

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) OCTOBER 21, 2004

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

DELAWARE (State or other jurisdiction of incorporation)	1-9210 (Commission File Number)	95-4035997 (I.R.S. Employer Identification No.)
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10889 WILSHIRE BOULEVARD LOS ANGELES, CALIFORNIA (Address of principal executive offices)	90024 (ZIP code)
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Registrant's telephone number, including area code:  
(310) 208-8800

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

SECTION 2 - FINANCIAL INFORMATION

Item 2.02. Results of Operations and Financial Condition

On October 21, 2004, Occidental Petroleum Corporation released information regarding its results of operations for the fiscal period ended September 30, 2004. The exhibits to this Form 8-K and the information set forth in this Item 2.02 are being furnished pursuant to Item 2.02, Results of Operations and Financial Condition. The full text of the press release is attached to this report as Exhibit 99.1. The full text of the speeches given by Dr. Ray R. Irani and Stephen I. Chazen are attached to this report as Exhibit 99.2. Investor Relations Supplemental Schedules are attached to this report as Exhibit 99.3.

SECTION 8 - OTHER EVENTS

Item 8.01. Other Events

Occidental Petroleum Corporation announced on October 21, 2004 record net income for the third quarter 2004 of \$758 million (\$1.91 per share), compared with \$446 million (\$1.16 per share) for the third quarter 2003. Earnings of \$1.83 billion (\$4.63 per share) for the first nine months of 2004 were 55 percent higher than the \$1.15 billion (\$2.99 per share) the company earned in the comparable period last year.

Core earnings for the first nine months of 2004 were \$1.81 billion (\$4.60 per share), compared with \$1.25 billion (\$3.27 per share) for 2003. The debt-to-total capitalization at the end of the third quarter was 29 percent, compared with 37 percent at the end of last year. Interest expense of \$187 million for the first nine months of 2004 was 31 percent lower than the comparable 2003 period.

Oil and Gas

Oil and gas segment earnings were \$1.0 billion for the third quarter 2004, compared with \$660 million for the third quarter 2003, an increase of 52 percent. The improvement in the third quarter 2004 earnings reflected higher worldwide crude oil and natural gas prices, partially offset by increased DD&A rates and higher operating costs.

Chemicals

Chemical segment earnings were \$137 million for the third quarter 2004, compared with \$61 million for the third quarter 2003, an increase of 125 percent. The improvement in the third quarter 2004 was primarily due to higher sales prices and margins in chlorine, ethylene dichloride, polyvinyl chloride and vinyl chloride monomer, partially offset by higher ethylene and energy costs. Chemical earnings of \$272 million for the nine months were almost double that of 2003.

See the attached schedules for a reconciliation of net income to core earnings for the third quarter and nine months.

Statements in this release that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.

SUMMARY OF SEGMENT NET SALES AND EARNINGS

(\$ millions, except per-share amounts)	Third Quarter		Nine Months	
	2004	2003	2004	2003
=====	=====	=====	=====	=====
SEGMENT NET SALES				
Oil and gas	\$ 2,033	\$ 1,480	\$ 5,509	\$ 4,473
Chemical	973	793	2,767	2,368
Other	27	46	87	115
	-----	-----	-----	-----
Net sales	\$ 3,033	\$ 2,319	\$ 8,363	\$ 6,956
=====	=====	=====	=====	=====
SEGMENT EARNINGS				
Oil and gas	\$ 1,003	\$ 660	\$ 2,567	\$ 2,024
Chemical	137	61	272	139
	-----	-----	-----	-----
	1,140	721	2,839	2,163
UNALLOCATED CORPORATE ITEMS				
Interest expense, net (a)-- debt and trust preferred distributions	(59)	(71)	(187)	(270)
Income taxes (b)	(274)	(160)	(673)	(505)
Other	(49)	(44)	(153)	(175)
	-----	-----	-----	-----
Income from Continuing Operations	758	446	1,826	1,213
Cumulative effect of changes in accounting principles, net	--	--	--	(68)
	-----	-----	-----	-----
NET INCOME	\$ 758	\$ 446	\$ 1,826	\$ 1,145
=====	=====	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.91	\$ 1.16	\$ 4.63	\$ 3.17
Cumulative effect of changes in accounting principles, net	--	--	--	(0.18)
	-----	-----	-----	-----
	\$ 1.91	\$ 1.16	\$ 4.63	\$ 2.99
=====	=====	=====	=====	=====
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.88	\$ 1.14	\$ 4.57	\$ 3.14
Cumulative effect of changes in accounting principles, net	--	--	--	(0.18)
	-----	-----	-----	-----
	\$ 1.88	\$ 1.14	\$ 4.57	\$ 2.96
=====	=====	=====	=====	=====
AVERAGE BASIC COMMON SHARES OUTSTANDING	396.3	385.5	394.1	382.6
=====	=====	=====	=====	=====

See footnotes on following page.

- (a) The third quarter 2004 includes a \$2 million pre-tax interest charge to purchase in the open market and retire \$19 million of Occidental's senior notes and a \$3 million pre-tax interest charge to redeem all the \$157 million outstanding 6.5 percent senior notes which were due in 2005. The nine months 2004 also includes an \$11 million pre-tax interest charge to redeem all the outstanding 8.16 percent Trust Preferred Redeemable Securities on January 20, 2004. The nine months 2003 includes a \$61 million pre-tax interest charge to repay a \$450 million 6.4 percent senior notes issue that had ten years of remaining life, but was subject to re-marketing on April 1, 2003.
- (b) The nine months 2004 includes a \$20 million credit related to a first quarter settlement of an issue with the Internal Revenue Service. The nine months 2004 also reflected a lower U.S. income tax rate resulting from the crediting of foreign income taxes.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	Third Quarter		Nine Months	
	2004	2003	2004	2003
=====	=====	=====	=====	=====
CAPITAL EXPENDITURES	\$ 467	\$ 360	\$ 1,271	\$ 1,151
=====	=====	=====	=====	=====
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 322	\$ 295	\$ 972	\$ 866
=====	=====	=====	=====	=====

## SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2004	2003	2004	2003
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude oil and liquids (MBBL)				
California	77	80	77	79
Permian	154	151	155	150
Horn Mountain	17	24	22	19
Hugoton	3	4	3	4
Total	251	259	257	252
Natural Gas (MMCF)				
California	228	248	235	254
Hugoton	124	136	128	141
Permian	122	134	131	128
Horn Mountain	14	16	15	12
Total	488	534	509	535
Latin America				
Crude oil (MBBL)				
Colombia	38	31	37	35
Ecuador	49	27	46	20
Total	87	58	83	55
Middle East				
Crude oil (MBBL)				
Oman	14	13	13	12
Qatar	44	44	44	47
Yemen	28	34	33	36
Total	86	91	90	95
Natural Gas (MMCF)				
Oman	88	--	52	--
Other Eastern Hemisphere				
Crude oil (MBBL)				
Pakistan	7	10	8	10
Natural Gas (MMCF)				
Pakistan	73	71	74	74
BARRELS OF OIL EQUIVALENT (MBOE)				
Subtotal consolidated subsidiaries	539	519	544	514
Other Interests				
Colombia-minority interest	(4)	(4)	(5)	(4)
Russia-Occidental net interest	27	30	29	30
Yemen-Occidental net interest	1	1	1	1
TOTAL WORLDWIDE PRODUCTION (MBOE)	563	546	569	541

## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

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

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

(\$ millions, except per-share amounts)	Third Quarter			
	2004	EPS	2003	EPS
TOTAL REPORTED EARNINGS	\$ 758	\$ 1.91	\$ 446	\$ 1.16
OIL AND GAS				
Segment Earnings	\$ 1,003		\$ 660	
No significant items affecting earnings	--		--	
Segment Core Earnings	1,003		660	
CHEMICALS				
Segment Earnings	137		61	
No significant items affecting earnings	--		--	
Segment Core Earnings	137		61	
CORPORATE				
Results	(382)		(275)	
No significant items affecting earnings	--		--	
TOTAL CORE EARNINGS	\$ 758	\$ 1.91	\$ 446	\$ 1.16

\* These amounts are shown after-tax.

## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (CONTINUED)

(\$ millions, except per-share amounts)	Nine Months			
	2004	EPS	2003	EPS
=====	=====	=====	=====	=====
TOTAL REPORTED EARNINGS	\$ 1,826	\$ 4.63	\$ 1,145	\$ 2.99
=====	=====	=====	=====	=====
OIL AND GAS				
Segment Earnings	\$ 2,567		\$ 2,024	
No significant items affecting earnings	--		--	
-----	-----	-----	-----	-----
Segment Core Earnings	2,567		2,024	
-----	-----	-----	-----	-----
CHEMICALS				
Segment Earnings	272		139	
No significant items affecting earnings	--		--	
-----	-----	-----	-----	-----
Segment Core Earnings	272		139	
-----	-----	-----	-----	-----
CORPORATE				
Results	(1,013)		(1,018)	
Less:				
6.4% senior note remarket fee	--		(61)	
Trust preferred redemption charge	(11)		--	
IRS settlement	20		--	
Tax effect of pre-tax adjustment	4		21	
Changes in accounting principles, net*	--		(68)	
-----	-----	-----	-----	-----
TOTAL CORE EARNINGS	\$ 1,813	\$ 4.60	\$ 1,253	\$ 3.27
=====	=====	=====	=====	=====

\* These amounts are shown after-tax.

ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

(\$ millions)	Third Quarter		Nine Months	
	2004	2003	2004	2003
PRE-TAX INCOME / (EXPENSE)				
OIL AND GAS				
Gain on sale of GOM assets (a)	\$ --	\$ --	\$ --	\$ 14
CHEMICALS				
Chlorine derivatives asset impairment	--	--	--	(9)
Reorganizations/severance	--	--	--	(15)
CORPORATE				
Environmental remediation	--	--	--	(13)
Equity earnings	15	(6)	13	(42)
Interest expense - early debt extinguishments - 2004/ consolidation of variable interest entity - 2003	(5)	--	(5)	6

(a) Net of tax.



SIGNATURE

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

OCCIDENTAL PETROLEUM CORPORATION  
(Registrant)

DATE: October 21, 2004

S. P. Dominick, Jr.

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

EXHIBIT INDEX

- 99.1 Press release dated October 21, 2004.
- 99.2 Full text of speeches given by Dr. Ray R. Irani and Stephen I. Chazen
- 99.3 Investor Relations Supplemental Schedules

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[OXY LOGO] NEWS RELEASE OCCIDENTAL PETROLEUM CORPORATION

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10889 Wilshire Boulevard, Los Angeles, California 90024 (310) 208-8800

For Immediate Release: October 21, 2004

OCCIDENTAL PETROLEUM ANNOUNCES  
 -----  
 RECORD THIRD QUARTER 2004 RESULTS  
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LOS ANGELES -- Occidental Petroleum Corporation (NYSE:OXY) announced record net income for the third quarter 2004 of \$758 million (\$1.91 per share), compared with \$446 million (\$1.16 per share) for the third quarter 2003. Earnings of \$1.83 billion (\$4.63 per share) for the first nine months of 2004 were 55 percent higher than the \$1.15 billion (\$2.99 per share) the company earned in the comparable period last year.

In announcing the results, Dr. Ray R. Irani, chairman and chief executive officer, said, "Earnings of \$758 million, \$1.91 per share, were 65 percent higher than the third quarter 2003. High oil prices and robust gas prices, plus improved chemical margins, contributed to the record high income for both the third quarter and the nine month period. Oil and gas production per day was up 3 percent for the quarter and 5 percent year-to-date over the comparable periods last year."

Core earnings for the first nine months of 2004 were \$1.81 billion (\$4.60 per share), compared with \$1.25 billion (\$3.27 per share) for 2003. The debt-to-total capitalization at the end of the third quarter was 29 percent, compared with 37 percent at the end of last year. Interest expense of \$187 million for the first nine months of 2004 was 31 percent lower than the comparable 2003 period.

OIL AND GAS  
 -----

Oil and gas segment earnings were \$1.0 billion for the third quarter 2004, compared with \$660 million for the third quarter 2003, an increase of 52 percent. The improvement in the third quarter 2004 earnings reflected higher worldwide

crude oil and natural gas prices, partially offset by increased DD&A rates and higher operating costs.

CHEMICALS  
 -----

Chemical segment earnings were \$137 million for the third quarter 2004, compared with \$61 million for the third quarter 2003, an increase of 125 percent. The improvement in the third quarter 2004 was primarily due to higher sales prices and margins in chlorine, ethylene dichloride, polyvinyl chloride and vinyl chloride monomer, partially offset by higher ethylene and energy costs. Chemical earnings of \$272 million for the nine months were almost double that of 2003.

See the attached schedules for a reconciliation of net income to core earnings for the third quarter and nine months.

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Contacts: Lawrence P. Meriage (media)  
 310-443-6562  
 Kenneth J. Huffman (investors)  
 212-603-8183  
 For further analysis of Occidental's quarterly  
 performance, please visit the website: [www.oxy.com](http://www.oxy.com)

Statements in this release that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.

SUMMARY OF SEGMENT NET SALES AND EARNINGS

(\$ millions, except per-share amounts)	Third Quarter		Nine Months	
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Oil and gas	\$ 1,003	\$ 660	\$ 2,567	\$ 2,024
Chemical	137	61	272	139
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	1,140	721	2,839	2,163
UNALLOCATED CORPORATE ITEMS				
Interest expense, net (a)-- debt and trust preferred distributions	(59)	(71)	(187)	(270)
Income taxes (b)	(274)	(160)	(673)	(505)
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Income from continuing operations	\$ 1.88	\$ 1.14	\$ 4.57	\$ 3.14
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See footnotes on following page.

- (a) The third quarter 2004 includes a \$2 million pre-tax interest charge to purchase in the open market and retire \$19 million of Occidental's senior notes and a \$3 million pre-tax interest charge to redeem all the \$157 million outstanding 6.5 percent senior notes which were due in 2005. The nine months 2004 also includes an \$11 million pre-tax interest charge to redeem all the outstanding 8.16 percent Trust Preferred Redeemable Securities on January 20, 2004. The nine months 2003 includes a \$61 million pre-tax interest charge to repay a \$450 million 6.4 percent senior notes issue that had ten years of remaining life, but was subject to re-marketing on April 1, 2003.
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DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 322	\$ 295	\$ 972	\$ 866
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Total	251	259	257	252
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Total	488	534	509	535
Latin America				
Crude oil (MBBL)				
Colombia	38	31	37	35
Ecuador	49	27	46	20
Total	87	58	83	55
Middle East				
Crude oil (MBBL)				
Oman	14	13	13	12
Qatar	44	44	44	47
Yemen	28	34	33	36
Total	86	91	90	95
Natural Gas (MMCF)				
Oman	88	--	52	--
Other Eastern Hemisphere				
Crude oil (MBBL)				
Pakistan	7	10	8	10
Natural Gas (MMCF)				
Pakistan	73	71	74	74
BARRELS OF OIL EQUIVALENT (MBOE)				
Subtotal consolidated subsidiaries	539	519	544	514
Other Interests				
Colombia-minority interest	(4)	(4)	(5)	(4)
Russia-Occidental net interest	27	30	29	30
Yemen-Occidental net interest	1	1	1	1
TOTAL WORLDWIDE PRODUCTION (MBOE)	563	546	569	541

## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

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

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

(\$ millions, except per-share amounts)	Third Quarter			
	2004	EPS	2003	EPS
TOTAL REPORTED EARNINGS	\$ 758	\$ 1.91	\$ 446	\$ 1.16
OIL AND GAS				
Segment Earnings	\$ 1,003		\$ 660	
No significant items affecting earnings	--		--	
Segment Core Earnings	1,003		660	
CHEMICALS				
Segment Earnings	137		61	
No significant items affecting earnings	--		--	
Segment Core Earnings	137		61	
CORPORATE				
Results	(382)		(275)	
No significant items affecting earnings	--		--	
TOTAL CORE EARNINGS	\$ 758	\$ 1.91	\$ 446	\$ 1.16

\* These amounts are shown after-tax.

## SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (CONTINUED)

(\$ millions, except per-share amounts)	Nine Months			
	2004	EPS	2003	EPS
=====	=====	=====	=====	=====
TOTAL REPORTED EARNINGS	\$ 1,826	\$ 4.63	\$ 1,145	\$ 2.99
=====	=====	=====	=====	=====
OIL AND GAS				
Segment Earnings	\$ 2,567		\$ 2,024	
No significant items affecting earnings	--		--	
-----	-----	-----	-----	-----
Segment Core Earnings	2,567		2,024	
-----	-----	-----	-----	-----
CHEMICALS				
Segment Earnings	272		139	
No significant items affecting earnings	--		--	
-----	-----	-----	-----	-----
Segment Core Earnings	272		139	
-----	-----	-----	-----	-----
CORPORATE				
Results	(1,013)		(1,018)	
Less:				
6.4% senior note remarket fee	--		(61)	
Trust preferred redemption charge	(11)		--	
IRS settlement	20		--	
Tax effect of pre-tax adjustment	4		21	
Changes in accounting principles, net*	--		(68)	
-----	-----	-----	-----	-----
TOTAL CORE EARNINGS	\$ 1,813	\$ 4.60	\$ 1,253	\$ 3.27
=====	=====	=====	=====	=====

\* These amounts are shown after-tax.



ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

(\$ millions)	Third Quarter		Nine Months	
	2004	2003	2004	2003
PRE-TAX INCOME / (EXPENSE)				
OIL AND GAS				
Gain on sale of GOM assets (a)	\$ --	\$ --	\$ --	\$ 14
CHEMICALS				
Chlorine derivatives asset impairment	--	--	--	(9)
Reorganizations/severance	--	--	--	(15)
CORPORATE				
Environmental remediation	--	--	--	(13)
Equity earnings	15	(6)	13	(42)
Interest expense - early debt extinguishments - 2004/ consolidation of variable interest entity - 2003	(5)	--	(5)	6

(a) Net of tax.

OCCIDENTAL PETROLEUM CORPORATION

DR. RAY R. IRANI  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

- CONFERENCE CALL -  
THIRD QUARTER 2004 EARNINGS ANNOUNCEMENT

OCTOBER 21, 2004  
Los Angeles, California

Good morning and thank you for joining us. We're pleased to report record third quarter earnings of \$758 million, or \$1.91 per share, which are up 65 percent over the third quarter of 2003. Our nine months earnings of \$1.8 billion, or \$4.63 per share, are 55 percent higher than the same period in 2003.

Higher oil prices, continued strong natural gas prices, and increased oil production gave us record Oil and Gas segment earnings as well, for both the third quarter and the first nine months. Our nine month oil and gas production was a record 569,000 barrels of oil per day -- up 5 percent from the first nine months of 2003.

In the Chemicals business, continuing improvement in commodity chemical prices, along with higher volumes, contributed to our strongest quarterly earnings since the second quarter of 2000. Core chemical earnings for the third quarter were more than twice the earnings in the third quarter of last year.

Occidental's overall financial health has never been better. The strong cash flow has enabled us to further strengthen our balance sheet. This allows us to continue pursuing business opportunities in our core areas. In

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that regard, the Dolphin project in the Middle East is moving forward on schedule. And in Libya, our negotiations continue to progress.

I'll now turn the call over to Steve Chazen who will discuss the details of Occidental's record performance.

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OCCIDENTAL PETROLEUM CORPORATION

STEPHEN CHAZEN  
SENIOR EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

- CONFERENCE CALL -  
THIRD QUARTER 2004 EARNINGS ANNOUNCEMENT

OCTOBER 21, 2004  
Los Angeles, California

Thank you Ray.

Occidental's reported and core earnings for the third quarter were \$758 million, or \$1.91 per share, our best quarterly earnings in history. This compares to \$446 million, or \$1.16 per share, in the third quarter of last year.

Our strong performance was driven by four factors: higher prices; improved chemical earnings; higher production and lower interest expense.

For the THIRD QUARTER:

- o Oil and gas third quarter earnings were a record \$1 billion. This was 52 percent higher than the \$660 million in earnings during the same period a year ago.
- o Worldwide oil and gas production was 563,000 barrels of oil equivalent per day - an increase of 3 percent compared with 546,000 barrels we produced in last year's third quarter.
- o The price of WTI for the quarter averaged \$43.87 per barrel compared to \$30.20 per barrel in last year's third quarter. Occidental's realized oil price for the quarter was \$37.87 per barrel compared to \$26.81 per barrel in last year's third quarter.

- o The chemical segment reported earnings were \$137 million - more than double the third quarter 2003 earnings of \$61 million. The increase is primarily due to higher sales prices for chlorine, ethylene dichloride, polyvinyl chloride and vinyl chloride monomer, but is partially offset by higher feedstock and energy costs. Increased volumes for chlorine, caustic and polyvinyl chloride also contributed to stronger earnings.
- o Our net interest expense declined to \$59 million for the quarter, including \$5 million related to buying back debt. Our net interest expense for the third quarter of 2003 was \$71 million.

Turning now to Occidental's performance through the FIRST NINE MONTHS:

- o Core earnings were a record \$1.81 billion, or \$4.60 per share - 41 percent higher than the \$1.25 billion, or \$3.27 per share, in the comparable period last year.
- o Oil and gas earnings were \$2.57 billion, which represents a \$543 million increase over the first nine months in 2003.
- o Oil and gas production for the first nine months averaged 569,000 BOE per day, up from 541,000 - or 5 percent - from the same period last year.
- o WTI averaged \$39.11 per barrel compared with \$30.98 for the comparable period last year. Occidental's realized oil price was \$33.78 per barrel compared to \$27.20 per barrel in 2003. September WTI increased \$1.06 per barrel compared to August, however, Occidental's realized international oil prices dropped 48 cents per barrel. This change was primarily the result of a

significant volume increase in worldwide sour crude sales. This price affects our realizations, especially in Qatar, Oman and Yemen. For example, in Qatar, price differentials through August averaged \$5.17 per barrel. In September, that widened to \$8.90 per barrel. For 2003, the differential was \$3.61.

- o Oil and Gas operating costs have increased approximately \$1.50 per barrel compared to the first nine months of last year. Approximately 35 percent of the increase was a result of higher energy prices pushing utility, gas plant, ad valorem taxes and carbon dioxide, or CO<sub>2</sub>, costs up. Higher DD&A rates represented approximately 28 percent of the increase. The remaining cost changes were the result of increased workover, maintenance and other costs.
- o In chemicals, core earnings were \$272 million, which represents a \$133 million - or 96 percent - improvement compared to the first nine months of last year. The increase is primarily due to higher sales prices for chlorine, ethylene dichloride, polyvinyl chloride, and vinyl chloride monomer; and higher volumes for chlorine, caustic and polyvinyl chloride. The gains were partially offset by higher feedstock and energy costs.
- o Our net interest expense for the first nine months declined to \$187 million - compared to \$270 million for the same period last year.

Other Items:

- o Capital spending was \$467 million for the quarter and \$1.27 billion for the first nine months. We expect total capital spending for the year to be approximately \$1.8 billion - with oil and gas accounting for more than 90 percent of the expenditures.
- o Cash flow from operations for the nine-month period was \$2.7 billion.
- o At the end of the quarter, stockholders' equity had grown to \$9.8 billion, and our debt-to-total capitalization was down to 29 percent, compared to 37 percent at the end of last year. At the end of the quarter, the company had \$998 million in cash.

As we look ahead in the current quarter:

We expect fourth quarter production to be about the same as third quarter production, including our estimates of the impact of the following:

- o We expect lower October production due to Horn Mountain operations being shut-in because of Hurricane Ivan. Our net production from Horn Mountain is approximately 21,000 BOE per day
- o Fourth quarter production will be impacted by product prices that affect our production sharing contracts in Oman, Qatar, Yemen and Long Beach. In this product price range for this quarter, each dollar change in the price of oil per barrel changes production by approximately 1,000 barrels per day.

In regards to prices:

- o Each dollar per barrel change in oil prices impacts Oil and Gas segment fourth quarter earnings by about \$29 million before the impact of foreign income taxes. This current impact is lower than in prior quarters due to the September sour crude differential changes that I discussed earlier.
- o A swing of 10-cents per million BTUs in gas prices has a \$5 million impact on quarterly segment earnings. Our realized domestic gas price in the fourth quarter is expected to be \$5.16.

Additionally:

- o Exploration expense for the quarter is estimated to be about \$80 million, primarily for drilling in Latin America and the Middle East.
- o In the chemical business, the demand for chlorine and caustic soda is expected to stay strong. However, the fourth and first quarters are typically the weakest quarters due to seasonal factors. We anticipate fourth quarter feedstock and energy costs to be higher than in the third quarter. Fourth quarter chemical earnings are expected to be about \$115 million.
- o Fourth quarter interest expense is expected to be approximately \$53 million.
- o Our worldwide effective tax rate for the third quarter was 39 percent and we expect the rate for the rest of this year to be about 40 percent. Both our U. S. and foreign tax rates are included in the "Investor Relations Supplemental Schedule".

- o We record the equity earnings from our investment in Lyondell Chemical Company in corporate "Other". We currently own about 41 million Lyondell shares. We have no way of forecasting the quarterly equity earnings from our Lyondell investment, although the outlook for the business appears to be favorable.

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

Now we're ready to take your questions.

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See the investor relations supplemental schedules for the reconciliation of non-GAAP items. Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations and supply/demand considerations for oil, gas and chemicals; higher-than-expected costs; political risk; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements. The United States Securities and Exchange Commission (SEC) permits oil and natural gas companies, in their filings with the SEC, to disclose only proved reserves demonstrated by actual production or conclusive formation tests to be economically producible under existing economic and operating conditions. We use certain terms in this presentation, such as probable, possible and recoverable reserves, that the SEC's guidelines strictly prohibit us from using in filings with the SEC. U.S. investors are urged to consider carefully the disclosure in our form 10-K, available through the following toll-free telephone number, 1-888-OXYPETE (1-888-699-7383) or on the Internet at <http://www.oxy.com>. You also can obtain a copy from the SEC by calling 1-800-SEC-0330.  
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## Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2004 THIRD QUARTER  
NET INCOME (LOSS)  
(\$ MILLIONS)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 1,003		\$ 1,003
Chemical	137		137
Corporate			
Interest expense, net - debt and trust preferred distributions	(59)		(59)
Other	(49)		(49)
Taxes	(274)		(274)
NET INCOME	\$ 758 =====	\$ -- =====	\$ 758 =====
BASIC EARNINGS PER COMMON SHARE	\$ 1.91 =====		\$ 1.91 =====

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## Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 THIRD QUARTER  
NET INCOME (LOSS)  
(\$ MILLIONS)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 660		\$ 660
Chemical	61		61
Corporate			
Interest expense, net - debt and trust preferred distributions	(71)		(71)
Other	(44)		(44)
Taxes	(160)		(160)
NET INCOME	\$ 446 =====	\$ -- =====	\$ 446 =====
BASIC EARNINGS PER COMMON SHARE	\$ 1.16 =====		\$ 1.16 =====

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Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2004 FIRST NINE MONTHS  
NET INCOME (LOSS)  
(\$ MILLIONS)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME	CORE EARNINGS
	-----	-----	-----
Oil & Gas	\$ 2,567		\$ 2,567
Chemical	272		272
Corporate			
Interest expense, net - debt and trust preferred distributions	(187)	11	(176)
Other	(153)		(153)
Taxes	(673)	(20) (4)	(697)
	-----	-----	-----
NET INCOME	\$ 1,826	\$ (13)	\$ 1,813
	=====	=====	=====
 BASIC EARNINGS PER COMMON SHARE	 \$ 4.63		 \$ 4.60
	=====		=====

Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
2003 FIRST NINE MONTHS  
NET INCOME (LOSS)  
(\$ MILLIONS)

	REPORTED INCOME	SIGNIFICANT ITEMS AFFECTING INCOME		CORE EARNINGS
	-----	-----		-----
Oil & Gas	\$ 2,024			\$ 2,024
Chemical	139			139
Corporate				
Interest expense, net - debt and trust preferred distributions	(270)	61	Debt repayment fee	(209)
Other	(175)			(175)
Taxes	(505)	(21)	Tax effect of adjustments	(526)
	-----	-----		-----
Income from continuing operations	1,213	40		1,253
Cumulative effect of accounting changes	(68)	68	Cumulative effect of acct changes	--
	-----	-----		-----
NET INCOME	\$ 1,145	\$ 108		\$ 1,253
	=====	=====		=====
 BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 3.17			\$ 3.27
Cumulative effect of accounting changes	(0.18)			--
	-----			-----
	\$ 2.99			\$ 3.27
	=====			=====

Investor Relations Supplemental Schedules

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OCCIDENTAL PETROLEUM  
 ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

PRE-TAX INCOME / (EXPENSE)	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
OIL & GAS				
Gain on sale of GOM assets (a)	--	--	--	14
CHEMICALS				
Reorganizations / severance	--	--	--	(15)
Chlorine derivatives asset impairment	--	--	--	(9)
CORPORATE				
Equity earnings	15	(6)	13	(42)
Environmental remediation	--	--	--	(13)
Interest expense - early debt extinguishments - 2004 / consolidation of variable interest entity - 2003	(5)	--	(5)	6

(a) Amount shown after-tax

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OCCIDENTAL PETROLEUM  
WORLDWIDE EFFECTIVE TAX RATE

REPORTED INCOME	QUARTERLY			YEAR TO-DATE	
	2004 QTR 3	2004 QTR 2	2003 QTR 3	2004 9 MONTHS	2003 9 MONTHS
Oil & Gas (a)	1,221	985	799	3,125	2,436
Chemicals	139	88	63	279	147
Corporate & other	(108)	(109)	(116)	(340)	(447)
Pre-tax income	1,252	964	746	3,064	2,136
Income tax expense					
Federal and state	277	213	163	681	517
Foreign (included in segments) (a)	217	170	137	557	406
Total	494	383	300	1,238	923
Income from continuing operations	758	581	446	1,826	1,213
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	40%	40%	43%
CORE INCOME	2004 QTR 3	2004 QTR 2	2003 QTR 3	2004 9 MONTHS	2003 9 MONTHS
Oil & Gas (a)	1,221	985	799	3,125	2,436
Chemicals	139	88	63	279	147
Corporate & other	(108)	(109)	(116)	(329)	(386)
Pre-tax income	1,252	964	746	3,075	2,197
Income tax expense					
Federal and state	277	213	162	705	537
Foreign (included in segments) (a)	217	170	138	557	407
Total	494	383	300	1,262	944
Income from continuing operations	758	581	446	1,813	1,253
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	40%	41%	43%

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

	2004 QTR 3	2004 QTR 2	2003 QTR 3	2004 9 MONTHS	2003 9 MONTHS
	149	116	104	382	295

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OCCIDENTAL PETROLEUM  
2004 THIRD QUARTER NET INCOME (LOSS)  
REPORTED INCOME COMPARISON

	THIRD QUARTER 2004	SECOND QUARTER 2004	B / (W)
	-----	-----	-----
OIL & GAS	\$ 1,003	\$ 814	\$ 189
CHEMICAL	137	85	52
CORPORATE			
INTEREST EXPENSE, NET - DEBT AND TRUST PREFERRED DISTRIBUTIONS	(59)	(60)	1
OTHER	(49)	(49)	--
TAXES	(274)	(209)	(65)
	-----	-----	-----
NET INCOME	\$ 758	\$ 581	\$ 177
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.91	\$ 1.48	\$ 0.43
	=====	=====	=====
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	1%
	=====	=====	=====

OCCIDENTAL PETROLEUM  
2004 THIRD QUARTER NET INCOME (LOSS)  
CORE EARNINGS COMPARISON

	THIRD QUARTER 2004	SECOND QUARTER 2004	B / (W)
	-----	-----	-----
OIL & GAS	\$ 1,003	\$ 814	\$ 189
CHEMICAL	137	85	52
CORPORATE			
INTEREST EXPENSE, NET - DEBT AND TRUST PREFERRED DISTRIBUTIONS	(59)	(60)	1
OTHER	(49)	(49)	--
TAXES	(274)	(209)	(65)
	-----	-----	-----
NET INCOME	\$ 758	\$ 581	\$ 177
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.91	\$ 1.48	\$ 0.43
	=====	=====	=====
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	1%
	=====	=====	=====



[OXY LOGO]

OCCIDENTAL PETROLEUM  
2004 THIRD QUARTER NET INCOME (LOSS)  
REPORTED INCOME COMPARISON

	THIRD QUARTER 2004	THIRD QUARTER 2003	B / (W)
	-----	-----	-----
OIL & GAS	\$ 1,003	\$ 660	\$ 343
CHEMICAL	137	61	76
CORPORATE			
INTEREST EXPENSE, NET - DEBT AND			
TRUST PREFERRED DISTRIBUTIONS	(59)	(71)	12
OTHER	(49)	(44)	(5)
TAXES	(274)	(160)	(114)
	-----	-----	-----
NET INCOME	\$ 758	\$ 446	\$ 312
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.91	\$ 1.16	\$ 0.75
	=====	=====	=====
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	1%
	=====	=====	=====

OCCIDENTAL PETROLEUM  
2004 THIRD QUARTER NET INCOME (LOSS)  
CORE EARNINGS COMPARISON

	THIRD QUARTER 2004	THIRD QUARTER 2003	B / (W)
	-----	-----	-----
OIL & GAS	\$ 1,003	\$ 660	\$ 343
CHEMICAL	137	61	76
CORPORATE			
INTEREST EXPENSE, NET - DEBT AND			
TRUST PREFERRED DISTRIBUTIONS	(59)	(71)	12
OTHER	(49)	(44)	(5)
TAXES	(274)	(160)	(114)
	-----	-----	-----
NET INCOME	\$ 758	\$ 446	\$ 312
	=====	=====	=====
BASIC EARNINGS PER COMMON SHARE	\$ 1.91	\$ 1.16	\$ 0.75
	=====	=====	=====
WORLDWIDE EFFECTIVE TAX RATE	39%	40%	1%
	=====	=====	=====



[OXY LOGO]

OCCIDENTAL PETROLEUM  
OIL & GAS  
CORE EARNINGS VARIANCE ANALYSIS  
(\$ MILLIONS)

2004 3rd Quarter	\$	1,003
2003 3rd Quarter		660
		-----
	\$	343
		=====
Price Variance	\$	451
Volume/Mix Variance		(21)
Exploration Expense Variance		--
All Others		(87)
		-----
TOTAL VARIANCE	\$	343
		=====

=====

OCCIDENTAL PETROLEUM  
CHEMICAL  
CORE EARNINGS VARIANCE ANALYSIS  
(\$ MILLIONS)

2004 3rd Quarter	\$	137
2003 3rd Quarter		61
		-----
	\$	76
		=====
Sales Price	\$	112
Sales Volume/Mix		12
Operations/Manufacturing		(55) *
All Others		7
		-----
TOTAL VARIANCE	\$	76
		=====

\* Higher energy, feedstock costs and other manufacturing costs

[OXY LOGO]

OCCIDENTAL PETROLEUM  
SUMMARY OF OPERATING STATISTICS

	THIRD QUARTER		NINE MONTHS		
	2004	2003	2004	2003	
NET PRODUCTION PER DAY:					
UNITED STATES					
CRUDE OIL AND LIQUIDS (MBL)					
	California	77	80	77	79
	Permian	154	151	155	150
	Horn Mountain	17	24	22	19
	Hugoton	3	4	3	4
	TOTAL	251	259	257	252
NATURAL GAS (MMCF)					
	California	228	248	235	254
	Hugoton	124	136	128	141
	Permian	122	134	131	128
	Horn Mountain	14	16	15	12
	TOTAL	488	534	509	535
LATIN AMERICA					
CRUDE OIL (MBL)					
	Colombia	38	31	37	35
	Ecuador	49	27	46	20
	TOTAL	87	58	83	55
MIDDLE EAST					
CRUDE OIL (MBL)					
	Oman	14	13	13	12
	Qatar	44	44	44	47
	Yemen	28	34	33	36
	TOTAL	86	91	90	95
NATURAL GAS (MMCF)					
	Oman	88	--	52	--
OTHER EASTERN HEMISPHERE					
CRUDE OIL (MBL)					
	Pakistan	7	10	8	10
NATURAL GAS (MMCF)					
	Pakistan	73	71	74	74
BARRELS OF OIL EQUIVALENT (MBOE)					
-----					
SUBTOTAL CONSOLIDATED SUBSIDIARIES		539	519	544	514
OTHER INTERESTS					
	COLOMBIA - MINORITY INTEREST	(4)	(4)	(5)	(4)
	RUSSIA - OCCIDENTAL NET INTEREST	27	30	29	30
	YEMEN - OCCIDENTAL NET INTEREST	1	1	1	1
TOTAL WORLDWIDE PRODUCTION (MBOE)		563	546	569	541
		=====	=====	=====	=====

[OXY LOGO]

OCCIDENTAL PETROLEUM  
SUMMARY OF OPERATING STATISTICS

	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
OIL & GAS:				
-----				
PRICES				
UNITED STATES				
Crude Oil (\$/BBL)	40.29	28.24	36.07	28.83
Natural gas (\$/MCF)	5.87	5.00	5.25	4.93
LATIN AMERICA				
Crude Oil (\$/BBL)	36.07	25.84	32.00	27.29
MIDDLE EAST				
Crude Oil (\$/BBL)	37.76	27.14	34.00	27.59
Natural Gas (\$/MCF)	0.97	--	0.97	--
OTHER EASTERN HEMISPHERE				
Crude Oil (\$/BBL)	35.44	25.61	32.13	26.49
Natural Gas (\$/MCF)	2.30	2.13	2.33	1.98
TOTAL WORLDWIDE				
Crude Oil (\$/BBL)	37.87	26.81	33.78	27.20
Natural Gas (\$/MCF)	4.77	4.63	4.52	4.55

	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
EXPLORATION EXPENSE				
Domestic	\$ 23	\$ 25	\$ 83	\$ 70
Latin America	1	2	4	8
Middle East	1	6	15	12
Other Eastern Hemisphere	12	4	29	4
TOTAL	\$ 37	\$ 37	\$ 131	\$ 94
	=====	=====	=====	=====

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OCCIDENTAL PETROLEUM  
CHEMICALS  
VOLUME (M TONS, EXCEPT PVC RESINS)

MAJOR PRODUCTS	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
Chlorine	730	681	2,176	2,031
Caustic	795	697	2,346	2,053
Ethylene Dichloride	102	135	324	374
PVC Resins (millions of pounds)	1,044	1,009	3,205	2,944

CHEMICALS  
PRICES (INDEX)

MAJOR PRODUCTS	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
Chlorine	2.23	1.76	1.94	1.73
Caustic	0.84	0.85	0.72	0.85
Ethylene Dichloride	1.64	1.13	1.48	1.18
PVC Resins	1.13	0.88	1.05	0.91

1987 through 1990 average price = 1.00

CHLORINE

OXYCHEM COMMENTARY

- o Chlorine operating rates remained strong throughout the 3rd quarter. Unscheduled chlor-alkali outages were the only source of reduced production within the quarter.
- o As contract terms permitted, OxyChem fully implemented the \$20 per ton price increase announced in the 2nd quarter.
- o OxyChem announced an additional \$20 per ton increase to be effective October 1 to most accounts. Other U.S. chlor-alkali producers announced similar increases. Market conditions are expected to remain favorable for the successful implementation of the announced price increase.
- o Hurricane Ivan and unscheduled outages in the 3rd quarter combined to further tighten the supply/demand balance. 4th quarter operating rates are expected to remain high as the demand for downstream products continues to be strong.

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[OXY LOGO]

- o Order control programs for chlorine are still in effect and are expected to remain so through the 4th quarter for OxyChem and other U.S. producers.

INFLUENCING FACTORS:

-----  
Avoiding customer shutdowns will remain difficult due to tight chlorine supply/demand conditions and scheduled 4th quarter outages. Many large chlorine consumers have been forced to curtail production rates due to lack of chlorine availability. A smaller than expected fall-off in seasonal demand has contributed to the tightening of the supply/demand balance.

CAUSTIC

-----  
OXYCHEM COMMENTARY

- o 3rd quarter demand for caustic soda remained strong with sales volumes consistent with those of the 2nd quarter. The organic, bleach and alumina market segments contributed significantly to the strength of the 3rd quarter.
- o The order control programs instituted in the 2nd quarter by OxyChem and other U.S. producers continued throughout the 3rd quarter and are expected to remain through the 4th quarter.
- o U.S. producers successfully implemented the \$95 DST price increase announced in the 2nd quarter. U.S. producers have announced an additional price increase of \$110 DST to be implemented in the 4th quarter.

INFLUENCING FACTORS:

-----  
The supply/demand balance for liquid caustic soda continues to lend support for future price improvement in 2004. Continued strength in the U.S. manufacturing sector is expected to keep liquid caustic soda demand in line with high chlorine industry operating rates.

EDC

-----  
OXYCHEM COMMENTARY

- o Sky-rocketing ethylene costs in Asia increased 3rd quarter demand for U.S. produced EDC and offset any seasonal pricing pressures. As a result of the increased demand, prices rose rapidly during the quarter.
- o The accelerating EDC prices narrowed the gap with VCM and PVC that had developed in the first half of 2004. By the middle of the 3rd quarter, prices for EDC and its downstream products VCM and PVC had gained upward momentum.

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[OXY LOGO]

- o EDC availability to China increased in September when Japan experienced a typhoon that damaged several of their VCM facilities.

INFLUENCING FACTORS:

-----  
The supply/demand balance for EDC in Asia is expected to remain tight. High raw material and energy costs will support continued demand for U.S. produced material. Chlorine availability within the U.S. for EDC production is expected to be limited.

PVC/VCM

-----  
OXYCHEM COMMENTARY

- o Strong domestic PVC demand coupled with a robust export market led to a sold out position in the 3rd quarter. The export demand along with PVC plant outages has contributed to a supply/demand position that is balanced to tight on the domestic side.
- o Domestic PVC industry operating rates dipped slightly from the 2nd quarter due to outages. VCM and PVC inventories at the producer level declined while PVC levels at pipe producers and distributors remained moderate.
- o Strong demand from PVC producers, VCM plant outages and low operating rates at Pemex tightened the VCM supply/demand balance. PVC production was interrupted at some producers due to VCM availability.
- o Both the Westlake Geismar and Shintech Addis facilities remain idle. There is some indication that Westlake will attempt to restart the PVC plant at low rates in November.
- o Domestic PVC resin prices were flat in July and increased \$0.01 per pound in both August and September. An additional increase of \$0.01 per pound is expected for November.

INFLUENCING FACTORS:

-----  
Continued strong demand and pricing to the export market is expected through the 4th quarter, providing support for future price improvements throughout the vinyls chain. However, increases in energy and ethylene costs will offset some of the margin improvement gained in the 3rd quarter.

[OXY LOGO]

OCCIDENTAL PETROLEUM  
SUMMARY OF OPERATING STATISTICS

CAPITAL EXPENDITURES (\$MM)	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
Oil & Gas				
California	\$ 87	\$ 58	\$ 231	\$ 155
Permian	81	72	206	187
Other - U.S.	18	11	30	37
Latin America	40	30	123	67
Middle East	191	152	550	376
Other Eastern Hemisphere	7	5	28	14
Chemicals	40	27	96	300 (a)
Corporate	3	5	7	15
<b>TOTAL</b>	<b>\$ 467</b>	<b>\$ 360</b>	<b>\$ 1,271</b>	<b>\$ 1,151</b>

(a) Includes \$180 million for the buyout of a VCM plant lease and \$44 million for buyout of railcar leases

DEPRECIATION, DEPLETION & AMORTIZATION OF ASSETS (\$MM)	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
Oil & Gas				
Domestic	\$ 153	\$ 158	\$ 466	\$ 481
Latin America	24	15	72	42
Middle East	67	49	201	150
Other Eastern Hemisphere	13	12	35	33
Chemicals	61	57	184	149
Corporate	4	4	14	11
<b>TOTAL</b>	<b>\$ 322</b>	<b>\$ 295</b>	<b>\$ 972</b>	<b>\$ 866</b>

Investor Relations Supplemental Schedules

[OXY LOGO]

OCCIDENTAL PETROLEUM  
CORPORATE  
(\$ MILLIONS)

	30-SEP-04 -----	31-DEC-03 -----
CAPITALIZATION		
Oxy Long-Term Debt (including current maturities)	\$ 3,832	\$ 4,016
Trust Preferred Securities	--	453
Subsidiary Preferred Stock	75	75
Others	26	26
	-----	-----
TOTAL DEBT	\$ 3,933 =====	\$ 4,570 =====
EQUITY		
	\$ 9,778 =====	\$ 7,929 =====
Total Debt To Total Capitalization	29% =====	37% =====



[OXY LOGO]

Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand considerations, for oil, gas and chemicals; higher-than-expected costs; political risk; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.