

Chevron Announces Significant Gas Find at Clio-1

Chevron has announced a significant natural gas discovery at its Clio-1 exploration prospect 150 km offshore northwestern Australia in permit WA-205-P

The Clio-1 well was completed in September 2006 and was drilled to a total vertical depth of 4,725 m using Transocean's semi-submersible drilling rig Jack Bates in water depths of about 960 m.

Chevron International Exploration and Production President, John Watson, said the well discovered 190 m of net gas sands in the Mungaroo Formation, which places Clio as one of the top wells in Australia in terms of total net pay.

"Our two significant gas discoveries in Chandon and Clio this year demonstrate the benefits of Chevron focusing our exploration program in key basins such as northwestern Australia", Watson said. "Our continued exploration success in Australia, combined with our commitment to developing these resources, offers great prospect for gas markets in Australia and across the Asia-Pacific and North America regions."

“Chevron will be undertaking further work, including a 3D seismic survey programme starting in mid-December, to better determine the potential of the gas find and subsequent development options.”

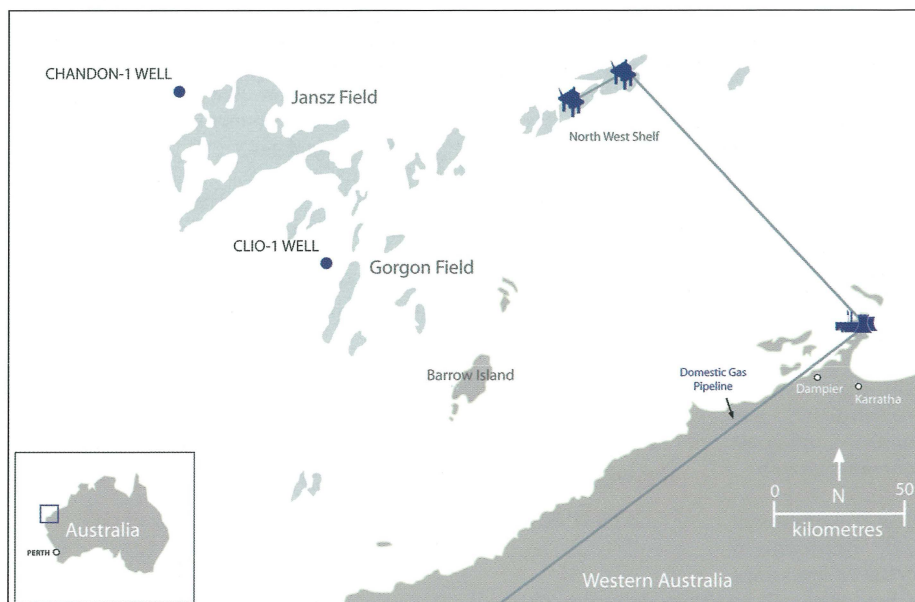
Chevron Australia Managing Director, Jay Johnson, said the Clio discovery highlights the quality of the corporation's exploration capability in the region and the significance of northwestern Australia to its energy portfolio.

"Chevron will be undertaking further work, including a 3D seismic survey programme starting in mid-December, to better determine the potential of the gas find and subsequent development options", Johnson said. "Our efforts to commercialise the fields of the Greater Gorgon area, our commitment to the expansion of the North West Shelf Venture and our increased exploration and development programme in the region all have the potential to deliver significant long-term benefits to Australia."

Chevron affiliates Chevron Australia Pty Ltd and Texaco Australia Pty Ltd operate permit WA-205-P and hold 67% interest. Shell Development Australia holds 33%. ■



The Jack Bates semi-submersible drilling rig drilled the Clio-1 well which discovered 190 m of net gas sands, placing it as one of the top wells in Australia in terms of total net pay.



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