

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 22, 2009**

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.)

10889 Wilshire Boulevard
Los Angeles, California
(Address of principal executive offices)

90024
(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-1 2 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 22, 2009, Occidental Petroleum Corporation released information regarding its results of operations for the three and nine months ended September 30, 2009. 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. Earnings Conference Call Slides are attached to this report as Exhibit 99.4. Forward-Looking Statements Disclosure for Earnings Release Presentation Materials are attached to this report as Exhibit 99.5.

Section 8 – Other Events

Item 8.01. Other Events

On October 22, 2009, Occidental Petroleum Corporation announced net income of \$927 million (\$1.14 per diluted share) for the third quarter of 2009, compared with \$2.3 billion (\$2.77 per diluted share) for the third quarter of 2008.

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were \$1.5 billion for the third quarter of 2009, compared with \$3.6 billion for the same period in 2008. The decrease in the third quarter 2009 segment earnings reflected lower crude oil and natural gas prices, partially offset by higher oil and gas sales volumes and lower operating expenses.

For the third quarter of 2009, daily oil and gas sales volumes averaged 628,000 barrels of oil equivalent (BOE), compared with 588,000 BOE per day in the third quarter of 2008. Volumes increased by six percent domestically, mainly from California and the Permian and by 15 percent in the Middle East/North Africa largely in Dolphin and Oman, partially offset by a six-percent decrease in Latin America mostly due to a labor strike in Argentina. Increased California volumes resulted largely from the new exploration discoveries in Kern County.

Oxy's realized price for worldwide crude oil was \$62.79 per barrel for the third quarter of 2009, compared with \$104.15 per barrel for the third quarter of 2008. Domestic realized gas prices decreased from \$9.35 per MCF in the third quarter of 2008 to \$3.04 per MCF for the third quarter of 2009.

Chemicals

Chemical segment earnings for the third quarter of 2009 were \$72 million, compared with \$219 million for the same period in 2008. The third quarter 2009 results reflect the continued weakness in the U.S. housing, automotive and durable goods sectors resulting in lower margins for caustic soda and polyvinyl chloride and lower volumes for chlorine, caustic soda, potassium hydroxide and polyvinyl chloride.

Midstream, Marketing and Other

Midstream segment earnings were \$77 million for the third quarter of 2009, compared with \$66 million for the third quarter of 2008. The third quarter of 2009 reflects better results in marketing operations, partially offset by lower margins in the gas processing business.

NINE MONTH RESULTS

Net income for the nine months of 2009 was \$2.0 billion (\$2.43 per diluted share), compared with \$6.4 billion (\$7.77 per diluted share) for the nine months of 2008.

Oil and Gas

Oil and gas segment earnings were \$3.1 billion for the nine months of 2009, compared with \$10.3 billion for the same period of 2008. The decrease in segment earnings reflected lower crude oil and natural gas prices, partially offset by higher oil and gas sales volumes and lower operating and administrative costs.

Daily oil and gas sales volumes for the first nine months was 643,000 BOE per day for 2009, compared with 594,000 BOE per day for the same 2008 period. Volumes increased by five percent domestically mainly in California and Midcontinent/Rockies, by 14 percent in Latin America, and by 12 percent in the Middle East/North Africa largely due to Dolphin and Oman.

Oxy's realized price for worldwide crude oil was \$51.44 per barrel for the nine months of 2009, compared with \$100.39 per barrel for the nine months of 2008. Domestic realized gas prices decreased from \$9.18 per MCF in the nine months of 2008 to \$3.15 per MCF in the nine months of 2009.

Chemicals

Chemical segment earnings were \$356 million for the nine months of 2009, compared with \$542 million for the nine months of 2008. The 2009 results reflect lower volumes and prices for chlorine, caustic soda and polyvinyl chloride due to the economic slowdown, partially offset by lower feedstock and energy costs.

Midstream, Marketing and Other

Midstream segment earnings were \$154 million for the nine months of 2009, compared with \$350 million for the same period in 2008. The earnings decline in 2009 reflects lower margins in the gas processing business.

Forward-Looking Statements

Statements in this release that contain words such as "will," "should," "expect," or "estimate," or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause actual results to differ materially include, but are not limited to: global commodity price fluctuations and supply/demand considerations for oil, gas and chemicals; exploration risks, such as drilling of unsuccessful wells; not successfully completing (or any material delay in) any expansions, field development, capital projects, acquisitions, or dispositions; higher-than-expected costs; political risk; operational interruptions and changes in tax rates. You should not place undue reliance on these forward-looking statements which speak only as of the date of this release. 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. U.S. investors are urged to consider carefully the disclosures 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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SUMMARY OF SEGMENT NET SALES AND EARNINGS

(In millions, except per-share amounts)	Third Quarter		Nine Months	
	2009	2008	2009	2008
SEGMENT NET SALES				
Oil and Gas	\$ 3,089	\$ 5,422	\$ 7,952	\$ 15,441
Chemical	842	1,454	2,445	4,107
Midstream, Marketing and Other	285	381	763	1,204
Eliminations	(112)	(197)	(296)	(556)
Net sales	<u>\$ 4,104</u>	<u>\$ 7,060</u>	<u>\$ 10,864</u>	<u>\$ 20,196</u>
SEGMENT EARNINGS				
Oil and Gas (a), (b)	\$ 1,464	\$ 3,618	\$ 3,092	\$ 10,312
Chemical	72	219	356	542
Midstream, Marketing and Other	77	66	154	350
	<u>1,613</u>	<u>3,903</u>	<u>3,602</u>	<u>11,204</u>
Unallocated Corporate Items				
Interest expense, net	(33)	(3)	(76)	(10)
Income taxes	(549)	(1,546)	(1,245)	(4,511)
Other (c)	(102)	(82)	(297)	(292)
Income from Continuing Operations(a)	<u>929</u>	<u>2,272</u>	<u>1,984</u>	<u>6,391</u>
Discontinued operations, net	(2)	(1)	(7)	23
NET INCOME (a)	<u>\$ 927</u>	<u>\$ 2,271</u>	<u>\$ 1,977</u>	<u>\$ 6,414</u>
BASIC EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.14	\$ 2.78	\$ 2.44	\$ 7.78
Discontinued operations, net	—	—	(0.01)	0.03
	<u>\$ 1.14</u>	<u>\$ 2.78</u>	<u>\$ 2.43</u>	<u>\$ 7.81</u>
DILUTED EARNINGS PER COMMON SHARE				
Income from continuing operations	\$ 1.14	\$ 2.77	\$ 2.44	\$ 7.74
Discontinued operations, net	—	—	(0.01)	0.03
	<u>\$ 1.14</u>	<u>\$ 2.77</u>	<u>\$ 2.43</u>	<u>\$ 7.77</u>
AVERAGE COMMON SHARES OUTSTANDING				
BASIC	811.8	815.3	811.1	820.1
DILUTED	<u>814.4</u>	<u>817.6</u>	<u>813.9</u>	<u>823.5</u>

See footnotes on following page.

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- (a) **Net Income** - - Net income and income from continuing operations represent amounts attributable to Common Stock, after deducting non-controlling interest of \$14 million and \$38 million for the third quarter and \$35 million and \$104 million for the nine months ended September 30, 2009 and 2008, respectively. Oil and gas segment earnings are also presented net of these non-controlling interest amounts.
- (b) **Oil and Gas** - - The nine months of 2009 includes an \$8 million pre-tax charge for rig contract termination costs.
- (c) **Unallocated Corporate Items - Other** - - The nine months of 2009 includes non-core pre-tax charges of \$40 million related to severance and \$15 million for railcar leases.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	Third Quarter		Nine Months	
	2009	2008	2009	2008
CAPITAL EXPENDITURES	\$ 746	\$ 1,199	\$ 2,649	\$ 3,070
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 769	\$ 683	\$ 2,297	\$ 1,957

ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

Income/(Expense) (\$ millions)	Third Quarter		Nine Months	
	2009	2008	2009	2008
Foreign exchange gains and (losses)*	\$ (3)	\$ 8	\$ 28	\$ 3

*Amounts shown after tax.

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SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2009	2008	2009	2008
NET OIL, GAS AND LIQUIDS SALES PER DAY				
United States				
Crude Oil and Liquids (MBBL)				
California	92	87	93	86
Permian	168	166	168	168
Midcontinent/Rockies	9	8	10	6
Total	269	261	271	260
Natural Gas (MMCF)				
California	269	236	240	239
Permian	208	169	200	179
Midcontinent/Rockies	176	165	192	166
Total	653	570	632	584
Latin America				
Crude Oil (MBBL)				
Argentina	30	38	37	32
Colombia	44	43	46	43
Total	74	81	83	75
Natural Gas (MMCF)				
Argentina	27	24	30	19
Bolivia	18	21	17	21
Total	45	45	47	40
Middle East/North Africa				
Crude Oil and Liquids (MBBL)				
Oman	39	23	38	21
Dolphin	21	18	22	20
Qatar	46	49	48	47
Yemen	22	20	25	22
Libya	4	7	6	17
Total	132	117	139	127
Natural Gas (MMCF)				
Oman	22	25	23	24
Dolphin	208	165	218	176
Total	230	190	241	200
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	630	593	646	599
Colombia-minority interest	(5)	(7)	(6)	(7)
Yemen-Occidental net interest	3	2	3	2
Total Worldwide Sales Volumes - MBOE	628	588	643	594

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SUMMARY OF OPERATING STATISTICS

	Third Quarter	Nine Months
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	2009	2008	2009	2008
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude Oil and Liquids (MBBL)	269	261	271	260
Natural Gas (MMCF)	653	570	632	584
Latin America				
Crude Oil (MBBL)				
Argentina	31	39	36	33
Colombia	43	43	46	43
Total	74	82	82	76
Natural Gas (MMCF)	45	45	47	40
Middle East/North Africa				
Crude Oil and Liquids (MBBL)				
Oman	40	24	38	21
Dolphin	21	18	22	20
Qatar	48	48	48	47
Yemen	22	19	25	22
Libya	5	9	7	17
Total	136	118	140	127
Natural Gas (MMCF)	230	190	241	200
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	634	595	646	600
Colombia-minority interest	(5)	(6)	(6)	(6)
Yemen-Occidental net interest	3	2	3	2
Total Worldwide Production Volumes - MBOE	632	591	643	596

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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.

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SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

(\$ millions, except per-share amounts)				Third Quarter
	2009	Diluted EPS	2008	Diluted EPS
TOTAL REPORTED EARNINGS*	\$ 927	\$ 1.14	\$ 2,271	\$ 2.77
Oil and Gas*				
Segment Earnings	\$ 1,464		\$ 3,618	
Add:				
No significant items affecting earning	—		—	
Segment Core Results	1,464		3,618	
Chemicals				
Segment Earnings	72		219	
Add:				
No significant items affecting earning	—		—	
Segment Core Results	72		219	
Midstream, Marketing and Other				
Segment Earnings	77		66	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	77		66	
Total Segment Core Results	1,613		3,903	
Corporate				
Corporate Results — Non Segment**	(686)		(1,632)	
Add:				
Discontinued operations, net***	2		1	
Corporate Core Results — Non Segment	(684)		(1,631)	
TOTAL CORE RESULTS	\$ 929	\$ 1.14	\$ 2,272	\$ 2.77

*Represents amounts attributable to common stock, after deducting non-controlling interest of \$14 million and \$38 million for the third quarter 2009 and 2008, respectively.

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

***Amounts shown after tax.

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SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

(\$ millions, except per-share amounts)	2009		Nine Months Diluted	
	2009	Diluted EPS	2008	Diluted EPS
TOTAL REPORTED EARNINGS*	\$ 1,977	\$ 2.43	\$ 6,414	\$ 7.77
Oil and Gas*				
Segment Earnings	\$ 3,092		\$ 10,312	
Add:				
Rig terminations	8		—	
Segment Core Results	<u>3,100</u>		<u>10,312</u>	
Chemicals				
Segment Earnings	356		542	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	<u>356</u>		<u>542</u>	
Midstream, Marketing and Other				
Segment Earnings	154		350	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	<u>154</u>		<u>350</u>	
Total Segment Core Results	<u>3,610</u>		<u>11,204</u>	
Corporate				
Corporate Results — Non Segment**	(1,625)		(4,790)	
Add:				
Severance accruals	40		—	
Railcar leases	15		—	
Tax effect of pre-tax adjustments	(22)		—	
Discontinued operations, net***	7		(23)	
Corporate Core Results — Non Segment	<u>(1,585)</u>		<u>(4,813)</u>	
TOTAL CORE RESULTS	<u>\$ 2,025</u>	<u>\$ 2.48</u>	<u>\$ 6,391</u>	<u>\$ 7.74</u>

*Represents amounts attributable to common stock, after deducting non-controlling interest of \$35 million and \$104 million for the nine months of 2009 and 2008, respectively.

**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 October 22, 2009.
- 99.2 Full text of speeches given by Dr. Ray R. Irani and Stephen I. Chazen.
- 99.3 Investor Relations Supplemental Schedules.
- 99.4 Earnings Conference Call Slides.
- 99.5 Forward-Looking Statements Disclosure for Earnings Release Presentation Materials.

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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 22, 2009

/s/ ROY PINECI

Roy Pineci, Vice President, Controller
and Principal Accounting Officer

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EXHIBIT INDEX

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

For Immediate Release: October 22, 2009

Occidental Petroleum Announces Third Quarter Net Income

LOS ANGELES, October 22, 2009 — Occidental Petroleum Corporation (NYSE: OXY) announced net income of \$927 million (\$1.14 per diluted share) for the third quarter of 2009, compared with \$2.3 billion (\$2.77 per diluted share) for the third quarter of 2008.

In announcing the results, Dr. Ray R. Irani, Chairman and Chief Executive Officer, said, "Occidental achieved year-over-year production growth of nearly seven percent in the third quarter and eight percent in the nine months of 2009. In addition, higher worldwide crude oil prices resulted in an increase in Occidental's third quarter of 2009 net income of 36-percent over the second quarter of 2009.

"Our Kern County discovery has made a significant contribution to this production growth. Kern County gross production run rates grew from 7,700 BOE per day around the end of the first quarter, to 17,300 BOE per day at the end of the second quarter and to approximately 26,000 BOE per day at the end of the third quarter."

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were \$1.5 billion for the third quarter of 2009, compared with \$3.6 billion for the same period in 2008. The decrease in the third quarter 2009 segment earnings reflected lower crude oil and natural gas prices, partially offset by higher oil and gas sales volumes and lower operating expenses.

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Middle East/North Africa largely in Dolphin and Oman, partially offset by a six-percent decrease in Latin America mostly due to a labor strike in Argentina. Increased California volumes resulted largely from the new exploration discoveries in Kern County.

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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

Statements in this release that contain words such as "will," "should," "expect," or "estimate," or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause actual results to differ materially

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Contacts: Richard S. Kline (media)
richard_kline@oxy.com
310-443-6249

Chris Stavros (investors)
chris_stavros@oxy.com
212-603-8184

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

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SUMMARY OF SEGMENT NET SALES AND EARNINGS

(In millions, except per-share amounts)	Third Quarter		Nine Months	
	2009	2008	2009	2008
SEGMENT NET SALES				
Oil and Gas	\$ 3,089	\$ 5,422	\$ 7,952	\$ 15,441
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Income from Continuing Operations(a)	929	2,272	1,984	6,391
Discontinued operations, net	(2)	(1)	(7)	23
NET INCOME (a)	\$ 927	\$ 2,271	\$ 1,977	\$ 6,414

BASIC EARNINGS PER COMMON SHARE

Income from continuing operations	\$	1.14	\$	2.78	\$	2.44	\$	7.78
Discontinued operations, net		—		—		(0.01)		0.03
	\$	1.14	\$	2.78	\$	2.43	\$	7.81
DILUTED EARNINGS PER COMMON SHARE								
Income from continuing operations	\$	1.14	\$	2.77	\$	2.44	\$	7.74
Discontinued operations, net		—		—		(0.01)		0.03
	\$	1.14	\$	2.77	\$	2.43	\$	7.77
AVERAGE COMMON SHARES OUTSTANDING								
BASIC		811.8		815.3		811.1		820.1
DILUTED		814.4		817.6		813.9		823.5

See footnotes on following page.

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- (a) **Net Income** - Net income and income from continuing operations represent amounts attributable to Common Stock, after deducting non-controlling interest of \$14 million and \$38 million for the third quarter and \$35 million and \$104 million for the nine months ended September 30, 2009 and 2008, respectively. Oil and gas segment earnings are also presented net of these non-controlling interest amounts.
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SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	Third Quarter		Nine Months					
	2009	2008	2009	2008				
CAPITAL EXPENDITURES	\$	746	\$	1,199	\$	2,649	\$	3,070
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$	769	\$	683	\$	2,297	\$	1,957

ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

Income/(Expense) (\$ millions)	Third Quarter		Nine Months					
	2009	2008	2009	2008				
Foreign exchange gains and (losses)*	\$	(3)	\$	8	\$	28	\$	3

*Amounts shown after tax.

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SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2009	2008	2009	2008
NET OIL, GAS AND LIQUIDS SALES PER DAY				
United States				
Crude Oil and Liquids (MBBL)				
California	92	87	93	86
Permian	168	166	168	168
Midcontinent/Rockies	9	8	10	6
Total	269	261	271	260
Natural Gas (MMCF)				
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Latin America				
Crude Oil (MBBL)				
Argentina	30	38	37	32
Colombia	44	43	46	43
Total	74	81	83	75
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Argentina	27	24	30	19
Bolivia	18	21	17	21
Total	45	45	47	40

Middle East/North Africa

Crude Oil and Liquids (MBBL)				
Oman	39	23	38	21
Dolphin	21	18	22	20
Qatar	46	49	48	47
Yemen	22	20	25	22
Libya	4	7	6	17
Total	132	117	139	127

Natural Gas (MMCF)

Oman	22	25	23	24
Dolphin	208	165	218	176
Total	230	190	241	200

Barrels of Oil Equivalent (MBOE)

Subtotal consolidated subsidiaries	630	593	646	599
Colombia-minority interest	(5)	(7)	(6)	(7)
Yemen-Occidental net interest	3	2	3	2
Total Worldwide Sales Volumes - MBOE	628	588	643	594

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SUMMARY OF OPERATING STATISTICS

	Third Quarter		Nine Months	
	2009	2008	2009	2008
NET OIL, GAS AND LIQUIDS PRODUCTION PER DAY				
United States				
Crude Oil and Liquids (MBBL)	269	261	271	260
Natural Gas (MMCF)	653	570	632	584
Latin America				
Crude Oil (MBBL)				
Argentina	31	39	36	33
Colombia	43	43	46	43
Total	74	82	82	76
Natural Gas (MMCF)	45	45	47	40
Middle East/North Africa				
Crude Oil and Liquids (MBBL)				
Oman	40	24	38	21
Dolphin	21	18	22	20
Qatar	48	48	48	47
Yemen	22	19	25	22
Libya	5	9	7	17
Total	136	118	140	127
Natural Gas (MMCF)	230	190	241	200
Barrels of Oil Equivalent (MBOE)				
Subtotal consolidated subsidiaries	634	595	646	600
Colombia-minority interest	(5)	(6)	(6)	(6)
Yemen-Occidental net interest	3	2	3	2
Total Worldwide Production Volumes - MBOE	632	591	643	596

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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.

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SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

Third Quarter

(\$ millions, except per-share amounts)	2009	Diluted EPS	2008	Diluted EPS
TOTAL REPORTED EARNINGS*	\$ 927	\$ 1.14	\$ 2,271	\$ 2.77
Oil and Gas*				
Segment Earnings	\$ 1,464		\$ 3,618	
Add:				
No significant items affecting earning	—		—	
Segment Core Results	<u>1,464</u>		<u>3,618</u>	
Chemicals				
Segment Earnings	72		219	
Add:				
No significant items affecting earning	—		—	
Segment Core Results	<u>72</u>		<u>219</u>	
Midstream, Marketing and Other				
Segment Earnings	77		66	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	<u>77</u>		<u>66</u>	
Total Segment Core Results	<u>1,613</u>		<u>3,903</u>	
Corporate				
Corporate Results – Non Segment**	(686)		(1,632)	
Add:				
Discontinued operations, net***	<u>2</u>		<u>1</u>	
Corporate Core Results – Non Segment	<u>(684)</u>		<u>(1,631)</u>	
TOTAL CORE RESULTS	\$ 929	\$ 1.14	\$ 2,272	\$ 2.77

* Represents amounts attributable to common stock, after deducting non-controlling interest of \$14 million and \$38 million for the third quarter 2009 and 2008, respectively.

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

*** Amounts shown after tax.

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS (continued)

(\$ millions, except per-share amounts)	2009	Diluted EPS	2008	Nine Months Diluted EPS
TOTAL REPORTED EARNINGS*	\$ 1,977	\$ 2.43	\$ 6,414	\$ 7.77
Oil and Gas*				
Segment Earnings	\$ 3,092		\$ 10,312	
Add:				
Rig terminations	8		—	
Segment Core Results	<u>3,100</u>		<u>10,312</u>	
Chemicals				
Segment Earnings	356		542	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	<u>356</u>		<u>542</u>	
Midstream, Marketing and Other				
Segment Earnings	154		350	
Add:				
No significant items affecting earnings	—		—	
Segment Core Results	<u>154</u>		<u>350</u>	
Total Segment Core Results	<u>3,610</u>		<u>11,204</u>	
Corporate				
Corporate Results — Non Segment**	(1,625)		(4,790)	
Add:				
Severance accruals	40		—	
Railcar leases	15		—	
Tax effect of pre-tax adjustments	(22)		—	
Discontinued operations, net***	<u>7</u>		<u>(23)</u>	
Corporate Core Results — Non Segment	<u>(1,585)</u>		<u>(4,813)</u>	
TOTAL CORE RESULTS	\$ 2,025	\$ 2.48	\$ 6,391	\$ 7.74

* Represents amounts attributable to common stock, after deducting non-controlling interest of \$35 million and \$104 million for the nine months of 2009 and 2008, respectively.

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

Occidental Petroleum Corporation**DR. RAY R. IRANI**
Chairman and Chief Executive Officer**– Conference Call –**
Third Quarter 2009 Earnings Announcement**October 22, 2009**
Los Angeles, California

Thank you, Chris, and good morning ladies and gentlemen. Thank you for joining us today.

This morning I will give you brief highlights of a few of the positive developments at Oxy during the last quarter. Steve Chazen will provide financial highlights and details shortly.

Our worldwide oil and gas production for the 2009 third quarter was nearly 7-percent higher than the third quarter last year. A significant portion of the domestic increase is from our new discovery in Kern County, California, which we announced last quarter. In the new discovery area, we currently have gross production of approximately 26,000 BOE per day, which is 8,700 BOE per day more than we reported to you last quarter. We continue to be excited about Oxy's growth potential in California.

In the third quarter we also achieved production growth in the Middle East region, mainly from our operations in Oman and the Dolphin Project. We continue to see opportunity in the Middle East, and it is a region in which we expect further growth.

Page 1 of 3

In the next few weeks, we will launch a joint operating company to manage the development and production of the Bahrain Field. As you know, with Bahrain's national oil company and Mubadala of Abu Dhabi, we are teaming to dramatically increase the field's oil production from 30,000 to over 100,000 barrels per day. Gas production is also expected to increase 50 percent to 2.5 BCF during the term of the contract. Oxy's net proved reserve additions over the life of the project are estimated to be 450 million BOE.

And, as announced last week, Oxy is part of an Eni-led consortium that has been awarded the license for development of the giant Zubair oil field in Iraq. Iraq holds the world's second-largest reserves of oil with about 115 billion barrels – second only to Saudi Arabia. Iraqi officials have said that they plan to increase the country's oil production from the current level of approximately 2.2 million barrels a day to as much as 12 million BOPD. We are now one of the few companies on the ground floor of this world-class opportunity.

The Zubair field has significant proved reserves estimated at more than 4.2 billion barrels and current production of 195,000 barrels of oil per day.

Development of Zubair will be a multi-year, multi-phased project with production expected to reach a plateau of more than a million barrels per day in the next six years. We expect Oxy's net share of peak production from the field to be approximately 90,000 barrels per day.

Zubair will give us the opportunity to learn – evaluating each phase of the project — and give us the insight to effectively evaluate future developments in Iraq.

Page 2 of 3

We hope to expand our position and continue our involvement in Iraq while meeting our standards for security and rate of return.

I'll now turn the call over to Steve Chazen to give you our third quarter and year-to-date financial results in greater detail.

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Page 3 of 3

Occidental Petroleum Corporation**STEPHEN CHAZEN**
President and Chief Financial Officer**– Conference Call –**
Third Quarter 2009 Earnings Announcement**October 22, 2009**
Los Angeles, California

Thank you Ray.

Net income was \$927 million in the third quarter of 2009, compared to \$2.3 billion in the third quarter of 2008.

Here's the segment breakdown for the **third quarter**.

Oil and gas third quarter 2009 segment earnings were \$1.5 billion, compared to \$3.6 billion for the third quarter of 2008.

- The \$2.1 billion decrease in the third quarter of 2009 earnings was due to lower crude oil and natural gas prices, partially offset by higher sales volumes and lower operating expenses. Occidental's average realized crude oil price in the 2009 third quarter was \$62.79 per barrel, a decrease of 40 percent from the \$104.15 per barrel in the comparable period of 2008. Oxy's domestic average realized gas price for the quarter was \$3.04 per mcf, compared with \$9.35 per mcf for the third quarter of 2008.

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- Worldwide oil and gas sales volumes for the third quarter of 2009 were 628,000 barrels of oil equivalent per day, an increase of nearly seven percent, compared with 588,000 BOE per day in the third quarter of last year. The increase includes 22,000 BOE per day from domestic operations, 16,000 BOE per day from Oman and 10,000 BOE per day from Dolphin, partially offset by 8,000 BOE per day lower volumes from Argentina.

- The domestic volume increases occurred in California and the Permian. The California production increase was largely a result of new wells from the Kern County discovery we announced last quarter.

- The Middle East included higher production in Oman and higher production sharing volumes compared to last year's third quarter.

- The Argentina decrease includes 9,000 BOE per day loss from a strike in Santa Cruz in the third quarter of 2009.

- Third quarter of 2009 worldwide oil and gas sales volumes decreased three percent or 21,000 BOE per day from the second quarter 2009 sales volumes of 649,000 BOE per day.

- Dolphin volumes were lower by 10,000 BOE per day resulting mainly from higher catch-up cost-recovery volumes in the second quarter.

- Argentina volumes decreased by 7,000 BOE per day due in large part to the Santa Cruz strike.

- Qatar and Libya volumes declined by 8,000 BOE per day due to the timing of liftings.

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- Midcontinent/Rockies volumes were lower by 4,000 BOE per day which reflects the natural decline in gas production.

- California volumes increased by 8,000 BOE per day, largely the result of new wells from the Kern County discovery.

- Exploration expense was \$56 million in the quarter, in line with our guidance of \$50 million.

Oil and gas cash production costs, excluding production and property taxes, were \$10.27 a barrel for the first nine months of 2009, a 15 percent decline from last year's twelve-month costs of \$12.13 a barrel. In the third quarter of 2009, Oil & Gas cash production costs were \$10.15 per BOE, essentially flat with the second quarter of 2009 run rate.

Taxes – other than on income were \$1.75 per barrel for the first nine months of 2009 compared to \$2.62 per barrel for all of 2008. These costs, which are sensitive to product prices, reflect lower crude oil and gas prices in the first nine months of 2009. In the third quarter of 2009 these taxes decreased to \$1.73 per BOE, compared to the second quarter of 2009 rate of \$1.82 per BOE, due to reductions in 2009 – 2010 property taxes.

Chemical segment earnings for the third quarter of 2009 were \$72 million, compared to \$219 million in last year's third quarter. The third quarter 2009 results reflect the continued weakness in the U.S. housing, automotive and durable goods sectors resulting in lower margins for caustic soda and polyvinyl chloride and lower volumes for chlorine, caustic soda, potassium hydroxide and polyvinyl chloride.

Midstream segment earnings for the third quarter of 2009 were \$77 million, compared to \$66 million in the third quarter of 2008. The increase

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in earnings was due to higher margins in the marketing business, partially offset by lower NGL realized prices in the gas processing business.

The worldwide effective tax rate was 37 percent for the third quarter of 2009, compared with our guidance of 40 to 42 percent. The decrease in rate reflects tax benefits resulting from the relinquishment of international exploration contracts and a higher proportion of expected total year domestic source pre-tax income. Occidental generally records no tax benefit on foreign expensed exploration until the project is relinquished.

Let me now turn to Occidental's performance during the **first nine months**.

Net income was \$2.0 billion for the first nine months of 2009, compared with \$6.4 billion for the first nine months of 2008.

Capital spending for the third quarter of 2009 was \$746 million and \$2.6 billion for the first nine months. We currently anticipate total year 2009 capital spending to be \$3.7 billion. The \$100 million increase from our last estimate is allocated to domestic Oil & Gas operations. Portions of the increase

will be used to complete 130 previously drilled wells in the Piceance Basin. This work will be completed by the end of the first quarter of 2010 and is expected to add about 40 MMCF per day to our production.

Cash flow from operations for the nine months of 2009 was \$3.8 billion. We used \$2.6 billion of the company's cash flow to fund capital expenditures and \$0.6 billion on acquisitions and foreign bonuses. These items amounted to \$3.2 billion of cash use. We also used \$794 million to pay dividends and in the third quarter we used \$691 million to retire senior debt maturities, which was funded from the second quarter issuance of \$750 million senior notes due in 2016. These and other net cash outflows decreased our \$1.8 billion cash balance at the end of last year by \$200

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million to \$1.6 billion at September 30. Third quarter free cash flow after capital spending, dividends and taxes but before financing and acquisition activity was about \$700 million.

As a result of the reduction in debt in the third quarter, our debt to capitalization ratio came down to 9 percent, which is the same level we reported last year-end.

The weighted average basic shares outstanding for the nine months were 811.1 million and the weighted average diluted shares outstanding were 813.9 million.

As we look ahead in the **current quarter**:

- We expect oil and gas sales volumes to increase to about 650,000 to 660,000 BOE/day at about current oil prices. The fourth quarter production is expected to reflect increases from California, Argentina and the Middle East / North Africa.

With regard to **prices** -

- At current market prices, a \$1.00 per barrel change in oil prices impacts oil and gas quarterly earnings before income taxes by about \$39 million. The average third quarter WTI oil price was \$68.30 per barrel and NYMEX gas price was \$3.60 per MCF.
- A swing of 50-cents per million BTUs in domestic gas prices has a \$23 million impact on quarterly earnings before income taxes. The current NYMEX gas price is around \$4.80 per MCF.

Additionally - -

- We expect exploration expense to be about \$100 million for seismic and drilling for our exploration programs.

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- For the chemical segment, we expect continued weakness in the U.S. housing, automotive and durable goods sectors in the fourth quarter. The fourth quarter is the weakest quarter for this business. Chemical earnings for the fourth quarter are expected to be between \$20 to \$40 million as opposed to the break-even level we had estimated last quarter. We expect increases in chlorine, caustic soda and polyvinyl chloride prices. These increases are not expected to offset the higher feedstock and energy costs.
- We expect our combined worldwide tax rate in the fourth quarter of 2009 to be in the range of 40 to 42 percent depending on the split between domestic and foreign sourced income. Our third quarter U.S. and foreign tax rates are included in the "Investor Relations Supplemental Schedule."
- **Acquisition Activity** – Last month we announced the acquisition of Phibro from Citigroup for a price that approximates the liquidation value of its assets. As of the most recent information, the vast majority of Phibro's assets consist of cash and marketable securities. The exact amount of the purchase price will be determined at closing which is expected this quarter. We expect that our investment in Phibro will average about \$250 million depending upon their cash needs from time to time. They will operate as a stand alone entity while our current trading operations will continue selling our physical production. Our policies on hedging and risk management of our physical production remains unchanged. Phibro has an extensive system of risk controls which will be overseen by Occidental employees. The quality of Phibro's risk controls and management can be seen by their lack of any

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losing years since 1997 when they were bought by Citi. With time, we expect to use Phibro's excellent reputation in the Middle East and elsewhere to enhance our position in the region.

- Property acquisition activity has picked up recently. We expect to close several hundred million dollars of property acquisitions in the fourth quarter.
- **California Exploration** – Excluding the Kern County discovery discussed in last quarter's conference call, over the course of little over a year, we have drilled 36 exploration wells seeking non-traditional hydrocarbon bearing zones in California. Of these wells, 11 are commercial and 10 are currently being evaluated. We expect to drill an additional 7 exploration wells in 2009. Occidental holds 1.1 million acres of net fee minerals and leasehold in California, which have been acquired in the last few years to exploit these opportunities. Discoveries similar to the Kern County discovery are possible in this net acre position. Additionally, we continue to pursue shale production which is expected to produce oil on this acreage.

- The Kern County discovery, which is near Elk Hills, is not below any producing zones. In this area, we are currently producing from 10 wells approximately 105 million cubic feet of gas and 8,500 barrels of liquids per day, which is 8,700 BOE per day higher production from what we disclosed last quarter. Cumulative gross production since the start of production through the end of September 2009 has been 8.5 billion cubic feet of gas and 765,000 barrels of liquids. All of this production comes from conventional zones. While there is oil production from shale zones in this area,

the bulk of the future production will come from conventional wells. During 2009, we expect to drill an additional 11 wells. In the next two quarters, the focus of our drilling will be on oil wells as we seek to further define the oil zone.

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

Now we're ready to take your questions.

Investor Relations Supplemental Schedules



**Investor Relations Supplemental Schedules
Summary
(\$ Millions)**

	<u>3Q 2009</u>	<u>3Q 2008</u>
Reported Net Income	\$ 927	\$ 2,271
EPS - Diluted	\$ 1.14	\$ 2.77
Core Results	\$ 929	\$ 2,272
EPS - Diluted	\$ 1.14	\$ 2.77
Total Worldwide Sales Volumes (mboe/day)	628	588
Total Worldwide Crude Oil Realizations (\$/BBL)	\$ 62.79	\$ 104.15
Domestic Natural Gas Realizations (\$/MCF)	\$ 3.04	\$ 9.35
Wtd. Average Basic Shares O/S (mm)	811.8	815.3
Wtd. Average Diluted Shares O/S (mm)	814.4	817.6
	<u>YTD 2009</u>	<u>YTD 2008</u>
Reported Net Income	\$ 1,977	\$ 6,414
EPS - Diluted	\$ 2.43	\$ 7.77
Core Results	\$ 2,025	\$ 6,391
EPS - Diluted	\$ 2.48	\$ 7.74
Total Worldwide Sales Volumes (mboe/day)	643	594
Total Worldwide Crude Oil Realizations (\$/BBL)	\$ 51.44	\$ 100.39
Domestic Natural Gas Realizations (\$/MCF)	\$ 3.15	\$ 9.18
Wtd. Average Basic Shares O/S (mm)	811.1	820.1
Wtd. Average Diluted Shares O/S (mm)	813.9	823.5
Shares Outstanding (mm)	811.7	809.9
Cash Flow from Operations	\$ 3,800	\$ 8,100

Investor Relations Supplemental Schedules



**OCCIDENTAL PETROLEUM
2009 Third Quarter
Net Income (Loss)
(\$ millions)**

	<u>Reported Income</u>	<u>Significant Items Affecting Income</u>	<u>Core Results</u>
Oil & Gas	\$ 1,464		\$ 1,464
Chemical	72		72
Midstream, marketing and other	77		77

Corporate			
Interest expense, net	(33)		(33)
Other	(102)		(102)
Taxes	(549)		(549)
Income from continuing operations	929	—	929
Discontinued operations, net of tax	(2)	2	Discontinued operations, net
Net Income	\$ 927	\$ 2	\$ 929

Basic Earnings Per Common Share

Income from continuing operations	\$ 1.14		
Discontinued operations, net	—		
Net Income	\$ 1.14		\$ 1.14

Diluted Earnings Per Common Share

Income from continuing operations	\$ 1.14		
Discontinued operations, net	—		
Net Income	\$ 1.14		\$ 1.14

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Investor Relations Supplemental Schedules



OCCIDENTAL PETROLEUM 2008 Third Quarter Net Income (Loss) (\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 3,618		\$ 3,618
Chemical	219		219
Midstream, marketing and other	66		66
Corporate			
Interest expense, net	(3)		(3)
Other	(82)		(82)
Taxes	(1,546)		(1,546)
Income from continuing operations	2,272	—	2,272
Discontinued operations, net of tax	(1)	1	Discontinued operations, net
Net Income	\$ 2,271	\$ 1	\$ 2,272
Basic Earnings Per Common Share			
Income from continuing operations	\$ 2.78		
Discontinued operations, net	—		
Net Income	\$ 2.78		\$ 2.78
Diluted Earnings Per Common Share			
Income from continuing operations	\$ 2.77		
Discontinued operations, net	—		
Net Income	\$ 2.77		\$ 2.77

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Investor Relations Supplemental Schedules



OCCIDENTAL PETROLEUM
2009 First Nine Months
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 3,092	\$ 8 Rig terminations	\$ 3,100
Chemical	356		356
Midstream, marketing and other	154		154
Corporate			
Interest expense, net	(76)		(76)
Other	(297)	40 Severance 15 Railcar leases	(242)
Taxes	(1,245)	(22) Tax effect of adjustments	(1,267)
Income from continuing operations	1,984	41	2,025
Discontinued operations, net of tax	(7)	7 Discontinued operations, net	—
Net Income	\$ 1,977	\$ 48	\$ 2,025

Basic Earnings Per Common Share

Income from continuing operations	\$ 2.44		
Discontinued operations, net	(0.01)		
Net Income	\$ 2.43		\$ 2.49

Diluted Earnings Per Common Share

Income from continuing operations	\$ 2.44		
Discontinued operations, net	(0.01)		
Net Income	\$ 2.43		\$ 2.48

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Investor Relations Supplemental Schedules



OCCIDENTAL PETROLEUM
2008 First Nine Months
Net Income (Loss)
(\$ millions)

	Reported Income	Significant Items Affecting Income	Core Results
Oil & Gas	\$ 10,312		\$ 10,312
Chemical	542		542
Midstream, marketing and other	350		350
Corporate			
Interest expense, net	(10)		(10)
Other	(292)		(292)
Taxes	(4,511)		(4,511)
Income from continuing operations	6,391	—	6,391
Discontinued operations, net of tax	23	(23) Discontinued operations, net	—
Net Income	\$ 6,414	\$ (23)	\$ 6,391

Basic Earnings Per Common Share

Income from continuing operations	\$	7.78		
Discontinued operations, net		0.03		
Net Income	\$	<u>7.81</u>		\$ 7.78

Diluted Earnings Per Common Share

Income from continuing operations	\$	7.74		
Discontinued operations, net		0.03		
Net Income	\$	<u>7.77</u>		\$ 7.74

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Investor Relations Supplemental Schedules



OCCIDENTAL PETROLEUM
Items Affecting Comparability of Core Results Between Periods

The item(s) below are included in core results and are shown in this table because they affect the comparability between periods.

Pre-tax Income / (Expense)	Third Quarter		Nine months		
	2009	2008	2009	2008	
Foreign Exchange Gains & (Losses) *		(3)	8	28	3

*Amounts shown after-tax

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Investor Relations Supplemental Schedules



OCCIDENTAL PETROLEUM
Worldwide Effective Tax Rate

	QUARTERLY			YEAR-TO-DATE	
	2009 QTR 3	2009 QTR 2	2008 QTR 3	2009 9 Months	2008 9 Months
REPORTED INCOME					
Oil & Gas (a)	1,464	1,083	3,618	3,092	10,312
Chemicals	72	115	219	356	542
Midstream, marketing and other	77	63	66	154	350
Corporate & other	(135)	(122)	(85)	(373)	(302)
Pre-tax income	<u>1,478</u>	<u>1,139</u>	<u>3,818</u>	<u>3,229</u>	<u>10,902</u>
Income tax expense					
Federal and state	189	148	716	349	2,123
Foreign (a)	360	307	830	896	2,388
Total	<u>549</u>	<u>455</u>	<u>1,546</u>	<u>1,245</u>	<u>4,511</u>
Income from continuing operations	<u>929</u>	<u>684</u>	<u>2,272</u>	<u>1,984</u>	<u>6,391</u>
Worldwide effective tax rate	37%	40%	40%	39%	41%

	2009 QTR 3	2009 QTR 2	2008 QTR 3	2009 9 Months	2008 9 Months
CORE RESULTS					
Oil & Gas (a)	1,464	1,083	3,618	3,100	10,312
Chemicals	72	115	219	356	542
Midstream, marketing and other	77	63	66	154	350
Corporate & other	(135)	(114)	(85)	(318)	(302)

Pre-tax income	1,478	1,147	3,818	3,292	10,902
Income tax expense					
Federal and state	189	151	716	371	2,123
Foreign (a)	360	307	830	896	2,388
Total	549	458	1,546	1,267	4,511
Core results	929	689	2,272	2,025	6,391
Worldwide effective tax rate	37%	40%	40%	38%	41%

(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.

	2009 QTR 3	2009 QTR 2	2008 QTR 3	2009 9 Months	2008 9 Months
	338	287	730	827	1,801

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Investor Relations Supplemental Schedules

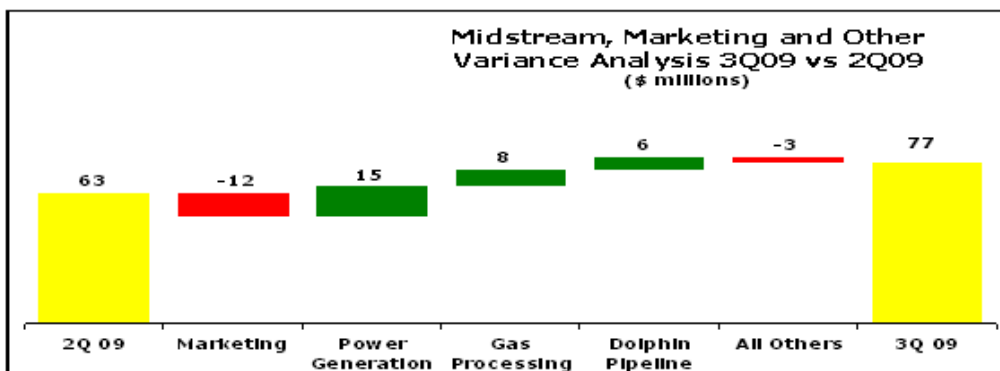
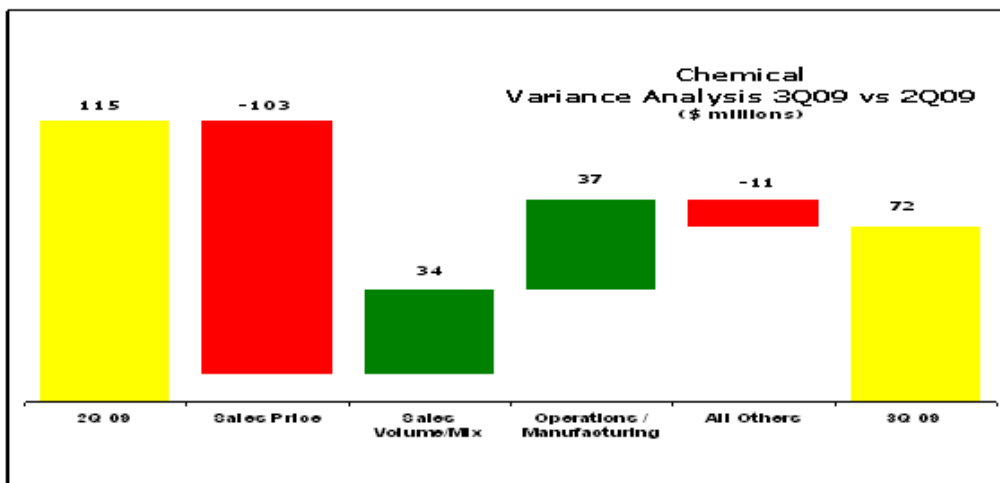
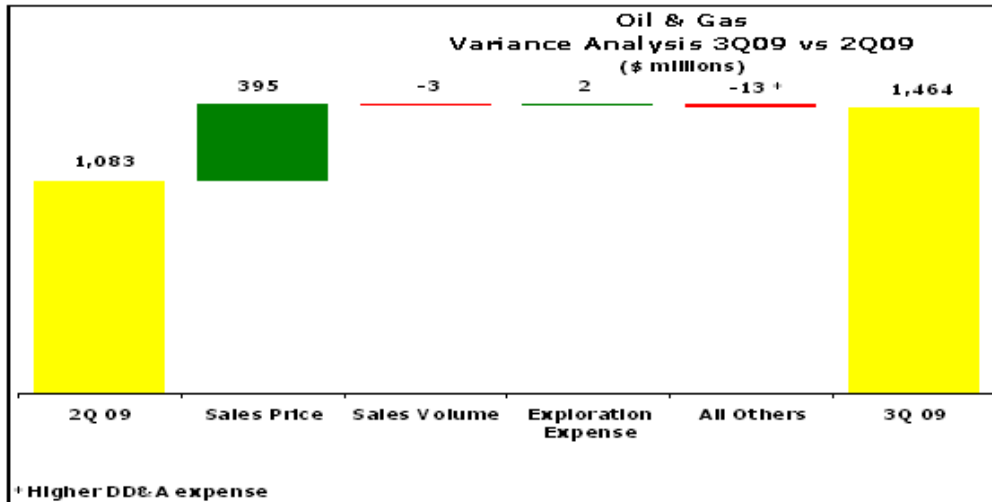


OCCIDENTAL PETROLEUM
2009 Third Quarter Net Income (Loss)
Reported Income Comparison

	Third Quarter 2009	Second Quarter 2009	B / (W)
Oil & Gas	\$ 1,464	\$ 1,083	\$ 381
Chemical	72	115	(43)
Midstream, marketing and other	77	63	14
Corporate			
Interest expense, net	(33)	(23)	(10)
Other	(102)	(99)	(3)
Taxes	(549)	(455)	(94)
Income from continuing operations	929	684	245
Discontinued operations, net	(2)	(2)	—
Net Income	\$ 927	\$ 682	\$ 245
Earnings Per Common Share			
Basic	\$ 1.14	\$ 0.84	\$ 0.30
Diluted	\$ 1.14	\$ 0.84	\$ 0.30
Worldwide Effective Tax Rate	37%	40%	3%

OCCIDENTAL PETROLEUM
2009 Third Quarter Net Income (Loss)
Core Results Comparison

	Third Quarter 2009	Second Quarter 2009	B / (W)
Oil & Gas	\$ 1,464	\$ 1,083	\$ 381
Chemical	72	115	(43)
Midstream, marketing and other	77	63	14
Corporate			
Interest expense, net	(33)	(23)	(10)
Other	(102)	(91)	(11)
Taxes	(549)	(458)	(91)
Core Results	\$ 929	\$ 689	\$ 240
Core Results Per Common Share			
Basic	\$ 1.14	\$ 0.85	\$ 0.29
Diluted	\$ 1.14	\$ 0.85	\$ 0.29
Worldwide Effective Tax Rate	37%	40%	3%



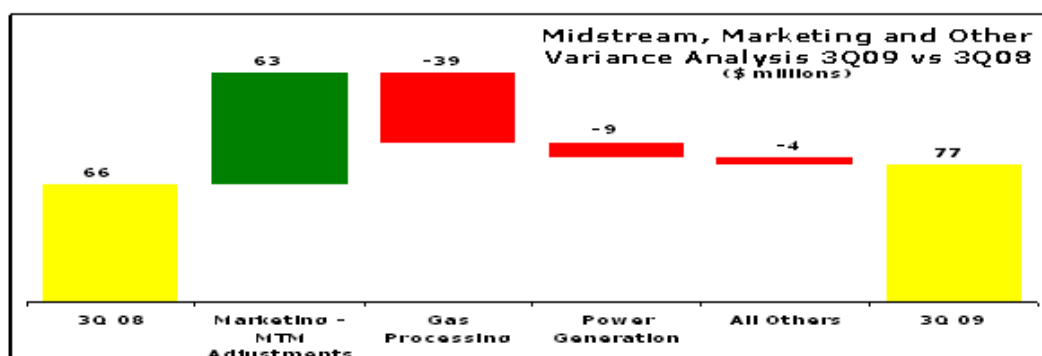
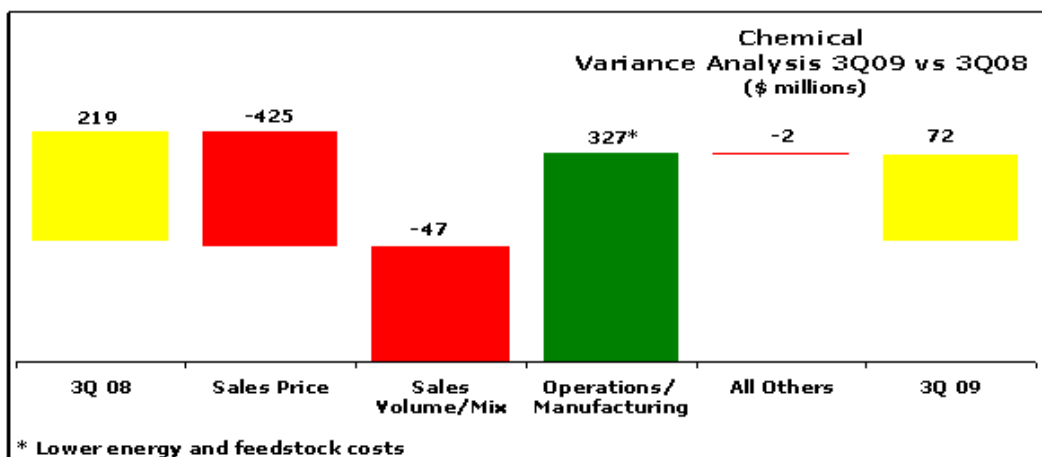
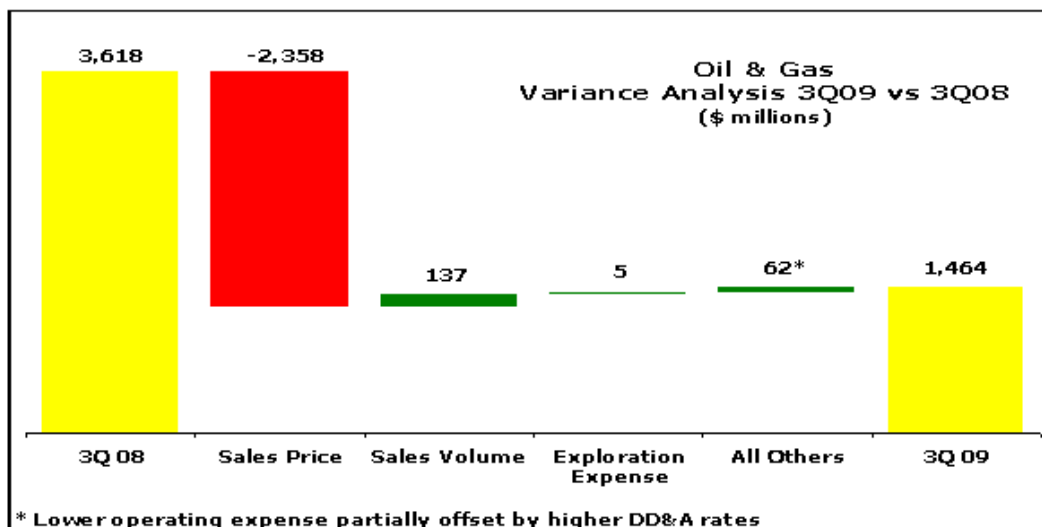
OCCIDENTAL PETROLEUM
2009 Third Quarter Net Income (Loss)
Reported Income Comparison

	Third Quarter 2009	Third Quarter 2008	B / (W)
Oil & Gas	\$ 1,464	\$ 3,618	\$ (2,154)
Chemical	72	219	(147)
Midstream, marketing and other	77	66	11
Corporate			
Interest expense, net	(33)	(3)	(30)
Other	(102)	(82)	(20)
Taxes	(549)	(1,546)	997
Income from continuing operations	929	2,272	(1,343)
Discontinued operations, net	(2)	(1)	(1)
Net Income	\$ 927	\$ 2,271	\$ (1,344)
Earnings Per Common Share			
Basic	\$ 1.14	\$ 2.78	\$ (1.64)
Diluted	\$ 1.14	\$ 2.77	\$ (1.63)
Worldwide Effective Tax Rate	37%	40%	3%

OCCIDENTAL PETROLEUM
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Core Results Comparison

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Diluted	\$ 1.14	\$ 2.77	\$ (1.63)
Worldwide Effective Tax Rate	37%	40%	3%





**OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS**

	Third Quarter		Nine months	
	2009	2008	2009	2008
NET SALES VOLUMES PER DAY:				
United States				
Crude Oil and Liquids (MBBL)				
California	92	87	93	86
Permian	168	166	168	168
Midcontinent/Rockies	9	8	10	6
Total	269	261	271	260
Natural Gas (MMCF)				
California	269	236	240	239
Permian	208	169	200	179

	Midcontinent/Rockies	176	165	192	166
	Total	653	570	632	584
Latin America					
Crude Oil (MBBL)					
	Argentina	30	38	37	32
	Colombia	44	43	46	43
	Total	74	81	83	75
Natural Gas (MMCF)					
	Argentina	27	24	30	19
	Bolivia	18	21	17	21
	Total	45	45	47	40
Middle East / North Africa					
Crude Oil (MBBL)					
	Oman	39	23	38	21
	Dolphin	21	18	22	20
	Qatar	46	49	48	47
	Yemen	22	20	25	22
	Libya	4	7	6	17
	Total	132	117	139	127
Natural Gas (MMCF)					
	Oman	22	25	23	24
	Dolphin	208	165	218	176
	Total	230	190	241	200
Barrels of Oil Equivalent (MBOE)					
Subtotal consolidated subsidiaries		630	593	646	599
Other interests					
Colombia - minority interest		(5)	(7)	(6)	(7)
Yemen - Occidental net interest		3	2	3	2
Total worldwide sales volumes - MBOE		628	588	643	594

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Investor Relations Supplemental Schedules



**OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS**

	Third Quarter		Nine months		
	2009	2008	2009	2008	
NET PRODUCTION PER DAY:					
United States					
Crude Oil and Liquids (MBBL)	269	261	271	260	
Natural Gas (MMCF)	653	570	632	584	
Latin America					
Crude Oil (MBBL)					
	Argentina	31	39	36	
	Colombia	43	43	46	
	Total	74	82	76	
Natural Gas (MMCF)					
		45	45	47	
Middle East / North Africa					
Crude Oil (MBBL)					
	Oman	40	24	38	
	Dolphin	21	18	22	
	Qatar	48	48	48	
	Yemen	22	19	25	
	Libya	5	9	7	
	Total	136	118	140	
Natural Gas (MMCF)					
		230	190	241	
Barrels of Oil Equivalent (MBOE)					
Subtotal consolidated subsidiaries		634	595	646	600

Other interests

Colombia - minority interest	(5)	(6)	(6)	(6)
Yemen - Occidental net interest	3	2	3	2
Total worldwide production - MBOE	632	591	643	596

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Investor Relations Supplemental Schedules


**OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS**

	Third Quarter		Nine months	
	2009	2008	2009	2008
OIL & GAS:				
PRICES				
United States				
Crude Oil (\$/BBL)	63.37	109.50	52.04	104.82
Natural gas (\$/MCF)	3.04	9.35	3.15	9.18
Latin America				
Crude Oil (\$/BBL)	55.40	77.76	46.51	78.23
Natural Gas (\$/MCF)	2.87	4.40	3.04	4.22
Middle East / North Africa				
Crude Oil (\$/BBL)	66.04	114.11	53.55	106.81
Total Worldwide				
Crude Oil (\$/BBL)	62.79	104.15	51.44	100.39
Natural Gas (\$/MCF)	2.53	7.11	2.59	6.95
Exploration Expense				
Domestic	\$ 45	\$ 10	\$ 107	\$ 42
Latin America	4	9	14	35
Middle East / North Africa	7	41	47	117
Other Eastern Hemisphere	—	1	—	(1)
TOTAL REPORTED	\$ 56	\$ 61	\$ 168	\$ 193

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Investor Relations Supplemental Schedules


**OCCIDENTAL PETROLEUM
SUMMARY OF OPERATING STATISTICS**

	Third Quarter		Nine months	
	2009	2008	2009	2008
Capital Expenditures (\$MM)				
Oil & Gas				
California	\$ 118	\$ 201	\$ 402	\$ 558
Permian	57	116	328	278
Midcontinent/Rockies	9	109	77	240
Latin America	93	209	401	547
Middle East / North Africa	234	257	768	735
Exploration	18	66	95	156
Chemicals	43	57	114	154

Midstream, marketing and other	165	177	430	332
Corporate	9	7	34	70
TOTAL	\$ 746	\$ 1,199	\$ 2,649	\$ 3,070

	Third Quarter		Nine months	
	2009	2008	2009	2008
Depreciation, Depletion & Amortization of Assets (\$MM)				
Oil & Gas				
Domestic	\$ 317	\$ 257	\$ 932	\$ 760
Latin America	140	125	463	313
Middle East / North Africa	199	202	586	579
Chemicals	78	75	222	239
Midstream, marketing and other	30	19	79	52
Corporate	5	5	15	14
TOTAL	\$ 769	\$ 683	\$ 2,297	\$ 1,957

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Investor Relations Supplemental Schedules



**OCCIDENTAL PETROLEUM
CORPORATE
(\$ millions)**

	30-Sep-09	31-Dec-08
CAPITALIZATION		
Long-Term Debt (including current maturities)	\$ 2,795	\$ 2,740
Notes Payable	—	7
Others	25	25
Total Debt	\$ 2,820	\$ 2,772
EQUITY	\$ 28,520	\$ 27,325
Total Debt To Total Capitalization	9%	9%

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Third Quarter 2009 Earnings Conference Call

October 22, 2009

Oxy



Third Quarter 2009 Earnings – Highlights

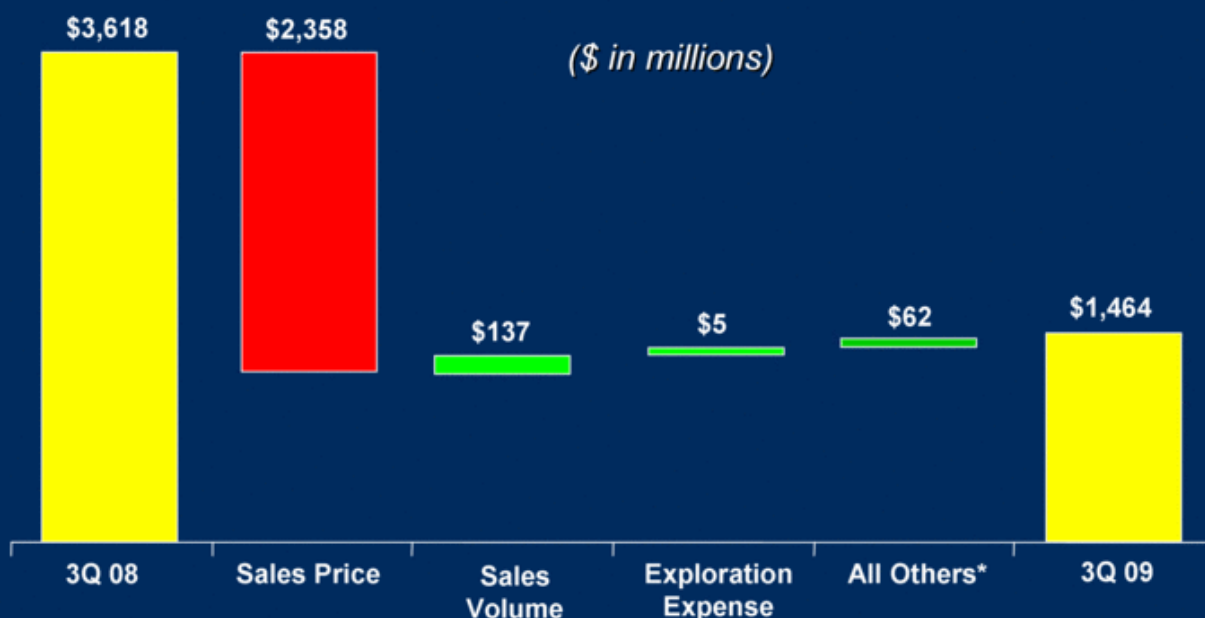


- **Core Results - \$929 Million vs. \$2.3 Billion in 3Q08**
– Core EPS \$1.14 (diluted) vs. \$2.77 in 3Q08.
- **Net Income - \$927 Million vs. \$2.3 Billion in 3Q08**
– EPS \$1.14 (diluted) vs. \$2.77 in 3Q08.

Third Quarter 2009 Earnings – Oil & Gas Segment Variance Analysis – 3Q09 vs. 3Q08



- **Core Results for 3Q09 of \$1.5 B vs. \$3.6 B in 3Q08**
– Decrease due to lower crude oil and natural gas prices, partially offset by higher sales volumes and lower operating expenses.



*All Others include: Lower operating expense partially offset by higher DD&A rates.

Third Quarter 2009 Earnings – Oil & Gas Segment



	<u>3Q09</u>	<u>3Q08</u>
Reported Segment Earnings (\$ mm)	\$1,464	\$3,618
WTI Oil Price (\$/bbl)	\$68.30	\$117.98
NYMEX Gas Price (\$/mcf)	\$3.60	\$10.72

Oxy's Realized Prices

<i>Worldwide Oil (\$/bbl)</i>	<i>\$62.79</i>	<i>\$104.15</i>
<i>US Natural Gas (\$/mcf)</i>	<i>\$3.04</i>	<i>\$9.35</i>

Third Quarter 2009 Earnings – Oil & Gas Segment – Production



- | | <u>3Q09</u> | <u>3Q08</u> |
|---|-------------|-------------|
| • Oil and Gas Sales Volumes (mboe/d) | 628 | 588 |
| – + 6.8% year-over-year | | |
| • Year-over-year sales volume increase includes: | | |
| – + 22 mboe/d from domestic operations; | | |
| – + 16 mboe/d from Oman, and; | | |
| – + 10 mboe/d from Dolphin, partially offset by; | | |
| – - 8 mboe/d from Argentina. | | |
| • The domestic volume increases occurred in CA and the Permian; the CA increase was largely a result of new wells from the Kern County discovery we announced last quarter. | | |
| • The Middle East included higher production in Oman and higher PSC compared to 3Q08. | | |
| • The Argentina decrease includes 9 mboe/d loss from a strike in Santa Cruz in 3Q09. | | |

Third Quarter 2009 Earnings – Oil & Gas Segment – Production



	<u>3Q09</u>	<u>2Q09</u>
• Oil and Gas Sales Volumes (mboe/d)	628	649
–	<i>- 21 mboe/d or - 3.2% quarter-over-quarter</i>	
• Sequential sales volume decrease includes:		
–	Dolphin volumes were lower by 10 mboe/d resulting mainly from higher catch-up cost-recovery volumes in 2Q09;	
–	Argentina volumes fell by 7 mboe/d largely due to the Santa Cruz strike;	
–	Qatar and Libya volumes declined by 8 mboe/d day due to the timing of liftings;	
–	Midcontinent/Rockies volumes declined by 4 mboe/d which reflects the natural decline in gas production, and partially offset by;	
–	Increased CA volumes of 8 mboe/d, largely the result of new wells from the Kern County discovery.	

Third Quarter 2009 Earnings – Oil & Gas Segment – Cash Production Costs and Taxes



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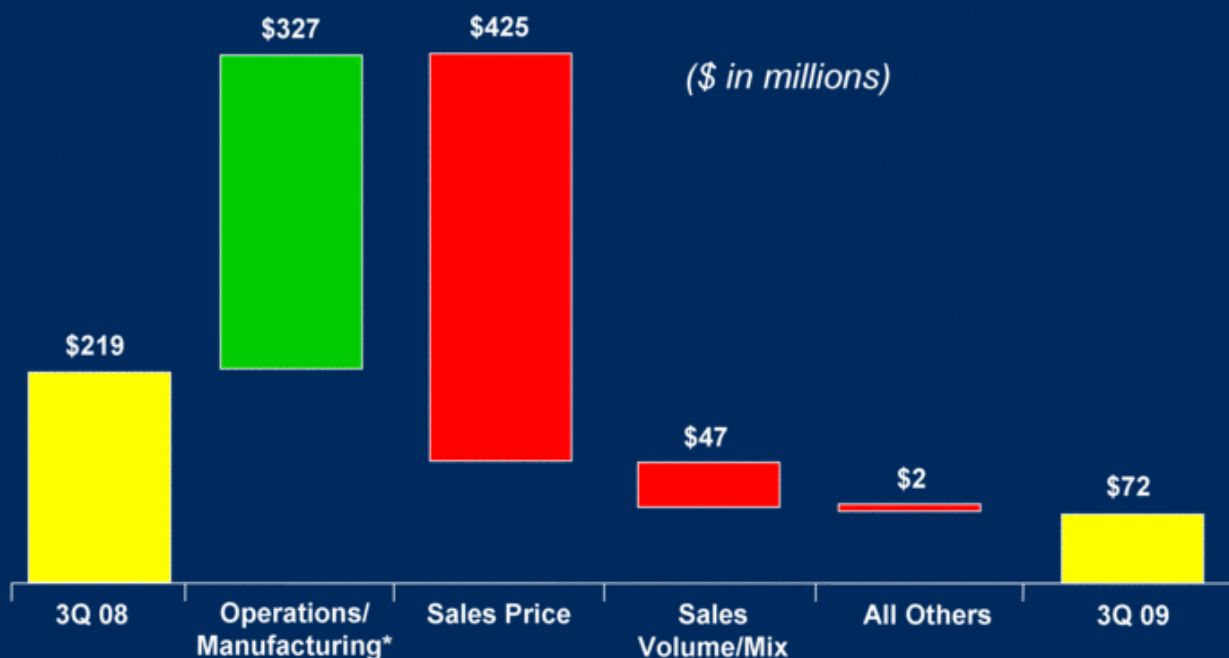
- Oil and gas cash production costs, excluding production and property taxes, were \$10.27 per boe for YTD09.
 - This represents a 15% decline from 2008 full-year costs of \$12.13 per boe.*
- Oil and gas cash production costs, excluding production and property taxes, were \$10.15 per boe in 3Q09 vs. \$10.17 per boe in 2Q09.
- Taxes – other than on income were \$1.75 per boe for YTD09 vs. \$2.62 per boe for all of 2008.
 - These costs, which are sensitive to product prices, reflect lower crude oil and natural gas prices in the first nine months of 2009.
 - In 3Q09, these taxes decreased to \$1.73 per boe, compared to the 2Q09 rate of \$1.82 per boe, due to reductions in 2009 - 2010 property taxes.

Third Quarter 2009 Earnings – Chemical Segment Variance Analysis – 3Q09 vs. 3Q08



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- Core Results for 3Q09 of \$72 mm vs. \$219 mm in 3Q08**
 - Reflects the continued weakness in the U.S. housing, automotive and durable goods sectors resulting in lower margins for caustic soda and PVC and lower volumes for chlorine, caustic soda, potassium hydroxide and PVC.



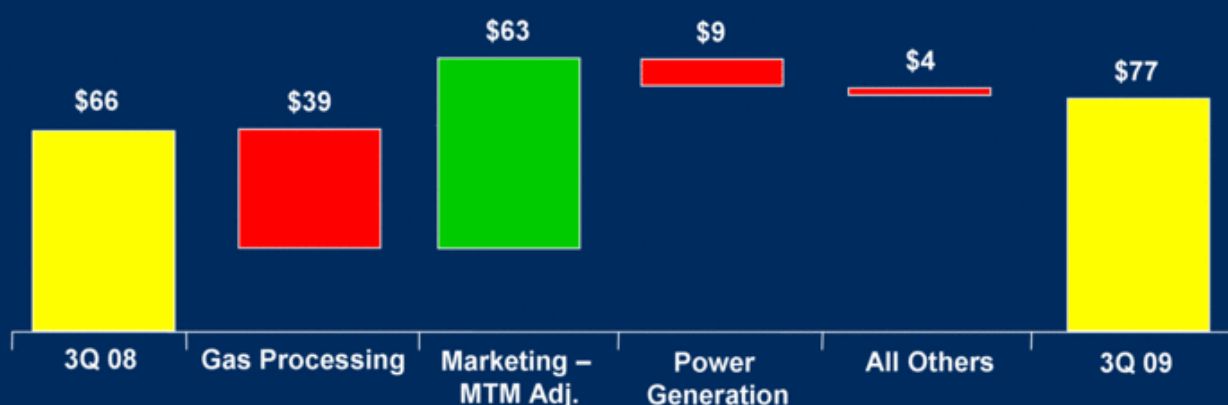
*Lower energy and feedstock costs.

Third Quarter 2009 Earnings – Midstream Segment Variance Analysis – 3Q09 vs. 3Q08



- **Core Results for 3Q09 of \$77 mm vs. \$66 mm in 3Q08**
 - Increase due to higher margins in the marketing business, partially offset by lower NGL realized prices in the gas processing business.

(\$ in millions)



Third Quarter 2009 Earnings – Effective Tax Rate



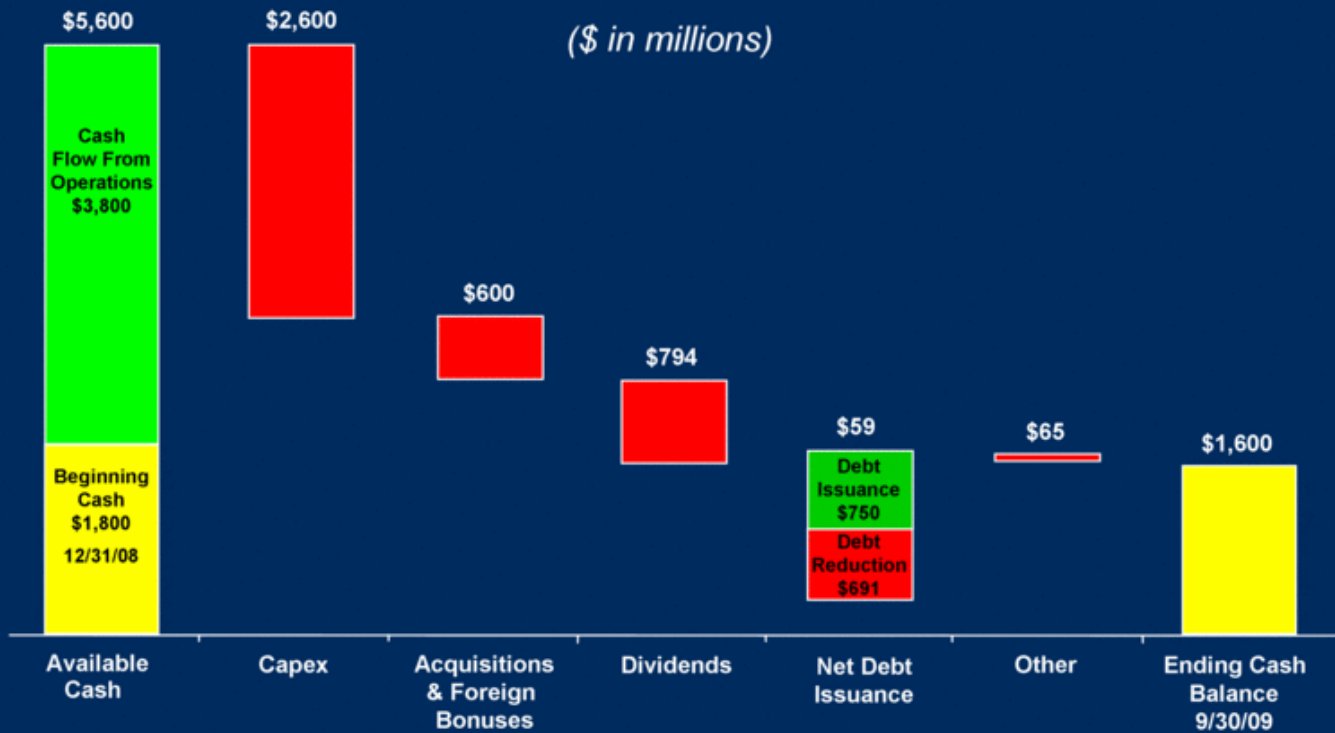
- Worldwide effective tax rate was 37% in 3Q09 vs. our guidance of 40% - 42%;
 - Decrease in rate reflects tax benefits resulting from the relinquishment of international exploration contracts and a higher proportion of expected total year domestic source pre-tax income.
 - Occidental generally records no tax benefit on foreign expensed exploration until the project is relinquished.

Third Quarter 2009 Earnings – Nine Months Results



	<u>YTD2009</u>	<u>YTD2008</u>
• Net Income (\$ mm)	\$1,977	\$6,414
• EPS (diluted)	\$2.43	\$7.77
• Oil and Gas Sales Volumes (mboe/d)	643	594
– +8% year-over-year		
• Capex was \$746 mm in 3Q09 and \$2.6 billion for YTD09.		
– We currently anticipate total year 2009 capex to be \$3.7 billion;		
– The \$100 mm increase from our last estimate is allocated to domestic Oil & Gas operations.		
– Portions of the increase will be used to complete 130 previously drilled wells in the Piceance Basin. This work will be completed by the end of 1Q10 and is expected to add about 40 mmcf/d to our production.		

Third Quarter 2009 Earnings – Cash Flow 2009 YTD



Third Quarter 2009 Earnings – Shares Outstanding



Shares Outstanding (mm)	<u>YTD09</u>	<u>9/30/09</u>
Weighted Average Basic	811.1	
Weighted Average Diluted	813.9	
Basic Shares Outstanding		811.7
Diluted Shares Outstanding		814.5

Third Quarter 2009 Earnings – 4Q09 Outlook



- We expect oil and gas sales volumes in 4Q09 to increase to about 650 to 660 mboe/d at about current oil prices.
 - The fourth quarter production is expected to reflect increases from California, Argentina and the Middle East/North Africa.
- Commodity Price Sensitivity – Earnings
 - At current market prices, a \$1.00 per barrel change in oil prices impacts oil and gas quarterly earnings before income taxes by about \$39 mm;
 - A swing of \$0.50 per mmBTU in domestic gas prices has a \$23 mm impact on quarterly earnings before income taxes;
- We expect 4Q09 exploration expense to be about \$100 mm for seismic and drilling for our exploration programs.

Third Quarter 2009 Earnings – 4Q09 Outlook

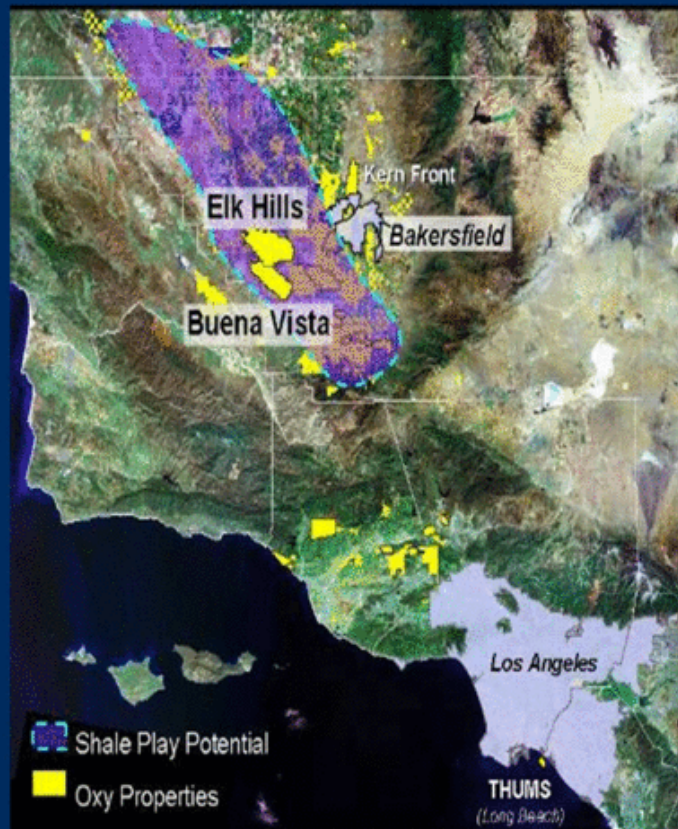


- For the Chemical segment, we expect continued weakness in the U.S. housing, automotive and durable goods sectors in 4Q09, which is the weakest quarter for this business.
 - Chemical earnings for 4Q09 are expected to be between \$20 mm to \$40 mm as opposed to the break-even level we had estimated last quarter.
 - We expect increases in chlorine, caustic soda and polyvinyl chloride prices.
 - These increases are not expected to offset the higher feedstock and energy costs.
- We expect our combined worldwide tax rate in the fourth quarter of 2009 to be in the range of 40 to 42 percent depending on the split between domestic and foreign sourced income.

Third Quarter 2009 Earnings – Acquisition Activity

- Last month we announced the acquisition of Phibro from Citigroup for a price that approximates the liquidation value of its assets.
 - As of the most recent information, the vast majority of Phibro's assets consist of cash and marketable securities.
 - The exact amount of the purchase price will be determined at closing which is expected in 4Q09.
 - We expect that our investment in Phibro will average about \$250 mm depending upon their cash needs from time to time.
 - Phibro will operate as a stand alone entity while our current trading operations will continue selling our physical production.
 - Our policies on hedging and risk management of our physical production remains unchanged.
 - Phibro has an extensive system of risk controls which will be overseen by Oxy employees.
 - The quality of Phibro's risk controls and management can be seen by their lack of any losing years since 1997 when they were bought by Citi.
 - With time, we expect to use Phibro's excellent reputation in the Middle East and elsewhere to enhance our position in the region.
- Property acquisition activity has picked up recently.
 - We expect to close several hundred million dollars of property acquisitions in 4Q09.

Third Quarter 2009 Earnings – California Exploration



- **Excluding the Kern County discovery:**
 - Over the course of little over a year, we have drilled 36 exploration wells seeking non-traditional hydrocarbon bearing zones in California.
 - Of these wells, 11 are commercial and 10 are currently being evaluated;
 - We expect to drill an additional 7 exploration wells in 2009;
 - Oxy holds 1.1 mm acres of net fee minerals and leasehold in CA, which have been acquired in the last few years to exploit these opportunities. Discoveries similar to the Kern County discovery are possible in this net acre position.
 - Additionally, we continue to pursue shale production which is expected to produce oil on this acreage.

Third Quarter 2009 Earnings – California Exploration – Kern County Discovery



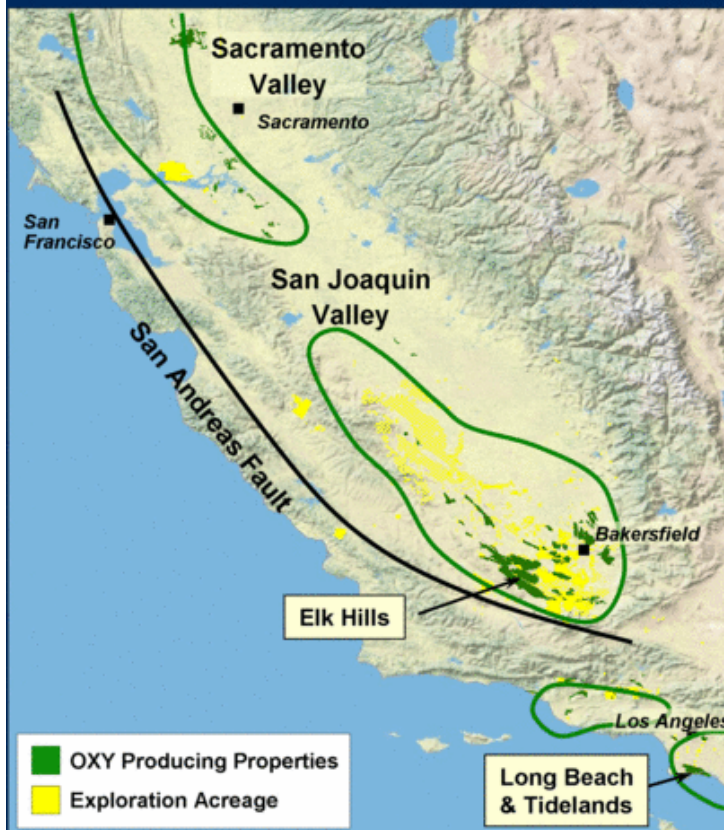
KERN COUNTY DISCOVERY AREA

The discovery, which is near Elk Hills, is not below any producing zones.

	<u>3Q09</u>	<u>2Q09</u>	<u>1Q09</u>
Gross Production*			
– Natural Gas (mmcf/d)	105	74	28
– Liquids (mb/d)	<u>8.5</u>	<u>5</u>	<u>3</u>
– Total mboe/d	<u>26.0</u>	<u>17.3</u>	<u>7.7</u>
Number of producing wells*	10	6	4

*Production and producing wells as of each of the quarterly earnings disclosure dates.

Third Quarter 2009 Earnings – California Exploration – Kern County Discovery



- Cumulative gross production since the start of production through 9/30/09 has been 8.5 bcf of gas and 765,000 barrels of liquids;
- All of this production comes from conventional zones;
- While there is oil production from shale zones in this area, the bulk of the future production will come from conventional wells;
- We expect to drill an additional 11 wells during 2009;
- In the next two quarters, the focus of our drilling will be on oil wells as we seek to further define the oil zone.



Forward-Looking Statements

Statements in this release that contain words such as “will,” “expect” or “estimate,” or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause actual results to differ materially include, but are not limited to: global commodity price fluctuations and supply/demand considerations for oil, gas and chemicals; not successfully completing (or any material delay in) any expansions, field development, capital projects, acquisitions, or dispositions; higher-than-expected costs; political risk; operational interruptions; changes in tax rates and exploration risks, such as drilling of unsuccessful wells. You should not place undue reliance on these forward-looking statements which speak only as of the date of this release. Past performance is not a guarantee of future results. 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 estimated proved reserves, probable, possible and recoverable reserves and oil in place, that the SEC’s guidelines strictly prohibit us from using in filings with the SEC. 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. U.S. investors are urged to consider carefully the disclosures 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.
