



For Immediate Release: April 29, 2010

Occidental Petroleum Announces First Quarter 2010 Results

- Q1 2010 income from continuing operations \$1.1 billion (\$1.32 per diluted share)
- 189-percent increase in year-over-year income from continuing operations
- Year-over-year production growth of 4.5 percent to 743,000 BOE per day

LOS ANGELES, April 29, 2010 -- Occidental Petroleum Corporation (NYSE: OXY) announced income from continuing operations of \$1.1 billion (\$1.32 per diluted share) for the first quarter of 2010, compared with \$371 million (\$0.45 per diluted share) for the first quarter of 2009.

In announcing the results, Dr. Ray R. Irani, Chairman and Chief Executive Officer, said, "We continue to see progressive growth in Occidental's quarterly net income into 2010. The first quarter 2010 income from continuing operations of \$1.1 billion was a 189-percent increase over the same period of 2009 and reflects strengthening of worldwide product prices and higher volumes. The first quarter 2010 production was 743,000 BOE per day, a 4.5 percent-increase from the first quarter of 2009 despite losing 38,000 BOE per day from the effect of production sharing and similar contracts. The first quarter 2010 results generated cash flow from operating activities of \$2.2 billion. Free cash flow after capital spending and dividends was \$1.1 billion.

"We are looking forward to our May 19 meeting with the financial community in New York City, where we will discuss exciting opportunities for Occidental's future growth."

QUARTERLY RESULTS

Oil and Gas

Oil and gas segment earnings were \$1.8 billion for the first quarter of 2010, compared with \$545 million for the same period in 2009. The increase in the first quarter of 2010 results was due to higher crude oil and natural gas prices and higher volumes.

For the first quarter of 2010, daily oil and gas sales volumes averaged 726,000 barrels of oil equivalent (BOE), compared with 713,000 BOE in the first quarter of 2009. Volumes increased in the Middle East/North Africa and California and were partially

offset by decreases in Latin America. The Middle East/North Africa increase included new production from the Bahrain start-up and increased production from the Mukhaizna field in Oman. Latin America volumes dropped in Argentina due to a labor strike. Production was negatively impacted in the Middle East/North Africa, Long Beach and Colombia due to higher oil prices affecting our production sharing and similar contracts by 38,000 BOE per day. Underlying daily production volumes were 743,000 BOE in the first quarter of 2010 compared to 711,000 BOE in the first quarter of 2009, largely reflecting the Bahrain production.

Oxy's realized price for worldwide crude oil was \$71.88 per barrel for the first quarter of 2010, compared with \$39.29 per barrel for the first quarter of 2009. Domestic realized gas prices rose from \$3.54 per MCF in the first quarter of 2009 to \$5.62 per MCF for the first quarter of 2010.

Chemicals

Chemical segment earnings for the first quarter of 2010 were \$30 million, compared with \$169 million for the same period in 2009. The first quarter 2010 results reflect the continued weakness in the domestic market, particularly in the housing and construction sectors, and the significant margin erosion that was experienced through 2009 that carried into 2010.

Midstream, Marketing and Other

Midstream segment earnings were \$94 million for the first quarter of 2010, compared with \$14 million for the first quarter of 2009. Earnings for the first quarter of 2010 reflect higher margins in the marketing and trading businesses, improved prices in the gas processing business, and higher pipeline income from Dolphin.

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

SUMMARY OF SEGMENT NET SALES AND EARNINGS

(\$ millions, except per-share amounts)	First Quarter	
	2010	2009
SEGMENT NET SALES		
Oil and Gas	\$ 3,646	\$ 2,137
Chemical	956	792
Midstream, Marketing and Other	369	228
Eliminations	(200)	(84)
Net Sales	<u>\$ 4,771</u>	<u>\$ 3,073</u>
SEGMENT EARNINGS		
Oil and Gas (a)	\$ 1,819	\$ 545
Chemical	30	169
Midstream, Marketing and Other	94	14
	<u>1,943</u>	<u>728</u>
Unallocated Corporate Items		
Interest expense, net	(36)	(20)
Income taxes	(729)	(241)
Other (b)	(107)	(96)
Income from Continuing Operations (a)	<u>1,071</u>	<u>371</u>
Discontinued operations, net	(7)	(3)
NET INCOME (a)	<u>\$ 1,064</u>	<u>\$ 368</u>
BASIC EARNINGS PER COMMON SHARE		
Income from continuing operations	\$ 1.32	\$ 0.45
Discontinued operations, net	(0.01)	-
	<u>\$ 1.31</u>	<u>\$ 0.45</u>
DILUTED EARNINGS PER COMMON SHARE		
Income from continuing operations	\$ 1.32	\$ 0.45
Discontinued operations, net	(0.01)	-
	<u>\$ 1.31</u>	<u>\$ 0.45</u>
AVERAGE BASIC COMMON SHARES OUTSTANDING		
BASIC	812.1	810.7
DILUTED	<u>813.5</u>	<u>813.3</u>

(a) **Net Income** - Net income and income from continuing operations represent amounts attributable to Common Stock, after deducting non-controlling interest of \$24 million and \$9 million for the first quarter of 2010 and 2009, respectively. Oil and gas segment earnings are presented net of these non-controlling interest amounts.

(b) **Unallocated Corporate Items - Other** - The first quarter of 2009 includes pre-tax charges of \$32 million related to severance and \$15 million for railcar leases.

SUMMARY OF CAPITAL EXPENDITURES AND DD&A EXPENSE

(\$ millions)	First Quarter	
	2010	2009
CAPITAL EXPENDITURES	\$ 848	\$ 1,071
DEPRECIATION, DEPLETION AND AMORTIZATION OF ASSETS	\$ 874	\$ 786

ITEMS AFFECTING COMPARABILITY OF CORE EARNINGS BETWEEN PERIODS

Income / (Expense) (\$ millions)	First Quarter	
	2010	2009
Foreign exchange gains and (losses) *	\$ (5)	\$ 37

* Amounts shown after tax.

SUMMARY OF OPERATING STATISTICS - SALES

	First Quarter	
	2010	2009
NET OIL, GAS AND LIQUIDS SALES PER DAY		
United States		
Crude Oil and Liquids (MBBL)		
California	94	97
Permian	160	166
Midcontinent Gas	17	13
Total	271	276
Natural Gas (MMCF)		
California	295	216
Permian	125	124
Midcontinent Gas	255	280
Total	675	620
Latin America		
Crude Oil (MBBL)		
Argentina	36	45
Colombia	33	41
Total	69	86
Natural Gas (MMCF)		
Argentina	31	33
Bolivia	12	15
Total	43	48
Middle East / North Africa		
Crude Oil and Liquids (MBBL)		
Bahrain	2	-
Dolphin	23	23
Libya	4	6
Oman	56	46
Qatar	74	75
Yemen	33	42
Total	192	192
Natural Gas (MMCF)		
Bahrain	166	-
Dolphin	228	233
Oman	52	53
Total	446	286
Barrels of Oil Equivalent (MBOE)		
Total Sales - MBOE	726	713

SUMMARY OF OPERATING STATISTICS - PRODUCTION

	First Quarter	
	<u>2010</u>	<u>2009</u>
NET OIL, GAS AND LIQUIDS PRODUCTION		
PER DAY		
United States		
Crude Oil and Liquids (MBBL)	271	276
Natural Gas (MMCF)	675	620
Latin America		
Crude Oil (MBBL)		
Argentina	37	39
Colombia	34	42
Total	<u>71</u>	<u>81</u>
Natural Gas (MMCF)	43	48
Middle East / North Africa		
Crude Oil and Liquids (MBBL)		
Bahrain	3	-
Dolphin	23	24
Libya	14	9
Oman	57	45
Qatar	75	79
Yemen	35	38
Total	<u>207</u>	<u>195</u>
Natural Gas (MMCF)	446	286
Barrels of Oil Equivalent (MBOE)		
Total Worldwide Production - MBOE	<u>743</u>	<u>711</u>

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.

(\$ millions, except per-share amounts)	<u>2010</u>	<u>Diluted EPS</u>	<u>2009</u>	<u>First Quarter Diluted EPS</u>
TOTAL REPORTED EARNINGS	\$ 1,064	\$ 1.31	\$ 368	\$ 0.45
Oil and Gas				
Segment Earnings	\$ 1,819		\$ 545	
Add:				
Rig contract terminations	-		8	
Segment Core Results	<u>1,819</u>		<u>553</u>	
Chemicals				
Segment Earnings	30		169	
Add:				
No significant items affecting earnings	-		-	
Segment Core Results	<u>30</u>		<u>169</u>	
Midstream, Marketing and Other				
Segment Earnings	94		14	
Add:				
No significant items affecting earnings	-		-	
Segment Core Results	<u>94</u>		<u>14</u>	
Total Segment Core Results	<u>1,943</u>		<u>736</u>	
Corporate				
Corporate Results --				
Non Segment *	(879)		(360)	
Add:				
Severance accrual	-		32	
Railcar leases	-		15	
Tax effect of pre-tax adjustments	-		(19)	
Discontinued operations, net **	<u>7</u>		<u>3</u>	
Corporate Core Results - Non Segment	<u>(872)</u>		<u>(329)</u>	
TOTAL CORE RESULTS	<u>\$ 1,071</u>	<u>\$ 1.32</u>	<u>\$ 407</u>	<u>\$ 0.50</u>

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

** Amounts shown after tax.