



HESS CORPORATION

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News Release

HESS REPORTS ESTIMATED RESULTS FOR THE THIRD QUARTER OF 2007

Third Quarter Highlights:

- *Net Income was \$395 million compared with \$296 million in third quarter 2006.*
- *Cash flows from operations were \$863 million compared with \$828 million in third quarter 2006.*
- *Oil and gas production was 357,000 barrels per day, up from 352,000 in third quarter 2006.*
- *Debt to capitalization ratio decreased to 29.5 percent at September 30, 2007, from 31.6 percent at the end of 2006.*

NEW YORK, October 31, 2007 -- Hess Corporation (NYSE: HES) reported net income of \$395 million for the third quarter of 2007 compared with net income of \$296 million for the third quarter of 2006. The after-tax results by major operating activity were as follows:

	Three months ended September 30 (unaudited)		Nine months ended September 30 (unaudited)	
	2007	2006	2007	2006
	(In millions, except per share amounts)			
Exploration and Production	\$ 414	\$ 206	\$ 1,259	\$ 1,413
Marketing and Refining	46	152	269	327
Corporate	(28)	(31)	(91)	(83)
Interest expense	(37)	(31)	(115)	(96)
Net income	<u>\$ 395</u>	<u>\$ 296</u>	<u>\$ 1,322</u>	<u>\$ 1,561</u>
Net income per share (diluted)	<u>\$ 1.23</u>	<u>\$ 0.94</u>	<u>\$ 4.15</u>	<u>\$ 4.95</u>
Weighted average number of shares (diluted)	<u>319.9</u>	<u>316.0</u>	<u>318.6</u>	<u>315.5</u>

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

Exploration and Production earnings were \$414 million in the third quarter of 2007 compared with \$206 million in the third quarter of 2006. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 357,000 barrels per day in the third quarter of 2007 compared with 352,000 barrels per day in the third quarter of 2006. In the third quarter of 2007, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$65.26 per barrel, an increase of \$6.45 per barrel from the third quarter of 2006. The Corporation's average worldwide natural gas selling price was \$5.38 per Mcf in the third quarter of 2007, compared to \$4.94 per Mcf in the third quarter of 2006.

Marketing and Refining earnings were \$46 million in the third quarter of 2007 compared with \$152 million in the third quarter of 2006. Refining earnings decreased to \$25 million in the third quarter of 2007 from \$63 million in the third quarter of 2006, reflecting lower refined product

margins. Marketing results were \$21 million in the third quarter of 2007 compared with \$63 million in the third quarter of 2006, also reflecting lower margins. Trading operations were breakeven in the third quarter of 2007 compared with earnings of \$26 million in the third quarter of 2006.

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

	Three months ended		Nine months ended	
	September 30		September 30	
	2007	2006	2007	2006
<u>Exploration and Production</u>				
Estimated production imbalance settlements	\$ (33)	\$ -	\$ (33)	\$ -
Gains from asset sales	-	-	15	236
Income tax adjustments	-	(105)	-	(45)
Accrued office closing costs	-	-	-	(18)
	<u>\$ (33)</u>	<u>\$ (105)</u>	<u>\$ (18)</u>	<u>\$ 173</u>

Third quarter 2007 results include charges totaling \$33 million for production imbalances resulting from adjustments to meter readings at two offshore fields. In the third quarter of 2006 the United Kingdom enacted a 10% supplementary tax on petroleum operations with an effective date of January 1, 2006. As a result, the Corporation recorded a charge of \$105 million consisting of an incremental income tax of \$60 million on operating earnings for the first half of 2006 and \$45 million to adjust the United Kingdom deferred tax liability.

Net cash provided by operating activities was \$863 million in the third quarter of 2007 compared with \$828 million in the third quarter of 2006. Capital and exploratory expenditures for the third quarter of 2007 amounted to \$838 million, of which \$800 million related to Exploration and Production operations. Capital and exploratory expenditures for the third quarter of 2006 amounted to \$830 million, of which \$783 million related to Exploration and Production operations.

At September 30, 2007, cash and cash equivalents totaled \$565 million compared with \$383 million at December 31, 2006. Total debt was \$3,985 million at September 30, 2007 and \$3,772 million at December 31, 2006. The Corporation's debt to capitalization ratio at September 30, 2007 was 29.5% compared with 31.6% at the end of 2006.

Hess Corporation will review third 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 for and the development, production, purchase, transportation and sale of crude oil and natural gas. The Corporation also manufactures, purchases, transports, trades and markets refined petroleum and other energy products.

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)

	Third Quarter 2007	Third Quarter 2006	Second Quarter 2007
	<u> </u>	<u> </u>	<u> </u>
<u>Income Statement</u>			
Revenues and Non-operating Income			
Sales (excluding excise taxes) and other operating revenues	\$ 7,451	\$ 7,035	\$ 7,421
Non-operating income			
Equity in income of HOVENSA L.L.C.	19	67	81
Gain on asset sales	-	-	21
Other, net	34	25	23
	<u>7,504</u>	<u>7,127</u>	<u>7,546</u>
Total revenues and non-operating income			
Costs and Expenses			
Cost of products sold (excluding items shown separately below)	5,322	4,899	5,190
Production expenses	394	323	377
Marketing expenses	238	230	241
Exploration expenses, including dry holes and lease impairment	131	221	90
Other operating expenses	45	32	37
General and administrative expenses	133	115	142
Interest expense	59	49	62
Depreciation, depletion and amortization	365	323	354
	<u>6,687</u>	<u>6,192</u>	<u>6,493</u>
Total costs and expenses			
Income before income taxes	817	935	1,053
Provision for income taxes	422	639	496
	<u>395</u>	<u>296</u>	<u>557</u>
Net income	<u>\$ 395</u>	<u>\$ 296</u>	<u>\$ 557</u>
Preferred stock dividends	-	12	-
	<u>395</u>	<u>284</u>	<u>557</u>
Net income applicable to common stockholders	<u>\$ 395</u>	<u>\$ 284</u>	<u>\$ 557</u>
<u>Supplemental Income Statement Information</u>			
Foreign currency gains (losses), after-tax	\$ 1	\$ -	\$ (7)
Capitalized interest	18	25	16
<u>Cash Flow Information</u>			
Net cash provided by operating activities (*)	\$ 863	\$ 828	\$ 1,199
<u>Capital and Exploratory Expenditures</u>			
Exploration and Production			
United States	\$ 270	\$ 252	\$ 391
International	530	531	568
	<u>800</u>	<u>783</u>	<u>959</u>
Total Exploration and Production	<u>800</u>	<u>783</u>	<u>959</u>
Marketing and Refining	38	47	34
	<u>38</u>	<u>47</u>	<u>34</u>
Marketing and Refining	<u>38</u>	<u>47</u>	<u>34</u>
Total Capital and Exploratory Expenditures	<u>\$ 838</u>	<u>\$ 830</u>	<u>\$ 993</u>
Exploration expenses charged to income included above			
United States	\$ 67	\$ 19	\$ 42
International	36	23	19
	<u>103</u>	<u>42</u>	<u>61</u>
Exploration expenses charged to income included above	<u>\$ 103</u>	<u>\$ 42</u>	<u>\$ 61</u>

(*) Includes changes in working capital

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

	Nine Months	
	2007	2006
<u>Income Statement</u>		
Revenues and Non-operating Income		
Sales (excluding excise taxes) and other operating revenues	\$ 22,191	\$ 20,912
Non-operating income		
Equity in income of HOVENSA L.L.C.	156	172
Gain on asset sales	21	369
Other, net	56	59
Total revenues and non-operating income	<u>22,424</u>	<u>21,512</u>
Costs and Expenses		
Cost of products sold (excluding items shown separately below)	15,922	14,854
Production expenses	1,118	892
Marketing expenses	701	686
Exploration expenses, including dry holes and lease impairment	314	412
Other operating expenses	115	89
General and administrative expenses	406	354
Interest expense	185	150
Depreciation, depletion and amortization	1,046	871
Total costs and expenses	<u>19,807</u>	<u>18,308</u>
Income before income taxes	2,617	3,204
Provision for income taxes	1,295	1,643
Net income	<u>\$ 1,322</u>	<u>\$ 1,561</u>
Preferred stock dividends	-	36
Net income applicable to common stockholders	<u>\$ 1,322</u>	<u>\$ 1,525</u>
<u>Supplemental Income Statement Information</u>		
Foreign currency gains (losses), after-tax	\$ (10)	\$ 5
Capitalized interest	49	75
<u>Cash Flow Information</u>		
Net cash provided by operating activities (*)	\$ 2,701	\$ 2,712
<u>Capital and Exploratory Expenditures</u>		
Exploration and Production		
United States	\$ 1,312	\$ 639
International	1,606	2,264
Total Exploration and Production	2,918	2,903
Marketing and Refining	94	122
Total Capital and Exploratory Expenditures	<u>\$ 3,012</u>	<u>\$ 3,025</u>
Exploration expenses charged to income included above		
United States	\$ 149	\$ 68
International	90	74
	<u>\$ 239</u>	<u>\$ 142</u>

(*) Includes changes in working capital

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

	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	<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>
	Third Quarter 2006		
	United States	International	Total
Sales and other operating revenues	\$ 314	\$ 1,351	\$ 1,665
Non-operating income	14	1	15
Total revenues	<u>328</u>	<u>1,352</u>	<u>1,680</u>
Costs and expenses			
Production expenses, including related taxes	55	268	323
Exploration expenses, including dry holes and lease impairment	164	57	221
General, administrative and other expenses	21	25	46
Depreciation, depletion and amortization	35	271	306
Total costs and expenses	<u>275</u>	<u>621</u>	<u>896</u>
Results of operations before income taxes	53	731	784
Provision for income taxes	20	558	578
Results of operations	<u>\$ 33</u>	<u>\$ 173</u>	<u>\$ 206</u>
	Second Quarter 2007		
	United States	International	Total
Sales and other operating revenues	\$ 273	\$ 1,529	\$ 1,802
Non-operating income	-	28	28
Total revenues	<u>273</u>	<u>1,557</u>	<u>1,830</u>
Costs and expenses			
Production expenses, including related taxes	70	307	377
Exploration expenses, including dry holes and lease impairment	51	39	90
General, administrative and other expenses	34	28	62
Depreciation, depletion and amortization	44	293	337
Total costs and expenses	<u>199</u>	<u>667</u>	<u>866</u>
Results of operations before income taxes	74	890	964
Provision for income taxes	30	429	459
Results of operations	<u>\$ 44</u>	<u>\$ 461</u>	<u>\$ 505</u>

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

	Nine Months 2007		
	United States	International	Total
Sales and other operating revenues	\$ 810	\$ 4,250	\$ 5,060
Non-operating income	9	43	52
Total revenues	819	4,293	5,112
Costs and expenses			
Production expenses, including related taxes	209	909	1,118
Exploration expenses, including dry holes and lease impairment	180	134	314
General, administrative and other expenses	94	89	183
Depreciation, depletion and amortization	129	862	991
Total costs and expenses	612	1,994	2,606
Results of operations before income taxes	207	2,299	2,506
Provision for income taxes	81	1,166	1,247
Results of operations	\$ 126	\$ 1,133	\$ 1,259

	Nine Months 2006		
	United States	International	Total
Sales and other operating revenues	\$ 988	\$ 3,854	\$ 4,842
Non-operating income	382	25	407
Total revenues	1,370	3,879	5,249
Costs and expenses			
Production expenses, including related taxes	162	730	892
Exploration expenses, including dry holes and lease impairment	259	153	412
General, administrative and other expenses	65	98	163
Depreciation, depletion and amortization	96	727	823
Total costs and expenses	582	1,708	2,290
Results of operations before income taxes	788	2,171	2,959
Provision for income taxes	284	1,262	1,546
Results of operations	\$ 504	\$ 909	\$ 1,413

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

	Third Quarter 2007	Third Quarter 2006	Second Quarter 2007
<u>Operating Data</u>			
<u>Net Production Per Day</u>			
Crude oil - barrels			
United States	31	34	31
Europe	83	102	96
Africa	123	86	115
Asia and other	20	13	26
Total	<u>257</u>	<u>235</u>	<u>268</u>
Natural gas liquids - barrels			
United States	11	11	10
Europe	3	5	4
Total	<u>14</u>	<u>16</u>	<u>14</u>
Natural gas - mcf			
United States	87	109	86
Europe	188	274	212
Asia and other	241	226	277
Total	<u>516</u>	<u>609</u>	<u>575</u>
Barrels of oil equivalent	<u>357</u>	<u>352</u>	<u>378</u>
<u>Average Selling Price</u>			
Crude oil - per barrel (including hedging)			
United States	\$ 73.20	\$ 65.41	\$ 61.41
Europe	62.06	59.97	58.94
Africa	64.38	54.52	58.02
Asia and other	70.69	67.24	70.73
Worldwide	65.26	58.81	60.05
Crude oil - per barrel (excluding hedging)			
United States	\$ 73.20	\$ 65.41	\$ 61.41
Europe	62.06	62.79	58.94
Africa	73.49	66.43	67.04
Asia and other	70.69	67.24	70.73
Worldwide	69.85	64.73	63.94
Natural gas liquids - per barrel			
United States	\$ 51.27	\$ 49.17	\$ 47.97
Europe	48.44	50.30	58.26
Worldwide	50.58	49.54	51.68
Natural gas - per mcf			
United States	\$ 5.80	\$ 5.99	\$ 7.24
Europe	6.09	5.37	4.54
Asia and other	4.69	3.91	4.42
Worldwide	5.38	4.94	4.88

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

	Nine Months	
	2007	2006
<u>Operating Data</u>		
<u>Net Production Per Day</u>		
Crude oil - barrels		
United States	31	38
Europe	96	109
Africa	112	84
Asia and other	20	11
Total	<u>259</u>	<u>242</u>
Natural gas liquids - barrels		
United States	10	10
Europe	5	4
Total	<u>15</u>	<u>14</u>
Natural gas - mcf		
United States	87	116
Europe	249	266
Asia and other	254	218
Total	<u>590</u>	<u>600</u>
Barrels of oil equivalent	<u>372</u>	<u>356</u>
<u>Average Selling Price</u>		
Crude oil - per barrel (including hedging)		
United States	\$ 62.88	\$ 62.22
Europe	56.95	58.41
Africa	57.72	51.86
Asia and other	66.59	64.39
Worldwide	58.82	57.10
Crude oil - per barrel (excluding hedging)		
United States	\$ 62.88	\$ 62.22
Europe	56.95	60.85
Africa	66.47	65.52
Asia and other	66.59	64.39
Worldwide	62.66	62.75
Natural gas liquids - per barrel		
United States	\$ 47.43	\$ 47.07
Europe	51.55	48.50
Worldwide	48.83	47.51
Natural gas - per mcf		
United States	\$ 6.75	\$ 6.68
Europe	5.03	6.47
Asia and other	4.55	3.93
Worldwide	5.08	5.59

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION HEDGED PRICES AND VOLUMES (UNAUDITED)

The following is a summary of the Corporation's outstanding crude oil hedges at September 30, 2007:

<u>Maturity</u>	<u>Brent Crude Oil*</u>	
	<u>Average Selling Price</u>	<u>Thousands of barrels per day</u>
2007	\$ 25.85	24
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 September 30, 2007.

The after-tax losses from crude oil hedges were \$60 million in the third quarter of 2007 and \$81 million in the third quarter of 2006. After-tax hedge losses totaled \$155 million and \$228 million for the nine months ended September 30, 2007 and 2006, respectively. The after-tax deferred hedge loss included in accumulated other comprehensive income at September 30, 2007 amounted to \$1.4 billion.

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

	<u>Third Quarter 2007</u>	<u>Third Quarter 2006</u>	<u>Second Quarter 2007</u>
<u>Financial Information (in millions of dollars)</u>			
<u>Marketing and Refining Earnings</u>			
Income before income taxes	\$ 75	\$ 244	\$ 196
Provision for income taxes	29	92	74
Marketing and Refining Earnings	\$ 46	\$ 152	\$ 122
<u>Summary of Marketing and Refining Earnings</u>			
Refining	\$ 25	\$ 63	\$ 87
Marketing	21	63	-
Trading	-	26	35
Total Marketing and Refining Earnings	\$ 46	\$ 152	\$ 122
<hr/>			
<u>Operating Data (in thousands unless noted)</u>			
<u>Refined Product Sales (barrels per day)</u>			
Gasoline	216	212	224
Distillates	134	130	119
Residuals	45	54	52
Other	42	37	19
Total	437	433	414
<u>Refinery Throughput (barrels per day)</u>			
HOVENSA - Crude runs	459	475	397
HOVENSA - Hess 50% share	230	237	199
Port Reading	61	62	64
<u>Refinery Utilization</u>			
HOVENSA	<u>Refinery Capacity</u> (barrels per day)		
Crude	500	91.9%	94.9%
FCC	150	82.4%	92.0%
Coker	58	92.6%	88.3%
Port Reading	65	93.8%	95.8%
<u>Retail Marketing</u>			
Number of retail stations (a)	1,362	1,347	1,351
Convenience store revenue (in millions of dollars) (b)	\$ 279	\$ 271	\$ 274
Average gasoline volume per station (gallons per month) (b)	232	216	228

(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)

	Nine Months	
	2007	2006
<u>Financial Information (in millions of dollars)</u>		
<u>Marketing and Refining Earnings</u>		
Income before income taxes	\$ 430	\$ 516
Provision for income taxes	161	189
Marketing and Refining Earnings	\$ 269	\$ 327
<u>Summary of Marketing and Refining Earnings</u>		
Refining	\$ 166	\$ 195
Marketing	64	91
Trading	39	41
Total Marketing and Refining Earnings	\$ 269	\$ 327

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)

Gasoline	212	220
Distillates	142	136
Residuals	63	61
Other	30	38
Total	447	455

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	442	442
HOVENSA - Hess 50% share	221	221
Port Reading	60	63

Refinery Utilization

<u>HOVENSA</u>	<u>Refinery Capacity</u> (barrels per day)		
Crude	500	88.4%	88.3%
FCC	150	87.8%	82.0%
Coker	58	78.1%	82.4%
Port Reading	65	92.2%	97.1%

Retail Marketing

Number of retail stations (a)		1,362		1,347
Convenience store revenue (in millions of dollars) (b)	\$	796	\$	762
Average gasoline volume per station (gallons per month) (b)		217		211

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

(b) Company operated only.