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

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarter ended *March 31, 2009*

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 1-1204

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

DELAWARE
(State or Other Jurisdiction of Incorporation or Organization)

13-4921002
(I.R.S. Employer Identification Number)

1185 AVENUE OF THE AMERICAS, NEW YORK, N.Y.
(Address of Principal Executive Offices)
10036
(Zip Code)
(Registrant's Telephone Number, Including Area Code is (212) 997-8500)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15 *(*d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☑ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

At March 31, 2009, there were 327,038,143 shares of Common Stock outstanding.

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Item 1. Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED INCOME (UNAUDITED)
(In millions, except per share data)

	Three Months Ended March 31,	
	2009	2008
REVENUES AND NON-OPERATING INCOME		
Sales (excluding excise taxes) and other operating revenues	**$ 6,915**	$ 10,647
Equity in income (loss) of HOVENSA L.L.C.	**(41)**	(10)
Other, net	**(2)**	63
Total revenues and non-operating income	**6,872**	10,700
COSTS AND EXPENSES		
Cost of products sold (excluding items shown separately below)	**5,182**	7,705
Production expenses	**409**	424
Marketing expenses	**257**	233
Exploration expenses, including dry holes and lease impairment	**193**	152
Other operating expenses	**48**	45
General and administrative expenses	**160**	152
Interest expense	**77**	67
Depreciation, depletion and amortization	**486**	452
Total costs and expenses	**6,812**	9,230
INCOME BEFORE INCOME TAXES	**60**	1,470
Provision for income taxes	**77**	718
NET INCOME (LOSS)	**(17)**	752
Less: Net income (loss) attributable to noncontrolling interests	**42**	(7)
NET INCOME (LOSS) ATTRIBUTABLE TO HESS CORPORATION	**$ (59)**	$ 759
NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO HESS CORPORATION		
BASIC	**$ (.18)**	$ 2.39
DILUTED	**(.18)**	2.34
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (DILUTED)	**323.4**	323.8
COMMON STOCK DIVIDENDS PER SHARE	**$ .10**	$ .10

See accompanying notes to consolidated financial statements.

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (UNAUDITED)
(In millions of dollars, thousands of shares)

	March 31, 2009	December 31, 2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,157	$ 908
Accounts receivable	3,899	4,297
Inventories	1,102	1,308
Other current assets	979	819
Total current assets	7,137	7,332
INVESTMENTS IN AFFILIATES		
HOVENSA L.L.C.	878	919
Other	206	208
Total investments in affiliates	1,084	1,127
PROPERTY, PLANT AND EQUIPMENT		
Total — at cost	27,690	27,437
Less reserves for depreciation, depletion, amortization and lease impairment	11,334	11,166
Property, plant and equipment — net	16,356	16,271
GOODWILL	1,225	1,225
DEFERRED INCOME TAXES	2,298	2,292
OTHER ASSETS	333	342
TOTAL ASSETS	$ 28,433	$ 28,589
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 5,089	$ 5,045
Accrued liabilities	1,616	1,905
Taxes payable	604	637
Current maturities of long-term debt	135	143
Total current liabilities	7,444	7,730
LONG-TERM DEBT	4,193	3,812
DEFERRED INCOME TAXES	2,286	2,241
ASSET RETIREMENT OBLIGATIONS	1,158	1,164
OTHER LIABILITIES	1,221	1,251
Total liabilities	16,302	16,198
EQUITY		
Hess Corporation Stockholders' Equity		
Common stock, par value $1.00		
Authorized — 600,000 shares		
Issued 327,038 shares at March 31, 2009; 326,133 shares at December 31, 2008	327	326
Capital in excess of par value	2,381	2,347
Retained earnings	11,550	11,642
Accumulated other comprehensive income (loss)	(2,238)	(2,008)
Total Hess Corporation stockholders' equity	12,020	12,307
Noncontrolling interests	111	84
Total equity	12,131	12,391
TOTAL LIABILITIES AND EQUITY	$ 28,433	$ 28,589

See accompanying notes to consolidated financial statements.

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED CASH FLOWS (UNAUDITED)
(In millions of dollars)

	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	**$ (17)**	$ 752
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation, depletion and amortization	**486**	452
Exploratory dry hole costs and lease impairment	**92**	31
Benefit for deferred income taxes	**(57)**	(9)
Equity in (income) loss of HOVENSA L.L.C., net of distributions	**41**	35
Changes in other operating assets and liabilities	**80**	(78)
Net cash provided by operating activities	**625**	1,183
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(704)**	(849)
Other, net	**14**	14
Net cash used in investing activities	**(690)**	(835)
CASH FLOWS FROM FINANCING ACTIVITIES		
Debt with maturities of greater than 90 days		
Borrowings	**1,246**	521
Repayments	**(873)**	(541)
Cash dividends paid	**(65)**	(64)
Employee stock options exercised and other	**6**	31
Net cash provided by (used in) financing activities	**314**	(53)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**249**	295
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**908**	607
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$ 1,157**	$ 902

See accompanying notes to consolidated financial statements.

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

The financial statements included in this report reflect all normal and recurring adjustments which, in the opinion of management, are necessary for a fair presentation of Hess Corporation's (the Corporation) consolidated financial position at March 31, 2009 and December 31, 2008 and the consolidated results of operations and the consolidated cash flows for the three-month periods ended March 31, 2009 and 2008. The unaudited results of operations for the interim periods reported are not necessarily indicative of results to be expected for the full year.

The financial statements were prepared in accordance with the requirements of the Securities and Exchange Commission (SEC) for interim reporting. As permitted under those rules, certain notes or other financial information that are normally required by U.S. generally accepted accounting principles (GAAP) have been condensed or omitted from these interim financial statements. These statements, therefore, should be read in conjunction with the consolidated financial statements and related notes included in the Corporation's Form 10-K for the year ended December 31, 2008.

Effective January 1, 2009, the Corporation adopted Financial Accounting Standards Board (FASB) Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* (FAS 160), which changes the accounting for and reporting of noncontrolling interests in a consolidated subsidiary. As required, the Corporation retrospectively applied the presentation and disclosure requirements of FAS 160. At March 31, 2009 and December 31, 2008 noncontrolling interests of $111 million and $84 million, respectively, have been classified as a component of equity. Previously the noncontrolling interests had been classified in other liabilities. Net income (losses) attributable to the noncontrolling interests of $42 million for the three months ended March 31, 2009 and $(7) million for the three months ended March 31, 2008 are included in net income. Additionally, certain amounts in the consolidated statement of cash flows and footnotes have been reclassified to conform with the presentation requirements of FAS 160.

Effective January 1, 2009, the Corporation also adopted FASB Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities*, which expands the disclosure requirements for an entity's use of derivative instruments. See Note 8, Derivative Instruments, Hedging, and Trading Activities, for these disclosures.

The Corporation adopted FASB Staff Position FAS No. 157-2, *Effective Date of FASB Statement No. 157*, effective January 1, 2009, which requires the application of the fair value measurement and disclosure provisions of FAS 157 to nonfinancial assets and nonfinancial liabilities that are measured at fair value on a nonrecurring basis. The impact of adoption was not material to the Corporation's consolidated financial statements.

2. Inventories

Inventories consist of the following (in millions):

	March 31, 2009	December 31, 2008
Crude oil and other charge stocks	$ 402	$ 383
Refined products and natural gas	721	988
Less: LIFO adjustment	(457)	(500)
	666	871
Merchandise, materials and supplies	436	437
Total inventories	$ 1,102	$ 1,308

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

3. Refining Joint Venture

The Corporation accounts for its investment in HOVENSA L.L.C. (HOVENSA) using the equity method. Summarized financial information for HOVENSA follows (in millions):

	March 31, 2009	December 31, 2008
Summarized balance sheet		
Cash and short-term investments	$ 178	$ 75
Other current assets	552	664
Net fixed assets	2,118	2,136
Other assets	55	58
Current liabilities	(726)	(679)
Long-term debt	(356)	(356)
Deferred liabilities and credits	(108)	(104)
Partners' equity	$ 1,713	$ 1,794

	Three months ended March 31, 2009	2008
Summarized income statement		
Total sales	$ 2,016	$ 4,301
Cost and expenses	(2,097)	(4,319)
Net loss	$ (81)	$ (18)
Hess Corporation's share, before income taxes	$ (41)	$ (10)

During the first quarter of 2008, the Corporation received a cash distribution of $25 million from HOVENSA.

4. Capitalized Exploratory Well Costs

The following table discloses the net changes in capitalized exploratory well costs pending determination of proved reserves for the three months ended March 31, 2009 (in millions):

Beginning balance at January 1	$ 1,094
Additions to capitalized exploratory well costs pending the determination of proved reserves	156
Reclassifications to wells, facilities, and equipment based on the determination of proved reserves	(10)
Capitalized exploratory wells charged to expense	(10)
Ending balance at March 31	$ 1,230

The preceding table excludes costs related to exploratory dry holes of $12 million which were incurred and subsequently expensed in 2009. Capitalized exploratory well costs greater than one year old after completion of drilling were $604 million as of March 31, 2009 and $381 million as of December 31, 2008. This increase is related to the Pony and Tubular Bells projects in the deepwater Gulf of Mexico, where development options are being evaluated.

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

5. Long-Term Debt

In February 2009, the Corporation issued $250 million of 5 year senior unsecured notes with a coupon of 7% and $1 billion of 10 year senior unsecured notes with a coupon of 8.125%. The majority of the proceeds were used to repay revolving credit debt and outstanding borrowings on other credit facilities.

6. Foreign Currency

The Corporation had foreign currency gains (losses), before income taxes, of $(3) million for the quarter ended March 31, 2009 and $33 million for the quarter ended March 31, 2008.

7. Retirement Plans

Components of net periodic pension cost consisted of the following (in millions):

	Three months ended March 31,	
	2009	2008
Service cost	$ 10	$ 10
Interest cost	20	20
Expected return on plan assets	(15)	(20)
Amortization of net loss	14	3
Pension expense	$ 29	$ 13

In 2009, the Corporation expects to contribute approximately $50 million to its pension plans. Through March 31, 2009, the Corporation had contributed $33 million to its pension plans.

8. Derivative Instruments, Hedging, and Trading Activities

The Corporation utilizes derivative instruments for both non-trading and trading activities. In non-trading activities, the Corporation uses futures, forwards, options and swaps individually or in combination, to mitigate its exposure to fluctuations in prices of crude oil, natural gas, refined products and electricity, and changes in foreign currency exchange rates. In trading activities, the Corporation, principally through a consolidated partnership (in which the Corporation has a 50% voting interest), trades energy commodities and energy derivatives, including futures, forwards, options and swaps, based on expectations of future market conditions. The following information includes 100% of the trading partnership's accounts.

The Corporation maintains a control environment under the direction of its chief risk officer and through its corporate risk policy, which the Corporation's senior management has approved. Controls include volumetric, term and value-at-risk limits. Risk limits are monitored daily and exceptions are reported to business units and to senior management. The Corporation's risk management department also performs independent verifications of sources of fair values and validations of valuation models. These controls apply to all of the Corporation's non-trading and trading activities, including the consolidated trading partnership.

The table below shows the total volume of the Corporation's trading and non-trading derivative instruments outstanding at March 31, 2009:

	Volume*
Commodity contracts (thousands of barrels of oil equivalent)	3,565,000
Foreign exchange contracts (thousands of dollars)	1,661,000

* *Gross notional amounts represent both long and short positions. Gross notional amounts do not quantify risk or represent assets or liabilities of the Corporation, but are used in the calculation of cash settlements under the contracts.*

In accordance with FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities* (FAS 133), the Corporation records all derivative instruments on the balance sheet at fair value (see Note 9, Fair Value Measurements, for more information on how the Corporation measures fair value). The table below reflects the gross and net fair values of the Corporation's derivative instruments as of March 31, 2009 (in millions):

	Accounts Receivable	Accounts Payable
Derivative contracts designated as hedging instruments under FAS 133		
Commodity	$ 1,140	$ (2,039)
Derivative contracts not designated as hedging instruments under FAS 133*		
Commodity	13,975	(15,034)
Foreign exchange	13	(72)
Other	11	(17)
Total derivative contracts not designated as hedging instruments under FAS 133	13,999	(15,123)
Gross fair value of derivative contracts	15,139	(17,162)
Master netting arrangements	(12,778)	12,778
Cash collateral (received) posted	(525)	293
Net fair value of derivative contracts	$ 1,836	$ (4,091)

* *Includes trading derivatives and derivatives used for risk management purposes that are not designated as hedging instruments under FAS 133.*

The Corporation generally enters into master netting arrangements to mitigate counterparty credit risk. Master netting arrangements are standardized contracts that govern all specified transactions with the same counterparty and allow the Corporation to terminate all contracts upon occurrence of certain events, such as a counterparty's default or bankruptcy. Because these arrangements provide the right of offset, and the Corporation's intent and practice is to offset amounts in the case of contract terminations, the Corporation records fair value on a net basis, in accordance with FASB Interpretation No. 39, *Offsetting of Amounts Related to Certain Contracts*.

Non-trading activities

***Cash Flow Hedges*:** The Corporation uses commodity contracts to hedge variability of expected future cash flows and forecasted transactions (cash flow hedges). At March 31, 2009, the Corporation used cash flow hedges principally to fix the cost of supply in its energy marketing business. The length of time over which the Corporation hedges exposure to variability in future cash flows is predominantly two years or less. For contracts outstanding at March 31, 2009, the maximum length of time was five years.

The Corporation records the effective portion of changes in the fair value of cash flow hedges as a component of other comprehensive income. Amounts recorded in accumulated other comprehensive income are reclassified into cost of products sold in the same period that the hedged item is recognized in earnings. The ineffective portion of changes in the fair value of cash flow hedges is recognized immediately in cost of products sold.

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The Corporation may use futures and swaps to hedge crude oil and natural gas production in its Exploration & Production business. In October 2008, the Corporation closed its Brent crude oil cash flow hedges by entering into offsetting contracts with the same counterparty, covering 24,000 barrels per day from 2009 through 2012. As a result, the Corporation no longer accounts for these contracts as cash flow hedges under FAS 133 and all subsequent changes in the fair value of the original contracts and the offsetting positions are recorded in sales and other operating revenues. Because the underlying cash flows from the originally hedged production are still probable, the deferred losses within accumulated other comprehensive income as of the date the contracts were closed will be recorded in sales and other operating revenues as the contracts mature. There were no open hedges of crude oil or natural gas production at March 31, 2009.

At March 31, 2009, the after-tax deferred losses in accumulated other comprehensive income relating to cash flow hedges were $1,672 million. The Corporation estimates that approximately $720 million of this amount will be reclassified into earnings over the next twelve months. See also Note 11, Comprehensive Income, for disclosure of the impact of cash flow hedges on comprehensive income.

Other Risk Management Derivatives: The Corporation also mitigates certain risks by using commodity and foreign exchange contracts that it does not designate as hedges under FAS 133. The commodity contracts represent forward purchases and sales of energy marketing products. Changes in the fair value of the sales contracts are recognized immediately in sales and other operating revenues and changes in the fair value of the purchase contracts are recognized immediately in cost of products sold. The Corporation also uses foreign exchange contracts to reduce its exposure to fluctuations in foreign exchange rates. Changes in the fair value of the foreign exchange contracts are recognized immediately in other non-operating income and are intended to mitigate exposure to changes in foreign exchange rates. The table below shows the net pre-tax gains (losses) on these derivative contracts for the three months ended March 31, 2009 (in millions):

Commodity	$ 82
Foreign exchange	(3)
Total	$ 79

Trading Activities

The Corporation, principally through a consolidated partnership, trades energy commodities and derivatives based on its expectations of future market conditions. The Corporation also takes trading positions for its own account. In trading activities, the Corporation is primarily exposed to changes in crude oil, natural gas, and refined product prices. The table below summarizes the pre-tax gains (losses) recorded in sales and other operating revenues from its trading activities for the three months ended March 31, 2009 (in millions):

Commodity	$ 111
Foreign exchange	7
Other	7
Total	$ 125

Credit Risk

The Corporation’s financial instruments, primarily trade receivables and derivative contracts, expose it to credit risks that may at times be concentrated with certain counterparties or groups of counterparties. Trade receivables are generated from a diverse domestic and international customer base. The Corporation reduces its risk related to certain counterparties by using master netting arrangements and requiring collateral, generally cash or letters of credit. The Corporation records the cash collateral received or posted as an offset of the fair value of derivatives executed with the same counterparty.

At March 31, 2009, the Corporation had a total of $4,449 million of outstanding letters of credit, primarily issued to satisfy collateral requirements. Certain of the Corporation’s agreements also contain contingent collateral provisions that could require the Corporation to post additional collateral if the Corporation’s credit rating declines. As of March 31, 2009, the net liability related to derivatives with contingent collateral provisions was approximately $3,300 million before cash collateral posted of approximately $40 million. At March 31, 2009, all three major credit rating agencies that rate the Corporation’s debt had assigned an investment grade rating. As of March 31, 2009 if two of the three agencies were to downgrade the Corporation’s rating to below investment grade, the Corporation would be required to post additional collateral of approximately $370 million.

9. Fair Value Measurements

The Corporation measures fair value in accordance with the provisions of FASB Statement No. 157, *Fair Value Measurements*, (FAS 157). FAS 157 establishes a hierarchy for the inputs used to measure fair value based on the source of the input, which generally range from quoted prices for identical instruments in a principal trading market (Level 1) to estimates determined using related market data (Level 3). Multiple inputs may be used to measure fair value, however, the level of fair value for each financial asset or liability presented below is based on the lowest significant input level within this fair value hierarchy. The following table provides the fair value of the Corporation’s financial assets and (liabilities) based on this hierarchy (in millions):

	Level 1	Level 2	Level 3	Collateral and counterparty netting	Balance at March 31, 2009
Supplemental pension plan investments	$ 48	$ —	$ 11	$ —	$ 59
Derivative contracts					
Assets	371	1,557	690	(782)	1,836
Liabilities	(255)	(3,519)	(866)	550	(4,091)

The following table provides changes in financial assets and liabilities that are measured at fair value based on Level 3 inputs for the first quarter of 2009 (in millions):

Balance at January 1, 2009	$ 149
Unrealized gains (losses)*	
Included in earnings	221
Included in other comprehensive income (loss)	(285)
Purchases, sales or other settlements during the period	16
Net transfers in to (out of) Level 3	(266)
Balance at March 31, 2009	$ (165)

* *Reflected in sales and other operating revenues.*

PART I — FINANCIAL INFORMATION (CONT'D.)

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

10. Weighted Average Common Shares

The weighted average numbers of common shares used in the basic and diluted earnings per share computations are as follows:

	Three months ended March 31, 2009	Three months ended March 31, 2008
	(Thousands of shares)	
Common shares — basic	323,431	317,506
Effect of dilutive securities		
Restricted common stock	—	2,242
Stock options	—	3,553
Convertible preferred stock	—	534
Common shares — diluted	323,431	323,835

For the three months ended March 31, 2009, 1,194,000 shares relating to restricted common stock and 939,000 shares relating to stock options were excluded from the calculation of the effect of dilutive securities because they were anti-dilutive. The Corporation issued 3,013,000 stock options and 1,010,000 shares of restricted stock in the first quarter of 2009.

11. Comprehensive Income

Comprehensive income (loss) was as follows (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Net income (loss)	$ (17)	$ 752
Deferred gains (losses) on cash flow hedges, after tax		
Effect of hedge losses recognized in income	151	87
Net change in fair value of cash flow hedges	(345)	69
Change in postretirement plan liabilities, after tax	7	3
Change in foreign currency translation adjustment and other	(59)	34
Comprehensive income (loss)	(263)	945
Less: comprehensive income (loss) attributable to noncontrolling interests	27	(3)
Comprehensive income (loss) attributable to Hess Corporation	$ (290)	$ 948

Comprehensive income (loss) attributable to noncontrolling interests included foreign currency translation gains (losses) of $(15) million and $4 million for the three months ended March 31, 2009 and March 31, 2008, respectively.

12. Segment Information

The Corporation's results by operating segment were as follows (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Operating revenues		
Exploration and Production	$ 1,203	$ 2,652
Marketing and Refining	5,740	8,063
Less: transfers between affiliates	(28)	(68)
Total*	$ 6,915	$ 10,647
Net income (loss) attributable to Hess Corporation		
Exploration and Production	$ (64)	$ 824
Marketing and Refining	102	16
Corporate, including interest	(97)	(81)
Total	$ (59)	$ 759

* Operating revenues excluded excise and similar taxes of approximately $500 million in the first quarter of 2009 and 2008.

Identifiable assets by operating segment were as follows (in millions):

	March 31, 2009	December 31, 2008
Identifiable assets		
Exploration and Production	$ 19,882	$ 19,506
Marketing and Refining	6,267	6,680
Corporate	2,284	2,403
Total	$ 28,433	$ 28,589

PART I — FINANCIAL INFORMATION (CONT'D.)

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition.

Overview

Hess Corporation (the Corporation) is a global integrated energy company that operates in two segments, Exploration and Production (E&P) and Marketing and Refining (M&R). The E&P segment explores for, develops, produces, purchases, transports and sells crude oil and natural gas. The M&R segment manufactures refined petroleum products and purchases, trades and markets refined petroleum products, natural gas and electricity. The Corporation reported a net loss of $59 million in the first quarter of 2009, compared with income of $759 million in the first quarter of 2008. In the first quarter of 2009, the Corporation also completed an offering of $1.25 billion of senior unsecured notes.

Exploration and Production: E&P reported a loss of $64 million for the first quarter of 2009, compared with income of $824 million in the first quarter of 2008. The decrease in earnings mainly reflects significantly lower average selling prices.

Worldwide crude oil and natural gas production was 390,000 barrels of oil equivalent per day (boepd) in the first quarter of 2009 compared with 391,000 boepd in the same period of 2008. At the end of the first quarter of 2009, oil and gas production commenced at the Shenzi Field in the deepwater Gulf of Mexico. Net production from the Shenzi Field is expected to reach approximately 20,000 boepd by the end of the year.

In the first quarter of 2009, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was $34.42 per barrel compared with $83.28 per barrel in the first quarter of 2008. The Corporation's average worldwide natural gas selling price was $5.08 per thousand cubic feet (mcf) in the first quarter of 2009 compared with $7.06 per mcf in the first quarter of 2008.

During the first quarter of 2009, the Corporation's exploration activities continued in Brazil and Australia. The operator of the BM-S-22 license offshore Brazil (Hess 40%) filed a Notice of Discovery following completion of its first well, subsequently submitted a plan of evaluation with the government and, in March, commenced drilling a second well. In the Carnarvon Basin offshore Western Australia, the operator of the WA-404-P license (Hess 50%), reported a natural gas discovery. Also in the Carnarvon Basin, drilling on the WA-390-P license (Hess 100%) is scheduled to resume in the middle of the year and the Corporation expects to complete 5 to 6 additional wells before the end of 2009.

Marketing and Refining: M&R earnings were $102 million for the first quarter of 2009, compared with $16 million in the first quarter of 2008, primarily due to higher energy marketing margins and improved trading results, partially offset by lower refining and retail margins.

Results of Operations

The after-tax results by major operating activity were as follows (in millions, except per share data):

	Three months ended March 31,	
	2009	2008
Exploration and Production	$ (64)	$ 824
Marketing and Refining	102	16
Corporate	(49)	(39)
Interest expense	(48)	(42)
Net income (loss) attributable to Hess Corporation	$ (59)	$ 759
Net income (loss) per share (diluted)	$ (.18)	$ 2.34

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

Items Affecting Comparability Between Periods

The following table summarizes, on an after-tax basis, items of income (expense) that are included in net income and affect comparability between periods. The items in the table below are explained and the pre-tax amounts are shown on pages 15 through 17.

	Three months ended March 31,	
	2009	2008
Exploration and Production.	$ (13)	$ —
Corporate	(16)	—
Total	$ (29)	$ —

In the discussion that follows, the financial effects of certain transactions are disclosed on an after-tax basis. Management reviews segment earnings on an after-tax basis and uses after-tax amounts in its review of variances in segment earnings. Management believes that after-tax amounts are preferable to pre-tax amounts for explaining variances in earnings, since they show the entire effect of a transaction. After-tax amounts are determined by applying the appropriate income tax rate in each tax jurisdiction to pre-tax amounts.

Comparison of Results

Exploration and Production

Following is a summarized income statement of the Corporation's Exploration and Production operations (in millions):

	Three months ended March 31,	
	2009	2008
Sales and other operating revenues*	$ 1,131	$ 2,607
Non-operating income	8	47
Total revenues and non-operating income	1,139	2,654
Cost and expenses		
Production expenses, including related taxes	409	424
Exploration expenses, including dry holes and lease impairment	193	152
General, administrative and other expenses	56	63
Depreciation, depletion and amortization	465	434
Total costs and expenses	1,123	1,073
Results of operations before income taxes	16	1,581
Provision for income taxes	80	757
Results of operations attributable to Hess Corporation	$ (64)	$ 824

* Amounts differ from E&P operating revenues in Note 12 "Segment Information" primarily due to the exclusion of sales of hydrocarbons purchased from unrelated third parties.

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

Selling prices: Lower average realized selling prices of crude oil and natural gas decreased Exploration and Production revenues by approximately $1,265 million in the first quarter of 2009 compared with the first quarter of 2008. The Corporation's average selling prices were as follows:

	Three months ended March 31, 2009	2008
Average selling prices		
Crude oil — per barrel (including hedging)		
United States	$ 38.58	$ 92.59
Europe	35.31	82.29
Africa	31.15	78.83
Asia and other	45.86	96.53
Worldwide	34.42	83.28
Crude oil — per barrel (excluding hedging)		
United States	$ 38.58	$ 92.59
Europe	35.31	82.29
Africa	44.20	93.52
Asia and other	45.86	96.53
Worldwide	40.19	89.62
Natural gas liquids — per barrel		
United States	$ 29.03	$ 64.83
Europe	36.76	76.50
Worldwide	31.29	67.70
Natural gas — per mcf (including hedging)		
United States	$ 4.03	$ 8.53
Europe	6.49	8.96
Asia and other	4.70	5.01
Worldwide	5.08	7.06
Natural gas — per mcf (excluding hedging)		
United States	$ 4.03	$ 8.53
Europe	6.49	9.05
Asia and other	4.70	5.01
Worldwide	5.08	7.10

Hedging activities reduced earnings by $82 million ($131 million before income taxes) in the first quarter of 2009 compared with $95 million ($152 million before income taxes) in the first quarter of 2008.

Sales and production volumes: The Corporation's crude oil and natural gas production was 390,000 boepd in the first quarter of 2009 compared with 391,000 boepd in the same period of 2008.

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

The Corporation's net daily worldwide production by region was as follows (in thousands):

	Three months ended March 31, 2009	2008
Crude oil (barrels per day)		
United States	32	36
Europe	88	83
Africa	126	119
Asia and other	15	17
Total	261	255
Natural gas liquids (barrels per day)		
United States	9	11
Europe	4	4
Total	13	15
Natural gas (mcf per day)		
United States	78	93
Europe	180	296
Asia and other	438	342
Total	696	731
Barrels of oil equivalent per day*	390	391

* Natural gas production is converted assuming six mcf equals one barrel.

United States: Crude oil and natural gas production in the United States was lower in the first quarter of 2009 primarily due to continued downtime resulting from hurricanes in 2008 and natural decline.

Europe: Crude oil production in Europe in the first quarter of 2009 was higher than the first quarter of 2008, largely due to increased production in Russia, partly offset by lower U.K. North Sea production as a result of production downtime and natural decline. Natural gas production in the first quarter of 2009 was lower than the first quarter of 2008, primarily due to decline at the Atlantic and Cromarty fields in the U.K. North Sea.

Africa: Higher crude oil production in Africa in the first quarter of 2009 was primarily due to higher Algeria production entitlement.

Asia and Other: The increase in natural gas production in Asia was principally due to Phase 2 gas sales from Block A-18 in the Joint Development Area of Malaysia and Thailand (JDA). These sales commenced in November 2008 upon commissioning of a third-party gas export pipeline to Thailand.

Sales Volumes: Lower crude oil and natural gas sales volumes decreased revenue by approximately $210 million in the first quarter of 2009 compared with the first quarter of 2008.

Operating costs and depreciation, depletion and amortization: Cash operating costs, consisting of production expenses and general and administrative expenses, decreased by $22 million in the first quarter of 2009 compared with the corresponding period of 2008. The decrease principally reflects lower price-driven production taxes; cessation of production at the Fife, Fergus, Flora and Angus fields; the favorable impact of foreign exchange rates; and cost savings initiatives. The depreciation, depletion and amortization expenses were comparable in each period, excluding the impact of the $26 million pre-tax charge ($13 million after-tax) for the impairment of the Atlantic and Cromarty fields in the U.K. North Sea in the first quarter of 2009.

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

As a result of cost reduction initiatives as well as lower commodity prices, Exploration and Production cash operating costs for full year 2009 are expected to be reduced by $1 to a range of $14 to $15 per boe. Total unit costs for full year 2009 are now anticipated to be in the range of $27 to $29 per boe.

Exploration expenses: Exploration expenses were higher in the first quarter of 2009 compared with the first quarter of 2008. The increase principally reflects higher dry hole expense and increased lease amortization, partly offset by lower seismic studies.

Income Taxes: E&P recorded income tax expense of $80 million on pre-tax income of $16 million in the first quarter of 2009, primarily reflecting the impact of Libyan taxes in a lower commodity price environment together with the mix of income and losses from countries with varying tax rates. In the current lower commodity price environment, it is difficult to forecast the overall E&P effective tax rate for 2009. For E&P operations in the United States and the realized Brent crude oil hedge losses, an effective tax rate of approximately 38% is expected. The combined statutory tax rate in Libya is 94%. For the remainder of international E&P operations, the effective tax rate in 2009 is estimated to be in the range of 40% to 44%.

Foreign Exchange: The after-tax foreign currency loss relating to Exploration and Production activities was $6 million in the first quarter of 2009 compared with a gain of $11 million in the first quarter of 2008.

The Corporation's future Exploration and Production earnings may be impacted by external factors, such as political risk, volatility in the selling prices of crude oil and natural gas, reserve and production changes, industry cost inflation, exploration expenses, the effects of weather and changes in foreign exchange and income tax rates.

Marketing and Refining

Earnings from Marketing and Refining activities amounted to $102 million in the first quarter of 2009 compared with $16 million in the corresponding period of 2008. The Corporation's downstream operations include HOVENSA L.L.C. (HOVENSA), a 50% owned refining joint venture with a subsidiary of Petroleos de Venezuela S.A. (PDVSA), which is accounted for using the equity method. Additional Marketing and Refining activities include a fluid catalytic cracking facility in Port Reading, New Jersey, as well as retail gasoline stations, energy marketing and trading operations.

Refining: Refining operations generated a loss of $18 million in the first quarter of 2009 compared with a loss of $3 million in the first quarter of 2008. The Corporation's share of HOVENSA's results, after income taxes, amounted to a loss of $25 million in the first quarter of 2009 compared with a loss of $6 million in the first quarter of 2008, reflecting lower refining margins. In February 2009, the remaining principal balance of $15 million on the Corporation's note receivable from PDVSA was fully repaid. Port Reading's earnings were $7 million in the first quarter of 2009 compared with $2 million in the first quarter of 2008, reflecting improved margins.

The following table summarizes refinery capacity and utilization rates:

	Refinery capacity (thousands of barrels per day)	Refinery utilization Three months ended March 31, 2009	2008
HOVENSA			
Crude	500	82.0%	89.1%
Fluid catalytic cracker	150	71.4%	74.3%
Coker	58	80.5%	91.5%
Port Reading	70	88.2%	87.1%

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

Marketing: Marketing earnings, which consist principally of the results of energy marketing and retail gasoline operations, were $101 million in the first quarter of 2009 compared with $32 million in the same period of 2008, principally reflecting higher energy marketing margins and volumes. Total refined product sales volumes increased to 501,000 barrels per day in the first quarter of 2009 from 495,000 barrels per day in the first quarter of 2008.

The Corporation has a 50% voting interest in a consolidated partnership that trades energy commodities and energy derivatives. The Corporation also takes trading positions for its own account. The Corporation's after-tax results from trading activities, including its share of the results of the trading partnership, amounted to a gain of $19 million in the first quarter of 2009 compared with a loss of $13 million in the first quarter of 2008.

The Corporation's future Marketing and Refining earnings may be impacted by volatility in margins, competitive industry conditions, government regulatory changes, credit risk and supply and demand factors, including the effects of weather.

Corporate

The following table summarizes corporate expenses (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Corporate expenses (excluding the item described below)	$ 58	$ 58
Income tax benefits	(25)	(19)
	33	39
Items affecting comparability between periods, after-tax	16	—
Net Corporate expenses	$ 49	$ 39

In the first quarter of 2009, a charge of $16 million ($25 million before income taxes) was recorded relating to retirement benefits and employee severance costs. The pre-tax amount of this charge is included in general and administrative expenses. As a result of these cost saving initiatives, after-tax corporate expenses in 2009 are now estimated to be in the range of $155 to $165 million, excluding items affecting comparability.

Interest

Interest expense was as follows (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Total interest incurred	$ 78	$ 68
Less: capitalized interest	1	1
Interest expense before income taxes	77	67
Less: income taxes	29	25
After-tax interest expense	$ 48	$ 42

The increase in interest incurred in 2009 principally reflects higher average debt resulting from the Corporation's $1.25 billion debt offering, as disclosed in Note 5, Long-Term Debt.

PART I — FINANCIAL INFORMATION (CONT'D.)

Results of Operations (continued)

Sales and Other Operating Revenues

Sales and other operating revenues decreased in the first quarter of 2009 compared with the corresponding period of 2008, primarily due to lower crude oil, natural gas and refined product selling prices. The decrease in cost of products sold principally reflects lower prices of refined products and purchased natural gas.

Liquidity and Capital Resources

The following table sets forth certain relevant measures of the Corporation's liquidity and capital resources (in millions, except ratios):

	March 31, 2009	December 31, 2008
Cash and cash equivalents	$ 1,157	$ 908
Current portion of long-term debt	135	143
Total debt	4,328	3,955
Total equity	12,131	12,391
Debt to capitalization ratio*	26.3%	24.2%

* Total debt as a percentage of the sum of total debt plus total equity.

Cash Flows

The following table sets forth a summary of the Corporation's cash flows (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Net cash provided by (used in):		
Operating activities	$ 625	$ 1,183
Investing activities	(690)	(835)
Financing activities	314	(53)
Net increase in cash and cash equivalents	$ 249	$ 295

Operating Activities: Net cash provided by operating activities decreased in the first quarter of 2009 compared with 2008, principally reflecting decreased earnings. In the first quarter of 2008, the Corporation received a cash distribution of $25 million from HOVENSA.

Investing Activities: The following table summarizes the Corporation's capital expenditures (in millions):

	Three months ended March 31, 2009	Three months ended March 31, 2008
Exploration and Production	$ 658	$ 817
Marketing, Refining and Corporate	46	32
Total	$ 704	$ 849

PART I — FINANCIAL INFORMATION (CONT'D.)

Liquidity and Capital Resources (continued)

Financing Activities: In the first quarter of 2009, net borrowings increased by $373 million. In February 2009, the Corporation issued $250 million of 5 year senior unsecured notes with a coupon of 7% and $1 billion of 10 year senior unsecured notes with a coupon of 8.125%. The majority of the proceeds were used to repay outstanding borrowings. Dividends paid were $65 million in the first quarter of 2009 compared with $64 million in the first quarter of 2008. Additional proceeds from financing activities totaled $6 million in the first quarter of 2009 and $31 million in the same period of 2008, primarily due to the exercise of stock options.

Future Capital Requirements and Resources

The Corporation anticipates investing a total of approximately $3.2 billion in capital and exploratory expenditures during 2009, of which $3.1 billion relates to Exploration and Production operations. The Corporation has the ability to fund its 2009 operations, including capital expenditures, dividends, pension contributions and required debt repayments, with existing cash on-hand, cash flow from operations and its available credit facilities. Crude oil and natural gas prices are volatile and difficult to predict. In addition, unplanned increases in the Corporation's capital expenditure program could occur. The Corporation will take steps as necessary to protect its financial flexibility and may pursue other sources of liquidity, including the issuance of debt securities, the issuance of equity securities, and/or asset sales.

The table below summarizes the capacity, usage, and remaining availability of the Corporation's borrowing and letter of credit facilities at March 31, 2009 (in millions):

	Expiration Date	Capacity	Borrowings	Letters of Credit Issued	Total Used	Remaining Capacity
Revolving credit facility	May 2012*	$ 3,000	$ —	$ 594	$ 594	$ 2,406
Asset backed credit facility	October 2009	500	—	500	500	—
Committed lines	Various**	1,812	—	1,708	1,708	104
Uncommitted lines	Various**	1,647	—	1,647	1,647	—
Total		$ 6,959	$ —	$ 4,449	$ 4,449	$ 2,510

* *$75 million expires in May 2011.*

** *Committed and uncommitted lines have expiration dates ranging primarily from 2009 through 2010.*

The Corporation maintains a $3.0 billion syndicated, revolving credit facility, of which $2,925 million is committed through May 2012. This facility can be used for borrowings and letters of credit. At March 31, 2009, available capacity under the facility was $2,406 million.

The Corporation has a 364-day asset-backed credit facility securitized by certain accounts receivable from its Marketing and Refining operations. Under the terms of this financing arrangement, the Corporation has the ability to borrow or issue letters of credit up to $500 million, subject to the availability of sufficient levels of eligible receivables. At March 31, 2009, outstanding letters of credit under this facility were collateralized by $1,239 million of accounts receivable, which are held by a wholly owned subsidiary. These receivables are not available to pay the general obligations of the Corporation before satisfaction of the outstanding obligations under the asset backed facility.

The Corporation also has a shelf registration under which it may issue additional debt securities, warrants, common stock or preferred stock.

At March 31, 2009, a loan agreement covenant based on the Corporation's debt to capitalization ratio permitted the Corporation to borrow up to an additional $15.9 billion for the construction or acquisition of assets. Under a separate loan agreement covenant, the Corporation has the ability to borrow up to $3.5 billion of additional secured debt at March 31, 2009.

PART I — FINANCIAL INFORMATION (CONT'D.)

Liquidity and Capital Resources (continued)

The Corporation's $4,449 million of letters of credit outstanding at March 31, 2009 were primarily issued to satisfy collateral requirements. See also Note 8 "Derivative Instruments, Hedging, and Trading Activities".

Off-Balance Sheet Arrangements

The Corporation has leveraged leases not included in its balance sheet, primarily related to retail gasoline stations that the Corporation operates. The net present value of these leases was $486 million at March 31, 2009. The Corporation's March 31, 2009 debt to capitalization ratio would increase from 26.3% to 28.4% if the leases were included as debt.

The Corporation guarantees the payment of up to 50% of HOVENSA's crude oil purchases from suppliers other than PDVSA. At March 31, 2009, the guarantee amounted to $135 million. This amount fluctuates based on the volume of crude oil purchased and related prices. In addition, the Corporation has agreed to provide funding up to a maximum of $15 million to the extent HOVENSA does not have funds to meet its senior debt obligations.

Change in Accounting Policies

Effective January 1, 2009, the Corporation adopted Financial Accounting Standards Board (FASB) Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* (FAS 160), which changes the accounting for and reporting of noncontrolling interests in a consolidated subsidiary. As required, the Corporation retrospectively applied the presentation and disclosure requirements of FAS 160. At March 31, 2009 and December 31, 2008 noncontrolling interests of $111 million and $84 million, respectively, have been classified as a component of equity. Previously the noncontrolling interests had been classified in other liabilities. Net income (losses) attributable to the noncontrolling interests of $42 million for the three months ended March 31, 2009 and $(7) million for the three months ended March 31, 2008 are included in net income. Additionally, certain amounts in the consolidated statement of cash flows and footnotes have been reclassified to conform with the presentation requirements of FAS 160.

Effective January 1, 2009, the Corporation also adopted FASB Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities*, which expands the disclosure requirements for an entity's use of derivative instruments. See Note 8, Derivative Instruments, Hedging, and Trading Activities, for these disclosures.

The Corporation adopted FASB Staff Position FAS No. 157-2, *Effective Date of FASB Statement No. 157*, effective January 1, 2009, which requires the application of the fair value measurement and disclosure provisions of FAS 157, to nonfinancial assets and nonfinancial liabilities that are measured at fair value on a nonrecurring basis. The impact of adoption was not material to the Corporation's consolidated financial statements.

Market Risk Disclosure

In the normal course of its business, the Corporation is exposed to commodity risks related to changes in the prices of crude oil, natural gas, refined products and electricity, as well as to changes in interest rates and foreign currency values. In the disclosures that follow, these operations are referred to as non-trading activities. The Corporation also has trading operations, principally through a 50% voting interest in a trading partnership. These trading activities are also exposed to commodity risks primarily related to the prices of crude oil, natural gas and refined products.

PART I — FINANCIAL INFORMATION (CONT'D.)

Market Risk Disclosure (continued)

Instruments: The Corporation primarily uses forward commodity contracts, foreign exchange forward contracts, futures, swaps, options and energy securities in its non-trading and trading activities.

Value-at-Risk: The Corporation uses value-at-risk to monitor and control commodity risk within its trading and non-trading activities. The value-at-risk model uses historical simulation and the results represent the potential loss in fair value over one day at a 95% confidence level. The model captures both first and second order sensitivities for options. The potential change in fair value based on commodity price risk is presented in the non-trading and trading sections below.

Non-Trading: The Corporation's non-trading activities may include hedging of crude oil and natural gas production. Futures and swaps are used to fix the selling prices of a portion of the Corporation's future production and the related gains or losses are an integral part of the Corporation's selling prices. In October 2008, the Corporation closed its Brent crude oil hedges by entering into offsetting positions with the same counterparty covering 24,000 barrels per day from 2009 through 2012. The estimated annual after-tax loss that will be reflected in earnings related to the closed crude oil positions will be approximately $335 million from 2009 through 2012. There were no open hedges of crude oil or natural gas production at March 31, 2009.

The Corporation also markets energy commodities including refined petroleum products, natural gas, and electricity. The Corporation uses futures, swaps, and options to manage the risk in its marketing activities. The Corporation estimates that at March 31, 2009, the value-at-risk for commodity related derivatives that are settled in cash and used in non-trading activities was $10 million compared with $13 million at December 31, 2008. The results may vary from time to time as hedge levels change.

The Corporation uses foreign exchange contracts to reduce its exposure to fluctuating foreign exchange rates by entering into forward contracts for various currencies, including the British pound, the Norwegian krone, and the Danish krone.

Trading: In its trading activities, the Corporation is primarily exposed to changes in crude oil, natural gas and refined product prices. The trading partnership in which the Corporation has a 50% voting interest trades energy commodities and derivatives. The accounts of the partnership are consolidated with those of the Corporation. The Corporation also takes trading positions for its own account. The information that follows represents 100% of the trading partnership and the Corporation's proprietary trading accounts.

Total net realized gains for the first quarter of 2009 amounted to $532 million compared with losses of $146 million for the first three months of 2008. The following table provides an assessment of the factors affecting the changes in fair value of trading activities (in millions):

	2009	2008
Fair value of contracts outstanding at January 1	$ 864	$ 154
Change in fair value of contracts outstanding at the beginning of the year and still outstanding at March 31	(334)	162
Reversal of fair value for contracts closed during the period	(38)	49
Fair value of contracts entered into during the period and still outstanding	(36)	(57)
Fair value of contracts outstanding at March 31	$ 456	$ 308

PART I — FINANCIAL INFORMATION (CONT'D.)

Market Risk Disclosure (continued)

The Corporation measures fair value in accordance with FAS 157. The following table summarizes the sources of fair values of derivatives used in the Corporation's trading activities at March 31, 2009 (in millions):

	Instruments Maturing				
Source of Fair Value	Total	2009	2010	2011	2012 and beyond
Level 1	$ 124	$ 97	$ (38)	$ 53	$ 12
Level 2	242	84	123	6	29
Level 3	90	29	25	23	13
Total	$ 456	$ 210	$ 110	$ 82	$ 54

The Corporation estimates that at March 31, 2009, the value-at-risk for trading activities, including commodities, was $12 million compared with $17 million at December 31, 2008. The results may change from time to time as strategies change to capture potential market rate movements.

The following table summarizes the fair values of net receivables relating to the Corporation's trading activities and the credit ratings of counterparties at March 31, 2009 (in millions):

Investment grade determined by outside sources	$ 189
Investment grade determined internally*	89
Less than investment grade	42
Fair value of net receivables outstanding at end of period	$ 320

* *Based on information provided by counterparties and other available sources.*

Forward-Looking Information

Certain sections of Management's Discussion and Analysis of Results of Operations and Financial Condition, including references to the Corporation's future results of operations and financial position, liquidity and capital resources, capital expenditures, oil and gas production, tax rates, debt repayment, hedging, derivative and market risk disclosures and off-balance sheet arrangements include forward-looking information. Forward-looking disclosures are based on the Corporation's current understanding and assessment of these activities and reasonable assumptions about the future. Actual results may differ from these disclosures because of changes in market conditions, government actions and other factors.

PART I — FINANCIAL INFORMATION (CONT'D.)

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The information required by this item is presented under Item 2, "Management's Discussion and Analysis of Results of Operations and Financial Condition — Market Risk Disclosure."

Item 4. Controls and Procedures

Based upon their evaluation of the Corporation's disclosure controls and procedures (as defined in Exchange Act Rules 13a — 15(e) and 15d — 15(e)) as of March 31, 2009, John B. Hess, Chief Executive Officer, and John P. Rielly, Chief Financial Officer, concluded that these disclosure controls and procedures were effective as of March 31, 2009.

There was no change in internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rules 13a-15 or 15d-15 in the quarter ended March 31, 2009 that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

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PART II — OTHER INFORMATION

Item 1. Legal Proceedings

In February 2009, the United States Environmental Protection Agency ("EPA") proposed a $150,000 penalty for two violations by the Registrant of federal regulations by distribution in July and August 2005 of reformulated gasoline which exceeded the regulatory NOx emissions performance standard. These violations had been self reported to EPA in 2005. EPA and Registrant are engaged in settlement discussions to resolve this matter.

In February 2009, the EPA proposed a $297,000 penalty for alleged violations by HOVENSA of federal regulations relating to incorrect calculations by a third party service provider of the Reid Vapor Pressure of 39 batches of gasoline between June 12, 2005 and July 11, 2005. This incident had been self reported to EPA in 2005. EPA and HOVENSA are engaged in settlement discussions to resolve this matter.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

10(1)	Agreement between the Registrant and John J. O'Connor relating to certain arrangements in connection with his retirement from the Registrant.
31(1)	Certification required by Rule 13a-14(a) (17 CFR 240.13a-14(a)) or Rule 15d-14(a) (17 CFR 240.15d-14(a))
31(2)	Certification required by Rule 13a-14(a) (17 CFR 240.13a-14(a)) or Rule 15d-14(a) (17 CFR 240.15d-14(a))
32(1)	Certification required by Rule 13a-14(b) (17 CFR 240.13a-14(b)) or Rule 15d-14(b) (17 CFR 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350)
32(2)	Certification required by Rule 13a-14(b) (17 CFR 240.13a-14(b)) or Rule 15d-14(b) (17 CFR 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350)

b. Reports on Form 8-K

During the quarter ended March 31, 2009, Registrant filed the following reports on Form 8-K:

(i) Filing dated January 07, 2009 reporting under Items 5.02 and 9.01 a news release dated January 7, 2009 reporting the appointment of Gregory P. Hill as Executive Vice President and President, Worldwide Exploration and Production.

(ii) Filing dated January 28, 2009 reporting under Items 2.02 and 9.01 a news release dated January 28, 2009 reporting results for the fourth quarter of 2008 and furnishing under Items 7.01 and 9.01 the prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer of Hess Corporation and John J. O'Connor, Executive Vice President and President, Worldwide Exploration and Production of Hess Corporation, at a public conference call held January 28, 2009.

(iii) Filing dated February 04, 2009 under Items 8.01 and 9.01 reporting the sale of $1.25 billion in debt securities.

(iv) Filing dated February 10, 2009 under Item 5.02 reporting compensatory arrangements of certain officers.

(v) Filing dated March 06, 2009 under Item 5.02 reporting the departure of John J, O'Connor, and the election of Gregory P. Hill, Executive Vice President and President, Worldwide Exploration and Production, to the Board of Directors.

SIGNATURES

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 thereunto duly authorized.

HESS CORPORATION
(REGISTRANT)

By /s/ John B. Hess
JOHN B. HESS
CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Date: May 7, 2009

Exhibit 10(1)

February 20, 2009

John J. O'Connor
6 Stonefalls Court
Rye Brook, New York 10573

Re: Restrictive Agreement and General Release

Dear John:

You have advised us, and you hereby confirm, that you have elected to retire from employment with Hess Corporation (the "Company") effective as March 31, 2009 (your "Termination Date"), and to resign as a director of the Company and as a director and officer of its subsidiaries and affiliates on or prior to your Termination Date. This Restrictive Agreement (this "Agreement"), together with the General Release attached hereto as Exhibit A (the "General Release"), confirms the agreements we have made in connection with your retirement.

You currently hold options to purchase shares of common stock of the Company (collectively, the "Options") granted pursuant to the Amerada Hess Corporation Second Amended and Restated 1995 Long-Term Incentive Plan (the "1995 Plan") and your applicable stock option agreements. The grant dates and number of shares covered by the portion of the Options that are not fully vested on the date hereof are as follows:

Grant Date	Number of Shares
February 7, 2007	70,000
February 6, 2008	100,000

The terms and conditions of your stock option agreements provide that these unvested Options will be forfeited in their entirety and you will have no further rights with respect thereto upon your Termination Date, and those Options which have vested will remain exercisable only for 60 days after your Termination Date. Notwithstanding any contrary provision of your stock option agreements evidencing the Options, but subject to the effectiveness of this Agreement and the General Release and the limitations set forth below, the Company is prepared to provide that, following your Termination Date, the Options listed in the schedule set forth above will continue to become exercisable on the dates set forth in your applicable stock option award agreements, and such Options, together with any other Options held by you, to the extent exercisable, may be exercised at any time through the expiration date stated in the applicable stock option agreements.

You also currently hold awards of an aggregate of 170,000 shares of unvested restricted stock pursuant to the 1995 Plan and your applicable restricted stock award letters dated as of March 6, 2008 and September 19, 2008. In accordance with the terms and conditions of your restricted stock award letters these unvested restricted stock awards will be forfeited in their entirety and returned to the Company, and you will have no further rights with respect thereto upon your Termination Date. Subject to the effectiveness of this Agreement and the General Release and the limitations set forth below, following your Termination Date, the Company will make the following cash payments ("Additional Payments") to you (or, in the event of your death, the legal representative of your estate) on or within 30 days following the respective payment dates set forth below:

Payment Date	Payment Amount
February 7, 2010	$ 5,000,000
March 5, 2011	$ 5,000,000

(1) In consideration for the Company's provision for the continued vesting and the extension of the exercise period of Options and payment of the Additional Payment described above to which you are not otherwise entitled, you agree that during the period commencing on your Termination Date and ending on March 31, 2011 (the "Restricted Period"), you will not, directly or indirectly, in any manner or capacity:

(i) be employed by, serve as a director or manager of, act as a consultant to or maintain any material ownership interest in, any business that competes with the business of the Company or any subsidiary or affiliate thereof ("Subsidiary"), including, without limitation, any business which is engaged in the business of exploring for, or developing or producing, crude oil or natural gas (provided that your ownership of securities of less than one percent (1%) of any class of securities of a public company shall not, by itself, be considered to be a material ownership interest);

(ii) disclose to or use for the benefit of yourself or any third party any confidential or proprietary information of the Company or any Subsidiary, including, without limitation, any such information relating to the Company's or any Subsidiary's exploration and production business, except for information that is or becomes public other than through your breach of this provision or as otherwise agreed in writing by the Company;

(iii) employ, solicit for employment or assist or advise any other person in soliciting for employment any employee or consultant of the Company or any Subsidiary (except on behalf of the Company or any Subsidiary), or otherwise interfere with the relationship between the Company or any Subsidiary and any such employee or consultant;

(iv) interfere with the relationship between the Company or any Subsidiary and any person (including, without limitation, any business or governmental entity) that is, or, during the six months immediately preceding any such activity, was, a client, customer, supplier, licensee or partner of the Company or any Subsidiary, or had any other business relationship with the Company or any Subsidiary;

(v) make any statements, or assist any other person to make statements, or release information, intended to disparage or defame the Company or any Subsidiary or their respective directors, officers or employees; and

(vi) otherwise engage in any activity materially detrimental to the business, reputation or interests of the Company or any Subsidiary (each as determined by the Compensation and Management Development Committee of the Board of Directors of the Company (the "Committee") in its discretion).

In the event that the Committee determines that during the Restrictive Period you have breached or violated any provision of this Agreement or your confidentiality, intellectual property or other restrictive covenants or agreements in favor of the Company or a Subsidiary, including without limitation the Non-Disclosure Agreement and the Non-Competition and Assignment Agreement, each dated October 15, 2001, between you and the Company (collectively, the "Prior Agreements"), or any other material agreement between you and the Company or a Subsidiary, then: (a) you shall not be entitled to receive any Additional Payments otherwise payable thereafter, (b) you shall re-pay to the Company any Additional Payments previously paid to you, (c) the Options shall immediately terminate in their entirety, and (d) you shall pay to the Company any Option Gain that you realized as the result of any exercise of the Options; provided, however, that you shall be entitled to retain $100,000 of Additional Payments in consideration for your release of claims against the Company as provided in the General Release. For purposes of this Agreement, "Option Gain" shall be the gain represented by the product of the excess of the Fair Market Value (as defined in the 1995 Plan) of a share of Company common stock on the date of exercise of an Option over the Per Share Exercise Price (as stated in your applicable stock option award agreement), multiplied by the number of shares subject to the Option, or portion thereof, exercised, without regard to any subsequent decrease or increase in the Fair Market Value of those shares, reduced by the amount of any income or social security taxes that you paid to the Company or a Subsidiary in respect of such exercise.

(2) You shall satisfy any obligation that you owe to the Company under paragraph (1) above promptly after you incur such obligation by payment in cash to the Company; *however*, in lieu thereof, the Company may elect to deduct the unpaid amount of any such obligation owed by you to the Company from any payment of any kind otherwise due to you, including, but not limited to, wages or other compensation, fringe benefits, or vacation pay (to the extent permitted by applicable law).

(3) The Committee may release you from any or all obligations that you owe to the Company pursuant to the foregoing provisions of this Agreement, and/or waive, in whole or in part, the application of such provisions to you if the Committee determines, in its discretion, that such release or waiver is in the best interests of the Company.

(4) The foregoing provisions of this Agreement shall not constitute the Company's exclusive remedy for your engagement in activities, or other circumstances, described in paragraph (1) above. The Company may seek any additional legal or equitable remedy, including additional money damages and injunctive relief, in any such circumstances. The foregoing provisions of this Agreement and any amounts payable by you hereunder are intended to be in addition to any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable law.

In order to be eligible to receive the continued vesting and exercisability of the Options and the Additional Payments, as described above, to which you are not otherwise entitled, you are required to agree to the terms contained in this Agreement and in the General Release attached hereto as Exhibit A, by signing and returning this Agreement and the General Release and not revoking this Agreement or the General Release as provided below.

You will promptly return to the Company all documents, materials and property in your possession, custody or control that are the property of the Company or any Subsidiary.

You agree that you will cooperate with the Company (or its subsidiaries, affiliates or related entities) and its (or their) legal counsel in connection with any current or future investigation or litigation relating to any matter with which you were involved or of which you have knowledge or which occurred during your employment by the Company. Such assistance will include, but not be limited to, depositions and testimony and will continue until such matters are resolved, and the Company will provide you with reasonable notice whenever possible of the need for your cooperation. You also agree during the Restricted Period to make yourself available to consult from time to time with the Chief Executive Officer of the Company or any employee of the Company whom he shall designate on such matters as the Chief Executive Officer may reasonably request. The Company shall reimburse you for all reasonable out-of-pocket costs (excluding any attorneys' fees or expenses) incurred by you in connection with any such cooperation, assistance or consultation, subject to receipt by the Company of reasonable documentation of such costs.

You agree that any provisions of any applicable documents (including, but not limited to, the Prior Agreements) which contain your obligations that extend beyond your employment with the Company will continue to remain in full force and effect.

All amounts payable or provided under this Agreement are subject to the withholding of all applicable taxes and deductions required by any applicable law.

Since your execution of the General Release releases the Company and certain other persons from all claims you may have, you should review this Agreement and the General Release carefully before signing this Agreement and the General Release. You can take twenty-one (21) days from your receipt of this Agreement and the General Release to consider their meaning and effect and to determine whether you wish to enter into them. During that time, you are advised to consult with anyone of your choosing, including an attorney, prior to executing this Agreement and the General Release.

Once you have signed this Agreement and the General Release, you may choose to revoke your execution within seven (7) days. Any revocation of this Agreement and the

General Release must be in writing and personally delivered to Brian Bohling, Senior Vice President, Hess Corporation, 1185 Avenue of the Americas, New York, NY 10036, or if mailed, postmarked within seven (7) days of the date upon which it was signed by you.

TO RECEIVE THE PAYMENTS AND OTHER BENEFITS DESCRIBED ABOVE, YOU MUST SIGN (AND HAVE NOTARIZED) AND RETURN THIS AGREEMENT, AND SIGN AND RETURN THE ATTACHED GENERAL RELEASE ON MARCH 31, 2009, AND DELIVER THE ATTACHED LETTER INDICATING THAT YOU HAVE NOT REVOKED THIS AGREEMENT AND THE GENERAL RELEASE SEVEN (7) DAYS AFTER THE DATE YOU SIGN THE GENERAL RELEASE. This Agreement and the General Release should be returned to Brian Bohling, Senior Vice President, Hess Corporation, 1185 Avenue of the Americas, New York, NY 10036. The Company will not pay or provide any payments or benefits pursuant to this Agreement until after the seven (7) day period expires and the Company receives the attached letter indicating that you have not revoked this Agreement and General Release.

If any portion of this Agreement and/or the General Release is found to be unenforceable but such portion would be enforceable if some part thereof were deleted or modified, then such portion will apply with such deletion or modification as is necessary to make it enforceable to the fullest extent permitted by law. If any such portion cannot be modified to be enforceable, such portion will be deemed severed from this Agreement and/or the General Release, as applicable, and will not affect the validity or enforceability of the remainder of this Agreement and the General Release.

This Agreement together with the General Release contain the entire understanding of the parties relating to the subject matter hereof. You acknowledge that no representations, oral or written, have been made other than those expressly set forth herein and in the General Release, and that you have not relied on any other representations in executing this Agreement and the General Release. This Agreement and the General Release may be modified only in a document signed by the parties and referring specifically hereto.

Sincerely yours,

Hess Corporation

by: /s/ John B. Hess
John B. Hess
Chairman of the Board and Chief Executive Officer

ACKNOWLEDGMENT

I AGREE TO THE TERMS AND CONDITIONS SPECIFIED IN THIS RESTRICTIVE AGREEMENT, AND, BY SIGNING THE ATTACHED GENERAL RELEASE, I INTEND TO WAIVE AND RELEASE ALL CLAIMS THAT I MAY HAVE AGAINST THE COMPANY AND OTHER PARTIES DESCRIBED IN THE ATTACHED GENERAL RELEASE. I UNDERSTAND THAT THE GENERAL RELEASE CREATES A TOTAL ANI UNLIMITED RELEASE OF ALL CLAIMS, WHETHER KNOWN OR UNKNOWN, EXISTING AS OF ITS DATE THAT I MAY HAVE AGAINST THE COMPANY AND THE OTHER RELEASED PARTIES.

I HAVE HAD AMPLE TIME TO REVIEW THIS AGREEMENT AND TO CONSIDER MY GENERAL RELEASE OF ALL CLAIMS AS SET FORTH IN THE GENERAL RELEASE. I AM SIGNING THIS AGREEMENT AND, WHEN SIGNED, THE GENERAL RELEASE KNOWINGLY, VOLUNTARILY AND WITH FULL UNDERSTANDING OF THEIR TERMS AND EFFECTS. I UNDERSTAND THAT I CAN TAKE TWENTY-ONE (21) DAYS FROM RECEIPT OF THIS AGREEMENT AND THE GENERAL RELEASE TO DETERMINE WHETHER I WISH TO SIGN THEM, THAT I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THEM, AND THAT I HAVE SEVEN (7) DAYS FROM THE DATE I SIGN THE GENERAL RELEASE TO REVOKE THEM.

I ACKNOWLEDGE THAT I HAVE NOT RELIED ON ANY REPRESENTATIONS OR STATEMENTS NOT SET FORTH HEREIN AND/OR IN THE GENERAL RELEASE. I WILL NOT DISCLOSE THIS AGREEMENT AND/OR THE GENERAL RELEASE TO ANYONE EXCEPT TO MY IMMEDIATE FAMILY AND ANY TAX, LEGAL OR OTHER COUNSEL THAT I HAVE CONSULTED REGARDING THE MEANING OR EFFECT OF THIS AGREEMENT AND THE GENERAL RELEASE, EXCEPT AS OTHERWISE REQUIRED BY LAW.

In witness hereof, I have executed this Restrictive Agreement this fifth day of March, 2009.

/s/ John J. O’Connor

John J. O’Connor

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

On this 5th day of March, 2009, before me, a Notary Public of the State of New York, personally appeared John J. O'Connor, to me known and known to me to be the person described and who executed the foregoing agreement and did then and there acknowledge to me that he voluntarily executed the same.

/s/ Jacqueline Asadu-Adjaye
Notary Public

YOU MUST RETURN THIS ENTIRE RESTRICTIVE AGREEMENT AND THE ATTACHED GENERAL RELEASE AND THE ACKNOWLEDGMENT PAGES.

April 8, 2009

Brian Bohling, Senior Vice President
Hess Corporation
1185 Avenue of the Americas
New York, New York 10036

Re: Restrictive Agreement and General Release

Dear Mr. Bohling:

On March 5, 2009, I executed a Restrictive Agreement and on March 31, 2009 I executed the General Release attached thereto between Hess Corporation and me. I was advised in writing to consult with an attorney of my choosing prior to signing the Restrictive Agreement and the General Release.

At least seven (7) days have elapsed since I executed the above-mentioned Restrictive Agreement and General Release, and I have not revoked my acceptance or execution thereof. I hereby request continued vesting and exercisability of my Options and the Additional Payments (as defined in that Restrictive Agreement), in accordance with the terms and conditions of that Restrictive Agreement and General Release.

Very truly yours,

/s/ John J. O'Connor
John J. O'Connor

Exhibit 31(1)

CERTIFICATIONS

I, John B. Hess, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hess Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ John B. Hess
JOHN B. HESS
CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER

Date: May 7, 2009

Exhibit 31(2)

I, John P. Rielly, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hess Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Date: May 7, 2009

Exhibit 32(1)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hess Corporation (the “Corporation”) on Form 10-Q for the period ending March 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John B. Hess, Chairman of the Board and Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By /s/ John B. Hess
JOHN B. HESS
CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER
Date: May 7, 2009

A signed original of this written statement required by Section 906 has been provided to Hess Corporation and will be retained by Hess Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(2)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hess Corporation (the "Corporation") on Form 10-Q for the period ending March 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John P. Rielly, Senior Vice President and Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER
Date: May 7, 2009

A signed original of this written statement required by Section 906 has been provided to Hess Corporation and will be retained by Hess Corporation and furnished to the Securities and Exchange Commission or its staff upon request.