



## Hess Corporation Announces Capital and Exploratory Budget for 2008

December 21, 2007

NEW YORK--(BUSINESS WIRE)--Dec. 21, 2007--Hess Corporation (NYSE: HES) announced today a \$4.4 billion capital and exploratory expenditure budget for 2008. Approximately \$4.3 billion is targeted for Exploration and Production, with \$1.6 billion for production, \$1.5 billion for field developments and \$1.2 billion for exploration.

John B. Hess, Chairman and Chief Executive Officer, stated, "We are fortunate to have attractive investment opportunities for the future. We will invest our cash flow in a disciplined manner to sustain long-term profitable growth for shareholders."

John O'Connor, President of Worldwide Exploration and Production, said, "We have a well-balanced Exploration & Production plan for 2008 that is consistent with our long-term target of growing reserves 5 to 8 percent per year and production 3 to 5 percent per year. Our exploration program has the potential to increase the company's hydrocarbon resources and create significant value for our shareholders."

Production expenditures of \$1.6 billion include:

-- Bakken Shale - in North Dakota's Williston Basin. Hess will increase the number of drilling rigs to eight from six and expand facilities for crude oil production.

-- Okume Complex - a Hess operated offshore oil development in Equatorial Guinea (85 percent Hess working interest). The company will drill additional production and water injection wells.

-- JDA - a gas development in the Malaysia-Thailand Joint Development Area (JDA) in the Gulf of Thailand (50 percent working interest). Investments include installation of wellhead platforms and the drilling of production wells.

Field development expenditures of \$1.5 billion include:

-- Shenzi - a deepwater Gulf of Mexico oil and gas development (28 percent working interest). Production wells will be drilled throughout the year and the tension leg platform and topsides will be installed in the second quarter. Production is on schedule to commence by mid-2009.

-- Valhall - an oil and gas field in Norway (28 percent working interest). Redevelopment of the field is ongoing.

-- Ujung Pangkah - a Hess operated oil and gas development in East Java, Indonesia (75 percent working interest). Phase 2 of the plan is the development of oil reserves. Oil production is on schedule to commence in early 2009.

Exploration and exploitation expenditures of \$1.2 billion include appraisal drilling in the Hess-operated Pony discovery (100 percent working interest) as well as the Tubular Bells discovery (20 percent working interest) in the deepwater Gulf of Mexico. Other 2008 exploration prospects include four initial exploratory wells on Block WA-390-P in the Northwest Shelf of Australia and one well each in Block 54 offshore Libya, the Cape Three Points South Block offshore Ghana, and the BMS-22 Block in the Santos Basin offshore Brazil. Expenditures are also budgeted for geological and geophysical activities.

### 2008 Estimated Capital and Exploratory Expenditures (\$ Millions)

By Segment:

By Region:

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Exploration and Production

Production	\$1,600	United States	\$1,900
Developments	1,500	Europe	800
Exploration	1,200	Africa	750

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Total Exploration and Production	\$4,300	\$4,300
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Marketing and Refining	75
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Corporate	25
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Total \$4,400  
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Hess Corporation, with headquarters in New York, is a global integrated energy company engaged in the exploration, production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products. More information on Hess Corporation is available at [www.hess.com](http://www.hess.com).

#### Forward Looking Statements

Certain statements in this release constitute "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, uncertainties inherent in the measurement and interpretation of geological, geophysical and other technical data.

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