

OCCIDENTAL PETROLEUM CORPORATION



Dividend Reinvestment Plan

DIVIDEND REINVESTMENT PLAN

Dear Occidental Stockholder:

I am pleased to send you this prospectus describing Occidental's Dividend Reinvestment Plan. This plan enables our stockholders to purchase additional shares of Occidental's common stock.

To participate, you must meet the following requirements:

- Own of record or have in your account at least 25 shares of Occidental's common stock or 25 shares of Occidental's preferred stock.
- Have the dividends on at least 25 of such shares invested pursuant to the plan at all times.

If you meet these requirements and elect to participate in the plan, you will enjoy the following advantages:

- You may purchase common stock at current market prices by reinvesting your common or preferred stock cash dividends without paying any trading fees or service charges.
- You may also invest in additional shares of common stock at current market prices by making optional cash investments without paying any trading fees or service charges. Optional cash investments must be at least \$50 and cannot total more than \$10,000 per calendar month.

To enroll in the plan, either access your account online at our transfer agent's web site at www.bnymellon.com/shareowner or complete and mail the enclosed authorization card in the envelope provided.

If you do not participate in the plan, you will continue to receive checks for your dividends as they are declared and paid.

Sincerely,

DR. RAY R. IRANI
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

**Prospectus Supplement dated October 31, 2008
(To Prospectus dated July 26, 2006)**

To Occidental Stockholder:

**RE: Occidental Petroleum Corporation
Dividend Reinvestment Plan**

As a result of the merger between The Bank of New York and Mellon Financial Corporation, effective June 16, 2008, the address for the agent for the Dividend Reinvestment Plan (the "Plan") has changed. You can contact the Agent at (800) 622-9231 between the hours of 9:00 A.M. and 7:00 P.M. Eastern Time, Monday through Friday, or you can contact the Agent at the following address:

BNY Mellon Shareowner Services
Attention: Investor Services – Occidental Petroleum Corporation
P. O. Box 358035
Pittsburgh PA 15252-8035

International Shareholders can contact the Agent at (201) 680-6578.

Alternatively, you may visit the Agent's website at www.bnymellon.com/shareowner/isd. If you are a new Participant, you will establish a Personal Identification Number (PIN) when you set up your account. If you are an existing Participant, you can gain access by using the 12-digit Investor Identification Number (IID) which can be found in a bolded box on your dividend check stub, statement or advice to establish a PIN. In order to access your account online, you will be required to complete an account activation process. This one-time authentication process will be used to validate your identity in addition to your 12-digit IID and self-assigned PIN.

Also all references made in the Prospectus to Mellon Bank NA are now changed to The Bank of New York Mellon. All references made in the Prospectus to Mellon Investor Services are now changed to BNY Mellon Shareowner Services.

In addition, with reference to Page #8, Section #7- (Cash investments), money orders are no longer accepted. Investments must be made by personal check.

PROSPECTUS

OCCIDENTAL PETROLEUM CORPORATION

DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan (“Plan”) of Occidental Petroleum Corporation (“Occidental”) provides eligible holders of its common stock and eligible holders of any series of preferred stock outstanding with a convenient and economical method of purchasing shares of Occidental’s common stock without paying trading fees or service charges. To participate in the Plan, you must own of record or have in your account at least 25 shares of common stock or 25 shares of preferred stock and have the dividends on at least 25 of such shares invested under the Plan at all times.

As a participant in the Plan, you may, without paying any trading fees or service charges:

- Have cash dividends on 25 or more of your shares of common stock or preferred stock automatically reinvested in additional shares of common stock.
- Invest additional optional cash investments of not less than \$50, up to \$10,000 per calendar month, for the purchase of shares of common stock for your accounts enrolled in the Plan.

If you do not elect to participate in the Plan, you will continue to receive cash dividends, by check or direct deposit, as usual.

Mellon Bank N.A. is the administrator for the Plan (the “Plan Administrator”). Mellon Bank N.A. has designated Mellon Investor Services and other agents to perform certain services for the Plan.

This prospectus relates to 1,109,097 authorized and unissued shares of common stock reserved for issuance under the Plan. Please keep this prospectus for future reference, as it contains the terms and conditions governing the Plan.

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION
NOR ANY STATE SECURITIES COMMISSION HAS
APPROVED OR DISAPPROVED OF THESE SECURITIES OR
DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR
COMPLETE. ANY REPRESENTATION TO THE CONTRARY
IS A CRIMINAL OFFENSE.**

The date of this prospectus is July 26, 2006.

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WHERE YOU CAN FIND MORE INFORMATION

Occidental files reports, proxy statements, and other information with the Securities and Exchange Commission (“SEC”). You can read and copy such information at the SEC’s Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC maintains an Internet site at <http://www.sec.gov> that contains reports, proxy statements and other information that Occidental files electronically. Occidental’s common stock is listed and traded on the New York Stock Exchange (“NYSE”) under the ticker symbol “OXY”. These reports, proxy statements and other information also are available for inspection at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

This prospectus is part of a registration statement filed with the SEC by Occidental to register the shares sold pursuant to the Plan. This prospectus does not include all of the information you can find in the registration statement or the exhibits to the registration statement. The full registration statement can be obtained from the SEC as indicated above or from Occidental.

The SEC allows Occidental to “incorporate by reference” the information it files with the SEC. This permits Occidental to disclose important information to you by referencing these filed documents. Any

information referenced this way is considered part of this prospectus, and any information filed with the SEC subsequent to this prospectus will automatically be deemed to update and supersede this information. Occidental incorporates by reference the following documents, which have been filed with the SEC:

- Annual Report on Form 10-K for the year ended December 31, 2005.
- Quarterly Reports on Form 10-Q for the quarter ended March 31, 2006.
- Current Reports on Form 8-K, filed January 31, 2006, filed February 7, 2006, filed February 8, 2006, filed February 22, 2006, filed February 23, 2006, filed April 25, 2006, filed May 5, 2006, filed June 2, 2006, filed July 5, 2006 and filed July 21, 2006.

Occidental also incorporates by reference any future filings made with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934 (the “Exchange Act”) until Occidental or the trusts sell all of the debt securities and preferred securities.

Occidental will provide without charge upon written or oral request, a copy of any or all of the documents, which are incorporated by reference to this prospectus. Requests should be directed to Occidental Petroleum Corporation, 10889 Wilshire Boulevard, Los Angeles, California 90024, Attn: Publications; telephone: (310) 443-6203.

OCCIDENTAL

Occidental’s principal businesses consist of two industry segments. The oil and gas segment explores for, develops, produces and markets crude oil and natural gas. The chemical segment manufactures and markets basic chemicals, vinyls and performance chemicals. Occidental’s executive offices are located at 10889 Wilshire Boulevard, Los Angeles, California 90024; telephone number: (310) 208-8800.

DESCRIPTION OF THE PLAN

The following is a statement, in question-and-answer form, of the provisions of the Plan.

Purpose

1. What is the purpose of the Plan?

The primary purpose of the Plan is to provide holders of record of shares of common stock and preferred stock with a convenient method of purchasing additional shares of common stock without paying any trading fees or service charges.

Advantages

2. What are the advantages of the Plan?

Participation in the Plan allows you to:

- Invest the cash dividends on 25 shares or more of common or preferred stock in shares of additional common stock without paying any trading fees or service charges.
- Purchase additional shares of common stock with optional cash investments, within specified limits (as described in Question 8), without paying any trading fees or service charges.
- Obtain full investment use of funds because fractional shares, as well as whole shares, will be credited to your account.
- Avoid cumbersome safekeeping and record-keeping costs because the Plan Administrator provides safekeeping services for the shares purchased under the Plan as well as reporting services that confirm purchases made under the Plan.
- Have access to your account online and receive quarterly account statements.

Participation

3. Who is eligible to participate?

You are eligible to participate in the Plan if :

- You own of record or have in your account 25 or more shares of common stock or 25 or more shares of preferred stock; and
- You elect to have the dividends on 25 or more of such shares invested under the Plan (the “minimum reinvestment requirement”).

You are not required, however, to participate in the Plan with all classes of Occidental’s stock listed in your name. For example, you may reinvest your common stock dividends, but you do not also need to reinvest your dividends on any series of preferred stock.

If your shares are registered in a name other than your own (for example, in the name of a broker or a nominee) and you want to participate, you must make the appropriate arrangements with your broker or nominee for you to become a stockholder of record by having at least 25 of your shares transferred to your own name.

You may not enroll in the Plan by purchasing your initial 25 shares of common stock through the Plan.

If at any time you do not meet the minimum reinvestment requirement, your dividends will no longer be reinvested and you will receive your dividend entitlement in cash.

4. How does an eligible stockholder participate?

Enrollment is available either online through Investor ServiceDirect™ at www.melloninvestor.com or by signing the attached authorization card and returning it to the Plan Administrator. All joint owners must sign. A return envelope is enclosed with this prospectus for this purpose. Additional cards and copies of this prospectus may be obtained at any

time by contacting the Plan Administrator at the address set forth in Question 20.

You may change your dividend reinvestment election at any time online through Investor ServiceDirect™ or by notifying the Plan Administrator in writing. To be effective with respect to a particular dividend, any such change must be received by the Plan Administrator on or before the record date for that dividend. Record dates normally occur in the second week of March, June, September and December.

If you choose not to reinvest any of your dividends, the Plan Administrator will remit any dividends to you by check or automatic deposit to a bank account that you designate.

5. When may you join the Plan?

If you are an eligible stockholder (see Question 3), you may join the Plan at any time.

If the Plan Administrator receives your dividend election change/enrollment online or authorization card on or before the record date for a particular dividend, then your reinvestment will begin with that dividend.

If your dividend election change/enrollment online or authorization card is received after the record date established for a particular dividend, your reinvestment of dividends will not begin until the dividend payment date following the next record date. (See Questions 7, 8, 11 and 12 for information concerning optional cash investments.)

Dividend payment dates for common stock normally are on the 15th day of January, April, July and October. Record dates for common stock dividends normally occur in the second week of the month preceding the dividend payment dates.

6. What does the dividend election change/enrollment online or authorization card provide?

The dividend election change/enrollment online or authorization card allows you to indicate the extent to which you wish to participate in the Plan. By checking the

appropriate box, you may choose to reinvest cash dividends paid on 25 or more shares of common stock or preferred stock registered in your name in additional shares of common stock.

- If you elect to reinvest on only a part of your record shares, you should indicate the number of shares (25 or more) to be included in the Plan. Unless you indicate a specific number on the authorization cards, dividends on all shares of common stock or preferred stock registered in your name will be reinvested.

Dividends on all shares purchased for your account under the Plan and held by the Plan Administrator will be paid to the Plan Administrator and automatically reinvested in additional shares of common stock.

You may change the extent of your participation in the Plan at any time after enrollment by notifying the Plan Administrator, provided that you continue to have the dividends on at least 25 shares of common stock or preferred stock reinvested under the Plan at all times.

If the notification is received before the record date established for a particular dividend, the change in the extent of your participation will be effected with that dividend. If the notification is received on or after the record date established for a particular dividend, the change in the extent of your participation will be effected with the dividend following the next record date.

7. How are optional cash investments made?

You are not required to make optional cash investments. However, you may make optional cash investments at any time only if you have elected to reinvest the dividends paid on at least 25 shares of common or preferred stock registered in your name.

You can send a check or money order to the Plan Administrator for each optional cash investment or authorize an individual automatic deduction from your bank account through Investor ServiceDirect™. If you submit a check or money order, please include the contribution form from your

Plan statement. All checks should be made payable to Mellon Bank, N.A. Mail it and the contribution form from your Plan statement to the address specified on the Plan statement.

If you wish to make regular monthly optional cash investments, you may authorize automatic monthly deductions from your bank account.

8. What are the limitations on the amount of optional cash investments?

The investment minimum is \$50. Optional investments may not total more than \$10,000 per calendar month. You do not need to send the same amount of money each time. There is no obligation to make optional cash investments.

If you hold stock in more than one account with the same name and social security number or tax identification number, you will be considered a single participant for purposes of the \$10,000 limitation on monthly optional cash investments. If you have shares of common stock registered in your name and other shares registered under a nominee's or broker's street name, or in the name of a corporation, trust, co-tenancy, partnership or other entity of which you are an "affiliate," you and all of your affiliates may only invest a total of \$10,000 per month under the Plan. For purposes of this Plan, "affiliate" is defined in the same manner as in Rule 405 of the Securities Act of 1933 and includes any person or persons controlling, controlled by or under common control with you.

Separate custodial or trust accounts for separate beneficiaries will, however, be entitled to invest up to \$10,000 per account each month.

Purchases Under the Plan

9. How and when is common stock acquired under the Plan?

The shares to be acquired under the Plan are expected to be purchased by the Plan Administrator directly from Occidental. However, if Occidental is not making newly issued shares available for purchase under the Plan, the Plan Administrator will purchase shares of common stock for the Plan in the open market.

For the reinvestment transaction, the Plan Administrator will acquire shares of common stock on or about the relevant investment date. In any month in which a common stock dividend is paid, the investment date for the dividend reinvestment is the common stock dividend payment date. In any other month, the investment date is the 15th day of such month. If, however, the investment date falls on a date when the NYSE is closed, the first day on which the NYSE is open immediately succeeding such date will be the investment date.

In the event that the number of shares of common stock purchased for your account is not an even number of shares, your account will be credited with the full number of shares and a fraction of a share computed to four decimal places.

10. At what price will shares of common stock be purchased under the Plan?

The price of shares of common stock purchased directly from Occidental under the Plan with reinvested dividends or optional cash investments will be the closing price of the common stock as published in *The Wall Street Journal* report of the “NYSE Composite Transactions” as of the investment date.

The price of common stock shares purchased in the open market with reinvested dividends or with optional cash investments will be the weighted average price of the common stock purchased for the Plan by the Plan Administrator on the applicable investment date, exclusive of taxes and commissions.

11. When is optional cash invested?

Optional cash investments are processed on or about the relevant investment date (see Question 9).

Therefore, if you have elected to participate in the Plan by having the dividends on all or part of your shares reinvested and you wish to make optional cash investments as well, you are encouraged to mail your checks for optional cash investments so they reach Mellon Investor Services and clear

as good funds as close to, but not later than, two business days before each investment date. All such investments received by Mellon Investor Services on or after that date will be held for investment in the following month.

No interest will be paid by Occidental or the Plan Administrator on optional cash investments held by the Plan Administrator prior to investment.

12. Under what circumstances will optional cash investments be refunded or returned?

You may obtain a refund of an optional cash investment, provided that the Plan Administrator receives written notice at least two business days prior to the investment date. As long as the check for the optional cash investment has cleared, the Plan Administrator promptly will refund your cash investment.

In addition, if you send in optional cash investments and you are not participating in the Plan or eligible to participate in the Plan, your check will be returned to you.

Costs

13. Who pays the expenses in connection with purchases under the Plan?

Occidental pays the expenses for purchases under the Plan. You will not pay trading fees or service charges for purchases made under the Plan. Occidental pays the administrative costs of the Plan. However, if you request the Plan Administrator to sell any of your shares, you must pay a fee of \$15 plus any applicable trading fees or other costs.

The fee for selling any of the shares in your account plus any applicable trading fees or other costs will be deducted from the proceeds from the sale of your shares.

There is no charge if you request a withdrawal of full-share certificates or if you deposit full-share certificates into your account. Fractional shares are not available.

Your Accounts and Reports

14. What kinds of accounts are maintained under the Plan, and what reports will be furnished?

If you do not already have an account with the Plan Administrator, upon enrollment, the Plan Administrator will establish and maintain an account for you reflecting your participation in the Plan. If you already have an account with the Plan Administrator, the “Dividend and Direct Deposit” preferences on your account will reflect your participation in the Plan. All shares purchased for you under the Plan will be credited to your account. The Plan Administrator will mail to you a statement confirming any purchase of shares soon after the purchase is made and you will receive quarterly account statements. Your last quarterly statement for the year will include your 1099-DIV for tax purposes. In addition, you will receive copies of all Occidental reports to stockholders, proxy statements, and dividend income information for tax purposes. (See, also, WHERE YOU CAN FIND MORE INFORMATION on page 3.)

You may also access your account online at www.melloninvestor.com.

Certificates for Shares

15. Will certificates be issued for common stock purchased under the Plan?

Certificates for shares of common stock purchased under the Plan will be issued to you only upon your request. If you do not make a request, your shares will be held in your account in book-entry form by the Plan Administrator. This feature protects against loss, theft or destruction of stock certificates. The number of shares purchased for your account under the Plan will be shown online and on your statement of account.

16. Can you deposit certificates for shares of common stock in your account by transferring stock certificates that you possess?

Yes. If you hold certificates for common stock, you may send the certificates to the Plan Administrator at the address set forth in Question 20 and have them registered in the name of the Plan Administrator, who will add them to your account and hold them for you in safekeeping. If mailed, it is suggested that such items be mailed by registered mail, with return receipt requested, properly insured.

The method of delivery of your stock certificate(s) is at your election and at your risk.

17. Can you withdraw certificates for shares from the Plan?

Yes. If you make a request, a certificate for any number of whole shares credited to or deposited in your account under the Plan will be issued to you. Dividends on those shares, as well as dividends on any full or fractional shares remaining in your account, will continue to be reinvested unless you notify the Plan Administrator to the contrary. Certificates for fractions of shares will not be issued. **Remember, if you do not at all times have the dividends on 25 or more shares of common stock or preferred stock reinvested under the Plan, your participation in the Plan will be terminated. (See Question 3 regarding Plan eligibility and Question 19 for information about involuntary termination.)**

Termination of Dividend Reinvestment or Withdrawal from the Plan

18. How do you voluntarily terminate the reinvestment of dividends or withdraw from the Plan?

You may discontinue the reinvestment of your dividends and optional cash investments at any time by providing notice to the Plan Administrator online through Investor ServiceDirect™ under “Manage Account Info” at www.melloninvestor.com or in writing at the address set forth in Question 20.

To be effective for a particular dividend payment, the Plan Administrator must receive notice on or before the record date for that dividend (see Question 4 regarding dividend record dates). The Plan Administrator will continue to hold your shares unless you request a certificate for any full shares and a check for any fractional share. In addition, you may request that all or part of your shares be sold. If your shares are sold, you will receive the proceeds less a handling charge of \$15 plus trading fees.

Upon withdrawal from the Plan, you will no longer be eligible to make optional cash investments. If your notice of withdrawal is not received by the Plan Administrator at least two business days prior to the investment date, the investment will be made.

19. Can your participation in the Plan be terminated for any other reason?

Yes. In the event you fail to meet the 25 share minimum reinvestment requirement, your dividends will no longer be reinvested, future dividends will be paid to you in cash and you will not be eligible to make optional cash investments. The Plan Administrator will continue to hold your shares unless you request their sale or issuance.

Your participation in the Plan may be terminated by the Plan Administrator, in its sole discretion, if you repeatedly enroll and then terminate Plan participation.

Administration

20. Who administers the Plan?

Mellon Bank N.A., the Plan Administrator, administers the Plan by acquiring shares of common stock, keeping records, sending statements of account, and performing other duties relating to the Plan. All correspondence regarding the Plan should be directed to:

Mellon Investor Services Dividend Reinvestment
480 Washington Boulevard
Jersey City, NY 07310

or

Telephone: (800)-622-9231: U.S. Shareholders

Telephone: (201)-329-8660: Int'l Shareholders

Telephone: (800)-231-5469: U.S. Hearing Impaired

Telephone: (201)-680-6610: Int'l Hearing Impaired

Other Information

21. May you request that the Plan Administrator sell shares of common stock held in your account?

Yes. While continuing to participate in the Plan or upon termination of your participation in the Plan, you may request that the Plan Administrator sell some or all of the full shares in your account by accessing your account online through Investor ServiceDirect™ at www.melloninvestor.com; by writing to the Plan Administrator at the address set forth in Question 20; or by calling the toll free 800 number set forth in Question 20. All sales by the Plan Administrator will be made in the open market.

Full and fractional shares sold on behalf of terminating participants may be combined with those of other terminating participants, in which case the proceeds for each participant will be based on the average sales price of all such shares.

If you choose to sell shares, the Plan Administrator will deduct from the proceeds of the sale of your shares a charge of \$15, plus trading fees and any transfer tax, which will reduce the gain or increase the loss reported by you for tax purposes.

22. What happens to your account if all shares of common stock or preferred stock in your own name are transferred or sold?

Participation in the Plan continues as long as you have enough shares in your account to meet the minimum reinvestment requirement and until such time as you request the sale or issuance of such shares. See Questions 19 and 20 for information on terminating Plan participation.

23. What happens if Occidental issues a stock dividend, declares a stock split or has a rights offering?

Any shares of common stock distributed by Occidental as a stock dividend or a stock split on shares of the common stock in your account as of the record date for such a stock dividend or stock split will be credited to your account.

In the event that Occidental makes available to its stockholders salable rights to purchase additional shares of common stock or other securities, shares held by the Plan Administrator for participants will be sold and the proceeds invested in additional shares of common stock prior to or with the next regular cash dividend.

If you wish to exercise purchase rights as to shares held by the Plan Administrator, you must request that a stock certificate for such shares be sent to you by the Plan Administrator prior to the record date of the rights offering. (See Question 17 for information concerning withdrawal of certificates.)

24. How will your shares be voted at meetings of stockholders?

For each meeting of stockholders, you will receive a proxy card that will enable you to vote shares registered in your name as well as the shares credited to your account.

25. What are the federal income tax consequences of participation in the Plan?

Generally, any cash dividend reinvested under the Plan will be taxable as ordinary income (to the extent of Occidental's current or accumulated earnings and profits) as though the dividend had been received in cash. In this respect, as a participant in the Plan, you are treated the same as stockholders who do not participate.

Your pro rata share of trading fees, if any, paid by Occidental for investments for your account made in the open market must be reported by Occidental as taxable income to you. Such trading fees will become a part of the cost of the shares purchased. The service charges paid by Occidental to the Plan Administrator also may be considered income to you. The

service charges, however, may be deductible as a miscellaneous itemized deduction.

A taxable gain or loss generally will be realized by you when your shares (whether purchased with reinvested dividends or with optional cash investments) are sold for your account by the Plan Administrator.

In the case of those participating stockholders, including foreign stockholders, who elect to have their dividends reinvested pursuant to the Plan and whose dividends are subject to United States income tax withholding, the amount of the tax to be withheld will be deducted from the amount of dividends to determine the amount of dividends to be reinvested.

Account statements should be retained to help determine the tax basis of shares acquired under the Plan for computing gain or loss. For additional information or other possible tax consequences, you are advised to consult your tax advisor.

26. What are the liabilities of the Plan Administrator under the Plan?

The Plan Administrator will not be liable under the Plan for any act done in good faith or for any good faith omission to act, including, without limitation, any such act or omission that occurs prior to the termination of participation in the Plan regarding the prices at which shares are purchased or shares or other securities are sold for your account as well as the times such purchases or sales are made.

Neither Occidental nor the Plan Administrator can assure you of profits or protect you against losses on shares purchased or held under the Plan.

Stockholders are cautioned that this prospectus does not represent a change in Occidental's dividend policy or a guarantee of future dividends, the declaration of which by Occidental's Board of Directors will continue to depend upon current and projected earnings, the financial condition of Occidental and other factors.

27. Can Occidental amend, suspend or terminate the Plan?

Occidental may, upon written notice to all participants, amend, suspend or terminate the Plan at any time.

28. What law governs the Plan?

The terms and conditions of the Plan and its operation are governed by the laws of the State of Delaware.

USE OF PROCEEDS

Occidental will use the net proceeds from any shares sold pursuant to the Plan for general corporate purposes. Occidental has no basis for estimating either the number of shares that will ultimately be purchased from Occidental, if any, under the Plan or the prices at which such shares will be sold.

EXPERTS

The consolidated financial statements and financial statement schedule of Occidental and its consolidated subsidiaries included in Occidental's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, which are incorporated by reference in this prospectus, have been audited by KPMG LLP, independent public accountants, as indicated in their report, which is incorporated by reference herein in reliance upon the authority of said firm as experts in accounting and auditing in giving said report.

LEGAL OPINION

The legality of the shares of common stock offered under the Plan was passed upon for Occidental by Linda S. Peterson, Esq., Associate General Counsel of Occidental. Ms. Peterson beneficially owns and has the right to acquire under employee stock options and under the Occidental Petroleum Corporation Savings Plan an aggregate of less than 1 percent of the outstanding common stock of Occidental.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Delaware General Corporation Law (“DGCL”) and Occidental’s by-laws provide for the indemnification of directors and officers under certain conditions. In addition, the directors and officers of Occidental are insured under certain insurance policies, which protect them against claims arising from certain wrongful acts committed in their capacities as directors and/or officers for which they are not already indemnified by Occidental.

After receiving the approval of Occidental’s stockholders on May 21, 1987, Occidental’s Restated Certificate of Incorporation was amended to implement the provisions of Section 102(b) (7) of the DGCL, which permits corporations to limit or to eliminate the personal liability of directors for certain breaches of their fiduciary duties. Occidental’s directors therefore are not personally liable to Occidental or its stockholders for monetary damages resulting from any breach of fiduciary duty as a director, with the following exceptions:

- (1) any breach of the duty of loyalty to Occidental or its stockholders;
- (2) acts or omissions not in good faith, or which involve intentional misconduct, or a knowing violation of law;
- (3) liability under Section 174 of the DGCL (involving certain unlawful dividends, stock repurchases or stock redemptions);
or
- (4) any transactions from which the directors derived an improper personal benefit.

Except for the exceptions listed above, a director is not liable for actions involving negligence or gross negligence, including actions in response to acquisition proposals.

Occidental’s stockholders also voted on May 21, 1987 to authorize Occidental to enter into indemnification agreements with its directors. Such agreements subsequently were entered into with each of Occidental’s directors. These agreements provide, among other things, for the following:

- (1) indemnification to the fullest extent permitted by law against any costs, expenses (including attorneys’ fees), judgments,

finances and amounts paid in settlement of any claim against a director unless it is determined, as provided in the indemnification agreement, that indemnification is not permitted under law;

- (2) the prompt advancement of expenses to any director in connection with his or her defense against any threatened or pending claim;
- (3) the creation of a trust in the event of a potential change of control to provide a source for payment of indemnification obligations of Occidental; and
- (4) a provision that limits legal action against a director by or on behalf of Occidental to a period of two years from the date of accrual of such a cause of action.

Similar indemnification agreements may from time to time be entered into with officers of Occidental or certain other employees or agents of Occidental.

The SEC has informed Occidental that the indemnification of directors, officers or other persons controlling Occidental pursuant to the foregoing provisions against liabilities arising under the Securities Act of 1933 is against public policy as expressed in said Act, and is therefore unenforceable.



OCCIDENTAL PETROLEUM CORPORATION

10889 Wilshire Boulevard

Los Angeles, California 90024