



Hess Corporation Announces Capital and Exploratory Budget for 2009

December 8, 2008

NEW YORK--(BUSINESS WIRE)--Dec. 8, 2008--Hess Corporation (NYSE: HES) announced today a \$3.2 billion capital and exploratory expenditure program for 2009. Approximately \$3.1 billion is targeted for Exploration and Production, with \$1.4 billion for production, \$900 million for developments and \$800 million for exploration.

John B. Hess, Chairman and CEO, stated, "Our company has excellent investment opportunities. However, the uncertain economic environment has prompted us to size our 2009 capital and exploratory program in a way that maintains our financial strength and protects our growth options."

John O'Connor, President of Worldwide Exploration and Production, said, "We are committed to our strategy of delivering long-term sustainable growth in reserves and production. We will invest prudently and live within our means. We have retained flexibility in our program to adjust spending as market conditions warrant."

Production expenditures are expected to total \$1.4 billion, including:

- Shenzi Field in Deepwater Gulf of Mexico (Hess 28% working interest). Start up is expected in the first half of 2009 with additional production wells in the second half of 2009.
- Okume Complex, a Hess operated offshore oil field in Equatorial Guinea (Hess 85%). The company will drill additional production and water injection wells.
- Bakken Shale in North Dakota's Williston Basin. Hess will continue to drill production wells and expand production facilities.

Field development expenditures of \$900 million are expected to include:

- Valhall Field in Norway (Hess 28%). Redevelopment of the field is ongoing.
- Pony Field, a Hess operated discovery in the deepwater Gulf of Mexico (Hess 100%). Activities will include the drilling of the Pony #3 well on Green Canyon Block 469 to confirm the eastern extent of the field as well as FEED work.
- Ujung Pangkah Field, a Hess operated oil and gas field in Indonesia (Hess 75%). Development of the oil rim is ongoing.

Exploration and exploitation expenditures are budgeted to be about \$800 million, including:

- Azulao and Guarani exploration wells on BM-S-22 in the Santos Basin of Brazil (Hess 40%).
- Lencois exploration well on Hess operated BM-ES-30 in the Espirito Santo Basin of Brazil (Hess 60%).
- Five exploration wells on Permit WA-390-P (Hess 100%) and three wells on Permit WA-404-P (Hess 50%), in the Northwest Shelf of Australia.

2009 Estimated Capital and Exploratory Expenditures

(\$ Millions)

By Segment:

Exploration and Production

Production	1,400
Development	900
Exploration	800

Total Exploration and Production 3,100

Marketing and Refining 70

Corporate 30

Total 3,200

By Region:

Exploration and Production

United States	850
Europe	700
Africa	550
Asia and Other	1,000

3,100

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.

Cautionary Statements

This news release contains projections and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These projections and statements reflect the company's current views with respect to future events and financial performance. No assurances can be given, however, that these events will occur or that these projections will be achieved, and actual results could differ materially from those projected as a result of certain risk factors. A discussion of these risk factors is included in the company's periodic reports filed with the Securities and Exchange Commission.

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