
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) December 10, 2010

OCCIDENTAL PETROLEUM CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-9210
(Commission
File Number)

95-4035997
(I.R.S. Employer
Identification No.)

10889 Wilshire Boulevard
Los Angeles, California
(Address of principal executive offices)

90024
(ZIP code)

Registrant's telephone number, including area code:
(310) 208-8800

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 7 – Regulation FD Disclosure

Item 7.01 – Regulation FD Disclosure

On December 10, 2010, Occidental Petroleum Corporation issued a press release and provided slides on its website with respect to the transactions disclosed in Item 8.01 below. The press release and slides are furnished as Exhibit 99.2 and 99.3, respectively. The information in this Item 7.01 and Exhibits 99.2 and 99.3 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Section 8 – Other Events

Item 8.01. Other Events

On December 10, 2010, Occidental announced that it had executed an agreement with a subsidiary of China Petrochemical Corporation (Sinopec) to sell Occidental’s Argentine oil and gas operations for after-tax proceeds of approximately \$2.5 billion.

Occidental also announced that it had executed agreements to purchase oil and gas properties in South Texas and North Dakota for about \$3.2 billion. Additionally, Occidental announced that it has signed an agreement to increase its General Partner (GP) ownership in Plains All-American (NYSE:PAA) to approximately 35 percent; and it has agreed to acquire the remaining 50 percent joint venture interest in the Elk Hills Power Plant.

Occidental expects all of these transactions to be completed no later than the end of the first quarter of 2011, subject to standard closing conditions and government approvals.

The South Texas assets will be purchased from Shell for about \$1.8 billion and currently produce approximately 200 million cubic feet per day of gas equivalent. The assets will be 100 percent operated by Occidental.

Occidental is purchasing, from a private seller, approximately 180,000 net contiguous acres in North Dakota which produce from the Bakken formation and are prospective in the Three Forks formation. The purchase price is approximately \$1.4 billion. The assets currently produce approximately 5,500 BOEPD.

Occidental is purchasing an incremental 13 percent ownership in PAA’s general partner, bringing its total ownership in the GP to approximately 35 percent. PAA’s operations compliment Occidental’s domestic oil and gas operations.

In addition, Occidental is purchasing Sempra Generation’s 50 percent interest in the Elk Hills Power Plant, bringing Oxy’s ownership to 100 percent.

Occidental’s Argentine assets being divested currently produce approximately 44,000 BOEPD net.

Occidental also announced that its Board of Directors has agreed to increase its common dividend rate by 21 percent from 38 cents per quarter to 46 cents per quarter effective with the April 15th payment. The formal dividend declaration will be made by the Board of Directors in February.

The company will finance the acquisitions from both existing balance sheet cash and debt financing.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press release dated December 10, 2010.

99.2 Slides dated December 10, 2010.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OCCIDENTAL PETROLEUM CORPORATION
(Registrant)

DATE: December 10, 2010

/s/ ROY PINECI

Roy Pineci, Vice President, Controller
and Principal Accounting Officer

EXHIBIT INDEX

99.1 Press release dated December 10, 2010.

99.2 Slides dated December 10, 2010.



For Immediate Release: December 10, 2010

**Occidental Petroleum to Divest Argentine Assets, Purchase New U.S. Assets,
Increase Dividend**

- Argentine Assets Divested
- New U.S. asset acquisitions in South Texas, North Dakota; Additional 13% interest in Plains All-American (PAA) General Partner; 50% JV interest in Elk Hills Power Plant
- 21% dividend increase

LOS ANGELES, December 10, 2010 – Occidental Petroleum Corporation (NYSE:OXY) today announced it has executed an agreement with a subsidiary of China Petrochemical Corporation (Sinopec) to sell Occidental’s Argentine oil and gas operations for after-tax proceeds of approximately \$2.5 billion.

Occidental also announced that it had executed agreements to purchase oil and gas properties in South Texas and North Dakota for about \$3.2 billion. Additionally, Occidental announced that it has signed an agreement to increase its General Partner (GP) ownership in Plains All-American (NYSE:PAA) to approximately 35 percent; and it has agreed to acquire the remaining 50 percent joint venture interest in the Elk Hills Power Plant.

Occidental expects all of these transactions to be completed no later than the end of the first quarter of 2011, subject to normal regulatory approvals.

"These transactions will be immediately accretive to our earnings, return on capital employed and cash flow after capital. With these new acquisitions and without Argentina in our asset mix, achieving both our short-term and long-term average annual production growth outlook of 5-8 percent will be more certain and will generate higher returns," said Dr. Ray R. Irani, Chairman and Chief Executive Officer of Occidental Petroleum Corporation.

"These properties, combined with acquisitions completed earlier this year, will more than replace the production from the sale of Argentina. We expect that each of these new acquisitions together with future drilling, potential exploration and consolidation opportunities in these areas, over time, will grow to over 50,000 barrels of oil equivalent per day (BOEPD)."

"In light of our outlook for improved free cash flow, the Board has agreed to increase our common dividend rate by 21 percent from 38 cents per quarter to 46 cents per quarter effective with the April 15th payment. The formal dividend declaration will be made by the Board of Directors in February," said Dr. Irani.

The South Texas assets will be purchased from Shell for about \$1.8 billion and currently produce approximately 200 million cubic feet per day of gas equivalent. Shell has owned and operated the properties for many years. The assets will be 100 percent operated by Occidental and have an excellent inventory of drilling opportunities.

(More)

Occidental is purchasing, from a private seller, approximately 180,000 net contiguous acres in North Dakota which produce from the Bakken formation and are prospective in the Three Forks formation. The purchase price is approximately \$1.4 billion. The assets currently produce approximately 5,500 BOEPD and Occidental's net risked reserve exposure is in excess of 250 million barrels of oil equivalent. Combined with Occidental's other interests in the Williston Basin, Occidental will have an interest in over 200,000 net acres and over 6,000 BOEPD of production. Occidental expects to grow production in the Williston Basin to at least 30,000 BOEPD over the next five years.

Occidental is purchasing an incremental 13 percent ownership in PAA's general partner, bringing its total ownership in the GP to approximately 35 percent. PAA's operations compliment Occidental's domestic oil and gas operations. Plains is one of the largest operators of oil pipelines in North America with operations in Texas, California, and North Dakota, among other areas.

In addition, Occidental is purchasing Sempra Generation's 50 percent interest in the Elk Hills Power Plant, bringing Oxy's ownership to 100 percent. This will improve efficiency and lower operating costs at Oxy's Elk Hills business unit.

Occidental's Argentine assets being divested currently produce approximately 44,000 BOEPD net to Oxy. When the transaction closes, Occidental expects to report a gain on the sale.

The company will finance the acquisitions from both existing balance sheet cash and debt financing.

Editors Note: Additional information and maps available at
<http://www.oxy.com/transactionfacts/pdf.html>.

About Oxy

Occidental Petroleum Corporation is an international oil and gas exploration and production company with operations in North America, Middle East/North Africa and Latin America regions. Oxy is the fourth largest U.S. oil and gas company, based on equity market capitalization. Oxy's wholly owned subsidiary, OxyChem, manufactures and markets chlor-alkali products and vinyls. Oxy is committed to safeguarding the environment, protecting the safety and health of employees and neighboring communities and upholding high standards of social responsibility in all of the company's worldwide operations.

Forward-Looking Statements

Portions of this press release contain forward-looking statements and involve risks and uncertainties that could materially affect expected results of operations, liquidity, cash flows and business prospects. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations; supply and demand considerations for Occidental's products; not successfully completing, or any material delay of, any development of new fields, expansion projects, capital expenditures, efficiency-improvement projects, acquisitions or dispositions; potential failure to achieve expected production from existing and future oil and gas development projects;

exploration risks such as drilling unsuccessful wells; any general economic recession or slowdown domestically or internationally; higher-than-expected costs; potential liability for remedial actions under existing or future environmental regulations and litigation; potential liability resulting from pending or future litigation; general domestic and international political conditions; potential disruption or interruption of Occidental's production or manufacturing or damage to facilities due to accidents, chemical releases, labor unrest, weather, natural disasters, political events or insurgent activity; failure of risk management; changes in laws or regulations; or changes in tax rates. Words such as "estimate", "project", "predict", "will", "would", "should", "could", "may", "might", "anticipate", "plan", "intend", "believe", "expect" or similar expressions that convey the uncertainty of future events or outcomes generally indicate forward-looking statements. The United States Securities and Exchange Commission (SEC) permits oil and natural gas companies, in their SEC filings, to disclose only reserves anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. We use certain terms in this presentation, such as net risk reserve exposure and net risk reserve potential, that the SEC's guidelines strictly prohibit us from using in our SEC filings. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Unless legally required, Occidental does not undertake any obligation to update any forward-looking statements, as a result of new information, future events or otherwise. U.S. investors are urged to consider carefully the disclosure in Occidental's Form 10-K, available through the following toll-free telephone number, 1-888-OXYPETE (1-888-699-7383) or on the Internet at <http://www.oxy.com>. You also can obtain a copy from the SEC by calling 1-800-SEC-0330.

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Occidental Petroleum Corporation

December 10, 2010

Divestment of Argentine Assets, Purchase of New U.S. Assets, Dividend Increase



Summary of Transactions & Announcements

- **Divestment of Oxy's Argentine oil and gas operations to Sinopec for after-tax proceeds of approximately \$2.5 billion**
- **Oxy to purchase oil and gas properties in South Texas and North Dakota for about \$3.2 billion**
- **Oxy to increase its interest in General Partner (GP) ownership in Plains All-American (PAA) by 13% to approximately 35%**
- **Oxy has agreed to acquire the remaining 50% joint venture interest in the Elk Hills Power Plant from Sempra**
- **21% increase in our common share dividend rate from \$0.38 to \$0.46 per quarter effective with the 4/15/2011 payment**



Impact of Transactions

- **These new acquisitions and the sale of Argentina will:**
 - be immediately accretive to our earnings, ROCE and cash flow after capital;
 - provide greater certainty in achieving both our short-term and long-term average annual production growth outlook of 5 to 8%;
 - increase the domestic weighting of our Oil and Gas operations;
 - not materially alter the mix between our oil and natural gas reserves or production.
- **These properties, combined with acquisitions completed earlier this year, will more than replace the production from the sale of Argentina**
- **We expect that each of these new acquisitions together with future drilling, potential exploration and consolidation opportunities in these areas, over time, will grow to 50+ mboe/d**



Impact of Transactions

- Plains is one of the largest operators of oil pipelines in North America with operations in Texas, California, and North Dakota, among other areas
- PAA's operations compliment Oxy's domestic oil and gas operations
- Oxy's purchase of Sempra's 50% interest in the Elk Hills Power Plant will improve efficiency and lower operating costs at our Elk Hills business unit
- Oxy's Argentine assets being sold currently produce ~ 44 mboe/d net to Oxy
- When the transaction closes, Oxy expects to report a gain on the sale

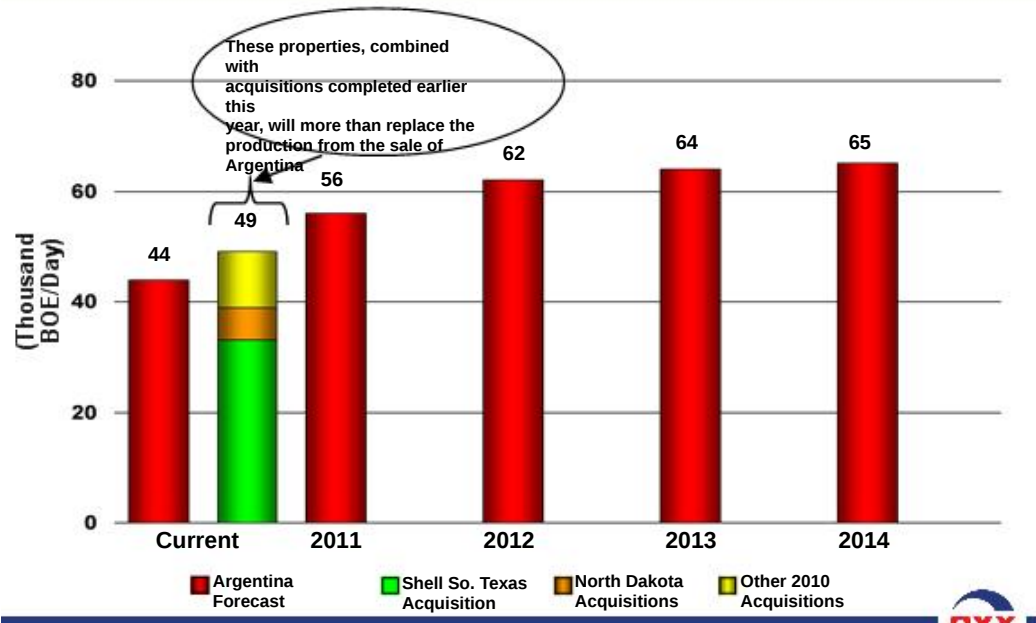


Impact of Transactions

- We expect all of these transactions to be completed no later than the end of 1Q11, subject to normal regulatory approvals
- Our outlook for improved free cash flow provides for the substantial increase to our dividend
- Oxy will finance the acquisitions from both existing balance sheet cash and debt financing



Production Improvement Post Acquisitions and Argentina Divestiture



Oxy - Shell South Texas Assets Transaction

- South Texas assets will be purchased from Shell for about \$1.8 billion and currently produce ~ 200 mmcf/d of gas equivalent
- Shell has owned and operated the properties for many years
- The assets will be 100% operated by Oxy and have an excellent inventory of drilling opportunities
- Fields in transaction: McAllen Ranch, Javelina, Slick Ranch, McAllen Pharr & La Copita/North Rincon, and Lyda
- 109,000 gross acres / 92,800 net acres
- Over 550 active wells
- Working interests average 92%, net revenue interest (NRI) averages ~ 85%

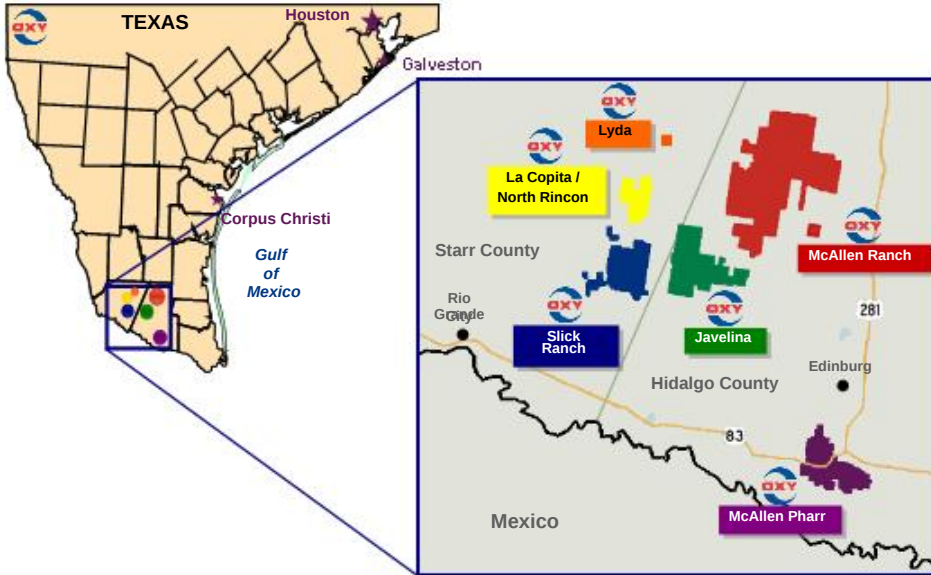


Oxy - Shell South Texas Assets Transaction

- **Over 360 Bcfe proven developed reserves**
 - ~ 840 Bcfe of identified additional resource potential
- **Condensate & NGLs have comprised ~ 30% of total revenue**
- **Lease Operating Expense (LOE) of \$0.47-0.74/Mcfe**
- **Gathering capacity of ~ 500 mmcfe/d**
- **Aggregate compression capacity ~ 230 mmcfe/d**
- **Five field areas have cumulatively produced nearly 5 TCF**
- **Numerous Vicksburg and Frio infill and step-out drilling opportunities**
 - Vicksburg opportunities in 12,000' to 17,000' range, 3 to 7 Bcfe/well
 - Frio opportunities at 9,000' to 12,000', 2 to 5 Bcfe/well



Oxy - Shell South Texas Assets Transaction



Oxy - North Dakota Assets Transaction

- Purchasing from a private company all rights, title and interest in ~ 180,000 contiguous net acres in North Dakota within the southern extents of the Bakken and Three Forks Formations
- The purchase price is approximately \$1.4 billion
- Operated working interests average 63% with average net revenue interest (NRI) of ~83%
- Acreage is located in Dunn, Billings and Stark Counties, ND
- Total of 44 operated and 17 non-operated wells producing approximately 5,500 boe/d from Bakken and Madison Formations
 - Currently 5 active drilling rigs operating on acreage with plans to increase rig count during 2011 to 8 rigs
 - Five wells that are awaiting completion

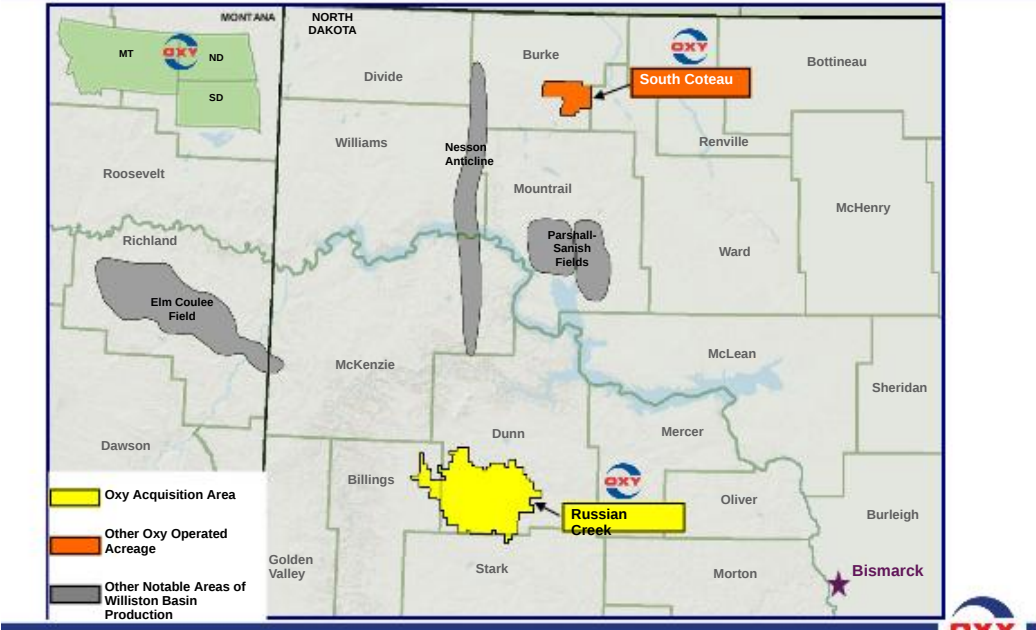


Oxy - North Dakota Assets Transaction

- Control of 200 operated Drilling Spacing Unit's (DSU) and interest in 110 non-operated DSU's; over 98% of DSU's are 1280 acre units
- Prospective across entire acreage position for Three Forks and deeper objectives
- Net risked reserve potential in excess of 250 mmbbl from the Middle Bakken and Upper Three Forks Formations
- Combined with existing Oxy assets in the Williston Basin, the acquisition will result in total interest in over 200,000 net acres and 50 operated wells producing over 6,000 boe/d
- Oxy expects to grow production in the Williston Basin to at least 30,000 boe/d over the next five years



Oxy North Dakota - Williston Basin



Cautionary Statement

Portions of this presentation contain forward-looking statements and involve risks and uncertainties that could materially affect expected results of operations, liquidity, cash flows and business prospects. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations; supply and demand considerations for Occidental's products; not successfully completing, or any material delay of, any development of new fields, expansion projects, capital expenditures, efficiency-improvement projects, acquisitions or dispositions; potential failure to achieve expected production from existing and future oil and gas development projects; exploration risks such as drilling unsuccessful wells; any general economic recession or slowdown domestically or internationally; higher-than-expected costs; potential liability for remedial actions under existing or future environmental regulations and litigation; potential liability resulting from pending or future litigation; general domestic and international political conditions; potential disruption or interruption of Occidental's production or manufacturing or damage to facilities due to accidents, chemical releases, labor unrest, weather, natural disasters, political events or insurgent activity; failure of risk management; changes in law or regulations; or changes in tax rates. Finding and Development costs calculations inherently compare costs and reserves from separate periods.

The United States Securities and Exchange Commission (SEC) permits oil and natural gas companies, in their SEC filings, to disclose only reserves anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. We use certain terms in this presentation, such as reported reserves, EUR, expected ultimate recovery, potential reserves, discovery volumes, recoverable resources and oil in place, that the SEC's guidelines strictly prohibit us from using in our SEC filings. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, Occidental does not undertake any obligation to update any forward-looking statements, as a result of new information, future events or otherwise. U.S. investors are urged to consider carefully the disclosures in our 2009 Form 10-K, available through the following toll-free number 1-888-OXYPETE (1-888-699-7383) or on the internet at <http://www.oxy.com>. You also can obtain a copy from the SEC by calling 1-800-SEC-0330. We post or provide links to important information on our website including investor and analyst presentations, certain board committee charters and information that SEC requires companies and certain of its officers and directors to file or furnish. Such information may be found in the "Investor Relations" and "Social Responsibility" portions of the website.





