



Tengizchevroil Fact Sheet

First Quarter 2011

History and Ownership

- Tengiz, one of the world's deepest producing super giant oil field, was discovered in 1979.
- The Tengizchevroil (TCO) partnership was formed April 6, 1993, between the Republic of Kazakhstan and Chevron. Current partners are Chevron, 50 percent; KazMunaiGas, 20 percent; ExxonMobil Kazakhstan Inc., 25 percent; LukArco B.V., 5 percent.

Production and Reserves

- Total recoverable crude oil at Tengiz and Korolev fields through April 2033 is from 750 to 1.1 billion metric tonnes (6 to 9 billion barrels). Estimated oil in place in Tengiz field is 3 billion metric tonnes (26 billion barrels) with 190 million metric tonnes (1.5 billion barrels) in Korolev field. The circumference of the Tengiz reservoir is large, measuring 19 kilometers (12 miles) by 21 kilometers (13 miles).
- TCO completed an expansion in the third quarter of 2008, which brought daily production capacity to approximately 75,000 metric tonnes (600,000 barrels) of crude oil and 22 million cubic meters (750 mscf) of gas.

Crude Production

- Crude production for the first quarter 2011 was 6.8 million metric tonnes (54 million barrels).
- TCO exports crude oil through a variety of transportation routes. In the first quarter of 2011, TCO exported crude oil via the CPC pipeline to Novorossiysk, via rail to Odessa and Feodosiya, as well as to Aktau, then further to Batumi and Kulevi.

Product Sales

- TCO produced and sold 0.3 million metric tonnes of LPG in the first quarter.
- TCO sold 1.8 billion cubic meters of dry gas in the first quarter.
- TCO sold 0.8 million metric tonnes of sulfur, which is 137 percent of the 0.6 million tonnes of sulfur production for this period. TCO's sales success has resulted in the reduction of volumes in Tengiz sulfur inventory to 5.3 million tonnes as of March 31. TCO's premium sulfur has been sold in four different forms to customers in many countries, including Kazakhstan, Russia, the Ukraine, China and other countries primarily in the Mediterranean and Central Asia regions.

TCO's Financial Impact

- From 1993 through March 2011, TCO made direct financial payments of \$48.3 billion to Kazakhstani entities, including Kazakh employee's salaries, purchases of Kazakh goods and services, tariffs and fees paid to state-owned companies, profit distributions to Kazakhstani shareholder and taxes and royalties paid to the Government.
- First quarter 2011 direct payments to the Republic of Kazakhstan totaled \$2.9 billion. Direct payments in 2010 totaled \$9.6 billion.

Kazakhstani Content

- TCO spent \$345 million on Kazakhstani goods and services over the first quarter of 2011. TCO has spent \$9.97 billion on Kazakhstani goods and services from 1995-2010.



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Health, Safety and the Environment

- TCO has invested more than \$2.2 billion since the year 2000 on projects to minimize environment impact.
- Such investments in environmental protection have enabled TCO to reduce gas flaring volumes by 94 percent since the year 2000.
- Total air emissions generated per tonne of oil produced were reduced by 74 percent from 2000 to 2010. Last year, TCO averaged 2.16 kilograms of emissions per tonne of oil produced. Since 2000, TCO has increased annual crude oil production volume by 147 percent.
- Investments in environmental protection have also helped TCO to achieve reduction in volume of sour/acid gas flaring during technical malfunctions by 97 percent from 2000 to 2010.

Nationalization

- Kazakhstan citizens hold 85 percent of TCO positions, compared to 50 percent in 1993.
- Kazakhstan managers and supervisors represent 76 percent of the TCO managerial workforce. Ongoing training and development programs exist to support the advancement of employees to positions of increasing responsibility.

Community Outreach

- From 1993 to results of 2010, TCO has invested more than \$645 million to fund social projects in the Atyrau Oblast for the community and employees.
- TCO invested \$20 million in the Egilik (benefit in Kazakh) program in 2010. Most of the investment was focused on rebuilding the water system in Kulsary city. In 2011, TCO has another \$20 million budgeted for its Egilik program, the majority of which will again be targeted at the continued construction of the Kulsary water system.
- In 2011, TCO's Community Investment Program has approximately \$800,000 in projects planned to help improve the quality of health, education and training in Atyrau Oblast.