18-02386-FOIA

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From: Request@ip-10-170-20-46.ec2.internal
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Subject: Request for Document from Hutton, Amy

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Dr. Amy Hutton
Carroll School of Management, Boston College Chestnut Hill, Massachusetts 02467 United States

[redacted]

Request:
COMP_NAME: CHEVRON CORP
DOC_DATE: 1/1/2001 to 12/31/2006
CIK_NUM: 0000093410
TYPE: Comment letters
FEE_AUTHORIZED: Other Amount $: $0
FEE_WAIVER_REQUESTED: Yes
FEE_WAIVER_COMMENT: We are a team of researchers at Boston College planning to explore the effects of making SEC comment letters publicly available. In particular, we are seeking to document how timely and broader public access to SEC comment letters created a more level playing field for all investors. To undertake this research we need access to both the publicly disclosed SEC comment letters and the comment letters that were issued but not made public (issued prior to 2005). Our sample consists of S&P 500 firms. We can easily obtain the treatment sample, i.e., firms whose SEC comments letters are publicly available. We would like your help in obtaining the SEC comment letters that were issued but not publicly available on Edgar (control sample). Having both samples will enable us to conduct rigorous tests to assess the effects resulting from the letters becoming publicly available. We believe this research will help regulators, academics and the general investing public b etter understand the role played by the SEC disclosure rules and their implications.
EXPEDITED_SERVICE_REQUESTED: No

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2465

Office of FOIA Services

August 09, 2018

Dr. Amy P. Hutton
Boston College
Carroll School of Management
Chestnut Hill, MA 02467

RE: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. **18-02386-FOIA**

Dear Dr. Hutton:

This letter responds your request, dated and received in this office on July 3, 2018, for SEC comment letters for the time period January 1, 2001 to December 31, 2006 that were issued to Chevron Corp.

The search for responsive records has resulted in the retrieval of the enclosed comment letters (totaling 76 pages). Additionally, other comment letters have been made publicly available. You may view the correspondence from our website. The internet address is www.sec.gov. The instructions are as follows:

1. In the "EDGAR" Company Filings search box on the homepage, type the company name and hit return,
2. In the box labeled "Filing Type:" enter "UPLOAD," and click "SEARCH."
   - "UPLOAD" are letters to the company from the SEC.

If you have any questions, please contact me at hallr@sec.gov or (202) 551-8353. You may also contact me at foiapa@sec.gov or (202) 551-7900. You also have the right to seek assistance from Jeffery Ovall as a FOIA Public Liaison or contact the Office of Government Information Services (OGIS) for dispute resolution services. OGIS can be reached at 1-877-684-6448 or Archives.gov or via e-mail at ogis@nara.gov.

Sincerely,
Ronnye L. Hall
Ronnye L. Hall
FOIA Research Specialist

Enclosure

February 26, 2001

Harvey D. Hinman, Esq.
Vice President & General Counsel
Chevron Corporation
575 Market Street
San Francisco, CA 94105

Re: Chevron Corporation
Texaco Inc.
Joint preliminary proxy statement / prospectus
Filed January 24, 2001
File no. 333-54240

Chevron Corporation
Form 10-K for the year ended December 31, 1999
File no. 1-368

Texaco Inc.
Form 10-K for the year ended December 31, 1999
File no. 1-27

Dear Mr. Hinman:

We have the following comments on the above-referenced filings. If comments on one section or document impact parallel disclosure in another, make corresponding changes to all affected sections and documents. We will issue accounting comments under separate cover. We also might have additional related legal comments. Please give effect to all our comments.

Joint preliminary proxy statement / prospectus

General

1. We note that you filed several written communications under Rule 425 since Chevron filed the registration statement, including three made under Texaco`s Exchange Act file number on January 26, February 12 and February 22, 2001, and one under Chevron`s Exchange Act file number on February 13, 2001. However, subsequent to the filing of the registration statement, Rule 425 filings should be made under the Securities Act file number of the Form S-4. See Regulation M-A telephone interpretation B.12 available at www.sec.gov in the July 2000 Supplement to the Division of Corporation Finance`s Manual of Publicly Available Telephone Interpretations. Please make the correction in any future filings.

2. We note that you fail to provide several exhibits to the merger agreement attached as Annex A. Provide an analysis of why the information contained in the omitted exhibits is not material to an investment decision. Alternatively, file a complete version of the merger agreement, including all exhibits, or amend the S-4 to disclose the material information contained in the exhibits. See Item 601(b)(2) of Regulation S-K.

Plain English

3. When cross-referencing other sections of the joint proxy/prospectus, explain to the reader why the cross-referenced section will be helpful, if the context does not make this clear. For example, at the end of the second bulleted paragraph on page 4, you include a cross reference to "Risk Factors," but you do not explain why you are referring the reader to the section.

4. Rule 421(d) requires that you avoid legal terminology throughout your entire registration statement. Please revise to eliminate the legalese from your document. See for example your frequent use of the term "certain", as in "certain conditions" on page 5, "certain asset dispositions" on page 6 and "certain information" on page 26. See also the terms "pursuant to" on pages 6 and 14, "therefrom" on page 30, and the legalistic phrase "as amended" on pages 25, 26 and 27.

5. Eliminate the industry and technical jargon from the forepart of your document. Instead, explain these concepts in concrete, everyday language. Further, place any proprietary technical terms you use in context so those potential investors who do not work in your industry can understand the disclosure. Present these terms with a simple and clearly understandable textual description of their meaning the first time they appear. See Rule 421(d) of Regulation C. In accordance with Rule 421(b), you should try to eliminate the use of industry jargon in the body of the document also. See for example the terms "gasification" on page 3, "olefins" on page 14, "upstream" on page 18, "downstream," "growth basins" and "fuel cells" on page 19.

6. Rule 421(b) requires you to avoid embedding lists of information in sentences, and to use bullet lists, wherever possible, throughout the prospectus. See for example the fourth paragraph on page 25, the last paragraph on page 37 and the carry-over paragraph on pages 74-75. Also, use bullet points, Arabic numbers, or letters instead of small roman numerals in parentheses.

7. Avoid using all capital letters to emphasize text. Information contained in all capital letters can be difficult to read and is likely to be skipped over by readers. See for example the fifth paragraph on the cover page.

Cover page

8. Disclose prominently that the value of the merger consideration Texaco shareholders will receive is currently unknown and may be less than the current market value of Chevron stock.

9. You unnecessarily capitalize the term "Joint Proxy Statement/Prospectus." Revise to eliminate the initial capital letters.

Summary, page 3

10. Revise the first sentence in the introductory paragraph on page 3 to make clear that you are summarizing the "material" information in the joint proxy/prospectus. This comment applies to similar statements throughout the document, such as the introductory paragraph to the "Description of Chevron Capital Stock" on page 76. Also, delete any references to an incomplete summary from your document, including in the introductory paragraph at page 73.

The Interests of Certain Texaco Officers and Directors in the Merger May Differ From Your Interests, page 5

11. Update to disclose whether any of Texaco`s executive officers have discussed, negotiated or agreed upon the terms or continuance of their employment post-merger. For example, we note from your recent press releases that Mr. Bijur resigned, and that Mr. Tilton will become the Vice Chairman.

12. Discuss and quantify any material changes in the terms of the Texaco officers` continued employ. For example, if Mr. Tilton will receive any additional consideration, including stock options or other benefits, as a result of the merger or as a result of his new position, disclose this. We may have additional comments.

13. Quantify the aggregate amount of compensatory payments and all other benefits that Texaco executive officers and directors will receive as a result of the transaction, to the extent reasonably quantifiable.

We Have Not Yet Obtained Regulatory Approvals, page 6

14. We note the disclosure in the second paragraph regarding your intended filing of formal notifications. Update disclosure throughout the document to provide the latest available information.

Merger-Related Expenses, page 8

15. We note that, in addition to CSFB, Texaco also retained Morgan Stanley as an advisor. Refer to Section 3.16 of Annex A. Reference to Section 3.18 suggests, however, that Texaco did not obtain a fairness opinion from Morgan Stanley. Please expand the Background of the Merger section to disclose with necessary detail the nature of Morgan Stanley`s involvement, and quantify the amount of fees it has received or will receive as a result.

Risk Factors

The value of the merger consideration that Texaco stockholders will receive, page 13

16. Revise the caption and discussion to state the risk plainly and up front. To the extent risks to the two groups of stockholders differ, you should include separate subsections in the Risk Factor section to make this clear. For example, the risk to Texaco stockholders is that the value of Chevron stock will decline and, due to the fixed ratio, so will the value of the merger consideration each will receive. Conversely, the risk to Chevron stockholders is that the value of Chevron stock will increase or that the value of Texaco stock will decrease, such that the fixed ratio will be less favorable to Chevron than it was at the time the Chevron advisor rendered its opinion on the exchange ratio to the Chevron board and the board made its recommendation.

17. Clarify whether Texaco has a right to terminate the merger transaction in the event Chevron shares fall below a certain price.

The need for governmental approvals may affect the date, page 13

18. Revise the risk factor subheading and discussion to refer to a possible delay in the consummation of the merger, rather than vaguely stating that governmental requirements may "affect" the date.

19. Discuss the potential harm to investors if you experience a delay in the consummation of the merger.

20. Explain further your reference to "diminish[ed] benefits."

ChevronTexaco may not realize, page 13

21. Revise the caption and discussion to clarify the potential adverse consequences to stockholders if it turns out that the expected synergies, cost savings and growth opportunities are overstated. Also eliminate the phrase "cannot assure you that" and instead state the risk plainly.

Cautionary Statement Concerning Forward-Looking Statements, page 14

22. We reference your last sentence in the first paragraph disclaiming any obligation to update forward-looking statements. This disclaimer is inappropriate because you have an obligation to update if the information becomes materially misleading or incomplete. Delete or revise that language. This comment also applies to your Exchange Act reports and any future press releases.

23. Consider expanding the bullets into separate risk factors. Note that the Risk Factors section should disclose all material risks to Texaco, to Chevron, to the combined entity and to the respective stockholders.

The Merger

Background of the Merger, page 15

24. Provide details regarding the substance and timing of all material offers and counteroffers during the course of the negotiations for the transaction. Also discuss further the negotiation of any material terms, and clarify the origin of the deal. For example, revise the Background section to address how the parties negotiated the following items:

* the exchange ratio;
* the transaction structure;
* the final percentage each company`s shareholders would own post-merger; and
* the deal protection provisions.

25. In your discussion of the various meetings held, you state that participants discussed "issues" or "matters." However, referring to meetings without addressing the substance of the discussions is not helpful to investors. Revise to provide the reader with more of a sense of the content of the various meetings and discussions that took place during the course of the negotiations for the transactions. See Item 6 of Form S-4 and Item 1005(b) of Regulation M-A. For example, expand to discuss:

* the general terms proposed at the June 2, 2000 meeting and the issues that arose out of those discussions;
* the terms the parties discussed at the June 12, 2000 meeting;
* the matters regarding the draft agreements that the parties discussed at the October 3, 2000 meeting; and
* the matters arising from due diligence materials discussed at the October 10, 2000 meeting.

Note that these are examples only, and not a complete list.

26. We note in the first paragraph that Chevron and Texaco first entered into discussions regarding a potential business combination in early 1999. Discuss how and when the parties determined to focus their negotiations on a possible merger with each other, and disclose who made the initial contact.

27. Clearly explain why the Texaco board terminated the merger

negotiations in June 1999. Expand to discuss why the Texaco board determined that the Chevron offer was "not compelling." For example, did the Texaco board believe the proposed consideration was insufficient?

28. Disclose why the Texaco board determined to renew merger discussions with Chevron one year later. Explain how the circumstances changed between June 1999 and May 2000.

29. In that regard, discuss those aspects of the current proposed transaction that make it "compelling" when contrasted with the terminated 1999 deal.

30. Discuss how Chevron and Texaco determined which interests Texaco would likely need to divest. How did the parties conclude which specific divestitures would be necessary? Also, provide updated information about the current status of the divestitures and negotiations with Shell and Saudi Refining Inc.

31. Disclose the specific alternatives Chevron and Texaco considered and what the boards concluded regarding the alternatives. For example, we reference the second bullet on page 21, which mentions Chevron continuing as an independent entity and potential business combinations or joint ventures with entities other than Texaco. See also the fifth and sixth bullets on page 22, which refer to Texaco`s alternatives. Also, expand to disclose any discussions with third parties, as indicated in the seventh bullet on page 22, and whether any third parties indicated an interest in pursuing a transaction with Chevron or Texaco.

32. We note that the Texaco board received a report from its management on June 23. Provide all the detail Item 4(b) of Form S-4 requires regarding the second "report" the Texaco board received on June 23, or revise to clarify that it received only one report on that date. Refer also to Item 1015 of Regulation M-A.

33. In the fourth full paragraph on page 16, disclose the nature of the "restructuring of the joint ventures," and clarify what "alternatives" Texaco wanted to pursue.

Our Reasons for the Merger, page 18

34. This section contains an extensive discussion of your anticipated capabilities and competitive position as a combined company. Revise the presentation in this section to address some of the uncertainties you mention in your third risk factor on page 13.

Also, supplementally provide support for the statements projecting your future performance as a combined company. In connection with these statements, we refer you to the Commission`s policy on projections in Item 10(b) of Regulation S-K. In particular, disclose all assumptions underlying each projection and demonstrate how you arrived at each calculation. For example, tell us the basis for your claims that the merger will reduce your combined costs by at least $1.2 billion per year within six to nine months, and that the combined company will save approximately $700 million from more efficient exploration and production activities.

35. In the middle of page 19, clarify what you mean by taking an "enterprise approach."

36. Explain further your statement in the last full sentence on page 19 that "the operational fit of our companies is highly complementary."

Recommendation of, and Factors Considered by, the Chevron Board, page 20

37. Delete the word "among" and instead discuss all the material factors considered. The current disclosure, including your statement at page 22 that the discussion is not "exhaustive," suggests that you may have omitted material information.

38. References to "business, financial performance and condition, operations, management" and like vague statements are insufficient. Explain how each factor supports or does not support the decision to approve the merger. For example, in the eighth bullet on page 20, disclose the specific aspects of the composition of the board and executive officer appointments that support the board`s decision to approve the merger.

39. Revise the sixth bullet on page 20 to disclose the relative ownership positions by percentage.

40. We note the seventh bullet point on page 20. Discuss each analysis or portion of an analysis that does not support each advisor`s conclusion regarding fairness, and explain the board`s reliance upon the fairness opinion nonetheless. We may have additional comments.

41. In the second bullet on page 21, discuss the "risks and potential awards" associated with remaining an independent entity, and explain why the board did not believe the alternative to be as favorable as the merger. Also, indicate what the board concluded regarding the feasibility of transactions with other entities.

42. Revise the fourth bullet on page 21 to disclose the higher trading multiples the board examined, and identify the entities you refer to as the "super-majors."

43. We note your discussion of the deal-protection provisions of the merger agreement in this section. Provide a risk factor discussing the possible adverse effect on shareholders as a result of the significant deal-protection provisions.

44. Tell us the basis for your assertion at the bottom of page 21 that the deal-protection provisions are "not unusual for transactions of this type." Also, confirm to us that the deal-protection provisions are consistent with the directors` fiduciary duties under state law. See also comment 76.

45. Disclose whether the board considered the termination of 7% of the combined workforce as potentially adverse. If the board did not consider the 7% termination at all negative, clarify this. Under the heading "Significant cost savings" at pages 18-19, the 7% termination is apparently considered an incidental benefit of the merger. This comment also applies to the ensuing discussion of factors considered by the Texaco board.

Recommendation of, and Factors Considered by, the Texaco Board, page 22

46. Expand the sixth bullet on page 22 to discuss the specific "greater benefits" the merger is expected to yield as compared to the alternatives.

47. In the first bullet on page 23, disclose the various market prices of Chevron and Texaco stock that the board considered, quantify the premium, by percentage, and disclose the various premiums paid in comparable transactions that the board considered. Also disclose whether the board compared the current terms -- including the implied premium -- to those it rejected in 1999 and, if not, why not.

48. We note the third bullet on page 23. In addition to referring to the advisor`s opinion, discuss what consideration the board gave to the exchange ratio. In that regard, we reference the fourth full paragraph on page 36, which states that the CSFB opinion "should not be viewed as necessarily determinative of the views of Texaco`s board of directors with respect to the exchange ratio."

49. Revise the last bullet on page 23 to quantify the difference between the dollar value of the consideration implied by the ratio proposed in 1999 as compared to the ratio provided for in the merger agreement. Also, indicate how this factor impacted the board`s decision to approve the merger. Discuss how the board reconciled this factor with its decision to terminate the 1999 merger negotiations because the offer was "not compelling."

Material Federal Income Tax Consequences of the Merger, page 25

50. In the first and second paragraphs, revise to delete the unnecessary parenthetical definitions of the Internal Revenue Code and the Internal Revenue Service.

51. You refer to additional opinions relating to Section 368. Summarize all tax opinions in this section. Do not assume those matters upon which counsel must opine. Also, prior to effectiveness, update the discussion in this section and file the additional opinions -- along with appropriate consents -- as exhibits. Additionally, state that if the closing opinions are materially different from the opinions you have filed as exhibits, then you will resolicit stockholders. Also state that if the condition to file the closing opinions is waived, you will recirculate and resolicit if the change in tax consequences is material.

Opinions of Financial Advisors, page 28

52. Please provide us with a copy of the board books and any other materials prepared by the financial advisors to assist the Chevron and Texaco boards in evaluating the merger consideration. Also, provide us with a copy of the engagement letters.

53. Provide us with copies of all projections, as well as any other materials exchanged among the parties that quantified any strategic, financial or operational benefits anticipated from the merger.

54. Summarize in the document any material financial projections exchanged between any of the parties to the various contemplated transactions.

55. Show the multiples, ranges, means and medians calculated for each analysis. See for example the Comparative Transaction Multiples Analysis on page 32 and the Comparable Companies Analysis on page 37.

56. Provide the dates of the transactions used in the comparable transactions analyses.

57. Explain for each of the analyses how and why each peer group,

index or collection of transactions was selected. If the advisor deemed them comparable, briefly explain why. For example, refer to "Segment Valuation Analysis" at page 32.

58. Confirm to us that the advisor had all necessary data to conduct each analysis it describes. Otherwise, for each analysis for which the advisor had only partial data, disclose which data was missing.

59. Provide all the information Item 1015(b)(4) of Regulation M-A requires for each advisor, including quantified amounts. The references to "customary compensation" at page 34 and "compensation" at page 40 are inadequate. Also, disclose the estimated aggregate compensation each investment banker will receive in connection with the current transaction. Explain further your reference to CSFB`s services currently being provided "for matters arising out of but unrelated to the proposed merger," and provide quantification.

60. Provide in your summary all the information Item 1015(b)(6) of Regulation M-A requires. In that regard, delete references in the third paragraphs on pages 28 and 35 to the opinions for a discussion of the procedures followed and limitations on the scope of the review. Also, the CSFB discussion should not be "qualified in its entirety."

Opinion of Chevron`s Financial Advisor, page 28

61. Disclose whether Lehman Brothers made any of the qualitative judgments referenced in the third and fifth paragraphs on page 31. If discussed with the board, summarize the judgments. If not, make clear that it did not discuss these judgments with the board.

62. Revise to clarify to the reader how the analyses performed by Lehman Brothers support the conclusion that the exchange ratio is fair. Many of the analyses you describe yield implied exchange ratio ranges below the exchange ratio in the merger, which would support an inference that the merger consideration Chevron will pay is excessive.

For example, see the implied ranges under the comparable company trading analysis on page 31, the discounted cash flow analysis on page 32 and the contribution analysis on page 32. The first two analyses comprise 2/3 of the principal methodologies highlighted in the table at page 30. The exchange ratio falls just within the upper range of the third analysis, comparable transactions analysis.

63. Revise the "Recommendation of, and Factors Considered by, the Chevron Board" section to disclose what consideration the Chevron board gave to these factors. Explain why the board believes that the merger consideration is fair to shareholders despite the results of these analyses. In particular, revise the sixth and seventh bullets on page 20, as appropriate. We may have additional comments.

Valuation Analysis, page 30

64. Delete those portions of the second paragraph that merely repeat the fourth full paragraph on page 29.

65. Without further explanation, the tabular presentation of the fourth analysis on page 30 seems to suggest that Texaco is more valuable as separate parts than as one entity.

Comparable Company Trading Analysis, page 31

66. Expand the disclosure to list all companies compared and all multiples considered. Confirm that all data points were available

for all companies. Similarly, disclose all the "different statistics" considered in the Comparable Transactions Analysis. Provide all the required information for each segment analyzed in the Segment Valuation Analysis. See comments 55, 57 and 58. This comment also applies to the Comparative Transaction Multiples Analysis at page 32.

Premiums Paid Analysis, page 33

67. Expand the discussion to identify the "rumor surface date" the advisor used in each case, and disclose how far in advance of the announcement date this was in each case. Explain the methodology further, including how the advisor determined which rumors were sufficient for purposes of its analysis.

Synergy Payout Ratio Analysis, page 33

68. Expand the disclosure to clarify in greater detail what the advisor did to arrive at the results displayed in the table. The textual disclosure also fails to explain what the results show with regard to the fairness of the exchange ratio.

Opinion of Texaco`s Financial Advisor, page 35

69. We note the assumptions in the sixth paragraph. Disclose whether Texaco will ask for an updated fairness opinion in the event that any of the assumptions no longer is accurate. For example, with regard to forecasts, there likely will be additional historical financial information available for both companies prior to the time the Form S-4 is declared effective.

70. Delete the limiting language in the first full paragraph on page 36 that the discussion is not complete. Make clear that you disclose all material analyses in this section.

Valuation Analysis, page 36

71. We note the relatively wide implied ratio ranges calculated using this and other methodologies. Disclose whether the Texaco board considered the relative expanse of the ranges in reaching its conclusion or in deciding to rely upon the advisor`s analyses.

Relative Contribution Analysis, page 38

72. Disclose whether this analysis took into account any cost savings programs or revenue enhancements. If so, indicate how the cost savings or revenue enhancements were allocated between the two companies.

Other Analyses, page 39

73. Revise to summarize these analyses, or tell us why they are not material. Refer to comments 55-58.

Interests of Certain Persons in the Merger, page 41

74. Revise the "Stock Incentive Plans" section to give the aggregate dollar amount of the options Chevron will assume.

The Merger Agreement

Covenants, page 60

75. Revise the second paragraph to specify what you mean by an "alternative acquisition transaction" rather than using the legalistic phrase "of a nature defined in the merger agreement."

76. We refer you to the provision described in the last bullet point on page 60 and the fifth bullet point on page 61. Advise whether you are aware of any judicial decision applying Delaware law that explicitly addresses whether a provision that requires five or more business days would enable a board to satisfy its fiduciary duties under Delaware law. Advise whether the boards received an opinion from Delaware counsel that addresses this issue. Consider adding a new risk factor that makes clear that any "superior proposal" in effect must be received more than five business days prior to the date of the meeting. Discuss also any uncertainty regarding whether the provision might limit a board`s authority to act in a manner that is consistent with its fiduciary duties under state law.

77. We note at the bottom of page 62 that Chevron has the option not to complete the merger in the event a regulatory agency imposes a requirement that materially affects its refining and marketing business in the western U.S. If true, disclose in necessary detail the possibility that the merger will not occur due to regulatory requirements relating to Chevron`s downstream operations on the West Coast.

Conditions to the Completion of the Merger, page 64

78. Disclose which conditions have been satisfied, and discuss the status of others.

79. With regard to the fifth bullet on page 65, disclose who will make the determination whether the terms are "reasonably likely to result in a material adverse effect."

Stock Option Agreements, page 67

80. Disclose the basis upon which you determined the exercise price of the options.

Information About the Meeting and Voting

Voting - Proxy Solicitation, page 72

81. Confirm that you will file with the Commission all materials used to aid in the solicitation of proxies. See Rule 14a-6(c) of the Proxy Rules.

82. Revise the first sentence to clarify to whom "we" refers in this context.

Other Business; Adjournments, page 72

83. We note the disclosure that you may utilize discretionary authority to vote for an adjournment of the meeting to solicit more votes. We consider a vote to adjourn a meeting to solicit more votes a substantive matter that must be noticed a reasonable amount of time prior to the meeting. As a result, include on your proxy card that one matter on which you may exercise your discretionary authority is the adjournment of this meeting to solicit more votes.

Certain Legal Information, page 73

84. Rather than referring the reader to page 76, disclose in the chart the authorized capital stock of Chevron.

Description of Chevron Capital Stock, page 76

85. Absent more, the purported incorporation by reference in the first paragraph is potentially confusing. Please revise.

Where you can find more information, page 79

86. Revise the entries at numbered paragraphs 4 to incorporate by reference to "the specific document and to the prior filing or submission in which such document was physically filed or submitted." See Item 10(d) of Regulation S-K. Refer also to Item 11(a)(3) of Form S-4.

87. Delete or revise the last sentence on page 80 to make clear that you will recirculate and resolicit in the event the disclosure becomes materially misleading or incomplete.

Fairness Opinions

88. Neither opinion, included as Annexes D and E, has been signed. Please ensure that the versions you include with the next amendment include conformed or actual signatures.

Exhibits

89. Please note that all exhibits are subject to our review. Accordingly, with your next amendment, please file all exhibits, including the legality opinion and tax opinions relating to the merger and issuance of common stock, and the forms of proxy for both companies.

Chevron Corporation - Form 10-K for the year ended December 31, 1999

Business, page 1

90. If material, indicate how many of your employees are unionized. This comment also applies to the "Business" section in Texaco`s Form 10-K.

Management`s Discussion and Analysis

Liquidity and Capital Resources, page FS-9

91. Disclose your debt repayment obligations for the next 12 months.

Capital and Exploratory Expenditures, page FS-10

92. Disclose the amount and type of consideration paid in the two "significant" 1999 acquisitions and any other material acquisitions.

Stock Ownership Information, page 11 (definitive proxy statement)

93. Confirm to us that no one holder beneficially owns 5% or more of your voting securities. Otherwise, provide all disclosure required by Item 403(a) of Regulation S-K. Also make necessary revisions to the "Security Ownership of Directors and Management" section in the Texaco definitive proxy, starting at page 8.

Texaco Inc. - Form 10-K for the year ended December 31, 1999

Executive Officers of Texaco Inc., page 27

94. Disclose in necessary detail the business experience of all executive officers, including those who have held positions with you

or your affiliates during the last five years. Include the dates of experience by month and year. For example, disclose when Mr. Wicker held the various positions with Credit Suisse First Boston.

Market for the Registrant`s Common Equity and Related Stockholder Matters, page 28

95. If there are any restrictions that materially limit your ability to pay dividends, briefly discuss them here or in the cross-referenced section. See Item 201(c)(1) of Regulation S-K.

Transactions with Directors and Officers, page 7 (definitive proxy statement)

96. Disclose the amounts paid in each related party transaction, if required by Item 404(a) and (b) of Regulation S-K.

Election of Directors, page 10 (definitive proxy statement)

97. Revise the biographical sketches to ensure that you completely describe each individual`s business experience for the past five years, and disclose the dates of experience by month and year. Also, ensure that there are no gaps or ambiguities regarding time in the five-year business sketches you provide. For example, expand Mr. Carpenter`s biographical sketch to describe his business experience during the period from when he left General Signal Corporation in 1995 until he joined Clayton, Dubilier & Rice in 1997.

Engineering Comments

98. We were unable to locate disclosure in any of Chevron`s filings in relation to the potential liability Chevron faces regarding the equity dispute with the Department of Energy over the Elk Hills Naval Petroleum Reserves in California. As we understand, there may be a potential liability of one billion dollars to Chevron if the DOE prevails. Please disclose this as a material risk to the shareholders approving the merger and in all future filings until the dispute is resolved.

99. You state on page 18 of the Form S-4 that you believe this merger will help you to accomplish your combined goal to be first in your industry in total stockholder return. Disclose where the two companies currently rank in total stockholder return in your industry. Why do you believe the merger to be more likely to result in the combined companies ranking first in total stockholder return instead of previously merged companies such as BPAmoco, ExxonMobil and TotalFinaElf?

100. Will you produce all the proved reserves from the Chevron Nigeria Limited concession before it expires in 2008?

101. In Chevron`s Form 10-K for the year ended December 31, 1999, you state that you signed an agreement with Sasol Synfuels to create a new global joint venture for gas-to-liquids (GTL) technology and that preliminary design and engineering continue for a GTL facility in Nigeria. Did you classify any of the gas quantities you will convert into liquids as proved reserves? If so, how much? What is the basis for that classification? What is the status of the GTL facility? What is the estimated conversion rate of barrels of synthetic fuel from MCF of gas?

102. Also in the Chevron Form 10-K, you state that after assuming

operatorship under a risked service contract for Block LL-652 in Venezuela, you classified 54 million barrels as proved reserves. Please provide to us the basis for classifying 54 million barrels as proved in Block LL-652 in Venezuela.

103. We note your disclosure in the Chevron Form 10-K that Tengizchevroil (TCO) is a joint venture formed in 1993 to develop the Tengiz and Korolev fields in Kazakhstan over a 40-year period. Are any of the proved reserves attributed to this project scheduled to be produced beyond the 40-year joint venture?

104. In the Chevron Form 10-K, we note that you had U.S. reserve additions of 470, 372 and 347 BCF in years 1997, 1998, and 1999 and downward revisions of 98, 151 and 426 BCF during these same years. What was the basis of the reserve additions in those years and the large downward revisions during the same years?

105. We reference the statement in the Chevron Form 10-K that you acquired a 20% interest in the Athabasca Oil Sands Project. Please indicate to us whether these reserves have been included in the proved reserves category.

106. In Texaco`s Form 10-K for the year ended December 31, 1999, you state that in Malampaya you added 140 million BOE to your proved reserve base and that you have a 22-year supply agreement. Will you produce all of the 140 million BOE during the 22-year supply agreement?

107. Also in the Texaco Form 10-K, you state that you are active in the development of Mudlift Drilling Technology. You claim this is the largest single advancement in offshore drilling technology since the development of semi-submersible drilling rigs. You also state that it holds the key to making many deepwater developments economically feasible. What is Mudlift Drilling Technology and why is it capable of the claims you are making about it? What were the results in the field when using this technology and how did you measure it?

108. We note your statement in the Texaco Form 10-K that you developed and are commercializing a wellbore stimulation technique. This technique will result in vast improvements in oil and gas production rates and additional recovery of reserves. How does this technique vastly improve production rates over conventional treatments and what is the basis for making this claim? What were the results in field when using this stimulation technique and how did you measure it?

109. In Texaco`s last five Form 10-Ks, you include a note after the disclosure of proved gas reserves that states there is additional gas from the Other West area that will be available during the period 2005 to 2016 under a long-term purchase agreement. These volumes range from 414 BCF to 586 BCF during these 5 years of disclosure. Please explain to us what this is and whether you classified them as proved developed or undeveloped reserves. If you did, why did you not include them as proved reserves under the Old West area? Why has the volume of this gas varied by as much as 172 BCF from 1995 to 1999 if this was for a long term purchase agreement? When you first made this disclosure in 1995, was a long-term purchase agreement in effect? If not, why did you make the disclosure prior to signing the agreement? If so, why did you make the agreement 10 years prior to the initial date of the first gas purchase? Are production and sales currently taking place? Did you use these volumes in the calculation of the Standardized Measure of Discounted Future Net Cash Flow?

Closing Comments

File an amended Form S-4 in response to these comments. Also, comply with the comments on the Form 10-Ks in future filings with the Commission, and provide any requested supplemental information. Provide a cover letter keying your responses to the comments. If you believe complying with these comments is not appropriate, tell us why in your letter. We may have comments after reviewing the amendment and your responses.

You will expedite our processing of your response if you provide each person listed below with a complete courtesy package that includes the letter of response, any requested supplemental information and marked and unmarked copies of each changed document. Please ensure that all changes are marked precisely and accurately.

When we have indicated that all outstanding comments on the registration statement have been resolved, you may provide us with a signed letter from the registrant requesting effectiveness under Rule 461. Provide that request at least two business days before the desired effective date.

Direct any questions regarding the engineering comments to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions on the comments we will issue regarding financial statements and related disclosure to Jenifer Gallagher at (202) 942-1923 or, in her absence, to Kimberly L. Calder, Assistant Chief Accountant, at (202) 942-1879. Direct questions on other disclosure issues to Michele Anderson at (202) 942-1797 or, in her absence, to Timothy Levenberg, Special Counsel, at (202) 942-1896. Direct any correspondence to us at the following ZIP Code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: via facsimile
Terry M. Kee, Esq.

M. Anderson
J. Gallagher
K. Calder
T. Levenberg
J. Murphy

February 27, 2001

Harvey D. Hinman, Esq.
Vice President & General Counsel
Chevron Corporation
575 Market Street
San Francisco, CA 94105

Re: Chevron Corporation
Texaco Inc.
Joint preliminary proxy statement / prospectus on Form S-4
Filed January 24, 2001
File no. 333-54240

Chevron Corporation
Form 8-K filed on January 18, 2000
Form 10-K for the year ended December 31, 1999
Form 10-Q for the period ended September 30, 2000
File no. 1-368

Texaco Inc.
Form 10-K for the year ended December 31, 1999
File no. 1-27

Dear Mr. Hinman:

We have the following accounting comments on the above-referenced filings. These comments supplement those set forth in our letter dated February 26, 2001.

Form S-4

Background of the Merger, page 15

1. We note that initial discussions of a potential business combination between Chevron and Texaco occurred in early 1999; however, these discussions were subsequently terminated in June 1999. Provide written contemporaneous evidence to support that this plan of combination was formally terminated.

Accounting Treatment, page 24

2. We note that Chevron and Texaco jointly own Caltex. Provide detailed evidence to support that this joint venture arrangement does not violate the independence condition of APB 16. Refer to EITF 95-12 for further guidance.

3. We note that you anticipate that the Federal Trade Commission will require certain asset dispositions. Be advised that pooling of interests accounting may not be appropriate if a divestiture of more than 25% of the assets of Chevron or Texaco due to governmental or judicial orders is required.

4. We note that Texaco announced in March 2000 that it would resume its $1 billion common stock repurchase program, which had been

suspended in 1998. In addition, we note that Chevron has consistently repurchased and reissued treasury stock since its board of directors approved the stock repurchase plan in December 1997. Address the potential violation of paragraphs 47(c) and (d) of APB 16 due to the acquisition of treasury stock by both companies. Provide us with detailed support of your conclusion, including calculations of the 90% test.

5. We note that Chevron amended its Long-Term Incentive Plan, Management Incentive Plan and Salary Deferral Plan effective March 29, 2000. Detail for us the revisions you have made to the original terms of these plans. Address the potential violation of paragraph 47(c) of APB 16.

6. We note that Texaco converted its outstanding shares of Series B and Series F ESOP preferred stock to common stock. Address the potential violation of paragraph 47(c) of APB 16.

7. We note that Chevron announced a new broad-based Employee Stock Option plan in1998 and options granted under this plan vested in February 2000. Address the potential violation of paragraph 47(c) of APB 16.

Pro Forma Condensed Combined Financial Statements, page 48

Pro Forma Condensed Combined Statements of Income for the year ended December 31, 1998, page 53

8. Remove the "cumulative effect of changes in accounting principles" line items from your pro forma presentations. Instruction 1 to Rule 11-02(b) of Regulation S-X indicates that only continuing operations should be presented in pro forma financial statements. The presentation of the cumulative effect is not necessary to demonstrate the reclassification detailed in Note 6D.

Chevron Corporation - Form 8-K filed on January 18, 2000

9. We note that you filed a Form 8-K to present restated financial statements for the June 30, 1999 and September 30, 1999 interim periods. Explain to us in detail the reasons why a restatement of these interim period financial statements was necessary. In addition, you should have filed the restated financial statements in an amendment to the Form 10-Qs rather than in a Form 8-K. Please note this for future reference.

Chevron Corporation - Form 10-K for the year ended December 31, 1999

Management`s Discussion and Analysis of Financial Condition and Results of Operations,
page FS-2

10. You state that net special charges in 1998 included a loss provision of $637 million for litigation, substantially all of which pertained to a lawsuit against Gulf Oil by Cities Service. On page FS-5 you disclose that you accrued in 1998 a loss provision of $924 million related to this lawsuit. In addition, in Note 2 of your financial statements you disclose the after-tax loss provision recorded in 1998 for this lawsuit was $682 million. Reconcile these different loss provision amounts related to this lawsuit.

Results of Operations, page FS-6

11. You state that depreciation expense associated with asset impairments in 1999 was $394 million, compared with $100 million in 1998 and 1997. Reconcile these amounts to the impairment charges you

disclose in Note 2 of your financial statements.

12. You state that operating incidents at the Richmond, California refinery also contributed to lower US refining, marketing and transportation earnings for 1999. Tell us and explain in your document the incidents you are referring to.

Financial Statements, page FS-12

13. File Schedule II in support of valuation and qualifying accounts included in each balance sheet presented. Refer to Rule 5-04 of Regulation S-X.

Consolidated Statement of Cash Flows, page FS-15

14. Tell us supplementally the items included in the "Other-net" line items included within the operating and investing activities.

Note 1 - Summary of Significant Accounting Policies, page FS-170

Property, Plant and Equipment, page FS-17

15. Disclose how your accounting for exploration costs is impacted by the one-year limitation in paragraph 31(b) of SFAS 19.

Note 2 - Special Items and Other Financial Information, page FS-18

16. Disclose where you have reflected these special items in your consolidated statements of income.

17. Provide the disclosures required by SFAS 121 in regard to your asset write-offs and revaluations. Specifically, disclose:

* whether the assets are for use or sale;

* a description of the assets and the segments affected; and

* the reasons the write-downs became necessary.

18. If the assets are held for disposal, disclose:

* the carrying amount of the assets held for disposal;

* the expected disposal dates;

* results of operations for the assets to the extent the can be identified; and

* the effects of suspending depreciation.

19. Explain to us the origin of the prior-year tax adjustments line item amounts.

20. Disclose the origin of the "settlement of insurance claims" line item.

21. Clarify within the note disclosure that the special items relating to Caltex and Dynegy represent your proportionate share of these affiliates` special items and that these amounts are included in the line item "income from equity affiliates."

Note 18 - Employee Benefit Plans, page FS-27

Pension Plans, page FS-27

22. Tell us and disclose in your document the origin of the special termination benefits charges recorded in 1999.

Chevron Corporation - Form 10-Q for the period ended September 30, 2000

23. Tell us and disclose how you accounted for your contribution of assets to CPCC. Your response should specifically identify the accounting literature that you followed.

Texaco Inc. - Form 10-K for the year ended December 31, 1999

Description of Significant Accounting Policies, page 30

Statement of Consolidated Cash Flows, page 37

24. Our current position on the classification of exploratory expenditures within the statement of cash flows is that cash expenditures for exploratory wells may only be classified within investing activities. Cash expenditures for certain exploratory costs such as geophysical and geological costs should never be classified as investing activities in a statement of cash flows. Revise your statement of cash flows in all future filings. Refer to our website at www.sec.gov/divisions/corpfin/acctdisc.htm#P584_135402 for further guidance on this matter.

25. Tell us supplementally the items included in the "Other-net" line items included within the operating and investing activities.

Note 4 - Inventories, page 41

26. Include your allowance for doubtful accounts and inventory valuation allowance accounts in your Schedule II - Valuation and Qualifying Accounts.

Caltex Financial Statements

Note 1 - Summary of Significant Accounting Policies, page 10

27. Expand your disclosure of the successful efforts method to provide the information prescribed in the illustration on page 71 of the current AICPA audit guide for oil and gas entities.

Note 13 - Restructuring/Reorganization., page 21

28. We are unable to reconcile the amounts disclosed within the narrative discussion of this note disclosure to the amounts appearing in the table. For example, you state that Caltex recorded a charge to selling, general and administrative expense of $37 million and $86 million in 1999 and 1998. Within the table, it appears that you accrued $23 million and $60 million of restructuring and reorganization costs in 1999 and 1998, respectively. Revise the disclosure accordingly.

Equilon Enterprises Financial Statements

Note 2 - Summary of Significant Accounting Policies, page 7

29. You state that you adopted EITF 98-10 as of January 1, 1999. Tell us why you have not presented the initial application of this consensus as a cumulative effect of a change in accounting principle in accordance with APB 20.

Note 4 - Property, Plant and Equipment, page 11

Long-Lived Assets, page 12

30. Disclose the carrying amount of assets held for sale. Refer to paragraph 19(a) of SFAS 121. In addition, comply with the disclosure requirements of paragraph 19(f) in regard to the disclosing the results of operations for assets to be disposed of.

Closing Comments

File an amended Form S-4 in response to these comments. Also, comply with the comments on the Form 10-Ks and 10-Q in future filings with the Commission, and provide any requested supplemental information. Provide a cover letter keying your responses to the comments. If you believe complying with these comments is not appropriate, tell us why in your letter. We may have comments after reviewing the amendment and your responses.

You will expedite our processing of your response if you provide each person listed below with a complete courtesy package that includes the letter of response, any requested supplemental information and marked and unmarked copies of each changed document. Please ensure that all changes are marked precisely and accurately.

When we have indicated that all outstanding comments on the registration statement have been resolved, you may provide us with a signed letter from the registrant requesting effectiveness under Rule 461. Provide that request at least two business days before the desired effective date.

Direct questions on the comments regarding financial statements and related disclosure to Jenifer Gallagher at (202) 942-1923 or, in her absence, to Kimberly L. Calder, Assistant Chief Accountant, at (202) 942-1879. Direct any questions regarding the engineering comments to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions on other disclosure issues to Michele Anderson at (202) 942-1797 or, in her absence, to Timothy Levenberg, Special Counsel, at (202) 942-1896. Direct any correspondence to us at the following ZIP Code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: via facsimile
Terry M. Kee, Esq.

M. Anderson
J. Gallagher
K. Calder
T. Levenberg
J. Murphy

Chevron Corporation

April 27, 2001

Harvey D. Hinman, Esq.
Vice President & General Counsel
Chevron Corporation
575 Market Street
San Francisco, CA 94105

Re: Chevron Corporation
Form S-4 Amendment no. 1 filed April 11, 2001
File no. 333-54240

Chevron Corporation
Form 10-K for the year ended December 31, 2000
File no. 1-368

Texaco Inc.
Form 10-K for the year ended December 31, 2000
File no. 1-27

Dear Mr. Hinman:

We have the following comments on the above-referenced filings. Page numbers refer to the revised blacklined copy of the Form S-4.

Form S-4/A

1. We note your response to our prior legal comment 2. Please provide us with a copy of the omitted exhibits. Also, further explain your discussion relating to the Form of Agreement and Declaration of Trust. For example, explain how the terms of the trust agreement could differ, and briefly discuss why these changes would not be material to the matters under consideration by both companies` stockholders.

Table of Contents - page i

2. Include subheadings for the individual risk factors, as appeared in the Form S-4 as initially filed.

Summary

3. Fill in omitted information throughout the document, using brackets if the information is subject to change.

The Interests of Texaco Directors and Officers in the Merger, page 5

4. In addition to your revisions on page 47, revise the summary to disclose the aggregate amount of compensatory and all other benefits that Texaco executive officers and directors may receive as a result of the transaction. See prior legal comment 13.

The Merger

Background of the Merger, page 16

5. We note your response to prior legal comment 28. Please disclose why the Texaco board determined to renew discussions with Chevron in May 2000, and how the circumstances had changed one year after Texaco terminated the initial discussions. It is unclear why Mr. Bijur indicated a willingness to begin new discussions with Chevron when the Texaco board determined, as stated in Texaco`s press release dated June 2, 1999, that a potential transaction with Chevron was "unacceptable for reasons including complexity, feasibility, risk and price."

6. We restate prior legal comment 31. Discuss the specific alternatives each company considered, indicate how the boards considered the alternatives, and explain why the alternatives were deemed inferior to the merger.

7. Expand the sixth full paragraph on page 18 to clarify that the exchanged "background information" included detailed projections, or explain why this is not accurate.

Our Reasons for the Merger, page 19

8. Expand the fourth or fifth paragraphs to clarify how you measure "total stockholder return" for these purposes. Provide us with supplemental support for the statistics you cite.

Recommendation of, and Factors Considered by, the Chevron Board, page 22

9. We note your responses to prior legal comments 40 and 63.

* If the board considered the results of the analyses the financial advisor presented and as are summarized in the Form S-4, revise the first bullet on page 23 to state that the board relied upon the fairness opinion despite the results of many of the principal analyses that do not support the conclusion that the exchange ratio is fair. Identify those analyses that yield implied exchange ratio ranges below the exchange ratio in the merger, which results appear to suggest that the merger consideration is not favorable to Chevron. Explain briefly why the board relied on the fairness opinion despite those results.
* If the board did not consider the results of the analyses, including those that suggest the merger consideration may not be favorable to Chevron, disclose this and identify the analyses that yield implied exchange ratio ranges below the merger exchange ratio.

10. Revise the sixth bullet on page 23 to identify the specific "greater benefits" the Texaco transaction is expected to yield as compared to the alternatives.

11. If you retain the first sentence in the last paragraph of this section and the section that follows, revise both to clarify that the discussion addresses and discusses all factors each board deemed material.

Recommendation of, and Factors Considered by, the Texaco Board, page 24

12. Include disclosure similar to Chevron`s response to prior legal comment 45 in the list of factors the Texaco board considered.

Material Federal Income Tax Consequences, page 28

13. Refer to prior legal comment 51. Expand the last sentence in the first paragraph to make clear that you will recirculate a revised version of the proxy statement / prospectus in those circumstances.

14. The draft and unsigned opinions you filed as Exhibits 8.1 and 8.2 do not disclose the federal income tax consequences that result from the merger constituting a Section 368 reorganization. Also, the language you use at page 29 referring to the "discussion below" does not identify the text as an opinion. You must file a long or short form tax opinion that discloses the material federal income tax consequences of the merger to Texaco`s stockholders. We may have additional comments.

Opinions of Financial Advisors, page 32

15. We reissue prior legal comment 53. Supplementally provide us with copies of all projections and any other materials exchanged between the parties relating to the transaction. We note that you provided only the projections relating to the strategic, financial or operational benefits anticipated from the merger. We may have additional comments.

Opinion of Chevron`s Financial Advisor, page 32

16. We note the revised disclosure in response to prior legal comment 61. The revision is vague regarding how the advisor couched its findings to the board. We note, for example, that the advisor put the summary findings regarding DCF and other key analyses on the last page of its materials. The statement that Lehman Brothers did not discuss "each" qualitative judgment is not fully responsive to the staff`s comment. Please revise to clarify what the board was told, and how and why the advisor de-emphasized any of its quantitative findings. We may have additional comments.

17. Expand the tabular presentation of the Segment Valuation Analysis to include additional explanation, including the disclosure contained in the first two sentences of your response to prior legal comment 65.

Opinion of Texaco`s Financial Advisor, page 40

18. We note your response to prior legal comment 60 and reissue the comment. Revise the third paragraph and the parallel disclosure at page 3 to make clear that the discussion in the proxy statement / prospectus provides all the information Item 1015(b)(6) of Regulation M-A requires. Rule 411(a) does not eliminate the requirement that the summary "must include" the listed items.

19. Revise the first full paragraph on page 47 to disclose the amounts of compensation paid to CSFB during the two years prior to the announcement of the merger, in accordance with Item 1015(b)(4) of Regulation M-A. See prior legal comment 59. Also include bracketed information in the last paragraph on page 46.

20. We note that you discuss the 23-33% range of premiums at page 25. Explain why the Texaco board did not view that range as a negative since the Premiums Paid Analysis described at page 46 reveals Texaco`s stockholders will receive only an 18% premium.

Texaco`s Financial Advisors, page 47

21. We note your revisions in response to prior legal comment 15. It appears that Morgan Stanley`s advice regarding anticipated divestitures may materially relate to the transaction. Either

provide an analysis of why the advice did not materially relate to the merger or provide the disclosure required by Item 4(b) of Form S-4 and Item 1015 of Regulation M-A.

The Merger Agreement, page 66

22. Substitute "describes the" or "discloses the" or like language for "highlights" in the first sentence on page 66 and page 84.

Exhibit 8.1 - Tax opinion

23. We object to the language in the last paragraph of the opinion, which states that the opinion is "only" for the use of the company and may not be relied upon by any other person. Disclaimers of responsibility that in any way state or imply that investors are not entitled to rely on the opinion, or other limitations on whom may rely on the opinion, are unacceptable. Counsel should provide an opinion that omits the disclaimer.

Exhibit 8.2

24. Counsel should make parallel revisions to the latter half of the second paragraph of Exhibit 8.2. Also, once you provide a complete opinion, rather than a shell opinion, we may have additional comments.

Forms of Proxies

25. We note your response to prior legal comment 83. Discretionary authority is unavailable when a procedural action is intended to be taken with respect to a substantive matter for which a proxy is solicited. See Rule 14a-4. The postponement or adjournment of a meeting to solicit additional proxies does not constitute a matter incidental to the conduct of the meeting. Consequently, we consider the use of discretionary authority to postpone or adjourn a meeting to solicit more votes a substantive matter for which proxies must be independently solicited. Please revise the proxy cards in accordance with our prior comment.

26. Revise both proxies to disclose explicitly the merger and to quantify the merger consideration.

Texaco Inc. - Form 10-K for the year ended December 31, 2000

Equilon Enterprises LLC Financial Statements

Report of Independent Accountants, page 2

27. The accountant`s report covering the December 31, 2000 financial statements is dated March 1, 2000. The year the audit work was completed appears incorrect. Amend the Form 10-K to include a new accountant`s report that reflects the correct date for which audit fieldwork was completed.

Management`s Discussion and Analysis

Results of Operations - Other Revenues

28. You state that the special charges of your affiliates in 2000 included a special gain for an employee benefit revision. Explain to us the origin of this gain. What affiliate recorded this gain, and what was the gain amount?

Texaco, Inc. Financial Statements

Description of Significant Accounting Policies

Properties, Plant and Equipment and Depreciation, Depletion and Amortization

29. You disclose that you capitalize the costs to inject carbon dioxide related to the development of oil and gas reserves. Provide further evidence to support that these costs are capitalizable development costs rather than production costs.

Engineering Comments

30. We do not agree with your response to engineering comment 98. The language you propose and which is in your recent 10-K and 8-K filings is not sufficient as it is nothing more than boilerplate language that any company with joint ownership agreements in place should include. The fact is that you have a specific equity re-determination that is currently ongoing with the DOE over Elk Hills and, therefore, you should disclose it. As you stated, the potential liability to either party is in the range of $1 billion. Two of the four zones in dispute, the Dry Gas Zone and Carneros, have already been settled in DOE`s favor. However, the largest two zones, the Stevens and Shallow Oil Zone (SOZ), are still under evaluation. Although the Independent Petroleum Engineer`s (IPE) Stevens` decision is currently being reviewed by the DOE`s Assistant Secretary of Fossil Energy, for fairness and technical correctness, the IPE`s preliminary decision on the Stevens is still favorable to the DOE, and there is the possibility after DOE`s final review it will be even more favorable to them such as with the Carneros. The IPE`s work on the SOZ is not completed. Therefore, although you may believe that the risk exposure to Chevron is much lower than what the maximum amount is, that is only your opinion because neither the Stevens nor the SOZ have been finalized, but as we stated, the preliminary result of the Stevens is favorable to DOE. Like all legal proceedings there is no way to predict the outcome before the case is completed. The shareholders and potential shareholders are entitled to know that this particular dispute is ongoing and could be materially detrimental to Chevron for up to $1 billion, just as you disclosed for years Chevron`s potential liability in the Gulf Oil/City Service/Occidental lawsuit. Therefore, please amend your document and all future filings to disclose the equity dispute with the DOE at the Naval Petroleum Reserve at Elk Hills to be a material risk of potentially $1 billion to the shareholders until it is finally resolved.

31. Regarding your engineering response number 108, service companies frequently advertise positively on new developments but until they are tested in the field there is no way to know if the purported claims are true or not. The Encapsulated Acid technique has never been attempted in the field so its results are still unknown Please amend future filings, if this issue is discussed, to include a more balanced description of this new technique of wellbore stimulation that has not been tested in the field. We assume the service company will be making this technique available, in some form, to all companies so, if that is the case, what is the advantage to Texaco?

32. Please amend your document if necessary and future filings to remove the reference to the proposed 33,000 barrels per day rate from the Escravos project that is in Chevron`s 2000 10-K report. As you stated in response number 101, these are not proved reserves, therefore, proposed rates for unproved reserves should not be disclosed.

33. You have attributed proved reserves of 130 million barrels to Chevron`s Chad/Cameroon area. What is the basis for classifying these as proved at this time?

34. You have included a discussion of the Athabasca Oil Sands in your Review of Ongoing Exploration and Production Activities in your 2000 annual report on the Form 10-K. The SEC does not consider the mining of oil sands to be an oil and gas activity. Therefore, in future filings you must discuss this type of activity outside of any discussions about oil and gas. In addition, when you attribute proved reserves to this project, they must not be included in the proved reserves of your oil and gas activities. This project also should not be included in the calculation of the Standardized Measure of Discounted Future Net Cash Flow.

35. In your discussion of activities in Argentina, you disclose that your exploration and appraisal program resulted in the addition of over 50 million barrels of proved and probable reserves. Rule 410(a) of Regulation S-X and Item 102 of Regulation S-K says that reserve disclosure should be limited to proved reserves. Therefore, in future filings do not include the quantities of probable or possible reserves for any project. Only disclose the amount that you attribute to proved reserves.

36. We notice a discussion on Texaco`s website relating to the "billion barrel discovery offshore Nigeria, called Agbami." We assume these are all not proved reserves as they would represent over one-third of your total oil reserves. It is not clear if this amount is oil in place, which is much higher than reserves. If you disclose reserves which do not comply with Rule 4-10 of Regulation S-X, provide the cautionary note to investors which can be found in our website guidance that we posted in July 2000. Go to: http://www.sec.gov/divisions/corpfin/acctdisc.htm and scroll about three quarters down the document to Section S: Issues in the Extractive Industries. Then go to 3: the Definition of Proved Reserves and then down to paragraph k. Please revise your website and all future press releases to include this cautionary note to investors when publicly discussing unproved reserves.

37. If Texaco does not consider exploratory wells which have not resulted in recording of proved reserves pending further evaluation to be completed and they are no longer in the process of drilling such wells, the numbers of these wells and the year they were drilled should be disclosed.

38. In Texaco`s 2000 report on the Form 10-K you state that you expensed $100 million in prospects in the Gulf of Mexico that were drilled between 1995 and 1998 after further appraisal drilling in 1999 determined them to be non-commercial. FASB 19 states that if, after a year has passed, a determination that proved reserves has been found cannot be made, the well shall be considered impaired, and its costs charged to expense. Please advise. Are you currently carrying exploration wells as capitalized that were drilled over a year ago without determining if proved reserves have been found? Please explain. We may have further comments.

39. In Texaco`s 2000 report on the Form 10-K under Supplemental Oil and Gas Information you state that you have a large inventory of potential hydrocarbon resources that you expect will increase your reserve base. As these are only resources at this point, it is speculation on your part that they will increase your reserve base. Therefore, this type of comment should be avoided in future filings.

Closing Information

File an amended Form S-4 and Form 10-K in response to these comments, and provide any requested supplemental information. Provide a cover letter keying your responses to the comments. If you believe complying with these comments is not appropriate, tell us why in your letter. We may have comments after reviewing the amendment and your responses.

You will expedite our processing of your response if you provide each person listed below with a complete courtesy package that includes the letter of response, any requested supplemental information and marked and unmarked copies of each changed document. Please ensure that all changes are marked precisely and accurately.

When we have indicated that all outstanding comments on the registration statement have been resolved, you may provide us with a signed letter from the registrant requesting effectiveness under Rule 461. Provide that request at least two business days before the desired effective date.

Direct any questions regarding the engineering comments to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions on the comments regarding financial statements and related disclosure to Jenifer Gallagher at (202) 942-1923 or, in her absence, to Kimberly L. Calder, Assistant Chief Accountant, at (202) 942-1879. Direct questions on other disclosure
issues to Michele Anderson at (202) 942-1797 or, in her absence, to Timothy Levenberg, Special Counsel, at (202) 942-1896. Direct any correspondence to us at the following ZIP Code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: via facsimile
Terry M. Kee, Esq.

M. Anderson
J. Gallagher
K. Calder
T. Levenberg
J. Murphy

June 21, 2001

via U.S. mail

Harvey D. Hinman, Esq.
Vice President & General Counsel
Chevron Corporation
575 Market Street
San Francisco, CA 94105

Re: Chevron Corporation
Form S-4 Amendment no. 2 filed June 4, 2001
File no. 333-54240

Dear Mr. Hinman:

We have the following comments on the above-referenced filings.
Page numbers refer to the revised blacklined copy of the Form S-4.

The Merger

Background of the Merger, page 17

1. We note the revised language in the last full paragraph on page 19. Disclose explicitly whether the projections were consistent with
similar information that was publicly available. Also, revise to confirm that neither party relied on the other party`s projections.
In the alternative, revise the "reasons" sections to clarify the extent of each party`s reliance. We may have additional comments.

Recommendation of, and Factors Considered by, the Chevron Board, page
23

2. Revise the registration statement to include disclosure similar to
that provided in Chevron`s response to prior comment 6 of our letter
dated April 27, 2001. Clearly state that Chevron did not consider alternative business combinations since discussions with Texaco recommenced in May 2000.

Texaco`s Financial Advisors, page 47

3. Your response to prior comment 21 does not provide an adequate analysis of why Morgan Stanley`s advice regarding anticipated divestitures did not materially relate to the merger. It appears that the anticipated divestitures of Equilon and Motiva are materially related to the merger. Therefore, we restate prior comment 21.

Exhibits 8.1 and 8.2 - Tax opinions

4. File dated and signed versions of the tax opinions, both of which
should include counsel`s address.

5. We restate prior comment 23. Both firms should provide

opinions
that no longer include limitations on reliance.

Engineering Comments

6. We note your response to comment 30. Please confirm to us, in writing, that you will include the expanded disclosure on the Elk Hills equity dispute in all future filings with the Commission until
the dispute is resolved.

7. Concerning your response to prior comment 36, we could find no evidence of the cautionary note concerning offshore Nigeria on Texaco`s website. Please advise.

Closing Comments

File an amended Form S-4 in response to these comments, and provide any requested supplemental information. Provide a cover letter keying your responses to the comments. If you believe complying with these comments is not appropriate, tell us why in your
letter. We may have comments after reviewing the amendment and your
responses.

You will expedite our processing of your response if you provide
each person listed below with a complete courtesy package that includes the letter of response, any requested supplemental information and marked and unmarked copies of each changed document.
Please ensure that all changes are marked precisely and accurately.

When we have indicated that all outstanding comments on the registration statement have been resolved, you may provide us with a
signed letter from the registrant requesting effectiveness under Rule
461. Provide that request at least two business days before the desired effective date.

Direct any questions regarding the engineering comments to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions regarding financial statements and related disclosure to Jenifer Gallagher at (202) 942-1923 or, in her absence, to Kimberly
L. Calder, Assistant Chief Accountant, at (202) 942-1879. Direct questions on other disclosure
issues to Michele Anderson at (202) 942-1797 or, in her absence, to
Timothy Levenberg, Special Counsel, at (202) 942-1896. Direct any correspondence to us at the following ZIP Code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: via facsimile
Terry M. Kee, Esq.

M. Anderson
J. Gallagher
K. Calder
T. Levenberg
J. Murphy

October 1, 2002

Mr. J. S. Watson
Chief Financial Officer
ChevronTexaco Corporation
575 Market Street
San Francisco, CA 94105

Re : Form 10-K for the year ended 2001
File No. 1-00368

Dear Mr. Watson:

We have limited our review of your Form 10-K to disclosures regarding your operations in the Gulf of Mexico and other offshore oil and gas producing areas. The following comments request supplemental information. Please provide us with that information within fifteen business days of the date of this letter. After reviewing that information, we may have additional comments.

1. In a discovery situation, have you booked proved reserves prior to a production flow test in the Gulf of Mexico? Have you booked proved reserves without a production flow test in a discovery situation in other areas? Which areas?
2. If you have booked proved reserves under the conditions in question #1, what is the range of time from booking to first commercial production in each different area? You may consider the shallow and deepwater GOM separately if appropriate to your experience.
3. What is the estimated cost range to conduct a production flow test from your deepwater Gulf of Mexico properties? What is the range of the duration of these tests?
4. What is the source and amount of data that you require, as a minimum, to book proved reserves in the Gulf of Mexico without a flow test? Other areas? Such data sources are open hole logs, seismic, whole cores, sidewall cores, MDT or RCI tests, pressure gradient surveys, number of penetrations, etc.

5. Do you consider this minimum data to be the equivalent of a production flow test? Why or why not? Address the fact that the entire pay interval is characterized by a flow test whereas recovery of small quantities of fluid from selected locations in the well bore may not.
6. Supplementally, furnish us a comparison of the projected production rates you estimated to those actually achieved in discovery situations (as outlined in question #1 above) for at least the last five years.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect

of our review. Please direct technical questions to James Murphy, petroleum engineer, at 202-942-2939. Direct all other questions to
the undersigned at (202) 942-1870.

Sincerely,

H. Roger Schwall
Assistant Director

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

February 4, 2003

Mr. J. S. Watson
Chief Financial Officer
ChevronTexaco Corporation
575 Market Street
San Francisco, CA 94105

Re : Form 10-K for the year ended 2001
File No. 1-00368

Dear Mr. Watson:

We have limited our review of your Form 10-K to disclosures regarding your operations in the Gulf of Mexico and other offshore oil and gas producing areas. The following comments request supplemental information. Please provide us with that information within fifteen business days of the date of this letter. After reviewing that information, we may have additional comments.

1. In regards to your response number 3 of your October 15, 2002 letter, you state the cost to conduct a flow test in the deepwater Gulf of Mexico ranges from $15 to $30 million. We assume that if you book proved reserves for a well, without a flow test, it would be completed as a producing well. Therefore, is this cost range the incremental cost over and above the cost to drill and complete the well as a producing well? If not, please tell us that incremental cost range.

2. In regards to your response numbers 4 and 5 of your October 15, 2002 letter, it would appear that your minimum amount of data to book proved reserves without a test is not insignificant. Given this amount of data required from multiple wells, if the wells do not penetrate a water contact, do you always limit your proved reserve attribution to lowest known hydrocarbon by way of well penetration? If not, please tell us the cases where you have booked proved reserves below the lowest known hydrocarbon and the data you had to justify it. Also include the percent of reserves and reservoir volume that were below the lowest known hydrocarbon in each case.

3. Given your data requirements to book proved reserves in the deepwater Gulf of Mexico, if you are a non-operator in a deepwater project and the operator wishes to sanction the development without obtaining the data you require, will you book it as proved? Do you sanction projects before they are booked as proved because the required data has not been obtained? Do you require all the co-owners and ChevronTexaco to budget the necessary development funds before booking the reserves as proved?

4. In discovery situations in the deepwater Gulf of Mexico without

a production flow test, in either properties you operate or have an interest in as non-operator, have you materially revised reserves upward or downward from the initial estimate for anything other than production and changes in prices? If so, in what instances have they been revised and why?

5. In your Gulf of Mexico and international proved properties, are your future production forecasts in the Standardized Measure always limited to the Maximum Efficient Rates (MERs) set by Mineral Management Service or the country with which you have the Production Sharing Contract? If not, why not?

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

You may contact James Murphy Staff Petroleum Engineer at (202) 942-2939 if you have questions regarding comments or, in his absence, the undersigned at (202) 942-1870 with any other questions.

Sincerely,

H. Roger Schwall
Assistant Director

cc: H. Roger Schwall
James Murphy

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

April 11, 2003

Mr. J. S. Watson
Chief Financial Officer
ChevronTexaco Corporation
575 Market Street
San Francisco, CA 94105

Re : Form 10-K for the year ended 2001
Response letter of February 25, 2003
File No. 1-00368

Dear Mr. Watson:

We have limited our review of your Form 10-K to disclosures regarding your operations in the Gulf of Mexico and other offshore oil and gas producing areas. The following comments request supplemental information. Please provide us with that information within fifteen business days of the date of this letter. After reviewing that information, we may have additional comments.

1. In regards to response number 2 of your letter dated February 25, 2003, are you saying that you always limit proved reserves to only those reserves calculated above the lowest known hydrocarbon penetrated by a well? If not, please clarify your company's practice in regards to this issue and explain how it complies with the SEC definition of proved reserves.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter. Please send us your responses by letter or facsimile and file them on EDGAR.

You may contact James Murphy Staff Petroleum Engineer at (202) 942-2939 if you have questions regarding comments or, in his absence, the undersigned at (202) 942-1870 with any other questions.

Sincerely,

H. Roger Schwall
Assistant Director

cc: H. Roger Schwall
James Murphy

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

February 12, 2004

J. S. Watson
Vice President and Chief Financial Officer
Chevron Texaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: Chevron Texaco Corporation
Forms 10-K, Filed March 17, 2003;
File No. 1-00368

Dear Mr. Watson:

We have reviewed the above filings, your press release of January 26, 2004 and your response letter of February 10, 2004 and have the following engineering comments. Accounting comments, if deemed appropriate, will follow in a separate letter. Our review to date is limited to your press release, disclosures in the Supplemental Financial Data - Oil and Gas Producing Activities and certain property information. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

1. We note your press release dated January 9, 2004 in response to reclassification of Shell Reserves where you state that "the company has not yet recognized any proved reserves for its interest in the Gorgon Joint Venture natural gas project in Australia." Please reconcile this statement with the press release 5 months earlier, dated August 4, 2003 from San Ramon, California and found on your website. This press release states in part "The Gorgon gas field, located offshore Western Australia, has certified proved hydrocarbon reserves of 12.9 trillion cubic feet (TCF), with total natural gas resources in the greater Gorgon Area exceeding 40 TCF. The Gorgon Joint Venture participants include ChevronTexaco (4/7th interest and operator), Shell (2/7th interest) and ExxonMobil (1/7th interest)."

2. Please indicate what process and controls, if any, you have in place to assure that the reserves being considered for classification as proved by your staff or others, in many different countries and

locales, meet the SEC definitions of proved reserves. Do you have a central reserves committee or reserves audit committee? If so, describe their functions. Do you have a reserve committee within the board of directors? How many of them have technical expertise such as petroleum engineers or geologists? Are they familiar with the SEC definition of proved reserves?

3. Do you give performance bonuses that are based on annual increases in proved reserves? If so, please explain how these bonuses work? Who is responsible for hiring any third party engineers you may use? Who do your third party engineers report to?

4. It appears that a material amount of your production is from countries that are members of the OPEC cartel. In future filings please disclose the percent of production that is from these countries as well as the potential impact that it may have on future production levels and revenues.

5. In future filings disclose the number of undeveloped acres that will expire in each of the next three years if production is not established.

6. Supplementally, please explain to us the reason for the 92 BCF negative revision of proved gas reserves in the United States as noted in your Reserve Replacement table for 2002. Why did you not include the 598 BCF negative revision of proved gas reserves in the United States shown in Table V - Reserve Quantity Information?

7. In future filings please disclose the gas price that you will receive for the gas that you are contracted to deliver from Australia, Colombia and Philippine reserves.

8. Have you attributed proved reserves to the gas-to-liquids (GTL) project in Escravos? If so, how much? How did you determine the end of year price of the gas?

9. You state that China selected the NW Shelf Venture as the sole supplier of LNG to the proposed Guangdong LNG project in southern China. A conditional 25-year LNG Sale and Purchase Agreement for more than 3.9 trillion cubic feet of natural gas was signed in October. What do you mean be a conditional agreement? Have you attributed proved reserves to this project? If so, how much?

10. You recorded a $1,022 impairment in 2001 as a result of a reserve write-down in proved oil reserve quantities - upon determination of a lower than projected oil recovery from the field`s steam injection process. Please submit a detailed listing of the properties and related oil and gas reserve quantities associated with this action. Provide an analysis explaining your rationale for having initially recorded the reserves and detailing the intervening events that culminated in the reduction, including the dates and conditions under which those events arose. Explain to us why the reduction in reserves will did not have an impact on your depletion rate in prior periods.

11. With a view towards increased transparency, in future filings you should expand your geographic areas shown in Tables I through VII. You clearly have major operations in the Middle East, South America and Europe that are material to investors. Competitors larger than you disclose more geographic areas and similar sized competitors have agreed to expand these areas in future filings.

12. Supplementally, tell us what was the average oil and gas prices you used to determine your end of year reserves.

13. Supplementally, explain to us the 598 BCF negative reserve

revision in the U.S. in 2002 as shown in Table V - Reserve Quantity Information.

Closing Comments

As appropriate, please amend your filings and respond to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your responses on EDGAR. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding engineering issues to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. All correspondence should be sent to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: James Murphy

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

January 28, 2005

via facsimile and U.S. mail

Mr. John S. Watson
Vice President, Finance and Chief Financial Officer
ChevronTexaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: ChevronTexaco Corporation
10-K for the fiscal year ended December 31, 2003
10-Q for the quarterly period ended September 30, 2004
File No. 001-00368
Supplemental response dated January 13, 2005

Dear Mr. Watson:

We are continuing to consider your response letter dated January 13, 2005. This comment is being issued to inform you of further developments that have taken place with respect to prior comment 5 of our letter dated December 29, 2004 concerning the buy/sell arrangements for oil and gas commodities that you report on a gross basis. We believe there may be circumstances under which such arrangements, having characteristics similar to those you have described, should be regarded as nonmonetary exchanges, not representing the culmination of an earnings process, and thereby subject to the guidance in paragraph 21(a) of APB 29. We encourage you to further consider the implications of this literature, given the circumstances surrounding your use of these and any other comparable arrangements, in contrast to your primary revenue generating operations.

Although we are continuing to evaluate the applicability of this guidance generally, it is apparent that revenues and costs associated with these transactions are fundamentally different in character than those of your primary operations. As such, revenues and costs associated with buy/sell and comparable arrangements reported on a gross basis should be separately identified on the face of your statements of operations for all periods presented, either on separate line items or within parenthetical notations along with the captions that include these amounts. You also should ensure

that the characteristics of material arrangements of this type, the circumstances under which they are used, and the accounting literature relied upon in determining whether gross or net reporting would apply are fully disclosed in your accounting policy notes. These disclosures also should describe the question of whether gross or net reporting is appropriate, and explain that the EITF is considering related matters in Issue 04-13.

Where reported volumes and revenues reflect material activity arising from these transactions, MD&A should include quantification of the effects and address any related material trends and uncertainties.

Closing Comments

Please note we are still evaluating the remaining responses from your letter dated January 13, 2005, and if necessary, additional comments may be issued later. Direct questions regarding accounting issues and related disclosures to Mark A. Wojciechowski, at (202) 942-1928 or, in his absence, to Jenifer Gallagher, at (202) 942-1923. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. Direct all correspondence to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

April 2, 2004

J. S. Watson
Vice President and Chief Financial Officer
Chevron Texaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: Chevron Texaco Corporation
Form 10-K, Filed March 17, 2003;
File No. 1-00368

Dear Mr. Watson:

We have reviewed the above filings, your press release of January 26, 2004 and your response letter of February 10, 2004 and have the following engineering comments. Accounting comments, if deemed appropriate, will follow in a separate letter. Our review to date is limited to your press release, disclosures in the Supplemental Financial Data - Oil and Gas Producing Activities and certain property information. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Response Letter of February 26, 2004

1. Regarding your response number 1 of your letter of February 26, 2004, who certified the reserves as proved? You state that the consultant`s technical evaluation was made without regard for the commerciality of the reserves but this was not explained in the press release. When you issued the press release, did you have a firm commitment to market your LNG reserves on the West Coast of North America?

2. Your response number 7 is not adequate. Although the pricing may be variable, you only received one price on December 31, 2003.

Supplementally, tell us what these prices were and please disclose this for the gas prices received in Australia, Colombia and the Philippines in your next quarterly report and in the annual 10-K filings thereafter.

3. Regarding response number 8, who is the transfer agreement between and explain to us if it is an arms length agreement and if so how?

4. Regarding response number 10, was the 374 MMBOE booked in 1997 the reserves that Monterey carried before your acquisition of the property? If not, what was the Monterey estimate and why did you change it? It is also not clear as to the justification of the 65 MMBOE addition of improved recovery reserves in 1998, one year after purchasing the property from Monterey Resources. Please further explain this. Were the 65 MMBOE added in the Potter sand? Was not the property already under steam injection operations when you purchased it and if so, why the addition based on improved recovery? We may have additional comments.

10-K Report as of December 31, 2003

Business, page 3

Description of Business and Properties, page 5

Reserves Replacement - 2003, page 9

5. We note your discussion of reserve replacement in your 2003 10-K. Please expand your disclosure in future filings when discussing the replacement ratio to explain to investors the status of the reserves that have been added (e.g., proved developed vs. proved undeveloped). In addition, expand your disclosure to emphasize the extent to which uncertainties still exist with respect to newly discovered reserves, including, but not limited to regulatory approval, changes in oil and gas prices, the availability of additional development capital and the installation of additional infrastructure. Finally, indicate the time horizon of when the reserve additions are expected to be produced to give your investors an indication as to when these reserve additions could ultimately be converted to cash inflows.

Supplemental Information on Oil and Gas Producing Activities, page FS-52

Table V - Reserve Quantity Information, page FS-57

6. Please explain to us the 606 BCF negative revision in U.S. gas reserves taken as of December 31, 2003. Please tell us what are the fields these reserves were in and where they are located, when they were booked as proved, what was the justification for calling them proved and why you now are revising these estimates downward.

7. Please explain to us the 388 BCF of extensions and discoveries in U.S. gas reserves as of December 31, 2003. Please tell us where these reserves are located, when they were discovered, what was the justification for calling them proved, how many wells will be needed to develop them and how many are proved developed and how many are proved undeveloped.

8. We note the positive revisions of 915 BCF and 976 BCF in the Asia/Pacific and Other regions respectively. This amounts to a 17% and a 33% increase over December 31, 2002 estimates for these two regions. However, we could find little disclosure concerning them in

your 10-K. Where are these reserves located and what is the basis for these significant revisions?

Closing Comments

As appropriate, please amend your filings and respond to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your responses on EDGAR. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding engineering issues to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. All correspondence should be sent to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: James Murphy

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

May 28, 2004

J. S. Watson
Vice President and Chief Financial Officer
Chevron Texaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: Chevron Texaco Corporation
Form 10-K, Filed March 17, 2003;
File No. 1-00368

Form 10-K, Filed March 9, 2004;
File No. 1-00368

Dear Mr. Watson:

We have reviewed the above filings, and your response letter of April 16, 2004 and have the following additional comments. Our review to date is limited to your press release, disclosures in the Supplemental Financial Data - Oil and Gas Producing Activities, certain property information and your accounting with respect to compliance with paragraphs 31 and 34 of SFAS 19. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Response Letter of April 16, 2004

1. Regarding your response number 1 of your letter of April 16, 2004, given the several admissions such as there was no firm commitments to market the gas, the reserves were not the same as SEC proved reserves and uncertainties regarding future North American demand for natural gas, we still do not understand the purpose of this press release. Please clarify this.

2. Regarding your response number 3 we do not agree that this was an arms length agreement as ChevronTexaco has an interest on both ends of the transaction. FASB 57 speaks to related party transactions and the required disclosure that is necessary. Please revise your

documents to incorporate these requirements.

3. Regarding response number 4, please provide sufficient documentation and support in as much detail as necessary for the increase of 211 MMBOE, or 130% increase in proved reserves in just one month of ownership of these reserves in the Midway Sunset field after your purchase of Monterey Resources in November 1997. We may have further comments.

10-K Report as of December 31, 2003

4. Regarding your response number 5, last bullet point, we expect your discussion to be specific to the projects where reserves have been added. We do not feel that boilerplate discussions of "increased lead times" for offshore projects to be sufficient. We do expect you to be specific as to the amount of reserves being converted from proved undeveloped to proved developed for each project.

5. Regarding your response number 8 we do not understand your explanation of an increase in proved reserves due to a "change in the probabilistic reserves method." Please explain this to us. Tell us how much of the change was due to this change in methodology. You also did not address why there was so little disclosure in the 10-K concerning these large revisions. Please address this and what you plan to do to clarify these material changes.

Notes to the Consolidated Financial Statements

Note 1, Summary of Significant Accounting Policies

Properties, Plant and Equipment, page FS-28

6. We note the following disclosure on page FS-28 concerning your accounting policy for the costs of exploratory wells:

Costs of exploratory wells are capitalized pending determination of whether the wells found proved reserves. Costs of wells that are assigned proved reserves remain capitalized. Costs also are capitalized for wells that find commercially producible reserves that cannot be classified as proved, pending one or more of the following: (1) decisions on additional major capital expenditures, (2) the results of additional exploratory wells that are under way or firmly planned, and (3) securing final regulatory approvals for development. Otherwise, well costs are expensed if a determination as to whether proved reserves were found cannot be made within one year following completion of drilling. All other exploratory wells and costs are expensed.

Please provide us with schedules showing all exploratory drilling costs capitalized that are subject to each of the various provisions of SFAS 19, including paragraphs 31(a), 31(b), and 34. Please group and include cost subtotals within those divisions that identify why the costs have been deferred and the specific provisions in SFAS 19 that you believe justify the deferral of the drilling costs. It is apparent from your disclosure on page FS-28 that there are multiple activities associated with your belief that deferral of your exploration drilling costs is justified. As a result, please break your schedule down into subgroups for each of the activities. Your schedules should cover the three years ended December 31, 2003 and include, along with the property name, the following information:

(a) Dates the wells were drilled and completed;

(b) Number of wells drilled;

(c) Exploratory drilling costs associated with each well;

(d) Quantities of unproved reserves found by each well;

(e) Evidence that you have found a sufficient quantity of reserves to justify completion as a producing well in each case that you are not within the one-year determination period;

(f) Activity related to additional exploratory drilling costs and reclassifications due to reserve determinations, both successful and unsuccessful;

(g) Description of the major capital expenditure required before production can begin, for each well; and

(h) Estimated cost of the major capital expenditures required.

In compiling your response to point (e), concerning economic viability, please show the assumptions that you utilized for both unit and aggregate prices and costs, timing, inflation and discount factors. Reconcile the amounts in each category on your schedules to the balance sheet line items reported in your Form 10-K. As to paragraph 31(b) of SFAS 19, your response should support, by applicable property, that you have not deferred costs beyond the one-year time limitation.

Ensure that you address each of the requirements for cost deferral, and that you describe and quantify the extent to which you have, or have not, maintained absolute compliance with each requirement in your response. We are providing the full text of paragraphs 31 and 34 of SFAS 19 below for your reference:

ACCOUNTING WHEN DRILLING OF AN EXPLORATORY WELL IS COMPLETED

31. As specified in paragraph 19, the costs of drilling an exploratory well are capitalized as part of the enterprise`s uncompleted wells, equipment, and facilities pending determination of whether the well has found proved reserves. That determination is usually made on or shortly after completion of drilling the well, and the capitalized costs shall either be charged to expense or be reclassified as part of the costs of the enterprise`s wells and related equipment and facilities at that time. Occasionally, however, an exploratory well may be determined to have found oil and gas reserves, but classification of those reserves as proved cannot be made when drilling is completed. In those cases, one or the other of the following subparagraphs shall apply depending on whether the well is drilled in an area requiring a major capital expenditure, such as a trunk pipeline, before production from that well could begin:

a. Exploratory wells that find oil and gas reserves in an area requiring a major capital expenditure, such as a trunk pipeline, before production could begin. On completion of drilling, an exploratory well may be determined to have found oil and gas reserves, but classification of those reserves as proved depends on whether a major capital expenditure can be justified which, in turn, depends on whether additional exploratory wells find a sufficient quantity of additional reserves. That situation arises principally with exploratory wells drilled in a remote area for which production would require constructing a trunk pipeline. In that case, the cost of drilling the exploratory well shall continue to be carried as an asset pending determination of whether proved reserves have been found only as long as both of the following conditions are met:

i. The well has found a sufficient quantity of reserves to justify its completion as a producing well if the required capital expenditure is made.
ii. Drilling of the additional exploratory wells is under way or firmly planned for the near future.
Thus if drilling in the area is not under way or firmly planned, or if the well has not found a commercially producible quantity of reserves, the exploratory well shall be assumed to be impaired, and its costs shall be charged to expense.

b. All other exploratory wells that find oil and gas reserves. In the absence of a determination as to whether the reserves that have been found can be classified as proved, the costs of drilling such an exploratory well shall not be carried as an asset for more than one year following completion of drilling. If, after that year has passed, a determination that proved reserves have been found cannot be made, the well shall be assumed to be impaired, and its costs shall be charged to expense.

34. Exploratory-type stratigraphic test wells are normally drilled on unproved offshore properties. Frequently, on completion of drilling, such a well may be determined to have found oil and gas reserves, but classification of those reserves as proved depends on whether a major capital expenditure -
usually a production platform - can be justified which, in turn, depends on whether additional exploratory-type stratigraphic test wells find a sufficient quantity of additional reserves. In that case, the cost of drilling the exploratory-type stratigraphic test well shall continue to be carried as an asset pending determination of whether proved reserves have been found only as long as both of the following conditions are met:

a. The well has found a quantity of reserves that would justify its completion for production had it not been simply a stratigraphic test well.

b. Drilling of the additional exploratory-type stratigraphic test wells is under way or firmly planned for the near future.

Thus if associated stratigraphic test drilling is not under way or firmly planned, or if the well has not found a commercially producible quantity of reserves, the exploratory-type stratigraphic test well shall be assumed to be impaired, and its costs shall be charged to expense.

7. Tell us if you have capitalized 3-D seismic or any other geological and geophysical costs at any time during the three years ended December 31, 2003. If so, provide us a detailed schedule of these costs which includes, by property, the beginning balance, additions, amounts written off/transferred and the ending balance at each balance sheet date. As applicable, supplementally justify (under authoritative accounting literature) any capitalization of such costs. Note that paragraph 18 of SFAS 19 calls for geological and geophysical costs to be expensed as incurred by oil and gas companies that use the successful efforts method of accounting.

Closing Comments

As appropriate, please amend your filings and respond to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses

to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your responses on EDGAR. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding engineering issues to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions regarding accounting issues and related disclosures to Shannon Buskirk at (202) 942-1826, or in her absence, to Jenifer Gallagher at (202) 942-1923. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. All correspondence should be sent to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: James Murphy
Jenifer Gallagher
Shannon Buskirk

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

August 6, 2004

J. S. Watson
Vice President and Chief Financial Officer
Chevron Texaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: Chevron Texaco Corporation
Form 10-K, Filed March 17, 2003;
File No. 1-00368

Form 10-K, Filed March 9, 2004;
File No. 1-00368

Dear Mr. Watson:

We have reviewed the above filings, and your response letter of June 14, 2004 and have the following additional comments. Our review to date is limited to your press release, disclosures in the Supplemental Financial Data - Oil and Gas Producing Activities, certain property information and your accounting with respect to compliance with paragraphs 31 and 34 of SFAS 19. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Response Letter of February 26, 2004

10-K Report as of December 31, 2003

Supplemental Information on Oil and Gas Producing Activities, page FS 52

Table V - Reserve Quantity Information, page FS-56

1. Regarding your response number 9 of your letter of February 26, 2004 you indicated that you expect all outstanding conditions of the China Guangdong LNG contract (sales and purchase agreement) will be cleared or waived by mid-2004. Has this now occurred? If not, please

explain the status of this contract and when you now estimate the outstanding conditions to be cleared.

2. Regarding your response number 11 of your letter of February 26, 2004 we note that you state in your 10-K that you are the largest oil producer in California and that your Gulf of Mexico natural gas production represents over 25% of your total natural gas production for the consolidated operations. We also note that the U.S. geographic area represents 33% of your total reserves for consolidated companies while your U.S. gas reserves represents 31% of this total for natural gas. The U.S. also represents 41% of the 2003 SMOG value. Likewise, Asia Pacific represents 26% of your total oil reserves, 34% of your natural gas reserves and 24% of your 2003 SMOG value. We recommend in future filings that you sub-divide the current U.S. geographic area into California, Gulf of Mexico and Other U.S. Given the large percentage of your operations in the U.S. and the distinct differences in producing characteristics between onshore heavy oil operations in California and offshore light oil and natural gas production in the deepwater Gulf of Mexico we believe this disclosure to be material information to investors. We also recommend in future filings that the Asia Pacific area, where you claim to be the largest producer in both Indonesia (heavy crude oil) and Kazakhstan (crude oil and natural gas) be further sub-divided for similar reasons. As you have previously responded that you support the concept of transparency in all disclosures for significant operations, please confirm that you agree to these expanded disclosures in future filings.

3. Regarding your response number 12 of your letter of February 26, 2004, we specifically asked for the average oil and gas prices you used to determine your end of year reserves. You responded with the prices you used to calculate the Standardized Measure of Discounted Future Net Cash Flows related to proved oil and gas reserves. Were these the same prices used to calculate your end of year reserves? If not, please tell us what were the average oil and gas prices you used to determine your end of year reserves for each of the last three years and why you used different prices for the determination of proved reserves than those used in the Standardized Measure calculations?

Response Letter of June 14, 2004

10-K Report as of December 31, 2003

4. Regarding response number 3 of your letter dated June 14, 2004 we do not concur that there was enough evidence to support the material increase in recovery factors, and thus proved reserves of the Midway Sunset leases when Monterey Resources was purchased by Texaco in November 1997. The report you provided does not give any reason or technical evidence of increased recovery due solely to continuous steam injection versus cyclic injection. We are not aware of any documented evidence that there is reasonable certainty that materially higher recovery efficiency will be achieved from a given property if one implements continuous steam injection versus cyclic steam injection. Unless an increase is actually demonstrated through performance after the implementation of a change in the injection scheme, changes such as this do not appear to be technically justified. We feel the data is does not support an increase of this size or meet the definition of proved reserves as found in Rule 4-10(a) of Regulation S-X. Restate the reserves for the periods they were included as proved reserves. We do not agree that the best way to handle overestimates of reserves is prospectively as prescribed by APB 20 as you state in your response 10 of February 26, 2004 as this is directed towards estimates for the audited financials. For the un-

audited reserve estimates, Rule 4-10(a) of Regulation S-X instructs how the reserve estimates are to be made.

Regarding response number 4 of your letter dated June 14, 2004 we could find little disclosure about future reserve development of future projects on pages 9-17. You have provided little meaningful support for not including more disclosure about reserve information more specific than in the FASB 69 reserves table. Companies routinely provide reserve estimates to potential buyers about properties they are intending to sell. Normally, properties that are sold are no longer considered core holdings of the company. Also, we are not aware of confidentiality agreements between companies and host governments or security regulations that prevent material public reserve disclosure to shareholders when certain agreements are entered into. Please provide us with these agreements and regulations. We do not believe that the issues in the third bullet-point describe proprietary information or occur routinely enough to deny investors material information about the company. Therefore, we reissue our comment number 5 from our letter of April 16, 2004.

5. Regarding response number 5 it appears that changing your reserve determination methodology for only a portion of your reserves shows a tendency towards reserve bias to the positive side. You have substantially increased reserves on these properties without drilling wells, incurring capital costs or maintenance expense or experiencing increased production performance but purely through a mathematical change in reserve calculation methodologies. If this method is superior to a pure deterministic approach, why have you not adopted it for all of your reserve calculations? We note that without this increase, your reserve replacement would be less than 2.5% instead of the 8% you reported on pages 8 and 9 of your 2003 10-K report. The fact that you plan in the future to expand your disclosure to include relatively large changes within the categories of "net reserve additions" in FASB 69 does not now assist investors in understanding this large increase reported in March of 2004. Please amend your document to include clarifying disclosure on how this increase came about, why you changed reserve calculation methodologies for only these particular properties and the impact on your reserve replacements if you had not changed methodologies for only this portion of your reserves.

6. Regarding responses number 6 and 7 we are currently considering these responses.

Review of Ongoing Exploration and Production Activities in Key Areas, page 11

Asia Pacific, page 13

Middle East, page 15

7. You state that Saudi Arabia Texaco, Inc. holds a 60-year concession, originally signed in 1949, to produce onshore crude oil from the PNZ. During 2003 average net production was 133,700 barrels of crude oil per day and 15 million net cubic feet of natural gas per day. What are the estimated gross and net reserves that you have included as proved reserves for this concession and what is the time period these reserves are estimated to be recovered in?

Closing Comments

As appropriate, please amend your filings and respond to these comments within 10 business days. You may also wish to provide us

with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your responses on EDGAR. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding engineering issues to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions regarding accounting issues and related disclosures to Shannon Buskirk at (202) 942-1826, or in her absence, to Jenifer Gallagher at (202) 942-1923. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. All correspondence should be sent to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: Jim Aleveras, Assistant Controller, via facsimile
James Murphy
Jenifer Gallagher
Shannon Buskirk

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

November 16, 2004

J. S. Watson
Vice President and Chief Financial Officer
Chevron Texaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: Chevron Texaco Corporation
Form 10-K, Filed March 17, 2003;
File No. 1-00368

Form 10-K, Filed March 9, 2004;
File No. 1-00368

Dear Mr. Watson:

We have reviewed the above filings, and your response letter of June 14, 2004 and have the following additional comments. Our review to date is limited to your press release, disclosures in the Supplemental Financial Data - Oil and Gas Producing Activities, certain property information and your accounting with respect to compliance with paragraphs 31 and 34 of SFAS 19. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Response Letter of February 26, 2004

10-K Report as of December 31, 2003

Supplemental Information on Oil and Gas Producing Activities,
page FS 52

Table V - Reserve Quantity Information, page FS-56

1. Regarding your response number 3 of your letter of November 5, 2004, we specifically asked for the average oil and gas prices you used to determine your end of year reserves. You responded with the prices you used to calculate the Standardized Measure of Discounted Future Net Cash Flows related to proved oil and gas reserves. Were these the same prices used to calculate your end of year reserves? If not, please tell us what were the average oil and gas prices you used to determine your end of year reserves for each of the last three years and why you used different prices for the determination of proved reserves than those used in the Standardized Measure calculations?

Response Letter of June 14, 2004

10-K Report as of December 31, 2003

2. Regarding response number 3 of your letter dated June 14, 2004 we do not concur that there was enough evidence to support the material increase in recovery factors, and thus proved reserves of the Midway Sunset leases when Monterey Resources was purchased by Texaco in November 1997. The report you provided does not give any reason or technical evidence of increased recovery due solely to continuous steam injection versus cyclic injection. We are not aware of any documented evidence that there is reasonable certainty that materially higher recovery efficiency will be achieved from a given property if one implements continuous steam injection versus cyclic steam injection. Unless an increase is actually demonstrated through performance after the implementation of a change in the injection scheme, changes such as this do not appear to be technically justified. We feel the data is does not support an increase of this size or meet the definition of proved reserves as found in Rule 4-10(a) of Regulation S-X. Restate the reserves for the periods they were included as proved reserves. We do not agree that the best way to handle overestimates of reserves is prospectively as prescribed by APB 20 as you state in your response 10 of February 26, 2004 as this is directed towards estimates for the audited financials. For the un-audited reserve estimates, Rule 4-10(a) of Regulation S-X

instructs how the reserve estimates are to be made.

Regarding response number 4 of your letter dated June 14, 2004 we could find little disclosure about future reserve development of future projects on pages 9-17. You have provided little meaningful support for not including more disclosure about reserve information more specific than in the FASB 69 reserves table. Companies routinely provide reserve estimates to potential buyers about properties they are intending to sell. Normally, properties that are sold are no longer considered core holdings of the company. Also, we are not aware of confidentiality agreements between companies and host governments or security regulations that prevent material public reserve disclosure to shareholders when certain agreements are entered into. Please provide us with these agreements and regulations. We do not believe that the issues in the third bullet-point describe proprietary information or occur routinely enough to deny investors material information about the company. Therefore, we reissue our comment number 5 from our letter of April 16, 2004.

3. Regarding response number 5 it appears that changing your reserve determination methodology for only a portion of your reserves shows a tendency towards reserve bias to the positive side. You have substantially increased reserves on these properties without drilling wells, incurring capital costs or maintenance expense or experiencing increased production performance but purely through a mathematical change in reserve calculation methodologies. If this method is superior to a pure deterministic approach, why have you not adopted it for all of your reserve calculations? We note that without this increase, your reserve replacement would be less than 2.5% instead of the 8% you reported on pages 8 and 9 of your 2003 10-K report. The fact that you plan in the future to expand your disclosure to include relatively large changes within the categories of "net reserve additions" in FASB 69 does not now assist investors in understanding this large increase reported in March of 2004. Please amend your document to include clarifying disclosure on how this increase came about, why you changed reserve calculation methodologies for only these particular properties and the impact on your reserve replacements if you had not changed methodologies for only this portion of your reserves.

4. Regarding responses number 6 and 7 we are currently considering these responses.

Review of Ongoing Exploration and Production Activities in Key Areas,
page 11

Asia Pacific, page 13

Middle East, page 15

5. You state that Saudi Arabia Texaco, Inc. holds a 60-year concession, originally signed in 1949, to produce onshore crude oil from the PNZ. During 2003 average net production was 133,700 barrels of crude oil per day and 15 million net cubic feet of natural gas per day. What are the estimated gross and net reserves that you have included as proved reserves for this concession and what is the time period these reserves are estimated to be recovered in?

Closing Comments

As appropriate, please amend your filings and respond to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your responses on EDGAR. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding engineering issues to James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions regarding accounting issues and related disclosures to Shannon Buskirk at (202) 942-1826, or in her absence, to Jenifer Gallagher at (202) 942-1923. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. All correspondence should be sent to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

cc: Jim Aleveras, Assistant Controller, via facsimile
James Murphy
Jenifer Gallagher
Shannon Buskirk

December 29, 2004

via facsimile and U.S. mail

Mr. John S. Watson
Vice President, Finance and Chief Financial Officer
ChevronTexaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: ChevronTexaco Corporation
10-K for the fiscal year ended December 31, 2003
10-Q for the quarterly period ended September 30, 2004
File No. 001-00368

Dear Mr. Watson:

We have reviewed the above filings and have the following accounting and engineering comments. Our review has been limited to your financial statements and the related disclosures in Management`s Discussion and Analysis. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

10-K for the fiscal year ended December 31, 2003

Business, page 3

Description of Business and Properties, page 5

Reserves and Contract Obligations, page 8

1. As you have chosen to disclose your reserve replacement ratio, please include the following additional items in your disclosure:

* Describe how the ratio is calculated. We would expect the information used to calculate this ratio to be derived directly from the line items disclosed in the reconciliation of beginning and ending proved reserve quantities, which is required to be disclosed by paragraph 11 of FAS 69.

* Identify the status of the proved reserves that have been added (e.g., proved developed vs. proved undeveloped). It is not appropriate to calculate this ratio using:

o non-proved reserve quantities, or,

o proved reserve additions that include both proved reserve additions attributable to consolidated entities and investments accounted for using the equity method.

* Identify the reasons why proved reserves were added.

o The reconciliation of beginning and ending proved reserves, referred to above, includes several line items that could be identified as potential sources of proved reserve additions. Explain to investors the nature of the reserve additions, and whether or not the historical sources of reserve additions are expected to continue, and the extent to which external factors outside of managements` control impact the amount of reserve additions from that source from period to period.

* Explain the nature of and the extent to which uncertainties still exist with respect to newly discovered reserves, including, but not limited to regulatory approval, changes in oil and gas prices, the availability of additional development capital and the installation of additional infrastructure.

* Indicate the time horizon of when the reserve additions are expected to be produced to provide investors a better understanding of when these reserve additions could ultimately be converted to cash inflows.

* Disclose how management uses this measure.

* Disclose the limitations of this measure.

Management`s Discussion and Analysis of Financial Condition and Results of Operations, page FS-2

Results of Operations, page FS-6

2. We note your discussion provides limited insight into the

underlying reasons for variances and guidance on whether or not the results of operations are indicative of expected results. The objective should be to provide information about the quality and potential variability of earnings and cash flow, so readers can ascertain the likelihood that past performance is indicative of future performance. Revise your consolidated and segment results of operations discussion where appropriate. Please refer to FRC Section 501.12 for further guidance.

Additionally, when you attribute changes in significant items to more than one factor or element, breakdown and quantify the impact of each factor or element. Please refer to FRC Section 501.04 for further guidance.

Guarantees, Off-Balance Sheet Arrangements and Contractual Obligation, and Other Contingencies, page FS-13

Litigation and Other Contingencies, page FS-15

3. Please disclose the amount reserved related to the Unocal litigation, and if additional payments are possible, disclose the range of potential loss. Additionally, please disclose a range of possible loss related to the MTBE litigation.

4. We note your disclosure of environmental reserves as of December 31, 2003 of $1,149 million. However, your additional discussion focuses on the U.S. Superfund sites which accounts for approximately 10% of the total reserve. Please explain to us and disclose what the remaining amount of the reserve relates to. In your discussion, include specific sites, the company`s plan for remediation of those sites and the amounts reserved for each site. Please also include this discussion in the notes to the consolidated financial statements.

Notes to the Consolidated Financial Statements, page FS-28

Note 1 - Summary of Significant Accounting Policies, page FS-28

5. Please describe for us all buy/sell or exchange arrangements for commodities that you continue to report on a gross basis in your Consolidated Statement of Income. Please identify the accounting literature you believe is applicable to those transactions.

Properties, Plant and Equipment, page FS-28

6. Based on the material that you provided on June 14, 2004 in response to prior comment 6, we observed that in accounting for exploratory drilling costs there appear to be instances where your accounting does not correspond precisely to the guidance in SFAS 19.

We understand that the FASB may be considering the need for clarifying or revising the Standard. In the meantime we believe that your disclosures should reflect your interpretation of the literature, contrasted with the explicit requirements set forth in paragraphs 31 and 34. It should be clear where "diversity in practice" arguments are being evoked to support the continued deferral of exploratory drilling costs.

Notwithstanding any future revisions to the Standard that may arise, we believe you should be able to demonstrate currently, in those situations where drilling has been completed for more than one year, that you have been actively and continuously pursuing all activities necessary to classify reserves as proved, and that any extended delay has been entirely beyond your control. For example, we generally would not view conducting environmental or engineering design studies, or searching for partners in development or production, as providing reasonable support for the deferral of exploratory drilling costs beyond one year after drilling is complete. In those cases where justification of continued deferral is tied to your pursuit of permitting, you should be able to demonstrate that you have diligently sought all permits required, and could not have secured the permits in an earlier period, had sufficient effort been made.

Please revise your disclosures to include total suspended drilling costs, as of each balance sheet date, and the amount of such costs that are associated with (i) wells in areas requiring a major capital expenditure before production could begin, where additional drilling efforts are not underway or firmly planned for the near future, and (ii) wells in areas not requiring a major capital expenditure before production could begin, where more than one year has elapsed since the completion of drilling. Such amounts should be further sub-divided based on the alternate criteria that you have applied, to convey information about the uncertainty and risk profile of these cost pools.

Please provide corresponding disclosure explaining why the delay in characterizing reserves as proved reserves was unavoidable, and include the dates that your exploratory drilling efforts were completed. Your disclosures should convey the status of the significant properties or projects involved, including the anticipated timing of when you expect to be able to determine whether or not proved reserves have been found; and indicate the effects that may result if the FASB does not effect clarification or revision of SFAS 19 accommodating your methodology. Finally, please modify your disclosure in MD&A to address the trends in exploration costs, and the extent to which they were impacted by the deferral of exploratory

drilling costs.

7. We also note the information discussed in footnotes 1, 2 and 4 and footnotes 1 and 2 of the Suspended Well Summary on pages 1 and 2, respectively, of the "ChevronTexaco Suspended Well Data at December 31, 2001, 2002 and 2003," which has been submitted in response to prior comment 6. For the properties and wells specified in these footnotes and any other wells and properties meeting similar criteria, please tell us what impact these differences have on your financial statements as of and for the years ended December 31, 2003, 2002 and 2001, as applicable, if such amounts had been accounted for as intended.

Note 12 - Restructuring and Reorganization Costs, page FS-37

8. It is unclear from your disclosure whether the restructuring charges are part of a one time termination, or are part of an ongoing benefit arrangement. Please revise your disclosure to comply with the requirements of SFAS 146, or other literature as applicable. Please also disclose where the liabilities and charges are presented in the financial statements.

Note 18 - Long Term Debt, page FS-42

9. We note the inclusion of 3.5% guarantees due 2007 in the amount $1,993 million in the disclosure of long term debt. Please explain to us and disclose the origin of these obligations, and include a discussion of what the guarantees relate to.

Note 24 - Earnings Per Share, page FS-49

10. We note the inclusion of the effect of the Dynegy preferred stock redemption in earnings per share. Please explain to us why the effects were added to earnings to arrive at net income available to common shareholders. Please address the issue in the context of EITF Topic D-42, or explain to us what applicable literature you used in determining the redemption`s effect on EPS.

Engineering Comments

10-K for the fiscal year ended December 31, 2003

Business, page 3

Review of Ongoing Exploration and Production Activities in Key Areas, page 11

Africa, page 12

Angola, page 13

11. We note your statement that you are the largest oil and gas

producer in Angola. Please reconcile this statement with the fact that in the table on page 6 under Liquids and Natural Gas Production you are not disclosing any gas production in Angola in the years 2002 and 2003. If you are only processing the natural gas that you produce and are then re-injecting or flaring the gas because of lack of market or transportation, we would view your claim to be the largest gas producer in Angola as unverifiable, imprecise, confusing and immaterial. Supplementally, please provide us with future draft disclosure you plan to include concerning this issue.

Response Letter of November 5, 2004

12. Regarding your response number 3 of your letter dated November 5, 2004, supplementally tell us the difference in oil and gas reserves, by major geographic area, between those disclosed for each of the last three years in your last 10-K report and those calculated using actual year end prices for each year. Please confirm to us that in future filings you will only disclose reserves by geographic region and by aggregate that have been calculated using year-end prices as required by FASB 69. We may have further comments.

13. Regarding the first part of your response number 4 concerning the large increase in reserves in the Midway Sunset field only a few months after they were acquired from Monterey Resources, you had not demonstrated proof that the reserves from these acquired properties would increase simply by changing to continuous steam injection as opposed to cyclic steam injection. Although offset properties operated by Texaco may have experienced increased recoveries after continuous steam injection was implemented, this may have been due more too increased drilling and development on these properties and they may not have had the same reservoir geometry as those acquired from Monterey Resources.

Although there is typically a difference in the recovery factor using continuous steam injection compared to cyclic steam injection, with cyclic steam injection producing a lower recovery, the significance of this difference is primarily dependent on reservoir geometry. The fact that the structural dip of most of the Midway Sunset field in general is so pronounced at a near vertical orientation of 60 degrees, cyclic steaming has been shown to be as effective as continuous steam flooding due to the gravity drainage mechanism inherent in the reservoir. In addition, the layering of the reservoir at Midway Sunset may also render the continuous steam flooding process less efficient. Another factor, which you did not

appear to give any weight to, is the presence of a large number of older producers in this field, drilled many years before thermal methods were employed. These wells typically do not hold up to the rigors of the high pressure/temperature conditions under continuous steam injection. These types of wells may have been more common on the acquired properties, resulting in lower recoveries than expected, even after continuous injection was implemented.

In fields with less structural dip, such as at Placerita, which also generally has newer wells in better mechanical condition, continuous steam injection will typically result in higher recovery factors than cyclic steaming. As gravity drainage effects were already inherent in the Midway Sunset field, resulting in relatively high recovery efficiencies even under cyclic steaming, it would appear that the lower recoveries experienced on the acquired properties before injection strategies were changed, may have been due to something other than the steam injection strategy employed, such as the previously mentioned presence of older well bores or of reservoir layering. Therefore, it appears that unless an increase in recovery was actually demonstrated after changing injection strategies on the acquired properties, these incremental reserves based on increased recoveries due to only a change of injection strategies would not meet the definition of proved under Rule 4-10(a) of Regulation S-X.
Pending further explanation, supplementally please tell us how you plan to resolve this issue.

14. Regarding the second part of your response number 4, dated November 5, 2004, it is not clear to us how no single project or field is material to the company`s overall reserves information but disclosure of this information could be detrimental to the company and investors. Companies frequently buy and sell assets but that does not provide immunity from disclosure obligations. Confidentiality agreements with third parties or foreign governments also do not provide immunity from these obligations. Unitized equity interests are usually based primarily on the relative quantities of the field`s oil and gas initially in place in the relevant licenses.
It is customary to not involve recoverable quantities in calculations of tract participation in order to ensure alignment of participant`s interests in the most efficient utilization of the entire field. Therefore, reserves, and thus proved reserves do not influence tract participation so the disclosure of proved reserves by project or property should not really be a detriment in equity matters.

We note the detailed press release issued on October 19, 2004 about your deepwater Gulf of Mexico Tahiti project, where you described production test results and net feet of productive sand intervals

penetrated. This and the issuance of other similar press releases from time to time seem to run counter to your argument that the release of data about individual projects in filings with the SEC is detrimental to the company and investors and that individual properties are not material to the company or to investors.

We note your proposed expanded disclosure concerning development and production trends in the aggregate. We believe that this may be useful information for future expectations of company performance and may be best suited for disclosure as part of MD&A. You state that this is more than sufficient to meet the company`s obligation to disclose material information and note the absence of any rule or regulation affirmatively requiring the disclosure of project-level reserves information. Therefore, we refer you to Description of Property Item 102 of Regulation S-K, which requires the location and general character of principal plants, mines and other materially important physical properties of the registrant and subsidiaries. We view oil and gas reserves to be materially important physical properties of the significant properties owned by companies engaged in oil and gas exploration and production. In Instruction 1 to Item 102, required information for significant properties is that which will reasonably inform investors as to the suitability, adequacy, productive capacity and extent of utilization of the facilities by the registrant.

Instruction 2 states that you should take into account both quantitative and qualitative factors when determining whether properties should be described and provides a cross-reference to Instruction 1 of Item 101 of S-K. We do not believe this implies to only disclose qualitative information for individual properties. We note your statement that each single field or project, except for Tengizchevroil, accounted for less than 5% of the company`s total proved reserves. We also refer you to Staff Accounting Bulletin 99 and FASB Concepts No. 2. Both speak to materiality and conclude that exclusive reliance on certain quantitative benchmarks to assess materiality is inappropriate and materiality should not be judged strictly on falling below a numerical threshold. We note your response number 2 of your February 26, 2004 response letter that states Major changes are reviewed with the Company`s Strategy and Planning Committee, whose members include the chief executive officer and chief financial officer. The company`s annual reserve activity is also presented to and discussed with the board of directors. Other major reserves-related issues are discussed with the board as necessary throughout the year. Also you state the Reserves Advisory Committee conducts in-depth audits during the year of fields that have the largest proved reserves quantities. Obviously, these individual fields with the largest proved reserves are of major significance to the company, if the results of their reserves determinations and changes there of are being discussed with chief officers and the board of directors.

Instruction 3 of Item 102 states that in the case of an extractive enterprise, material information shall be given as to production, reserves, locations, development and the nature of the registrant`s interest. If individual properties are of major significance to an industry segment, even more detailed information concerning these matters shall be furnished, including maps for locations. Although you generally provide production by country and geographic region, the general location or country of major fields or projects and some development information, it is generally not on a property basis as required under Item 102. Item 102 under Description of Property in Regulation S-K obligates you to provide information such as production, reserves and development status for individual properties that are of major significance, such as the properties with the largest proved reserves that are being reviewed at the highest corporate levels of your company.

If there is a property where you are conducting sensitive negotiations and you can sufficiently demonstrate to us the harm that disclosure of the information required by Item 102 would cause, then we may not object if you did not provide all the information for that property while the negotiations are underway. However, just because sensitive negotiations are proceeding on a given property, that does not alleviate the reporting obligations for other significant properties or for those properties undergoing negotiations after negotiations have been completed. Nor do we feel that it is appropriate to disregard your obligations under Item 102 of Regulation S-K for all your significant properties because of the remote chance that you may sell them or enter into negotiations of some sort at some undetermined time in the future with some undetermined party. Please confirm that in future filings, disclosure will be expanded on individual properties or projects of major significance as required in Item 102 Description of Property in Regulation S-K.

Closing Comments

As appropriate, please amend your filings in response to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding accounting issues and related disclosures to Mark A. Wojciechowski, at (202) 942-1928 or, in his absence, to Jenifer Gallagher, at (202) 942-1923. If you have any questions regarding the engineering comments, you may contact James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. Direct all correspondence to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall
Assistant Director

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

February 9, 2005

via facsimile and U.S. mail

Mr. John S. Watson
Vice President, Finance and Chief Financial Officer
ChevronTexaco Corporation
6001 Bollinger Canyon Road
San Ramon, California 94583

Re: ChevronTexaco Corporation
10-K for the fiscal year ended December 31, 2003
10-Q for the quarterly period ended September 30, 2004
File No. 001-00368
Supplemental response dated January 13, 2005

Dear Mr. Watson:

We have reviewed the above filings and supplemental response and have the following additional accounting and engineering comments. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

10-K for the fiscal year ended December 31, 2003

Management`s Discussion and Analysis of Financial Condition and Results of Operations, page FS-2

Results of Operations, page FS-6

1. We note your response to prior comment 2. We continue to believe your discussion surrounding results of operations provides limited

insight into the underlying reasons for variances. For example, under the heading U.S. Exploration and Production on page FS-6, you explain the improvement in 2003 segment income was partially offset by decline in oil-equivalent production of approximately 7%. You proceed to say the decline is due to normal field decline and approximately 2% (or 10,000 to 15,000 barrels) of the decline is due to damages from storms in the Gulf of Mexico. This seems to imply that the remaining 5% reduction is the result of normal production decline. If this is the case, we would expect a discussion of whether these results are typical of expected future results. There are similar disclosures throughout the remaining portion of MD&A that vaguely discuss fluctuations in volumes. As volumes are one of the main contributing factors to fluctuations in revenue, we would expect a more detailed discussion and analysis of the underlying factors causing the fluctuations. If the decreases are the result of normal production declines, further explain to the reader if those results are typical and can be expected to continue in the future. Please see FRC Section 501.12.b.4 for further guidance

Additionally, in the heading U.S. Exploration and Production, you attribute the increase in segment income from 2002 to more than one factor (price and production). FRC Section 501.04 suggests "discussion and quantification of the contribution of two or more factors to such material changes." We believe this implies disclosing the dollar effect or percentage effect each factor has on the material change. In future filings please quantify the impact each factor has on the material change. Please apply the above guidance to the remaining applicable portions of results of operations.

2. We note your inclusion of tables showing the amount of special items impacting segment income during the respective periods. The corresponding discussion appears to restate the amount of the items from the tables, and provides limited insight into the underlying reasons for the items. In future filings please include a discussion of the factors causing the special items to occur and if applicable, the implications or possibility of the items affecting future periods.

3. We note in your discussion of results of operations, you discuss the impact revenues had on income, but there is limited discussion on material trends, events, demands commitments and uncertainties surrounding expenses. Please explain to us what consideration you have given to including such a discussion in results of operations. Please include any applicable literature you used to support your response.

Notes to the Consolidated Financial Statements, page FS-28

Note 1 - Summary of Significant Accounting Policies, page FS-28

Properties, Plant and Equipment, page FS-28

4. Please note we are still considering the information you provided to us in your response to prior comment 6 from our letter dated December 29, 2004.

Engineering Comments

10-K for the fiscal year ended December 31, 2003

Response Letter Dated January 13, 2005

5. Regarding your response number 11 of your letter dated January 13, 2005, how do you know that you are the largest producer in Angola, on an oil-equivalent basis, since there is no gas market and, therefore, no reporting of gas sales or gas production?

6. Regarding your response number 12 of your letter dated January 13, 2005, relying upon proved undeveloped reserve estimates prepared by a target company just prior to acquisition for justification of increasing proved reserves does not appear to be a prudent practice. You have not sufficiently demonstrated to us that the improved recovery from Texaco`s offset leases was only from the implementation of continuous steam injection rather than just increased development. As increased development and conversion to continuous steam injection were both performed at the same time it is problematic to assume that there is reasonable certainty the increased recovery experienced on these offset properties was a result of only converting from cyclic injection to continuous injection. The fact that the acquired properties were later found to be more depleted than originally claimed by the acquired company appears to support the concept that recovery in a highly dipping reservoir is not a function of injection strategy. Therefore, a reserve increase was not warranted based on that change alone without sufficient demonstration it would succeed. So we still are of the belief that the increased proved reserve estimate justified only on a change of injection strategy did not meet the definition of proved reserves as found in Rule 4-10(a) of Regulation S-X. Furthermore, the resolution of the matter would be a restatement of reserves and the affected financials for the periods they were included as proved reserves.

7. We do not feel that your proposed expanded disclosure in

response
number 14 is sufficient to satisfying the requirements of Item 102
of
Regulation S-K and its Instructions 1 through 3 as previously
stated.
Your response again appears to apparently disregard SAB 99 and
FASB
Concepts No. 2 as you continue to relate immateriality and
insignificance with being under a numerical threshold of your
arbitrary choosing. As previously stated, those two releases
disregarded this type of analysis as being the final determinate
of
investor materiality. We do not believe that proved reserves
disclosure for significant individual fields and projects for a
major
oil company are immaterial to investors as you continue to imply.

Over the past year there have been several instances of analysts
publicly requesting that this very information be disclosed by oil
companies in their SEC filings in light of well publicized
overstatements of proved reserves in the recent past by well known
established companies in the industry. Congressional hearings
have
been held to try to get to the bottom of what they described as
these
reserve "debacles". We, therefore, feel that maximum reserve
disclosure and transparency is necessary to the extent of the
current
regulations. If companies in the past were not following all the
regulations as to their disclosure obligations, that is not
sufficient justification to continue to ignore them, especially in
light of recent past events. We would not object to the
disclosure
of annual net production of oil and gas, cumulative gross and net
production of oil and gas to date, estimated gross and net
original
oil and gas in place, and the remaining net proved oil and gas
reserves for approximately the top 20 fields for ChevronTexaco, as
this would probably satisfy the minimum disclosure requirements of
Item 102 for the important physical properties and reserves of
significant properties.

The fact that your 2003 10-K and annual report describe selected
properties and projects such as the Chad-Cameroon project,
Bomboco,
Tahiti, Agbami, Tengiz, Korolev and Karachaganak fields imply that
these projects are material to the company and investors as well
as
their level of reserves, capital expenditures and current and
forecasted production rates. You describe the Petronius, Genesis
and
Typhoon projects in the deepwater Gulf of Mexico as significant
developments and mention that you will be the operator of the
Blind
Faith discovery by way of an agreement with BP. Other fields and
projects specifically called to investor`s attention out of the
many
you have an interest in are the Duri field in Indonesia, the North
West Shelf Project in offshore Western Australia, the Malampaya
natural gas field in the Philippines, the Partitioned Neutral Zone
between Saudia Arabia and Kuwait, the Captain, Britannia, Alba,
and
Erskine fields and Danish Underground Consortium in Europe. These
are all fields which are now significant and material to investors
and, thus, require proved reserves disclosure as well based on

Item
102 of Regulation S-K.

We also find your contention that proved reserves on individual properties are not material to investors and, therefore, it is not important to disclose them to be somewhat disingenuous in light of your past disclosure in your annual reports and press releases on the recoverable reserves in the Tahiti and Agbami fields and your numerous press releases disclosing drilling results on individual fields and properties. Had other companies viewed every field as being immaterial as compared to their overall proved reserves, there may not have been the well justified proved reserve write downs that represented in the aggregate ranges from approximately 8.5% to 43% of those individual company`s total proved reserves.

Although we agree that some field or project level matters, such as operational issues, discussed with senior management and the board of directors do not necessarily equate to information of material importance to investors, we do not agree that the most important assets of these significant properties, their proved reserves, are not material in light of recent past events, the requirements of Item 102 of Regulation S-K and your descriptions of these properties in your SEC filings and press releases. Therefore, we re-issue our past comment.

Closing Comments

As appropriate, please respond to these comments within 10 business days. You may also wish to provide us with marked copies of any amendment to expedite our review. Please furnish a cover letter that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Direct questions regarding accounting issues and related disclosures to Mark A. Wojciechowski, at (202) 942-1928 or, in his absence, to Jenifer Gallagher, at (202) 942-1923. If you have any questions regarding the engineering comments, you may contact James Murphy, Petroleum Engineer, at (202) 942-2939. Direct questions relating to all other disclosure issues to the undersigned at (202) 942-1870. Direct all correspondence to the following ZIP code: 20549-0405.

Sincerely,

H. Roger Schwall

Assistant Director

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Mr. John S. Watson
ChevronTexaco Corporation
February 9, 2005
Page 1

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-0405

DIVISION OF
CORPORATION FINANCE
Mail Stop 0405

June 17, 2005

Mr. Charles A. James, Esq.
Vice President and General Counsel
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583

Re: Chevron Corporation
Registration Statement on Form S-4
Filed May 26, 2005
File No. 333-125283

Dear Mr. James:

We have limited our review of your filing to those issues we have addressed in our comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Form S-4

1. We note your disclosure on your website in the section relating to

your "Worldwide Operations" that "Chevron has an exploratory program in Libya, where it recently signed a license agreement for onshore acreage." Your filing does not disclose any information about your operations in Libya. Please amend your registration statement to include the following information:

* the amount, timing, and nature of your investment in Libya;
* the nature of any ties you may have with the Libyan government; and
* the risk of sanctions or boycotts.

Closing Comments

As appropriate, please amend your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Act of 1933 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company`s disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

Notwithstanding our comments, in the event the company requests acceleration of the effective date of the pending registration statement, it should furnish a letter, at the time of such request, acknowledging that:

? should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;

? the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and

? the company may not assert staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement

has access to all information you provide to the staff of the Division of Corporation Finance in connection with our review of your filing or in response to our comments on your filing.

We will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

If you have any questions, please contact Carmen Moncada-Terry at (202) 551-3687 or, in her absence, Tangela Richter, Branch Chief, at (202) 551-3685 with any other questions.

Sincerely,

Tangela Richter
Branch Chief

cc: T. Kee
C. Moncada-Terry