

Occidental Petroleum Corporation
Reconciliation to Generally Accepted Accounting Principles (GAAP)
For the Year Ended December 31, 2008

	Reserves - MMBOE			%	Production - MBOE/D			%
	<u>Oil (a)</u>	<u>Gas</u>	<u>BOE (b)</u>		<u>Oil (a)</u>	<u>Gas</u>	<u>BOE (b)</u>	
California	546	975	708		89	235	128	
Permian	973	849	1,115		168	181	198	
Mid-Continent	28	1,329	250		6	171	35	
United States	1,547	3,153	2,073	70%	263	587	361	60%
Latin America								
Colombia	89	8	91		43	-	43	
Argentina	135	150	160		32	21	36	
Bolivia	0	55	9		-	21	4	
Consolidated Subs	225	212	260		75	42	82	
Colombia - MI	(5)	(0)	(5)		(6)	-	(6)	
	220	212	255	8%	69	42	76	13%
Middle East / North Africa								
Oman	128	83	142		23	24	27	
Qatar	150	-	150		47	-	47	
Dolphin	106	1,153	298		21	184	52	
Yemen	28	-	28		21	-	21	
Libya	27	-	27		15	-	15	
Consolidated Subs	440	1,236	646		127	208	162	
Yemen - Comeco	4	-	4		2	-	2	
	444	1,236	650	22%	129	208	164	27%
Worldwide	2,211	4,601	2,978	100%	461	837	601	100%
% of total	74%	26%	100%		77%	23%	100%	
Per Annual Report	<u>Oil (a)</u>	<u>Gas</u>	<u>BOE (b)</u>		<u>Oil (a)</u>	<u>Gas</u>	<u>BOE (b)</u>	
United States	1,547	3,153	2,073		263	587	361	
International	665	1,448	906		202	250	244	
Consolidated Subsidiaries	2,212	4,601	2,979		465	837	605	
Other Interests (c)	(1)	-	(1)		(4)	-	(4)	
Worldwide	2,211	4,601	2,978		461	837	601	

(a) Includes natural gas liquids and condensate.

(b) Natural gas volumes have been converted to BOE based on energy content of six thousand cubic feet to one barrel of oil.

(c) Reflect the minority interest in a Colombian subsidiary, partially offset by Occidental's share of reserves and production from an equity investee in Yemen.

(d) Stated on a net basis and after applicable royalties. Includes reserves related to production-sharing contracts and other economic arrangements.

OCCIDENTAL PETROLEUM CORPORATION COST PER BARREL GAAP RECONCILIATION

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>3-Year Average</u>	<u>5-Year Average</u>
WTI Oil Price	\$ 41.40	\$ 56.56	\$ 66.23	\$ 72.32	\$ 99.65	\$ 79.40	\$ 67.23
NYMEX Gas Price	\$ 5.92	\$ 8.11	\$ 7.82	\$ 7.12	\$ 9.01	\$ 7.98	\$ 7.60
BOE Conversion Factor	7.0	7.0	8.5	10.2	11.1	9.9	8.9
Cost Incurred	\$ 1,662	\$ 4,185	\$ 7,443	\$ 4,200	\$ 7,982	\$ 6,542	\$ 5,094
Reserve Replacements							
Oil (MMBBLs)							
Revisions of previous estimates	12	(18)	21	(80)	(114)	(58)	(36)
Improved recovery	80	107	116	183	189	163	135
Extensions & discoveries	12	46	24	18	11	18	22
Purchases of proved reserves	39	112	254	57	71	127	107
Total replacements	<u>143</u>	<u>247</u>	<u>415</u>	<u>178</u>	<u>157</u>	<u>250</u>	<u>228</u>
Gas (BCF)							
Revisions of previous estimates	229	21	(31)	(90)	(188)	(103)	(12)
Improved recovery	171	129	127	417	348	297	238
Extensions & discoveries	181	427	58	35	76	56	155
Purchases of proved reserves	7	164	435	18	832	428	291
Total replacements	<u>588</u>	<u>741</u>	<u>589</u>	<u>380</u>	<u>1,068</u>	<u>679</u>	<u>673</u>
MMBOE 6:1							
Oil	143	247	415	178	157	250	228
Gas	98	122	99	65	179	113	112
	<u>241</u>	<u>369</u>	<u>514</u>	<u>243</u>	<u>336</u>	<u>363</u>	<u>340</u>
MMBOE @ Commodity							
Oil	143	247	415	178	157	250	228
Gas	84	106	70	37	97	67	79
	<u>227</u>	<u>353</u>	<u>485</u>	<u>215</u>	<u>254</u>	<u>317</u>	<u>307</u>
F&D Costs							
BOE 6:1	\$ 6.89	\$ 11.34	\$ 14.50	\$ 17.31	\$ 23.77	\$ 18.05	\$ 14.97
BOE @ Commodity	\$ 7.32	\$ 11.85	\$ 15.37	\$ 19.60	\$ 31.49	\$ 20.65	\$ 16.61
Percentage of WTI							
6:1	17%	20%	22%	24%	24%	23%	22%

SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING EARNINGS

Occidental's results of operations often include the effects of significant transactions and events affecting earnings that vary widely and unpredictably in nature, timing and amount. Therefore, management uses a measure called "core results," which excludes those items. This non-GAAP measure is not meant to disassociate those items from management's performance, but rather is meant to provide useful information to investors interested in comparing Occidental's earnings performance between periods. Reported earnings are considered representative of management's performance over the long term. Core results is not considered to be an alternative to operating income in accordance with generally accepted accounting principles.

Occidental Petroleum Corporation
Midstream, Marketing and Other Segment
Reconciliation to Generally Accepted Accounting Principles (GAAP)
(In millions)

	1H 2009	FY 2008	FY 2007
Reported Income	\$ 77	\$ 520	\$ 367
No significant items affecting earnings	-	-	-
Core Results	<u>\$ 77</u>	<u>\$ 520</u>	<u>\$ 367</u>

Occidental Petroleum Corporation
Consolidated
Reconciliation to Generally Accepted Accounting Principles (GAAP)
For the Six Months Ended June 30,
(In millions, except earnings per share)

	2009		2008	
		Diluted EPS		Diluted EPS
Reported Income	\$ 1,050	\$ 1.29	\$ 4,143	\$ 5.00
Add: significant items affecting earnings				
Rig contract terminations	8		-	
Railcar leases	15		-	
Severance accrual	40		-	
Tax effect of pre-tax adjustments	(22)		-	
Discontinued operations, net *	5		(24)	
Core Results	<u>\$ 1,096</u>	\$ 1.34	<u>\$ 4,119</u>	\$ 4.97

* Amounts shown after-tax

Average Diluted Common Shares Outstanding	813.7	826.6
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Occidental Petroleum Corporation
Consolidated
Reconciliation to Generally Accepted Accounting Principles (GAAP)
For the Twelve Months Ended December 31,
(In millions, except earnings per share)

	2008		2007	
		Diluted EPS		Diluted EPS
Reported Income	\$ 6,857	\$ 8.35	\$ 5,400	\$ 6.44
Add: significant items affecting earnings				
Gain on sale of Russia joint venture *	-		(412)	
Legal settlements *	-		(112)	
Gain on sale of oil and gas interests	-		(35)	
Asset impairments	599		74	
Sale of exploration properties	-		(103)	
Rig contract terminations	58		-	
Plant closure and impairment	90		-	
Debt purchase expense	-		167	
Facility closure	-		47	
Gain on sale of Lyondell shares	-		(326)	
Severance accrual	-		25	
Tax effect of pre-tax adjustments	(238)		2	
Discontinued operations, net *	(18)		(322)	
Core Results	\$ 7,348	\$ 8.95	\$ 4,405	\$ 5.25

* Amounts shown after-tax

Average Diluted Common Shares Outstanding	820.8	839.1
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