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News Release

HESS REPORTS ESTIMATED RESULTS FOR THE SECOND QUARTER OF 2010

Second Quarter Highlights:

- Net Income was \$375 million compared with \$100 million in the second quarter 2009
- Oil and gas production was 415,000 barrels per day, compared with 407,000 in the second quarter 2009
- Net cash provided by operating activities was \$981 million, up from \$616 million in the second quarter 2009
- Capital and exploratory expenditures were \$963 million, up from \$780 million in the second quarter 2009

NEW YORK, July 28, 2010 -- Hess Corporation (NYSE: HES) reported net income of \$375 million for the second quarter of 2010 compared with net income of \$100 million for the second quarter of 2009. The after-tax income (loss) by major operating activity was as follows:

	Three Months Ended June 30, (unaudited)		Six Months Ended June 30, (unaudited)	
	2010	2009	2010	2009
	(In millions, except per share amounts)			
Exploration and Production	\$ 488	\$ 215	\$ 1,039	\$ 151
Marketing and Refining	(19)	(30)	68	72
Corporate	(42)	(26)	(90)	(75)
Interest expense	(52)	(59)	(104)	(107)
Net income attributable to Hess Corporation	<u>\$ 375</u>	<u>\$ 100</u>	<u>\$ 913</u>	<u>\$ 41</u>
Net income per share (diluted)	<u>\$ 1.15</u>	<u>\$ .31</u>	<u>\$ 2.79</u>	<u>\$ .13</u>
Weighted average number of shares (diluted)	<u>327.5</u>	<u>325.8</u>	<u>327.2</u>	<u>325.7</u>

Note: See the following page for a table of items affecting the comparability of earnings between periods.

Exploration and Production earnings were \$488 million in the second quarter of 2010 compared with \$215 million in the second quarter of 2009. The Corporation's oil and gas production was 415,000 barrels of oil equivalent per day in the second quarter of 2010, an increase of 2 percent from the second quarter of 2009. The Corporation's average worldwide crude oil selling price,

including the effect of hedging, was \$64.81 per barrel in the second quarter of 2010 compared with \$49.27 per barrel in the second quarter of 2009. The Corporation's average worldwide natural gas selling price was \$5.57 per Mcf in the second quarter of 2010 compared with \$4.56 per Mcf in the second quarter of 2009.

Marketing and Refining generated a loss of \$19 million in the second quarter of 2010 compared with a loss of \$30 million in the second quarter of 2009. Refining operations incurred a loss of \$31 million compared with a loss of \$26 million in the second quarter of 2009. During the second quarter of 2010, the Port Reading refining facility was shutdown for 41 days for a scheduled turnaround. The after-tax expenses for the Port Reading turnaround were approximately \$27 million in the second quarter. Marketing earnings were \$17 million, an increase of \$30 million from the second quarter of 2009 primarily due to higher margins. Trading activities generated a loss of \$5 million, compared with income of \$9 million in the second quarter of 2009.

The following table reflects the total after-tax income (expense) of items affecting comparability of earnings between periods (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Exploration and Production	\$ -	\$ (31)	\$ 58	\$ (44)
Corporate	-	-	(7)	(16)
	<u>\$ -</u>	<u>\$ (31)</u>	<u>\$ 51</u>	<u>\$ (60)</u>

Net cash provided by operating activities was \$981 million compared with \$616 million in the second quarter of 2009. Capital and exploratory expenditures were \$963 million in the second quarter of 2010, of which \$930 million related to Exploration and Production operations. Capital and exploratory expenditures for the second quarter of 2009 were \$780 million, of which \$765 million related to Exploration and Production operations.

At June 30, 2010, cash and cash equivalents totaled \$1,363 million compared with \$1,362 million at December 31, 2009. Total debt was \$4,326 million at June 30, 2010 and \$4,467 million at December 31, 2009. The Corporation's debt to capitalization ratio at June 30, 2010 was 22.9 percent compared with 24.8 percent at the end of 2009.

Hess Corporation will review second quarter financial and operating results and other matters on a webcast at 10 a.m. today. For details on the event, refer to the Investor Relations section of our website at [www.hess.com](http://www.hess.com).

Hess Corporation, with headquarters in New York, is a leading global independent energy company engaged in the exploration for and production of crude oil and natural gas, as well as in refining and in marketing refined petroleum products, natural gas and electricity. More information on Hess Corporation is available at [www.hess.com](http://www.hess.com).

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*Forward Looking Statements*

Certain statements in this release may constitute "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, uncertainties inherent in the measurement and interpretation of geological, geophysical and other technical data.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**SUPPLEMENTAL FINANCIAL DATA (UNAUDITED)**  
**(IN MILLIONS OF DOLLARS)**

	Second Quarter 2010	Second Quarter 2009	First Quarter 2010
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 7,732	\$ 6,751	\$ 9,259
Equity in income (loss) of HOVENSA L.L.C.	(6)	(75)	(85)
Other, net	<u>24</u>	<u>79</u>	<u>46</u>
Total revenues and non-operating income	<u>7,750</u>	<u>6,755</u>	<u>9,220</u>
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	5,316	4,705	6,540
Production expenses	440	444	477
Marketing expenses	245	245	253
Exploration expenses, including dry holes and lease impairment	172	312	151
Other operating expenses	80	43	52
General and administrative expenses	159	136	155
Interest expense	83	95	84
Depreciation, depletion and amortization	<u>558</u>	<u>558</u>	<u>542</u>
Total costs and expenses	<u>7,053</u>	<u>6,538</u>	<u>8,254</u>
Income before income taxes	697	217	966
Provision for income taxes	<u>301</u>	<u>115</u>	<u>398</u>
Net income	396	102	568
Less: Net income attributable to noncontrolling interests	<u>21</u>	<u>2</u>	<u>30</u>
Net income attributable to Hess Corporation	<u>\$ 375</u>	<u>\$ 100</u>	<u>\$ 538</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ (4)	\$ 6	\$ (1)
Capitalized interest	1	2	1
<u>Cash Flow Information</u>			
Net cash provided by operating activities (*)	\$ 981	\$ 616	\$ 825
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 399	\$ 295	\$ 337
International	<u>531</u>	<u>470</u>	<u>504</u>
Total Exploration and Production	930	765	841
Marketing, Refining and Corporate	<u>33</u>	<u>15</u>	<u>20</u>
Total Capital and Exploratory Expenditures	<u>\$ 963</u>	<u>\$ 780</u>	<u>\$ 861</u>
Exploration expenses charged to income included above			
United States	\$ 21	\$ 47	\$ 41
International	<u>41</u>	<u>48</u>	<u>32</u>
	<u>\$ 62</u>	<u>\$ 95</u>	<u>\$ 73</u>

(\*) Includes changes in working capital

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**SUPPLEMENTAL FINANCIAL DATA (UNAUDITED)**  
**(IN MILLIONS OF DOLLARS)**

	First Half	
	2010	2009
<u>Income Statement</u>		
Revenues and Non-operating Income		
Sales (excluding excise taxes) and other operating revenues	\$ 16,991	\$ 13,666
Equity in income (loss) of HOVENSA L.L.C.	(91)	(116)
Other, net	70	77
Total revenues and non-operating income	16,970	13,627
Costs and Expenses		
Cost of products sold (excluding items shown separately below)	11,856	9,887
Production expenses	917	853
Marketing expenses	498	502
Exploration expenses, including dry holes and lease impairment	323	505
Other operating expenses	132	91
General and administrative expenses	314	296
Interest expense	167	172
Depreciation, depletion and amortization	1,100	1,044
Total costs and expenses	15,307	13,350
Income before income taxes	1,663	277
Provision for income taxes	699	192
Net income	964	85
Less: Net income attributable to noncontrolling interests	51	44
Net income attributable to Hess Corporation	\$ 913	\$ 41
<u>Supplemental Income Statement Information</u>		
Foreign currency gains (losses), after-tax	\$ (5)	\$ (4)
Capitalized interest	2	3
<u>Cash Flow Information</u>		
Net cash provided by operating activities (*)	\$ 1,806	\$ 1,241
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 736	\$ 610
International	1,035	914
Total Exploration and Production	1,771	1,524
Marketing, Refining and Corporate	53	61
Total Capital and Exploratory Expenditures	\$ 1,824	\$ 1,585
Exploration expenses charged to income included above		
United States	\$ 62	\$ 100
International	73	96
	\$ 135	\$ 196

(\*) Includes changes in working capital

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**SUPPLEMENTAL FINANCIAL DATA (UNAUDITED)**  
**(IN MILLIONS OF DOLLARS)**

	June 30, 2010	December 31, 2009
<u>Balance Sheet Information</u>		
Cash and cash equivalents	\$ 1,363	\$ 1,362
Other current assets	6,933	6,625
Investments	864	913
Property, plant and equipment – net	16,535	16,627
Other long-term assets	3,805	3,938
Total assets	\$ 29,500	\$ 29,465
Current maturities of long-term debt	\$ 33	\$ 148
Other current liabilities	6,297	6,702
Long-term debt	4,293	4,319
Other long-term liabilities	4,347	4,768
Total equity excluding other comprehensive income (loss)	16,133	15,203
Accumulated other comprehensive income (loss)	(1,603)	(1,675)
Total liabilities and equity	\$ 29,500	\$ 29,465

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)**  
**(IN MILLIONS OF DOLLARS)**

	Second Quarter 2010		
	United States	International	Total
Sales and other operating revenues	\$ 570	\$ 1,489	\$ 2,059
Other, net	5	9	14
Total revenues and non-operating income	<u>575</u>	<u>1,498</u>	<u>2,073</u>
Costs and expenses			
Production expenses, including related taxes	113	328	441
Exploration expenses, including dry holes and lease impairment	60	112	172
General, administrative and other expenses	32	32	64
Depreciation, depletion and amortization	<u>157</u>	<u>377</u>	<u>534</u>
Total costs and expenses	<u>362</u>	<u>849</u>	<u>1,211</u>
Results of operations before income taxes	213	649	862
Provision for income taxes	<u>84</u>	<u>290</u>	<u>374</u>
Results of operations attributable to Hess Corporation	<u>\$ 129</u>	<u>\$ 359</u>	<u>\$ 488</u>
	Second Quarter 2009		
	United States	International	Total
Sales and other operating revenues	\$ 358	\$ 1,341	\$ 1,699
Other, net	(3)	60	57
Total revenues and non-operating income	<u>355</u>	<u>1,401</u>	<u>1,756</u>
Costs and expenses			
Production expenses, including related taxes	109	335	444
Exploration expenses, including dry holes and lease impairment	139	173	312
General, administrative and other expenses	33	28	61
Depreciation, depletion and amortization	<u>105</u>	<u>433</u>	<u>538</u>
Total costs and expenses	<u>386</u>	<u>969</u>	<u>1,355</u>
Results of operations before income taxes	(31)	432	401
Provision (benefit) for income taxes	<u>(11)</u>	<u>197</u>	<u>186</u>
Results of operations attributable to Hess Corporation	<u>\$ (20)</u>	<u>\$ 235</u>	<u>\$ 215</u>
	First Quarter 2010		
	United States	International	Total
Sales and other operating revenues	\$ 582	\$ 1,532	\$ 2,114
Other, net	(1)	55	54
Total revenues and non-operating income	<u>581</u>	<u>1,587</u>	<u>2,168</u>
Costs and expenses			
Production expenses, including related taxes	116	361	477
Exploration expenses, including dry holes and lease impairment	78	73	151
General, administrative and other expenses	36	31	67
Depreciation, depletion and amortization	<u>136</u>	<u>383</u>	<u>519</u>
Total costs and expenses	<u>366</u>	<u>848</u>	<u>1,214</u>
Results of operations before income taxes	215	739	954
Provision for income taxes	<u>77</u>	<u>326</u>	<u>403</u>
Results of operations attributable to Hess Corporation	<u>\$ 138</u>	<u>\$ 413</u>	<u>\$ 551</u>

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)**  
**(IN MILLIONS OF DOLLARS)**

	First Half 2010		
	United States	International	Total
Sales and other operating revenues	\$ 1,152	\$ 3,021	\$ 4,173
Other, net	<u>4</u>	<u>64</u>	<u>68</u>
Total revenues and non-operating income	<u>1,156</u>	<u>3,085</u>	<u>4,241</u>
Costs and expenses			
Production expenses, including related taxes	229	689	918
Exploration expenses, including dry holes and lease impairment	138	185	323
General, administrative and other expenses	68	63	131
Depreciation, depletion and amortization	<u>293</u>	<u>760</u>	<u>1,053</u>
Total costs and expenses	<u>728</u>	<u>1,697</u>	<u>2,425</u>
Results of operations before income taxes	428	1,388	1,816
Provision for income taxes	<u>161</u>	<u>616</u>	<u>777</u>
Results of operations attributable to Hess Corporation	<u>\$ 267</u>	<u>\$ 772</u>	<u>\$ 1,039</u>
	First Half 2009		
	United States	International	Total
Sales and other operating revenues	\$ 525	\$ 2,305	\$ 2,830
Other, net	<u>(5)</u>	<u>70</u>	<u>65</u>
Total revenues and non-operating income	<u>520</u>	<u>2,375</u>	<u>2,895</u>
Costs and expenses			
Production expenses, including related taxes	221	632	853
Exploration expenses, including dry holes and lease impairment	250	255	505
General, administrative and other expenses	60	57	117
Depreciation, depletion and amortization	<u>162</u>	<u>841</u>	<u>1,003</u>
Total costs and expenses	<u>693</u>	<u>1,785</u>	<u>2,478</u>
Results of operations before income taxes	(173)	590	417
Provision (benefit) for income taxes	<u>(64)</u>	<u>330</u>	<u>266</u>
Results of operations attributable to Hess Corporation	<u>\$ (109)</u>	<u>\$ 260</u>	<u>\$ 151</u>

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION SUPPLEMENTAL OPERATING DATA (UNAUDITED)**

	<u>Second Quarter 2010</u>	<u>Second Quarter 2009</u>	<u>First Quarter 2010</u>
<u>Operating Data</u>			
<u>Net Production Per Day (in thousands)</u>			
Crude oil - barrels			
United States	73	58	71
Europe	81	76	86
Africa	118	124	118
Asia and other	<u>14</u>	<u>16</u>	<u>14</u>
Total	<u><u>286</u></u>	<u><u>274</u></u>	<u><u>289</u></u>
Natural gas liquids - barrels			
United States	12	10	13
Europe	3	3	3
Asia and other	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u><u>16</u></u>	<u><u>14</u></u>	<u><u>17</u></u>
Natural gas - mcf			
United States	102	92	97
Europe	140	160	156
Asia and other	<u>437</u>	<u>459</u>	<u>452</u>
Total	<u><u>679</u></u>	<u><u>711</u></u>	<u><u>705</u></u>
Barrels of oil equivalent	<u><u>415</u></u>	<u><u>407</u></u>	<u><u>423</u></u>
<u>Average Selling Price</u>			
Crude oil - per barrel (including hedging)*			
United States	\$ 72.99	\$ 55.53	\$ 74.40
Europe	56.21	47.41	55.25
Africa	63.54	47.16	62.38
Asia and other	78.01	55.84	71.67
Worldwide	64.81	49.27	63.62
Crude oil - per barrel (excluding hedging)			
United States	\$ 72.99	\$ 55.53	\$ 74.40
Europe	56.21	47.41	55.25
Africa	77.03	57.13	75.96
Asia and other	78.01	55.84	71.67
Worldwide	70.15	54.03	69.06
Natural gas liquids - per barrel			
United States	\$ 45.84	\$ 31.03	\$ 51.11
Europe	54.61	36.51	59.38
Asia and other	60.89	35.92	63.92
Worldwide	48.10	32.97	52.93
Natural gas - per mcf			
United States	\$ 3.65	\$ 3.26	\$ 4.63
Europe	5.35	4.53	5.41
Asia and other	6.09	4.82	6.37
Worldwide	5.57	4.56	5.92

\* The after-tax losses from crude oil hedging activities were \$84 million in the second quarter of 2010, \$83 million in the second quarter of 2009 and first quarter of 2010.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**EXPLORATION AND PRODUCTION SUPPLEMENTAL OPERATING DATA (UNAUDITED)**

	First Half	
	2010	2009
<u>Operating Data</u>		
<u>Net Production Per Day (in thousands)</u>		
Crude oil - barrels		
United States	72	45
Europe	83	82
Africa	118	125
Asia and other	14	16
Total	<u>287</u>	<u>268</u>
Natural gas liquids - barrels		
United States	12	10
Europe	3	3
Asia and other	1	-
Total	<u>16</u>	<u>13</u>
Natural gas - mcf		
United States	100	85
Europe	148	170
Asia and other	445	449
Total	<u>693</u>	<u>704</u>
Barrels of oil equivalent	<u>419</u>	<u>398</u>
<u>Average Selling Price</u>		
<u>Crude oil - per barrel (including hedging)*</u>		
United States	\$ 73.68	\$ 49.56
Europe	55.72	41.09
Africa	62.96	40.29
Asia and other	75.99	51.50
Worldwide	64.22	42.62
<u>Crude oil - per barrel (excluding hedging)</u>		
United States	\$ 73.68	\$ 49.56
Europe	55.72	41.09
Africa	76.50	51.58
Asia and other	75.99	51.50
Worldwide	69.61	47.84
Natural gas liquids - per barrel		
United States	\$ 48.50	\$ 30.12
Europe	57.00	36.61
Asia and other	62.11	35.92
Worldwide	50.51	32.25
Natural gas - per mcf		
United States	\$ 4.12	\$ 3.61
Europe	5.38	5.56
Asia and other	6.23	4.76
Worldwide	5.75	4.82

\* The after-tax losses from hedging activities were \$167 million for the six months ended June 30, 2010 and \$165 million for the six months ended June 30, 2009.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA (UNAUDITED)**

	<u>Second Quarter 2010</u>	<u>Second Quarter 2009</u>	<u>First Quarter 2010</u>
<u>Financial Information (in millions of dollars)</u>			
<u>Marketing and Refining Results</u>			
Income (loss) before income taxes	\$ (37)	\$ (56)	\$ 139
Provision (benefit) for income taxes	<u>(18)</u>	<u>(26)</u>	<u>52</u>
Results of operations attributable to Hess Corporation	<u>\$ (19)</u>	<u>\$ (30)</u>	<u>\$ 87</u>
<u>Summary of Marketing and Refining Results</u>			
Refining	\$ (31)	\$ (26)	\$ (56)
Marketing	17	(13)	121
Trading	<u>(5)</u>	<u>9</u>	<u>22</u>
Results of operations attributable to Hess Corporation	<u>\$ (19)</u>	<u>\$ (30)</u>	<u>\$ 87</u>

Operating Data (barrels and gallons in thousands)

Refined Product Sales (barrels per day)

Gasoline	238	223	251
Distillates	112	126	126
Residuals	57	65	86
Other	<u>28</u>	<u>41</u>	<u>51</u>
Total	<u>435</u>	<u>455</u>	<u>514</u>

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	392	442	375
HOVENSA - Hess 50% share	196	221	188
Port Reading	35	65	62

Refinery Utilization

HOVENSA				
Crude	500	78.5%	88.4%	75.1%
FCC	150	86.8%	71.2%	41.2%
Coker	58	81.9%	91.2%	85.0%
Port Reading	70	49.7%	93.0%	88.8%

<u>Refinery Capacity</u> (barrels per day)
500
150
58
70

Retail Marketing

Number of retail stations (a)	1,358	1,355	1,359
Convenience store revenue (in millions of dollars) (b)	\$ 317	\$ 300	\$ 276
Average gasoline volume per station (gallons per month) (b)	203	209	188

(a) Includes company operated, Wilco-Hess, dealer and branded retailer.

(b) Company operated only.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES**  
**MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA (UNAUDITED)**

	First Half	
	2010	2009
<u>Financial Information (in millions of dollars)</u>		
<u>Marketing and Refining Results</u>		
Income (loss) before income taxes	\$ 102	\$ 106
Provision for income taxes	34	34
Results of operations attributable to Hess Corporation	\$ 68	\$ 72
<u>Summary of Marketing and Refining Results</u>		
Refining	\$ (87)	\$ (44)
Marketing	138	88
Trading	17	28
Results of operations attributable to Hess Corporation	\$ 68	\$ 72

Operating Data (barrels and gallons in thousands)

Refined Product Sales (barrels per day)

Gasoline	245	225
Distillates	119	138
Residuals	71	75
Other	39	40
Total	474	478

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	384	426
HOVENSA - Hess 50% share	192	213
Port Reading	48	64

Refinery Utilization

<u>HOVENSA</u>			
Crude	500	76.8%	85.2%
FCC	150	64.1%	71.3%
Coker	58	83.4%	85.9%
Port Reading	70	69.1%	90.6%

<u>Refinery Capacity</u> (barrels per day)	
500	76.8%
150	64.1%
58	83.4%
70	69.1%

Retail Marketing

Number of retail stations (a)	1,358	1,355
Convenience store revenue (in millions of dollars) (b)	\$ 593	\$ 555
Average gasoline volume per station (gallons per month) (b)	195	204

(a) Includes company operated, Wilco-Hess, dealer and branded retailer.

(b) Company operated only.