

30 March 2012

INPEX CORPORATION

**Chevron publishes an open letter to the public on major Brazilian
newspapers about Frade Field
(the tenth report as of 30 March 2012)**

Regarding the two seeps – one in November, 2011 and the second in early March, 2012 - found in the Frade oil field, in Campos Basin, offshore Brazil, Chevron (Operator of the Frade oil field) released an open letter to the public on 29 March 2012 on the major Brazilian newspapers as described below. The summary of the Letter is as follows:

- The employees and management of Chevron Brasil would like to take this opportunity to tell you about the company and clarify the facts about the Frade field. Chevron affiliated companies have been in Brazil since 1915, a history and a relationship that Chevron values greatly. Any incident with the potential to impact the environment is one the company and Chevron's employees take very seriously. Chevron's values place protecting people and the environment as Chevron's highest priority.
- Chevron Brasil's rapid response to the November incident brought the well under control in four days. The company's approved emergency plan was implemented according to the law and industry standards. The well was successfully plugged and abandoned. Chevron's ongoing monitoring indicates that the seeps have been reduced to residual droplets, which Chevron has an ongoing effort to capture with containment devices. The monitoring also shows no impact to marine life. No persons were harmed and there is no technical basis for assuming that there is any risk to human health. As citizens and residents of Brazil, Chevron is also glad that not one drop of oil reached the beaches and that there was no lasting impact or harm to the environment.
- This month, Chevron Brasil also identified a small, new seep in another part of the Frade field. Chevron notified the authorities and immediately placed containment devices on the source. The total volume of this intermittent seep is approximately one barrel of oil. Chevron and its partners temporarily suspended production at the field as a precautionary measure while Chevron conduct a comprehensive technical analysis of the cause of this new seep and

additional studies on the geological structure of the field. Once Chevron and government regulators have fully analyzed the situation and confirmed Chevron's safety measures, Chevron will seek approval to restart production.

- The recently reported criminal charges against Chevron and Chevron's colleagues are unfounded. Chevron is confident that an objective examination of the facts will demonstrate they acted responsibly. Chevron will defend its employees and reputation of the company. At the same time, Chevron continues working cooperatively with Brazilian authorities and its partners to analyze and resolve all Frade-related issues. Experts and resources from Chevron's global operations and Brazil are dedicated to this effort.
- Partnership is also part of Chevron's values. In the aftermath of the November incident and March seep, Chevron has and will continue to work closely with Brazilian authorities, its partners and stakeholders to learn from these events. Chevron is transparently sharing the lessons and information from this incident with the government and scientific community to contribute to the safe and successful development of the energy sector in Brazil.
- Chevron will resolve this incident with the same integrity, trust and partnerships that guide our actions globally. Chevron is committed to supporting Brazil in responsibly developing its energy resources today and in the future. For more information, please go to www.chevron.com.br.

FJPL (Frade Japão Petróleo Limitada, a subsidiary of an equity-method affiliate of INPEX CORPORATION) will, as one of the project partners, properly address the issues in a well-aligned way with Chevron, Operator of the project, and other project partners and Petrobras.

Further updates will be provided on chevron.com as information is confirmed.

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