

**Occidental Petroleum Corporation**  
**2-for-1 Stock Split of Occidental Common Shares**  
**Frequently Asked Questions**

**INTRODUCTION**

On July 20, 2006, the Board of Directors of Occidental Petroleum Corporation (“Occidental” or “OXY”) approved a 2-for-1 stock split of Occidental’s common shares. To assist our stockholders and employees in their understanding of the stock split, we have provided answers to the following frequently asked questions (“FAQs”).

**Part I** applies to **all stockholders**, including holders of shares acquired upon exercise of awards of stock options and stock appreciation rights and holders of shares acquired pursuant to awards of restricted share units, performance-based stock units and performance-based restricted share units.

**Part II** applies to **employees who are holders of outstanding awards** of stock options, stock appreciation rights, restricted stock units, performance-based stock units and performance-based restricted share units.

**Part III** applies to **employees who are participants in the Occidental Petroleum Corporation Savings Plan** (the “*Personal Savings Account*” or “PSA”) who hold units of fund participation in the PSA’s Oxy Stock Fund (the “Fund”). The plan’s trustee and Fund manager, Bank of New York (“BoNY”), holds shares under the Fund in a nominee’s name. Participants with a balance in the Fund do not own shares in their name, they own units of Fund participation maintained by the record keeping system.

**I. FAQs THAT APPLY TO ALL STOCKHOLDERS**

**Q1. What is a 2-for-1 stock split?**

**A1.** A 2-for-1 stock split means that a stockholder will have twice as many shares as they had before the stock split with each share valued at approximately half the pre-split market price.

Here’s an example: As of the Record Date (August 1, 2006) if a stockholder owns 100 shares of OXY and the market price was \$100.00 per share, that stockholder’s total investment value is \$10,000. After the stock split, the stockholder will have 200 shares of stock but the market price will be approximately \$50.00 per share. The stockholder’s total investment value in OXY remains the same at \$10,000 until the stock price moves up or down.

**Q2. Has Occidental ever split the stock before?**

**A2.** This is Occidental's second stock split. The first stock split occurred on January 29, 1968.

**Q3. Why did Occidental split the stock?**

**A3.** The decision to split the stock was made by Occidental's Board of Directors on July 20, 2006 to make the stock more accessible to a broader range of investors.

**Q4. What are the important dates related to Occidental's stock split?**

**A4.** There are several key dates:

**Record Date – August 1, 2006** – This date determines which stockholders are entitled to receive additional shares due to the stock split.

**Payment or Issue Date – August 15, 2006** – This is the date when, as of the close of trading on the New York Stock Exchange ("NYSE"), Mellon Investor Services, Occidental's stock transfer agent and registrar, will adjust stockholders' holdings to reflect the split. No later than the Payment Date, Mellon Investor Services will mail a Direct Registration System ("DRS") statement to stockholders of record indicating their split-adjusted share amounts.

**Ex-date for the Stock Split – August 16, 2006** – This is the date when Occidental common stock will begin trading at its new split-adjusted price on the NYSE.

**Q5. Who mails the split shares?**

**A5.** Occidental's transfer agent will mail DRS statements to stockholders of record indicating their split-adjusted shares. If your stock is currently held in a brokerage account, the information will be sent directly to your broker.

**Q6. When will the split shares be mailed?**

**A6.** New stock certificates will only be mailed upon request. Mellon Investor Services will mail DRS statements to stockholders of record indicating their revised shareholdings as of August 15, 2006, but you will not automatically receive stock certificates. Occidental utilizes the Direct Registration System, which is a form of electronic registration of stock ownership that enables Occidental stockholders to be directly registered on the books of Mellon Investor Services, with no need for physical certificates. Occidental is no longer issuing physical stock certificates. Your DRS statement will be your evidence of ownership of Occidental shares. If you require physical stock certificates, you

will need to make a special request. If your stock is currently held in a brokerage account, the information will be sent directly to your broker.

**Q7. Where will my shares be mailed?**

**A7.** If you currently hold stock in your name, you will be notified at the address Mellon Investor Services, our transfer agent, has on file. To verify your address you can call Mellon Investor Services directly at one of the phone numbers indicated below (see Part I, Q11). If your stock is currently held in a brokerage account, the information will be sent directly to your broker.

**Q8. What happens if I sell my shares after the Record Date and before the Payment Date?**

**A8.** From the Record Date to the Payment Date, two separate markets exist for Occidental common stock on the NYSE. The “regular way” market continues to trade at the higher, pre-split price. Since sellers in the “regular way” market will receive full value for the shares they sell, they are not entitled to the split shares they will receive by virtue of their being holders on the Record Date, so they transfer their rights to the split shares to their buyers by means of “due bills.” Stockholders might alternatively want to sell only the “new” split shares while retaining the old shares, and this is accomplished by creating a “when issued” market at the post-split price. “When issued” trading ceases on the Payment Date.

**Q9. Will there be a “when issued” market for the split shares?**

**A9.** It is expected that the NYSE will authorize a “when issued” market for the new split shares under the symbol “OXY wi”. This will likely occur on July 28, 2006. Trading in the “when issued” market will reflect the anticipated split value of Occidental shares. Occidental has no involvement in “when-issued” trading. You should consult your broker if you are interested in “when-issued” trading.

**Q10. What is the Direct Registration System (“DRS”)?**

**A10.** DRS is a form of electronic registration of stock ownership that enables Occidental stockholders to be directly registered on the books of Mellon Investor Services with no need for physical stock certificates. In addition, stockholders may electronically move book-entry shares between broker-dealers, transfer agents, and issuers that are DRS eligible. For more information about DRS or holding your physical Occidental stock certificates in electronic form through DRS, please call Mellon Investor Services at one of the phone numbers indicated below (see Part I, Q11).

**Q11. How do I contact Mellon Investor Services?**

**By Phone:** Representatives are available 9 a.m. to 7 p.m. Eastern Time  
Toll-Free Number 1-800-622-9231  
Outside the U.S. (Collect) 1-201-680-6578  
Hearing Impaired 1-800-231-5469

**By Internet:** Visit [www.melloninvestor.com/isd](http://www.melloninvestor.com/isd) for access to your account. You will be able to certify your Taxpayer Identification Number/Social Security Number, change your address, request a certificate or purchase or sell shares.

**By Mail:** Occidental Petroleum Corporation  
c/o Mellon Investor Services  
P.O. Box 3338  
South Hackensack, NJ 07606

## **PART II. FAQs THAT APPLY TO HOLDERS OF EMPLOYEE AWARDS**

### **Q1. Are there any limits on my ability to exercise my stock options or stock appreciation right awards?**

**A1.** In order for the stock split to be reflected in your accounts on the Payment Date, the Mellon Employee Service Direct system will be inaccessible after the close of trading on Tuesday, August 15, 2006 until approximately 10 AM EDT on Wednesday, August 16, 2006. Stock option and stock appreciation exercise requests will not be accepted during that time. You will be able to exercise requests again beginning Wednesday, August 16, 2006.

### **Q2. How will the stock split affect my outstanding stock options?**

**A2.** The number of shares subject to your outstanding stock options will be adjusted by **multiplying** such number of shares by two (2); the per share exercise price of such stock options will be adjusted by **dividing** such per share exercise price by two (2) (rounded to the fourth decimal). The aggregate exercise price of your unexercised stock options will remain the same and regardless of when you exercise your stock options, either pre-split or post-split, your total investment value in OXY will remain the same.

Here's an example: As of the Record Date (August 1, 2006), if you hold a stock option to purchase 100 shares of OXY with a per share exercise price of \$30.00, the aggregate exercise price is \$3,000. After the stock split, you will hold a stock option to purchase 200 shares of OXY but the per share exercise price will be \$15.00, and the aggregate exercise price remains the same at \$3,000.

The additional shares subject to your stock option and the new exercise price will be posted with Mellon Employee Service Direct following the close of the NYSE on August 15, 2006. If you have any further questions, please call Mellon Employee Service Direct at one of the phone numbers indicated below (see Part II, Q13).

### **Q3. What happens if I exercise my stock option before the Record Date?**

**A3.** If you exercise all or a portion of your stock option via a cashless exercise before August 1, 2006 and immediately sell the shares for cash (a cashless for cash exercise), you will not be entitled to the split shares. The unexercised portion of your stock option will be adjusted to reflect the stock split. Please see "**How will the stock split affect my outstanding stock options?**", Part II, Q2.

If you exercise all or a portion of your stock option for stock either by paying cash or via cashless exercise before August 1, 2006 and you do not sell the shares acquired upon such exercise on or before August 15, 2006, you will be treated in the same manner as any other stockholder on the Record Date and you will

receive the additional split shares. Please see “**When will the split shares be mailed?**”, Part I, Q6. The unexercised portion of your stock option will be adjusted to reflect the stock split. Please see “**How will the stock split affect my outstanding stock options?**”, Part II, Q2.

**Q4. What happens if I exercise my stock option on or after the Record Date?**

**A4.** If you exercise all or a portion of your stock option via a cashless exercise during the period on or after August 1, 2006 and before the close of the NYSE on Friday, August 11, 2006, and immediately sell the shares for cash, you will not be entitled to the split shares. The unexercised portion of your stock option will be adjusted to reflect the stock split. Please see “**How will the stock split affect my outstanding stock options?**”, Part II, Q2.

*Example 1:* As of August 1, 2006, you hold a stock option to purchase 100 shares of OXY with a per share exercise price of \$30.00, the aggregate exercise price is \$3,000. On August 5, 2006, you exercise your stock option by means of a cashless exercise at a time when the fair market value of OXY is \$100.00 per share and you immediately sell all your shares for cash. Assuming OXY's trading price does not change, you will surrender the sale proceeds on 30 pre-split shares (\$3,000 aggregate exercise price/\$100.00 pre-split fair market value) and receive a cash payment of approximately \$7,000 from the balance of the proceeds for the remaining 70 pre-split shares.

If you exercise all or a portion of your stock option for stock either by cashless exercise or by paying cash during the period on or after August 1, 2006 and before the close of the NYSE on Friday, August 11, 2006 and do not sell the shares acquired upon such exercise on or before August 15, 2006, you will receive the additional split shares. Please see “**When will the split shares be mailed?**”, Part I, Q6. The unexercised portion of your stock option will be adjusted to reflect the stock split. Please see “**How will the stock split affect my outstanding stock options?**”, Part II, Q2.

*Example 2:* As of August 1, 2006, if you hold a stock option to purchase 100 shares of OXY with a per share exercise price of \$30.00, the aggregate exercise price is \$3,000. On August 5, 2006, you exercise your stock option by means of a cashless exercise at a time when the fair market value of OXY is \$100.00 per share and you keep the remaining shares. Assuming OXY's trading price does not change, you will surrender the proceeds on 30 pre-split shares (\$3,000 aggregate exercise price/\$100.00 pre-split fair market value) and receive 70 pre-split shares with an aggregate fair market value of \$7,000 (70 shares x \$100 pre-split fair market value). If you do not sell your shares on before August 15, 2006, you will receive an additional 70 shares and the per share fair market value of the 70 shares you received upon exercise of your stock option and the additional 70 shares will be reduced by one-half so that your total investment value will remain the same at \$7,000. Please see “**What is a 2-for-1 stock split?**”, Part I, Q1.

**Example 3:** As of August 1, 2006, if you hold a stock option to purchase 100 shares of OXY with a per share exercise price of \$30.00, the aggregate exercise price is \$3,000. On August 5, 2006, you exercise your stock option by paying cash in the amount of \$3,000 at a time when the fair market value of OXY is \$100.00 per share. If you do not sell your shares on or before August 15, 2006, you will receive an additional 100 shares as a result of the stock split; the per share fair market value of the 100 shares you received upon exercise of your stock option and the additional 100 shares will be reduced by one-half so that your total investment value will remain the same at \$10,000. Please see “**What is a 2-for-1 stock split?**”, Part I, Q1.

**Note:** *None of the examples takes into account applicable withholding taxes or other fees associated with the exercise of options and all of the examples assumes no change in the share price of OXY following the stock split.*

**Q5. What if I have a limit order on my options?**

**A5.** When the number and exercise price of your stock options are adjusted in the Mellon Employee Service Direct System, your limit order will be adjusted by multiplying the number of shares subject to options being exercised by two (2) and dividing the limit order price by two (2) (rounded to the next whole cent). Please see “**Are there any limits on my ability to exercise my stock options or stock appreciation rights?**”, Part II, Q1.

**Q6. How will the stock split affect my stock appreciation right awards?**

**A6.** The number of shares subject to your outstanding stock appreciation right awards will be adjusted by multiplying such number of shares by two (2) and the per share grant price of your outstanding stock appreciation rights award will be adjusted by dividing such per share grant price by two (2) (rounded to the fourth decimal). The aggregate grant price of your award will remain the same and regardless of when you exercise your stock appreciation right, either pre-split or post-split, your total investment value in OXY will remain the same.

The additional shares subject to your stock appreciation right awards and the new per share grant price will be posted with Mellon Employee Service Direct following the close of the NYSE on August 15, 2006. If you have any further questions, please call Mellon Employee Service Direct at one of the phone numbers indicated below (see Part II, Q13).

**Q7. What happens if I exercise my stock appreciation right award before the Record Date?**

**A7.** If you exercise all or a portion of your cash-based stock appreciation right before August 1, 2006, you will not be entitled to the split shares. The unexercised

portion of your stock appreciation right will be adjusted to reflect the stock split. Please see “**How will the stock split affect my stock appreciation right awards?**”, Part II, Q6.

If you exercise all or a portion of your stock-based stock appreciation right award before August 1, 2006 and immediately sell the shares, you will not be entitled to the split shares.

If you exercise all or a portion of your stock-based stock appreciation right award before August 1, 2006 and do not sell the shares acquired upon such exercise on or before August 15, 2006, you will be treated in the same manner as any other stockholder on the Record Date and you will receive the additional split shares. Please see “**When will the split shares be mailed?**”, Part I, Q6. In either case, the unexercised portion of your stock appreciation right will be adjusted to reflect the stock split. Please see “**How will the stock split affect my stock appreciation right awards?**”, Part II, Q6.

**Q8. What happens if I exercise my stock appreciation right award on or after the Record Date?**

**A8.** If you exercise all or a portion of your cash-based stock appreciation right during the period on or after August 1, 2006 and before the close of the NYSE on Friday, August 11, 2006, you will not be entitled to the split shares. The unexercised portion of your stock appreciation right will be adjusted to reflect the stock split. Please see “**How will the stock split affect my stock appreciation right awards?**”, Part II, Q6.

***Example 4:*** As of August 1, 2006, you hold a cash-based stock appreciation right to purchase 100 shares of OXY with a per share grant price of \$30.00; the aggregate grant price is \$3,000. On August 5, 2006, you exercise your cash-based stock appreciation right for 100 shares at a time when the fair market value of OXY is \$100.00 per share. You will receive a cash payment of approximately \$7,000 ((\$100 fair market value less \$30 grant price) x 100 shares).

If you exercise all or a portion of your stock-based stock appreciation right during the period on or after August 1, 2006 and before the close of the NYSE on Friday, August 11, 2006 and immediately sell the shares, you will not be entitled to the split shares.

If you exercise all or a portion of your stock-based stock appreciation right during the period on or after August 1, 2006 and before the close of the NYSE on Friday, August 11, 2006 and you do not sell the shares acquired upon such exercise on or before August 15, 2006, you will be treated in the same manner as any other stockholder on the Record Date and you will receive the additional split shares. Please see “**When will the split shares be mailed?**”, Part I, Q6. In either case, the unexercised portion of your stock appreciation right will be adjusted to reflect

the stock split. Please see “**How will the stock split affect my stock appreciation right awards?**”, Part II, Q6.

**Example 5:** As of August 1, 2006, you hold a stock-based stock appreciation right to purchase 100 shares of OXY with a per share grant price of \$30.00; the aggregate grant price is \$3,000. On August 5, 2006, you exercise your stock-based stock appreciation right for 100 shares at a time when the fair market value of OXY is \$100.00 per share. You will receive 70 pre-split shares with an aggregate fair market value of \$7,000 (70 shares x \$100.00 pre-split fair market value). If you do not sell your shares on before August 15, 2006, you will receive an additional 70 shares as a result of the stock split; the per share fair market value of the 70 shares you received upon exercise of your stock appreciation right and the additional 70 shares will be reduced by one-half so that your total investment value will remain the same at \$7,000. Please see “**What is a 2-for-1 stock split?**”, Part I, Q1.

**Note:** *None of the examples takes into account applicable withholding taxes or other fees associated with the exercise of stock appreciation rights and all of the examples assumes no change in the share price of OXY following the stock split.*

**Q9. What if I have a limit order on my stock appreciation rights?**

**A9.** When the number and exercise price of your stock appreciation right are adjusted in the Mellon Employee Service Direct System, your limit order will be adjusted by multiplying the number of stock appreciation rights being exercised by two (2) and dividing the limit order price by two (2) (rounded to the next whole cent). Please see “**Are there any limits on my ability to exercise my stock options or stock appreciation rights?**”, Part II, Q1.

**Q10. How will the stock split affect my restricted share unit award?**

**A10.** The number of “Shares Granted/Awarded” as of the Payment Date will be adjusted by multiplying such number of shares by two (2). Your new award amount will be posted with Mellon Employee Service Direct following the close of the NYSE on August 15, 2006. If you have any further questions, please call Mellon Employee Service Direct at one of the phone numbers indicated below (see Part II, Q13).

**Q11. How will the stock split affect my performance-based stock unit award?**

**A11.** The number of “Target Performance Shares” as of the Payment Date that are payable upon the achievement of the Performance Goals set forth in your Terms and Conditions will be adjusted by multiplying such number of shares by two (2). Your new award amount will be posted with Mellon Employee Service Direct following the close of the NYSE on August 15, 2006. If you have any further

questions, please call Mellon Employee Service Direct at one of the phone numbers indicated below (see Part II, Q13).

**Q12. How will the stock split affect my performance-based restricted share unit award?**

**A12.** The number of “Target Performance-Based Restricted Share Units” as of the Payment Date that are payable upon the achievement of the Performance Goals set forth in your Terms and Conditions will be adjusted by multiplying such number of shares by two (2). Your new award amount will be posted with Mellon Employee Service Direct following the close of the NYSE on August 15, 2006. If you have any further questions, please call Mellon Employee Service Direct at one of the phone numbers indicated below (see Part II, Q13).

**Q13. How do I contact Mellon Employee Service Direct?**

**By Phone :** Representatives are available 9 a.m. to 7 p.m. Eastern Time  
Toll Free Number 1-866-OXY(699)-9090  
Outside the U.S. (Collect) 1-201-296-4332  
Hearing Impaired 1-800-231-5469

**By Internet:** Visit [www.melloninvestor.com](http://www.melloninvestor.com) for access to your account. You will be able to certify your Taxpayer Identification Number/Social Security Number, change your address, request a certificate, or purchase or sell shares.

**By Mail:** Occidental Petroleum Corporation  
c/o Mellon Investor Services  
P.O. Box 3338  
South Hackensack, NJ 07606

**Part III. FAQs THAT APPLY TO PSA PARTICIPANTS WITH A BALANCE IN THE FUND (All times below are Central time.)**

**Q1. When will the stock split be processed under the PSA's Fund in the record keeping system?**

**A1.** The stock split activity under the PSA will be processed by the record keeper the night of Tuesday, August 15, 2006 after completion of that day's normal daily processing. The results of the special stock-split activity will be reflected in the Fund's opening unit balances shown on the *OxyLink* website the morning of Wednesday, August 16, 2006, the Ex-date for the stock split (see Part I, Q4). Because of the required special processing activity, the PSA website will not be available from 1 P.M., Tuesday, August 15, 2006 through approximately 9 A.M., Wednesday, August 16, 2006.

**Q2. How will the stock split be processed?**

**A2.** Because the Fund is primarily invested in shares of Occidental common stock, the units of participation held by participants under the Fund will generally double, and the value of each unit after the split will generally be one half of the pre-split unit value.

As normally occurs at the close of business every trading day, BoNY, the trustee, will send the final August 15, 2006 Net Asset Values ("NAVs") for all funds to the record keeper. The record keeper will then perform the normal August 15, 2006 valuation update and process the daily activity that participants requested through the August 15, 2006 1 P.M.daily cutoff. This will include fund transfers and investment changes only.

After the completion of the normal August 15, 2006 update, the special unit split program will then be processed by the record keeper. The **things that will change** after this process is completed are (i) the number of units held by each participant in the Fund after the August 15, 2006 valuation will generally double, and (ii) the value of each unit in the Fund will be cut in half since the number of units has doubled. The **things that will remain the same** after the split are (i) each participant's August 15, 2006 market value and (ii) each participant's cost basis under the Fund.

Participants will be able to view their August 15, 2006 market values and post-split unit balance under the Fund when the *OxyLink* website is again available to participants at approximately 9 A.M. on Wednesday, August 16, 2006.

**Q3. Will the weekly PSA payments be delayed?**

**A3.** The weekly withdrawal, loan and distribution payment requests submitted by participants to *OxyLink* between Monday, August 7, 2006 through close of

business on Friday, August 11, 2006 will be delayed and will be processed a day or two after the stock split activity is completed.

**Q4. PSA participants with questions may contact *OxyLink*:**

***By Phone:*** Representatives are available 8:30 a.m. to 5 p.m. Central Time  
Toll Free Number 1-800-699-6903  
Outside the U.S. 1-918-610-1990

***By Internet:*** To send an e-mail, access *OxyLink's* Enterprise menu at **oxylink.oxy.com** >select *Contact Us*>select *Contact Oxylink*. Please be sure to provide all requested information.

To **view** your plan balance, log on to OxyLink website at **oxylink.oxy.com** > enter your OxyLink ID and password > select Employee Self-Service > access PSA/PRA information

***By Mail:*** *OxyLink* Employee Service Center  
4500 South 129<sup>th</sup> East Ave., Suite 143  
Tulsa, OK 74134-5870