IMPORTANT PSA CHANGES

Oxy Stock Fund to Reopen
March 31, 2007

In order to provide participants flexibility, while encouraging prudent diversification, beginning on March 31, 2007, the Oxy Stock Fund will reopen to employee contributions (including before-tax, after-tax and rollover) and balance transfer amounts from other investment funds in the PSA as described below:

**Employee Account** - You can elect to invest up to 55% of your future employee contributions in the Oxy Stock Fund.

**Employee Account Transfers** - You can transfer amounts from other investment funds into the Oxy Stock Fund on any trading day. Transfers into the Oxy Stock Fund will be limited to 55% of the amounts transferred.

**Company Match Account Transfers** - If you have company match account balances in other investment funds, you can transfer amounts back into the Oxy Stock Fund on any trading day. Transfers into the Oxy Stock Fund will be limited to 55% of the amount transferred.

Additional Changes Coming June 1

On June 1, 2007, the current PSA Diversification Transfer screen on the OxyLink website will be combined with the PSA Fund Transfer screen so that you can manage investment of your entire PSA account balance in one place. **Beginning June 1, transfers into the Oxy Stock Fund will be limited to 55% of your total PSA account balance.** If, at the time you request a transfer, your balance in the Oxy Stock Fund (both employee and company match accounts) exceeds 55% of your total PSA account balance, you will not be able to transfer additional amounts from other investment funds into the Oxy Stock Fund at that time.

NEED HELP MAKING INVESTMENT DECISIONS? TRY FINANCIAL ENGINES®

Developed by a Nobel Prize-winning economist and a team of leading software and finance experts, Financial Engines is a popular web-based investment planning service available to all current employees. Oxy pays the full cost for this confidential service, which can provide you with specific personalized, unbiased investment recommendations for your Oxy retirement and savings plan balances, as well as many of your family’s other personal investments.

Financial Engines is an impartial investment advisor not affiliated with any brokerage or mutual fund company. When you log on through OxyLink’s secured site, all of your current Oxy plan balances and investment choices are automatically updated. You provide additional information such as your desired retirement age and income, and, using your personal tolerance for risk, Financial Engines will calculate the likelihood of achieving your goals – and if changes are needed, it will also suggest an action plan for you. It can also offer investment advice for your other savings goals such as saving for college or a vacation home.

Remember, you’re never too young or too old to start planning for your financial future. We encourage you to take advantage of this helpful service.

To make changes to your PSA investment elections, log on to oxylink.oxy.com, select Employee Self Service > Link to PSA/PRA Info > Investment Changes, then select:

- PSA Future Inv Chg (for future employee contributions),
- PSA Fund Transfer (for employee account balances), or
- PSA Diversification Transfer (for company match account balances)

To access Financial Engines, select Employee Self Service > Link to PSA/PRA Info > Financial Engines.

The PSA information contained in this newsletter constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.
PSA/PRA QUARTERLY STATEMENTS

Beginning with the quarter ending March 31, 2007, Oxy will again provide quarterly paper statements that reflect your PSA and PRA investment activity and balances since the last statement. You should receive your 1st quarter statement by the end of May. Online statements will continue to be available at any time.

PSA/PRA FUND INFORMATION UPDATE

The enclosed pamphlet entitled PSA/PRA Fund Descriptions – a Comparison of Your Investment Options in the PSA and PRA contains updated information about the funds and past performance information through December 31, 2006. In addition, it contains other useful information including each fund’s risk/return characteristics, investment objectives, fund manager information and current management fees.

Also enclosed are updated fund description pamphlets that contain additional information about the PSA and PRA investment funds.

To view current month-to-date and year-to-date rates of return and historical PSA and PRA fund performance information, log on to the OxyLink website at oxylink.oxy.com (select Employee Self Service > Link to PSA/PRA Information > Current Rate of Return or Historical Rate of Return).

It is up to you to decide how to invest your employee contributions to the PSA and Oxy's contributions to the PRA and PSA. All investments involve the risk of loss as well as the possibility of gain. Please remember that historical performance does not indicate the future performance of any investment fund. Performance depends on a number of variables including future performance of the stock of OPC and other companies in which the fund managers invest, and the actual time frame of the investment.

REMINDER ABOUT FUND TRANSFER FEES

In any calendar year, you may make up to 12 PSA and 12 PRA fund transfer requests free of charge. For each additional fund transfer you request (under each plan) above 12 in a calendar year, a $10 fund transfer fee is deducted from your plan balance and used to help pay for plan administrative expenses.

Under the PSA, each regular fund transfer of employee monies and each ESOP diversification transfer of matching company monies count as separate requests even if they are requested at the same time. For example, if you make 9 regular fund transfers and 3 ESOP transfers through October 31, you would have 12 year-to-date transfers, and you would then pay the $10 fee for each additional regular or ESOP transfer you make under the PSA through the end of the year. The separate ESOP transfer fee will go away when the PSA Diversification Transfer screen is combined with the PSA Fund Transfer screen on June 1, 2007.

HIPAA PRIVACY NOTICE

Oxy is required to periodically remind participants in the health plans shown below that the HIPAA Notice of Privacy Practices is available on request by phone or online through OxyLink.

To access the Notice online, log on to oxylink.oxy.com and select Forms, Publications & Info > Health, Life & Disability > HIPAA Privacy Notice. If you are unable to print it, you may call OxyLink at 800-699-6903 from 8:30 A.M. to 5:00 P.M. (Central Time) weekdays and ask an OxyLink representative to mail a copy to you.

The Oxy health plans subject to HIPAA notification are the following: Occidental Petroleum Corporation Welfare Plan, Occidental Petroleum Corporation Health Promotion Plan, Occidental Chemical Corporation Medical Plan, Occidental Chemical Corporation Dental Assistance Plan, Occidental Chemical Corporation Pretax Premium Plan, Occidental Chemical Corporation Special Welfare Plan for North Tonawanda Hourly Employees, Occidental Chemical Corporation Special Welfare Plan for North Tonawanda Salaried Employees, Blue Cross-Blue Shield Plan for Hourly Employees of Occidental Chemical Corporation at Niagara Falls, Blue Cross-Blue Shield Plan for Hourly Employees of Occidental Chemical and Plastics Corporation - North Tonawanda, Group Insurance Plan for Petrolia Hourly Employees.

The company expects and intends to continue its benefit plans but does not guarantee any specific level of benefits or the continuation of any benefit plan during any periods of active employment, inactive employment, disability or retirement. Benefits are provided solely at the company’s discretion and do not create a contract of employment. The company reserves the right to modify, suspend, change or terminate any of its plans at any time.

This information is applicable to eligible non-represented employees. Applicability to represented employees is governed by local collective bargaining agreements. Subject to this and future agreements, the company reserves the right to change, amend, or terminate any benefit plan at any time.