

OCCIDENTAL PETROLEUM CORP /DE/
Form 8-K
June 19, 2002

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) JUNE 18, 2002

OCCIDENTAL PETROLEUM CORPORATION
(Exact name of registrant as specified in its charter)

| | | |
|---|---------------------------------------|---|
| DELAWARE (State or other jurisdiction of incorporation) | 1-9210 (Commission File Number) | 95-4035997 (I.R.S. Employer Identification No.) |
|---|---------------------------------------|---|

| | |
|---|---------------------|
| 10889 WILSHIRE BOULEVARD LOS ANGELES, CALIFORNIA (Address of principal executive offices) | 90024 (ZIP code) |
|---|---------------------|

Registrant's telephone number, including area code:
(310) 208-8800

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Item 9. Regulation FD Disclosure

Speech by Stephen I. Chazen, Chief Financial Officer and

Executive Vice President - Corporate Development

June 18, 2002

The following is the presentation made by Stephen I. Chazen, Chief
Financial Officer and Executive Vice President - Corporate Development of
Occidental Petroleum Corporation, at the Bank of America Securities Energy &
Power Conference on June 18, 2002, in New York, New York.

OCCIDENTAL PETROLEUM CORPORATION

Stephen Chazen
Chief Financial Officer
&
Executive Vice President Business Development

BANK OF AMERICA SECURITIES
ENERGY & POWER CONFERENCE

New York
June 18, 2002

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OVERVIEW

PROFITABILITY

- o Oil & Gas Industry Leader (1999-2001)
 - Profits per BOE
- o Top Quartile (1999-2001)
 - Return on Capital Employed
 - Return on Equity

CASH FLOW

- o Oil & Gas Industry Leader (1999-2001)
 - Free cash flow per BOE
- o Chemical Business (2001)
 - \$185 million despite worst market in 20 years

BALANCE SHEET

- o Strongest balance sheet in 20 years

OIL & GAS PRODUCTION GROWTH

- o 5% annual growth (2002-2006)
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NET INCOME BEFORE SPECIAL ITEMS*

First Quarter 2002
(\$ Millions)

[the following is a tabular representation of graphical materials]

| OXY | AHC | APC | APA | DVN | COC | BR | UCL | MRO | KMG | P |
|-----|-----|-----|-----|-----|-----|----|-----|-----|-----|-----|
| 129 | 113 | 89 | 81 | 75 | 55 | 48 | 43 | 27 | 5 | (7) |

WTI oil price averaged \$21.64/BBL
NYMEX gas price averaged \$2.57/MCF

* Special Items as reported by company

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RETURN ON CAPITAL EMPLOYED

1999-2001 Average
(Percentage)

[the following is a tabular representation of graphical materials]

| XOM | COC | OXY | AHC | CVX | BP | KMG | P | UCL | APA | BR | MRO |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 0.182 | 0.148 | 0.135 | 0.125 | 0.124 | 0.115 | 0.112 | 0.111 | 0.107 | 0.105 | 0.081 | 0.068 |

Total 1999-2001 income before interest expense divided by total capital employed [debt + equity]; interest is added back after-tax [using a 35% statutory rate, not effective rate] - per SEC filings.

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FREE CASH FLOW*

1999-2001 Average Annual
(Percentage)

[the following is a tabular representation of graphical materials]

| OXY | BP | AHC | XOM | MRO | COC | APA | BR | CVX | P | UCL | KMG |
|------|------|------|------|------|------|------|------|------|------|------|------|
| 9.37 | 5.93 | 5.24 | 5.15 | 5.00 | 4.86 | 4.78 | 4.46 | 4.28 | 4.05 | 4.00 | 3.96 |

* Exploration and production income (SEC filings) after taxes & before interest expense, plus DD&A, plus exploration expense, minus capital - divided by BOE sales

PRODUCTION REPLACEMENT

1999-2001 Weighted Average
Excludes Purchases
(Percentage)

[the following is a tabular representation of graphical materials]

| APC | KMG | BP | APA | CHV | OXY | P | UCL | BR | XOM | DVN | COC |
|------|------|------|------|------|------|------|------|------|------|-----|-----|
| 199% | 190% | 160% | 127% | 116% | 115% | 109% | 109% | 108% | 105% | 97% | 94% |

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FINDING & DEVELOPMENT COSTS

1999-2001 Average
Excludes Purchases
(\$/BOE)

[the following is a tabular representation of graphical materials]

| BP | OXY | XOM | CHV | KMG | P | BR | UCL | APA | APC | COC | DVN |
|------|------|------|------|------|------|------|------|------|------|------|------|
| 3.39 | 3.85 | 4.12 | 4.59 | 4.80 | 4.83 | 5.42 | 6.68 | 6.69 | 6.79 | 7.03 | 8.04 |

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PROVEN RESERVES

Million BOE

[the following is a tabular representation of graphical materials]

| US | Qatar | Ecuador | Yemen | Colombia | Oman | Russia | Pakistan |
|-------|-------|---------|-------|----------|------|--------|----------|
| 1,698 | 200 | 85 | 63 | 58 | 57 | 52 | 27 |

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DEBT, RESERVES & PRODUCTION

1997

2001

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| | | |
|-----------------------------------|----------|----------|
| Total Debt (\$ Millions) | \$ 6,326 | \$ 4,890 |
| Production (Thousand BOE/Day) | 395 | 476 |
| Proven Reserves (Million BOE) | 1,310 | 2,241 |
| Reserves/Production Ratio (Years) | 9.1 | 12.9 |

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TOTAL DEBT/CAPITALIZATION RATIO*

March 31, 2002
(Percentage)

[the following is a tabular representation of graphical materials]

| APA | P | OXY | MRO | APC | UCL | AHC | BR | KMG | COC | DVN |
|-----|----|-----|-----|-----|-----|-----|----|-----|-----|-----|
| 39 | 45 | 46 | 50 | 53 | 54 | 59 | 63 | 64 | 73 | 89 |

* Total Debt = Debt + Redeemable Preferred Stock; ratio excludes Goodwill

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MIDDLE EAST - OXY INTERESTS

[map of Middle East]

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ABU DHABI - DOLPHIN PROJECT

[map of Dolphin project]

- o 25-year/\$3.5 billion project to:
 - Develop 2 Bcf/day of gas in Qatar's North Field
 - Construct 260-mile pipeline to deliver the gas to U.A.E. markets
- o Dolphin Partners
 - U.A.E Offsets Group (51%)
 - Occidental (24.5%)
 - TotalElfFina (24.5%)

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OIL & GAS PRODUCTION FORECAST

[the following is a tabular representation of graphical materials]

| | 2001 | 2002E | 2003E | 2004E | 2005E | 2006E |
|---------------|-------|-------|-------|-------|-------|-------|
| | ----- | ----- | ----- | ----- | ----- | ----- |
| United States | 315 | 320 | 327 | 330 | 332 | 331 |
| Middle East | 88 | 98 | 107 | 120 | 130 | 162 |
| Latin America | 31 | 36 | 44 | 65 | 69 | 70 |
| Other | 42 | 46 | 47 | 50 | 49 | 47 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Total | 476 | 500 | 525 | 565 | 580 | 610 |

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OCCIDENTAL'S OUTLOOK

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- o Attractive investment opportunity
 - Profitable growth
 - Competitive dividend
 - Strong balance sheet
 - Concentrated core assets
 - o Large, stable U.S. assets
 - o Strong growth in Middle East

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OCCIDENTAL PETROLEUM CORPORATION

[OXY LOGO]

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OCCIDENTAL PETROLEUM CORPORATION

Statements in this presentation that contain words such as "will" or "expect", or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand considerations, for oil, gas and chemicals; higher-than-expected costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

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OCCIDENTAL PETROLEUM CORPORATION
(Registrant)

DATE: June 18, 2002

S. P. Dominick, Jr.

S. P. Dominick, Jr., Vice President and Controller
(Chief Accounting and Duly Authorized Officer)s