



Amerada Hess Announces Capital and Exploratory Budget for 2006

January 11, 2006

NEW YORK--(BUSINESS WIRE)--Jan. 11, 2006--Amerada Hess Corporation (NYSE:AHC) announced today a \$4 billion capital and exploratory expenditure program for 2006, which includes \$413 million for the acquisition of Egyptian assets from Apache Corporation and \$366 million for the re-entry to the Waha concessions in Libya. "We are pleased to have such excellent investment opportunities to sustain profitable growth for our company," said Chairman and CEO John Hess.

Excluding acquisitions, \$3.1 billion is targeted for Exploration and Production and about \$125 million is for Marketing and Refining. "Our exploration and production program in 2006 results largely from planned investments in world-class field developments such as Okume, JDA Phase II, Pangkah, and Shenzi, and growth opportunities in new country entries, including Egypt, Libya, and Russia. Additionally, higher industry-wide costs for services and materials contribute to the increase in expenditures," said Hess.

Exploration and Production

John O'Connor, Amerada Hess' President of Worldwide Exploration and Production, said, "Our robust portfolio of value creating development projects has generated a broad array of investment opportunities for our company. They have been prioritized and resourced in a disciplined manner to maximize our economic returns while continuing on our growth trajectory. In addition, our strong exploration prospect inventory will help underpin the company's profitable long-term reserve and production growth."

The 2006 program includes \$1.4 billion for field developments. Projects which will account for a significant portion of 2006 development expenditures include:

- Okume Complex - an oil development offshore Equatorial Guinea
- Shenzi - a deepwater Gulf of Mexico oil and gas discovery
- JDA Phase II - a gas development in Malaysia-Thailand JDA
- Ujung Pangkah - an oil and gas development in East Java, Indonesia
- Gassi El Agreb - an oil field redevelopment project in Algeria

Funds are also included for two new field start-ups: Atlantic / Cromarty in the UK sector of the North Sea in the first quarter of 2006, and Phu Horm, onshore Thailand, in the fourth quarter of 2006.

Exploration and exploitation expenditures are budgeted to be about \$570 million. "More than half of the exploratory program will be focused on the deepwater Gulf of Mexico and will include drilling the Pony, Ouachita, Barossa, and Turtle Lake wildcat wells, and a Tubular Bells appraisal well," said O'Connor, "with the remainder of the program focused on the best basins in other selected prospective areas."

Marketing and Refining

About \$125 million is targeted for marketing and refining and in 2006. This includes approximately \$75 million for Marketing and \$50 million for Refining, of which about \$45 million is for clean fuels projects at the Port Reading facility.

2006 Estimated Capital and Exploratory Expenditures (\$ Millions)

By Segment :

By Region :

Exploration and Production

Acquisitions	\$780	United States	\$760
Developments	1,370	Europe	620
Production	1,130	Africa, Asia, and Other	2,470
Exploration	570		
	-----		-----
Total Exploration and Production	3,850		\$3,850
			=====

Marketing and Refining 125

Corporate 25

Total \$4,000
=====

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.

CONTACT: Amerada Hess Corporation
Jay R. Wilson, 212-536-8940

SOURCE: Amerada Hess Corporation