

2005 Shareholder Resolution at Chevron Texaco Corporation

Oil and Gas Drilling in Protected and Sensitive Areas

WHEREAS, biodiversity is being lost at an alarming rate, and there is a need to preserve the remaining species of plants and animals; and the direct and indirect impact of oil and gas exploration and production can pose significant risks to biodiversity;

WHEREAS, protected and sensitive areas are essential for supporting biodiversity. Development in these areas can have negative impacts on biodiversity. For example, the Department of the Interior estimates that drilling in the coastal plain of the Arctic National Wildlife Refuge will displace or damage up to 40 percent of the Porcupine River Caribou herd, threaten denning areas for polar bears, and disturb ecosystems that support more than 130 species of migratory birds;

WHEREAS, as shareholders, we believe there is a need to study, disclose and report on the possible impact to our company's value from decisions to do business in protected and sensitive areas, including: IUCN Management Categories I-IV and Marine Management Categories I-V; World Heritage Sites; and national parks, monuments, and wildlife refuges.

WHEREAS, preserving sensitive ecosystems will enhance our company's image and reputation with consumers, elected officials, current and potential employees, and investors;

WHEREAS, some of our major competitors have already enacted such a policy,

RESOLVED, shareholders instruct ChevronTexaco to prepare a report, at reasonable cost and omitting proprietary information, on the potential environmental damage that would result from the company drilling for oil and gas in protected areas, including IUCN Management Categories I-IV and Marine Management Categories I-V; World Heritage Sites; and national parks, monuments, and wildlife refuges. The report should examine the possible impacts on our company's value from decisions to do business in these areas. The report should be available to investors by the 2006 annual meeting.

Supporting Statement

We agree with ChevronTexaco when the company states "there has been growing recognition that preservation of biodiversity is not only an environmental issue, but also one with important social and economic implications. The public has become increasingly concerned about the loss of biodiversity in key regions of the world and the role industry has played in that loss."

We welcome ChevronTexaco's interest in biodiversity, and the goal of doing no harm to the environment. ChevronTexaco acknowledges that its understanding of biodiversity conservation concerns has expanded. ChevronTexaco has "identified the opportunity to more systematically manage the issue by better integrating it into our Operational Excellence Management System."

As shareholders we strongly believe, in addition to managing the issue, there is a need to study and disclose the impact on our company's value from decisions to do business in protected areas. This would include studying the implications of a policy of refraining from drilling in protected areas such as IUCN Management Categories I-IV and Marine Management Categories I-V; World Heritage Sites; and national parks, monuments, and wildlife refuges.

Vote YES for this proposal, which will improve our Company's reputation as a leader in environmentally responsible energy recovery.