



Tengizchevroil Fact Sheet

1Q 2019

History and Ownership

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

Production and Reserves

- Estimated oil in place in the Tengiz field is 3.2 billion metric tonnes (25.5 billion barrels) with 200 million metric tonnes (1.6 billion barrels) in the Korolev field.
- Total recoverable crude oil in the Tengiz and Korolev fields is estimated to be 890 million to 1.37 billion metric tonnes (7.1 to 10.9 billion barrels).
- The areal extent of the Tengiz reservoir is large, measuring 20 kilometers (12 miles) by 21 kilometers (13 miles).
- TCO completed its Sour Gas Injection and Second-Generation Plant (SGI/SGP) expansion project in 2008, which brought daily production capacity to approximately 75,000 metric tonnes per day (600,000 barrels) of crude oil and 22 million cubic meters per day (750 mmscf) of natural gas.
- Crude production for 1Q 2019 was 7.6 million metric tonnes (60.7 million barrels).

Health, Safety and the Environment

- TCO has invested \$3.1 billion since the year 2000 on projects to minimize environmental impact.
- TCO's current gas utilization rate is 98 percent.
- Investments in equipment reliability have reduced the number of technical malfunctions at the plants and the volume of unplanned sour and acid gas flaring during technological unavoidable gas flaring by 98 percent from 2000 to 1Q 2019.
- Total air emissions generated per tonne of oil produced have been reduced by 71 percent since 2000, even as annual crude oil production has grown by 2.7 times as a result of TCO's investments in capital programs and equipment reliability.

Product Sales

- In 1Q 2019, TCO sold over 330 thousand metric tonnes of LPG, 2.4 billion cubic meters of dry gas and over 660 thousand tonnes of sulfur.

Benefits to Kazakhstan

- From 1993 through 1Q 2019, TCO made direct financial payments of over \$137 billion to Kazakhstani entities, including Kazakhstani employees' salaries, purchases of Kazakhstani goods and services, tariffs and fees paid to state-owned companies, profit distributions to Kazakhstani shareholder and taxes and royalties paid to the government.
- In 1Q 2019, direct payments to the Republic of Kazakhstan totaled more than \$2.5 billion.
- In 1Q 2019, TCO spent over \$1 billion on Kazakhstani goods and services, including over \$785 million for FGP-WPMP.
- TCO has invested more than \$29 billion on Kazakhstani goods and services since 1993.

Workforce Development

- Kazakhstani citizens hold 80.9 percent of positions in TCO's Base Business and FGP-WPMP. Excluding the FGP-WPMP workforce, Kazakhstani citizens hold 88.4 percent of TCO positions compared to 50 percent in 1993.
- Kazakhstani managers and supervisors represent 61.5 percent of the TCO managerial workforce. Ongoing training and development programs exist to support the advancement of employees to positions of increasing responsibility.



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Community Outreach

- Since 1993, TCO has invested over \$1.7 billion to fund social projects and programs in the Atyrau Oblast for the community and employees.
- In 2019, TCO has budgeted \$25 million for Egilik social infrastructure program, the majority of which will be spent for construction of kindergartens, schools and other social facilities in Atyrau Oblast.
- In 2019, TCO's Community Investment Program has over \$1 million in projects planned to help improve the quality of health, education and develop social entrepreneurship in Atyrau Oblast.

Future Growth Project - Wellhead Pressure Management Project

General Information

- In 2016, TCO Partners announced approval for the final investment decision of the Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP), the next major expansion of the Tengiz oil field.
- The FGP-WPMP is being constructed simultaneously to realize efficiencies and cost savings.
- Based on TCO's highly-successful SGI/SGP expansion project, FGP will expand production by approximately 12 million tonnes per year/260,000 barrels per day to about 39 million tonnes per year/850,000 barrels per day.
- WPMP will keep the existing Tengiz plants full by lowering the flowing pressure at the wellhead and then boosting the pressure to the inlet requirements of the six existing processing trains.

Kazakhstani Content

- More than 45,000 Kazakhstanis working on FGP-WPMP in country, which is 91 percent of the total project workforce in Kazakhstan.
- TCO has engaged Kazakhstani entities to participate in FGP-WPMP in engineering, procurement and fabrication services and has pre-screened over 2,100 Kazakhstani companies to date, with over 500 Kazakhstani registered companies involved on FGP-WPMP. More than 160 Kazakhstani companies were visited for capabilities assessment. KC Spend in 1Q 2019 exceeded \$785 million. FGP-WPMP KC Spend since project start totaled \$6.2 billion.

Project Progress Worldwide

- Engineering of main facilities is progressing.
- The main FGP-WPMP equipment is being fabricated in Kazakhstan, South Korea and Italy, and pre-assembled into modules for transportation to Tengiz for final installation and assembly.
- Pre-assembled pipe-racks (PARs) are under erection at ERSAL's fabrication yard in Kazakhstan. 28 PARs were delivered to Tengiz in 2018. First of the 2019 PARs was loaded out in March.
- Fabrication and supply of Frame 9 Gas Turbine Generator (GTG) modules continue in Avenza, Italy.
- Fabrication of modules continue in South Korea.

Project Progress in Tengiz

- In Tengiz, General Services Team continues to deliver all main services and is focused on continuing working on completing all remaining Temporary Services and Permanent Infrastructure.
- Control and Power: Core Substation progressing towards mechanical completion. All overhead power lines, fiber optic lines and miscellaneous electrical substations are in progress.
- Gathering system: P1 High Pressure Early Oil progressing towards mechanical completion. P1 High Pressure Oil in bulk construction.
- At 3GP civils and underground scope continues. Tank erection is progressing well. 20 PAR's are on foundation being welded out. All three package boilers and first two modules from South Korea are on foundation. 3GP has successfully restacked 2 GTG's and one Process module; MEI stick-built work has commenced.
- At 3GI civils and underground scope continues. 2 PAR's are on foundation being welded out. 6 more PAR's are in storage. MEI stick-built work has commenced.