SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 1999

OR

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

For the transition period from ___________ to ___________

Commission file number 1-9210

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

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

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

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

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

Yes [X] No [ ]

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

Class	Outstanding at June 30, 1999
Common stock $.20 par value	348,556,630 shares

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES

CONTENTS

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
JUNE 30, 1999 AND DECEMBER 31, 1998
(Amounts in millions)

	1999	1998
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 267	$ 96
Receivables, net	753	531
Inventories	498	500
Prepaid expenses, note receivable and other	240	1,668
Total current assets	1,758	2,795
LONG-TERM RECEIVABLES, net	138	121
EQUITY INVESTMENTS	1,885	1,959
PROPERTY, PLANT AND EQUIPMENT, at cost, net of accumulated depreciation, depletion and amortization of $7,325 at June 30, 1999 and $6,774 at December 31, 1998	10,026	9,905
OTHER ASSETS	484	472
	$ 14,291	$ 15,252

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
JUNE 30, 1999 AND DECEMBER 31, 1998
(Amounts in millions)

	1999	1998
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt and capital lease liabilities	$ 5	$ 1,400
Notes payable	25	30
Accounts payable	702	613
Accrued liabilities	928	865
Domestic and foreign income taxes	1	23
Total current liabilities	1,661	2,931
LONG-TERM DEBT, net of current maturities and unamortized discount	5,312	5,367
DEFERRED CREDITS AND OTHER LIABILITIES		
Deferred and other domestic and foreign income taxes	891	825
Obligation under natural gas delivery commitment	458	503
Other	2,098	2,258
	3,447	3,586
MINORITY EQUITY IN SUBSIDIARIES AND PARTNERSHIPS	238	5
OCCIDENTAL OBLIGATED MANDATORILY REDEEMABLE TRUST PREFERRED SECURITIES OF A SUBSIDIARY TRUST HOLDING SOLELY SUBORDINATED NOTES OF OCCIDENTAL	525	--
STOCKHOLDERS' EQUITY		
Nonredeemable preferred stock, stated at liquidation value	238	243
Common stock, at par value	70	69
Additional paid-in capital	3,651	3,814
Retained earnings (deficit)	(795)	(734)
Accumulated other comprehensive income	(56)	(29)
	3,108	3,363
	$ 14,291	$ 15,252

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(Amounts in millions, except per-share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
REVENUES				
Net sales				
Oil and gas operations	$ 944	$ 739	$ 1,690	$ 1,479
Chemical operations	703	804	1,301	1,764
	1,647	1,543	2,991	3,243
Interest, dividends and other income	43	72	86	150
Gains (losses) on disposition of assets, net	(21)	304	(18)	411
Income from equity investments	15	1	7	8
	1,684	1,920	3,066	3,812
COSTS AND OTHER DEDUCTIONS				
Cost of sales	1,280	1,200	2,367	2,465
Selling, general and administrative and other operating expenses	160	213	320	391
Minority interest	11	--	20	--
Exploration expense	36	29	52	52
Interest and debt expense, net	129	145	255	276
	1,616	1,587	3,014	3,184
Income from continuing operations before taxes	68	333	52	628
Provision for domestic and foreign income and other taxes	56	147	97	303
Income (loss) from continuing operations	12	186	(45)	325
Discontinued operations, net	--	--	--	38
Extraordinary loss, net	(3)	--	(3)	--
Cumulative effect of changes in accounting principles, net	--	--	(13)	--
NET INCOME (LOSS)	9	186	(61)	363
Preferred dividends	(3)	(5)	(7)	(9)
EARNINGS (LOSS) APPLICABLE TO COMMON STOCK	$ 6	$ 181	$ (68)	$ 354
BASIC EARNINGS PER COMMON SHARE				
Income (loss) from continuing operations	$ .03	$ .51	$ (.15)	$ .90
Discontinued operations, net	--	--	--	.11
Extraordinary loss, net	(.01)	--	(.01)	--
Cumulative effect of changes in accounting principles, net	--	--	(.04)	--
Basic earnings (loss) per common share	$ .02	$ .51	$ (.20)	$ 1.01
DILUTED EARNINGS PER COMMON SHARE				
Income (loss) from continuing operations	$ .03	$ .49	$ (.15)	$ .88
Discontinued operations, net	--	--	--	.10
Extraordinary loss, net	(.01)	--	(.01)	--
Cumulative effect of changes in accounting principles, net	--	--	(.04)	--
Diluted earnings (loss) per common share	$ .02	$ .49	$ (.20)	$ .98
DIVIDENDS PER COMMON SHARE	$ .25	$ .25	$ .50	$ .50
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	348.4	359.1	348.1	351.8

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(Amounts in millions)

	1999	1998
CASH FLOW FROM OPERATING ACTIVITIES		
Net income (loss) from continuing operations	$ (45)	$ 325
Adjustments to reconcile income (loss) to net cash provided (used) by operating activities:		
Depreciation, depletion and amortization of assets	400	451
Deferred income tax provision	74	237
Other noncash charges to income	4	26
(Gains) losses on disposition of assets, net	18	(411)
Income from equity investments	(7)	(8)
Exploration expense	52	52
Changes in operating assets and liabilities	(217)	(531)
Other operating, net	(100)	(157)
	179	(16)
Operating cash flow from discontinued operations	--	(244)
Net cash provided (used) by operating activities	179	(260)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(263)	(586)
Sale of businesses and disposal of property, plant and equipment, net	17	3,229
Collection of note receivable related to prior year asset sale	1,395	--
Purchase of businesses, net	(113)	(3,516)
Other investing, net	83	18
	1,119	(855)
Investing cash flow from discontinued operations	--	(5)
Net cash provided (used) by investing activities	1,119	(860)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	792	901
Net proceeds from (payments on) commercial paper and revolving credit agreements	(2,123)	1,448
Proceeds from issuance of trust preferred securities	508	--
Payments on long-term debt and capital lease liabilities	(138)	(280)
Proceeds from issuance of common stock	12	12
Repurchase of common stock	--	(744)
Proceeds (payments) of notes payable	3	(4)
Cash dividends paid	(181)	(202)
Other financing, net	--	10
Net cash provided (used) by financing activities	(1,127)	1,141
Increase in cash and cash equivalents	171	21
Cash and cash equivalents--beginning of period	96	113
Cash and cash equivalents--end of period	$ 267	$ 134

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

June 30, 1999

1. General

The accompanying unaudited consolidated condensed financial statements have been prepared by Occidental Petroleum Corporation (Occidental) pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in notes to consolidated financial statements have been condensed or omitted pursuant to such rules and regulations, but resultant disclosures are in accordance with generally accepted accounting principles as they apply to interim reporting. The consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and the notes thereto in Occidental's Annual Report on Form 10-K for the year ended December 31, 1998 (1998 Form 10-K).

In the opinion of Occidental's management, the accompanying consolidated condensed financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly Occidental's consolidated financial position as of June 30, 1999 and the consolidated results of operations for the three and six months then ended and the consolidated cash flows for the six months then ended. The results of operations and cash flows for the periods ended June 30, 1999 are not necessarily indicative of the results of operations or cash flows to be expected for the full year.

Certain financial statements and notes for the prior year have been changed to conform to the 1999 presentation.

Reference is made to Note 1 to the consolidated financial statements in the 1998 Form 10-K for a summary of significant accounting policies.

2. Extraordinary Loss and Changes in Accounting Principles

On June 1, 1999 Occidental called for redemption $68.7 million of its 11 1/8 percent senior debentures due June 1, 2019, at a redemption price of 105.563 percent of the principal amount thereof. Occidental recorded an after-tax extraordinary loss of $3 million in the second quarter of 1999 related to the redemption.

Effective January 1, 1999, Occidental adopted the provisions of Statement of Position 98-5--"Reporting on the Costs of Start-Up Activities" (SOP 98-5), which requires that costs of start-up activities, including organizational costs, be expensed as incurred. The initial application of the statement resulted in a charge to income for costs of previously capitalized start-up activities that have not yet been fully amortized. The initial adoption of SOP 98-5 resulted in a first quarter noncash after-tax charge of $15 million, net of $8 million in taxes, which has been recorded as a cumulative effect of a change in accounting principle.

Effective January 1, 1999, Occidental adopted the provisions of Emerging Issues Task Force (EITF) issue No. 98-10--"Accounting for Contracts Involved in Energy Trading and Risk Management Activities," which establishes accounting and reporting standards for certain energy trading contracts. EITF No. 98-10 requires that energy trading contracts must be marked-to-market with gains and losses included in earnings and separately disclosed in the financial statements or footnotes thereto. The initial adoption of EITF No. 98-10 resulted in a first quarter noncash after-tax benefit of $2 million, recorded as a cumulative effect of a change in accounting principle.

3. Comprehensive Income

Occidental's comprehensive income is composed primarily of net income or loss, foreign currency translation adjustments and minimum pension liability adjustments. Occidental's comprehensive income was a loss of $88 million and income of $356 million for the six months ended June 30, 1999 and 1998, respectively, and a loss of $10 million and income of $181 million for the second quarter of 1999 and 1998, respectively.

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

	Periods Ended June 30			
	Three Months		Six Months	
	1999	1998	1999	1998
Net income (loss)	$ 9	$ 186	$ (61)	$ 363
Other comprehensive income items				
Foreign currency translation adjustments	(20)	(5)	(28)	(5)
Minimum pension liability adjustments	1	1	1	1
Other	--	(1)	--	(3)
Other comprehensive income, net of tax	(19)	(5)	(27)	(7)
Comprehensive income (loss)	$ (10)	$ 181	$ (88)	$ 356

4. Asset Acquisitions and Dispositions

In the second quarter of 1999, Occidental and Unocal International Corporation (Unocal) announced that Occidental agreed to acquire Unocal's oil and gas interests in Yemen and Unocal agreed to acquire Occidental's gas interests in Bangladesh. Although the transactions are scheduled to close in the third quarter of 1999, the second quarter included the estimated results of the transaction which, after tax credits, is not expected to have a significant impact on earnings.

Effective April 30, 1999, Occidental and The Geon Company (Geon) formed two partnerships. Occidental has a 76 percent controlling interest in a polyvinyl chloride (PVC) resin partnership, which is the larger of the partnerships, and a 10 percent interest in a PVC powder compounding partnership. The PVC resin partnership has also entered into long-term agreements to supply PVC resin to Geon and vinyl chloride monomer (VCM) to both Occidental and Geon. In addition, as part of the transaction, Occidental sold its pellet compounding plant in Pasadena, Texas and its vinyl film assets in Burlington, New Jersey to Geon. As part of the transaction, Geon realized approximately $104 million through the retention of working capital and the distribution of cash from the PVC resin partnership and the PVC resin partnership undertook approximately $180 million in lease obligations for certain plant facilities. Occidental did not record a significant gain or loss on the transaction.

In May 1998, Occidental contributed its ethylene, propylene, ethylene oxide (EO), ethylene glycol and EO derivatives businesses to a partnership called Equistar Chemicals, LP (Equistar), in return for a 29.5 percent equity interest in the partnership, receipt of approximately $420 million in cash and the assumption by Equistar of approximately $205 million of Occidental capital lease liabilities. Occidental did not record a gain or loss on the transaction.

On February 5, 1998, Occidental acquired the U.S. government's approximate 78 percent interest in the Elk Hills Naval Petroleum Reserve oil and gas fields for approximately $3.5 billion.

In the first quarter and second quarter of 1998, Occidental sold certain nonstrategic oil and gas properties located in Venezuela and the United States for aggregate net proceeds of approximately $1 billion. These sales resulted in net pretax gains of approximately $395 million, of which $290 million was recorded in the second quarter of 1998.

On January 31, 1998, Occidental completed the sale of MidCon, its natural gas transmission and marketing business. In the fourth quarter of 1997, Occidental classified MidCon and its subsidiaries as a discontinued operation.

5. Supplemental Cash Flow Information

Cash payments during the six months ended June 30, 1999 and 1998 included federal, foreign and state income taxes of approximately $51 million and $180 million, respectively. Interest paid (net of interest capitalized) totaled approximately $219 million and $235 million for the six months ended June 30, 1999 and 1998, respectively.

6. Cash and Cash Equivalents

Cash equivalents consist of highly liquid money-market mutual funds and bank deposits with maturities of three months or less when purchased. Cash equivalents totaled $127 million and $58 million at June 30, 1999 and December 31, 1998, respectively.

7. Inventories

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

Balance at	June 30, 1999	December 31, 1998
Raw materials	$ 51	$ 38
Materials and supplies	180	184
Work in process	7	5
Finished goods	256	278
	494	505
LIFO adjustment	4	(5)
Total	$ 498	$ 500

8. Property, Plant and Equipment

Reference is made to the consolidated balance sheets and Note 1 thereto in the 1998 Form 10-K for a description of investments in property, plant and equipment.

9. Trust Preferred Securities

In January 1999, Oxy Capital Trust I, a wholly-owned subsidiary of Occidental, issued 21,000,000 shares of 8.16 percent Trust Originated Preferred Securities (Preferred Securities) to the public and 649,485 shares of Trust Originated Common Securities (Common Securities) to Occidental. The proceeds of such issuances were invested by Oxy Capital Trust I in $541.2 million aggregate principal amount of Occidental's 8.16 percent Subordinated Deferrable Interest Notes due 2039 (Trust Subordinated Notes). The Trust Subordinated Notes represent the sole assets of Oxy Capital Trust I. The Trust Subordinated Notes are unsecured obligations of Occidental and are junior in right of payment to all present and future senior indebtedness of Occidental and are also effectively subordinate to certain indebtedness of Occidental's consolidated subsidiaries.

Occidental has guaranteed, on a subordinated basis, distributions and other payments due on the Preferred Securities (the Guarantee). The Guarantee, when taken together with Occidental's obligations under the Trust Subordinated Notes and the indenture pursuant to which the Trust Subordinated Notes were issued and Occidental's obligations under the Amended and Restated Declaration of Trust governing Oxy Capital Trust I, provides a full and unconditional guarantee of amounts due on the Preferred Securities.

The Trust Subordinated Notes and the related Oxy Capital Trust I investment in the Trust Subordinated Notes have been eliminated in consolidation and the Preferred Securities are reported as Occidental Obligated Mandatorily Redeemable Trust Preferred Securities of a Subsidiary Trust Holding Solely Subordinated Notes of Occidental in the accompanying consolidated condensed financial statements. Distributions on the Preferred Securities are reported under the caption minority interest, in the statements of operations. Total net proceeds to Occidental were $508 million.

10. Retirement Plans and Postretirement Benefits

Reference is made to Note 14 to the consolidated financial statements in the 1998 Form 10-K for a description of the retirement plans and postretirement benefits of Occidental and its subsidiaries.

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

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

In December 1998, David Croucher and others filed an action in the Federal District Court in Houston, Texas on behalf of persons claiming to have been beneficiaries of the MidCon Employee Stock Ownership Plan (ESOP). The plaintiffs allege that each of the U.S. Trust Company of California (the ESOP Trustee) and the MidCon ESOP Administrative Committee breached its fiduciary duty to the plaintiffs by failing to properly value the securities held by the ESOP, and allege that Occidental actively participated in such conduct. The plaintiffs claim that, as a result of this alleged breach, the ESOP participants are entitled to an additional aggregate distribution of at least $200 million and that Occidental has been unjustly enriched and is liable for failing to make that distribution. Based on the joint motion of the parties, in July 1999, the Court entered an order certifying the case as a class action.

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

Occidental has certain other commitments under contracts, guarantees and joint ventures, and certain other contingent liabilities.

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

Reference is made to Note 10 to the consolidated financial statements in the 1998 Form 10-K for information concerning Occidental's long-term purchase obligations for certain products and services.

12. Income Taxes

The provision for taxes based on income for the 1999 and 1998 interim periods was computed in accordance with Interpretation No. 18 of APB Opinion No. 28 on reporting taxes for interim periods and was based on projections of total year pretax income.

At December 31, 1998, Occidental had, for U.S. federal income tax return purposes, an alternative minimum tax credit carryforward of $85 million available to reduce future income taxes. The alternative minimum tax credit carryforward does not expire.

13. Investments

Investments in entities, other than oil and gas exploration and production companies, in which Occidental has a voting stock interest of at least 20 percent, but not more than 50 percent, and certain partnerships are accounted for on the equity method. At June 30, 1999, Occidental's equity investments consisted primarily of a 29.5 percent interest in Equistar acquired in May 1998, an investment of approximately 29 percent in the common shares of Canadian Occidental Petroleum Ltd. and interests in various chemical partnerships and joint ventures. The following table presents Occidental's proportionate interest in the summarized financial information of its equity method investments (in millions):

	Periods Ended June 30			
	Three Months		Six Months	
	1999	1998	1999	1998
Revenues	$ 548	$ 396	$ 1,052	$ 606
Costs and expenses	533	395	1,045	598
Net income	$ 15	$ 1	$ 7	$ 8

14. Summarized Financial Information of Wholly-Owned Subsidiary

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

	Periods Ended June 30			
	Three Months		Six Months	
	1999	1998	1999	1998
Revenues	$ 122	$ 448	$ 223	$ 844
Costs and expenses	121	333	224	641
Net income (loss)	$ 1	$ 115(a)	$ (1)	$ 203

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

Balance at	June 30, 1999	December 31, 1998
Current assets	$ 40	$ 67
Intercompany receivable	$ 88	$ 170
Noncurrent assets	$ 1,607	$ 1,673
Current liabilities	$ 181	$ 237
Interest bearing note to parent	$ 64	$ 73
Noncurrent liabilities	$ 802	$ 909
Stockholders' equity	$ 688	$ 691

15. Industry Segments

The following table presents Occidental's interim industry segment disclosures (in millions):

	Oil and Gas	Chemical	Corporate	Total
Six months ended June 30, 1999				
Net sales	$ 1,690	$ 1,301	$ --	$ 2,991
Pretax operating profit (loss)	$ 337	$ 43	$ (328)(a)	$ 52
Income taxes	(109)	(5)	17 (b)	(97)
Extraordinary loss, net	--	--	(3)	(3)
Cumulative effect of changes in accounting principles, net	--	--	(13)	(13)
Net income (loss)	$ 228	$ 38	$ (327)	$ (61)
Six months ended June 30, 1998				
Net sales	$ 1,479	$ 1,764	$ --	$ 3,243
Pretax operating profit (loss)	$ 694(c)	$ 216	$ (282)(a)	$ 628
Income taxes	(82)	2	(223)(b)	(303)
Discontinued operations, net	--	--	38	38
Net income (loss)	$ 612	$ 218	$ (467)	$ 363

(a) Includes unallocated net interest expense, administration expense and other items.
(b) Includes unallocated income taxes.
(c) Includes net pretax gains of approximately $395 million related to the sale of nonstrategic assets located in Venezuela and the United States.

16. Subsequent Event

As previously disclosed, in April 1996, Occidental acquired a 64 percent interest in INDSPEC Holding Corporation (INDSPEC), a leading manufacturer of resorcinol, a bonding agent principally used in tires, with other flame retardant applications. In the third quarter of 1999, pursuant to a series of transactions, Occidental indirectly acquired ownership of INDSPEC through the issuance of approximately 3.2 million shares of Occidental common stock at an estimated value of approximately $68 million. As a result of the transactions, Occidental owns 100 percent of the stock of INDSPEC, which has approximately $80 million of long-term debt outstanding.

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

RESULTS OF OPERATIONS

Occidental reported a net loss for the first six months of 1999 of $61 million, on net sales of $3.0 billion, compared with net income of $363 million, on net sales of $3.2 billion, for the same period of 1998. Occidental's net income for the second quarter of 1999 was $9 million, on net sales of $1.6 billion, compared with net income of $186 million, on net sales of $1.5 billion, for the same period of 1998. Basic earnings per common share were a loss of $.20 for the first six months of 1999, compared with earnings per share of $1.01 for the same period of 1998. Basic earnings per common share were $.02 for the second quarter of 1999, compared with earnings per share of $.51 for the same period of 1998.

The 1999 second quarter earnings included an after-tax extraordinary loss of $3 million related to the early extinguishment of debt. The 1999 results also included a second quarter gain of $12 million related to the sale of a chemical plant by an equity affiliate. Results before special items were earnings of $4 million and a loss of $64 million for the three and six months ended June 30, 1999, respectively, compared with earnings of $47 million and $136 million for the same periods in 1998, respectively. The decrease in earnings before special items, in both periods, primarily reflected lower prices for chlorine and caustic soda, however, the second quarter 1999 earnings, compared with the same period in 1998, also reflected higher worldwide crude oil prices. The 1998 earnings for the first six months included net pretax gains of approximately $395 million from the sale of certain nonstrategic oil and gas properties, in Venezuela and the United States, of which $290 million was recorded in the second quarter. The 1998 earnings also included $30 million for reorganization and other charges in the chemical division in the second quarter and an after-tax benefit of $38 million to reflect the closing of the sale of MidCon Corp. (MidCon), the natural gas transmission and marketing subsidiary, and the finalization of the discontinued operations reserve in the first quarter.

The increase in net sales for the three months ended June 30, 1999, compared with the same period in 1998, primarily reflected higher worldwide crude oil prices and higher oil and gas trading revenues in the oil and gas division and revenues related to a new polyvinyl chloride (PVC) resin partnership partially offset by lower prices for chlorine and caustic soda and also reflected the absence of revenues related to the petrochemical assets contributed to Equistar Chemicals, LP (Equistar) in May 1998. The decrease in net sales for the six months ended June 30, 1999, compared with the same period in 1998, primarily reflected the absence of revenues related to the petrochemical assets contributed to Equistar and lower prices for chlorine and caustic soda partially offset by revenues related to the PVC resin partnership and higher oil and gas trading revenues.

Interest, dividends and other income for the three and six months ended June 30, 1998 included, among other things, interest earned on a $1.4 billion note received (the $1.4 billion note receivable) in exchange for a note previously issued to Occidental by the MidCon Corp. ESOP Trust. Gains on disposition of assets in 1998, included the sales of certain nonstrategic oil and gas properties. The loss on disposition of assets for 1999 included the estimated results related to the announcement that Occidental agreed to acquire Unocal International Corporation's (Unocal) oil and gas interests in Yemen and that Unocal agreed to acquire Occidental's gas interests in Bangladesh which, after tax credits, will not have a significant impact on earnings. The transactions are scheduled to close in the third quarter of 1999. Income from equity investments in 1999 included the second quarter gain of $12 million related to the sale of a chemical plant by an equity affiliate. Minority interest includes $19 million of distributions on the Trust Preferred Securities and the minority interest in the net income of subsidiaries and partnerships.

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

	Periods Ended June 30			
	Three Months		Six Months	
	1999	1998	1999	1998
DIVISIONAL NET SALES				
Oil and Gas	$ 944	$ 739	$ 1,690	$ 1,479
Chemical	703	804	1,301	1,764
NET SALES	$ 1,647	$ 1,543	$ 2,991	$ 3,243
DIVISIONAL EARNINGS				
Oil and Gas	$ 165	$ 380	$ 228	$ 612
Chemical	29	60	38	218
	194	440	266	830
UNALLOCATED CORPORATE ITEMS				
Interest expense, net	(123)	(118)	(239)	(230)
Income taxes, administration and other	(59)	(136)	(72)	(275)
INCOME (LOSS) FROM CONTINUING OPERATIONS	12	186	(45)	325
Discontinued operations, net	--	--	--	38
Extraordinary loss, net	(3)	--	(3)	--
Cumulative effect of changes in accounting principles, net	--	--	(13)	--
NET INCOME (LOSS)	$ 9	$ 186	$ (61)	$ 363

Oil and gas earnings for the first six months of 1999 were $228 million, compared with $612 million for the same period of 1998. Oil and gas divisional earnings before special items were $228 million for the first six months of 1999, compared with $217 million for the first six months of 1998. Oil and gas earnings for the second quarter of 1999 were $165 million, compared with $380 million for the same period of 1998. Oil and gas earnings before special items were $165 million for the second quarter of 1999, compared with $90 million for the second quarter of 1998. The increase in earnings before special items for the three months ended June 30, 1999, compared with the same period in 1998, reflected the impact of higher worldwide crude oil prices, increased international production and lower costs, partially offset by higher exploration expense. The first six months of 1998 earnings included pretax gains of approximately $395 million related to the sale of nonstrategic assets located in Venezuela and the United States, of which $290 million was recorded in the second quarter. The increase in revenues for the three and six months ended June 30, 1999, compared with the same periods in 1998, reflected the impact of higher oil and gas trading activity and higher worldwide crude oil prices in the second quarter of 1999. Approximately 38 percent and 30 percent of oil and gas net sales were attributed to oil and gas trading activity in the first six months of 1999 and 1998, respectively. The results of oil and gas trading were not significant. Oil and gas prices are sensitive to complex factors, which are outside the control of Occidental. Accordingly, Occidental is unable to predict with certainty the direction, magnitude or impact of future trends in sales prices for oil and gas.

Chemical earnings for the first six months of 1999 were $38 million, compared with $218 million for the same period of 1998. The 1999 results included a second quarter gain of $12 million related to the sale of a chemical plant by an equity affiliate. Chemical earnings before special items were $26 million for the first six months of 1999, compared with $248 million for the first six months of 1998. Chemical earnings for the second quarter of 1999 were $29 million, compared with $60 million for the same period of 1998. Chemical earnings before special items were $17 million for the second quarter of 1999, compared with $90 million for the second quarter of 1998. The 1998 earnings reflected a $30 million pretax charge for reorganization and other costs. The decrease in earnings before special items in both periods primarily reflected the impact of lower prices for chlorine and caustic soda. The decrease in sales for both periods reflected the absence of revenues related to the petrochemical assets contributed to Equistar and lower prices for chlorine and caustic soda partially offset by revenues related to the PVC resin partnership. Most of Occidental's chemical products are commodity in nature, the prices of which are sensitive to a number of complex factors, accordingly, Occidental is unable to accurately forecast the trend of sales prices for its commodity chemical products.

Divisional earnings include credits in lieu of U.S. federal income taxes. In the first six months of 1999 and 1998, divisional earnings benefited by $41 million and $19 million, respectively, from credits allocated. This included credits of $33 million and $8 million at oil and gas and chemical, respectively, in the first six months of 1999 and $6 million and $13 million at oil and gas and chemical, respectively, for the first six months of 1998. The higher 1999 amounts related to the transactions with Unocal.

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

During the course of its operations, Occidental is subject to audit by taxing authorities for varying periods in various tax jurisdictions. Occidental has certain other commitments under contracts, guarantees and joint ventures, and certain other contingent liabilities.

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

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Occidental's net cash provided by operating activities from continuing operations was $179 million for the first six months of 1999, compared with net cash used of $16 million for the same period of 1998. Changes in operating assets and liabilities reflected lower net working capital usage for the first six months of 1999, compared with the same period in 1998. Other operating expenses in 1998 reflected higher payments for non-operating uses such as litigation, deferred compensation and environmental costs. Included in total cash flow from operating activities in 1998 was cash used by discontinued operations of $244 million which included the effect of $250 million of receivables repurchased in connection with the sale of MidCon.

Occidental's net cash provided by investing activities was $1.1 billion for the first six months of 1999, compared with net cash used of $860 million for the same period of 1998. The 1999 amount included the proceeds from the $1.4 billion note receivable. The 1999 amount also reflected net cash used of $113 million in connection with the formation of a PVC resin partnership. The 1998 amount reflected cash used of $3.5 billion for the purchase of the Elk Hills Field and also reflected proceeds of $3.2 billion, primarily from the sale of MidCon and certain nonstrategic oil and gas properties, as well as disposals of property, plant and equipment. Capital expenditures for the first six months of 1999 were $263 million, including $205 million in oil and gas and $55 million in chemical. Capital expenditures were $586 million for the first six months of 1998, including $419 million in oil and gas and $166 million in chemical.

Financing activities used net cash of $1.1 billion in the first six months of 1999, compared with cash provided of $1.1 billion for the same period of 1998. The 1999 amount reflected the use of the proceeds from the $1.4 billion note receivable to repay outstanding debt and for the payment of dividends of $181 million. The 1998 amount reflected net cash provided of $2.1 billion primarily from proceeds from borrowings to fund a portion of the acquisition of the Elk Hills Field in February 1998. The 1998 amount also included cash used of $744 million for the repurchase of 26.3 million shares of Occidental common stock and $202 million for the payment of dividends.

Effective April 30, 1999, Occidental and The Geon Company (Geon) formed two partnerships. Occidental has a 76 percent controlling interest in a PVC resin partnership which is the larger of the partnerships and a 10 percent interest in a PVC powder compounding partnership. The PVC resin partnership has also entered into long-term agreements to supply PVC resin to Geon and vinyl chloride monomer (VCM) to Occidental and Geon. In addition, as part of the transaction, Occidental sold its pellet compounding plant in Pasadena, Texas and its vinyl film assets in Burlington, New Jersey to Geon. As part of the transaction, Geon realized approximately $104 million through the retention of working capital and the distribution of cash from the PVC resin partnership and the PVC resin partnership undertook approximately $180 million in lease obligations for certain plant facilities. The Geon alliance should further strengthen Occidental's PVC and VCM position, and Occidental believes that the Geon alliance will create synergies for its chlorovinyls business. Occidental did not record a significant gain or loss on the transaction.

As previously disclosed, in April 1996, Occidental acquired a 64 percent interest in INDSPEC Holding Corporation (INDSPEC), a leading manufacturer of resorcinol, a bonding agent principally used in tires, with other flame retardant applications. In the third quarter of 1999, pursuant to a series of transactions, Occidental indirectly acquired ownership of INDSPEC through the issuance of approximately 3.2 million shares of Occidental common stock at an estimated value of approximately $68 million. As a result of the transactions, Occidental owns 100 percent of the stock of INDSPEC, which has approximately $80 million of long-term debt outstanding.

In May 1998, Occidental contributed its ethylene, propylene, ethylene oxide (EO), ethylene glycol and EO derivatives businesses to the Equistar partnership, in return for a 29.5 percent equity interest in the partnership, receipt of approximately $420 million in cash and the assumption by Equistar of approximately $205 million of Occidental capital lease liabilities. Occidental did not record a gain or loss on the transaction.

In January 1999, a subsidiary of Occidental issued $525 million of 8.16 percent Preferred Securities due in 2039, for net proceeds of $508 million. The net proceeds were used to repay commercial paper. In February 1999, Occidental issued $450 million of 7.65 percent senior notes due 2006 and $350 million of 8.45 percent senior notes due 2029 for net proceeds of approximately $792 million. The net proceeds were used to repay all outstanding commercial paper and will also be used for general corporate purposes which may include, but are not limited to, the redemption of other debt.

On June 1, 1999 Occidental called for redemption $68.7 million of its 11 1/8 percent senior debentures due June 1, 2019, at a redemption price of 105.563 percent of the principal amount thereof. Occidental recorded an after-tax extraordinary loss of $3 million in the second quarter of 1999 related to the redemption.

On June 30, 1999, Occidental established a program under which Occidental may offer, from time to time, up to $1 billion aggregate initial offering price of its Medium-Term Senior Notes, Series C and its Medium-Term Subordinated Notes, Series A.

Occidental expects to have sufficient cash in 1999 for its operating needs, capital expenditure requirements, dividend payments and debt repayments. Occidental currently expects to spend, in total, $500 million on its 1999 capital spending program, of which approximately $380 million has been allocated to oil and gas and approximately $120 million has been allocated to chemical. Available but unused lines of committed bank credit totaled approximately $2.1 billion at June 30, 1999, compared with $1.5 billion at December 31, 1998.

The balance in cash and cash equivalents at June 30, 1999 included a portion of the proceeds of the February 1999 issuance of senior notes. The balance in prepaid expenses, note receivable and other at December 31, 1998 includes the $1.4 billion note receivable that was collected in January 1999. The higher balance in receivables at June 30, 1999, compared with December 31, 1998 reflected additional receivables resulting from the accounting consolidation of the new PVC resin partnership.

Current maturities of long-term debt and capital lease liabilities decreased reflecting the current portion of long-term debt that was paid in the first quarter of 1999 using the proceeds of the $1.4 billion note receivable. Minority equity in subsidiaries and partnerships at June 30, 1999, primarily reflects the minority interest in the net assets of the newly formed polyvinyl chloride partnership.

Effective January 1, 1999, Occidental adopted the provisions of Statement of Position 98-5--"Reporting on the Costs of Start-Up Activities" (SOP 98-5), which requires that costs of start-up activities, including organizational costs, be expensed as incurred. The initial application of the statement resulted in a charge to income for costs of previously capitalized start-up activities that have not yet been fully amortized. The initial adoption of SOP 98-5 resulted in a first quarter noncash after-tax charge of $15 million, net of $8 million in taxes, which has been recorded as a cumulative effect of a change in accounting principle.

Effective January 1, 1999, Occidental adopted the provisions of Emerging Issues Task Force (EITF) issue No. 98-10--"Accounting for Contracts Involved in Energy Trading and Risk Management Activities," which establishes accounting and reporting standards for certain energy trading contracts. EITF No. 98-10 requires that energy trading contracts must be marked-to-market with gains and losses included in earnings and separately disclosed in the financial statements or footnotes thereto. The initial adoption of EITF No. 98-10 resulted in a first quarter noncash after-tax benefit of $2 million, recorded as a cumulative effect of a change in accounting principle.

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133--"Accounting for Derivative Instruments and Hedging Activities," which establishes accounting and reporting standards for derivative instruments and hedging activities. It requires that an entity recognize all derivatives in the statement of financial position and measure those instruments at fair value. Recently the FASB voted to defer the effective date of SFAS No. 133 for one year. Occidental must implement SFAS No. 133 by the first quarter of 2001 and has not yet made a final determination of its impact on the financial statements.

YEAR 2000 COMPLIANCE

Most existing computer hardware and software use only the last two digits to identify a year. Consequently, as the year 2000 approaches, the difference between a year that begins with "20" instead of "19" may not be recognized. This, as well as other date related processing issues, may cause computer-driven hardware and software to fail or malfunction unless corrected.

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

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

Inventory and assessment activities are complete. This data is continuously updated as new information becomes available and Occidental expects this to continue throughout the Y2K effort. Overall remediation efforts are estimated at approximately 90 percent complete. The coincidental replacement of several major existing systems is on schedule to be completed prior to January 1, 2000; these efforts began before the Y2K efforts were initiated and the timing for completion of these projects has not been accelerated as a result of Y2K issues.

Costs for Y2K efforts are not being accumulated separately. Much of the cost is being accounted for as part of normal operating budgets. Overall, the costs, including amounts incurred to date, are estimated to be approximately $40 million. Approximately half the cost is related to control systems while the remainder relates to information technology software and hardware. Overall, the costs are not expected to have a significant effect on Occidental's consolidated financial position or results of operations.

The risks associated with the Y2K issue can be substantial from the standpoint of reliance on third parties. Communication with customers, suppliers and equity partners to determine the extent of their Y2K efforts, including selected site visits with several utilities and some close-linked customers, is an integral part of the program. Occidental, like most companies, is reliant on third parties for a wide variety of goods and services - from raw materials to utility services. Occidental's efforts include addressing the "supply chain" issues to minimize the potential impact of a major supplier (or customer) experiencing a Y2K problem that would adversely affect Occidental.

Because of these company-wide efforts, Occidental believes that appropriate actions are being taken to minimize the risk to its operations and financial condition.

Contingency plans that address a reasonably likely worst case scenario are approximately 60 percent complete. These plans address key systems and third parties that present potential significant risk and analyze the strategies and resources necessary to restore operations in the unlikely event that an interruption does occur. The plans also outline a recovery program detailing the necessary participants, processes and equipment needed to restore operations. Contingency plans are expected to be finalized during the third quarter of 1999.

ENVIRONMENTAL MATTERS

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

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

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

As of June 30, 1999, Occidental had been notified by the Environmental Protection Agency (EPA) or equivalent state agencies or otherwise had become aware that it had been identified as being involved at 155 Superfund or comparable state sites. (This number does not include those sites where Occidental has been successful in resolving its involvement.) The 155 sites include 58 former Diamond Shamrock Chemical sites as to which Maxus Energy Corporation has retained all liability. Of the remaining 97 sites, Occidental has denied involvement at 11 sites and has yet to determine involvement in 19 sites. With respect to the remaining 67 of these sites, Occidental is in various stages of evaluation, and the extent of liability retained by Maxus Energy Corporation is disputed at 2 of these sites. For 60 of these sites, where environmental remediation efforts are probable and the costs can be reasonably estimated, Occidental has accrued reserves at the most likely cost to be incurred. The 60 sites include 13 sites as to which present information indicates that it is probable that Occidental's aggregate exposure is immaterial. In determining the reserves, Occidental uses the most current information available, including similar past experiences, available technology, regulations in effect, the timing of remediation and cost-sharing arrangements.

For the remaining 7 of the 67 sites being evaluated, Occidental does not have sufficient information to determine a range of liability, but Occidental does have sufficient information on which to base the opinion expressed above under the caption "Results of Operations."

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 and cash flows. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations; competitive pricing pressures; higher than expected costs including feedstocks; the supply/demand considerations for Occidental's products; any general economic recession domestically or internationally; regulatory uncertainties; and not successfully completing any development of new fields, expansion, capital expenditure, efficiency improvement, acquisition or disposition. Forward-looking statements are generally accompanied by words such as "estimate", "project", "predict", "believes" or "expect", that convey the uncertainty of future events or outcomes. Occidental undertakes no 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

For the period ended June 30, 1999 there were no material changes in the information provided under Item 305 of Regulation S-K included under the caption "Hedging Activities" as part of Occidental's Management's Discussion and Analysis section of Occidental's 1998 Annual Report on Form 10-K.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

GENERAL

There is incorporated by reference herein the information regarding legal proceedings in Item 3 of Part I of Occidental's 1998 Annual Report on Form 10-K, Item 3 of Part II of Occidental's 1999 First Quarter Report on Form 10-Q and Note 9 to the consolidated condensed financial statements in Part I hereof.

In 1996, a judgment of $742 million was entered in favor of Occidental's OXY USA Inc. subsidiary against Chevron USA (Chevron) by a state district court in Tulsa, Oklahoma. The unanimous jury verdict was for approximately $229 million in compensatory damages for breach of a 1982 merger agreement and interest on these damages from 1982 to the date of judgment. On March 2, 1999, the Oklahoma Supreme Court affirmed the trial court judgment in all respects. On June 22, 1999, the Oklahoma Supreme Court denied Chevron's petition for rehearing. As of July 31, 1999, the total amount of the award, including accrued interest, had increased to approximately $970 million. Chevron has until September 20, 1999 to file a petition to the United States Supreme Court to review the judgment and Chevron has indicated it will do so.

ENVIRONMENTAL PROCEEDINGS

In April 1998, a civil action was filed on behalf of the U.S. Environmental Protection Agency against OxyChem relating to the Centre County Kepone Superfund Site at State College, Pennsylvania. The lawsuit seeks approximately $12 million in penalties and governmental response costs, a declaratory judgment that OxyChem is a liable party under CERCLA, and an order requiring OxyChem to carry out the remedy that is being performed by the site owner. In October 1998, the U.S. District Court for the Middle District of Pennsylvania granted OxyChem's motion to dismiss the United States' case. In February 1999, the United States filed an appeal to the United States Court of Appeals for the Third Circuit. In July 1999, oral argument was held before the Third Circuit.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

3.(i)(d)	Certificate of Elimination of the $3.875 Cumulative Convertible Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
3.(i)(e)	Certificate of Elimination of the $3.875 Cumulative Convertible Voting Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
3.(i)(f)	Certificate of Elimination of the Cumulative MidCon-Indexed Convertible Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
4.1*	Officers' Certificate, dated June 30, 1999, pursuant to the Indenture (Senior Debt Securities), dated as of April 1, 1998, between Occidental and The Bank of New York, as trustee, and the Indenture (Subordinated Debt Securities), dated as of January 20, 1999, between Occidental and The Bank of New York, as trustee, including the forms of the Notes (filed as Exhibit 4.1 to Occidental's Current Report on Form 8-K dated June 30, 1999 (date of earliest event reported), filed July 5, 1999, File No. 1-9210)
10.1	Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors (as Amended April 29, 1999)

10.2 Form of Incentive Stock Option Agreement under Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors

10.3 Form of Nonqualified Stock Option Agreement under Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors

10.4* Distribution Agreement, dated June 30, 1999, among Occidental Petroleum Corporation and Chase Securities Inc., Credit Suisse First Boston Corporation, Lehman Brothers Inc., Merrill, Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. (filed as Exhibit 1.1 to Occidental's Current Report on Form 8-K dated June 30, 1999 (date of earliest event reported), filed July 5, 1999, File No. 1-9210)

11 Statement regarding the computation of earnings per share for the three and six months ended June 30, 1999 and 1998

12 Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the six months ended June 30, 1999 and 1998 and the five years ended December 31, 1998

27 Financial data schedule for the six-month period ended June 30, 1999 (included only in the copy of this report filed electronically with the Securities and Exchange Commission)

*Incorporated herein by reference

(b) Reports on Form 8-K

During the quarter ended June 30, 1999, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated April 20, 1999 (date of earliest event reported), filed on April 21, 1999, for the purpose of reporting, under Item 5, Occidental's results of operations for the first quarter ended March 31, 1999.

From June 30, 1999 to the date hereof, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated June 30, 1999 (date of earliest event reported), filed on July 6, 1999, for the purpose of reporting, under Item 5, the commencement of a $1 billion medium-term note program and under Item 7, certain exhibits related to the program.

2. Current Report on Form 8-K dated July 20, 1999 (date of earliest event reported), filed on July 21, 1999, for the purpose of reporting, under Item 5, Occidental's results of operations for the quarter ended June 30, 1999.

SIGNATURES

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

OCCIDENTAL PETROLEUM CORPORATION

DATE: August 13, 1999

S. P. Dominick, Jr.

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

EXHIBIT INDEX

EXHIBITS
- --------

3.(i)(d)	Certificate of Elimination of the $3.875 Cumulative Convertible Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
3.(i)(e)	Certificate of Elimination of the $3.875 Cumulative Convertible Voting Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
3.(i)(f)	Certificate of Elimination of the Cumulative MidCon-Indexed Convertible Preferred Stock of Occidental Petroleum Corporation dated July 16, 1999
4.1*	Officers' Certificate, dated June 30, 1999, pursuant to the Indenture (Senior Debt Securities), dated as of April 1, 1998, between Occidental and The Bank of New York, as trustee, and the Indenture (Subordinated Debt Securities), dated as of January 20, 1999, between Occidental and The Bank of New York, as trustee, including the forms of the Notes (filed as Exhibit 4.1 to Occidental's Current Report on Form 8-K dated June 30, 1999 (date of earliest event reported), filed July 5, 1999, File No. 1-9210)
10.1	Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors (as Amended April 29, 1999)
10.2	Form of Incentive Stock Option Agreement under Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors
10.3	Form of Nonqualified Stock Option Agreement under Occidental Petroleum Corporation 1996 Restricted Stock Plan for Non-Employee Directors
10.4*	Distribution Agreement, dated June 30, 1999, among Occidental Petroleum Corporation and Chase Securities Inc., Credit Suisse First Boston Corporation, Lehman Brothers Inc., Merrill, Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. (filed as Exhibit 1.1 to Occidental's Current Report on Form 8-K dated June 30, 1999 (date of earliest event reported), filed July 5, 1999, File No. 1-9210)
11	Statement regarding the computation of earnings per share for the three and six months ended June 30, 1999 and 1998
12	Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the six months ended June 30, 1999 and 1998 and the five years ended December 31, 1998
27	Financial data schedule for the six-month period ended June 30, 1999 (included only in the copy of this report filed electronically with the Securities and Exchange Commission)

*Incorporated herein by reference

CERTIFICATE OF ELIMINATION OF THE $3.875 CUMULATIVE CONVERTIBLE PREFERRED STOCK OF OCCIDENTAL PETROLEUM CORPORATION

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

----

Occidental Petroleum Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware (this "Corporation"), does hereby certify, pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, the Board of Directors of this corporation, at a meeting duly held on July 15, 1999, at which a quorum was present and acting throughout, duly adopted the following resolutions, which resolutions remain in full force and effect on the date hereof:

WHEREAS, a Certificate of Designation of the $3.875 Cumulative Convertible Preferred Stock, dated February 16, 1993 (the "$3.875 Cumulative Convertible Preferred Certificate"), of this Corporation was duly filed by this Corporation in the Office of the Secretary of State of the State of Delaware (the "Office of the Secretary of State") on February 17, 1993, and a certified copy thereof was duly recorded by this Corporation with the Recorder of New Castle County, Delaware, on February 19, 1993, and pursuant to the $3.875 Cumulative Convertible Preferred Certificate there was established a series of the authorized preferred stock of this corporation, having a par value of $1.00 per share, which series was designated as "$3.875 Cumulative Convertible Preferred Stock" (the "$3.875 Cumulative Convertible Preferred Stock") and consisted of 11,500,000 shares; and

WHEREAS, the $3.875 Cumulative Convertible Preferred Stock and the $3.875 Cumulative Convertible Voting Preferred Stock Redemption Committee (the "Redemption Committee") of the Board of Directors of this Corporation, pursuant to a written consent dated February 10, 1998, redeemed all outstanding shares of the $3.875 Cumulative Convertible Preferred Stock on March 13, 1998; and

WHEREAS, the Board of Directors of this Corporation wishes to eliminate from the Restated Certificate of Incorporation, as amended (the "Restated Certificate of Incorporation"), of this Corporation all matters set forth in the $3.875 Cumulative Convertible Preferred Certificate with respect to the $3.875 Cumulative Convertible Preferred Stock, and wishes that the 11,500,000 shares which constituted the $3.875 Cumulative Convertible Preferred Stock shall constitute authorized but unissued shares of preferred stock, par value $1.00 per share, of this Corporation;

NOW, THEREFORE, BE IT RESOLVED, that none of the authorized shares of the $3.875 Cumulative Convertible Preferred Stock are outstanding, and that none will be issued subject to the $3.875 Cumulative Convertible Preferred Certificate; and be it

FURTHER RESOLVED, that the Chairman of the Board of Directors, the President, any Executive Vice President, any Vice President, the Secretary or any Assistant Secretary of this Corporation be, and each of them hereby is, authorized and empowered to cause a certificate pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware to be executed and acknowledged with respect to these resolutions, and to cause such certificate to be filed and recorded in accordance with Section 103 of the General Corporation Law of the State of Delaware, which certificate, when it becomes effective, shall have the effect of eliminating from the Restated Certificate of Incorporation all matters set forth in the $3.875 Cumulative Convertible Certificate with respect to the $3.875 Cumulative Convertible Preferred Stock.

IN WITNESS WHEREOF, Occidental Petroleum Corporation has caused this Certificate to be made under the seal of this corporation and signed by Donald P. de Brier, its Executive Vice President and Secretary, this 16th day of July, 1999.

By: Donald P. de Brier

Name: Donald P. de Brier
Title: Executive Vice President and Secretary

eae\elimination\3875non-c

EXHIBIT 3.(I)(E)

CERTIFICATE OF ELIMINATION OF THE
$3.875 CUMULATIVE CONVERTIBLE VOTING PREFERRED STOCK
OF OCCIDENTAL PETROLEUM CORPORATION

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

----

Occidental Petroleum Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware (this "Corporation"), does hereby certify, pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, the Board of Directors of this corporation, at a meeting duly held on July 15, 1999, at which a quorum was present and acting throughout, duly adopted the following resolutions, which resolutions remain in full force and effect on the date hereof:

WHEREAS, a Certificate of Designations of the $3.875 Cumulative Convertible Voting Preferred Stock, dated December 22, 1994 (the "$3.875 Cumulative Convertible Voting Preferred Stock Certificate"), of this Corporation was duly filed by this Corporation in the Office of the Secretary of State on December 23, 1994, and a certified copy thereof was duly recorded by this corporation with the Recorder of Kent County, Delaware, on January 4, 1995, and pursuant to the $3.875 Cumulative Convertible Voting Preferred Certificate there was established a series of the authorized preferred stock of this corporation, having a par value of $1.00 per share, which series was designated as "$3.875 Cumulative Convertible Voting Preferred Stock" (the "$3.875 Cumulative Convertible Voting Preferred Stock") and consisted of 4,000,000 shares; and

WHEREAS, the Redemption Committee, pursuant to a written consent dated February 10, 1998, redeemed all outstanding shares of the $3.875 Cumulative Convertible Voting Preferred Stock on March 13, 1998; and

WHEREAS, the Board of Directors of this Corporation wishes to eliminate from the Restated Certificate of Incorporation of this Corporation all matters set forth in the $3.875 Cumulative Convertible Voting Preferred Certificate with respect to the $3.875 Cumulative Convertible Voting Preferred Stock, and wishes that the 4,000,000 shares which constituted the $3.875 Cumulative Convertible Voting Preferred Stock shall constitute authorized but unissued shares of preferred stock, par value $1.00 per share, of this Corporation;

NOW, THEREFORE, BE IT RESOLVED, that none of the authorized shares of the $3.875 Cumulative Convertible Voting Preferred Stock are outstanding, and that none will be issued subject to the $3.875 Cumulative Convertible Voting Preferred Certificate; and be it

FURTHER RESOLVED, that the Chairman of the Board of Directors, the President, any Executive Vice President, any Vice President, the Secretary or any Assistant Secretary of this Corporation be, and each of them hereby is, authorized and empowered to cause a certificate pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware to be executed and acknowledged with respect to these resolutions, and to cause such certificate to be filed and recorded in accordance with Section 103 of the General Corporation Law of the State of Delaware, which certificate, when it becomes effective, shall have the effect of eliminating from the Restated Certificate of Incorporation all matters set forth in the $3.875 Cumulative Convertible Voting Preferred Certificate with respect to the $3.875 Cumulative Convertible Voting Preferred Stock.

IN WITNESS WHEREOF, Occidental Petroleum Corporation has caused this Certificate to be made under the seal of this corporation and signed by Donald P. de Brier, its Executive Vice President and Secretary, this 16th day of July, 1999.

By: Donald P. de Brier

Name: Donald P. de Brier
Title: Executive Vice President and Secretary

eae\elimination\3875vot-c

CERTIFICATE OF ELIMINATION OF THE CUMULATIVE MIDCON-INDEXED CONVERTIBLE PREFERRED STOCK OF OCCIDENTAL PETROLEUM CORPORATION

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

----

Occidental Petroleum Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware (this "Corporation"), does hereby certify, pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware, the Board of Directors of this corporation, at a meeting duly held on July 15, 1999, at which a quorum was present and acting throughout, duly adopted the following resolutions, which resolutions remain in full force and effect on the date hereof:

WHEREAS, a Certificate of Designations of the Cumulative MidCon-Indexed Convertible Preferred Stock (Par Value $1.00 Per Share) of Occidental Petroleum Corporation, dated November 20, 1996 (the "CMIC Preferred Certificate"), of this Corporation was duly filed by this Corporation in the Office of the Secretary of State on November 20, 1996, and a certified copy thereof was duly recorded by this corporation with the Recorder of New Castle County, Delaware, on December 26, 1996, and pursuant to the CMIC Preferred Certificate there was established a series of the authorized preferred stock of this Corporation, having a par value of $1.00 per share, which series was designated as "Cumulative MidCon-Indexed Convertible Preferred Stock" (the "CMIC Preferred Stock") and consisted of 1,400,000 shares; and

WHEREAS, this Corporation, pursuant to Sections 8(b) and 8(e) of the CMIC Preferred Certificate, redeemed all of the issued and outstanding shares of the CMIC Preferred Stock on January 31, 1998; and

WHEREAS, the Board of Directors of this Corporation wishes to eliminate from the Restated Certificate of Incorporation of this Corporation all matters set forth in the CMIC Preferred Certificate with respect to the CMIC Preferred Stock, and wishes that the 1,400,000 shares which constituted the CMIC Preferred Stock shall constitute authorized but unissued shares of Preferred Stock, par value $1.00 per share, of this Corporation;

NOW, THEREFORE, BE IT RESOLVED, that none of the authorized shares of the CMIC Preferred Stock are outstanding, and that none will be issued subject to the CMIC Preferred Certificate; and be it

FURTHER RESOLVED, that all acts and things heretofore done by any of the officers of this Corporation, on or prior to the date of the foregoing resolutions, in connection with matters contemplated by such resolutions be, and the same hereby are, in all respects ratified, confirmed, approved and adopted as acts on behalf of this Corporation; and be it

FURTHER RESOLVED, that the Chairman of the Board of Directors, the President, any Executive Vice President, any Vice President, the Secretary or any Assistant Secretary of this corporation be, and each of them hereby is, authorized and empowered to cause a certificate pursuant to the provisions of Section 151(g) of the General Corporation Law of the State of Delaware to be executed and acknowledged with respect to these resolutions, and to cause such certificate to be filed and recorded in accordance with Section 103 of the General Corporation Law of the State of Delaware, which certificate, when it becomes effective, shall have the effect of eliminating from the Restated Certificate of Incorporation all matters set forth in the CMIC Preferred Certificate with respect to the CMIC Preferred Stock.

IN WITNESS WHEREOF, Occidental Petroleum Corporation has caused this Certificate to be made under the seal of this corporation and signed by Donald P. de Brier, its Executive Vice President and Secretary, this 16th day of July, 1999.

By: Donald P. de Brier

Name: Donald P. de Brier
Title: Executive Vice President and Secretary

eae\elimination\cmic-c

EXHIBIT 10.1

OCCIDENTAL PETROLEUM CORPORATION
1996 RESTRICTED STOCK PLAN FOR NON-EMPLOYEE DIRECTORS
(AS AMENDED APRIL 29, 1999)

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 50,000, 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 (2,000) 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 shall be awarded two hundred (200) whole shares of Restricted Stock with respect to each such Chairmanship, in addition to any Award he or she may be granted pursuant to Section 4(a) above.

(c) Effectiveness of Grants. 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 in order for the exemptions available under Rule 16b-3 to be applicable to the Plan and the Non-Employee Directors shall be effective unless the same shall be approved by the stockholders of Occidental entitled to vote thereon. 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 10.2

OCCIDENTAL PETROLEUM CORPORATION
INCENTIVE STOCK OPTION AGREEMENT
(WITH ACCELERATED PERFORMANCE VESTING)

Name of Optionee: ____

Date of Grant: ____

Number of Optioned Shares: ____

Option Price: ____

Vesting Percentage: ________________ Percent

AGREEMENT (the "Agreement") made as of the Date of Grant by and between OCCIDENTAL PETROLEUM CORPORATION, a Delaware corporation (hereinafter called "Occidental," and, collectively with its Subsidiaries, the "Company"), and Optionee.

1. GRANT OF STOCK OPTION. Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Occidental Petroleum Corporation 1995 Incentive Stock Plan (the "Plan"), Occidental hereby grants to the Optionee as of the Date of Grant a stock option (the "Option") to purchase up to the number of Optioned Shares. The Option may be exercised from time to time in accordance with the terms of this Agreement. The Option is intended to be an "incentive stock option" within the meaning of that term under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto; this Agreement shall be construed in a manner that will enable this Option to be so qualified.

2. TERM OF OPTION. The term of the Option shall commence on the Date of Grant and, unless earlier terminated in accordance with Section 6 hereof, shall expire ten (10) years from the Date of Grant.

3. RIGHT TO EXERCISE. Subject to the expiration or earlier termination of the Option, unless the Common Stock has attained the Fair Market Value per Share set forth in the next sentence, on each anniversary of the Date of Grant the number of Optioned Shares equal to the Vesting Percentage multiplied by the initial number of Optioned Shares specified in this Agreement shall become exercisable on a cumulative basis until the Option is fully exercisable. If, at any time prior to the third anniversary of the Date of Grant, the Fair Market Value per Share for twenty consecutive trading days is twenty-five dollars ($25.00) or more, then, on the first trading day following such twenty day period, the Optionee's rights in and to the Option shall become fully vested to the extent not then

vested and the Option shall become fully exercisable. For the purposes of this paragraph 3, "trading day" means any day on which securities trading is conducted on the New York Stock Exchange. To the extent the Option is exercisable, it may be exercised in whole or in part.

4. OPTION NONTRANSFERABLE. The Option granted hereby shall be neither transferable nor assignable by the Optionee other than by will or by the laws of descent and distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee, or in the event of his or her legal incapacity, by his or her guardian or legal representative acting on behalf of the Optionee in a fiduciary capacity under state law and court supervision.

5. NOTICE OF EXERCISE; PAYMENT. To the extent then exercisable, the Option shall be exercised by oral or written notice to Occidental stating the number of Optioned Shares for which the Option is being exercised and the intended manner of payment. Payment equal to the aggregate Option Price of the Optioned Shares shall be: (a) in cash in the form of currency or check or other cash equivalent acceptable to Occidental, (b) by actual or constructive transfer to Occidental of nonforfeitable, nonrestricted shares of Common Stock that have been owned by the Optionee for (i) more than one year prior to the date of exercise and for more than two years from the date on which the option was granted, if they were originally acquired by the Optionee pursuant to the exercise of an incentive stock option, or (ii) more than six months prior to the date of exercise, if they were originally acquired by the Optionee other than pursuant to the exercise of an incentive stock option, or (c) by any combination of the foregoing methods of payment. Nonforfeitable, nonrestricted shares of Common Stock that are transferred by the Optionee in payment of all or any part of the Option Price shall be valued on the basis of their Fair Market Value per Share. The requirement of payment in cash shall be deemed satisfied if the Optionee makes arrangements that are satisfactory to Occidental with a broker that is a member of the National Association of Securities Dealers, Inc. to sell a sufficient number of the shares of Common Stock, which are being purchased pursuant to the exercise, so that the net proceeds of the sale transaction will at least equal the amount of the aggregate Option Price, plus interest at the "applicable Federal rate" within the meaning of that term under Section 1274 of the Code, or any successor provision thereto, for the period from the date of exercise to the date of payment, and pursuant to which the broker undertakes to deliver to Occidental the amount of the aggregate Option Price not later than the date on which the sale transaction will settle in the ordinary course of business. The date of such notice shall be the exercise date. Any oral notice of exercise shall be confirmed in writing to Occidental before the close of business the same day.

6. TERMINATION OF AGREEMENT. The Agreement and the Option granted hereby shall terminate automatically and without further notice on the earliest of the following dates:

(a) The remaining term of the Option after the date the Optionee ceases to be an employee of the Company by reason of the Optionee's (i) death, (ii) permanent disability or (iii) retirement under a retirement plan of the Company at or after the earliest voluntary retirement age provided for in such retirement plan or retirement at an earlier age with the consent of the Board;

(b) Immediately upon the voluntary or involuntary resignation of the Optionee other than in connection with retirement as provided in 6(a)(iii) above; or

(c) Ten years from the Date of Grant.

In the event that the Optionee commits an act that the Committee determines to have been intentionally committed and materially inimical to the interests of the Company, the Agreement shall terminate at the time of that determination notwithstanding any other provision of this Agreement. This Agreement shall not be exercisable for any number of Optioned Shares in excess of the number of Optioned Shares for which this Agreement is then exercisable on the date of termination of employment. For the purposes of this Agreement, the continuous employment of the Optionee with the Company shall not be deemed to have been interrupted, and the Optionee shall not be deemed to have ceased to be an employee of the Company, by reason of the transfer of his or her employment among the Company and its Subsidiaries or an approved leave of absence.

7. ACCELERATION OF OPTION. In the event of a Change of Control, the Option granted hereby shall become immediately exercisable in full. For purposes of this Agreement, "Change of Control" means the occurrence of any of the following events:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company 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 as provided in Section 16 of the Plan (the "Effective Date") 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 or more of the combined voting power of Occidental's then-outstanding securities;

(b) 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 the Company to effect a transaction described in clause (a), (c), or (d) 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 the 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;

(c) the stockholders of Occidental approve a merger or consolidation of Occidental with any other corporation, other than (i) a merger or consolidation that 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 an employee benefit plan of the Company, 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 (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person acquires more than 50 percent of the combined voting power of Occidental's then-outstanding securities; or

(d) the stockholders of Occidental approve a plan of complete liquidation of the Company or an agreement for the sale or disposition of all or substantially all of the Company's assets;

provided, however, that prior to the occurrence of any of the events described in clauses (a) through (d) above, the Board may determine that such event shall not constitute a Change of Control for purposes of this Agreement.

8. NO EMPLOYMENT CONTRACT. Nothing contained in this Agreement shall confer upon the Optionee any right with respect to continuance of employment by the Company, nor limit or affect in any manner the right of the Company to terminate the employment or adjust the compensation of the Optionee.

9. TAXES AND WITHHOLDING. If the Company shall be required to withhold any federal, state, local or foreign tax in connection with the exercise of the Option, the Optionee shall pay the tax or make provisions that are satisfactory to the Company for the payment thereof. The Optionee may elect to satisfy all or any part of any such withholding obligation by surrendering to the Company a portion of the shares of Common Stock that are issued or transferred to the Optionee upon the exercise of the Option, and the shares of Common Stock so surrendered by the Optionee shall be credited against any such withholding obligation at the Fair Market Value per Share of such shares on the date of such surrender; provided, however, if the Optionee is subject to Section 16 of the Exchange Act, such election shall be made in accordance with Rule 16b-3 and subject to approval by the Committee if such approval is then required by Rule 16b-3.

10. COMPLIANCE WITH LAW. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of this Agreement, the Option shall not be exercisable if the exercise thereof would result in a violation of any such law.

11. ADJUSTMENTS. The Committee shall make such adjustments in the Option Price and the number or kind of shares of stock covered by the Option that the Committee may in good faith determine to be required in order to prevent dilution or expansion of the Optionee's rights under this Agreement that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, or (b) 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; provided, however, that no adjustment may be made without the prior written consent of the Optionee if the adjustment would constitute a "modification" within the meaning of Section 424(h) of the Code or any successor provision thereto. In the event of any such transaction or event, the Committee may provide in substitution for all or any portion of the Optionee's rights under this Agreement such alternative consideration as the Committee may in good faith determine to be appropriate under the circumstances and may require the surrender of all rights so replaced.

12. MANDATORY NOTICE OF DISQUALIFYING DISPOSITION. Without limiting any other provision hereof, the Optionee hereby agrees that if the Optionee disposes (whether by sale, exchange, gift or otherwise) of any of the Optioned Shares within two (2) years of the Date of Grant or within one (1) year after the transfer of such share or shares to the Optionee, the Optionee shall notify Occidental of such disposition in writing within thirty (30) days from the date of such disposition. Such written notice shall state the principal terms of such disposition, including without limitation the date of such disposition and the type and amount of the consideration received for such share or shares by the Optionee in connection therewith.

13. RELATION TO OTHER BENEFITS. Any economic or other benefit to the Optionee under this Agreement shall not be taken into account in determining any benefits to which the Optionee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company.

14. AMENDMENTS. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that no amendment shall adversely affect the rights of the Optionee under this Agreement without the Optionee's consent.

15. SEVERABILITY. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

16. RELATION TO PLAN. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistent provisions between this Agreement and the Plan, the Plan shall govern. Capitalized terms used herein without definition shall have the meanings assigned to them in the Plan.

17. SUCCESSORS AND ASSIGNS. Without limiting Section 4 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Optionee, and the successors and assigns of the Company.

18. GOVERNING LAW. The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Delaware.

19. NOTICES. Any notice to the Company provided for herein shall be given to its Secretary at 10889 Wilshire Boulevard, Los Angeles, California 90024, and any notice to the Optionee shall be addressed to said Optionee at his or her address currently on file with the Company. Except as otherwise provided herein, any written notice shall be deemed to be duly given if and when delivered personally or deposited in the United States mail, first class registered mail, postage and fees prepaid, and addressed as aforesaid. Any party may change the address to which notices are to be given hereunder by written notice to the other party as herein specified (provided that for this purpose any mailed notice shall be deemed given on the third business day following deposit on the same in the United States mail).

20. EFFECT OF PERFORMANCE VESTING. IN THE EVENT ALL OR ANY PORTION OF THE OPTIONED SHARES BECOME EXERCISABLE BECAUSE THE COMMON STOCK HAS ATTAINED THE FAIR MARKET VALUE PER SHARE SET FORTH IN PARAGRAPH 3 OF THIS AGREEMENT, THEN, FOR TAX PURPOSES, (I) ONLY THAT NUMBER OF OPTIONED SHARES, THE VALUE OF WHICH WHEN ADDED TO THE VALUE (BASED ON THE EXERCISE PRICE) OF SHARES OF COMMON STOCK UNDER ANY INCENTIVE STOCK OPTION GRANTED TO THE OPTIONEE PRIOR TO THE DATE OF THIS AGREEMENT THAT BECOMES EXERCISABLE IN THE SAME YEAR AS THE OPTIONED SHARES DOES NOT EXCEED ONE HUNDRED THOUSAND DOLLARS ($100,000) SHALL BE ELIGIBLE FOR INCENTIVE STOCK OPTION TREATMENT AND (II) THE BALANCE OF THE OPTIONED SHARES SHALL BE DEEMED TO BE NONQUALIFIED STOCK OPTIONS.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and Optionee has also executed this Agreement in duplicate, as of the day and year first above written.

OCCIDENTAL PETROLEUM CORPORATION

By:

Optionee

EXHIBIT 10.3

OCCIDENTAL PETROLEUM CORPORATION
NONQUALIFIED STOCK OPTION AGREEMENT
(WITH ACCELERATED PERFORMANCE VESTING)

Name of Optionee: ____

Date of Grant: ____

Number of Optioned Shares: ____

Option Price: ____

Vesting Percentage: ________________ Percent

AGREEMENT (the "Agreement") made as of the Date of Grant by and between OCCIDENTAL PETROLEUM CORPORATION, a Delaware corporation (hereinafter called "Occidental," and, collectively with its Subsidiaries, the "Company"), and Optionee.

1. GRANT OF STOCK OPTION. Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Occidental Petroleum Corporation 1995 Incentive Stock Plan (the "Plan"), Occidental hereby grants to the Optionee as of the Date of Grant a stock option (the "Option") to purchase up to the number of Optioned Shares. The Option may be exercised from time to time in accordance with the terms of this Agreement. The Option is intended to be a nonqualified stock option and shall not be treated as an "incentive stock option" within the meaning of that term under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto.

2. TERM OF OPTION. The term of the Option shall commence on the Date of Grant and, unless earlier terminated in accordance with Section 6 hereof, shall expire ten (10) years from the Date of Grant.

3. RIGHT TO EXERCISE. Subject to the expiration or earlier termination of the Option, unless the Common Stock has attained the Fair Market Value per Share set forth in the next sentence, on each anniversary of the Date of Grant the number of Optioned Shares equal to the Vesting Percentage multiplied by the initial number of Optioned Shares specified in this Agreement shall become exercisable on a cumulative basis until the Option is fully exercisable. If, at any time prior to the third anniversary of the Date of Grant, the Fair Market Value per Share for twenty consecutive trading days is twenty-five dollars ($25.00) or more, then, on the first trading day following such twenty day period,

the Optionee's rights in and to the Option shall become fully vested to the extent not then vested and the Option shall become fully exercisable. For the purposes of this paragraph 3, "trading day" means any day on which securities trading is conducted on the New York Stock Exchange. To the extent the Option is exercisable, it may be exercised in whole or in part.

4. OPTION NONTRANSFERABLE. The Option granted hereby shall be neither transferable nor assignable by the Optionee other than by will or by the laws of descent and distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee, or in the event of his or her legal incapacity, by his or her guardian or legal representative acting on behalf of the Optionee in a fiduciary capacity under state law and court supervision.

5. NOTICE OF EXERCISE; PAYMENT. To the extent then exercisable, the Option shall be exercised by oral or written notice to Occidental stating the number of Optioned Shares for which the Option is being exercised and the intended manner of payment. Payment equal to the aggregate Option Price of the Optioned Shares shall be (a) in cash in the form of currency or check or other cash equivalent acceptable to Occidental, (b) by actual or constructive transfer to Occidental of nonforfeitable, nonrestricted shares of Common Stock that have been owned by the Optionee for (i) more than one year prior to the date of exercise and for more than two years from the date on which the option was granted, if they were originally acquired by the Optionee pursuant to the exercise of an incentive stock option, or (ii) more than six months prior to the date of exercise, if they were originally acquired by the Optionee other than pursuant to the exercise of an incentive stock option, or (c) by any combination of the foregoing methods of payment. Nonforfeitable, nonrestricted shares of Common Stock that are transferred by the Optionee in payment of all or any part of the Option Price shall be valued on the basis of their Fair Market Value per Share. The requirement of payment in cash shall be deemed satisfied if the Optionee makes arrangements that are satisfactory to Occidental with a broker that is a member of the National Association of Securities Dealers, Inc. to sell a sufficient number of the shares of Common Stock, which are being purchased pursuant to the exercise, so that the net proceeds of the sale transaction will at least equal the amount of the aggregate Option Price, and pursuant to which the broker undertakes to deliver to Occidental the amount of the aggregate Option Price not later than the date on which the sale transaction will settle in the ordinary course of business. The date of such notice shall be the exercise date. Any oral notice of exercise shall be confirmed in writing to Occidental before the close of business the same day.

6. TERMINATION OF AGREEMENT. The Agreement and the Option granted hereby shall terminate automatically and without further notice on the earliest of the following dates:

(a) The remaining term of the Option after the date the Optionee ceases to be an employee of the Company by reason of the Optionee's (i) death, (ii) permanent disability or (iii) retirement under a retirement plan of the Company at or after the earliest voluntary retirement age provided for in such retirement plan or retirement at an earlier age with the consent of the Board;

(b) Immediately upon the voluntary or involuntary resignation of the Optionee other than in connection with retirement as provided in 6(a)(iii) above; or

(c) Ten years from the Date of Grant.

In the event that the Optionee commits an act that the Committee determines to have been intentionally committed and materially inimical to the interests of the Company, the Agreement shall terminate at the time of that determination notwithstanding any other provision of this Agreement. This Agreement shall not be exercisable for any number of Optioned Shares in excess of the number of Optioned Shares for which this Agreement is then exercisable on the date of termination of employment. For the purposes of this Agreement, the continuous employment of the Optionee with the Company shall not be deemed to have been interrupted, and the Optionee shall not be deemed to have ceased to be an employee of the Company, by reason of the transfer of his or her employment among the Company and its Subsidiaries or an approved leave of absence.

7. ACCELERATION OF OPTION. In the event of a Change of Control, the Option granted hereby shall become immediately exercisable in full. For purposes of this Agreement, "Change of Control" means the occurrence of any of the following events:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company 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 as provided in Section 16 of the Plan (the "Effective Date") 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 or more of the combined voting power of Occidental's then-outstanding securities;

(b) 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 the Company to effect a transaction described in clause (a), (c), or (d) 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 the 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;

(c) the stockholders of Occidental approve a merger or consolidation of Occidental with any other corporation, other than (i) a merger or consolidation that 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 an employee benefit plan of the Company, 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 (ii) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person acquires more than 50 percent of the combined voting power of Occidental's then-outstanding securities; or

(d) the stockholders of Occidental approve a plan of complete liquidation of the Company or an agreement for the sale or disposition of all or substantially all of the Company's assets;

provided, however, that prior to the occurrence of any of the events described in clauses (a) through (d) above, the Board may determine that such event shall not constitute a Change of Control for purposes of this Agreement.

8. NO EMPLOYMENT CONTRACT. Nothing contained in this Agreement shall confer upon the Optionee any right with respect to continuance of employment by the Company, nor limit or affect in any manner the right of the Company to terminate the employment or adjust the compensation of the Optionee.

9. TAXES AND WITHHOLDING. If the Company shall be required to withhold any federal, state, local or foreign tax in connection with the exercise of the Option, the Optionee shall pay the tax or make provisions that are satisfactory to the Company for the payment thereof. The Optionee may elect to satisfy all or any part of any such withholding obligation by surrendering to the Company a portion of the shares of Common Stock that are issued or transferred to the Optionee upon the exercise of the Option, and the shares of Common Stock so surrendered by the Optionee shall be credited against any such withholding obligation at the Fair Market Value per Share of such shares on the date of such surrender; provided, however, if the Optionee is subject to Section 16 of the Exchange Act, such election shall be made in accordance with Rule 16b-3 and subject to approval by the Committee if such approval is then required by Rule 16b-3.

10. COMPLIANCE WITH LAW. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of this Agreement, the Option shall not be exercisable if the exercise thereof would result in a violation of any such law.

11. ADJUSTMENTS. The Committee shall make such adjustments in the Option Price and the number or kind of shares of stock covered by the Option that the Committee

may in good faith determine to be required in order to prevent dilution or expansion of the Optionee's rights under this Agreement that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, or (b) 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 Committee may provide in substitution for all or any portion of the Optionee's rights under this Agreement such alternative consideration as the Committee may in good faith determine to be appropriate under the circumstances and may require the surrender of all rights so replaced.

12. RELATION TO OTHER BENEFITS. Any economic or other benefit to the Optionee under this Agreement shall not be taken into account in determining any benefits to which the Optionee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company.

13. AMENDMENTS. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that no amendment shall adversely affect the rights of the Optionee under this Agreement without the Optionee's consent.

14. SEVERABILITY. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. RELATION TO PLAN. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistent provisions between this Agreement and the Plan, the Plan shall govern. Capitalized terms used herein without definition shall have the meanings assigned to them in the Plan.

16. SUCCESSORS AND ASSIGNS. Without limiting Section 4 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Optionee, and the successors and assigns of the Company.

17. GOVERNING LAW. The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Delaware.

18. NOTICES. Any notice to the Company provided for herein shall be given to its Secretary at 10889 Wilshire Boulevard, Los Angeles, California 90024, and any notice to the Optionee shall be addressed to said Optionee at his or her address currently on file

with the Company. Except as otherwise provided herein, any written notice shall be deemed to be duly given if and when delivered personally or deposited in the United States mail, first class registered mail, postage and fees prepaid, and addressed as aforesaid. Any party may change the address to which notices are to be given hereunder by written notice to the other party as herein specified (provided that for this purpose any mailed notice shall be deemed given on the third business day following deposit on the same in the United States mail).

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and Optionee has also executed this Agreement in duplicate, as of the day and year first above written.

OCCIDENTAL PETROLEUM CORPORATION

By:

Optionee

EXHIBIT 11

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(Amounts in millions, except per-share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
BASIC EARNINGS PER SHARE				
Income (loss) from continuing operations	$ 12	$ 186	$ (45)	$ 325
Preferred stock dividends	(3)	(5)	(7)	(9)
Earnings (loss) from continuing operations applicable to common stock	9	181	(52)	316
Discontinued operations, net	--	--	--	38
Extraordinary loss, net	(3)	--	(3)	--
Cumulative effect of changes in accounting principles, net	--	--	(13)	--
Earnings (loss) applicable to common stock	$ 6	$ 181	$ (68)	$ 354
Weighted average common shares outstanding	348.4	359.1	348.1	351.8
Basic earnings per share				
Income (loss) from continuing operations	$ .03	$ .51	$ (.15)	$ .90
Discontinued operations, net	--	--	--	.11
Extraordinary loss, net	(.01)	--	(.01)	--
Cumulative effect of changes in accounting principles, net	--	--	(.04)	--
Basic earnings (loss) per common share	$ .02	$ .51	$ (.20)	$ 1.01
DILUTED EARNINGS PER SHARE				
Earnings (loss) from continuing operations applicable to common stock	$ 9	$ 181	$ (52)	$ 316
Dividends applicable to dilutive preferred stock	--	5	--	9
	9	186	(52)	325
Discontinued operations, net	--	--	--	38
Extraordinary loss, net	(3)	--	(3)	--
Cumulative effect of changes in accounting principles, net	--	--	(13)	--
Earnings (loss) applicable to common stock	$ 6	$ 186	$ (68)	$ 363
Weighted average common shares outstanding	348.4	359.1	348.1	351.8
Dilutive effect of exercise of options outstanding	.1	.8	--	.7
Dilutive effect of convertible preferred stock	--	16.5	--	16.5
	348.5	376.4	348.1	369.0
Diluted earnings per share				
Income (loss) from continuing operations	$ .03	$ .49	$ (.15)	$ .88
Discontinued operations, net	--	--	--	.10
Extraordinary loss, net	(.01)	--	(.01)	--
Cumulative effect of changes in accounting principles, net	--	--	(.04)	--
Diluted earnings (loss) per common share	$ .02	$ .49	$ (.20)	$ .98

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(Amounts in millions, except per-share amounts)

The following items were not included in the computation of diluted earnings per share because their effect was antidilutive:

	Three Months Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
STOCK OPTIONS				
Number of shares	3.3	.2	4.4	.2
Price range per share	$21.250 -- $29.625	$28.375 -- $29.625	$17.750 -- $29.625	$28.375 -- $29.625
Expiration range	8/20/99 -- 4/29/08	8/20/99 -- 1/14/00	8/20/99 -- 4/29/08	8/20/99 -- 1/14/00
CONVERTIBLE PREFERRED STOCK $3.00				
Number of shares	11.5	--	11.5	--
Dividends paid	$3	--	$7	--

EXHIBIT 12

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

	Six Months Ended June 30		Year Ended December 31				
	1999	1998	1998	1997	1996	1995	1994
Income (loss) from continuing operations(a)	$ 17	$ 338	$ 400	$ 245	$ 486	$ 325	$ (236)
Add:							
Provision (credit) for taxes on income (other than foreign and gas taxes)	16	167	204	47	99	155	(59)
Interest and debt expense(b)	263	284	576	446	492	591	586
Portion of lease rentals representative of the interest factor	17	17	36	39	38	43	50
	296	468	816	532	629	789	577
Earnings before fixed charges	$ 313	$ 806	$ 1,216	$ 777	$ 1,115	$ 1,114	$ 341
Fixed charges							
Interest and debt expense including capitalized interest(b)	$ 268	$ 292	$ 594	$ 462	$ 499	$ 595	$ 589
Portion of lease rentals representative of the interest factor	17	17	36	39	38	43	50
Total fixed charges	$ 285	$ 309	$ 630	$ 501	$ 537	$ 638	$ 639
Ratio of earnings to fixed charges	1.10	2.61	1.93	1.55	2.08	1.75	n/a(c)

(a) Includes (1) minority interest in net income of majority-owned subsidiaries and partnerships having fixed charges and (2) income from less-than-50-percent-owned equity investments adjusted to reflect only dividends received.
(b) Includes proportionate share of interest and debt expense of 50-percent-owned equity investments.
(c) Not computed due to less than one-to-one coverage. Earnings were inadequate to cover fixed charges by $298 million for the year ended December 31, 1994.

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

1,000,000

6-MOS
DEC-31-1999
JUN-30-1999
267
0
577
22
498
1,758
17,351
7,325
14,291
1,661
5,347
0
238
70
2,800
14,291
2,991
3,066
2,367
2,367
52
0
255
45
97
(45)
0
(3)
(13)
(61)
(.20)
(.20)