



The Oil Industry: Operating in Sensitive Environments



● ChevronTexaco in San Joaquin Valley, California

Participating in a major habitat conservation plan to protect the natural habitat and endangered species

In the valley floor of Kern County, California, a major habitat conservation plan has been under way for 10 years to safeguard the remaining areas of natural habitat and a number of endangered plant and animal species.

ChevronTexaco represents the Western States Petroleum Association on the steering committee for the conservation plan, but is now also operating its own conservation plan to protect approximately 13,500 acres of company land in the Loker area of Kern County. A system of 'land permits' and 'habitat credits' will allow development to take place on a designated 10 per cent of the protected land whilst ensuring

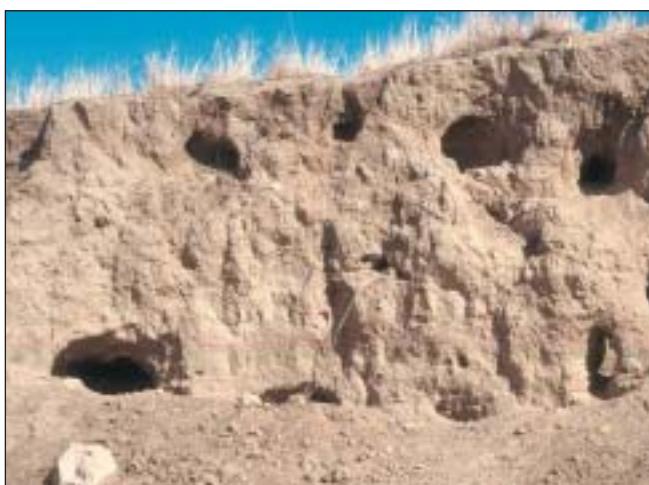


that any resultant impacts on the local habitat are offset for the benefit of the resident listed species.

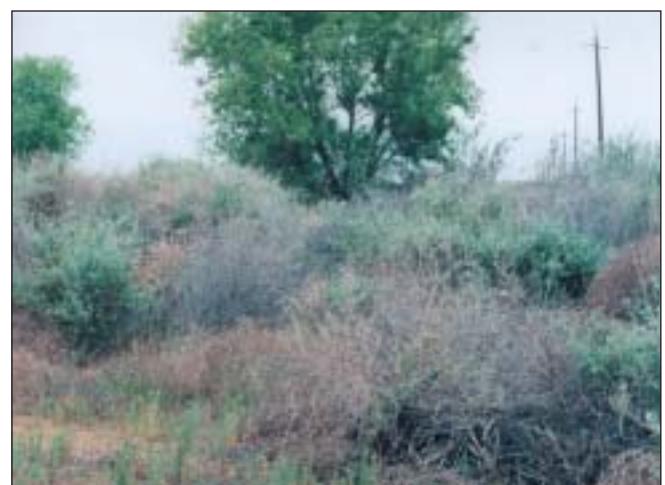
The Western States Petroleum Association (WSPA) has been participating for 10 years in development of a major Habitat Conservation Plan (HCP) covering remaining areas of natural endangered species habitat in the San Joaquin Valley floor of Kern County, California. ChevronTexaco, the largest producer in the San Joaquin Valley represents WSPA on the interagency steering committee for the HCP. Covering more than 2 million

acres, this plan will provide for sustained conservation of approximately 30 plant and animal species of concern, many of them listed as threatened or endangered under State or Federal Endangered Species Acts. They include animals such as the San Joaquin kit fox, blunt-nosed leopard lizard, giant kangaroo rat, San Joaquin antelope squirrel and several endemic plants. Populations of protected species are largely

Potential dens of the endangered San Joaquin kit fox



Populations of endangered species are largely restricted to scattered patches of natural habitat





restricted to scattered patches of natural habitat in the San Joaquin Valley. In many cases lands where oil and gas operations occur provide a refuge for these remnant populations because the land has not been converted to more intensive habitat altering uses. The Kern County Valley floor HCP addresses the combined need for conservation and recovery of imperiled biological communities while allowing petroleum operations, water storage and conveyance, real estate, and other land uses to continue. The conservation elements of the plan are central to meeting long-term recovery objectives for several species described in the US Fish and Wildlife Service Endangered Species Recovery Plan for the Southern San Joaquin Valley.

ChevronTexaco is completing its own HCP covering approximately 13,500 acres of company owned land that contains high quality habitat for several protected species in the Lokern area of Kern County. When implemented in 2003, this plan will create a habitat bank of 13,500 acres while allowing development to occur on the remaining 10 per cent. The plan will result in issuance of incidental taking permits allowed under both State and Federal Endangered Species Acts. Following an initial conservation easement on 1500 acres, protection of the remaining lands in the habitat bank will occur over the life of the permit as a result of selling or using habitat credits. These credits will be available to offset habitat impacts resulting from development of petroleum resources and other land uses within the area covered by the permit. ChevronTexaco's Lokern HCP fits into a larger collection of land protection programmes designed to help meet recovery planning goals for listed species in the San Joaquin Valley.



Operations provide an important refuge for remnant populations.



Protected from intensive land use, the natural habitat thrives.