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 March 31, 2005

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 by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). 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 March 31, 2005
Common stock $.20 par value	398,251,720 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
MARCH 31, 2005 AND DECEMBER 31, 2004
(Amounts in millions)

	2005	2004
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,092	$ 1,199
Short-term investments	270	250
Receivables, net	2,561	2,235
Inventories	531	545
Prepaid expenses and other	183	166
Assets held for sale	17	36
Total current assets	4,654	4,431
LONG-TERM RECEIVABLES, net	238	239
INVESTMENTS IN UNCONSOLIDATED ENTITIES	1,906	1,727
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation, depletion and amortization of $8,962 at March 31, 2005 and $8,626 at December 31, 2004	15,105	14,633
OTHER ASSETS	374	361
	$ 22,277	$ 21,391

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
MARCH 31, 2005 AND DECEMBER 31, 2004
(Amounts in millions)

	2005	2004
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt and capital lease liabilities	$ --	$ 459
Accounts payable	1,545	1,557
Accrued liabilities	1,253	1,123
Domestic and foreign income taxes	527	263
Liabilities held for sale	15	21
Total current liabilities	3,340	3,423
LONG-TERM DEBT, net of current maturities and unamortized discount	3,365	3,345
DEFERRED CREDITS AND OTHER LIABILITIES		
Deferred and other domestic and foreign income taxes	1,203	1,248
Other	2,781	2,498
	3,984	3,746
MINORITY INTEREST	347	327
STOCKHOLDERS' EQUITY		
Common stock, at par value	79	79
Additional paid-in capital	4,713	4,652
Retained earnings	6,387	5,664
Accumulated other comprehensive income	62	155
	11,241	10,550
	$ 22,277	$ 21,391

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(Amounts in millions, except per-share amounts)

	2005	2004
REVENUES		
Net sales	$ 3,303	$ 2,557
Interest, dividends and other income	37	23
	3,340	2,580
COSTS AND OTHER DEDUCTIONS		
Cost of sales	1,532	1,380
Selling, general and administrative and other operating expenses	276	225
Environmental remediation	9	--
Exploration expense	47	54
Interest and debt expense, net	75	71
	1,939	1,730
Income before taxes and other items	1,401	850
Provision for domestic and foreign income and other taxes	601	363
Minority interest	21	13
(Income)/loss from equity investments	(71)	(15)
Income from continuing operations	850	489
Discontinued operations, net	(4)	(2)
NET INCOME	$ 846	$ 487
BASIC EARNINGS PER COMMON SHARE		
Income from continuing operations	$ 2.12	$ 1.25
Discontinued operations, net	(.01)	(.01)
Basic earnings per common share	$ 2.11	$ 1.24
DILUTED EARNINGS PER COMMON SHARE		
Income from continuing operations	$ 2.09	$ 1.24
Discontinued operations, net	(.01)	(.01)
Diluted earnings per common share	$ 2.08	$ 1.23
DIVIDENDS PER COMMON SHARE	$ .31	$ .275
BASIC SHARES	400.4	391.5
DILUTED SHARES	406.3	397.2

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(Amounts in millions)

	2005	2004
CASH FLOW FROM OPERATING ACTIVITIES		
Income from continuing operations	$ 850	$ 489
Adjustments to reconcile income to net cash provided by operating activities:		
Depreciation, depletion and amortization of assets	344	324
Deferred income tax provision	30	25
Other non-cash charges to income	152	91
Gains on disposition of assets, net	(4)	(1)
Income from equity investments	(71)	(15)
Dry hole and impairment expense	31	42
Changes in operating assets and liabilities	(29)	68
Other operating, net	(64)	(50)
Operating cash flow from continuing operations	1,239	973
Operating cash flow from discontinued operations	(5)	(8)
Net cash provided by operating activities	1,234	965
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(536)	(343)
Purchase of businesses, net	(321)	(138)
Sales of businesses and disposal of property, plant, and equipment, net	4	2
Purchase of short-term investments	(41)	(63)
Sales of short-term investments	21	80
Equity investments and other investing, net	27	(232)
Net cash used by investing activities	(846)	(694)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	46	--
Repurchase of trust preferred securities	--	(466)
Payments on long-term debt and capital lease liabilities	(459)	--
Proceeds from issuance of common stock	1	2
Cash dividends paid	(109)	(101)
Stock options exercised	27	99
Other	(1)	(1)
Net cash used by financing activities	(495)	(467)
Decrease in cash and cash equivalents	(107)	(196)
Cash and cash equivalents--beginning of period	1,199	573
Cash and cash equivalents--end of period	$ 1,092	$ 377

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

1. General

In these unaudited consolidated condensed financial statements, "Occidental" means Occidental Petroleum Corporation (OPC) and/or one or more entities where it owns a majority voting interest. Certain information and disclosures normally included in notes to consolidated financial statements have been condensed or omitted pursuant to the Securities and Exchange Commission's rules and regulations, but resultant disclosures are in accordance with accounting principles generally accepted in the United States of America 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 in Occidental's Annual Report on Form 10-K for the year ended December 31, 2004 (2004 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 fairly present Occidental's consolidated financial position as of March 31, 2005, and the consolidated statements of income and cash flows for the three months then ended. The income and cash flows for the period ended March 31, 2005, are not necessarily indicative of the income or cash flows to be expected for the full year.

Certain financial statements and notes for the prior year have been reclassified to conform to the 2005 presentation.

Occidental has reclassified its auction rate security investments from cash and cash equivalents to short-term investments on its March 31, 2005 balance sheet. These investments contain a short-term repricing feature. As a result, their carrying values approximate their fair values. There have been no realized gains or losses on these investments during 2005 or 2004. Prior period financial statements have also been reclassified to conform to the current presentation. This reclassification resulted in no change to Occidental's results of operations or cash flow from operations for any period.

Refer to Note 1 to the consolidated financial statements in the 2004 Form 10-K for a summary of significant accounting policies.

2. Asset Acquisitions, Dispositions and Other Transactions

In the first quarter of 2005, Occidental made several oil and gas acquisitions in the Permian Basin for approximately $304 million in cash.

In the first quarter of 2005, Occidental redeemed all of its 7.65 percent senior notes which reduced current maturities of long-term debt by approximately $459 million. This resulted in an after-tax charge of $6 million.

3. Accounting Changes

In April 2005, the FASB issued FASB Staff Position No. (FSP) FAS 19-1, "Accounting for Suspended Well Costs." FSP FAS 19-1 specifies new accounting guidance for when successful efforts companies can capitalize exploratory well costs. The guidance also requires new disclosures related to these costs. FSP FAS 19-1 is effective in the first reporting period beginning after April 4, 2005 and should be applied prospectively to existing and new exploratory well costs. Occidental plans to adopt this statement effective July 1, 2005 and it is not expected to have a material effect on the financial statements upon adoption.

In March 2005, the FASB issued FASB Interpretation No. (FIN) 47, "Accounting for Conditional Asset Retirement Obligations." FIN 47 specifies the accounting treatment for conditional asset retirement obligations under the provisions of Statement of Accounting Standard (SFAS) No. 143. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. Occidental plans to adopt this statement effective December 31, 2005. Occidental is currently assessing the effect of FIN 47 on its financial statements.

In December 2004, the FASB issued SFAS No. 123 (revised 2004) (SFAS No. 123R) "Share-Based Payments." SFAS No. 123R requires that the cost from all share-based payment transactions, including stock options, be recognized in the financial statements at fair value. Occidental currently uses the intrinsic-value method to account for these share-based payments. SFAS No. 123R is effective for public companies at the beginning of the first fiscal year ending after June 15, 2005. Occidental will adopt the provisions of this statement effective January 1, 2006. Occidental anticipates adopting SFAS No. 123R using the modified prospective method, which will not require Occidental to restate prior periods. Occidental is currently assessing the effect of SFAS No. 123R on its financial statements.

4. Comprehensive Income

The following table presents Occidental's comprehensive income items (in millions):

Three Months Ended March 31,	2005	2004
Net income	$ 846	$ 487
Other comprehensive income items		
Foreign currency translation adjustments	(12)	(7)
Derivative mark-to-market adjustments	(184)	(2)
Unrealized gain on securities	103	29
Other comprehensive income, net of tax	(93)	20
Comprehensive income	$ 753	$ 507

During the first quarter of 2005, Occidental entered into a series of fixed price swaps and costless collar agreements that qualify as cash-flow hedges for the sale of its crude oil production. These hedges, which begin in July 2005 and continue to the end of 2011, will hedge less than 4% of Occidental's current crude oil production. The first quarter 2005 derivative mark-to-market adjustment includes an after-tax loss of $176 million from changes in these cash flow hedges. See Item 3. Quantitative and Qualitative Disclosures About Market Risk for further information.

5. Supplemental Cash Flow Information

During the three months ended March 31, 2005 and 2004, net cash payments for federal, foreign and state income taxes were approximately $108 million and $64 million, respectively. Interest paid (net of interest capitalized of $3 million and $2 million, respectively) totaled approximately $98 million and $83 million for the three months ended March 31, 2005 and 2004, respectively.

6. Inventories

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

Balance at	March 31, 2005	December 31, 2004
Raw materials	$ 60	$ 62
Materials and supplies	165	157
Finished goods	360	380
	585	599
LIFO reserve	(54)	(54)
Total	$ 531	$ 545

7. Asset Retirement Obligations

The following summarizes the activity of the asset retirement obligations of which $7 million and $4 million is included in accrued liabilities at March 31, 2005 and 2004, respectively, and the remaining balance is included in deferred credits and other liabilities - other (in millions):

Three Months Ended March 31,	2005	2004
Beginning balance	$ 206	$ 167
Liabilities incurred in the period	1	9
Liabilities settled in the period	(1)	(3)
Acquisition and other	1	16
Accretion expense	3	3
Ending balance	$ 210	$ 192

8. Environmental Expenditures

Occidental's operations in the United States are subject to stringent federal, state and local laws and regulations relating to improving or maintaining environmental quality. Foreign operations also are subject to environmental-protection laws. The laws that require or address environmental remediation may apply to past waste disposal practices and releases. In many cases, the laws apply regardless of fault, legality of the original activities or current ownership or control of sites. OPC or certain of its subsidiaries are currently participating in environmental assessments and cleanups under these laws at sites subject to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), comparable state sites and other domestic and foreign remediation sites, including Occidental facilities and previously owned sites.

The following table presents Occidental's environmental remediation reserves at March 31, 2005, the current portion of which ($76 million) is included in accrued liabilities. The remaining amount is included in deferred credits and other liabilities - other. The reserves are grouped by three categories of environmental remediation sites ($ amounts in millions):

	# of Sites	Reserve
CERCLA & Equivalent Sites	124	$ 240
Active Facilities	16	73
Closed or Sold Facilities	39	63
Total	179	$ 376

In determining the environmental remediation reserves and the reasonably possible range of loss, Occidental refers to currently available information, including relevant past experience, available technology, regulations in effect, the timing of remediation and cost-sharing arrangements. Occidental expects it may continue to incur additional liabilities beyond those recorded for environmental remediation at these and other sites. The range of reasonably possible loss for existing environmental remediation matters could be up to $375 million beyond the amount accrued.

The following table shows additional detail regarding reserves for CERCLA or CERCLA-equivalent proceedings in which OPC or certain of its subsidiaries were involved at March 31, 2005 ($ amounts in millions):

Description	# of Sites	Reserve
Minimal/No Exposure (a)	99	$ 6
Reserves between $1-10 MM	18	69
Reserves over $10 MM	7	165
Total	124	$ 240

(a) Includes 27 sites for which Maxus Energy Corporation has retained the liability and indemnified Occidental, 7 sites where Occidental has denied liability without challenge, 52 sites where Occidental's reserves are less than $50,000 each, and 13 sites where reserves are between $50,000 and $1 million each.

Refer to Note 8 to the consolidated financial statements in the 2004 Form 10-K for additional information regarding Occidental's environmental expenditures.

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

OPC and certain of its subsidiaries have been named in a substantial number of lawsuits, claims and other legal proceedings. These actions seek, among other things, compensation for alleged personal injury, breach of contract, property damage, punitive damages, civil penalties or other losses; or injunctive or declaratory relief. OPC and certain of its subsidiaries also have been named in proceedings under CERCLA and similar federal, state, local and foreign environmental laws. These environmental proceedings seek funding or performance of remediation and, in some cases, compensation for alleged property damage, punitive damages and civil penalties; however, 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. With respect to all such lawsuits, claims and proceedings, including environmental proceedings, Occidental accrues reserves when it is probable a liability has been incurred and the amount of loss can be reasonably estimated.

In September 2004, Occidental received formal notification from Petroecuador, the state oil company of Ecuador, initiating proceedings to determine if Occidental had violated its Participation Contract for Block 15 or the Ecuadorian Hydrocarbons Law and whether the alleged violations constitute grounds for terminating the Participation Contract. The principal allegation stated in the notice is an assertion that Occidental should have obtained government approval of a farmout agreement entered into in 2000. Occidental believes that it has complied with all material obligations under the Participation Contract and Ecuadorian law and that any termination of the contract based upon the stated allegations would be unfounded and would constitute an unlawful expropriation. Earlier this year, Occidental made preliminary settlement proposals to the Government of Ecuador as a potential framework to resolve this dispute. It is reasonably possible that a negotiated settlement would negatively affect the future profitability of, and production and reserves from, Block 15 operations. On April 20, 2005, in the midst of significant public protests, Ecuador's Congress removed the country's President from office, and the country's Vice President became President. A new cabinet has not been fully formed, and Occidental has not been able to determine what position the new Government will take regarding foreign investors, the petroleum industry in general and Occidental's dispute in particular. Block 15 operations represent approximately 9 percent of Occidental's 2004 consolidated production, 4 percent of its proved consolidated reserves and 2 percent of its total property, plant and equipment, net of accumulated depreciation, depletion and amortization.

In April 2004, a number of U.S. companies, including Occidental Chemical Corporation (OxyChem), were served with seven lawsuits filed in Nicaragua by approximately two thousand individual plaintiffs. These individuals allege that they have sustained several billion dollars of personal injury damages as a result of their alleged exposure to a pesticide. In the opinion of management, these claims are without merit because, among other things, OxyChem believes that none of the pesticide it manufactured was ever sold or used in Nicaragua. Under the applicable Nicaraguan statute, defendants are required to pay pre-trial deposits so large as to effectively prohibit defendants from participating fully in their defense. In similar situations, involving other defendants, Nicaraguan courts have proceeded to enter significant judgments against the defendants under that statute. OxyChem has filed a response to the complaints contesting jurisdiction without posting such pre-trial deposit. In December 2004, the judge in one of the cases ruled the court had jurisdiction over the defendants, including OxyChem, and that the plaintiffs had waived the requirement of the pre-trial deposit. OxyChem has appealed that portion of the ruling relating to the jurisdiction of the Nicaraguan courts. Thereafter, the trial court ordered defendants, including OxyChem, to file an answer. In order to preserve its jurisdictional defense, OxyChem elected not to make a substantive appearance in the case. In the opinion of management, any judgment rendered under the statute would be unenforceable in the United States.

During the course of its operations, Occidental is subject to audit by tax authorities for varying periods in various federal, state, local and foreign tax jurisdictions. Taxable years prior to 1997 are closed for U.S. federal income tax purposes. Taxable years 1997 through 2003 are in various stages of audit by the Internal Revenue Service. Disputes arise during the course of such audits as to facts and matters of law. Occidental has been in continuing tax audit settlement discussions with the Internal Revenue Service on issues related to foreign tax credits and various domestic income issues for the 1997 to 2000 audit years. Occidental believes that it is reasonably possible that substantive issues for taxable years 1997 to 2000 could be favorably resolved during 2005 and that such resolutions, if they occur, could have a positive and material effect on its results of operations and its financial condition; however, Occidental believes such resolutions will not have a significant cash effect.

Occidental has guarantees outstanding at March 31, 2005, which encompass performance bonds, letters of credit, indemnities, commitments and other forms of guarantees provided by Occidental to third parties, mainly to provide assurance that Occidental and/or its subsidiaries and affiliates will meet their various obligations (guarantees). At March 31, 2005, the notional amount of these guarantees was approximately $500 million. Of this amount, approximately $400 million relates to Occidental's guarantees of equity investees' debt and other commitments. The remaining $100 million relates to various indemnities and guarantees provided to third parties.

It is impossible at this time to determine the ultimate liabilities that OPC and its subsidiaries may incur resulting from any lawsuits, claims and proceedings, audits, commitments, contingencies and related matters. If these matters were to be ultimately resolved unfavorably at amounts substantially exceeding Occidental's reserves, an outcome not currently anticipated, it is possible that such outcome could have a material adverse effect upon Occidental's consolidated financial position or results of operations. However, after taking into account reserves, management does not expect the ultimate resolution of any of these matters to have a material adverse effect upon Occidental's consolidated financial position or results of operations.

10. Income Taxes

The provision for taxes based on income for the 2005 and 2004 interim periods was computed in accordance with Interpretation No. 18 of Accounting Principles Board Opinion (APB) No. 28 on reporting taxes for interim periods and was based on projections of total year pretax income. The provision for income taxes for the first quarter of 2005 includes a $10 million charge related to a state income tax issue. The provision for income taxes for the first quarter of 2004 includes a $20 million credit from settlement of a tax issue.

11. Stock-Based Compensation

Occidental accounts for its stock incentive plans (Plans) using the intrinsic value method under APB No. 25 and related interpretations. Had compensation expense for those Plans been determined in accordance with SFAS No. 123, "Accounting for Stock Based Compensation", Occidental's pro-forma net income and earnings per share would have been as follows (in $ millions, except per share amounts):

Three Months Ended March 31,	2005	2004
Net income	$ 846	$ 487
Add: Stock-based compensation included in net income, net of tax, under APB No. 25	35	9
Deduct : Stock-based compensation, net of tax, determined under SFAS No. 123 fair value method	(38)	(13)
Pro-forma net income	$ 843	$ 483
Earnings Per Share:		
Basic - as reported	$ 2.11	$ 1.24
Basic - pro forma	$ 2.11	$ 1.23
Diluted - as reported	$ 2.08	$ 1.23
Diluted - pro forma	$ 2.08	$ 1.22

12. Retirement Plans and Postretirement Benefits

Occidental has various defined benefit and defined contribution retirement plans for its salaried, domestic union and nonunion hourly, and certain foreign national employees.

The following table sets forth the components of the net periodic benefit costs for Occidental's defined benefit pension and postretirement benefit plans as of March 31 (in millions):

Three Months Ended March 31,	2005		2004	
Net Periodic Benefit Cost	Pension Benefit	Postretirement Benefit	Pension Benefit	Postretirement Benefit
Service cost	$ 3	$ 2	$ 3	$ 2
Interest cost	6	8	6	8
Expected return on plan assets	(7)	--	(5)	--
Recognized actuarial (gain) / loss	1	4	1	3
Total	$ 3	$ 14	$ 5	$ 13

On December 8, 2003, President Bush signed into law a bill that expands Medicare, primarily adding a prescription drug benefit for Medicare-eligible retirees starting in 2006. Regulations governing the Medical Prescription drug benefit and other key elements of the Medicare Modernization Act were released by the Department of Health and Human Services Centers for Medicare and Medicaid Services on January 21, 2005. Occidental is reviewing its retiree health care plans in light of these final regulations, which may change Occidental's obligations under the plans. At this time, Occidental is unable to determine the impact of the new Medicare provisions. The retiree medical obligations and costs reported do not reflect the impact of this legislation in accordance with FSP No. FAS 106-2. Occidental intends to adopt the accounting requirements of this standard and adjust its retiree medical obligations and costs during the second quarter of 2005.

Occidental funded approximately $2 million in cash to its domestic defined benefit pension plans for the quarter ended March 31, 2005 and it does not expect to contribute any further amount in 2005.

Refer to Note 13 to the consolidated financial statements in the 2004 Form 10-K for additional information regarding Occidental's retirement plans and postretirement benefits.

13. Industry Segments

As of January 1, 2005, Occidental revised its reporting of segment earnings to show segment earnings before income taxes. All domestic and foreign income tax expense is now reflected in the "Corporate and other" column. This change has been retrospectively applied to prior period results. The following table presents Occidental's interim industry segment and corporate disclosures (in millions):

	Oil and Gas	Chemical	Corporate and Other	Total
Quarter ended March 31, 2005				
Net sales	$ 2,219	$ 1,061	$ 23	$ 3,303
Pretax operating profit (loss)	$ 1,349	$ 214	$ (112)(a)	$ 1,451
Income taxes	--	--	(601)(b)	(601)
Discontinued operations, net	--	--	(4)	(4)
Net income (loss)	$ 1,349	$ 214	$ (717)(c)	$ 846
Quarter ended March 31, 2004				
Net sales	$ 1,693	$ 834	$ 30	$ 2,557
Pretax operating profit (loss)	$ 915	$ 56	$ (119)(a)	$ 852
Income taxes	--	--	(363)(b)	(363)
Discontinued operations, net	--	--	(2)	(2)
Net income (loss)	$ 915	$ 56	$ (484)(d)	$ 487

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

(b) Includes all foreign and domestic income taxes. The 2005 amount includes a $10 million charge related to a state income tax issue. The 2004 amount includes a $20 million tax credit settlement.

(c) Includes a $10 million pre-tax interest charge to redeem 7.65 percent senior notes ($6 million net of tax).

(d) Includes a trust preferred securities redemption pre-tax charge of $11 million ($7 million net of tax).

14. Subsequent Events

In April 2005, Valero Energy Corp. (Valero) and Premcor Inc. (Premcor) announced that the companies have executed a merger agreement for Valero to acquire Premcor in an $8 billion transaction. Under the terms of the agreement, Premcor shareholders will have the right to receive 0.99 shares of Valero common stock or $72.76 in cash for each share of Premcor common stock, or they can receive a combination of both, subject to proration so that 50 percent of the total Premcor shares are acquired for cash. At March 31, 2005, Occidental owned over 9 million shares of Premcor.

In April 2005, Occidental signed a heads of agreement with the government of Oman to develop the Mukhaizna oil field in Oman. If the terms of the understanding are implemented, Occidental would be operator of the field.

In May 2005, Dolphin Energy Limited signed a gas sales agreement with Dubai Supply Authority (DUSUP) to deliver future supplies of Dolphin gas from Qatar to the DUSUP power plant in Jebel Ali. The agreement provides for the supply of up to 700 million standard cubic feet of gas per day for a period of 25 years.

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

CONSOLIDATED RESULTS OF OPERATIONS

Occidental (as defined in Note 1 to the consolidated condensed financial statements) reported net income for the first quarter of 2005 of $846 million, on net sales of $3.3 billion, compared with net income of $487 million, on net sales of $2.6 billion, for the same period of 2004. Basic earnings per common share were $2.11 for the first quarter of 2005, compared with basic earnings per common share of $1.24 for the same period of 2004.

Net income for the first quarter of 2005 included a $10 million pre-tax interest charge to redeem outstanding 7.65 percent senior notes and a $10 million charge related to a state income tax issue. Net income for the first quarter of 2004 included a pre-tax charge of $11 million for the redemption of all of the outstanding 8.16 percent Trust Preferred Redeemable Securities (trust preferred securities) and a $20 million credit from settlement of a tax issue. Net income for the first quarter of 2005, compared to the same period in 2004, reflected higher oil and gas prices and higher chemical margins resulting from higher chemical prices.

SELECTED INCOME STATEMENT ITEMS

The increase of $746 million in net sales in the first quarter of 2005, compared with the same period in 2004, primarily reflected higher worldwide crude oil, natural gas and chemical prices.

The increase of $152 million in cost of sales for the first quarter of 2005, compared with the same period in 2004, primarily reflected higher oil and gas production costs, higher energy and chemical raw material costs and higher DD&A expense mainly due to accelerated drilling and workovers in Yemen and Elk Hills and a facility expansion in Qatar. The increase of $51 million in selling, general and administrative and other operating expenses for the first quarter of 2005, compared to the same period in 2004, primarily reflected increases in various oil and gas costs, including production-related taxes and other operating costs. Interest and debt expense, net for the first quarter of 2005 included a pre-tax debt redemption charge of $10 million and for the first quarter of 2004 included a trust preferred securities redemption pre-tax charge of $11 million. The provision for income taxes for the first quarter of 2005 included a $10 million charge related to a state tax issue and the first quarter of 2004 included a $20 million credit from settlement of a tax issue. The increase of $56 million in income from equity investments for the first quarter of 2005, compared to the same period in 2004, was attributable primarily to first quarter 2005 income of $44 million from the Lyondell equity investment compared to a loss of $3 million in the first quarter of 2004.

SELECTED ANALYSIS OF FINANCIAL POSITION

The increase in receivables, net of $326 million at March 31, 2005, compared with December 31, 2004, was due to higher sales prices. The increase of $179 million in investments in unconsolidated entities at March 31, 2005, compared with December 31, 2004, was due to increased equity investee income and a fair value adjustment recorded in other comprehensive income on the Premcor Inc. available-for-sale investment, partially offset by dividends received from equity investees.

The increase in domestic and foreign income taxes payable of $264 million at March 31, 2005, compared with December 31, 2004, was due to the fact that the first estimated payment for federal and state income taxes is not paid until April 2005.

SEGMENT OPERATIONS

As of January 1, 2005, Occidental revised its reporting of segment earnings to show segment earnings before income taxes. All domestic and foreign income tax expense is now reflected in the income taxes line under Unallocated Corporate Items. This reporting change has been retrospectively applied to prior period results. The following table sets forth the sales and earnings of each industry segment and unallocated corporate items (in millions):

	Three Months Ended March 31	
	2005	2004
NET SALES		
Oil and gas	$ 2,219	$ 1,693
Chemical	1,061	834
Other	23	30
NET SALES	$ 3,303	$ 2,557
SEGMENT EARNINGS		
Oil and gas	$ 1,349	$ 915
Chemical	214	56
	1,563	971
UNALLOCATED CORPORATE ITEMS		
Interest expense, net (a)	(61)	(68)
Income taxes (b)	(601)	(363)
Other	(51)	(51)
INCOME FROM CONTINUING OPERATIONS	850	489
Discontinued operations, net	(4)	(2)
NET INCOME	$ 846	$ 487

(a) The first quarter 2005 includes a $10 million pre-tax interest charge to redeem all the outstanding 7.65 percent senior notes. The first quarter 2004 includes an $11 million pre-tax interest charge to redeem the trust preferred securities.

(b) The first quarter 2005 includes a $10 million charge related to a state income tax issue. The first quarter 2004 includes a $20 million credit related to the settlement of an issue with the Internal Revenue Service.

SIGNIFICANT ITEMS 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 earnings", 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 earnings is not considered to be an alternative to operating income in accordance with generally accepted accounting principles.

The following table sets forth the core earnings and significant items affecting earnings for each operating segment and corporate and other:

	Three Months Ended March 31			
(in millions, except per share amounts)	2005	EPS	2004	EPS
TOTAL REPORTED EARNINGS	$ 846	$ 2.11	$ 487	$ 1.24
OIL AND GAS				
Segment Earnings	$ 1,349		$ 915	
No significant items affecting earnings	--		--	
Segment Core Earnings	1,349		915	
CHEMICAL				
Segment Earnings	214		56	
No significant items affecting earnings	--		--	
Segment Core Earnings	214		56	
CORPORATE AND OTHER				
Results	(717)		(484)	
Less:				
Trust preferred securities redemption charge	--		(11)	
7.65% debt redemption charge	(10)		--	
State tax issue charge	(10)		--	
Settlement of tax issue	--		20	
Tax effect of pre-tax adjustments	4		4	
Discontinued operations, net *	(4)		(2)	
Corporate Core Results	(697)		(495)	
TOTAL CORE EARNINGS	$ 866	$ 2.16	$ 476	$ 1.22

* These amounts are shown after tax

WORLDWIDE EFFECTIVE TAX RATE

The following table sets forth the calculation of the worldwide effective tax rate for reported income and core earnings:

(in millions)	Three Months Ended March 31 2005	2004
REPORTED INCOME		
Oil & Gas (a)	$ 1,349	$ 915
Chemicals	214	56
Corporate & other	(112)	(119)
Pre-tax income	1,451	852
Income tax expense		
Federal and state	349	193
Foreign (a)	252	170
Total	601	363
Income from continuing operations	$ 850	$ 489
Worldwide effective tax rate	41%	43%
CORE EARNINGS		
Oil & Gas (a)	$ 1,349	$ 915
Chemical	214	56
Corporate & other	(102)	(108)
Pre-tax income	1,461	863
Income tax expense		
Federal and state	343	217
Foreign (a)	252	170
Total	595	387
Core Earnings	$ 866	$ 476
Worldwide effective tax rate	41%	45%

(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 revenue amounts of $187 million for the first quarter of 2005 and $116 million for the first quarter of 2004.

Occidental's first quarter 2005 worldwide effective tax rate was 41 percent. The first quarter 2005 reflected a lower U.S. income tax rate resulting from the crediting of foreign income taxes. Prior to the second quarter 2004, foreign income taxes were deducted in determining U.S. taxable income. An annual tax election permits a taxpayer to claim a credit or deduction for foreign income taxes, whichever is more beneficial. Occidental expects to continue its election to credit foreign income taxes in future years. Occidental expects the tax rate for the second quarter to be approximately 41 percent.

OIL AND GAS SEGMENT

Summary of Operating Statistics	Three Months Ended March 31 2005	2004
NET PRODUCTION PER DAY:		
CRUDE OIL AND NATURAL GAS LIQUIDS (MBL)		
United States	247	258
Latin America	74	79
Middle East	101	95
Other Eastern Hemisphere	5	9
NATURAL GAS (MMCF)		
United States	528	527
Middle East	56	11
Other Eastern Hemisphere	78	75
BARRELS OF OIL EQUIVALENT (MBOE)(A)		
Consolidated subsidiaries	537	543
Other interests	28	25
Worldwide production	565	568
AVERAGE SALES PRICE:		
CRUDE OIL ($/BBL)		
United States	$ 44.24	$ 32.62
Latin America	$ 39.87	$ 28.99
Middle East	$ 42.00	$ 30.08
Other Eastern Hemisphere	$ 37.97	$ 29.37
Total consolidated subsidiaries	$ 42.68	$ 31.19
Other interests	$ 28.20	$ 19.75
Total Worldwide	$ 41.71	$ 30.44
NATURAL GAS ($/MCF)		
United States	$ 5.94	$ 5.00
Middle East	$ 0.96	$ 0.97
Other Eastern Hemisphere	$ 2.21	$ 2.23
Total consolidated subsidiaries	$ 5.04	$ 4.55
Other interests	$ 0.15	$ --
Total Worldwide	$ 4.89	$ 4.55

(a) Natural gas volumes have been converted to equivalent BOE based on energy content of 6,000 cubic feet (one thousand cubic feet is referred to as an "Mcf") of gas to one barrel of oil.

Oil and gas segment and core earnings for the first quarter of 2005 were $1.3 billion, compared with $915 million for the same period of 2004. The increase in earnings for the first quarter of 2005, compared to the first quarter of 2004, reflected higher prices for crude oil and natural gas, partially offset by higher production-related taxes and higher utility costs which were the result of higher oil and gas prices, and higher DD&A rates due to accelerated drilling and workovers of wells in Yemen and Elk Hills and a facilities expansion project in Qatar.

The increase of $526 million in net sales in the first quarter of 2005, compared with the same period in 2004, reflected higher prices for crude oil and natural gas.

The average West Texas Intermediate price in the first quarter of 2005 was $49.84 per barrel and the average New York Mercantile Exchange (NYMEX) price for natural gas was $6.89 per million BTUs. A change of 10 cents per million BTUs in NYMEX gas prices impacts quarterly oil and gas segment earnings by approximately $5 million while a $1.00 per-barrel change in oil prices has a quarterly impact of approximately $36 million.

Average production costs for the first quarter 2005 were $7.77 per barrel of oil equivalent (BOE) compared to the average 2004 production cost of $6.95 per BOE.

Occidental expects second quarter 2005 oil and gas production to be slightly higher than the first quarter 2005 production because the first quarter did not include production from the Permian Basin acquisitions which occurred at the end of the quarter. The effect of these acquisitions will be partially offset by downtime expected at Horn Mountain for scheduled pipeline maintenance. In addition, production could vary due to price-driven adjustments in the volumes under production-sharing contracts in Oman, Qatar, Yemen and Long Beach.

In April 2005, Occidental signed a heads of agreement with the government of Oman to develop the Mukhaizna oil field in Oman. If the terms of the understanding are implemented, Occidental would be operator of the field. The field currently is producing approximately 10,000 barrels of oil per day. Occidental and its partners would expect to invest over $2 billion to implement a large-scale steam flood to increase production to approximately 150,000 barrels of oil per day within the next few years.

CHEMICAL SEGMENT

Summary of Operating Statistics	Three Months Ended March 31 2005	2004
MAJOR PRODUCT VOLUMES (M TONS, EXCEPT PVC RESINS)		
Chlorine (a)	705	706
Caustic Soda	714	732
Ethylene Dichloride	130	122
PVC Resins (millions of pounds)	1,025	1,071
MAJOR PRODUCT PRICE INDEX (1987 THROUGH 1990 AVERAGE PRICE = 1.0)		
Chlorine	2.56	1.60
Caustic Soda	1.52	0.71
Ethylene Dichloride	1.78	1.32
PVC Resins (b)	1.29	0.94

(a) Product volumes include those manufactured and consumed internally.

(b) Product volumes produced at former PolyOne facilities, now part of Occidental, are excluded from the product price indexes.

Chemical segment and core earnings for the first quarter of 2005 were $214 million, compared with $56 million for the same period of 2004. The increase in earnings for the first quarter of 2005, compared with the same period in 2004, was due primarily to higher margins in all major products resulting from higher sales prices, partially offset by higher energy and feedstock costs.

The increase of $227 million in net sales in the first quarter of 2005, compared with the same period in 2004, primarily reflected higher prices for all major products.

Occidental expects second quarter 2005 chemical earnings to be similar to the first quarter 2005 as it expects no weakening in demand or margin decline for its major products in the second quarter.

CORPORATE AND OTHER

Unallocated corporate items - income taxes for the first quarter of 2005 includes a $10 million charge related to a state tax issue. The first quarter of 2004 includes a $20 million credit related to a settlement of a tax issue.

LIQUIDITY AND CAPITAL RESOURCES

Occidental's net cash provided by operating activities was $1.2 billion for the first quarter of 2005, compared with $965 million for the same period of 2004. The significant increase in operating cash flow in 2005, compared to 2004, resulted from several factors. The most important drivers were the significantly higher oil and natural gas prices and, to a much lesser extent, higher chemical prices. In the first quarter of 2005, compared to the same period in 2004, Occidental's realized oil price was higher by 37 percent and Occidental's realized natural gas price increased almost 19 percent in the U.S., where approximately 80 percent of Occidental's natural gas was produced.

Increases in sales prices realized for Occidental's major chemical product lines for the first quarter of 2005, compared to the first quarter of 2004, ranged from 35 to 114 percent. Chemical prices increased in the first quarter of 2005 at a higher rate than the energy-driven increase in feedstock and power costs, thereby improving margins and cash flow. Chemical price changes had a less significant effect on cash flow because chemical segment earnings and cash flow are significantly smaller than those for the oil and gas segment and because of increases in energy price-driven feedstock and electric power costs, which are major elements of manufacturing cost for the chemical segment's products.

Increases in the costs of producing oil and gas, such as purchased goods and services, particularly materials and oil field services, partially offset oil and gas sales price increases, but such cost increases had a much lower effect on cash flow than the realized price increases. Other cost elements, such as labor costs and overheads, are not significant drivers of cash flow because they are mainly fixed within a narrow range over the short-to-intermediate term.

Occidental's net cash used by investing activities was $846 million for the first quarter of 2005, compared with $694 million for the same period of 2004. The 2005 amount includes two Permian Basin acquisitions totaling $304 million. The 2004 amount includes the purchase of a pipeline and gathering system in the Permian Basin and a $208 million advance to the Elk Hills Power LLC (EHP) equity investment which EHP used to repay a portion of its debt. Capital expenditures for the first quarter of 2005 were $536 million, including $506 million in oil and gas. Capital expenditures for the first quarter of 2004 were $343 million, including $326 million in oil and gas. The 2005 amount includes $90 million for exploration lease bonuses in Libya.

Occidental's net cash used by financing activities was $495 million in the first quarter of 2005, compared with $467 million for the same period of 2004. The 2005 amount includes total cash paid of $459 million for the redemption of 7.65 percent senior notes. The 2004 amount includes total cash paid of $466 million to repurchase the trust preferred securities in January 2004.

In the first quarter 2005, Occidental filed a shelf registration statement for up to $1.5 billion of various securities. No securities have been issued.

Available but unused lines of committed bank credit totaled approximately $1.5 billion at March 31, 2005 and cash and cash equivalents and short-term investments totaled $1.4 billion on the March 31, 2005 balance sheet.

At March 31, 2005, under the most restrictive covenants of certain financing agreements, Occidental's capacity for additional unsecured borrowing was approximately $24.9 billion, and the capacity for the payment of cash dividends and other distributions on, and for acquisitions of, Occidental's capital stock was approximately $9.2 billion, assuming that such dividends, distributions and acquisitions were made without incurring additional borrowing.

Occidental currently expects to spend approximately $2.2 billion on its 2005 capital spending program. Although its income and cash flows are largely dependent on oil and gas prices and production, Occidental believes that cash on hand, short-term investments and cash generated from operations will be sufficient to fund its operating needs, capital expenditure requirements, dividend payments and potential acquisitions. If needed, Occidental could access its existing credit facilities.

ENVIRONMENTAL EXPENDITURES

Occidental's operations in the United States are subject to stringent federal, state and local laws and regulations relating to improving or maintaining environmental quality. Foreign operations also are subject to environmental-protection laws. The laws that require or address environmental remediation may apply to past waste disposal practices and releases. In many cases, the laws apply regardless of fault, legality of the original activities or current ownership or control of sites. OPC or certain of its subsidiaries are currently participating in environmental assessments and cleanups under these laws at sites subject to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), comparable state sites and other domestic and foreign remediation sites, including Occidental facilities and previously owned sites.

The following table presents Occidental's environmental remediation reserves at March 31, 2005, the current portion of which ($76 million) is included in accrued liabilities. The remaining amount is included in deferred credits and other liabilities - other. The reserves are grouped by three categories of environmental remediation sites ($ amounts in millions):

	# of Sites	Reserve
CERCLA & Equivalent Sites	124	$ 240
Active Facilities	16	73
Closed or Sold Facilities	39	63
Total	179	$ 376

In determining the environmental remediation reserves and the reasonably possible range of loss, Occidental refers to currently available information, including relevant past experience, available technology, regulations in effect, the timing of remediation and cost-sharing arrangements. Occidental expects it may continue to incur additional liabilities beyond those recorded for environmental remediation at these and other sites. The range of reasonably possible loss for existing environmental remediation matters could be up to $375 million beyond the amount accrued.

The following table shows additional detail regarding reserves for CERCLA or CERCLA-equivalent proceedings in which OPC or certain of its subsidiaries were involved at March 31, 2005 ($ amounts in millions):

Description	# of Sites	Reserve
Minimal/No Exposure (a)	99	$ 6
Reserves between $1-10 MM	18	69
Reserves over $10 MM	7	165
Total	124	$ 240

(a) Includes 27 sites for which Maxus Energy Corporation has retained the liability and indemnified Occidental, 7 sites where Occidental has denied liability without challenge, 52 sites where Occidental's reserves are less than $50,000 each, and 13 sites where reserves are between $50,000 and $1 million each.

Refer to the "Environmental Expenditures" section of Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2004 Form 10-K for additional information regarding Occidental's environmental expenditures.

LAWSUITS, CLAIMS, COMMITMENTS, CONTINGENCIES AND RELATED MATTERS

OPC and certain of its subsidiaries have been named in a substantial number of lawsuits, claims and other legal proceedings. These actions seek, among other things, compensation for alleged personal injury, breach of contract, property damage, punitive damages, civil penalties or other losses; or injunctive or declaratory relief. OPC and certain of its subsidiaries also have been named in proceedings under CERCLA and similar federal, state, local and foreign environmental laws. These environmental proceedings seek funding or performance of remediation and, in some cases, compensation for alleged property damage, punitive damages and civil penalties; however, 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. With respect to all such lawsuits, claims and proceedings, including environmental proceedings, Occidental accrues reserves when it is probable a liability has been incurred and the amount of loss can be reasonably estimated.

In September 2004, Occidental received formal notification from Petroecuador, the state oil company of Ecuador, initiating proceedings to determine if Occidental had violated its Participation Contract for Block 15 or the Ecuadorian Hydrocarbons Law and whether the alleged violations constitute grounds for terminating the Participation Contract. The principal allegation stated in the notice is an assertion that Occidental should have obtained government approval of a farmout agreement entered into in 2000. Occidental believes that it has complied with all material obligations under the Participation Contract and Ecuadorian law and that any termination of the contract based upon the stated allegations would be unfounded and would constitute an unlawful expropriation. Earlier this year, Occidental made preliminary settlement proposals to the Government of Ecuador as a potential framework to resolve this dispute. It is reasonably possible that a negotiated settlement would negatively affect the future profitability of, and production and reserves from, Block 15 operations. On April 20, 2005, in the midst of significant public protests, Ecuador's Congress removed the country's President from office, and the country's Vice President became President. A new cabinet has not been fully formed, and Occidental has not been able to determine what position the new Government will take regarding foreign investors, the petroleum industry in general and Occidental's dispute in particular. Block 15 operations represent approximately 9 percent of Occidental's 2004 consolidated production, 4 percent of its proved consolidated reserves and 2 percent of its total property, plant and equipment, net of accumulated depreciation, depletion and amortization.

In April 2004, a number of U.S. companies, including Occidental Chemical Corporation (OxyChem), were served with seven lawsuits filed in Nicaragua by approximately two thousand individual plaintiffs. These individuals allege that they have sustained several billion dollars of personal injury damages as a result of their alleged exposure to a pesticide. In the opinion of management, these claims are without merit because, among other things, OxyChem believes that none of the pesticide it manufactured was ever sold or used in Nicaragua. Under the applicable Nicaraguan statute, defendants are required to pay pre-trial deposits so large as to effectively prohibit defendants from participating fully in their defense. In similar situations, involving other defendants, Nicaraguan courts have proceeded to enter significant judgments against the defendants under that statute. OxyChem has filed a response to the complaints contesting jurisdiction without posting such pre-trial deposit. In December 2004, the judge in one of the cases ruled the court had jurisdiction over the defendants, including OxyChem, and that the plaintiffs had waived the requirement of the pre-trial deposit. OxyChem has appealed that portion of the ruling relating to the jurisdiction of the Nicaraguan courts. Thereafter, the trial court ordered defendants, including OxyChem, to file an answer. In order to preserve its jurisdictional defense, OxyChem elected not to make a substantive appearance in the case. In the opinion of management, any judgment rendered under the statute would be unenforceable in the United States.

During the course of its operations, Occidental is subject to audit by tax authorities for varying periods in various federal, state, local and foreign tax jurisdictions. Taxable years prior to 1997 are closed for U.S. federal income tax purposes. Taxable years 1997 through 2003 are in various stages of audit by the Internal Revenue Service. Disputes arise during the course of such audits as to facts and matters of law. Occidental has been in continuing tax audit settlement discussions with the Internal Revenue Service on issues related to foreign tax credits and various domestic income issues for the 1997 to 2000 audit years. Occidental believes that it is reasonably possible that substantive issues for taxable years 1997 to 2000 could be favorably resolved during 2005 and that such resolutions, if they occur, could have a positive and material effect on its results of operations and its financial condition; however, Occidental believes such resolutions will not have a significant cash effect.

Occidental has guarantees outstanding at March 31, 2005, which encompass performance bonds, letters of credit, indemnities, commitments and other forms of guarantees provided by Occidental to third parties, mainly to provide assurance that Occidental and/or its subsidiaries and affiliates will meet their various obligations (guarantees). At March 31, 2005, the notional amount of these guarantees was approximately $500 million. Of this amount, approximately $400 million relates to Occidental's guarantees of equity investees' debt and other commitments. The remaining $100 million relates to various indemnities and guarantees provided to third parties.

It is impossible at this time to determine the ultimate liabilities that OPC and its subsidiaries may incur resulting from any lawsuits, claims and proceedings, audits, commitments, contingencies and related matters. If these matters were to be ultimately resolved unfavorably at amounts substantially exceeding Occidental's reserves, an outcome not currently anticipated, it is possible that such outcome could have a material adverse effect upon Occidental's consolidated financial position or results of operations. However, after taking into account reserves, management does not expect the ultimate resolution of any of these matters to have a material adverse effect upon Occidental's consolidated financial position or results of operations.

ACCOUNTING CHANGES

In April 2005, the FASB issued FASB Staff Position No. (FSP) FAS 19-1, "Accounting for Suspended Well Costs." FSP FAS 19-1 specifies new accounting guidance for when successful efforts companies can capitalize exploratory well costs. The guidance also requires new disclosures related to these costs. FSP FAS 19-1 is effective in the first reporting period beginning after April 4, 2005 and should be applied prospectively to existing and new exploratory well costs. Occidental plans to adopt this statement effective July 1, 2005 and it is not expected to have a material effect on the financial statements upon adoption.

In March 2005, the FASB issued FASB Interpretation No. (FIN) 47, "Accounting for Conditional Asset Retirement Obligations." FIN 47 specifies the accounting treatment for conditional asset retirement obligations under the provisions of Statement of Accounting Standard (SFAS) No. 143. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. Occidental plans to adopt this statement effective December 31, 2005. Occidental is currently assessing the effect of FIN 47 on its financial statements.

In December 2004, the FASB issued SFAS No. 123 (revised 2004) (SFAS No. 123R) "Share-Based Payments." SFAS No. 123R requires that the cost from all share-based payment transactions, including stock options, be recognized in the financial statements at fair value. Occidental currently uses the intrinsic-value method to account for these share-based payments. SFAS No. 123R is effective for public companies at the beginning of the first fiscal year ending after June 15, 2005. Occidental will adopt the provisions of this statement effective January 1, 2006. Occidental anticipates adopting SFAS No. 123R using the modified prospective method, which will not require Occidental to restate prior periods. Occidental is currently assessing the effect of SFAS No. 123R on its financial statements.

SAFE HARBOR STATEMENT REGARDING OUTLOOK AND FORWARD-LOOKING INFORMATION

Portions of this report contain forward-looking statements and involve risks and uncertainties that could significantly affect expected results of operations, liquidity, cash flows and business prospects. Factors that could cause results to differ materially include, but are not limited to: exploration risks such as drilling unsuccessful wells, global commodity pricing fluctuations; competitive pricing pressures; higher-than-expected costs, including feedstocks; crude oil and natural gas prices; chemical prices; potential liability for remedial actions under existing or future environmental regulations and litigation; potential liability resulting from pending or future litigation; general domestic and international political conditions; potential disruption or interruption of Occidental's production or manufacturing facilities due to accidents, political events or insurgent activity; potential failure to achieve expected production from existing and future oil and gas development projects; the supply/demand considerations for Occidental's products; any general economic recession or slowdown domestically or internationally; regulatory uncertainties; and not successfully completing, or any material delay of, any development of new fields, expansion, capital expenditure, efficiency-improvement project, acquisition or disposition. Forward-looking statements are generally accompanied by words such as "estimate", "project", "predict", "will", "anticipate", "plan", "intend", "believe", "expect" or similar expressions that convey the uncertainty of future events or outcomes. Occidental expressly disclaims any obligation to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed might not occur.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

During the first quarter of 2005, Occidental entered into a series of fixed price swaps and costless collar agreements that qualify as cash-flow hedges for the sale of its crude oil production. These hedges, which begin in July 2005 and continue to the end of 2011, will hedge less than 4% of Occidental's current crude oil production. The following table provides information about these cash-flow hedges in a tabular presentation.

	2005(a)	2006	2007	2008	2009	2010	2011	Fair Value Liability (in millions)
Crude Oil Fixed Price Swaps								
Daily Volume (bpd)	14	10	8	--	--	--	--	$ 114
Average Price	$ 45.61	$ 41.61	$ 40.04					
Crude Oil Costless Collars								
Daily Volume (bpd)	2	6	7	14	13	12	12	156
Average Floor	$ 44.00	$ 41.33	$ 40.43	$ 34.07	$ 33.15	$ 33.00	$ 32.92	
Average Cap	$ 49.75	$ 48.05	$ 45.21	$ 47.47	$ 47.41	$ 46.35	$ 46.27	
								$ 270

(a) Hedges for 2005 are in place only from July 2005 to December 2005.

For the three months ended March 31, 2005, there were no other material changes in the information required to be provided under Item 305 of Regulation S-K included under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations (Incorporating Item 7A) - Derivative Activities and Market Risk" in Occidental's 2004 Annual Report on Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Occidental's Chief Executive Officer and Chief Financial Officer supervised and participated in Occidental's evaluation of its disclosure controls and procedures as of the end of the period covered by this report. Disclosure controls and procedures are controls and procedures designed to ensure that information required to be disclosed in Occidental's periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Based upon that evaluation, Occidental's Chief Executive Officer and Chief Financial Officer concluded that Occidental's disclosure controls and procedures are effective.

There has been no change in Occidental's internal control over financial reporting during the first quarter of 2005 that has materially affected, or is reasonably likely to materially affect, Occidental's internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

This item incorporates by reference the information regarding lawsuits, claim, commitments, contingencies and related matters in Note 9 to the consolidated condensed financial statements in Part I of this Form 10-Q.

In September 2004, Occidental received formal notification from Petroecuador, the state oil company of Ecuador, initiating proceedings to determine if Occidental had violated its Participation Contract for Block 15 or the Ecuadorian Hydrocarbons Law and whether the alleged violations constitute grounds for terminating the Participation Contract. The principal allegation stated in the notice is an assertion that Occidental should have obtained government approval of a farmout agreement entered into in 2000. Occidental believes that it has complied with all material obligations under the Participation Contract and Ecuadorian law and that any termination of the contract based upon the stated allegations would be unfounded and would constitute an unlawful expropriation. Earlier this year, Occidental made preliminary settlement proposals to the Government of Ecuador as a potential framework to resolve this dispute. It is reasonably possible that a negotiated settlement would negatively affect the future profitability of, and production and reserves from, Block 15 operations. On April 20, 2005, in the midst of significant public protests, Ecuador's Congress removed the country's President from office, and the country's Vice President became President. A new cabinet has not been fully formed, and Occidental has not been able to determine what position the new Government will take regarding foreign investors, the petroleum industry in general and Occidental's dispute in particular. Block 15 operations represent approximately 9 percent of Occidental's 2004 consolidated production, 4 percent of its proved consolidated reserves and 2 percent of its total property, plant and equipment, net of accumulated depreciation, depletion and amortization.

In April 2004, a number of U.S. companies, including OxyChem, were served with seven lawsuits filed in Nicaragua by approximately two thousand individual plaintiffs. These individuals allege that they have sustained several billion dollars of personal injury damages as a result of their alleged exposure to a pesticide. In the opinion of management, these claims are without merit because, among other things, OxyChem believes that none of the pesticide it manufactured was ever sold or used in Nicaragua. Under the applicable Nicaraguan statute, defendants are required to pay pre-trial deposits so large as to effectively prohibit defendants from participating fully in their defense. In similar situations, involving other defendants, Nicaraguan courts have proceeded to enter significant judgments against the defendants under that statute. OxyChem has filed a response to the complaints contesting jurisdiction without posting such pre-trial deposit. In December 2004, the judge in one of the cases ruled the court had jurisdiction over the defendants, including OxyChem, and that the plaintiffs had waived the requirement of the pre-trial deposit. OxyChem has appealed that portion of the ruling relating to the jurisdiction of the Nicaraguan courts. Thereafter, the trial court ordered defendants, including OxyChem, to file an answer. In order to preserve its jurisdictional defense, OxyChem elected not to make a substantive appearance in the case. In the opinion of management, any judgment rendered under the statute would be unenforceable in the United States.

Accordingly, management does not expect the ultimate resolution of any of these matters to have a material adverse effect upon Occidental's consolidated financial position or results of operations.

ITEM 6. EXHIBITS

10.1	Executive Stock Ownership Guidelines.
10.2	1996 Restricted Stock Plan for Non-Employee Directors, amended as of February 10, 2005.

11	Statement regarding the computation of earnings per share for the three months ended March 31, 2005 and 2004.
12	Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the three months ended March 31, 2005 and 2004 and the five years ended December 31, 2004.
31.1	Certification of CEO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of CFO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifications of CEO and CFO Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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: May 4, 2005

S. P. Dominick, Jr.

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

EXHIBIT INDEX

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EXHIBIT 10.1

OCCIDENTAL PETROLEUM CORPORATION
EXECUTIVE STOCK OWNERSHIP GUIDELINES
(ORIGINALLY PROMULGATED JANUARY 1, 1996, AS REVISED FEBRUARY 9, 2005)

Effective February 9, 2005, the officers of Occidental Petroleum Corporation listed below are expected to comply with the following stock ownership guidelines by four years from the latter of the effective date of the guidelines or the date the individual is first selected to be an executive officer.

PARTICIPATION

Chairman and Chief Executive Officer
Other Proxy 5
Executive Vice Presidents
Other Vice Presidents

TARGET STOCK HOLDINGS

POSITION	MULTIPLE OF BASE SALARY
Chairman and Chief Executive Officer	10
Other Proxy 5	5
Executive Vice Presidents	3
Other Vice Presidents	2

FORMS OF STOCK OWNERSHIP THAT WILL MEET THE GUIDELINES

- Direct stock holdings*
- Shares held in the Occidental Petroleum Corporation Savings Plan (401K)
- Long-term stock awards, including, without limitation, restricted stock awards, restricted stock units, performance stock awards and performance stock units
- Deferred stock units

* For purposes of these guidelines shares held in a living trust or by a family partnership or corporation controlled by the officer will be deemed to be directly held unless the officer expressly disclaims beneficial ownership of such shares.

OCCIDENTAL PETROLEUM CORPORATION
1996 RESTRICTED STOCK PLAN FOR NON-EMPLOYEE DIRECTORS
(AS AMENDED THROUGH FEBRUARY 10, 2005)

1. PURPOSE. The purpose of the Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors (the "Plan") is to provide ownership of Occidental Petroleum Corporation's ("Occidental") Common Stock to Non-Employee Directors in order to more closely align director and stockholder interests, to provide a competitive compensation program for directors and to enhance Occidental's ability to attract and retain top-quality directors.

2. ADMINISTRATION OF THE PLAN.

(a) Members of the Committee. The Plan shall be administered by the Compensation Committee of the Board (the "Committee"). Members of the Committee shall be appointed from time to time by the Board and shall serve at the pleasure of the Board. Any Committee member may resign at any time upon written notice to the Board.

(b) Authority of the Committee. The Committee shall adopt such rules as it may deem appropriate in order to carry out the purpose of the Plan. All questions of interpretation, administration, and application of the Plan shall be determined by a majority of the members of the Committee then in office, except that the Committee may authorize any one or more of its members, or any officer of Occidental, to execute and deliver documents on behalf of the Committee. The determination of such majority shall be final and binding in all matters relating to the Plan. Determinations made with respect to any individual Non-Employee Director shall be made without participation by such Non-Employee Director in such determination. No member of the Committee shall be liable for any act done or omitted to be done by such member or by any other member of the Committee in connection with the Plan, except for such member's own willful misconduct or as expressly provided by statute.

3. STOCK RESERVED FOR THE PLAN. The number of shares of Common Stock authorized for issuance under the Plan is 250,000, subject to adjustment pursuant to Section 8 hereof. Shares of Common Stock delivered hereunder may be Common Stock of original issuance or Common Stock held in treasury, or a combination thereof.

4. AWARDS OF RESTRICTED STOCK.

(a) Annual Awards. On the first business day following each annual meeting commencing with the 1999 Annual Meeting, each Non-Employee Director who is then a member of the Board shall be awarded two thousand five hundred (2,500) whole shares of Restricted Stock.

(b) Special Awards. On the first business day following each annual meeting, each Non-Employee Director who is then serving as a Chairman of one or more committees of the Board or as Lead Independent Director shall be awarded four hundred (400) whole shares of Restricted Stock with respect to each such position, in addition to any Award he or she may be granted pursuant to Section 4(a) above.

(c) Interim Awards. If a Non-Employee Director is elected other than at an annual meeting, then on the first business day following his or her election as a member of the Board, such newly elected Non-Employee Director shall be awarded the number of shares (rounded to the nearest whole share) of Restricted Stock equal to two thousand five hundred (2,500) multiplied by a fraction, the numerator of which is the number of regularly scheduled Board meetings remaining between the date of his or her election and the next annual meeting and the denominator of which is the number of regularly scheduled Board meetings between the most recent annual meeting and the next annual meeting.

(d) Effectiveness of Awards. Notwithstanding anything in this Plan to the contrary, no Award made pursuant to the Plan or any amendment to the Plan shall be effective prior to the requisite approval of the Plan or such amendment by the stockholders of Occidental. In the event requisite stockholder approval is not obtained, the Plan, and any Award thereunder, shall be null and void.

5. TERMS AND CONDITIONS OF AWARDS. Restricted Stock awarded to a Non-Employee Director under the Plan shall be subject to the following restrictions:

(a) During the period of the director's service as a member of the Board (the "Restriction Period"), any shares of Common Stock awarded under the Plan shall not be sold, assigned, pledged, hypothecated or otherwise transferred or encumbered. During the Restriction Period, the certificate representing such shares of Common Stock shall contain a statement referring to the restrictions contained in this Section 5(a) and such certificate shall be held by the Company. Except as provided in Section 9, as soon as practicable after the lapse of restrictions applicable to Restricted Stock, all shares of Restricted Stock held by the Company for the benefit of a Non-Employee Director shall be given to such Non-Employee

Director, free and clear of any restrictions applicable thereto during the Restriction Period.

(b) Whenever cash dividends are paid by Occidental on outstanding Common Stock, each Non-Employee Director will receive in cash all dividends paid on the Restricted Stock then held by the Company for the benefit of such Non-Employee Director on the record date for the dividend. Common Stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, shall be subject to restrictions to the same extent as the Restricted Stock with respect to which such Common Stock or other property has been distributed.

(c) Each Non-Employee Director hereunder may designate from time to time any beneficiary or beneficiaries (who may be designated concurrently, contingently or successively) to whom any shares of Restricted Stock and any cash amounts are to be paid in case of the Non-Employee Director's death before receipt of any part or all of such Restricted Stock and cash. Each designation will revoke all prior designations by the Non-Employee Director, shall be in a form prescribed by the Committee, and will be effective only when filed by the Non-Employee Director, in writing, with the Secretary of Occidental. Reference in the Plan to a Non-Employee Director's "beneficiary" at any date shall include such persons designated as concurrent beneficiaries on the Non-Employee Director's beneficiary designation form then in effect. In the absence of any such designation, any shares of Restricted Stock being held by the Company for the benefit of such Non-Employee Director at the time of his or her death may, in the sole discretion of the Committee, be paid to such Non-Employee Director's estate in a cash lump sum.

6. FOREIGN PARTICIPANTS. In order to facilitate the making of an Award, the Board may provide for such special terms for Awards to Non-Employee Directors who are foreign nationals, as the Board may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Board may approve such supplements to, or amendments, restatements or alternative versions of, the Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of the Plan as in effect for any other purpose, and the Secretary or other appropriate officer of Occidental may certify any such document as having been approved and adopted in the same manner as the Plan; provided that, no such supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of the Plan, as then in effect, unless the Plan could have been amended to eliminate the inconsistency without further approval by the stockholders of Occidental.

7. CHANGE IN CONTROL. Upon the occurrence of a Change in Control, all restrictions affecting Restricted Shares shall lapse and such shares shall be delivered to each Non-Employee Director as soon as practicable thereafter; provided that, the Committee may, in its sole discretion authorize the payment of cash, in lieu of the issuance of such shares.

8. ADJUSTMENTS. The Board may make or provide for such adjustments in the number of shares of Restricted Stock awarded under the Plan, as the Board may in good faith determine to be required in order to prevent dilution or expansion of the rights of Non-Employee Directors that otherwise would result from (i) any stock dividend, stock split, combination of shares recapitalization or other change in the capital structure of the Company or (ii) any merger, consolidation, spin-off, spin-out, split-off, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of warrants or other rights to purchase securities or any other corporate transaction or event having an effect similar to any of the foregoing. In the event of any such transaction or event, the Board may provide in substitution for any or all outstanding Restricted Stock Awards under the Plan such alternative consideration as it may in good faith determine to be appropriate under the circumstances and may require the surrender of all Awards so replaced. Moreover, the Board may, on or after the date of any Award, provide in the agreement evidencing such Award that the Non-Employee Director may elect to receive an equivalent Award in respect of securities of the surviving entity of any merger, consolidation or other transaction or event having similar effect, or the Board may provide that the Non-Employee Director will automatically be entitled to receive such an equivalent Award. The Board may also provide for such adjustments in the maximum number of shares of Common Stock specified in Section 3 as the Board, in good faith, determines to be appropriate in order to reflect any transaction or event described in this Section 8.

9. WITHHOLDING. Occidental shall defer making payments or deliveries under the Plan until satisfactory arrangements have been made for the payment of any federal, state, local or foreign taxes (whether or not required to be withheld) with respect to such payment or delivery. At the discretion of the Committee, any such arrangements may without limitation include relinquishment of a portion of any such payment or benefit or the surrender of outstanding Common Stock, and any agreement pertaining to an Award may make such relinquishment the mandatory form of satisfying such taxes. The Committee may also make similar arrangements with respect to the payment of any taxes with respect to which withholding is not required.

10. RIGHTS OF NON-EMPLOYEE DIRECTORS.

(a) Retention as Non-Employee Director. Nothing contained in the Plan or with respect to any Award shall interfere with or limit in any way the right of the stockholders of Occidental to remove any Non-Employee Director from the Board, nor confer upon any Non-Employee Director any right to continue in the service of Occidental as a Non-Employee Director.

(b) Nontransferability. No right or interest of any Non-Employee Director in any Award shall be assignable or transferable during the lifetime of the Non-Employee Director, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. In the event of a Non-Employee Director's death, a Non-Employee Director's rights and interests in his or her Award shall be transferable by testamentary will or the laws of descent and distribution. If in the opinion of the Committee a person entitled to payments or to exercise rights with respect to the Plan is disabled from caring for his or her affairs because of mental condition, physical condition or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence satisfactory to the Committee of such status.

(c) Except to the extent restricted under the terms of an agreement evidencing a grant of Restricted Stock, a Non-Employee Director awarded such stock shall have all of the rights of a stockholder, including, without limitation, the right to vote Restricted Stock and the right to receive dividends thereon.

11. AMENDMENT; TERMINATION. The Board may at any time and from time to time alter, amend, suspend or terminate the Plan in whole or in part; provided that, no amendment which requires stockholder approval shall be effective unless the same shall be approved by the stockholders of Occidental entitled to vote thereon. Stockholder approval shall be required for any amendment to the Plan that would (a) materially increase the benefits accruing to participants under the Plan, (b) materially increase the number of securities which may be issued under the Plan, or (c) materially modify the requirements as to eligibility for participation in the Plan. Notwithstanding the foregoing, no amendment shall affect adversely any of the rights of any Non-Employee Director, without such Non-Employee Director's consent.

12. GENERAL RESTRICTIONS.

(a) Regulations and Offer Approvals. The obligation of Occidental to deliver Common Stock with respect to any Award under the Plan shall be subject to all applicable laws, rules and regulations, including all applicable federal and state securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Committee.

(b) Each Award granted under the Plan is subject to the requirement that, if at any time the Committee determines, in its absolute discretion, that the listing, registration or qualification of Common Stock issuable pursuant to the Plan is required by any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, such Award or the issuance of Common Stock, no such Award or payment shall be made or Common Stock issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee. Nothing herein shall be deemed to require Occidental to apply for or to obtain such listing, registration or qualification.

(c) In the event that the disposition of Common Stock acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act and is not otherwise exempt from such registration, such Common Stock shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder, and Occidental may require any Non-Employee Director to whom Common Stock is granted, as a condition of receiving such Common Stock, to give written assurances in substance and form satisfactory to Occidental and its counsel to the effect that such person is acquiring the Common Stock for his or her own account and not with any present intention of selling or otherwise distributing the same, and to such other effects as Occidental deems necessary or appropriate in order to comply with federal and applicable state securities laws.

13. GOVERNING LAW. The Plan and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware.

14. PLAN INTERPRETATION. The Plan is intended to comply with Rule 16b-3 and shall be construed to so comply.

15. HEADINGS. The headings of sections and subsections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of the Plan.

16. TERM OF PLAN. This Plan shall become effective on the Effective Date, and shall remain in effect for ten (10) years from such date, unless sooner terminated by the Board.

17. DEFINITIONS. For purposes of the Plan, the following terms shall have the following meanings:

(a) "Award" means any award of Restricted Stock under the Plan.

(b) "Board" means the Board of Directors of Occidental.

(c) "Change in Control" means a change in control of Occidental, which shall be deemed to have occurred if:

(i) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of Occidental or any company owned, directly or indirectly, by the stockholders of Occidental in substantially the same proportions as their ownership of the Common Stock of Occidental), is or becomes, after the Effective Date of the Plan, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of Occidental (not including in the securities beneficially owned by such person any securities acquired directly from Occidental or its affiliates) representing 50 percent (50%) or more of the combined voting power of Occidental's then-outstanding securities; or

(ii) during any period of two consecutive years (not including any period prior to the Effective Date), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with Occidental to effect a transaction described in clause (i), (iii), or (iv) of this definition) whose election by the Board or nomination for election by Occidental's stockholders was approved by a vote of at least two thirds (2/3) of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board; or

(iii) the stockholders of Occidental approve a merger or consolidation of Occidental with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of Occidental outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under any employee benefit plan of Occidental, at least 50 percent of the combined voting power of the voting securities of Occidental or such surviving entity outstanding immediately after such merger or consolidation or (B) a merger or consolidation effected to implement a recapitalization of Occidental (or similar transaction) in which no person acquires more than 50 percent (50%) of the combined voting power of Occidental's then-outstanding securities; or (iv) the stockholders of Occidental approve a plan of complete liquidation of Occidental or an agreement for the sale or disposition of all or substantially all of Occidental's assets; provided that, prior to the occurrence of any of the events described in clauses (i) through (iii) above, the Board may determine that such an event shall not constitute a Change of Control for purposes of the Plan.

(d) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

(e) "Common Stock" means shares of the common stock, par value $.20 per share, of Occidental.

(f) "Company" means Occidental Petroleum Corporation and its subsidiaries, collectively.

(g) "Effective Date" means April 26, 1996 or the date of approval of the Plan by the stockholders of Occidental, whichever comes first.

(h) "Exchange Act" means the Securities Exchange Act of 1934, as now or hereafter construed, interpreted and applied by regulations, rulings and cases.

(i) "Fair Market Value" means the per share fair market value of Common Stock as determined by such methods or procedures as shall be established from time to time by the Committee. Unless otherwise determined by the Committee in good faith, the per share Fair Market Value of Common Stock as of a particular date shall mean (i) the closing sales price per share of Common Stock on the national securities exchange on which the Common Stock is principally traded, for the last preceding date on which there was a sale of such Common Stock on such exchange, or (ii) if the shares of Common Stock are then traded in an over-the-counter market, the average of the closing bid and asked prices for the shares of Common Stock in such over-the-counter market for the last preceding date on which there was a sale of such Common Stock in such market, or (iii) if the shares of Common Stock are not then listed on a national securities exchange or traded in an over-the-counter market, such value as the Committee, in its sole discretion, shall determine.

(j) "Non-Employee Director" means a member of the Board who is neither an officer nor employee of the Company.

(k) "Plan" means this Occidental Petroleum Corporation 1996 Restricted Stock Plan For Non-Employee Directors.

(l) "Restriction Period" means, in respect of Restricted Stock, the period referenced in Section 5(a).

(m) "Restricted Stock" means a grant of shares of Common Stock, which shares are subject to the restrictions on transfer described in Section 5(a).

(n) "Rule 16b-3" means Rule 16b-3, as promulgated and amended from time to time by the Securities and Exchange Commission under the Exchange Act, or any successor rule to the same effect.

EXHIBIT 11

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(Amounts in thousands, except per-share amounts)

	Three Months Ended March 31	
	2005	2004
BASIC EARNINGS PER SHARE		
Earnings applicable to common stock	$ 845,991	$ 487,027
Basic shares		
Weighted average common shares outstanding	397,634	389,386
Issued, unvested restricted stock	--	(55)
Vested, unissued restricted stock	1,100	547
Deferred share units	1,670	1,610
Basic shares	400,404	391,488
Basic earnings per share		
Income from continuing operations	$ 2.12	$ 1.25
Discontinued operations, net	(.01)	(.01)
Basic earnings per common share	$ 2.11	$ 1.24
DILUTED EARNINGS PER SHARE		
Earnings applicable to common stock	$ 845,991	$ 487,027
Diluted shares		
Basic shares	400,404	391,488
Dilutive effect of exercise of options outstanding	4,853	4,491
Issued, unvested restricted stock	--	55
Deferred, restricted stock	1,029	1,172
Diluted shares	406,286	397,206
Diluted earnings per share		
Income before effect of changes in accounting principles	$ 2.09	$ 1.24
Discontinued operations, net	(.01)	(.01)
Diluted earnings per common share	$ 2.08	$ 1.23

EXHIBIT 12

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF TOTAL ENTERPRISE RATIOS OF EARNINGS TO FIXED CHARGES
(Amounts in millions, except ratios)

	Three Months Ended March 31		Year Ended December 31				
	2005	2004	2004	2003	2002	2001	2000
Income from continuing operations	$ 850	$ 489	$ 2,606	$ 1,601	$ 1,181	$ 1,182	$ 1,559
Add:							
Minority interest(a)	21	13	75	62	77	143	185
Adjusted income from equity investments(b)	(35)	4	(6)	69	308	89	31
	836	506	2,675	1,732	1,566	1,414	1,775
Add:							
Provision (credit)for taxes on income (other than foreign oil and gas taxes)	356	193	982	682	(41)	172	871
Interest and debt expense(c)	76	72	266	335	309	411	540
Portion of lease rentals representative of the interest factor	9	2	40	8	6	7	6
	441	267	1,288	1,025	274	590	1,417
Earnings before fixed charges	$ 1,277	$ 773	$ 3,963	$ 2,757	$ 1,840	$ 2,004	$ 3,192
Fixed charges							
Interest and debt expense including capitalized interest(c)	$ 79	$ 73	$ 281	$ 341	$ 321	$ 417	$ 543
Portion of lease rentals representative of the interest factor	9	2	40	8	6	7	6
Total fixed charges	$ 88	$ 75	$ 321	$ 349	$ 327	$ 424	$ 549
Ratio of earnings to fixed charges	14.51	10.31	12.35	7.90	5.63	4.73	5.81

(a) Represents minority interests in net income of majority-owned subsidiaries and partnerships having fixed charges.

(b) Represents income from less-than-50-percent-owned equity investments adjusted to reflect only dividends received.

(c) Includes proportionate share of interest and debt expense of 50-percent-owned equity investments.

EXHIBIT 31.1

CERTIFICATION

I, Ray R. Irani, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Occidental Petroleum Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2005

/s/ Ray R. Irani

Ray R. Irani
Chairman of the Board of Directors, President and
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Stephen I. Chazen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Occidental Petroleum Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2005

/s/ Stephen I. Chazen

Stephen I. Chazen
Senior Executive Vice President and
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Occidental Petroleum Corporation (the "Company") for the fiscal period ended March 31, 2005, as filed with the Securities and Exchange Commission on May 4, 2005 (the "Report"), Ray R. Irani, as Chief Executive Officer of the Company, and Stephen I. Chazen, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ray R. Irani

Name: Ray R. Irani
Title: Chairman of the Board of Directors, President and Chief Executive Officer
Date: May 4, 2005

/s/ Stephen I. Chazen

Name: Stephen I. Chazen
Title: Senior Executive Vice President and Chief Financial Officer
Date: May 4, 2005

A signed original of this written statement required by Section 906 has been provided to Occidental Petroleum Corporation and will be retained by Occidental Petroleum Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.