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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) July 5, 2006**

**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**

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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 8 – Other Events

### Item 8.01. Other Events

Occidental filed a press release on July 5, 2006, reclassifying its Ecuador operations as discontinued operations and giving guidance for its second quarter earnings per share. Attached as Exhibit 99.1 is the press release dated July 5, 2006. Attached as Exhibit 99.2 are tables retrospectively applying the reclassification.

#### Forward-Looking Statements

Statements in this filings, including the exhibits, that contain words such as "will," "expect" or "estimate," or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Occidental offers no assurance as to the result of its arbitration claim or any other legal process it may pursue regarding Block 15. You should not place undue reliance on these forward-looking statements which speak only as of the date of this filing. 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.

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: July 5, 2006

/s/ Jim A. Leonard  
Jim A. Leonard, Vice President and Controller  
(Principal Accounting and Duly Authorized Officer)

## EXHIBIT INDEX

- 99.1 Press release dated July 5, 2006
- 99.2 Retrospective application



13889 Wilshire Boulevard, Los Angeles, California 90024 4103 208-4800

For Immediate Release: July 5, 2006

OCCIDENTAL RECLASSIFIES ECUADOR AS DISCONTINUED OPERATIONS AND  
GIVES GUIDANCE FOR THE SECOND QUARTER EARNINGS

LOS ANGELES -- The recent seizure of Occidental's Block 15 investment in Ecuador will result in Occidental recording in the second quarter of 2006 a net year-to-date after-tax charge of \$306 million, (\$0.71 per share) in discontinued operations. This charge will cause first quarter 2006 diluted earnings per share from continuing operations to change to \$2.67 per share from the previous disclosure of \$2.83 per share. Occidental expects second quarter 2006 diluted earnings per share from continuing operations to be between \$2.70 and \$2.80 per share.

On May 15, 2006, Ecuador's Minister of Energy terminated Occidental's contract for the operation of Block 15, which comprises all its oil producing operations in the country, and the Government of Ecuador seized Occidental's Block 15 assets shortly thereafter. The process resulting in this action began more than two years ago shortly after Occidental prevailed, by unanimous decision of an international arbitration panel, in a legal dispute over tax refunds that the Government of Ecuador wrongfully withheld from Occidental. The panel's decision was subsequently upheld by a London court.

As a result of the seizure, Occidental has classified its Block 15 operations as discontinued operations. In the second quarter of 2006, Occidental will record a net year-to-date after-tax charge of \$306 million, (\$0.71 per share) in discontinued operations. This discontinued operations amount comprises after-tax charges for the write-off of the investment in Ecuador, as well as ship or pay obligations entered into with OCP Pipeline to ship oil produced at Block 15, partially offset by \$109 million net of tax income from operations in the first five months of 2006.

Following is a reconciliation of the first quarter 2006 net income, diluted earnings per share and worldwide daily net production after retrospective application.

	Previous Disclosure =====	Ecuador Reclass =====	Retrospective Application =====
(Amounts in \$ millions)			
Income from			
continuing operations	\$ 1,216	\$ (65)	\$ 1,151
Discontinued operations, net	13	65	78
	-----	-----	-----
Net income	\$ 1,229	\$ 0	\$ 1,229
	=====	=====	=====
Diluted Earnings per Share			
Income from			
continuing operations	\$ 2.83	\$ (0.16)	\$ 2.67
Discontinued operations, net	0.03	0.16	0.19
	-----	-----	-----
	\$ 2.86	\$ 0.00	\$ 2.86
	=====	=====	=====
Net production per day (MBOE)	636	(44)	592

Occidental will report its Block 15 results for current and prior periods as discontinued operations in its statements of income and cash flows in accordance with Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Balance sheet amounts will be reclassified to assets of discontinued operations and liabilities of discontinued operations. Oil & Gas disclosures will be adjusted to exclude the Ecuadorian operations. Retrospective applications of reported income, core income and oil & gas net production per day for the total years 2002 through 2005 and the quarterly periods of 2005 and 2006 are available in pdf format by clicking here:

<http://www.oxy.com/publications/070306/retrospectiveApplication.pdf>

On May 17, 2006, Occidental filed an arbitration claim against the Government of Ecuador, seeking redress for illegal confiscation of Occidental's Block 15 operations in Ecuador. The company filed its claim with the International Centre for Settlement of Investment Disputes in Washington DC, invoking the

protections of the US-Ecuador Bilateral Investment Treaty. Occidental requested that the arbitration panel order interim relief by restoring its rights in Ecuador and preventing Ecuador from replacing Occidental with another third party operator in Block 15 until its claims can be decided, a process that could take well over a year.

#### Forward-Looking Statements

Statements in this release that contain words such as "will," "expect" or "estimate," or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. You should not place undue reliance on these forward-looking statements which speak only as of the date of this 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**  
**Financial Data**  
**RETROSPECTIVE APPLICATION**  
Millions, except per share amounts

	2002	2003	2004	2005				2006	
	12 Mos	12 Mos	12 Mos	Qtr 1	Qtr 2	Qtr 3	Qtr 4	12 Mos	Qtr 1
<b>Segment net sales</b>									
Oil & Gas	4,536	5,783	7,093	2,089	2,220	2,617	2,879	9,805	3,125
Chemicals	2,613	3,092	3,675	1,061	1,128	1,190	1,262	4,641	1,241
Other	—	145	111	23	37	50	41	151	30
	<u>7,149</u>	<u>9,020</u>	<u>10,879</u>	<u>3,173</u>	<u>3,385</u>	<u>3,857</u>	<u>4,182</u>	<u>14,597</u>	<u>4,396</u>
<b>Segment earnings</b>									
Oil & Gas	\$ 2,160	\$ 3,129	\$ 4,021	\$ 1,279	\$ 1,255	\$ 1,638	\$ 1,796	\$ 5,968	\$ 1,910
Chemicals	177	223	414	214	225	3	165	607	248
	<u>2,337</u>	<u>3,352</u>	<u>4,435</u>	<u>1,493</u>	<u>1,480</u>	<u>1,641</u>	<u>1,961</u>	<u>6,575</u>	<u>2,158</u>
<b>Unallocated corporate items</b>									
Interest	(321)	(333)	(240)	(61)	(47)	(70)	(23)	(201)	(29)
Other	(424)	(271)	(150)	(51)	73	660	(89)	593	(73)
Income taxes	(425)	(1,189)	(1,639)	(584)	(26)	(574)	(743)	(1,927)	(905)
Income from continuing operations	1,167	1,559	2,406	797	1,480	1,657	1,106	5,040	1,151
Discontinued operations, net	(83)	36	162	49	56	87	46	238	78 (a)
Change in accounting principles, net	(95)	(68)	—	—	—	3	—	3	—
Net Income	<u>\$ 989</u>	<u>\$ 1,527</u>	<u>\$ 2,568</u>	<u>\$ 846</u>	<u>\$ 1,536</u>	<u>\$ 1,747</u>	<u>\$ 1,152</u>	<u>\$ 5,281</u>	<u>\$ 1,229</u>
<b>Basic earnings per common share</b>									
Income from continuing operations	\$ 3.10	\$ 4.06	\$ 6.08	\$ 1.99	\$ 3.68	\$ 4.10	\$ 2.73	\$ 12.49	\$ 2.71
Discontinued operations, net	(0.22)	0.10	0.41	0.12	0.14	0.21	0.11	0.59	0.19 (a)
Change in accounting principles, net	(0.25)	(0.18)	—	—	—	0.01	—	0.01	—
	<u>\$ 2.63</u>	<u>\$ 3.98</u>	<u>\$ 6.49</u>	<u>\$ 2.11</u>	<u>\$ 3.82</u>	<u>\$ 4.32</u>	<u>\$ 2.84</u>	<u>\$ 13.09</u>	<u>\$ 2.90</u>
<b>Diluted earnings per common share</b>									
Income from continuing operations	\$ 3.08	\$ 4.01	\$ 5.99	\$ 1.96	\$ 3.63	\$ 4.03	\$ 2.69	\$ 12.32	\$ 2.67
Discontinued operations, net	(0.22)	0.10	0.41	0.12	0.14	0.21	0.11	0.58	0.19 (a)
Change in accounting principles, net	(0.25)	(0.18)	—	—	—	0.01	—	0.01	—
	<u>\$ 2.61</u>	<u>\$ 3.93</u>	<u>\$ 6.40</u>	<u>\$ 2.08</u>	<u>\$ 3.77</u>	<u>\$ 4.25</u>	<u>\$ 2.80</u>	<u>\$ 12.91</u>	<u>\$ 2.86</u>
<b>Dividends per common share</b>	<u>\$ 1.00</u>	<u>\$ 1.04</u>	<u>\$ 1.10</u>	<u>\$ 0.31</u>	<u>\$ 0.31</u>	<u>\$ 0.31</u>	<u>\$ 0.36</u>	<u>\$ 1.29</u>	<u>\$ 0.36</u>

(a) Discontinued operations, net for the 1st quarter 2006 included \$13 million (\$0.03 per share basic) for Vintage held for sale properties and \$65 million (\$0.16 per share basic) for Ecuador.



**Occidental Petroleum Corporation**  
**Financial Core Data**  
**RETROSPECTIVE APPLICATION**  
**Millions, except per share amounts**

	2002	2003	2004	2005					2006
	12 Mos	12 Mos	12 Mos	Qtr 1	Qtr 2	Qtr 3	Qtr 4	12 Mos	Qtr 1
Oil & Gas	\$ 2,160	\$ 3,129	\$ 4,021	\$ 1,279	\$ 1,281	\$ 1,647	\$ 1,805	\$ 6,012	\$ 1,910
Chemicals	177	223	414	214	225	167	171	777	248
Segment earnings	2,337	3,352	4,435	1,493	1,506	1,814	1,976	6,789	2,158
Unallocated corporate items									
Interest	(321)	(272)	(229)	(51)	(46)	(40)	(22)	(159)	(29)
Other	(182)	(271)	(256)	(51)	(67)	(39)	(89)	(246)	(73)
Taxes	(831)	(1,210)	(1,651)	(578)	(594)	(731)	(749)	(2,652)	(905)
Core Income	\$ 1,003	\$ 1,599	\$ 2,299	\$ 813	\$ 799	\$ 1,004	\$ 1,116	\$ 3,732	\$ 1,151
Significant items affecting earnings (see detail below)	(14)	(72)	269	33	737	743	36	1,549	78
Reported income	\$ 989	\$ 1,527	\$ 2,568	\$ 846	\$ 1,536	\$ 1,747	\$ 1,152	\$ 5,281	\$ 1,229
Core earnings per share									
Basic	\$ 2.67	\$ 4.17	\$ 5.81	\$ 2.03	\$ 1.99	\$ 2.48	\$ 2.75	\$ 9.25	\$ 2.71
Diluted	\$ 2.64	\$ 4.11	\$ 5.73	\$ 2.00	\$ 1.96	\$ 2.44	\$ 2.71	\$ 9.12	\$ 2.67
<b>Significant items affecting earnings</b>									
Oil & Gas									
Hurricane related insurance charge	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (9)	\$ (9)	\$ (18)	\$ —
Contract settlement	—	—	—	—	(26)	—	—	(26)	—
	—	—	—	—	(26)	(9)	(9)	(44)	—
Chemicals									
Write-off of plants	—	—	—	—	—	(159)	—	(159)	—
Hurricane related insurance charge	—	—	—	—	—	(5)	(6)	(11)	—
	—	—	—	—	—	(164)	(6)	(170)	—
Corporate									
Debt repurchase expense	—	(61)	—	(10)	(1)	(30)	(1)	(42)	—
Trust preferred redemption charge	—	—	(11)	—	—	—	—	—	—
Gain on Lyondell stock issuance	—	—	121	—	—	—	—	—	—
Gain on sale of Lyondell shares	—	—	—	—	140	—	—	140	—
Gain on sale of Premcor / Valero shares	—	—	—	—	—	726	—	726	—
Pre-tax loss on sale of Equistar investment	(242)	—	—	—	—	—	—	—	—
Equity investment hurricane related insurance chg	—	—	—	—	—	(2)	—	(2)	—
Equity investment impairment	—	—	—	—	—	(15)	—	(15)	—
Hurricane related insurance charge	—	—	(15)	—	—	(10)	—	(10)	—
State tax issue	—	—	—	(10)	—	—	—	(10)	—
Settlement of federal tax issue	—	—	47	—	619	—	—	619	—
Tax reserve reversals - statute of limitations	—	—	—	—	—	335	—	335	—
Tax effect of pre-tax adjustments	406	21	(35)	4	(51)	(178)	6	(219)	—
Discontinued operations, net	(83)	36	162	49	56	87	46	238	78
Changes in accounting principles, net	(95)	(68)	—	—	—	3	—	3	—
	(14)	(72)	269	33	763	916	51	1,763	78
<b>CONSOLIDATED</b>	\$ (14)	\$ (72)	\$ 269	\$ 33	\$ 737	\$ 743	\$ 36	\$ 1,549	\$ 78

**Occidental Petroleum Corporation**  
**Operational Data**  
**RETROSPECTIVE APPLICATION**  
**Oil & Gas Net Production Per Day by Geographical Locations**

NET PRODUCTION PER DAY:	2002	2003	2004	2005				2006	
	12 Mos	12 Mos	12 Mos	Qtr 1	Qtr 2	Qtr 3	Qtr 4	12 Mos	Qtr 1
<b>United States</b>									
Crude Oil and Liquids (MBBL)									
California	86	81	78	77	75	73	78	76	82
Permian	142	150	154	148	156	165	170	161	166
Horn Mountain	1	21	19	18	11	10	14	13	15
Hugoton / Other	3	4	3	4	3	3	3	3	3
Total	232	256	254	247	245	251	265	253	266
Natural Gas (MMCF)									
California	286	252	237	241	240	239	247	242	250
Hugoton / Other	148	138	127	129	133	133	139	133	133
Permian	130	129	130	146	166	186	180	170	189
Horn Mountain	—	13	13	12	9	6	6	8	10
Total	564	532	507	528	548	564	572	553	582
<b>Latin America</b>									
Crude Oil (MBBL)									
Argentina	—	—	—	—	—	—	—	—	24
Colombia	40	37	37	32	36	38	36	36	39
Total	40	37	37	32	36	38	36	36	63
Natural Gas (MMCF)									
Argentina	—	—	—	—	—	—	—	—	13
Bolivia	—	—	—	—	—	—	—	—	13
Total	—	—	—	—	—	—	—	—	26
<b>Middle East and North Africa</b>									
Crude Oil (MBBL)									
Oman	13	12	13	23	19	12	13	17	17
Qatar	42	45	45	43	43	42	42	42	44
Yemen	37	35	32	35	28	23	24	28	32
Libya	—	—	—	—	—	9	24	8	22
Total	92	92	90	101	90	86	103	95	115
Natural Gas (MMCF)									
Oman	—	—	55	56	61	35	25	44	25
<b>Other Eastern Hemisphere</b>									
Crude Oil (MBBL)									
Pakistan	10	9	7	5	6	5	5	5	4
Natural Gas (MMCF)									
Pakistan	63	74	75	78	72	81	77	77	75
<b>Consolidated subsidiaries (MBOE)</b>	<b>479</b>	<b>495</b>	<b>494</b>	<b>495</b>	<b>491</b>	<b>493</b>	<b>521</b>	<b>501</b>	<b>566</b>
Colombia - minority interest	(5)	(5)	(4)	(4)	(5)	(5)	(4)	(4)	(5)
Russia - Occidental net interest	27	30	29	30	28	27	28	28	29
Yemen - Occidental net interest	1	2	1	2	2	1	1	1	2
<b>Total worldwide production (MBOE)</b>	<b>502</b>	<b>522</b>	<b>520</b>	<b>523</b>	<b>516</b>	<b>516</b>	<b>546</b>	<b>526</b>	<b>592</b>