SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1998

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission file number 1-9210

OCCIDENTAL PETROLEUM CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	95-4035997
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10889 WILSHIRE BOULEVARD LOS ANGELES, CALIFORNIA	90024
(Address of principal executive offices)	(Zip code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [x] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at June 30, 1998
Common stock $.20 par value	353,034,321 shares

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES

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PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
JUNE 30, 1998 AND DECEMBER 31, 1997
(Amounts in millions)

	1998	1997
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 5)	$ 134	$ 113
Receivables, net	602	813
Inventories (Note 6)	481	604
Prepaid expenses, note receivable and other	1,602	386
Total current assets	2,819	1,916
LONG-TERM RECEIVABLES, net	112	153
EQUITY INVESTMENTS (Notes 3 and 11)	2,120	921
PROPERTY, PLANT AND EQUIPMENT, at cost, net of accumulated depreciation, depletion and amortization of $6,534 at June 30, 1998 and $7,967 at December 31, 1997 (Notes 3 and 7)	10,011	8,590
OTHER ASSETS	476	470
NET ASSETS OF DISCONTINUED OPERATIONS (Note 3)	--	3,232
	$15,538	$15,282

The accompanying notes are an integral part of these financial statements.

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
JUNE 30, 1998 AND DECEMBER 31, 1997
(Amounts in millions)

	1998	1997
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt and capital lease liabilities	$ 1,401	$ 6
Notes payable	31	35
Accounts payable	495	717
Accrued liabilities	904	1,063
Domestic and foreign income taxes	118	49
Total current liabilities	2,949	1,870
LONG-TERM DEBT, net of current maturities and unamortized discount	5,608	4,925
DEFERRED CREDITS AND OTHER LIABILITIES		
Deferred and other domestic and foreign income taxes	941	1,028
Other	2,306	3,173
	3,247	4,201
STOCKHOLDERS' EQUITY		
Nonredeemable preferred stock, stated at liquidation value	294	1,125
ESOP preferred stock, at par value	--	1,400
Unearned ESOP shares	--	(1,348)
Common stock, at par value	71	68
Additional paid-in capital	4,122	4,149
Retained earnings(deficit)	(735)	(1,097)
Accumulated other comprehensive income	(18)	(11)
	3,734	4,286
	$ 15,538	$ 15,282

The accompanying notes are an integral part of these financial statements.

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1998 AND 1997
(Amounts in millions, except per-share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	1998	1997	1998	1997
REVENUES				
Net sales				
Oil and gas operations	$ 739	$ 1,055	$ 1,479	$ 1,897
Chemical operations	804	1,103	1,764	2,178
	1,543	2,158	3,243	4,075
Interest, dividends and other income	72	19	150	34
Gains on disposition of assets, net (Note 3)	304	(1)	411	(1)
Income from equity investments (Note 11)	1	12	8	30
	1,920	2,188	3,812	4,138
COSTS AND OTHER DEDUCTIONS				
Cost of sales	1,200	1,604	2,465	2,931
Selling, general and administrative and other operating expenses	213	181	391	377
Environmental remediation	--	12	--	18
Exploration expense	29	17	52	42
Interest and debt expense, net	145	108	276	216
	1,587	1,922	3,184	3,584
Income(loss) from continuing operations before taxes	333	266	628	554
Provision for domestic and foreign income and other taxes (Note 10)	147	128	303	289
Income(loss) from continuing operations	186	138	325	265
Discontinued operations, net (Note 3)	--	20	38	72
NET INCOME(LOSS)	186	158	363	337
Preferred dividends	(5)	(23)	(9)	(46)
EARNINGS(LOSS) APPLICABLE TO COMMON STOCK	$ 181	$ 135	$ 354	$ 291
BASIC EARNINGS PER COMMON SHARE				
Income(loss) from continuing operations	$ .51	$ .35	$ .90	$ .66
Discontinued operations, net	--	.06	.11	.22
Basic earnings(loss) per common share	$ .51	$ .41	$ 1.01	$ .88
DILUTED EARNINGS PER COMMON SHARE				
Income(loss) from continuing operations	$ .49	$ .34	$ .88	$ .64
Discontinued operations, net	--	.05	.10	.20
Diluted earnings(loss) per common share	$ .49	$ .39	$ .98	$ .84
DIVIDENDS PER COMMON SHARE	$ .25	$ .25	$ .50	$ .50
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	359.1	330.2	351.8	329.9

The accompanying notes are an integral part of these financial statements.

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1998 AND 1997
(Amounts in millions)

	1998	1997
CASH FLOW FROM OPERATING ACTIVITIES		
Net income from continuing operations	$ 325	$ 265
Adjustments to reconcile income to net cash provided(used) by operating activities:		
Depreciation, depletion and amortization of assets	451	411
Deferred income tax provision	237	73
Other noncash charges to income	26	43
Gains on disposition of assets, net	(411)	1
Income from equity investments	(8)	(30)
Exploration expense	52	42
Changes in operating assets and liabilities	(531)	(293)
Other operating, net	(157)	(138)
	(16)	374
Operating cash flow from discontinued operations	(244)	194
Net cash provided(used) by operating activities	(260)	568
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(586)	(655)
Buyout of operating leases	--	(20)
Proceeds from disposal of property, plant and equipment, net	667	--
Purchase of businesses, net	(3,516)	(4)
Sale of businesses, net	2,562	95
Other investing, net	18	8
	(855)	(576)
Investing cash flow from discontinued operations	(5)	(21)
Net cash used by investing activities	(860)	(597)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	907	57
Net proceeds from commercial paper and revolving credit agreements	1,448	355
Payments on long-term debt and capital lease liabilities	(280)	(194)
Proceeds from issuance of common stock	12	13
Repurchase of common stock	(744)	--
Proceeds(payments) of notes payable	(4)	58
Cash dividends paid	(202)	(211)
Other financing, net	4	2
	1,141	80
Financing cash flow from discontinued operations	--	6
Net cash provided by financing activities	1,141	86
Increase in cash and cash equivalents	21	57
Cash and cash equivalents--beginning of period	113	258
Cash and cash equivalents--end of period	$ 134	$ 315

The accompanying notes are an integral part of these financial statements.

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

June 30, 1998

1. General

The accompanying unaudited consolidated condensed financial statements have been prepared by Occidental Petroleum Corporation (Occidental) pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in notes to consolidated financial statements have been condensed or omitted pursuant to such rules and regulations, but resultant disclosures are in accordance with generally accepted accounting principles as they apply to interim reporting. The consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and the notes thereto incorporated by reference in Occidental's Annual Report on Form 10-K for the year ended December 31, 1997 (1997 Form 10-K).

In the opinion of Occidental's management, the accompanying consolidated condensed financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly Occidental's consolidated financial position as of June 30, 1998 and the consolidated results of operations for the three and six months then ended and the consolidated cash flows for the six months then ended. The results of operations and cash flows for the periods ended June 30, 1998 are not necessarily indicative of the results of operations or cash flows to be expected for the full year.

Certain financial statements and notes for the prior year have been changed to conform to the 1998 presentation.

Reference is made to Note 1 to the consolidated financial statements incorporated by reference in the 1997 Form 10-K for a summary of significant accounting policies.

2. Changes in Accounting Principles

Effective January 1, 1998, Occidental adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 130--"Reporting Comprehensive Income." This statement establishes standards for reporting and display of comprehensive income and its components in a full set of general purpose financial statements. The prior year financial statements have been restated to conform to the new presentation. Occidental's comprehensive income was $356 million and $328 million for the six months ended June 30, 1998 and 1997, respectively, and $181 million and $157 million for the second quarter of 1998 and 1997, respectively.

Effective January 1, 1998, Occidental adopted the provisions of SFAS No. 131--"Disclosures about Segments of an Enterprise and Related Information." This statement establishes standards for reporting and display of information about operating segments. It supersedes or amends several Financial Accounting Standards Board (FASB) statements, most notably, SFAS No. 14--"Financial Reporting for Segments of a Business Enterprise." The implementation of SFAS No. 131 did not have an impact on Occidental's consolidated financial position or results of operations. Occidental now reports equity earnings or losses from unconsolidated subsidiaries in the respective business segment rather than, as previously reported, as a Corporate item. Accordingly, 1997 segment results have been restated.

In June 1998, the FASB issued SFAS No. 133--"Accounting for Derivative Instruments and Hedging Activities," which establishes accounting and reporting standards for derivative instruments and hedging activities. It requires that an entity recognize all derivatives in the statement of financial position and measure those instruments at fair value. Occidental must implement SFAS No. 133 by the first quarter of 2000 and has not yet made a final determination of its impact on the financial statements.

3. Asset Acquisitions and Dispositions

On January 31, 1998, Occidental completed the sale of all of the issued and outstanding shares of common stock of MidCon Corp. (MidCon), its natural gas transmission and marketing business to K N Energy, Inc. (K N Energy). Occidental sold the shares to K N Energy in return for a cash payment of $2.1 billion less payments for taxes and certain other expenses. The net cash proceeds from the transaction were approximately $1.7 billion. Additionally, in connection with the sale K N Energy issued a fixed-rate interest bearing note secured by letters of credit, payable January 4, 1999, to Occidental in the initial principal amount of $1.4 billion, in exchange for a note previously issued to Occidental by the MidCon Corp. ESOP Trust. In the fourth quarter of 1997 Occidental classified MidCon and its subsidiaries as a discontinued operation. As of December 31, 1997, the operating assets and liabilities of MidCon were reclassified as net assets of discontinued operations on the balance sheet and consisted of current assets of $428 million; net property, plant and equipment of $5.536 billion; other assets of $64 million; current liabilities of $442 million and long-term liabilities of $2.354 billion.

On February 5, 1998, Occidental acquired the U.S. government's approximate 78 percent interest in the Elk Hills Naval Petroleum Reserve oil and gas fields (Elk Hills Field) for approximately $3.5 billion. Occidental's results of operations include the operations of the Elk Hills Field from the date of acquisition. Pro forma net income for the six months ended June 30, 1998, including historical Elk Hills results as if the acquisition had occurred at January 1, 1998, would not have been materially different. Pro forma net income for the three and six months ended June 30, 1997, including historical Elk Hills results as if the acquisition had occurred at January 1, 1997, would have been $142 million ($.36 earnings per share) and $325 million ($.85 earnings per share), respectively. Pro forma revenues would have been $3.8 billion and $4.4 billion for the six months ended June 30, 1998 and 1997, respectively, and $1.9 billion and $2.3 billion for the three months ended June 30, 1998 and 1997, respectively. The pro forma calculations were made with historical operating results for the Elk Hills Field prior to ownership by Occidental and give effect to certain adjustments including increased depreciation, depletion and amortization to reflect the value assigned to Elk Hills property, plant and equipment, increased interest expense assuming the acquisition was completely financed, and income and property tax effects and did not reflect anticipated future production enhancements in the Elk Hills Field and operational cost improvements expected to be realized.

In February 1998, Occidental sold its entire interest in an oilfield development project in Venezuela for approximately $205 million in cash plus contingent payments of up to $90 million over six years based on oil prices. In March 1998 Occidental sold certain Oklahoma oil and gas properties and interests in the Austin Chalk area of Louisiana and in the Rocky Mountain region and other oil and gas properties for aggregate proceeds of approximately $231 million. These sales resulted in first quarter 1998 net pretax gains of approximately $105 million.

In April 1998, Occidental sold certain oil and gas properties in Texas for approximately $63 million. Also in April 1998, Occidental sold the stock of its MC Panhandle subsidiary, which owns certain natural gas interests in the West Panhandle field in Texas, for approximately $99 million and sold certain oil and gas properties in Louisiana and Mississippi for approximately $190 million. In May 1998, Occidental sold certain oil properties in Kansas and Colorado for approximately $70 million and sold certain gas properties in Kansas and Oklahoma for approximately $125 million. Occidental recorded net pretax gains of approximately $290 million in the second quarter of 1998 from the sale of these and other nonstrategic oil and gas properties.

In May 1998, Occidental contributed its ethylene, propylene, ethylene oxide and ethylene glycol derivatives businesses (collectively, the petrochemicals business) to a joint venture partnership called Equistar Chemicals, LP (Equistar), in return for a 29.5 percent interest in such partnership, receipt of approximately $420 million in cash and the assumption by Equistar of approximately $205 million of Occidental capital lease obligations and other liabilities. Lyondell Petrochemical Company (Lyondell) and Millennium Chemicals, Inc. (Millennium), through their respective subsidiaries, were the original partners of Equistar. Lyondell owns 41 percent of Equistar and Occidental and Millennium each own 29.5 percent. As a consequence of the transaction, at June 30, 1998, the assets and liabilities transferred to the partnership (primarily property, plant and equipment and inventories) have been removed from the balance sheet and an equity investment has been recorded. The income and cash flow statements include amounts related to the assets transferred up to the transaction closing date. Subsequent to the closing date, Occidental has accounted for the joint venture as an equity investment. Occidental did not record a gain or loss on the transaction.

In June 1998, Occidental signed a nonbinding letter of intent with The Geon Company (Geon) providing, among other things, for the combination of certain polyvinyl chloride resin and vinyl chloride monomer plants and certain chlor-alkali facilities of the two companies in a joint venture. Under the agreement, Occidental will own 76 percent and Geon will own 24 percent of such joint venture company. The transaction is expected to be completed by the first quarter of 1999, after signing of definitive agreements and receipt of approvals by Geon shareholders and certain governmental regulatory agencies.

4. Supplemental Cash Flow Information

Cash payments during the six months ended June 30, 1998 and 1997 included federal, foreign and state income taxes of approximately $180 million and $134 million, respectively. Interest paid (net of interest capitalized) totaled approximately $235 million and $204 million for the six months ended June 30, 1998 and 1997, respectively.

5. Cash and Cash Equivalents

Cash equivalents consist of highly liquid money-market mutual funds and bank deposits with maturities of three months or less when purchased. Cash equivalents totaled $101 million and $50 million at June 30, 1998 and December 31, 1997, respectively.

6. Inventories

A portion of inventories is valued under the LIFO method. The valuation of LIFO inventory for interim periods is based on management's estimates of year-end inventory levels and costs. Inventories consist of the following (in millions):

Balance at	June 30, 1998	December 31, 1997
Raw materials	$ 44	$ 102
Materials and supplies	179	189
Work in process	11	22
Finished goods	293	342
	527	655
LIFO reserve	(46)	(51)
Total	$ 481	$ 604

7. Property, Plant and Equipment

Reference is made to the consolidated balance sheets and Note 1 thereto incorporated by reference in the 1997 Form 10-K for a description of investments in property, plant and equipment.

8. Retirement Plans and Postretirement Benefits

Reference is made to Note 14 to the consolidated financial statements incorporated by reference in the 1997 Form 10-K for a description of the retirement plans and postretirement benefits of Occidental and its subsidiaries.

9. Lawsuits, Claims, Commitments, Contingencies and Related Matters

Occidental and certain of its subsidiaries have been named as defendants or as potentially responsible parties in a substantial number of lawsuits, claims and proceedings, including governmental proceedings under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and corresponding state acts. These governmental proceedings seek funding, remediation and, in some cases, compensation for alleged property damage, punitive damages and civil penalties, aggregating substantial amounts. Occidental is usually one of many companies in these proceedings, and has to date been successful in sharing response costs with other financially sound companies. Occidental has accrued reserves at the most likely cost to be incurred in those proceedings where it is probable that Occidental will incur remediation costs which can be reasonably estimated.

During the course of its operations, Occidental is subject to audit by taxing authorities for varying periods in various tax jurisdictions.

Occidental has certain other commitments under contracts, guarantees and joint ventures, and certain other contingent liabilities. Additionally, Occidental agreed to participate in the development of certain natural gas reserves and construction of a liquefied natural gas plant in Malaysia and the development of certain natural gas reserves and the construction of a pipeline and related facilities in the Philippines. The obligations to participate in such development in Malaysia and the Philippines would be assumed by the Royal Dutch/Shell Group (Shell) if the proposed transactions described in the subsequent events footnote are consummated.

It is impossible at this time to determine the ultimate liabilities that Occidental and its subsidiaries may incur resulting from the foregoing lawsuits, claims and proceedings, audits, commitments, contingencies and related matters. Several of these matters may involve substantial amounts, and if these were to be ultimately resolved unfavorably to the full amount of their maximum potential exposure, an event not currently anticipated, it is possible that such event could have a material adverse effect upon Occidental's consolidated financial position or results of operations. However, in management's opinion, after taking into account reserves, it is unlikely that any of the foregoing matters will have a material adverse effect upon Occidental's consolidated financial position or results of operations.

Reference is made to Note 10 to the consolidated financial statements incorporated by reference in the 1997 Form 10-K for information concerning Occidental's long-term purchase obligations for certain products and services.

10. Income Taxes

The provision for taxes based on income for the 1998 and 1997 interim periods was computed in accordance with Interpretation No. 18 of APB Opinion No. 28 on reporting taxes for interim periods and was based on projections of total year pretax income.

At December 31, 1997, Occidental had, for U.S. federal income tax return purposes, an alternative minimum tax credit carryforward of $165 million available to reduce future income taxes. The alternative minimum tax credit carryforward does not expire.

11. Investments

Investments in companies, other than oil and gas exploration and production companies, in which Occidental has a voting stock interest of at least 20 percent, but not more than 50 percent, and certain partnerships are accounted for on the equity method. At June 30, 1998, Occidental's equity investments consisted primarily of a 29.5 percent interest in Equistar, a pipeline in the Dutch sector of the North Sea, an investment of approximately 29 percent in the common shares of Canadian Occidental Petroleum Ltd. and various chemical partnerships and joint ventures. The following table presents Occidental's proportionate interest in the summarized financial information of its equity method investments (in millions):

	Periods Ended June 30			
	Three Months		Six Months	
	1998	1997	1998	1997
Revenues	$ 396	$ 236	$ 606	$ 462
Costs and expenses	395	224	598	432
Net income	$ 1	$ 12	$ 8	$ 30

12. Summarized Financial Information of Wholly-Owned Subsidiary

Occidental has guaranteed the payments of principal of, and interest on, certain publicly traded debt securities of its subsidiary, OXY USA Inc. (OXY USA). The following tables present summarized financial information for OXY USA (in millions):

	Periods Ended June 30			
	Three Months		Six Months	
	1998	1997	1998	1997
Revenues	$ 448	$ 214	$ 844	$ 524
Costs and expenses	333	196	641	438
Net income	$ 115(a)	$ 18	$ 203	$ 86

(a) Includes net gains on the sale of certain nonstrategic assets of $106 million.

Balance at	June 30, 1998	December 31, 1997
Current assets	$ 120	$ 150
Intercompany receivable	$ 440	$ 29
Noncurrent assets	$ 1,724	$ 2,024
Current liabilities	$ 237	$ 259
Interest bearing note to parent	$ 81	$ 89
Noncurrent liabilities	$ 1,016	$ 1,106
Stockholders' equity	$ 950	$ 749

13. Industry Segments

Occidental adopted the provisions of SFAS No. 131--"Disclosures about Segments of an Enterprise and Related Information" effective January 1, 1998. The following table presents the required interim segment disclosures (in millions):

	Oil and Gas	Chemical	Corporate	Total
Six months ended June 30, 1998				
Net sales	$ 1,479	$ 1,764	$ --	$ 3,243
Pretax operating profit(loss)	$ 694	$ 216	$ (282)(a)	$ 628
Income taxes	(82)	2	(223)(b)	(303)
Discontinued operations, net	--	--	38	38
Net income(loss)	$ 612	$ 218	$ (467)	$ 363
Six months ended June 30, 1997				
Net sales	$ 1,897	$ 2,178	$ --	$ 4,075
Pretax operating profit(loss)	$ 535	$ 294	$ (275)(a)	$ 554
Income taxes	(149)	(13)	(127)(b)	(289)
Discontinued operations, net	--	--	72	72
Net income(loss)	$ 386	$ 281	$ (330)	$ 337

(a) Includes unallocated net interest expense, administration expense and other items.
(b) Includes unallocated income taxes.

14. Subsequent Events

In July 1998, Occidental sold the stock of Occidental Netherlands, Inc. for approximately $275 million, in cash and the assumption of debt, plus future contingent payments. Occidental Netherlands owned interests in eight gas-producing licenses in the Dutch North Sea and a 38.6 percent interest in Noordgastransport B.V., which owned the gas pipeline system that services the area. Occidental expects to record a pretax gain on the disposition of approximately $145 million in the third quarter of 1998.

Also, in July 1998, Occidental and Shell entered into a series of agreements pursuant to which Occidental will exchange its oil and gas interests in the Philippines and Malaysia for Shell's oil and gas interests in Yemen and its interests in the Cravo Norte, Samore, Soapaga and Rondon association contracts in Colombia. Shell also will receive a cash payment at closing presently estimated at approximately $90 million. The transactions are expected to close in the third quarter of 1998, pending receipt of necessary approvals.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Occidental's net income for the first six months of 1998 was $363 million, on net sales of $3.2 billion, compared with $337 million, on net sales of $4.1 billion, for the same period of 1997. Occidental's net income for the second quarter of 1998 was $186 million, on net sales of $1.5 billion, compared with $158 million, on net sales of $2.2 billion, for the same period of 1997. Basic earnings per common share were $1.01 for the first six months of 1998, compared with $.88 for the same period of 1997. Basic earnings per common share were $.51 for the second quarter of 1998, compared with $.41 for the same period of 1997.

The 1998 earnings for the first six months included net pretax gains of approximately $395 million from the sale of certain nonstrategic oil and gas properties, as part of an asset redeployment program, of which $290 million was recorded in the second quarter. The 1998 earnings also included $30 million for reorganization and other charges in the chemical division in the second quarter and $38 million to reflect the closing of the sale of MidCon Corp. (MidCon), the natural gas transmission and marketing subsidiary, and the finalization of the discontinued operations reserve in the first quarter. The 1997 earnings for the three and six months ended June 30 included income from discontinued operations of $20 million and $72 million, respectively. Occidental completed the sale of MidCon in January 1998. Earnings before special items were $47 million and $136 million for the three and six months ended June 30, 1998, respectively, compared with $138 million and $265 million for the same periods in 1997, respectively. The decrease in earnings before special items in both periods primarily reflected lower worldwide crude oil prices and lower chemical margins, partially offset by increased crude oil production in the United States and Eastern Hemisphere. The lower chemical margins reflected the impact of lower prices for chlorine, ethylene dichloride and petrochemical products, partially offset by higher caustic soda prices.

The decrease in net sales for the three and six months ended June 30, 1998, compared with the same periods in 1997, primarily reflected lower worldwide crude oil prices and lower oil trading revenues in the oil and gas division and lower prices and volumes for certain chemical products and also reflected the absence of revenues related to the petrochemical assets contributed to Equistar Chemicals, LP (Equistar) in May 1998.

Interest, dividends and other income for the three and six months ended June 30, 1998 included, among other things, interest earned on a $1.4 billion note received in exchange for a note previously issued to Occidental by the MidCon Corp. ESOP Trust. The increase in interest and debt expense reflected the impact of higher debt levels in 1998.

The decrease in income from equity investments in both 1998 periods, compared with the same 1997 periods, reflected lower equity earnings from Canadian Occidental Petroleum and the OxyMar chemical joint venture, offset in part by equity earnings from Equistar in 1998.

The following table sets forth the sales and earnings of each operating division and corporate items (in millions):

	Periods Ended June 30			
	Three Months		Six Months	
	1998	1997	1998	1997
DIVISIONAL NET SALES				
Oil and gas	$ 739	$ 1,055	$ 1,479	$ 1,897
Chemical	804	1,103	1,764	2,178
NET SALES	$ 1,543	$ 2,158	$ 3,243	$ 4,075
DIVISIONAL EARNINGS				
Oil and gas	$ 380	$ 139	$ 612	$ 386
Chemical	60	189	218	281
	440	328	830	667
UNALLOCATED CORPORATE ITEMS				
Interest expense, net	(118)	(101)	(230)	(202)
Income taxes, administration and other	(136)	(89)	(275)	(200)
INCOME FROM CONTINUING OPERATIONS	186	138	325	265
Discontinued operations, net	--	20	38	72
NET INCOME	$ 186	$ 158	$ 363	$ 337

Oil and gas earnings for the first six months of 1998 were $612 million, compared with $386 million for the same period of 1997. Oil and gas divisional earnings before special items were $217 million for the first six months of 1998, compared with $386 million for the first six months of 1997. Oil and gas earnings for the second quarter of 1998 were $380 million, compared with $139 million for the same period of 1997. Oil and gas earnings before special items were $90 million for the second quarter of 1998, compared with $139 million for the second quarter of 1997. The first six months of 1998 earnings included pretax gains of approximately $395 million related to the sale of nonstrategic assets located in Venezuela and the United States of which $290 million was recorded in the second quarter. The decrease in earnings before special items in both periods primarily reflected the negative impact of lower worldwide crude oil prices, partially offset by increased crude oil production in the United States and Eastern Hemisphere. The decrease in revenues for the three and six months ended June 30, 1998, compared with the same periods in 1997, reflected the impact of lower worldwide crude oil prices and lower oil trading activity partially offset by increased crude oil production in the United States and Eastern Hemisphere and higher gas trading activity. Approximately 30 percent and 34 percent of oil and gas net sales were attributed to oil and gas trading activity in the first six months of 1998 and 1997, respectively. The results of oil and gas trading were not significant. Oil and gas prices are sensitive to complex factors, which are outside the control of Occidental. Accordingly, Occidental is unable to predict with certainty the direction, magnitude or impact of future trends in sales prices for oil and gas.

Chemical earnings for the first six months of 1998 were $218 million, compared with $281 million for the same period of 1997. Chemical earnings before special items were $248 million for the first six months of 1998, compared with $281 million for the first six months of 1997. Chemical earnings for the second quarter of 1998 were $60 million, compared with $189 million for the same period of 1997. Chemical earnings before special items were $90 million for the second quarter of 1998, compared with $189 million for the second quarter of 1997. The 1998 earnings reflected a $30 million pretax charge for reorganization and other costs. The decrease in earnings before special items in both periods primarily reflected the impact of lower prices for chlorine, ethylene dichloride and petrochemical products, partially offset by higher caustic soda margins. Most of Occidental's chemical products are commodity in nature, the prices of which are sensitive to a number of complex factors. Accordingly, Occidental is unable to accurately forecast the trend of sales prices for its commodity chemical products.

Divisional earnings include credits in lieu of U.S. federal income taxes. In the first six months of 1998 and 1997, divisional earnings benefited by $19 million and $20 million, respectively, from credits allocated. This included credits of $6 million and $13 million at oil and gas and chemical, respectively, in the first six months of 1998 and $7 million and $13 million at oil and gas and chemical, respectively, for the first six months of 1997.

Occidental and certain of its subsidiaries have been named as defendants or as potentially responsible parties in a substantial number of lawsuits, claims and proceedings, including governmental proceedings under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and corresponding state acts. These governmental proceedings seek funding, remediation and, in some cases, compensation for alleged property damage, punitive damages and civil penalties, aggregating substantial amounts. Occidental is usually one of many companies in these proceedings, and has to date been successful in sharing response costs with other financially sound companies. Occidental has accrued reserves at the most likely cost to be incurred in those proceedings where it is probable that Occidental will incur remediation costs which can be reasonably estimated.

During the course of its operations, Occidental is subject to audit by taxing authorities for varying periods in various tax jurisdictions. Occidental has certain other commitments under contracts, guarantees and joint ventures, and certain other contingent liabilities. Additionally, Occidental agreed to participate in the development of certain natural gas reserves and construction of a liquefied natural gas plant in Malaysia and the development of certain natural gas reserves and the construction of a pipeline and related facilities in the Philippines. The obligations to participate in such development in Malaysia and the Philippines would be assumed by the Royal Dutch/Shell Group (Shell) if the proposed transactions described below are consummated.

It is impossible at this time to determine the ultimate liabilities that Occidental and its subsidiaries may incur resulting from the foregoing lawsuits, claims and proceedings, audits, commitments, contingencies and related matters. Several of these matters may involve substantial amounts, and if these were to be ultimately resolved unfavorably to the full amount of their maximum potential exposure, an event not currently anticipated, it is possible that such event could have a material adverse effect upon Occidental's consolidated financial position or results of operations. However, in management's opinion, after taking into account reserves, it is unlikely that any of the foregoing matters will have a material adverse effect upon Occidental's consolidated financial position or results of operations.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Occidental's net cash used by operating activities from continuing operations was $16 million for the first six months of 1998, compared with net cash provided of $374 million for the same period of 1997. The decrease primarily reflected the impact of lower worldwide crude oil prices and lower chemical prices and the repurchase of $100 million of chemical receivables in connection with the assets transferred to the Equistar joint venture. Included in total cash flow from operating activities is cash used by discontinued operations of $244 million in 1998 and cash provided by discontinued operations of $194 million in 1997. The 1998 amount included the effect of $250 million of receivables repurchased in connection with the sale of MidCon. The 1998 and 1997 noncash charges included employee benefit plans expense and various other charges.

Occidental's net cash used by investing activities was $860 million for the first six months of 1998, compared with $597 million for the same period of 1997. The 1998 amount reflected cash used of $3.5 billion for the purchase of the Elk Hills Field and capital expenditures of $586 million. The 1998 amount also reflected proceeds of $3.2 billion, primarily from the sale of MidCon and certain nonstrategic oil and gas properties, as well as disposals of property, plant and equipment. Capital expenditures in 1998, included $419 million in oil and gas and $166 million in chemical. Capital expenditures were $655 million in 1997, including $527 million in oil and gas and $127 million in chemical. In February 1998, Occidental acquired the U.S. government's approximate 78 percent interest in the Elk Hills Naval Petroleum Reserve oil and gas fields (Elk Hills Field). As part of the asset redeployment program, Occidental completed the sale in 1998 of various nonstrategic oil and gas properties. These properties included the sale, in the first quarter of 1998, of Occidental's entire interest in an oilfield development project in Venezuela for approximately $205 million in cash plus contingent payments of up to $90 million over six years based on oil prices and the sale of certain Oklahoma oil and gas properties and interests in the Austin Chalk area of Louisiana and in the Rocky Mountain region and other oil and gas properties for aggregate proceeds of approximately $231 million. In the second quarter of 1998, Occidental sold, as part of the program, certain oil and gas properties in Texas for approximately $63 million; the stock of its MC Panhandle subsidiary, which owns certain natural gas interests in the West Panhandle field in Texas, for approximately $99 million; certain oil and gas properties in Louisiana and Mississippi for approximately $190 million; certain oil properties in Kansas and Colorado for approximately $70 million; and certain gas properties in Kansas and Oklahoma for approximately $125 million.

Financing activities provided net cash of $1.1 billion in the first six months of 1998, compared with $86 million for the same period of 1997. The 1998 amount reflected net cash provided of $2.1 billion primarily from proceeds from borrowings to fund a portion of the acquisition of the Elk Hills Field in February 1998. The 1998 amount also included cash used of $744 million for the repurchase of 26.3 million shares of Occidental common stock and $202 million for the payment of dividends. Total shares repurchased from the inception of the program through August 11, 1998 were 33.3 million for approximately $929 million. Occidental expects to repurchase up to 40 million shares of common stock under the program which should be completed before year-end 1998. In April 1998, Occidental issued $900 million par value of long-term debt. The scheduled maturities range from 5 to 30 years. The proceeds were used to repay outstanding commercial paper. The 1997 amount reflected net cash provided of $276 million, primarily from proceeds from borrowings, and cash used for the payment of dividends of $211 million.

In May 1998, Occidental contributed its ethylene, propylene, ethylene oxide and ethylene glycol derivatives businesses (collectively, the petrochemicals business) to the Equistar joint venture partnership, in return for a 29.5 percent interest in such partnership, receipt of approximately $420 million in cash and the assumption by Equistar of approximately $205 million of Occidental capital lease obligations and other liabilities. Lyondell Petrochemical Company (Lyondell) and Millennium Chemicals, Inc. (Millennium), through their respective subsidiaries, were the original partners of Equistar. Lyondell owns 41 percent of Equistar and Occidental and Millennium each own 29.5 percent. Occidental did not record a gain or loss on the transaction.

Cash used by investing activities exceeded cash provided by operating activities in the first six months of 1998. However, for 1998, Occidental expects that cash generated from operations and asset sales will be adequate to meet its operating requirements, capital spending and dividend payments. Occidental also has substantial borrowing capacity to meet unanticipated cash requirements. Available but unused lines of committed bank credit totaled approximately $1.1 billion at June 30, 1998, compared with $1.5 billion at December 31, 1997.

In June 1998, Occidental signed a nonbinding letter of intent with The Geon Company (Geon) providing, among other things, for the combination of certain polyvinyl chloride resin and vinyl chloride monomer plants and certain chlor-alkali facilities of the two companies in a joint venture. Under the agreement, Occidental will own 76 percent and Geon will own 24 percent of such joint venture company. The transaction is expected to be completed by the first quarter of 1999, after signing of definitive agreements and receipt of approvals by Geon shareholders and certain governmental regulatory agencies.

In July 1998, Occidental sold the stock of Occidental Netherlands, Inc. for approximately $275 million, in cash and the assumption of debt, plus future contingent payments. Occidental Netherlands owned interests in eight gas-producing licenses in the Dutch North Sea and a 38.6 percent interest in Noordgastransport B.V., which owned the gas pipeline system that services the area. Occidental expects to record a pretax gain on the disposition of approximately $145 million in the third quarter of 1998.

Also, in July 1998, Occidental and Shell entered into a series of agreements pursuant to which Occidental will exchange its oil and gas interests in the Philippines and Malaysia for Shell's oil and gas interests in Yemen and its interests in the Cravo Norte, Samore, Soapaga and Rondon association contracts in Colombia. Shell also will receive a cash payment at closing presently estimated at approximately $90 million. The transactions are expected to close in the third quarter of 1998, pending receipt of necessary approvals.

In June 1997, Occidental sold its chlor-alkali chemical plant located in Tacoma, Washington for approximately $102 million which included $97 million in cash and the balance in preferred stock. The sale did not have a material effect on the results of operations. Also in June 1997, Occidental purchased 28,000 shares of preferred stock of Leslie's Poolmart, Inc. (Leslie's) for total consideration of $28 million, which consisted of cash and the exchange of $10 million of Leslie's subordinated debentures held by Occidental.

The balance in prepaid expenses, note receivable and other at June 30, 1998 includes the $1.4 billion note receivable. The balance in equity investments at June 30, 1998 includes Occidental's interest in Equistar. The balance in property, plant and equipment at June 30, 1998 includes the property from the acquisition of the Elk Hills Field and reflects property, plant and equipment contributed to Equistar. The balance in net assets of discontinued operations at December 31, 1997 included the operating assets and liabilities of MidCon.

Current maturities of long-term debt and capital lease liabilities increased reflecting the current portion of long-term debt that is expected to be paid in the first quarter of 1999 using the proceeds of the $1.4 billion note receivable discussed above. The increase in long-term debt reflected increased commercial paper borrowings to fund a portion of the acquisition of the Elk Hills Field. Other deferred credits and other liabilities decreased reflecting the payment of amounts associated with the sale of MidCon and the assumption by Equistar of approximately $205 million of capital lease liabilities. The decrease in nonredeemable preferred stock primarily reflected the conversion, in March 1998, of all of the 15.1 million shares of Occidental's $3.875 preferred stock into 33.2 million shares of common stock. The decrease in ESOP preferred stock and unearned ESOP shares resulted from the completion of the sale of MidCon.

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133--"Accounting for Derivative Instruments and Hedging Activities," which establishes accounting and reporting standards for derivative instruments and hedging activities. It requires that an entity recognize all derivatives in the statement of financial position and measure those instruments at fair value. Occidental must implement SFAS No. 133 by the first quarter of 2000 and has not yet made a final determination of its impact on the financial statements.

YEAR 2000 ISSUE

Occidental's efforts to address Year 2000 (Y2K) issues began in 1997. In addressing the issues Occidental has employed a five-step process consisting of 1) conducting a company-wide inventory, 2) assessing Y2K compliance, 3) remediating non-compliant hardware and software, 4) testing remediated hardware and software and 5) certifying Y2K compliance.

Personnel from operations and from functional disciplines, as well as information technology professionals, are involved in the process. Outside consultants have also been retained to participate in the inventory and assessment process. A Y2K corporate-level manager was appointed to oversee and provide consistency to the overall process, provide support resources on a company-wide basis and minimize duplication of efforts. In addition, a committee of senior corporate executives provides oversight through an extensive monthly status review of project elements.

Inventory and assessment activities are estimated at approximately 80 percent complete. This data is continuously updated as new information becomes available and we expect this to continue throughout the Y2K effort. Overall remediation efforts are estimated at approximately 30 percent complete. The coincidental replacement of several major existing systems is well under way; these efforts began before the Y2K efforts were initiated. These replacements will allow Occidental to discontinue use of these existing systems prior to the millennium change. Communication with customers and suppliers to determine the extent of their Y2K efforts is an integral part of the program.

Costs for Y2K efforts are not being accumulated separately. Much of the cost is being accounted for as part of normal operating budgets. Overall, the costs are not expected to have a significant effect on Occidental's consolidated financial position or results of operations.

Because of its company-wide efforts, Occidental believes it will not have significant exposure to Y2K issues and that the risk to its operations and financial condition is remote.

ENVIRONMENTAL MATTERS

Occidental's operations in the United States are subject to stringent federal, state and local laws and regulations relating to improving or maintaining the quality of the environment. Foreign operations also are subject to varied environmental protection laws. Costs associated with environmental compliance have increased over time and may continue to rise in the future.

The laws which require or address environmental remediation apply retroactively to previous waste disposal practices. And, in many cases, the laws apply regardless of fault, legality of the original activities or ownership or control of sites. Occidental is currently participating in environmental assessments and cleanups under these laws at federal Superfund sites, comparable state sites and other remediation sites, including Occidental facilities and previously owned sites.

Occidental does not consider the number of Superfund and comparable state sites at which it has been notified that it has been identified as being involved to be a relevant measure of exposure. Although the liability of a potentially responsible party (PRP), and in many cases its equivalent under state law, may be joint and several, Occidental is usually one of many companies cited as a PRP at these sites and has, to date, been successful in sharing cleanup costs with other financially sound companies.

As of June 30, 1998, Occidental had been notified by the Environmental Protection Agency (EPA) or equivalent state agencies or otherwise had become aware that it had been identified as being involved at 175 Superfund or comparable state sites. (This number does not include those sites where Occidental has been successful in resolving its involvement.) The 175 sites include 66 former Diamond Shamrock Chemical sites as to which Maxus Energy Corporation has retained all liability, and 2 sites at which the extent of such retained liability is disputed. Of the remaining 107 sites, Occidental has had no recent or significant communication or activity with government agencies or other PRPs at 1 site, has denied involvement at 14 sites and has yet to determine involvement in 16 sites. With respect to the remaining 76 of these sites, Occidental is in various stages of evaluation. For 68 of these sites, where environmental remediation efforts are probable and the costs can be reasonably estimated, Occidental has accrued reserves at the most likely cost to be incurred. The 68 sites include 15 sites as to which present information indicates that it is probable that Occidental's aggregate exposure is immaterial. In determining the reserves, Occidental uses the most current information available, including similar past experiences, available technology, regulations in effect, the timing of remediation and cost-sharing arrangements. For the remaining 8 of the 76 sites being evaluated, Occidental does not have sufficient information to determine a range of liability, but Occidental does have sufficient information on which to base the opinion expressed above under the caption "Results of Operations."

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

GENERAL

There is incorporated by reference herein the information regarding legal proceedings in Item 3 of Part I of Occidental's 1997 Annual Report on Form 10-K, Item 3 of Part II of Occidental's 1998 First Quarter Report on Form 10-Q and Note 9 to the consolidated condensed financial statements in Part I hereof.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

10.1 Amendment to Occidental Petroleum Corporation Senior Executive Supplemental Retirement Plan

11 Statement regarding the computation of earnings per share for the three and six months ended June 30, 1998 and 1997

12 Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the six months ended June 30, 1998 and 1997 and the five years ended December 31, 1997

27 Financial data schedule for the six-month period ended June 30, 1998 (included only in the copy of this report filed electronically with the Securities and Exchange Commission)

(b) Reports on Form 8-K

During the quarter ended June 30, 1998, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated April 1, 1998 (date of earliest event reported), filed on April 3, 1998, for the purpose of reporting, under Item 5, information relating to $900 million of senior debt securities of Occidental and under Item 7, exhibits related to the issuance of the securities

2. Current Report on Form 8-K dated February 10, 1998 (date of earliest event reported), filed on April 20, 1998, for the purpose of reporting, among other things, under Item 2, the completion of the Elk Hills Field acquisition, under Item 5, certain recent developments, and under Item 7, certain financial statements and pro forma financial information

3. Current Report on Form 8-K dated April 20, 1998 (date of earliest event reported), filed on April 21, 1998, for the purpose of reporting, under Item 5, Occidental's results of operations for the first quarter ended March 31, 1998

4. Current Report on Form 8-K dated May 15, 1998 (date of earliest event reported), filed May 29, 1998, for the purposes of reporting under Item 2, the consummation of a transaction in which certain Occidental petrochemical assets were transferred to a partnership, and under Item 7, certain financial statements and exhibits

From June 30, 1998 to the date hereof, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated May 15, 1998 (date of earliest event reported), filed on July 17, 1998, for the purpose of reporting, under Item 2, the completion of the Equistar transaction, under Item 5, certain recent developments, and under Item 7, certain financial statements and pro forma financial information

2. Current Report on Form 8-K dated July 20, 1998 (date of earliest event reported), filed on July 21, 1998, for the purpose of reporting, under Item 5, Occidental's results of operations for the quarter ended June 30, 1998

SIGNATURES

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 thereunto duly authorized.

OCCIDENTAL PETROLEUM CORPORATION

DATE: August 14, 1998

S. P. Dominick, Jr.

S. P. Dominick, Jr., Vice President and Controller (Chief Accounting and Duly Authorized Officer)

EXHIBIT INDEX

EXHIBITS
- --------

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11	Statement regarding the computation of earnings per share for the three and six months ended June 30, 1998 and 1997
12	Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the six months ended June 30, 1998 and 1997 and the five years ended December 31, 1997
27	Financial data schedule for the six-month period ended June 30, 1998 (included only in the copy of this report filed electronically with the Securities and Exchange Commission)

EXHIBIT 10.1

AMENDMENT
OCCIDENTAL PETROLEUM CORPORATION
SENIOR EXECUTIVE SUPPLEMENTAL RETIREMENT PLAN

The Occidental Petroleum Corporation Senior Executive Supplemental Retirement Plan is hereby amended effective as of January 1, 1998 as follows:

1. Section 1.1 is amended by deleting the words "as amended and restated effective as of January 1, 1996" and inserting in their place the words "as amended and restated effective as of January 1, 1998".

2. Section 4.1 is amended by deleting the word "month" each place where it appears therein and inserting in its place the words "semimonthly processing period".

3. Section 4.2 is amended by deleting the word "monthly" and inserting in its place the word "semimonthly".

4. Section 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, and 4.10 are redesignated as sections 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, and 4.11, respectively.

5. A new section 4.4 is inserted immediately after section 4.3 as follows:

   4.4 Allocations Relating to 1988 Deferred Compensation Plan. Effective with the plan year beginning in January 1, 1998, a credit shall be made to the account of each Participant who, in that plan year, is a participant in the 1988 Deferred Compensation Plan. Such credit shall be made irrespective of whether such Participant elects to defer under the 1988 Deferred Compensation Plan all or any part of any bonus to which he might be entitled. Notwithstanding the preceding sentence, no credit shall be made to the account of a Participant who is not an employee of an Employer on the date that any such bonus is awarded. The amount to be allocated in a plan year under this Plan with respect to a Participant shall equal that Participant's applicable percentage multiplied by the amount of the bonus he is entitled to elect to defer for that plan year of the 1988 Deferred Compensation Plan. For the purpose of this section 4.4, the term "applicable percentage" shall mean twelve percent (12%) in the case of a Participant who shall have attained age 35 prior to the end of the plan year of this Plan in which such credit is made and eight percent (8%) in the case of a Participant who shall not have attained age 35 prior to the end of the plan year of this Plan in which such credit is made. The credit described in this section shall be made to the account of each Participant effective as of the date on which he is awarded the bonus he is entitled to defer under the 1988 Deferred Compensation Plan. Notwithstanding the preceding provisions of this section 4.4, no credit shall be made to the account of any Participant with respect to any bonus that the Participant is entitled to elect to defer under the 1988 Deferred Compensation Plan with respect to services performed in 1997.

6. Subsection 4.6(a), as redesignated, is amended by deleting the second sentence thereof in its entirety and inserting in its place the following sentence:

As of the end of each semimonthly processing period, the Administrative Committee shall adjust the balance, if any, of the Participant's account as of the last day of the preceding semimonthly processing period, by multiplying such amount by a number equal to one plus .083% plus the semimonthly yield on 5-year Treasury Constant Maturities for the semimonthly processing period.

7. Subsection 4.6(b), as redesignated, is amended by deleting the word "month" each place where it appears therein and inserting in its place the words "semimonthly processing period".

8. Subsection 4.6(b), as redesignated, is further amended by deleting the reference "section 4.3" and inserting in its place the reference "sections 4.3 and 4.4".

9. Subsection 4.8, as redesignated, is amended by deleting the reference, "section 4.5(a)" and inserting in its place the reference "section 4.6(a)".

EXHIBIT 11

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1998 AND 1997
(Amounts in thousands, except per-share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
BASIC EARNINGS PER SHARE	1998	1997	1998	1997
Income from continuing operations	$ 185,924	$ 138,160	$ 324,202	$ 265,293
Preferred stock dividends	(4,414)	(22,913)	(8,834)	(46,087)
Earnings from continuing operations applicable to common stock	181,510	115,247	315,368	219,206
Discontinued operations, net	--	19,853	38,400	72,194
Earnings applicable to common shares	$ 181,510	$ 135,100	$ 353,768	$ 291,400
Weighted average common shares outstanding	359,070	330,235	351,787	329,944
Basic earnings per share				
Income from continuing operations	$ .51	$ .35	$ .90	$ .66
Discontinued operations, net	--	.06	.11	.22
Basic earnings per common share	$ .51	$ .41	$ 1.01	$ .88
DILUTED EARNINGS PER SHARE				
Earnings from continuing operations applicable to common stock	$ 181,510	$ 115,247	$ 315,368	$ 219,206
Dividends applicable to dilutive preferred stock	4,414	8,279	8,834	16,819
	185,924	123,526	324,202	236,025
Discontinued operations, net	--	19,853	38,400	72,194
Earnings applicable to common stock	$ 185,924	$ 143,379	$ 362,602	$ 308,219
Weighted average common shares outstanding	359,070	330,235	351,787	329,944
Dilutive effect of exercise of options outstanding	783	358	719	404
Dilutive effect of conversions of preferred stock	16,502	34,582	16,502	34,582
	376,355	365,175	369,008	364,930
Diluted earnings per share				
Income from continuing operations	$ .49	$ .34	$ .88	$ .64
Discontinued operations, net	--	.05	.10	.20
Diluted earnings per common share	$ .49	$ .39	$ .98	$ .84

EXHIBIT 12

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES

COMPUTATION OF TOTAL ENTERPRISE RATIOS OF EARNINGS TO FIXED CHARGES
(Amounts in millions, except ratios)

	Six Months Ended June 30		Year Ended December 31				
	1998	1997	1997	1996	1995	1994	1993
Income(loss) from continuing operations(a)	$ 338	$ 260	$ 245	$ 486	$ 325	$ (236)	$ (190)
Add:							
Provision(credit) for taxes on income (other than foreign and gas taxes)	167	133	47	99	155	(59)	(23)
Interest and debt expense(b)	284	220	446	492	591	586	598
Portion of lease rentals representative of the interest factor	17	20	39	38	43	50	49
	468	373	532	629	789	577	624
Earnings(loss) before fixed charges	$ 806	$ 633	$ 777	$1,115	$1,114	$ 341	$ 434
Fixed charges							
Interest and debt expense including capitalized interest(b)	$ 292	$ 227	$ 462	$ 499	$ 595	$ 589	$ 609
Portion of lease rentals representative of the interest factor	17	20	39	38	43	50	49
Total fixed charges	$ 309	$ 247	$ 501	$ 537	$ 638	$ 639	$ 658
Ratio of earnings to fixed charges	2.61	2.56	1.55	2.08	1.75	n/a(c)	n/a(c)

(a) Includes (1) minority interest in net income of majority-owned subsidiaries having fixed charges and (2) income from less-than-50-percent-owned equity investments adjusted to reflect only dividends received.
(b) Includes proportionate share of interest and debt expense of 50-percent-owned equity investments.
(c) Not computed due to less than one-to-one coverage. Earnings were inadequate to cover fixed charges by $298 million in 1994 and $224 million in 1993.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 1998,
AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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