Chevron and KOGAS Sign Major LNG And Equity Agreements for the Wheatstone Project

Chevron Corporation

SAN RAMON, Calif., July 19, 2010 – Chevron Corporation (NYSE: CVX) announced today that its Australian subsidiaries signed a Heads of Agreement (HOA) with Korea Gas Corporation (KOGAS) for the delivery of liquefied natural gas (LNG) from the Chevron-operated Wheatstone natural gas project in Australia.

Under the HOA, KOGAS expects to purchase 1.5 million tons per annum (MTPA) of LNG for up to 20 years from the Wheatstone project participants. Approximately 75 percent of the 1.5 MTPA is expected to be purchased from Chevron, with the remainder from other Wheatstone hub participants.

In addition to being a foundation customer of the Wheatstone project, KOGAS signed an equity HOA to acquire a 5 percent interest in each of Chevron's Wheatstone field licenses and in the Wheatstone project LNG and domestic gas processing facilities. Including this equity participation, KOGAS plans to take delivery of a total of approximately 1.95 MTPA of LNG from the Wheatstone project.

John Gass, president of Chevron Global Gas, welcomed KOGAS as a foundation customer and participant in the Wheatstone project. "Chevron is pleased to have KOGAS, the largest LNG buyer in the world, as part of the Wheatstone project. Their entry adds further momentum to this development," Gass said.

Chevron Australia managing director, Roy Krzywosinski, said the agreement demonstrated successful coordinated LNG marketing for the Wheatstone foundation project. "The Wheatstone hub at Ashburton North has been established to process our significant equity gas as well as third-party natural gas resources located in the Western Carnarvon Basin," Krzywosinski said.

Front-end engineering and design is currently being completed on the Wheatstone project ahead of a planned final investment decision in 2011.

In September 2009, KOGAS and Chevron also agreed to an HOA for the delivery of 1.5 MTPA of LNG from the Gorgon project for 15 years, with an option to extend the agreement for an additional five years.

In October 2009, Chevron announced it had signed a binding agreement with Apache Julimar Pty Ltd., a subsidiary of the Apache Corporation, which will assume a 16.25 percent equity interest in the Wheatstone project, and with KUFPEC Australia (Julimar) Pty Ltd, a subsidiary of the Kuwait Foreign Petroleum Exploration Company k.s.c., which will assume an 8.75 percent interest in the project. Chevron is responsible for the marketing of LNG from the Wheatstone project.

Chevron is one of the world's leading integrated energy companies, with subsidiaries that conduct business worldwide. The company's success is driven by the ingenuity and commitment of its employees and their application of the most innovative technologies in the world. Chevron is involved in virtually every facet of the energy industry. The company explores for, produces and transports crude oil and natural gas; refines, markets and distributes transportation fuels and other energy products; manufactures and sells petrochemical products; generates power and produces geothermal energy; provides energy efficiency solutions; and develops the energy resources of the future, including biofuels. Chevron is based in San Ramon, Calif. More information about Chevron is available at www.chevron.com.

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

Some of the items discussed in this press release are forward-looking statements about the Chevron's operations in Australia. 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. The statements are based upon management's current expectations, estimates and projections; 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. Among the factors that could cause actual results to differ materially are changes in prices of, demand for and supply of crude oil and natural gas; actions of competitors; 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 production and development activities due to war, accidents, political events, civil unrest, or severe weather; government-mandated sales, divestitures, recapitalizations and changes in fiscal terms or restrictions on scope of company operations; and general economic and political conditions. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. 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.

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