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

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**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): October 28, 2009

**HESS CORPORATION**  
(Exact Name of Registrant as Specified in Its Charter)

**DELAWARE**  
(State or Other  
Jurisdiction of  
Incorporation)

**No. 1-1204**  
(Commission  
File Number)

**No. 13-4921002**  
(IRS Employer  
Identification No.)

**1185 Avenue of the Americas**  
**New York, New York 10036**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(212) 997-8500**

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On October 28, 2009, Hess Corporation issued a news release reporting its results for the third quarter of 2009. A copy of this news release is attached hereto as Exhibit 99(1) and is hereby incorporated by reference.

**Item 7.01. Regulation FD Disclosure.**

Furnished hereunder are the prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer of Hess Corporation at a public conference call held on October 28, 2009. A copy of his remarks is attached as Exhibit 99(2) and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits

99(1) News release dated October 28, 2009 reporting results for the third quarter of 2009.

99(2) Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.

**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.

Date: October 28, 2009

HESS CORPORATION

By: /s/ John P. Rielly  
Name: John P. Rielly  
Title: Senior Vice President and  
Chief Financial Officer

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99(1)	News release dated October 28, 2009 reporting results for the third quarter of 2009.
99(2)	Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.

## Hess Reports Estimated Results for the Third Quarter of 2009

## Third Quarter Highlights:

- *Net Income was \$341 million compared with \$775 million in third quarter 2008*
- *Oil and gas production was 420,000 barrels per day, up from 361,000 in third quarter 2008*
- *Exploration and Production results included after-tax income of \$89 million related to the resolution of a U.S. royalty dispute*
- *Capital and exploratory expenditures were \$668 million, down from \$1,368 million in the third quarter 2008*

NEW YORK--(BUSINESS WIRE)--October 28, 2009--Hess Corporation (NYSE: HES) reported net income of \$341 million for the third quarter of 2009 compared with net income of \$775 million for the third quarter of 2008. The after-tax results by major operating activity were as follows:

	Three Months Ended September 30, (unaudited)		Nine Months Ended September 30, (unaudited)	
	2009	2008	2009	2008
	(In millions, except per share amounts)			
Exploration and Production	\$ 397	\$ 699	\$ 548	\$ 2,548
Marketing and Refining	38	161	110	125
Corporate	(33)	(42)	(108)	(114)
Interest expense	(61)	(43)	(168)	(125)
Net income attributable to Hess Corporation	<u>\$ 341</u>	<u>\$ 775</u>	<u>\$ 382</u>	<u>\$ 2,434</u>
Net income per share (diluted)	<u>\$ 1.05</u>	<u>\$ 2.37</u>	<u>\$ 1.17</u>	<u>\$ 7.47</u>
Weighted average number of shares (diluted)	<u>326.0</u>	<u>327.4</u>	<u>325.8</u>	<u>325.7</u>

Exploration and Production earnings were \$397 million in the third quarter of 2009 compared with \$699 million in the third quarter of 2008. The Corporation's oil and gas production was 420,000 barrels of oil equivalent per day in the third quarter of 2009, an increase of 16% from the third quarter of 2008. The Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$56.07 per barrel in the third quarter of 2009 compared with \$93.36 per barrel in the third quarter of 2008. The Corporation's average worldwide natural gas selling price was \$4.60 per Mcf in the third quarter of 2009 compared with \$7.60 per Mcf in the third quarter of 2008.

Marketing and Refining earnings were \$38 million in the third quarter of 2009 compared with \$161 million in the third quarter of 2008. Refining operations generated a loss of \$3 million in the third quarter of 2009 compared with income of \$46 million in the third quarter of 2008 as a result of lower refining margins. Marketing earnings were \$35 million in the third quarter of 2009 compared with \$110 million in the third quarter of 2008, primarily due to lower margins. Trading activities produced income of \$6 million in the third quarter of 2009 and \$5 million in the third quarter of 2008.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Exploration and Production	\$ 89	\$ -	\$ 45	\$ -
Marketing and Refining	12	-	12	-
Corporate	-	-	(16)	-
	<u>\$ 101</u>	<u>\$ -</u>	<u>\$ 41</u>	<u>\$ -</u>

In the third quarter of 2009, the Corporation recorded after-tax income of \$89 million related to the resolution of a royalty dispute on production from certain leases subject to the U.S. Deep Water Royalty Relief Act. The Corporation also recorded a benefit of \$12 million due to an income tax adjustment relating to refining operations.

Net cash provided by operating activities was \$534 million in the third quarter of 2009 compared with \$1,205 million in the third quarter of 2008. Capital and exploratory expenditures for the third quarter of 2009 amounted to \$668 million, of which \$646 million related to Exploration and Production operations. Capital and exploratory expenditures for the third quarter of 2008 amounted to \$1,368 million, of which \$1,338 million related to Exploration and Production operations.

At September 30, 2009, cash and cash equivalents totaled \$957 million compared with \$908 million at December 31, 2008. Total debt was \$4,379 million at September 30, 2009 and \$3,955 million at December 31, 2008. The Corporation's debt to capitalization ratio at September 30, 2009 was 25.2 percent compared with 24.2 percent at the end of 2008.

Hess Corporation will review third 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 marketing refined petroleum products, natural gas and electricity. More information on Hess Corporation is available at [www.hess.com](http://www.hess.com).

#### *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.

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

	Third Quarter 2009	Third Quarter 2008	Second Quarter 2009
<u>Income Statement (*)</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 7,270	\$ 11,396	\$ 6,751
Equity in income (loss) of HOVENSA L.L.C.	(49)	52	(75)
Other, net	163	(62)	79
Total revenues and non-operating income	<u>7,384</u>	<u>11,386</u>	<u>6,755</u>
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	5,069	8,164	4,705
Production expenses	460	503	444
Marketing expenses	240	266	245
Exploration expenses, including dry holes and lease impairment	167	157	312
Other operating expenses	43	62	43
General and administrative expenses	148	170	136
Interest expense	97	68	95
Depreciation, depletion and amortization	626	497	558
Total costs and expenses	<u>6,850</u>	<u>9,887</u>	<u>6,538</u>
Income before income taxes	534	1,499	217
Provision for income taxes	182	725	115
Net income	352	774	102
Less: Net income (loss) attributable to noncontrolling interests	11	(1)	2
Net Income attributable to Hess Corporation	<u>\$ 341</u>	<u>\$ 775</u>	<u>\$ 100</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ 3	\$ (10)	\$ 6
Capitalized interest	1	2	2
<u>Cash Flow Information (*)</u>			
Net cash provided by operating activities (**)	\$ 534	\$ 1,205	\$ 616
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 198	\$ 509	\$ 300
International	448	829	470
Total Exploration and Production	646	1,338	770
Marketing, Refining and Corporate	22	30	15
Total Capital and Exploratory Expenditures	<u>\$ 668</u>	<u>\$ 1,368</u>	<u>\$ 785</u>
Exploration expenses charged to income included above			
United States	\$ 22	\$ 56	\$ 52
International	42	35	48
	<u>\$ 64</u>	<u>\$ 91</u>	<u>\$ 100</u>

(\*) Reflects the retrospective adoption of a new accounting standard for noncontrolling interests in consolidated subsidiaries

(\*\*) Includes changes in working capital



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

	Nine Months	
	2009	2008
<u>Income Statement (*)</u>		
Revenues and Non-operating Income		
Sales (excluding excise taxes) and other operating revenues	\$ 20,936	\$ 33,754
Equity in income (loss) of HOVENSA L.L.C.	(165)	23
Other, net	240	38
	21,011	33,815
Costs and Expenses		
Cost of products sold (excluding items shown separately below)	14,956	24,206
Production expenses	1,313	1,421
Marketing expenses	742	766
Exploration expenses, including dry holes and lease impairment	672	467
Other operating expenses	134	154
General and administrative expenses	444	478
Interest expense	269	200
Depreciation, depletion and amortization	1,670	1,431
	20,200	29,123
Income before income taxes	811	4,692
Provision for income taxes	374	2,255
	437	2,437
Net income	437	2,437
Less: Net income attributable to noncontrolling interests	55	3
Net Income attributable to Hess Corporation	\$ 382	\$ 2,434
<u>Supplemental Income Statement Information</u>		
Foreign currency gains (losses), after-tax	\$ (1)	\$ 2
Capitalized interest	4	4
<u>Cash Flow Information (*)</u>		
Net cash provided by operating activities (**)	\$ 1,775	\$ 4,120
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 813	\$ 1,645
International	1,362	1,836
	2,175	3,481
Marketing, Refining and Corporate	83	97
	2,258	3,578
Exploration expenses charged to income included above		
United States	\$ 127	\$ 162
International	138	134
	\$ 265	\$ 296

(\*) Reflects the retrospective adoption of a new accounting standard for noncontrolling interests in consolidated subsidiaries

(\*\*) Includes changes in working capital

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

<u>Balance Sheet Information</u>	September 30, 2009	December 31, 2008
Cash and cash equivalents	\$ 957	\$ 908
Other current assets	5,969	6,424
Investments	975	1,127
Property, plant and equipment – net	16,646	16,271
Other long-term assets	3,890	3,859
Total assets	<u>\$ 28,437</u>	<u>\$ 28,589</u>
Current maturities of long-term debt	\$ 136	\$ 143
Other current liabilities	6,332	7,587
Long-term debt	4,243	3,812
Other long-term liabilities	4,719	4,656
Total equity excluding other comprehensive income (loss)	14,834	14,399
Accumulated other comprehensive income (loss)	(1,827)	(2,008)
Total liabilities and equity	<u>\$ 28,437</u>	<u>\$ 28,589</u>

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

	Third Quarter 2009		
	United States	International	Total
Sales and other operating revenues	\$ 499	\$ 1,293	\$ 1,792
Other, net	137	8	145
Total revenues and non-operating income	636	1,301	1,937
Costs and expenses			
Production expenses, including related taxes	106	354	460
Exploration expenses, including dry holes and lease impairment	56	111	167
General, administrative and other expenses	37	28	65
Depreciation, depletion and amortization	176	426	602
Total costs and expenses	375	919	1,294
Results of operations before income taxes	261	382	643
Provision for income taxes	99	147	246
Results of operations attributable to Hess Corporation	<u>\$ 162</u>	<u>\$ 235</u>	<u>\$ 397</u>
	Third Quarter 2008		
	United States	International	Total
Sales and other operating revenues	\$ 460	\$ 2,201	\$ 2,661
Other, net	(1)	(70)	(71)
Total revenues and non-operating income	459	2,131	2,590
Costs and expenses			
Production expenses, including related taxes	96	407	503
Exploration expenses, including dry holes and lease impairment	82	75	157
General, administrative and other expenses	41	43	84
Depreciation, depletion and amortization	59	420	479
Total costs and expenses	278	945	1,223
Results of operations before income taxes	181	1,186	1,367
Provision for income taxes	71	597	668
Results of operations attributable to Hess Corporation	<u>\$ 110</u>	<u>\$ 589</u>	<u>\$ 699</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	355	1,401	1,756
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	105	433	538
Total costs and expenses	386	969	1,355
Results of operations before income taxes	(31)	432	401
Provision (benefit) for income taxes	(11)	197	186
Results of operations attributable to Hess Corporation	<u>\$ (20)</u>	<u>\$ 235</u>	<u>\$ 215</u>

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

	Nine Months 2009		
	United States	International	Total
	\$	\$	\$
Sales and other operating revenues	1,024	3,598	4,622
Other, net	132	78	210
Total revenues and non-operating income	<u>1,156</u>	<u>3,676</u>	<u>4,832</u>
Costs and expenses			
Production expenses, including related taxes	327	986	1,313
Exploration expenses, including dry holes and lease impairment	306	366	672
General, administrative and other expenses	97	85	182
Depreciation, depletion and amortization	338	1,267	1,605
Total costs and expenses	<u>1,068</u>	<u>2,704</u>	<u>3,772</u>
Results of operations before income taxes	88	972	1,060
Provision for income taxes	35	477	512
Results of operations attributable to Hess Corporation	<u>\$ 53</u>	<u>\$ 495</u>	<u>\$ 548</u>

  

	Nine Months 2008		
	United States	International	Total
	\$	\$	\$
Sales and other operating revenues	1,453	6,890	8,343
Other, net	9	(11)	(2)
Total revenues and non-operating income	<u>1,462</u>	<u>6,879</u>	<u>8,341</u>
Costs and expenses			
Production expenses, including related taxes	267	1,154	1,421
Exploration expenses, including dry holes and lease impairment	227	240	467
General, administrative and other expenses	109	111	220
Depreciation, depletion and amortization	175	1,200	1,375
Total costs and expenses	<u>778</u>	<u>2,705</u>	<u>3,483</u>
Results of operations before income taxes	684	4,174	4,858
Provision for income taxes	263	2,047	2,310
Results of operations attributable to Hess Corporation	<u>\$ 421</u>	<u>\$ 2,127</u>	<u>\$ 2,548</u>

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

	Third Quarter 2009	Third Quarter 2008	Second Quarter 2009
<b>Operating Data</b>			
<b>Net Production Per Day (in thousands)</b>			
Crude oil - barrels			
United States	73	31	58
Europe	83	80	76
Africa	124	121	124
Asia and other	17	12	16
Total	<u>297</u>	<u>244</u>	<u>274</u>
Natural gas liquids - barrels			
United States	12	9	10
Europe	2	4	3
Asia and other	-	-	1
Total	<u>14</u>	<u>13</u>	<u>14</u>
Natural gas - mcf			
United States	105	76	92
Europe	120	216	160
Asia and other	429	333	459
Total	<u>654</u>	<u>625</u>	<u>711</u>
Barrels of oil equivalent	<u>420</u>	<u>361</u>	<u>407</u>
<b>Average Selling Price</b>			
Crude oil - per barrel (including hedging)*			
United States	\$ 63.79	\$ 116.14	\$ 55.53
Europe	47.34	83.23	47.41
Africa	54.97	91.72	47.16
Asia and other	67.49	105.58	55.84
Worldwide	56.07	93.36	49.27
Crude oil - per barrel (excluding hedging)			
United States	\$ 63.79	\$ 116.14	\$ 55.53
Europe	47.34	83.23	47.41
Africa	67.27	108.49	57.13
Asia and other	67.49	105.58	55.84
Worldwide	61.42	102.80	54.03
Natural gas liquids - per barrel			
United States	\$ 36.05	\$ 77.50	\$ 31.03
Europe	43.53	81.84	36.51
Asia and other	44.74	-	35.92
Worldwide	37.27	78.50	32.97
Natural gas - per mcf (including hedging)*			
United States	\$ 2.65	\$ 8.57	\$ 3.26
Europe	4.38	10.12	4.53
Asia and other	5.12	5.77	4.82
Worldwide	4.60	7.60	4.56
Natural gas - per mcf (excluding hedging)			
United States	\$ 2.65	\$ 8.57	\$ 3.26
Europe	4.38	10.84	4.53
Asia and other	5.12	5.77	4.82
Worldwide	4.60	7.85	4.56

\* The after-tax losses from hedging activities were \$84 million in the third quarter of 2009, \$138 million in the third quarter of 2008 and \$83 million in the second quarter of 2009.

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

	Nine Months	
	2009	2008
<b>Operating Data</b>		
<b>Net Production Per Day (in thousands)</b>		
Crude oil - barrels		
United States	54	34
Europe	82	82
Africa	125	123
Asia and other	16	14
Total	<u>277</u>	<u>253</u>
Natural gas liquids - barrels		
United States	10	10
Europe	3	4
Asia and other	1	-
Total	<u>14</u>	<u>14</u>
Natural gas - mcf		
United States	92	84
Europe	153	260
Asia and other	442	346
Total	<u>687</u>	<u>690</u>
Barrels of oil equivalent	<u>406</u>	<u>382</u>
<b>Average Selling Price</b>		
Crude oil - per barrel (including hedging)*		
United States	\$ 56.02	\$ 109.39
Europe	42.80	90.69
Africa	44.98	89.66
Asia and other	56.63	106.09
Worldwide	47.09	93.62
Crude oil - per barrel (excluding hedging)		
United States	\$ 56.02	\$ 109.39
Europe	42.80	90.69
Africa	56.59	106.91
Asia and other	56.63	106.09
Worldwide	52.35	102.03
Natural gas liquids - per barrel		
United States	\$ 32.38	\$ 72.79
Europe	37.86	84.77
Asia and other	38.49	-
Worldwide	33.90	75.96
Natural gas - per mcf (including hedging)*		
United States	\$ 3.19	\$ 9.35
Europe	5.25	9.75
Asia and other	4.88	5.33
Worldwide	4.74	7.48
Natural gas - per mcf (excluding hedging)		
United States	\$ 3.19	\$ 9.35
Europe	5.25	10.16
Asia and other	4.88	5.33
Worldwide	4.74	7.64

\* The after-tax losses from hedging activities were \$249 million for the nine months ended September 30, 2009 and \$377 million for the nine months ended September 30, 2008.

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

<u>Financial Information (in millions of dollars)</u>	Third Quarter 2009	Third Quarter 2008	Second Quarter 2009
<u>Marketing and Refining Results</u>			
Income (loss) before income taxes	\$ 29	\$ 262	\$ (56)
Provision (benefit) for income taxes	(9)	101	(26)
Results of operations attributable to Hess Corporation	<u>\$ 38</u>	<u>\$ 161</u>	<u>\$ (30)</u>
<u>Summary of Marketing and Refining Results</u>			
Refining	\$ (3)	\$ 46	\$ (26)
Marketing	35	110	(13)
Trading	6	5	9
Results of operations attributable to Hess Corporation	<u>\$ 38</u>	<u>\$ 161</u>	<u>\$ (30)</u>

Operating Data (barrels and gallons in thousands)

Refined Product Sales (barrels per day)

Gasoline	253	249	223
Distillates	113	122	126
Residuals	51	46	65
Other	26	43	41
Total	<u>443</u>	<u>460</u>	<u>455</u>

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	384	457	442
HOVENSA - Hess 50% share	192	228	221
Port Reading	65	65	65

Refinery Utilization

	Refinery Capacity (barrels per day)			
HOVENSA				
Crude	500	76.9%	91.3%	88.4%
FCC	150	82.9%	72.8%	71.2%
Coker	58	78.9%	105.4%	91.2%
Port Reading	70	92.2%	92.4%	93.0%

Retail Marketing

Number of retail stations (a)	1,353	1,357	1,355
Convenience store revenue (in millions of dollars) (b)	\$ 313	\$ 279	\$ 300
Average gasoline volume per station (gallons per month) (b)	202	215	209

(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)**

	Nine Months	
	2009	2008
<u>Financial Information (in millions of dollars)</u>		
<u>Marketing and Refining Results</u>		
Income before income taxes	\$ 135	\$ 198
Provision for income taxes	25	73
Results of operations attributable to Hess Corporation	\$ 110	\$ 125
<u>Summary of Marketing and Refining Results</u>		
Refining	\$ (47)	\$ 46
Marketing	123	102
Trading	34	(23)
Results of operations attributable to Hess Corporation	\$ 110	\$ 125
<hr/>		
<u>Operating Data (barrels and gallons in thousands)</u>		
<u>Refined Product Sales (barrels per day)</u>		
Gasoline	234	236
Distillates	129	140
Residuals	67	54
Other	36	40
Total	466	470
<u>Refinery Throughput (barrels per day)</u>		
HOVENSA - Crude runs	412	458
HOVENSA - Hess 50% share	206	229
Port Reading	64	63
<u>Refinery Utilization</u>		
HOVENSA	<u>Refinery Capacity</u>	
Crude	500	(barrels per day)
FCC	150	82.4%
Coker	58	75.2%
Port Reading	70	83.6%
		98.8%
		91.1%
		90.3%
<u>Retail Marketing</u>		
Number of retail stations (a)	1,353	1,357
Convenience store revenue (in millions of dollars) (b)	\$ 868	\$ 793
Average gasoline volume per station (gallons per month) (b)	203	210

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

**CONTACT:**

**Hess Corporation**

**Investors:**

**Jay Wilson, 212-536-8940**

**or**

**Media:**

**Jon Pepper, 212-536-8550**



**2009 Third Quarter Earnings Conference Call**

Thank you Jay and welcome to our third quarter conference call. I will make a few brief comments after which John Rielly will review our financial results.

Net income for the third quarter of 2009 was \$341 million versus \$775 million a year ago. Our results were negatively impacted by sharply lower crude oil and natural gas selling prices and lower marketing and refining margins which more than offset the positive impact of higher crude oil production volumes.

For the third quarter of 2009, Exploration and Production earned \$397 million. Crude oil and natural gas production averaged 420 thousand barrels of oil equivalent per day, which was 16 percent above the year ago quarter. This increase resulted primarily from higher production from the Shenzi Field in the deepwater Gulf of Mexico and the Malaysia-Thailand JDA and the resumption of production from the Gulf of Mexico that was shut-in during last year's third quarter due to Hurricanes Gustav and Ike.

As a result of strong year-to-date production performance, we have raised our full year 2009 production forecast to a range of 400 to 410 thousand barrels of oil equivalent per day, versus our previous estimate of 390 to 400 thousand barrels of oil equivalent per day.

With regard to exploration, drilling is continuing on Permit WA-390-P in the Northwest Shelf of Australia, where Hess has a 100% interest. We have now completed 9 wells and expect to drill the remaining 7 wells of the program by mid-2010.

In Libya, the Stena Forth drillship is expected to arrive soon on location in Area 54, where Hess is the operator and has a 100% working interest. We intend to perform a drill stem test of our 2008 Arous Al Bahar discovery, which encountered 500 feet of gross hydrocarbon column, and also drill a down dip appraisal well to delineate the prospect.

Turning to Marketing and Refining, we reported a profit of \$38 million for the third quarter of 2009. The weak economy continued to have a negative impact on both margins and volumes.

Refining margins at our Hovensa joint venture refinery were significantly lower than the prior year quarter as a result of lower distillate crack spreads and narrower light / heavy crude differentials.

Marketing results were weaker than the year ago quarter, reflecting lower margins and volumes. Retail marketing gasoline volumes, on a per site basis, were down 6%, while total convenience store revenue was up 12%. In Energy Marketing, electricity and fuel oil sales were higher, while natural gas sales volumes declined year over year.

The improvement in crude oil prices and increase in our production volumes during 2009 have enabled us to fund most of our capital and exploratory expenditures with internal cash flow. We remain committed to maintaining our financial strength so that we have the capability to fund the future growth of our reserves and production.

I will now turn the call over to John Rielly.