

OCCIDENTAL PETROLEUM CORP /DE/
Form 10-K
February 23, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

R Annual Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2011

£ Transition Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
For the transition period from to

Commission File Number 1-9210

Occidental Petroleum Corporation
(Exact name of registrant as specified in its charter)

| | |
|--|---------------------------------------|
| State or other jurisdiction of incorporation or organization | Delaware |
| I.R.S. Employer Identification No. | 95-4035997 |
| Address of principal executive offices | 10889 Wilshire Blvd., Los Angeles, CA |
| Zip Code | 90024 |
| Registrant's telephone number, including area code | (310) 208-8800 |

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Name of Each Exchange on Which Registered |
|-----------------------------------|---|
| 9 1/4% Senior Debentures due 2019 | New York Stock Exchange |
| Common Stock | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes R No £

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act: (Note: Checking the box will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections). Yes £ No R

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes R No £

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or such shorter period as the registrant was required to submit and post files). Yes R No £

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. R

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. (See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act).

| | | | |
|-------------------------|--------------------------|---------------------------|--------------------------|
| Large Accelerated Filer | <input type="checkbox"/> | Accelerated Filer | <input type="checkbox"/> |
| Non-Accelerated Filer | <input type="checkbox"/> | Smaller Reporting Company | <input type="checkbox"/> |

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes No

The aggregate market value of the voting common stock held by nonaffiliates of the registrant was approximately \$83.2 billion, computed by reference to the closing price on the New York Stock Exchange composite tape of \$104.04 per share of Common Stock on June 30, 2011. Shares of Common Stock held by each executive officer and director have been excluded from this computation in that such persons may be deemed to be affiliates. This determination of potential affiliate status is not a conclusive determination for other purposes.

At January 31, 2012, there were 811,055,632 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement, filed in connection with its May 4, 2012 Annual Meeting of Stockholders, are incorporated by reference into Part III.

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Part I

Items 1 And 2 Business and Properties

In this report, "Occidental" refers to Occidental Petroleum Corporation, a Delaware corporation (OPC), or OPC and one or more entities in which it owns a controlling interest (subsidiaries). Occidental conducts its operations through various subsidiaries and affiliates. Occidental's executive offices are located at 10889 Wilshire Boulevard, Los Angeles, California 90024; telephone (310) 208-8800.

General

Occidental's principal businesses consist of three segments. The oil and gas segment explores for, develops and produces oil and condensate, natural gas liquids (NGLs) and natural gas. The chemical segment (OxyChem) mainly manufactures and markets basic chemicals and vinyls. The midstream, marketing and other segment (midstream and marketing) gathers, treats, processes, transports, stores, purchases and markets oil, condensate, NGLs, natural gas, carbon dioxide (CO₂) and power. It also trades around its assets, including pipelines and storage capacity, and trades oil, NGLs, gas and other commodities.

For information regarding Occidental's current developments, segments and geographic areas, see the information in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" (MD&A) section of this report and Note 16 to the Consolidated Financial Statements.

Oil and Gas Operations

General

Occidental's domestic oil and gas operations are located mainly in California, Colorado, Kansas, Montana, New Mexico, North Dakota, Oklahoma, Texas, Utah and West Virginia. International operations are located in Bahrain, Bolivia, Colombia, Iraq, Libya, Oman, Qatar, the United Arab Emirates (UAE) and Yemen. Occidental sold its Argentine operations in February 2011 and has classified them as discontinued operations on a retrospective application basis.

Proved Reserves and Sales Volumes

The table below shows Occidental's total oil, NGLs and natural gas proved reserves and sales volumes in 2011, 2010 and 2009. See "MD&A — Oil and Gas Segment," and the information under the caption "Supplemental Oil and Gas Information" for certain details regarding Occidental's proved reserves, the reserves estimation process, sales and production volumes, production costs and other reserves-related data.

Comparative Oil and Gas Proved Reserves and Sales Volumes

Oil, which includes condensate, and NGLs in millions of barrels; natural gas in billions of cubic feet; barrels of oil equivalent (BOE) in millions of barrels of oil equivalent

| | 2011 | | | | 2010 | | | | 2009 | | | |
|-----------------|-------------|------|-------|-----------|---------|------|-------|-----------|---------|------|-------|-----------|
| Proved Reserves | Oil | NGLs | Gas | BOE (a) | Oil | NGLs | Gas | BOE (a) | Oil | NGLs | Gas | BOE (a) |
| United States | 1,526 | 225 | 3,365 | 2,313 | 1,460 | 237 | 3,034 | 2,203 | 1,385 | 221 | 2,799 | 2,072 |
| International | (b) 482 (c) | 55 | 1,958 | 863 (c) | 552 (c) | 61 | 2,104 | 964 (c) | 589 (d) | 68 | 2,228 | 1,028 (d) |
| Total | 2,008 | 280 | 5,323 | 3,176 (e) | 2,012 | 298 | 5,138 | 3,167 (e) | 1,974 | 289 | 5,027 | 3,100 (e) |
| Sales Volumes | | | | | | | | | | | | |
| United States | 84 | 25 | 285 | 156 | 80 | 19 | 247 | 140 | 81 | 18 | 232 | 137 |
| International | (b) 80 | 4 | 162 | 111 | 83 (d) | 5 | 172 | 117 (d) | 65 (d) | 4 | 95 | 85 (d) |
| Total | 164 | 29 | 447 | 267 | 163 | 24 | 419 | 257 | 146 | 22 | 327 | 222 |

- (a) Natural gas volumes have been converted to BOE based on energy content of six thousand cubic feet (Mcf) of gas to one barrel of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower over the recent past.
- (b) Excludes volumes from the Argentine operations sold in February 2011 and classified as discontinued operations.
- (c) Excludes the former noncontrolling interest in a Colombian subsidiary because on December 31, 2010, Occidental restructured its Colombian operations to take a direct working interest in the related assets.
- (d) Includes the noncontrolling interest in a Colombian subsidiary.
- (e) Stated on a net basis after applicable royalties. Includes proved reserves related to production-sharing contracts (PSCs) and other similar economic arrangements of 1.0 billion BOE in 2011, 1.1 billion BOE in 2010 and 1.1 billion BOE in 2009.

Competition and Sales and Marketing

As a producer of oil and condensate, NGLs and natural gas, Occidental competes with numerous other domestic and foreign private and government producers. Oil, NGLs and natural gas are commodities that are sensitive to prevailing global and, in certain cases local, current and anticipated market conditions. They are sold at current market prices or on a forward basis to refiners and other market participants. Occidental's competitive strategy relies on increasing production through strategic acquisitions and enhanced oil recovery projects in mature and underdeveloped fields. Occidental also competes to develop and produce its worldwide oil and gas reserves cost-effectively and obtain the required labor and services.

Chemical Operations

OxyChem owns and operates manufacturing plants at 22 domestic sites in Alabama, Georgia, Illinois, Kansas, Louisiana, Michigan, New Jersey, New York, Ohio, Pennsylvania and Texas and at two international sites in Canada and Chile and has interests in a Brazilian joint venture.

In 2011, OxyChem announced plans to build a 182,500-ton-per-year membrane chlor-alkali plant in Tennessee, which it expects to begin operating in 2013.

OxyChem competes with numerous other domestic and foreign chemical producers. For every product it manufactures and markets, OxyChem's market position is first or second in the United States and first, second or third in the world. OxyChem's competitive strategy is to be a low-cost producer of its products in order to compete on price.

OxyChem produces the following products:

| Principal Products | Major Uses | Annual Capacity |
|---------------------------|---|------------------------|
| Basic Chemicals | | |
| Chlorine | Raw material for ethylene dichloride (EDC), water treatment and pharmaceuticals | 4.0 million tons (a) |
| Caustic Soda | Pulp, paper and aluminum production | 4.2 million tons (a) |
| Chlorinated organics | Refrigerants, silicones and pharmaceuticals | 0.9 billion pounds |
| Potassium chemicals | Fertilizers, batteries, soaps, detergents and specialty glass | 0.4 million tons |
| EDC | Raw material for vinyl chloride monomer (VCM) | 2.4 billion pounds (a) |
| Chlorinated isocyanurates | Swimming pool sanitation and disinfecting products | 131 million pounds |
| Sodium silicates | Catalysts, soaps, detergents and paint pigments | 0.6 million tons |
| Calcium chloride | Ice melting, dust control, road stabilization and oil field services | 0.7 million tons |
| Vinyls | | |
| VCM | Precursor for polyvinyl chloride (PVC) | 6.2 billion pounds |
| PVC | Piping, building materials, and automotive and medical products | 3.7 billion pounds |
| Other Chemicals | | |
| Resorcinol | Tire manufacture, wood adhesives and flame retardant synergist | 50 million pounds |

(a) Includes gross capacity of a joint venture in Brazil, owned 50 percent by Occidental.

Midstream, Marketing and Other Operations

The midstream and marketing operations are conducted in the locations described below:

| Location | Description | Capacity |
|---|---|--|
| Gas Plants | | |
| California, Colorado and Permian Basin | Occidental-operated and third-party-operated gas gathering, treating, compression and processing systems, and CO ₂ processing | 2.6 billion cubic feet per day |
| Pipelines | | |
| Permian Basin and Oklahoma | Common carrier oil pipeline and storage system | 365,000 barrels of oil per day 5.8 million barrels of oil storage 2,700 miles of pipeline |
| Colorado, New Mexico and Texas - CO ₂ fields and pipelines | CO ₂ fields and pipeline systems transporting CO ₂ to oil and gas producing locations | 1.945 billion cubic feet per day |
| Dolphin Pipeline - Qatar and United Arab Emirates | Equity investment in a natural gas pipeline | 3.2 billion cubic feet of natural gas per day (a) |
| Western and Southern United States and Canada | Equity investment in entity involved in pipeline transportation, storage, terminalling and marketing of oil, gas and related petroleum products | 16,000 miles of pipeline and gathering systems (b) Storage for 100 million barrels of oil and other petroleum products and 76 billion cubic feet of natural gas (b) |
| Marketing and Trading | | |
| Texas, Connecticut, United Kingdom, Singapore and other | Trades around its assets and purchases, markets and trades oil, gas, power and other commodities | Not applicable |
| Power Generation | | |
| California, Texas and Louisiana | Occidental-operated power and steam generation facilities | 1,800 megawatts per hour and 1.6 million pounds of steam per hour |

(a) Capacity requires additional gas compression and customer contracts.

(b) Amounts are gross, including interests held by third parties.

Capital Expenditures

For information on capital expenditures, see the information under the heading "Liquidity and Capital Resources" in the MD&A section of this report.

Employees

Occidental employed approximately 11,300 people at December 31, 2011, 8,000 of whom were located in the United States. Occidental employed approximately 7,200 people in the oil and gas and midstream and marketing segments and 3,000 people in the chemical segment. An additional 1,100 people were employed in administrative and

headquarters functions. Approximately 800 U.S.-based employees and 200 foreign-based employees are represented by labor unions.

Occidental has a long-standing strict policy to provide fair and equal employment opportunities to all applicants and employees.

Environmental Regulation

For environmental regulation information, including associated costs, see the information under the heading "Environmental Liabilities and Expenditures" in the MD&A section of this report and "Risk Factors."

Available Information

Occidental makes the following information available free of charge on its website at www.oxy.com:

Ø Forms 10-K, 10-Q, 8-K and amendments to these forms as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission (SEC);

Ø Other SEC filings, including Forms 3, 4 and 5; and

Ø Corporate governance information, including its corporate governance guidelines, board-committee charters and Code of Business Conduct. (See Part III, Item 10, of this report for further information.)

Information contained on Occidental's web site is not part of this report.

Item 1A Risk Factors

Volatile global and local commodity pricing strongly affects Occidental's results of operations.

Occidental's financial results correlate closely to the prices it obtains for its products, particularly oil and gas.

Changes in consumption patterns, global and local economic conditions, inventory levels, production disruptions, the actions of OPEC, currency exchange rates, worldwide drilling and exploration activities, technological developments, weather, geophysical and technical limitations and other matters affect the supply and demand dynamics of oil and gas, which, along with the effect of changes in market perceptions, contribute to price unpredictability and volatility.

Demand and, consequently, the price obtained for Occidental's chemical products correlate strongly to the health of the United States and global economies, as well as chemical industry expansion and contraction cycles. Occidental also depends on feedstocks and energy to produce chemicals, which are commodities subject to significant price fluctuations.

Occidental's oil and gas business operates in highly competitive environments, which affect, among other things, its results of operations and its ability to grow production and replace reserves.

Results of operations, reserves replacement and growth in oil and gas production depend, in part, on Occidental's ability to profitably acquire, develop or find additional reserves. Occidental has many competitors (including national oil companies), some of which are: (i) larger and better funded, (ii) may be willing to accept greater risks or (iii) have special competencies. Competition for reserves may make it more difficult to find attractive investment opportunities or require delay of reserve replacement efforts. During periods of low product prices, any cash conservation efforts may delay production growth and reserve replacement efforts.

Occidental may experience delays, cost overruns, losses or unrealized expectations in development efforts and exploration activities.

Occidental bears the risks of development delays and cost overruns due to approval delays for drilling and other permits, equipment failures, construction delays, escalating costs or competition for services, materials, supplies or labor, property or border disputes, disappointing reservoir performance and other associated risks that may affect its ability to profitably grow production, replace reserves and achieve its targeted returns.

Exploration is inherently risky. Exploration is subject to delays, misinterpretation of geologic or engineering data, unexpected geologic conditions or finding reserves of disappointing quality or quantity, which may result in significant losses.

Governmental actions and political instability may affect Occidental's results of operations.

Occidental's businesses are subject to the decisions of many governments and political interests. As a result, Occidental faces risks of:

Ø new or amended laws and regulations, or interpretations of such laws and regulations, including those related to labor and employment, taxes, royalty rates, permitted production rates, drilling, manufacturing or production processes (including hydraulic fracturing), entitlements, import, export and use of equipment, use of land, water and other natural resources, safety, security and environmental protection, all of which may increase Occidental's costs or reduce the demand for its products; and

Ø refusal or delay in the extension or grant of exploration, development or production contracts.

Occidental may experience adverse consequences, such as risk of loss or production limitations, because certain of its foreign operations are located in countries occasionally affected by political instability, armed conflict, terrorism, insurgency, civil unrest, security problems, labor unrest, OPEC production restrictions, equipment import restrictions and sanctions. Exposure to such risks may increase if a greater percentage of Occidental's future oil and gas production comes from foreign sources.

Occidental faces risks associated with its acquisitions and divestitures.

Occidental's acquisition and divestiture activities carry risks that it may: (i) not fully realize anticipated benefits due to less-than-expected reserves or production or changed circumstances, such as product prices; (ii) bear unexpected integration costs or experience other integration difficulties; (iii) experience share price declines based on the market's evaluation of the activity; or (iv) assume or retain liabilities that are greater than anticipated.

Occidental's oil and gas reserves are based on professional judgments and may be subject to revision. Calculations of oil and gas reserves depend on estimates concerning reservoir characteristics and recoverability, including production decline rates and operating performance, as well as capital and operating costs. If Occidental were required to make unanticipated significant negative reserve revisions, its results of operations and stock price could be adversely affected.

Concerns about climate change may affect Occidental's operations.

There is an ongoing effort to assess and quantify the effects of climate change and the potential human influences on climate. The U.S. federal government and the states of California and New Mexico have adopted, and other jurisdictions are considering, legislation, regulations or policies that seek to control or reduce the production, use or emissions of "greenhouse gases" (GHG), to control or reduce the production or consumption of fossil fuels, and to increase the use of renewable or alternative energy sources. California's cap-and-trade program is moving into the implementation phase. The U.S. Environmental Protection Agency has begun to regulate certain GHG emissions from both stationary and mobile sources. The uncertain outcome and timing of existing and proposed international, national and state measures make it difficult to predict their business impact. However, Occidental could face risks of delays in development projects, increases in costs and taxes and reductions in the demand for and restrictions on the use of its products as a result of ongoing GHG reduction efforts.

Occidental's businesses may experience catastrophic events.

The occurrence of events, such as earthquakes, hurricanes, floods, well blowouts, fires, explosions, chemical releases, industrial accidents, physical or cyber attacks and other events that cause operations to cease or be curtailed, may negatively affect Occidental's businesses and the communities in which it operates. Third-party insurance may not provide adequate coverage or Occidental may be self-insured with respect to the related losses.

Other risk factors.

Additional discussion of risks related to oil and gas reserves estimation processes, price and demand, litigation, environmental matters, foreign operations, impairments, derivatives and market risks appears under the headings: "MD&A — Oil & Gas Segment — Proved Reserves" and "— Industry Outlook," "— Chemical Segment — Industry Outlook," "— Midstream, Marketing and Other Segment — Industry Outlook," "— Consolidated Results of Operations," "— Lawsuits, Claims and Other Contingencies," "— Environmental Liabilities and Expenditures," "— Foreign Investments," "— Critical Accounting Policies and Estimates," and "— Derivative Activities and Market Risk."

Item 1B Unresolved Staff Comments

Occidental has no unresolved SEC staff comments that have been outstanding more than 180 days at December 31, 2011.

Item 3 Legal Proceedings

For information regarding legal proceedings, see the information under the caption, "Lawsuits, Claims and Other Contingencies" in the MD&A section of this report and in Note 9 to the Consolidated Financial Statements.

Executive Officers

The current term of employment of each executive officer of Occidental will expire at the May 4, 2012, organizational meeting of the Board of Directors or when a successor is selected. The following table sets forth the executive officers of Occidental:

| Name | Age at February 23, 2012 | Positions with Occidental and Subsidiaries and Employment History |
|--------------------|--------------------------------|---|
| Stephen I. Chazen | 65 | Chief Executive Officer since 2011 and President since 2007; 2010-2011, Chief Operating Officer; 1999-2010, Chief Financial Officer; 2005-2007, Senior Executive Vice President; Director since 2010. |
| Dr. Ray R. Irani | 77 | Executive Chairman since 2011; 1990-2011, Chairman and Chief Executive Officer; 2005-2007, President; Director since 1984. |
| Donald P. de Brier | 71 | Executive Vice President, General Counsel and Secretary since 1993. |
| James M. Lienert | 59 | |

| | | |
|------------------------|----|--|
| William E. Albrecht | 60 | Executive Vice President and Chief Financial Officer since 2010; 2006-2010, Executive Vice President — Finance and Planning. Vice President since 2008; Occidental Oil and Gas Corporation (OOGC): President — Oxy Oil & Gas, Americas since 2011; OOGC: President — Oxy Oil & Gas, USA 2008-2011; 2007-2008, Vice President, California Operations; Noble Royalties, Inc.: 2006-2007, President of Acquisitions and Divestitures. |
| Edward A. "Sandy" Lowe | 60 | Vice President since 2008; OOGC: President — Oxy Oil & Gas, International Production since 2009; 2008-2009, Executive Vice President — Oxy Oil & Gas, International Production and Engineering; 2008, Executive Vice President — Oxy Oil & Gas, Major Projects; Dolphin Energy Ltd.: 2002-2007, Executive Vice President and General Manager. |
| Roy Pineci | 49 | Vice President, Controller and Principal Accounting Officer since 2008; 2007-2008, Senior Vice President, Finance — Oil and Gas; 2005-2007, Vice President — Internal Audit. |
| B. Chuck Anderson | 52 | President of Occidental Chemical Corporation since 2006. |

Part II

Item 5 Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Trading Price Range and Dividends

This section incorporates by reference the quarterly financial data appearing under the caption "Quarterly Financial Data (Unaudited)" after the Notes to the Consolidated Financial Statements and the information appearing under the caption "Liquidity and Capital Resources" in the MD&A section of this report. Occidental's common stock was held by 33,819 stockholders of record at December 31, 2011, and by approximately 475,000 additional stockholders whose shares were held for them in street name or nominee accounts. The common stock is listed and traded on the New York Stock Exchange. The quarterly financial data, which are included in this report after the Notes to the Consolidated Financial Statements, set forth the range of trading prices for the common stock as reported on the composite tape of the New York Stock Exchange and quarterly dividend information.

The quarterly dividends declared on the common stock were \$0.46 for all quarters of 2011 (\$1.84 for the year). On February 9, 2012, a quarterly dividend of \$0.54 per share was declared on the common stock, payable on April 15, 2012 to stockholders of record on March 9, 2012. The declaration of future dividends is a business decision made by the Board of Directors from time to time, and will depend on Occidental's financial condition and other factors deemed relevant by the Board.

Securities Authorized for Issuance under Equity Compensation Plans

All of Occidental's equity compensation plans for its employees and non-employee directors have been approved by the stockholders. The aggregate number of shares of Occidental common stock authorized for issuance under such plans was approximately 66 million as of December 31, 2011. The following is a summary of the securities reserved for issuance under such plans:

| a) | Number of securities to be issued upon exercise of outstanding options, warrants and rights | b) | Weighted-average exercise price of outstanding options, warrants and rights | c) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a)) |
|----|---|----|---|----|---|
| | 782,213 (1) | | \$26.34 | | 52,029,976 (2) |

(1) 20,403 shares reserved for issuance pursuant to deferred stock unit awards and 1,845 shares reserved for issuance as dividend equivalents on deferred stock unit awards; and

(2) Of these shares, depending on the type of award granted, approximately 8.8 million to 26.3 million shares were available at December 31, 2011 for grants of future awards. The number available is less than 52 million shares because a plan provision requires each share covered by an award (other than options and stock appreciation rights) to be counted as three shares against the number of shares available for future awards. Applying this provision to the remaining 52 million shares, approximately 26 million shares have been reserved for currently outstanding but unvested awards and for previously vested and issued shares. The available share number varies because options and stock appreciation rights reduce the shares remaining for future awards only by the number of shares issuable under the award (rather than three times that number). Failure of currently outstanding awards to vest would increase the shares available for future awards by three times the number of shares covered by such awards. For example, if all awards that are currently outstanding failed to vest, approximately 39 million shares would be available for grants of future awards.

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Share Repurchase Activities

Occidental's share repurchase activities for the year ended December 31, 2011, were as follows:

| Period | Total Number of Shares Purchased (a) | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs |
|-----------------------|--------------------------------------|------------------------------|--|--|
| First Quarter 2011 | 129,521 | \$ 103.07 | — | |
| Second Quarter 2011 | 264,560 | \$ 112.90 | — | |
| Third Quarter 2011 | 2,100,000 | \$ 77.57 | 2,100,000 | |
| October 1 - 31, 2011 | 564,772 | \$ 77.66 | 420,000 | |
| November 1 - 30, 2011 | 180,182 | \$ 95.69 | 70,000 | |
| December 1 - 31, 2011 | 80,000 | \$ 88.22 | 80,000 | |
| Fourth Quarter 2011 | 824,954 | \$ 82.62 | 570,000 | |
| Total 2011 | 3,319,035 | \$ 82.64 | 2,670,000 | 24,485,575 (b) |

(a) Includes shares purchased from the trustee of Occidental's defined contribution savings plan that are not part of publicly announced plans or programs.

(b) Occidental has had a 95 million share repurchase program authorized since 2008; however, the program does not obligate Occidental to acquire any specific number of shares and may be discontinued at any time.

Performance Graph

The following graph compares the yearly percentage change in Occidental's cumulative total return on its common stock with the cumulative total return of the Standard & Poor's 500 Stock Index (S&P 500) and with that of Occidental's peer groups over the five-year period ended on December 31, 2011. The graph assumes that \$100 was invested at the beginning of the five-year period shown in the graph below in (i) Occidental common stock, (ii) in the stock of the companies in the S&P 500 and (iii) in each of the current and prior peer group companies' common stock weighted by their relative market values within the respective peer groups and that all dividends were reinvested.

In 2011, Occidental revised its current peer group due to a significant decrease in market capitalization and restructuring of a previously included entity. Prior to the revision, Occidental's peer group consisted of Anadarko Petroleum Corporation, Apache Corporation, Canadian Natural Resources Limited, Chevron Corporation, ConocoPhillips, Devon Energy Corporation, EOG Resources Inc., ExxonMobil Corporation, Hess Corporation, Marathon Oil Corporation, Royal Dutch Shell plc and Occidental. Occidental's current peer group consists of Anadarko Petroleum Corporation, Apache Corporation, Canadian Natural Resources Limited, Chevron Corporation, ConocoPhillips, Devon Energy Corporation, EOG Resources Inc., ExxonMobil Corporation, Hess Corporation, Royal Dutch Shell plc, Total S.A. and Occidental.

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 12/31/06 | 12/31/07 | 12/31/08 | 12/31/09 | 12/31/10 | 12/31/11 |
| \$100 | | | | | |