SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2000

OR

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

For the transition period from ___________ to ___________

Commission file number 1-9210

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

DELAWARE	95-4035997
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10889 WILSHIRE BOULEVARD LOS ANGELES, CALIFORNIA	90024
(Address of principal executive offices)	(Zip Code)

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

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

Yes [X] No [ ]

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

Class	Outstanding at September 30, 2000
Common stock $.20 par value	369,373,874 shares

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES

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PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
SEPTEMBER 30, 2000 and DECEMBER 31, 1999
(Amounts in millions)

	2000	1999
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 268	$ 214
Receivables, net	1,336	774
Inventories	530	503
Prepaid expenses and other	165	197
Total current assets	2,299	1,688
LONG-TERM RECEIVABLES, net	2,113	168
EQUITY INVESTMENTS	1,400	1,754
PROPERTY, PLANT AND EQUIPMENT, at cost, net of accumulated depreciation, depletion and amortization of $6,828 at September 30, 2000 and $7,675 at December 31, 1999	13,483	10,029
OTHER ASSETS	479	486
	$ 19,774	$ 14,125

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
SEPTEMBER 30, 2000 and DECEMBER 31, 1999
(Amounts in millions)

	2000	1999
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt and capital lease liabilities	$ 205	$ 5
Notes payable	18	29
Accounts payable	1,200	812
Accrued liabilities	1,130	953
Domestic and foreign income taxes	103	168
Total current liabilities	2,656	1,967
LONG-TERM DEBT, net of current maturities and unamortized discount	3,814	4,368
NON-RECOURSE DEBT	2,080	--
DEFERRED CREDITS AND OTHER LIABILITIES		
Deferred and other domestic and foreign income taxes	1,342	995
Obligation under natural gas delivery commitment	315	411
Other	2,300	2,123
	3,957	3,529
MINORITY INTEREST	2,272	252
OCCIDENTAL OBLIGATED MANDATORILY REDEEMABLE TRUST PREFERRED SECURITIES OF A SUBSIDIARY TRUST HOLDING SOLELY SUBORDINATED NOTES OF OCCIDENTAL	473	486
STOCKHOLDERS' EQUITY		
Common stock, at par value	74	73
Additional paid-in capital	3,727	3,787
Retained earnings (deficit)	766	(286)
Accumulated other comprehensive income	(45)	(51)
	4,522	3,523
	$ 19,774	$ 14,125

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(Amounts in millions, except per-share amounts)

	Three Months Ended September 30		Nine Months Ended September 30	
	2000	1999	2000	1999
REVENUES				
Net sales				
Oil and gas operations	$ 2,965	$ 1,265	$ 6,614	$ 2,955
Chemical operations	840	848	2,827	2,149
	3,805	2,113	9,441	5,104
Interest, dividends and other income	68	32	168	118
Gains (losses) on disposition of assets, net	127	7	622	(11)
Income from equity investments	22	27	107	34
	4,022	2,179	10,338	5,245
COSTS AND OTHER DEDUCTIONS				
Cost of sales	2,769	1,600	6,666	3,967
Selling, general and administrative and other operating expenses	262	168	707	488
Minority interest	55	16	141	36
Exploration expense	44	11	65	63
Interest and debt expense, net	140	125	387	380
	3,270	1,920	7,966	4,934
Income before taxes	752	259	2,372	311
Provision for domestic and foreign income and other taxes	351	133	1,136	230
Income before extraordinary items and effect of changes in accounting principles	401	126	1,236	81
Extraordinary gain (loss), net	1	--	1	(3)
Cumulative effect of changes in accounting principles, net	--	--	--	(13)
NET INCOME	402	126	1,237	65
Preferred dividends	--	--	--	(7)
Effect of repurchase of Trust Preferred Securities	--	--	1	--
EARNINGS APPLICABLE TO COMMON STOCK	$ 402	$ 126	$ 1,238	$ 58
BASIC EARNINGS PER COMMON SHARE				
Income before extraordinary items and effect of changes accounting principles	$ 1.09	$ .35	$ 3.36	$ .22
Extraordinary gain (loss), net	--	--	--	(.01)
Cumulative effect of changes in accounting principles, net	--	--	--	(.04)
Basic earnings per common share	$ 1.09	$ .35	$ 3.36	$ .17
DILUTED EARNINGS PER COMMON SHARE				
Income before extraordinary items and effect of changes in accounting principles	$ 1.09	$ .35	$ 3.36	$ .22
Extraordinary gain (loss), net	--	--	--	(.01)
Cumulative effect of changes in accounting principles, net	--	--	--	(.04)
Diluted earnings per common share	$ 1.09	$ .35	$ 3.36	$ .17
DIVIDENDS PER COMMON SHARE	$ .25	$ .25	$ .75	$ .75
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	369.2	357.6	368.7	351.3

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(Amounts in millions)

	2000	1999
CASH FLOW FROM OPERATING ACTIVITIES		
Income before extraordinary items and effect of changes in accounting principles	$ 1,236	$ 81
Adjustments to reconcile income to net cash provided by operating activities:		
Depreciation, depletion and amortization of assets	687	598
Deferred income tax provision	371	53
Other noncash charges to income	217	12
(Gains) losses on disposition of assets, net	(622)	11
Income from equity investments	(107)	(34)
Exploration expense	65	63
Changes in operating assets and liabilities	(36)	(131)
Other operating, net	(113)	(144)
Net cash provided by operating activities	1,698	509
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditures	(608)	(383)
Purchase of businesses, net	(3,702)	(127)
Proceeds from sale of businesses and other assets	1,238	39
Collection of note receivable	--	1,395
Buyout of operating lease	--	(17)
Other investing, net	68	96
Net cash (used) provided by investing activities	(3,004)	1,003
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term and non-recourse debt	2,447	792
Net payments on commercial paper and revolving credit agreements	--	(2,050)
Proceeds from issuance of trust preferred securities	--	508
Repurchase of trust preferred securities	(12)	--
Purchases for gas sales commitment	(85)	--
Payments on long-term and non-recourse debt and capital lease liabilities	(731)	(459)
Proceeds from issuance of common stock	28	17
(Payments) proceeds of notes payable	(10)	7
Cash dividends paid	(276)	(272)
Other financing, net	(1)	--
Net cash provided (used) by financing activities	1,360	(1,457)
Increase in cash and cash equivalents	54	55
Cash and cash equivalents--beginning of period	214	96
Cash and cash equivalents--end of period	$ 268	$ 151

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

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

September 30, 2000

1. General

The accompanying unaudited consolidated condensed financial statements have been prepared by Occidental Petroleum Corporation (Occidental) pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in notes to consolidated financial statements have been condensed or omitted pursuant to such rules and regulations, but resultant disclosures are in accordance with generally accepted accounting principles as they apply to interim reporting. The consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and the notes thereto in Occidental's Annual Report on Form 10-K for the year ended December 31, 1999 (1999 Form 10-K).

In the opinion of Occidental's management, the accompanying consolidated condensed financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly Occidental's consolidated financial position as of September 30, 2000, and the consolidated results of operations for the three and nine months then ended and the consolidated cash flows for the nine months then ended. The results of operations and cash flows for the periods ended September 30, 2000, are not necessarily indicative of the results of operations or cash flows to be expected for the full year.

Certain financial statements and notes for the prior year have been changed to conform to the 2000 presentation.

Reference is made to Note 1 to the consolidated financial statements in the 1999 Form 10-K for a summary of significant accounting policies.

2. Extraordinary Items

During the third quarter of 2000, Occidental repurchased some of its outstanding public debt securities in open market transactions, with principal balances totaling $127 million, at current market prices. Occidental recorded an after-tax extraordinary gain of $1 million that resulted from these purchases.

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

3. Comprehensive Income

Occidental's comprehensive income is composed primarily of net income, foreign currency translation adjustments and mark to market adjustments. Occidental's comprehensive income was $1,243 million and $37 million for the nine months ended September 30, 2000, and 1999, respectively, and $399 million and $125 million for the third quarter of 2000 and 1999, respectively.

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

	Periods Ended September 30			
	Three Months		Nine Months	
	2000	1999	2000	1999
Net income	$ 402	$ 126	$ 1,237	$ 65
Other comprehensive income items				
Foreign currency translation adjustments	(3)	(1)	7	(29)
Other	--	--	(1)	1
Other comprehensive income, net of tax	(3)	(1)	6	(28)
Comprehensive income	$ 399	$ 125	$ 1,243	$ 37

4. Asset Acquisitions and Dispositions

Reference is made to Note 3 to the consolidated financial statements in the 1999 Form 10-K for a description of asset acquisitions and dispositions.

On August 15, 2000, Occidental completed agreements with respect to two transactions with Apache Corporation (Apache) involving Occidental's interests in the Continental Shelf of the Gulf of Mexico (GOM). In one transaction, Occidental agreed to transfer a production payment interest from its share of future gas production from these GOM interests for approximately $280 million. In the second transaction, Occidental agreed to sell an interest in the subsidiary that holds the GOM assets for approximately $62 million, with an option for Apache to purchase additional interests for $44 million over the next four years. As a result of these transactions, and the consequent elimination of a portion of Occidental's responsibility for abandonment liabilities, Occidental recorded an after-tax gain of $39 million.

On May 8, 2000, Occidental completed an agreement to sell its producing properties in Peru to Pluspetrol. In connection with this transaction, Occidental recorded an after-tax charge of approximately $29 million in December 1999 to write-down the properties to their fair values.

On April 24, 2000, Occidental completed the acquisition of ARCO Long Beach Inc. (THUMS), an oil producing entity, for approximately $68 million.

On April 19, 2000, Occidental completed its acquisition of all of the common interest in Altura Energy Ltd. (now "Occidental Permian Ltd.") (Altura), the largest oil producer in Texas. Occidental, through its subsidiaries, paid approximately $1.2 billion to the sellers, affiliates of BP Amoco plc and Shell Oil Company, to acquire the common limited partnership interest and control of the general partner which manages, operates and controls 100 percent of the Altura assets. The partnership borrowed approximately $2.4 billion, which has recourse only to the Altura assets. The partnership also loaned approximately $2.0 billion to affiliates of the sellers, evidenced by two notes, which provide credit support to the partnership. The sellers retained a preferred limited partnership interest of approximately $2.0 billion and are entitled to certain distributions from the partnership. The acquisition is valued at approximately $3.6 billion. Occidental's results of operations include the operations of the Altura assets from the date of acquisition. Pro forma net income for the nine months ended September 30, 2000, including historical Altura results as if the acquisition had occurred on January 1, 2000, would have been $1.3 billion ($3.57 earnings per share). Pro forma net income for the three and nine months ended September 30, 1999, including historical Altura results as if the acquisition had occurred on January 1, 1999, would have been $152 million ($0.43 earnings per share) and $59 million ($0.17 earnings per share), respectively. Pro forma revenues would have been $10.7 billion and $5.8 billion for the nine months ended September 30, 2000, and 1999, respectively, and $2.4 billion for the three months ended September 30, 1999. The pro forma calculations were made with historical operating results from Altura prior to ownership by Occidental and give effect to certain adjustments, including increased depreciation, depletion and amortization to reflect the value assigned to the Altura property, plant and equipment, increased interest expense, and income tax effects. The pro forma results are not necessarily indicative of the results of operations that would have occurred if the acquisition had been made at the beginning of the periods presented or that may be obtained in the future. Also, the pro forma calculations do not reflect anticipated cost savings, synergies, changes in realized prices or production rates and certain other adjustments that are expected to result from the acquisition and operation of Altura.

On April 18, 2000, Occidental completed the sale of its 29.2 percent stake in Canadian Occidental Petroleum Ltd. (CanOxy) for gross proceeds of approximately $1.2 billion Canadian, following approval of the sale by CanOxy stockholders. Of Occidental's 40.2 million shares of CanOxy, 20.2 million were sold to the Ontario Teachers Pension Plan Board and 20 million to CanOxy. These sales resulted in a net pre-tax gain of approximately $493 million. In addition, Occidental and CanOxy exchanged their respective 15 percent interests in joint businesses of approximately equal value, resulting in Occidental owning 100 percent of an oil and gas operation in Ecuador and CanOxy owning 100 percent of sodium chlorate operations in Canada and Louisiana.

5. Supplemental Cash Flow Information

Cash payments during the nine months ended September 30, 2000, and 1999, included federal, foreign and state income taxes of approximately $530 million and $65 million, respectively. Interest paid (net of interest capitalized) totaled approximately $385 million and $336 million for the nine months ended September 30, 2000, and 1999, respectively.

6. Cash and Cash Equivalents

Cash equivalents consist of highly liquid money-market mutual funds and bank deposits with maturities of three months or less when purchased. Cash equivalents totaled $237 million and $109 million at September 30, 2000 and December 31, 1999, respectively.

7. Inventories

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

Balance at	September 30, 2000	December 31, 1999
Raw materials	$ 61	$ 60
Materials and supplies	136	167
Work in process	3	7
Finished goods	328	294
	528	528
LIFO adjustment	2	(25)
Total	$ 530	$ 503

8. Property, Plant and Equipment

Reference is made to the consolidated balance sheets and Note 1 thereto in the 1999 Form 10-K for a description of investments in property, plant and equipment.

9. Trust Preferred Securities

Reference is made to Note 12 to the consolidated financial statements in the 1999 Form 10-K for a description of the Trust Preferred Securities. The balance reflected in the accompanying consolidated condensed financial statements at September 30, 2000, and December 31, 1999, is net of issue costs and also reflects amortization of a portion of the issue costs, and the repurchase during 2000 and 1999 of 555,760 shares and 937,436 shares with liquidation values of $13.9 million and $23.4 million, respectively.

10. Retirement Plans and Postretirement Benefits

Reference is made to Note 14 to the consolidated financial statements in the 1999 Form 10-K for a description of the retirement plans and postretirement benefits of Occidental and its subsidiaries.

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

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

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

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

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

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

Reference is made to Note 9 to the consolidated financial statements in the 1999 Form 10-K for information concerning Occidental's long-term purchase obligations for certain products and services.

12. Income Taxes

The provision for taxes based on income for the 2000 and 1999 interim periods was computed in accordance with Interpretation No. 18 of Accounting Principles Board Opinion No. 28 on reporting taxes for interim periods and was based on projections of total year pretax income.

At December 31, 1999, Occidental had, for U.S. federal income tax return purposes, an alternative minimum tax credit carryforward of $60 million available to reduce future income taxes. The alternative minimum tax credit carryforward does not expire.

13. Investments

Investments in entities, other than oil and gas exploration and production companies, in which Occidental has a voting stock interest of at least 20 percent, but not more than 50 percent, and certain partnerships are accounted for on the equity method. At September 30, 2000, Occidental's equity investments consisted primarily of a 29.5 percent interest in Equistar acquired in May 1998, and interests in various chemical partnerships and joint ventures. The following table presents Occidental's proportionate interest in the summarized financial information of its equity method investments (in millions):

	Periods Ended September 30			
	Three Months		Nine Months	
	2000	1999	2000	1999
Revenues	$ 668	$ 646	$ 2,031	$ 1,698
Costs and expenses	646	619	1,924	1,664
Net income	$ 22	$ 27	$ 107	$ 34

14. Industry Segments

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

	Oil and Gas	Chemical	Corporate	Total
Nine months ended September 30, 2000				
Net sales	$ 6,614	$ 2,827	$ --	$ 9,441
Pretax operating profit (loss)	$ 2,084	$ 239 (c)	$ 49 (a),(d)	$ 2,372
Income taxes	(437)	(15)	(684)(b),(e)	(1,136)
Extraordinary gain (loss), net	--	--	1	1
Net income (loss)	$ 1,647 (f)	$ 224	$ (634)	$ 1,237
Nine months ended September 30, 1999				
Net sales	$ 2,955	$ 2,149	$ --	$ 5,104
Pretax operating profit (loss)	$ 713	$ 96	$ (498)(a)	$ 311
Income taxes	(202)	(7)	(21)(b)	(230)
Extraordinary loss, net	--	--	(3)	(3)
Cumulative effect of changes in accounting principles, net	--	--	(13)	(13)
Net income (loss)	$ 511	$ 89	$ (535)	$ 65

(a) Includes unallocated net interest expense, administration expense and other items.
(b) Includes unallocated income taxes.
(c) Includes pre-tax charge of $120 million related to the decision to exit several chemical intermediate businesses.
(d) Includes pre-tax gain of approximately $493 million related to the sale of the CanOxy investment.
(e) Includes income taxes of approximately $193 million related to the sale of the CanOxy investment.
(f) Includes an after-tax gain of $39 million related to the partial sale of Occidental's Gulf of Mexico assets, an after-tax gain on receipt of a contingency payment of $41 million related to a prior year sale of a Dutch North Sea subsidiary, and a pre-tax charge of approximately $74 million for the write-down of various oil and gas assets, real estate and investments.

15. Subsequent Events

On November 1, 2000, Occidental announced it had agreed to farm out part of its interest in its Block 15 operations in Ecuador to Alberta Energy Company Ltd. of Calgary (AEC). AEC will earn a 40 percent interest in the block and will assume certain capital costs through 2004. Occidental will remain the operator of Block 15.

On November 1, 2000, Occidental announced it completed the sale of its Durez phenolic resins and compounding businesses and assets to Sumitomo Bakelite Co., Ltd. The net after-tax proceeds of approximately $120 million from the sale will be applied to Occidental's debt reduction program. Manufacturing facilities included in the sale are located in Niagara Falls, New York; Kenton, Ohio; Fort Erie, Ontario, Canada; and Genk, Belgium. There was no significant gain or loss on this transaction.

On October 17, 2000, Occidental entered into an agreement with BP Amoco (BP) to obtain BP's interest in a carbon dioxide field in New Mexico and related pipelines in exchange for Occidental's interest in the Milne Point oil field in Alaska, together with additional cash consideration. This transaction, which is subject to regulatory approval, is expected to be completed in the fourth quarter.

On October 2, 2000, Olin Corporation announced that the previously announced letter of intent among it, Occidental, and Occidental Chemical Corporation, with respect to the possible formation of a chlor-alkali business joint venture, expired by its own terms and was not renewed.

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

RESULTS OF OPERATIONS

Occidental's net income for the first nine months of 2000 was $1.2 billion, on net sales of $9.4 billion, compared with net income of $65 million, on net sales of $5.1 billion, for the same period of 1999. Occidental's net income for the third quarter of 2000 was $402 million, on net sales of $3.8 billion, compared with net income of $126 million, on net sales of $2.1 billion, for the same period of 1999. Basic earnings per common share were $3.36 for the first nine months of 2000, compared with earnings per share of $.17 for the same period of 1999. Basic earnings per common share were $1.09 for the third quarter of 2000, compared with earnings per share of $.35 for the same period of 1999.

The 2000 third quarter results included an after-tax gain of $39 million related to the sale of an interest in certain of Occidental's Gulf of Mexico assets, an after-tax gain on a receipt of a contingency payment of $41 million related to a prior year sale of a Dutch North Sea subsidiary, a pre-tax charge of approximately $74 million for the write-down of various oil and gas assets, real estate and investments and a $1 million extraordinary after-tax gain resulting from the early extinguishment of debt. The results for the first nine months of 2000 also included an after-tax gain of approximately $300 million related to the sale of Occidental's 29.2 percent interest in Canadian Occidental Petroleum Ltd. (CanOxy), an after-tax charge of approximately $80 million for the decision to exit several of Occidental's chemical intermediate businesses and a pre-tax insurance dividend of $11 million.

Earnings before special items were $370 million and $977 million for the three and nine months ended September 30, 2000, respectively, compared with earnings of $125 million and $61 million for the same periods in 1999, respectively. The increase in earnings before special items for the three and nine months ended September 30, 2000, compared with the same periods in 1999, reflected higher worldwide oil, natural gas and chemical prices and overall higher production volumes as a result of the Altura Energy Ltd. (now "Occidental Permian Ltd.") (Altura) and ARCO Long Beach Inc. (THUMS) acquisitions, which are discussed below under the caption Financial Condition, Liquidity and Capital Resources. The 1999 third quarter earnings included a charge of $10 million for the relocation of oil and gas headquarters and income of $11 million related to a contingency payment on the sale of Occidental's interests in the Netherlands. The 1999 results also included an after-tax extraordinary loss of $3 million related to the early extinguishment of debt, a gain of $12 million related to the sale of a chemical plant by an equity affiliate, a pre-tax insurance dividend of $18 million and an after-tax charge of $13 million, reflecting the cumulative effect of adopting accounting principles changes mandated by the American Institute of Certified Public Accountants and the Emerging Issues Task Force of the Financial Accounting Standards Board.

The increase in net sales for the three and nine months ended September 30, 2000, compared with the same periods in 1999, primarily reflected higher worldwide crude oil, natural gas and chemical prices and higher domestic oil production as a result of acquisitions, partially offset by lower international production, and higher oil and gas trading activities.

Interest, dividends and other income for the three and nine months ended September 30, 2000 included interest income on notes receivable from Altura partners of $38 million and $68 million, respectively. Gains on disposition of assets for the nine months ended September 30, 2000 included a pre-tax gain of $493 million on the sale of the investment in CanOxy. Selling, general and administrative and other operating expenses for the nine months ended September 30, 2000, included a pre-tax charge of $120 million to exit several chemical intermediate businesses. Minority interest includes distributions on the Trust Preferred Securities, the minority interest in the net income of subsidiaries and partnerships and, for the three and nine months ended September 30, 2000, also included a preferred distribution to the Altura partners totaling $38 million and $68 million, respectively. The provision for income taxes increased for the three and nine months ended September 30, 2000, compared with the same periods in 1999, primarily due to higher operating earnings and asset sales.

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

	Periods Ended September 30			
	Three Months		Nine Months	
	2000	1999	2000	1999
DIVISIONAL NET SALES				
Oil and Gas	$ 2,965	$ 1,265	$ 6,614	$ 2,955
Chemical	840	848	2,827	2,149
NET SALES	$ 3,805	$ 2,113	$ 9,441	$ 5,104
DIVISIONAL EARNINGS				
Oil and Gas	$ 696	$ 280	$ 1,647	$ 511
Chemical	47	44	224	89
	743	324	1,871	600
UNALLOCATED CORPORATE ITEMS				
Interest expense, net	(97)	(118)	(300)	(357)
Income taxes, administration and other	(169)	(41)	(668)	(65)
Trust preferred distributions & other	(17)	(16)	(50)	(45)
Other	(59)	(23)	383	(52)
INCOME BEFORE EXTRAORDINARY ITEMS AND EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	401	126	1,236	81
Extraordinary gain (loss), net	1	--	1	(3)
Cumulative effect of changes in accounting principles, net	--	--	--	(13)
NET INCOME	$ 402	$ 126	$ 1,237	$ 65

The following table sets forth the special items for each operating division and corporate:

	Periods Ended September 30			
	Three Months		Nine Months	
Benefit (Charge) (in millions)	2000	1999	2000	1999
OIL AND GAS				
Gain on partial sale of Gulf of Mexico assets *	$ 39	$ --	$ 39	$ --
Gain on receipt of contingency payment	41*	11	41*	11
Write-down of various assets, real estate and investments	(74)	--	(74)	--
Reorganization	--	(10)	--	(10)
CHEMICAL				
Write-down of chemical intermediate businesses	$ --	$ --	$ (120)	$ --
Gain on sale of chemical plant by Equistar	--	--	--	12
CORPORATE				
Gain on sale of CanOxy investment	$ --	$ --	$ 493	$ --
Insurance dividend	--	--	11	18
Changes in accounting principles, net *	--	--	--	(13)
Extraordinary gain (loss) on debt redemption, net *	1	--	1	(3)

* These amounts are shown after-tax.

OIL AND GAS DIVISION

Summary of Operating Statistics	Three Months 2000	Three Months 1999	Nine Months 2000	Nine Months 1999
	Periods Ended September 30			
NET PRODUCTION PER DAY:				
CRUDE OIL AND NATURAL GAS LIQUIDS (MBL)				
United States	210	71	159	73
Other Western Hemisphere	42	95	52	102
Eastern Hemisphere	124	128	124	141
NATURAL GAS (MMCF)				
United States	687	673	677	664
Eastern Hemisphere	47	51	49	53
BARRELS OF OIL EQUIVALENT (MBOE)	499	414	456	436
AVERAGE WTI PRICE	$ 31.58	$ 21.73	$ 29.65	$ 17.48
AVERAGE NYMEX PRICE	$ 4.24	$ 2.36	$ 3.28	$ 2.08
AVERAGE SALES PRICE:				
CRUDE OIL ($/BBL)				
United States	$ 28.10	$ 17.67	$ 26.19	$ 14.17
Other Western Hemisphere	$ 26.18	$ 15.73	$ 26.13	$ 11.62
Eastern Hemisphere	$ 26.39	$ 18.42	$ 24.76	$ 13.92
NATURAL GAS ($/MCF)				
United States	$ 4.18	$ 2.12	$ 3.23	$ 1.94
Eastern Hemisphere	$ 1.98	$ 1.11	$ 1.80	$ 1.14

Oil and gas earnings for the first nine months of 2000 were $1.6 billion, compared with $511 million for the same period of 1999. Oil and gas earnings before special items were $1.6 billion for the first nine months of 2000, compared with $510 million for the first nine months of 1999. Oil and gas earnings for the third quarter of 2000 were $696 million, compared with $280 million for the same period of 1999. Oil and gas earnings before special items were $690 million for the third quarter of 2000, compared with $279 million for the same period of 1999. The 2000 third quarter results included an after-tax gain of $39 million related to the sale of an interest in certain of Occidental's Gulf of Mexico assets, an after-tax gain on a receipt of a contingency payment of $41 million related to a prior year sale of a Dutch North Sea subsidiary, and a pre-tax charge of $74 million for the write-down of various oil and gas assets, real estate and investments.

The increase in earnings for the three and nine months ended September 30, 2000, compared with the same periods in 1999, reflected the impact of higher worldwide crude oil and natural gas prices, higher overall production volumes and lower costs. The higher production volumes were achieved despite the fact that liftings of Colombian crude oil have been significantly reduced since June 2000 due to disruptions of the Cano Limon pipeline. Occidental presently anticipates that it will be able to recover the proved reserves attributable to its contract with the Colombian government in advance of the expiration of such contract, which amount to approximately 3 percent of Occidental's proved oil and gas reserves. The increase in revenues for the three and nine months ended September 30, 2000, compared with the same periods in 1999, reflected the impact of higher worldwide crude oil and natural gas prices, higher domestic oil production as a result of acquisitions, partially offset by lower international oil production, and higher oil and gas trading activity. Approximately 48 percent and 40 percent of oil and gas net sales were attributable to oil and gas trading activities in the first nine months of 2000 and 1999, respectively. The results of oil and gas trading activity were not significant.

Occidental's net price realization as a percentage of benchmark West Texas Intermediate (WTI) prices have significantly improved. The asset restructuring over the last three years has included selling properties with lower net price realizations and adding properties with higher net price realizations. In the third quarter of 2000, Occidental's United States net oil price realization was about 90 percent of WTI prices compared to about 80 percent of WTI prices for the same period in 1999. The third quarter 2000 United States net natural gas price realization was 99 percent of New York Mercantile Exchange (NYMEX) prices compared to 90 percent for the same period in 1999. Oil and gas prices are sensitive to complex factors, which are outside the control of Occidental; therefore, we are unable to predict with certainty the direction, magnitude or impact of future trends in sales prices of oil and gas.

CHEMICAL DIVISION

	Periods Ended September 30			
	Three Months		Nine Months	
Summary of Operating Statistics	2000	1999	2000	1999
MAJOR PRODUCT VOLUMES (M TONS)				
Chlorine	690	819	2,294	2,347
Caustic	825	847	2,470	2,390
Ethylene Dichloride	128	254	674	768
PVC Resins	413	505	1,350	1,444
MAJOR PRODUCT PRICE INDEX (BASE 1987-1990 = 1.0)				
Chlorine	1.72	0.85	1.60	0.73
Caustic	0.59	0.54	0.66	0.68
Ethylene Dichloride	1.22	1.07	1.57	0.79
PVC Resins	0.99	0.73	0.99	0.64

Chemical earnings for the first nine months of 2000 were $224 million, compared with $89 million for the same period of 1999. Chemical earnings before special items were $344 million for the first nine months of 2000, compared with $77 million for the first nine months of 1999. Chemical earnings for the third quarter of 2000 were $47 million, compared with $44 million for the same period of 1999. The results for the first nine months of 2000 include a $120 million pre-tax charge resulting from the decision to exit several chemical intermediate businesses. The 1999 nine month results included a second quarter gain of $12 million related to the sale of a chemical plant by an equity affiliate.

The increase in earnings before special items for the nine months of 2000, compared with the same period in 1999, is due to higher prices for polyvinyl chloride resins (PVC), ethylene dichloride, vinyl chloride monomer and chlorine. Partially offsetting these increases were higher raw material and feedstock costs. The increase in earnings for the three months of 2000, compared to the same period in 1999, is due to higher prices for PVC and chlorine mostly offset by higher raw material and feedstock costs.

CORPORATE AND OTHER

Divisional earnings include charges and credits in lieu of U.S. federal income taxes. In the first nine months of 2000 and 1999, divisional earnings were (reduced) or benefited by $(27) million and $44 million, respectively, from (charges) and credits allocated. This included (charges) and credits of $(39) million and $12 million at oil and gas and chemical, respectively, in the first nine months of 2000 and $32 million and $12 million at oil and gas and chemical, respectively, for the first nine months of 1999. The charges in 2000 relate to the previously discussed sale of an interest in the subsidiary that owned the Gulf of Mexico shelf assets and to the receipt of contingency payments related to a prior year sale of a Dutch North Sea subsidiary. The higher 1999 amounts related to the asset transactions with UNOCAL which are discussed below under the caption Financial Condition, Liquidity and Capital Resources.

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

During the course of its operations, Occidental is subject to audit by taxing authorities for varying periods in various tax jurisdictions. Occidental has certain other commitments under contracts, guarantees and joint ventures, and certain other contingent liabilities. It is impossible at this time to determine the ultimate liabilities that Occidental and its subsidiaries may incur resulting from the foregoing lawsuits, claims and proceedings, audits, commitments, contingencies and related matters. Several of these matters may involve substantial amounts, and if these were to be ultimately resolved unfavorably to the full amount of their maximum potential exposure, an event not currently anticipated, it is possible that such event could have a material adverse effect upon Occidental's consolidated financial position or results of operations. However, in management's opinion, after taking into account reserves, it is unlikely that any of the foregoing matters will have a material adverse effect upon Occidental's consolidated financial position or results of operations.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Occidental's net cash provided by operating activities was $1.7 billion for the first nine months of 2000, compared with net cash provided of $509 million for the same period of 1999. The increase in the 2000 amount is primarily attributed to higher net income before special items.

Occidental's net cash used by investing activities was $3.0 billion for the first nine months of 2000, compared with net cash provided by $1.0 billion for the same period of 1999. The 2000 amount primarily reflected the $3.6 billion cost of the Altura acquisition partially offset by pre-tax asset sale proceeds mainly from the sale of Occidental's 29.2 percent interest in CanOxy for approximately $800 million, the transfer of a production payment interest from Occidental's share of gas production from its Gulf of Mexico shelf assets totaling $280 million, of which $273 million was received to date, and the sale of an interest in the subsidiary that holds certain of the Gulf of Mexico assets for approximately $62 million. The 1999 amount included the proceeds from the $1.4 billion note receivable received in connection with the sale of MidCon, Occidental's natural gas pipeline subsidiary. The 1999 amount also reflected net cash used of $113 million in connection with the formation of a PVC resin partnership. Capital expenditures for the first nine months of 2000 were $608 million, including $518 million in oil and gas and $84 million in chemical. Capital expenditures were $383 million for the first nine months of 1999, including $306 million in oil and gas and $74 million in chemical.

Financing activities provided net cash of $1.4 billion in the first nine months of 2000, compared with cash used of $1.5 billion for the same period of 1999. The 2000 amount mainly reflects proceeds of $2.4 billion from non-recourse debt, debt payments of $731 million and cash dividends paid of $276 million. The 1999 amount reflected the use of the proceeds from the $1.4 billion note receivable and $508 million of net proceeds from the issuance of the Trust Preferred Securities to repay outstanding debt and for the payment of dividends of $272 million.

On November 1, 2000, Occidental announced it had agreed to farm out part of its interest in its Block 15 operations in Ecuador to Alberta Energy Company Ltd. of Calgary (AEC). AEC will earn a 40 percent interest in the block and will assume certain capital costs through 2004. Occidental will remain the operator of Block 15.

On November 1, 2000, Occidental announced it completed the sale of its Durez phenolic resins and compounding businesses and assets to Sumitomo Bakelite Co., Ltd. The net after-tax proceeds of approximately $120 million from the sale will be applied to Occidental's debt reduction program. Manufacturing facilities included in the sale are located in Niagara Falls, New York; Kenton, Ohio; Fort Erie, Ontario, Canada; and Genk, Belgium. There was no significant gain or loss on this transaction.

On October 17, 2000, Occidental entered into an agreement with BP Amoco (BP) to obtain BP's interest in a carbon dioxide field in New Mexico and related pipelines in exchange for Occidental's interest in the Milne Point oil field in Alaska, together with additional cash consideration. This transaction, which is subject to regulatory approval, is expected to be completed in the fourth quarter.

On October 2, 2000, Olin Corporation announced that the previously announced letter of intent among it, Occidental, and Occidental Chemical Corporation, with respect to the possible formation of a chlor-alkali business joint venture, expired by its own terms and was not renewed.

On August 15, 2000, Occidental completed agreements with respect to two transactions with Apache Corporation (Apache) involving Occidental's interests in the Continental Shelf of the Gulf of Mexico (GOM). In one transaction, Occidental agreed to transfer a production payment interest from its share of future gas production from these GOM interests for approximately $280 million. In the second transaction, Occidental agreed to sell an interest in the subsidiary that holds the GOM assets for approximately $62 million, with an option for Apache to purchase additional interests for $44 million over the next four years. As a result of these transactions, and the consequent elimination of a portion of Occidental's responsibility for abandonment liabilities, Occidental recorded an after-tax gain of $39 million.

On May 8, 2000, Occidental completed an agreement to sell its producing properties in Peru to Pluspetrol. In connection with this transaction, Occidental recorded an after-tax charge of approximately $29 million in December 1999 to write-down the properties to their fair values.

On April 24, 2000, Occidental completed the acquisition of THUMS, an oil producing entity, for approximately $68 million. The acquisition adds approximately 95 million barrels of net oil reserves and approximately 25,000 barrels per day of net oil production to Occidental's growing California operations.

On April 19, 2000, Occidental completed its acquisition of all of the common interest in Altura, the largest oil producer in Texas. Occidental, through its subsidiaries, paid approximately $1.2 billion to the sellers, affiliates of BP Amoco plc and Shell Oil Company, to acquire the common limited partnership interest and control of the general partner which manages, operates and controls 100 percent of the Altura assets. The partnership borrowed approximately $2.4 billion, which has recourse only to the Altura assets. The partnership also loaned approximately $2.0 billion to affiliates of the sellers, evidenced by two notes, which provide credit support to the partnership. The sellers retained a preferred limited partnership interest of approximately $2.0 billion and are entitled to certain distributions from the partnership. As a result of the acquisition, which is valued at approximately $3.6 billion, Occidental's worldwide oil and gas production is expected to increase in 2000 by approximately 135,000 barrels per day of oil equivalent, or 9 percent, to an average of approximately 465,000 barrels of oil equivalent per day over the entire year versus 425,000 barrels per day in 1999. Proved reserves at Altura were 850 million barrels of oil equivalent at December 31, 1999. This acquisition will bring Occidental's proved reserves to approximately 2.2 billion barrels of oil equivalent.

On April 18, 2000, Occidental completed the sale of its 29.2 percent stake in CanOxy for gross proceeds of approximately $1.2 billion Canadian, following approval of the sale by CanOxy stockholders. Of Occidental's 40.2 million shares of CanOxy, 20.2 million were sold to the Ontario Teachers Pension Plan Board and 20 million to CanOxy. In addition, Occidental and CanOxy exchanged their respective 15 percent interests in joint businesses of approximately equal value, resulting in Occidental owning 100 percent of an oil and gas operation in Ecuador and CanOxy owning 100 percent of sodium chlorate operations in Canada and Louisiana. After-tax proceeds from the CanOxy disposition together with tax benefits from the disposition of the Peru producing properties totaled approximately $700 million and were applied to the acquisition of Altura and THUMS.

In December 1999, Occidental and EOG Resources, Inc. (EOG) exchanged certain oil and gas assets. Occidental received producing properties and exploration acreage in its expanding California asset base, as well as producing properties in the western Gulf of Mexico near existing operations in exchange for oil and gas production and reserves in east Texas. Occidental also farmed out Oklahoma panhandle properties to EOG and retained a carried interest.

In the third quarter of 1999, pursuant to a series of transactions, Occidental indirectly acquired the remaining ownership of INDSPEC Chemical Corporation (INDSPEC) through the issuance of approximately 3.2 million shares of Occidental common stock at an estimated value of approximately $68 million and the assumption of approximately $80 million of bank debt. As a result of the transactions, Occidental owns 100 percent of the stock of INDSPEC.

In the third quarter of 1999, Occidental acquired Unocal International Corporation's (UNOCAL) oil and gas interests in Yemen and UNOCAL acquired Occidental's properties in Bangladesh.

Effective April 30, 1999, Occidental and The Geon Company (now "PolyOne Corporation") (Geon) formed two partnerships. Occidental has a 76 percent interest in the PVC commodity resin partnership, OxyVinyls, LP (OxyVinyls), which is the larger of the partnerships, and a 10 percent interest in a PVC powder compounding partnership. OxyVinyls also has entered into long-term agreements to supply PVC resin to Geon and VCM to Occidental and Geon. In addition, as part of the transaction, Occidental sold its pellet compounding plant in Pasadena, Texas and its vinyl film assets in Burlington, New Jersey to Geon.

During the third quarter of 2000, Occidental repurchased some of its outstanding public debt securities in open market transactions, with principal balances totaling $127 million, at current market prices. Occidental recorded an after-tax extraordinary gain of $1 million that resulted from these purchases.

On June 1, 2000, Occidental redeemed all of its outstanding 11-1/8 percent senior debentures due June 1, 2019, at a redemption price of 100 percent of the principal amount thereof. The outstanding aggregate principal amount of the debentures, which were issued on May 15, 1989, was $75 million.

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

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

In February 1999, Occidental issued $450 million of 7.65 percent senior notes due 2006 and $350 million of 8.45 percent senior notes due 2029 for net proceeds of approximately $792 million.

In January 1999, a subsidiary of Occidental issued $525 million of 8.16 percent Trust Preferred Securities due in 2039, for net proceeds of $508 million. The net proceeds were used to repay commercial paper. The Trust Preferred Securities balances reflected in the consolidated financial statements at September 30, 2000 and December 31, 1999 are net of issue costs and also reflect amortization of a portion of the issue costs, and the repurchase during 2000 and 1999 of 555,760 shares and 937,436 shares, respectively, with liquidation values of $13.9 million and $23.4 million, respectively.

Occidental expects to have sufficient cash in 2000 for its operating needs, capital expenditure requirements, dividend payments and debt repayments. Occidental currently expects to spend, in total, approximately $900 million on its 2000 capital spending program, of which approximately $750 million has been allocated to the oil and gas division and approximately $150 million has been allocated to the chemical division. Available but unused lines of committed bank credit totaled approximately $2.1 billion at September 30, 2000 and December 31, 1999.

Occidental had a target of reducing total debt by $2.0 billion by the end of 2000. In April, total debt, which includes the Trust Preferred Securities and the obligation under natural gas delivery commitment, but excludes the initial $2.4 billion of non-recourse debt, reached a pro forma level of $6.6 billion, mainly resulting from $1.2 billion of short-term borrowings to finance the cash cost of the Altura acquisition. Since April, Occidental has reduced total debt by approximately $2.1 billion, with about $1.0 billion generated from asset sales and $1.1 billion from internal cash flow. Included in the debt reduction is a $320 million reduction in the non-recourse debt related to

Altura. Even though Occidental has exceeded its debt reduction target, Occidental expects to continue to reduce its debt level in the last quarter of the year through internal cash flow and asset sales proceeds.

ENVIRONMENTAL MATTERS

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

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

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

As of September 30, 2000, Occidental had been notified by the Environmental Protection Agency (EPA) or equivalent state agencies or otherwise had become aware that it had been identified as being involved at 125 Superfund or comparable state sites. (This number does not include those sites where Occidental has been successful in resolving its involvement.) The 125 sites include 34 former Diamond Shamrock Chemical sites as to which Maxus Energy Corporation has retained all liability. Of the remaining 91 sites, Occidental has denied involvement at 10 sites and has yet to determine involvement in 20 sites. With respect to the remaining 61 of these sites, Occidental is in various stages of evaluation, and the extent of liability retained by Maxus Energy Corporation is disputed at 2 of these sites. For 53 of these sites, where environmental remediation efforts are probable and the costs can be reasonably estimated, Occidental has accrued reserves at the most likely cost to be incurred. The 53 sites include 11 sites as to which present information indicates that it is probable that Occidental's aggregate exposure is immaterial. In determining the reserves, Occidental uses the most current information available, including similar past experiences, available technology, regulations in effect, the timing of remediation and cost-sharing arrangements. For the remaining 8 of the 61 sites being evaluated, Occidental does not have sufficient information to determine a range of liability, but Occidental does have sufficient information on which to base the opinion expressed above under the caption "Results of Operations."

SAFE HARBOR STATEMENT REGARDING OUTLOOK AND FORWARD-LOOKING INFORMATION

Portions of this report contain forward-looking statements and involve risks and uncertainties that could significantly affect expected results of operations, liquidity and cash flows. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations for oil, gas and chemicals; competitive pricing pressures; higher than expected costs including feedstocks; the supply/demand considerations for Occidental's products; any general economic recession domestically or internationally; regulatory uncertainties; and not successfully completing any development of new fields, expansion, capital expenditure, efficiency improvement, acquisition or disposition. Forward-looking statements are generally accompanied by words such as "estimate", "project", "predict", "believes" or "expect", that convey the uncertainty of future events or outcomes. Occidental undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed might not occur.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For the period ended September 30, 2000 there were no material changes in the information provided under Item 305 of Regulation S-K included under the caption "Derivative Activities" as part of Occidental's Management's Discussion and Analysis section of Occidental's 1999 Annual Report on Form 10-K.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

GENERAL

There is incorporated by reference herein the information regarding legal proceedings in Item 3 of Part I of Occidental's 1999 Annual Report on Form 10-K, Item 3 of Part II of Occidental's Quarterly Report on Form 10-Q for the quarterly periods ended March 31, 2000 and June 30, 2000 and Note 11 to the consolidated condensed financial statements in Part I hereof.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

11 Statement regarding the computation of earnings per share for the three and nine months ended September 30, 2000 and 1999

12 Statement regarding the computation of total enterprise ratios of earnings to fixed charges for the nine months ended September 30, 2000 and 1999 and the five years ended December 31, 1999

27 Financial data schedule for the nine-month period ended September 30, 2000 (included only in the copy of this report filed electronically with the Securities and Exchange Commission)

(b) Reports on Form 8-K

During the quarter ended September 30, 2000, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated June 28, 2000 (date of earliest event reported), filed on July 13, 2000, for the purpose of reporting, under Item 5, the signing of a letter of intent with Olin Corporation to form a partnership.

2. Current Report on Form 8-K dated July 19, 2000 (date of earliest event reported), filed on July 20, 2000, for the purpose of reporting, under Item 5, Occidental's results of operations for the quarter ended June 30, 2000 and Occidental's agreement to monetize its Gulf of Mexico assets.

From September 30, 2000 to the date hereof, Occidental filed the following Current Reports on Form 8-K:

1. Current Report on Form 8-K dated October 18, 2000 (date of earliest event reported), filed on October 18, 2000, for the purpose of reporting, under Item 5, Occidental's results of operations for the quarter ended September 30, 2000 and under Item 9, text and financial schedules from Occidental's third quarter conference call.

SIGNATURES

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

OCCIDENTAL PETROLEUM CORPORATION

DATE: November 13, 2000

S. P. Dominick, Jr.

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

EXHIBIT INDEX

EXHIBITS
- --------

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EXHIBIT 11

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(Amounts in millions, except per-share amounts)

	Three Months Ended September 30		Nine Months Ended September 30	
	2000	1999	2000	1999
BASIC EARNINGS PER SHARE				
Income before extraordinary items and effect of changes in accounting principles	$ 401	$ 126	$ 1,236	$ 81
Effect of repurchase of Trust Preferred Securities	--	--	1	--
Preferred stock dividends	--	--	--	(7)
Earnings before extraordinary items and effect of changes in accounting principles applicable to common stock	401	126	1,237	74
Extraordinary gain (loss), net	1	--	1	(3)
Cumulative effect of changes in accounting principles, net	--	--	--	(13)
Earnings applicable to common stock	$ 402	$ 126	$ 1,238	$ 58
Weighted average common shares outstanding	369.2	357.6	368.7	351.3
Basic earnings per share				
Income before extraordinary items and effect of changes in accounting principles	$ 1.09	$ .35	$ 3.36	$ .22
Extraordinary gain (loss), net	--	--	--	(.01)
Cumulative effect of changes in accounting principles, net	--	--	--	(.04)
Basic earnings per common share	$ 1.09	$ .35	$ 3.36	$ .17
DILUTED EARNINGS PER SHARE				
Earnings before extraordinary items and effect of changes in accounting principles applicable to common stock	$ 401	$ 126	$ 1,237	$ 74
Dividends applicable to dilutive preferred stock	--	--	--	7
	401	126	1,237	81
Extraordinary gain (loss), net	1	--	1	(3)
Cumulative effect of changes in accounting principles, net	--	--	--	(13)
Earnings applicable to common stock	$ 402	$ 126	$ 1,238	$ 65
Weighted average common shares outstanding	369.2	357.6	368.7	351.3
Dilutive effect of exercise of options outstanding	.3	.1	.2	.1
	369.5	357.7	368.9	351.4
Diluted earnings per share				
Income before extraordinary items and effect of changes in accounting principles	$ 1.09	$ .35	$ 3.36	$ .22
Extraordinary gain (loss), net	--	--	--	(.01)
Cumulative effect of changes in accounting principles, net	--	--	--	(.04)
Diluted earnings per common share	$ 1.09	$ .35	$ 3.36	$ .17

EXHIBIT 11 (CONTINUED)

OCCIDENTAL PETROLEUM CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(Amounts in millions, except per-share amounts)

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2000	1999	2000	1999
STOCK OPTIONS				
Number of shares	5.6	4.6	5.6	5.0

Price range per share	$22.000 -- $29.438	$22.000 -- $29.625	$21.250 -- $29.438	$19.875 -- $29.625
Expiration range	4/28/03 -- 11/10/09	1/14/00 -- 7/8/08	4/28/03 -- 11/10/09	1/14/00 -- 7/8/08
CONVERTIBLE PREFERRED STOCK $3.00				
Number of shares	--	--	--	--
Dividends paid	--	--	--	7.2

EXHIBIT 12

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

	Nine Months Ended September 30		Year Ended December 31				
	2000	1999	1999	1998	1997	1996	1995
Income (loss) from continuing operations(a)	$ 1,373	$ 156	$ 699	$ 400	$ 245	$ 486	$ 325
Add:							
Provision (credit) for taxes on income (other than foreign and gas taxes)	698	53	306	204	47	99	155
Interest and debt expense(b)	404	391	515	576	446	492	591
Portion of lease rentals representative of the interest factor	5	25	31	36	39	38	43
	1,107	469	852	816	532	629	789
Earnings before fixed charges	$ 2,480	$ 625	$ 1,551	$ 1,216	$ 777	$ 1,115	$ 1,114
Fixed charges							
Interest and debt expense including capitalized interest(b)	$ 404	$ 398	$ 522	$ 594	$ 462	$ 499	$ 595
Portion of lease rentals representative of the interest factor	5	25	31	36	39	38	43
Total fixed charges	$ 409	$ 423	$ 553	$ 630	$ 501	$ 537	$ 638
Ratio of earnings to fixed charges	6.06	1.48	2.80	1.93	1.55	2.08	1.75

(a) Includes (1) minority interest in net income of majority-owned subsidiaries and partnerships having fixed charges and (2) income from less-than-50-percent-owned equity investments adjusted to reflect only dividends received.

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