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OCCIDENTAL PETROLEUM CORP /DE/
Form 11-K
June 25, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the fiscal year ended December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission file number: 1-9210

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

Occidental Petroleum Corporation Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office:

Occidental Petroleum Corporation
10889 Wilshire Boulevard
Los Angeles, California 90024

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Financial Statements and Supplemental Schedule

December 31, 2003 and 2002

(With Report of Independent Registered Public Accounting Firm Thereon)

WLA11036

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

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Report of Independent Registered Public Accounting Firm

Statements of Net Assets Available for Benefits - December 31, 2003 and 2002

Statements of Changes in Net Assets Available for Benefits - Years ended December 31, 2003 and 2002

Notes to Financial Statements

SCHEDULE

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) - December 31, 2003

Note: Supplemental schedules have been omitted because they are not applicable or are not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Occidental Petroleum Corporation

Pension and Retirement Plan Administrative Committee:

We have audited the accompanying statements of net assets available for benefits of the Occidental Petroleum Corporation Savings Plan (the Plan) as of December 31, 2003 and 2002 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2003 and 2002 and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, schedule H, line 4i - schedule of assets (held at end of year), is presented for purposes of additional analysis and is not a required part of the basic financial statements

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but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

s:/KPMG/

Los Angeles, California

May 21, 2004

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2003 and 2002

(Dollar amounts in thousands)

| ASSETS | 2003 |
|--|--------------|
| | ----- |
| Investments: | |
| At fair value: | |
| Cash and cash equivalents | \$ 10,900 |
| Common stocks | 508,632 |
| Mutual funds | 353,930 |
| Participant loans | 16,735 |
| Plan interest in Master Trust | 3,323 |
| At contract value: | |
| Guaranteed Investment Contract | 167,755 |
| | ----- |
| Total investments | 1,061,275 |
| | ----- |
| Receivables: | |
| Interest and dividends | 2,886 |
| Participant contributions | 1,561 |
| Employer contributions | 911 |
| Due from broker for securities sold | 195 |
| | ----- |
| Total receivables | 5,553 |
| | ----- |
| Total assets | 1,066,828 |
| | ----- |
| LIABILITIES | |
| Accrued expenses | 57 |
| Due to broker for securities purchased | 113 |
| | ----- |
| Total liabilities | 170 |
| | ----- |
| Net assets available for benefits | \$ 1,066,658 |
| | ===== |

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See accompanying notes to financial statements.

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2003 and 2002

(Dollar amounts in thousands)

| | 2003 |
|--|--------------|
| | ----- |
| Additions: | |
| Additions to net assets attributable to: | |
| Investment income (loss): | |
| Interest and dividend income | \$ 15,694 |
| Net appreciation (depreciation) in fair value of investments | 243,835 |
| Other income | 43 |
| | ----- |
| Total investment income (loss) | 259,572 |
| | ----- |
| Contributions: | |
| Participant | 38,549 |
| Employer | 22,479 |
| Participant rollover | 1,928 |
| | ----- |
| Total contributions | 62,956 |
| | ----- |
| Transfers from other plans | 1,553 |
| | ----- |
| Total additions | 324,081 |
| | ----- |
| Deductions: | |
| Deductions from net assets attributable to: | |
| Benefits paid to participants | 102,148 |
| Plan expenses | 1,148 |
| | ----- |
| Total deductions | 103,296 |
| | ----- |
| Net increase | 220,785 |
| | ----- |
| Net assets available for benefits: | |
| Beginning of year | 845,873 |
| | ----- |
| End of year | \$ 1,066,658 |
| | ===== |

See accompanying notes to financial statements.

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OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(1) DESCRIPTION OF THE PLAN

The following description of the Occidental Petroleum Corporation Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) GENERAL

The Plan is a defined contribution plan generally available to certain employees of Occidental Petroleum Corporation (OPC, Oxy, or the Employer), a Delaware corporation, and participating subsidiaries (collectively, the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

(b) PLAN ADMINISTRATION

The Plan is administered by the OPC Pension and Retirement Trust and Investment Committee (PARTAIC) as to investment decisions and by the OPC Pension and Retirement Plan Administrative Committee (PARPAC) as to all matters except investment decisions (these two committees are herein referred to collectively as the Committees). Members of the Committees are selected by the board of directors of OPC. The Committees have been given all powers necessary to carry out their respective duties, including, but not limited to, the power to administer and interpret the Plan and to answer all questions affecting eligibility of participants. The Northern Trust Company (the Trustee) is the trustee and custodian of a trust fund, which holds all of the assets of the Plan.

(c) CONTRIBUTIONS

Participant Contributions - Participants may contribute up to 15% of compensation (as defined) to the Plan on a before- or after-tax basis, or in any combination thereof, subject to certain Internal Revenue Code (IRC) limitations. Effective July 1, 2002, this deferral percentage limit was increased to 34% of compensation (as defined) for a non Highly Compensated Employee (HCE) and up to 14% for HCEs. Effective January 1, 2003, the deferral percentage limit for non-HCEs changed to 31%, and remained at 14% for HCEs. Effective January 1, 2003 and June 1, 2002, participants age 50 or older by December 31 at the end of the Plan year were permitted to contribute before-tax catch-up contributions to the Plan up to \$2,000 and \$1,000 for each Plan year, respectively.

Employer Contributions - For noncollective bargaining employees, the Company contributed 100% of a participant's contribution up to the first 6% of compensation. For collective bargaining employees, the Company contributed 50%, 75%, or 100% as negotiated by their respective unions, of the first 6% of eligible compensation that a participant contributed to the Plan. All Employer contributions are invested in the Occidental Petroleum Corporation Common Stock Fund

(the Oxy Stock Fund).

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(d) PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings, and charged with an allocation of administrative expenses and investment losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(e) VESTING

Participants are vested immediately in their contributions plus actual earnings thereon. Effective June 1, 2002, participants became 100% vested in dividends credited to their balance in the Company Matching Contribution Account under the Oxy Stock Fund on or after June 1, 2002. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. Generally, a participant is 20% vested for each year of service and is 100% vested after five years of credited service.

(f) PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of: (i) \$50,000 reduced by the highest outstanding loan balance during the preceding 12 months, (ii) 50% of their account balance, or (iii) a loan amount which would require payroll deductions for repayment equal to 25% of the participant's base compensation. Loan terms range from one to five years for general-purpose loans and six to ten years for primary residence loans. The loans are secured by the balance in the participant's account and bear interest at a fixed rate equal to the Western Federal Credit Union's loan rate for a loan secured by a member's deposit account at the time the loan is approved. Interest rates ranged from 3.0% to 7.0% on loans outstanding as of December 31, 2003. Principal and interest is paid ratably through monthly payroll deductions.

(g) DISTRIBUTIONS

Generally, on termination of service for any reason other than death, participants with an account balance greater than \$5,000 may elect to receive the vested portion of their account under one of the following distribution options: (i) one lump-sum payment, (ii) straight-life annuity, (iii) ten-year term certain annuity, (iv) joint and survivor annuity, (v) partial cash distribution, or (vi) deferral of payment with certain restrictions. Upon termination of service due to death,

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the beneficiary may elect to receive the vested interest in the form of (i), (ii), (iii), or (vi) only. A participant whose vested account balance is \$5,000 or less may receive distributions only under options (i), (v), or (vi). Participants may elect to receive distributions from their account balance in the Oxy Stock Fund in cash or in shares of OPC common stock.

(h) FORFEITED ACCOUNTS

Forfeited nonvested accounts are used to reduce Employer contributions. During 2003 and 2002, Employer contributions were reduced by approximately \$186,000 and \$286,000 from forfeited nonvested accounts, respectively. Unallocated forfeitures at December 31, 2003 and 2002 were not significant to the financial statements.

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OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(i) INVESTMENT OPTIONS

The Plan offers various investment options which are managed by several outside investment managers. Upon enrollment in the Plan, participants may direct their contributions, in 1% increments, in any of the investment options offered at the time. Participants may change their investment options daily. Participants should refer to the Plan fund description pamphlet for a complete description of the investment options and for the detailed composition of each investment fund.

(j) PLAN AMENDMENTS

Effective June 1, 2002, the Plan was amended to designate the Matching Account held under the Plan as an employee stock ownership plan and to allow participants the option to have dividends reinvested in the Oxy Stock Fund or distributed in the form of cash.

(k) PLAN MERGERS

Effective September 12, 2003, all accounts that would not be distributed from the Oxy Permian Savings Plan, which was terminated effective March 31, 2002, were merged into the Plan. Approximately \$1,553,000 was transferred into the Plan in September 2003.

Effective February 28, 2002, the Oxy Vinyls, LP Savings Plan was merged into the Plan. As a result of the merger, the Plan became a multiple-employer plan. In March 2003, Oxy Vinyls LP employees transferred to Oxy Vinyls Services, Inc. As a result, the Plan is no longer a multiple-employer plan.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

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The financial statements of the Plan are prepared under the accrual method of accounting. Certain reclassifications have been made to the 2002 financial statements to be consistent with the current year presentation.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(c) INVESTMENT VALUATION AND INCOME RECOGNITION

The Plan's investments are stated at fair value except for the investments in guaranteed investment contracts (fully benefit-responsive investment contracts) which are valued at contract value (notes 3 and 5). Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. Participant loans are valued at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

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OCCIDENTAL PETROLEUM CORPORATION SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

Realized gains and losses on investments are based on the market value of the asset at the beginning of the year or at the time of purchase for assets purchased during the year, and the related fair value on the day the investments are sold during the year. Unrealized gains and losses of investments are based on the market value of the assets at the beginning of the year or at the time of purchase for assets purchased during the year, and the related fair value at the end of the year. Net realized and unrealized appreciation (depreciation) in fair value of investments is reflected in the accompanying statement of changes in net assets available for benefits as "net appreciation (depreciation) in fair value of investments."

(d) PAYMENT OF BENEFITS

Benefits are recorded when paid.

(e) RISKS AND UNCERTAINTIES

The Plan invests in various types of investment securities, including mutual funds, actively managed funds, and the Oxy Stock Fund. Investment securities are exposed to various risks, such as interest

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rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Additionally, many mutual funds invest in the securities of foreign companies, which involves special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than similar types of securities of comparable U.S. companies.

Derivative financial instruments are used by the Plan's equity and fixed-income investment managers to remain fully invested in the asset class and to hedge currency risk. Leveraging of the Plan assets and speculation are prohibited.

As of December 31, 2003 and 2002, approximately 43% and 39% of total Plan investments, respectively, were invested in the Oxy Stock Fund.

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(3) INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets (dollar amounts in thousands):

| | DECEMBER 31 | |
|------------------------------------|--------------|---------|
| | 2003 | 2002 |
| | ----- | ----- |
| Oxy Stock Fund* | \$ 457,576 | 330,778 |
| Invesco Fixed Income Fund | 167,755 | 185,199 |
| Vanguard S&P 500 Index Fund | 169,976 | 132,416 |
| Dodge & Cox US Balanced Fund | 60,447 | 45,560 |
| Fidelity Magellan Large Cap I Fund | 51,251 ** | 44,594 |
| All other investments less than 5% | 154,270 | 102,486 |
| | ----- | ----- |
| Total investments | \$ 1,061,275 | 841,033 |
| | ===== | ===== |

* Participant- and nonparticipant-directed.

** This amount represents less than 5% of the Plan's net assets at December

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31, 2003.

During 2003 and 2002, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by approximately \$243,835,000, and \$(48,343,000), respectively, as follows (dollar amounts in thousands):

| | 2003 | 2002 |
|--------------------------|------------|----------|
| | ----- | ----- |
| Common stocks | \$ 164,188 | 11,281 |
| Mutual funds | 79,080 | (59,417) |
| Interest in master trust | 567 | (207) |
| | ----- | ----- |
| | \$ 243,835 | (48,343) |
| | ===== | ===== |

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(4) OXY STOCK FUND

Information regarding the net assets and the significant components of the changes in net assets relating to the Oxy Stock Fund, which includes both participant- and nonparticipant-directed investments is as follows (dollar amounts in thousands):

| | DECEMBER 31 | |
|------------------------|------------------------|-------|
| | 2003 | 2002 |
| | ----- | ----- |
| Net assets: | | |
| Oxy Stock Fund | \$ 457,576 | 330 |
| | ----- | ----- |
| | YEAR ENDED DECEMBER 31 | |
| | 2003 | 2002 |
| | ----- | ----- |
| Changes in net assets: | | |
| Contributions | \$ 24,724 | 26 |
| Investment income | 11,415 | 11 |

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| | | |
|---|------------|-------|
| Net appreciation in fair value of investments | 149,051 | 20 |
| Transfers between funds | (13,557) | (9) |
| Benefits paid to participants | (44,745) | (36) |
| Administrative expenses | (90) | |
| Transfer from other plan | -- | 44 |
| | ----- | ----- |
| | \$ 126,798 | 57 |
| | ===== | ===== |

(5) GUARANTEED INVESTMENT CONTRACTS

The Invesco Fixed-Income Fund (the Fund) includes investments in guaranteed investment contracts (GICs) and synthetic GICs. Both the Plan and the OPC Retirement Plan are invested in the Fund, managed by Invesco. The Plan's investment in the Fund is 41.45% and 40.64% at December 31, 2003 and 2002, respectively. The Plan's investments in GICs are included in the statements of net assets available for benefits at contract value (which represents contributions made under the contract plus earnings, less withdrawals and administrative expenses) because they are fully benefit responsive. For example, participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Withdrawals resulting from events initiated by the Company, such as Plan termination, are not typically considered participant-initiated transactions. With such an event, some of the contracts contain contingencies that could lead to withdrawal penalties. However, since no such events are being contemplated at this time or the withdrawals resulting from such an event will be funded outside the contracts' provisions, these "potential" limitations do not jeopardize the contract value reporting for these investments.

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OCCIDENTAL PETROLEUM CORPORATION
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Notes to Financial Statements

December 31, 2003 and 2002

Contract value for the synthetic GICs is determined based on the fair value of the assets underlying the synthetic GICs. The difference between the fair value of the assets underlying the synthetic GICs and the contract value of the GICs is the value of the "wrapper" contract issued by a third party. The fair value for GICs varies based on the type of contract held (e.g., security-backed investments and general account investments). Fair value of the general account investment type GICs is derived by comparing the contract value, on a duration basis, to the yield curve. Fair value of the nonparticipating synthetic GICs is determined by comparing each contract, on a duration basis, to a Treasury yield curve at year-end, plus 40 basis points. Fair value for security-backed investment contracts was derived from outside sources, based on the type of investment held.

GICs provide a fixed crediting interest rate, and a financially responsible entity guarantees liquidity at contract value prior to maturity for any and all participant-initiated benefit withdrawals, loans, or transfers arising under the terms of the Plan, which allows access for all participants.

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Synthetic GICs operate similarly to a separate account guaranteed investment contract, except that the assets are placed in a trust with ownership by the Plan rather than a separate account of the issuer and a financially responsible third party issues a wrapper contract that provides that participants can, and must, execute Plan transactions at contract value.

Inasmuch as trust assets are owned by the Plan, the wrapper contract and the assets in trust are separately valued and disclosed. The wrapper contract is valued at the difference between the fair value of the trust assets and the contract value attributable by the wrapper to such assets. When considered together, the trust assets and the wrapper contract are reported at the wrapper contract value because participants are guaranteed return of principal and accrued interest.

During 2003 and 2002, the average yield earned on amounts invested in the GICs was 4.69% and 5.52%, respectively. As of December 31, 2003 and 2002, the average crediting interest rate on such contracts was 4.73% and 4.97%, respectively. There were no valuation reserves recorded to adjust contract amounts during the Plan years. Crediting rate resets are applied to specific investment contracts, as determined at the time of purchase. The reset values for security-backed investment rates are a function of contract value,

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

market value, yield, and duration. General account investment rates are based on a predetermined index rate of return, plus a fixed-basis point spread. The following is a reconciliation between the contract value and the fair value of the GICs at December 31, 2003 (dollar amounts in thousands):

| | DURATION (YEARS) | CREDITING INTEREST RATE PERCENTAGE |
|---------------------------------|---------------------|---|
| | ----- | ----- |
| Security-backed investments: | | |
| INVESCO Group Trust: | | |
| Bank of America NT & SA | 1.93 | 5.28% |
| ING Life Ins & Ann Co. | 2.46 | 4.22 |
| JP Morgan Chase | 3.65 | 4.48 |
| Metropolitan Life | 2.46 | 5.53 |
| Monumental Life Ins. Co. #00285 | 0.08 | 1.53 |
| Monumental Life Ins. Co. #00595 | 4.49 | 5.83 |
| State Street Bank | 3.65 | 4.51 |
| UBS AG | 1.93 | 4.98 |

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| | | |
|--|------|------|
| Total INVESCO Group Trust | | |
| Separate account: | | |
| John Hancock Life Insurance | 1.93 | 5.80 |
| Total separate accounts | | |
| Total nonsynthetic security-backed investments | | |
| Synthetics: | | |
| ING Life Insurance & Annuity Co. | 1.90 | 2.99 |
| Total synthetics | | |
| General account investments: | | |
| Monumental Life Insurance Co. | 2.43 | 5.05 |
| SunAmerica Life Insurance Co. | 0.01 | 7.97 |
| IRT Stable Value Fund | 2.98 | 3.74 |
| Total general account investments | | |
| Short-term investment fund: | | |
| Northern Trust Company | | |
| Total guaranteed investment contracts | | |
| Less synthetic wrappers | | |
| Less difference between the fair value and contract values on the nonsynthetic GICs | | |
| Add difference between the fair value and contract values on the IRT Stable Value Fund | | |
| Total contract value of guaranteed investment contracts | | |

- 1 The difference of \$6,091,000 between the fair value and the contract value of the guaranteed investment contracts is due to the security-backed investments and general account investments that do not have synthetic wrappers associated with them.

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

The following is a reconciliation between the contract value and the fair value of the GICs at December 31, 2002 (dollar amounts in thousands):

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| | DURATION (YEARS) | CREDITING INTEREST RATE PERCENTAGE |
|---|---------------------|---|
| | ----- | ----- |
| Security-backed investments: | | |
| INVESCO Group Trust: | | |
| Monumental Life Insurance Co. | 0.25 | 1.60% |
| Allstate Life Insurance Co. | 3.53 | 5.66 |
| Monumental Life Insurance Co. | 4.00 | 5.36 |
| Bank of America NT & SA | 2.15 | 3.86 |
| ING Life Insurance & Annuities Co. | 2.20 | 2.49 |
| Total INVESCO Group Trust | | |
| Separate account: | | |
| John Hancock Life Insurance | 3.50 | 5.64 |
| Total separate account | | |
| Total nonsynthetic security-backed investments | | |
| Synthetics: | | |
| JP Morgan Chase Bank | 2.14 | 6.07 |
| Metropolitan Life Insurance Co. | 2.64 | 5.74 |
| Monumental Life Insurance Co. | 1.75 | 5.80 |
| State Street Bank & Trust | 1.84 | 4.61 |
| UBS AG | 2.98 | 6.43 |
| Total synthetics | | |
| General account investments: | | |
| John Hancock Life Insurance | | |
| SunAmerica Life Insurance Co. | | |
| IRT Stable Value Fund | | |
| Total general account investments | | |
| Short-term investment fund: | | |
| Northern Trust Company | | |
| Total guaranteed investment contracts | | |
| Less synthetic wrappers | | |
| Less difference between the fair value and contract values on the nonsynthetic GICs | | |
| Add difference between the fair value and contract values on the IRT Stable Value Fund | | |
| Total contract value of guaranteed investment contracts | | |

2 The difference of \$3,228,000 between the fair value and the contract value of the guaranteed investment contracts is due to the security-backed investments and general account investments that do not have synthetic wrappers associated with them.

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(6) INVESTMENT IN MASTER TRUST

The Plan's investment assets include a convertible bond fund in which other plans also invest. This convertible bond fund is managed by Advent Capital Management and is one of the master trust investment accounts (Advent MTIA) in the OPC Master Retirement Trust. At December 31, 2003 and 2002, the Plan's investment in the assets of Advent MTIA represented an individual interest of approximately 15% and 10%, respectively.

The following table presents the aggregate fair value of investments held by, and investment income earned by, the Advent MTIA, in which the Plan owns an undivided interest, as stated above (dollar amounts in thousands):

| | DECEMBER 31, |
|---|--------------|
| | 2003 |
| Investments at fair value as determined by quoted market price: | |
| Common/collective trust | \$ -- |
| Preferred stock | 6,974 |
| Corporate bonds | 15,713 |
| | ----- |
| | \$ 22,687 |
| | ===== |
| | YEAR ENDED |
| | 2003 |
| Investment income (loss): | |
| Net appreciation (depreciation) in fair value of investments: | |
| Common stock | \$ -- |
| Preferred stock | 1,209 |
| Corporate bonds | 2,827 |
| | ----- |
| | 4,036 |
| Income from common/collective trust | -- |
| Interest and dividends | 710 |
| Less investment expenses | (171) |
| | ----- |
| | \$ 4,575 |
| | ===== |

(7) RELATED PARTY TRANSACTIONS

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The Trustee and OPC are parties in interest as defined by ERISA. The Trustee invests certain plan assets in its Collective Short-Term Investment Fund and the OXY Stock Fund. Such transactions qualify as party-in-interest transactions permitted by the Department of Labor regulations. Expenses paid by the Plan to the Trustee for the years ended December 31, 2003 and 2002 were insignificant.

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OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Notes to Financial Statements

December 31, 2003 and 2002

(8) PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their Employer contributions.

(9) TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated February 24, 2003, that the Plan and related trust are designed in accordance with applicable sections of the IRC. However, the Committees, using their judgment and the advice of their advisors, believe that the Plan is currently designed and operating in a manner that preserves its tax-qualified status.

(10) RECONCILIATION OF THE FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 (dollar amounts in thousands):

| | 2003 |
|--|--------------|
| | ----- |
| Net assets available for benefits per the financial statements | \$ 1,066,658 |
| Amounts allocated to withdrawing participants | (762) |
| | ----- |
| Net assets available for benefits per the Form 5500 | \$ 1,065,896 |
| | ===== |

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the years ended December 31, 2003 and 2002 (dollar amounts in thousands):

2003

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| | | |
|---|----|---------|
| Benefits paid to participants per the financial statements | \$ | 102,148 |
| Amounts allocated to withdrawing participants at December 31, 2003 | | 762 |
| Amounts allocated to withdrawing participants at December 31, 2002 | | (4,205) |
| Amounts allocated to withdrawing participants at December 31, 2001 | | -- |
| Benefits paid to participants per the Form 5500 | \$ | 98,705 |

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit payments that have been processed and approved for payment prior to December 31, but are not yet paid as of that date.

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(Continued)

SCHEDULE 1

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2003

(Dollar amounts in thousands)

| (a) | (b) | (c) |
|------------------|---|---|
| RELATED PARTY | IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION |
| ----- | | |
| | Cash and cash equivalents | |
| | Common Stock: | |
| | ABM Industries Inc. | Common Stock, 21,800 shares |
| | Adaptec Inc. | Common Stock, 45,700 shares |
| | ADC Telecommunications Inc. | Common Stock, 126,000 shares |
| | ADR Aventis SA Sponsored ADR | Common Stock, 1,500 shares |
| | Alexander & Baldwin Inc. | Common Stock, 5,400 shares |
| | Altria Group Inc. (fka Phillip Morris) | Common Stock, 4,500 shares |
| | Amer Elec Pwr Co.Inc. | Common Stock, 15,310 shares |
| | Amer Natl Ins Co. | Common Stock, 3,800 shares |
| | American Axle & Mfg Holdings Inc. | Common Stock, 15,900 shares |
| | Andrew Corp. | Common Stock, 45,500 shares |
| | Arkansas Best Corp. | Common Stock, 15,100 shares |
| | Arrow Electr Inc. | Common Stock, 6,300 shares |
| | Arvinmeritor Inc. | Common Stock 24,800 shares |
| | Aspen Ins Holding Ltd | Common Stock 2,500 shares |
| | Astoria Financial Corp. | Common Stock 13,500 shares |

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| | |
|--------------------------------------|-----------------------------|
| Avnet Inc. | Common Stock, 20,126 shares |
| Aztar Corp. | Common Stock, 23,975 shares |
| BK Amer Corp. | Common Stock, 8,500 shares |
| Black Box Corp. | Common Stock, 13,200 shares |
| Borg Warner Inc. | Common Stock, 5,500 shares |
| Bowie & Co.Inc. | Common Stock, 36,400 shares |
| Bristol Meyers Squib Co | Common Stock, 6,400 shares |
| Brunswick Corp. | Common Stock, 7,150 shares |
| Burl Northn Santa Fe Corp. | Common Stock, 14,500 shares |
| C&D Technologies Inc. | Common Stock, 21,000 shares |
| ChevronTexaco Corp. | Common Stock, 1,000 shares |
| Caesars Entertainment Inc. | Common Stock, 21,800 shares |
| Chubb Corp. | Common Stock, 7,000 shares |
| Citigroup Inc. | Common Stock, 8,200 shares |
| Community BK System Inc. | Common Stock, 3,600 shares |
| Comcast Corp. | Common Stock, 12,100 shares |
| Coml Fed Corp. | Common Stock, 24,000 shares |
| Coml Metals Co. | Common Stock, 30,000 shares |
| Conmed Corp. | Common Stock, 18,600 shares |
| Conocophillips | Common Stock, 12,659 shares |
| Cooper Ind Inc. | Common Stock, 4,800 shares |
| Cooper Tire & Rubber Co. | Common Stock, 12,300 shares |
| Corn Prods Intl Inc. | Common Stock, 12,900 shares |
| Crompton Corp. | Common Stock, 95,400 shares |
| CSX Corp. | Common Stock, 10,800 shares |
| CTS Corp. | Common Stock, 42,600 shares |
| Deluxe Corp. | Common Stock, 14,800 shares |
| Dollar Thrifty Automotive Group Inc. | Common Stock, 17,000 shares |
| Du Pont E I De Nemours & Co. | Common Stock, 1,409 shares |
| Duane Reade Inc. | Common Stock, 4,900 shares |
| Esterline Technologies Corp. | Common Stock, 24,200 shares |
| Fed Dept Stores Inc. Del | Common Stock, 4,600 shares |
| Felcor Lodging Tr Inc. Com | Common Stock, 22,000 shares |
| FHLMC | Common Stock, 3,400 shares |
| Fleetboston Finl Corp. | Common Stock, 6,100 shares |
| Flextronics Intl Ltd | Common Stock, 18,400 shares |

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(Continued)

SCHEDULE 1-2

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2003

(Dollar amounts in thousands)

| (a) | (b) | (c) |
|------------------|---|---|
| RELATED PARTY | IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION |
| ----- | ----- | ----- |

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| | |
|----------------------------------|---------------------------------|
| Flowserve Corp. | Common Stock, 13,800 shares |
| FMC Corp. | Common Stock, 19,100 shares |
| FNMA | Common Stock, 3,525 shares |
| Foot Locker Inc. | Common Stock, 21,200 shares |
| Frontier Oil Corp. | Common Stock, 3,500 shares |
| Gardner Denver Inc. | Common Stock, 22,900 shares |
| General Electric Co. | Common Stock, 8,700 shares |
| Genlyte Group Inc. | Common Stock, 4,800 shares |
| Genuine Parts Co. | Common Stock, 9,350 shares |
| Glaxo Smithkline Spons Adr | Common Stock, 10,500 shares |
| Golden W. Fncl Corp. | Common Stock, 1,700 shares |
| Graftech Intl Ltd | Common Stock, 41,300 shares |
| Group 1 Automotive Inc. | Common Stock, 15,500 shares |
| Harleysville Group Inc. | Common Stock, 10,250 shares |
| HarsCo.Corp. | Common Stock, 7,100 shares |
| Hewlett Packard Co. | Common Stock, 36,300 shares |
| Hexcel Corp. | Common Stock, 15,100 shares |
| Hughes Sup Inc. | Common Stock, 13,900 shares |
| Ingram Micro Inc. | Common Stock, 11,575 shares |
| JLG Inds Inc. | Common Stock, 27,100 shares |
| Kellwood Co. | Common Stock, 12,000 shares |
| Kemet Corp. | Common Stock, 12,200 shares |
| Koger Equity Inc. | Common Stock, 25,100 shares |
| Kroger Co. | Common Stock, 5,200 shares |
| Lear Corp. | Common Stock, 6,200 shares |
| Lehman Bros Hldgs Inc. | Common Stock, 7,175 shares |
| Lincoln Elec Hldgs Inc. | Common Stock, 12,700 shares |
| Lubrizol Corp. | Common Stock, 6,000 shares |
| Magna Intl Inc. | Common Stock, 1,700 shares |
| May Dept Stores Co. | Common Stock, 7,250 shares |
| MeadwestvaCo.Corp. | Common Stock, 11,464 shares |
| Metlife Inc. | Common Stock, 11,200 shares |
| Modine Mfg Co. | Common Stock, 21,100 shares |
| Moog Inc. | Common Stock, 7,800 shares |
| Natl Cy Corp. | Common Stock, 8,900 shares |
| New Century Financial Corp. | Common Stock, 15,800 shares |
| Norfolk Southn Corp. | Common Stock, 26,300 shares |
| Nortel Networks Corp. | Common Stock, 90,900 shares |
| Northeast Utilities | Common Stock, 23,500 shares |
| Nu Skin Enterprises Inc. | Common Stock, 33,400 shares |
| ** ***Occidental Petroleum Corp. | Common Stock, 10,595,054 shares |
| Office Depot Inc. | Common Stock, 11,000 shares |
| Orbital Sciences Corp. | Common Stock, 50,500 shares |
| Pacificare Health System Inc. | Common Stock, 7,600 shares |
| Partnerre Hldg Ltd | Common Stock, 1,500 shares |
| Peabody Energy Corp. | Common Stock, 17,300 shares |
| Penn Engr & Mfg Corp. | Common Stock, 36,100 shares |
| Pepsico Inc. | Common Stock, 5,900 shares |
| PFF BanCorp. Inc. | Common Stock, 6,700 shares |
| Pfizer Inc. | Common Stock, 20,130 shares |
| Phillips Van Heusen Corp. | Common Stock, 24,300 shares |
| Pnm Res Inc. | Common Stock, 20,500 shares |
| Post Pptys Inc. Reit | Common Stock 19,000 shares |
| PPL Corp. | Common Stock, 10,500 shares |

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SCHEDULE 1-3

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2003

(Dollar amounts in thousands)

| (a) | (b) | (c) |
|------------------|---|---|
| RELATED PARTY | IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION |
| | Prime Hospitality Corp. | Common Stock, 53,300 shares |
| | Pulte Homes Inc. | Common Stock, 4,700 shares |
| | Quanex Corp. | Common Stock, 14,300 shares |
| | Qwest Communications Intl Inc. | Common Stock, 70,100 shares |
| | Readers Digest Assn Inc. | Common Stock, 30,300 shares |
| | Regal Beloit Corp. | Common Stock, 25,000 shares |
| | Reliance Stl & Alum Co. | Common Stock, 17,000 shares |
| | Renaissance Real Estate Holding Ltd | Common Stock, 4,000 shares |
| | Rock-Tenn Co. | Common Stock, 37,000 shares |
| | RTI Intl Metals Inc. | Common Stock, 44,000 shares |
| | Russ Berrie & Co. Inc. | Common Stock, 3,300 shares |
| | Safeway Inc. | Common Stock, 17,900 shares |
| | Sanmina-Sci Corp. | Common Stock, 14,300 shares |
| | SBS Technologies Inc. | Common Stock, 18,400 shares |
| | Schweitzer-Mauduit Intl Inc. | Common Stock, 14,100 shares |
| | Seacor Hldgs Inc. | Common Stock, 15,700 shares |
| | Sears Roebuck & Co. | Common Stock, 3,900 shares |
| | Smurfit-Stone Container Corp. | Common Stock, 14,800 shares |
| | Solectron Corp. | Common Stock, 26,725 shares |
| | Sonic Automotive Inc. | Common Stock, 30,000 shares |
| | Sprint Corp. (Fon Group) | Common Stock, 13,900 shares |
| | Sprint Corp. PCS | Common Stock, 30,000 shares |
| | Summit Ppty Inc. | Common Stock, 23,000 shares |
| | Tech Data Corp. | Common Stock, 4,900 shares |
| | Tellabs Inc. | Common Stock, 33,500 shares |
| | Terex Corp. | Common Stock, 33,500 shares |
| | Tesoro Pete Corp. | Common Stock, 15,700 shares |
| | Textron Inc. | Common Stock, 10,100 shares |
| | Thomas & Betts Corp. | Common Stock, 2,000 shares |
| | Torchmark Corp. | Common Stock, 5,300 shares |
| | Travelers Ppty Cas Corp. | Common Stock, 22,300 shares |
| | Tx Inds Inc. | Common Stock, 18,500 shares |
| | Unisource Energy Corp. | Common Stock, 22,300 shares |
| | Universal Corp. VA | Common Stock, 10,800 shares |
| | Universal Health Services Inc. | Common Stock, 7,700 shares |
| | URS Corp. New | Common Stock, 13,300 shares |
| | USF Corp. | Common Stock, 16,900 shares |
| | V F Corp. | Common Stock, 1,400 shares |
| | Valero Energy Corp. | Common Stock, 13,400 shares |
| | Vishay Intertechnology Inc. | Common Stock, 31,200 shares |
| | Wa Mut Inc. | Common Stock, 8,700 shares |
| | Wachovia Corp. | Common Stock, 10,000 shares |

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| | |
|----------------------|-----------------------------|
| Wash Fed Inc. | Common Stock, 14,300 shares |
| Westin Digital Corp. | Common Stock, 44,800 shares |
| Whirlpool Corp. | Common Stock, 2,250 shares |
| Wolverine Tube Inc. | Common Stock, 17,000 shares |
| WPS Res Corp. | Common Stock, 4,200 shares |
| Wyeth Com | Common Stock, 4,600 shares |
| Zale Corp. | Common Stock, 9,300 shares |

Total Common Stock

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(Continued)

SCHEDULE 1-4

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2003

(Dollar amounts in thousands)

| (a) | (b) | (c) |
|------------------|--|---|
| RELATED PARTY | IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION |
| ----- | ----- | ----- |
| | Participant Loans: | |
| ** | 1,664 participant loans, various maturities, interest rates range from 3.0% - 7.0%, balances collateralized by participant account | |
| | Guaranteed Investment Contracts: | |
| | Invesco Fixed-Income Fund: | |
| | Collective Short-Term Investment Fund | Maturity 1/1/04, Yield 0.99% |
| | John Hancock Life Insurance | #9698, Yield 5.80% |
| | IRT Stable Value Fund | #20949-087, Yield 3.74% |
| | Monumental Life Ins Co. Contract | #SV-04253Q, Yield 5.05% |
| | SunAmerica | Maturity 1/2/04, Yield 7.97% |
| | Bank of America | #01-204, Yield 5.28% |
| | ING Life Ins & Ann Co. Contract | #60032, Yield 4.22% |
| | JP Morgan Chase | #429939-MIA, Yield 4.48% |
| | Metropolitan Life Ins Co. | #28821, Yield 5.53% |
| | Monumental Life Ins Co. | #00285TR, Yield 1.53% |
| | Monumental Life Ins Co. | #00595TR, Yield 5.83% |
| | State Street Bank | #103093, Yield 4.51% |
| | UBS AG | #5152, Yield 4.98% |
| | ING Life Ins & Ann Co. Contract | |
| | Cash | -- |
| | AB Retail Credit Card | Maturity 10/15/09, Yield 6.70% |

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| | |
|-------------|--------------------------------|
| US Treasury | Maturity 11/15/07, Yield 3.00% |
| US Treasury | Maturity 11/15/05, Yield 5.75% |
| US Treasury | Maturity 11/15/06, Yield 2.63% |

| | |
|---|---|
| ING Life Insurance & Annuity Co. Wrapper | Underlying Assets Synthetic Wrapper Agreement Total Contract Value of ING Life Insurance & Annuity Co. Total Guaranteed Investment Contracts |
|---|---|

18 (Continued)

SCHEDULE 1-5

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2003

(Dollar amounts in thousands)

| (a) | (b) | (c) |
|------------------|--|---|
| RELATED PARTY | IDENTITY OF ISSUER, BORROWER, LESSOR, OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR, MATURITY VALUE, OR DURATION |
| ----- | | |
| | Mutual Funds: | |
| | MFO Cmg Hi Yield Fd | 374,846 shares |
| | MFO Dodge & Cox Balanced Fd | 827,592 shares |
| | MFO Fidelity Magellan Fd Inc Open End Fd | 524,363 shares |
| | MFO Hbr Fd Cap Appreciation Fd | 552,963 shares |
| | MFO Pimco Fds Pac Invt Mgmt Ser | 1,062,597 shares |
| | MFO Putnam Intl Growth Fd | 740,350 shares |
| | MFO Vanguard Emp Benefit Index Fd | 1,786,771 shares |
| | MFO Vanguard Index Tr Mid-Cap Index Fd | 257,069 shares |
| | MFO Vanguard Specialized Portfolios | 195,526 shares |
| | | Total Mutual Fund |
| | Plan Interest in Master Trust: Advent Unit Master Trust | |
| | | Total |

- * Cost information omitted for participant directed investment.
- ** Party-in-interest investment.
- *** Includes nonparticipant-directed investments. No investment transactions exceeded 5% of the Plan's net assets.

See accompanying report of independent public accounting firm.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

OCCIDENTAL PETROLEUM CORPORATION
SAVINGS PLAN

By s:/Samuel P. Dominick, Jr./

Samuel P. Dominick, Jr. - Member of the
Occidental Petroleum Corporation
Pension and Retirement Plan Administrative Committee

Dated: June 23, 2004

EXHIBIT INDEX

| Exhibit No. | Exhibit |
|----------------|--|
| 23.1 | Consent of Independent Registered Public Accounting Firm |