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

FORM 10-K

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934 Fee Required
For the fiscal year ended December 31, 1994

or

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934 No Fee Required
For the transition period from ________________ to _______

COMMISSION FILE NUMBER 1-1204

AMERADA 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.	10036
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code, is (212) 997-8500)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock (par value $1.00)	New York Stock Exchange Toronto Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: None

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 X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. /X/

The aggregate market value of voting stock held by non-affiliates of the Registrant amounted to $3,892,000,000 as of February 28, 1995.

At February 28, 1995, 92,992,755 shares of Common Stock were outstanding.

Certain items in Parts I and II incorporate information by reference from the 1994 Annual Report to Stockholders and Part III is incorporated by reference from the Proxy Statement for the annual meeting of stockholders to be held on May 3, 1995.

PART I

ITEM 1. BUSINESS

Amerada Hess Corporation (the "Registrant") was incorporated in 1920 in the State of Delaware. The Registrant and its subsidiaries (collectively referred to herein as the "Corporation") are engaged in the exploration for and the production, purchase, gathering, transportation and sale of crude oil and natural gas and the manufacture, purchase, transportation and marketing of refined products.

EXPLORATION AND PRODUCTION

The Corporation's exploration and production activities are located primarily in the United States, Canada, the United Kingdom and Norwegian sectors of the North Sea and Gabon. The Corporation also conducts exploration and/or production activities in Abu Dhabi, Denmark, Egypt, Namibia and Thailand. Of the Company's proved reserves (on a barrel of oil equivalent basis), 34% are located in the United States, 50% are located in the United Kingdom and Norwegian sectors of the North Sea, 12% are located in Canada and the remainder are located in Gabon and Abu Dhabi. Worldwide crude oil and natural gas liquids production amounted to 250,520 barrels per day in 1994 compared with 215,390 barrels per day in 1993. Worldwide natural gas production was 846,118 Mcf per day in 1994 compared with 887,309 Mcf per day in 1993.

At December 31, 1994, the Corporation has 644 million barrels of proved crude oil and natural gas liquids reserves compared with 670 million barrels at the end of 1993. Proved natural gas reserves are 2,581 million Mcf at December 31, 1994 compared with 2,653 million Mcf at December 31, 1993. The Corporation has an inventory of drillable prospects primarily in the United States, Canada and the United Kingdom and Norwegian sectors of the North Sea.

UNITED STATES. The Corporation operates principally offshore in the Gulf of Mexico and onshore in the states of Texas, Louisiana and North Dakota. During 1994, 27% of the Corporation's crude oil and natural gas liquids production and 50% of its natural gas production were from United States operations.

The table below sets forth the Corporation's average daily net production by area in the United States:

	1994	1993
CRUDE OIL, INCLUDING CONDENSATE AND NATURAL GAS LIQUIDS (BARRELS PER DAY)		
Texas	26,237	27,573
Gulf of Mexico	14,349	15,389
North Dakota	13,158	13,699
Alaska	3,735	4,341
Louisiana	2,331	2,546
Other	7,792	8,423
Total	67,602	71,971
NATURAL GAS (MCF PER DAY)		
Gulf of Mexico	217,203	283,340
Louisiana	51,727	54,848
North Dakota	46,530	47,617
Texas	39,973	47,508
New Mexico	23,276	21,942
California	19,623	19,744
Other	28,771	27,460
Total	427,103	502,459

CANADA. The Corporation, through its wholly-owned Canadian subsidiary, Amerada Hess Canada Ltd., conducts operations in the Provinces of Alberta and British Columbia. The Corporation's net crude oil and natural gas liquids production in Canada amounted to 12,390 barrels per day in 1994 compared to 13,492 barrels per day in 1993, and its natural gas production increased to 185,856 Mcf per day in 1994 from 167,839 Mcf per day in 1993.

UNITED KINGDOM. The Corporation's activities in the United Kingdom are conducted by its wholly-owned British subsidiary, Amerada Hess Limited. During 1994, 51% of the Corporation's crude oil and natural gas liquids production and 25% of its natural gas production were from United Kingdom operations.

The table below sets forth the Corporation's average daily net production in the United Kingdom by field and the Corporation's interest in each at December 31, 1994:

PRODUCING FIELD	INTEREST	1994	1993
CRUDE OIL, INCLUDING CONDENSATE AND NATURAL GAS LIQUIDS (BARRELS PER DAY)			
Scott	34.95%	59,161	10,690
Ivanhoe/Rob Roy/Hamish	42.08	24,913	27,343
Beryl/Ness	20.00	18,687	20,478
Arbroath/Montrose	28.21	9,823	9,679
Hudson	28.46	8,413	4,714
Other	Various	7,802	10,898
Total		128,799	83,802
NATURAL GAS (MCF PER DAY)			
Beryl/Ness	20.00%	43,329	46,219
Everest/Lomond	18.67/16.67	41,685	18,596
Leman	21.74	28,663	48,523
Indefatigable	23.08	20,855	38,836
Scott	34.95	26,092	2,153
Anglia	29.29	19,538	15,962
Other	Various	28,580	17,735
Total		208,742	188,024

Crude oil production commenced from the Scott and Hudson Fields in the third quarter of 1993. Natural gas production commenced from the Everest and Lomond Fields in mid-1993.

NORWAY. The Corporation's activities in Norway are conducted through its wholly-owned Norwegian subsidiary, Amerada Hess Norge A/S. The Corporation's Norwegian operations accounted for crude oil and natural gas liquids production of 25,599 and 27,820 net barrels per day in 1994 and 1993, respectively. Approximately 60% of this production is from the Corporation's 28.09% interest in the Valhall Field.

GABON. The Corporation has a 5.5% interest in the Rabi Kounga oil field onshore Gabon. The Corporation's share of production from Gabon averaged 8,746 and 8,136 net barrels of crude oil per day in 1994 and 1993, respectively.

REFINING AND MARKETING

The Corporation's refining facilities are located in St. Croix, United States Virgin Islands and Port Reading, New Jersey. The Purvis, Mississippi refinery was mothballed in early 1994. Total crude runs averaged 388,000 barrels per day in 1994 and 351,000 barrels per day in 1993. The Corporation's production supplied approximately 15% of its crude runs. The balance came from various suppliers under contracts of one year or less and through spot purchases on the open market. Approximately 80% of the refined products marketed in 1994 was obtained from the Corporation's refineries. The Corporation purchased the balance from other companies under short-term supply contracts and by spot purchases from various sources. Sales of refined products averaged 468,000 barrels per day in 1994 compared with 386,000 barrels per day in 1993.

HESS OIL VIRGIN ISLANDS REFINERY. The Corporation owns and operates a petroleum refinery in St. Croix, United States Virgin Islands through its wholly-owned subsidiary, Hess Oil Virgin Islands Corp. ("HOVIC").

In 1994, refined products produced were approximately 65% gasoline and distillates, 10% refinery feedstocks and the remainder principally residual fuel oil. In addition to crude distillation capacity, the refinery has a fluid catalytic cracking unit which commenced production in the fourth quarter of 1993 and increased gasoline production. The refinery also has catalytic reforming units, vacuum distillation capacity, visbreakers, a sulfolane unit, a penex unit, distillate desulfurizers, vacuum gas oil desulfurizers and sulfur recovery facilities. The refinery has approximately 31 million barrels of storage capacity.

The refinery has the capability to process a variety of crude oils, including high-sulfur crudes. The refinery has a 60-foot-deep harbor and docking facilities for ten ocean-going tankers at one time. The refinery's harbor accommodates very large crude carriers after a portion of their crude oil cargo is lightered at the Corporation's storage and transshipment facility in Saint Lucia, which has a 90-foot-deep harbor. The Saint Lucia facility has approximately 9 million barrels of storage capacity.

PORT READING FACILITY. The Corporation owns and operates a fluid catalytic cracking facility in Port Reading, New Jersey, which processes vacuum gas oil and operates at a rate of approximately 54,000 barrels per day. The Port Reading facility primarily produces gasoline and heating oil.

MARKETING. The Corporation markets refined petroleum products principally on the East and Gulf Coasts of the United States to the motoring public, wholesale distributors, industrial and commercial users, other petroleum companies, commercial airlines, governmental agencies and public utilities.

At December 31, 1994, the Corporation has 541 HESS(R) gasoline stations of which approximately 82% are operated by the Corporation. Most of the Corporation's stations are concentrated in highly-populated, urban areas, principally in New York, New Jersey and Florida. Of the Corporation's stations, 155 have HESS MART(R) convenience stores. The Corporation owns in fee approximately 75% of the properties on which its stations are located. The Corporation also has 46 terminals located throughout its marketing area, with aggregate storage capacity of approximately 49 million barrels.

COMPETITION AND MARKET CONDITIONS

The petroleum industry is highly competitive. The Corporation encounters competition from numerous companies in each of its activities, particularly in acquiring rights to explore for crude oil and natural gas and in the purchasing and marketing of refined products. Many competitors are larger and have substantially greater resources than the Corporation. The Corporation is also in competition with producers and marketers of other forms of energy.

The petroleum business involves large-scale capital expenditures and risk-taking. In the search for new oil and gas reserves, long lead times are often required from successful exploration to subsequent production. Operations in the petroleum industry depend on a depleting natural resource. The number of areas where it can be expected that hydrocarbons will be discovered in commercial quantities is constantly diminishing and exploration risks are high. Areas where hydrocarbons may be found are often in remote locations or offshore where exploration and development activities are capital intensive and operating costs are high. In addition, low crude oil prices have reduced the number of areas from which hydrocarbons can be economically produced.

The major foreign oil producing countries, including the Organization of Petroleum Exporting Countries ("OPEC"), exert considerable influence over the supply and price of crude oil and refined petroleum products. Their ability or inability to agree on a common policy on rates of production, oil prices, and other matters has a significant impact on the oil market and the Corporation. In recent years, the futures markets have become increasingly important in influencing the prices of crude oil, natural gas and refined products. The Corporation cannot predict the extent to which future market conditions may be affected by OPEC, the futures markets or other external influences.

Market conditions continue to affect the Corporation's earnings. The Corporation's refining and marketing operations were profitable in 1994, reflecting higher margins than in 1993, the operation of the fluid catalytic cracking unit and increased refinery runs. However, the selling prices of all refined products, particularly gasolines, continue to be subject to competitive industry conditions. Supply and demand factors, including the effects of weather, will continue to affect all refined product markets.

The Corporation's exploration and production operations were also profitable in 1994, but continue to be impacted by volatility in the selling prices of crude oil and natural gas. Average worldwide crude oil selling prices declined in 1994, but improved somewhat late in the year. In 1994, the available supply of natural gas in the United States exceeded demand, resulting in sharply lower selling prices. The lower natural gas selling prices continued into 1995 and the Corporation is unable to predict how long these conditions will exist.

OTHER ITEMS

The Corporation's operations may be affected by federal, state, local, territorial and foreign laws and regulations relating to tax increases and retroactive tax claims, expropriation of property, cancellation of contract rights, and changes in import regulations, as well as other political developments. The Corporation has been affected by certain of these events in various countries in which it operates. The Corporation markets motor fuels through lessee-dealers and wholesalers in certain states where legislation prohibits producers or refiners of crude oil from directly engaging in retail marketing of motor fuels. Similar legislation is periodically proposed in Congress and in various other states. The Corporation, at this time, cannot predict the effect of any of the foregoing on its future operations.

Compliance with the various environmental and pollution control regulations imposed by federal, state and local governments is not expected to have a materially adverse effect on the Corporation's earnings and competitive position within the industry. However, the cost of such compliance is expected to increase in the future. Capital expenditures for facilities, primarily to comply with federal, state and local environmental standards, were $8 million in 1994 and the Corporation anticipates comparable capital expenditures in 1995. In addition, the Corporation expended $16 million in 1994 for environmental remediation, with a comparable amount anticipated for 1995.

The number of persons employed by the Corporation averaged 9,858 in 1994 and 10,173 in 1993.

Additional operating and financial information relating to the business and properties of the Corporation appears on pages 6 and 9 under the heading "United States Exploration and Production," on pages 10, 13 and 14 under the heading "International Exploration and Production," on pages 17 and 18 under the heading "Refining and Marketing," on pages 21 through 25 under the heading "Financial Review" and on pages 26 through 51 of the accompanying 1994 Annual Report to Stockholders, which information is incorporated herein by reference.*

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* Except as to information specifically incorporated herein by reference under Items 1, 2, 5, 6, 7 and 8, no other information or data appearing in the 1994 Annual Report to Stockholders is deemed to be filed with the Securities and Exchange Commission (SEC) as part of this Annual Report on Form 10-K, or otherwise subject to the SEC's regulations or the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended.

ITEM 2. PROPERTIES

Reference is made to Item 1 and the operating and financial information relating to the business and properties of the Corporation, which is incorporated in Item 1 by reference.

Additional information relating to the Corporation's oil and gas operations follows.

1. OIL AND GAS RESERVES

The Corporation's net proved oil and gas reserves at the end of 1994, 1993 and 1992 are presented under Supplementary Oil and Gas Data in the accompanying 1994 Annual Report to Stockholders, which has been incorporated herein by reference.

During 1994, the Corporation provided oil and gas reserve estimates for 1993 to the Department of Energy. Such estimates are compatible with the information furnished to the SEC on Form 10-K, although not necessarily directly comparable due to the requirements of the individual requests. There were no differences in excess of 5%.

The Corporation has no long-term contracts or agreements to supply fixed quantities of its crude oil production. Approximately 60% of the Corporation's 1994 natural gas sales were made under long-term contracts to various purchasers. Contractual commitments in 1995 (which are expected to be comparable to 1994) will be filled from the Corporation's production and from contractual purchases.

2. AVERAGE SELLING PRICES AND AVERAGE PRODUCTION COSTS

	1994	1993	1992
Average selling prices (Note A)			
Crude oil, including condensate and natural gas liquids (per barrel)			
United States	$ 15.43	$ 17.40	$ 17.94
Canada	15.94	16.30	17.05
Europe	15.96	17.04	19.79
Other areas	15.45	16.41	18.70
Average	15.78	17.05	18.92
Natural gas (per Mcf)			
United States	$ 1.91	$ 2.11	$ 1.76
Canada	1.36	1.43	1.24
Europe	2.04	1.83	1.83
Average	1.86	1.98	1.72

Note A: Includes inter-company transfers valued at approximate market prices and the effect of the Corporation's hedging activities.

	1994	1993	1992
Average production (lifting) costs per barrel of production (Note B)			
United States	$ 4.10	$ 4.06	$ 3.43
Canada	2.98	3.21	3.61
Europe	4.37	4.89	6.03
Other areas	3.08	4.15	4.01
Average	4.06	4.31	4.51

Note B: Production (lifting) costs consist of amounts incurred to operate and maintain the Corporation's producing oil and gas wells and related equipment and facilities, including severance and other related production taxes. The average production (lifting) costs per barrel of production reflect the crude oil equivalent of natural gas production converted on the basis of relative energy content.

The foregoing tabulation does not include substantial costs and charges applicable to finding and developing proved oil and gas reserves, nor does it reflect significant outlays for related general and administrative expenses, interest expense and income taxes.

3. GROSS AND NET DEVELOPED ACREAGE AND PRODUCTIVE WELLS AT DECEMBER 31, 1994

	DEVELOPED ACREAGE APPLICABLE TO PRODUCTIVE WELLS (IN THOUSANDS)		PRODUCTIVE WELLS (NOTE A)			
			OIL		GAS	
	GROSS	NET	GROSS	NET	GROSS	NET
United States	3,011	686	15,100	1,630	2,003	780
Canada	789	392	1,927	473	1,024	339
Europe	491	91	379	40	133	27
Other areas	91	25	131	17	-	-
Total	4,382	1,194	17,537	2,160	3,160	1,146

Note A: Includes multiple completion wells (wells producing from different formations in the same bore hole) totaling 240 gross wells and 123 net wells.

4. GROSS AND NET UNDEVELOPED ACREAGE AT DECEMBER 31, 1994

	UNDEVELOPED ACREAGE (IN THOUSANDS)	
	GROSS	NET
United States	2,467	1,685
Canada	1,332	743
Europe	7,188	2,163
Other areas	6,694	1,664
Total	17,681	6,255

5. NUMBER OF NET EXPLORATORY AND DEVELOPMENT WELLS DRILLED

	NET EXPLORATORY WELLS			NET DEVELOPMENT WELLS		
	1994	1993	1992	1994	1993	1992
Productive wells						
United States	10	25	12	27	43	25
Canada	9	9	1	13	10	7
Europe	5	6	Nil	6	3	7
Other areas	1	Nil	-	1	1	1
Total	25	40	13	47	57	40
Dry holes						
United States	17	23	16	-	1	-
Canada	5	10	5	1	2	Nil
Europe	1	1	1	-	-	-
Other areas	Nil	-	Nil	-	-	-
Total	23	34	22	1	3	Nil
Total	48	74	35	48	60	40

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6. NUMBER OF WELLS IN PROCESS OF DRILLING AT DECEMBER 31, 1994

	GROSS WELLS	NET WELLS
United States	41	17
Canada	11	4
Europe	11	3
Other areas	2	Nil
Total	65	24

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7. NUMBER OF WATERFLOODS AND PRESSURE MAINTENANCE PROJECTS IN PROCESS OF INSTALLATION AT DECEMBER 31, 1994 -- None

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ITEM 3. LEGAL PROCEEDINGS

The Registrant is currently the subject of an investigation by United States Attorneys for the federal judicial district in New Jersey and the United States Environmental Protection Agency ("EPA") with respect to possible violations of federal environmental and other laws and regulations in connection with hazardous waste handling at the HOVIC refinery. That investigation apparently focuses on whether or not certain spent catalyst generated at the HOVIC refinery should have been managed as a hazardous waste under the Resource Conservation and Recovery Act ("RCRA"), and, if it should have been managed as a hazardous waste, whether or not such catalyst was stored beyond the time period permitted under RCRA, whether or not Registrant and/or HOVIC failed to comply with certain environmental reporting requirements related thereto and whether or not any false statements were made to the United States government by employees of the Registrant or HOVIC in connection therewith. The Registrant is also the subject of an investigation by United States Attorneys for the federal judicial district in Arizona arising out of the shipment of such catalyst to a third party in Arizona. This investigation apparently focuses on whether or not Registrant or HOVIC participated in a failure to comply in a timely manner with certain reporting obligations in connection with the use and receipt of such catalyst by such third party under the Comprehensive Environmental Response, Compensation, and Liability Act, and whether or not employees of the Registrant or HOVIC made any false statements to the United States government in connection therewith. It is not possible at this time for Registrant to state what the outcome of these investigations will be, or, if any proceedings arising out of the investigations were to be commenced against the Registrant or HOVIC, what claims would be asserted or what relief would be sought.

On April 27, 1993, the Texas Natural Resource Conservation Commission ("TNRCC", then known as the Texas Water Commission) notified the Registrant of alleged violation of the Texas Water Code as a result of alleged discharges of hydrocarbon compounds into the groundwater in the vicinity of the Registrant's terminal in Corpus Christi, Texas. Penalties provided for these violations include administrative penalties not to exceed $10,000 per day. The Registrant has undertaken a groundwater assessment, an interim correction measures program and other appropriate responses to these allegations. On December 9, 1994, the Executive Director of the TNRCC forwarded a Notice of Executive Director's Preliminary Report and Petition for a TNRCC Order Assessing Administrative Penalties and Requiring Certain Actions of Amerada Hess Corporation. This Notice recommended a $542,400 penalty be assessed and the Registrant be ordered to undertake remedial actions at the Corpus Christi terminal. The Registrant has begun settlement discussions with the TNRCC regarding this matter.

On June 21, 1994, Region II of the EPA commenced an administrative proceeding under Section 325 of the Emergency Planning and Community Right-to-Know Act ("EPCRA") against HOVIC, alleging violations of Section 313 of EPCRA arising out of HOVIC's alleged failure to comply with certain reporting requirements relating to toxic chemicals manufactured or otherwise used at HOVIC's refinery. The proceeding seeks civil penalties totaling $252,000 for the alleged violations. HOVIC is engaging in settlement discussions with the EPA regarding this matter.

The Corporation periodically receives notices from the EPA that the Corporation is a "potentially responsible party" under the Superfund legislation with respect to various waste disposal sites. Under this legislation, all potentially responsible parties are jointly and severally liable. For certain sites, EPA's claims or assertions of liability against the Corporation relating to these sites have not been fully developed. With respect to the remaining sites, EPA's claims have been settled, or a proposed settlement is under consideration, in all cases for amounts which are not material. The ultimate impact of these proceedings, and of any related proceedings by private parties, on the business or accounts of the Corporation cannot be predicted at this time due to the large number of other potentially responsible parties and the speculative nature of clean-up cost estimates, but is not expected to be material.

The Corporation is from time to time involved in other judicial and administrative proceedings, including proceedings relating to other environmental matters. Although the ultimate outcome of these proceedings cannot be ascertained at this time and some of them may be resolved adversely to the Corporation, no such proceeding is required to be disclosed under applicable rules of the Securities and Exchange Commission. In management's opinion, based upon currently known facts and circumstances, such proceedings in the aggregate will not have a material adverse effect on the financial condition of the Corporation.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

During the fourth quarter of 1994, no matter was submitted to a vote of security holders through the solicitation of proxies or otherwise.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following table presents information as of February 1, 1995 regarding executive officers of the Registrant:

NAME	AGE	OFFICE HELD*	YEAR INDIVIDUAL BECAME AN EXECUTIVE OFFICER
Leon Hess	80	Chairman of the Board, Chief Executive Officer and Director	1969
Robert F. Wright	69	President, Chief Operating Officer and Director	1971
John B. Hess	40	Senior Executive Vice President and Director	1983
H. W. McCollum	81	Chairman of the Finance Committee and Director	1969
J. Barclay Collins II	50	Executive Vice President, General Counsel and Director	1986
W. S. H. Laidlaw	39	Executive Vice President and Director	1986
Michael W. Press	47	Executive Vice President and Director	1994
John Y. Schreyer	55	Executive Vice President, Chief Financial Officer and Director	1990
Alan A. Bernstein	50	Senior Vice President	1987
Marco B. Bianchi	55	Senior Vice President and Director	1986
James F. Cassidy	67	Senior Vice President	1992
F. Lamar Clark	61	Senior Vice President	1990
Neal Gelfand	50	Senior Vice President	1980
Charles H. Norz	57	Senior Vice President	1982
Benedict J. O'Bryan	57	Senior Vice President	1991
Rene L. Sagebien	54	Senior Vice President	1990
Gerald A. Jamin	53	Treasurer	1985

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* All officers referred to herein hold office in accordance with the By-Laws until the first meeting of the Directors following the annual meeting of stockholders of the Registrant, and until their successors shall have been duly chosen and qualified. Each of said officers was elected to the office set forth opposite his name on May 4, 1994, except that Mr. Press was elected to his present office by the Board of Directors at its regular meeting on October 5, 1994. The first meeting of Directors following the next annual meeting of stockholders of the Registrant is scheduled to be held May 3, 1995.

Except for Messrs. Schreyer and Press, each of the above officers has been employed by the Registrant in various managerial and executive capacities for more than five years. Prior to his employment with the Registrant in July 1990, Mr. Schreyer was a partner with the accounting firm of Ernst & Young LLP. Prior to his employment with the Registrant in October 1994, Mr. Press was a Senior Vice President of BP Oil Company, a unit of The British Petroleum Company p.l.c.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

Information pertaining to the market for the Registrant's Common Stock, high and low sales prices of the Common Stock in 1994 and 1993, dividend payments and restrictions thereon and the number of holders of Common Stock is presented on page 25 (Financial Review), page 33 (Long-Term Debt) and on page 48 (Ten-Year Summary of Financial Data) of the accompanying 1994 Annual Report to Stockholders, which has been incorporated herein by reference.

ITEM 6. SELECTED FINANCIAL DATA

A Ten-Year Summary of Financial Data is presented on pages 46 through 49 of the accompanying 1994 Annual Report to Stockholders, which has been incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item is presented on pages 21 through 25 of the accompanying 1994 Annual Report to Stockholders, which has been incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements, including the Report of Ernst & Young LLP, Independent Auditors, the Supplementary Oil and Gas Data (unaudited) and the Quarterly Financial Data (unaudited) are presented on pages 25 through 45 of the accompanying 1994 Annual Report to Stockholders, which has been incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information relating to Directors is incorporated herein by reference to "Election of Directors" from the Registrant's definitive proxy statement for the annual meeting of stockholders to be held on May 3, 1995.

Information regarding executive officers is included in Part I hereof.

ITEM 11. EXECUTIVE COMPENSATION

Information relating to executive compensation is incorporated herein by reference to "Election of Directors-Executive Compensation and Other Information," other than information under "Compensation Committee Report on Executive Compensation" and "Performance Graph" included therein, from the Registrant's definitive proxy statement for the annual meeting of stockholders to be held on May 3, 1995.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information pertaining to security ownership of certain beneficial owners and management is incorporated herein by reference to "Election of Directors-Ownership of Voting Securities by Certain Beneficial Owners" and "Election of Directors-Ownership of Equity Securities by Management" from the Registrant's definitive proxy statement for the annual meeting of stockholders to be held on May 3, 1995.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information relating to this item is incorporated herein by reference to "Election of Directors" from the Registrant's definitive proxy statement for the annual meeting of stockholders to be held on May 3, 1995.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(A) 1. AND 2. FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

The financial statements filed as part of this Annual Report on Form 10-K are listed in the accompanying index to financial statements and schedules.

3. EXHIBITS

3(1)	-Restated Certificate of Incorporation of Registrant incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended September 30, 1988.
3(2)	-By-Laws of Registrant incorporated by reference to Exhibit 3(2) of Form 10-K of Registrant for the fiscal year ended December 31, 1985.
4(1)	-Note and Warrant Purchase Agreement, dated June 27, 1991 (including the form of the Common Stock Purchase Warrant expiring June 27, 2001, included as Exhibit B thereof) incorporated by reference to Exhibit 4 of Form 10-Q of Registrant for the three months ended June 30, 1991.
4(2)	-Amendment, dated as of May 15, 1992 to the Note and Warrant Purchase Agreement, dated June 27, 1991 (including the form of the common stock purchase warrant expiring June 27, 2001, included as Exhibit B thereof), incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended June 30, 1992.
	-Other instruments defining the rights of holders of long-term debt of Registrant and its consolidated subsidiaries are not being filed since the total amount of securities authorized under each such instrument does not exceed 10 percent of the total assets of Registrant and its subsidiaries on a consolidated basis. Registrant agrees to furnish to the Commission a copy of any instruments defining the rights of holders of long-term debt of Registrant and its subsidiaries upon request.
10(1)	-Extension and Amendment Agreement between the Government of the Virgin Islands and Hess Oil Virgin Islands Corp. incorporated by reference to Exhibit 10(4) of Form 10-Q of Registrant for the three months ended June 30, 1981.
10(2)	-Restated Second Extension and Amendment Agreement dated July 27, 1990 between Hess Oil Virgin Islands Corp. and the Government of the Virgin Islands incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended September 30, 1990.
10(3)	-Technical Clarifying Amendment dated as of November 17, 1993 to Restated Second Extension and Amendment Agreement between the Government of the Virgin Islands and Hess Oil Virgin Islands Corp. incorporated by reference to Exhibit 10(3) of Form 10-K of Registrant for the fiscal year ended December 31, 1993.
10(4)*	-Incentive Compensation Award Plan for Key Employees of Amerada Hess Corporation and its subsidiaries incorporated by reference to Exhibit 10(2) of Form 10-K of Registrant for the fiscal year ended December 31, 1980.
10(5)*	-Financial Counseling Program description incorporated by reference to Exhibit 10(3) of Form 10-K of Registrant for the fiscal year ended December 31, 1980.

3. EXHIBITS (continued)

10(6)*	-Executive Long-Term Incentive Compensation and Stock Ownership Plan of Registrant dated June 3, 1981 incorporated by reference to Exhibit 10(5) of Form 10-Q of Registrant for the three months ended June 30, 1981.
10(7)*	-Amendment dated as of December 5, 1990 to the Executive Long-Term Incentive Compensation and Stock Ownership Plan of Registrant incorporated by reference to Exhibit 10(9) of Form 10-K of Registrant for the fiscal year ended December 31, 1990.
10(8)*	-Amerada Hess Corporation Pension Restoration Plan dated January 19, 1990 incorporated by reference to Exhibit 10(9) of Form 10-K of Registrant for the fiscal year ended December 31, 1989.
10(9)*	-Letter Agreement dated August 8, 1990 between Registrant and Mr. John Y. Schreyer relating to Mr. Schreyer's participation in the Amerada Hess Corporation Pension Restoration Plan incorporated by reference to Exhibit 10(11) of Form 10-K of Registrant for the fiscal year ended December 31, 1991.
10(10)*	-Letter Agreement dated November 2, 1994 between Registrant and Mr. Michael W. Press relating to Mr. Press's participation in the Amerada Hess Corporation Pension Restoration Plan and his severance benefits.
13	-1994 Annual Report to Stockholders of Registrant.
21	-Subsidiaries of Registrant.
23	-Consent of Ernst & Young LLP, Independent Auditors, dated March 24, 1995, to the incorporation by reference in Registrant's Registration Statement on Form S-8 (No. 33-39816) of its report relating to Registrant's financial statements, which consent appears on page F-2 herein.
27	-Financial Data Schedule (for electronic filing only).

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* These exhibits relate to executive compensation plans and arrangements.

(B) REPORTS ON FORM 8-K

No reports on Form 8-K were filed during the last quarter of Registrant's fiscal year ended December 31, 1994.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF SECTION 13 OR 15(D) 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, ON THE 24TH DAY OF MARCH 1995.

AMERADA HESS CORPORATION
(REGISTRANT)

By /s/ JOHN Y. SCHREYER
....
(JOHN Y. SCHREYER)
EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THIS REPORT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES AND ON THE DATES INDICATED.

SIGNATURE	TITLE	DATE
/s/ LEON HESS (LEON HESS)	Director, Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 24, 1995
/s/ ROBERT F. WRIGHT (ROBERT F. WRIGHT)	Director, President and Chief Operating Officer	March 24, 1995
/s/ MARCO B. BIANCHI (MARCO B. BIANCHI)	Director	March 24, 1995
/s/ NICHOLAS F. BRADY (NICHOLAS F. BRADY)	Director	March 24, 1995
/s/ J. BARCLAY COLLINS II (J. BARCLAY COLLINS II)	Director	March 24, 1995
/s/ BERNARD T. DEVERIN (BERNARD T. DEVERIN)	Director	March 24, 1995
/s/ PETER S. HADLEY (PETER S. HADLEY)	Director	March 24, 1995
/s/ JOHN B. HESS (JOHN B. HESS)	Director	March 24, 1995
/s/ EDITH E. HOLIDAY (EDITH E. HOLIDAY)	Director	March 24, 1995
/s/ THOMAS H. KEAN (THOMAS H. KEAN)	Director	March 24, 1995
/s/ W. S. H. LAIDLAW (W. S. H. LAIDLAW)	Director	March 24, 1995
/s/ H. W. MCCOLLUM (H. W. MCCOLLUM)	Director	March 24, 1995

SIGNATURE	TITLE	DATE
/s/ ROGER B. ORESMAN .... (ROGER B. ORESMAN)	Director	March 24, 1995
/s/ WILLIAM A. POGUE .... (WILLIAM A. POGUE)	Director	March 24, 1995
/s/ MICHAEL W. PRESS .... (MICHAEL W. PRESS)	Director	March 24, 1995
/s/ JOHN Y. SCHREYER .... (JOHN Y. SCHREYER)	Director, Executive Vice President and Chief Financial Officer (Principal Accounting and Financial Officer)	March 24, 1995
/s/ RICHARD B. SELLARS .... (RICHARD B. SELLARS)	Director	March 24, 1995
.... (WILLIAM I. SPENCER)	Director	March 24, 1995

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

* The financial statements and notes thereto together with the Report of Ernst & Young LLP, Independent Auditors, on pages 26 through 40, the Quarterly Financial Data (unaudited) on page 25, and the Supplementary Oil and Gas Data (unaudited) on pages 41 through 45 of the accompanying 1994 Annual Report to Stockholders are incorporated herein by reference.

** All schedules have been omitted because of the absence of the conditions under which they are required or because the required information is presented in the financial statements or the notes thereto.

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Amerada Hess Corporation of our report dated February 15, 1995, included in the 1994 Annual Report to Stockholders of Amerada Hess Corporation.

We also consent to the incorporation by reference in the Registration Statement (Form S-8, No. 33-39816) pertaining to the Amerada Hess Corporation Employees' Savings and Stock Bonus Plan, of our report dated February 15, 1995, with respect to the consolidated financial statements incorporated herein by reference.

/S/ ERNST & YOUNG LLP
ERNST & YOUNG LLP

New York, N.Y.
March 24, 1995

EXHIBIT INDEX

EXHIBIT NUMBER		DESCRIPTION
3(1)	--	Restated Certificate of Incorporation of Registrant incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended September 30, 1988.
3(2)	--	By-Laws of Registrant incorporated by reference to Exhibit 3(2) of Form 10-K of Registrant for the fiscal year ended December 31, 1985.
4(1)	--	Note and Warrant Purchase Agreement, dated June 27, 1991 (including the form of the Common Stock Purchase Warrant expiring June 27, 2001, included as Exhibit B thereof) incorporated by reference to Exhibit 4 of Form 10-Q of Registrant for the three months ended June 30, 1991.
4(2)	--	Amendment, dated as of May 15, 1992 to the Note and Warrant Purchase Agreement, dated June 27, 1991 (including the form of the common stock purchase warrant expiring June 27, 2001, included as Exhibit B thereof), incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended June 30, 1992.
	--	Other instruments defining the rights of holders of long-term debt of Registrant and its consolidated subsidiaries are not being filed since the total amount of securities authorized under each such instrument does not exceed 10 percent of the total assets of Registrant and its subsidiaries on a consolidated basis. Registrant agrees to furnish to the Commission a copy of any instruments defining the rights of holders of long-term debt of Registrant and its subsidiaries upon request.
10(1)	--	Extension and Amendment Agreement between the Government of the Virgin Islands and Hess Oil Virgin Islands Corp. incorporated by reference to Exhibit 10(4) of Form 10-Q of Registrant for the three months ended June 30, 1981.
10(2)	--	Restated Second Extension and Amendment Agreement dated July 27, 1990 between Hess Oil Virgin Islands Corp. and the Government of the Virgin Islands incorporated by reference to Exhibit 19 of Form 10-Q of Registrant for the three months ended September 30, 1990.
10(3)	--	Technical Clarifying Amendment dated as of November 17, 1993 to Restated Second Extension and Amendment Agreement between the Government of the Virgin Islands and Hess Oil Virgin Islands Corp. incorporated by reference to Exhibit 10(3) of Form 10-K of Registrant for the fiscal year ended December 31, 1993.
10(4)*	--	Incentive Compensation Award Plan for Key Employees of Amerada Hess Corporation and its subsidiaries incorporated by reference to Exhibit 10(2) of Form 10-K of Registrant for the fiscal year ended December 31, 1980.
10(5)*	--	Financial Counseling Program description incorporated by reference to Exhibit 10(3) of Form 10-K of Registrant for the fiscal year ended December 31, 1980.
10(6)*	--	Executive Long-Term Incentive Compensation and Stock Ownership Plan of Registrant dated June 3, 1981 incorporated by reference to Exhibit 10(5) of Form 10-Q of Registrant for the three months ended June 30, 1981.
10(7)*	--	Amendment dated as of December 5, 1990 to the Executive Long-Term Incentive Compensation and Stock Ownership Plan of Registrant incorporated by reference to Exhibit 10(9) of Form 10-K of Registrant for the fiscal year ended December 31, 1990.
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EXHIBIT NUMBER		DESCRIPTION
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10(10)*	--	Letter Agreement dated November 2, 1994 between Registrant and Mr. Michael W. Press relating to Mr. Press's participation in the Amerada Hess Corporation Pension Restoration Plan and his severance benefits.
13	--	1994 Annual Report to Stockholders of Registrant.
21	--	Subsidiaries of Registrant.
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27	--	Financial Data Schedule (for electronic filing only).

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* These exhibits relate to executive compensation plans and arrangements.

EXHIBIT 10(10)

AMERADA HESS CORPORATION

LEON HESS
Chairman of the Board

1185 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036-2677
(212) 997-8400

November 2, 1994

Mr. Michael W. Press
10 Alder Creek Drive
Califon, NJ 07830

Dear Mr. Press:

This letter will confirm our understanding concerning your participation in the Amerada Hess Corporation Pension Restoration Plan (the "PRP") and the deferred compensation you will receive in connection with your employment by Amerada Hess Corporation (the "Corporation") on October 1, 1994, and other matters.

You have advised us that you have received or will receive lump sum payments representing your accrued pension benefits under the qualified and non-qualified pension plans of your previous employer, BP Oil Company ("BP"), and as a result, you will not be entitled to pension payments from BP when you eventually retire. Of the total amount, we understand that one portion is an eligible rollover distribution that can be rolled over to an eligible retirement plan on a tax-deferred basis (the "Non-taxable BP Distribution"), and the other portion is taxable in the current year as ordinary income (the "Taxable BP Distribution"). We have estimated your incremental combined tax rate for 1994 as 48.28% (federal, state and local income tax, and Medicare portion of FICA), and as a result, the net available amount of your Taxable BP Distribution will be reduced by 48.28%, resulting in a lesser amount available to you for investment (the "Tax-adjusted BP Distribution").

The Board of Director's Compensation and Incentive Awards Committee has determined that you will receive Prior Service (as defined in Section 4.1 of the PRP) for 24 years of related experience acquired prior to the date of your employment by the Corporation for the purpose of determining PRP benefits calculated subject to the conditions set forth below.

1. Within 90 days following the sale of the property you own in Cleveland you will invest the Tax-adjusted BP Distribution (plus 3% interest per year from October 1, 1994 to the date of investment) with an insurance company in a single premium annuity contract that will provide an annual life annuity benefit to you upon retirement. The carrier and contract are to be reviewed and approved in advance by the Corporation, and such approval shall not be withheld unreasonably. Such contract will be held by you until retirement and shall not be subject to loans, anticipation or alienation prior to the date of your retirement.

2. Within 60 days of the distribution by BP of the Non-taxable BP Distribution, you will invest it in an individual retirement account ("IRA") in your name, and

provide written acknowledgement of the receipt of such amount by the IRA trustee. You will continue to hold the full principal amount plus earnings in the IRA and will not withdraw the funds from the IRA until your retirement.

3. Annual benefits payable to you pursuant to the Corporation's PRP upon your retirement under the Pension Plan will be determined by deducting from the life annuity amount calculated under the PRP the sum of A, B and C below.

A. The annual benefit actually payable to you as a life annuity under the Corporation's Employees' Pension Plan (the "Pension Plan") based on your Credited Service, determined without regard to the Prior Service granted under the PRP.

B. A life annuity that would be payable commencing at your retirement under the terms of the annuity contract described in paragraph 1 above, grossed up to reflect the fact that no income taxes will be payable on the portion of the annuity derived from your initial after-tax investment. If the Cleveland property mentioned in paragraph 1 above has not been sold or the proceeds of such sale have not been invested in such annuity contract prior to the date of retirement, the amount of the deduction under this subparagraph B shall be a life annuity determined by the Pension Plan actuaries to be the actuarial equivalent of the projected value of the Tax-adjusted BP Distribution, assuming those funds had been invested at an annual rate of interest 1% greater than the average annual rate of one-year U.S. Treasury bills in effect during the 12 months ending on November 30th of each prior year (rounded up to the next one-quarter percent, subject to a minimum annual rate of 5%), compounded annually, from October 1, 1994, until the date of your retirement, based on the mortality rates used under the Pension Plan to determine actuarial equivalent values at the time of retirement, and the interest rate which would be used by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination as of January 1 of the calendar year in which the retirement occurs, such amount to be grossed up to reflect the fact that no income taxes would be payable on the portion of an annuity derived from an initial after-tax investment.

C. A life annuity determined by the Pension Plan actuaries to be the actuarial equivalent of the projected value of the Non-taxable BP Distribution, assuming those funds had been invested at an annual rate of interest 1% greater than the average annual rate of one-year U.S. Treasury bills in effect during the 12 months ending on November 30th of each prior year (rounded up to the next one-quarter percent, subject to a minimum annual rate of 5%), compounded annually, from October 1, 1994, until the date of your retirement, based on the mortality rates used under the Pension Plan to determine actuarial equivalent values at the time of retirement, and the interest rate which would be used by the Pension Benefit Guaranty

Corporation for purposes of determining the present value of a lump sum distribution on plan termination as of January 1 of the calendar year in which the retirement occurs.

4. If you should die while employed by the Corporation under circumstances in which a pre-retirement Qualified Joint and Survivor Annuity would be payable to your surviving spouse under the Pension Plan, or after retirement if a survivor benefit is payable, benefits will be paid to your survivor under the PRP reduced by the deductions referred to above, all calculated as of the earlier of the date of your death or retirement.

5. If your employment with the Corporation should terminate before you are eligible to retire under the Pension Plan, benefits will be calculated under the PRP formula taking into account your Prior Service for purposes of computing Service and Credited Service, and reduced by the deductions referred to above, all calculated as of the date your employment terminates. This benefit will be paid to you by the Corporation commencing when you reach age 65.

6. If you should die prior to retirement under the Pension Plan in circumstances in which Pension Plan benefits would be payable to your surviving spouse but for the lack of sufficient Service under the Pension Plan, benefits will be calculated under the PRP formula and will be paid by the Corporation by taking into account your Prior Service for purposes of computing Service and Credited Service reduced by the deductions referred to above, all calculated as of the date of your death.

For the purposes of paragraphs 3 through 6 above, Final Average Compensation used for PRP benefit calculations as of any particular date, shall mean 12 times your average monthly Compensation in such 36 consecutive calendar months during the last 60 calendar months preceding said particular date which produces the highest average Compensation, as those terms are defined in the Pension Plan. If the particular date involved is less than 60 months after October 1, 1994, such calculation shall include, to the extent necessary, the amount of your monthly compensation that was used by BP to determine benefits under their various retirement plans prior to October 1, 1994, with any lump sum bonus compensation amounts prorated over the months of the calendar year to which such payments applied. All benefits will be reduced for any payment prior to age 65 and actuarially adjusted to reflect any form of payment other than an annuity for your lifetime only, in accordance with the terms of the Pension Plan.

Nothing contained in the Pension Plan, PRP or this letter shall be construed as a contract of employment or as changing the normal terms of the employment relationship.

To qualify for the deferred compensation payments, you must sign and return the enclosed copy of this letter by December 2, 1994. If you do not sign and return the letter by then, the deferred compensation payments will not be made available to you in the future.

The deferred compensation plan described above is unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974. You would have the status of a general unsecured creditor of the Company with respect to plan payments. The plan constitutes a mere promise to make benefit payments in the future. Your rights with respect to any such payments would not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by your creditors or the creditors of your beneficiaries.

This letter will further confirm our agreement as to how we would unwind our relationship in the unlikely, and unintended, event that it should not work out to our mutual satisfaction. During the thee year period commencing October 1, 1994, either party may declare that the arrangement is not working out as planned. In that event, you will receive as severance pay a lump-sum payment equal to two times the amount of your then annual salary (less any required deductions).

This agreement supersedes all prior agreements and understandings between us relating to your employment with the Corporation.

Please indicate your acceptance of and agreement to the foregoing by signing the enclosed copy of this letter in the space provided below and returning it to me.

Yours truly,

AMERADA HESS CORPORATION

/S/ Leon Hess

By: Leon Hess

Accepted and Agreed to by:

/S/ Michael W. Press	2 NOV 1994
Michael W. Press	Date

UNITED STATES EXPLORATION AND PRODUCTION

During 1994, Amerada Hess was confronted by a significant drop in natural gas prices. The Corporation responded to the lower prices by reducing production of natural gas.

While Amerada Hess reduced capital expenditures, successful drilling and positive reserve revisions, based on reservoir performance on properties acquired in 1989 and on certain onshore properties, resulted in the Corporation replacing 134% of its United States natural gas production and nearly all of its United States liquids production in 1994.

OFFSHORE Amerada Hess drilled two successful exploration wells on Garden Banks Blocks 259 and 260 (AHC 50%) in the Gulf of Mexico. These wells each encountered approximately 200 feet of hydrocarbon-bearing sands. Two previous wells had tested significant volumes of crude oil and natural gas. Early in 1995, a well drilled on a separate structure to the north on Garden Banks Block 215 (AHC 50%) encountered more than 150 feet of hydrocarbon-bearing sands. The Corporation is evaluating potential development plans for this area, which is located in 1,650 feet of water.

Approximately six miles northeast of Block 215, an exploration well discovered hydrocarbon-bearing sands in a subsalt prospect on Garden Banks Block 128 (AHC 25%). Amerada Hess is drilling an

AMERADA HESS MADE SIGNIFICANT HYDROCARBON DISCOVERIES AND INCREASED UNITED STATES NATURAL GAS RESERVES.

[Photo of West Cameron Block 498]

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[Photo of Carson Dome Field in Mississippi]

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exploration well on Garden Banks Block 172 (AHC 60%), the adjacent block to the south. An exploration well also is being drilled on Garden Banks Block 127 (AHC 25%), the adjacent block to the west.

Amerada Hess drilled two successful wells on West Cameron Block 498 (AHC 57.42%). The initial well encountered 723 feet of crude oil and natural gas sands. The second well encountered 150 feet of such sands. The Corporation has acquired a three-dimensional seismic survey to determine the most economic development plan prior to undertaking additional development drilling.

Predevelopment drilling for the South Pass Block 87 "D" platform (AHC 38%) has been completed. Four wells drilled in 1994 found oil and gas that will be produced through the "D" platform. Production will begin in mid-1995 and peak by year end at daily gross rates of 6,350 barrels of oil and 30,000 Mcf of natural gas.

ONSHORE Amerada Hess completed development wells in both the Atchafalaya Bay Field (AHC 100%) and the South Lewisburg Field (AHC 58%) in Louisiana. Combined daily gross production from these wells will average 13,000 Mcf of natural gas and 1,000 barrels of oil.

At the New Taiton prospect (AHC 100%), in Wharton County, Texas, the Corporation drilled two wells that are producing 6,600 Mcf of natural gas and 160 barrels of oil per day. Additional drilling is underway.

In Mississippi, Amerada Hess drilled a discovery well in the Carson Dome Field (AHC 75%). The well produced up to 4,400 Mcf of natural gas and 560 barrels of oil per day. Three additional wells are planned for 1995. In the Dry Creek Dome Field (AHC 75%) in Mississippi, the Corporation drilled two wells that are producing a daily total of 5,000 Mcf of natural gas and 275 barrels of oil.

A NUMBER OF ONSHORE DISCOVERIES ARE ADDING TO NATURAL GAS DELIVERABILITY.

INTERNATIONAL EXPLORATION AND PRODUCTION

UNITED KINGDOM Amerada Hess Limited, the Corporation's British subsidiary, enjoyed a record year of hydrocarbon production in 1994, primarily due to the first full year of production from the Scott Field and continued excellent performance from the Ivanhoe/Rob Roy/Hamish Fields. Crude oil and natural gas liquids production increased to 128,799 barrels per day from 83,802 barrels per day in 1993. Natural gas production averaged 208,742 Mcf per day, despite reduced demand late in the year due to warm weather, compared with 188,024 Mcf per day in 1993.

Development of the Fife Field (AHL 85%) is on schedule for first oil in September 1995. Gross production is expected to average 40,000 barrels per day. Southeast of Fife, Amerada Hess Limited made a discovery called Fergus (AHL 65%), which will be appraised this year. Fergus is expected to be produced through a tie-in to the floating production, storage and offloading vessel to be used on Fife.

On Block 21/11 (AHL 28%), Amerada Hess Limited discovered the Dauntless Field when an exploration well tested at 6,077 barrels of oil per day. Dauntless is four miles northwest of the earlier discovery named Durward on adjacent Block 21/16 (AHL 28%), which tested at rates of over 4,300 barrels of oil per day. Further appraisal drilling is planned to determine the full extent of reserves in this area.

RECORD LEVELS OF PRODUCTION WERE ACHIEVED IN THE UNITED KINGDOM NORTH SEA.

[Photo of Dauntless Field in the United Kingdom]

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[Photo of Ivanhoe/Rob Roy Field in the North Sea]

In the emerging frontier area designated as West of Shetlands, Amerada Hess Limited drilled a successful exploration well that extended the Schiehallion Field onto Block 204/25a in which Amerada Hess Limited holds a 47.05% interest and is the operator. The well flowed at 5,300 barrels of oil per day. Amerada Hess Limited also obtained approximately a 10% interest in the undeveloped Clair Field when it acquired sole ownership of Blocks 206/12 and 206/13a. This acquisition and the Schiehallion discovery, together with earlier discoveries made in 1990 and 1991 on Block 205/26a (AHL 42.07%), bring to four the number of potentially commercial accumulations in which Amerada Hess Limited has interests west of Shetlands. New exploration and further appraisal drilling is planned for the area in 1995.

During 1994, Amerada Hess Limited reached an agreement to earn a 50% interest in Blocks 15/16b and 14/20b, excluding the producing fields, in return for an active exploration program. The blocks are adjacent to Block 15/21 (AHL 42.08%) on which the Ivanhoe/Rob Roy/Hamish Fields and a portion of the Scott Field are located and will complement the Corporation's strategy in this area.

During 1994, Amerada Hess Limited sold its 6.83% interest in the Armada Field resulting in a gain of $41 million.

NORWAY Amerada Hess Norge A/S, the Corporation's Norwegian subsidiary, obtained its second operatorship offshore Norway, becoming operator on Block 2/12 (AHN 50%), which includes the Mjolner oil discovery. In 1995, Amerada Hess Norge plans to drill its first operated well on Block 25/9 (AHN 20%).

Production from the Statfjord East Field (AHN 0.52%) and the Statfjord North Field (AHN 1.04%) has begun. Peak production for Amerada Hess Norge from these fields is estimated at an aggregate rate of approximately 1,000 barrels of oil per day.

SIGNIFICANT CRUDE OIL DISCOVERIES WERE MADE WEST OF SHETLANDS.

CANADA Amerada Hess Canada Ltd., the Corporation's Canadian subsidiary, increased its natural gas production to 185,856 Mcf per day in 1994, from 167,839 Mcf per day in 1993. Amerada Hess Canada entered 1995 producing in excess of 200,000 Mcf per day as a result of successful drilling and development projects.

At Bezanson, Amerada Hess Canada completed construction of a 100% owned, 20,000 Mcf per day natural gas plant and brought it on stream in November. At Boundary Lake, successful drilling increased Amerada Hess Canada's natural gas production in this area to 44,000 Mcf per day in 1994 from 31,000 Mcf per day in 1993.

Late in 1994, an exploration well (AHCL 100%) in the Bearberry Field encountered natural gas in three zones and production tested at a total of 14,000 Mcf per day. Field compression facilities and new wells at Bearberry added 25,000 Mcf per day of natural gas production, increasing gross Bearberry Field deliverability to 75,000 Mcf per day.

GABON The Corporation's share of production from the Rabi Kounga Field in Gabon averaged 8,746 barrels per day in 1994 compared with 8,136 barrels per day in 1993.

Amerada Hess, as operator with a 55% interest, has commenced exploration studies prior to obtaining detailed seismic data for the Mazoumbel permit area, which covers 573,534 gross acres in Gabon.

THAILAND Five successful delineation wells were drilled in the Pailin Field (AHC 15%) offshore Thailand during 1994. Six delineation wells are planned for 1995 and negotiations for a natural gas sales contract have begun.

NATURAL GAS PRODUCTION IN CANADA INCREASED TO RECORD LEVELS.

[Photo of Boundary Lake gas plant in Canada]

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[Photo of the Oxygenate Unit in St. Croix]

REFINING AND MARKETING

REFINING The fluid catalytic cracking unit and associated gasoline upgrading facilities constructed by Hess Oil Virgin Islands Corp., the Corporation's Virgin Islands subsidiary (HOVIC), completed their first full year of operation in 1994. The fluid catalytic cracking unit, which originally had a design capacity of 75,000 barrels per day, ran at a rate of nearly 93,000 barrels per day. The unit processes a feedstock composed of heavy gas oils and residual fuel oil.

Early in 1995, HOVIC received a modification of its permit from the Environmental Protection Agency that allows it to operate the facility at rates in excess of 100,000 barrels per day. In the first quarter of 1995, the fluid catalytic cracking unit tested successfully at 110,000 barrels per day.

The new facilities were major contributors to the turnaround in refining and marketing results in 1994. The facilities have increased the refinery's output of gasoline by more than 80,000 barrels per day and heating oil by about 10,000 barrels per day.

The Virgin Islands refinery began shipping reformulated gasoline to the East Coast of the United States early in November. Reformulated gasoline is sold in nearly half of the Corporation's marketing area.

THE FLUID CATALYTIC CRACKING UNIT IN THE VIRGIN ISLANDS SUCCESSFULLY TESTED AT RATES UP TO 110,000 BARRELS PER DAY.

Refinery runs at HOVIC averaged 386,908 barrels per day in 1994 compared to 326,866 barrels per day in 1993. The increase in refinery runs reflects the Corporation's ability to convert more of its product yield to gasoline by virtue of its increased fluid catalytic cracking capacity. Fluid catalytic cracking feedstock continues to be shipped from the Virgin Islands to the Corporation's fluid catalytic cracking unit at Port Reading, New Jersey, which runs at a rate of about 54,000 barrels per day.

MARKETING HESS brand gasoline stations are selling reformulated gasoline in all of the Corporation's marketing areas where it is required. The transition to reformulated gasoline was successfully made despite confusion by governmental authorities in implementing the requirement. Of the Corporation's 541 HESS gasoline stations, 203 sell reformulated gasoline.

During 1994, HESS gasoline stations began accepting credit cards in all of the Corporation's marketing areas. Participating stations accept American Express, Discover, MasterCard and Visa.

Amerada Hess began a program of marketing HESS brand gasoline through contract dealers during 1994. This program is designed to increase the amount of the Corporation's gasoline production marketed at retail under the HESS brand name without requiring significant capital expenditures. This program will continue in 1995.

Product sales increased to 468,000 barrels per day in 1994 from 386,000 barrels per day in 1993. Of the 1994 amount, 236,000 barrels per day were sales of gasoline and premium diesel fuel. Residual fuel oil sales averaged 93,000 barrels per day, including residual fuel oil purchased for resale, or about 20% of sales, the lowest percentage in the Corporation's history.

REFORMULATED GASOLINE IS BEING SOLD AT MANY HESS GASOLINE STATIONS.

[Photo of a gasoline station in Three Bridges, New Jersey]

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FINANCIAL REVIEW
Amerada Hess Corporation and Consolidated Subsidiaries

Management's Discussion and Analysis of Results of Operations and Financial Condition

CONSOLIDATED RESULTS OF OPERATIONS
Net income for 1994 amounted to $74 million ($.79 per share), compared with a net loss of $268 million ($2.90 per share) in 1993 and net income of $8 million ($.09 per share) in 1992.

The results for 1994 include a net gain of $41 million ($.44 per share) from the sale of the Corporation's interest in an undeveloped United Kingdom North Sea natural gas field. The net loss for 1993 included after-tax charges aggregating $55 million ($.59 per share) primarily for the mothballing of the Purvis, Mississippi refinery, consolidation of United States exploration and production operations in Houston and asset write-downs (see Note 2 to the financial statements). The results for 1993 also included income of $29 million ($.32 per share) from the cumulative effect of the change in accounting for income taxes required by Statement of Financial Accounting Standards (FAS) No. 109, Accounting for Income Taxes. Net income in 1992 included income of $25 million ($.29 per share) from the refund of prior years' income taxes and related interest.

Sales and other operating revenues amounted to $6,602 million in 1994, an increase of $722 million, or 12%, from 1993. The increase was primarily due to higher refined product sales volumes, including an increased proportion of gasoline sales. Foreign crude oil sales volumes were also higher, partially offset by lower worldwide crude oil selling prices and the lower selling price of domestic natural gas. Sales and other operating revenues in 1993 and 1992 were comparable. Foreign crude oil revenues and refined product revenues were lower in 1993 than in 1992, offset by higher natural gas revenues, including sales of purchased gas.

Non-operating revenues in 1994 were higher than in 1993, primarily because of the sale of the United Kingdom natural gas field mentioned above. Non-operating revenues in 1993 were lower than in 1992 because of a refinancing charge in 1993 and lower interest income (including interest on the income tax refund received in 1992).

In each of the three years ended December 31, 1994, the Corporation's consolidated effective income tax rate was higher than the U.S. statutory rate of 35% (34% in 1992). This resulted primarily from higher income taxes on foreign exploration and production earnings, including special taxes on petroleum earnings, and income tax benefits which were not recorded in 1993 and 1992 on the losses of a refining subsidiary. The refining subsidiary had a profit in 1994.

Following is a summary of net income (loss) by major operating activity (in millions):

	1994	1993	1992
Exploration and production	$157	$116	$219
Refining and marketing	95	(293)	(129)
Corporate administration, including interest expense, and other operating activities	(178)	(91)	(82)
Total	$74	$(268)	$8

COMPARISON OF RESULTS
Exploration and Production: Exploration and production earnings in 1994 include the gain of $41 million from the sale of the United Kingdom natural gas field. In 1993, after-tax charges of $40 million were recorded primarily for the consolidation of U.S. operations in Houston and the reduction in carrying value of certain North Sea oil fields. Excluding these special items, exploration and production earnings decreased by $40 million in 1994 compared with 1993. Earnings from exploration and production activities in 1993 decreased by $63 million, excluding special items, compared with 1992 results.

Worldwide average crude oil selling prices declined in each of the three years. The Corporation's average selling prices, including the effects of hedging, were as follows:

	1994	1993	1992
Crude oil and natural gas liquids (per barrel)			
United States	$15.43	$17.40	$17.94
Foreign	15.91	16.89	19.40
Natural gas (per Mcf)			

United States	1.91	2.11	1.76
Foreign	1.75	1.66	1.59

In the latter part of 1994, and into 1995, U.S. and Canadian natural gas prices were lower than the average price received in 1994.

The Corporation's net daily worldwide production was as follows:

	1994	1993	1992
Crude oil and natural gas liquids (barrels per day)			
United States	67,602	71,971	73,580
Foreign	182,918	143,419	150,607
Total	250,520	215,390	224,187
Natural gas (Mcf per day)			
United States	427,103	502,459	601,824
Foreign	419,015	384,850	323,137
Total	846,118	887,309	924,961

The increase in foreign crude oil production in 1994 resulted primarily from a full year of production from the Scott Field in the United Kingdom, which came on stream in September 1993. United States natural gas production declined in 1994 and 1993 due to natural field decline and, in addition, voluntary production curtailments in 1994, resulting from low natural gas prices. Restrained exploration drilling in recent years, due to the allocation of capital to the Corporation's major construction projects, inhibited the exploration for new production to offset natural field declines. In both years, foreign natural gas production increased because of higher production in Canada and the United Kingdom. Natural gas production in the United Kingdom in 1994 included production from the Everest and Lomond natural gas fields (which commenced in mid-1993) and the Scott Field.

Depreciation, depletion and amortization charges were higher in 1994, principally reflecting increased United Kingdom crude oil and natural gas production. Such charges are expected to continue at the higher level, consistent with the increased production. Exploration expenses in 1994 and 1993 reflect the Corporation's overall objective of restraining capital spending, but increased over 1992. Selling, general and administrative expenses in 1994 and 1993 reflect costs associated with the consolidation of United States exploration and production operations in Houston. The effective income tax rate on foreign exploration and production earnings is high because of the Petroleum Revenue Tax in the United Kingdom and Special Tax in Norway.

While the Corporation's 1995 production of crude oil, natural gas liquids and natural gas is anticipated to approximate 1994 levels, exploration and production earnings will continue to be affected by changes in crude oil and natural gas selling prices.

Refining and Marketing: Refining and marketing operations had income of $95 million in 1994 compared with losses of $293 million in 1993 and $129 million in 1992. The improvement in 1994 was due to higher refined product margins, the operation of the fluid catalytic cracking unit in the Virgin Islands and increased refinery runs. Although average refined product selling prices in 1994 approximated the 1993 level, the Corporation's average cost of crude oil declined significantly in 1994. Earnings also benefited from the winter weather in the early part of the year, which strengthened prices for distillates and residual fuel oils. Gasoline selling prices continued to be weak in 1994, reflecting competitive industry conditions. Depreciation expense was higher in 1994 because it was the first year of operation of the Virgin Islands fluid catalytic cracking unit. Other refinery operating expenses were lower, primarily because of the discontinuation of refining operations at the Purvis, Mississippi refinery in early 1994. The refining and marketing loss in 1993 increased compared with 1992, primarily because average refined product selling prices declined by approximately $1.30 per barrel, which exceeded the decline in average crude oil costs. Refinery operating expenses and depreciation expense increased in 1993 compared with 1992. Income tax expense or benefit was not recorded on a substantial portion of the 1994 income and the 1993 and 1992 losses of refining and marketing operations because of the net operating loss carryforward of a refining subsidiary.

Total refined product sales volumes amounted to 171 million barrels in 1994, 141 million barrels in 1993 and 138 million barrels in 1992. Sales of gasoline were higher in 1994, reflecting increased production from the Virgin Islands refinery, including reformulated gasolines in late 1994. Distillate sales also increased because of the weather in the early part of the year and the marketing of premium diesel fuel.

Refining and marketing earnings will continue to be affected by competitive industry conditions and supply and demand factors, including the effects of weather, in all refined product markets. As a result of increased gasoline production, future profitability will be impacted to a greater extent than in the past by the selling price of gasoline.

Corporate and Other: Corporate administration, including interest expense, and other operating activities (principally transportation), had net expenses of $178 million in 1994 compared with $91 million in 1993 and $82 million in 1992. The increase in expenses in 1994 was due to higher interest expense, since interest is no longer capitalized on the Corporation's major construction projects, which were placed in service in late 1993. The results for 1993 included a benefit of $29 million from the adoption of FAS No. 109 and a charge of $11 million in connection with a refinancing. The 1992 results included an income tax refund and related interest of $25 million. Excluding special items, net expenses were comparable in 1993 and 1992. Although the Corporation intends to reduce debt further in 1995, interest expense may approximate or exceed the 1994 amount if interest rates remain at year-end levels or increase.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities, including changes in operating assets and liabilities, amounted to $957 million in 1994 compared with $819 million in 1993 and $1,138 million in 1992. The changes in each year were primarily due to operating earnings and changes in components of working capital, including inventories, receivables and payables. Cash provided by operating activities exceeded capital expenditures of $596 million in 1994 and the excess cash flow was used primarily to repay debt. In 1993 and 1992, capital expenditures exceeded net cash provided by operating activities, largely reflecting spending by the Corporation on its major North Sea projects and the upgrading of the Virgin Islands refinery. The additional spending was financed principally by long-term borrowings and the issuance of 11,500,000 shares of common stock in 1992.

Total debt was $3,340 million at December 31, 1994 compared with $3,688 million at December 31, 1993. The debt to total capitalization ratio was 52% at December 31, 1994 compared with nearly 55% at year-end 1993. The Corporation anticipates that total debt will decline further in 1995.

At December 31, 1994, the Corporation had additional borrowing capacity available under existing revolving credit agreements of $465 million and additional unused lines of credit under uncommitted arrangements with banks of $657 million.

In the fourth quarter of 1994, the Corporation refinanced its revolving credit facilities in the United States and the United Kingdom. The new facilities have an aggregate capacity of $2,200 million. Borrowings had been due principally in 1996 and 1997, whereas, amounts outstanding under the new facilities will be due in 1999 and thereafter. In several other transactions during 1994, the Corporation issued approximately $300 million of fixed-rate debt. Proceeds were used to retire existing higher-rate long-term debt and to repay revolving credit borrowings. The Corporation's borrowing arrangements, including restrictive covenants, are more fully described in Note 5 to the financial statements.

As part of a proposed 1995 combination of two United Kingdom independent oil and gas companies, the Corporation agreed to exchange its 48% common stock interest in Pict Petroleum plc for an interest in the United Kingdom independent oil and gas company with which Pict will be combined. The Corporation also agreed to increase its equity interest in the combined entity to approximately 25%, by subscribing to purchase newly issued shares for approximately $30 million.

The Corporation uses futures, forward, option and swap contracts, generally with maturities of one year or less, to reduce the effects of fluctuations in the prices of crude oil, natural gas and refined products. These instruments are used to set the selling and purchase prices of crude oil, natural gas and refined products and the related gains or losses are an integral part of the Corporation's selling prices and costs. At December 31, 1994, the Corporation had open hedge positions, primarily futures contracts, on approximately 25% of its estimated 1995 worldwide crude oil production at an average price of approximately $17.80 per barrel and had option contracts, providing varying degrees of protection against declines in market prices, covering an additional 5% of crude oil production. The Corporation also had open futures contracts and swap positions on approximately 60% of its estimated 1995 United States and Canadian natural gas production at an average price of approximately $1.75 per Mcf and, in addition, had option contracts, providing varying degrees of price protection, covering approximately 20% of its natural gas production. The Corporation had hedges (primarily futures, swaps and options) covering approximately 35% of its refining and marketing inventories at an average price of approximately $.60 per barrel over year-end market prices and had additional short positions, principally crack spreads, approximating 10% of refined products to be manufactured in the next twelve months. As market conditions change, the Corporation will adjust its hedging positions. Year-end hedge positions are not necessarily indicative of future results of operations.

At December 31, 1994, the Corporation also had outstanding interest rate conversion agreements that reduce the percentage of its floating rate debt to total debt from 54% to 47%. The effect of these agreements is accounted for as a component of interest expense. The Corporation also periodically hedges foreign currency transactions. See Note 12 to the financial statements for additional information on the Corporation's hedging activities.

The Corporation conducts foreign exploration and production activities, principally in the United Kingdom, Norway, Canada and Gabon, and, therefore, is subject to business risks associated with foreign operations, including the effect of foreign currency gains and losses on reported earnings. However, foreign crude oil sales revenue generally is denominated in United States dollars, which tends to mitigate economic exposure to the Corporation. Most expenditures, including income taxes, are denominated in the foreign currencies.

The Corporation records foreign currency gains or losses on the U.S. dollar denominated net monetary assets or liabilities of certain foreign subsidiaries, in accordance with FAS No. 52. Such gains or losses have not been material to consolidated net income. Also, as required by FAS No. 52, the effect of a stronger U.S. dollar over a number of years, principally on the translation of property, plant and equipment, has been recorded as a reduction of stockholders' equity. This equity adjustment has not affected the Company's liquidity or ability to raise capital. The magnitude of any such adjustments in the future depends on the degree of fluctuation in exchange rates.

CAPITAL EXPENDITURES

The Corporation's capital expenditures decreased in 1994, after the completion of major projects in the United Kingdom and Virgin Islands. These projects were the development of the Scott oil field and the Everest and Lomond natural gas fields and Central Area Transmission System in the United Kingdom North Sea, and the construction of the fluid catalytic cracking complex and associated gasoline upgrading facilities at the Virgin Islands refinery.

The following table summarizes the Corporation's capital expenditures in 1994, 1993 and 1992 (in millions):

	1994	1993	1992
Exploration and production			
Intangible drilling costs, equipment and related facilities			
United States	$216	$ 241	$ 168
Foreign	294	458	710
Lease acquisitions	18	40	26
Purchases of oil and gas reserves	3	16	12
	531	755	916
Refining and marketing	62	591	639
Transportation and other	3	2	3
Total	$596	$1,348(*)	$1,558(*)

(*)Includes expenditures for major projects of $722 million and $1,043 million in 1993 and 1992, respectively.

Capital expenditures in 1995 are presently expected to be approximately $700 million and will be financed by internally generated funds.

ENVIRONMENT, HEALTH AND SAFETY

The Corporation's awareness of its environmental responsibilities, along with increasing environmental regulations at the federal, state and local levels, have led to programs requiring higher operating costs and capital investments by the Corporation. The Corporation believes that environmental, health and safety expenditures will increase in the future, as pollution prevention and remediation laws are implemented.

The Corporation continues to implement and improve its environment, health and safety program. This program includes pollution control and reduction, waste minimization and treatment, compliance evaluation, facility auditing and employee training to monitor operational conditions and prevent non-compliant activities that might threaten the environment. The Corporation has also significantly increased its environment, health and safety staffing.

The Corporation produces gasolines that meet the requirements for oxygenated and reformulated gasolines under the Clean Air Act of 1990. Reformulated gasolines, which decrease emissions of volatile and toxic organic compounds, were required in designated areas commencing in January 1995. The Corporation is producing reformulated gasolines that meet these requirements at both the Virgin Islands and Port Reading facilities. The Corporation's Virgin Islands refinery also has desulfurization capabilities enabling it to produce low-sulfur diesel fuel that meets the requirements of the Clean Air Act. The Corporation will continue upgrading its facilities to meet regulatory changes.

The Corporation expects that there will continue to be future expenditures for assessment and remediation. Sites where corrective action may be necessary include gasoline stations, terminals, refineries (including solid waste management units under permits issued pursuant to the Resource Conservation and Recovery Act) and, although not significant, Superfund sites where the Corporation has been named a potentially responsible party under the Superfund legislation. The Corporation expects that existing reserves for environmental liabilities will adequately cover costs of assessing and remediating known environmental sites.

The Corporation expended $16 million in 1994, $14 million in 1993 and $16 million in 1992 for remediation, mostly in its refining and marketing activity. In addition, capital expenditures for facilities, primarily to comply with federal, state and local environmental standards, were $8 million in 1994, $28 million in 1993 and $10 million in 1992.

DIVIDENDS

Cash dividends on common stock totaled $.60 per share ($.15 per quarter) during 1994 and 1993.

STOCK MARKET INFORMATION

The common stock of Amerada Hess Corporation is traded principally on the New York Stock Exchange (ticker symbol: AHC). High and low sales prices in 1994 and 1993 were as follows:

	1994		1993	
Quarter ended	High	Low	High	Low
March 31	49-7/8	44-5/8	53-3/8	43-5/8
June 30	52-1/4	44	56-3/8	48
September 30	52-5/8	45-1/8	54-1/2	46-5/8
December 31	50-1/4	43-7/8	54-3/4	42-3/8

QUARTERLY FINANCIAL DATA

Quarterly results of operations for the years ended December 31, 1994 and 1993 follow (millions of dollars, except per share data):

Quarter	Sales and other operating revenues	Gross profit(a)	Net income (loss)	Net income (loss) per share
1994				
First	$1,858	$422	$84	$.90
Second	1,488	270	(17)	(.18)
Third	1,494	262	(2)(b)	(.02)
Fourth	1,762	318	9	.09
Total	$6,602	$1,272	$74	$.79
1993				
First	$1,565	$273	$33(c)	$.36
Second	1,415	135	(145)(d)	(1.57)
Third	1,249	262	(22)	(.24)
Fourth	1,651	153	(134)(e)	(1.45)
Total	$5,880	$823	$(268)	$(2.90)

(a) Gross profit represents sales and other operating revenues less cost of products sold and operating expenses and depreciation, depletion and amortization.
(b) Includes a net gain of $41 million from the sale of an interest in an undeveloped United Kingdom natural gas field.
(c) Includes income of $29 million from the cumulative effect of the change in accounting for income taxes required by FAS No. 109.
(d) Includes a charge of $80 million for the write-down to market value of refining and marketing inventories.
(e) Reflects special charges aggregating $55 million (see Note 2 to the financial statements).

The results of operations for the periods reported herein should not be considered as indicative of future operating results.

CONSOLIDATED BALANCE SHEET
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars	At December 31 1994	1993
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 53,135	$ 79,635
Accounts receivable		
Trade	546,341	506,825
Other	24,184	48,162
Inventories	945,635	853,393
Prepaid expenses	152,366	200,151
Total current assets	1,721,661	1,688,166
Investments and Advances	140,300	137,161
Property, Plant and Equipment		
Exploration and production	9,656,923	9,227,937
Refining	3,005,198	2,994,881
Marketing	887,526	839,793
Transportation	715,407	685,818
Other	39,772	38,811
Total--at cost	14,304,826	13,787,240
Less reserves for depreciation, depletion, amortization and lease impairment	7,938,824	7,052,328
Property, plant and equipment--net	6,366,002	6,734,912
Other Assets	109,977	81,307
Total Assets	$ 8,337,940	$ 8,641,546

	At December 31	
	1994	1993
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable--trade	$ 291,571	$ 329,648
Accrued liabilities	533,640	613,791
Deferred revenue	21,723	128,566
Notes payable	63,747	117,900
Taxes payable	168,927	106,893
Current maturities of long-term debt	121,806	146,342
Total current liabilities	1,201,414	1,443,140
LONG-TERM DEBT	3,154,235	3,423,680
CAPITALIZED LEASE OBLIGATIONS	80,928	91,094
DEFERRED LIABILITIES AND CREDITS		
Deferred income taxes	547,537	462,273
Other	254,197	192,448
Total deferred liabilities and credits	801,734	654,721
STOCKHOLDERS' EQUITY		
Preferred stock, par value $1.00		
Authorized--20,000,000 shares for issuance in series	--	--
Common stock, par value $1.00		
Authorized--200,000,000 shares		
Issued--92,995,755 shares in 1994; 92,586,855 shares in 1993	92,996	92,587
Capital in excess of par value	743,537	725,443
Retained earnings	2,467,267	2,449,325
Equity adjustment from foreign currency translation	(204,171)	(238,444)
Total stockholders' equity	3,099,629	3,028,911
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$8,337,940	$8,641,546

The consolidated financial statements reflect the successful efforts method of accounting for oil and gas exploration and producing activities.
See accompanying notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED INCOME

Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1994	1993	1992
	For the Years Ended December 31		
REVENUES			
Sales (excluding excise taxes) and other operating revenues	$6,601,984	$5,879,521	$5,858,357
Interest and other non-operating revenues	96,809	21,153	95,352
Total revenues	6,698,793	5,900,674	5,953,709
COSTS AND EXPENSES			
Cost of products sold and operating expenses	4,449,819	4,287,139	4,039,180
Exploration expenses, including dry holes	249,433	258,826	228,998
Selling, general and administrative expenses	590,647	596,919	581,542
Interest expense	245,149	156,615	147,099
Depreciation, depletion and amortization	879,679	769,390	773,507
Lease impairment	48,254	55,261	59,898
Provision for income taxes	162,098	74,186	115,940
Total costs and expenses	6,625,079	6,198,336	5,946,164
INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	73,714	(297,662)	7,545
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES	--	29,459	--
NET INCOME (LOSS)	$ 73,714	$ (268,203)	$ 7,545
NET INCOME (LOSS) PER SHARE BEFORE ACCOUNTING CHANGE	$ .79	$ (3.22)	$ .09
NET INCOME (LOSS) PER SHARE	$ .79	$ (2.90)	$ .09

STATEMENT OF CONSOLIDATED RETAINED EARNINGS

Thousands of dollars, except per share data	1994	1993	1992
	For the Years Ended December 31		
BALANCE AT BEGINNING OF YEAR	$2,449,325	$2,773,018	$2,817,507
Net income (loss)	73,714	(268,203)	7,545
Dividends declared--common stock ($.60 per share in 1994, 1993 and 1992)	(55,772)	(55,490)	(52,034)
BALANCE AT END OF YEAR	$2,467,267	$2,449,325	$2,773,018

See accompanying notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED CASH FLOWS
Amerada Hess Corporation and Consolidated Subsidiaries

	For the Years Ended December 31		
Thousands of dollars	1994	1993	1992
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 73,714	$ (268,203)	$ 7,545
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation, depletion, amortization and lease impairment	927,933	824,651	833,405
Exploratory dry hole costs	152,971	155,725	135,067
(Increase) decrease in accounts receivable	(15,927)	201,290	397,975
(Increase) decrease in inventories	(90,258)	127,990	(16,735)
Decrease in accounts payable, accrued liabilities and deferred revenue	(191,282)	(154,257)	(220,604)
Increase (decrease) in taxes payable	62,437	(8,980)	28,749
Changes in deferred income taxes and other	37,430	(58,793)	(27,695)
Net cash provided by operating activities	957,018	819,423	1,137,707
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures			
Exploration and production	(531,409)	(754,876)	(915,476)
Refining and marketing	(62,238)	(591,545)	(639,365)
Transportation and other	(2,637)	(1,620)	(2,953)
Total capital expenditures	(596,284)	(1,348,041)	(1,557,794)
Other, including proceeds from sales of property, plant and equipment	72,804	12,436	25,423
Net cash used in investing activities	(523,480)	(1,335,605)	(1,532,371)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance (repayment) of notes	(54,153)	117,791	(159,756)
Long-term borrowings	289,843	547,704	675,016
Repayment of long-term debt and capitalized lease obligations	(642,112)	(167,769)	(524,384)
Issuance of common stock	--	--	497,360
Cash dividends paid	(55,711)	(41,603)	(64,194)
Net cash provided by (used in) financing activities	(462,133)	456,123	424,042
EFFECT OF EXCHANGE RATE CHANGES ON CASH	2,095	(1,320)	(8,534)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(26,500)	(61,379)	20,844
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	79,635	141,014	120,170
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 53,135	$79,635	$ 141,014

See accompanying notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED CHANGES IN COMMON STOCK AND CAPITAL IN EXCESS OF PAR VALUE

Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars	Common stock Number of shares	Common stock Amount	Capital in excess of par value
BALANCE AT JANUARY 1, 1992	81,067,835	$81,068	$239,696
Issuance of common stock	11,500,000	11,500	485,860
Cancellations under executive incentive compensation and stock ownership plan (net)	(8,500)	(8)	(391)
Employee stock options exercised	24,367	24	503
BALANCE AT DECEMBER 31, 1992	92,583,702	92,584	725,668
Cancellations under executive incentive compensation and stock ownership plan (net)	(17,000)	(17)	(589)
Employee stock options exercised	20,153	20	364
BALANCE AT DECEMBER 31, 1993	92,586,855	92,587	725,443
Distribution to trustee under executive incentive compensation and stock ownership plan (net)	408,900	409	18,094
BALANCE AT DECEMBER 31, 1994	92,995,755	$92,996	$743,537

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Amerada Hess Corporation and Consolidated Subsidiaries

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation: The consolidated financial statements include the accounts of Amerada Hess Corporation and subsidiaries (the "Corporation"). The Corporation's interests in oil and gas exploration and production ventures are proportionately consolidated.

Investments in affiliated companies, owned 20% to 50% inclusive, are stated at cost of acquisition plus the Corporation's equity in undistributed net income since acquisition. The change in the equity in net income of these companies is included in non-operating revenues in the Statement of Consolidated Income.

Intercompany transactions and accounts are eliminated in consolidation.

Cash and Cash Equivalents: Cash equivalents consist of highly liquid investments, which are readily convertible into cash and have maturities of three months or less.

Inventories: Crude oil and refined product inventories are valued at the lower of cost or market value. Cost is determined on the first-in, first-out method for approximately 60% of the inventories and the average cost method for the remainder.

Inventories of materials and supplies are valued at or below cost.

Exploration and Development Costs: Oil and gas exploration and producing activities are accounted for on the successful efforts method. Costs of acquiring undeveloped oil and gas leasehold acreage, including lease bonuses, brokers' fees and other related costs, are capitalized. Provisions for impairment of undeveloped oil and gas leases are based on periodic evaluations and other factors.

Annual lease rentals and exploration expenses, including geological and geophysical expenses and exploratory dry hole costs, are charged against income as incurred.

Costs of drilling and equipping productive wells, including development dry holes, and related production facilities are capitalized.

Depreciation, Depletion and Amortization: Depreciation, depletion and amortization of oil and gas production equipment, properties and wells are determined on the unit-of-production method based on estimated recoverable oil and gas reserves. Depreciation of refinery facilities is determined on the unit-of-production method based on estimated thruput volumes. Depreciation of all other plant and equipment is determined on the straight-line method based on estimated useful lives.

The estimated costs of dismantlement, restoration and abandonment, less estimated salvage values, of offshore oil and gas production platforms and certain other facilities are taken into account in determining depreciation.

Retirement of Property, Plant and Equipment: Costs of property, plant and equipment retired or otherwise disposed of, less accumulated reserves, are reflected in net income.

Maintenance and Repairs: The estimated costs of major maintenance, including turnarounds at refineries, are accrued. Other expenditures for maintenance and repairs are charged against income as incurred. Renewals and improvements are treated as additions to property, plant and equipment, and items replaced are treated as retirements.

Environmental Expenditures: The Corporation capitalizes environmental expenditures that increase the life or efficiency of property or that reduce or prevent environmental contamination that has yet to occur. The Corporation accrues for environmental expenses resulting from existing conditions that relate to past operations when the costs are probable and reasonably estimable.

Foreign Currency Translation: The local currency is the functional currency (primary currency in which business is conducted) for the Corporation's North Sea and Canadian operations. The U.S. dollar is the functional currency for other foreign operations. Adjustments resulting from translating foreign functional currency assets and liabilities into U.S. dollars are recorded in a separate component of stockholders' equity entitled "Equity adjustment from foreign currency translation." Gains or losses resulting from transactions in other than the functional currency are reflected in net income.

Hedging: The Corporation hedges the effects of fluctuations in the prices of crude oil, natural gas and refined products, interest rates and the exchange rates of foreign currencies. The resulting gains or losses, measured by quoted market prices, termination values or other methods, are accounted for as part of the transactions being hedged, except that losses not expected to be recovered upon the completion of hedged transactions are expensed. On the balance sheet, deferred gains are included in deferred revenue at December 31, 1994 and 1993.

Income Taxes: Deferred income taxes are determined on the liability method in accordance with Statement of Financial Accounting Standards (FAS) No. 109.

No provision is made for U.S. income taxes applicable to undistributed earnings of foreign subsidiaries that are indefinitely reinvested in foreign operations.

2. 1993 SPECIAL CHARGES

During the fourth quarter of 1993, the Corporation recorded special charges, including asset write-downs, amounting to $78,900,000 ($54,500,000 after income taxes). Of this amount, $56,600,000 ($40,000,000 after income taxes) related to consolidating U.S. exploration and production activities and offices, reducing the carrying value of certain North Sea oil properties and surrendering an operated joint venture in Abu Dhabi. The remainder represented costs associated with mothballing the Purvis, Mississippi refinery. In total, fixed assets were reduced by $39,200,000. The charges other than fixed asset reductions were primarily for relocation, severance, and related expenses, substantially all of which were included in selling, general and administrative expenses.

3. INVENTORIES

Inventories at December 31 are as follows:

Thousands of dollars	1994	1993
Crude oil and other charge stocks	$250,291	$299,015
Refined and other finished products	582,696	436,633
	832,987	735,648
Materials and supplies	112,648	117,745
Total	$945,635	$853,393

4. SHORT-TERM NOTES PAYABLE AND RELATED LINES OF CREDIT

Short-term notes payable to banks at December 31, 1994 amount to $63,747,000 compared to $117,900,000 at December 31, 1993. The weighted average interest rates on these borrowings were 6.2% and 3.8% at December 31, 1994 and 1993, respectively. At December 31, 1994, the Corporation has unused lines of credit under uncommitted arrangements with several banks aggregating approximately $657,000,000. No compensating balances or fees are required for such lines of credit.

5. LONG-TERM DEBT

Long-term debt at December 31 consists of the following:

Thousands of dollars	1994	1993
6.1% Marine Terminal Revenue Bonds-- Series 1994--City of Valdez, Alaska, due 2024	$ 20,000	$ 20,000
Pollution Control Revenue Bonds with sinking fund requirements, weighted average rate 6.6%,* due through 2022	52,541	52,686
Fixed rate notes, payable principally to insurance companies, weighted average rate 8.8%, due through 2014	1,461,815	1,219,979
Revolving Credit Agreement with banks, weighted average rate 6.9%,* due 1999	1,043,749	1,157,789
Revolving Credit Agreement with banks, weighted average rate 7.0%,* due through 2002	547,222	939,710
Revolving Credit Agreement with banks, weighted average rate 6.7%, due through 1998	112,000	126,000
Other loans, weighted average rate 8.2%, due through 2007	38,714	53,858
	3,276,041	3,570,022
Less amount included in current maturities	121,806	146,342
Total	$3,154,235	$3,423,680

*Includes effect of interest rate conversion agreements.

The aggregate long-term debt maturing during the next five years is as follows (in thousands): 1995--$121,806 (included in current liabilities); 1996--$159,642; 1997--$254,879; 1998--$133,679 and 1999--$1,205,686.

Of the total long-term debt at December 31, 1994, including current maturities, $25,355,000 was secured by assets with a net book value of $22,297,000.

The Corporation's long-term debt agreements contain various restrictions and conditions, including the requirement to maintain a ratio of current assets to current liabilities of not less than 1 to 1. There are also limitations on total borrowings under the agreements. In addition, the cumulative amount of cash dividends and stock distributions (as defined), under the most restrictive covenant, may not exceed consolidated net income (as defined) subsequent to December 31, 1990, plus $600,000,000. At December 31, 1994, the ratio of current assets to current liabilities is 1.4 to 1 and the Corporation has additional allowable borrowing capacity for the construction or acquisition of assets of $465,000,000. Retained earnings free of restrictions at December 31, 1994 amount to $285,000,000.

At December 31, 1994, the Corporation has Revolving Credit Agreements with banks aggregating $1,400,000,000 ($1,043,749,000 outstanding at December 31, 1994), which are due to be repaid in 1999. Borrowings bear interest based on various money market rates chosen by the Corporation. Commitment fees of .2% per annum are payable on the unused portion of the credit lines.

A wholly-owned subsidiary of the Corporation operating in the United Kingdom has a multi-currency Revolving Credit Agreement (the "United Kingdom Facility") with banks aggregating $800,000,000 ($547,222,000 outstanding at December 31, 1994), which declines each year from 1999 through 2002. The United Kingdom Facility bears interest at .425% above the London Interbank Offered Rate (LIBOR). Commitment fees of .188% per annum are payable on the unused portion of the credit lines.

A wholly-owned subsidiary of the Corporation operating in Canada has a dual-currency Revolving Credit Agreement (the "Canada Facility") with banks aggregating $150,000,000 ($112,000,000 outstanding at December 31, 1994). The amount available under the Canada Facility declines ratably each year through 1998. Borrowings bear interest at .75% above LIBOR. Commitment fees of .25% per annum are payable on the unused portion of the credit lines.

A wholly-owned subsidiary of the Corporation operating in Norway has a Revolving Credit Agreement (the "Norway Facility") with banks aggregating $20,000,000. No borrowings are outstanding at December 31, 1994. The Norway Facility terminates in 1995. Commitment fees of .25% per annum are payable on the unused portion of the credit lines.

At December 31, 1994, the Corporation has interest rate conversion agreements, which effectively reduce the percentage of its floating rate debt from 54% to 47%.

The total amount of interest paid (net of amounts capitalized), principally on short-term and long-term debt, in 1994, 1993 and 1992 was $248,595,000, $169,277,000 and $139,705,000, respectively.

6. Stockholders' Equity

At December 31, 1994, the number of shares of common stock reserved for issuance is as follows:

Future distributions under the Executive Long-Term Incentive Compensation and Stock Ownership Plan	232,500
Warrants*	1,044,354
Total	1,276,854

*Exercisable through June 27, 2001 at $65.11 per share.

7. Foreign Currency Translation

Foreign currency exchange transactions reflected in net income (after income tax effect) amounted to losses of $931,000 in 1994, $1,788,000 in 1993 and $707,000 in 1992.

The equity adjustment from foreign currency translation, included as a component of stockholders' equity, reflected gains of $34,273,000 in 1994 and losses of $34,773,000 in 1993. The cumulative translation adjustments at December 31 consist of:

Thousands of dollars	1994	1993
Working capital	$ 36,424	$ 40,786
Property, plant and equipment, net	(392,586)	(490,033)
Long-term debt	77,967	91,749
Deferred income taxes	23,569	45,874
Other items	50,455	73,180
Total	$(204,171)	$(238,444)

8. Pension Plans

The Corporation has non-contributory defined benefit pension plans covering substantially all employees, except those covered by union pension plans. Retirement benefits are based on credited service and final average compensation. The Corporation's policy is to fund pension costs accrued, except where funding limitations are imposed under income tax regulations.

Pension expense consisted of:

Thousands of dollars	1994	1993	1992
Cost of benefits earned	$ 24,119	$ 21,540	$ 14,890
Accrued interest on projected benefit obligation	24,080	21,859	21,106
Loss (return) on plan assets	9,326	(35,053)	(19,384)
Net amortization and deferral	(36,860)	10,082	(4,812)
Total	$ 20,665	$ 18,428	$ 11,800

Plan assets include fixed income and equity securities, including investments in commingled funds. A summary of the funded status of the Corporation's pension plans at December 31 follows:

Thousands of dollars	1994	1993
Market value of plan assets	$289,294	$308,683
Actuarial present value of benefit obligation		
Vested	279,374	264,076
Non-vested	3,585	3,112
Total	282,959	267,188
Effect of projected future salary increases	53,063	63,101
Projected benefit obligation	336,022	330,289
Projected benefit obligation in excess of plan assets	$(46,728)	$(21,606)
Components of projected benefit obligation in excess of plan assets		
Unrecognized prior service costs	$ (4,923)	$ (7,960)
Unrecognized net experience losses	(15,748)	(4,387)
Unrecognized net transitional asset	8,140	11,494
Accrued pension cost	(34,197)	(20,753)
Total	$(46,728)	$(21,606)

The discount rate and assumed rate of future salary increases used in determining the actuarial present value of the projected benefit obligation were 8% and 6%, respectively, in 1994 and 7% and 6%, respectively, in 1993. The expected long-term rate of return on plan assets in 1994 and 1993 was 8%.

The Corporation has non-qualified supplemental pension plans covering certain employees, which provide for incremental pension payments from the Corporation's funds so that total pension payments equal amounts that would have been payable from the Corporation's principal pension plans if it were not for limitations imposed by income tax regulations. The projected benefit obligation relating to these unfunded plans totaled $17,979,000 at December 31, 1994 and $17,025,000 at December 31, 1993. Pension expense for the plans was $3,871,000 in 1994, $1,823,000 in 1993 and $1,771,000 in 1992.

9. CAPITALIZATION OF INTEREST

No interest expense was capitalized in 1994. Capitalized interest amounted to $92,228,000 in 1993 and $108,095,000 in 1992.

10. PROVISION FOR INCOME TAXES

The provision for income taxes consisted of:

Thousands of dollars	1994	1993	1992
United States Federal			
Current	$ (350)	$ 15,380	$ 5,352(c)
Deferred	(39,948)(a)	(72,040)	(21,701)
State	1,666	1,552	1,891
	(38,632)	(55,108)	(14,458)
Foreign			
Current	131,107	93,895	109,406
Deferred	69,623	41,272	31,772
	200,730	135,167	141,178
Adjustment of deferred tax liability for income tax rate changes	--	(5,873)	(10,780)
Total	$162,098	$ 74,186(b)	$115,940

(a) Includes benefit of operating loss of $43,121.
(b) Excludes benefit of $29,459 as of January 1, 1993, from the cumulative effect of the change in accounting for income taxes required by FAS 109.
(c) Includes $11,220 from the refund of prior years' income taxes.

Income (loss) before income taxes consisted of the following:

Thousands of dollars	1994	1993	1992
United States	$(170,813)	$(190,726)	$ 12,482
Foreign*	406,625	(32,750)	111,003
Total	$ 235,812	$(223,476)	$123,485

*Foreign income includes the Corporation's Virgin Islands, shipping and other operations located outside of the United States.

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. A summary of the components of deferred tax liabilities and assets at December 31 follows:

Thousands of dollars	1994	1993
Deferred tax liabilities		
Fixed assets	$ 580,651	$ 549,328
Foreign petroleum taxes	184,033	135,483
Other items	84,254	93,784
Total deferred tax liabilities	848,938	778,595
Deferred tax assets		
Accrued liabilities	123,619	133,682
Net operating and other loss carryforwards	390,430	358,291
Tax credit carryforwards	111,117	113,856
Other items	29,261	29,820
Total deferred tax assets	654,427	635,649
Valuation allowance	(281,529)	(262,389)
Net deferred tax assets	372,898	373,260
Net deferred tax liabilities	$ 476,040	$ 405,335

The difference between the Corporation's effective income tax rate and the United States statutory rate is reconciled below:

	1994	1993	1992
United States statutory rate	35.0%	(35.0)%	34.0%
Effect of foreign operations, including foreign tax credits	33.4	71.6	97.4
State income taxes, net of Federal income tax benefit	.5	.5	1.0
Alternative minimum tax	(1.8)	(2.9)	(25.5)
Tax credits	--	(2.6)	(2.1)
Refund of prior years' income taxes and related adjustments	--	--	(9.1)
Other items	1.6	1.6	(1.8)
Total	68.7%	33.2%	93.9%

The Corporation has not recorded deferred income taxes applicable to undistributed earnings of foreign subsidiaries that are indefinitely reinvested in foreign operations. Undistributed earnings amounted to approximately $950 million at December 31, 1994, excluding amounts which, if remitted, generally would not result in any additional U.S. income taxes because of available foreign tax credits. If the earnings of such foreign subsidiaries were not indefinitely reinvested, a deferred tax liability of approximately $175 million would have been required.

For income tax reporting at December 31, 1994, the Corporation has general business credit carryforwards of approximately $20 million, expiring in 1999 through 2001. In addition, the Corporation has alternative minimum tax credit carryforwards of approximately $80 million, which can be carried forward indefinitely. The Corporation also has net operating loss carryforwards of approximately $120 million in the United States, expiring in 2009 and approximately $700 million relating to a refining subsidiary, expiring through 2009.

Income taxes paid (net of refunds) in 1994, 1993 and 1992 amounted to $66,569,000, $117,849,000 and $48,091,000, respectively.

11. NET INCOME PER SHARE

Net income per share was computed on the weighted average number of shares of common stock and common stock equivalents outstanding during each year (92,968,993 shares in 1994, 92,594,871 shares in 1993 and 87,316,950 shares in 1992). Such fully diluted weighted average number of shares reflected the exercise of outstanding stock options.

12. FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

The Corporation produces, purchases, transports and sells crude oil and natural gas and manufactures, purchases, transports and markets refined products. The Corporation also maintains inventories of crude oil and refined products. The Corporation uses futures, forward, option and swap contracts to reduce the effects of fluctuations in crude oil, natural gas and refined product prices. In addition, a significant portion of the Corporation's long-term borrowings have floating interest rates. The Corporation also has exploration and production activities in foreign countries. Therefore, it is affected by changes in interest rates and foreign currency exchange rates. Interest rate conversion agreements and foreign currency exchange contracts protect the Corporation from fluctuations in interest and exchange rates.

Commodity hedging: The Corporation uses futures, forward and option contracts to reduce the effects of fluctuations in the prices of crude oil, natural gas and refined products. These contracts permit settlement by delivery of commodities and, therefore, are not financial instruments, as defined. The Corporation uses these contracts and financial instruments such as over-the-counter option and swap contracts in its commodity hedging activities. At December 31, 1994, the Corporation's hedging activities included commodity and financial instrument contracts, maturing through 1995, covering 56,000,000 barrels of crude oil and refined products and 195,000,000 Mcf of natural gas. Of the crude oil and refined product hedges, 26,500,000 barrels relate to exploration and production activities and the remaining

29,500,000 barrels relate to refining and marketing operations. At December 31, 1993, contracts covering 62,000,000 barrels of crude oil and refined products and 137,000,000 Mcf of natural gas, which matured in 1994, were used as hedges. The Corporation produced 91,000,000 barrels of crude oil (including natural gas liquids) and 309,000,000 Mcf of natural gas in 1994 and had approximately 40,000,000 barrels of crude oil and refined products in its refining and marketing inventories at December 31, 1994. Since the contracts described above qualify as hedges and correlate to price movements of crude oil, natural gas and refined products, any gains or losses resulting from market changes will be offset by losses or gains on the Corporation's hedged inventory or production. Total unrealized gains for the Corporation's petroleum and natural gas hedging activities were approximately $20,000,000 at December 31, 1994 ($126,000,000 at December 31, 1993). Deferred gains related to anticipated transactions are not material.

Financial instruments: At December 31, 1994, the Corporation has $225,000,000 of notional value interest rate conversion agreements with a weighted average maturity of approximately one year ($444,500,000 at December 31, 1993), $155,000,000 of notional value foreign currency forward and purchased option contracts maturing in 1995 ($35,000,000 at December 31, 1993) and $117,000,000 in letters of credit outstanding ($89,000,000 at December 31, 1993). 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.

Fair value disclosure: The Corporation values financial instruments as required by FAS No. 107, Disclosures about Fair Values of Financial Instruments. The carrying amounts of cash and cash equivalents, short-term debt and long-term, variable-rate debt approximate fair value. The Corporation estimates the fair value of its long-term, fixed-rate debt generally using discounted cash flow analysis based on the Corporation's current borrowing rates for debt with similar maturities. Interest rate conversion agreements and foreign currency exchange contracts are valued based on current termination values or quoted market prices of comparable contracts. The Corporation's valuation of commodity contracts considers quoted market prices, time value, volatility of the underlying commodities and other factors.

The carrying amounts of the Corporation's financial instruments and commodity contracts, including those used in the Corporation's hedging activities, generally approximate their fair values at December 31, except as follows:

	1994		1993	
Millions of dollars, asset (liability)	Balance Sheet Amount	Fair Value	Balance Sheet Amount	Fair Value
Long-term, fixed-rate debt	$(1,548)	$(1,519)	$(1,321)	$(1,446)
Commodity contracts, including financial instruments	7*	20	75*	126
Interest rate conversion agreements	--	(2)	--	(19)
Foreign currency exchange agreements and options	--	(2)	--	(3)

*Represents margin accounts on futures contracts.

At times, the Corporation uses oil and gas futures, forward, option and swap contracts that are not related to the hedging program discussed above. This activity and its results are not material.

The Corporation's financial instruments with off-balance-sheet risks are with major financial institutions and, along with cash and cash equivalents and accounts receivable, expose the Corporation to market and credit risks and may at times be concentrated with certain counterparties or groups of counterparties. The credit worthiness of counterparties is subject to continuing review and full performance is anticipated.

13. LEASED ASSETS
The Corporation and certain of its subsidiaries lease tankers, gasoline stations, office space and other assets for varying periods. Leases that expire generally are expected to be renewed or replaced by other leases. Certain leases are classified as capital leases in accordance with the provisions of FAS No. 13. At December 31, 1994, net capital lease assets of $95,239,000, representing natural gas production and transportation facilities in the United Kingdom, are included in property, plant and equipment in the Consolidated Balance Sheet.

At December 31, 1994, future minimum rental payments applicable to capital and noncancelable operating leases (other than oil and gas leases) are as follows:

Thousands of dollars	Operating Leases	Capital Leases
1995	$115,882	$ 19,439
1996	103,501	20,566
1997	90,652	21,663
1998	67,960	22,844
1999	55,282	26,067
Remaining years	447,704	--
Total minimum lease payments	880,981	110,579
Less: Imputed interest	--	15,519
Income from subleases	20,655	--
Net minimum lease payments	$860,326	$ 95,060
Capitalized lease obligations--		
Current		$ 14,132
Long-term		80,928
Total		$ 95,060

Rental expense for all operating leases, other than rentals applicable to oil and gas leases, was as follows:

Thousands of dollars	1994	1993	1992
Total rental expense	$164,395	$180,459	$164,170
Less income from subleases	3,443	855	1,431
Net rental expense	$160,952	$179,604	$162,739

14. INFORMATION ON MAJOR OPERATING ACTIVITIES
The Corporation operates principally in the petroleum industry. Exploration and production operations include the exploration for, and production and processing of, crude oil and natural gas. Refining and marketing operations include the manufacture, purchase, transportation and marketing of refined products.

Financial data by major geographic area for each of the three years ended December 31, 1994 follow:

Millions of dollars	United States(a)	Europe	Other	Consol-idated(b)
1994				
Operating revenues				
Unaffiliated customers	$5,437	$ 907	$258	$6,602
Intergeographic transfers	--	247	77	
Operating profit	66	303	112	481
Identifiable assets	5,293	2,316	729	8,338
1993				
Operating revenues				

Unaffiliated customers	$4,743	$ 929	$208	$5,880
Intergeographic transfers	--	--	147	
Operating profit (loss)	(330)	147	116	(67)
Identifiable assets	5,401	2,412	829	8,642
1992				
Operating revenues				
Unaffiliated customers	$4,686	$ 978	$194	$5,858
Intergeographic transfers	--	1	152	
Operating profit (loss)	(38)	236	73	271
Identifiable assets	5,350	2,459	913	8,722

(a) Includes U.S. Virgin Islands and shipping operations.
(b) After elimination of transactions between affiliates, which are valued at approximate market prices.

Financial data by major operating activity for each of the three years ended December 31, 1994 follow:

Millions of dollars	Exploration and Production	Refining and Marketing	Corporate and Other	Consolidated(a)
1994				
Operating revenues				
Total operating revenues	$2,665	$4,205	$ 527	
Less: Transfers between affiliates	402	51	342	
Operating revenues from unaffiliated customers	$2,263	$4,154	$ 185	$6,602
Operating profit	$ 368	$ 83	$ 30	$ 481
Interest expense	--	--	(245)	(245)
(Provision) benefit for income taxes	(211)	12	37	(162)
Net income (loss)	$ 157	$ 95	$(178)	$ 74
Depreciation, depletion and amortization	$ 698	$ 150	$ 32	$ 880
Identifiable assets	4,117	3,617	604	8,338
Capital expenditures	531	62	3	596
1993				
Operating revenues				
Total operating revenues	$2,541	$3,540	$ 578	
Less: Transfers between affiliates	248	59	472	
Operating revenues from unaffiliated customers	$2,293	$3,481	$ 106	$5,880
Operating profit (loss)	$ 260	$ (318)	$ (9)	$ (67)
Interest expense	--	--	(156)	(156)
(Provision) benefit for income taxes	(144)	25	74 (b)	(45)
Net income (loss)	$ 116	$ (293)	$ (91)	$ (268)
Depreciation, depletion and amortization	$ 639	$ 101	$ 29	$ 769
Identifiable assets	4,446	3,576	620	8,642
Capital expenditures	755	591	2	1,348
1992				
Operating revenues				
Total operating revenues	$2,399	$3,722	$ 617	
Less: Transfers between affiliates	281	107	492	
Operating revenues from unaffiliated customers	$2,118	$3,615	$ 125	$5,858
Operating profit (loss)	$ 373	$ (121)	$ 19	$ 271
Interest expense	--	--	(147)	(147)
(Provision) benefit for income taxes	(154)	(8)	46	(116)
Net income (loss)	$ 219	$ (129)	$ (82)	$ 8
Depreciation, depletion and amortization	$ 677	$ 66	$ 31	$ 774
Identifiable assets	4,703	3,397	622	8,722
Capital expenditures	916	639	3	1,558

(a) After elimination of transactions between affiliates, which are valued at approximate market prices.
(b) Includes a benefit of $29 million from the cumulative effect of the change in accounting for income taxes required by FAS No. 109.

REPORT OF MANAGEMENT
Amerada Hess Corporation and Consolidated Subsidiaries

The consolidated financial statements of Amerada Hess Corporation and consolidated subsidiaries were prepared by and are the responsibility of management. These financial statements conform with generally accepted accounting principles and are, in part, based on estimates and judgements of management. Other information included in this Annual Report is consistent with that in the consolidated financial statements.

The Corporation maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed and recorded. Judgements are required to balance the relative costs and benefits of this system of internal controls.

The Corporation's consolidated financial statements have been audited by Ernst & Young LLP, independent auditors, who have been selected by the Audit Committee of the Board of Directors and approved by the stockholders. Ernst & Young LLP assesses the Corporation's system of internal controls and performs tests and procedures that they consider necessary to arrive at an opinion on the fairness of the consolidated financial statements.

The Audit Committee of the Board of Directors, which consists solely of nonemployee directors, meets periodically with the independent auditors, internal auditors and management to review and discuss the Corporation's financial information, the system of internal controls and the results of internal and external audits. Ernst & Young LLP and the Corporation's internal auditors have unrestricted access to the Audit Committee to discuss audit findings and other financial matters.

/s/ Leon Hess
Leon Hess
Chairman of the Board and
Chief Executive Officer

/s/ John Y. Schreyer
John Y. Schreyer
Executive Vice President and
Chief Financial Officer

REPORT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Amerada Hess Corporation

We have audited the accompanying consolidated balance sheet of Amerada Hess Corporation and consolidated subsidiaries as of December 31, 1994 and 1993 and the related consolidated statements of income, retained earnings, changes in common stock and capital in excess of par value and cash flows for each of the three years in the period ended December 31, 1994. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Amerada Hess Corporation and consolidated subsidiaries at December 31, 1994 and 1993 and the consolidated results of their operations and their consolidated cash flows for each of the three years in the period ended December 31, 1994, in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, NY
February 15, 1995

SUPPLEMENTARY OIL AND GAS DATA
Amerada Hess Corporation and Consolidated Subsidiaries

The supplementary oil and gas data that follows is presented in accordance with Statement of Financial Accounting Standards (FAS) No. 69, Disclosures about Oil and Gas Producing Activities, and includes (1) costs incurred, capitalized costs and results of operations relating to oil and gas producing activities, (2) net proved oil and gas reserves, and (3) a standardized measure of discounted future net cash flows relating to proved oil and gas reserves, including a reconciliation of changes therein.

COSTS INCURRED IN OIL AND GAS PRODUCING ACTIVITIES

For the Years Ended December 31 (Millions of dollars)	Total	United States	Canada	Europe	Other Areas
1994					
Property acquisitions	$ 21	$ 14	$ 5	$ --	$ 2
Exploration	274	139	31	99	5
Development	333	120	31	170	12
1993					
Property acquisitions	$ 56	$ 48	$ 5	$ 2	$ 1
Exploration	274	147	27	98	2
Development	527	151	22	345	9
1992					
Property acquisitions	$ 38	$ 31	$ 2	$ --	$ 5
Exploration	229	104	17	89	19
Development	742	116	10	608	8

CAPITALIZED COSTS RELATING TO OIL AND GAS PRODUCING ACTIVITIES

At December 31 (Millions of dollars)	1994	1993
Unproved properties	$ 439	$ 484
Proved properties	2,071	2,057
Wells, equipment and related facilities	7,147	6,687
Total costs	9,657	9,228
Less: Reserves for depreciation, depletion, amortization and lease impairment	5,988	5,266
Net capitalized costs	$3,669	$3,962

The results of operations for oil and gas producing activities shown below exclude sales of purchased crude oil and natural gas, non-operating revenues (which include the gain on the sale of an undeveloped natural gas field in 1994), interest expense and gains and losses resulting from foreign currency exchange transactions. Therefore, these results differ from the net income from exploration and production operations in Note 14 to the financial statements.

RESULTS OF OPERATIONS FOR OIL AND GAS PRODUCING ACTIVITIES

For the Years Ended December 31 (Millions of dollars)	Total	United States	Canada	Europe	Other Areas
1994					
Sales and other operating revenues					
Unaffiliated customers	$1,687	$576	$172	$ 879	$ 60
Inter-company	385	98	2	237	48
Total revenues	2,072	674	174	1,116	108
Costs and expenses					
Production expenses, including related taxes	593	210	47	318	18
Exploration expenses, including dry holes	250	128	18	99	5
Other operating expenses	187	70	11	92	14
Depreciation, depletion, amortization and lease impairment	746	293	57	368	28
Provision for income taxes	197	(10)	22	167	18
Total costs and expenses	1,973	691	155	1,044	83
Results of operations	$ 99	$(17)	$ 19	$ 72	$ 25
1993					
Sales and other operating revenues					
Unaffiliated customers	$1,790	$704	$176	$ 890	$ 20
Inter-company	227	119	--	--	108
Total revenues	2,017	823	176	890	128
Costs and expenses					
Production expenses, including related taxes	607	233	49	294	31
Exploration expenses, including dry holes	259	150	18	89	2
Other operating expenses	218	79	12	109	18
Depreciation, depletion, amortization and lease impairment	694	332	54	271	37
Provision for income taxes	133	9	23	82	19
Total costs and expenses	1,911	803	156	845	107
Results of operations	$ 106	$ 20	$ 20	$ 45	$ 21
1992					
Sales and other operating revenues					
Unaffiliated customers	$1,846	$701	$161	$ 963	$ 21
Inter-company	257	141	--	2	114
Total revenues	2,103	842	161	965	135
Costs and expenses					
Production expenses, including related taxes	603	223	48	310	22
Exploration expenses, including dry holes	229	100	14	95	20
Other operating expenses	230	55	14	137	24
Depreciation, depletion, amortization and lease impairment	736	398	61	241	36
Provision for income taxes	122	12	17	59	34
Total costs and expenses	1,920	788	154	842	136
Results of operations	$ 183	$ 54	$ 7	$ 123	$ (1)

The Corporation's net oil and gas reserves have been estimated by DeGolyer and MacNaughton, independent consultants. The reserves in the tabulation below include proved undeveloped crude oil and natural gas reserves that will require substantial future development expenditures. The estimates of the Corporation's proved reserves of crude oil and natural gas (after deducting royalties and operating interests owned by others) follow:

OIL AND GAS RESERVES

	Total	United States	Canada	Europe	Other Areas
Net Proved Developed and Undeveloped Reserves					
Crude Oil, Including Condensate and Natural Gas Liquids (Millions of barrels)					
At January 1, 1992	638	201	44	349	44
Revisions of previous estimates	58	25	--	32	1
Extensions, discoveries and other additions	37	4	1	32	--
Purchases of minerals in-place	1	--	--	1	--
Production	(82)	(27)	(5)	(43)	(7)
At December 31, 1992	652	203	40	371	38
Revisions of previous estimates	66	16	--	43	7
Extensions, discoveries and other additions	28	5	3	20	--
Purchases of minerals in-place	3	--	1	2	--
Production	(79)	(26)	(5)	(41)	(7)
At December 31, 1993	670	198	39	395	38
Revisions of previous estimates	49	13	(2)	35	3
Extensions, discoveries and other additions	12	8	2	2	--
Purchases of minerals in-place	8	4	--	--	4
Sales of minerals in-place	(3)	--	--	(3)	--
Production	(92)	(25)	(5)	(56)	(6)
At December 31, 1994	644	198	34	373	39
Natural Gas (Millions of Mcf)					
At January 1, 1992	2,551	1,058	558	935	--
Revisions of previous estimates	166	90	74	2	--
Extensions, discoveries and other additions	224	70	16	138	--
Purchases of minerals in-place	38	11	--	27	--
Production	(339)	(220)	(51)	(68)	--
At December 31, 1992	2,640	1,009	597	1,034	--
Revisions of previous estimates	127	30	(5)	102	--
Extensions, discoveries and other additions	189	82	65	42	--
Purchases of minerals in-place	20	11	4	5	--
Production	(323)	(183)	(61)	(79)	--
At December 31, 1993	2,653	949	600	1,104	--
Revisions of previous estimates	142	105	(1)	38	--
Extensions, discoveries and other additions	167	101	50	16	--
Purchases of minerals in-place	4	3	--	1	--
Sales of minerals in-place	(76)	--	--	(76)	--
Production	(309)	(156)	(68)	(85)	--
At December 31, 1994	2,581	1,002*	581	998	--
Net Proved Developed Reserves					
Crude Oil, Including Condensate and Natural Gas Liquids (Millions of barrels)					
At January 1, 1992	443	172	43	186	42
At December 31, 1992	436	173	40	191	32
At December 31, 1993	514	169	38	271	36
At December 31, 1994	505	171	33	263	38
Natural Gas (Millions of Mcf)					
At January 1, 1992	1,872	915	529	428	--
At December 31, 1992	2,002	851	576	575	--
At December 31, 1993	2,260	794	579	887	--
At December 31, 1994	2,210	838	558	814	--

*Excludes 486 million Mcf of carbon dioxide gas for sale or use in company operations.

The standardized measure of discounted future net cash flows relating to proved oil and gas reserves required to be disclosed by FAS No. 69 is based on assumptions and judgements. As a result, the future net cash flow estimates are highly subjective and could be materially different if other assumptions were used. Therefore, caution should be exercised in the use of the data presented below.

Future net cash flows are calculated by applying year-end oil and gas selling prices (adjusted for price changes provided by contractual arrangements, including hedges) to estimated future production of proved oil and gas reserves, less estimated future development and production costs and future income tax expenses. Future net cash flows are discounted at the prescribed rate of 10%. No recognition is given in the discounted future net cash flow estimates to depreciation, depletion, amortization and lease impairment, exploration expenses, interest expense, general and administrative expenses and changes in future prices and costs. The selling prices of crude oil and natural gas are highly volatile.

STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS
RELATING TO PROVED OIL AND GAS RESERVES

At December 31 (Millions of dollars)	Total	United States	Canada	Europe	Other Areas
1994					
Future revenues	$14,545	$4,267	$1,266	$8,236	$776
Less:					
Future development and production costs	6,874	2,317	667	3,696	194
Future income tax expenses	2,789	465	152	1,910	262
	9,663	2,782	819	5,606	456
Future net cash flows	4,882	1,485	447	2,630	320
Less: Discount at 10% annual rate	1,622	577	168	787	90
Standardized measure of discounted future net cash flows	$ 3,260	$ 908	$ 279	$1,843	$230
1993					
Future revenues	$13,484	$4,135	$1,714	$7,059	$576
Less:					
Future development and production costs	6,505	2,258	704	3,360	183
Future income tax expenses	2,235	407	308	1,380	140
	8,740	2,665	1,012	4,740	323
Future net cash flows	4,744	1,470	702	2,319	253
Less: Discount at 10% annual rate	1,705	556	266	797	86
Standardized measure of discounted future net cash flows	$ 3,039	$ 914	$ 436	$1,522	$167
1992					
Future revenues	$15,802	$5,035	$1,497	$8,475	$795
Less:					
Future development and production costs	6,870	2,505	604	3,570	191
Future income tax expenses	3,330	606	320	2,235	169
	10,200	3,111	924	5,805	360
Future net cash flows	5,602	1,924	573	2,670	435
Less: Discount at 10% annual rate	2,106	777	213	949	167
Standardized measure of discounted future net cash flows	$ 3,496	$1,147	$ 360	$1,721	$268

CHANGES IN STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET
CASH FLOWS RELATING TO PROVED OIL AND GAS RESERVES

For the years ended December 31 (Millions of dollars)	1994	1993	1992
Standardized measure of discounted future net cash flows at beginning of year	$ 3,039	$ 3,496	$ 3,401
Changes during the year			
Sales and transfers of oil and gas produced during year, net of production costs	(1,479)	(1,410)	(1,500)
Development costs incurred during year	333	527	742
Net changes in prices and production costs applicable to future production	604	(1,569)	62
Net change in estimated future development costs	(264)	(68)	(13)
Extensions and discoveries (including improved recovery) of oil and gas reserves, less related costs	135	167	284
Revisions of previous oil and gas reserve estimates	314	288	623
Purchases (sales) of minerals in-place	(2)	23	35
Accretion of discount	437	539	475
Net change in income taxes	(380)	547	(513)
Revision in rate or timing of future production and other changes	523	499	(100)
Total	221	(457)	95
Standardized measure of discounted future net cash flows at end of year	$ 3,260	$ 3,039	$ 3,496

TEN-YEAR SUMMARY OF FINANCIAL DATA
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1994	1993	1992
STATEMENT OF CONSOLIDATED INCOME			
Revenues			
Sales (excluding excise taxes) and other operating revenues			
Crude oil (including sales of purchased oil)	$1,228,045	$1,219,750	$1,362,118
Natural gas (including sales of purchased gas)	1,063,560	1,020,563	787,996
Petroleum products	3,980,563	3,348,900	3,428,702
Other operating revenues	329,816	290,308	279,541
Total	6,601,984	5,879,521	5,858,357
Non-operating revenues	96,809	21,153	95,352
Total revenues	6,698,793	5,900,674	5,953,709
Costs and expenses			
Cost of products sold and operating expenses	4,449,819	4,287,139	4,039,180
Exploration expenses, including dry holes	249,433	258,826	228,998
Selling, general and administrative expenses	590,647	596,919	581,542
Interest expense	245,149	156,615	147,099
Depreciation, depletion and amortization	879,679	769,390	773,507
Lease impairment	48,254	55,261	59,898
Special charge for marine transportation costs	--	--	--
Provision for income taxes	162,098	44,727(*)	115,940
Total costs and expenses	6,625,079	6,168,877	5,946,164
Net income (loss)	$ 73,714	$ (268,203)	$ 7,545
Net income (loss) per share (**)	$ .79	$ (2.90)	$ .09
DIVIDENDS PER SHARE			
Common stock	$ .60	$ .60	$ .60
Preferred stock (redeemed in 1987)	--	--	--
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (in thousands)	92,969	92,595	87,317

*Includes a benefit of $29,459 ($.32 per share) from the cumulative effect of the change in accounting for income taxes required by FAS No. 109.

**For a description of the basis of computing earnings per share, see Note 11 to consolidated financial statements.

Thousands of dollars, except per share data	1991	1990	1989	1988
STATEMENT OF CONSOLIDATED INCOME				
Revenues				
Sales (excluding excise taxes) and other operating revenues				
Crude oil (including sales of purchased oil)	$1,448,793	$1,248,193	$ 904,233	$ 872,757
Natural gas (including sales of purchased gas)	574,004	458,615	315,578	288,915
Petroleum products	3,897,748	4,587,646	4,107,770	2,864,342
Other operating revenues	346,300	653,051	261,373	179,997
Total	6,266,845	6,947,505	5,588,954	4,206,011
Non-operating revenues	149,496	133,593	90,373	57,533
Total revenues	6,416,341	7,081,098	5,679,327	4,263,544
Costs and expenses				
Cost of products sold and operating expenses	4,409,832	4,708,925	3,837,800	2,964,534
Exploration expenses, including dry holes	301,183	276,200	164,925	182,205
Selling, general and administrative expenses	582,549	512,805	422,491	380,169
Interest expense	177,850	224,200	187,811	145,439
Depreciation, depletion and amortization	765,877	687,064	492,510	373,661
Lease impairment	62,888	56,403	53,424	67,753
Special charge for marine transportation costs	--	--	--	--
Provision for income taxes	31,854	132,788	44,017	25,566
Total costs and expenses	6,332,033	6,598,385	5,202,978	4,139,327
Net income (loss)	$ 84,308	$ 482,713	$ 476,349	$ 124,217
Net income (loss) per share (**)	$ 1.04	$ 5.96	$ 5.87	$ 1.51
DIVIDENDS PER SHARE				
Common stock	$ .60	$ .60	$ .60	$ .60
Preferred stock (redeemed in 1987)	--	--	--	--
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (in thousands)	81,088	81,023	81,147	82,031

Thousands of dollars, except per share data	1987	1986	1985
STATEMENT OF CONSOLIDATED INCOME			
Revenues			
Sales (excluding excise taxes) and other operating revenues			
Crude oil (including sales of purchased oil)	$ 886,504	$ 806,927	$2,150,919
Natural gas (including sales of purchased gas)	284,610	284,533	336,552
Petroleum products	3,347,242	2,649,197	4,877,005
Other operating revenues	195,209	270,525	307,776
Total	4,713,565	4,011,182	7,672,252
Non-operating revenues	71,024	51,073	50,290
Total revenues	4,784,589	4,062,255	7,722,542
Costs and expenses			
Cost of products sold and operating expenses	3,521,552	3,155,868	5,829,095
Exploration expenses, including dry holes	106,440	148,506	229,753
Selling, general and administrative expenses	328,118	315,199	300,542
Interest expense	144,147	164,275	189,263
Depreciation, depletion and amortization	359,825	382,273	373,734
Lease impairment	71,657	85,971	110,297
Special charge for marine transportation costs	--	--	536,692
Provision for income taxes	22,990	(7,267)	375,277
Total costs and expenses	4,554,729	4,244,825	7,944,653
Net income (loss)	$ 229,860	$ (182,570)	$ (222,111)
Net income (loss) per share (**)	$ 2.73	$ (2.16)	$ (2.63)
Dividends Per Share			
Common stock	$ .45	--	$ 1.10
Preferred stock (redeemed in 1987)	$ 2.63	$ 3.50	$ 3.50
Weighted Average Number of Shares Outstanding (in thousands)	84,136	84,440	84,536

TEN-YEAR SUMMARY OF FINANCIAL DATA
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1994	1993	1992
SELECTED BALANCE SHEET DATA AT YEAR-END			
Cash and cash equivalents	$ 53,135	$ 79,635	$ 141,014
Working capital	520,247	245,026	551,459
Property, plant and equipment			
Exploration and production	$ 9,656,923	$ 9,227,937	$ 9,071,396
Refining and marketing	3,892,724	3,834,674	3,294,958
Transportation and other	755,179	724,629	724,411
Total--at cost	14,304,826	13,787,240	13,090,765
Less reserves	7,938,824	7,052,328	6,646,801
Property, plant and equipment--net	$ 6,366,002	$ 6,734,912	$ 6,443,964
Total assets	$ 8,337,940	$ 8,641,546	$ 8,721,756
Total debt	3,339,788	3,687,922	3,186,199
Stockholders' equity	3,099,629	3,028,911	3,387,599
Stockholders' equity per share	$ 33.33	$ 32.71	$ 36.59
SUMMARIZED STATEMENT OF CASH FLOWS			
Net cash provided by operating activities	$ 957,018	$ 819,423	$ 1,137,707
Cash flows from investing activities			
Capital expenditures			
Exploration and production	(531,409)	(754,876)	(915,476)
Refining and marketing	(62,238)	(591,545)	(639,365)
Transportation and other	(2,637)	(1,620)	(2,953)
Total capital expenditures	(596,284)	(1,348,041)	(1,557,794)
Other, including proceeds from sales of property, plant and equipment	72,804	12,436	25,423
Net cash used in investing activities	(523,480)	(1,335,605)	(1,532,371)
Cash flows from financing activities			
Issuance (repayment) of notes	(54,153)	117,791	(159,756)
Long-term borrowings	289,843	547,704	675,016
Repayment of long-term debt and capitalized lease obligations	(642,112)	(167,769)	(524,384)
Issuance of common stock	--	--	497,360
Cash dividends paid	(55,711)	(41,603)	(64,194)
Common and preferred stock retired	--	--	--
Net cash provided by (used in) financing activities	(462,133)	456,123	424,042
Effect of exchange rate changes on cash	2,095	(1,320)	(8,534)
Net increase (decrease) in cash and cash equivalents	$ (26,500)	$ (61,379)	$ 20,844
STOCKHOLDER DATA AT YEAR-END			
Number of common shares outstanding (in thousands)*	92,996	92,587	92,584
Number of stockholders (based on number of holders of record)	11,506	12,000	13,088
Market price of common stock	$ 45.63	$ 45.13	$ 46.00

*Assuming conversion of preferred prior to 1987.

Thousands of dollars, except per share data	1991	1990	1989	1988
SELECTED BALANCE SHEET DATA AT YEAR-END				
Cash and cash equivalents	$ 120,170	$ 129,914	$ 120,300	$ 213,184
Working capital	625,370	603,244	493,168	285,074
Property, plant and equipment				
Exploration and production	$ 9,174,705	$ 8,210,531	$ 6,403,799	$5,360,817
Refining and marketing	2,632,026	2,230,000	2,053,018	1,973,782
Transportation and other	723,101	717,452	710,439	703,862
Total--at cost	12,529,832	11,157,983	9,167,256	8,038,461
Less reserves	6,339,232	5,594,399	4,688,142	4,358,765
Property, plant and equipment--net	$ 6,190,600	$ 5,563,584	$ 4,479,114	$3,679,696
Total assets	$ 8,841,435	$ 9,056,636	$ 6,867,411	$5,371,979
Total debt	3,266,195	2,925,285	2,697,184	1,672,329
Stockholders' equity	3,131,982	3,106,029	2,560,628	2,215,154
Stockholders' equity per share	$ 38.63	$ 38.34	$ 31.69	$ 27.02
SUMMARIZED STATEMENT OF CASH FLOWS				
Net cash provided by operating activities	$ 1,364,268	$ 1,326,444	$ 805,848	$ 747,393
Cash flows from investing activities				
Capital expenditures				
Exploration and production	(1,292,935)	(1,265,168)	(1,729,357)	(652,600)
Refining and marketing	(410,645)	(182,090)	(86,645)	(60,084)
Transportation and other	(8,735)	(14,169)	(12,667)	(17,245)
Total capital expenditures	(1,712,315)	(1,461,427)	(1,828,669)	(729,929)
Other, including proceeds from sales of property, plant and equipment	37,788	(12,012)	6,644	16,401
Net cash used in investing activities	(1,674,527)	(1,473,439)	(1,822,025)	(713,528)
Cash flows from financing activities				
Issuance (repayment) of notes	(183,351)	46,744	13,823	(205,414)
Long-term borrowings	786,280	461,413	1,203,994	416,161
Repayment of long-term debt and capitalized lease obligations	(269,414)	(287,531)	(194,870)	(191,159)
Issuance of common stock	--	--	--	--
Cash dividends paid	(36,468)	(60,681)	(48,785)	(49,248)
Common and preferred stock retired	--	(6,213)	(43,632)	(7,420)
Net cash provided by (used in) financing activities	297,047	153,732	930,530	(37,080)
Effect of exchange rate changes on cash	3,468	2,877	(7,237)	(10,114)
Net increase (decrease) in cash and cash equivalents	$ (9,744)	$ 9,614	$ (92,884)	$ (13,329)
STOCKHOLDER DATA AT YEAR-END				
Number of common shares outstanding (in thousands)*	81,068	81,019	80,804	81,979
Number of stockholders (based on number of holders of record)	13,732	14,669	16,638	18,031
Market price of common stock	$ 47.50	$ 46.38	$ 48.75	$ 31.50

Thousands of dollars, except per share data	1987	1986	1985
SELECTED BALANCE SHEET DATA AT YEAR-END			
Cash and cash equivalents	$ 226,513	$ 92,681	$ 171,074
Working capital	161,764	231,602	434,049
Property, plant and equipment			
Exploration and production	$5,010,724	$4,508,499	$4,468,310
Refining and marketing	1,922,620	1,900,919	1,901,371
Transportation and other	680,257	721,743	789,781
Total--at cost	7,613,601	7,131,161	7,159,462
Less reserves	4,064,227	3,601,978	3,220,824
Property, plant and equipment--net	$3,549,374	$3,529,183	$3,938,638
Total assets	$5,304,808	$4,904,710	$6,213,662
Total debt	1,631,345	1,528,367	1,935,967
Stockholders' equity	2,158,544	1,938,793	2,114,757
Stockholders' equity per share	$ 26.30	$ 22.97	$ 25.04
SUMMARIZED STATEMENT OF CASH FLOWS			
Net cash provided by operating activities	$ 452,158	$ 560,063	$1,230,925
Cash flows from investing activities			
Capital expenditures			
Exploration and production	(304,462)	(207,374)	(611,848)
Refining and marketing	(36,018)	(7,511)	(83,989)

Transportation and other	(7,663)	(2,545)	(3,445)
Total capital expenditures	(348,143)	(217,430)	(699,282)
Other, including proceeds from sales of property, plant and equipment	4,845	13,895	19,627
Net cash used in investing activities	(343,298)	(203,535)	(679,655)
Cash flows from financing activities			
Issuance (repayment) of notes	398,889	(95,314)	(108,257)
Long-term borrowings	63,000	21,102	940
Repayment of long-term debt and capitalized lease obligations	(372,115)	(336,224)	(333,964)
Issuance of common stock	--	--	--
Cash dividends paid	(25,857)	(23,757)	(92,268)
Common and preferred stock retired	(62,138)	--	--
Net cash provided by (used in) financing activities	1,779	(434,193)	(533,549)
Effect of exchange rate changes on cash	23,193	(728)	827
Net increase (decrease) in cash and cash equivalents	$ 133,832	$ (78,393)	$ 18,548
STOCKHOLDER DATA AT YEAR-END			
Number of common shares outstanding (in thousands)*	82,089	84,408	84,439
Number of stockholders (based on number of holders of record)	19,343	23,696	25,497
Market price of common stock	$ 24.88	$ 23.75	$ 27.25

TEN-YEAR SUMMARY OF OPERATING DATA
Amerada Hess Corporation and Consolidated Subsidiaries

	1994	1993	1992
PRODUCTION PER DAY (NET)			
Crude oil (barrels)			
United States	55,638	60,173	62,517
Canada	10,581	11,536	11,528
United Kingdom (North Sea)	122,043	80,019	86,265
Norway (North Sea)	24,279	26,388	29,598
Abu Dhabi	7,273	10,004	11,150
Africa*	8,857	8,301	6,910
Total	228,671	196,421	207,968
Natural gas liquids (barrels)			
United States	11,964	11,798	11,063
Canada	1,809	1,956	1,981
United Kingdom (North Sea)	6,756	3,783	1,468
Norway (North Sea)	1,320	1,432	1,707
Total	21,849	18,969	16,219
Natural gas (Mcf)			
United States	427,103	502,459	601,824
Canada	185,856	167,839	137,680
United Kingdom (North Sea)	208,742	188,024	153,599
Norway (North Sea)	24,417	28,987	31,858
Total	846,118	887,309	924,961
WELL COMPLETIONS (NET)			
Oil wells	28	48	33
Gas wells	44	49	20
Dry holes	24	37	22
PRODUCTIVE WELLS AT YEAR-END (NET)			
Oil wells	2,160	2,189	2,082
Gas wells	1,146	1,115	966
Total	3,306	3,304	3,048
UNDEVELOPED NET ACREAGE (HELD AT END OF YEAR)			
United States	1,685,000	1,854,000	1,819,000
Canada	743,000	788,000	840,000
Other international	3,827,000	3,522,000	2,328,000
Total	6,255,000	6,164,000	4,987,000
SHIPPING			
Vessels owned or under charter at year-end	17	15	21
Total deadweight tons	2,265,000	2,398,000	3,223,000
REFINING (BARRELS DAILY)			
Refinery crude runs	388,000	351,000	335,000
PETROLEUM PRODUCTS SOLD (BARRELS DAILY)			
Gasoline, distillates and other light products	375,000	291,000	275,000
Residual fuel oils	93,000	95,000	102,000
Total	468,000	386,000	377,000
STORAGE CAPACITY AT YEAR-END (BARRELS)	94,597,000	94,380,000	95,199,000
NUMBER OF EMPLOYEES (AVERAGE)	9,858	10,173	10,263

*Principally production from Gabon after 1990 and from Libya prior to June 30, 1986, when the Corporation ceased operations in accordance with United States Government Regulations.

	1991	1990	1989	1988
PRODUCTION PER DAY (NET)				
Crude oil (barrels)				
United States	66,063	62,434	60,992	60,782
Canada	11,966	9,494	9,178	9,251
United Kingdom (North Sea)	59,979	56,027	38,707	32,223
Norway (North Sea)	28,619	24,351	24,135	21,782
Abu Dhabi	9,866	8,475	7,230	9,374
Africa*	8,952	--	--	--
Total	185,445	160,781	140,242	133,412
Natural gas liquids (barrels)				
United States	10,047	9,436	9,986	7,183
Canada	1,997	1,704	1,732	1,529
United Kingdom (North Sea)	766	805	466	295
Norway (North Sea)	1,752	2,004	2,016	1,884
Total	14,562	13,949	14,200	10,891
Natural gas (Mcf)				
United States	583,740	457,042	335,112	283,114
Canada	104,151	76,768	72,855	61,653
United Kingdom (North Sea)	128,014	145,921	126,643	141,139
Norway (North Sea)	26,947	25,656	24,371	20,389
Total	842,852	705,387	558,981	506,295
WELL COMPLETIONS (NET)				
Oil wells	45	17	19	39
Gas wells	41	33	19	8
Dry holes	36	38	31	35
PRODUCTIVE WELLS AT YEAR-END (NET)				
Oil wells	2,103	2,111	2,048	2,014
Gas wells	927	905	714	612
Total	3,030	3,016	2,762	2,626
UNDEVELOPED NET ACREAGE (HELD AT END OF YEAR)				
United States	1,802,000	1,716,000	1,589,000	1,556,000
Canada	842,000	835,000	582,000	786,000
Other international	2,638,000	2,494,000	2,501,000	3,936,000
Total	5,282,000	5,045,000	4,672,000	6,278,000
SHIPPING				
Vessels owned or under charter at year-end	21	23	22	21
Total deadweight tons	2,825,000	3,012,000	3,081,000	2,719,000
REFINING (BARRELS DAILY)				
Refinery crude runs	320,000	383,000	397,000	296,000
PETROLEUM PRODUCTS SOLD (BARRELS DAILY)				
Gasoline, distillates and other light products	285,000	296,000	299,000	222,000
Residual fuel oils	128,000	132,000	171,000	157,000
Total	413,000	428,000	470,000	379,000
STORAGE CAPACITY AT YEAR-END (BARRELS)	94,879,000	93,867,000	91,794,000	90,798,000
NUMBER OF EMPLOYEES (AVERAGE)	10,317	9,645	8,740	8,151

	1987	1986	1985
PRODUCTION PER DAY (NET)			
Crude oil (barrels)			
United States	62,635	65,877	67,109
Canada	8,592	8,548	8,268
United Kingdom (North Sea)	27,709	32,955	32,212
Norway (North Sea)	20,937	17,088	17,896
Abu Dhabi	6,903	9,673	9,819
Africa*	--	15,375	26,878
Total	126,776	149,516	162,182
Natural gas liquids (barrels)			
United States	5,913	2,944	4,932
Canada	1,306	1,627	1,576
United Kingdom (North Sea)	402	734	710
Norway (North Sea)	1,847	1,690	1,654
Total	9,468	6,995	8,872
Natural gas (Mcf)			

United States	282,906	228,827	244,062
Canada	49,229	46,248	57,297
United Kingdom (North Sea)	180,594	168,926	164,443
Norway (North Sea)	18,771	15,230	15,765
Total	531,500	459,231	481,567
WELL COMPLETIONS (NET)			
Oil wells	35	23	45
Gas wells	13	6	21
Dry holes	28	25	47
PRODUCTIVE WELLS AT YEAR-END (NET)			
Oil wells	2,058	2,056	2,149
Gas wells	620	616	626
Total	2,678	2,672	2,775
UNDEVELOPED NET ACREAGE (HELD AT END OF YEAR)			
United States	1,566,000	1,949,000	2,543,000
Canada	787,000	851,000	1,933,000
Other international	3,875,000	3,626,000	3,567,000
Total	6,228,000	6,426,000	8,043,000
SHIPPING			
Vessels owned or under charter at year-end	21	22	23
Total deadweight tons	2,903,000	2,953,000	2,978,000
REFINING (BARRELS DAILY)			
Refinery crude runs	371,000	293,000	337,000
PETROLEUM PRODUCTS SOLD (BARRELS DAILY)			
Gasoline, distillates and other light products	257,000	207,000	270,000
Residual fuel oils	154,000	151,000	147,000
Total	411,000	358,000	417,000
STORAGE CAPACITY AT YEAR-END (BARRELS)	88,047,000	87,746,000	88,839,000
NUMBER OF EMPLOYEES (AVERAGE)	7,890	7,776	8,290

EXHIBIT 21

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES

SUBSIDIARIES OF THE REGISTRANT

Name of Subsidiary	Organized under the laws of
Amerada Hess Canada Ltd.	Canada
Amerada Hess Limited	United Kingdom
Amerada Hess Norge A/S	Norway
Amerada Hess Oil Corporation of Abu Dhabi	Delaware
Amerada Hess Pipeline Corporation	Delaware
Amerada Hess (Port Reading) Corporation	Delaware
Amerada Hess Production Gabon	Gabon
Amerada Hess Shipping Corporation	Liberia
Caribbean Capital (Barbados) Limited	Barbados
Hess Oil St. Lucia Limited	St. Lucia
Hess Oil Virgin Islands Corp.	U.S. Virgin Islands
Jamestown Insurance Company Limited	Bermuda
Seal Island Shipping Corporation	Liberia

Other subsidiaries (names omitted because such unnamed subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary)

Each of the foregoing subsidiaries conducts business under the name listed, and is 100% owned by the Registrant, except for Amerada Hess Production Gabon, which is 55% owned by the Registrant.

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1,000

12-MOS
DEC-31-1994
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DEC-31-1994
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570,525
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945,635
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0.79