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) January 25, 2012

OCCIDENTAL PETROLEUM CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**1-9210**	**95-4035997**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

10889 Wilshire Boulevard Los Angeles, California	**90024**
(Address of principal executive offices)	(ZIP code)

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 January 25, 2012, Occidental Petroleum Corporation released information regarding its results of operations for the three and twelve months ended December 31, 2011. 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 James M. Lienert and Stephen Chazen are attached to this report as Exhibit 99.2. Investor Relations Supplemental Schedules are attached to this report as Exhibit 99.3. Earnings Conference Call Slides are attached to this report as Exhibit 99.4. Forward-Looking Statements Disclosure for Earnings Release Presentation Materials is attached to this report as Exhibit 99.5. The information in this Item 2.02 and Exhibits 99.1 through 99.5, inclusive, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Section 8 – Other Events

Item 8.01. Other Events

On January 25, 2012, Occidental Petroleum Corporation announced net income of $1.6 billion ($2.01 per diluted share) for the fourth quarter of 2011, compared with the $1.2 billion ($1.49 per diluted share) for the fourth quarter of 2010. Core income was $1.6 billion ($2.02 per diluted share) for the fourth quarter of 2011, compared with $1.3 billion ($1.58 per diluted share) for the fourth quarter of 2010.

Net income for the twelve months of 2011 was $6.8 billion ($8.32 per diluted share), compared with $4.5 billion ($5.56 per diluted share) for the same period in 2010. Core income for the year 2011 exceeded $6.8 billion ($8.39 per diluted share), compared with $4.7 billion ($5.72 per diluted share) for the same period in 2010.

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were $2.5 billion for the fourth quarter of 2011, compared with $1.7 billion for the fourth quarter of 2010. After excluding 2010 domestic asset impairments, the fourth quarter of 2010 core segment earnings were $1.9 billion. The increase in the fourth quarter of 2011 earnings was due to higher liquids volumes and prices, partially offset by higher operating costs and DD&A rates.

For the fourth quarter of 2011, daily oil and gas production volumes averaged 748,000 barrels of oil equivalent (BOE), compared with 714,000 BOE in the fourth quarter of 2010. As a result of higher year-over-year average oil prices and other factors affecting production sharing and similar contracts, production was reduced in the Middle East/North Africa and Colombia by 17,000 BOE per day.

The fourth quarter 2011 production volume increase was a result of 61,000 BOE per day higher domestic volumes, partially offset by lower volumes in the Middle East/North Africa and Colombia. The domestic increase was from South Texas, the Williston Basin and California. The Middle East/North

Africa was lower due to the decline of production in Libya and the effect of price and other factors on production sharing contracts.

Daily sales volumes increased from 699,000 BOE per day in the fourth quarter of 2010 to 749,000 BOE per day in the fourth quarter of 2011.

Oxy's realized price for worldwide crude oil was $99.62 per barrel for the fourth quarter of 2011, compared with $79.96 per barrel for the fourth quarter of 2010. The fourth quarter of 2011 realized oil price represents 106 percent of the average WTI and 91 percent of the average Brent price for the quarter. Worldwide NGL prices were $55.25 per barrel in the fourth quarter of 2011, compared with $49.17 per barrel in the fourth quarter of 2010. Domestic gas prices decreased from $4.13 per MCF in the fourth quarter of 2010 to $3.59 per MCF for the fourth quarter of 2011.

Chemicals

Chemical segment earnings for the fourth quarter of 2011 were $144 million, compared to $111 million in the fourth quarter of 2010. The improvement in fourth quarter results on a year-over-year basis was primarily due to higher caustic soda pricing, which more than offset higher feedstock costs.

Midstream, Marketing and Other

Midstream segment earnings were $70 million for the fourth quarter of 2011, compared with $202 million for the fourth quarter of 2010. The decline in earnings for the fourth quarter of 2011 was primarily due to lower marketing and trading results.

TWELVE-MONTH RESULTS

Oil and Gas

Oil and gas segment earnings were $10.2 billion for the twelve months of 2011, compared with $7.2 billion for the same period of 2010. Oil and gas core earnings, after excluding asset impairments, were $10.3 billion for the twelve months of 2011, compared with $7.4 billion for the same period of 2010. The $2.9 billion increase in the 2011 results reflected higher crude oil and NGL prices and sales volumes, partially offset by higher operating costs and DD&A rates.

Oil and gas production volumes for twelve months were 733,000 BOE per day for 2011, compared with 706,000 BOE per day for 2010. Higher year-over-year average oil prices and other factors affecting production sharing and similar contracts lowered the Middle East/North Africa, Colombia and Long Beach production by 18,000 BOE per day.

Domestic volumes increased primarily due to new operations in South Texas, California and the Williston Basin. Middle East/North Africa production declined due to impacts of price and other factors on production sharing contracts and lower production in Libya, partially offset by higher production in Oman's Mukhaizna field and Iraq.

Daily sales volumes were 731,000 BOE in 2011, compared with 701,000 BOE for 2010.

Oxy's realized prices improved for crude oil and NGLs but declined for natural gas on a year-over-year basis. Realizations for crude oil and NGLs rose 30 percent and 23 percent, respectively, and fell 10 percent for natural gas. Worldwide crude oil prices were $97.92 per barrel for the twelve months of 2011, compared with $75.16 per barrel for 2010. Worldwide NGL prices were $55.53 per barrel for the twelve months of 2011, compared with $45.08 per barrel in 2010. Domestic gas prices declined from $4.53 per MCF in 2010 to $4.06 per MCF in 2011.

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Chemical segment earnings were $861 million for the twelve months of 2011, compared with $438 million for the same period in 2010. The 2011 results reflect strong export sales and higher margins resulting from higher demand across most products.

Midstream, Marketing and Other

Midstream segment earnings were $448 million for the twelve months of 2011, compared with $472 million for the same period in 2010. The 2011 results reflect lower marketing and trading income, partially offset by higher pipeline income.

Forward-Looking Statements

Portions of this press release contain forward-looking statements and involve risks and uncertainties that could materially affect expected results of operations, liquidity, cash flows and business prospects. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations; supply and demand considerations for Occidental's products; general domestic political and regulatory approval conditions; international political conditions; not successfully completing, or any material delay of, any development of new fields, expansion projects, capital expenditures, efficiency-improvement projects, acquisitions or dispositions; potential failure to achieve expected production from existing and future oil and gas development projects; exploration risks such as drilling unsuccessful wells; any general economic recession or slowdown domestically or internationally; higher-than-expected costs; potential liability for remedial actions under existing or future environmental regulations and litigation; potential liability resulting from pending or future litigation; potential disruption or interruption of Occidental's production or manufacturing or damage to facilities due to accidents, chemical releases, labor unrest, weather, natural disasters, political events or insurgent activity; failure of risk management; changes in law or regulations; or changes in tax rates. Words such as "estimate", "project", "predict", "will", "would", "should", "could", "may", "might", "anticipate", "plan", "intend", "believe", "expect" or similar expressions that convey the uncertainty of future events or outcomes generally indicate forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. Unless legally required, Occidental does not undertake any obligation to update any forward-looking statements, as a result of new information, future events or otherwise. Material risks that may affect Occidental's results of operations and financial position appear in Part 1, Item 1A "Risk Factors" of the 2010 Form 10-K.

SUMMARY OF SEGMENT NET SALES AND EARNINGS

($ millions, except per-share amounts)	Fourth Quarter 2011	Fourth Quarter 2010	Twelve Months 2011	Twelve Months 2010
SEGMENT NET SALES				
Oil and Gas	**$ 4,784**	$ 3,759	**$ 18,419**	$ 14,276
Chemical	**1,094**	996	**4,815**	4,016
Midstream, Marketing and Other	**338**	478	**1,447**	1,471
Eliminations	**(182)**	(170)	**(742)**	(718)
Net Sales	**$ 6,034**	$ 5,063	**$ 23,939**	$ 19,045
SEGMENT EARNINGS				
Oil and Gas (a), (b)	**$ 2,537**	$ 1,666	**$ 10,241**	$ 7,151
Chemical	**144**	111	**861**	438
Midstream, Marketing and Other	**70**	202	**448**	472
	2,751	1,979	**11,550**	8,061
Unallocated Corporate Items				
Interest expense, net (c)	**(25)**	(20)	**(284)**	(93)
Income taxes (d)	**(949)**	(618)	**(4,201)**	(2,995)
Other	**(136)**	(149)	**(425)**	(404)
Income from Continuing Operations (a)	**1,641**	1,192	**6,640**	4,569
Discontinued operations, net (e)	**(7)**	20	**131**	(39)
NET INCOME (a)	**$ 1,634**	$ 1,212	**$ 6,771**	$ 4,530
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	**$ 2.02**	$ 1.47	**$ 8.16**	$ 5.62
Discontinued operations, net	**(0.01)**	0.02	**0.16**	(0.05)
	$ 2.01	$ 1.49	**$ 8.32**	$ 5.57
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	**$ 2.02**	$ 1.47	**$ 8.16**	$ 5.61
Discontinued operations, net	**(0.01)**	0.02	**0.16**	(0.05)
	$ 2.01	$ 1.49	**$ 8.32**	$ 5.56
AVERAGE COMMON SHARES OUTSTANDING				
BASIC	**810.7**	812.6	**812.1**	812.5
DILUTED	**811.5**	813.7	**812.9**	813.8

(a) **Earnings and Income** - Represent amounts attributable to Common Stock, after deducting non-controlling interest amounts of $14 million for the fourth quarter of 2010 and $72 million for the twelve months of 2010.

(b) **Oil and Gas** - The twelve months of 2011 include pre-tax charges of $35 million related to exploration write-offs in Libya and $29 million related to Colombia net worth tax. Also included in the twelve months of 2011 results is a pre-tax gain for sale of an interest in a Colombia pipeline of $22 million. The fourth quarter and twelve months of 2010 include pre-tax charges for asset impairments of $275 million.

(c) **Unallocated Corporate Items - Interest Expense, net** - The twelve months of 2011 include a pre-tax charge of $163 million related to the premium on debt extinguishment.

(d) **Unallocated Corporate Items - Taxes** - The twelve months of 2011 include a net $21 million charge for out-of-period state income taxes. The fourth quarter and twelve months of 2010 include an $80 million benefit related to foreign tax credit carry-forwards.

(e) **Discontinued Operations, net** - The twelve months of 2011 include a $144 million after-tax gain from the sale of the Argentine operations.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

($ millions)	Fourth Quarter 2011	Fourth Quarter 2010	Twelve Months 2011	Twelve Months 2010
CAPITAL EXPENDITURES	**$ 2,549**	$ 1,360	**$ 7,518**	$ 3,940
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	**$ 938**	$ 800	**$ 3,591**	$ 3,153

SUMMARY OF OPERATING STATISTICS - PRODUCTION

	Fourth Quarter		Twelve Months	
	2011	2010	**2011**	2010
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude Oil (MBBL)				
California	**84**	75	**80**	76
Permian	**137**	135	**134**	136
Midcontinent and Other	**19**	9	**16**	7
Total	**240**	219	**230**	219
NGLs (MBBL)				
California	**15**	15	**15**	16
Permian	**37**	31	**38**	29
Midcontinent and Other	**18**	7	**16**	7
Total	**70**	53	**69**	52
Natural Gas (MMCF)				
California	**276**	259	**260**	280
Permian	**167**	215	**157**	199
Midcontinent and Other	**390**	225	**365**	198
Total	**833**	699	**782**	677
Latin America				
Crude Oil (MBBL)				
Colombia	**28**	30	**29**	32
Natural Gas (MMCF)				
Bolivia	**14**	18	**15**	16
Middle East / North Africa				
Crude Oil (MBBL)				
Bahrain	**5**	3	**4**	3
Dolphin	**9**	11	**9**	11
Iraq	**9**	11	**7**	3
Libya	**1**	11	**4**	12
Oman	**67**	67	**67**	62
Qatar	**76**	75	**73**	76
Yemen	**23**	27	**27**	31
Total	**190**	205	**191**	198
NGLs (MBBL)				
Dolphin	**9**	12	**10**	13
Libya	**-**	1	**-**	1
Total	**9**	13	**10**	14
Natural Gas (MMCF)				
Bahrain	**180**	170	**173**	169
Dolphin	**181**	232	**199**	236
Oman	**58**	47	**54**	48
Total	**419**	449	**426**	453
Barrels of Oil Equivalent (MBOE)	**748**	714	**733**	706

SUMMARY OF OPERATING STATISTICS - SALES

	Fourth Quarter		Twelve Months	
	2011	2010	**2011**	2010
NET OIL, GAS AND LIQUIDS SALES PER DAY				
United States				
Crude Oil (MBBL)	**240**	219	**230**	219
NGLs (MBBL)	**70**	53	**69**	52
Natural Gas (MMCF)	**833**	699	**782**	677
Latin America				
Crude Oil (MBBL)				
Colombia	**32**	31	**29**	32
Natural Gas (MMCF)				
Bolivia	**14**	18	**15**	16
Middle East / North Africa				
Crude Oil (MBBL)				
Bahrain	**5**	3	**4**	3
Dolphin	**9**	11	**9**	12
Iraq	**6**	-	**3**	-
Libya	**1**	9	**4**	12
Oman	**66**	63	**69**	61
Qatar	**75**	74	**73**	76
Yemen	**24**	27	**27**	30
Total	**186**	187	**189**	194
NGLs (MBBL)				
Dolphin	**10**	12	**10**	12
Libya	**-**	3	**-**	1
Total	**10**	15	**10**	13
Natural Gas (MMCF)	**419**	449	**426**	453
Barrels of Oil Equivalent (MBOE)	**749**	699	**731**	701

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

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

	Fourth Quarter			
($ millions, except per-share amounts)	**2011**	**Diluted EPS**	2010	Diluted EPS
TOTAL REPORTED EARNINGS	**$ 1,634**	**$ 2.01**	$ 1,212	$ 1.49
Oil and Gas				
Segment Earnings	**$ 2,537**		$ 1,666	
Add:				
Asset impairments	**-**		275	
Segment Core Results	**2,537**		1,941	
Chemicals				
Segment Earnings	**144**		111	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**144**		111	
Midstream, Marketing and Other				
Segment Earnings	**70**		202	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**70**		202	
Total Segment Core Results	**2,751**		2,254	
Corporate				
Corporate Results --				
Non Segment *	**(1,117)**		(767)	
Add:				
Tax effect of adjustments	**-**		(100)	
Benefit from foreign tax credit carry-forwards	**-**		(80)	
Discontinued operations, net **	**7**		(20)	
Corporate Core Results - Non Segment	**(1,110)**		(967)	
TOTAL CORE RESULTS	**$ 1,641**	**$ 2.02**	$ 1,287	$ 1.58

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

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

	Twelve Months			
($ millions, except per-share amounts)	**2011**	**Diluted EPS**	2010	Diluted EPS
TOTAL REPORTED EARNINGS	**$ 6,771**	**$ 8.32**	$ 4,530	$ 5.56
Oil and Gas				
Segment Earnings	**$ 10,241**		$ 7,151	
Add:				
Libya exploration write-off	**35**		-	
Gain on sale of Colombia pipeline interest	**(22)**		-	
Foreign tax	**29**		-	
Asset impairments	**-**		275	
Segment Core Results	**10,283**		7,426	
Chemicals				
Segment Earnings	**861**		438	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**861**		438	
Midstream, Marketing and Other				
Segment Earnings	**448**		472	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**448**		472	
Total Segment Core Results	**11,592**		8,336	
Corporate				
Corporate Results --				
Non Segment *	**(4,779)**		(3,531)	
Add:				
Premium on debt extinguishments	**163**		-	
State income tax charge	**33**		-	
Tax effect of pre-tax adjustments	**(50)**		(100)	
Benefit from foreign tax credit carry-forwards	**-**		(80)	
Discontinued operations, net **	**(131)**		39	
Corporate Core Results - Non Segment	**(4,764)**		(3,672)	
TOTAL CORE RESULTS	**$ 6,828**	**$ 8.39**	$ 4,664	$ 5.72

* Interest expense, income taxes, G&A expense and other

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Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press release dated January 25, 2012.

99.2 Full text of speeches given by James M. Lienert and Stephen Chazen.

99.3 Investor Relations Supplemental Schedules.

99.4 Earnings Conference Call Slides.

99.5 Forward-Looking Statements Disclosure for Earnings Release Presentation Materials.

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: January 25, 2012

/s/ ROY PINECI
Roy Pineci, Vice President, Controller
and Principal Accounting Officer

EXHIBIT INDEX

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Oxy News Release

Occidental Petroleum Corporation
10889 Wilshire Boulevard
Los Angeles, California 90024-4201
310.208.8800
www.oxy.com

For Immediate Release: January 25, 2012

Occidental Petroleum Announces Fourth Quarter and Twelve Months of 2011 Income

- Q4 2011 earnings from continuing operations of $1.6 billion ($2.02 per diluted share)
- Q4 2011 daily domestic oil and gas production of 449,000 BOE, highest in Company's history
- Q4 2011 total daily oil and gas production of 748,000 BOE
- Total year net income of $6.8 billion ($8.32 per diluted share)

LOS ANGELES, January 25, 2012 -- Occidental Petroleum Corporation (NYSE:OXY) announced net income of $1.6 billion ($2.01 per diluted share) for the fourth quarter of 2011, compared with the $1.2 billion ($1.49 per diluted share) for the fourth quarter of 2010. Core income was $1.6 billion ($2.02 per diluted share) for the fourth quarter of 2011, compared with $1.3 billion ($1.58 per diluted share) for the fourth quarter of 2010.

Net income for the twelve months of 2011 was $6.8 billion ($8.32 per diluted share), compared with $4.5 billion ($5.56 per diluted share) for the same period in 2010. Core income for the year 2011 exceeded $6.8 billion ($8.39 per diluted share), compared with $4.7 billion ($5.72 per diluted share) for the same period in 2010.

In announcing the results, Stephen I. Chazen, President and Chief Executive Officer, said, "The 2011 net income of $6.8 billion was 49-percent higher than 2010. For the year, we continued to generate strong financial results with cash flow from operations of $12.3 billion and ROE of 19 percent. We increased our annual dividend by 21 percent to $1.84 per share.

"Our domestic fourth quarter oil and gas production of 449,000 barrels of oil equivalent per day was the highest in Occidental's history, breaking the previous record achieved last quarter. The domestic production also reflected our highest ever quarterly volume for liquids. Total company production was 748,000 BOE per day for the fourth quarter, an increase of nearly 5 percent from the fourth quarter of 2010. Total company production for the full year of 2011 was 733,000 BOE per day, an increase of nearly 4 percent from 2010."

QUARTERLY RESULTS

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About Oxy

Occidental Petroleum Corporation is an international oil and gas exploration and production company with operations in the United States, Middle East/North Africa and Latin America regions. Oxy is the fourth largest U.S. oil and gas company, based on equity market capitalization. Oxy's wholly owned subsidiary, OxyChem, manufactures and markets chlor-alkali products and vinyls. Occidental is committed to safeguarding the environment, protecting the safety and health of employees and neighboring communities and upholding high standards of social responsibility in all of the company's worldwide operations.

Forward-Looking Statements

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

SUMMARY OF SEGMENT NET SALES AND EARNINGS

($ millions, except per-share amounts)	Fourth Quarter 2011	Fourth Quarter 2010	Twelve Months 2011	Twelve Months 2010
SEGMENT NET SALES				
Oil and Gas	**$ 4,784**	$ 3,759	**$ 18,419**	$ 14,276
Chemical	**1,094**	996	**4,815**	4,016
Midstream, Marketing and Other	**338**	478	**1,447**	1,471
Eliminations	**(182)**	(170)	**(742)**	(718)
Net Sales	**$ 6,034**	$ 5,063	**$ 23,939**	$ 19,045
SEGMENT EARNINGS				
Oil and Gas (a), (b)	**$ 2,537**	$ 1,666	**$ 10,241**	$ 7,151
Chemical	**144**	111	**861**	438
Midstream, Marketing and Other	**70**	202	**448**	472
	2,751	1,979	**11,550**	8,061
Unallocated Corporate Items				
Interest expense, net (c)	**(25)**	(20)	**(284)**	(93)
Income taxes (d)	**(949)**	(618)	**(4,201)**	(2,995)
Other	**(136)**	(149)	**(425)**	(404)
Income from Continuing Operations (a)	**1,641**	1,192	**6,640**	4,569
Discontinued operations, net (e)	**(7)**	20	**131**	(39)
NET INCOME (a)	**$ 1,634**	$ 1,212	**$ 6,771**	$ 4,530
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	**$ 2.02**	$ 1.47	**$ 8.16**	$ 5.62
Discontinued operations, net	**(0.01)**	0.02	**0.16**	(0.05)
	$ 2.01	$ 1.49	**$ 8.32**	$ 5.57
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	**$ 2.02**	$ 1.47	**$ 8.16**	$ 5.61
Discontinued operations, net	**(0.01)**	0.02	**0.16**	(0.05)
	$ 2.01	$ 1.49	**$ 8.32**	$ 5.56
AVERAGE COMMON SHARES OUTSTANDING				
BASIC	**810.7**	812.6	**812.1**	812.5
DILUTED	**811.5**	813.7	**812.9**	813.8

(a) **Earnings and Income** - Represent amounts attributable to Common Stock, after deducting non-controlling interest amounts of $14 million for the fourth quarter of 2010 and $72 million for the twelve months of 2010.

(b) **Oil and Gas** - The twelve months of 2011 include pre-tax charges of $35 million related to exploration write-offs in Libya and $29 million related to Colombia net worth tax. Also included in the twelve months of 2011 results is a pre-tax gain for sale of an interest in a Colombia pipeline of $22 million. The fourth quarter and twelve months of 2010 include pre-tax charges for asset impairments of $275 million.

(c) **Unallocated Corporate Items - Interest Expense, net** - The twelve months of 2011 include a pre-tax charge of $163 million related to the premium on debt extinguishment.

(d) **Unallocated Corporate Items - Taxes** - The twelve months of 2011 include a net $21 million charge for out-of-period state income taxes. The fourth quarter and twelve months of 2010 include an $80 million benefit related to foreign tax credit carry-forwards.

(e) **Discontinued Operations, net** - The twelve months of 2011 include a $144 million after-tax gain from the sale of the Argentine operations.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

($ millions)	Fourth Quarter 2011	Fourth Quarter 2010	Twelve Months 2011	Twelve Months 2010
CAPITAL EXPENDITURES	**$ 2,549**	$ 1,360	**$ 7,518**	$ 3,940
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	**$ 938**	$ 800	**$ 3,591**	$ 3,153

SUMMARY OF OPERATING STATISTICS - PRODUCTION

	Fourth Quarter		Twelve Months	
	2011	2010	**2011**	2010
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude Oil (MBBL)				
California	**84**	75	**80**	76
Permian	**137**	135	**134**	136
Midcontinent and Other	**19**	9	**16**	7
Total	**240**	219	**230**	219
NGLs (MBBL)				
California	**15**	15	**15**	16
Permian	**37**	31	**38**	29
Midcontinent and Other	**18**	7	**16**	7
Total	**70**	53	**69**	52
Natural Gas (MMCF)				
California	**276**	259	**260**	280
Permian	**167**	215	**157**	199
Midcontinent and Other	**390**	225	**365**	198
Total	**833**	699	**782**	677
Latin America				
Crude Oil (MBBL)				
Colombia	**28**	30	**29**	32
Natural Gas (MMCF)				
Bolivia	**14**	18	**15**	16
Middle East / North Africa				
Crude Oil (MBBL)				
Bahrain	**5**	3	**4**	3
Dolphin	**9**	11	**9**	11
Iraq	**9**	11	**7**	3
Libya	**1**	11	**4**	12
Oman	**67**	67	**67**	62
Qatar	**76**	75	**73**	76
Yemen	**23**	27	**27**	31
Total	**190**	205	**191**	198
NGLs (MBBL)				
Dolphin	**9**	12	**10**	13
Libya	**-**	1	**-**	1
Total	**9**	13	**10**	14
Natural Gas (MMCF)				
Bahrain	**180**	170	**173**	169
Dolphin	**181**	232	**199**	236
Oman	**58**	47	**54**	48
Total	**419**	449	**426**	453
Barrels of Oil Equivalent (MBOE)	**748**	714	**733**	706

SUMMARY OF OPERATING STATISTICS - SALES

	Fourth Quarter		Twelve Months	
	2011	2010	**2011**	2010
NET OIL, GAS AND LIQUIDS SALES PER DAY				
United States				
Crude Oil (MBBL)	**240**	219	**230**	219
NGLs (MBBL)	**70**	53	**69**	52
Natural Gas (MMCF)	**833**	699	**782**	677
Latin America				
Crude Oil (MBBL)				
Colombia	**32**	31	**29**	32
Natural Gas (MMCF)				
Bolivia	**14**	18	**15**	16
Middle East / North Africa				
Crude Oil (MBBL)				
Bahrain	**5**	3	**4**	3
Dolphin	**9**	11	**9**	12
Iraq	**6**	-	**3**	-
Libya	**1**	9	**4**	12
Oman	**66**	63	**69**	61
Qatar	**75**	74	**73**	76
Yemen	**24**	27	**27**	30
Total	**186**	187	**189**	194
NGLs (MBBL)				
Dolphin	**10**	12	**10**	12
Libya	**-**	3	**-**	1
Total	**10**	15	**10**	13
Natural Gas (MMCF)	**419**	449	**426**	453
Barrels of Oil Equivalent (MBOE)	**749**	699	**731**	701

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

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

	Fourth Quarter			
($ millions, except per-share amounts)	**2011**	**Diluted EPS**	2010	Diluted EPS
TOTAL REPORTED EARNINGS	**$ 1,634**	**$ 2.01**	$ 1,212	$ 1.49
Oil and Gas				
Segment Earnings	**$ 2,537**		$ 1,666	
Add:				
Asset impairments	**-**		275	
Segment Core Results	**2,537**		1,941	
Chemicals				
Segment Earnings	**144**		111	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**144**		111	
Midstream, Marketing and Other				
Segment Earnings	**70**		202	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**70**		202	
Total Segment Core Results	**2,751**		2,254	
Corporate				
Corporate Results --				
Non Segment *	**(1,117)**		(767)	
Add:				
Tax effect of adjustments	**-**		(100)	
Benefit from foreign tax credit carry-forwards	**-**		(80)	
Discontinued operations, net **	**7**		(20)	
Corporate Core Results - Non Segment	**(1,110)**		(967)	
TOTAL CORE RESULTS	**$ 1,641**	**$ 2.02**	$ 1,287	$ 1.58

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

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

	Twelve Months			
($ millions, except per-share amounts)	**2011**	**Diluted EPS**	2010	Diluted EPS
TOTAL REPORTED EARNINGS	**$ 6,771**	**$ 8.32**	$ 4,530	$ 5.56
Oil and Gas				
Segment Earnings	**$ 10,241**		$ 7,151	
Add:				
Libya exploration write-off	**35**		-	
Gain on sale of Colombia pipeline interest	**(22)**		-	
Foreign tax	**29**		-	
Asset impairments	**-**		275	
Segment Core Results	**10,283**		7,426	
Chemicals				
Segment Earnings	**861**		438	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**861**		438	
Midstream, Marketing and Other				
Segment Earnings	**448**		472	
Add:				
No significant items affecting earnings	**-**		-	
Segment Core Results	**448**		472	
Total Segment Core Results	**11,592**		8,336	
Corporate				
Corporate Results --				
Non Segment *	**(4,779)**		(3,531)	
Add:				
Premium on debt extinguishments	**163**		-	
State income tax charge	**33**		-	
Tax effect of pre-tax adjustments	**(50)**		(100)	
Benefit from foreign tax credit carry-forwards	**-**		(80)	
Discontinued operations, net **	**(131)**		39	
Corporate Core Results - Non Segment	**(4,764)**		(3,672)	
TOTAL CORE RESULTS	**$ 6,828**	**$ 8.39**	$ 4,664	$ 5.72

* Interest expense, income taxes, G&A expense and other

** Amounts shown after tax.

EXHIBIT 99.2

Occidental Petroleum Corporation

JAMES M. LIENERT

Executive Vice President and Chief Financial Officer

– Conference Call –

Fourth Quarter 2011 Earnings Announcement

January 25, 2012

Los Angeles, California

Thank you Chris.

Net income was $1.6 billion or $2.01 per diluted share in the fourth quarter of 2011, compared to $1.2 billion or $1.49 per diluted share in the fourth quarter of 2010.

Our consolidated pre-tax income from continuing operations in the fourth quarter of 2011 was about $2.6 billion ($2.02 per diluted share after tax), compared to approximately $2.9 billion ($2.18 per diluted share after tax) in the third quarter of 2011. Major items resulting in the difference between the third and fourth quarter income included higher oil volumes and prices, which added $0.07 per diluted share after-tax to our fourth quarter income, lower fourth quarter chemical and midstream income of $0.08 per diluted share, higher equity-based compensation costs of $0.05 per diluted share, higher exploration expense of $0.02 per diluted share and higher fourth quarter operating costs of $0.08 per diluted share.

Here’s the segment breakdown for the **fourth quarter.**

In the oil and gas segment, the fourth quarter 2011 production of 748,000 BOE per day was 9,000 BOED higher than the third quarter 2011 volumes of 739,000 BOE per day.

- Domestically, our production was 449,000 BOE per day, representing the highest ever domestic production volumes for the company, compared to our guidance of 442,000 to 444,000 BOE per day. Our production rose by 13,000 BOE per day compared to the third quarter, with the Permian and California contributing the bulk of the sequential increase in our overall domestic production volumes. Our better-than-expected fourth quarter domestic production reflected the effect of the ramp up in capital spending as well as higher levels of workover and well maintenance activity. In addition, the fourth quarter was relatively free of significant operational disruptions, which also contributed to the better than expected results.
- Latin America volumes were 31,000 BOE per day. Colombia volumes increased slightly from the third quarter while both periods included pipeline interruptions caused by insurgent activity.
- In the Middle East region:
  - We recorded 1,000 BOE per day production in Libya.
  - In Iraq, we produced 9,000 BOE per day, an increase of 5,000 BOE per day from the third quarter volumes. The higher volume is the result of higher spending levels.
  - Yemen daily production was 23,000 BOE, a decrease of 5,000 BOE from the third quarter. The decrease reflected

the timing of cost recovery and the expiration of the Masila Field contract in mid-December.

  - In Oman, the fourth quarter production was 76,000 BOE per day, a decrease of 3,000 BOE per day from the third quarter volumes. The decrease was attributable to down time from operational issues.
  - In Qatar, the fourth quarter production was 76,000 BOE per day, an increase of 3,000 BOE per day over the third quarter volumes.
  - In Dolphin and Bahrain combined, production decreased 6,000 BOE per day from the third quarter volumes. Dolphin volumes declined 9,000 BOE per day because, during the quarter, it reached annual maximum volumes allowed under its contract.

- Our fourth quarter sales volumes were 749,000 BOE per day, compared to our guidance of 740,000 BOE per day. The improvement resulted from the higher domestic production.
- Fourth quarter 2011 realized prices were mixed for our products compared to the third quarter of the year. Our worldwide crude oil realized price was $99.62 per barrel, an increase of 2 ½ percent, worldwide NGLs were $55.25 per barrel, a decrease of about 1 ½ percent, and domestic natural gas prices were $3.59 per MCF, a decline of 15 percent.
- Realized oil prices for the quarter represented 106 percent of the average WTI and 91 percent of the average Brent price. Realized NGL prices were 59 percent of WTI and realized domestic gas prices were 98 percent of NYMEX.

- Price changes at current global prices affect our quarterly earnings before income taxes by $38 million for a $1.00 per barrel change in oil prices and $8 million for a $1.00 per barrel change in NGL prices. A swing of 50 cents per million BTUs in domestic gas prices affects quarterly pre-tax earnings by about $31 million.
- Fourth quarter operating costs were about $130 million higher than the third quarter as a result of higher workover and well maintenance activity driven by our program to increase production at these higher levels of oil prices.
- Oil and gas cash production costs were $12.84 a barrel for the twelve months of 2011, compared with last year's twelve-month costs of $10.19 a barrel. The cost increase reflects the higher workover and maintenance activity I mentioned earlier.
- Taxes other than on income, which are directly related to product prices, were $2.21 per barrel for the twelve months of 2011, compared to $1.83 per barrel for all of 2010.
- Fourth quarter exploration expense, which included the impairment of several small leases, was $73 million.

Chemical segment earnings for the fourth quarter of 2011 were $144 million, compared to $245 million in the third quarter of 2011. The drop in income was the result of seasonal factors.

Midstream segment earnings of $70 million for the fourth quarter of 2011 were comparable to the $77 million in the third quarter of 2011.

The significantly higher year-end Oxy stock price, compared to the distressed levels at the end of the third quarter, affected the quarterly valuation of equity-based compensation plans reducing fourth quarter pre-tax income of the company, compared to the third quarter, by $80 million.

The worldwide effective tax rate was 37 percent for the fourth quarter of 2011. Our fourth quarter U.S. and foreign tax rates are included in the “Investor Relations Supplemental Schedule.”

Let me now turn to Occidental’s performance during the **twelve months**.

Core income was $6.8 billion or $8.39 per diluted share, compared with $4.7 billion or $5.72 per diluted share in 2010. Net income was $6.8 billion or $8.32 per diluted share for the twelve months of 2011, compared with $4.5 billion or $5.56 per diluted share in 2010.

Cash flow from operations for the twelve months of 2011 was $12.3 billion. We used $7.5 billion of the company’s total cash flow to fund capital expenditures and $2.2 billion on net acquisitions and divestitures. We used $1.4 billion to pay dividends and had a net cash inflow from debt activity of $0.6 billion. These and other net cash flows resulted in a $3.8 billion cash balance at December 31.

Looking at overall cash flows simply, our total debt, net of cash, was $2.1 billion at December 31, 2011, compared to $2.5 billion at December 31, 2010, representing net cash generated by the company of $0.4 billion. During this period, we returned $1.7 billion to our stockholders in the form of $1.4 billion of dividends, and $275 million of stock buybacks. Over two years, our net debt at December 31, 2011 was $0.5 billion higher compared to the $1.6 billion at December 31, 2009. During this period, we returned $2.9 billion to our stockholders in the form of dividends and stock buybacks while executing an $11.5 billion capital program and spending about $6.9 billion on acquisitions.

Capital expenditures for 2011 were approximately $7.5 billion, of which about $2.6 billion was incurred in the fourth quarter. The fourth quarter higher capital partially reflected the gradual ramp-up of our program during 2011. The increases were mostly at Williston domestically, and Iraq, Oman and Qatar internationally. The fourth quarter capital also included spending for several midstream projects, such as the Elk Hills gas processing plant, which will drop significantly during the first half of 2012 as these projects are completed. Total year capital expenditures by segment were 82 percent in oil and gas, 14 percent in midstream and the remainder in chemicals.

Our net **acquisition expenditures** in the twelve months were $2.2 billion, which are net of proceeds from the sale of our Argentina operations. The acquisitions included the South Texas purchase, properties in California, the Permian and Williston, and a payment in connection with the signing of the Al Hosn Gas project in Abu Dhabi which is the gas development of the Shah field. This payment was for Occidental's share of development expenditures incurred by the project prior to the date the final agreement was signed.

The weighted-average basic shares outstanding for the twelve months of 2011 were 812.1 million and the weighted-average diluted shares outstanding were 812.9 million.

Our debt-to-capitalization ratio was 13 percent, a decline of 1 percent from the end of last year.

Our return on equity for 2011 was 19.3 percent and the return on capital employed was 17.2 percent.

Oil and Gas DD&A expense was $11.48 per BOE for 2011. We expect the Oil and Gas segment DD&A rate to be about $14 per barrel in

2012. The total Chemical and Midstream DD&A expense is expected to be about $650 million for 2012.

We expect operating costs per barrel to be about $13.75 in 2012. The 2012 expected costs reflect higher levels of workovers and well maintenance activity. However, significant and substantial product price changes, and changes in activity levels and inflation resulting from product prices, may affect this cost estimate during the course of the year.

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

I will now turn the call over to Steve Chazen to discuss our 2012 capital program, year-end oil and gas reserves and provide guidance for the first half of the year.

Occidental Petroleum Corporation

STEPHEN CHAZEN

President and Chief Executive Officer

– Conference Call –

Fourth Quarter 2011 Earnings Guidance

January 25, 2012

Los Angeles, California

Thank you Jim.

We finished a strong year in terms of the three main performance criteria I outlined last quarter. Our domestic oil and gas production grew by about 12 percent for the total year to 428,000 BOE per day. Our fourth quarter domestic production of 449,000 BOED was the highest U.S. total production volume in Occidental's history, reflecting the highest ever quarterly volume for liquids of 310,000 barrels per day and the second highest quarterly volume for gas. Total company production increased about 4 percent for the year. Our chemical business delivered exceptional results for the year, achieving one of their highest earnings levels ever. Our return on equity was 19 percent for the year and return on capital was 17 percent. We increased our annual dividends by $0.32 or by 21 percent, to $1.84 per share. We expect to announce a further dividend increase after the meeting of our Board of Directors in the second week of February. I will now turn to our 2012 Capital Program. As we have discussed before, we have ample legitimate opportunities in our domestic oil and gas business where we could deploy capital. We have tried to manage the program to a level that is realistic at current price levels, and as a result, have deferred some projects that otherwise would have met our hurdle rates. We continue to have substantial inventory of high return projects going forward to fulfill our growth objectives.

<u>2012 Capital Program</u>

We are increasing our capital program approximately 10 percent in 2012 to $8.3 billion from the $7.5 billion we spent in 2011. About $500 million of this increase will be in the United States, mainly in the Permian basin, and the rest in international projects including the Al Hosn sour gas project and Iraq. The program breakdown is 84 percent in oil and gas, about 11 percent in the Midstream operations and 5 percent for Chemicals. We will review our capital program around mid-year and adjust as conditions dictate.

The following is a geographic overview of the program:

- In domestic oil and gas and related midstream projects, development capital will be about 55 percent of our total program.
- In California, we expect to spend about 21 percent of our total capital program:
    - We currently expect the rig count to remain constant in the first half of 2012 at 31, the same as what we were running at year-end 2011;
    - We are seeing improvement with respect to permitting issues in the state. We have received approved field rules and new permits for both

injection wells and drilling locations. The regulatory agency is responsive and committed to working through the backlog of permits. We expect to maintain our capital program at current levels for about the first half of the year, which will enable us to continue to grow our production volumes. We will reassess our capital program when the number of permits in hand allows it.

- In the Permian operations, we expect to spend about 20 percent of our total capital program:
  - Our rig count at year-end 2011 was 23. We expect our rig count to ramp up during the year to around 27 rigs by year end;
  - Our CO_2 flood capital should remain comparable to the 2011 levels;
  - In our non-CO_2 operations we are seeing additional opportunities for good return projects. As a result, we have stepped up their development program and 2012 capital will be about 75 percent higher than the 2011 levels.
- In the Midcontinent and other operations, we expect to spend around 14 percent of our total capital program.
  - In Williston we increased our acreage in 2011 from 204,000 to 277,000 acres. We expect that our rig count will be about 6 by the end of 2012. Additional capital that could reasonably be deployed here has been shifted to higher return

    opportunities in California and the Permian. This may also encourage Bakken well costs to decline.

    - Natural gas prices in the U.S. are horrible. As a result, we are cutting back our pure gas drilling in the Midcontinent, South Texas and the Permian.

- With regard to international capital spending –
  - Our total international development capital will be about 30 percent of the total company capital program.
  - The Al Hosn Shah gas project will continue to increase spending in 2012 as originally planned, making up about 7 percent of our total capital program for the year.
  - The rest of the international operations capital will be comparable to 2011, with modest increases expected in Iraq and Libya. In Iraq, the planned spending level should generate about 11,000 barrels of production per day. Each additional $100 million spending, incurred evenly during the year, would generate about 2,700 barrels a day of production at current price levels.
- Exploration capital should increase about 10 percent over the 2011 spending levels and represent 6 percent of the total capital program. The focus of the program domestically will continue to be in California and in the Permian and Williston basins, with additional activity in Oman and Bahrain.

2011 Oil and Gas Reserves

We haven't completed the determination of our year-end reserve levels. Based on preliminary estimates, our reserve replacement ratio from all categories was somewhat over 100 percent. In the Middle

East/North Africa, the highly profitable Dolphin project does not replace its production because of the nature of its contract. This makes overall reserve replacement for the Middle East/North Africa region very difficult. Despite this fact, the 2011 program, which includes only the reserve categories of Extensions and Discoveries and Improved Recovery, covered about 70 percent of the region's production. Oil price increases, which under the production sharing contracts reduce our share of the reserves, and non-fundamental factors in Libya and Iraq essentially negated the reserve adds from the program. As work progresses, we expect that the Libya and Iraq reserves will be restored.

In the United States, the results of the 2011 program and acquisitions replaced around 250 percent of production with both elements contributing about equal amounts. After price and other adjustments to prior year's estimates, U.S. reserves replacement was well over 150 percent.

Production Outlook

As we look ahead to 2012, we expect oil and gas production to be as follows:

- In the first half of 2012, we expect our domestic production to grow 3,000 to 4,000 BOE per day each month from the current quarterly average of 449,000 BOE per day, which would correspond to a 6,000 to 8,000 BOED increase per quarter. As Jim noted, the fourth quarter of 2011 was relatively free of significant operational disruptions resulting in better than expected domestic production. A more typical experience with respect to such issues could moderate the growth somewhat in the first quarter of 2012.

- If the production growth rate continued at a comparable pace in the second half of the year, our year-over-year average domestic production growth would be between 8 and 10 percent in 2012.
- Internationally,
    - Colombia production should be about flat for the year compared to 2011. In the first quarter of 2012, volumes should be about 3,000 BOE per day higher than the fourth quarter of 2011, although insurgent activity has picked up recently.
    - The Middle East region production is expected to be as follows for the first half of the year:
        - Production has resumed in our operations in Libya, and at this point, we expect about 5,000 BOE per day production, with further growth to come later in the year. At this point we reasonably expect that total year Libya production will be about half the level that existed prior to the cessation of operations.
        - In Iraq, as I discussed previously, production levels depend on capital spending levels. We are still unable to reliably predict the timing of spending levels, but we expect production to be similar to the past quarter.

- In Yemen, as we previously disclosed, our Masila block contract expired in December 2011. Our share of the production from Masila was about 11,000 BOE per day for the full year. Our remaining operations in Yemen typically have higher volumes early in the year due to the timing of cost recovery each year, which will partially offset the loss of Masila barrels in the first half of 2012. As a result, we expect our total Yemen production to drop slightly from the 4_{th} quarter 2011 levels in the first half of the year.
- In the remainder of the Middle East, we expect production to be comparable to the fourth quarter volumes.

- At current prices, we expect total first quarter sales volumes to be comparable to the fourth quarter of 2011 volumes, depending on the scheduling of liftings.
- A $5.00 change in global oil prices would impact our production sharing contracts daily volumes by about 3,000 BOE per day.

Additionally -

- We expect exploration expense to be about $100 million for seismic and drilling for our exploration programs in the first quarter.
- The chemical segment first quarter earnings are expected to be about $165 million with seasonal demand improvement expected in the second and third quarters. We expect that lower natural gas prices and the continuing improvement in the global economy will

have a positive impact on our chemical business margins, which is expected to be offset partially by higher ethylene prices.

- We expect our combined worldwide tax rate in the first quarter of 2012 to increase to about 40 percent. The increase from 2011 reflects a higher proportional mix of international income with higher tax rates, in particular from Libya.

So to summarize:

- We closed out 2011 on a solid note, with record high domestic oil and gas production in the fourth quarter of 2011, which was also ahead of our guidance;
- We continued to generate strong financial returns well above our cost of capital;
- We enter this year raising our capital program by about 10 percent, compared with last year, in order to prudently pursue our substantial inventory of high return growth projects;
- The business continues to grow and generate free cash flow after capital, which should allow us to consistently grow the dividend at an attractive rate, further boosting the total return to our shareholders.

Now we're ready to take your questions.

Occidental Petroleum Corporation
Free Cash Flow
Reconciliation to Generally Accepted Accounting Principles (GAAP)
($ Millions)

	Twelve Months 2011
Consolidated Statement of Cash Flows	
Cash flow from operating activities	12,281
Cash flow from investing activities	(9,903)
Cash flow from financing activities	(1,175)
Change in cash	1,203
Free Cash Flow	
Cash flow from operating activities - continuing operations	12,306
Capital spending	(7,518)
Free cash flow before dividends	**4,788**
Dividends	(1,436)
Free cash flow after dividends	**3,352**

Occidental Petroleum Corporation
Return on Capital Employed (ROCE)
Reconciliation to Generally Accepted Accounting Principles (GAAP)

	2010	2011
RETURN ON CAPITAL EMPLOYED (%)	13.2	17.2
GAAP measure - net income attributable to common stock	4,530	6,771
Interest expense	93	284
Tax effect of interest expense	(33)	(99)
Earnings before tax-effected interest expense	4,590	6,956
GAAP stockholders' equity	32,484	37,620
Debt	5,111	5,871
Total capital employed	37,595	43,491
ROCE	**13.2**	**17.2**

Investor Relations Supplemental Schedules
Summary
($ Millions)

	4Q 2011	4Q 2010
Core Results	$1,641	$1,287
EPS - Diluted	$2.02	$1.58
Reported Net Income	$1,634	$1,212
EPS - Diluted	$2.01	$1.49
Total Worldwide Sales Volumes (mboe/day)	749	699
Total Worldwide Production Volumes (mboe/day)	748	714
Total Worldwide Crude Oil Realizations ($/BBL)	$99.62	$79.96
Total Worldwide NGL Realizations ($/BBL)	$55.25	$49.17
Domestic Natural Gas Realizations ($/MCF)	$3.59	$4.13
Wtd. Average Basic Shares O/S (mm)	810.7	812.6
Wtd. Average Diluted Shares O/S (mm)	811.5	813.7

	YTD 2011	YTD 2010
Core Results	$6,828	$4,664
EPS - Diluted	$8.39	$5.72
Reported Net Income	$6,771	$4,530
EPS - Diluted	$8.32	$5.56
Total Worldwide Sales Volumes (mboe/day)	731	701
Total Worldwide Production Volumes (mboe/day)	733	706
Total Worldwide Crude Oil Realizations ($/BBL)	$97.92	$75.16
Total Worldwide NGL Realizations ($/BBL)	$55.53	$45.08
Domestic Natural Gas Realizations ($/MCF)	$4.06	$4.53
Wtd. Average Basic Shares O/S (mm)	812.1	812.5
Wtd. Average Diluted Shares O/S (mm)	812.9	813.8
Shares Outstanding (mm)	811.0	812.8
Cash Flow from Operations	$ 12,300	$ 9,600

OCCIDENTAL PETROLEUM
2011 Fourth Quarter
Net Income (Loss)
($ millions)

	Reported Income	Significant Items Affecting Income		Core Results
Oil & Gas	$ 2,537			$ 2,537
Chemical	144			144
Midstream, marketing and other	70			70
Corporate				
Interest expense, net	(25)			(25)
Other	(136)			(136)
Taxes	(949)			(949)
Income from continuing operations	**1,641**	**-**		**1,641**
Discontinued operations, net of tax	(7)	7	Discontinued operations, net	-
Net Income	**$ 1,634**	**$ 7**		**$ 1,641**
Basic Earnings Per Common Share				
Income from continuing operations	$ 2.02			
Discontinued operations, net	(0.01)			
Net Income	$ 2.01			$ 2.02
Diluted Earnings Per Common Share				
Income from continuing operations	$ 2.02			
Discontinued operations, net	(0.01)			
Net Income	$ 2.01			$ 2.02

OCCIDENTAL PETROLEUM
2010 Fourth Quarter
Net Income (Loss)
($ millions)

	Reported Income	Significant Items Affecting Income		Core Results
Oil & Gas	$ 1,666	$ 275	Asset impairments	$ 1,941
Chemical	111			111
Midstream, marketing and other	202			202
Corporate				
Interest expense, net	(20)			(20)
Other	(149)			(149)
Taxes	(618)	(100)	Tax effect of adjustments	(798)
		(80)	Benefit from foreign tax credit carry-forwards	
Income from continuing operations	**1,192**	**95**		**1,287**
Discontinued operations, net of tax	20	(20)	Discontinued operations, net	-
Net Income	**$ 1,212**	**$ 75**		**$ 1,287**
Basic Earnings Per Common Share				
Income from continuing operations	$ 1.47			
Discontinued operations, net	0.02			
Net Income	$ 1.49			$ 1.58
Diluted Earnings Per Common Share				
Income from continuing operations	$ 1.47			
Discontinued operations, net	0.02			
Net Income	$ 1.49			$ 1.58

OCCIDENTAL PETROLEUM
2011 Twelve Months
Net Income (Loss)
($ millions)

	Reported Income	Significant Items Affecting Income		Core Results
Oil & Gas	$ 10,241	$ 35	Libya exploration write-off	$ 10,283
		(22)	Gain on sale of Colombia pipeline interest	
		29	Foreign tax	
Chemical	861			861
Midstream, marketing and other	448			448
Corporate				
Interest expense, net	(284)	163	Premium on debt extinguishments	(121)
Other	(425)			(425)
Taxes	(4,201)	(50)	Tax effect of adjustments	(4,218)
		33	State income tax charge	
Income from continuing operations	**6,640**	**188**		**6,828**
Discontinued operations, net of tax	131	(131)	Discontinued operations, net	-
Net Income	**$ 6,771**	**$ 57**		**$ 6,828**
Basic Earnings Per Common Share				
Income from continuing operations	$ 8.16			
Discontinued operations, net	0.16			
Net Income	$ 8.32			$ 8.39
Diluted Earnings Per Common Share				
Income from continuing operations	$ 8.16			
Discontinued operations, net	0.16			
Net Income	$ 8.32			$ 8.39

OCCIDENTAL PETROLEUM
2010 Twelve Months
Net Income (Loss)
($ millions)

	Reported Income	Significant Items Affecting Income		Core Results
Oil & Gas	$ 7,151	$ 275	Asset impairments	$ 7,426
Chemical	438			438
Midstream, marketing and other	472			472
Corporate				
Interest expense, net	(93)			(93)
Other	(404)			(404)
Taxes	(2,995)	(100)	Tax effect of adjustments	(3,175)
		(80)	Benefit from foreign tax credit carry-forwards	
Income from continuing operations	**4,569**	**95**		**4,664**
Discontinued operations, net of tax	(39)	39	Discontinued operations, net	-
Net Income	**$ 4,530**	**$ 134**		**$ 4,664**
Basic Earnings Per Common Share				
Income from continuing operations	$ 5.62			
Discontinued operations, net	(0.05)			
Net Income	$ 5.57			$ 5.73
Diluted Earnings Per Common Share				
Income from continuing operations	$ 5.61			
Discontinued operations, net	(0.05)			
Net Income	$ 5.56			$ 5.72

OCCIDENTAL PETROLEUM
Worldwide Effective Tax Rate

	QUARTERLY			YEAR-TO-DATE	
	2011	2011	2010	2011	2010
REPORTED INCOME	QTR 4	QTR 3	QTR 4	12 Months	12 Months
Oil & Gas	2,537	2,612	1,666	10,241	7,151
Chemicals	144	245	111	861	438
Midstream, marketing and other	70	77	202	448	472
Corporate & other	(161)	(72)	(169)	(709)	(497)
Pre-tax income	2,590	2,862	1,810	10,841	7,564
Income tax expense					
Federal and state	435	433	129	1,795	1,087
Foreign	514	654	489	2,406	1,908
Total	949	1,087	618	4,201	2,995
Income from continuing operations	1,641	1,775	1,192	6,640	4,569
Worldwide effective tax rate	**37%**	**38%**	**34%**	**39%**	**40%**

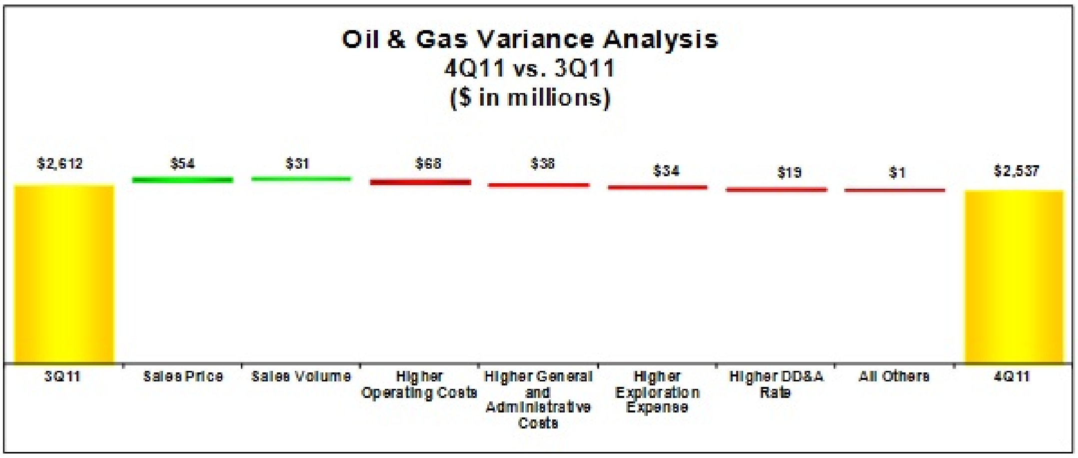
	2011	2011	2010	2011	2010
CORE RESULTS	QTR 4	QTR 3	QTR 4	12 Months	12 Months
Oil & Gas	2,537	2,612	1,941	10,283	7,426
Chemicals	144	245	111	861	438
Midstream, marketing and other	70	77	202	448	472
Corporate & other	(161)	(72)	(169)	(546)	(497)
Pre-tax income	2,590	2,862	2,085	11,046	7,839
Income tax expense					
Federal and state	435	433	309	1,825	1,267
Foreign	514	654	489	2,393	1,908
Total	949	1,087	798	4,218	3,175
Core results	1,641	1,775	1,287	6,828	4,664
Worldwide effective tax rate	**37%**	**38%**	**38%**	**38%**	**41%**

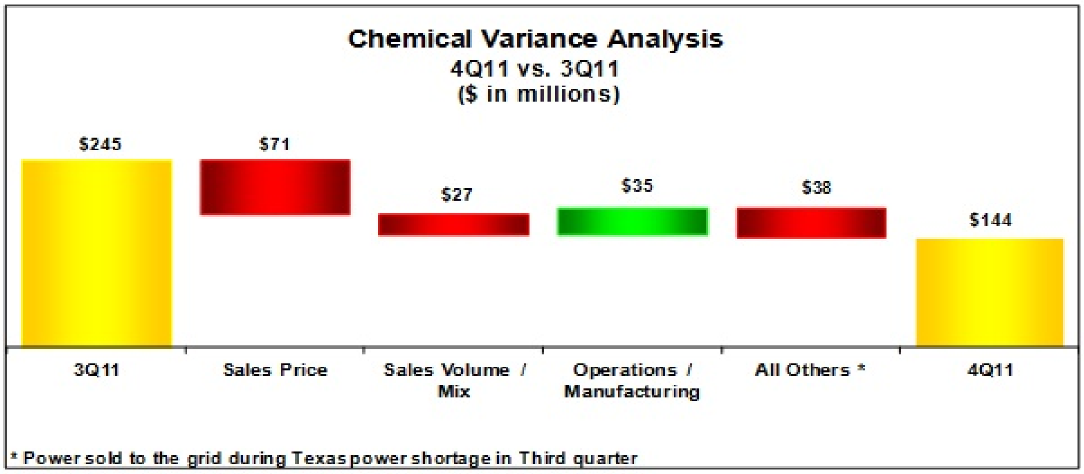
OCCIDENTAL PETROLEUM
2011 Fourth Quarter Net Income (Loss)
Reported Income Comparison

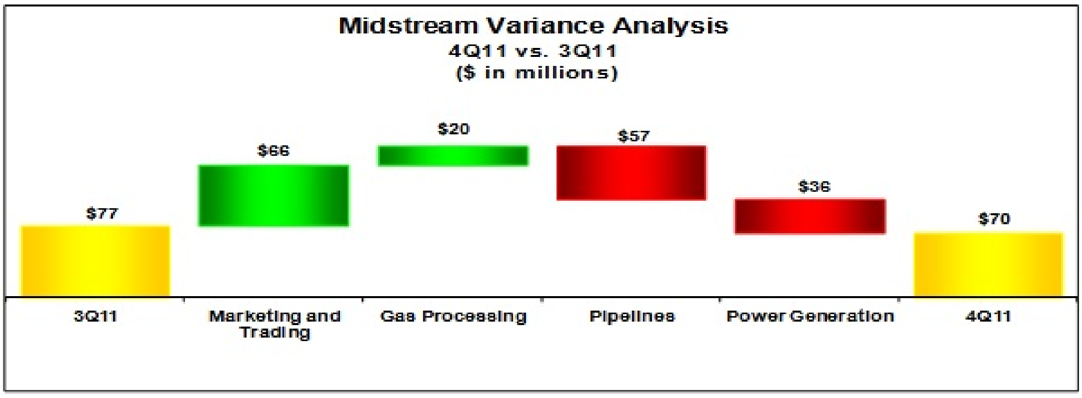
	Fourth Quarter 2011	Third Quarter 2011	B / (W)
Oil & Gas	$ 2,537	$ 2,612	$ (75)
Chemical	144	245	(101)
Midstream, marketing and other	70	77	(7)
Corporate			
Interest expense, net	(25)	(23)	(2)
Other	(136)	(49)	(87)
Taxes	(949)	(1,087)	138
Income from continuing operations	1,641	1,775	(134)
Discontinued operations, net	(7)	(4)	(3)
Net Income	**$ 1,634**	**$ 1,771**	**$ (137)**
Earnings Per Common Share			
Basic	**$ 2.01**	**$ 2.17**	**$ (0.16)**
Diluted	**$ 2.01**	**$ 2.17**	**$ (0.16)**
Worldwide Effective Tax Rate	**37%**	**38%**	**1%**

OCCIDENTAL PETROLEUM
2011 Fourth Quarter Net Income (Loss)
Core Results Comparison

	Fourth Quarter 2011	Third Quarter 2011	B / (W)
Oil & Gas	$ 2,537	$ 2,612	$ (75)
Chemical	144	245	(101)
Midstream, marketing and other	70	77	(7)
Corporate			
Interest expense, net	(25)	(23)	(2)
Other	(136)	(49)	(87)
Taxes	(949)	(1,087)	138
Core Results	**$ 1,641**	**$ 1,775**	**$ (134)**
Core Results Per Common Share			
Basic	**$ 2.02**	**$ 2.18**	**$ (0.16)**
Diluted	**$ 2.02**	**$ 2.18**	**$ (0.16)**
Worldwide Effective Tax Rate	**37%**	**38%**	**1%**


Oil & Gas Variance Analysis
4Q11 vs. 3Q11
($ in millions)
$2,612
$54
$31
$68
$38
$34
$19
$1
$2,537
3Q11
Sales Price
Sales Volume
Higher Operating Costs
Higher General and Administrative Costs
Higher Exploration Expense
Higher DD&A Rate
All Others
4Q11


Chemical Variance Analysis
4Q11 vs. 3Q11
($ in millions)
$245
$71
$27
$35
$38
$144
3Q11
Sales Price
Sales Volume / Mix
Operations / Manufacturing
All Others *
4Q11
* Power sold to the grid during Texas power shortage in Third quarter

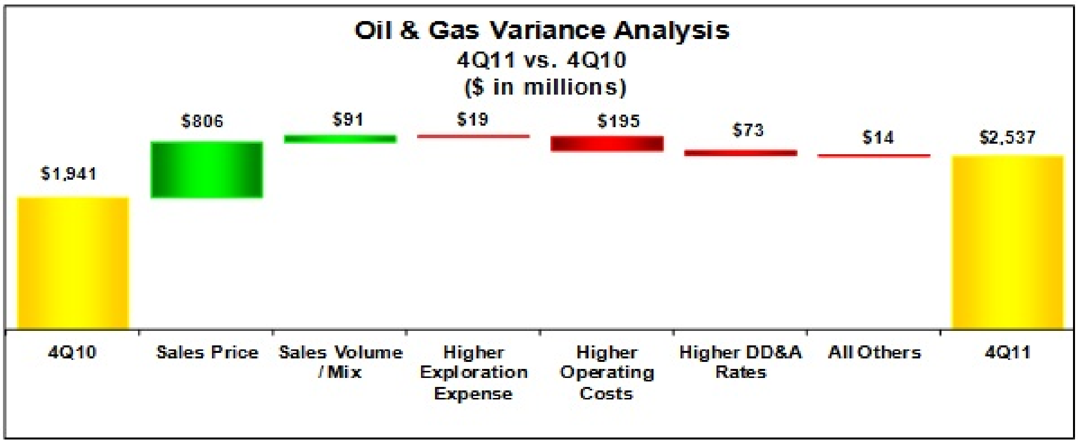

Midstream Variance Analysis
4Q11 vs. 3Q11
($ in millions)
$77
$66
$20
$57
$36
$70
3Q11
Marketing and Trading
Gas Processing
Pipelines
Power Generation
4Q11

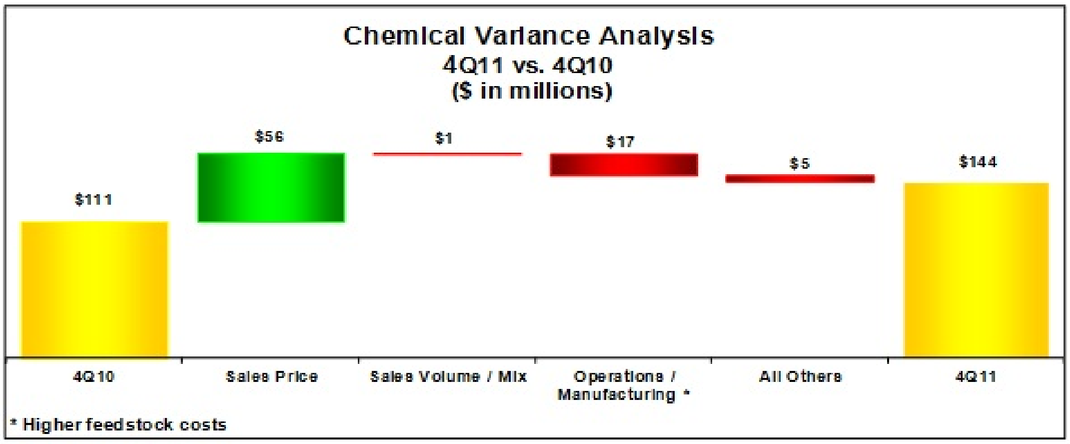
OCCIDENTAL PETROLEUM
2011 Fourth Quarter Net Income (Loss)
Reported Income Comparison

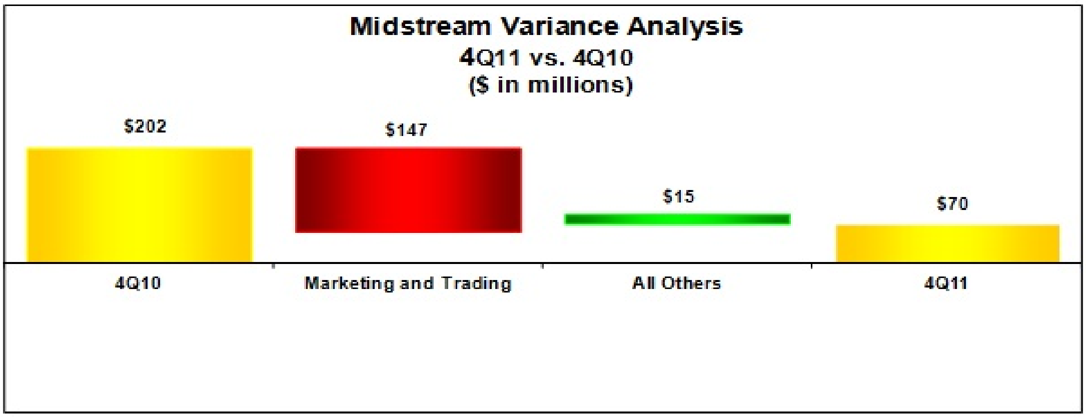
	Fourth Quarter 2011	Fourth Quarter 2010	B / (W)
Oil & Gas	$ 2,537	$ 1,666	$ 871
Chemical	144	111	33
Midstream, marketing and other	70	202	(132)
Corporate			
Interest expense, net	(25)	(20)	(5)
Other	(136)	(149)	13
Taxes	(949)	(618)	(331)
Income from continuing operations	1,641	1,192	449
Discontinued operations, net	(7)	20	(27)
Net Income	**$ 1,634**	**$ 1,212**	**$ 422**
Earnings Per Common Share			
Basic	**$ 2.01**	**$ 1.49**	**$ 0.52**
Diluted	**$ 2.01**	**$ 1.49**	**$ 0.52**
Worldwide Effective Tax Rate	**37%**	**34%**	**-3%**

OCCIDENTAL PETROLEUM
2011 Fourth Quarter Net Income (Loss)
Core Results Comparison

	Fourth Quarter 2011	Fourth Quarter 2010	B / (W)
Oil & Gas	$ 2,537	$ 1,941	$ 596
Chemical	144	111	33
Midstream, marketing and other	70	202	(132)
Corporate			
Interest expense, net	(25)	(20)	(5)
Other	(136)	(149)	13
Taxes	(949)	(798)	(151)
Core Results	**$ 1,641**	**$ 1,287**	**$ 354**
Core Results Per Common Share			
Basic	**$ 2.02**	**$ 1.58**	**$ 0.44**
Diluted	**$ 2.02**	**$ 1.58**	**$ 0.44**
Worldwide Effective Tax Rate	**37%**	**38%**	**1%**


Oil & Gas Variance Analysis
4Q11 vs. 4Q10
($ in millions)
$1,941
$806
$91
$19
$195
$73
$14
$2,537
4Q10
Sales Price
Sales Volume / Mix
Higher Exploration Expense
Higher Operating Costs
Higher DD&A Rates
All Others
4Q11


Chemical Variance Analysis
4Q11 vs. 4Q10
($ in millions)
$111
$56
$1
$17
$5
$144
4Q10
Sales Price
Sales Volume / Mix
Operations / Manufacturing *
All Others
4Q11
* Higher feedstock costs


Midstream Variance Analysis
4Q11 vs. 4Q10
($ in millions)
$202
$147
$15
$70
4Q10
Marketing and Trading
All Others
4Q11

OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

		Fourth Quarter		Twelve Months	
		2011	2010	2011	2010
NET PRODUCTION PER DAY:					
United States					
Crude Oil (MBBL)					
	California	84	75	80	76
	Permian	137	135	134	136
	Midcontinent and other	19	9	16	7
	Total	**240**	**219**	**230**	**219**
NGL (MBBL)					
	California	15	15	15	16
	Permian	37	31	38	29
	Midcontinent and other	18	7	16	7
	Total	**70**	**53**	**69**	**52**
Natural Gas (MMCF)					
	California	276	259	260	280
	Permian	167	215	157	199
	Midcontinent and other	390	225	365	198
	Total	**833**	**699**	**782**	**677**
Latin America					
Crude Oil (MBBL)	Colombia	28	30	29	32
Natural Gas (MMCF)	Bolivia	14	18	15	16
Middle East / North Africa					
Crude Oil (MBBL)					
	Bahrain	5	3	4	3
	Dolphin	9	11	9	11
	Iraq	9	11	7	3
	Libya	1	11	4	12
	Oman	67	67	67	62
	Qatar	76	75	73	76
	Yemen	23	27	27	31
	Total	**190**	**205**	**191**	**198**
NGL (MBBL)					
	Dolphin	9	12	10	13
	Libya	-	1	-	1
	Total	**9**	**13**	**10**	**14**
Natural Gas (MMCF)					
	Bahrain	180	170	173	169
	Dolphin	181	232	199	236
	Oman	58	47	54	48
	Total	**419**	**449**	**426**	**453**
Barrels of Oil Equivalent (MBOE)		**748**	**714**	**733**	**706**

OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

		Fourth Quarter		Twelve Months	
		2011	2010	2011	2010
NET SALES VOLUMES PER DAY:					
United States					
Crude Oil (MBBL)		240	219	230	219
NGL (MBBL)		70	53	69	52
Natural Gas (MMCF)		833	699	782	677
Latin America					
Crude Oil (MBBL)		32	31	29	32
Natural Gas (MMCF)		14	18	15	16
Middle East / North Africa					
Crude Oil (MBBL)					
	Bahrain	5	3	4	3
	Dolphin	9	11	9	12
	Iraq	6	-	3	-
	Libya	1	9	4	12
	Oman	66	63	69	61
	Qatar	75	74	73	76
	Yemen	24	27	27	30
	Total	**186**	**187**	**189**	**194**
NGL (MBBL)	Dolphin	10	12	10	12
	Libya	-	3	-	1
	Total	**10**	**15**	**10**	**13**
Natural Gas (MMCF)		419	449	426	453
Barrels of Oil Equivalent (MBOE)		**749**	**699**	**731**	**701**

OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

	Fourth Quarter		Twelve Months	
	2011	**2010**	**2011**	**2010**
OIL & GAS:				
PRICES				
United States				
Crude Oil ($/BBL)	94.50	79.20	92.80	73.79
NGL ($/BBL)	58.85	51.97	59.10	48.86
Natural gas ($/MCF)	3.59	4.13	4.06	4.53
Latin America				
Crude Oil ($/BBL)	100.66	81.05	97.16	75.29
Natural Gas ($/MCF)	11.63	7.76	10.11	7.73
Middle East / North Africa				
Crude Oil ($/BBL)	106.20	80.65	104.34	76.67
NGL ($/BBL)	29.17	39.13	32.09	30.64
Total Worldwide				
Crude Oil ($/BBL)	99.62	79.96	97.92	75.16
NGL ($/BBL)	55.25	49.17	55.53	45.08
Natural Gas ($/MCF)	2.76	2.91	3.01	3.11

	Fourth Quarter		Twelve Months	
	2011	**2010**	**2011**	**2010**
Exploration Expense				
United States	$ 71	$ 27	$ 204	$ 162
Latin America	-	6	1	7
Middle East / North Africa	2	21	53	93
TOTAL REPORTED	**$ 73**	**$ 54**	**$ 258**	**$ 262**
Less - non-core impairments	-	-	(35)	-
TOTAL CORE	**$ 73**	**$ 54**	**$ 223**	**$ 262**

OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS

	Fourth Quarter		Twelve Months	
Capital Expenditures ($MM)	**2011**	**2010**	**2011**	**2010**
Oil & Gas				
California	$ 515	$ 297	$ 1,717	$ 841
Permian	385	212	1,146	502
Midcontinent and other	433	131	1,158	269
Latin America	79	56	218	163
Middle East / North Africa	492	342	1,485	1,197
Exploration	130	64	421	194
Chemicals	116	108	234	237
Midstream, marketing and other	388	144	1,089	501
Corporate	11	6	50	36
TOTAL	**$ 2,549**	**$ 1,360**	**$ 7,518**	**$ 3,940**

	Fourth Quarter		Twelve Months	
Depreciation, Depletion & Amortization of Assets ($MM)	**2011**	**2010**	**2011**	**2010**
Oil & Gas				
Domestic	$ 489	$ 366	$ 1,754	$ 1,412
Latin America	23	31	90	122
Middle East / North Africa	300	281	1,220	1,134
Chemicals	81	79	330	321
Midstream, marketing and other	39	37	173	142
Corporate	6	6	24	22
TOTAL	**$ 938**	**$ 800**	**$ 3,591**	**$ 3,153**

OCCIDENTAL PETROLEUM
CORPORATE
($ millions)

	31-Dec-11	31-Dec-10
CAPITALIZATION		
Long-Term Debt (including short-term borrowings)	$ 5,871	$ 5,111
EQUITY	$ 37,620	$ 32,484
Total Debt To Total Capitalization	**13%**	**14%**

Occidental Petroleum Corporation

Fourth Quarter 2011 Earnings Conference Call

January 25, 2012

Fourth Quarter 2011 Earnings - Highlights

- **Net Income - $1.6 Billion in 4Q11 vs. $1.2 Billion in 4Q10**
  - **EPS $2.01 (diluted) vs. $1.49 in 4Q10.**

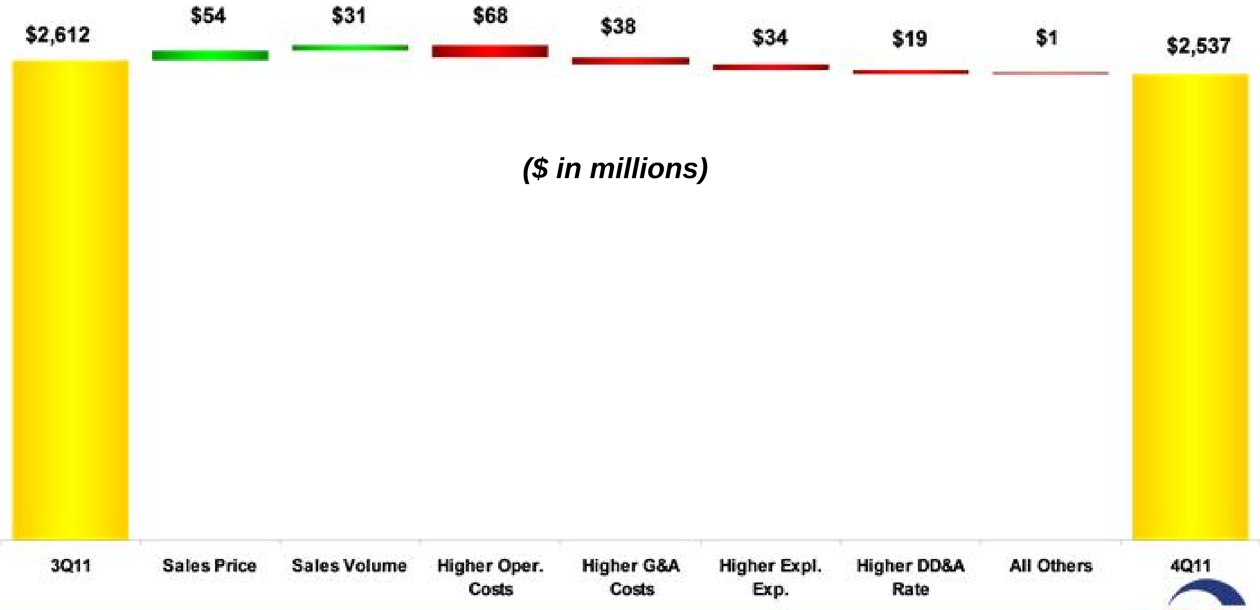
- ***Consolidated pre-tax income from continuing operations - $2.6 Billion in 4Q11 vs. $2.9 Billion in 3Q11***

- **3Q11 EPS $2.18 (diluted after tax)**
  - ***Major items resulting in the difference between 3Q11 and 4Q11 income included:***
    - » ***higher oil volumes and prices, +$0.07 per share;***
    - » ***lower 4Q chemical and midstream income, -$0.08 per share;***
    - » ***higher equity-based compensation costs, -$0.05 per share;***
    - » ***higher exploration expense, -$0.02 per share, and;***
    - » ***higher 4Q operating costs, -$0.08 per share.***

- ***4Q11 EPS $2.02 (diluted after tax)***

Fourth Quarter 2011 Earnings - Oil & Gas Segment Variance Analysis - 4Q11 vs. 3Q11

- ***Core Results for 4Q11 of $2.537 B vs. $2.612 B in 3Q11***
  - **Higher oil volumes and prices, were offset by higher operating costs, higher equity- based compensation costs, and higher exploration expense.**



Fourth Quarter 2011 Earnings - Oil & Gas Segment

	4Q11	3Q11
Reported Segment Earnings ($mm)	**$2,537**	**$2,612**
WTI Oil Price ($/bbl)	**$94.06**	**$89.76**
Brent Oil Price ($/bbl)	**$109.07**	**$112.22**
NYMEX Gas Price ($/mcf)	**$3.68**	**$4.28**
Oxy's Realized Prices		
Worldwide Oil ($/bbl)	***$99.62***	***$97.24***
+ 2½% quarter-to-quarter		
Worldwide NGLs ($/bbl)	***$55.25***	***$56.06***
- 1½% quarter-to-quarter		
US Natural Gas ($/mcf)	***$3.59***	***$4.23***
- 15% quarter-to-quarter		

Fourth Quarter 2011 Earnings - Oil & Gas Production

	4Q11	3Q11
Oil and Gas Production Volumes (mboe/d)	**748**	**739**

- ***Domestically, production was 449 mboe/d, representing the highest ever domestic production volumes for the company, compared to our guidance of 442 to 444 mboe/d.***
- ***Our production rose by 13 mboe/d compared to 3Q11, with the Permian and California contributing the bulk of the sequential increase in our overall domestic production volumes.***
- **Our better-than-expected 4Q11 domestic production reflected the effect of the ramp up in capital spending as well as higher levels of workover and well maintenance activity.**
- **In addition, 4Q11 was relatively free of significant operational disruptions, which also contributed to the better than expected results.**

Fourth Quarter 2011 Earnings - Oil & Gas Production

- ***Latin America volumes were 31 mboe/d.***
  - ***Colombia volumes increased slightly from 3Q11 while both periods included pipeline interruptions caused by insurgent activity.***
- ***In the Middle East region:***
  - ***We recorded 1 mboe/d production in Libya.***
  - ***In Iraq, we produced 9 mboe/d, an increase of 5 mboe/d from 3Q11 volumes. The higher volume is the result of higher spending levels.***
  - ***Yemen production was 23 mboe/d, a decrease of 5 mboe/d from 3Q11. The decrease reflected the timing of cost recovery and the expiration of the Masila Field contract in mid-December.***
  - ***In Oman, 4Q11 production was 76 mboe/d, a decrease of 3 mboe/d from 3Q11 volumes. The decrease was attributable to down time from operational issues.***
  - ***In Qatar, 4Q11 production was 76 mboe/d, an increase of 3 mboe/d over 3Q11.***
  - ***In Dolphin and Bahrain combined, production decreased 6 mboe/d from 3Q11. Dolphin volumes declined 9 mboe/d because, during the quarter, it reached annual maximum volumes allowed under its contract.***
- ***4Q11 sales volumes were 749 mboe/d, compared to our guidance of 740 mboe/d. The improvement resulted from higher US production.***

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Fourth Quarter 2011 Earnings - Oil & Gas Segment - Realized Prices

- ***Realized oil prices for the quarter represented 106% of the average WTI and 91% of the average Brent price.***
- ***Realized NGL prices were 59% of WTI and realized domestic gas prices were 98% of NYMEX.***
- ***Price changes at current global prices affect our quarterly earnings before income taxes by $38 mm for a $1.00 p/b change in oil prices and $8 mm for a $1.00 p/b change in NGL prices.***
- ***A swing of $0.50 per mm BTUs in domestic gas prices affects quarterly pre-tax earnings by about $31 million.***

Fourth Quarter 2011 Earnings - Oil & Gas Segment - Production Costs and Taxes

- ***4Q11 operating costs were about $130 mm higher than 3Q11 as a result of higher workover and well maintenance activity driven by our program to increase production at these higher levels of oil prices.***
- ***Oil and gas cash production costs were $12.84 a boe for the twelve months of 2011, compared with last year's twelve-month costs of $10.19 a barrel.***
  - **The cost increase reflects higher workover and maintenance activity mentioned earlier.**
- **Taxes other than on income, which are directly related to product prices, were $2.21 per boe for the twelve months of 2011, compared to $1.83 per boe for all of 2010.**
- ***4Q11 exploration expense, which included the impairment of several small leases, was $73 mm.***

Fourth Quarter 2011 Earnings - Chemical Segment Variance Analysis - 4Q11 vs. 3Q11

- ***Core Results for 4Q11 were $144 mm vs. $245 mm in 3Q11.***
  - **The sequential drop in income was the result of seasonal factors.**

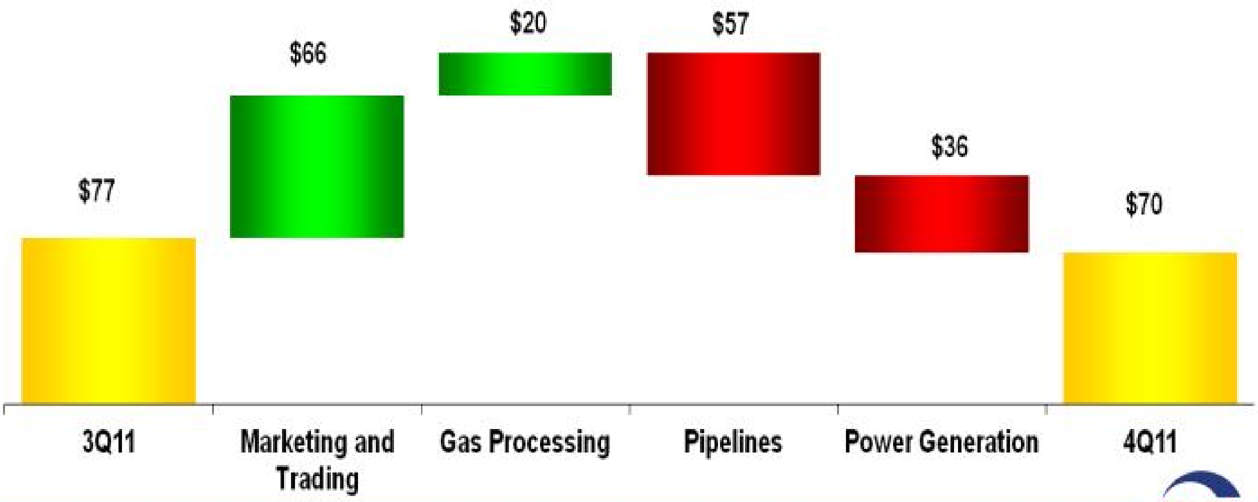
($ in millions)

***Power sold to the grid during Texas power shortage in 3Q11.**

Fourth Quarter 2011 Earnings - Midstream Segment Variance Analysis - 4Q11 vs. 3Q11

- ***Core Results for 4Q11 were $70 mm vs. $77 mm in 3Q11.***

($ in millions)



Fourth Quarter 2011 Earnings - Taxes and Other

- ***The significantly higher year-end Oxy stock price, compared to the distressed levels at the end of 3Q11, affected the quarterly valuation of equity-based compensation plans reducing 4Q11 pre-tax income of the company, compared to 3Q11, by $80 mm.***

- ***The worldwide effective tax rate was 37% for 4Q11.***

- ***Our 4Q11 US and foreign tax rates are included in the "Investor Relations Supplemental Schedules."***

Fourth Quarter 2011 Earnings - Full Year 2011 Results

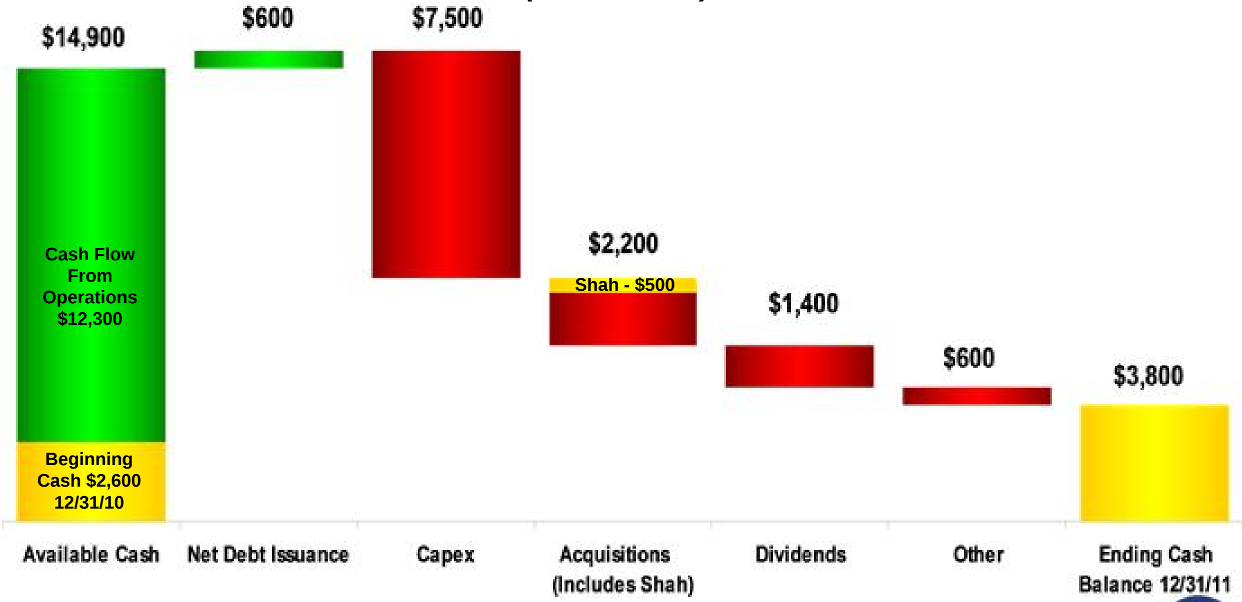
	FY2011	FY2010
• *Core Income ($mm)*	*$6,828*	*$4,664*
• *Core EPS (diluted)*	*$8.39*	*$5.72*
• Net Income ($mm)	$6,771	$4,530
• EPS (diluted)	$8.32	$5.56

- *Cash flow from operations for the twelve months of 2011 was $12.3 billion.*

Fourth Quarter 2011 Earnings - Full Year 2011 Cash Flow

– ***Free cash flow from continuing operations after capex and dividends, but before acquisition and debt activity, was about $3.4 billion.***

($ in millions)



Note: See attached GAAP reconciliation.

Fourth Quarter 2011 Earnings - One and Two Year Simplified Cash Flow

One year cash flow 12/31/11

Total debt, net of cash at 12/31/10	**$2.5 B**
Total debt, net of cash at 12/31/11	**$2.1 B**
Net cash generated	**$0.4 B**

Cash returned to shareholders

- **Dividends** **$1.4 B**
- **Share buybacks** **$275 mm**

Two year cash flow 12/31/11

Total debt, net of cash at 12/31/09	**$1.6 B**
Total debt, net of cash at 12/31/11	**$2.1 B**
Net cash used	**$0.5 B**

Cash outlays

- **Capital** **$11.5 B**
- **Acquisitions** **$6.9 B**

Cash returned to shareholders

- **Dividends &**
- **share buybacks** **$2.9 B**

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Fourth Quarter 2011 Earnings - 2011 Capital Expenditures

- **Capital expenditures for 2011 were approximately $7.5 billion, of which about $2.6 billion was incurred in 4Q11.**

- ***Higher 4Q11 capital partially reflected the gradual ramp-up of our program during 2011.***
  - ***The increases were mostly at Williston domestically, and Iraq, Oman and Qatar internationally.***
  - ***4Q11 capital also included spending for several midstream projects, such as the Elk Hills gas processing plant, which will drop significantly during 1H12 as these projects are completed.***

- **Total 2011 capital expenditures by segment were 82% in oil and gas, 14% in midstream and the remainder in chemicals.**

Fourth Quarter 2011 Earnings - Net Acquisition Expenditures

- ***Our net acquisition expenditures in the twelve months were $2.2 billion, which are net of proceeds from the sale of our Argentina operations.***

- **The acquisitions included the South Texas purchase, properties in California, the Permian and Williston, and a payment in connection with the signing of the Al Hosn Gas project in Abu Dhabi, which is the gas development of the Shah field.**
  - **This payment was for Oxy's share of development expenditures incurred by the project prior to the date the final agreement was signed.**

Fourth Quarter 2011 Earnings - Shares Outstanding, Debt and ROE & ROCE

Shares Outstanding (mm)	2011	12/31/11
Weighted Average Basic	812.1	
Weighted Average Diluted	812.9	
Basic Shares Outstanding		810.5
Diluted Shares Outstanding		811.3

	12/31/11	12/31/10
Debt/Capital	13%	14%

- ***Our return on equity for 2011 was 19.3% and the return on capital employed was 17.2%.***

Fourth Quarter 2011 Earnings - DD&A, Oil and Gas Operating Costs

- **Oil and Gas DD&A expense was $11.48 per BOE for 2011.**
- ***We expect the Oil and Gas segment DD&A rate to be about $14 per barrel in 2012.***
- ***The total Chemical and Midstream DD&A expense is expected to be about $650 million for 2012.***
- ***We expect operating costs per barrel to be about $13.75 in 2012.***
  - **The 2012 expected costs reflect higher levels of workovers and well maintenance activity.**
  - ***However, significant and substantial product price changes, and changes in activity levels and inflation resulting from product prices, may affect this cost estimate during the course of the year.***

Oxy's Three Main Performance Criteria - Production Growth, Strong Returns & Dividend Growth

- ***We finished a strong year in terms of the three main performance criteria outlined last quarter.***
- ***Our domestic oil and gas production grew by about 12% for 2011 to 428 mboe/d.***
  - **4Q11 domestic production of 449 mboe/d was the highest U.S. total production volume in Oxy's history, reflecting the highest ever quarterly volume for liquids of 310 mb/d and the second highest quarterly volume for gas.**
  - **Total company production increased about 4% for the year.**
- **Our chemical business delivered exceptional results for the year, achieving one of their highest earnings levels ever.**
- ***Our return on equity was 19% for the year and return on capital was 17%.***

Oxy's Three Main Performance Criteria - Production Growth, Strong Returns & Dividend Growth

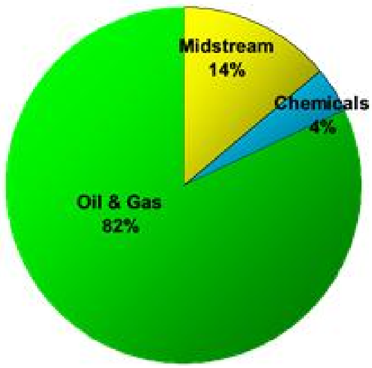
- ***We increased our annual dividends by $0.32 or by 21%, to $1.84 per share.***
- ***We expect to announce a further dividend increase after the meeting of our Board of Directors in the second week of February.***

2012 Capital Program

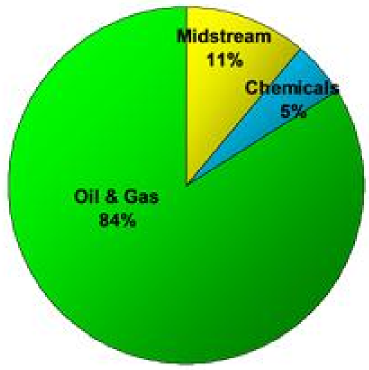
- ***We have ample legitimate opportunities in our domestic oil and gas business where we could deploy capital.***
- ***We have tried to manage the program to a level that is realistic at current price levels, and as a result, have deferred some projects that otherwise would have met our hurdle rates.***
- ***We continue to have substantial inventory of high return projects going forward to fulfill our growth objectives.***

Capital Program - 2012E vs. 2011 Actual

- ***We are increasing our capital program approximately 10% in 2012 to $8.3 billion from the $7.5 billion we spent in 2011.***
- **About $500 million of this increase will be in the US, mainly in the Permian basin, and the rest in international projects including the Al Hosn sour gas project and Iraq.**
- ***We will review our capital program around mid-year and adjust as conditions dictate.***



2011A Capital - $7.5 Billion



2012E Capital - $8.3 Billion

2012 Capital Program - Domestic Oil & Gas and Related Midstream Projects

- **In domestic oil gas and related midstream projects, development capital will be about 55% of our total program.**
- ***In CA, we expect to spend about 21% of our total capital program.***

2012E Total Capital - $8.3 Billion

- **We currently expect the rig count to remain constant in 1H12 at 31, the same as what we were running at YE-2011;**
- ***We are seeing improvement with respect to permitting issues in the state;***
- ***We have received approved field rules and new permits for both injection wells and drilling locations;***
- ***The regulatory agency is responsive and committed to working through the backlog of permits;***
- **We expect to maintain our capital program at current levels for about 1H12, which will enable us to continue to grow our production volumes;**
- **We will reassess our capital program when the number of permits in hand allows it.**

2012 Capital Program -
Domestic Oil & Gas and Related Midstream Projects

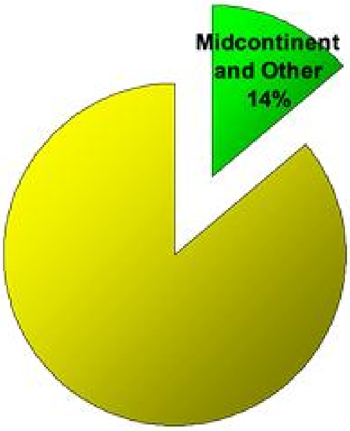
- **In the Permian operations, we expect to spend about 20% of our total capital.**

2012E Total Capital - $8.3 Billion

- ***Our rig count at year-end 2011 was 23;***
- ***We expect our rig count to ramp up during the year to around 27 rigs by year end;***
- **Our CO_2 flood capital should remain comparable to the 2011 levels;**
- **In our non-CO_2 operations we are seeing additional opportunities for good return projects;**
- ***As a result, we have stepped up their development program and 2012 capital will be about 75% higher than the 2011 levels.***

2012 Capital Program - Domestic Oil & Gas and Related Midstream Projects

- **In the Midcontinent and other operations, we expect to spend around 14% of our total capital program.**

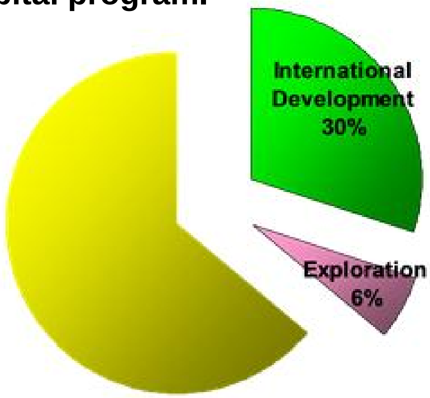


2012E Total Capital - $8.3 Billion

- *In Williston we increased our acreage in 2011 from 204,000 to 277,000 acres.*
- *We expect that our rig count will be about 6 by the end of 2012.*
- *Additional capital that could reasonably be deployed here has been shifted to higher return opportunities in California and the Permian. This may also encourage Bakken well costs to decline.*
- *Natural gas prices in the U.S. are horrible. As a result, we are cutting back our pure gas drilling in the Midcontinent, South Texas and the Permian.*

2012 Capital Program -
International Development and, Exploration Capital

- **Total international development capital will be about 30% of the total company capital program.**
- **Exploration capital should increase about 10% over the 2011 spending levels and represent 6% of the total capital program.**



2012E Total Capital - $8.3 Billion

- *The Al Hosn Shah gas project will continue to increase spending in 2012 as originally planned, making up about 7% of our total capital program.*
- *The rest of the international operations capital will be comparable to 2011, with modest increases expected in Iraq and Libya.*
- *In Iraq, the planned spending level should generate about 11 mb/d of production. Each additional $100 mm spending, incurred evenly during the year, would generate about 2,700 b/d of production at current price levels.*
- *The focus of the exploration program domestically will continue to be in CA and in the Permian & Williston basins, with additional activity in Oman and Bahrain.*

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Fourth Quarter 2011 Earnings - Oil and Gas - 2012 Production Outlook

- **As we look ahead to 2012, we expect oil and gas production to be as follows:**
  - ***In 1H12, we expect our domestic production to grow 3 to 4 mboe/d each month from the current quarterly average of 449 mboe/d, which would correspond to a 6 to 8 mboe/d increase per quarter.***
  - ***4Q11 was relatively free of significant operational disruptions resulting in better than expected domestic production. A more typical experience with respect to such issues could moderate the growth somewhat in 1Q12.***
  - ***If the production growth rate continued at a comparable pace in 2H12, our year-over-year average domestic production growth would be between 8 and 10% in 2012.***
- **Internationally,**
  - ***Colombia production should be about flat for the year compared to 2011. In 1Q12, volumes should be about 3 mboe/d higher than 4Q11, although insurgent activity has picked up recently.***

Fourth Quarter 2011 Earnings - Oil and Gas - 2012 Production Outlook

- **The Middle East region production is expected to be as follows for 1H12:**
  - ***Production has resumed in our operations in Libya, and at this point, we expect about 5 mboe/d production, with further growth to come later in the year. At this point we reasonably expect that total year Libya production will be about half the level that existed prior to the cessation of operations.***
  - ***In Iraq, as I discussed previously, production levels depend on capital spending levels. We are still unable to reliably predict the timing of spending levels, but we expect production to be similar to the past quarter.***
  - ***In Yemen, as we previously disclosed, our Masila block contract expired in December 2011. Our share of the production from Masila was about 11 mboe/d for the full year. Our remaining operations in Yemen typically have higher volumes early in the year due to the timing of cost recovery each year, which will partially offset the loss of Masila barrels in 1H12. As a result, we expect our total Yemen production to drop slightly from 4Q11 levels in 1H12.***
  - ***In the remainder of the Middle East, we expect production to be comparable to 4Q11 volumes.***

Fourth Quarter 2011 Earnings - 1Q12 Outlook - Oil and Gas

- ***At current prices, we expect total 1Q12 sales volumes to be comparable to 4Q11 volumes, depending on the scheduling of liftings.***

- **A $5.00 change in global oil prices would impact our PSC daily volumes by about 3 mboe/d.**

- **We expect exploration expense to be about $100 mm for seismic and drilling for our exploration programs in 1Q12.**

Fourth Quarter 2011 Earnings - 1Q12 Outlook - Chemicals & Taxes

- ***The chemical segment 1Q12 earnings are expected to be about $165 mm with seasonal demand improvement expected in the second and third quarters.***
  - **We expect that lower natural gas prices and the continuing improvement in the global economy will have a positive impact on our chemical business margins, which is expected to be offset partially by higher ethylene prices.**

- ***We expect our combined worldwide tax rate in 1Q12 to increase to about 40%.***
  - **The increase from 2011 reflects a higher proportional mix of international income with higher tax rates, in particular from Libya.**

Fourth Quarter 2011 Earnings - Summary

- ***To summarize: We closed out 2011 on a solid note, with record high domestic oil and gas production in 4Q11, which was also ahead of our guidance.***
- ***We continued to generate strong financial returns well above our cost of capital.***
- ***We enter this year raising our capital program by about 10% vs. last year in order to prudently pursue our substantial inventory of high return growth projects.***
- ***The business continues to grow and generate free cash flow after capital, which should allow us to consistently grow the dividend at an attractive rate, further boosting the total return to our shareholders.***

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Occidental Petroleum Corporation
Free Cash Flow
Reconciliation to Generally Accepted Accounting Principles (GAAP)
($ Millions)

	Twelve Months 2011
Consolidated Statement of Cash Flows	
Cash flow from operating activities	12,281
Cash flow from investing activities	(9,903)
Cash flow from financing activities	(1,175)
Change in cash	1,203
Free Cash Flow	
Cash flow from operating activities - continuing operations	12,306
Capital spending	(7,518)
Free cash flow before dividends	**4,788**
Dividends	(1,436)
Free cash flow after dividends	**3,352**

Occidental Petroleum Corporation
Return on Capital Employed (ROCE)
Reconciliation to Generally Accepted Accounting Principles (GAAP)

	2010	2011
RETURN ON CAPITAL EMPLOYED (%)	13.2	17.2
GAAP measure - net income attributable to common stock	4,530	6,771
Interest expense	93	284
Tax effect of interest expense	(33)	(99)
Earnings before tax-effected interest expense	4,590	6,956
GAAP stockholders' equity	32,484	37,620
Debt	5,111	5,871
Total capital employed	37,595	43,491
ROCE	**13.2**	**17.2**

Forward-Looking Statements

Portions of this report contain forward-looking statements and involve risks and uncertainties that could materially affect expected results of operations, liquidity, cash flows and business prospects. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations; supply and demand considerations for Occidental's products; general domestic political and regulatory approval conditions; international political conditions; not successfully completing, or any material delay of, any development of new fields, expansion projects, capital expenditures, efficiency-improvement projects, acquisitions or dispositions; potential failure to achieve expected production from existing and future oil and gas development projects; exploration risks such as drilling unsuccessful wells; any general economic recession or slowdown domestically or internationally; higher-than-expected costs; potential liability for remedial actions under existing or future environmental regulations and litigation; potential liability resulting from pending or future litigation; potential disruption or interruption of Occidental's production or manufacturing or damage to facilities due to accidents, chemical releases, labor unrest, weather, natural disasters, political events or insurgent activity; failure of risk management; changes in law or regulations; or changes in tax rates. Words such as "estimate", "project", "predict", "will", "would", "should", "could", "may", "might", "anticipate", "plan", "intend", "believe", "expect" or similar expressions that convey the uncertainty of future events or outcomes generally indicate forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. Unless legally required, Occidental does not undertake any obligation to update any forward-looking statements, as a result of new information, future events or otherwise. Material risks that may affect Occidental's results of operations and financial position appear in Part 1, Item 1A "Risk Factors" of the 2010 Form 10-K.