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

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): January 30, 2008

HESS CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

No. 1-1204
(Commission
File Number)

No. 13-4921002
(IRS Employer
Identification No.)

1185 Avenue of the Americas
New York, New York 10036
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(212) 997-8500**

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On January 30, 2008, Hess Corporation issued a news release reporting its results for the fourth quarter of 2007. A copy of this news release is attached hereto as Exhibit 99(1) and is hereby incorporated by reference.

Item 7.01. Regulation FD Disclosure.

Furnished hereunder are the prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer of Hess Corporation, and John J. O'Connor, Executive Vice President and President, Worldwide Exploration and Production at a public conference call held on January 30, 2008. Copies of these remarks are attached as Exhibit 99(2) and as Exhibit 99(3) and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

- 99(1) News release dated January 30, 2008 reporting results for the fourth quarter of 2007.
- 99(2) Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.
- 99(3) Prepared remarks of John J. O'Connor, Executive Vice President and President, Worldwide Exploration and Production.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 30, 2008

HESS CORPORATION

By: /s/ John P. Rielly

Name: John P. Rielly

Title: Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99(1)	News release dated January 30, 2008 reporting results for the fourth quarter of 2007.
99(2)	Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.
99(3)	Prepared remarks of John J. O'Connor, Executive Vice President and President, Worldwide Exploration and Production.

Hess Reports Estimated Results for the Fourth Quarter of 2007

Fourth Quarter Highlights:

- *Net Income was \$510 million compared with \$359 million in fourth quarter 2006*
- *Cash flows from operations were \$806 million compared with \$779 million in fourth quarter 2006*
- *Oil and gas production was 390,000 barrels per day, up from 366,000 in fourth quarter 2006*
- *Reserve replacement was 167 percent in 2007; reserve life increased to 9.5 years*

NEW YORK--(BUSINESS WIRE)--Hess Corporation (NYSE: HES) reported net income of \$510 million for the fourth quarter of 2007 compared with net income of \$359 million for the fourth quarter of 2006. The after-tax results by major operating activity were as follows:

	Three months ended December 31 (unaudited)		Year ended December 31 (unaudited)	
	2007	2006	2007	2006
	(In millions, except per share amounts)			
Exploration and Production	\$ 583	\$ 350	\$ 1,842	\$ 1,763
Marketing and Refining	31	67	300	394
Corporate	(59)	(27)	(150)	(110)
Interest expense	(45)	(31)	(160)	(127)
Net income	<u>\$ 510</u>	<u>\$ 359</u>	<u>\$ 1,832</u>	<u>\$ 1,920</u>
Net income per share (diluted)	<u>\$ 1.59</u>	<u>\$ 1.13</u>	<u>\$ 5.74</u>	<u>\$ 6.08</u>
Weighted average number of shares (diluted)	<u>321.6</u>	<u>316.4</u>	<u>319.3</u>	<u>315.7</u>

Note: See the following page for a table of items affecting the comparability of earnings between periods.

Exploration and Production earnings were \$583 million in the fourth quarter of 2007 compared with \$350 million in the fourth quarter of 2006. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 390,000 barrels per day in the fourth quarter of 2007, an increase of 24,000 from the fourth quarter of 2006. In the fourth quarter of 2007, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$76.11 per barrel, an increase of \$25.35 per barrel from the fourth quarter of 2006. The Corporation's average worldwide natural gas selling price was \$6.93 per Mcf in the fourth quarter of 2007, an increase of \$1.68 from the fourth quarter of 2006.

Oil and gas proved reserves increased to 1,330 million barrels of oil equivalent at the end of 2007 from 1,243 million barrels at the end of 2006. During 2007, the Corporation added 234 million new barrels of oil equivalent to proved reserves. These additions, which are subject to final review, replaced approximately 167 percent of the Corporation's 2007 production and increased its reserve life to 9.5 years.

Marketing and Refining earnings were \$31 million in the fourth quarter of 2007 compared with \$67 million in the fourth quarter of 2006 reflecting reduced margins and trading results. Refining earnings were \$27 million in the fourth quarter of 2007 compared with \$45 million in the fourth quarter of 2006. Marketing earnings were \$19 million in the fourth quarter of 2007 compared with \$17 million in the fourth quarter of 2006. Trading activities generated a loss of \$15 million in the fourth quarter of 2007 compared with income of \$5 million in the fourth quarter of 2006.

The following items, on an after-tax basis, are included in net income (in millions):

	Three months ended December 31		Year ended December 31	
	2007	2006	2007	2006
<u>Exploration and Production</u>				
Gains from asset sales	\$ -	\$ -	\$ 15	\$ 236
Asset impairments	(56)	-	(56)	-
Estimated production imbalance settlements	-	-	(33)	-
Income tax adjustments	-	-	-	(45)
Accrued office closing costs	-	-	-	(18)
<u>Marketing and Refining</u>				
LIFO inventory liquidation	24	-	24	-
<u>Corporate</u>				
Legal matters	(25)	-	(25)	-
	<u>\$ (57)</u>	<u>\$ -</u>	<u>\$ (75)</u>	<u>\$ 173</u>

In the fourth quarter of 2007, the Corporation recorded an after-tax charge of \$56 million related to asset impairments at two mature fields in the U.K. North Sea, income of \$24 million due to the partial liquidation of prior year LIFO inventories and a charge of \$25 million related to MTBE litigation.

Net cash provided by operating activities was \$3,507 million for the year 2007 compared with \$3,491 million for the year 2006. Capital and exploratory expenditures for 2007 were \$3,926 million, of which \$3,786 million related to Exploration and Production

operations. Capital and exploratory expenditures for 2006 were \$4,056 million.

At December 31, 2007, cash and cash equivalents totaled \$607 million compared with \$383 million at December 31, 2006. Total debt was \$3,980 million at December 31, 2007 and \$3,772 million at December 31, 2006. The Corporation's debt to capitalization ratio at December 31, 2007 was 28.9 percent compared with 31.6 percent at the end of 2006.

Hess Corporation will review fourth quarter financial and operating results and other matters on a webcast at 10 a.m. today. For details on the event, refer to the Investor Relations section of our website at www.hess.com.

Hess Corporation, with headquarters in New York, is a global integrated energy company engaged in the exploration, production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products. More information on Hess Corporation is available at www.hess.com.

Forward Looking Statements

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

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES SUPPLEMENTAL FINANCIAL DATA (UNAUDITED) (IN MILLIONS OF DOLLARS)

	Fourth Quarter 2007	Fourth Quarter 2006	Third Quarter 2007
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 9,456	\$ 7,155	\$ 7,451
Equity in income of HOVENSA L.L.C.	20	29	19
Other, net	24	22	34
Total revenues and non-operating income	<u>9,500</u>	<u>7,206</u>	<u>7,504</u>
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	6,651	5,058	5,322
Production expenses	463	358	394
Marketing expenses	243	254	238
Exploration expenses, including dry holes and lease impairment	201	140	131
Other operating expenses	46	33	45
General and administrative expenses	208	117	133
Interest expense	71	51	59
Depreciation, depletion and amortization	530	353	365
Total costs and expenses	<u>8,413</u>	<u>6,364</u>	<u>6,687</u>
Income before income taxes	1,087	842	817
Provision for income taxes	577	483	422
Net income	<u>\$ 510</u>	<u>\$ 359</u>	<u>\$ 395</u>
Preferred stock dividends	-	8	-
Net income applicable to common stockholders	<u>\$ 510</u>	<u>\$ 351</u>	<u>\$ 395</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ 1	\$ 5	\$ 1
Capitalized interest	1	25	18
<u>Cash Flow Information</u>			
Net cash provided by operating activities (*)	\$ 806	\$ 779	\$ 863
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 291	\$ 269	\$ 270
International	577	715	530
Total Exploration and Production	868	984	800
Marketing, Refining and Corporate	46	47	38
Total Capital and Exploratory Expenditures	<u>\$ 914</u>	<u>\$ 1,031</u>	<u>\$ 838</u>
Exploration expenses charged to income included above			
United States	\$ 43	\$ 42	\$ 67
International	66	28	36
	<u>\$ 109</u>	<u>\$ 70</u>	<u>\$ 103</u>

(*) Includes changes in working capital

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL FINANCIAL DATA (UNAUDITED)
(IN MILLIONS OF DOLLARS)

	Year Ended December 31,	
	2007	2006
<u>Income Statement</u>		
Revenues and Non-operating Income		
Sales (excluding excise taxes) and other operating revenues	\$ 31,647	\$ 28,067
Equity in income of HOVENSA L.L.C.	176	201
Gain on asset sales	21	369
Other, net	80	81
	31,924	28,718
Costs and Expenses		
Cost of products sold (excluding items shown separately below)	22,573	19,912
Production expenses	1,581	1,250
Marketing expenses	944	940
Exploration expenses, including dry holes and lease impairment	515	552
Other operating expenses	161	122
General and administrative expenses	614	471
Interest expense	256	201
Depreciation, depletion and amortization	1,576	1,224
	28,220	24,672
Income before income taxes	3,704	4,046
Provision for income taxes	1,872	2,126
	\$ 1,832	\$ 1,920
Preferred stock dividends	-	44
Net income applicable to common stockholders	\$ 1,832	\$ 1,876
<u>Supplemental Income Statement Information</u>		
Foreign currency gains (losses), after-tax	\$ (9)	\$ 10
Capitalized interest	50	100
<u>Cash Flow Information</u>		
Net cash provided by operating activities (*)	\$ 3,507	\$ 3,491
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 1,603	\$ 908
International	2,183	2,979
	3,786	3,887
Marketing, Refining and Corporate	140	169
	\$ 3,926	\$ 4,056
Exploration expenses charged to income included above		
United States	\$ 192	\$ 110
International	156	102
	\$ 348	\$ 212

(*) Includes changes in working capital

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL FINANCIAL DATA (UNAUDITED)
(IN MILLIONS OF DOLLARS)

	December 31,	
	2007	2006
<u>Balance Sheet Information</u>		
Cash and cash equivalents	\$ 607	\$ 383
Other current assets	6,319	5,465
Investments	1,117	1,243
Property, plant and equipment - net	14,634	12,308
Other long-term assets	3,454	3,043
	\$ 26,131	\$ 22,442
Current maturities of long-term debt	\$ 62	\$ 27
Other current liabilities	7,962	6,712
Long-term debt	3,918	3,745
Other long-term liabilities	4,415	3,811
Stockholders' equity excluding other comprehensive income (loss)	11,615	9,711
Accumulated other comprehensive income (loss)	(1,841)	(1,564)
	\$ 26,131	\$ 22,442
Total liabilities and stockholders' equity	\$ 26,131	\$ 22,442

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)
(IN MILLIONS OF DOLLARS)

	Fourth Quarter 2007		
	United States	International	Total
Sales and other operating revenues	\$ 401	\$ 2,037	\$ 2,438
Non-operating income (loss)	(1)	14	13
Total revenues and non-operating income	<u>400</u>	<u>2,051</u>	<u>2,451</u>
Costs and expenses			
Production expenses, including related taxes	71	392	463
Exploration expenses, including dry holes and lease impairment	122	79	201
General, administrative and other expenses	36	38	74
Depreciation, depletion and amortization	58	454	512
Total costs and expenses	<u>287</u>	<u>963</u>	<u>1,250</u>
Results of operations before income taxes	113	1,088	1,201
Provision for income taxes	44	574	618
Results of operations	<u>\$ 69</u>	<u>\$ 514</u>	<u>\$ 583</u>

	Fourth Quarter 2006		
	United States	International	Total
Sales and other operating revenues	\$ 244	\$ 1,438	\$ 1,682
Non-operating income	3	18	21
Total revenues and non-operating income	<u>247</u>	<u>1,456</u>	<u>1,703</u>
Costs and expenses			
Production expenses, including related taxes	59	299	358
Exploration expenses, including dry holes and lease impairment	94	46	140
General, administrative and other expenses	30	16	46
Depreciation, depletion and amortization	31	305	336
Total costs and expenses	<u>214</u>	<u>666</u>	<u>880</u>
Results of operations before income taxes	33	790	823
Provision for income taxes	12	461	473
Results of operations	<u>\$ 21</u>	<u>\$ 329</u>	<u>\$ 350</u>

	Third Quarter 2007		
	United States	International	Total
Sales and other operating revenues	\$ 296	\$ 1,451	\$ 1,747
Non-operating income	1	29	30
Total revenues and non-operating income	<u>297</u>	<u>1,480</u>	<u>1,777</u>
Costs and expenses			
Production expenses, including related taxes	80	314	394
Exploration expenses, including dry holes and lease impairment	79	52	131
General, administrative and other expenses	27	37	64
Depreciation, depletion and amortization	48	297	345
Total costs and expenses	<u>234</u>	<u>700</u>	<u>934</u>
Results of operations before income taxes	63	780	843
Provision for income taxes	25	404	429
Results of operations	<u>\$ 38</u>	<u>\$ 376</u>	<u>\$ 414</u>

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION EARNINGS (UNAUDITED)
(IN MILLIONS OF DOLLARS)

	Year Ended December 31, 2007		
	United States	International	Total
Sales and other operating revenues	\$ 1,211	\$ 6,287	\$ 7,498
Non-operating income	8	57	65
Total revenues and non-operating income	<u>1,219</u>	<u>6,344</u>	<u>7,563</u>
Costs and expenses			
Production expenses, including related taxes	280	1,301	1,581
Exploration expenses, including dry holes and lease impairment	302	213	515
General, administrative and other expenses	130	127	257
Depreciation, depletion and amortization	187	1,316	1,503
Total costs and expenses	<u>899</u>	<u>2,957</u>	<u>3,856</u>
Results of operations before income taxes	320	3,387	3,707
Provision for income taxes	125	1,740	1,865
Results of operations	<u>\$ 195</u>	<u>\$ 1,647</u>	<u>\$ 1,842</u>

	Year Ended December 31, 2006		
	United States	International	Total
Sales and other operating revenues	\$ 1,232	\$ 5,292	\$ 6,524

Non-operating income	385	43	428
Total revenues and non-operating income	1,617	5,335	6,952
Costs and expenses			
Production expenses, including related taxes	221	1,029	1,250
Exploration expenses, including dry holes and lease impairment	353	199	552
General, administrative and other expenses	95	114	209
Depreciation, depletion and amortization	127	1,032	1,159
Total costs and expenses	796	2,374	3,170
Results of operations before income taxes	821	2,961	3,782
Provision for income taxes	296	1,723	2,019
Results of operations	\$ 525	\$ 1,238	\$ 1,763

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)**

	Fourth Quarter 2007	Fourth Quarter 2006	Third Quarter 2007
<u>Operating Data</u>			
<u>Net Production Per Day</u>			
Crude oil - barrels			
United States	34	29	31
Europe	83	111	83
Africa	121	89	123
Asia and other	22	13	20
Total	260	242	257
Natural gas liquids - barrels			
United States	11	9	11
Europe	5	7	3
Total	16	16	14
Natural gas - mcf			
United States	91	91	87
Europe	290	336	188
Asia and other	300	223	241
Total	681	650	516
Barrels of oil equivalent	390	366	357
<u>Average Selling Price</u>			
Crude oil - per barrel (including hedging)			
United States	\$ 86.22	\$ 53.64	\$ 73.20
Europe	74.00	50.01	62.06
Africa	72.85	49.77	64.38
Asia and other	86.30	57.09	70.69
Worldwide	76.11	50.76	65.26
Crude oil - per barrel (excluding hedging)			
United States	\$ 86.22	\$ 53.64	\$ 73.20
Europe	74.00	51.79	62.06
Africa	84.84	57.11	73.49
Asia and other	86.30	57.09	70.69
Worldwide	81.87	54.46	69.85
Natural gas liquids - per barrel			
United States	\$ 63.51	\$ 43.68	\$ 51.27
Europe	70.86	45.19	48.44
Worldwide	66.13	44.33	50.58
Natural gas - per mcf			
United States	\$ 6.47	\$ 6.27	\$ 5.80
Europe	8.92	5.55	6.09
Asia and other	5.13	4.39	4.69
Worldwide	6.93	5.25	5.38

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUPPLEMENTAL OPERATING DATA
(IN THOUSANDS, EXCEPT FOR AVERAGE SELLING PRICES)**

	Year Ended December 31,	
	2007	2006
<u>Operating Data</u>		
<u>Net Production Per Day</u>		
Crude oil - barrels		
United States	31	36
Europe	93	109
Africa	115	85
Asia and other	21	12
Total	260	242
Natural gas liquids - barrels		
United States	10	10

Europe	5	5
Total	15	15
Natural gas - mcf		
United States	88	110
Europe	259	283
Asia and other	266	219
Total	613	612
Barrels of oil equivalent	377	359

Average Selling Price

Crude oil - per barrel (including hedging)				
United States	\$	69.23	\$	60.45
Europe		60.99		56.19
Africa		62.04		51.18
Asia and other		72.17		61.52
Worldwide		63.44		55.31
Crude oil - per barrel (excluding hedging)				
United States	\$	69.23	\$	60.45
Europe		60.99		58.46
Africa		71.71		62.80
Asia and other		72.17		61.52
Worldwide		67.79		60.41
Natural gas liquids - per barrel				
United States	\$	51.89	\$	46.22
Europe		57.20		47.30
Worldwide		53.72		46.59
Natural gas - per mcf				
United States	\$	6.67	\$	6.59
Europe		6.13		6.20
Asia and other		4.71		4.05
Worldwide		5.60		5.50

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION SUPPLEMENTAL HEDGING INFORMATION (UNAUDITED)

The following is a summary of the Corporation's outstanding crude oil hedges at December 31, 2007:

Maturity	Brent Crude Oil*	
	Average Selling Price	Thousands of barrels per day
2008	\$ 25.56	24
2009	25.54	24
2010	25.78	24
2011	26.37	24
2012	26.90	24

* There were no WTI crude oil or natural gas hedges outstanding at December 31, 2007.

The after-tax losses from crude oil hedges were \$89 million in the fourth quarter of 2007 and \$57 million in the fourth quarter of 2006. After-tax hedge losses totaled \$244 million and \$285 million for the years ended December 31, 2007 and 2006, respectively. The after-tax deferred hedge loss included in accumulated other comprehensive income at December 31, 2007 amounted to \$1.7 billion.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA (UNAUDITED)

	Fourth Quarter 2007	Fourth Quarter 2006	Third Quarter 2007
<u>Financial Information (in millions of dollars)</u>			
<u>Marketing and Refining Earnings</u>			
Income before income taxes	\$ 51	\$ 104	\$ 75
Provision for income taxes	20	37	29
Marketing and Refining Earnings	\$ 31	\$ 67	\$ 46
<u>Summary of Marketing and Refining Earnings</u>			
Refining	\$ 27	\$ 45	\$ 25
Marketing	19	17	21
Trading	(15)	5	-
Total Marketing and Refining Earnings	\$ 31	\$ 67	\$ 46

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)

Gasoline	205	210	216
Distillates	163	169	134
Residuals	57	57	45
Other	37	33	42
Total	462	469	437

Refinery Throughput (barrels per day).

HOVENSA - Crude runs	488	469	459
HOVENSA - Hess 50% share	244	234	230
Port Reading	63	64	61

Refinery Utilization

	Refinery Capacity (barrels per day)			
HOVENSA				
Crude	500	97.6%	93.7%	91.9%
FCC	150	84.9%	91.2%	82.4%
Coker	58	99.3%	89.8%	92.6%
Port Reading	65	96.3%	98.1%	93.8%

Retail Marketing

Number of retail stations (a)	1,371	1,350	1,362
Convenience store revenue (in millions of dollars) (b)	\$ 255	\$ 253	\$ 279
Average gasoline volume per station (gallons per month) (b)	209	202	232

(a) Includes company operated, Wilco-Hess, dealer and branded retailer.

(b) Company operated only.

**HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA
(UNAUDITED)**

Year Ended December 31,

2007 2006

Financial Information (in millions of dollars)

Marketing and Refining Earnings

Income before income taxes	\$ 481	\$ 620
Provision for income taxes	181	226
Marketing and Refining Earnings	\$ 300	\$ 394

Summary of Marketing and Refining Earnings

Refining	\$ 193	\$ 240
Marketing	83	108
Trading	24	46
Total Marketing and Refining Earnings	\$ 300	\$ 394

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day).

Gasoline	210	218
Distillates	147	144
Residuals	62	60
Other	32	37
Total	451	459

Refinery Throughput (barrels per day).

HOVENSA - Crude runs	454	448
HOVENSA - Hess 50% share	227	224
Port Reading	61	63

Refinery Utilization

	Refinery Capacity (barrels per day)			
HOVENSA				
Crude	500	90.8%	89.7%	
FCC	150	87.1%	84.3%	
Coker	58	83.4%	84.3%	
Port Reading	65	93.2%	97.4%	

Retail Marketing

Number of retail stations (a)	1,371	1,350
Convenience store revenue (in millions of dollars) (b)	\$ 1,051	\$ 1,015
Average gasoline volume per station (gallons per month) (b)	215	208

(a) Includes company operated, Wilco-Hess, dealer and branded retailer.

(b) Company operated only.

CONTACT:

Hess Corporation

Investors:

Jay Wilson, 212-536-8940

or

Media:

Jon Pepper, 212-536-8550

2007 Fourth Quarter Earnings Conference Call

Thank you Jay. Welcome to our fourth quarter conference call. I would like to highlight key achievements of 2007 and provide some guidance for 2008. John O'Connor will then discuss our Exploration and Production business, and John Rielly will review our financial results.

Our company generated solid operating and financial performance in 2007. Results benefited from higher volumes of crude oil and natural gas production and strong commodity prices which were partially offset by higher industry costs and lower margins in Marketing and Refining. Corporate net income was \$1.8 billion. Exploration and Production earned \$1.8 billion, and Marketing and Refining earned \$300 million.

In 2008, our company's capital and exploratory expenditures are budgeted to be \$4.4 billion versus \$3.9 billion in 2007. The majority of our 2008 spending will be targeted to Exploration and Production. This year, our exploration expenditures are expected to increase to \$1.2 billion compared to \$740 million in 2007.

While we continue to reinvest the majority of our cash flow in Exploration and Production, we strengthened our financial position in 2007 with debt to capitalization improving to 28.9 percent compared to 31.6 percent at the end of 2006.

With regard to operations, Exploration and Production achievements in 2007 included:

- growing proved reserves to 1.33 billion barrels of oil equivalent;
- replacing 167 percent of production, at a FD&A cost of about \$16.20 per barrel;
- lengthening our reserve life to 9.5 years, marking the fifth consecutive year in which we lengthened our reserve life;
- increasing crude oil and natural gas production by 5 percent versus the prior year to 377 thousand barrels of oil equivalent per day.

In 2008, we forecast that production will average between 380 and 390 thousand barrels of oil equivalent per day.

In terms of our Hess operated field developments, 2007 marked the commencement of natural gas production from the Pangkah Field in Indonesia, in which we have a 75 percent working interest, as well as a significant increase in crude oil production at the Okume Complex in Equatorial Guinea, where our working interest is 85 percent.

We also made significant progress in the development of the Shenzi Field in the deepwater Gulf of Mexico, where Hess has a 28 percent interest. The TLP hull recently left the Samsung yard in Korea and, along with the topsides, is scheduled to be installed this summer. First oil is expected in the first half of 2009.

During 2007, we also advanced several Hess operated field development projects, including: Bakken Shale in North Dakota, Seminole ROZ in West Texas and Pangkah Oil in Indonesia. In addition, we sanctioned during the past year two field developments: the Hess operated Jambi Merang natural gas project in Indonesia and the Valhall Field Redevelopment in Norway.

In exploration, we continued the appraisal of the Pony and Tubular Bells discoveries in the deepwater Gulf of Mexico. Results of both the Pony #2 and Tubular Bells #3 appraisal wells are expected by the end of the first quarter. Hess has a 100 percent interest in Pony and a 20 percent interest in Tubular Bells.

With regard to Marketing and Refining, our refineries operated reliably in 2007. However, full year financial results for the HOVENSA joint venture refinery were impacted by the turnaround of the coker in the second quarter of last year and the lower margin environment that existed in the second half of the year. In Retail Marketing, fuel sales and convenience store sales continued to show annual increases, but the improvement in volumes was more than offset by lower fuel margins. Finally, our Energy Marketing business had strong growth in sales and margin improvement in both natural gas and electricity.

We are pleased with the operating and financial performance that our company delivered in 2007. We are proud of our organization and excited about the investment opportunities we have to provide long term profitable growth and create value for our shareholders.

I will now turn the call over to John O'Connor.

2007 Fourth Quarter Earnings Conference Call

In the fourth quarter of 2007, production of 390 thousand barrels of oil equivalent per day was up 7 percent versus the fourth quarter of 2006. This increase was underpinned by production from the recently commissioned, Hess operated, Okume Complex, Pangkah and Phu Horm fields.

2007 was another year of strong execution and delivery for Exploration & Production. As John mentioned, in 2007 our production increased by 5 percent and proved reserves increased by 7 percent. This performance resulted in year-end 2007 proved reserves of 1.33 billion barrels of oil equivalent and a reserve life of 9.5 years.

Our proved reserve additions totaled 280 million barrels of oil equivalent before PSC related revisions. Net of these revisions, which totaled 46 million barrels, we added 234 million barrels of oil equivalent.

In addition to the impact on reserves of fields operated under PSCs, the high crude prices that prevailed in 2007 will result in reduced 2008 production entitlements from Algeria and Azerbaijan due to the achievement of contractual rate of return thresholds.

In 2008 we expect production to be in the range of 380-390 thousand barrels of oil equivalent per day. Obviously, depending on commodity prices, the workings of PSC contracts have the potential to impact our production volumes. As we see the year unfold, we will be better able to quantify this impact.

Gross production from the Okume Complex and Ceiba fields in Equatorial Guinea recently reached 100 thousand barrels per day, with Okume at its design capacity of 60 thousand barrels per day.

At the JDA another important milestone will occur in the second quarter of 2008 when we start Phase 2 gas production following the commissioning of new facilities. Net gas production from the JDA will double from about 120 million cubic feet per day to about 250 million cubic feet per day.

Turning to exploration, let me first give you an update on our Pony #2 well. We are currently drilling below 28 thousand feet with about another 500 feet to drill to the next casing point. Following the setting of the next casing string, the objective Miocene section will be drilled.

While in 2007 our exploration drilling efforts were directed to appraising discoveries, in 2008 we will see an active, high-impact wildcat program.

In the second quarter we will drill the first of four back to back exploration wells on WA-390-P in the North West Shelf of Australia. In the second quarter we will spud a well on Block 54 offshore Libya. In the second half of the year, we will spud our first well on the Cape Three Points permit offshore Ghana, and we expect that the operator of BMS-22 in the Santos Basin offshore Brazil will spud the first of two exploratory wells.

Our 2008 exploration program also includes wells in the West of Shetlands, offshore the west coast of Ireland and in the deepwater Gulf of Mexico. We also plan to continue appraisal drilling at Pony in the Gulf of Mexico.

2007 was a year of significant progress for the company's Exploration and Production business. Objectives were met or exceeded, new resources were captured and projects were delivered on schedule. Reserves and production grew in line with stated targets, cost effectively.

We look forward with confidence to 2008.

Now I will hand the call over to John Rielly.