
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) October 24, 2007

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.)
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10889 Wilshire Boulevard Los Angeles, California (Address of principal executive offices)	90024 (ZIP code)
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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 2 – Financial Information

Item 2.02. Results of Operations and Financial Condition

On October 24, 2007, Occidental Petroleum Corporation released information regarding its results of operations for the three and nine months ended September 30, 2007. The exhibits to this Form 8-K and the information set forth in this Item 2.02 are being furnished pursuant to Item 2.02, Results of Operations and Financial Condition. The full text of the press release is attached to this report as Exhibit 99.1. The full text of the speeches given by Dr. Ray R. Irani and Stephen I. Chazen is attached to this report as Exhibit 99.2. Investor Relations Supplemental Schedules are attached to this report as Exhibit 99.3. Earnings Conference Call Slides are attached to this report as Exhibit 99.4.

Section 8 – Other Events

Item 8.01. Other Events

On October 24, 2007, Occidental Petroleum Corporation announced net income of \$1.324 billion (\$1.58 per diluted share) for the third quarter of 2007, compared with \$1.170 billion (\$1.36 per diluted share) for the third quarter of 2006. Core results for the third quarter of 2007 were a record high of \$1.210 billion (\$1.45 per diluted share), after excluding after-tax gains of \$72 million from the sale of exploration properties, net of asset impairments, \$34 million from the sale of non-core assets and \$8 million from discontinued operations; compared with \$1.103 billion (\$1.28 per diluted share) for the third quarter of 2006. See the attached schedule for a reconciliation of net income to core results.

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were \$2.029 billion for the third quarter of 2007, compared with \$1.790 billion for the same period in 2006. The third quarter of 2007 core results were \$1.988 billion, after excluding pre-tax gains of \$12 million from the sale of domestic interests and \$103 million from the sale of exploration properties, partially offset by a \$74 million pre-tax loss from the impairment of assets, primarily exploration properties. The \$198 million increase in the third quarter 2007 core results to \$1.988 billion from \$1.790 billion in 2006 reflected increases from higher crude oil prices and production volumes, partially offset by increased DD&A rates and higher operating expenses.

The average price for West Texas Intermediate crude oil in the third quarter of 2007 was \$75.38 per barrel compared to \$70.53 per barrel in the third quarter of 2006. Oxy's realized price for worldwide crude oil was \$67.81 per barrel for the third quarter of 2007, compared with \$61.83 per barrel for the third quarter of 2006. The average price for NYMEX gas in the third quarter of 2007 was \$6.69 per MCF, compared with \$6.33 per MCF in the third quarter of 2006. Domestic realized gas prices increased slightly from \$5.88 per MCF in the third quarter of 2006 to \$5.90 per MCF for the third quarter of 2007.

Production

For the third quarter of 2007, daily oil and gas production averaged 570,000 barrels of oil equivalent (BOE), compared with 533,000 BOE per day produced in the third quarter of 2006. The increased production included 15,000 BOE per day from Dolphin, 12,000 BOE per day from domestic operations and the remainder primarily from the Middle East.

Chemicals

Chemical segment earnings for the third quarter of 2007 were \$212 million, compared with \$248 million for the same period in 2006. The third quarter of 2007 results reflect lower margins for polyvinyl chloride.

NINE-MONTHS RESULTS

Net income for the nine months of 2007 was \$3.948 billion (\$4.69 per diluted share), compared with \$3.261 billion (\$3.78 per diluted share) for the nine months of 2006.

Core results were \$2.941 billion (\$3.50 per diluted share) for the nine months of 2007, compared with \$3.332 billion (\$3.86 per diluted share) for the nine months of 2006. Net income for the nine months of 2007 includes, after-tax: a \$72 million gain from the sale of exploration properties, net of asset impairments, a \$22 million gain from the sale of domestic oil and gas interests, a \$112 million gain from litigation settlements, a \$208 million gain from the sale of 21 million shares of Lyondell Chemical Corporation, a \$412 million gain resulting from the sale of Oxy's 50-percent investment in Russia, a \$107 million charge for the completion of cash tender offers for various debt issues, a \$30 million provision for a plant closure and related environmental remediation reserve and \$318 million income from discontinued operations. Net income for the nine months of 2006 includes a \$71 million after-tax loss from discontinued operations. See the attached schedule for a reconciliation of net income to core results.

Oil and Gas

Oil and gas segment earnings were \$5.719 billion for the nine months of 2007, compared with \$5.458 billion for the same period of 2006. Oil and gas core results were \$5.131 billion for the nine months of 2007 after excluding gains from the sale of Oxy's investment in Russia, sales of exploration properties, net of asset impairments, sales of domestic oil and gas interests, and litigation settlements. The decline of \$327 million in the nine months of 2007 core results from \$5.458 billion in 2006 reflected lower crude oil and natural gas prices, increased DD&A rates and higher exploration and operating expenses, partially offset by higher crude oil and natural gas production.

The average price for West Texas Intermediate crude oil in the nine months of 2007 was \$66.20 per barrel compared to \$68.24 per barrel in the nine months of 2006. Oxy's realized price for worldwide crude oil was \$59.47 per barrel for the nine months of 2007, compared with \$59.61 per barrel for the nine months of 2006. The average price for NYMEX gas in the nine months of 2007 was \$7.14 per MCF, compared with \$8.34 per MCF in the nine months of 2006. Domestic realized gas prices decreased from \$6.79 per MCF in the nine months of 2006 to \$6.45 per MCF for the same period of 2007.

Production

For the nine months of 2007, daily oil and gas production averaged 563,000 BOE, compared with 539,000 BOE per day produced in the nine months of 2006.

Chemicals

Chemical segment earnings for the nine months of 2007 were \$507 million, compared with \$749 million for the same period in 2006. The 2007 results reflect lower margins for polyvinyl chloride.

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. Factors that could cause results to differ materially include, but are not limited to: exploration risks, such as drilling of unsuccessful wells; global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; changes in tax rates and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. 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 our 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.

SUMMARY OF SEGMENT NET SALES AND EARNINGS

(Millions, except per-share amounts)	Third Quarter		Nine Months	
	2007	2006	2007	2006
SEGMENT NET SALES				
Oil and Gas	\$ 3,536	\$ 3,087	\$ 9,597	\$ 9,244
Chemical	1,241	1,265	3,530	3,779
Other	64	50	140	114
Net sales	\$ 4,841	\$ 4,402	\$13,267	\$13,137
SEGMENT EARNINGS				
Oil and Gas (a)	\$ 2,029	\$ 1,790	\$ 5,719	\$ 5,458
Chemical	212	248	507	749
	2,241	2,038	6,226	6,207
Unallocated Corporate Items				
Interest expense, net (b)	(11)	(18)	(186)	(80)
Income taxes	(862)	(858)	(2,450)	(2,583)
Other (c)	(52)	(59)	40	(212)
Income from Continuing Operations	1,316	1,103	3,630	3,332
Discontinued operations, net (d)	8	67	318	(71)
NET INCOME	\$ 1,324	\$ 1,170	\$ 3,948	\$ 3,261
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.58	\$ 1.29	\$ 4.34	\$ 3.90
Discontinued operations, net (d)	0.01	0.08	0.38	(0.08)
	\$ 1.59	\$ 1.37	\$ 4.72	\$ 3.82
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.57	\$ 1.28	\$ 4.31	\$ 3.86
Discontinued operations, net (d)	0.01	0.08	0.38	(0.08)
	\$ 1.58	\$ 1.36	\$ 4.69	\$ 3.78
AVERAGE BASIC COMMON SHARES OUTSTANDING				
BASIC	833.1	852.8	837.0	854.2
DILUTED	837.0	860.3	840.9	863.0

See footnotes on following page.

- (a) **Oil and Gas** - The third quarter of 2007 includes pre-tax gains of \$12 million from the sale of domestic oil and gas interests and \$103 million from the sale of exploration properties, partially offset by a pre-tax loss of \$74 million for the impairment of properties. The nine months of 2007 also includes an after-tax gain of \$412 million from the sale of Occidental's Russian investment, a \$112 million after-tax gain resulting from the resolution of certain legal disputes and an additional \$23 million pre-tax gain from the sale of domestic oil and gas interests.
- (b) **Interest Expense, net** - The nine months of 2007 includes a \$167 million pre-tax interest charge for the purchase of various debt issues in the open market.
- (c) **Unallocated Corporate Items - Other** - The third quarter of 2007 includes a \$42 million pre-tax gain from the sale of the remaining 2.4 million shares of Occidental's investment in Lyondell Chemical Company. The nine months of 2007 also includes an additional \$284 million pre-tax gain from the sale of 18.6 million shares and a \$47 million pre-tax charge for a plant closure and related environmental remediation reserve.
- (d) **Discontinued Operations, net** - In June 2007, Occidental completed an exchange of oil and gas interests in Horn Mountain with BP p.l.c. (BP) for oil and gas interests in the Permian Basin and a gas processing plant in Texas. Occidental also sold its oil and gas interests in Pakistan to BP. The nine months of 2007 includes after-tax gains of \$316 million related to these transactions and their operating results and \$2 million from assets classified to discontinued operations in 2006.

In January 2006, Occidental completed the merger of Vintage into a subsidiary and classified certain assets and liabilities as held for sale. In May 2006, Ecuador terminated Occidental's contract for the operation of Block 15. The nine months of 2006 includes a \$415 million after-tax loss for the write-off of assets, \$109 million after-tax income for the first five months of operations which were written off, \$46 million after-tax income for the properties held for sale and \$189 million after-tax income for the operations of Horn Mountain and Pakistan.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	Third Quarter		Nine Months	
	2007	2006	2007	2006
CAPITAL EXPENDITURES	\$ 880	\$ 747	\$ 2,510	\$ 1,977
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 602	\$ 516	\$ 1,740	\$ 1,446

SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2007	2006	2007	2006
NET OIL, GAS AND LIQUIDS				
PRODUCTION PER DAY				
United States				
Crude oil and liquids (MBBL)				
California	90	84	89	83
Permian	171	168	167	167
Hugoton and other	4	3	3	3
Total	265	255	259	253
Natural Gas (MMCF)				
California	264	255	254	254
Hugoton and other	158	139	154	137
Permian	182	198	189	194
Total	604	592	597	585
Latin America				
Crude Oil (MBBL)				
Argentina	31	37	33	33
Colombia	42	33	43	35
Total	73	70	76	68
Natural Gas (MMCF)				
Argentina	22	19	24	18
Bolivia	18	16	17	16
Total	40	35	41	34
Middle East/North Africa				
Crude Oil (MBBL)				
Oman	18	17	20	17
Dolphin	3	--	1	--
Qatar	46	41	46	43
Yemen	22	27	26	30
Libya	20	15	22	21
Total	109	100	115	111
Natural Gas (MMCF)				
Oman	34	35	31	32
Dolphin	69	--	23	--
Total	103	35	54	32
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	572	535	566	541
Colombia-minority interest	(4)	(4)	(5)	(4)
Yemen-Occidental net interest	2	2	2	2
Total Worldwide Production-				
MBOE (a)	570	533	563	539

(a) Occidental sold its interest in Russia in January 2007. In June 2007, Occidental sold its Pakistan operations to BP and exchanged its Gulf of Mexico - Horn Mountain operations with BP. Production from these operations has been excluded from all periods for comparability.

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

Occidental's results of operations often include the effects of significant transactions and events affecting earnings that vary widely and unpredictably in nature, timing and amount. Therefore, management uses a measure called "core results", which excludes those items. This non-GAAP measure is not meant to disassociate those items from management's performance, but rather is meant to provide useful information to investors interested in comparing Occidental's earnings performance between periods. Reported earnings are considered representative of management's performance over the long term. Core results is not considered to be an alternative to operating income in accordance with generally accepted accounting principles.

The following tables set forth the core results and significant items affecting earnings for each operating segment and corporate:

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

Third Quarter

(\$ millions, except per-share amounts)	2007		2006	
		Diluted EPS		Diluted EPS
TOTAL REPORTED EARNINGS	\$ 1,324	\$ 1.58	\$ 1,170	\$ 1.36
Oil and Gas				
Segment Earnings	\$ 2,029		\$ 1,790	
Less:				
Gain on sale of oil & gas interests	12		--	
Gain on sale of exploration properties	103		--	
Impairments	(74)		--	
Segment Core Results	1,988		1,790	
Chemicals				
Segment Earnings	212		248	
Less:				
No significant items affecting earnings	--		--	
Segment Core Results	212		248	
Total Segment Core Results	2,200		2,038	
Corporate				
Corporate Results -- Non Segment*	(917)		(868)	
Less:				
Gain on sale of Lyondell shares	42		--	
Tax effect of pre-tax adjustments	23		--	
Discontinued operations, net**	8		67	
Corporate Core Results -- Non Segment	(990)		(935)	
TOTAL CORE RESULTS	\$ 1,210	\$ 1.45	\$ 1,103	\$ 1.28

*Interest expense, income taxes, G&A expense and other, and non-core items.
**Amounts shown after tax.

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

(\$ millions, except per-share amounts)	Nine Months			
	2007	Diluted EPS	2006	Diluted EPS
TOTAL REPORTED EARNINGS	\$ 3,948	\$ 4.69	\$ 3,261	\$ 3.78
Oil and Gas				
Segment Earnings	\$ 5,719		\$ 5,458	
Less:				
Gain on sale of Russia investment	412		--	
Gain on sale of exploration properties	103		--	
Impairments	(74)		--	
Gain on sale of oil & gas interests	35		--	
Litigation settlements	112		--	
Segment Core Results	5,131		5,458	
Chemicals				
Segment Earnings	507		749	
Less:				
No significant items affecting earnings	--		--	
Segment Core Results	507		749	
Total Segment Core Results	5,638		6,207	
Corporate				
Corporate Results -- Non Segment*	(2,278)		(2,946)	
Less:				
Debt purchase expense	(167)		--	
Gain on sale of Lyondell shares	326		--	
Plant closure	(47)		--	
Tax effect of pre-tax adjustments	(11)		--	
Discontinued operations, net**	318		(71)	
Corporate Core Results -- Non Segment	(2,697)		(2,875)	
TOTAL CORE RESULTS	\$ 2,941	\$ 3.50	\$ 3,332	\$ 3.86

*Interest expense, income taxes, G&A expense and other, and non-core items.

**Amounts shown after tax.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press release dated October 24, 2007.

99.2 Full text of speeches given by Dr. Ray R. Irani and Stephen I. Chazen.

99.3 Investor Relations Supplemental Schedules.

99.4 Earnings Conference Call Slides.

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: October 24, 2007

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

EXHIBIT INDEX

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For Immediate Release: October 24, 2007

Occidental Petroleum Announces Record Third Quarter Core Results

LOS ANGELES -- Occidental Petroleum Corporation (NYSE: OXY) announced net income of \$1.324 billion (\$1.58 per diluted share) for the third quarter of 2007, compared with \$1.170 billion (\$1.36 per diluted share) for the third quarter of 2006. Core results for the third quarter of 2007 were a record high of \$1.210 billion (\$1.45 per diluted share), after excluding after-tax gains of \$72 million from the sale of exploration properties, net of asset impairments, \$34 million from the sale of non-core assets and \$8 million from discontinued operations; compared with \$1.103 billion (\$1.28 per diluted share) for the third quarter of 2006. See the attached schedule for a reconciliation of net income to core results.

In announcing the results, Dr. Ray R. Irani, Chairman, President and Chief Executive Officer said, "Increase in our production volume, including initial production from the Dolphin Project and increases in worldwide crude oil prices, contributed to Oxy's record setting third quarter core income results of \$1.210 billion. This reflects the continued successful implementation of our long-term strategy that is focused on current and new long-lived oil and gas assets in our core regions that produce strong financial returns."

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were \$2.029 billion for the third quarter of 2007, compared with \$1.790 billion for the same period in 2006. The third quarter of 2007 core results were \$1.988 billion, after excluding pre-tax gains of \$12 million from the sale of domestic interests and \$103 million from the sale of exploration

properties, partially offset by a \$74 million pre-tax loss from the impairment of assets, primarily exploration properties. The \$198 million increase in the third quarter 2007 core results to \$1.988 billion from \$1.790 billion in 2006 reflected increases from higher crude oil prices and production volumes, partially offset by increased DD&A rates and higher operating expenses.

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NINE-MONTHS RESULTS

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About Oxy

Occidental Petroleum Corporation is an international oil and gas exploration and production company with operations in the United States, 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. Occidental 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.

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Contacts: Richard S. Kline (media)
310-443-6249

Christopher G. Stavros (investors)
212-603-8184

For further analysis of Occidental's quarterly performance,
please visit the web site: www.oxy.com

SUMMARY OF SEGMENT NET SALES AND EARNINGS

(Millions, except per-share amounts)	Third Quarter		Nine Months	
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SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	Third Quarter		Nine Months	
	2007	2006	2007	2006
CAPITAL EXPENDITURES	\$ 880	\$ 747	\$ 2,510	\$ 1,977
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 602	\$ 516	\$ 1,740	\$ 1,446

SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2007	2006	2007	2006
NET OIL, GAS AND LIQUIDS				
PRODUCTION PER DAY				
United States				
Crude oil and liquids (MBBL)				
California	90	84	89	83
Permian	171	168	167	167
Hugoton and other	4	3	3	3
Total	265	255	259	253
Natural Gas (MMCF)				
California	264	255	254	254
Hugoton and other	158	139	154	137
Permian	182	198	189	194
Total	604	592	597	585
Latin America				
Crude Oil (MBBL)				
Argentina	31	37	33	33
Colombia	42	33	43	35
Total	73	70	76	68
Natural Gas (MMCF)				
Argentina	22	19	24	18
Bolivia	18	16	17	16
Total	40	35	41	34
Middle East/North Africa				
Crude Oil (MBBL)				
Oman	18	17	20	17
Dolphin	3	--	1	--
Qatar	46	41	46	43
Yemen	22	27	26	30
Libya	20	15	22	21
Total	109	100	115	111
Natural Gas (MMCF)				
Oman	34	35	31	32
Dolphin	69	--	23	--
Total	103	35	54	32
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	572	535	566	541
Colombia-minority interest	(4)	(4)	(5)	(4)
Yemen-Occidental net interest	2	2	2	2
Total Worldwide Production-				
MBOE (a)	570	533	563	539

(a) Occidental sold its interest in Russia in January 2007. In June 2007, Occidental sold its Pakistan operations to BP and exchanged its Gulf of Mexico - Horn Mountain operations with BP. Production from these operations has been excluded from all periods for comparability.

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

Occidental's results of operations often include the effects of significant transactions and events affecting earnings that vary widely and unpredictably in nature, timing and amount. Therefore, management uses a measure called "core results", which excludes those items. This non-GAAP measure is not meant to disassociate those items from management's performance, but rather is meant to provide useful information to investors interested in comparing Occidental's earnings performance between periods. Reported earnings are considered representative of management's performance over the long term. Core results is not considered to be an alternative to operating income in accordance with generally accepted accounting principles.

The following tables set forth the core results and significant items affecting earnings for each operating segment and corporate:

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

Third Quarter

(\$ millions, except per-share amounts)	2007		2006	
		Diluted EPS		Diluted EPS
TOTAL REPORTED EARNINGS	\$ 1,324	\$ 1.58	\$ 1,170	\$ 1.36
Oil and Gas				
Segment Earnings	\$ 2,029		\$ 1,790	
Less:				
Gain on sale of oil & gas interests	12		--	
Gain on sale of exploration properties	103		--	
Impairments	(74)		--	
Segment Core Results	1,988		1,790	
Chemicals				
Segment Earnings	212		248	
Less:				
No significant items affecting earnings	--		--	
Segment Core Results	212		248	
Total Segment Core Results	2,200		2,038	
Corporate				
Corporate Results -- Non Segment*	(917)		(868)	
Less:				
Gain on sale of Lyondell shares	42		--	
Tax effect of pre-tax adjustments	23		--	
Discontinued operations, net**	8		67	
Corporate Core Results -- Non Segment	(990)		(935)	
TOTAL CORE RESULTS	\$ 1,210	\$ 1.45	\$ 1,103	\$ 1.28

*Interest expense, income taxes, G&A expense and other, and non-core items.
**Amounts shown after tax.

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

(\$ millions, except per-share amounts =====	Nine Months			
	2007	Diluted EPS	2006	Diluted EPS
TOTAL REPORTED EARNINGS	\$ 3,948	\$ 4.69	\$ 3,261	\$ 3.78
Oil and Gas				
Segment Earnings	\$ 5,719		\$ 5,458	
Less:				
Gain on sale of Russia investment	412		--	
Gain on sale of exploration properties	103		--	
Impairments	(74)		--	
Gain on sale of oil & gas interests	35		--	
Litigation settlements	112		--	
Segment Core Results	5,131		5,458	
Chemicals				
Segment Earnings	507		749	
Less:				
No significant items affecting earnings	--		--	
Segment Core Results	507		749	
Total Segment Core Results	5,638		6,207	
Corporate				
Corporate Results -- Non Segment*	(2,278)		(2,946)	
Less:				
Debt purchase expense	(167)		--	
Gain on sale of Lyondell shares	326		--	
Plant closure	(47)		--	
Tax effect of pre-tax adjustments	(11)		--	
Discontinued operations, net**	318		(71)	
Corporate Core Results -- Non Segment	(2,697)		(2,875)	
TOTAL CORE RESULTS	\$ 2,941	\$ 3.50	\$ 3,332	\$ 3.86

*Interest expense, income taxes, G&A expense and other, and non-core items.

**Amounts shown after tax.

Occidental Petroleum Corporation

DR. RAY R. IRANI

Chairman, President and Chief Executive Officer

– Conference Call –

Third Quarter 2007 Earnings Announcement

October 24, 2007

Los Angeles, California

Good morning and thank you for joining us.

This has been a good quarter for Oxy. Increase in our production volume, including initial production from the Dolphin Project and increases in worldwide crude oil prices contributed to Oxy's record third quarter core income results of \$1.210 billion. This reflects the continued successful implementation of our long-term strategy that is focused on current and new long-lived oil and gas assets in our core regions that produce strong financial returns.

The Dolphin Project continues to go very well. The first two trains of the gas plant are in operation and performing at levels 5 to 10 percent above their nameplate capacity. The remaining two trains are expected to come on between now and year-end and we expect to reach full capacity in early 2008.

On the past several calls I have expressed confidence that additional growth at Oxy will be driven by new opportunities in the Middle East/North Africa region and that we expect to announce two new agreements before year-end. I know you are all anxious to hear details. However, while it remains premature to give you any specifics today, I want to emphasize that I continue to be optimistic about our ability to deliver on our promises.

As you are aware, we are a finalist in the Abu Dhabi National Oil Company selection of a partner to develop the giant Shah gas field and we look forward to the decision in coming weeks. We are also making progress in developing additional projects in the United Arab Emirates.

In Libya, we are in commercial negotiation for large enhanced oil recovery projects for existing fields.

Earlier this month we closed on the acquisition of blocks 12 and 13 in Qatar that we acquired from Anadarko and expect to immediately add 5,000 BOE per day to our net production. In addition, we were recently awarded two offshore exploration areas in Bahrain. These areas are technically quite interesting and adjacent to major producing fields in Qatar. We are also submitting a proposal to work with Bahrain to increase oil production from existing onshore areas.

We are confident in our prospects for continued strong financial performance and growth.

I'll now turn the call over to Steve Chazen.

Occidental Petroleum Corporation

STEPHEN CHAZEN

Senior Executive Vice President and Chief Financial Officer

– Conference Call –

Third Quarter 2007 Earnings Announcement

October 24, 2007

Los Angeles, California

Thank you, Ray.

Net income for the quarter was \$1.324 billion, or \$1.58 per diluted share, compared to \$1.170 billion, or \$1.36 per diluted share in the third quarter of 2006. The current quarter diluted earnings per share increase of 16.2 percent compared to last year was greater than the 13.2 percent net income increase as a result of the share repurchase program. Core results were \$1.210 billion, or \$1.45 per diluted share in the third of quarter 2007, compared to \$1.103 billion, or \$1.28 per diluted share in the third quarter of 2006. The 2007 third quarter net income includes \$106 million of after-tax gains from the sale of non-core assets, comprised of the following: a \$72 million gain from the sale of the West Africa exploration properties, net of oil and gas asset impairments; a \$27 million gain from the sale of the remaining 2.4 million Lyondell shares; and a \$7 million gain from the sale of domestic oil and gas interests. The third quarter of 2007 includes \$8 million income from discontinued operations, compared to \$67 million income in the third quarter of 2006.

Here's the segment breakdown for the **third quarter**.

Oil and gas third quarter 2007 segment earnings were \$2.029 billion. After excluding the gains that I just described, the third quarter 2007 results

were \$1.988 billion, compared to \$1.790 billion for the third quarter of 2006. The following accounted for the increase in oil and gas earnings between these quarters:

- Higher worldwide oil and gas price realizations resulted in an increase of \$249 million of earnings over the comparable period in 2006. Occidental's average realized crude oil price in the 2007 third quarter was \$5.98 higher than in the comparable period in 2006. Oxy's domestic average realized gas price for the quarter was \$5.90, essentially flat with the \$5.88 for the third quarter 2006.
- Worldwide oil and gas production from continuing operations for the quarter averaged 570,000 barrels of oil equivalent per day, an increase of 7 percent, compared with 533,000 BOE production in the third quarter of last year. A significant portion of the production improvement was the result of the Dolphin project start-up which contributed 15,000 BOE per day. Additionally, production volumes increased in California, Colombia and Qatar.
- Our guidance for the third quarter was in the range of 585,000 to 590,000 BOE per day. We were under this range due to the delayed closing of the Qatar asset acquisition from Anadarko, which took place in the fourth quarter of 2007, representing 4,000 BOE per day and the impact of product prices that reduce volumes from our production sharing contracts by approximately another 4,000 BOE per day. We also had a labor strike in Argentina.
- Dolphin contributed \$13 million to after-tax income during the third quarter start up which was greater than our guidance of \$10 million. The sales volumes were 15,000 BOE per day, compared

to our guidance of 17,000 BOE per day due to one less lifting during the quarter.

- Exploration expense of \$68 million in the quarter was lower than our previous guidance of \$95 million.

Oil and gas production costs for the first nine months of 2007 were \$12.56 a barrel compared to last year's costs of \$11.70 a barrel. The increases were a result of higher field operating and maintenance costs mainly in the US and Latin America.

Chemical segment earnings for the third quarter of 2007 were \$212 million, which was higher than our second quarter guidance of \$160 to \$175 million. The improvement in earnings from our guidance was due to higher prices across the chloro-vinyls product chain. Despite weakness in domestic demand, chlorine derivative exports were particularly strong in the third quarter. Chemicals earned \$248 million in last year's third quarter. The primary factor that accounted for the quarter-to-quarter difference was lower polyvinyl chloride margins.

The worldwide effective tax rate, excluding the impact of asset sales and other significant items, was 42 percent for the third quarter of 2007, five percent lower than our guidance. The lower quarterly rate reflects a positive effect on the income tax rate resulting from substantial increases in crude oil prices in the second half of 2007 and lower foreign exploration expense, due to delay of certain drilling activities. In addition, the quarter was favorably impacted by a change in the mix with a larger portion of income coming from U.S. sources rather than higher taxed foreign sources.

Let me now turn to Occidental's performance through the **first nine months**.

Net income was \$3.948 billion, or \$4.69 per diluted share for the first nine months of 2007, compared with \$3.261 billion, or \$3.78 per diluted share for the same period of 2006. Core results were \$2.941 billion, or \$3.50 per diluted share for the first nine months of 2007, compared with \$3.332 billion, or \$3.86 per diluted share for the same period of 2006.

Worldwide oil and gas production for the nine months averaged 563,000 barrels of oil equivalent per day, an increase of 4 percent, compared with 539,000 BOE production in the first nine months of last year.

Capital spending was \$880 million for the quarter and \$2.510 billion for the first nine months. We expect total capital spending for the year to be about \$3.5 billion.

Cash flow from operations for the nine months was approximately \$4.3 billion. Additionally, we received total proceeds of \$670 million from the sale of our investment in Lyondell, \$485 million from the sale of our interest in the Russian joint venture, \$230 million from the sale of our Pakistan properties, \$120 million from the sale of exploration properties and \$75 million from the sale of domestic oil and gas interests. We used \$2.5 billion of the company's cash flow to fund capital expenditures, \$1.0 billion for acquisitions, \$1.0 billion to repurchase debt and \$560 million to pay dividends. We spent \$910 million to repurchase 17.4 million common shares at an average price of \$52.27 per share. These net cash outlays reduced our \$1.6 billion cash balance at the end of last year by \$100 million to \$1.5 billion at September 30. Debt was \$2.0 billion at the end of September, with long-term debt of \$1.7 billion.

The weighted average basic shares outstanding for the nine months were 837.0 million and the weighted average diluted shares outstanding

were 840.9 million. At September 30, there were 829.7 million basic shares outstanding and the dilutive share amount was approximately 833.7 million.

Our debt to capitalization ratio was 8 percent, down from 13 percent at yearend 2006. Over the first nine months of the year, Oxy's annualized return on equity was 26 percent, with an annualized return on capital employed of 24 percent.

As we look ahead in the **current quarter**:

- We expect oil and gas production to be in the range of 600,000 to 615,000 BOE per day during the fourth quarter. The increase includes 21,000 BOE per day from Dolphin, 5,000 BOE per day from the acquisition of Qatar assets from Anadarko which closed in early October.
- Dolphin's third quarter income was \$13 million after foreign tax and we expect the fourth quarter after-tax income to be in the \$50 to \$60 million range. Dolphin is expected to run at 55 percent of capacity during the fourth quarter and contributions will continue to improve as it becomes fully operational.

We expect the oil and gas production year end exit rate to be in the range of 615,000 to 635,000 BOE per day. The increase includes 45,000 to 50,000 BOE per day from Dolphin, 5,000 BOE per day from the announced acquisition of Qatar assets from Anadarko and higher Latin American production. The Dolphin exit rate could be higher, as noted in our previous guidance, depending on how quickly the final train of the gas plant ramps up to full capacity. In any case we expect it to be running at full capacity during January.

With regards to **prices** -

- A \$1.00 per barrel change in oil prices impacts oil and gas quarterly earnings by about \$35 million before the impact of income taxes and Dolphin.
- A swing of 50-cents per million BTUs in domestic gas prices has a \$24 million impact on quarterly earnings before income taxes. The NYMEX gas price for the third quarter was \$6.69 per thousand cubic feet.

Additionally - -

- We expect exploration expense to be about \$80 to \$100 million for seismic and drilling for our Libya and South American exploration programs.
- We expect chemical segment earnings to be in the range of \$100 to \$140 million, compared to the \$212 million in the third quarter. The decline from the third quarter reflects the normal seasonal downturn, continued weakening demand due to lower housing starts and higher energy and ethylene cost. This results in lower volumes and margins across the chloro-vinyls chain. The prices and volumes for key chemical products for the fourth quarter are expected to behave as follows:
 - We expect fourth quarter chlorine prices to be about 10% lower and caustic soda prices to be about 20% higher than last year, and volumes to be comparable.
 - We expect polyvinyl chloride prices for the fourth quarter to be slightly higher than last year and volumes to be about similar.
 - We expect ethylene costs to be at least 30% higher than last year.

- As we previously discussed, tax rates are difficult to predict for the interim periods as they are based upon projected total year income and taxes. Occidental's rate is sensitive to changes in oil and gas prices and foreign expensed exploration. Changes in oil prices have an inverse effect on income tax rates. Increasing oil prices increase the proportion of U.S. income which has lower income tax rates than our international operations. Occidental generally records no tax benefit on foreign expensed exploration until the project is completely abandoned.
- We expect fourth quarter foreign exploration expense, which is not currently tax deductible, to be approximately \$70 million. The worldwide tax rate before this exploration expense is expected to be approximately 45 percent. We expect our combined worldwide tax rate in the fourth quarter, including exploration expense, to increase to about 46 percent. Our third quarter and nine months U. S. and foreign tax rates are included in the "Investor Relations Supplemental Schedule".

Copies of the press release announcing our third quarter earnings and the Investor Relations Supplemental Schedules are available on our website www.oxy.com or through the SEC's EDGAR system.

Now we're ready to take your questions.

See the investor relations supplemental schedules for the reconciliation of non-GAAP items. Statements in this presentation 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. Factors that could cause results to differ materially include, but are not limited

to: exploration risks such as drilling of unsuccessful wells; global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; changes in tax rates; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. 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 disclosure in our 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.

Occidental Petroleum Corporation
Cash and Cash Equivalents
(\$ Millions)

Reconciliation to Generally Accepted Accounting Principles (GAAP)

	<u>31-Dec-06</u>	<u>30-Sep-07</u>
Cash and cash equivalents	1,339	1,455
Short-term investments	240	-
	<u>1,579</u>	<u>1,455</u>
Roundings for presentation	1	-
	<u>1,580</u>	<u>1,455</u>

Occidental Petroleum Corporation
Return on Capital Employed (%)
(\$ Millions)

Reconciliation to Generally Accepted Accounting Principles (GAAP)	Nine Months		Annualized 2007
	2006	2007	
GAAP measure - earnings applicable to common shareholders	4,191	3,948	
Interest expense	131	186	
Tax effect of interest expense	(46)	(65)	
Earnings before tax-effected interest expense	<u>4,276</u>	<u>4,069</u>	
GAAP stockholders' equity	19,252	21,901	
DEBT			
GAAP debt			
Debt, including current maturities	2,790	1,904	
Non-GAAP debt			
Capital lease obligation	25	25	
Subsidiary preferred stock	<u>75</u>	<u>75</u>	
Total debt	<u>2,890</u>	<u>2,004</u>	
Total capital employed	22,142	23,905	
Return on Capital Employed (%)	21.2	17.7	23.6



**Investor Relations Supplemental Schedules
Summary
(\$ Millions)**

	<u>3Q 2007</u>	<u>3Q 2006</u>
Reported Net Income	\$1,324	\$1,170
EPS - Diluted	\$1.58	\$1.36
Core Results	\$1,210	\$1,103
EPS - Diluted	\$1.45	\$1.28
Total Worldwide Production (mboe/day)	570	533
Total Worldwide Crude Oil Realizations (\$/BBL)	\$67.81	\$61.83
Domestic Natural Gas Realizations (\$/MCF)	\$5.90	\$5.88
Wtd. Average Basic Shares O/S (mm)	833.1	852.8
Wtd. Average Diluted Shares O/S (mm)	837.0	860.3
	<u>YTD 2007</u>	<u>YTD 2006</u>
Reported Net Income	\$3,948	\$3,261
EPS - Diluted	\$4.69	\$3.78
Core Results	\$2,941	\$3,332
EPS - Diluted	\$3.50	\$3.86
Total Worldwide Production (mboe/day)	563	539
Total Worldwide Crude Oil Realizations (\$/BBL)	\$59.47	\$59.61
Domestic Natural Gas Realizations (\$/MCF)	\$6.45	\$6.79
Wtd. Average Basic Shares O/S (mm)	837.0	854.2
Wtd. Average Diluted Shares O/S (mm)	840.9	863.0
Shares Outstanding (mm)	828.6	841.1
Cash Flow from Operations	\$4,300	\$4,800



OCCIDENTAL PETROLEUM
2007 Third Quarter
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 2,029	\$ (12) Sale of oil & gas interests 74 Exploration Impairments (103) Sale of exploration properties	\$ 1,988
Chemical	212		212
Corporate Interest expense, net	(11)		(11)
Other	(52)	(42) Sale of Lyondell shares	(94)
Taxes	(862)	(23) Tax effect of adjustments	(885)
Income from continuing operations	1,316	(106)	1,210
Discontinued operations, net of tax	8	(8) Discontinued operations, net	-
Net Income	\$ 1,324	\$ (114)	\$ 1,210
Basic Earnings Per Common Share			
Income from continuing operations	\$ 1.58		
Discontinued operations, net	0.01		
Net Income	<u>\$ 1.59</u>		<u>\$ 1.45</u>
Diluted Earnings Per Common Share			
Income from continuing operations	\$ 1.57		
Discontinued operations, net	0.01		
Net Income	<u>\$ 1.58</u>		<u>\$ 1.45</u>



OCCIDENTAL PETROLEUM
2006 Third Quarter
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 1,790		\$ 1,790
Chemical	248		248
Corporate			
Interest expense, net	(18)		(18)
Other	(59)		(59)
Taxes	(858)		(858)
Income from continuing operations	1,103	-	1,103
Discontinued operations, net of tax	67	(67)	-
Net Income	\$ 1,170	\$ (67)	\$ 1,103
Basic Earnings Per Common Share			
Income from continuing operations	\$ 1.29		
Discontinued operations, net	0.08		
Net Income	<u>\$ 1.37</u>		<u>\$ 1.29</u>
Diluted Earnings Per Common Share			
Income from continuing operations	\$ 1.28		
Discontinued operations, net	0.08		
Net Income	<u>\$ 1.36</u>		<u>\$ 1.28</u>



OCCIDENTAL PETROLEUM
2007 First Nine Months
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 5,719	\$ (412) Sale of Russia (112) Litigation settlements (35) Sale of oil & gas interests 74 Exploration Impairments (103) Sale of exploration properties	\$ 5,131
Chemical	507		507
Corporate			
Interest expense, net	(186)	167 Debt purchases	(19)
Other	40	47 Plant closure (326) Sale of Lyondell shares	(239)
Taxes	(2,450)	11 Tax effect of adjustments	(2,439)
		-	
Income from continuing operations	<u>3,630</u>	<u>(689)</u>	<u>2,941</u>
Discontinued operations, net of tax	318	(318) Discontinued operations	-
Net Income	<u>\$ 3,948</u>	<u>\$ (1,007)</u>	<u>\$ 2,941</u>
Basic Earnings Per Common Share			
Income from continuing operations	\$ 4.34		
Discontinued operations, net	0.38		
Net Income	<u>\$ 4.72</u>		<u>\$ 3.51</u>
Diluted Earnings Per Common Share			
Income from continuing operations	\$ 4.31		
Discontinued operations, net	0.38		
Net Income	<u>\$ 4.69</u>		<u>\$ 3.50</u>



OCCIDENTAL PETROLEUM
2006 First Nine Months
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 5,458		\$ 5,458
Chemical	749		749
Corporate			
Interest expense, net	(80)		(80)
Other	(212)		(212)
Taxes	(2,583)		(2,583)
Income from continuing operations	3,332	-	3,332
Discontinued operations, net of tax	(71)	71	-
Net Income	\$ 3,261	\$ 71	\$ 3,332
Basic Earnings Per Common Share			
Income from continuing operations	\$ 3.90		
Discontinued operations, net of tax	(0.08)		
Net Income	<u>\$ 3.82</u>		<u>\$ 3.90</u>
Diluted Earnings Per Common Share			
Income from continuing operations	\$ 3.86		
Discontinued operations, net of tax	(0.08)		
Net Income	<u>\$ 3.78</u>		<u>\$ 3.86</u>



OCCIDENTAL PETROLEUM
Items Affecting Comparability of Core Results Between Periods

The item(s) below are included in core results and are shown in this table because they affect the comparability between periods.

Pre-tax Income / (Expense)	Third Quarter		Nine Months	
	2007	2006	2007	2006
Corporate				
Environmental remediation	(10)	(8)	(24)	(24)
Severance	(8)	(2)	(13)	(11)



OCCIDENTAL PETROLEUM
Worldwide Effective Tax Rate

	QUARTERLY			YEAR-TO-DATE	
	2007 QTR 3	2007 QTR 2	2006 QTR 3	2007 9 Months	2006 9 Months
REPORTED INCOME					
Oil & Gas (a)	2,029	1,682	1,790	5,719	5,458
Chemicals	212	158	248	507	749
Corporate & other	(63)	209	(77)	(146)	(292)
Pre-tax income	2,178	2,049	1,961	6,080	5,915
Income tax expense					
Federal and state	363	456	416	1,085	1,251
Foreign (a)	499	448	442	1,365	1,332
Total	862	904	858	2,450	2,583
Income from continuing operations	1,316	1,145	1,103	3,630	3,332
Worldwide effective tax rate	40%	44%	44%	40%	44%
CORE RESULTS					
Oil & Gas (a)	1,988	1,656	1,790	5,131	5,458
Chemicals	212	158	248	507	749
Corporate & other	(105)	(80)	(77)	(258)	(292)
Pre-tax income	2,095	1,734	1,961	5,380	5,915
Income tax expense					
Federal and state	386	343	416	1,074	1,251
Foreign (a)	499	448	442	1,365	1,332
Total	885	791	858	2,439	2,583
Core results	1,210	943	1,103	2,941	3,332
Worldwide effective tax rate	42%	46%	44%	45%	44%

(a) Revenues and income tax expense include taxes owed by Occidental but paid by governmental entities on its behalf. Oil and gas pre-tax income includes the following revenue amounts by periods.

	2007 QTR 3	2007 QTR 2	2006 QTR 3	2007 9 Months	2006 9 Months
	331	300	299	919	871



OCCIDENTAL PETROLEUM
2007 Third Quarter Net Income (Loss)
Reported Income Comparison

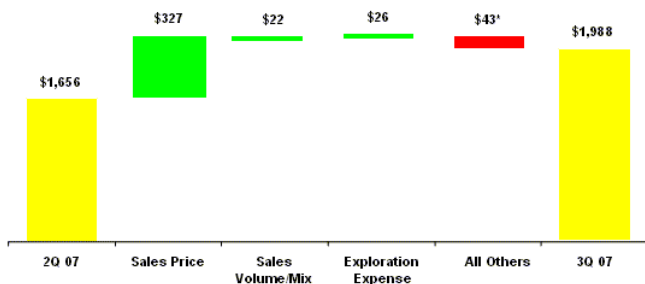
	Third Quarter 2007	Second Quarter 2007	B / (W)
Oil & Gas	\$ 2,029	\$ 1,682	\$ 347
Chemical	212	158	54
Corporate			
Interest expense, net	(11)	6	(17)
Other	(52)	203	(255)
Taxes	(862)	(904)	42
Income from continuing operations	1,316	1,145	171
Discontinued operations, net	8	267	(259)
Net Income	\$ 1,324	\$ 1,412	\$ (88)
Earnings Per Common Share			
Basic	\$ 1.59	\$ 1.68	\$ (0.09)
Diluted	\$ 1.58	\$ 1.68	\$ (0.10)
Worldwide Effective Tax Rate	<u>40%</u>	<u>44%</u>	<u>4%</u>

OCCIDENTAL PETROLEUM
2007 Third Quarter Net Income (Loss)
Core Results Comparison

	Third Quarter 2007	Second Quarter 2007	B / (W)
Oil & Gas	\$ 1,988	\$ 1,656	\$ 332
Chemical	212	158	54
Corporate			
Interest expense, net	(11)	1	(12)
Other	(94)	(81)	(13)
Taxes	(885)	(791)	(94)
Core Results	\$ 1,210	\$ 943	\$ 267
Core Results Per Common Share			
Basic	\$ 1.45	\$ 1.13	\$ 0.32
Diluted	\$ 1.45	\$ 1.12	\$ 0.33
Worldwide Effective Tax Rate	<u>42%</u>	<u>46%</u>	<u>4%</u>

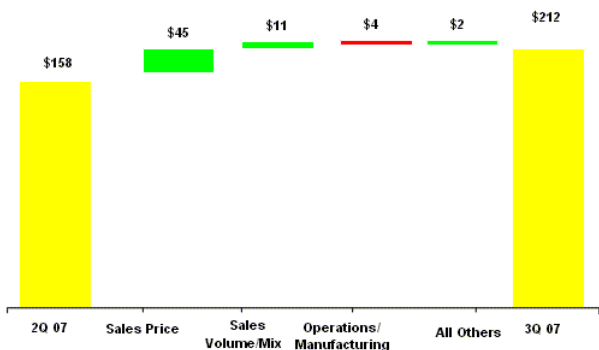


OCCIDENTAL PETROLEUM
Oil & Gas
Variance Analysis 3Q07 vs. 2Q07
 (\$ millions)



* Higher operating expense

OCCIDENTAL PETROLEUM
Chemical
Variance Analysis 3Q07 vs. 2Q07
 (\$ millions)





OCCIDENTAL PETROLEUM
2007 Third Quarter Net Income (Loss)
Reported Income Comparison

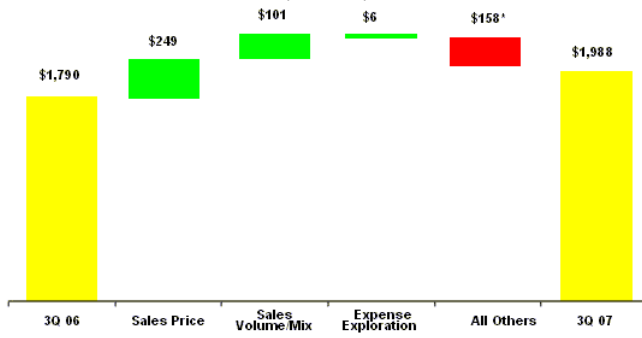
	Third Quarter 2007	Third Quarter 2006	B / (W)
Oil & Gas	\$ 2,029	\$ 1,790	\$ 239
Chemical	212	248	(36)
Corporate			
Interest expense, net	(11)	(18)	7
Other	(52)	(59)	7
Taxes	(862)	(858)	(4)
Income from continuing operations	1,316	1,103	213
Discontinued operations, net	8	67	(59)
Net Income	\$ 1,324	\$ 1,170	\$ 154
Earnings Per Common Share			
Basic	\$ 1.59	\$ 1.37	\$ 0.22
Diluted	\$ 1.58	\$ 1.36	\$ 0.22
Worldwide Effective Tax Rate	<u>40%</u>	<u>44%</u>	<u>4%</u>

OCCIDENTAL PETROLEUM
2007 Third Quarter Net Income (Loss)
Core Results Comparison

	Third Quarter 2007	Third Quarter 2006	B / (W)
Oil & Gas	\$ 1,988	\$ 1,790	\$ 198
Chemical	212	248	(36)
Corporate			
Interest expense, net	(11)	(18)	7
Other	(94)	(59)	(35)
Taxes	(885)	(858)	(27)
Core Results	\$ 1,210	\$ 1,103	\$ 107
Core Results Per Common Share			
Basic	\$ 1.45	\$ 1.29	\$ 0.16
Diluted	\$ 1.45	\$ 1.28	\$ 0.17
Worldwide Effective Tax Rate	<u>42%</u>	<u>44%</u>	<u>2%</u>

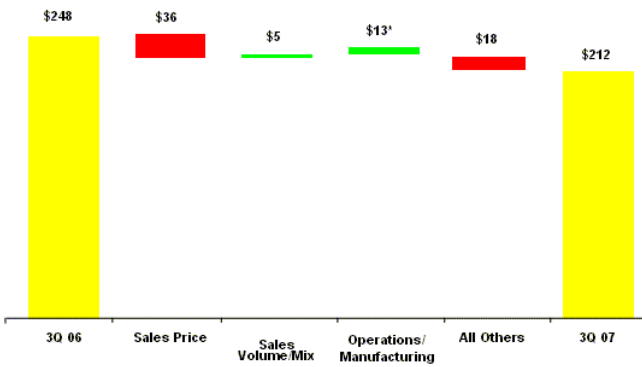


OCCIDENTAL PETROLEUM
Oil & Gas
Variance Analysis 3Q07 vs. 3Q06
 (\$ millions)



* DD&A rate increase (40) and higher operating expenses

OCCIDENTAL PETROLEUM
Chemical
Variance Analysis 3Q07 vs. 3Q06
 (\$ millions)



* Lower energy and feedstock costs



OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2007	2006	2007	2006
NET PRODUCTION PER DAY:				
United States				
Crude Oil and Liquids (MBL)				
California	90	84	89	83
Permian	171	168	167	167
Hugoton and other	4	3	3	3
Total	265	255	259	253
Natural Gas (MMCF)				
California	264	255	254	254
Hugoton and other	158	139	154	137
Permian	182	198	189	194
Total	604	592	597	585
Latin America				
Crude Oil (MBL)				
Argentina	31	37	33	33
Colombia	42	33	43	35
Total	73	70	76	68
Natural Gas (MMCF)				
Argentina	22	19	24	18
Bolivia	18	16	17	16
Total	40	35	41	34
Middle East / North Africa				
Crude Oil (MBL)				
Oman	18	17	20	17
Dolphin	3	-	1	-
Qatar	46	41	46	43
Yemen	22	27	26	30
Libya	20	15	22	21
Total	109	100	115	111
Natural Gas (MMCF)				
Oman	34	35	31	32
Dolphin	69	-	23	-
Total	103	35	54	32
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	572	535	566	541
Other interests				
Colombia - minority interest	(4)	(4)	(5)	(4)
Yemen - Occidental net interest	2	2	2	2
Total worldwide production - MBOE	570	533	563	539



**OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS**

	Third Quarter		Nine Months	
	2007	2006	2007	2006
OIL & GAS:				
PRICES				
United States				
Crude Oil (\$/BBL)	68.83	62.38	59.71	59.74
Natural gas (\$/MCF)	5.90	5.88	6.45	6.79
Latin America				
Crude Oil (\$/BBL)	60.77	55.19	53.00	54.58
Natural Gas (\$/MCF)	2.68	2.08	2.31	1.91
Middle East / North Africa				
Crude Oil (\$/BBL)	71.30	65.84	63.93	62.85
Natural Gas (\$/MCF)	1.01	0.97	0.99	0.96
Total Worldwide				
Crude Oil (\$/BBL)	67.81	61.83	59.47	59.61
Natural Gas (\$/MCF)	5.05	5.42	5.78	6.25
Exploration Expense				
	Third Quarter		Nine Months	
	2007	2006	2007	2006
Domestic	\$ 73	\$ 27	\$ 100	\$ 75
Latin America	5	6	36	12
Middle East / North Africa	48	37	162	90
Other Eastern Hemisphere	-	4	23	18
TOTAL REPORTED	\$ 126	\$ 74	\$ 321	\$ 195
Less - non-core impairments	(58)	-	(58)	-
TOTAL CORE	\$ 68	\$ 74	\$ 263	\$ 195



OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2007	2006	2007	2006
Capital Expenditures (\$MM)				
Oil & Gas				
California	\$ 160	\$ 150	\$ 445	\$ 376
Permian	153	149	470	414
Other - U.S.	43	63	143	190
Latin America	136	98	359	223
Middle East / North Africa	315	226	924	623
Other Eastern Hemisphere	-	1	7	1
Chemicals	66	49	141	129
Corporate	7	11	21	21
TOTAL	\$ 880	\$ 747	\$ 2,510	\$ 1,977
Depreciation, Depletion & Amortization of Assets (\$MM)				
Oil & Gas				
Domestic	\$ 286	\$ 229	\$ 787	\$ 636
Latin America	84	77	262	196
Middle East / North Africa	142	132	427	390
Chemicals	76	72	226	208
Corporate	14	6	38	16
TOTAL	\$ 602	\$ 516	\$ 1,740	\$ 1,446



**OCCIDENTAL PETROLEUM
CORPORATE
(\$ millions)**

	30-Sep-07	31-Dec-06
CAPITALIZATION		
Long-Term Debt (including current maturities)	\$ 1,904	\$ 2,790
Subsidiary Preferred Stock	75	75
Others	25	25
Total Debt	\$ 2,004	\$ 2,890
EQUITY		
	\$ 21,901	\$ 19,252
Total Debt To Total Capitalization	8%	13%



See the investor relations supplemental schedules for the reconciliation of non-GAAP items. Statements in this presentation 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 materially affect expected results. Factors that could cause results to differ materially include, but are not limited to: exploration risks, such as drilling of unsuccessful wells; global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. 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 disclaims 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 our 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.

Oxy

Third Quarter 2007
Earnings Conference Call
October 24, 2007





- Reported Net Income - \$1.324 Billion
 - + 13% year-over-year
 - Reported EPS \$1.58 (diluted)

- Core Earnings - \$1.210 Billion
 - + 10% year-over-year
 - Core EPS \$1.45 (diluted); + 13% year-over-year

- Reported Net Income includes
 - \$106 mm A-T gains from the sale of non-core assets:
 - \$72 mm from sale of West Africa exploration properties (net of asset impairments);
 - \$27 mm from the sale of remaining 2.4 mm Lyondell shares;
 - \$7 mm from sale of domestic oil & gas interests;
 - \$8 mm of income from discontinued operations.

Third Quarter 2007 Earnings - Oil & Gas Segment Variance Analysis - 3Q07 vs. 3Q06



- Core results for 3Q07 of \$1.988 Billion
+ 11% year-over-year

(\$ in millions)



*All Others include: DD&A increase (\$40 mm), and higher operating expenses.

Third Quarter 2007 Earnings – Oil & Gas Segment



	<u>3Q07</u>	<u>3Q06</u>
Reported Segment Earnings (\$ mm)	*\$2,029	\$1,790
WTI Oil Price (\$/bbl)	\$75.38	\$70.53
NYMEX Gas Price (\$/mcf)	\$6.69	\$6.33
Oxy's Realized Prices		
Worldwide Oil (\$/bbl)	\$67.81	\$61.83
US Natural Gas (\$/mcf)	\$5.90	\$5.88

*Includes gain from sale of oil and gas interests (\$12 mm), gain on sale of exploration properties (\$103 mm) and exploration impairment charge (\$74 mm).

Third Quarter 2007 Earnings – Oil & Gas Segment



	<u>3Q07</u>	<u>3Q06</u>
Oil and Gas Production (mboe/day)	570	533

- +7% year-over-year
- Production improvement due to:
 - Dolphin start-up (+15 mboe/day);
 - Volume increases in California, Colombia and Qatar.
- Production lower than earlier guidance due to:
 - Delayed closing of Qatar asset acquisition from APC (- 4 mboe/day);
 - Price impact from PSCs (- 4 mboe/day);
 - Argentina labor strike and other.
- Dolphin contribution:
 - \$13 mm income A-T vs. guidance of \$10 mm;
 - Sales volumes of 15 mboe/day vs. guidance of 17 mboe/day (due to one less lifting during 3Q).

Third Quarter 2007 Earnings – Oil & Gas Segment



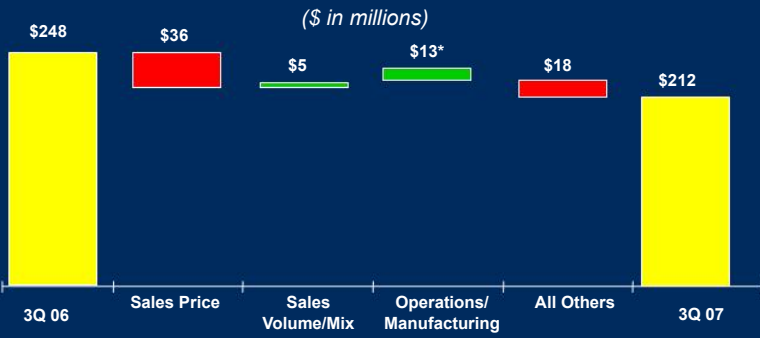
	<u>3Q07</u>	<u>3Q06</u>
• Exploration Expense (\$ mm)	\$68	\$74
• Oil and Gas production costs were \$12.56 per boe through nine months of 2007 vs. \$11.70 per boe for full-year 2006.		
– Increase due to higher field operating and maintenance costs, mainly in the US and Latin America.		

Third Quarter 2007 Earnings – Chemical Segment Variance Analysis - 3Q07 vs. 3Q06



- Earnings for 3Q07 of \$212 Million

- 15% year-over-year, although above our previous guidance;
- Improvement vs. guidance due to higher chloro-vinyls prices;
- Year-over-year decline primarily due to lower PVC margins.



*Lower energy and feedstock costs.

Third Quarter 2007 Earnings – Nine Months Results



(\$ in millions, except EPS data)

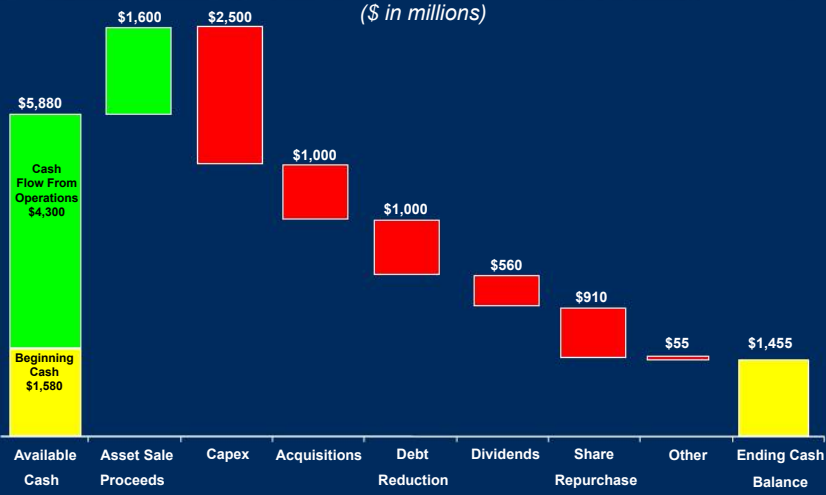
	<u>YTD2007</u>	<u>YTD2006</u>
• Net Income	\$3,948	\$3,261
• Reported EPS (diluted)	\$4.69	\$3.78
• Core Income	\$2,941	\$3,332
• Core EPS (diluted)	\$3.50	\$3.86
• Oil and Gas production (mboe/day)	563	539
• Capital Spending	\$2,510	\$1,977
• Net Interest Expense	\$19	\$80
• Cash Flow from Operations	\$4,300	\$4,800
• ROE*	26%	24%
• ROCE*	24%	21%

* Annualized (see attached Excel file for GAAP reconciliation)

Third Quarter 2007 Earnings – Cash Flow YTD2007



(\$ in millions)



Third Quarter 2007 Earnings – Share Repurchase



- Spent \$910 million to repurchase 17.4 million shares YTD 2007 at an average price of \$52.27 a share.
- 9.1 million shares remain under the current 55 million share repurchase authorization.

Shares Outstanding (mm)	<u>YTD2007</u>	<u>9/30/07</u>
Weighted Average Basic	837.0	
Weighted Average Diluted	840.9	
Basic Shares Outstanding		829.7
Diluted Shares Outstanding		833.7

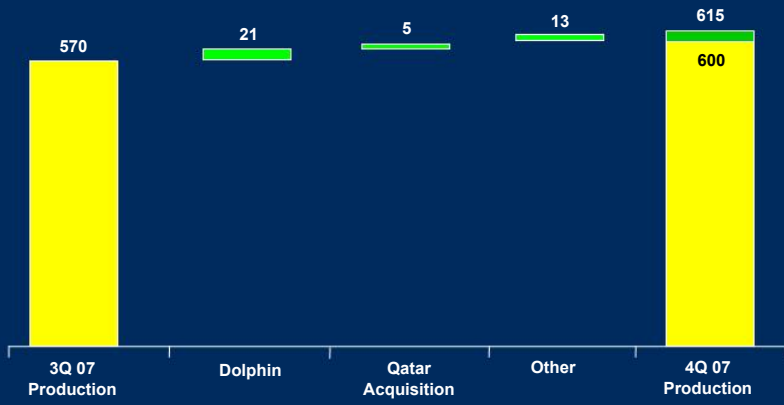


- We expect Oil and Gas production of 600 to 615 mboe/day in 4Q07.
 - Increase includes:
 - 21 mboe/day from Dolphin;
 - 5 mboe/day from the acquisition of Qatar assets from Anadarko.
- We expect Dolphin's 4Q07 after-tax income in the range of \$50 to \$60 million.
- Dolphin expected to operate at 55% of capacity in 4Q07; contributions will improve as it becomes fully operational.

Third Quarter 2007 Earnings – 4Q07 Production Outlook



(mboe/day)



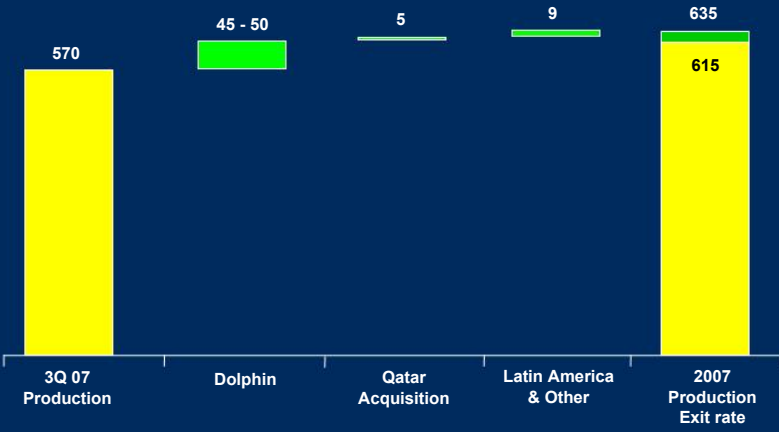


- We expect the oil and gas production year-end exit rate to be 615 to 635 mboe/day.
 - Increase (vs. 3Q07) includes:
 - 45 to 50 mboe/day from Dolphin;
 - Dolphin exit rate could be higher depending on ramp-up pace of final train of the gas plant to full capacity;
 - Expect Dolphin to run at full capacity during January 2008.
 - 5 mboe/day from the announced acquisition of Qatar assets from Anadarko;
 - Higher Latin American and other production.

Third Quarter 2007 Earnings – 2007 Year-End Production Exit Rate Outlook



(mboe/day)





- Commodity Price Sensitivity
 - A \$1.00 per barrel change in oil prices impacts oil and gas quarterly earnings by about \$35 mm before income taxes and Dolphin;
 - A change of \$0.50 per mmbTU in domestic gas prices has a \$24 mm pre-tax impact on quarterly earnings. The NYMEX gas price for 3Q07 was \$6.69 per mcf.
- We expect exploration expense of about \$80 to \$100 mm for seismic and drilling for our Libya and Latin American exploration programs.



- We expect 4Q07 Chemical segment earnings to be in the range of \$100 to \$140 million.
- Decline (vs. 3Q07) reflects:
 - Normal seasonal downturn;
 - Continued weakening demand due to lower housing starts;
 - Lower chloro-vinyl margins due to higher energy and ethylene costs.
- We expect 4Q07 chemical product prices and volumes as follows:
 - Chlorine prices -10% vs. 4Q06, with comparable volumes;
 - Caustic soda prices +20% vs. 4Q06, with comparable volumes;
 - PVC prices up slightly vs. 4Q06, with volumes to be about similar;
 - Ethylene costs at least +30% vs. 4Q06.



- Difficulty of predicting interim period tax rates is due to:
 - Interim period rates are based on projected total year income and taxes;
 - Oxy's tax rate is sensitive to changes in oil and gas prices and foreign expensed exploration;
 - Changes in oil prices have an inverse effect on income tax rates;
 - Rising oil prices increases the proportion of US income which has lower income tax rates than our international operations;
 - Oxy generally records no tax benefit on foreign expensed exploration until the project is completely abandoned.
- We expect 4Q07 foreign exploration expense, which is not currently tax deductible, to be ~ \$70 mm.
- The 4Q07 worldwide tax rate before this exploration expense is expected to be ~ 45%.
- We expect our combined worldwide 4Q07 tax rate, including exploration expense, to be ~ 46%.



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Occidental Petroleum Corporation
Return on Capital Employed (%)
(\$ Millions)

Reconciliation to Generally Accepted Accounting Principles (GAAP)	Nine Months		Annualized 2007
	2006	2007	
GAAP measure - earnings applicable to common shareholders	4,191	3,948	
Interest expense	131	186	
Tax effect of interest expense	(46)	(65)	
Earnings before tax-effected interest expense	<u>4,276</u>	<u>4,069</u>	
GAAP stockholders' equity	19,252	21,901	
DEBT			
GAAP debt			
Debt, including current maturities	2,790	1,904	
Non-GAAP debt			
Capital lease obligation	25	25	
Subsidiary preferred stock	<u>75</u>	<u>75</u>	
Total debt	<u>2,890</u>	<u>2,004</u>	
Total capital employed	22,142	23,905	
Return on Capital Employed (%)	21.2	17.7	23.6