

Occidental Petroleum Corporation
Attachment to Form 8937, Part II
Report of Organizational Actions Affecting Basis of Securities

On August 8, 2019, Occidental Petroleum Corporation (“Occidental”), Baseball Merger Sub 1, Inc., a newly formed Delaware corporation and an indirect, wholly-owned Subsidiary of Occidental (“Merger Subsidiary”), merged with and into Anadarko Petroleum Corporation, a Delaware corporation (“Anadarko”), with Anadarko continuing as the surviving entity and an indirect, wholly owned subsidiary of Occidental (the “merger”). Occidental described the material U.S. federal income tax consequences of the merger on its Form S-4, filed with the Securities and Exchange Commission (Registration No. 333-232001) (as amended, the “Registration Statement”) and declared effective on July 11, 2019. Terms used but not defined herein have the meaning ascribed to them in the Registration Statement. Occidental is providing the information below to assist U.S. holders of Anadarko common stock in determining certain tax consequences of the exchange of Anadarko common stock pursuant to the merger. The information provided herein does not purport to be complete and is qualified in its entirety by reference to the Registration Statement.

The following discussion does not address the consequences of the merger to Anadarko shareholders who also actually or constructively owned Occidental common stock immediately prior to the merger. As described further in the Registration Statement, such shareholders could be subject to materially different consequences as a result of the potential application of Section 304 of the Code to the merger. In addition, as described therein, it is not possible to determine with certainty whether Section 304 of the Code applies to the merger based on information that is reasonably available. Anadarko shareholders who actually or constructively owned Occidental common stock immediately prior to the merger should refer to the applicable section of the Registration Statement for a discussion of the potential application of Section 304 of the Code to the merger.

Occidental is providing this information notwithstanding that the merger may not constitute an “organizational action” or that the information is not required to be provided on Form 8937.

Please consult your own tax advisors as to the specific tax consequences to you of the merger, including tax return reporting requirements and the applicability and effect of U.S. federal, state, local and foreign income and other tax laws in light of your particular circumstances.

Part II, Question 14

As described above, on August 8, 2019, pursuant to the merger agreement, Merger Subsidiary merged with and into Anadarko, with Anadarko continuing as the surviving entity and an indirect, wholly owned subsidiary of Occidental. At the effective time of the merger, each outstanding share of Anadarko common stock (subject to certain

exceptions as set forth in the merger agreement) was converted into the right to receive \$59.00 in cash and 0.2934 of a share of Occidental common stock. Cash was paid in lieu of any fractional shares of Occidental common stock that otherwise would have been issued.

Part II, Question 15

The aggregate tax basis of the Occidental common stock received in the merger generally is equal to the fair market value of such stock as of the merger.

Part II, Question 16

As further described in the Registration Statement, U.S. holders of Anadarko common stock will generally recognize capital gain or loss equal to the difference, if any, between (i) the sum of the cash, including any cash received in lieu of fractional shares of Occidental common stock, and the fair market value of any Occidental common stock received in the merger and (ii) their adjusted tax basis in Anadarko common stock. Capital gains of a non-corporate U.S. holder will generally be eligible for preferential U.S. federal income tax rates applicable to long-term capital gains if the U.S. holder held its Anadarko common stock for more than one year as of the merger.

U.S. federal income tax laws do not specify how to determine fair market value. One approach is to take the average of the high and low trading price of Occidental common stock on the NYSE on August 8, 2019, which is \$46.31. The illustration below uses this fair market value. However, other approaches may be reasonable. Occidental is not taking a position as to the fair market value of the Occidental common stock on this Form 8937, and you should consult your own tax advisors as to the fair market value of Occidental common stock received in the merger.

The following example illustrates the calculation of gain or loss on an exchange of Anadarko common stock pursuant to the merger. Assume a shareholder held 10,000 shares of Anadarko common stock with an adjusted tax basis of \$35 per share, for an aggregate adjusted tax basis of \$350,000. In the merger, the shareholder received \$590,000 of cash proceeds plus 2,934 shares of Occidental common stock, with a fair market value of \$135,873.54. Accordingly, the shareholder recognizes gain of \$375,873.54, equal to \$590,000 of cash proceeds plus \$135,873.54 fair market value of Occidental common stock minus \$350,000 adjusted tax basis in Anadarko common stock. In addition, the shareholder's adjusted tax basis in the Occidental common stock is \$135,873.54 in the aggregate, or \$46.31 per share. As discussed above, the fair market value of Occidental common stock used in the foregoing example is for illustrative purposes only, and Occidental recommends you consult your own tax advisors as to the fair market value of Occidental common stock received in the merger.

Part II, Question 17

Section 1001.

Part II, Question 18

Yes.

Part II, Question 19

The reportable year for the merger for a U.S. holder is the taxable year of the holder that includes August 8, 2019.