

CHEVRON CORP
Form S-4/A
June 24, 2005

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As filed with the Securities and Exchange Commission on June 24, 2005

Registration No. 333-125283

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
AMENDMENT NO. 2
TO
FORM S-4
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933
CHEVRON CORPORATION
(Exact name of registrant as specified in its charter)**

**Delaware
(State or other jurisdiction
of incorporation or organization)**

**2911
(Primary Standard Industrial
Classification Code Number)**

**94-0890210
(I.R.S. Employer
Identification Number)**

**6001 Bollinger Canyon Road
San Ramon, CA 94583
(925) 842-1000
(Address, Including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal
Executive Offices)**

**Charles A. James, Esq.
Vice President and General Counsel
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583
(925) 842-1000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)
*Copies to:***

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50 Fremont Street
San Francisco, CA 94105
(415) 983-1000**

**Samuel H. Gillespie III, Esq.
Senior Vice President, Chief Legal
Officer and General Counsel
Unocal Corporation
2141 Rosecrans Avenue, Suite 4000
El Segundo, CA 90245
(310) 726-7600**

**Daniel A. Neff, Esq.
David C. Karp, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
(212) 403-1000**

Approximate Date of Commencement of Proposed Sale to the Public: As soon as practicable after the effectiveness of this registration statement and the effective time of the merger of Unocal Corporation (Unocal) with and into a wholly owned subsidiary of the registrant as described in the Agreement and Plan of Merger dated as of April 4, 2005 (the Merger Agreement).

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration

statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price per Share	Aggregate Offering Price(3)	Amount of Registration Fee
Common stock, par value \$0.75 per share	216,805,247	n/a	\$10,741,669,317	\$1,264,294(4)

(1) This registration statement relates to shares of common stock, par value \$0.75 per share, of Chevron Corporation (Chevron) issuable to holders of common stock, par value \$1.00 per share, of Unocal pursuant to the Merger Agreement.

(2) The maximum number of shares of Chevron common stock issuable in connection with the merger in exchange for shares of Unocal common stock, based on the number of shares of Unocal common stock exchangeable in the merger, equal to the sum of (i) 271,798,190 shares of Unocal common stock outstanding on May 16, 2005 multiplied by an exchange ratio of 0.7725 of a share of Chevron common stock for each share of Unocal common stock and (ii) the sum of up to 6,103,281 Unocal shares issuable on the exercise of options outstanding on May 16, 2005 and up to 200,000 Unocal directors units and dividend equivalents outstanding on May 16, 2005 and to be issued at or prior to the effective time of the merger multiplied by the exchange ratio of 0.7725 plus the number of shares of Chevron common stock equal to such sum multiplied by \$16.25 and divided by the average of the high and low prices of Chevron common stock as reported on the consolidated tape of the New York Stock Exchange on May 20, 2005, which was \$51.95.

(3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c), Rule 457(f)(1) and Rule 457(f)(3) of the Securities Act, based on the market value of the Unocal shares to be exchanged in the merger, as established by the average of the high and low prices of Unocal common stock as reported on the consolidated tape of the New York Stock Exchange on May 20, 2005, which was \$54.88, and the amount of cash to be paid by Chevron in exchange for shares of Unocal common stock (equal to \$16.25 multiplied by 278,101,471, the aggregate number of shares of Unocal common stock set forth above).

(4) Previously paid.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Commission, acting pursuant to said section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. Chevron may not distribute and issue the shares of Chevron common stock being registered pursuant to this registration statement until the registration statement filed with the Securities and Exchange Commission is declared effective. This proxy statement/prospectus is not an offer to sell these securities and Chevron is not soliciting an offer to buy these securities in any state where such offer or sale is not permitted.

SUBJECT TO COMPLETION

[_____], 2005

To Unocal Stockholders:

I am writing to you today about our proposed merger with Chevron Corporation. The board of directors of Unocal Corporation has approved a merger agreement with Chevron, providing for Chevron's acquisition of all of the outstanding shares of our common stock. The combined company will be one of the world's leading global energy providers. In order to complete the merger, the holders of a majority of the outstanding shares of Unocal common stock must approve and adopt the merger agreement.

If the merger is completed, stockholders of Unocal will have the right to elect to receive, for each Unocal share that you own:

a combination of 0.7725 of a share of Chevron common stock and \$16.25 in cash;

1.03 shares of Chevron common stock; or

\$65.00 in cash.

This election is subject to proration to preserve an overall mix of 0.7725 of a share of Chevron common stock and \$16.25 in cash for all of the outstanding shares of Unocal common stock taken together.

Based on the closing price of Chevron's common stock on the New York Stock Exchange on [_____], 2005, the value of the per share consideration to be received by Unocal stockholders who elect to receive only Chevron common stock would be \$[_____], and the value of the mixed election consideration would be approximately [_____] per share.

The implied value of the stock consideration will fluctuate as the market price of the Chevron common stock fluctuates, and, because elections are subject to proration as described above, a Unocal stockholder may receive some Chevron common stock, rather than cash, even though that stockholder makes an all-cash election (and vice versa). Unocal common stock trades on the New York Stock Exchange under the ticker symbol UCL. Chevron common stock trades on the New York Stock Exchange under the ticker symbol CVX. We urge you to obtain current market quotations of Chevron and Unocal common stock. Upon completion of the merger, we estimate that Unocal's former stockholders will own approximately [_____]% of the common stock of Chevron.

You will be asked to vote on the merger at a special meeting of Unocal stockholders to be held on [_____], 2005, at [_____], Pacific Daylight Time, at [_____]. Only stockholders who hold shares of Unocal common stock at the close of business on June 29, 2005, the record date for the special meeting, are entitled to vote at the special meeting. Attached to this letter is an important document containing detailed information about Chevron, Unocal and the proposed merger. We urge you to read this document carefully and in its entirety. **In particular, see Risk Factors beginning on page 19.**

Whether or not you plan to attend the special meeting, please vote as soon as possible so that your shares are represented at the meeting. If you do not vote, it will have the same effect as voting against the merger.

Unocal's board of directors unanimously recommends that stockholders vote FOR the merger and any adjournment of the special meeting. We very much appreciate and look forward to your support.

Sincerely,

Charles R. Williamson
*Chairman of the Board of Directors and
Chief Executive Officer*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this document is accurate or complete. Any representation to the contrary is a criminal offense.

This document is dated [], 2005, and is first being mailed to stockholders of Unocal Corporation on or about [], 2005.

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ADDITIONAL INFORMATION

This document, which is sometimes referred to as this proxy statement/ prospectus, constitutes a proxy statement of Unocal Corporation to Unocal stockholders with respect to the solicitation of proxies for the special meeting described within and a prospectus of Chevron Corporation for the shares of Chevron common stock that Chevron will issue to Unocal stockholders in the merger. As permitted under the rules of the U.S. Securities and Exchange Commission, or the SEC, this proxy statement/ prospectus incorporates important business and financial information about Unocal, Chevron and their affiliates that is contained in documents filed with the SEC and that is not included in or delivered with this proxy statement/ prospectus. From October 9, 2001 until May 9, 2005, Chevron was named, and filed reports with the SEC under the name of, ChevronTexaco Corporation. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as other sources. See

Additional Information for Stockholders Where You Can Find More Information beginning on page 81. You may also obtain copies of these documents, without charge, from Chevron and from Unocal by writing or calling:

Unocal Corporation
Unocal Stockholder Services
2141 Rosecrans Avenue, Suite 4000
El Segundo, CA 90245
(800) 252-2233

Chevron Corporation
Chevron Comptroller's Department
6001 Bollinger Canyon Road A3201
San Ramon, CA 94583-2324
(925) 842-1000

You also may obtain documents incorporated by reference into this document by requesting them in writing or by telephone from MacKenzie Partners, the proxy solicitor for the merger, at the following address and telephone number:

105 Madison Avenue
New York, NY 10016
(800) 322-2885

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference in the documents or this proxy statement/ prospectus.

In order to receive timely delivery of requested documents in advance of the special meeting, you should make your request no later than [], 2005.

In Questions and Answers About the Special Meeting and the Merger and in the Summary below, we highlight selected information from this proxy statement/ prospectus. However, we may not have included all of the information that may be important to you. To better understand the merger agreement and the merger, and for a description of the legal terms governing the merger, you should carefully read this entire proxy statement/ prospectus, including the appendices, as well as the documents that we have incorporated by reference into this document. See Additional Information for Stockholders Where You Can Find More Information beginning on page 81.

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VOTING ELECTRONICALLY OR BY TELEPHONE

In addition to voting by signing, dating and timely returning a completed proxy card provided with this proxy statement/ prospectus, Unocal's stockholders of record may submit their proxies:

through the Internet, by visiting a website established for this purpose at *http://www.proxyvoting.com/ucl* and following the instructions; or

by telephone, by calling the toll-free number (866) 540-5760 in the United States, Puerto Rico or Canada on a touch-tone pad and following the recorded instructions.

Internet and telephone voting facilities will be available 24 hours a day and will close at 11:59 p.m., Eastern Time, on [], 2005. Please have your proxy card in hand when you use the Internet or telephone voting options.

If your shares are held by a broker, bank or other holder of record, please refer to your voting card or other information forwarded by that entity to determine whether you may vote by telephone or electronically on the Internet, following the instructions on the card or other information provided by the record holder.

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**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [], 2005**

To Unocal Stockholders:

We will hold a special meeting of stockholders of Unocal Corporation, a Delaware corporation, on [], 2005, at [], Pacific Daylight Time at [], for the following purposes:

to vote on a proposal to approve and adopt the Agreement and Plan of Merger (referred to as the merger agreement), dated as of April 4, 2005, by and among Unocal, Chevron Corporation (referred to as Chevron) and Blue Merger Sub Inc., a wholly owned subsidiary of Chevron;

to vote upon an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies; and

to transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting.

We have fixed June 29, 2005 as the record date for determining those Unocal stockholders entitled to vote at the special meeting. Accordingly, only stockholders of record at the close of business on that date are entitled to notice of and to vote at the special meeting or any adjournment or postponement of the meeting.

The proposal to approve and adopt the merger agreement is described in more detail in the accompanying proxy statement/prospectus and its appendices. You should read these documents in their entirety before voting.

Your board of directors has unanimously determined that the proposed merger is advisable and in the best interests of Unocal and its stockholders and unanimously recommends that Unocal stockholders vote FOR the proposal to approve and adopt the merger agreement and authorize any adjournment of the special meeting.

Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign, date and return your proxy card or voting instruction card in the enclosed envelope promptly. For many stockholders, you may also vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card.

We urge you to vote as soon as possible so that your shares will be represented. A failure to vote will have the same effect as voting against the approval of the merger agreement.

By Order of the Board of Directors

Bryan J. Pechersky
Corporate Secretary

[], 2005
El Segundo, California

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**QUESTIONS AND ANSWERS ABOUT
THE MERGER AND THE SPECIAL MEETING**

About the Merger

Q: What am I voting on?

A: Chevron is proposing to acquire Unocal. You are being asked to vote to approve and adopt an agreement and plan of merger through which Unocal will merge with and into a wholly owned subsidiary of Chevron, sometimes referred to as Merger Sub. After the merger, Merger Sub will be the surviving entity and a wholly owned subsidiary of Chevron, and Unocal will no longer be a separate company.

Q: What will I receive in exchange for my Unocal shares?

A: You may elect to receive, for each Unocal common share that you own, either:
a combination of 0.7725 of a share of Chevron common stock and \$16.25 in cash,

1.03 shares of Chevron common stock or

\$65 in cash.

Unless you make an all-cash or an all-stock election, you will receive the mixed consideration in the merger. In addition, the all-cash and all-stock elections are subject to proration in order to preserve an overall mix of 0.7725 of a share of Chevron common stock and \$16.25 in cash for all of the outstanding shares of Unocal common stock taken together.

If you are a participant in the Unocal Savings Plan, the Molycorp, Inc. 401(k) Retirement Savings Plan or the Pure Resources 401(k) and Matching Plan (which we collectively refer to in the proxy statement as the Unocal Plans), you will receive instructions from the relevant plan trustee on how to elect to have cash consideration or share consideration allocated to your plan account in exchange for Unocal common stock in your plan account. See Information About the Special Meeting and Voting Voting and Elections by Participants in the Unocal Plans beginning on page 72 for detailed instructions.

Unocal Plan holders may be subject to an election deadline earlier than the general deadline of the date of the Unocal special meeting. Therefore, you should carefully read any materials you receive from your broker or the relevant plan trustee or administrator.

Q: Will I be taxed on the consideration that I receive in exchange for my Unocal shares?

A: The transaction is intended to be tax-free to Unocal stockholders for U.S. federal income tax purposes, except with respect to any cash received. See The Merger Material Federal Income Tax Consequences of the Merger beginning on page 34 of this proxy statement/prospectus.

Q: What is the required vote to approve and adopt the merger agreement and the merger?

A: The holders of a majority of the outstanding shares of Unocal common stock as of June 29, the record date for the special meeting, must vote to approve and adopt the merger agreement in order for the merger to be completed. Abstentions from voting and broker non-votes are not considered affirmative votes and therefore will have the same practical effect as a vote against the merger.

No vote of the stockholders of Chevron is required to complete the merger.

Q: What does the Unocal board of directors recommend?

A: The board of directors of Unocal unanimously recommends that Unocal's stockholders vote in favor of the merger and any adjournment of the special meeting.

Q: Do I have dissenters' or appraisal rights with respect to the merger?

A: Yes. Under Delaware law, you have the right to dissent from the merger and, in lieu of receiving the merger consideration, obtain payment in cash of the fair value of your shares of Unocal common stock as determined by the Delaware Chancery Court. To exercise appraisal rights, you must strictly follow the procedures prescribed by Delaware law. These procedures are summarized under "The Merger Appraisal Rights" beginning on page 37 of this proxy statement/prospectus. In addition, the text of the applicable provisions of Delaware law is included as Annex C to this proxy statement/prospectus.

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Q: May I submit a form of election if I vote against the merger?

A: Yes. You may submit a form of election even if you vote against adopting the merger agreement. However, if you submit a properly executed election form, you will thereby withdraw any previously filed written demand for appraisal and will not be entitled to appraisal rights. See *The Merger Appraisal Rights* beginning on page 37 of this proxy statement/prospectus.

Q: When do you expect the merger to occur?

A: We expect to complete the merger promptly after Unocal stockholders approve and adopt the merger agreement and the merger at the special meeting and after the satisfaction or waiver of all other conditions to the merger. We currently expect this to occur sometime this year.

About the Special Meeting

Q: When and where is the Unocal special stockholder meeting?

A: The Unocal special stockholder meeting will take place on [], 2005, at [], Pacific Daylight Time, and will be held at [].

Q: Who is entitled to vote at the special meeting?

Holders of record of Unocal common stock at the close of business on June 29, 2005, which is the date Unocal's board of directors has fixed as the record date for the special meeting, are entitled to vote at the special meeting.

Q: What do I need to do now?

A: Please mail your signed proxy card in the enclosed return envelope or vote by telephone or the Internet, as soon as possible, so your shares will be represented at the special meeting. In order to be sure that your vote is counted, please submit your proxy as instructed on your proxy card even if you plan to attend the special meeting in person. If your shares are held in street name, you should follow the directions your broker or bank provides in order to ensure your shares are voted at the special meeting.

Your proxy card will instruct the persons named on the proxy card to vote your shares at the special meeting as you direct. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted FOR the approval and adoption of the merger agreement and the merger and any adjournment of the special meeting.

Q: May I change my vote after I have mailed my signed proxy card?

A: Yes. You may change your vote at any time before your proxy is voted at the special meeting. If your shares of Unocal common stock are registered in your own name, you can do this in one of three ways. First, you can deliver to Unocal prior to the special meeting a written notice stating that you want to revoke your proxy. The notice should be sent to the attention of the Corporate Secretary, 2141 Rosecrans Avenue, Suite 4000, El Segundo, CA 90245, to arrive by the close of business on [], 2005.

Second, you can complete and deliver prior to the special meeting a new proxy card. The proxy card should be sent to the addressee indicated on the pre-addressed envelope enclosed with your initial proxy card to arrive by the close of business on [], 2005. The latest dated and signed proxy actually received by this addressee before the special meeting will be counted, and any earlier proxies will be considered revoked.

If you vote your proxy electronically through the Internet or by telephone, you can change your vote by submitting a different vote through the Internet or by telephone, in which case your later-submitted proxy will be recorded and your earlier proxy revoked.

Third, you can attend the Unocal special meeting and vote in person. Simply attending the meeting, however, will not revoke your proxy, as you must vote at the special meeting in order to revoke a prior proxy. If you are a street-name stockholder and you vote by proxy, you may later revoke your proxy

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instructions by informing the holder of record in accordance with that entity's procedures.

Q: If I beneficially own Unocal shares held pursuant to a Unocal Plan, will I be able to vote on adoption of the merger agreement?

A: Yes. If you are a participant in a Unocal Plan, please submit the voting form you receive from the plan administrator or trustee to indicate to the relevant plan administrator or trustee how you want the Unocal common stock allocated to your plan account to be voted.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If you do not provide your broker with instructions on how to vote your street name shares, your broker will not be permitted to vote them on the merger. Therefore, you should be sure to provide your broker with instructions on how to vote your shares. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

Q: Why is it important for me to vote?

A: We cannot complete the merger without Unocal stockholders voting in favor of the merger.

Q: What if I don't vote?

A: If you do not give voting instructions to your broker or you do not vote, you will, in effect, be voting against the merger.

Q: Should I send in my stock certificates with my proxy card?

A: No. Please **do not** send your stock certificates with your proxy card. Prior to the election deadline described in this proxy statement/prospectus, you should send your Unocal common stock certificates to the exchange agent, together with a completed, signed election form being provided to you with this document, or, if your shares are held in street name, according to your broker's instructions.

About Electing the Merger Consideration

Q: How do I elect the type of the merger consideration that I prefer to receive?

A: Each Unocal stockholder is being sent an election form and transmittal materials. You must properly complete and deliver to the exchange agent the election materials, together with your stock certificates (or a properly completed notice of guaranteed delivery). A return envelope will be enclosed for submitting the election form and certificates to the exchange agent. This is different from the envelope that you will use to return your completed proxy card.

Please do not send your stock certificates or form of election with your proxy card.

Election forms and stock certificates (or a properly completed notice of guaranteed delivery) must be received by the exchange agent by the election deadline, which is 5:00 p.m., Eastern time, on [], 2005.

If your shares are held in a brokerage or other custodial account, you should receive instructions from the entity where your shares are held advising you of the procedures for making your election and delivering your shares. If you do not receive these instructions, you should contact the entity where your shares are held.

If you do not properly submit your election form with your stock certificates, then, promptly after the closing date of the merger, the exchange agent will mail to you a letter of transmittal and instructions for surrendering stock certificates for use in exchanging your stock certificates for the mixed merger consideration.

In the event the merger agreement is terminated, any Unocal stock certificates that you previously sent to the exchange agent will be promptly returned to you without charge.

Q: Can I make one election for some of my shares and another election for the rest?

A: Yes. The election form permits you to specify, among the shares you are submitting, how many you are allocating to
a mixed election,
an all-stock election,

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an all-cash election or

no election.

Q: What if I do not make an election?

A: If you do not submit a properly completed and signed election form to the exchange agent by the election deadline (or if you submit a properly completed election form indicating no election, together with the certificates representing all of your shares), then you will be deemed to have made the mixed election and would therefore receive \$16.25 in cash and 0.7725 of a share of Chevron common stock in exchange for each of your shares of Unocal common stock.

Q: Can I change my election after I submit an election form?

A: Yes. You may revoke your election of merger consideration with respect to all or a portion of your shares of Unocal common stock by delivering written notice of your revocation to the exchange agent prior to the election deadline. If you instructed a broker to submit an election for your shares, you must follow your broker's directions for changing those instructions. In addition, any election of merger consideration you make will automatically be revoked if the merger agreement is terminated.

If an election is properly revoked with respect to shares of Unocal common stock represented by stock certificates, the certificates representing such shares will be promptly returned to the holder who submitted them to the exchange agent.

You will not be entitled to revoke or change your election following the election deadline. As a result, if you make an election, then you will be unable to revoke your election or sell your shares of Unocal common stock during the interval between the election deadline and the date of completion of the merger.

How to Get More Information

Q: Where can I find more information about Unocal and Chevron?

A: You can find more information about Unocal and Chevron from various sources described under the heading Additional Information for Stockholders Where You Can Find More Information beginning on page 81 of this proxy statement/prospectus.

Q: Who do I call if I have questions about the meeting or the merger?

A: If you have any questions about the merger or if you need additional copies of this proxy statement/ prospectus or the enclosed proxy card, you should contact:

105 Madison Avenue
New York, NY 10016
(800) 322-2885

If you need an additional election form, you should contact the exchange agent:

Mellon Investor Services
85 Challenger Road
Ridgefield Park, NJ 07660
(866) 865-6324

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SUMMARY

This summary highlights selected information from this proxy statement/ prospectus and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should carefully read this document and the documents to which we have referred you, including the merger agreement attached as Annex A to this proxy statement/ prospectus. See **Additional Information for Stockholders** **Where You Can Find More Information** on page 81.

Who We Are

Chevron Corporation

6001 Bollinger Canyon Road

San Ramon, CA 94583

(925) 842-1000

Chevron Corporation (formerly ChevronTexaco Corporation), a Delaware corporation, manages its investments in subsidiaries and affiliates and provides administrative, financial and management support to U.S. and foreign subsidiaries that engage in fully integrated petroleum operations, chemicals operations, coal mining, power and energy services. Chevron conducts business activities in the United States and approximately 180 other countries. Petroleum operations consist of exploring for, developing and producing crude oil and natural gas; refining crude oil into finished petroleum products; marketing crude oil, natural gas and the many products derived from petroleum; and transporting crude oil, natural gas and petroleum products by pipeline, marine vessel, motor equipment and rail car.

Unocal Corporation

2141 Rosecrans Avenue, Suite 4000

El Segundo, CA 90245

(310) 726-7600

Unocal Corporation was incorporated in Delaware in 1983 to operate as the parent entity of Union Oil Company of California, which was incorporated in California in 1890. Virtually all of Unocal's operations are conducted by Union Oil and its subsidiaries.

Unocal is one of the world's leading independent oil and gas exploration and production companies, with principal operations in North America and Asia. Unocal is also a leading producer of geothermal energy and a provider of electrical power in Asia. Unocal's other activities include ownership in proprietary and common carrier pipelines, natural gas storage facilities and the marketing of hydrocarbon commodities.

Unocal's Reasons for the Merger and Unocal Board's Recommendation to Unocal Stockholders (page 31)

The Unocal board has determined that the merger is advisable and in your best interests and unanimously recommends that you vote **FOR** the approval and adoption of the merger agreement and any adjournment of the special meeting.

You should refer to the factors considered by the Unocal board of directors in making its decision to approve the merger agreement and recommend its approval and adoption to the Unocal stockholders.

Opinion of Unocal's Financial Advisor (page 42)

In deciding to approve the merger, Unocal received an opinion from Morgan Stanley & Co. Incorporated, dated April 4, 2005, as to the fairness to the holders of Unocal common stock of the consideration to be received in the merger from a financial point of view. This opinion is attached as Annex B. You may read this opinion for a discussion of the assumptions made, matters considered and limitations on the review by Morgan Stanley in rendering its opinion. This opinion does not constitute a recommendation to any stockholder as to how he or she should vote on the merger or as to the form of consideration that a stockholder should elect.

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Chevron's Reasons for the Merger (page 33)

Chevron believes that Unocal's assets complement Chevron's existing upstream portfolio. The merger is consistent with Chevron's long-term strategies to grow profitably in core upstream areas, build new legacy positions and commercialize the company's large undeveloped natural gas resource base.

These anticipated benefits depend on several factors, including the ability to obtain the necessary approvals for the merger, and on other uncertainties described beginning on page 19.

What Unocal Stockholders Will Receive in the Merger (page 55)

Unocal stockholders may elect to receive, for each Unocal common share:

a combination of 0.7725 of a share of Chevron common stock and \$16.25 in cash (which we refer to as the mixed consideration);

1.03 shares of Chevron common stock; or

\$65 in cash.

Unless you make an all-cash or an all-stock election, you will receive the mixed consideration in the merger.

The all-stock and all-cash elections are subject to proration in order to preserve an overall mix of 0.7725 of a share of Chevron common stock and \$16.25 in cash for all of the outstanding shares of Unocal common stock taken together. **This means that, even if you make the all-stock or all-cash election, you may receive a prorated amount of cash and Chevron common stock.** The formula that will be used to determine the actual amount of proration is described beginning on page 56.

Fractional Shares

You will not be entitled to receive any fractional shares of Chevron common stock. Instead, you will be entitled to receive cash, without interest, for any fractional share of Chevron common stock you might otherwise have been entitled to receive, based on a portion of the proceeds from the sale of all fractional shares in the market.

Stock Exchange Listing

The shares of Chevron common stock are listed on the New York Stock Exchange under the ticker symbol CVX.

Material Federal Income Tax Consequences of the Merger (page 34)

The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to in this document as the Code. It is a condition to the closing of the merger that Unocal and Chevron receive opinions from their respective tax counsel, dated as of the closing date of the merger, to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

Assuming the merger qualifies as a reorganization, in general:

If you receive a combination of Chevron common stock and cash in exchange for your Unocal common stock and your tax basis in your Unocal common stock is less than the sum of the cash and the fair market value, as of the closing date of the merger, of the Chevron common stock received, you generally will recognize gain equal to the lesser of (1) the sum of the cash and the fair market value of the Chevron common stock you receive, minus the tax basis of your Unocal common stock surrendered and (2) the amount of cash you receive in the merger.

However, if your tax basis in the Unocal common stock surrendered in the merger is greater than the sum of the

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cash and the fair market value of the Chevron common stock you receive, your loss will not be currently allowed or recognized for federal income tax purposes.

If you receive solely Chevron common stock in exchange for Unocal common stock, then you generally will not recognize any gain or loss, except with respect to cash you receive in lieu of fractional shares of Chevron common stock.

If you receive solely cash in exchange for your Unocal common stock, then you generally will recognize gain or loss equal to the difference between the amount of cash you receive and the tax basis in your shares of Unocal common stock.

You should read *The Merger – Material Federal Income Tax Consequences of the Merger* beginning on page 34 for a more complete discussion of the United States federal income tax consequences of the merger. We urge you to consult with your tax advisor for a full understanding of the tax consequences of the merger to you.

Ownership of Chevron After the Merger

Chevron will issue approximately [] million shares of Chevron common stock to Unocal stockholders in the merger. The shares of Chevron common stock to be issued to Unocal stockholders in the merger will represent approximately []% of the outstanding Chevron common stock after the merger. This information is based on the number of Chevron and Unocal shares outstanding on [], 2005 and does not take into account stock options or other equity-based awards or any other shares that may be issued before the merger as allowed by the merger agreement.

Unocal Stockholder Vote Required to Approve the Merger (page 69)

Approval and adoption of the merger agreement requires the affirmative vote of a majority of the shares of Unocal common stock outstanding as of the close of business on June 29, 2005, the record date for the special meeting of Unocal stockholders. As of the record date, Unocal's directors, executive officers and their affiliates beneficially owned in the aggregate []% of Unocal's outstanding common stock entitled to vote at the Unocal special meeting.

Appraisal Rights (page 37)

You have the right to dissent from the merger and obtain, in lieu of the merger consideration, a payment in cash of the fair value of your Unocal shares, as determined by the Delaware Chancery Court. To exercise appraisal rights, you must strictly follow the procedures prescribed by Delaware law. If you want to exercise appraisal rights, you should not submit a form of election, which will be considered a withdrawal of any previously filed written demand for appraisal.

The Interests of Certain Unocal Officers and Directors in the Merger May Differ from Your Interests (page 51)

When you consider the Unocal board's recommendation that Unocal stockholders vote in favor of the merger and any adjournment of the special meeting, you should be aware that some Unocal officers and directors may have interests in the merger that may be different from, or in addition to, the interests of Unocal stockholders generally. The Unocal board of directors was aware of these interests and considered them in approving the merger agreement and the merger.

Accounting Treatment (page 34)

The combination of the two companies will be accounted for as an acquisition of Unocal by Chevron using the purchase method of accounting.

The purchase price (reflecting the cash consideration and the weighted average price of Chevron's common stock two days before, two days after and on the day of the announcement of Monday, April 4,

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2005) will be allocated to Unocal's identifiable assets and liabilities based on their respective estimated fair values at the closing date of the acquisition, and any excess of the purchase price over those fair values will be accounted for as goodwill.

The valuation of Unocal's assets and liabilities and the finalization of plans for restructuring after the closing of the merger have not yet been completed. The allocation of the purchase price reflected in this proxy statement/ prospectus may be revised as additional information becomes available.

Completion of the Merger Is Subject to Certain Conditions (page 66)

The completion of the merger depends upon meeting a number of conditions, including the following:

approval of the merger agreement and the merger by Unocal stockholders;

expiration or termination of the relevant waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (HSR Act);

absence of any legal prohibition on completion of the merger;

the registration statement of which this proxy statement/ prospectus is a part having been declared effective by the Securities and Exchange Commission;

approval for listing on the New York Stock Exchange of the shares of Chevron common stock to be issued in the merger;

absence of any condition to approval of the merger by the Federal Trade Commission (FTC) or Department of Justice that would result in or be reasonably likely to result in a substantial detriment (as defined in this proxy statement/ prospectus);

absence of any proceeding seeking to limit Chevron's ownership of Unocal or to compel divestiture of assets if any such matter would result in or be reasonably likely to result in a substantial detriment ;

absence of any statute, rule, or order applicable to the merger that would result in or be reasonably likely to result in a substantial detriment ;

receipt of all material regulatory approvals for the merger on terms that are not reasonably likely to result in a substantial detriment ;

performance by the other party in all material respects of its obligations under the merger agreement;

accuracy as of the closing of the merger of the representations and warranties made by the other party;

receipt by Chevron and Unocal of opinions of their respective tax counsel to the effect that the merger will qualify as a reorganization under the Code; and

absence of a material adverse effect on the other party during the period from April 4, 2005 until the closing of the merger.

We Have Not Yet Obtained All Regulatory Approvals (page 36)

Pursuant to the HSR Act, the merger cannot be completed until after all applicable waiting periods have expired or been terminated. On April 19, 2005, Chevron and Unocal filed the applicable notifications with the FTC and the Antitrust Division of the U.S. Department of Justice. On May 19, 2005, the FTC issued a Request for Additional Information and Documentary Material to Chevron and Unocal, thereby extending the waiting period. Chevron and Unocal entered into separate consent agreements with the FTC to address antitrust issues associated with the proposed

transaction and to resolve pending litigation between Unocal and the FTC concerning Unocal's patents for reformulated gasoline. On June 10, 2005,

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the FTC accepted the consents for public comment and granted early termination of the HSR Act waiting period.

The merger is also subject to regulatory review in jurisdictions other than the U.S.

Chevron and Unocal are working to obtain the required regulatory approvals and consents. However, although we expect to receive the remaining required regulatory approvals, we can give no assurance as to when or whether these approvals and consents will be obtained or the terms and conditions that may be imposed.

As described beginning on page 66, Chevron and Unocal are not required to close the merger unless the regulatory conditions to completion of the merger are satisfied.

The Merger Agreement May Be Terminated (page 67)

Either Chevron or Unocal can terminate the merger agreement if any of the following occurs:

the merger is not completed by December 31, 2005 (or August 31, 2006, if the reason for not closing by December 31, 2005 is that the regulatory conditions specified in the merger agreement have not been satisfied);

the approval of Unocal stockholders has not been obtained by reason of the failure to obtain the required vote at the Unocal special meeting or any adjournment of the special meeting;

a law or court order permanently prohibits the merger; or

a breach by the other party of any of its representations, warranties, covenants or obligations in the merger agreement if that breach would result in the failure to satisfy the closing condition relating to the representations, warranties and covenants and the breach is not cured.

In addition, Chevron can terminate the merger agreement if the Unocal board changes its recommendation of the merger to its stockholders in a manner adverse to Chevron or if Unocal fails to comply with its obligations to hold the special meeting or materially (and to the material detriment of Chevron) breaches its obligations under the merger agreement with respect to non-solicitation of other acquisition proposals.

Neither party can terminate the merger agreement for the reasons described in the first bullet point above if the merger has not closed because of that party's failure to fulfill any obligation under the merger agreement.

Finally, Chevron and Unocal can mutually agree to terminate the merger agreement even if the merger has been approved by Unocal's stockholders.

Fees May Be Payable on Termination (page 67)

Unocal must pay Chevron a termination fee of \$250 million in cash if:

Chevron terminates the agreement because the Unocal board fails to recommend the merger to its stockholders, because the Unocal board otherwise changes or proposes publicly to change, in any manner adverse to Chevron, its recommendation of the merger to stockholders, because Unocal fails to comply with its obligations to hold the special meeting or because Unocal has materially (and to the material detriment of Chevron) breached its obligation to refrain from soliciting other acquisition proposals;

either Chevron or Unocal terminates the merger agreement because Unocal's stockholders do not approve the merger and, prior to the Unocal stockholders' meeting, a proposal by a third party for an alternative transaction was made known to Unocal (including any of its agents or representatives) and communicated publicly or to any substantial number of Unocal stockholders or was made directly to Unocal's stockholders or any person publicly announced an intention (whether or not conditional) to make an alternative acquisition proposal; or

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a proposal by a third party for an alternative transaction is made known to Unocal (including any of its agents or representatives) and communicated publicly or to any substantial number of Unocal stockholders or is made directly to Unocal's stockholders by any person, or any person publicly announces an intention (whether or not conditional) to make an alternative acquisition proposal, and after any such event the merger agreement is terminated by either Chevron or Unocal because the merger is not completed by the end date, so long as the Unocal stockholder approval has not been obtained.

Unocal must pay Chevron an additional termination fee of \$250 million in cash if the merger agreement's termination gave rise to the initial \$250 million termination fee and an alternative transaction is consummated, or Unocal enters into a definitive agreement providing for any alternative transaction, in each case within 12 months after the termination of the merger agreement.

Market Price Information (page 17)

Both Chevron and Unocal common stock trade on the New York Stock Exchange. On April 1, 2005, the last trading day before the public announcement of the merger, Chevron common stock closed at \$59.31 per share and Unocal common stock closed at \$64.35 per share. Based on these closing prices, the value of the per share consideration to be received by Unocal stockholders who elect to receive only Chevron common stock would be approximately \$61, and the value of the mixed election consideration would be approximately \$62 per share.

On [], 2005, the most recent practicable date prior to the date of this proxy statement/prospectus, Chevron common stock closed at \$[] per share and Unocal common stock closed at \$[] per share. Based on the closing price of Chevron's common stock on the New York Stock Exchange on [], 2005, the value of the per share consideration to be received by Unocal stockholders who elect to receive only Chevron common stock would be \$[], and the value of the mixed election consideration would be approximately \$[] per share. We urge you to obtain current market quotations.

Table of Contents**Selected Historical Financial Data of Chevron (formerly ChevronTexaco)**

We are providing the following information to aid you in your analysis of the financial aspects of the merger. The selected historical financial data in the table below for the three-month periods ended March 31, 2005 and 2004, were derived from Chevron's unaudited consolidated financial statements. The data for the five years ended December 31, 2004, were derived from Chevron's audited consolidated financial statements. This information is only a summary. You should read it together with Chevron's historical financial statements and related notes contained in the annual reports and other information Chevron has filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Additional Information for Stockholders - Where You Can Find More Information" on page 81.

	Three Months Ended March 31,		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001	2000
(millions of dollars, except per-share amounts)							
Sales and other operating revenue(1)(2)	\$ 40,441	\$ 33,063	\$ 150,865	\$ 119,575	\$ 98,340	\$ 103,951	\$ 116,619
Income from continuing operations	2,677	2,551	13,034	7,382	1,102	3,875	7,638
Income from continuing operations per common share(3)							
Basic	1.28	1.21	6.16	3.55	0.52	1.82	3.58
Diluted	1.28	1.20	6.14	3.55	0.52	1.82	3.57
Cash dividends per common share(3)	0.40	0.36	1.53	1.43	1.40	1.33	1.30
Total assets	95,803	85,107	93,208	81,470	77,359	77,572	77,621
Long-term debt and capital lease obligations	10,422	10,880	10,456	10,894	10,911	8,989	12,821
(1) Includes consumer excise taxes	2,116	1,857	7,968	7,095	7,006	6,546	6,601
(2) Includes amounts for buy/sell contracts	5,290	4,256	18,650	14,246	7,963	N/A(4)	N/A(4)
(3) All periods reflect a two-for-one stock split effected as a 100 percent stock dividend in September 2004.							
(4) Information for this period not readily available.							

Table of Contents**Selected Historical Financial Data of Unocal**

The selected historical financial data in the table below for the three-month periods ended March 31, 2005 and 2004, were derived from Unocal's unaudited consolidated financial statements. The data for the five years ended December 31, 2004, were derived from Unocal's audited consolidated financial statements, as supplemented by Unocal to reflect the reclassification of the business of its former consolidated subsidiary, 76 Seadrift Coke, LLC, as a discontinued operation. This information is only a summary. You should read it together with Unocal's historical financial statements and related notes contained in the annual reports and other information Unocal has filed with the SEC and incorporated by reference into this proxy statement/prospectus, including the Current Report on Form 8-K filed by Unocal on May 26, 2005, relating to the above-mentioned reclassification relating to 76 Seadrift Coke, LLC. See "Additional Information for Stockholders - Where You Can Find More Information" on page 81.

	Three Months Ended March 31		Year Ended December 31				
	2005	2004	2004	2003	2002	2001	2000
(millions of dollars, except per-share amounts)							
Sales and other operating revenue(1)	\$ 2,157	\$ 1,821	\$ 7,921	\$ 6,357	\$ 5,200	\$ 6,682	\$ 8,953
Income from continuing operations	449	267	1,146	699	323	591	722
Income from continuing operations per common share							
Basic	1.66	1.02	4.36	2.70	1.31	2.42	2.97
Diluted	1.64	0.99	4.25	2.66	1.31	2.40	2.93
Cash dividends per common share	0.20	0.20	0.80	0.80	0.80	0.80	0.80
Total assets	13,690	12,136	13,101	11,798	10,846	10,491	10,066
Long-term debt and capital lease obligations	2,302	3,199	2,571	2,635	3,002	2,897	2,392
Company-obligated mandatorily redeemable convertible preferred securities of a subsidiary trust holding solely-parent debentures				522	522	522	522
(1) Includes amounts for buy/sell contracts	163	252	965	820	604	601	533

Table of Contents**Comparative Historical and Pro Forma Per Share Data**

Set forth below are the Chevron and Unocal historical and pro forma amounts per share of common stock for income from continuing operations, cash dividends and book value. The exchange ratio for the pro forma computations is 0.7725 of a share of Chevron common stock for each share of Unocal common stock. The basic consideration for the transaction is 0.7725 of a share of Chevron common stock and \$16.25 in cash for each share of Unocal common stock outstanding immediately prior to completion of the merger.

You should read the information below together with the historical financial statements and related notes contained in the Chevron and Unocal Annual Reports on Form 10-K for the year ended December 31, 2004, and other information filed with the SEC and incorporated by reference. See *Additional Information for Stockholders Where You Can Find More Information* on page 81.

The unaudited pro forma combined data below is for illustrative purposes only. The pro forma adjustments for the balance sheet are based on the assumption that the transaction was consummated on March 31, 2005. The pro forma adjustments for the income statements are based on the assumption that the transaction was consummated on January 1, 2004.

The financial results may have been different had the companies always been combined. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been combined or of the future results of the combined company. See *Notes Concerning the Preliminary Estimate of the Deemed Purchase Price for Unocal* on the following page for a discussion of the pro forma financial data used in the comparative per-share amounts in the table below.

		Three Months Ended March 31, 2005	Year Ended December 31, 2004
Chevron historical(1)			
Income from continuing operations	basic	\$ 1.28	\$ 6.16
Income from continuing operations	diluted	1.28	6.14
Cash dividends		0.40	1.53
Book value at end of period		22.21	21.47
Chevron pro forma combined(1)			
Income from continuing operations	basic	1.34	6.06
Income from continuing operations	diluted	1.34	6.02
Cash dividends(2)		0.40	1.53
Book value at end of period		25.47	N/A(3)
Unocal historical			
Income from continuing operations	basic	1.66	4.36
Income from continuing operations	diluted	1.64	4.25
Cash dividends		0.20	0.80
Book value at end of period		21.64	19.82
Unocal pro forma (equivalent)(4)			
Income from continuing operations	basic	1.04	4.68
Income from continuing operations	diluted	1.03	4.65
Cash dividends		0.31	1.18
Book value at end of period		19.67	N/A(3)

(1) Both periods reflect a two-for-one stock split effected as a 100 percent stock dividend in September 2004.

(2) Same as Chevron historical since no change in dividend policy is expected as a result of the merger. In April 2005, Chevron increased its quarterly dividend to \$0.45 per share.

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- (3) Book value is presented on a pro forma basis only for the most recent balance sheet date, March 31, 2005.
- (4) Derived using per-share amounts for Chevron pro forma combined times the exchange ratio of 0.7725 Chevron common shares for each Unocal common share. This computation does not include the benefit to the Unocal stockholder of the cash component of the transaction.

Notes Concerning the Preliminary Estimate of the Deemed Purchase Price for Unocal

The preliminary estimate of the deemed purchase price for Unocal is \$16.65 billion, composed of the following:

	(Millions of dollars)	
Cash (25 percent of 271,654,896 Unocal shares times \$65.00 per share)	\$	4,414
Chevron stock 209,853,407 shares times \$57.40 per share (Weighted-average price of Chevron stock for a five-day period beginning two days before the date of announcement)		12,046
Unocal stock options estimated fair value that will fully vest at the date of close		168
Transaction costs estimated direct fees		22
 Total	 \$	 16,650

This estimated purchase price does not represent a significant acquisition for Chevron under the significance tests of the SEC for business combinations. That is, each of the following tests computes to a measure less than 20 percent:

Purchase price as a percentage of total assets of Chevron at December 31, 2004.

Unocal assets as a percentage of Chevron assets at December 31, 2004.

Unocal before-tax income from continuing operations for the year ending December 31, 2004, as a percentage of Chevron before-tax income from continuing operations for the same period.

The pro forma per-share data on the previous page was based on a preliminary allocation of the \$16.65 billion purchase price to the estimated fair values of the Unocal assets and liabilities at March 31, 2005. An independent appraisal firm was engaged to provide estimates of the fair values of tangible and intangible assets. These and other preliminary estimates will change as additional information becomes available and is assessed by Chevron and the valuation firm.

The \$16.65 billion purchase price was allocated as follows:

	(Millions of dollars)	
Carryover basis of Unocal net assets	\$	5,878
Net increase in assets to estimated fair value:		
Upstream Proved properties	3,938	
Upstream Unproved properties	5,888	
Midstream and other assets	1,459	11,285
Net increase in liabilities to fair value, including \$4,221 million of deferred income taxes		(4,825)
Goodwill		4,312
 Total	 \$	 16,650

Chevron deems the \$4.3 billion of goodwill to represent benefits of the acquisition that are additional to the fair values of the individual assets and liabilities acquired. Chevron believes the going-concern element of the Unocal businesses presents the opportunity to earn a higher rate of return on the assembled collection of net assets than would be expected if those assets were acquired separately. These benefits include growth opportunities in upstream Asia-Pacific, Gulf of Mexico and Caspian regions, some of which

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contain Unocal operations that are complementary to those of Chevron. Chevron also expects to achieve cost savings through the elimination of duplicate activities, high-grading of the asset portfolio and sharing of best practices in the operations of each company.

Not included in the initial purchase price allocation was an expected liability for the combined company's restructuring activities following the date of close, including severance costs associated with a workforce reduction for redundant operations. As plans for these restructuring activities become finalized, the associated liability will be among the final adjustments to the purchase price allocation.

The effects of the purchase accounting estimates discussed above on the pro forma income from continuing operations and reflected in the per-share amounts on page 13 were not significant. The largest of the pro forma adjustments related to depreciation, depletion and amortization expense for the increase in properties to their fair values. These net pro forma adjustments were approximately 1% of the historical amounts for the combined Unocal and Chevron income from continuing operations for both the year ended December 31, 2004, and the three months ended March 31, 2005.

Table of Contents**Comparative Market Value of Securities**

The following table sets forth the closing price per share of Chevron common stock and the closing price per share of Unocal common stock on April 1, 2005 (the last business day preceding the public announcement of the merger) and June 23, 2005 (the most recent practicable trading date). The table also presents the equivalent market value per share of Unocal common stock:

for a mixed election, by multiplying the closing price per share of Chevron common stock on each of the two dates by the mixed election exchange ratio of 0.7725 and adding \$16.25; and

for an all-stock election, by multiplying the closing price per share of Chevron common stock on each of the two dates by the all-stock election exchange ratio of 1.03, assuming no proration.

You are urged to obtain current market quotations for shares of Chevron common stock and Unocal common stock before making a decision with respect to the merger.

No assurance can be given as to the market prices of Chevron common stock or Unocal common stock at the closing of the merger. Because the exchange ratio will not be adjusted for changes in the market price of Chevron common stock, the market value of the shares of Chevron common stock that holders of Unocal common stock will receive at the effective time of the merger may vary significantly from the market value of the shares of Chevron common stock that holders of Unocal common stock would have received if the merger were consummated on the date of the merger agreement or on the date of this proxy statement/prospectus.

Closing Price per Share

	April 1, 2005	June 23, 2005
Chevron Common Stock	\$ 59.31	\$ 57.33
Unocal Common Stock	\$ 64.35	\$ 65.02
Unocal Mixed Election Equivalent	\$ 62.07	\$ 60.54
Unocal Stock Election Equivalent	\$ 61.09	\$ 59.05

Table of Contents**Historical Market Price and Dividend Data**

The following table sets forth the high and low price per share of Chevron and Unocal common stock, as adjusted for all stock splits and as reported on the New York Stock Exchange, for the periods indicated:

For the quarterly period ended:	Chevron(1)			Unocal		
	High	Low	Dividends	High	Low	Dividends
2002						
March 31, 2002	\$ 45.80	\$ 40.40	\$ 0.35	\$ 39.24	\$ 33.09	\$ 0.20
June 30, 2002	\$ 45.52	\$ 41.78	\$ 0.35	\$ 39.70	\$ 35.25	\$ 0.20
September 30, 2002	\$ 44.47	\$ 32.82	\$ 0.35	\$ 36.92	\$ 29.14	\$ 0.20
December 31, 2002	\$ 37.72	\$ 32.70	\$ 0.35	\$ 32.40	\$ 26.58	\$ 0.20
2003						
March 31, 2003	\$ 35.20	\$ 30.65	\$ 0.35	\$ 31.76	\$ 24.97	\$ 0.20
June 30, 2003	\$ 38.11	\$ 31.06	\$ 0.35	\$ 31.38	\$ 26.14	\$ 0.20
September 30, 2003	\$ 37.28	\$ 35.02	\$ 0.36	\$ 32.45	\$ 27.79	\$ 0.20
December 31, 2003	\$ 43.49	\$ 35.57	\$ 0.37	\$ 37.08	\$ 30.72	\$ 0.20
2004						
March 31, 2004	\$ 45.71	\$ 41.99	\$ 0.36	\$ 39.40	\$ 35.12	\$ 0.20
June 30, 2004	\$ 47.50	\$ 43.95	\$ 0.37	\$ 39.70	\$ 34.18	\$ 0.20
September 30, 2004	\$ 54.49	\$ 46.21	\$ 0.40	\$ 43.50	\$ 34.65	\$ 0.20
December 31, 2004	\$ 56.07	\$ 50.99	\$ 0.40	\$ 46.50	\$ 40.56	\$ 0.20
2005						
March 31, 2005	\$ 63.15	\$ 50.40	\$ 0.40	\$ 63.98	\$ 41.06	\$ 0.20
April 1 - June 23, 2005	\$ 59.48	\$ 49.81	\$ 0.45	\$ 66.50	\$ 53.44	\$ 0.20

(1) Prices in all periods have been adjusted for two-for-one stock split effected as a 100 percent stock dividend in September 2004.

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RECENT DEVELOPMENTS

On June 22, 2005, Unocal received a merger proposal from CNOOC Limited, an affiliate of China National Offshore Oil Company, to acquire all outstanding shares of Unocal for \$67 in cash. The board of directors of Unocal met telephonically on June 22, 2005 to discuss developments relating to the CNOOC Limited proposal and the merger with Chevron. On that date, Unocal announced that the recommendation of its board of directors in favor of the merger with Chevron remained in effect and that it intended to evaluate the CNOOC proposal in a manner consistent with the board of directors' fiduciary duties and Unocal's obligations under the merger agreement with Chevron. On June 23, 2005, Chevron granted Unocal a waiver under the merger agreement enabling Unocal to engage in discussions with CNOOC and its representatives at any time prior to the date of the Unocal stockholder vote on the merger with Chevron. Unocal announced that it intended promptly to commence discussions with CNOOC, although there is no assurance that an agreement with CNOOC would be reached. Unocal intends to update its stockholders regarding the CNOOC proposal as developments warrant.

Unocal Recent Developments

On May 10, 2005, Unocal announced that it intends to seek proposals from qualified prospective purchasers for the sale of its Northrock subsidiary's western Canada crude oil and natural gas exploration and production assets. These assets would not include the company's midstream and storage assets in Canada.

Unocal and its directors have been named as defendants in two purported class actions brought on behalf of public stockholders of Unocal and filed in the Superior Court for the State of California, County of Los Angeles. Each of the complaints alleges, among other things, that Unocal's directors breached their fiduciary duties in connection with the proposed transaction with Chevron, and, in particular, that the consideration to be received by stockholders in the merger is unfair and inadequate and that Unocal's directors did not undertake a legally adequate process to obtain the best transaction available. As relief the complaints seek, among other things, damages in an unspecified amount, an injunction against consummation of the transaction, and, in the event the transaction is consummated, rescission. The time for defendants to answer the complaints has not yet elapsed. Unocal believes the claims asserted in the complaint are without merit and that Unocal has substantial defenses to these claims.

Chevron Recent Developments

As previously disclosed in Chevron's reports to the SEC, in early 2005, Chevron was awarded onshore Block 177 in Libya's first exploration license bid round under the Exploration and Production Sharing Agreement IV terms. Chevron was also made operator of the block with 100 percent equity. The events mark Chevron's return to Libya after a 28-year absence. Effective March 31, 2005, a Chevron subsidiary entered into an exploration and production sharing agreement with National Oil Corporation, which is owned by the government of Libya, following the award of Block 177. A bonus of \$600,000 was paid to the Libyan government upon the award of the Block 177 license. The agreement provides for a five-year exploration phase that includes seismic evaluation and at least one exploratory well and is backed by a \$20 million Chevron guarantee, with a total 30-year contract term if a commercial discovery is found and developed.

Chevron has established a small office in Tripoli, Libya, and is currently initiating planning work for the Block 177 program. It is possible that the company will participate in exploration and production bid rounds in Libya in the future.

In April 2004, the United States lifted most aspects of its embargo on trade and economic relations with Libya. As a consequence, U.S. companies can now engage in many commercial activities, financial transactions and investments in Libya, including the operations contemplated by the exploration and production sharing agreement entered into with the National Oil Company.

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RISK FACTORS

In addition to the other information included and incorporated by reference into this proxy statement/prospectus, you should carefully read and consider the following factors in evaluating the proposals to be voted on at the special meeting of Unocal stockholders and in determining whether to make an all-cash, an all-stock or a mixed consideration election. Please also refer to the additional risk factors identified in the periodic reports and other documents of Chevron and Unocal incorporated by reference into this proxy statement/prospectus and listed in Additional Information for Stockholders Where You Can Find More Information.

Risk Factors Relating to the Merger

Unocal will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on Unocal and consequently on Chevron. These uncertainties may impair Unocal's ability to attract, retain and motivate key personnel until the merger is consummated, and could cause customers, and others that deal with Unocal to defer purchases or other decisions concerning Unocal, or to seek to change existing business relationships with Unocal. Employee retention may be particularly challenging during the pendency of the merger, as employees may experience uncertainty about their future roles with Chevron. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with Chevron, Chevron's business following the merger could be harmed. In addition, the merger agreement restricts Unocal from making certain acquisitions and taking other specified actions until the merger occurs. These restrictions may prevent Unocal from pursuing attractive business opportunities that may arise prior to the completion of the merger. Please see the section entitled The Merger Agreement Covenants beginning on page 59 of this proxy statement/prospectus for a description of the restrictive covenants applicable to Unocal.

The exchange ratio will not be adjusted in the event the value of Chevron common stock declines before the merger is completed. As a result, the value of the shares of Chevron common stock at the time that Unocal stockholders receive them could be less than the value of those shares today.

In the merger, Unocal stockholders will be entitled to elect to receive a combination of 0.7725 of a share of Chevron common stock and \$16.25 in cash, 1.03 shares of Chevron common stock or \$65 in cash. Chevron and Unocal will not adjust the exchange ratio for the portion of the merger consideration to be paid in Chevron common stock as a result of any change in the market price of Chevron common stock between the date of this proxy statement/prospectus and the date that you receive shares of Chevron common stock in exchange for your shares of Unocal common stock. The market price of Chevron common stock will likely be different, and may be lower, on the date you receive your shares of Chevron common stock than the market price of shares of Chevron common stock as of the date of this proxy statement/prospectus. Differences in Chevron's stock price may be the result of changes in the business, operations or prospects of Chevron, market reactions to the proposed merger, general market and economic conditions or other factors. If the market price of Chevron common stock declines after you vote, and you receive Chevron common stock as a portion of the merger consideration, you will be receiving less value than you expected when you voted. Neither Chevron nor Unocal is permitted to terminate the merger agreement or resolicit the vote of Unocal stockholders because of changes in the market prices of their respective common stocks.