

Occidental Petroleum Corporation



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2005 Global Energy Conference

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Occidental Petroleum Corporation

Filed pursuant to Rule 425 and deemed filed pursuant to Rule 14a-12
Filing Person: Occidental Petroleum Corporation
Subject Company: Vintage Petroleum, Inc.
File Number: 1-10578

Additional Information and Where to Find It

Oxy will file a Form S-4, Vintage will file a proxy statement and both companies will file other relevant documents concerning the proposed merger transaction with the Securities and Exchange Commission (SEC). INVESTORS ARE URGED TO READ THE FORM S-4 AND PROXY STATEMENT WHEN THEY BECOME AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. You will be able to obtain the documents free of charge at the website maintained by the SEC at www.sec.gov. In addition, you may obtain documents filed with the SEC by Oxy free of charge by contacting Christel Pauli, Counsel and Assistant Secretary, Occidental Petroleum Corporation, at 10889 Wilshire Blvd., Los Angeles, California 90024. The documents will also be available online at www.oxy.com.

Participants in Solicitation

Oxy, Vintage and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Vintage shareholders in connection with the merger. Information about the directors and executive officers of Oxy and their ownership of Oxy stock is set forth in the proxy statement for Oxy's 2005 Annual Meeting of Shareholders. Information about the directors and executive officers of Vintage and their ownership of Vintage stock is set forth in the proxy statement for Vintage's 2005 Annual Meeting of Shareholders. Investors may obtain additional information regarding the interests of such participants by reading the Form S-4 and proxy statement for the merger when they become available.

Investors should read the Form S-4 and proxy statement carefully when they become available before making any voting or investment decisions.

- 2004 Proven Reserves of 2.5 billion barrels oil equivalent
- 2004 Results: WTI = \$41.40 per bbl
 - Net Income \$2.6 billion
 - Cash From Operations \$3.9 billion
 - Return on Equity 27.8%
 - Return on Capital Employed 20.2%
 - Total Shareholder Return 41.1%

Nine Month 2005 Results



Consolidated Results

WTI = \$55.40

Equity Market Capitalization \$30 billion as of 10/26/05

4th largest U.S. oil & gas company

Net Income – Reported/Core \$4.129/\$2.806 Billion

Earnings per Share – Reported/Core \$10.26/\$6.97

Cash from Operations \$ 3.7 Billion

Stockholders' Equity \$13.9 Billion

*ROCE (%) 36

*ROE (%) 45

*Annualized through first nine months of 2005.

See Appendix B for GAAP reconciliation.

Financial Performance Criteria



- Return on Capital Employed
 - Measures Efficient Use of Capital
- Return on Equity
- Total Return to Stockholders
 - Stock Price Change Plus Dividend

Return On Capital Employed



Percent

Oxy
S&P 500
Oil & Gas Index



Data Source: Bloomberg

See Appendix B for GAAP Reconciliation

Return On Common Equity



Percent

Oxy
S&P 500
Oil & Gas Index



Data Source: Bloomberg

What's Been Oxy Strategy:



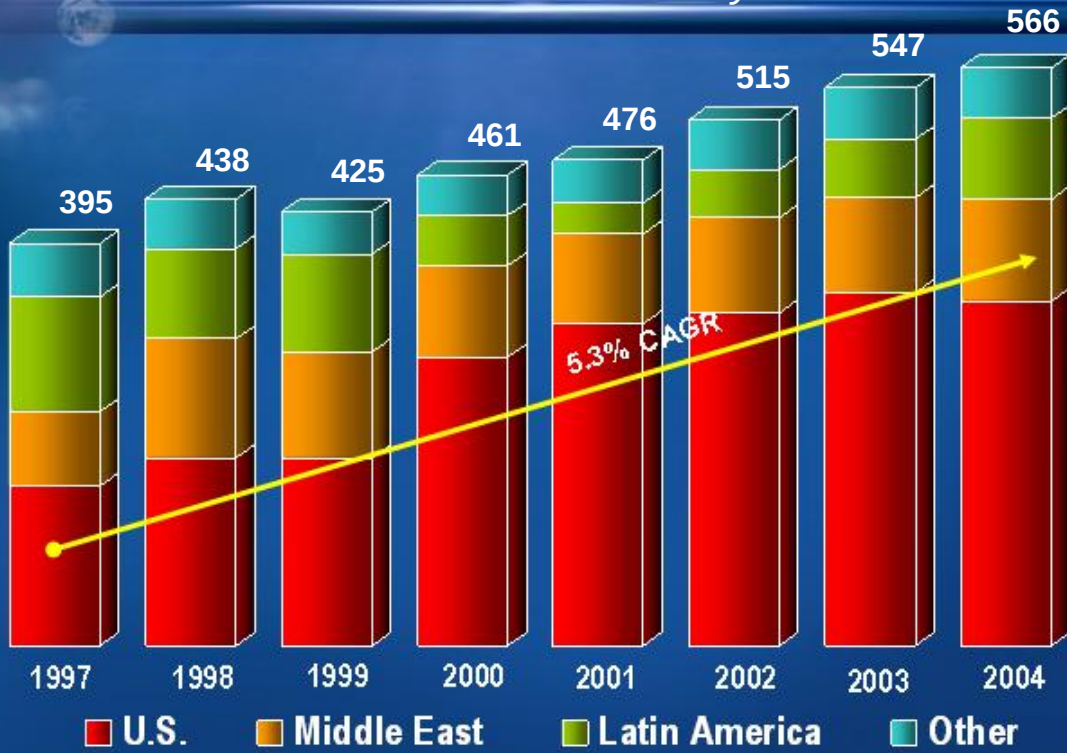
- Focused Operations
- Value Creation
 - Disciplined Financial Philosophy

Worldwide Operations



Worldwide Production

Thousand BOE/Day



Production & Reserve Additions



Million BOE

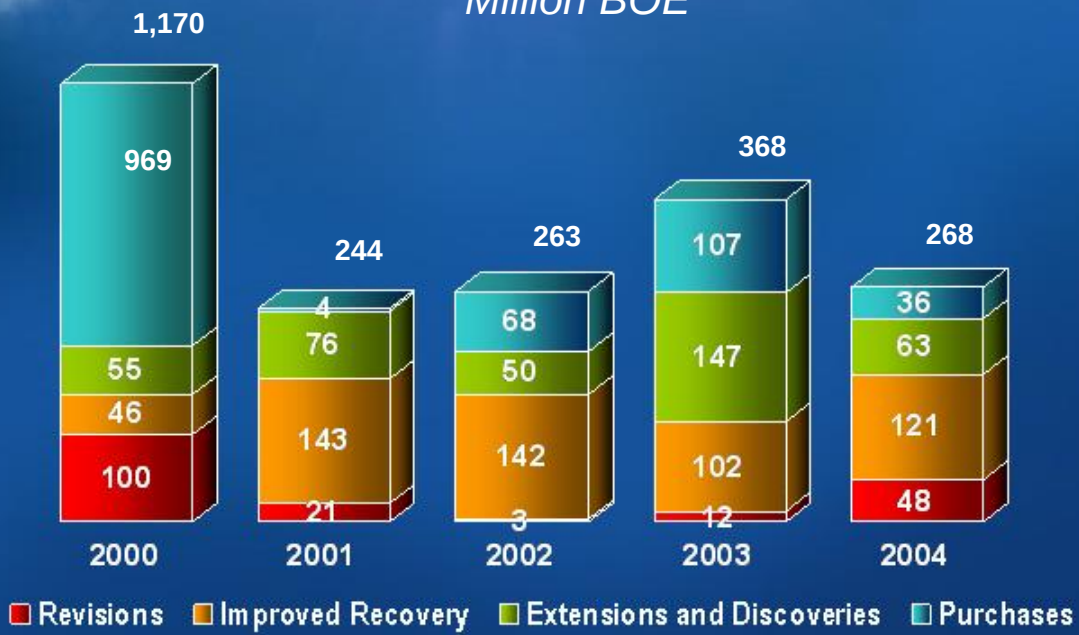


See Appendix B for GAAP reconciliation.

Sources of Worldwide Reserve Additions



Million BOE



See Appendix B for GAAP reconciliation.

Finding & Development Costs



3-Year Average
2002-2004 (\$/BOE)

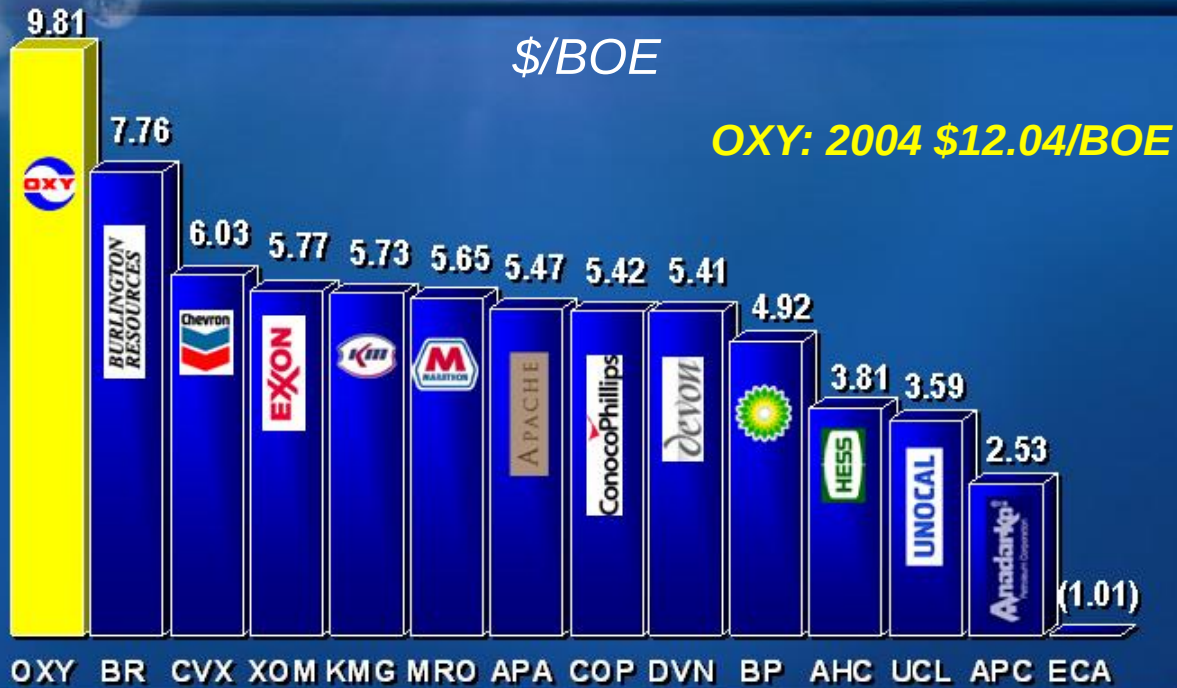


Data Source: Merrill Lynch Equity Research

2002-2004 Free Cash Flow*



See Appendix B for GAAP reconciliation



* Combined (consolidated and other interests) exploration & production income after taxes and before interest, plus DD&A and exploration expense, less capital (excluding acquisitions and ARO costs) – divided by BOE sales.

Focused Value Creation Strategy



- Maintain Strong Balance Sheet
- Disciplined Capital Expenditure Program
- Selective Acquisitions
- Moderate Predictable Reserve/Production Growth
- Chemicals Provides Excess Cash Flow
- Review Non-Core Investments
- Review Dividend Policy Annually

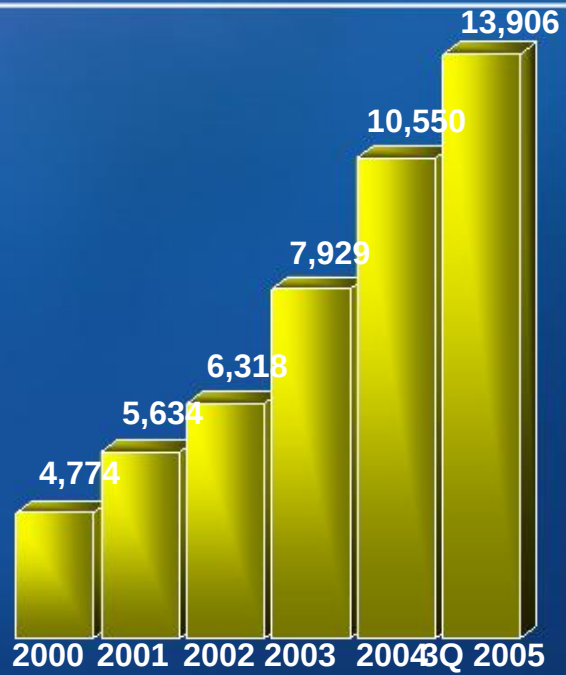
Balance Sheet



Total Debt - \$ Millions



Total Equity - \$Millions



● Debt/Cap - Percentage

2005 Capital Expenditures (\$MM)



Oil & Gas US	\$ 850
Middle East / North Africa	560
Latin America	160
Other International	10
Exploration	280
Chemicals	<u>170</u>
	2,030
Dolphin	<u>360</u>
	\$2,390
Net Acquisition Capital	\$2,100

Selective Acquisitions



- Natural Consolidator
 - Permian Basin
 - California
- Vulcan Chlor-Alkali Plants
- Vintage Petroleum

Permian Basin Acquisitions



First Nine Months 2005

- Spent \$1.4 Billion on Asset Acquisitions
(Net of Asset Sales)
- Projected Production Impact
 - Estimated Year-End 2005 Exit Rate of 30,000
BOE/Day

Chemical Highlights



Primary Mission of Oxy's Chemicals Business

Generate Cash Flow In Excess of
Capital Expenditures Through the
Business Cycle

- Generated Nearly \$3 Billion of Cash Flow After Capital During the Last 10 Years
- Generated Approximately \$700 Million of Cash Flow After Capital Through Nine Months 2005

Vintage Transaction Summary



- Consideration
 - 0.42 Oxy shares per Vintage share (~28.7 Mm Oxy shares)
 - \$20.00 cash per Vintage share (~\$1,366 Mm)
- Strategic Overlap
- Financially Accretive
- Annual Synergies - \$40-60 Mm cost savings and exploration capital savings of ~\$100 Mm
- Growth Opportunities
 - Argentina and California are the primary drivers
- Planned Repurchase of 9 Mm Oxy shares

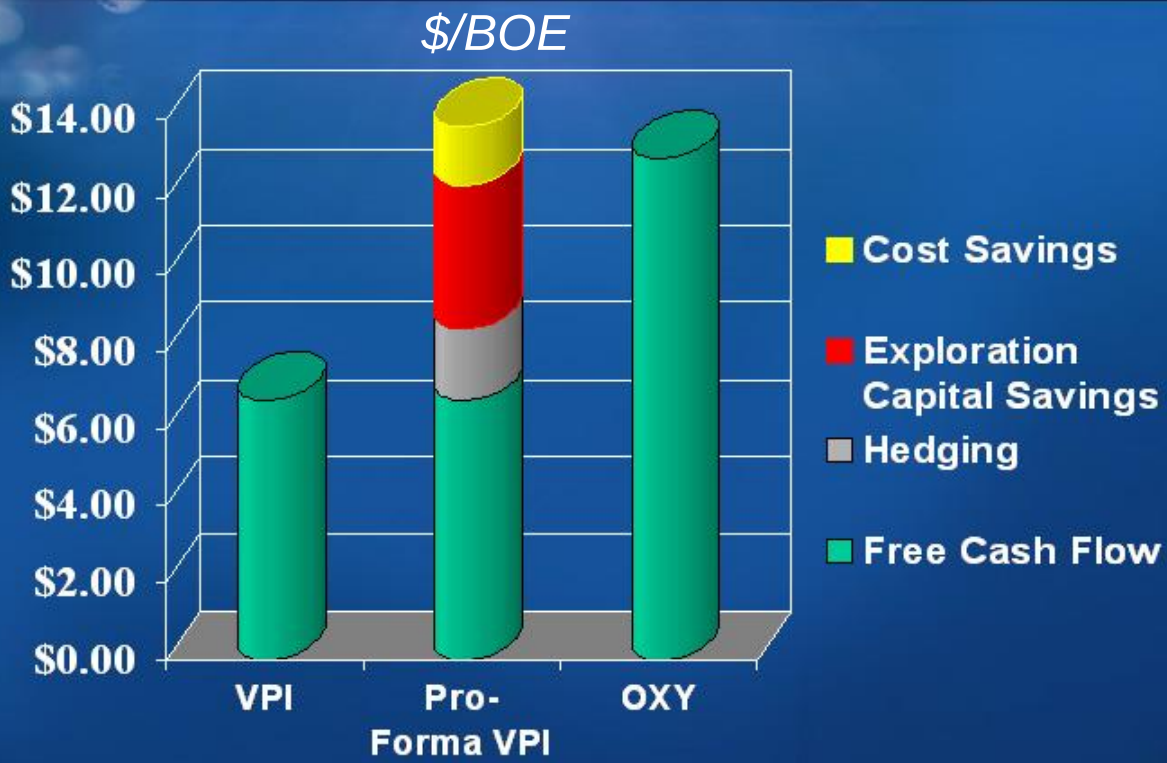
Transaction Summary



- Consideration \$Mm
 - 0.42 x 68.3 Mm shares x \$74.98/share \$2,151
 - \$20/share x 68.3 Mm shares 1,366
 - Debt assumed 550
 - Estimated Cash at closing (225)
 - Total consideration \$3,842

- Proved Reserves – 437 Mmboe (12/31/04)
- Probable and Possible Reserves – 421 Mmboe (12/31/04)
- 2nd Qtr 2005 Production of ~76,000 Boepd

2005E Free Cash Flow



Strategic Overlap



Argentina

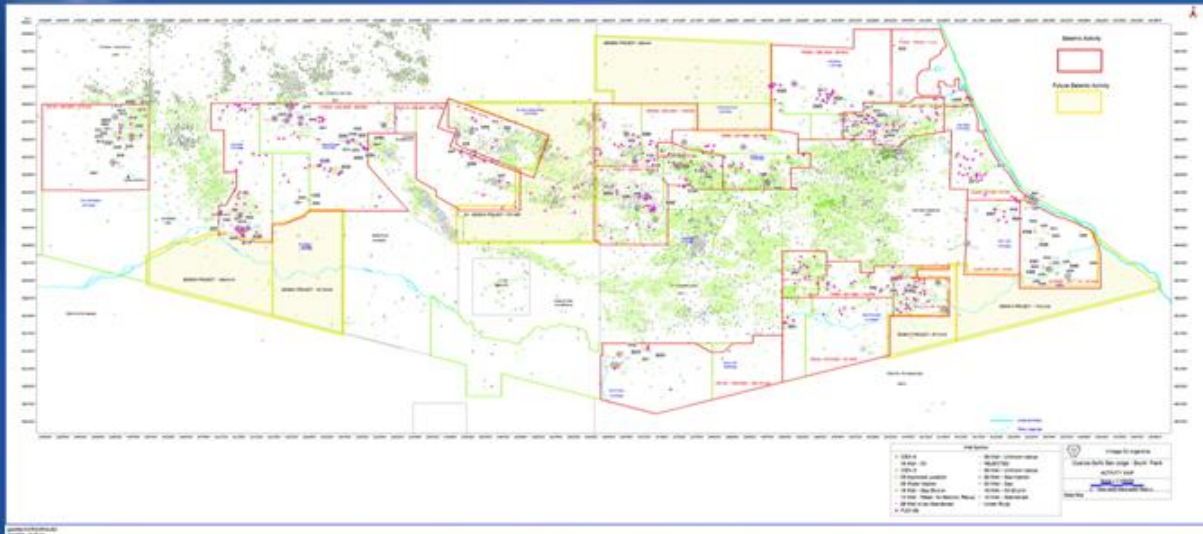
- Significantly enhances Latin America core area
- 22 concessions, mostly in the San Jorge Basin
- As of 12/31/04, ~217 Mmboe of proved reserves, ~500 drilling locations (97% historical drilling success rate)
- Strong current production and expected 10-15% production growth over the next few years driven by 3-D seismic
- Effective export tax rate of ~27% at \$40.00 and ~31% at >\$50
- Multiple consolidation opportunities
- 10 Year average F&D costs: \$2.87/Boe



Vintage Growth Opportunities



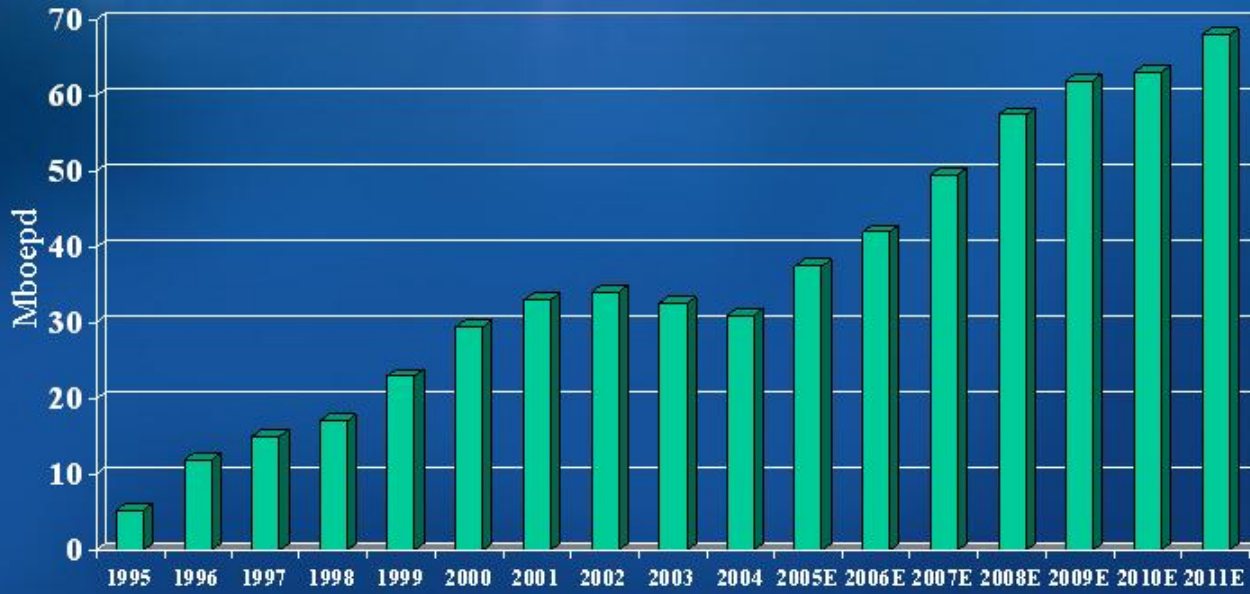
Argentina



Strategic Overlap



Argentina – Historical and Forecast Production Growth

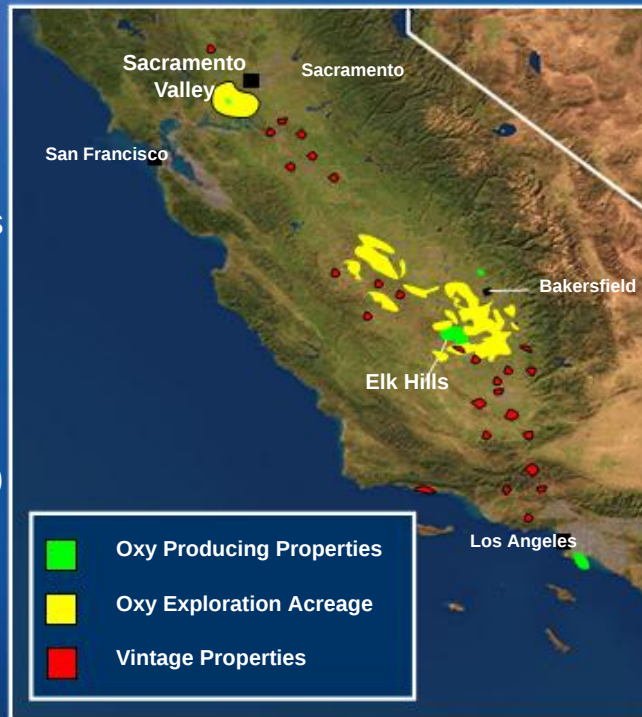


Strategic Overlap



California

- Good strategic fit with existing Oxy operations
- ~70 Mmboe of proved reserves as of 12/31/04
- Oxy sees significant opportunity to increase recovery on existing properties (~20% over the next few years)
- ~11,000+ Boepd of production
- Key fields are high quality crude oil



Vintage – Other Properties



- Bolivia – Intriguing potential, needs long term market development
- Yemen
- Candidates for portfolio rationalization
 - East Texas, Gulf Coast, Mid-Continent
 - Unconventional North American gas
 - ~71 Mmboe of proved reserves as of 12/31/04
 - ~19,000 Boepd of production
 - Divestitures expected to reduce purchase price per Boe

Transaction Value



	2004	2003	2002	2001
NYMEX Oil Price	\$35	\$40	\$40	\$35
NYMEX Gas Price (6 to 1 ratio)	\$5.83	\$6.67	\$7.00	\$7.00
Reserves Pre-tax PV10%				
Proved (100%)	\$ 5,355	\$ 4,046	\$ 4,241	\$ 4,201
Probable (50%)	328	398	411	409
Possible (20%)	166	198	181	172
Total	\$ 5,849	\$ 4,642	\$ 4,833	\$ 4,582
Unevaluated Oil & Gas Properties (A)	30	30	30	30
Gathering/Marketing, Sulfur Assets (B)	45	45	45	45
Other Property Intangibles (C)	80	80	80	80
Long Term Debt	(342)	(342)	(342)	(342)
Cash	304	184	184	304
Other Working Capital/Debt (D)	20	(51)	(51)	(51)
Other Long-term Liabilities	(11)	(11)	(11)	(11)
Contingent Liabilities	12	(26)	(26)	(27)
Placemarks/Recent Oil/Gas Reserves (E)	11	11	11	11
Net Asset Value	\$ 6,080	\$ 4,088	\$ 5,071	\$ 6,304
Outstanding Shares at End of Period	66.7	66.7	66.7	66.7
Shares from Options Transactions (F)	1.2	1.2	1.1	1.2
Preferred Shares	87.7	87.7	87.7	87.7
Net Asset Value Per Share	\$ 62.91	\$ 64.12	\$ 77.85	\$ 78.32

As of 12/31/04 (\$Mm, except per share and hydrocarbon prices)

NYMEX Oil Price	\$35	\$40
NYMEX Gas Price (6 to 1 ratio)	\$5.83	\$6.67
Reserves Pre-tax PV10%		
Proved 100%	\$3,355	\$4,046
Probable 50%	328	398
Possible 20%	166	198
Total	\$3,849	\$4,642
Unevaluated O&G Properties	30	30
Gathering/Marketing, Sulfur assets	45	45
Other balance sheet items	(342)	(378)
Net Asset Value	\$3,582	\$4,339
Fully Diluted Shares	67.7	67.7
Net Asset Value Per Share	\$52.91	\$64.10

Note: This slide is taken from VPI's analyst presentation at the UBS conference in Las Vegas in May 2005.

Note: The above is summarized for demonstration purposes

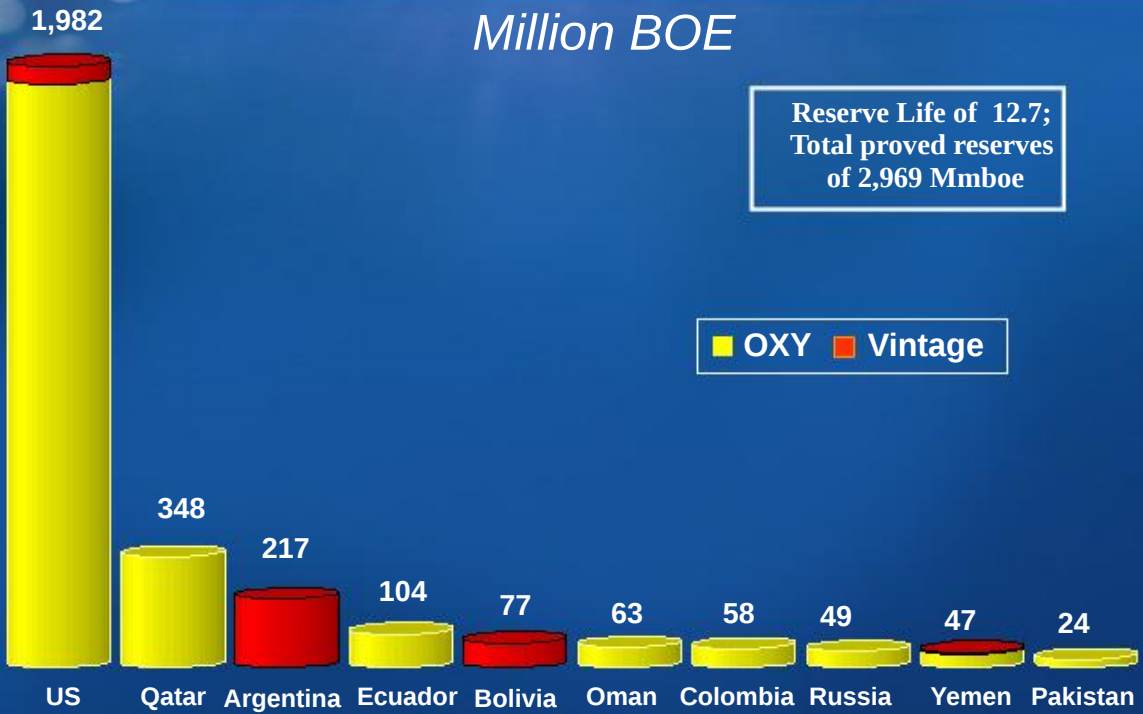
Pro-Forma Reserves by Country



Million BOE

Reserve Life of 12.7;
Total proved reserves
of 2,969 Mmboe

■ OXY ■ Vintage



Proved reserves as of 12/31/04

*Cash Dividends
Paid Continuously Since 1975*

- 2002-2004 Dividend Payments Totaled Nearly \$1.2 Billion
- Annual Payout Rates Per Common Share
 - 2002 = \$1.00
 - 2003 = \$1.04
 - 2004 = \$1.10
 - 2005 = \$1.29
 - 2006 = \$1.44
- Dividend Policy Evaluated Annually

What's ahead?



- Success Riding on Two Factors
 - Add New Projects in Core Areas to Provide Growth
 - Maintain Strong Asset Base to Generate Cash to Support Growth
- Stay Focused on the Fundamentals
 - Maintain Financial Discipline and Focus
 - Execute Our Strategy
- Create Long-Term Value

Qatar:

- ISND / ISSD
- Dolphin
- Oman: Mukhaizna Oil Field
- Libya
- Argentina
- Permian Basin / California
- Exploration
 - Current Plans to Drill 30-40 Wells in 2005
 - Awarded 9 Exploration Blocks in Libya in January

Dolphin Gas Project



Projected Start – late 2006

Invest Gross Capital
of \$4 Billion
(2004-2006)

- Oxy's Share is 24.5%

Estimated Net Reserves:

- 300 Million BOE
(assumes 2 BCF/Day Gas
Production)



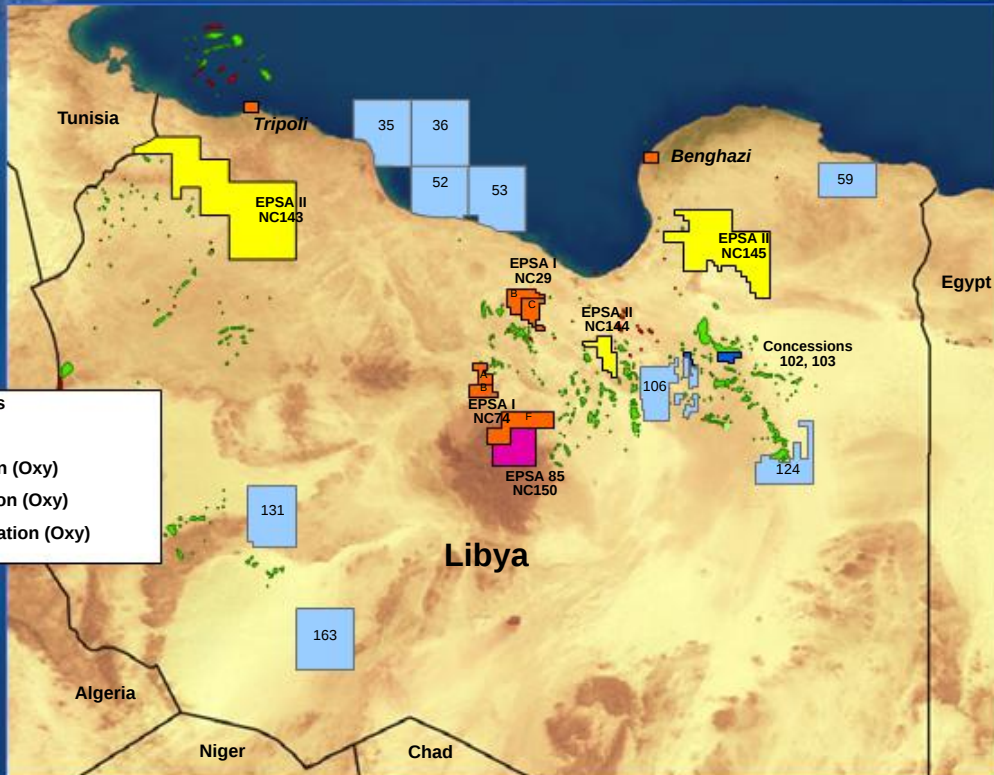
Oman - Mukhaizna Oil Field



- Oxy Active in Oman Since 1979
- Oxy's Nine Months 2005 Production 26,500 BOE/Day
- Oxy Signs 30-Year PSC for Oman's Mukhaizna Oil Field
- Increase Production from 10,000BPD to 150,000BPD (Gross)
- CAPEX = \$2 Billion
- Ultimate Recovery 1 Billion BBLs

- We Have Returned to our Historical Assets
 - 3Q 2005 production 9,000 b/d
 - Production will contribute approximately 22,000 b/d to Oxy's year-end 2005 exit rate.
 - Oxy's net working interest in Libya covers approximately 130,000 square kilometers
- Exploration
 - Work program proceeding on nine blocks awarded earlier this year
- Significant Potential for Future Production Growth Through Investment in EOR Projects

Return to Libya



Concession Blocks

- EPSA I (Zueitina)
- EPSA II Exploration (Oxy)
- EPSA 85 Exploration (Oxy)
- EPSA IV #1 Exploration (Oxy)

Solid Base for Future Growth And Profitability

- Strong, Flexible Balance Sheet
- Continued Oil & Gas Production Growth
- Long-Lived Domestic Oil & Gas Reserve Base
- New, High Potential Exploration Opportunities

Occidental Petroleum Corporation



The matters set forth in this presentation, including statements as to the expected benefits of the Vintage acquisition such as efficiencies, cost savings, financial strength, and the competitive ability and position of the combined company, and other statements identified by such words as "will," "estimates," "expects," "hopes," "projects," "plans," and similar expressions are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties that could significantly affect expected results, including a delay in or failure to obtain required approvals, the possibility that the anticipated benefits from the acquisition cannot be fully realized, the possibility that costs or difficulties related to the integration will be greater than expected, the ability to manage regulatory, tax and legal matters, including changes in tax rates, the impact of competition, and other risk factors related to our industries as detailed in each of Oxy's and Vintage's reports filed with the SEC. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, Oxy undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results may differ from those set forth in or implied by the forward-looking statements.

The SEC limits the ability of oil and natural gas companies, in their filings with the SEC, to disclose reserves other than proved reserves demonstrated by actual production or conclusive formation tests to be economically producible under existing economic and operating conditions. We use certain terms in this presentation, such as probable, possible and recoverable reserves, that the SEC's guidelines limit in filings with the SEC. Additionally, the SEC requires oil and natural gas companies, in their filings, to disclose non-financial statistical information about their consolidated entities separately from such information about their equity holdings and not to show combined totals. Certain information in this presentation is shown on a combined basis; however, the information is disclosed separately in the Appendix.

Information contained in this presentation regarding Vintage's production, reserves, results, assets and other information has been taken from Vintage's public filings with the SEC. Oxy makes no representation with respect to the accuracy of this information.

U.S. investors are urged to consider carefully the disclosure in our Form 10-K, available through the following toll-free number, 1-88-OXYPETE (1-88-699-7383) or on the internet at <http://www.oxy.com>. You can also obtain a copy from the SEC by calling 1-800-SEC-0330.



Appendix A – Vintage Acquisition



Strategic Overlap



Argentina – Strong Cash Margin

<u>Per Boe</u>	<u>Cash Margin Under Current Export Tax*</u>		
NYMEX Assumption	\$40.00	\$50.00	\$60.00
Contract Differential	(6.40)	(7.75)	(7.75)
Export tax impact	<u>(9.51)</u>	<u>(13.74)</u>	<u>(16.99)</u>
Oil Sales (net of export tax)	24.09	28.51	35.26
Gas Sales	<u>5.70</u>	<u>5.70</u>	<u>5.70</u>
Weighted Avg. Sales Price	22.25	26.23	32.31
LOE	(6.05)	(6.05)	(6.05)
G&A	<u>(0.70)</u>	<u>(0.70)</u>	<u>(0.73)</u>
Margin	\$15.50	\$19.48	\$25.56

*Hypothetical margin above assumes a 35/65 export/domestic sales split, contract differential at recent VPI observed levels at or above \$50 per Bbl. NYMEX, domestic sales value at parity to export value net of the tax, and 2005 VPI target oil/gas production mix, gas price and cost levels.

Contribution Analysis



	<u>VPI</u>	<u>OXY</u>
% of Enterprise Value	9%	91%
% of Market Value	5%	95%
LTM EBITDA	7%	93%
LTM Cash from Operations	6%	94%
Production (per Day)		
Oil	11%	89%
Gas	16%	84%
Boe	12%	88%
Proved Reserves (Mmboe)	15%	85%
PDP Reserves (Mmboe)	13%	87%

Note: VPI numbers have been adjusted to take out hedging effects; without share buyback VPI's Enterprise and Market Value would be 11% and 7% respectively. Market and Enterprise values are at the deal value.

Occidental Pro-Forma Financials



2005

	<u>Pro-Forma</u>	<u>Occidental_Stand-alone</u>
Earnings per Share	\$9.79	\$9.76
Cash Flow Per Share	14.86	14.51

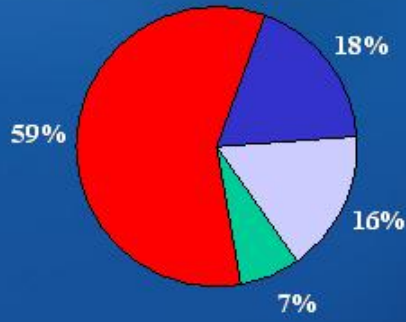
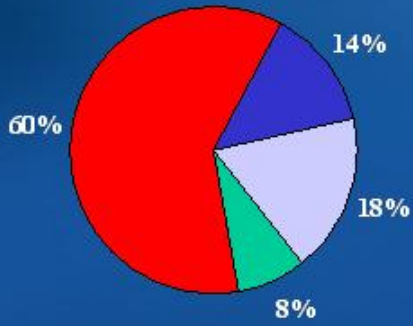
Pro-forma: Consensus First Call Oxy 2005 estimate, including 9 Mm share buyback

Worldwide Production



Occidental

Pro-Forma



- United States
- Latin America
- Middle East
- Other E. Hemisphere

Note: Occidental + Vintage - No effects of rationalization

Appendix B – GAAP Reconciliation



Worldwide Proven Reserves



(Million BOE)

GAAP RECONCILIATION

	US			International			Worldwide		
	OIL	GAS	BOE	OIL	GAS	BOE	OIL	GAS	BOE
2004									
Consolidated Subsidiaries	1,494	2,101	1,844	499	874	645	1,993	2,975	2,489
Other Interests	-	-	-	43	-	43	43	-	43
Worldwide	<u>1,494</u>	<u>2,101</u>	<u>1,844</u>	<u>542</u>	<u>874</u>	<u>688</u>	<u>2,036</u>	<u>2,975</u>	<u>2,532</u>
2003									
Consolidated Subsidiaries	1,500	1,826	1,804	490	759	617	1,990	2,585	2,421
Other Interests	-	-	-	48	9	50	48	9	50
Worldwide	<u>1,500</u>	<u>1,826</u>	<u>1,804</u>	<u>538</u>	<u>768</u>	<u>667</u>	<u>2,038</u>	<u>2,594</u>	<u>2,471</u>
2002									
Consolidated Subsidiaries	1,452	1,821	1,755	476	228	514	1,928	2,049	2,269
Other Interests	-	-	-	42	-	42	42	-	42
Worldwide	<u>1,452</u>	<u>1,821</u>	<u>1,755</u>	<u>518</u>	<u>228</u>	<u>556</u>	<u>1,970</u>	<u>2,049</u>	<u>2,311</u>
2001									
Consolidated Subsidiaries	1,371	1,962	1,698	482	106	499	1,853	2,068	2,197
Other Interests	-	-	-	44	-	44	44	-	44
Worldwide	<u>1,371</u>	<u>1,962</u>	<u>1,698</u>	<u>526</u>	<u>106</u>	<u>543</u>	<u>1,897</u>	<u>2,068</u>	<u>2,241</u>

2004 Proven Reserves by Country



(Million BOE)

GAAP RECONCILIATION

	Consolidated Subsidiaries			Other Interests			Worldwide		
	OIL	GAS	BOE	OIL	GAS	BOE	OIL	GAS	BOE
United States	1,494	2,101	1,844	-	-	-	1,494	2,101	1,844
Qatar	237	668	348	-	-	-	237	668	348
Ecuador	104	-	104	-	-	-	104	-	104
Oman	46	100	63	-	-	-	46	100	63
Colombia	67	-	67	(9)	-	(9)	58	-	58
Russia	-	-	-	49	-	49	49	-	49
Yemen	39	-	39	3	-	3	42	-	42
Pakistan	6	106	24	-	-	-	6	106	24
	<u>1,993</u>	<u>2,975</u>	<u>2,489</u>	<u>43</u>	<u>-</u>	<u>43</u>	<u>2,036</u>	<u>2,975</u>	<u>2,532</u>

Worldwide Production and Proved Reserve Additions



GAAP RECONCILIATION

(Million BOE)

	<u>Consolidated Subsidiaries</u>			<u>Other Interests</u>			<u>Worldwide</u>		
	<u>OIL</u>	<u>GAS</u>	<u>BOE</u>	<u>OIL</u>	<u>GAS</u>	<u>BOE</u>	<u>OIL</u>	<u>GAS</u>	<u>BOE</u>
PRODUCTION									
2000	117	259	160	8	-	8	125	259	168
2001	124	241	164	9	-	9	133	241	173
2002	142	229	180	8	-	8	150	229	188
2003	153	221	190	10	-	10	163	221	200
2004	159	233	198	9	-	9	168	233	207
Proved Reserve Additions									
2000	1,041	777	1,170	-	-	-	1,041	777	1,170
2001	219	100	236	8	-	8	227	100	244
2002	221	216	257	6	-	6	227	216	263
2003	223	766	351	16	9	18	23	775	368
2004	162	624	266	4	(9)	2	166	615	268

Sources of Worldwide Proved Reserve Additions



GAAP RECONCILIATION

(Million BOE)

	Consolidated Subsidiaries			Other Interests			Worldwide		
	OIL	GAS	BOE	OIL	GAS	BOE	OIL	GAS	BOE
2004									
Revisions	5	241	45	5	(9)	3	10	232	48
Improved Recovery	88	185	120	1	-	1	89	185	121
Extensions and Discoveries	30	191	61	2	-	2	32	191	63
Purchases	39	7	40	(4)	-	(4)	35	7	36
	<u>162</u>	<u>624</u>	<u>266</u>	<u>4</u>	<u>(9)</u>	<u>2</u>	<u>166</u>	<u>615</u>	<u>268</u>
2003									
Revisions	(1)	44	6	6	-	6	5	44	12
Improved Recovery	85	70	97	4	9	6	89	79	102
Extensions and Discoveries	41	597	141	6	-	6	47	597	147
Purchases	98	55	107	-	-	-	98	55	107
	<u>223</u>	<u>766</u>	<u>351</u>	<u>16</u>	<u>9</u>	<u>18</u>	<u>239</u>	<u>775</u>	<u>368</u>
2002									
Revisions	13	(54)	4	(1)	-	(1)	12	(54)	3
Improved Recovery	112	151	137	5	-	5	117	151	142
Extensions and Discoveries	40	50	-	-	-	-	40	60	50
Purchases	56	59	66	2	-	2	58	9	68
	<u>221</u>	<u>216</u>	<u>257</u>	<u>6</u>	<u>-</u>	<u>6</u>	<u>227</u>	<u>216</u>	<u>263</u>
2001									
Revisions	21	(49)	13	8	-	8	29	(49)	21
Improved Recovery	139	23	143	-	-	-	139	23	143
Extensions and Discoveries	56	122	76	-	-	-	56	122	76
Purchases	3	4	4	-	-	-	3	4	4
	<u>219</u>	<u>100</u>	<u>236</u>	<u>8</u>	<u>-</u>	<u>8</u>	<u>227</u>	<u>100</u>	<u>244</u>
2000									
Revisions	62	223	99	1	-	1	63	223	100
Improved Recovery	42	25	46	-	-	-	42	25	46
Extensions and Discoveries	37	112	56	(1)	-	(1)	36	112	55
Purchases	900	417	969	-	-	-	900	417	969
	<u>1,041</u>	<u>777</u>	<u>1,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,041</u>	<u>777</u>	<u>1,170</u>

Oil & Gas: Cash Flow



(\$ Millions, except \$/BOE)

GAAP RECONCILIATION

	<u>2004</u>
Occidental Petroleum Consolidated Statement of Cash Flows	
Cash flow from operating activities	\$ 3,878
Cash flow from investing activities	(2,288)
Cash flow from financing activities	(824)
Change in cash	<u>\$ 766</u>

	<u>2004</u>		
	<u>Consolidated Subsidiaries</u>	<u>Other Interests</u>	<u>Worldwide</u>
FAS 69 GAAP Oil & Gas results of operations	\$ 2,781	\$ 50	\$ 2,831
Depreciation, depletion & amortization	1,040	12	1,052
Exploration expense	214	1	215
Capital expenditures (excluding acquisitions)	<u>(1,596)</u>	<u>(11)</u>	<u>(1,607)</u>
Cash flow from operations	\$ 2,439	\$ 52	\$ 2,491
Sales volumes (million BOE)			206.83
Cash flow per BOE			\$ 12.04

Oil & Gas: Cash Flow



(\$ Millions, except \$/BOE)

GAAP RECONCILIATION

Annual Average
2002 - 2004

Occidental Petroleum Consolidated Statement of Cash Flows

Cash flow from operating activities	\$ 3,017
Cash flow from investing activities	(2,002)
Cash flow from financing activities	(599)
Change in cash	\$ <u>416</u>

	<u>Subsidiaries</u>	<u>Interests</u>	<u>Worldwide</u>
FAS 69 GAAP Oil & Gas results of operations	\$ 2,095	\$ 26	\$ 2,121
Depreciation, depletion & amortization	933	14	947
Exploration expense	176	0	176
Capital expenditures (excluding acquisitions)	<u>(1,272)</u>	<u>(9)</u>	<u>(1,281)</u>
Cash flow from operations	\$ 1,932	\$ 31	\$ 1,963
Sales volumes (million BOE)			200.15
Cash flow per BOE			\$ 9.81

Return on Capital Employed (ROCE)



(\$ Millions)

GAAP RECONCILIATION

	<u>December 31 2004</u>	<u>September 30 2005</u>	<u>2005 Annualized</u>
GAAP measure – earnings applicable to common shareholders	\$ 2,568	\$ 4,129	
Interest expense	239	178	
Tax effect of interest expense	(84)	(62)	
Earnings before tax-effected interest expense	<u>\$ 2,723</u>	<u>4,245</u>	
GAAP stockholders' equity	<u>\$ 10,550</u>	<u>\$ 13,909</u>	
Debt			
GAAP debt			
Debt, including current maturities	\$ 3,804	\$ 3,017	
Non-GAAP debt			
Capital lease obligation	26	26	
Subsidiary preferred stock	<u>75</u>	<u>75</u>	
Total debt	\$ 3,905	\$ 3,461	
Total capital employed	\$ 14,455	\$ 16,926	
RETURN ON CAPITAL EMPLOYED (ROCE) (%)	20.2	27.1	36.1