

## Contents

- 1 Vice President's Message & Blue Ridge Mountains Chapter
- 2 Dec. 2 / March 3 Chapter meetings
- 3 Member's Profiles
- 4 Chevron News
- 5 Refinery business

## 2026- What a Start!

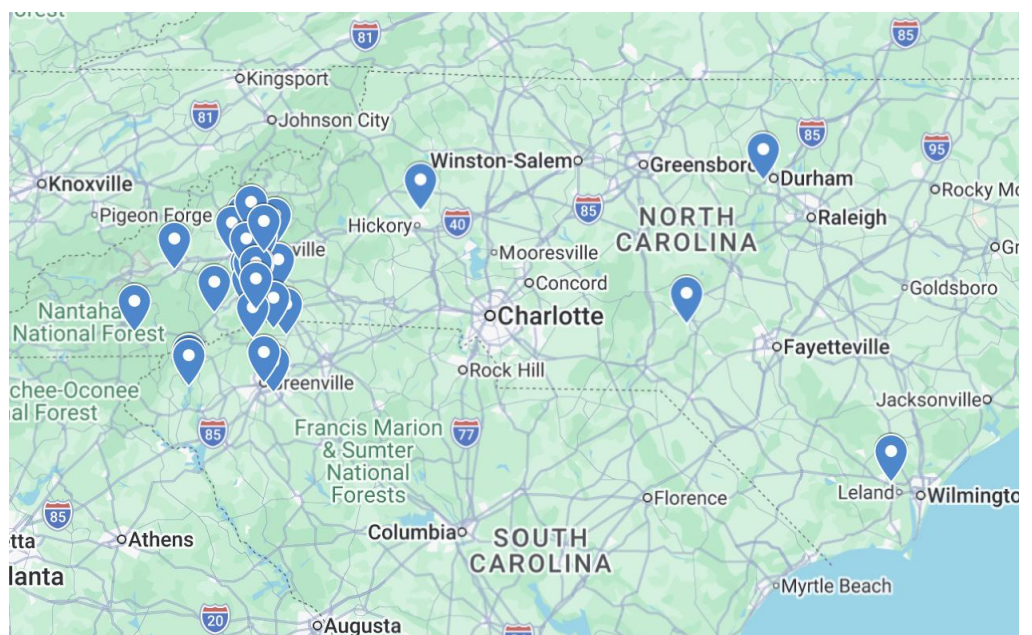
### Vice President's message

It has only been two months into the new year, and we already had major news such as the Geopolitical scene (Venezuela, Iran, NATO), trade wars and the AI revolution impact on the economy to name a few. Chevron and the Oil and Gas sectors are receiving major attention from customers and stakeholders. And we have upcoming: World Cup hosting, the 250<sup>th</sup> Independence celebration and the Mid-Terms. I probably forgot something, being US-centric. It is enough to stress anybody out, retiree or not!

### Blue Ridge Mountains Chapter

Good News- we have added new members! We welcome **Kamal Osman, Louis Lacroix, and Charles Barber**. We are glad that far away members are joining our chapter. Kamal is moving to Durham, Louis is near Charlotte, and Charles lives in Waynesville; all in NC. Our chapter spans all of North Carolina, parts of South Carolina and eastern Tennessee. Out of the approximately 400 retirees in this area, we have now 50 active members including their partners. Membership dues are \$10 per person per year **with the first year waived for new members**. Our chapter is part of the Mid-West area of CRA which includes 4 more chapters in Georgia, Kentucky, and western Tennessee, (~1350 members). Below is the latest map of our active retirees' locations updated by Melanie Bell.

The updated map only shows current active members



## Chevron

**Chevron Retirees Association.**  
**Blue Ridge Mountains Chapter**  
Tel (832) 922-7027 (editor)  
(828) 301-0095 (president)

Email: [khoile36@gmail.com](mailto:khoile36@gmail.com)  
[davidkent54@gmail.com](mailto:davidkent54@gmail.com)

The Chevron Retirees Association is not a subsidiary of the Chevron Corporation, but an independent organization comprised of retired employees of Chevron or its predecessor companies.

## Chapter Highlights

- Our Chapter's bank balance stood at **\$2361 as of February/23//2026**
- Our large Midwest sub-area continues to receive new retirees. We are glad to welcome new members, even long-distance or remote ones who may not make it to our chapter meetings. We will continue to work with the National CRA to explore an eastern NC chapter.
- We have asked Jim Bonwell to build a website for our Chapter- (cost \$100). Once set-up, we will seek inputs on how best to populate it. Here are some examples of are chapters' websites he created:
  - [Puget Sound Home | Chevron Retirees](#)
  - [Sacramento Home | Chevron Retirees](#)
- Dues remain at \$10 /year per person with the first year's optional. CRA National's tribute is \$5. **Please bring your dues to the March meeting or send Kathy Dawkins a check:**
  - **97 Arthur Road, Asheville, NC 28806**
- We are still seeking inputs on:
  - organizations to volunteer in a group effort to maximize \$500 Chevron Humankind grant.
  - Setting up a **scholarship our** chapter members can donate to.
  - Suggestions for quarterly meetings' activities and guest speakers.

## National CRA News

- National is seeking nominations for **Public Service Awards** from Chapters. Awards of up to **\$5000 to the recipient's charity choice** will be announced at the Annual Meeting (May18-20, Calgary).

## December 2025 Chapter Meeting

We met at the DeerLake clubhouse in Brevard, NC and enjoyed a great Chili potluck, a Trivia game and exchanged cookies. In attendance: David & Holly Kent, Ron, Charlotte & Sarah Dethloff, Deb & Khoi Le, James Engel, Jack & Welanda Stevenson, Suzanne & Lee Hardin, Kathy Dawkins and Melanie Bell. No official business decisions made but we had fun!

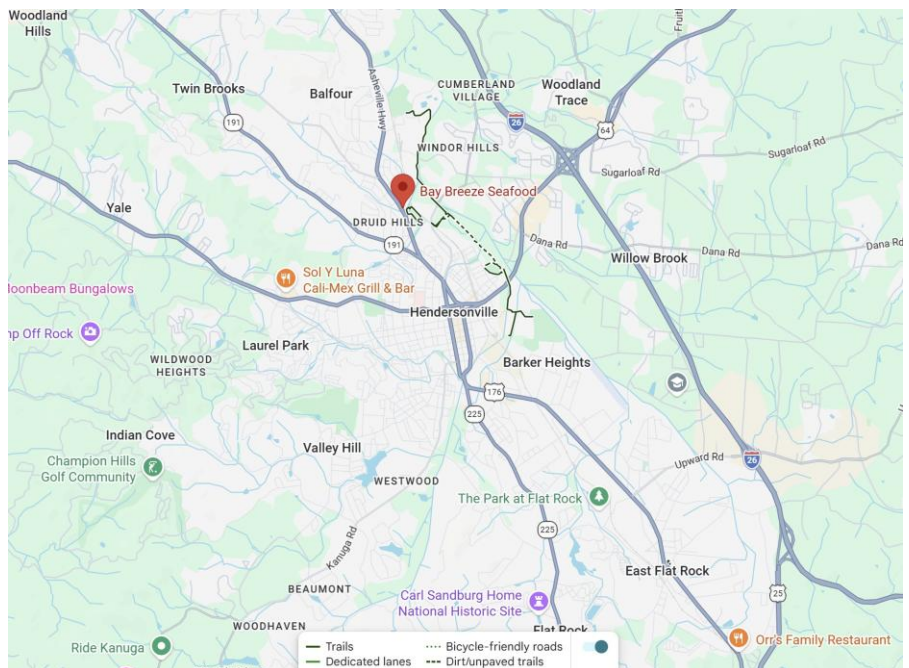


## March 3 2026 11:30 AM chapter meeting

We are returning to the Bay Breeze Restaurant -1830 Asheville Hwy, Hendersonville, NC 28791. The restaurant has re-opened after Helene's flooding and will give us a separate dining room for ease of conversation. It has good seafood and a varied menu. Check out the links below.

PLEASE BRING YOUR DUES TO MEETING: (\$10 / person, 1st year free)

BayBreeze [Restaurant Menu Link](#), [Map and Directions](#)



## Chapter Members and Partners

Richard & Barb Adams  
Richard & Barb Ambler  
Charles Barber  
Melanie Bell (Membership)  
Katherine Boyers  
David Burnash  
Bo Cribbs & Margie Savoie  
Kathy Dawkins (Sec./Treasurer)  
Ron & Charlotte Dethloff  
Jim Engel & Bella Karafela (Social)  
Daniel Grigas  
John & Lori Groce  
Suzanne & Lee Hardin  
Michael & Beth Helmer  
John & Donna Howland  
David (President) & Holly Kent  
Don & Rae Anne Kinney  
Louis LaCroix  
Khoi (Vice-President) & Deb Le  
Kamal Osman & Dr. Johara Nour  
Joy & Mayur Patel  
John & Betty Petkovich  
Chris & Jeannine Prattini  
Robert Ragan  
Duane Richard & spouse  
Suzanne Roat  
Betty Runion (Past-President)  
Jack & Welanda Stevenson  
David Strait  
Dave & Barb Wagner  
Larry Wesserlink  
Jeremy Zimmerman

## In Memoriam

Anne Chapin - 11/19/2025 survivor  
Kay Cone - 12/17/25 survivor  
Graham Somerville - 12/17/2025 retiree  
Phillip Ackert- 1/6/2026 retiree

## Members spotlight Photo:

David Kent boarding the Boss Beaver from Covington, LA airport. He was bound for the Leeville shore base on Bayou Lafourche. No Gulfstream 650ER for him.



## Member's Profiles –

### David Kent

I was born in Mississippi and attended Mississippi State University. After graduating I drove directly to Lafayette LA to work at the office on CALCO Street. My supervisor mentioned something about me being “green” and I got the impression it was not a compliment. Meanwhile I broke in my hard hat and steel toed boots. I went through several service order books, fire extinguisher training, and water survival training.

And then I got even more experience in life when I married Holly. Thanks to my adventurous wife we have been able to live and travel in some exotic locales.

A few years later I got a telephone call offshore via the four links of microwave dishes. I heard the expression “For my good and Chevron”. I was assigned to Amoseas/PTCPI in Rumbai in the green tropical forest of Sumatra. After driving on the left side of the unsealed oil roads, I got some Sumatra light oil experience. Living in an oilfield camp was unforgettable due to number of fascinating characters and wildlife.

After returning to New Orleans for two years, we headed to Murtala Muhammad airport in Lagos. Lots of African adventures were experienced to keep life interesting.

Next, I grabbed an opportunity in Duri to be a “retread”. Not everyone is fortunate to be a retread, but it suited me.

Then came my first rotation position in Cabinda Angola. I learned about living in an enclave within the DRC that had a beautiful ocean view.

I had a higher calling resulting in a rotational job in Tengiz oilfield in Kazakhstan. Living on the Caspian 92' below sea level caused several foundation calculation reviews.

Toward the end of my career I became a decommissioning engineer following several GOM (currently known as the Gulf of America) hurricanes. After picking up scattered debris on the ocean floor, I felt like I was “green” by cleaning up the ocean.

And then I told my supervisor for the “for my good and Chevron”, I was posting to Asheville. Apparently, my Asheville career is going well because I became an important part of the Blue Ridge Mountain Chapter.



#### 4Q / FY2025 earnings report ([link](#))

- Stock price / Dividend: \$184 / \$7.12
- \$ 46.9 Bn Revenue
- **\$ 2.8 Bn** Earnings (\$1.52 /sh. adj)
  - \$3.03 Bn Upstream
  - \$0.82 Bn Downstream
  - (\$1.09 Bn) Other
- **Cash Flow / FCF \$ 10.8 Bn/ \$ 4.2 Bn adj.**

#### 2024 to 2025 Comparison

	2024	2025
Revenue	\$193.4 Bn	\$184.4 Bn
Earnings	<b>\$17.7 Bn</b> <b>\$9.72 / share</b>	<b>\$12.3 Bn</b> <b>\$6.63 / share</b>
CAPEX	\$16.4 Bn	\$17.3 Bn
ROCE	10.1 %	6.6 %
Dividends.	<b>(\$11.8 Bn)</b>	<b>(\$12.8 Bn)</b>
Sh. Repur.	(\$15.4 Bn)	(\$12.2 Bn)
Net debt/ CFFO	0.6 X	1.0 X
Production	3.34 MBOEPD	<b>3.72 MBOEPD</b>
Brent \$ / bl	<b>\$ 81 / bbl</b>	<b>\$ 69 / bbl</b>

#### More Highlights from [2026 Investor presentation](#)

- Peer beating growth
    - CFFO - 9-10 % (2024-2026)
    - Production 9-10 % (2024-2026)
    - Dividend growth ~6% last 5 years
  - Share buyback goal: 3-6% per year
  - Forward Guidance / Projections
    - 2026 full year production +7 to 10%
    - CAPEX \$19-21 Billion (incl. affiliates)
    - 2026 Free Cash Flow: \$ 12.5 Bn
    - Annual A/T earnings [sensitivities](#)
- \$ 1 / BBL Brent - \$600 MM**
- \$ 1 / MCF Henry Hub - \$700 MM**
- \$ 1 / MMBtu Spot LNG - \$150 MM**

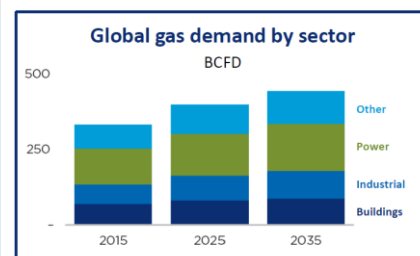
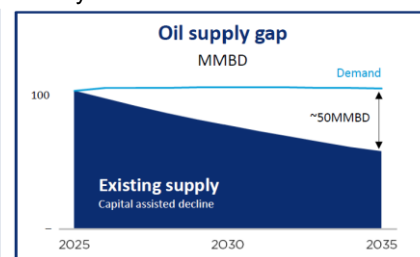
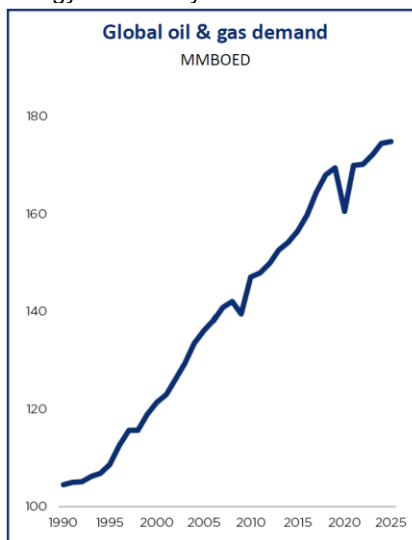
#### CHEVRON NEWS

#### [November 2025 Investor Day](#): Chevron 5-year plan to 2030 Highlights

- Grow oil and gas annually by 2-3 %.
- Earnings growth of more than 10 % at \$70 Brent
- Improve Return on Capital Employed (ROCE) by over 3 %
- Peer-leading Average Dividend growth of 7% (currently 4.49 % yield)
- Shares repurchase of \$10-\$20 billion annually at \$60-\$80 Brent.
- Deliver first AI data center Power Project in W. Texas in 2027.

#### [February 3 Investor Presentation](#) Highlights

- Energy forecast by SP Global Platts Commodity Base Case 2025



- Peer beating Capital efficiency and Operating costs:
  - 2025 Opex ~ \$24 / BOE (my calculations)
  - 2026 Capex ~ \$ 11.75 / BOE
- Upstream focus areas:
  - Australia: > 40 TCF resources, \$4 -5 billion Annual FCF.
  - TCO: ~ 1 MMBOEPD capacity (+20 %) with FGP on-line.
  - Guyana: 11 billion BOE resources (CVX 30%). Capacity to > 1.5 MMBOPD by 2030 with Longtail FPSO sanction in 2026.
  - Mediterranean expansion: increase gross production fr. 2.9 to 4.5 BCFPD
  - Permian: ~ 1 MMBOEPD through 2040 with ~5000 locations at < \$70/ B
- Reserves / Resources
  - 2025 YE Proved reserves 10.6 billion BOE vs 9.8 billion 2024 YE.
  - 6P Resources: 74.3 billion BOE
- Downstream:
  - 2801 MBD Refined product sales; \$3.0 Bn earnings
  - \$7 / Bbl. net cash margin; > \$4 Bn projected annual FCF

#### Selected news from [‘Tidbits’](#)

- First oil from the [South N’dola Platform in Angola](#) in December, two years after construction. The platform is a field-to-production-facility tieback to the Mafumeira facility in Block 0 which produces 12% of the country’s daily energy output.
- Javier La Rosa, President of Base Assets and Emerging Countries met with Egypt’s Minister of Petroleum to discuss ways to enhance cooperation in the region and supplying Cypriot gas to Egyptian facilities,
- Don Bush, a lead engineer at the former Questa Mine in New Mexico volunteers as a tutor and led a HS team to the state’s STEM Challenge competition. The Company [has supported the state’s STEM programs](#) with \$4 Million since 2016.
- [APOLO, the proprietary AI platform](#) is helping engineers optimize drilling locations and completions in the Permian and DJ Basin.
- Not to be left out, Exploration has an [AI tool also - ApEX](#).

## Refinery Capacity

### Global:

In 2024, the total global refinery capacity is ~ [103 Mbbpd](#). Its growth hasn't kept up with the recent uptick in demand after a series of refineries' closures due to COVID. However, according to [EIA](#), between 2.5-4.9 Mbbpd of capacity will be added between 2024-2028. The two largest demand growth areas for refined products are India and the Middle East. Not surprisingly, India is building and has a few modern plants with high [Nelson Complexity Index](#) which can process a wide range of crudes.

### USA

Out of roughly [18.4 Mbbpd capacity](#), the 132 domestic refineries produce about 16-17 Mbbpd (utilization rate - 87-93 %).

Chevron operates five wholly owned refineries in the US: Richmond and El Segundo, CA; Pasadena, TX; Pascagoula, MS and Salt Lake City, UT. Our non-operated JV refineries include GS Caltex (GSC), Yeosu, South Korea; Star Petroleum Refining Public Company Limited (SPRC), Rayong, Thailand and Singapore Refining Company (SRC). Our refineries and affiliates processed about 1.7 Mbbpd in 2025 but we sold 2.8 Mbbpd in products! More about that in later issues.

List of top 6 USA refining capacity:

- Marathon 2.95 Mbbpd
- Valero 2.70 Mbbpd
- Exxon 1.95 Mbbpd
- Phillips 1.64 Mbbpd
- PBF 1.04 Mbbpd
- Chevron 1.04 Mbbpd

### PADD system

The EIA uses Petroleum Administration for Defense Districts (PADD\*) to track and report petroleum production, supply, and movement. [Below is a map](#) of the 5 districts. They are important to understand the logistics of refinery products (continued in next page)



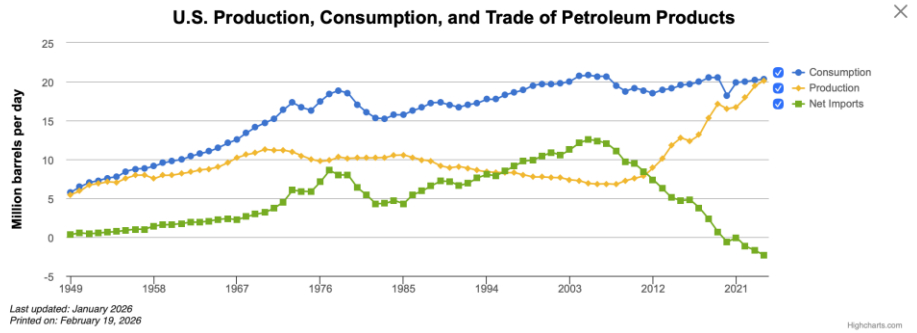
- PADD system started during WWII

## Chevron Business Focus Area – Downstream: Refining

Let's discuss the Refinery industry as it is relevant to recent events. Refining of Petroleum Products and petrochemicals is often overshadowed by the Upstream end (crude and natural gas production) but the Downstream segment smoothes out earnings for Integrated Oil Companies, is less capital intensive and at times has better profit margins. I will explain in three segments: Supply/Demand, Refinery basics and Margins in this article and more. For more details see the sidebars and the [hyperlinks](#).

### Petroleum Supply and Demand:

The world produces and consumes roughly **103 million barrels** of petroleum products per day (Mbbpd). The USA produces and consumes almost **20 % of this total**; and with the evolution of shale technology ~20 years ago, we currently are self-sufficient and have been a net exporter since 2021. The [following graph](#) shows the trends.



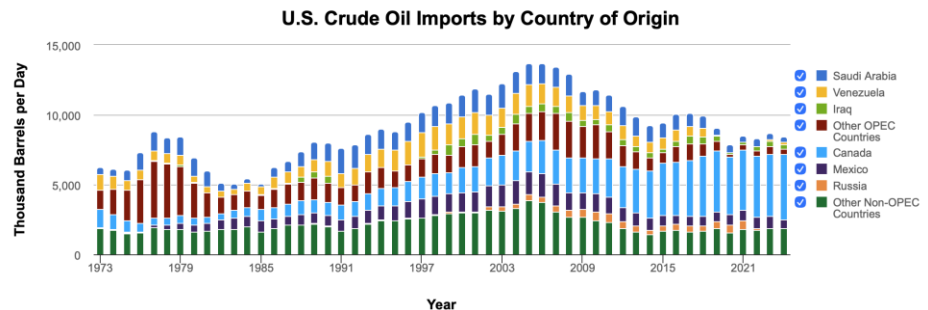
Last updated: January 2026  
Printed on: February 19, 2026

Source: U.S. Energy Information Administration [Monthly Energy Review](#) Table 3.1

Notes: Consumption is based on total petroleum products supplied.

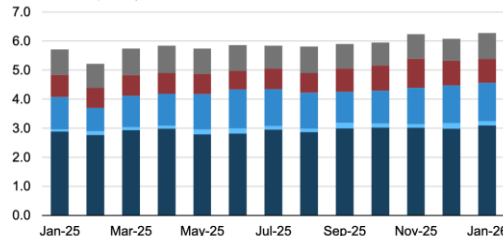
This chart shows trends in total U.S. petroleum product production, consumption, and trade from 1949 to 2024. Consumption has risen steadily overall, with notable drops following the oil price shocks and supply or demand disruptions of 1974, 1979, 2008, and 2020. Starting with the economic recession of 2008, consumption stayed relatively constant for the first extended period in the past 60 years. This changed in 2020, when it dipped to the lowest level since 1996. Petroleum imports peaked in 2005 and have since been declining, largely because of increased domestic production. In 2020, the United States became a net exporter and has been increasing exports since.

Despite being a net oil exporter, we still import large amounts of crude oil from around the globe, as the [graph below](#) shows (**8.4 Mbbpd in 2024**). Why? This is because of several factors: 1) our refineries need ~ **16-17 Mbbpd of crude feedstock**, while we only produce about **13.6 Mbbpd of crude** (from a total **22.4 Mbbpd liquids**), 2) the variability of the crude oil feedstocks, 3) the location of refineries and 4) the transportation network (pipelines, trains / tankers and port terminals). Notice in the graph below the decreasing amount of Venezuela crude since 2015 (peak of **1.5 Mbbpd in 2005**) and the corresponding increase from Canada (**4.6 Mbbpd in 2024**).



Crude oil is the main refinery input. While we are still crude deficient, we have about **3.2 Mbbpd excess NGL's and Petroleum Products** to export. This [graph shows only the maritime exports](#) (~ **6 Mbbpd**); some diesel is exported by land (e.g. to Mexico).

U.S. petroleum product exports on clean product tankers by type  
million barrels per day



Data source: Vortexa Analytics

Note: Data reflect exports by month of departure. Clean product tankers excludes tanker that carry crude oil, residual fuel oil, or heavy unfinished oils. LPG: liquefied petroleum

This is where the value-added benefit of Refineries comes. They take in lower value crude and produce higher value products for both domestic and export markets. The value of Petroleum Product exports of **\$115 Bn (2024)**

## PADD system (continued)

The following table of refining Capacity vs. Demand in the 5 PADD districts shows a few things:

PADD	Capacity (Mbpd)	Demand (Mbpd)
I E. coast	.911	5.20
II Midwest	4.25	4.9
III South, GC	10.1	3.9
IV Mountains	.64	.60
V W. Coast	2.56	3.3

First, the East Coast (PADD I) has a huge domestic supply gap. This is where Petroleum Products imports to East Coast ports and product pipelines (e.g. the Colonial Pipeline) from the Gulf Coast refineries really matter.

Second, the West Coast (PADD V) is on the edge, especially if it [loses more refining capacity](#).

Lastly, the Gulf coast refineries (PADD III) are crucial in supplying Petroleum Products to the rest of the nation. Where do they get their crude oil supply from? From traditional sources such as the Gulf Coast and Offshore fields (not growing), shale liquids (too rich) and heavy oil from Venezuela and Canada. The Guyana crude supply will help but this will only be 1.5 Mbpd. This brings us up to the next topic of Refinery Economics (margins) which I will cover in more details in the next issue.

### Refinery economics trivia questions:

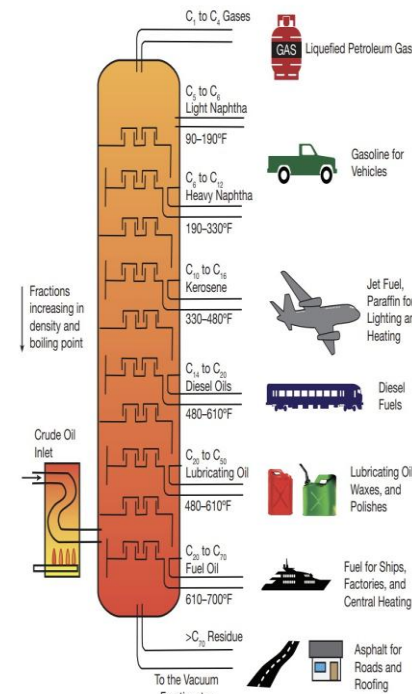
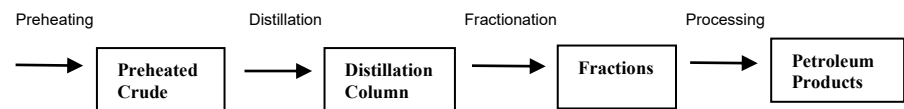
- How are Downstream margins compared to Upstream?
- How does Chevron compare with its peers in Downstream margins?
- How easily can a refinery be retrofitted for different crudes?
- How can a refinery improve its margins?

## Refinery Basics

Due to the wide variety of crude oils - from heavy (8-10 API) to very light (above 35 API), from sweet to sour grades, refinery complexes are tooled to process a certain range of crude and to handle impurities. The more complex the refinery as, rated by [its Nelson Complexity Index \(NCI\)](#), the more flexible it is to handle difficult but abundant, **cheaper heavy, sour crudes (16-18 API, 3-6 % sulfur)**.

With the decline of domestic sweet crude supply, US Gulf Coast refineries have done major upgrades 20-25 years ago to process heavier crude from **Mexico (Maya), Venezuela (Boscan, Merey, Hamaca) and Canada (WCS)**. Mexican supplies have declined, thus the reliance on **Venezuela and Canada**. The shale and tight oil industry produces very light oil and NGL's which refineries can't use effectively. Instead, these light liquids are used as diluent for the heavy crude feedstocks and by petrochemical plants to produce ethylene / propylene.

In a refinery, the crude goes through these steps as this flow diagram shows.



Refineries have three basic functions:

- 1) sorting molecules,
- 2) cutting and pasting
- and 3) treating the molecules.

The distillation column on the left 'sorts' different 'cuts' of petroleum products based on their boiling points. These are commonly identified by their Carbon number such as C<sub>5</sub>-C<sub>10</sub> for gasoline. The larger the Carbon number, the heavier the component, containing more 'energy density'. Heavier jet fuels and diesels are better than gasoline for jet and marine engines which run hotter and at higher compression.

Typical yield from a 25 API crude feedstock is: 20-30% Asphalt/Residue, 2-4 % lube oil, 26-35 % middle distillates (diesel +jet), 25-30% gasoline, 8-12 % petrochemical feed (naphtha and LPG). Maximizing the 'yield' of the highest value components is the refinery's objective to match demand and supply which vary seasonally and from region to region.

We will go into more refinery details in the next issue. Additional information and trivia can be found on the sidebar.

## USEFUL LINKS

Chevron Corporation: <https://www.chevron.com/>

Chevron Retirees Association (National): <https://www.chevronretirees.org>

CRA Membership Info: <https://www.chevronretirees.org/membership>

In Memoriam: <https://www.chevronretirees.org/inmemoriam>

Chevron HR - Retiree Benefits: <https://hr2.chevron.com/formeremployee>

Chevron Retirees Benefit Hub: <https://www.chevronretirees.org/benefits>

Chevron Retirees Chevron Advocacy Network: <https://chevronadvocacynetwork.com/>

Chevron Humankind: <http://www.chevronhumankind.com/>

Chevron Retirees Dental Program: <https://www.cradental.com/>

VIA Benefits: <https://my.viabenefits.com/chevron>

Chevron Store: <https://www.chevronstore.com/products.asp?cat=53>