OCCIDENTAL PETROLEUM CORPORATION

Stephen I. Chazen
President & CEO

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Overriding Goal is to Maximize Total Shareholder Return

- We believe this can be achieved through a combination of:

- Oil and gas production growth of 5% to 8% per year over the long-term;
  - Executing on our capital program with a focus on growing our U.S. oil production

- Allocating and deploying capital with a focus on achieving well above cost-of-capital returns (ROE and ROCE);
  - Return Targets*
    - Domestic – 15+%  
    - International – 20+%  
  - Continued improvement in our capital and drilling efficiency  
  - Start-up of long-term projects

- Providing consistent, annual dividend growth;

- Maintaining a strong balance sheet.
  - Single ‘A’ Investment Grade rating

* Assumes moderate product prices
### Why own Oxy?

**Large Integrated Majors**

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Cap ($B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>XOM</td>
<td>$361</td>
</tr>
<tr>
<td>CVX</td>
<td>$200</td>
</tr>
<tr>
<td>RDS</td>
<td>$192</td>
</tr>
<tr>
<td>BP</td>
<td>$117</td>
</tr>
<tr>
<td>TOT</td>
<td>$116</td>
</tr>
<tr>
<td>ENI</td>
<td>$60</td>
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</tbody>
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**Characteristics**
- Low or no growth
- Higher returns
- Stronger B/S; lower risk
- Free cash flow
- Consistent dividend growth

**Independent E&Ps**

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Cap ($B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>COP</td>
<td>$78</td>
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<tr>
<td>EOG</td>
<td>$50</td>
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<tr>
<td>APC</td>
<td>$42</td>
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<tr>
<td>APA</td>
<td>$23</td>
</tr>
<tr>
<td>PXD</td>
<td>$23</td>
</tr>
<tr>
<td>MRO</td>
<td>$18</td>
</tr>
</tbody>
</table>

**Characteristics**
- Generally higher growth
- Lower returns
- Weaker B/S; higher risk
- Little or no free cash flow
- Little or no dividends
- Moving from gassy to oily

**Oxy has positive elements of both groups, appealing to investors who seek a combination of moderate growth, above average returns and consistent dividend growth.**
Cash Flow Priorities

1. Base/Maintenance Capital
2. Dividends
3. Growth Capital
4. Share Repurchase
5. Acquisitions
We have increased the dividend for 12 consecutive years and are committed to annual increases.

Given the uncertainty in product prices, the decision on the size of the increase will be made on the declaration of the 3rd quarter dividend.

Our remaining cash flow will be allocated to growth capital, share repurchases and largely bolt-on property acquisitions in our core areas that improve our drilling efficiencies.

In 2014, we repurchased $2.5 billion of shares. We have ~71 million shares remaining under our current authorization. We will continue to repurchase shares subject to the stock price and market conditions and expect to ultimately repurchase the entire amount.

<table>
<thead>
<tr>
<th>Shares Outstanding (mm)</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted Average – Basic</td>
<td>804.1</td>
<td>781.1</td>
</tr>
<tr>
<td>Weighted Average – Diluted</td>
<td>804.6</td>
<td>781.4</td>
</tr>
<tr>
<td>Basic Shares Outstanding</td>
<td>796.0</td>
<td>770.6</td>
</tr>
</tbody>
</table>
Oil and Gas Focus Areas

- Leading position in the Permian Basin.
- Permian Resources is a growth driver.
- Al Hosn Project, Oman and Qatar.
- Additional opportunities for growth with partner countries.
- Highest margin operations in Colombia.
- Additional opportunities for moderate growth with partner.

OxyChem
High FCF, moderate growth business.

Oxy Midstream
Integrated pipeline and marketing business to maximize realizations.

Oxy will be positioned to grow
- Oil production
- Earnings & Cash Flow per share
- ROCE
- Dividend stream
Oxy is Primarily an Oil Producer

Oil & Gas Production
Full Year 2014
(Million barrels of oil equivalent)

By Geography

- U.S.: 116 (53%)
- International: 102 (47%)

By Commodity

- Oil: 141 (65%)
- NGLs: 22 (10%)
- Gas: 55 (25%)

Oxy is Primarily an Oil Producer
Through the success of our drilling program and capital efficiency initiatives, we lowered our F&D costs over recent years.

- We expect our DD&A expense to be ~$15 / BOE in 2015, a decrease from ~$17 / BOE in 2014.

- DD&A rate of growth should flatten out as recent investments come online and F&D costs decline.

- The success of our organic reserve additions and capital efficiencies achieved demonstrates the significant progress we have made in turning the Company into a competitive domestic producer.

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*5 Year and 3 Year averages include revisions; 2014 excludes revisions.*
Strong Overall Oil & Gas Reserve Replacement

2014 Organic Reserve Replacement Ratio of ~181%**

(in millions of BOE)

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>2,738</td>
<td>(218)</td>
<td>265</td>
<td>(38)</td>
<td>72</td>
<td>2,819</td>
</tr>
</tbody>
</table>

*Includes negative revisions of 67 MMBOE

**Excludes revisions
Oil & Gas Reserves – United States

2014 Organic Reserve Replacement Ratio of ~286%**

(in millions of BOE)

FY13 Reserves: 1,670
- 80% liquids
- 73% proved developed

2014 U.S. Production: (116)

U.S. Organic Development*: 265

U.S. Acquisitions & Divestitures (Net): (38)

FY14 Reserves: 1,781
- 84% liquids
- 65% proved developed

*Includes negative revisions of 67 MMBOE
**Excludes revisions
Focus our capital spending on the core areas we operate, principally in the Permian Basin.

Two-thirds of the capital budget will be allocated to maintenance capital and one-third allocated to growth capital.

Our capital run rate in 1Q15 will be higher than the $5.8 billion level and will decline all year unless product prices significantly improve.

Given our large acreage position and deep inventory, we have the flexibility to defer drilling and appraisal activity.

Although we will likely outspend our cash flow during 1H 2015, we expect that by year end our operating cash flow will cover our capital expenditures and dividend payments, assuming a recovery to a $60 / bbl oil price environment.
33% decline in 2015 capital budget

2014 Capital - $8.7 Billion

Permian Resources 30%
Other Domestic 13%
International 33%

Domestic O&G 43%

2015E Capital - $5.8 Billion

Permian Resources 30%
Other Domestic 13%
International 33%

Domestic O&G 43%

Note: Capital budget assumes $55/bbl WTI, $60/bbl Brent and $3.00/mcf domestic natural gas prices.
2015 Capital Program Evolution

2015 Capital Budget and Domestic Drilling Rigs

- Capital program expected to decline sharply through 2015 in line with drilling program and expected cost reductions
- 4Q15E exit rate implies a ~$4.0 bln capital budget

Note: 1Q15E is the baseline index; subsequent quarters are a % of 1Q15E
• 2015 plan includes pricing concessions from our suppliers of ~$250 mm for key services.

• If commodity prices remain low, we expect to see ~$500 mm of total price reductions that will give us the flexibility to increase activity.

• We have been very engaged with our suppliers and service providers to capture immediate reductions in costs ranging from 10% to 40%.

• In many cases we have amended agreements to tie discounts to oil price. The lower the oil price, the greater the discount needed to meet the market environment.

• We are in the early stages of this process, and to date have agreements with roughly half of our suppliers.
Despite a lower capital program, we expect to deliver 6% - 10% annual production growth in 2015, driven by the start-up of the Al Hosn gas project and the focused development program in Permian Resources.

In the United States, we expect oil production growth of 6%, partially offset by declines in NGLs and natural gas production.

Factors potentially impacting the range of production variance include:

- International disruptions
- U.S. natural gas decline
- Williston Basin decline
- Non-operated drilling activity

* Excludes Hugoton and California volumes
Largest oil producer and operator in Permian Basin.

Significant investments in infrastructure to support the upstream provide low operating costs, advantaged realized prices and competitive advantages.

~60% of Oxy’s Permian oil production is from CO2 related EOR projects – Oxy’s most profitable business.

The EOR business (mainly CO2) will continue to generate significant FCF.

Permian Resources is the cornerstone growth asset of the domestic business.

Substantial acreage position with significant resource development potential.

We have shifted toward horizontal drilling and expect the Resources business to grow rapidly.
Oxy is the Largest Permian Basin Producer

Source: IHS Energy Feb and Mar 2014, 6 MCF/BOE excluding estimated CO₂ production.
Oxy’s Permian Resources Drilling Inventory is Well Represented through the Basin

Horizontal well locations that will deliver returns in excess of cost of capital for various WTI price ranges*

*Based on current cost structure; (## yrs) represents drilling inventory of years at 2015E activity levels
Permian Resources Summary

Shift to horizontal drilling is expected to accelerate production growth

Production (MBOED)

~20% CAGR

Average Rig Count

Horizontal | Vertical

2Q14 | 3Q14 | 4Q14 | 1Q15E

7 | 5 | 4 | 4

17 | 19 | 25 | 25

Wells Drilled / Online

Drilled | Online

2Q14 | 3Q14 | 4Q14 | 1Q15E

87 | 75 | 85 | 77

59 | 71 | 70 | 108

*Assumes $70/bbl WTI oil prices
Permian Resources 2015E Capital Program

### Capital Expenditures ($B) 2014 2015E

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015E</th>
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</thead>
<tbody>
<tr>
<td>Development</td>
<td>$1.9</td>
<td>$1.7</td>
</tr>
<tr>
<td>Exploration</td>
<td>$0.3</td>
<td>$0.0*</td>
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</tbody>
</table>

### Program Well Count

- **2014**
  - Vertical: 137
  - Horizontal: 167
- **2015E**
  - Vertical: 48
  - Horizontal: 167

### Well Count By Bench

<table>
<thead>
<tr>
<th>Bench</th>
<th>Midland</th>
<th>Delaware</th>
<th>New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>13</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Bone Spring</td>
<td>0</td>
<td>1</td>
<td>22</td>
</tr>
<tr>
<td>WC A</td>
<td>14</td>
<td>67</td>
<td>0</td>
</tr>
<tr>
<td>Spraberry</td>
<td>45</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Less than $0.1B*
Delaware Basin Recent Performance

Well Performance: Texas Delaware – Wolfcamp A/B

- Recent horizontal wells completed believed to be among most prolific in Permian Basin to date
- Completed first two 7,500’ Wolfcamp A wells (Buzzard ST 9H, 10H)
- Chevron Minerals 17-5 achieved 24 hour rate of 1,800 BOED
Midland Basin Recent Performance

Well Performance: Spraberry and Wolfcamp A/B

- 10 successful Spraberry wells online
  - Average 24 hour rate of 904 BOED (144 BOED / 1000’)
  - Average 30 day rate of 849 BOED (135 BOED / 1000’)
  - SCR 3526H six month average rate of 737 BOED
Permian EOR

- 150,000 BOEPD of low cost production
- Most active and largest EOR operator in the Permian Basin with 30 active floods
- Over 40 years of successful CO₂ flooding experience
- High working interest in over 350 properties
- Operate 2 CO₂ source fields
- Handle 2 BCFD of gas through:
  - 12 gas processing plants
  - 1,900 miles of pipeline
Permian EOR is a Large, Highly Economic Resource

Unrisked, gross resource potential of up to 1.9 billion barrels

- 2015 EOR CAPEX = $500MM
  - Complete and begin CO₂ injection at South Hobbs
  - Start Expansion on North Hobbs CO₂

- Expected to generate free cash flow in current oil price environment

- EOR and Resources deliver advantaged scale, infrastructure and expertise synergies across Permian

Unrisked, Gross Reserves and Resources

- Developed
  - 2.0 bn

- Undeveloped CO₂
  - 1.9 bn

- Undeveloped
  - 0.3 bn
Permian EOR can operate at cash costs as low as $22 per BOE

2015 Permian EOR Cost Structure
$55 WTI, $3.00 NYMEX

2015 Permian EOR Cost Structure
$35 WTI, $2.00 NYMEX

- Well, Surf Maint
- Injectant
- Energy
- Taxes
- SG&A

Sensitive to O&G Prices
Partially Discretionary
Long-term Growth Investments

- Some of the longer lead time investments we have been making over the past couple of years will start contributing to our results this year.
  - Continued preferential access and commitment to the BridgeTex pipeline which started in late September will improve our Permian price realizations.
  - The Al Hosn Gas Project started its initial production in the beginning of 1Q’15 and started contributing to our cash flow.
  - OxyChem Ingleside Ethylene Cracker.
  - Oxy Ingleside Energy Center.

- As these projects come on line in 2015 - 17, we expect them to make significant contributions to our earnings, cash flow, and improve our overall returns.
We completed the Al Hosn gas project, on budget and on time.

It is currently producing ~20,000 BOED (net to Oxy) and will ramp up as the 2nd train comes on-line later in 1Q15.

FY 2015 volumes from Al Hosn should average ~50,000 BOED (net to Oxy) with more than 40% of production coming from NGLs and condensate.

At full run-rate production, annualized operating cash flow is expected to be $300 to $600 million depending on commodity prices.
OxyChem Ingleside Ethylene Cracker

- We have formed a 50/50 JV with Mexichem to build a world scale ethylene cracker at the OxyChem plant in Ingleside, TX.
- Construction on the Ingleside cracker project began mid-2014 with the facilities to become commercially operational in early 2017.
- Oxy’s share of capital spending ~$725MM.
- Provides Oxy with high level of integration from well head to VCM:
  - The ethylene will be processed with chlorine from Oxy’s nearby chlor-alkali plant to provide EDC feedstock for VCM production. Oxy will in turn supply VCM to Mexichem for their PVC production under a 20-yr agreement.
Future Growth – Ingleside Energy Center

• Terminals
  - LPG: 60-100 MB/d (2Q 2015)
  - Crude/Condensate: 200-300 MB/d (1H 2016)
  - Storage: 2 - 4 MM BBLS

• Future processing options

Provides flexibility and avoids congested ship channel
Permian Resources – Delaware Basin

- Acreage position of 4.2 mm gross (1.5 mm net) acres with over 4,600 drilling locations identified (92% horizontal).
  - Majority of Wolfcamp locations are in our operated areas in Reeves County.
  - Current Bone Spring locations are located primarily in New Mexico.

- Wolfcamp A & B and Bone Spring 2nd are currently in development mode
  - Wolfcamp A wells are tracking a 900 mboe type curve with 77% oil.

- Currently have 1,450 development-ready horizontal locations in the Delaware Basin.

- Additional benches currently in appraisal mode are the Bone Springs 1st and 3rd, Wolfcamp C & D, and Brushy Canyon.
Permian Resources – Midland Basin

- Acreage position of 1.3mm gross (455m net) acres with over 2,500 drilling locations identified (92% horizontal).
  - Majority of Wolfcamp locations are in our operated areas in Martin, Midland and Andrews Counties.
- Wolfcamp A & B and Spraberry are currently in development mode.
  - Encouraged by Spraberry results with recent well preliminary results exceeding a 700 mboe type curve.
- Currently have 1,050 development-ready horizontal locations in the Midland Basin.
- Additional benches currently in appraisal mode are the Clearfork and Wolfcamp C & D.

### Midland Basin Benches

<table>
<thead>
<tr>
<th>Bench</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D / CLINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spraberry</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wolfcamp A / B / C / D</td>
<td>250 / 350 / 550 / 700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vertical</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Horizontal Development Ready</td>
<td>1,050</td>
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### Drilling Locations by Bench

<table>
<thead>
<tr>
<th>Bench</th>
<th>Gross Wells</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spraberry</td>
<td>450</td>
</tr>
<tr>
<td>Wolfcamp A / B / C / D</td>
<td>250 / 350 / 550 / 700</td>
</tr>
<tr>
<td>Vertical</td>
<td>200</td>
</tr>
<tr>
<td>Total</td>
<td>2,500</td>
</tr>
<tr>
<td>Horizontal Development Ready</td>
<td>1,050</td>
</tr>
<tr>
<td>Net WI Wells</td>
<td>2,300</td>
</tr>
</tbody>
</table>
Permian Resources – Drilling Activity

**Delaware – Average Rig Count**
- **Horizontal**
  - 2Q14: 10
  - 3Q14: 11
  - 4Q14: 14
  - 1Q15E: 13
- **Vertical**
  - 2Q14: 2
  - 3Q14: 1
  - 4Q14: 2

**Midland – Average Rig Count**
- **Horizontal**
  - 2Q14: 7
  - 3Q14: 8
  - 4Q14: 10
  - 1Q15E: 11
- **Vertical**
  - 2Q14: 5
  - 3Q14: 4
  - 4Q14: 4
  - 1Q15E: 3

**Delaware – Wells Drilled / Online**
- **Drilled**
  - 1Q14: 34
  - 2Q14: 49
  - 3Q14: 41
  - 4Q14: 47
- **Online**
  - 1Q14: 35
  - 2Q14: 33
  - 3Q14: 40
  - 4Q14: 39

**Midland – Wells Drilled / Online**
- **Drilled**
  - 1Q14: 33
  - 2Q14: 38
  - 3Q14: 34
  - 4Q14: 38
- **Online**
  - 1Q14: 32
  - 2Q14: 26
  - 3Q14: 31
  - 4Q14: 31
Occidental Petroleum Corporation