



Amerada Hess to Return to Libya; Oasis Group to Resume Operations After 19-Year Absence

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NEW YORK--(BUSINESS WIRE)--Dec. 29, 2005--Amerada Hess Corporation (NYSE: AHC) announced today that, in conjunction with its Oasis Group partners ConocoPhillips and Marathon Oil, it has reached agreement with the Libyan National Oil Corporation on the terms under which it will return to its former oil and gas production operations in the Waha concessions in Libya.

The Libyan National Oil Corporation will hold a 59.16 percent interest, ConocoPhillips and Marathon Oil will each hold a 16.33 percent interest, and Amerada Hess will hold an 8.16 percent interest. The concessions encompass almost 13 million acres located in the Sirte Basin, which is one of the most prolific oil and gas producing areas of Libya, and contain sizable undeveloped oil and gas resources. Amerada Hess will add in excess of 85 million barrels of oil equivalent to the company's proved reserves as a result of the reentry to Libya, and approximately 20-25,000 net barrels per day of production.

"We appreciate the opportunity to return to our operations in Libya after a 19 year absence," said John Hess, Chairman and CEO. "We look forward to working once again with our partners to increase proved reserves and production capacity at the Waha concessions."

The fiscal terms will be similar to the terms in effect at the time of the suspension of the U.S. partners' activities in 1986. The reentry terms include a 25-year extension of the concessions to 2031-34 and a payment to the Libyan National Oil Corporation of \$1.3 billion (\$260 million net to Amerada Hess) for reentry and the extension of the concessions. In addition, the companies will make a contribution to unamortized investments made since 1986 of \$530 million (\$106 million net to Amerada Hess) that were agreed to be paid as part of the 1986 standstill agreement to hold the assets in escrow for the U.S. partners.

About Amerada Hess Corporation

Amerada Hess, headquartered in New York, is a global integrated energy company engaged in the exploration for and the production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products.

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