
UNITED STATES
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): November 2, 2012

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 November 2, 2012, Hess Corporation issued a news release reporting estimated results for the third quarter of 2012. 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 November 2, 2012. Copies of these remarks are attached as Exhibit 99(2) and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99(1) News release dated November 2, 2012 reporting estimated results for the third quarter of 2012.

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: November 2, 2012

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 November 2, 2012 reporting estimated results for the third quarter of 2012.
99(2)	Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.



Investor Contact: Jay Wilson
(212) 536-8940
Media Contact: Jon Pepper
(212) 536-8550

News Release

HESS REPORTS ESTIMATED RESULTS FOR THE THIRD QUARTER OF 2012

Third Quarter Highlights:

- *Net income was \$557 million, compared with \$298 million in the third quarter of 2011*
- *Net income excluding items affecting comparability between periods was \$495 million compared with \$379 million in the third quarter of 2011*
- *Oil and gas production increased to 402,000 barrels of oil equivalent per day, up from 344,000 in the third quarter of 2011*
- *Production from the Bakken oil shale play in North Dakota increased to 62,000 barrels of oil equivalent per day, up from 32,000 in the third quarter of 2011*
- *Net cash provided by operating activities was \$1,862 million, compared with \$1,022 million in the third quarter of 2011*

NEW YORK, November 2, 2012 -- Hess Corporation (NYSE: HES) reported net income of \$557 million for the third quarter of 2012, compared with \$298 million for the third quarter of 2011. The after-tax income (loss) by major operating activity was as follows:

	Three Months Ended September 30, (unaudited)		Nine Months Ended September 30, (unaudited)	
	2012	2011	2012	2011
	(In millions, except per share amounts)			
Exploration and Production	\$ 608	\$ 422	\$ 1,887	\$ 2,148
Marketing and Refining	53	(23)	72	(23)
Corporate	(38)	(44)	(115)	(114)
Interest expense	(66)	(57)	(193)	(177)
Net income attributable to Hess Corporation	<u>\$ 557</u>	<u>\$ 298</u>	<u>\$ 1,651</u>	<u>\$ 1,834</u>
Net income per share (diluted)	<u>\$ 1.64</u>	<u>\$.88</u>	<u>\$ 4.85</u>	<u>\$ 5.40</u>
Weighted average number of shares (diluted)	<u>340.0</u>	<u>340.2</u>	<u>340.3</u>	<u>339.8</u>

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

Exploration and Production earnings were \$608 million in the third quarter of 2012, compared with \$422 million in the third quarter of 2011. The Corporation's average worldwide crude oil

selling price, including the effect of hedging, was \$86.69 per barrel, up from \$85.81 per barrel in the same quarter a year ago. The average worldwide natural gas selling price was \$5.88 per mcf in the third quarter of 2012, up from \$5.74 per mcf in the third quarter of 2011. Third quarter oil and gas production was 402,000 barrels of oil equivalent per day, up from 344,000 barrels of oil equivalent per day in the third quarter of 2011, primarily reflecting an increase in production from the Bakken oil shale play and the resumption of operations in Libya. Net production from the Bakken averaged 62,000 barrels of oil equivalent per day in the third quarter of 2012 compared to 32,000 barrels of oil equivalent per day in the same period last year. At the Waha concessions in Libya, net production averaged 23,000 barrels of oil equivalent per day in the third quarter of 2012. Due to civil unrest in the country, there was no production in Libya in the same period last year.

Marketing and Refining generated income of \$53 million in the third quarter of 2012, compared with a loss of \$23 million in the same period in 2011. Marketing earnings were \$17 million in the third quarter of 2012, down from \$41 million in the third quarter of 2011 as a result of lower margins. Port Reading refining operations generated income of \$18 million in the third quarter of 2012, compared with break even in the same quarter last year. Refining operations generated a loss of \$38 million in the third quarter a year ago, almost entirely related to our share of HOVENSA's results. The HOVENSA refinery was shut down in the first quarter of 2012. Trading activities generated income of \$18 million in the third quarter of 2012 and a loss of \$26 million in the same quarter of last year.

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

	Three Months Ended September 30, (unaudited)		Nine Months Ended September 30, (unaudited)	
	2012	2011	2012	2011
	(In millions)			
Exploration and Production	\$ 62	\$ (81)	\$ 62	\$ 244

Third quarter 2012 results included an after-tax gain of \$349 million from the sale of the Corporation's interests in the Schiehallion Field and associated assets in the United Kingdom North Sea for \$524 million. The results also included after-tax impairment charges of \$116 million that resulted from increases to the Corporation's estimated abandonment liabilities related to non-producing properties. Additionally, the Corporation recorded a \$56 million

after-tax charge to write off its assets in Peru following a decision to cease future appraisal and development activities in the country. A one-time charge of \$115 million was also recorded to reflect the third quarter change in the United Kingdom's supplementary income tax rate to 20 percent from 32 percent applicable to deductions for dismantlement expenditures.

Net cash provided by operating activities was \$1,862 million in the third quarter of 2012, compared with \$1,022 million in the same quarter of 2011. Capital and exploratory expenditures were \$2,287 million, of which \$2,260 million related to Exploration and Production operations. Capital and exploratory expenditures for the third quarter of 2011 were \$2,550 million, of which \$2,517 million related to Exploration and Production operations.

At September 30, 2012, cash and cash equivalents totaled \$528 million, compared with \$351 million at December 31, 2011. Total debt was \$7,841 million at September 30, 2012 and \$6,057 million at December 31, 2011. The Corporation's debt to capitalization ratio at September 30, 2012 was 27.5 percent, compared with 24.6 percent at the end of 2011.

Hess Corporation will review third quarter financial and operating results and other matters on a webcast at 10 a.m. today. For details about the event, refer to the Investor Relations section of our website at 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.

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)

	Third Quarter 2012	Third Quarter 2011	Second Quarter 2012
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 9,194	\$ 8,665	\$ 9,304
Income (loss) from equity investment in HOVENSA L.L.C.	-	(36)	-
Gains on asset sales	376	103	-
Other, net	49	(6)	5
Total revenues and non-operating income	<u>9,619</u>	<u>8,726</u>	<u>9,309</u>
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	6,019	6,181	5,969
Production expenses	712	609	677
Marketing expenses	259	266	265
Exploration expenses, including dry holes and lease impairment	259	199	196
Other operating expenses	41	43	41
General and administrative expenses	167	177	172
Interest expense	104	94	105
Depreciation, depletion and amortization	748	586	769
Asset impairments	208	358	59
Total costs and expenses	<u>8,517</u>	<u>8,513</u>	<u>8,253</u>
Income (loss) before income taxes	1,102	213	1,056
Provision (benefit) for income taxes	510	(54)	521
Net income (loss)	<u>592</u>	<u>267</u>	<u>535</u>
Less: Net income (loss) attributable to noncontrolling interests	35	(31)	(14)
Net income (loss) attributable to Hess Corporation	<u>\$ 557</u>	<u>\$ 298</u>	<u>\$ 549</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ 7	\$ (2)	\$ (5)
Capitalized interest	8	4	5
<u>Cash Flow Information</u>			
Net cash provided by operating activities (a)	\$ 1,862	\$ 1,022	\$ 1,240
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 1,210	\$ 1,600	\$ 1,243
International	1,050	917	793
Total Exploration and Production	<u>2,260</u>	<u>2,517</u>	<u>2,036</u>
Marketing, Refining and Corporate	27	33	42
Total Capital and Exploratory Expenditures	<u>\$ 2,287</u>	<u>\$ 2,550</u>	<u>\$ 2,078</u>
Exploration expenses charged to income included above			
United States	\$ 39	\$ 48	\$ 33
International	88	68	67
	<u>\$ 127</u>	<u>\$ 116</u>	<u>\$ 100</u>

(a) Includes changes in working capital.

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

	Nine Months	
	2012	2011
<u>Income Statement</u>		
Revenues and Non-operating Income		
Sales (excluding excise taxes) and other operating revenues	\$ 28,180	\$ 28,733
Income (loss) from equity investment in HOVENSA L.L.C.	-	(133)
Gains on asset sales	412	446
Other, net	83	1
Total revenues and non-operating income	28,675	29,047
Costs and Expenses		
Cost of products sold (excluding items shown separately below)	18,667	20,062
Production expenses	2,062	1,739
Marketing expenses	775	796
Exploration expenses, including dry holes and lease impairment	708	769
Other operating expenses	123	127
General and administrative expenses	506	515
Interest expense	313	290
Depreciation, depletion and amortization	2,198	1,732
Asset impairments	267	358
Total costs and expenses	25,619	26,388
Income (loss) before income taxes	3,056	2,659
Provision (benefit) for income taxes	1,369	849
Net income (loss)	1,687	1,810
Less: Net income (loss) attributable to noncontrolling interests	36	(24)
Net income (loss) attributable to Hess Corporation	\$ 1,651	\$ 1,834
<u>Supplemental Income Statement Information</u>		
Foreign currency gains (losses), after-tax	\$ 11	\$ (7)
Capitalized interest	18	8
<u>Cash Flow Information</u>		
Net cash provided by operating activities (a)	\$ 4,090 (b)	\$ 3,846
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 3,694	\$ 2,933
International	2,565	2,226
Total Exploration and Production	6,259	5,159
Marketing, Refining and Corporate	92	67
Total Capital and Exploratory Expenditures	\$ 6,351	\$ 5,226
Exploration expenses charged to income included above		
United States	\$ 109	\$ 146
International	226	189
	\$ 335	\$ 335

(a) Includes changes in working capital.

(b) Net of payments to HOVENSA L.L.C. totaling \$487 million to fully fund our share of previously accrued refining shutdown costs.

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

	<u>September 30,</u> 2012	<u>December 31,</u> 2011
<u>Balance Sheet Information</u>		
Cash and cash equivalents	\$ 528	\$ 351
Other current assets	7,629	7,988
Investments	401	384
Property, plant and equipment – net	28,144	24,712
Other long-term assets	5,510	5,701
Total assets	<u>\$ 42,212</u>	<u>\$ 39,136</u>
Short-term debt and current maturities of long-term debt	\$ 621	\$ 52
Other current liabilities	7,227	8,048
Long-term debt	7,220	6,005
Other long-term liabilities	6,492	6,439
Total equity excluding other comprehensive income (loss)	21,327	19,659
Accumulated other comprehensive income (loss)	(675)	(1,067)
Total liabilities and equity	<u>\$ 42,212</u>	<u>\$ 39,136</u>

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

	Third Quarter 2012		
	United States	International	Total
Sales and other operating revenues	\$ 1,022	\$ 1,685	\$ 2,707
Gains on asset sales	-	376	376
Other, net	18	26	44
Total revenues and non-operating income	1,040	2,087	3,127
Costs and expenses			
Production expenses, including related taxes	241	471	712
Exploration expenses, including dry holes and lease impairment	68	191	259
General, administrative and other expenses	49	30	79
Depreciation, depletion and amortization	393	332	725
Asset impairments	58	150	208
Total costs and expenses	809	1,174	1,983
Results of operations before income taxes	231	913	1,144
Provision (benefit) for income taxes	91	445	536
Results of operations attributable to Hess Corporation	\$ 140 (a)	\$ 468 (b)	\$ 608

	Third Quarter 2011		
	United States	International	Total
Sales and other operating revenues	\$ 830	\$ 1,307	\$ 2,137
Gains on asset sales	-	103	103
Other, net	4	(10)	(6)
Total revenues and non-operating income	834	1,400	2,234
Costs and expenses			
Production expenses, including related taxes	174	435	609
Exploration expenses, including dry holes and lease impairment	120	79	199
General, administrative and other expenses	44	27	71
Depreciation, depletion and amortization	209	355	564
Asset impairments	16	342	358
Total costs and expenses	563	1,238	1,801
Results of operations before income taxes	271	162	433
Provision (benefit) for income taxes	108	(97)	11
Results of operations attributable to Hess Corporation	\$ 163	\$ 259 (b)	\$ 422

	Second Quarter 2012		
	United States	International	Total
Sales and other operating revenues	\$ 1,043	\$ 1,946	\$ 2,989
Gains on asset sales	-	-	-
Other, net	1	-	1
Total revenues and non-operating income	1,044	1,946	2,990
Costs and expenses			
Production expenses, including related taxes	253	424	677
Exploration expenses, including dry holes and lease impairment	75	121	196
General, administrative and other expenses	50	29	79
Depreciation, depletion and amortization	335	408	743
Asset impairments	59	-	59
Total costs and expenses	772	982	1,754
Results of operations before income taxes	272	964	1,236
Provision (benefit) for income taxes	112	480	592
Results of operations attributable to Hess Corporation	\$ 160 (a)	\$ 484 (b)	\$ 644

- (a) The after-tax losses from crude oil hedging activities were \$5 million in the third quarter of 2012 and \$3 million in the second quarter of 2012.
(b) The after-tax losses from crude oil hedging activities were \$89 million in the third quarter of 2012, \$82 million in the third quarter of 2011 and \$86 million in the second quarter of 2012.

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

	Nine Months 2012		
	United States	International	Total
Sales and other operating revenues	\$ 2,988	\$ 5,328	\$ 8,316
Gains on asset sales	-	412	412
Other, net	19	53	72
Total revenues and non-operating income	<u>3,007</u>	<u>5,793</u>	<u>8,800</u>
Costs and expenses			
Production expenses, including related taxes	725	1,337	2,062
Exploration expenses, including dry holes and lease impairment	221	487	708
General, administrative and other expenses	137	86	223
Depreciation, depletion and amortization	1,007	1,120	2,127
Asset impairments	117	150	267
Total costs and expenses	<u>2,207</u>	<u>3,180</u>	<u>5,387</u>
Results of operations before income taxes	800	2,613	3,413
Provision (benefit) for income taxes	313	1,213	1,526
Results of operations attributable to Hess Corporation	<u>\$ 487 (a)</u>	<u>\$ 1,400 (b)</u>	<u>\$ 1,887</u>
	Nine Months 2011		
	United States	International	Total
Sales and other operating revenues	\$ 2,434	\$ 5,014	\$ 7,448
Gains on asset sales	-	446	446
Other, net	(10)	-	(10)
Total revenues and non-operating income	<u>2,424</u>	<u>5,460</u>	<u>7,884</u>
Costs and expenses			
Production expenses, including related taxes	490	1,249	1,739
Exploration expenses, including dry holes and lease impairment	357	412	769
General, administrative and other expenses	141	90	231
Depreciation, depletion and amortization	527	1,127	1,654
Asset impairments	16	342	358
Total costs and expenses	<u>1,531</u>	<u>3,220</u>	<u>4,751</u>
Results of operations before income taxes	893	2,240	3,133
Provision (benefit) for income taxes	340	645	985
Results of operations attributable to Hess Corporation	<u>\$ 553</u>	<u>\$ 1,595 (b)</u>	<u>\$ 2,148</u>

(a) The after-tax losses from crude oil hedging activities were \$34 million in the first nine months of 2012.

(b) The after-tax losses from crude oil hedging activities were \$300 million in the first nine months of 2012 and \$244 million in the first nine months of 2011.

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

	Third Quarter 2012	Third Quarter 2011	Second Quarter 2012
<u>Operating Data</u>			
<u>Net Production Per Day (in thousands)</u>			
Crude oil - barrels			
United States	109	82	109
Europe	80	68	98
Africa	75	59	79
Asia	17	15	18
Total	<u>281</u>	<u>224</u>	<u>304</u>
Natural gas liquids - barrels			
United States	16	13	15
Europe	2	3	3
Asia	1	1	1
Total	<u>19</u>	<u>17</u>	<u>19</u>
Natural gas - mcf			
United States	116	102	121
Europe	36	55	53
Asia and other	462	458	465
Total	<u>614</u>	<u>615</u>	<u>639</u>
Barrels of oil equivalent	<u>402</u>	<u>344</u>	<u>429</u>
<u>Average Selling Price</u>			
Crude oil - per barrel (including hedging)			
United States	\$ 90.17	\$ 95.12	\$ 91.97
Europe	75.08	65.92	76.20
Africa	90.78	89.41	89.01
Asia	102.85	112.31	105.89
Worldwide	86.69	85.81	86.86
Crude oil - per barrel (excluding hedging)			
United States	\$ 90.87	\$ 95.12	\$ 92.48
Europe	75.36	65.92	76.58
Africa	110.33	113.03	105.72
Asia	103.20	112.31	106.17
Worldwide	92.35	92.33	91.83
Natural gas liquids - per barrel			
United States	\$ 38.35	\$ 57.72	\$ 40.75
Europe	56.82	82.18	66.15
Asia	64.67	71.30	75.16
Worldwide	41.71	63.64	45.56
Natural gas - per mcf			
United States	\$ 2.18	\$ 3.43	\$ 1.55
Europe	9.15	8.93	9.98
Asia and other	6.56	5.86	6.61
Worldwide	5.88	5.74	5.94

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

	Nine Months	
	2012	2011
<u>Operating Data</u>		
<u>Net Production Per Day (in thousands)</u>		
Crude oil - barrels		
United States	104	78
Europe	91	86
Africa	75	70
Asia	17	14
Total	<u>287</u>	<u>248</u>
Natural gas liquids - barrels		
United States	15	13
Europe	3	3
Asia	1	1
Total	<u>19</u>	<u>17</u>
Natural gas - mcf		
United States	112	103
Europe	50	78
Asia and other	459	453
Total	<u>621</u>	<u>634</u>
Barrels of oil equivalent	<u>409</u>	<u>371</u>
<u>Average Selling Price</u>		
Crude oil - per barrel (including hedging)		
United States	\$ 92.53	\$ 97.71
Europe	77.13	81.19
Africa	89.56	89.85
Asia	107.88	112.03
Worldwide	87.71	90.22
Crude oil - per barrel (excluding hedging)		
United States	\$ 94.46	\$ 97.71
Europe	78.18	81.19
Africa	111.28	111.20
Asia	109.92	112.03
Worldwide	94.58	95.89
Natural gas liquids - per barrel		
United States	\$ 42.60	\$ 58.86
Europe	75.67	78.09
Asia	75.95	74.18
Worldwide	49.05	63.70
Natural gas - per mcf		
United States	\$ 1.83	\$ 3.66
Europe	9.56	8.64
Asia and other	6.64	5.85
Worldwide	6.01	5.84

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

	Third Quarter 2012	Third Quarter 2011	Second Quarter 2012
<u>Financial Information (in millions)</u>			
<u>Marketing and Refining Results</u>			
Income (loss) before income taxes	\$ 84	\$ (23)	\$ 7
Provision (benefit) for income taxes	31	-	(1)
Results of operations attributable to Hess Corporation	\$ 53	\$ (23)	\$ 8
<u>Summary of Marketing and Refining Results</u>			
Marketing	\$ 17	\$ 41	\$ 18
Refining	18	(38)	8
Trading	18	(26)	(18)
Results of operations attributable to Hess Corporation	\$ 53	\$ (23)	\$ 8
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<u>Operating Data</u>			
<u>Sales Volumes</u>			
Refined petroleum products (thousands of barrels per day)			
Gasoline	214	222	212
Distillates	102	100	108
Residuals	48	53	54
Other	10	14	17
Total	374	389	391
Natural gas (thousands of mcf per day)	1,900	1,800	1,860
Electricity (megawatts round the clock)	4,765	4,900	4,405
<u>Retail Marketing</u>			
Number of retail stations (a)	1,361	1,358	1,361
Convenience store revenue (in millions) (b)	\$ 295	\$ 316	\$ 288
Average gasoline volume per station (thousands of gallons per month) (b)	196	201	194
<u>Port Reading</u>			
Refinery throughput (thousands of barrels per day)	68	63	69
Refinery utilization (capacity - 70,000 barrels per day)	97.0%	90.0%	98.0%

(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	
	2012	2011
<u>Financial Information (in millions)</u>		
<u>Marketing and Refining Results</u>		
Income (loss) before income taxes	\$ 111	\$ 28
Provision (benefit) for income taxes	39	51
Results of operations attributable to Hess Corporation	\$ 72	\$ (23)
<u>Summary of Marketing and Refining Results</u>		
Marketing	\$ 57	\$ 137
Refining	20	(130)
Trading	(5)	(30)
Results of operations attributable to Hess Corporation	\$ 72	\$ (23)
<hr/>		
<u>Operating Data</u>		
<u>Sales Volumes</u>		
Refined petroleum products (thousands of barrels per day)		
Gasoline	212	226
Distillates	109	116
Residuals	54	65
Other	15	20
Total	390	427
Natural gas (thousands of mcf per day)	2,105	2,200
Electricity (megawatts round the clock)	4,475	4,500
<u>Retail Marketing</u>		
Number of retail stations (a)	1,361	1,358
Convenience store revenue (in millions) (b)	\$ 855	\$ 899
Average gasoline volume per station (thousands of gallons per month) (b)	192	195
<u>Port Reading</u>		
Refinery throughput (thousands of barrels per day)	61	65
Refinery utilization (capacity - 70,000 barrels per day)	87.6%	92.5%

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

(b) Company operated only.

2012 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.

First, I would like to express our deep concern for the people suffering from the devastation caused by Hurricane Sandy. Our company is doing all that we can to help meet the public's energy needs in the wake of this storm. I want to thank the Hess employees who have worked around the clock to quickly open and supply 177 of our 186 Hess stations in New York City, Long Island and New Jersey. Hess has had a long history of doing whatever it takes to meet the demand for energy during times of crises. I also want to recognize and thank both New York City Mayor Michael Bloomberg and New Jersey Governor Chris Christie and their staffs for their outstanding leadership during this difficult period.

Now, I would like to provide an update on the progress we have made since our July call. As to future funding, we continue to believe that, at current oil prices, the gap between operating cash flow and capital expenditures should peak this year at about \$3 billion, moderate in 2013 due to lower spending and approach a balance in 2014. We also expect that this deficit will be largely met through asset sales. Since July, we have announced the sale of our interests in Azerbaijan for \$1 billion and the Beryl Field in the United Kingdom for \$525 million, which together with previously announced asset sales, bring the year to date total to \$2.4 billion. We have significant additional divestitures either underway or in the early planning stages. We expect these sales will be completed by the end of 2013. As a consequence of our strategic portfolio reshaping, our reserves and production base will be lower than 2012 levels; however our exploration and production assets will be more focused and lower risk, and offer higher growth and financial returns.

Next I would like to discuss our financial and operating performance. Net income for the third quarter of 2012 was \$557 million. Excluding non-recurring items, earnings were \$495 million versus \$379 million for the third quarter of 2011. Our earnings were positively impacted by higher crude oil sales volumes and improved Marketing and Refining results and negatively impacted by higher operating costs in Exploration and Production.

Exploration and Production reported net income of \$608 million. Crude oil and natural gas production averaged 402 thousand barrels of oil equivalent per day, a 17 percent increase over the year ago quarter. This increase was primarily the result of higher production from the Bakken in North Dakota and Libya.

Net production from the Bakken averaged 62 thousand barrels of oil equivalent per day in the third quarter, an increase of 94 percent over the year ago quarter, and we shipped approximately 37 thousand barrels per day of crude oil from our Tioga rail loading facility to higher value markets, improving our price realizations.

In addition, we are currently evaluating the feasibility of building a rail unloading facility at our Port Reading, New Jersey complex to market Bakken crude oil on the East Coast.

At the Waha Fields in Libya, production averaged 23 thousand barrels of oil equivalent per day in the third quarter. The fields were shut-in during the third quarter of 2011 due to civil unrest in the country.

At the Valhall Field in Norway, net production averaged 6,500 barrels of oil equivalent per day in the third quarter. The field was shut-in July 29th to complete major field redevelopment work. This work is now expected to be completed in mid-December after which production will resume.

With regard to exploration, Hess concluded drilling operations on the Almond prospect in Ghana. The well resulted in a discovery, encountering approximately 50 net feet of oil pay. We are currently taking a drilling break to incorporate results of the 2012 drilling

program into our subsurface models and we plan to drill two additional wells, the first of which should spud later in the fourth quarter.

In the deepwater Gulf of Mexico, we spud the Ness Deep well on Green Canyon 507 on June 12th. Ness Deep is a Miocene prospect in which Hess has a 50 percent working interest. BHP holds the remaining 50 percent and is the operator. This well is anticipated to reach total depth during the fourth quarter.

Turning to Marketing and Refining, we reported net income of \$53 million for the third quarter of 2012. Refining generated earnings of \$18 million compared to a loss of \$38 million in last year's third quarter. Marketing earnings were \$17 million compared to \$41 million in the year ago quarter. Gasoline volumes on a per site basis were down approximately 2 percent and total convenience store sales were down nearly 7 percent versus last year's third quarter, reflecting the continued weak economy. In Energy Marketing,

electricity and oil volumes were lower versus last year, while natural gas volumes were higher.

In summary, we are confident that our strategic portfolio reshaping – unlocking value from asset sales and redeploying the proceeds into lower risk, higher return investments – will deliver improved financial performance and create value for our shareholders.

I will now turn the call over to John Rielly.