

OCCIDENTAL PETROLEUM CORP /DE/

Form S-4/A

December 19, 2005

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As filed with the Securities and Exchange Commission on December 19, 2005

Registration No. 333-129721

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

OCCIDENTAL PETROLEUM
CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of

1311
(Primary Standard Industrial

95-4035997
(IRS Employer

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incorporation or organization)

Classification Code Number)

Identification Number)

10889 Wilshire Boulevard
Los Angeles, California 90024
(310) 208-8800

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Donald P. de Brier
General Counsel
Occidental Petroleum Corporation
10889 Wilshire Boulevard
Los Angeles, California 90024
(310) 208-8800

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Alison S. Ressler, Esq.
Patrick S. Brown, Esq.
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, California 90067
(310) 712-6600

Robert W. Cox, Esq.
Vintage Petroleum, Inc.
110 West Seventh Street
Tulsa, Oklahoma 74119
(918) 592-0101

Robert A. Curry, Esq.
Robert J. Melgaard, Esq.
Conner & Winters, LLP
3700 First Place Tower
15 E. Fifth St.
Tulsa, Oklahoma 74103
(918) 586-5711

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of the Registration Statement and upon consummation of the transactions described herein.

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If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information in this document is not complete and may be changed. Occidental Petroleum Corporation may not issue the securities being offered by use of this document until the registration statement filed with the Securities and Exchange Commission, of which this document is a part, is effective. This document is not an offer to sell these securities, nor is it soliciting offers to buy these securities, in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 19, 2005

Vintage Petroleum, Inc.

To the Stockholders of Vintage Petroleum, Inc.:

You are cordially invited to attend a special meeting of the stockholders of Vintage Petroleum, Inc., which will be held on January 26, 2006, at 10 a.m. local time. The special meeting will be held at 110 W. Seventh Street, 28th Floor, Tulsa, Oklahoma 74119.

At the special meeting, you will be asked to adopt the Agreement and Plan of Merger, dated as of October 13, 2005, among Vintage Petroleum, Inc., Occidental Petroleum Corporation, and a wholly owned subsidiary of Occidental.

Pursuant to the terms of the merger agreement, Vintage will merge with and into a wholly owned subsidiary of Occidental, with the subsidiary as the surviving entity. As a result of the merger, the separate corporate existence of Vintage will cease. In the merger, Occidental will acquire all of the shares of Vintage common stock and the holders of Vintage common stock will receive 0.42 of a share of Occidental common stock plus \$20 in cash for each share of Vintage common stock, and cash in lieu of fractional shares, if any. Occidental common stock is traded on the New York Stock Exchange under the symbol OXY. On December 16, 2005, Occidental common stock closed at \$80.85 per share.

We strongly encourage you to read the accompanying document, which provides detailed information about the merger, the terms of the merger agreement and the merger consideration. **Please see Risk Factors beginning on page 24 to read about factors relating to the merger which you should consider.**

The Vintage board of directors has unanimously adopted the merger agreement as being in the best interests of Vintage stockholders and recommends that you vote to adopt the merger agreement.

The affirmative vote of the holders of at least a majority of the outstanding shares of Vintage common stock is required to adopt the merger agreement. Accordingly, your vote is important no matter how large or small your holdings may be. Whether or not you plan to attend the special meeting, you are urged to complete, sign and promptly return the enclosed proxy card to assure that your shares will be voted at the special meeting. If you attend the special meeting, you may vote in person if you wish, and your proxy will not be used.

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December , 2005

Charles C. Stephenson, Jr.

Chairman of the Board, President and

Chief Executive Officer

Vintage Petroleum, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

This document is dated December , 2005 and is expected to be first mailed to Vintage stockholders on or about December 23, 2005.

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Vintage Petroleum, Inc.

110 West Seventh Street

Tulsa, Oklahoma 74119

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO OUR STOCKHOLDERS:

A Special Meeting of Stockholders of Vintage Petroleum, Inc. will be held at 110 W. Seventh Street, 28th Floor, Tulsa, Oklahoma 74119, on January 26, 2006, at 10 a.m. local time for the following purpose:

To consider and vote on a proposal to adopt the Agreement and Plan of Merger among Occidental Petroleum Corporation, Vintage Petroleum, Inc. and Occidental Transaction 1, LLC dated as of October 13, 2005, providing for the merger of Vintage into Occidental Transaction 1, LLC, a wholly owned subsidiary of Occidental Petroleum Corporation.

To approve adjournments or postponements of the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to adopt the merger agreement.

To transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting.

At this time, the Vintage board of directors is unaware of any matters, other than those set forth above, that may properly come before the special meeting.

If you were a stockholder of record at the close of business on November 30, 2005, you may vote at the meeting or at any postponement or adjournment of the meeting.

YOUR BOARD OF DIRECTORS HAS DETERMINED THAT THE MERGER IS IN THE BEST INTERESTS OF VINTAGE PETROLEUM, INC. AND ITS STOCKHOLDERS AND UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR ADOPTION OF THE AGREEMENT AND PLAN OF MERGER.

In connection with the proposed merger, you may exercise dissenters' rights as provided in the Delaware General Corporation Law. If you meet all the requirements of this law, and follow all of its required procedures, you may receive cash in the amount equal to the fair value, as determined by mutual agreement between you and Occidental Transaction 1, LLC, or if there is no agreement, by appraisal of your shares of Vintage Petroleum, Inc. common stock as of the day before the merger. The procedure for exercising your dissenters' rights is summarized under the heading "Appraisal Rights" in the attached document. The relevant provisions of the Delaware General Corporation Law on dissenters' rights

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are attached to this document as Appendix D.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ WILLIAM C. BARNES
William C. Barnes

Secretary

December , 2005

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REFERENCE TO ADDITIONAL INFORMATION

This document incorporates important business and financial information about Vintage and Occidental from documents that are not included in or delivered with this document. This information is available to you without charge upon your written or oral request. You can obtain documents related to Vintage and Occidental that are incorporated by reference in this document, without charge, through the Securities and Exchange Commission website at <http://www.sec.gov> or by requesting them in writing or by telephone from the appropriate company.

Vintage Petroleum, Inc.	Occidental Petroleum Corporation
Attn: Investor Relations	Attn: Publications Department
110 West Seventh Street	10889 Wilshire Boulevard
Tulsa, Oklahoma 74119	Los Angeles, California 90024
(918) 592 0101	(310) 208 8800
www.vintagepetroleum.com	www.oxy.com

(All website addresses given in this document are for information only and are not intended to be an active link or to incorporate any website information into this document.)

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference into the documents or this document.

In order to receive timely delivery of requested documents in advance of the special meeting, you should make your request no later than January 19, 2006.

See [Where You Can Find More Information](#) beginning on page 83.

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IMPORTANT NOTICE

Whether or not you plan to attend the special meeting in person, you are urged to read the attached document carefully and then sign, date and return the accompanying proxy card in the enclosed postage-prepaid envelope or submit a proxy by telephone or the Internet by following the instructions on the accompanying proxy card. If you later desire to revoke your proxy for any reason, you may do so in the manner set forth in the attached document.

If you have questions, you may contact Vintage's proxy solicitor:

MORROW & CO., INC.

470 West Avenue

Stamford, CT 06902

E-mail: VPI.info@morrowco.com

Call Collect: (203) 658-9400

STOCKHOLDERS PLEASE CALL: (800) 607-0088

Banks and Brokerage Firms, Please Call: (800) 654-2468

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QUESTIONS AND ANSWERS ABOUT THE VINTAGE PETROLEUM, INC.

SPECIAL MEETING AND THE MERGER

The following are some of the questions that you, as a stockholder of Vintage, may have and answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this document, and this information is qualified in its entirety by the more detailed descriptions and explanations contained elsewhere in this document. We urge you to read this document in its entirety prior to making any decision as to your Vintage common stock.

Q1: Why are these proxy materials being sent to Vintage stockholders?

A1: This document is being provided by, and the enclosed proxy card is solicited by and on behalf of, the Vintage board of directors for use at the special meeting of Vintage stockholders.

Q2: When and where is the Vintage special meeting?

A2: The Vintage special meeting is scheduled to be held at 10 a.m., local time, on January 26, 2006 at 110 W. Seventh Street, 28th Floor, Tulsa, Oklahoma 74119, unless it is postponed or adjourned.

Q3: What is the purpose of the Vintage special meeting? What am I voting on?

A3: The purpose of the special meeting is to consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of October 13, 2005 (referred to in this document as the merger agreement or the plan of merger), between Occidental Petroleum Corporation, its wholly owned subsidiary and Vintage.

Q4: Who are the parties to the merger?

A4: The parties to the merger are Occidental, its wholly owned subsidiary and Vintage.

Q5: Who is entitled to vote at the Vintage special meeting?

A5: Vintage stockholders of record at the close of business on November 30, 2005, the record date for the Vintage special meeting, are entitled to receive notice of and to vote on matters that come before the special meeting and any adjournments or postponements of the special meeting. However, a Vintage stockholder may only vote his or her shares if he or she is present in person or is represented by proxy at the Vintage special meeting.

Q6: How do I vote?

A6: After carefully reading and considering the information contained in this document, please fill out, sign and date the proxy card, and then mail your signed proxy card in the enclosed envelope as soon as possible so that your shares may be voted at the special meeting. You may also vote your shares online via the Internet or by telephone according to the instructions on the proxy card. Alternatively, a Vintage

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stockholder may attend the Vintage special meeting and vote in person. For detailed information please see The Special Meeting of Vintage Stockholders on page 26.

Q7: How many votes do I have?

A7: Each share of Vintage common stock that you own as of the record date entitles you to one vote. As of the close of business on November 30, 2005, there were 67,214,748 outstanding shares of Vintage common stock. As of that date, 17.8% of the outstanding shares of Vintage common stock was held by directors and executive officers of Vintage and their respective affiliates.

Q8: What constitutes a quorum at the Vintage special meeting?

A8: The presence of the holders of a majority of the shares entitled to vote at the Vintage special meeting constitutes a quorum. Presence may be in person or by proxy. You will be considered part of the quorum if you return a signed and dated proxy card, or if you are present in person at the special meeting.

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Abstentions and shares voted by a bank or broker holding shares for a beneficial owner are counted as present and entitled to vote for purposes of determining a quorum.

Q9: If I hold shares of Vintage common stock pursuant to the Vintage 401(k) Plan, will I be able to vote?

A9: Yes. You should instruct the 401(k) plan trustee how to vote the shares allocated to your plan account, following the instructions contained in the voting instructions card that the plan administrator provides to you.

Q10: What vote is required to adopt the plan of merger? What is the effect of not voting?

A10: The affirmative vote of the holders of at least a majority of the outstanding shares of Vintage common stock is required to adopt the plan of merger. No vote of the stockholders of Occidental is required to adopt the plan of merger.

Because the affirmative vote required to adopt the plan of merger is based upon the total number of outstanding shares of Vintage common stock, the failure to submit a proxy (or to vote in person at the special meeting) or the abstention from voting by a stockholder will have the same effect as a vote against adoption of the plan of merger.

Q11: If my shares are held in street name, will my broker automatically vote my shares for me?

A11: No. Your broker cannot vote your shares without instructions from you. If your shares are held in street name, you should instruct your broker as to how to vote your shares, following the instructions contained in the voting instructions card that your broker provides to you. Without instructions, your shares will not be voted, which will have the same effect as if you voted against adoption of the merger agreement.

Q12: What is the recommendation of the Vintage board of directors?

A12: The Vintage board of directors recommends a vote **FOR** adoption of the plan of merger.

Q13: What if I return my proxy card but do not mark it to show how I am voting?

A13: If your proxy card is signed and returned without specifying your choice, your shares will be voted **FOR** the adoption of the plan of merger according to the recommendation of the Vintage board of directors.

Q14: Can I change my vote *after* I have mailed my signed proxy card?

A14: Yes. You can change your vote by revoking your proxy at any time before it is exercised at the Vintage special meeting. You can revoke your proxy in one of the following ways:

notify Vintage's Corporate Secretary in writing before the special meeting that you are revoking your proxy,

submit another proxy by mail, internet or telephone with a later date, or

vote in person at the special meeting.

If your shares of Vintage common stock are held by a broker as nominee, you must follow your broker's procedures for changing your instruction to your broker on how to vote.

Q15: As a holder of Vintage common stock, what will I receive in the merger?

A15: For each share of Vintage common stock you own, you will have the right to receive 0.42 of a share of Occidental Petroleum Corporation common stock plus \$20 in cash.

Q16: What regulatory requirements must be satisfied to complete the merger?

A16: On November 21, 2005, Occidental and Vintage were granted early termination with respect to the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, or HSR Act. Occidental and/or Vintage

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may be required to obtain certain other state and foreign regulatory approvals, including that of the Argentinean antitrust commission. However, Occidental and Vintage do not expect such approvals to delay closing or payment of the consideration.

Q17: What are the tax consequences of the merger to me?

A17: The merger is intended to qualify as a reorganization for U.S. federal income tax purposes. In connection with the merger, McKee Nelson LLP will deliver to Occidental, and Conner & Winters, LLP will deliver to Vintage, an opinion that the merger will qualify as a reorganization for U.S. federal income tax purposes. Provided that the merger qualifies as a reorganization for such purposes, you may recognize gain, but you will not recognize loss, upon the exchange of your shares of Vintage common stock for shares of Occidental common stock and cash. If the sum of the fair market value of the Occidental common stock and the amount of cash you receive in exchange for your shares of Vintage common stock exceeds the adjusted basis of your shares of Vintage common stock, you will recognize taxable gain equal to the lesser of the amount of such excess or the amount of cash you receive in the exchange. Generally, any gain recognized upon the exchange will be capital gain, and any such capital gain will be long-term capital gain if you have established a holding period of more than one year for your shares of Vintage common stock. Depending on certain facts specific to you, any gain could instead be characterized as ordinary dividend income. For a more complete description of the material U.S. federal income tax consequences of the merger, see *The Merger Material United States Federal Income Tax Consequences* beginning on page 49. The tax consequences of the merger to you may depend on your own situation. In addition, you may be subject to state, local or foreign tax laws that are not addressed in this document. You should consult your own tax advisor for a full understanding of the tax consequences to you of the merger.

Q18: What risks should I consider before I vote on the merger?

A18: We encourage you to read carefully the detailed information about the merger contained in this document, including the section entitled *Risk Factors* beginning on page 24.

Q19: When do you expect to merge?

A19: We are working to complete the merger in the first quarter of 2006. Among other things, prior to closing, we must obtain the approval of Vintage's stockholders at the special meeting. We cannot assure you as to whether all the conditions to the merger will be met nor can we predict the exact timing. It is possible we will not complete the merger.

Q20: Do I have appraisal rights if I object to the merger?

A20: Yes. As a holder of Vintage common stock, you are entitled to appraisal rights under the Delaware General Corporation law in connection with the merger if you meet certain conditions, which conditions are described in this document under the section entitled *Appraisal Rights* beginning on page 79.

Q21: Whom should I contact with questions about the merger or to obtain additional copies of this document?

A21: MORROW & Co., INC.
470 West Avenue
Stamford, CT 06902
E-mail: VPI.info@morrowco.com
Call Collect: (203) 658-9400
Stockholders please call: (800) 607-0088
Banks and Brokerage Firms, please call: (800) 654-2468

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SUMMARY

This summary highlights selected information about the merger in this document and does not contain all of the information that may be important to you. You should carefully read this entire document and the other documents to which this document refers for a more complete understanding of the matter being considered at the special meeting. See *Where You Can Find More Information* beginning on page 83. Unless we have stated otherwise, all references in this document to Vintage are to Vintage Petroleum, Inc., all references to Occidental are to Occidental Petroleum Corporation, all references to Merger Sub are to Occidental Transaction 1, LLC, and all references to the plan of merger or the merger agreement are to the Agreement and Plan of Merger, dated as of October 13, 2005, among Occidental, Merger Sub and Vintage, a copy of which is attached as Appendix A to this document. In this document, we often refer to the combined company, which means, following the merger, Occidental and its subsidiaries, including Vintage.

The Companies (Page 66)

Occidental Petroleum Corp.

10889 Wilshire Boulevard

Los Angeles, California 90024

(310) 208-8800

Occidental Petroleum Corporation began in the 1920s as a small California oil and gas company and reincorporated in Delaware in 1986. 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.

Vintage Petroleum, Inc.

110 West Seventh Street

Tulsa, Oklahoma 74119

(918) 592-0101

Vintage Petroleum, Inc. was established as a private company in 1983 with a strategy of acquiring producing oil and gas properties that had the potential to expand reserves and production through subsequent exploitation. Core oil and gas producing areas were established in East Texas, the Gulf Coast, and the Mid-Continent regions, with the West Coast area added in 1992. Beginning in 1995, Vintage expanded internationally and currently has international core areas in Argentina, Bolivia and Yemen. Vintage became a public company traded on the New York Stock Exchange in August 1990.

The Merger; Consideration (Pages 28, 55)

We propose a merger in which Vintage will merge with and into Merger Sub, a wholly-owned subsidiary of Occidental. As a result of the merger, Vintage will cease to exist as a separate corporation. When we complete the merger, you will be entitled to receive 0.42 of a share of Occidental common stock plus \$20.00 cash for each share of Vintage common stock you own. Immediately after the merger, former Vintage stockholders are expected to own approximately 6.6% of the outstanding shares of Occidental common stock based on shares outstanding as of November 30, 2005 (without giving effect to shares of Occidental common stock held by Vintage stockholders prior to the merger or Occidental's announced intention to repurchase 9 million shares of its common stock). We expect to complete the merger in the first quarter of 2006.

Do not send your Vintage stock certificates in the envelope provided for returning your proxy card. The stock certificates should only be forwarded to the exchange agent with the letter of transmittal you will receive shortly after the merger is consummated.

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The Vintage board of directors recommends that you adopt the plan of merger (Page 32)

After careful consideration, the Vintage board of directors unanimously adopted the plan of merger. The Vintage board of directors recommends that holders of Vintage common stock vote **FOR** the adoption of the plan of merger.

The affirmative vote of the holders of at least a majority of the outstanding shares of Vintage common stock is required to adopt the plan of merger. No vote of Occidental stockholders is required (or will be sought) in connection with the merger.

In the course of evaluating the merger, the Vintage board of directors consulted with Vintage senior management and Vintage's legal and financial advisors and considered a number of strategic, financial and other considerations referred to under "The Merger" Vintage's Reasons for the Merger" on page 30.

Opinions of Vintage's financial advisors (Page 33)

Credit Suisse First Boston LLC. In connection with the merger, Credit Suisse First Boston LLC, or Credit Suisse First Boston, financial advisor to the Vintage board of directors, delivered a written opinion, dated October 13, 2005, to the Vintage board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration. The full text of Credit Suisse First Boston's written opinion is attached to this document as Appendix B. We encourage you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken. **Credit Suisse First Boston's opinion was provided to the Vintage board of directors in connection with its evaluation of the merger consideration, does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matter relating to the merger.**

Lehman Brothers Inc. In connection with the merger, Lehman Brothers Inc., or Lehman Brothers, financial advisor to the Vintage board of directors, delivered a written opinion, dated October 13, 2005, to the Vintage board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration. The full text of Lehman Brothers' written opinion is attached to this document as Appendix C. We encourage you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken. **Lehman Brothers' opinion was provided to the Vintage board of directors in connection with its evaluation of the merger consideration, does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to any matter relating to the merger.**

Vintage's directors and executive officers have interests in the merger that may differ from, or are in addition to, your interests in the merger (Page 68)

You should be aware that some of the directors and executive officers of Vintage have interests in the merger that may be different from, or are in addition to, the interests of Vintage stockholders. These interests include, but are not limited to, benefits payable to certain executive officers as a result of the consummation of the merger and the indemnification of former Vintage officers and directors by Occidental.

Material United States federal income tax considerations (Page 49)

The merger is intended to qualify as a reorganization for U.S. federal income tax purposes. In connection with the merger, McKee Nelson LLP will deliver to Occidental, and Conner & Winters, LLP will deliver to Vintage, an opinion that the merger will qualify as a reorganization for U.S. federal income tax purposes. Provided that the merger qualifies as a reorganization for such purposes, you may recognize gain, but you will

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not recognize loss, upon the exchange of your shares of Vintage common stock for shares of Occidental common stock and cash. If the sum of the fair market value of the Occidental common stock and the amount of cash you receive in exchange for your shares of Vintage common stock exceeds the adjusted basis of your shares of Vintage common stock, you will recognize taxable gain equal to the lesser of the amount of such excess or the amount of cash you receive in the exchange. Generally, any gain recognized upon the exchange will be capital gain, and any such capital gain will be long-term capital gain if you have established a holding period of more than one year for your shares of Vintage common stock. Depending on certain facts specific to you, any gain could instead be characterized as ordinary dividend income. For a more complete description of the material U.S. federal income tax consequences of the merger, see *The Merger Material United States Federal Income Tax Consequences* beginning on page 49. The tax consequences of the merger to you may depend on your own situation. In addition, you may be subject to state, local or foreign tax laws that are not addressed in this document. **You should consult your own tax advisor for a full understanding of the tax consequences to you of the merger.**

Procedures for exchange of Vintage common stock for the merger consideration (Page 55)

Holders of Vintage share certificates will be required to surrender those share certificates before they will be issued the merger consideration to which they are entitled in the merger. After the effective time of the merger and prior to the surrender of such share certificates, the share certificates will be deemed to represent that number of shares of Occidental common stock and cash that the holder is entitled to receive in the merger.

Following the merger, you will be entitled to receive dividends Occidental pays on Occidental common stock (Page 55)

After the merger, when, as and if declared by Occidental's board of directors, you will receive any dividends Occidental pays on its common stock.

Accounting treatment (Page 52)

The merger will be accounted for as an acquisition of Vintage by Occidental under the purchase method of accounting in accordance with U.S. generally accepted accounting principles.

In order to complete the merger, we must first satisfy certain regulatory requirements (Page 52)

On November 21, 2005, Occidental and Vintage were granted early termination with respect to the waiting period under the HSR Act. Occidental and/or Vintage may be required to obtain certain other state and foreign regulatory approvals, including that of the Argentinean antitrust commission. However, Occidental and Vintage do not expect such approvals to delay closing or payment of the consideration.

Vintage stockholders may have appraisal rights (Page 79)

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Under Delaware law, you may have the right to dissent from the merger and to have the appraised fair value of your shares of Vintage common stock paid to you in cash. You will have the right to seek appraisal of the value of your Vintage shares and be paid the appraised value if you (1) notify Vintage, before the vote is taken, by written notice of your intention to demand payment for the shares if the proposed merger is effectuated, (2) do not vote in favor of the merger, (3) submit your Vintage stock certificates to Vintage by the date set forth in the dissenters notice, and (4) otherwise comply with the provisions governing appraisal rights under Delaware law.

If you dissent from the merger and the conditions outlined above are met, your shares of Vintage common stock will not be exchanged for shares of Occidental common stock and cash in the merger, and your only right will be to receive the fair value of your shares as determined by mutual agreement between you and the Merger Sub or by appraisal if you and the Merger Sub are unable to agree. The appraised value **may be more or less**

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than the consideration you would receive under the terms of the merger agreement. You should be aware that submitting a signed proxy card without indicating a vote with respect to the merger will be deemed a vote FOR the merger and a waiver of your appraisal rights. A vote against the merger does not dispense with the other requirements to request an appraisal under Delaware law.

The merger agreement (Page 54)

The merger agreement is described beginning on page 54. The merger agreement also is attached as Appendix A to this document. We urge you to read the merger agreement in its entirety because it contains important provisions governing the terms and conditions of the merger.

Acquisition proposals (Page 61)

Subject to specified legal and fiduciary exceptions, the merger agreement provides that neither Vintage nor any of its subsidiaries nor any of its or its subsidiaries officers or directors will, and Vintage will cause its employees, agents and representatives, including any financial advisor, attorney or accountant retained by it, not to, directly or indirectly:

initiate, solicit, encourage or otherwise facilitate any inquiries or the making of any proposal or offer, which we refer to as an acquisition proposal, with respect to:

a merger, reorganization, share exchange, consolidation or similar transaction involving Vintage or any of its subsidiaries;

any purchase of all or 15% or more of the assets of Vintage or any of its subsidiaries; or

any purchase of more than 15% of the outstanding equity securities of Vintage or any of its subsidiaries;

engage in any negotiations concerning, or provide any confidential information or data to, or have any discussion with, any person relating to an acquisition proposal, or otherwise facilitate any effort or attempt to make or implement an acquisition proposal.

Conditions to consummation of the merger (Page 62)

The completion of the merger depends on a number of conditions being met, including:

adoption of the merger agreement by Vintage stockholders;

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authorization for listing on the New York Stock Exchange, or NYSE, of the shares of Occidental common stock that are to be issued to Vintage stockholders upon completion of the merger;

receipt of required regulatory approvals, including expiration or early termination of the waiting period under the HSR Act;

effectiveness of the registration statement, of which this proxy statement-prospectus forms a part, under the Securities Act, and no stop order suspending the effectiveness of the registration statement having been issued and no proceedings for that purpose having been initiated or threatened by the SEC;

absence of any order, injunction, decree, statute, rule, regulation or judgment issued or enacted by any governmental entity or other legal restraint or prohibition preventing the consummation of the merger or any of the other transactions contemplated by the merger agreement;

receipt by each party of the opinion of its counsel, in form and substance reasonably satisfactory to it, that the merger will be treated for U.S. federal income tax purposes as a reorganization under Section 368(a) of the Internal Revenue Code, or the Code, and that each of Vintage and Occidental will be a party to that reorganization within the meaning of Section 368(b) of the Code;

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accuracy of the representations and warranties of the other party in all material respects as of October 13, 2005, and except to the extent those representations and warranties speak as of an earlier date, as of the closing date of the merger as though made on the closing date; provided, however, that those representations and warranties will be deemed to be true and correct, unless the failure or failures of those representations and warranties to be true and correct would have or would be reasonably likely to have a material adverse effect on the party making the representation; and

performance by each party in all material respects of all obligations required to be performed by it under the merger agreement at or prior to the closing date.

We may decide not to complete the merger (Page 64)

Vintage and Occidental can agree at any time prior to the effective time of the merger to terminate the merger agreement and abandon the merger, whether before or after approval by the stockholders of Vintage. Also, either of the parties can decide, without the consent of the other, not to complete the merger in a number of other situations, including:

failure to complete the merger by March 1, 2006, unless the failure of the closing to occur by this date arises out of a material breach of its obligations under the merger agreement by the party seeking to terminate the merger;

breach by the other party of any representation, warranty, covenant or agreement made in the merger agreement, or any such representation or warranty becoming untrue after the execution of the merger agreement, if the breach is of the sort that would permit the terminating party not to complete the merger and the breach is not cured within 30 days of the notice of the breach;

failure of the Vintage stockholders to adopt the plan of merger; or

any order permanently restraining, enjoining or otherwise prohibiting consummation of the merger becomes final and non-appealable.

Occidental can additionally decide to terminate the merger agreement without Vintage's consent if Vintage has breached its obligations under the merger agreement relating to acquisition proposals, or the board of directors of Vintage has withdrawn or adversely modified its recommendation of the plan of merger or failed to reconfirm its recommendation within five business days after a request by Occidental to do so.

Under some circumstances, Vintage will be required to pay a termination fee to Occidental if the merger agreement is terminated (Page 65)

Under specified conditions, Vintage may owe to Occidental a termination fee in the amount of \$75,000,000 if the merger agreement is terminated. The merger agreement requires Vintage to pay the termination fee to Occidental if Occidental terminates the merger agreement because the board of directors of Vintage has withdrawn or adversely modified or changed its recommendation of the plan of merger or failed to reconfirm its recommendation of the plan of merger within five business days after a written request by Occidental to do so or Vintage has breached its obligations under the merger agreement relating to acquisition proposals other than a failure to obtain the consent of the Vintage stockholders.

Comparison of Stockholder Rights (Page 73)

The conversion of your shares of Vintage common stock into the right to receive shares of Occidental common stock in the merger will result in differences between your rights as a Vintage stockholder, which are governed by the Delaware General Corporation Law and Vintage's certificate of incorporation and bylaws, and your rights as an Occidental stockholder, which are governed by the Delaware General Corporation Law and Occidental's certificate of incorporation and bylaws.

Table of Contents**SELECTED HISTORICAL FINANCIAL DATA OF OCCIDENTAL**

The following statements of operations and cash flow data for each of the five years in the period ended December 31, 2004, and the balance sheet data as of December 31, 2004, 2003, 2002, 2001 and 2000 have been derived from Occidental's audited consolidated financial statements or other consolidated financial information contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which is incorporated into this document by reference.

The statements of operations and cash flow data for each of the nine-month periods ended September 30, 2005 and 2004, and the balance sheet data as of September 30, 2005 have been derived from Occidental's unaudited consolidated financial statements contained in Occidental's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005, which is incorporated into this document by reference. The balance sheet data as of September 30, 2004 have been derived from Occidental's unaudited consolidated financial statements contained in Occidental's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004, which has not been incorporated into this document by reference.

You should read this selected historical financial data together with the financial statements that are incorporated by reference in this document and their accompanying notes and management's discussion and analysis of operations and financial condition of Occidental contained in such reports.

	Nine Months Ended September 30, (Unaudited)		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001	2000
(Dollar amounts in millions, except per share amounts)							
RESULTS OF OPERATIONS							
Net sales	\$ 10,878	\$ 8,286	\$ 11,368	\$ 9,240	\$ 7,247	\$ 8,012	\$ 8,399
Income from continuing operations	\$ 4,124	\$ 1,832	\$ 2,606	\$ 1,601	\$ 1,181	\$ 1,182	\$ 1,559
Net income	\$ 4,129	\$ 1,826	\$ 2,568	\$ 1,527	\$ 989	\$ 1,154	\$ 1,570
Earnings applicable to common stock	\$ 4,129	\$ 1,826	\$ 2,568	\$ 1,527	\$ 989	\$ 1,154	\$ 1,571
Basic earnings per common share from continuing operations	\$ 10.25	\$ 4.65	\$ 6.59	\$ 4.17	\$ 3.14	\$ 3.17	\$ 4.23
Basic earnings per common share	\$ 10.26	\$ 4.63	\$ 6.49	\$ 3.98	\$ 2.63	\$ 3.10	\$ 4.26
Diluted earnings per common share	\$ 10.11	\$ 4.57	\$ 6.40	\$ 3.93	\$ 2.61	\$ 3.09	\$ 4.26
FINANCIAL POSITION							
Total assets	\$ 25,097	\$ 20,376	\$ 21,391	\$ 18,168	\$ 16,548	\$ 17,850	\$ 19,414
Long-term debt, net	\$ 2,896	\$ 3,809	\$ 3,345	\$ 3,993	\$ 3,997	\$ 4,065	\$ 5,185
Trust preferred securities	\$	\$	\$	\$ 453	\$ 455	\$ 463	\$ 473
Common stockholders' equity	\$ 13,909	\$ 9,778	\$ 10,550	\$ 7,929	\$ 6,318	\$ 5,634	\$ 4,774
CASH FLOW							
Cash provided by operating activities	\$ 3,763	\$ 2,711	\$ 3,878	\$ 3,074	\$ 2,100	\$ 2,566	\$ 2,348
Capital expenditures	\$ (1,661)	\$ (1,270)	\$ (1,843)	\$ (1,600)	\$ (1,234)	\$ (1,305)	\$ (887)
Cash (used) provided by all other investing activities, net	\$ (831)	\$ (476)	\$ (445)	\$ (421)	\$ (462)	\$ 654	\$ (2,157)
DIVIDENDS PER COMMON SHARE	\$ 0.93	\$ 0.825	\$ 1.10	\$ 1.04	\$ 1.00	\$ 1.00	\$ 1.00
BASIC SHARES OUTSTANDING (thousands)	402,388	394,079	395,580	383,943	376,190	372,119	368,750

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The following statements of operations and cash flow data for each of the three years ended December 31, 2004, and the balance sheet data as of December 31, 2004 and 2003 have been derived from Vintage's audited consolidated financial statements contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which is incorporated into this document by reference. The statements of operations and cash flow data for the years ended December 31, 2001 and 2000 and the balance sheet data as of December 31, 2002, 2001 and 2000 have been derived from Vintage's audited consolidated financial statements for such years, which have not been incorporated into this document by reference. The statements of operations data and cash flow data reflect the presentation of Vintage's operations in Trinidad, Canada and Ecuador as discontinued operations for all periods. Certain amounts in the audited statements of operations and cash flow data for the years ended December 31, 2001 and 2000, were reclassified to conform to this segregation of continuing operations and discontinued operations in the table below.

The statements of operations and cash flow data for each of the nine-month periods ended September 30, 2005 and 2004, and the balance sheet data as of September 30, 2005 have been derived from Vintage's unaudited consolidated financial statements contained in Vintage's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005, which is incorporated into this document by reference. The balance sheet data as of September 30, 2004 have been derived from Vintage's unaudited consolidated financial statements contained in Vintage's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004, which has not been incorporated into this document by reference.

You should read this selected historical financial data together with the financial statements that are incorporated by reference in this document and their accompanying notes and management's discussion and analysis of operations and financial condition of Vintage contained in such reports.

	Nine Months Ended September 30,		Year Ended December 31,				
	(Unaudited)						
	2005	2004	2004	2003	2002	2001	2000
(Dollar amounts in thousands, except per share amounts)							
RESULTS OF OPERATIONS							
Total revenues	\$ 772,227	\$ 545,684	\$ 778,180	\$ 614,747	\$ 518,978	\$ 723,535	\$ 778,014
Income from continuing operations before cumulative effect of changes in accounting principles	\$ 151,118	\$ 80,473	\$ 125,441	\$ 59,494	\$ 34,971	\$ 159,572	\$ 170,974
Net income (loss)	\$ 161,861	\$ 83,559	\$ 332,592	\$ (240,907)	\$ (143,664)	\$ 133,507	\$ 195,893
Income per share from continuing operations before cumulative effect of changes in accounting principles:							
Basic	\$ 2.27	\$ 1.24	\$ 1.93	\$ 0.93	\$ 0.55	\$ 2.53	\$ 2.73
Diluted	\$ 2.24	\$ 1.23	\$ 1.91	\$ 0.92	\$ 0.55	\$ 2.49	\$ 2.67
Income (loss) per share:							
Basic	\$ 2.43	\$ 1.29	\$ 5.11	\$ (3.76)	\$ (2.27)	\$ 2.12	\$ 3.13
Diluted	\$ 2.40	\$ 1.28	\$ 5.06	\$ (3.74)	\$ (2.26)	\$ 2.09	\$ 3.06

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	Nine Months Ended September 30,		Year Ended December 31,				
	(Unaudited)						
	2005	2004	2004	2003	2002	2001	2000
(Dollar amounts in thousands, except per share amounts)							
FINANCIAL POSITION							
Total assets	\$ 1,875,804	\$ 1,680,362	\$ 1,644,892	\$ 1,454,259	\$ 1,775,804	\$ 2,107,902	\$ 1,352,002
Long-term debt	\$ 549,953	\$ 676,547	\$ 549,949	\$ 699,943	\$ 883,180	\$ 1,010,673	\$ 464,229
Common Stockholders' equity	\$ 810,159	\$ 483,534	\$ 683,678	\$ 422,486	\$ 570,992	\$ 729,443	\$ 624,857
CASH FLOW							
Cash provided by operating activities	\$ 360,221	\$ 256,214	\$ 352,306	\$ 233,833	\$ 240,869	\$ 295,685	\$ 395,687
Capital expenditures	\$ (281,833)	\$ (161,670)	\$ (309,786)	\$ (144,775)	\$ (64,211)	\$ (187,883)	\$ (214,805)
Purchase of companies, net of cash acquired	\$	\$ (26,757)	\$ (26,757)	\$	\$	\$ (478,158)	\$ (46,199)
Proceeds from sales	\$ 4,213	\$ 67	\$ 242,150	\$ 146,088	\$ 62,468	\$ 39,800	\$ 998
Cash provided (used) by all other investing activities, net	\$ (30,706)	\$ (21,331)	\$ (3,396)	\$ (9,802)	\$ (69,629)	\$ (84,139)	\$ (17,309)
DIVIDENDS PER COMMON SHARE							
	\$ 0.16	\$ 0.15	\$ 0.20	\$ 0.18	\$ 0.16	\$ 0.14	\$ 0.14
BASIC SHARES OUTSTANDING (thousands)							
	66,651	64,786	65,046	64,022	63,219	63,023	62,644

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**UNAUDITED COMPARATIVE PER SHARE DATA FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 2005 AND THE YEAR ENDED DECEMBER 31, 2004**

The following table summarizes unaudited per share information for Occidental and Vintage on a historical basis, a pro forma combined basis for Occidental and an equivalent pro forma combined basis for Vintage. It has been assumed for purposes of the pro forma financial information provided below that for the year ended December 31, 2004 and for the nine months ended September 30, 2005, the merger was completed on January 1, 2004 for income statement purposes, and on December 31, 2004 and September 30, 2005, respectively, for balance sheet purposes. The following information should be read in conjunction with the audited consolidated financial statements of Occidental and Vintage at and for the year ended December 31, 2004, which are incorporated by reference into this document, and the unaudited consolidated financial statements of Occidental and Vintage at and for the nine-month period ended September 30, 2005, which are incorporated by reference into this document. The following pro forma information has been prepared in accordance with the rules and regulations of the Securities and Exchange Commission and accordingly includes the effects of purchase accounting. It does not reflect cost savings, synergies, changes to Vintage's hedging program or certain other adjustments that may result from the merger with Vintage. In addition, the pro forma per share amounts do not include the effect of Occidental's announced intention to repurchase 9 million shares of Occidental common stock. This information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the dates indicated, nor is it necessarily indicative of the future operating results or financial position of the combined company.

The historical book value per share is computed by dividing total stockholders' equity by the number of common shares outstanding at the end of the period. The pro forma earnings per share of the combined company is computed by dividing the pro forma net income available to holders of the combined company's common stock by the pro forma weighted average number of shares outstanding for the periods presented. The pro forma combined book value per share is computed by dividing total pro forma stockholders' equity by the pro forma number of common shares outstanding at the end of the period presented. Vintage equivalent pro forma combined per share amounts are calculated by multiplying the pro forma combined per share amounts by 0.42, the number of shares of Occidental common stock that would be exchanged for each share of Vintage common stock in the merger. The Vintage equivalent per share amounts do not include the benefits of the cash component of the merger.

	Nine Months Ended September 30, 2005	Year Ended December 31, 2004
Occidental Historical		
Historical per common share:		
Income per share from continuing operations		
Basic	\$ 10.25	\$ 6.59
Diluted	\$ 10.10	\$ 6.50
Cash dividends declared per common share	\$ 0.93	\$ 1.10
Book value per share at end of period	\$ 34.60	\$ 26.59
Vintage Historical		
Historical per common share:		
Income per share from continuing operations		
Basic	\$ 2.27	\$ 1.93
Diluted	\$ 2.24	\$ 1.91
Cash dividends declared per common share	\$ 0.16	\$ 0.20
Book value per share at end of period	\$ 12.09	\$ 10.36

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	Nine Months Ended September 30, 2005	Year Ended December 31, 2004
Occidental Pro Forma Combined		
Unaudited pro forma per Occidental common share:		
Income per share from continuing operations		
Basic	\$ 9.72	\$ 6.17
Diluted	\$ 9.59	\$ 6.09
Cash dividends declared per common share	\$ 0.93	\$ 1.10
Book value per share at end of period	\$ 37.15	
Vintage Pro Forma Equivalents		
Unaudited pro forma per Vintage common share:		
Income per share from continuing operations		
Basic	\$ 4.08	\$ 2.59
Diluted	\$ 4.03	\$ 2.56
Cash dividends declared per common share	\$ 0.39	\$ 0.46
Book value per share at end of period	\$ 15.60	

COMPARATIVE MARKET DATA

Occidental common stock is listed on the NYSE under the symbol OXY. The Vintage common stock is listed on the NYSE under the symbol VPI. The following table presents trading information for Occidental and Vintage common stock on October 12, 2005, the last trading day before the public announcement of the execution of the merger agreement, and December 16, 2005, the latest practicable trading day before the date of this document. You should read the information presented below in conjunction with Comparative Per Share Market Price Data and Dividend Information on page 23.

	Occidental Common Stock			Vintage Common Stock		
	High	Low	Close	High	Low	Close
October 12, 2005	\$ 79.30	\$ 76.73	\$ 76.95	\$ 40.75	\$ 38.63	\$ 38.96
December 16, 2005	\$ 83.92	\$ 80.85	\$ 80.85	\$ 54.64	\$ 53.41	\$ 53.50

For illustrative purposes, the following table provides Vintage equivalent per share information on each of the relevant dates. Vintage equivalent per share amounts are calculated by multiplying Occidental per share amounts by the exchange ratio of 0.42 and adding \$20 per share.

	Occidental Common Stock			Vintage Equivalent Per Share		
	High	Low	Close	High	Low	Close
October 12, 2005	\$ 79.30	\$ 76.73	\$ 76.95	\$ 53.31	\$ 52.23	\$ 52.32
December 16, 2005	\$ 83.92	\$ 80.85	\$ 80.85	\$ 55.25	\$ 53.96	\$ 53.96

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements are based on the historical financial statements of Occidental and Vintage, adjusted to reflect the proposed acquisition of Vintage by Occidental. The historical financial information for Occidental and Vintage was derived from their respective Annual and Quarterly Reports on Form 10-K and 10-Q, for the year ended December 31, 2004 and for the nine months ended September 30, 2005, respectively, which are incorporated by reference into this document. The following pro forma information has been prepared in accordance with the rules and regulations of the Securities and Exchange Commission and accordingly includes the effects of purchase accounting resulting from the proposed acquisition. It does not include cost savings, synergies, changes to Vintage's hedging program or certain other adjustments that may result from the proposed acquisition of Vintage. In addition, the pro forma financial statements and the pro forma per share amounts do not include the effect of Occidental's announced intention to repurchase 9 million shares of Occidental common stock. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2005 reflects the acquisition as if it had occurred as of that date. The unaudited pro forma condensed consolidated statements of income for the year ended December 31, 2004 and the nine months ended September 30, 2005 reflect the acquisition as if it had occurred on January 1, 2004. The unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the operating results or financial position of Occidental that would have occurred if the acquisition had been completed as of the dates indicated, nor are they necessarily indicative of the future operating results or financial position of the combined company.

A preliminary allocation of the purchase price has been made to major categories of assets and liabilities in the accompanying unaudited pro forma condensed consolidated financial statements based on currently available information. The actual final purchase price allocation and the resulting effect on income from operations may differ from the pro forma amounts included herein. These pro forma adjustments represent Occidental's preliminary determination of purchase accounting adjustments and are based on available information and certain assumptions that Occidental believes to be reasonable. More information about assets, liabilities and oil and gas reserves, as of the closing date, will become available when the merger is completed. Currently the purchase price to be allocated to certain assets of Vintage, principally to its property, plant and equipment including components of such assets, is stated on a preliminary basis, pending additional information to complete the required analyses. For example, Occidental may sell certain properties acquired from Vintage. The final determination of the values to be assigned to these assets and any related liabilities will be finalized after the acquisition has been completed and Occidental has better market information about these assets. In addition, the properties of Vintage that Occidental intends to keep need to be further evaluated with respect to their existing reserves to determine their fair values. Occidental also has not made a final determination of all the liabilities that may be attributable to the proposed transaction, such as site closure and transaction costs, as well as the fair values of all existing liabilities, including any contingent liabilities, or those that may arise due to the transaction. Occidental expects to finalize its allocation of the purchase price as soon after the completion of the proposed acquisition as practicable. Consequently, the amounts reflected in the pro forma financial information are subject to change.

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Income**

For the nine months ended September 30, 2005

(\$ in millions, except per-share amounts)	Occidental Historical	Vintage Historical	Pro forma Adjustments	Notes	Occidental Pro forma
Revenues					
Net Sales	\$ 10,878	\$ 772	\$		\$ 11,650
Interest, Dividends and Other Income	120				120
Gains on Dispositions of Assets, net	870				870
	11,868	772			12,640
Costs & Other Deductions					
Cost of Sales	4,993	379	161	(a)	5,533
Selling, General and Administrative and Other Operating Expenses	1,143	91			1,234
Environmental Remediation	29				29
Exploration Expense	213	30			243
Interest and Debt Expense, net	232	35	(5)	(b)	262
	6,610	535	156		7,301
Income before Taxes and Other Items	5,258	237	(156)		5,339
Provision for Domestic and Foreign Income and Other Taxes	1,256	86	(62)	(c)	1,280
Minority Interest	44				44
Income from Equity Investments	(166)				(166)
Income from Continuing Operations	\$ 4,124	\$ 151	\$ (94)		\$ 4,181
Basic Earnings per Common Share					
Income from Continuing Operations	10.25				9.72
Diluted Earnings per Common Share					
Income from Continuing Operations	10.10				9.59
Basic Shares	402.4		27.9		430.3
Diluted Shares	408.3		27.9		436.2

Table of Contents**Unaudited Pro Forma Condensed Consolidated Statement of Income**

For the year ended December 31, 2004

(\$ in millions, except per-share amounts)	Occidental Historical	Vintage Historical	Pro forma Adjustments	Notes	Occidental Pro forma
Revenues					
Net Sales	\$ 11,368	\$ 778	\$		\$ 12,146
Interest, Dividends and Other Income	144				144
Gains on Dispositions of Assets, net	1				1
	11,513	778			12,291
Costs & Other Deductions					
Cost of Sales	4,509	294			4,803
Selling, General and Administrative and Other Operating Expenses	1,008	92			1,100
Depreciation, Depletion & Amortization	1,303	103	202	(a)	1,608
Environmental Remediation	59				59
Exploration Expense	219	32			251
Interest and Debt Expense, net	260	62	(6)	(b)	316
	7,358	583	196		8,137
Income before Taxes and Other Items	4,155	195	(196)		4,154
Provision for Domestic and Foreign Income and Other Taxes	1,708	69	(79)	(c)	1,698
Minority Interest	75				75
Income from Equity Investments	(113)				(113)
Gain on Lyondell Stock Issuance	(121)				(121)
Income from Continuing Operations	\$ 2,606	\$ 126	\$ (117)		\$ 2,615
Basic Earnings per Common Share					
Income from Continuing Operations	6.59				6.17
Diluted Earnings per Common Share					
Income from Continuing Operations	6.50				6.09
Basic Shares	395.6		27.9		423.5
Diluted Shares	401.1		27.9		429.0

- (a) Reflects the additional depreciation, depletion and amortization expense to be recognized based on a preliminary purchase price allocation to reflect the Vintage property, plant and equipment at estimated fair value.
- (b) Reflects the amortization of the adjustment to reflect the Vintage long-term debt at estimated fair value.
- (c) Reflects additional income tax benefit calculated by applying prevailing statutory tax rates by jurisdiction to the pro forma adjustments.

Table of Contents**Unaudited Pro Forma Condensed Consolidated Balance Sheet**

As of September 30, 2005

(\$ in millions)	Occidental Historical	Vintage Historical	Pro forma Adjustments	Notes	Occidental Pro forma
Current Assets					
Cash and Cash Equivalents	\$ 1,716	\$ 181	\$ (1,431)	(d)	\$ 466
Receivables, net	3,393	141			3,534
Other Current Assets	783	59			842
Total Current Assets	5,892	381	(1,431)		4,842
Long Term Assets					
Property, Plant and Equipment, net of Accumulated Depreciation, Depletion and Amortization	17,134	1,433	4,603	(e)	23,170
Other Assets	2,071	62			2,133
	25,097	1,876	3,172		30,145
Current Liabilities					
Accounts Payable and Accrued Liabilities	4,063	271	50	(f)	4,384
Other Current Liabilities	506	25			531
Total Current Liabilities	4,569	296	50		4,915
Long Term Debt, net of Current Maturities and Unamortized					
Discount	2,896	550	38	(g)	3,484
Deferred and Other Domestic and Foreign Income Taxes	843	88	1,833	(h)	2,764
Other Deferred Credits and Other Liabilities	2,550	132			2,682
Minority Interest	330				330
Stockholders Equity					
Additional Paid-in Capital	4,883		2,061	(i)	6,944
Retained Earnings	9,419				9,419
Other Equity	(393)	810	(810)	(j)	(393)
	13,909	810	1,251		15,970
	\$ 25,097	\$ 1,876	\$ 3,172		\$ 30,145

(d) Reflects the cash purchase price component of the acquisition of approximately \$1.33 billion and the cash settlement of Vintage stock incentive awards of approximately \$101 million.

(e) Reflects the preliminary purchase price allocation to record the Vintage property, plant and equipment at estimated fair value.

(f) Reflects the estimated severance liability for Vintage employees, in accordance with the terms of the merger agreement and other benefit arrangements agreed upon by Vintage and Occidental, and other transaction-related costs.

(g) Reflects the adjustment to reflect Vintage's long-term debt at estimated fair value.

(h)

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Reflects the additional deferred tax liability resulting from the preliminary allocation of the purchase price to Vintage's assets and liabilities. The deferred tax liability is recognized due to the difference between the purchase price allocated to Vintage's assets and liabilities and the tax basis of these assets and liabilities. As part of the preliminary purchase price allocation, the acquired assets and liabilities have been adjusted from historical cost to fair value on the pro forma financial statements while the tax basis in these assets and liabilities has been carried over from Vintage to Occidental. This resulted in the recognition of a deferred tax liability at the date of acquisition for the difference between the new book basis and tax basis carried over.

- (i) Reflects issuance of Occidental shares for the stock component of the purchase price.
- (j) Reflects the elimination of the historical equity of Vintage.

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The following unaudited pro forma consolidated information for oil and gas producing activities is derived from information contained in Occidental and Vintage's respective Annual and Quarterly Reports on Form 10-K and 10-Q, for the year ended December 31, 2004 and for the nine months ended September 30, 2005, respectively, which are incorporated by reference into this document. However, this information is not necessarily indicative of what Occidental's reserves, production and other related information would have been at the dates or for the periods presented nor is it necessarily indicative of future reserves, production or other related information. The following tables summarize the pro forma consolidated estimated proved reserves of Occidental as of December 31, 2004, giving effect to the acquisition of Vintage as if such acquisition had occurred as of that date and the pro forma consolidated average daily production for the nine months ended September 30, 2005, giving effect to the acquisition of Vintage as if such acquisition had occurred on January 1, 2005. The following information should be read in conjunction with the audited consolidated financial statements of Occidental and Vintage contained in their Annual Reports on Form 10-K for the fiscal year ended December 31, 2004, and the unaudited consolidated financial statements of Occidental and Vintage contained in their Quarterly Reports on Form 10-Q for the nine months ended September 30, 2005, all of which are incorporated by reference into this document.

Historical and Pro forma Oil and Gas Proved Reserves**As of December 31, 2004**

(Oil in millions of barrels; natural gas in billions of cubic feet; BOE in millions of barrels of oil equivalent)

	<u>Occidental Historical</u>			<u>Vintage Historical</u>			<u>Occidental Pro forma</u>		
	<u>Oil(a)</u>	<u>Gas</u>	<u>BOE(b)</u>	<u>Oil(a)</u>	<u>Gas</u>	<u>BOE(b)</u>	<u>Oil(a)</u>	<u>Gas</u>	<u>BOE(b)</u>
Reserves									
United States	1,494	2,101	1,844	91	281	138	1,585	2,382	1,982
Latin America	171		171	200	559	293	371	559	464
Middle East	322	768	450	6		6	328	768	456
Other Eastern Hemisphere	6	106	24				6	106	24
Consolidated Subsidiaries	1,993	2,975	2,489(c)	297	840	437(c)	2,290	3,815	2,926(c)
Other Interests (d)	43		43				43		43

(a) Includes natural gas liquids and condensate.

(b) Natural gas volumes have been converted to a barrel of oil equivalent (BOE) based on energy content of 6,000 cubic feet (one thousand cubic feet is referred to as an McF) of gas to one barrel of oil.

(c) Stated on a net basis and after applicable royalties. Includes reserves related to production-sharing contracts and other economic arrangements. Occidental's proved reserves from production-sharing contracts in the Middle East and from other economic arrangements in the United States were 450 million and 90 million BOE, respectively.

(d) Includes Occidental's share of reserves from equity investees in Russia and Yemen, partially offset by minority interests for a Colombian affiliate.

Table of Contents**Historical and Pro forma Oil and Gas Average Daily Production**

For the nine months ended September 30, 2005

(Oil in thousands of barrels per day; natural gas in millions of cubic feet per day; BOE in thousands of barrels of oil equivalent per day)

	Occidental Historical			Vintage Historical			Occidental Pro forma		
	Oil(a)	Gas	BOE(b)	Oil(a)	Gas	BOE(b)	Oil(a)	Gas	BOE(b)
United States	248	547	339	18	78	31	266	625	370
Latin America	77		77	34	37	40	111	37	117
Middle East	93	51	102	4		4	97	51	106
Other Eastern Hemisphere	5	77	18				5	77	18
Consolidated Subsidiaries	423	675	536	56	115	75	479	790	611
Other Interests (c)	23	15	25				23	15	25
Total Worldwide	446	690	561	56	115	75	502	805	636

(a) Includes natural gas liquids and condensate.

(b) Natural gas volumes have been converted to a BOE based on energy content of 6,000 cubic feet (one thousand cubic feet is referred to as an McF) of gas to one barrel of oil.

(c) Includes Occidental's share of production from equity investees in Russia and Yemen, partially offset by minority interests for a Colombian affiliate.

Oil Reserves (in millions of barrels)

	Occidental Historical						Occidental Pro forma					
	United States	Latin America	Middle East	Eastern Hemisphere and Other	Consolidated Subsidiaries Total	Other Interests	United States	Latin America	Middle East	Eastern Hemisphere and Other	Consolidated Subsidiaries Total	Other Interests
Balance at December 31, 2003	1,500	152	326	12	1,990	48	1,587	351	329	16	2,283	48
Revisions of previous estimates	(4)	(4)	16	(3)	5	5	(1)	(12)	17	(3)	1	5
Improved recovery	72	6	10		88	1	72	6	10		88	1
Extensions and discoveries	9	18	3		30	2	10	30	6		46	2
Purchase of proved reserves	10	29			39	(4)	16	36			52	(4)
Sales of proved										(3)	(3)	

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reserves												
Production	(93)	(30)	(33)	(3)	(159)	(9)	(99)	(40)	(34)	(4)	(177)	(9)
Balance at December 31, 2004	1,494	171	322	6	1,993	43	1,585	371	328	6	2,290	43
Proved Developed Reserves at December 31, 2004	1,260	151	208	6	1,625	37	1,342	263	213	6	1,824	37

Table of Contents**Gas (in billions of cubic feet)**

	Occidental Historical					Occidental Pro forma						
	United States	Latin America	Middle East	Eastern Hemisphere and Other	Consolidated Subsidiaries Total	Other Interests	United States	Latin America	Middle East	Eastern Hemisphere and Other	Consolidated Subsidiaries Total	Other Interests
Balance at December 31, 2003	1,826		654	105	2,585	9	2,114	572	654	171	3,511	9
Revisions of previous estimates	94		134	13	241	(9)	87	3	134	17	241	(9)
Improved recovery	180			5	185		180			5	185	
Extensions and discoveries	181			10	191		194	1		16	211	
Purchase of proved reserves	7				7		24					