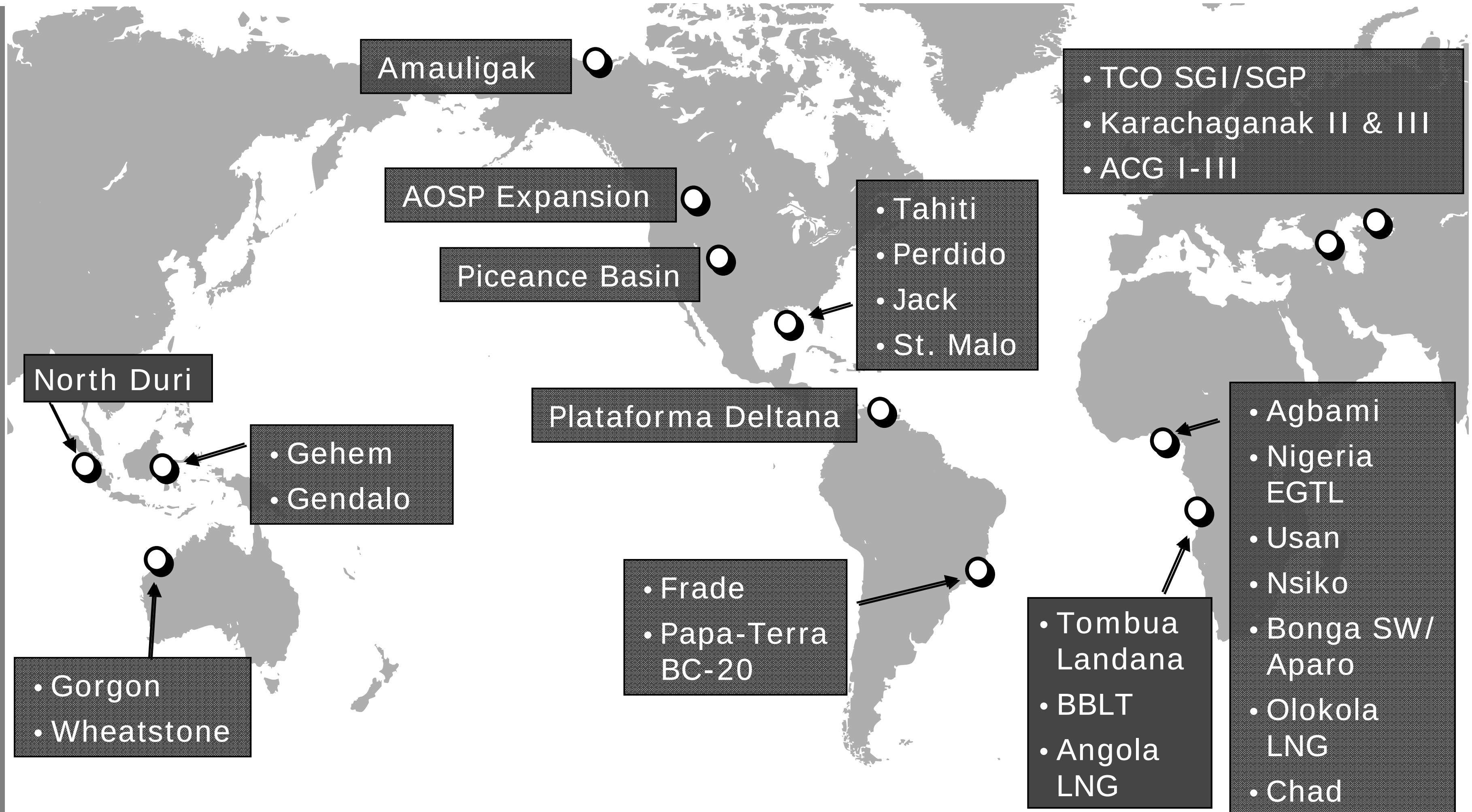


(1) Drilling units rated for >7500 ft water depth

(2) Market data source: Fearnley Offshore

Profitable Growth

World-Class Portfolio of Projects



Projects shown are >$1Billion C&E net Chevron share except for BBLT.

Industry-Leading Queue of Projects: 2003

>$1B

>$200MM

Evaluation	Evaluation	Engineering & Design	Construction	Operate
Blind Faith				
Plataforma Deltana				
AOSP Expansion 1		NWS Train 5	NWS Train 4	
Usan	Angola LNG	Moho Bilondo	Chad	
Perdido	Tahiti	BBLT	Karachaganak II	
North Duri	Gorgon	Sanha Bomboco	Hamaca Upgrader	
Bonga SW / Aparo	Frade	Nigeria EGTL / EGP3	Belanak	
Hebron	Tombua Landana	Agbami	Tengiz SGI / SGP	

Industry Leading Queue of Projects – 1Q 2007

- >$1B
- >$200MM
- ☆ New

Evaluation

- ☆ Tubular Bells
- ☆ Rosebank Lochnagar
- ☆ Puma
- ☆ Knotty Head
- Hebron
- ☆ Vietnam
- ☆ Platong
- ☆ Big Foot
- ☆ Karachaganak III
- ☆ Wheatstone
- ☆ Papa-Terra BC-20
- ☆ Gendalo
- ☆ Gehem
- ☆ Amauligak
- ☆ Jack
- ☆ St. Malo
- Plataforma Deltana

Engineering & Design

- ☆ Olokola LNG
- ☆ Nsiko
- Angola LNG
- Usan
- Bonga SW / Aparo
- North Duri
- Gorgon

Construction

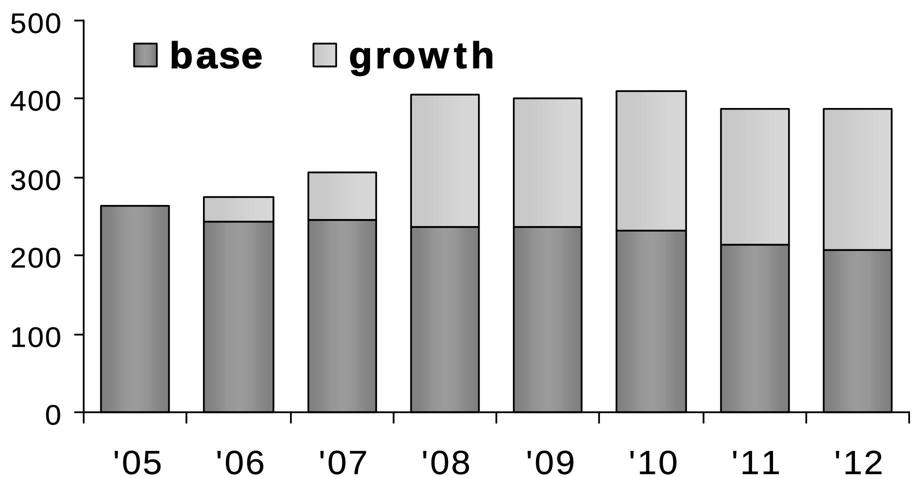
- ☆ San Ardo
- ☆ ACG III
- NWS Train 5
- Blind Faith
- Moho Bilondo
- ☆ Piceance
- Nigeria EGTL / EGP3
- Tengiz SGI / SGP
- Tombua Landana
- Frade
- Agbami
- AOSP Expansion 1
- Perdido
- Tahiti

Operate

- ☆ BTC Pipeline
- ☆ ACG II
- ☆ Bibiyana
- NWS Train 4
- BBLT
- Sanha Bomboco
- Chad
- Karachaganak II
- Hamaca Upgrader
- Belanak

Leader in the Caspian Region

Net Production MBOEPD



Tengiz Sour Gas Injection Second Generation Plant

- Project is approximately 93% complete
- 2006: SGI Stage 1 startup
- 2007: SGP startup

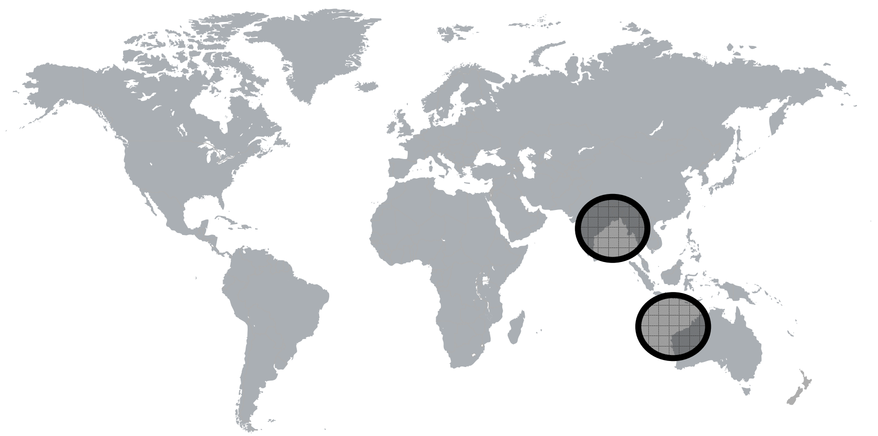
Azeri-Chirag-Guneshli Development

- 2006: ACG II initiated production
- 2007: BTC Pipeline ramp-up
- 2008: ACG III startup

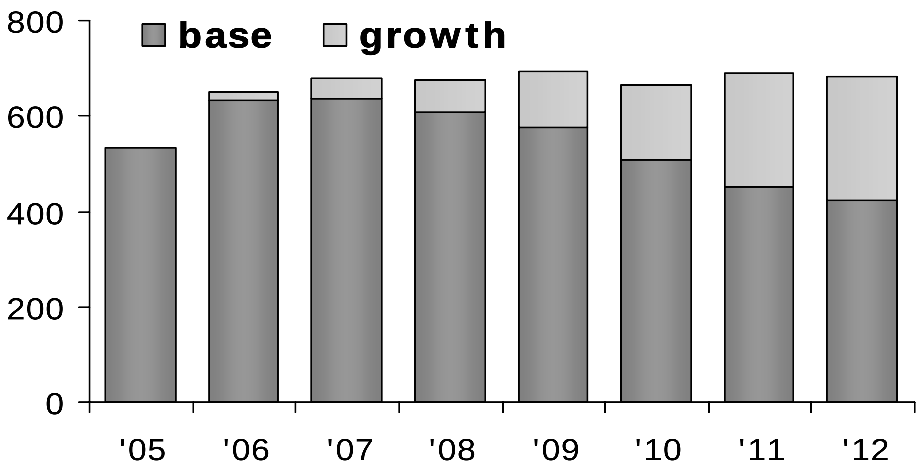
Other

- Karachaganak III

Significant Position in Asia-Pacific



Net Production MBOEPD



Gorgon

- December 2006: Environmental framework provided by WA minister
- 2007: Finalizing FEED

Bibiyana

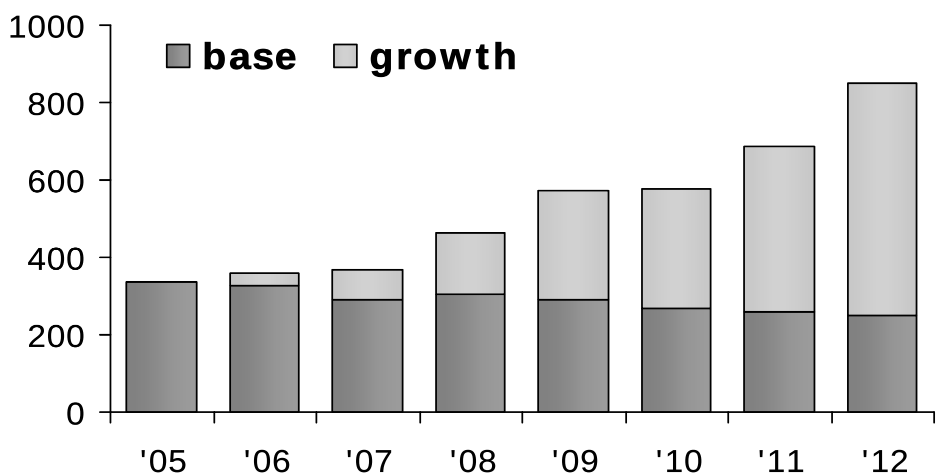
- 600 MMCFD gas processing plant
- 1H 2007: Startup

Other

- NWS Expansion Train 5
- North Duri Steamflood
- Platong II
- Vietnam Gas Development

New Projects Will Double Production in West Africa

Net Production MBOEPD



Agbami

- Ongoing: drilling, construction and subsea activities
- 4Q 2007: FPSO tow
- 2008: Production startup

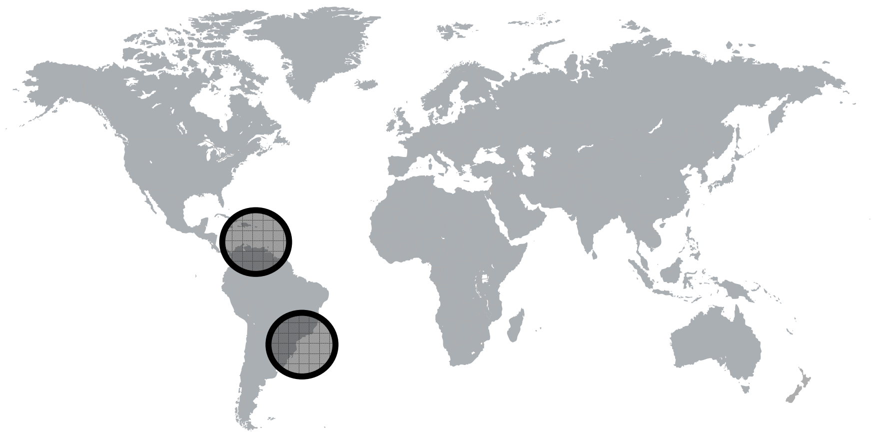
West Africa LNG

- 2007: Angola LNG – FID
- 2007: Olokola LNG – FID
  (FEED >90% complete)

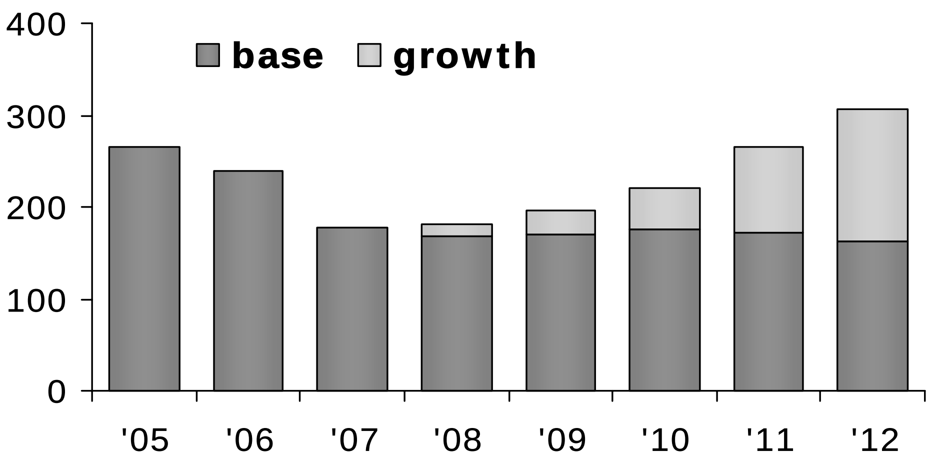
Other

- BBLT
- Tombua Landana
- Nigeria EGTL
- Nigeria EGP3 A&B
- Usan
- Bonga SW/Aparo
- Moho Bilondo

Deepwater Brazil Adding to Latin America's Growth



Net Production MBOEPD



Frade

- Project is approximately 10% complete
- 2007: FPSO hull work to begin
- 2009: First production

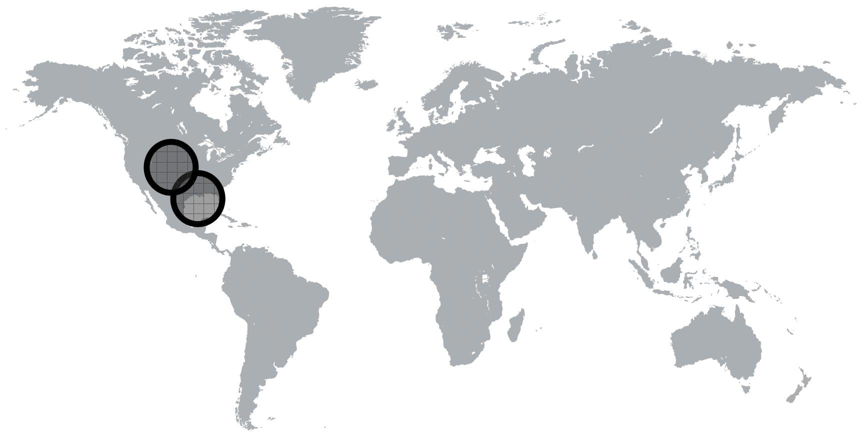
Papa-Terra

- 2006: Field development plan filed
- 2008: FID
- 2011-12: First production

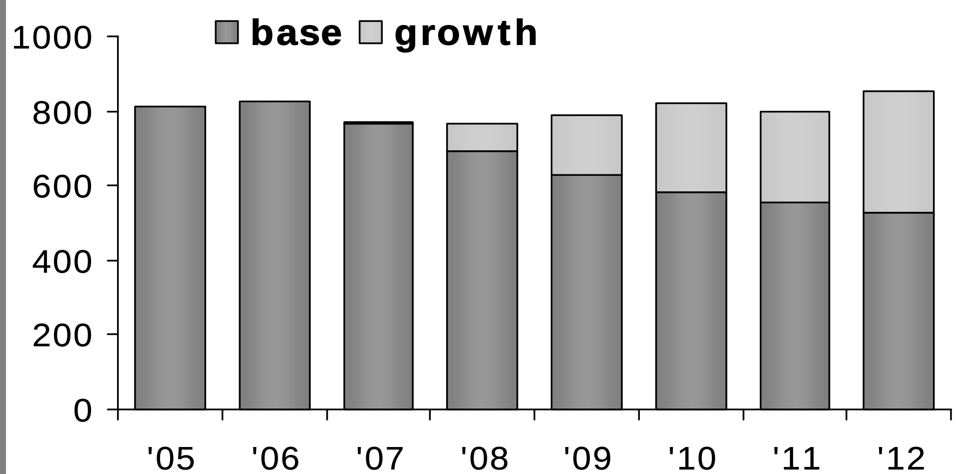
Other

- Dolphin Deep
- Starfish
- Plataforma Deltana

Sustaining North American Production



Net Production MBOEPD



Tahiti

- Project 60% complete
- 2006: Drilling operations complete
- 2007: Well completion operations
- 2008: First production

Piceance

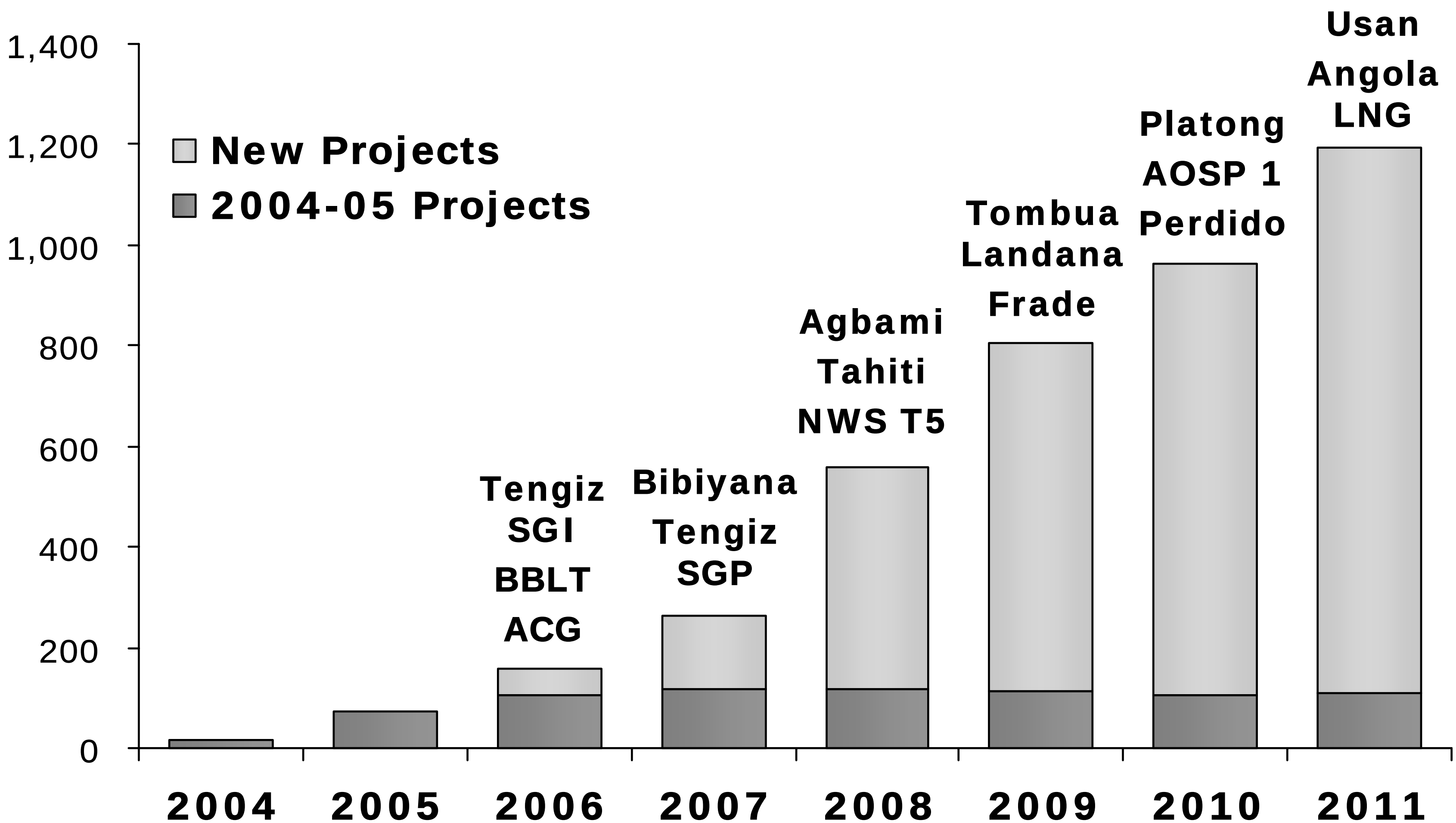
- 40,000 CVX acres
- 2007-2008: 2-rig drilling program
- 2008: Permanent gas sales

Other

- San Ardo
- AOSP Expansion
- Blind Faith
- Perdido

Production Growth Driven by a Steady Queue of Projects

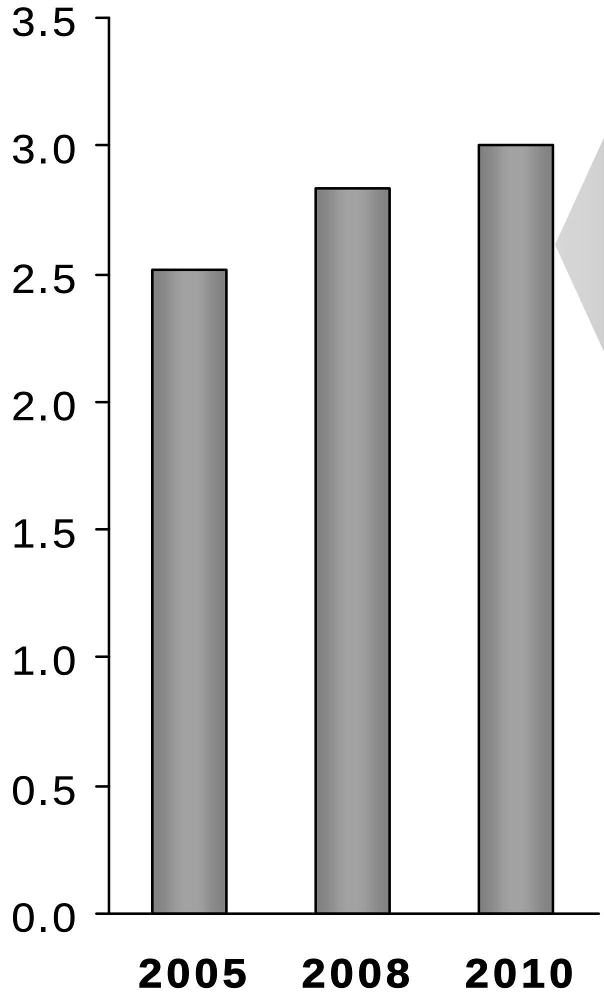
Net Production MBOED



Projects shown represent a subset of the total queue.

Greater Than 3% Production Growth Driven by a Steady Queue of Projects

Net Production MBOED



Start-up	Significant Project	Chevron Operator	WI %	100% Peak Production MBOEPD	Current Project Phase
2006	BBLT	✓	31.0	200	Prod
	Dolphin Deep		50.0	35	Prod
	ACG II		10.3	520	Prod
2007	Tengiz SGI/SGP	✓	50.0	250	Const
	Bibiyana	✓	98.0	80	Const
2008	Agbami		68.2	250	Const
	Tahiti	✓	58.0	135	Const
	Blind Faith	✓	62.5	45	Const
	NWS Train 5	✓	16.7	95	Const
	N Duri Steamflood		100	70	Design
	Moho Bilondo	✓	31.5	80	Const
	ACG III		10.3	300	Const
	Callanish-Brodgar		16-25	50	Const
2009	Tombua Landana	✓	31.0	100	Const
	Nigeria EGP3 A&B	✓	40.0	140	Const
	Frade	✓	51.7	90	Const
	Nigeria EGTL	✓	75.0	34	Const
2010	Perdido		37.5	130	Const
	AOSP Exp. I		20.0	100	Const
	Platong II	✓	69.7	65	Eval

Applying Technologies to Commercialize Challenging Resources

Jack Discovery & Test

- Integrated team
- Drillstem test design
- Superior seismic imaging
- Completion frac-pack design
- "Clear Leader" drilling performance

- Set records for pressure, depth and duration of test
- Better understanding of reservoir and fluid characteristics
- Optimum field development design and commerciality assessment

Focus and Execution Are Key

- ✓ Superior exploration performance
- ✓ Competitive performance of base assets
- ✓ Executing on an industry-leading queue of Major Capital Projects
- ✓ Greater than 100% reserves replacement
- ✓ Progress toward commercializing vast natural gas resource

Our Continued Commitment to Earnings and Returns

Production CAGR >3%	2005-2010
TCO SGP Startup	2007
Bibiyana Startup	2007
Agbami Startup	2008
Tahiti Startup	2008
Blind Faith Startup	2008
Frade Startup	2009
Nigeria EGTL Startup	2009

Appendix

Upstream Major Capital Projects
Caspian Region

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Tengiz Sour Gas Injection / Second Generation Plant	Kazakhstan	Chevron	50.0	6.0	250	Construction	2006 SGI 2007 SGP
Azeri-Chirag-Guneshli (ACG) Development II	Azerbaijan	Other	10.3	4.2	520	Production	2006
Azeri-Chirag-Guneshli (ACG) Development III	Azerbaijan	Other	10.3	4.1	300	Construction	2008
Karachaganak Expansion III	Kazakhstan	Other	20.0	TBD	220	Evaluation	2012
Baku-Tbilisi-Ceyhan (BTC) Pipeline	Caspian	Other	8.9	4.8	1000 capacity	Production	2006

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level

Upstream Major Capital Projects
Asia-Pacific Region

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Greater Gorgon Offshore Development & LNG	Australia	Chevron	50	TBD	235 Capacity	Design	After 2010
Bibiyana Gas Development	Bangladesh	Chevron	98.0	0.2	80	Construction	2007
Vietnam Gas Development	Vietnam	Chevron	43.0	TBD	80	Evaluation	2011
North Duri Steamflood Development (all phases)	Indonesia	Chevron	100	1.8	70	Design	2008
Platong II	Thailand	Chevron	69.7	TBD	65	Evaluation	2010
NWS Train 5	Australia	Other	16.7	2.1	95	Construction	2008

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level

Upstream Major Capital Projects
West Africa Region – Angola / Congo

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Benguela Belize Lobito Tomboco (BBLT) Deepwater Development	Angola	Chevron	31.0	2.5	200	Production	2006
Tombua Landana Deepwater Development	Angola	Chevron	31.0	3.8	100	Construction	2009
Moho Bilondo Deepwater Development	Congo	Other	31.5	--	80	Construction	2008
Angola LNG	Angola	Chevron	36.4	TBD	115	Design	2010-11

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level

Upstream Major Capital Projects
West Africa Region – Nigeria

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Agbami Deepwater Development	Nigeria	Chevron	68.2	5.2	250	Construction	2008
Nsiko Deepwater Development	Nigeria	Chevron	95.0	TBD	100	Design	2012
Bonga SW / Aparo Deepwater Development	Nigeria	Other	~20	TBD	150	Design	2011
Usan Deepwater Development	Nigeria	Other	30.0	TBD	180	Design	2011
Olokola LNG Plant	Nigeria	Other	18.5	TBD	500 Capacity	Design	2012
Olokola Gas Supply	Nigeria	Chevron	40.0	TBD	300	Design	2012
Nigeria EGP3A&B	Nigeria	Chevron	40.0	2.4	140	Construction	2009
Nigeria EGTL	Nigeria	Chevron	75.0	2.9	34	Construction	2009

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level

Upstream Major Capital Projects
Latin America Region

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Frade Deepwater Development	Brazil	Chevron	51.7	2.8	90	Construction	2009
Dolphin Deep	Trinidad & Tobago	Other	50.0	0.3	35 capacity	Production	2006
Papa-Terra BC-20 Deepwater Development	Brazil	Other	37.5	TBD	100	Evaluation	2011-12

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level

Upstream Major Capital Projects
North America Region

Project	Location	Operator	WI %	C&E $Billion	Peak Prod MBOED	Current Phase	Startup
Tahiti Deepwater	GOM	Chevron	58.0	3.5	125	Construction	2008
Blind Faith Deepwater	GOM	Chevron	62.5	0.9	50	Construction	2008
Perdido Deepwater	GOM	Other	37.5	Refer to Operator	130	Construction	~2010
San Ardo Steamflood	SJV	Chevron	100	0.3	15	Construction	2007
Athabasca Oil Sands Project Expansion I	Canada	Other	20.0	10.0	100	Construction	2010

C&E is estimated 100% gross project C&E

Peak production is estimated 100% gross production when project is at its maximum level