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
For the fiscal year ended December 31, 1999
or
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
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

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 $3,881,000,000 as of February 29, 2000.

At February 29, 2000, 90,676,405 shares of Common Stock were outstanding.

Certain items in Parts I and II incorporate information by reference from the 1999 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, 2000.

PART I

ITEM 1. BUSINESS

Amerada Hess Corporation (the "Registrant") is a Delaware corporation, incorporated in 1920. The Registrant and its subsidiaries (collectively referred to as the "Corporation") explore for, produce, purchase, transport and sell crude oil and natural gas. These exploration and production activities take place in the United States, United Kingdom, Norway, Denmark, Gabon, Indonesia, Azerbaijan, Thailand and in certain other countries. The Corporation also manufactures, purchases, transports and markets refined petroleum and other energy products. The Corporation owns 50% of a refinery joint venture in the United States Virgin Islands, and another refining facility, terminals and retail outlets located on the East Coast of the United States.

EXPLORATION AND PRODUCTION

At December 31, 1999, the Corporation had 698 million barrels of proved crude oil and natural gas liquids reserves compared with 695 million barrels at the end of 1998. Proved natural gas reserves were 1,904 million Mcf at December 31, 1999 compared with 2,055 million Mcf at December 31, 1998. Of the Corporation's proved reserves (on a barrel of oil equivalent basis), 26% are located in the United States, 60% are located in the United Kingdom, Norwegian and Danish sectors of the North Sea and the remainder are located in Azerbaijan, Gabon, Indonesia and Thailand.

Worldwide crude oil and natural gas liquids production amounted to 232,407 barrels per day in 1999 compared with 205,989 barrels per day in 1998. Worldwide natural gas production was 642,544 Mcf per day in 1999 compared with 576,477 Mcf per day in 1998. The Corporation has a number of oil and gas developments in progress and it also has an inventory of domestic and foreign drillable prospects.

UNITED STATES. Amerada Hess Corporation operates mainly offshore in the Gulf of Mexico and onshore in Texas, Louisiana and North Dakota. During 1999, 28% of the Corporation's crude oil and natural gas liquids production and 53% 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:

	1999	1998
CRUDE OIL, INCLUDING CONDENSATE AND NATURAL GAS LIQUIDS (BARRELS PER DAY)		
Gulf of Mexico	31,926	11,041
Texas	14,577	15,803
North Dakota	13,170	12,958
Louisiana	1,848	1,588
Other	3,084	3,530
Total	64,605	44,920
NATURAL GAS (MCF PER DAY)		
Gulf of Mexico	191,002	116,392
North Dakota	59,237	58,476
Louisiana	52,280	56,627
Texas	21,839	26,023
New Mexico	11,533	12,442
California*	1,463	18,320
Mississippi	690	5,569
Total	338,044	293,849
BARRELS OF OIL EQUIVALENT (PER DAY)	120,946	93,895

* Properties sold in January 1999.

At December 31, 1999, the Corporation has an interest in 150 exploration blocks in the Gulf of Mexico of which it operates 100. The Corporation has 439,092 net undeveloped acres in the Gulf of Mexico.

UNITED KINGDOM. The Corporation's activities in the United Kingdom are conducted by its wholly-owned subsidiary, Amerada Hess Limited. During 1999, 51% of the Corporation's crude oil and natural gas liquids production and 40% 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, 1999:

PRODUCING FIELD	INTEREST	1999	1998
CRUDE OIL, INCLUDING CONDENSATE AND NATURAL GAS LIQUIDS (BARRELS PER DAY)			
Scott	34.95%	29,306	33,291
Beryl/Ness/Nevis/Buckland	22.22/22.22/37.35/14.07	25,431	23,472
Fife/Fergus/Flora	85.00/65.00/85.00	17,507	20,761
Schiehallion	15.67	12,315	3,149
Arbroath/Montrose/Arkwright	28.21	8,946	8,945
Telford	31.42	6,894	10,603
Hudson	28.00	6,697	2,262
Ivanhoe/Rob Roy/Hamish	42.08	4,102	5,041
Renee/Rubie	14.00/19.20	2,742	--
Durward/Dauntless	28.00	639	5,012
Other	Various	3,220	2,917
Total		117,799	115,453
NATURAL GAS (MCF PER DAY)			
Beryl/Ness/Nevis/Buckland	22.22/22.22/37.35/14.07%	81,900	51,700
Everest/Lomond	18.67/16.67	56,900	60,500
Davy/Bessemer	27.78/23.08	42,300	29,000
Indefatigable	23.08	26,000	36,600
Scott	34.95	17,600	17,200
Leman	21.74	17,200	31,600
Telford	31.42	7,900	13,900
Other	Various	8,000	10,500
Total		257,800	251,000
BARRELS OF OIL EQUIVALENT (PER DAY)		160,766	157,286

The Corporation is developing several oil and gas fields in the United Kingdom North Sea and is evaluating other discoveries.

Amerada Hess Limited owns 25% of the shares of Premier Oil plc, a United Kingdom company with worldwide exploration and production interests. In 1999, Amerada Hess Limited, Petronas (the Malaysian state oil company) and Premier created an alliance. Both Amerada Hess Limited and Petronas purchased new shares in Premier and each has a 25% interest.

NORWAY. The Corporation's activities in Norway are conducted through its wholly-owned Norwegian subsidiary, Amerada Hess Norge A/S. Norwegian operations accounted for crude oil and natural gas liquids production of 27,009 net barrels per day in 1999 and 28,322 net barrels per day in 1998. Substantially all of the 1999 Norwegian production is from the Corporation's 28.09% interest in the Valhall Field. An enhanced-recovery waterflood project for the Valhall Field is being evaluated.

DENMARK. Amerada Hess A/S, the Corporation's Danish subsidiary, brought the South Arne Field on-stream in the third quarter of 1999. The Corporation operates this field with a 57.48% interest. Net production from the South Arne Field has reached 32,000 barrels of oil per day and 35,000 Mcf of natural gas per day.

GABON. Amerada Hess Production Gabon (AHPG), the Corporation's majority-owned Gabonese subsidiary, has a 10% interest in the Rabi Kounga Field in Gabon. AHPG's share of production averaged 10,226 net barrels of crude oil per day in 1999 and 14,345 net barrels per day in 1998. The decrease in the Corporation's share of production was largely due to a reduced interest in AHPG in 1999. AHPG has a 40% interest in the developing onshore Atora Field. Production is expected to begin in 2000 and to reach a net level of 4,000 barrels of oil per day late in 2000.

INDONESIA. The Corporation has a 30% interest in the Jabung Production Sharing Contract, which contains the North Geragai and Makmur fields. Net production from these fields is averaging 3,000 barrels of oil per day. The Jabung production sharing contract area contains additional discoveries for which development plans are either underway or being considered. In addition, the Corporation has interests in other production sharing contracts in Indonesia on which discoveries have been made.

THAILAND. The Corporation has a 15% interest in the Pailin gas field offshore Thailand. The field came onstream in August 1999. Net production from the Corporation's interest currently is averaging 25,000 Mcf of natural gas per day.

AZERBAIJAN. The Corporation has a 1.68% equity interest in the AIOC Consortium in the Caspian Sea. Net production from its interest is currently averaging about 1,500 barrels of oil per day. In 1999, the Corporation acquired interests in two onshore fields with initial net production of approximately 1,000 barrels per day of crude oil.

BRAZIL. The Corporation has 32% net equity interests in and operatorship of Blocks BC-8 in the Southern Campos Basin and BS-2 in the Northern Santos Basin offshore Brazil. A 3D seismic survey was acquired on these blocks and the Corporation expects to commence exploration drilling in the middle of 2000. The Corporation also acquired a 45% interest in an exploration license on Block BM S-3 in the Santos Basin.

REFINING AND MARKETING

REFINING. The Corporation owns a 50% interest in the HOVENSA refining joint venture in the United States Virgin Islands. In addition, it owns and operates a refining facility in Port Reading, New Jersey.

HOVENSA. In 1999, total refinery crude runs averaged 418,000 barrels per day compared with 421,000 barrels per day in 1998. The refinery joint venture with a subsidiary of Petroleos de Venezuela S.A. was formed on October 30, 1998. Petroleos de Venezuela supplies 155,000 barrels per day of Venezuelan Mesa crude oil to HOVENSA under a long-term crude oil supply contract. The remaining crude oil is purchased mainly under contracts of one year or less from third parties and through spot purchases on the open market. After sales of refined products by HOVENSA to third parties, the Corporation must purchase 50% of HOVENSA's remaining production at market prices.

In February 2000, HOVENSA reached agreement on a $600 million bank financing for the construction of a 58,000-barrel per day delayed coking unit and related facilities at its refinery. HOVENSA has begun building the coker, which is anticipated to be completed in 2002. HOVENSA has a long-term supply contract with Petroleos de Venezuela to purchase 115,000 barrels per day of Venezuelan heavy Merey crude oil beginning when the coker is completed.

Port Reading Facility. The Corporation owns and operates a fluid catalytic cracking facility in Port Reading, New Jersey. This facility processes vacuum gas oil and residual fuel oil. It currently operates at a rate of approximately 60,000 barrels per day and produces substantially all gasoline and heating oil.

MARKETING. The Corporation markets refined petroleum products on the East Coast of the United States to the motoring public, wholesale distributors, industrial and commercial users, other petroleum companies, commercial airlines, governmental agencies and public utilities. It also markets natural gas to utilities and other industrial and commercial customers. The Corporation is currently expanding its energy marketing activities to include electricity.

At December 31, 1999, the Corporation had 701 HESS(R) gasoline stations of which approximately 75% were company operated. Most of the gasoline stations are concentrated in densely populated areas, principally

in New York, New Jersey and Florida and approximately 400 have convenience stores. The Corporation owns approximately 70% of the properties on which stations are located.

On February 14, 2000, the Corporation announced that it entered into an agreement with the Meadville Corporation to acquire the 51% of Meadville's outstanding stock that it does not already own for approximately $168 million in cash and deferred payments, preferred stock or a combination of both as selected by the Meadville stockholders. The purchase includes 178 retail gasoline stations located in the Northeast. The transaction is expected to close in early May.

The Corporation sold its Gulf Coast and Southeast pipeline terminals in 1999. Following the terminal sales, the Corporation has 27 terminals with an aggregate storage capacity of 22 million barrels concentrated in its East Coast marketing areas.

Refined product sales averaged 344,000 barrels per day in 1999 and 482,000 barrels per day in 1998. Of total refined products sold in 1999, approximately 70% was obtained from HOVENSA and Port Reading. The Corporation purchased the balance from others under short-term supply contracts and by spot purchases from various sources.

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.

The major foreign oil producing countries, including members of 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 and other matters has a significant impact on oil markets and the Corporation. The derivatives markets are also 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 foreign oil producing countries, the derivatives markets or other external influences.

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 has been periodically proposed in the U.S. 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 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. Capital expenditures for facilities, primarily to comply with federal, state and local environmental standards, were $2 million in 1999 and the Corporation anticipates comparable

capital expenditures in 2000. In addition, the Corporation expended $8 million in 1999 for environmental remediation, with a comparable amount anticipated for 2000.

The number of persons employed by the Corporation averaged 8,485 in 1999 and 9,777 in 1998.

Additional operating and financial information relating to the business and properties of the Corporation appears in the text on pages 8 through 14 under the heading "Exploration and Production," on pages 17 and 18 under the heading "Refining and Marketing," on pages 20 through 26 under the heading "Financial Review" and on pages 27 through 57 of the accompanying 1999 Annual Report to Stockholders, which information is incorporated herein by reference.*

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 1999, 1998 and 1997 are presented under Supplementary Oil and Gas Data in the accompanying 1999 Annual Report to Stockholders, which has been incorporated herein by reference.

During 1999, the Corporation provided oil and gas reserve estimates for 1998 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 contracts or agreements to sell fixed quantities of its crude oil production. In the United States, natural gas is sold through the Company's marketing division to local distribution companies, and commercial, industrial, and other purchasers, on a spot basis and under contracts for varying periods. The Corporation's United States production is expected to approximate 40% of its 2000 commitments under these contracts which total approximately 800,000 Mcf per day. Third party purchases will be used to supplement the Corporation's production in fulfilling its sales commitments and in making spot sales. In the United Kingdom, approximately 35% of annual natural gas production is sold under field specific take or pay contracts. Additionally, approximately 300,000 Mcf per day of natural gas is sold by the Corporation's United Kingdom marketing subsidiary to commercial and industrial companies, generally under one year contracts, and to residential customers. After take or pay sales, the Company can supply approximately 40% of United Kingdom marketing sales commitments from its own production. The remainder will be supplied by purchases of natural gas from third parties. The Corporation attempts to minimize price and supply risks associated with its United States and United Kingdom natural gas supply commitments by entering into purchase contracts with third parties having adequate sources of supply, on terms substantially similar to those under its commitments.

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* Except as to information specifically incorporated herein by reference under Items 1, 2, 5, 6, 7, 7A and 8, no other information or data appearing in the 1999 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.

2. AVERAGE SELLING PRICES AND AVERAGE PRODUCTION COSTS

	1999	1998	1997
Average selling prices (Note A)			
Crude oil, including condensate and natural gas liquids (per barrel)			
United States	$16.23	$12.02	$18.43
Europe	17.85	13.15	19.20
Africa, Asia and other	18.38	12.35	18.48
Average	17.44	12.83	19.01
Natural gas (per Mcf)			
United States	$ 2.14	$ 2.08	$ 2.42
Europe	1.77	2.28	2.46
Africa, Asia and other (Note B)	2.24	1.10	1.05
Average	1.96	2.18	2.44

	1999	1998	1997
Average production (lifting) costs per barrel of production (Note C)			
United States	$ 2.86	$ 3.76	$ 4.10
Europe	4.58	5.14	5.41
Africa, Asia and other (Note B)	3.87	4.87	1.34
Average	3.93	4.70	4.87

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

Note B: Variations in selling prices and production costs reflect changes in the mix of the Corporation's production in Africa and Asia during the three year period.

Note C: Production (lifting) costs consist of amounts incurred to operate and maintain the Corporation's producing oil and gas wells, related equipment and facilities (including lease costs of floating production and storage facilities) and production and severance taxes. The average production costs per barrel reflect the crude oil equivalent of natural gas production converted on the basis of relative energy content (6 Mcf equals one barrel).

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. Prior year amounts have been restated to conform with the current period presentation.

3. GROSS AND NET UNDEVELOPED ACREAGE AT DECEMBER 31, 1999

	UNDEVELOPED ACREAGE* (IN THOUSANDS)	
	GROSS	NET
United States	1,200	678
Europe	9,840	3,191
Africa, Asia and other	26,308	12,667
Total	37,348	16,536

* Includes acreage held under production sharing contracts.

4. GROSS AND NET DEVELOPED ACREAGE AND PRODUCTIVE WELLS AT DECEMBER 31, 1999

	DEVELOPED ACREAGE APPLICABLE TO PRODUCTIVE WELLS (IN THOUSANDS)		PRODUCTIVE WELLS (NOTE A)			
			OIL		GAS	
	GROSS	NET	GROSS	NET	GROSS	NET
United States	1,833	505	2,263	641	248	124
Europe	539	145	328	75	154	32
Africa, Asia and other	871	158	178	19	22	5
Total	3,243	808	2,769	735	424	161

Note A: Includes multiple completion wells (wells producing from different formations in the same bore hole) totaling 53 gross wells and 22 net wells.

5. NUMBER OF NET EXPLORATORY AND DEVELOPMENT WELLS DRILLED

	NET EXPLORATORY WELLS			NET DEVELOPMENT WELLS		
	1999	1998	1997	1999	1998	1997
Productive wells						
United States	4	3	5	19	22	27
Europe	-	2	5	10	9	8
Africa, Asia and other	2	4	2	4	8	6
Total	6	9	12	33	39	41
Dry holes						
United States	4	11	11	-	6	3
Europe	4	4	8	-	-	1
Africa, Asia and other	1	4	1	-	-	-
Total	9	19	20	-	6	4
Total	15	28	32	33	45	45

6. NUMBER OF WELLS IN PROCESS OF DRILLING AT DECEMBER 31, 1999

	GROSS WELLS	NET WELLS
United States	6	3
Europe	5	1
Africa, Asia and other	3	1
Total	14	5

7. NUMBER OF WATERFLOODS AND PRESSURE MAINTENANCE PROJECTS IN PROCESS OF INSTALLATION AT DECEMBER 31, 1999 -- One

ITEM 3. LEGAL PROCEEDINGS

As reported in Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1998, allegations were made to the Registrant's internal reporting hotline concerning noncompliance at the Corpus Christi terminal, formerly owned by Registrant, with federal and state environmental regulations and its investigation of those allegations. These allegations and the subsequent investigations were voluntarily disclosed to the Texas Natural Resource Conservation Commission ("TNRCC") and related to (i) onsite disposal of wastes and whether or not such wastes should have been managed as hazardous wastes under the

Resource Conservation and Recovery Act; and (ii) nonreporting or misreporting of the results of wastewater discharge samples required to be obtained by the Corpus Christi wastewater discharge permit. The Registrant settled all civil liabilities to TNRCC that might have attached as a result of the alleged discharge of hydrocarbons and certain specified waste disposal and wastewater discharge allegations. Investigations by TNRCC and the United States Environmental Protection Agency ("EPA") relating to waste disposal practices and wastewater discharge reporting at Corpus Christi may be continuing. It is not possible at this time for Registrant to state whether any additional proceedings arising out of the investigations will be commenced against the Registrant, or what claims would be asserted or what relief would be sought.

The Registrant investigated and disclosed to TNRCC allegations made to the Registrant's internal reporting hotline of noncompliance at the Galena Park, Texas terminal, formerly owned by Registrant, with state environmental regulations. The Registrant's investigation focused on whether (i) the vapor control system at Galena Park met applicable regulatory requirements during loading of marine vessels; and (ii) Galena Park implemented required controls on air emissions resulting from tank cleaning operations. It is not possible at this time for Registrant to state whether any proceedings arising out of the investigations will be commenced against the Registrant, or what claims would be asserted or what relief would be sought.

On February 16, 1999, the Florida Department of Environmental Protection ("FLDEP") mailed the Registrant a proposed consent order relating to alleged violations of the Industrial Wastewater Discharge Permit limits for the Tampa, Florida terminal. The consent order proposes a fine of $1,060,000. The Registrant has previously undertaken a program of corrective measures and other appropriate responses to these alleged permit violations. The Registrant is engaging in discussions with the FLDEP to resolve this matter and expects that the amount, if any, ultimately paid by the Registrant will be substantially less than the proposed fine.

The Corporation periodically receives notices from 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 1999, 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, 2000 regarding executive officers of the Registrant:

NAME	AGE	OFFICE HELD*	YEAR INDIVIDUAL BECAME AN EXECUTIVE OFFICER
John B. Hess............	45	Chairman of the Board, Chief Executive Officer and Director	1983
W. S. H. Laidlaw........	44	President, Chief Operating Officer and Director	1986
J. Barclay Collins II...	55	Executive Vice President, General Counsel and Director	1986
John Y. Schreyer........	60	Executive Vice President, Chief Financial Officer and Director	1990
Alan A. Bernstein.......	55	Senior Vice President	1987
F. Lamar Clark..........	66	Senior Vice President	1990
John A. Gartman.........	52	Senior Vice President	1997
Neal Gelfand............	55	Senior Vice President	1980
Gerald A. Jamin.........	58	Senior Vice President and Treasurer	1985
Lawrence H. Ornstein....	48	Senior Vice President	1995
F. Borden Walker........	46	Senior Vice President	1996

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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 5, 1999. The first meeting of Directors following the next annual meeting of stockholders of the Registrant is scheduled to be held May 3, 2000.

Except for Messrs. Walker and Gartman, each of the above officers has been employed by the Registrant or its subsidiaries in various managerial and executive capacities for more than five years. Prior to his employment with the Registrant in August 1996, Mr. Walker had been a general manager in the areas of gasoline marketing, convenience store development and advertising at Mobil Corporation. Mr. Gartman had been a vice president of Public Service Electric and Gas Company in the area of energy marketing prior to his employment with the Registrant in October 1997.

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 1999 and 1998, dividend payments and restrictions thereon and the number of holders of Common Stock is presented on page 26 (Financial Review), pages 36 and 37 (Long-Term Debt) and on page 54 (Ten-Year Summary of Financial Data) of the accompanying 1999 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 52 through 55 of the accompanying 1999 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 20 through 26 of the accompanying 1999 Annual Report to Stockholders, which has been incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is presented under "Derivative Financial Instruments" on pages 24 and 25 and in Footnote 14 on pages 42 and 43 of the accompanying 1999 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 26 through 51 of the accompanying 1999 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, 2000.

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, 2000.

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, 2000.

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, 2000.

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.
4(3)	-Credit Agreement dated as of May 20, 1997 among Registrant, the Subsidiary Borrowers thereunder, The Chase Manhattan Bank as Administrative Agent and the Lenders party thereto, incorporated by reference to Exhibit 4 of Form 10-Q of Registrant for the three months ended June 30, 1997.
4(4)	-Indenture dated as of October 1, 1999 between Registrant and The Chase Manhattan Bank, as Trustee, incorporated by reference to Exhibit 4(1) of Form 10-Q of Registrant for the three months ended September 30, 1999.
4(5)	-First Supplemental Indenture dated as of October 1, 1999 between Registrant and The Chase Manhattan Bank, as Trustee, relating to Registrant's 7 3/8% Notes due 2009 and 7 7/8% Notes due 2029, incorporated by reference to Exhibit 4(2) to Form 10-Q of Registrant for the three months ended September 30, 1999.
	-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.

3. EXHIBITS (continued)

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)	-Third Extension and Amendment Agreement dated April 15, 1998 and effective October 30, 1998 among Hess Oil Virgin Islands Corp., PDVSA V.I., Inc., HOVENSA L.L.C. and the Government of the Virgin Islands.
10(5)*	-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(6)*	-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(7)*	-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(8)*	-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(9)*	-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(10)*	-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(11)*	-1995 Long-Term Incentive Plan, as amended, incorporated by reference to Appendix A of Registrant's definitive proxy statement dated March 28, 1996 for the Annual Meeting of Stockholders held on May 1, 1996.
10(12)*	-Amended and Restated 1995 Long-Term Incentive Plan incorporated by reference to Exhibit 4 of Registrant's Registration Statement on Form S-8 No. 333-94851, filed December 30, 1999.
10(13)*	-Stock Award Program for non-employee directors dated August 6, 1997 incorporated by reference to Exhibit 10(11) of Form 10-K of Registrant for the fiscal year ended December 31, 1997.
10(14)*	-Change of Control Termination Benefits Agreement dated as of September 1, 1999 between Registrant and John B. Hess, incorporated by reference to Exhibit 10(1) of Form 10-Q of Registrant for the three months ended September 30, 1997. Substantially identical agreements (differing only in the signatories thereto) were entered into between Registrant and W. S. H. Laidlaw, J. Barclay Collins and John Y. Schreyer.
10(15)*	-Change of Control Termination Benefits Agreement dated as of September 1, 1999 between Registrant and F. Borden Walker. Substantially identical agreements (differing only in the signatories thereto) were entered into between Registrant and other executive officers (other than the named executive officers referred to in Exhibit 10(14)).
10(16)*	-Deferred Compensation Plan of Registrant dated December 1, 1999.

3. EXHIBITS (continued)

10(17)	-Asset Purchase and Contribution Agreement dated as of October 26, 1998, among PDVSA V.I., Inc., Hess Oil Virgin Islands Corp. and HOVENSA L.L.C. (including Glossary of definitions) incorporated by reference to Exhibit 2.1 of Form 8-K of Registrant dated October 30, 1998.
10(18)	-Amended and Restated Limited Liability Company Agreement of HOVENSA L.L.C. dated as of October 30, 1998 incorporated by reference to Exhibit 10.1 of Form 8-K of Registrant dated October 30, 1998.
13	-1999 Annual Report to Stockholders of Registrant.
18	-Letter from Ernst & Young LLP dated May 14, 1999 relating to preferability of last-in, first-out (LIFO) inventory method, adopted January 1, 1999, incorporated by reference to Exhibit 18 to Form 10-Q of Registrant for the three months ended March 31, 1999.
21	-Subsidiaries of Registrant.
23	-Consent of Ernst & Young LLP, Independent Auditors, dated March 22, 2000, to the incorporation by reference in Registrant's Registration Statements on Form S-3 (No. 33-79317) and Form S-8 (Nos. 333-94851, 333-43569, 333-43571 and 33-65115) 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, 1999.

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 22ND DAY OF MARCH 2000.

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/ JOHN B. HESS (JOHN B. HESS)	Director, Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 22, 2000
/s/ W.S.H. LAIDLAW (W.S.H. LAIDLAW)	Director, President and Chief Operating Officer	March 22, 2000
/s/ NICHOLAS F. BRADY (NICHOLAS F. BRADY)	Director	March 22, 2000
/s/ J. BARCLAY COLLINS II (J. BARCLAY COLLINS II)	Director	March 22, 2000
/s/ PETER S. HADLEY (PETER S. HADLEY)	Director	March 22, 2000
/s/ EDITH E. HOLIDAY (EDITH E. HOLIDAY)	Director	March 22, 2000
/s/ WILLIAM R. JOHNSON (WILLIAM R. JOHNSON)	Director	March 22, 2000
/s/ THOMAS H. KEAN (THOMAS H. KEAN)	Director	March 22, 2000
/s/ FRANK A. OLSON (FRANK A. OLSON)	Director	March 22, 2000
/s/ ROGER B. ORESMAN (ROGER B. ORESMAN)	Director	March 22, 2000

SIGNATURE	TITLE	DATE
/s/ JOHN Y. SCHREYER (JOHN Y. SCHREYER)	Director, Executive Vice President and Chief Financial Officer (Principal Accounting and Financial Officer)	March 22, 2000
/s/ WILLIAM I. SPENCER (WILLIAM I. SPENCER)	Director	March 22, 2000
/s/ ROBERT N. WILSON (ROBERT N. WILSON)	Director	March 22, 2000
/s/ ROBERT F. WRIGHT (ROBERT F. WRIGHT)	Director	March 22, 2000

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

	PAGE NUMBER
Statement of Consolidated Income for each of the three years in the period ended December 31, 1999	*
Statement of Consolidated Retained Earnings for each of the three years in the period ended December 31, 1999	*
Consolidated Balance Sheet at December 31, 1999 and 1998	*
Statement of Consolidated Cash Flows for each of the three years in the period ended December 31, 1999	*
Statement of Consolidated Changes in Common Stock and Capital in Excess of Par Value for each of the three years in the period ended December 31, 1999	*
Statement of Consolidated Comprehensive Income for each of the three years in the period ended December 31, 1999	*
Notes to Consolidated Financial Statements	*
Report of Ernst & Young LLP, Independent Auditors	*
Quarterly Financial Data	*
Supplementary Oil and Gas Data	*
Consent of Independent Auditors	F-2
Schedules**	
II -- Valuation and Qualifying Accounts	F-3

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* The financial statements and notes thereto together with the Report of Ernst & Young LLP, Independent Auditors, on pages 27 through 46, the Quarterly Financial Data (unaudited) on page 26, and the Supplementary Oil and Gas Data (unaudited) on pages 47 through 51 of the accompanying 1999 Annual Report to Stockholders are incorporated herein by reference.

** Schedules other than Schedule II 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 24, 2000, included in the 1999 Annual Report to Stockholders of Amerada Hess Corporation.

Our audits also included the financial statement schedule of Amerada Hess Corporation listed in Item 14(a). This schedule is the responsibility of the Corporation's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the Registration Statement (Form S-3 No. 33-79317) and in the related Prospectus, and in the Registration Statements (Form S-8, Nos. 333-94851, 333-43569, 333-43571 and 33-65115) pertaining to the Amerada Hess Corporation Employees' Savings and Stock Bonus Plan, Amerada Hess Corporation Savings and Stock Bonus Plan for Retail Operations Employees and the 1995 Long-Term Incentive Plan, of our report dated February 24, 2000, with respect to the consolidated financial statements incorporated herein by reference.

/s/ERNST & YOUNG LLP
Ernst & Young LLP

New York, N.Y.
March 22, 2000

SCHEDULE II

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS

FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997

(IN THOUSANDS)

		ADDITIONS			
DESCRIPTION	BALANCE JANUARY 1	CHARGED TO COSTS AND EXPENSES	CHARGED TO OTHER ACCOUNTS	DEDUCTIONS FROM RESERVES	BALANCE DECEMBER 31
1999					
Losses on receivables......	$ 6,411	$ 353	$ 26	$ 1,074	$ 5,716
Deferred income tax valuation................	$141,113	$ 41,140	$ --	$ --	$182,253
Major maintenance..........	$ 33,210	$ 13,304	$ --	$ 10,116	$ 36,398
1998					
Losses on receivables......	$ 2,840	$ 92	$3,858(A)	$ 379	$ 6,411
Deferred income tax valuation................	$330,119	$ 28,994	$ --	$ 218,000(B)	$141,113
Major maintenance..........	$ 63,427	$ 59,109	$ --	$ 89,326(C)	$ 33,210
1997					
Losses on receivables......	$ 2,840	$ 2,498	$ 154	$ 2,652	$ 2,840
Deferred income tax valuation................	$271,213	$ 58,906	$ --	$ --	$330,119
Major maintenance..........	$ 56,459	$ 65,068	$ --	$ 58,100	$ 63,427

(A) Reflects increase resulting from acquisition of gas marketing customer accounts.

(B) Reflects effect of reduction in deferred tax assets on formation of refining joint venture.

(C) Includes reduction of $42,419 due to formation of HOVENSA joint venture in October 1998.

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.
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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.
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	--	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.
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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.

EXHIBIT NUMBER		DESCRIPTION
10(4)	--	Third Extension and Amendment Agreement dated April 15, 1998 and effective October 30, 1998 among Hess Oil Virgin Islands Corp., PDVSA V.I., Inc., HOVENSA L.L.C. and the Government of the Virgin Islands.
10(5)*	--	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(6)*	--	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(7)*	--	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(8)*	--	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(9)*	--	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(10)*	--	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(11)*	--	1995 Long-Term Incentive Plan, as amended, incorporated by reference to Appendix A of Registrant's definitive proxy statement dated March 28, 1996 for the Annual Meeting of Stockholders held on May 1, 1996.
10(12)*	--	Amended and Restated 1995 Long-Term Incentive Plan incorporated by reference to Exhibit 4 of Registrant's Registration Statement on Form S-8 No. 333-94851, filed December 30, 1999.
10(13)*	--	Stock Award Program for non-employee directors dated August 6, 1997 incorporated by reference to Exhibit 10(11) of Form 10-K of Registrant for the fiscal year ended December 31, 1997.
10(14)*	--	Change of Control Termination Benefits Agreement dated as of September 1, 1999 between Registrant and John B. Hess, incorporated by reference to Exhibit 10(1) of Form 10-Q of Registrant for the three months ended September 30, 1997. Substantially identical agreements (differing only in the signatories thereto) were entered into between Registrant and W. S. H. Laidlaw, J. Barclay Collins and John Y. Schreyer.
10(15)*	--	Change of Control Termination Benefits Agreement dated as of September 1, 1999 between Registrant and F. Borden Walker. Substantially identical agreements (differing only in the signatories thereto) were entered into between Registrant and other executive officers (other than the named executive officers referred to in Exhibit 10(14)).
10(16)*	--	Deferred Compensation Plan of Registrant dated December 31, 1999.
10(17)	--	Asset Purchase and Contribution Agreement dated as of October 26, 1998, among PDVSA V.I., Inc., Hess Oil Virgin Islands Corp. and HOVENSA L.L.C. (including Glossary of definitions) incorporated by reference to Exhibit 2.1 of Form 8-K of Registrant dated October 30, 1998.

EXHIBIT NUMBER		DESCRIPTION
10(18)	--	Amended and Restated Limited Liability Company Agreement of HOVENSA L.L.C. dated as of October 30, 1998 incorporated by reference to Exhibit 10.1 of Form 8-K of Registrant dated October 30, 1998.
13	--	1999 Annual Report to Stockholders of Registrant.
18	-	Letter from Ernst & Young LLP dated May 14, 1999 relating to preferability of last-in, first-out (LIFO) inventory method, adopted January 1, 1999, incorporated by reference to Exhibit 18 to Form 10-Q of Registrant for the three months ended March 31, 1999.
21	--	Subsidiaries of Registrant.
23	--	Consent of Ernst & Young LLP, Independent Auditors, dated March 22, 2000, to the incorporation by reference in Registrant's Registration Statements on Form S-3 (No. 33-79317) and Form S-8 (Nos. 333-94851, 333-43569, 333-43571 and 33-65115) 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).

---

* These exhibits relate to executive compensation plans and arrangements.

EXHIBIT 10(15)

CHANGE IN CONTROL
TERMINATION BENEFITS AGREEMENT

THIS CHANGE IN CONTROL TERMINATION BENEFITS AGREEMENT (the "Agreement"), dated as of the first day of September, 1999 is between Amerada Hess Corporation, a Delaware corporation (the "Company"), and F. Borden Walker (the "Executive").

W I T N E S S E T H:

WHEREAS, the Company considers it essential to the best interests of the Company and its stockholders that its management be encouraged to remain with the Company and to continue to devote full attention to the Company's business in the event of a transaction or series of transactions that could result in a change in control of the Company through a tender offer or otherwise;

WHEREAS, the Company recognizes that the possibility of a change in control and the uncertainty which it may raise among management may result in the departure or distraction of management personnel to the detriment of the Company and its stockholders;

WHEREAS, the Executive is a key Executive of the Company;

WHEREAS, the Company believes the Executive has made valuable contributions to the productivity and profitability of the Company;

WHEREAS, should the Company receive a proposal for, or otherwise consider any such transaction, in addition to the Executive's regular duties, the Executive may be called upon to assist in the assessment of such proposals, advise management and the Board of Directors of the Company (the "Board") as to whether a proposed transaction would be in the best interests of the Company and its stockholders, and to take such other actions as the Board might determine to be appropriate; and

WHEREAS, the Board has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued services of the Executive, notwithstanding the possibility, threat or occurrence of a change in control of the Company and believes that it is imperative to diminish the potential distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened change in control, to assure the Executive's full attention and dedication to the Company in the event of any threatened or pending change in control, and to provide the Executive with appropriate severance arrangements following a change in control.

NOW, THEREFORE, to assure the Company that it will have the continued undivided attention and services of the Executive and the availability of the Executive's advice and counsel notwithstanding the possibility, threat or occurrence of a change in control of the Company, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree as follows:

1. Change in Control.

For purposes of the Agreement, a Change in Control shall be deemed to have taken place if any of the following shall occur:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either the then (i) outstanding shares of Common Stock of the Company (the "Outstanding Company Common Stock") or (ii) combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Voting Securities") provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any of its subsidiaries, (ii) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any of its subsidiaries, (iii) any acquisition by any company with respect to which, following such acquisition, more than 60% of, respectively, the then outstanding shares of common stock of such company and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be, or (iv) any acquisition by one or more Hess Entity (for this purpose a "Hess Entity" means (A) Mr. John Hess or any of his children, parents or siblings, (B) any spouse of any person described in Section (A) above, (C) any trust with respect to which any of the persons described in (A) has substantial voting authority (D) any affiliate (as such term is defined in Rule 12b-2 under the Exchange Act) of any person described in (A) above, (E) the Hess Foundation Inc., or (F) any persons comprising a group controlled (as such term is defined in such Rule 12b-2) by one or more of the foregoing persons or entities described in this Section 1(a)(iv)); or

(b) Within any 24 month period, individuals who, immediately prior to the beginning of such period, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any

individual becoming a director during such period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened solicitation to which Rule 14a-11 of Regulation 14A promulgated under the Exchange Act applies or other actual or threatened solicitation of proxies or consents; or

(c) Consummation of a reorganization, merger or consolidation, in each case, with respect to which all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation, beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the company resulting from such reorganization, merger or consolidation in substantially the same proportions as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be; or

(d) Consummation of (i) a complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company, other than to a company, with respect to which following such sale or other disposition, more than 60% of, respectively, the then outstanding shares of common stock of such company and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be. The term "the sale or other disposition of all or substantially all of the assets of the Company" shall mean a sale or other disposition in a transaction or series of related transactions involving assets of the Company or of any direct or indirect subsidiary of the Company (including the stock of any direct or indirect subsidiary of the Company) in which the value of the assets or stock being sold or otherwise disposed of (as measured by the purchase price being paid therefor or by such other method as the Board determines is appropriate in a case where there is no readily ascertainable purchase price) constitutes more than two-thirds of the fair market value of the Company (as hereinafter defined). The "fair market value of the Company" shall be the aggregate market value of the then Outstanding Company Common Stock (on a fully diluted basis) plus the aggregate market value of the Company's other outstanding

equity securities. The aggregate market value of the shares of Outstanding Company Common Stock shall be determined by multiplying the number of shares of such Common Stock (on a fully diluted basis) outstanding on the date of the execution and delivery of a definitive agreement with respect to the transaction or series of related transactions (the "Transaction Date") by the average closing price of the shares of Outstanding Company Common Stock for the ten trading days immediately preceding the Transaction Date. The aggregate market value of any other equity securities of the Company shall be determined in a manner similar to that prescribed in the immediately preceding sentence for determining the aggregate market value of the shares of Outstanding Company Common Stock or by such other method as the Board shall determine is appropriate.

2. Circumstances Triggering Receipt of Termination Benefits.

(a) Subject to Section 2(c), the Company will provide the Executive with the benefits set forth in Section 4 upon any termination of the Executive's employment:

(i) by the Company at any time within the first 24 months after a Change in Control;

(ii) by the Executive for "Good Reason" (as defined in Section 2(b) below) at any time within the first 24 months after a Change in Control; or

(iii) by the Company or the Executive pursuant to Section 2(d).

(b) In the event of a Change in Control, the Executive may terminate employment with the Company and/or any subsidiary for "Good Reason" and receive the payments and benefits set forth in Section 4 upon the occurrence of one or more of the following events (regardless of whether any other reason, other than Cause as provided below, for such termination exists or has occurred):

(i) Failure to elect or reelect or otherwise to maintain the Executive in the office or the position, or at least a substantially equivalent office or position, of or with the Company (or any successor thereto), which the Executive held immediately prior to a Change in Control, or the removal of the Executive as a director of the Company (or any successor thereto), if the Executive shall have been a director of the Company immediately prior to the Change in Control;

(ii) (A) Any material adverse change in the nature or scope of the Executive's authorities, powers, functions, responsibilities or duties from those in effect immediately prior to the Change in Control, (B) a reduction in the Executive's annual base salary rate, (C) a reduction in the Executive's annual incentive compensation target or any material reduction in the Executive's other bonus opportunities, or (D) the termination or denial of the Executive's ability

to participate in Employee Benefits (as defined in Section 4(b)) or retirement benefits (as described in Section 4(c)) or a material reduction in the scope or value thereof, any of which is not remedied by the Company within 10 days after receipt by the Company of written notice from the Executive of such change, reduction or termination, as the case may be;

(iii) The liquidation, dissolution, merger, consolidation or reorganization of the Company or transfer of all or substantially all of its businesses and/or assets, unless the successor or successors (by liquidation, merger, consolidation, reorganization, transfer or otherwise) to which all or substantially all of its businesses and/or assets have been transferred (directly or by operation of law) assumed all duties and obligations of the Company under this Agreement pursuant to Section 9(a);

(iv) The Company requires the Executive to change the Executive's principal location of work to a location that is in excess of 30 miles from the location thereof immediately prior to the Change in Control, or requires the Executive to travel in the course of discharging the Executive's responsibilities or duties at least 20% more (in terms of aggregate days in any calendar year or in any calendar quarter when annualized for purposes of comparison to any prior year) than was required of the Executive in any of the three full years immediately prior to the Change in Control without, in either case, the Executive's prior written consent;

(v) Without limiting the generality or effect of the foregoing, any material breach of this Agreement by the Company or any successor thereto, which breach is not remedied within 10 days after written notice to the Company from the Executive describing the nature of such breach.

(c) Notwithstanding Sections 2(a) and (b) above, no benefits shall be payable by reason of this Agreement in the event of:

(i) Termination of the Executive's employment with the Company and/or its subsidiaries by reason of the Executive's death or Disability, provided that the Executive has not previously given a valid "Notice of Termination" pursuant to Section 3. For purposes hereof, "Disability" shall be defined as the inability of the Executive due to illness, accident or other physical or mental disability to perform the Executive's duties for any period of six consecutive months or for any period of eight months out of any 12-month period, as determined by an independent physician selected by the Executive (or the Executive's legal representative) and reasonably acceptable to the Company, provided that the Executive does not return to work on substantially a full-time basis within 30 days after written notice from the Company, pursuant to Section 3, of an intent to terminate the Executive's employment due to Disability;

(ii) Termination of the Executive's employment with the Company and/or its subsidiaries on account of the Executive's retirement, pursuant to the Company's Employees' Pension Plan; provided, however, that if the Executive has Good Reason to terminate employment at the time of retirement, the Executive's retirement shall be treated hereunder as a termination of the Executive's employment for Good Reason and the Executive shall be entitled to the benefits provided in Section 4 hereof;

(iii) Termination of the Executive's employment with the Company and its subsidiaries for Cause. For the purposes hereof, "Cause" shall be defined as (A) a felony conviction of the Executive or the failure of the Executive to contest prosecution for a felony, (B) the Executive's gross and willful misconduct in connection with the performance of the Executive's duties with the Company and/or its subsidiaries or (C) the willful and continued failure of the Executive to substantially perform the Executive's duties with the Company (or any successor thereto) after a written demand from the Company's internal Executive Committee, any successor or similar internal management committee or, absent any such committee, its Chief Executive Officer (such committee, or the Chief Executive Officer, being the "Notifying Party") for substantial performance which specifically identifies the manner in which the Notifying Party believes that the Executive has not performed the Executive's duties with the Company, any of which is directly and materially harmful to the business or reputation of the Company or any subsidiary or affiliate. Notwithstanding the foregoing, the Executive shall not be deemed to have been terminated for "Cause" hereunder unless and until the Executive shall have been afforded, after reasonable notice, an opportunity to appear, together with counsel (if the Executive chooses to have counsel present), before the Notifying Party, if the Notifying Party is a committee, or in the event that the Notifying Party is the Chief Executive Officer, the three most highly compensated senior executive officers of the Company, not including the Chief Executive Officer (such Notifying Party or the three senior executive officers, as the case may be, being the "Hearing Party"), and after such hearing there shall have been delivered to the Executive a written determination by the Hearing Party that, in the good faith opinion of the Hearing Party the Executive shall have been terminated for "Cause" as herein defined and specifying the particulars thereof in detail. Nothing herein will limit the right of the Executive or the Executive's beneficiaries to contest the validity or propriety of any such determination.

This Section 2(c) shall not preclude the payment of any amounts otherwise payable to the Executive under any of the Company's employee benefit plans, pension plans, stock plans, programs and arrangements.

(d) A termination of the Executive's employment by the Company without Cause or by the Executive for an event that would constitute Good Reason following a Change in Control that occurs, in either event, prior to a Change in Control, but occurs

(i) not more than 180 days prior to the date on which a Change in Control occurs and (ii) (x) at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (y) otherwise arose in connection with, or in anticipation of, a Change in Control, shall be deemed to be a termination or removal of the Executive without Cause within the first 24 months after a Change in Control for purposes of this Agreement and the date of such Change in Control shall be deemed to be the date immediately preceding the date the Executive's employment terminates.

2. Notice of Termination.

Any termination of the Executive's employment with the Company and its subsidiaries as contemplated by Section 2 shall be communicated by written "Notice of Termination" to the other party hereto. Any "Notice of Termination" shall indicate the effective date of termination which shall not be less than 30 days or more than 60 days after the date the Notice of Termination is delivered (the "Termination Date"), the specific provision in this Agreement relied upon, and, except for a termination pursuant to Section 2(d), will set forth in reasonable detail the facts and circumstances claimed to provide a basis for such termination including, if applicable, the failure by the Company, after provision of written notice by the Executive, to effect a remedy pursuant to the final clause of Section 2(b)(ii) or 2(b)(v).

4. Termination Benefits.

Subject to the conditions set forth in Section 2, the following benefits shall be paid or provided to the Executive:

(a) Compensation.

The Company shall pay to the Executive two times the sum of (i) "Base Pay", which shall be an amount equal to the greater of (A) the Executive's rate of annual base salary (prior to any deferrals) at the Termination Date or (B) the Executive's rate of annual base salary (prior to any deferrals) immediately prior to the Change in Control, plus (ii) "Incentive Pay", which shall be an amount equal to the greater of (X) the target annual bonus payable to the Executive under the Company's incentive compensation plan or any other annual bonus plan for the fiscal year of the Company in which the Change in Control occurred or (Y) the highest annual bonus earned by the Executive under the Company's incentive compensation plan or any other annual bonus plan (whether paid currently or on a deferred basis) during the three fiscal years of the Company immediately preceding the fiscal year of the Company in which the Change in Control occurred. In addition, the Executive shall receive a pro rata portion of the target bonus for the fiscal year in which the Executive's termination of employment occurs.

(b) Welfare Benefits.

For a period of 24 months following the Termination Date (the "Continuation Period"), the Company shall arrange to provide the Executive with benefits (the "Employee Benefits"), including travel accident, major medical, dental care and other welfare benefit programs, substantially similar to those in effect immediately prior to the Change in Control, or, if greater, to those that the Executive was receiving or entitled to receive immediately prior to the Termination Date (or, if greater, immediately prior to the reduction, termination, or denial described in Section 2(b)(ii)(D)). If and to the extent that any benefit described in this Section 4(b) is not or cannot be paid or provided under any policy, plan, program or arrangement of the Company or any subsidiary, as the case may be, then the Company will itself pay or provide for the payment to the Executive, the Executive's dependents and beneficiaries, of such Employee Benefits along with, in the case of any benefit which is subject to tax because it is not or cannot be paid or provided under any such policy, plan, program or arrangement of the Company or any subsidiary, an additional amount such that after payment by the Executive, or the Executive's dependents or beneficiaries, as the case may be, of all taxes so imposed, the recipient retains an amount equal to such taxes. Employee Benefits otherwise receivable by the Executive pursuant to this Section 4(b) will be reduced to the extent comparable welfare benefits are actually received by the Executive from another employer during the Continuation Period, and any such benefits actually received by the Executive shall be reported by the Executive to the Company. In addition, the Executive shall receive additional age and service credit for the Continuation Period for purposes of the Executive's eligibility to receive any retiree medical benefits.

(c) Retirement Benefits.

The Executive shall be deemed to be completely vested in the Executive's currently accrued benefits under the Company's Employees' Pension Plan and the Company's Pension Restoration Plan or other supplemental pension plan ("SERP") in effect as of the date of the Change in Control (collectively, the "Plans"), regardless of the Executive's actual vesting service credit thereunder. In addition, the Executive shall be deemed to earn age and service credit for benefit calculation purposes thereunder for the Continuation Period. The additional retirement benefits to be paid pursuant to the Plans shall be calculated as though the Executive's compensation rate for the years during the Continuation Period equaled the sum of Base Pay plus Incentive Pay. Any benefits payable pursuant to this Section 4(c) that are not payable out of the Plans for any reason (including but not limited to any applicable benefit limitations under the Employee Retirement Income Security Act of 1974, as amended, or any restrictions relating to the qualification of the Company's Employees' Pension Plan under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code")) shall be paid directly by the Company out of its general assets at the time such benefits would be payable under the applicable Plan.

(d) Stock Based Compensation Plans.

(i) Any issued and outstanding stock options shall vest and become exercisable on the Termination Date (to the extent they have not already become vested and exercisable) and any other stock-based awards under any compensation plan or program maintained by the Company (including, without limitation, awards of restricted stock and book value appreciation units) and the Executive's rights thereunder shall vest on the Termination Date (to the extent they have not already vested) and any performance criteria under any such compensation plan or program shall be deemed met at target as of the Termination Date.

(ii) If and to the extent that any benefit or entitlement (or portion thereof) described in paragraph (i) above is not able to be implemented by the Company under the then applicable terms of any plan, program or award agreement applicable to the Executive, the Company shall pay to the Executive cash and/or other property (including, without limitation, common stock of the Company or any successor thereto) with a value, as determined by the Board, equal to the value of any such option, award or other entitlement (or portion thereof) that the Executive was not able to receive under paragraph (i) above, and such payment shall be in full satisfaction of the option, award or other entitlement (or portion thereof) to which such payment relates.

(e) Deferred Compensation.

The Company shall pay to the Executive all other amounts accrued or earned by the Executive through the Termination Date and amounts otherwise owing under the then existing plans and policies of the Company, including but not limited to, all amounts of compensation previously deferred by the Executive (together with any accrued interest or other earnings thereon) and not yet paid by the Company.

(f) Outplacement Services.

If so requested by the Executive, outplacement services shall be provided to the Executive by a professional outplacement firm or provider selected by the Executive that is reasonably acceptable to the Company at a cost to the Company not in excess of $30,000.

(g) The Company shall pay to the Executive the amounts due pursuant to Sections 4(a) and 4(d)(ii), in a lump sum on the first business day of the month following the Termination Date. The Company shall pay to the Executive the amounts due pursuant to Section 4(e) in accordance with the terms and conditions of the existing plans and policies of the Company.

5. Certain Additional Payments by the Company.

(a) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined (as hereafter provided) that any payment (other than the Gross-Up payments provided for in this Section 5) or benefit provided by the Company or any of its subsidiaries to or for the benefit of the Executive, whether paid or payable or provided pursuant to the terms of this Agreement or otherwise pursuant to or by reason of any other agreement, policy, plan, program or arrangement, including without limitation any stock option, stock appreciation right or similar right, restricted stock, deferred stock or the lapse or termination of any restriction on, deferral period for, or the vesting or exercisability of any of the foregoing (a "Payment"), would be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision thereto) by reason of being considered "contingent on a change in ownership or control" of the Company, within the meaning of Section 280G of the Code (or any successor provision thereto) or to any similar tax imposed by state or local law, or any interest or penalties with respect to any such tax (such tax or taxes, together with any such interest and penalties, being hereafter collectively referred to as the "Excise Tax"), then the Executive shall be entitled to receive an additional payment or payments (collectively, a "Gross-Up Payment"). The Gross-Up Payment shall be in an amount such that, after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax and any income tax imposed upon the Gross-Up Payment, the Executive retains an amount of Gross-Up Payment equal to the Excise Tax imposed upon the Payment.

(b) Subject to the provisions of Section 5(f), all determinations required to be made under this Section 5, including whether an Excise Tax is payable by the Executive and the amount of such Excise Tax and whether a Gross-Up Payment is required to be paid by the Company to the Executive and the amount of such Gross-Up Payment, if any, shall be made by the Company's outside auditors immediately prior to the Change in Control (the "Accounting Firm"). The Executive shall direct the Accounting Firm to submit its determination and detailed supporting calculations to both the Company and the Executive within 30 days after the Change in Control Date, the Termination Date, if applicable, and any such other time or times as may be requested by the Company or the Executive. If the Accounting Firm determines that any Excise Tax is payable by the Executive, the Company shall pay the required Gross-Up Payment to the Executive within five business days after receipt of such determination and calculations with respect to any Payment to the Executive. If the Accounting Firm determines that no Excise Tax is payable by the Executive, it shall, at the same time as it makes such determination, furnish the Company and the Executive an opinion that the Executive has substantial authority not to report any Excise Tax on the Executive's federal, state or local income or other tax return. As a result of the uncertainty in the application of Section 4999 of the Code (or any successor provision thereto) and the possibility of similar uncertainty regarding applicable state of local tax law at the time of any determination by the Accounting Firm hereunder, it is possible that a Gross-Up Payment which will not have been made by the Company should have been

made (an "Underpayment'), consistent with the calculations required to be made hereunder. In the event that the Company exhausts or fails to pursue its remedies pursuant to Section 5(f) and the Executive thereafter is required to make a payment of any Excise Tax, the Executive shall direct the Accounting Firm to determine the amount of the Underpayment that has occurred and to submit its determination and detailed supporting calculations to both the Company and the Executive as promptly as possible. Any such Underpayment shall be promptly paid by the Company to, or for the benefit of, the Executive within five business days after receipt of such determination and calculations.

(c) The Company and the Executive shall each provide the Accounting Firm access to and copies of any books, records and documents in the possession of the Company or the Executive, as the case may be, reasonably requested by the Accounting Firm, and otherwise cooperate with the Accounting Firm in connection with the preparation and issuance of the determinations and calculations contemplated by Section 5(b). Any determination by the Accounting Firm as to the amount of the Gross-Up Payment shall be binding upon the Company and the Executive.

(d) The federal, state and local income or other tax returns filed by the Executive shall be prepared and filed on a consistent basis with the determination of the Accounting Firm with respect to the Excise Tax payable by the Executive. The Executive shall make proper payment of the amount of any Excise Tax, and at the request of the Company, provide to the Company true and correct copies (with any amendments) of the Executive's federal income tax return as filed with the Internal Revenue Service and corresponding state and local tax returns, if relevant, as filed with the applicable taxing authority, and such other documents reasonably requested by the Company, evidencing such payment. If prior to the filing of the Executive's federal income tax return, or corresponding state or local tax return, if relevant, the Accounting Firm determines that the amount of the Gross-Up Payment should be reduced, the Executive shall, within five business days, pay to the Company the amount of such reduction.

(e) The fees and expenses of the Accounting Firm for its services in connection with the determinations and calculations contemplated by Section 5(b) shall be borne by the Company. If such fees and expenses are initially paid by the Executive, the Company shall reimburse the Executive the full amount of such fees and expenses within five business days after receipt from the Executive of a statement therefor and reasonable evidence of payment thereof.

(f) The Executive shall notify the Company in writing of any claim, by the Internal Revenue Service or any other taxing authority that, if successful, would require the payment by the Company of a Gross-Up Payment or any additional Gross-Up Payment. Such notification shall be given as promptly as practicable but no later than l0 business days after the Executive actually receives notice of such claim, and the Executive shall further apprise the Company of the nature of such claim and the date on

which such claim is requested to be paid (in each case, to the extent known by the Executive). The Executive shall not pay such claim prior to the earlier of (x) the expiration of the 30-day period following the date on which the Executive gives such notice to the Company and (y) the date that any payment with respect to such claim is due. If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) provide the Company with any written records or documents in the Executive's possession relating to such claim reasonably requested by the Company;

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including without limitation accepting legal representation with respect to such claim by an attorney competent in respect of the subject matter and reasonably selected by the Company;

(iii) cooperate with the Company in good faith in order effectively to contest such claim; and

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including interest and penalties) incurred in connection with such contest and shall indemnify and hold harmless the Executive, on an after-tax basis, for and against any Excise Tax or income tax including interest and penalties with respect thereto, imposed as a result of such contest and payment of costs and expenses. Without limiting the foregoing provisions of this Section 5(f), the Company shall control all proceedings taken in connection with the contest of any claim contemplated by this Section 5(f) and, at its sole option, may pursue or forego any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim (provided, however, that the Executive may participate therein at the Executive's own cost and expense) and may, at its option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay the tax claimed and sue for a refund, the Company shall advance the amount of such payment to the Executive on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income or other tax, including interest or penalties with respect thereto, imposed with respect to such advance; and provided further, that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which the contested amount is claimed to be due is limited solely to such contested amount.

Furthermore, the Company's control of any such contested claim shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(g) If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5(f), the Executive receives any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of Section 5(f)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after any taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 5(f), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial or refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of any such advance shall offset, to the extent thereof, the amount of any Gross-Up Payment required to be paid by the Company to the Executive pursuant to this Section 5.

6. No Mitigation Obligation; Obligations Absolute. The payment of the severance compensation by the Company to the Executive in accordance with the terms of this Agreement is hereby acknowledged by the Company to be reasonable, and the Executive will not be required to mitigate the amount of any payment or other benefit provided in this Agreement by seeking other employment or otherwise, nor will any profits, income, earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of the Executive hereunder or otherwise, except as expressly provided in the second to last sentence of Section 4(b) and Section 13 hereof. The obligations of the Company to make the payments and provide the benefits provided herein to the Executive are absolute and unconditional and may not be reduced under any circumstances, including without limitation any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or any third party at any time.

7. Legal Fees and Expenses.

It is the intent of the Company that the Executive not be required to incur legal fees and the related expenses associated with the interpretation, enforcement or defense of the Executive's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Executive hereunder. Accordingly, if, following a Change in Control, it should appear to the Executive that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Executive any or all of the benefits provided or intended to be provided to the

Executive hereunder, the Company irrevocably authorizes the Executive from time to time to retain counsel of the Executive's choice, at the expense of the Company as hereafter provided, to advise and represent the Executive in connection with any such interpretation, enforcement or defense, including without limitation the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other person affiliated with the Company, in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to the Executive's entering into an attorney-client relationship with such counsel, and in that connection the Company and the Executive agree that a confidential relationship shall exist between the Executive and such counsel. Without respect to whether the Executive prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for all reasonable attorneys' fees and related expenses incurred by the Executive in good faith in connection with any of the foregoing; provided, however, that the Company shall have no obligation hereunder to pay any attorneys' fees or related expenses with respect to any frivolous claims made by the Executive. Payments by the Company shall be made within 10 business days after receipt of the Executive's written request for payment accompanied by such evidence of fees and expenses as the Company may reasonably require.

8. Continuing Obligations.

The Executive hereby agrees that all documents, records, techniques, business secrets and other information which have come into the Executive's possession from time to time during the Executive's employment with the Company shall be deemed to be confidential and proprietary to the Company and, except for personal documents and records of the Executive, shall be returned to the Company. The Executive further agrees to retain in confidence any confidential information known to him concerning the Company and its subsidiaries and their respective businesses so long as such information is not otherwise publicly disclosed, except that Executive may disclose any such information required to be disclosed in the normal course of the Executive's employment with the Company or pursuant to any court order or other legal process or as necessary to enforce the Executive's rights under this Agreement.

9. Successors.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance reasonably satisfactory to the Executive to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of such successor entity to enter into such agreement prior to the effective date of any such succession (or, if later, within three business days after first receiving a written request for such agreement) shall constitute a breach of this Agreement and shall entitle the Executive to terminate

employment pursuant to Section 2(a)(ii) and to receive the payments and benefits provided under Section 4. As used in this Agreement, "Company" shall mean the Company as herein before defined and any successor to its business and/or assets as aforesaid which executes and delivers the Agreement provided for in this Section 9 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive dies while any amounts are payable to him hereunder, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's designee or, if there is no such designee, to the Executive's estate.

10. Notices.

For all purposes of this Agreement, all communications, including without limitation notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid, or three business days after having been sent by a nationally recognized overnight courier service such as FedEx, UPS, or Purolator, addressed to the Company (to the attention of the Secretary of the Company, with a copy to the General Counsel of the Company) at its principal executive office and to the Executive at the Executive's principal residence, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

11. Governing Law.

THE VALIDITY, INTERPRETATION, CONSTRUCTION AND PERFORMANCE OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

12. Miscellaneous.

No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this

Agreement (or in any employment or other written agreement relating to the Executive). Nothing expressed or implied in this Agreement will create any right or duty on the part of the Company or the Executive to have the Executive remain in the employment of the Company or any subsidiary prior to or following any Change in Control. The Company may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as the Company is required to withhold pursuant to any law or government regulation or ruling. In the event that the Company refuses or otherwise fails to make a payment when due and it is ultimately decided that the Executive is entitled to such payment, such payment shall be increased to reflect an interest factor, compounded annually, equal to the prime rate in effect as of the date the payment was first due plus two points. For this purpose, the prime rate shall be based on the rate identified by Chase Manhattan Bank as its prime rate.

Notwithstanding anything in this Agreement to the contrary, if any right or entitlement of the Executive under this Agreement would cause a transaction involving the Company to be ineligible for "pooling of interests" accounting treatment and that transaction would, but for such right or entitlement hereunder, be eligible for such accounting treatment (each as determined by the Company's outside auditors), the Board may, unilaterally and without notice, modify, adjust or terminate any such right or entitlement so that the transaction will be eligible for "pooling of interests" accounting treatment (as determined by the Company's outside auditors); provided, however, that any such right or entitlement that is modified, adjusted or terminated under this paragraph shall be fully reinstated (with retroactive payments, if necessary) if the transaction which caused such modification, adjustment or termination to be made is not consummated or if "pooling of interest" accounting treatment is not applied to such transaction.

13. Reduction for Other Severance.

Any payments or other benefits provided to the Executive under this Agreement shall be reduced by any payments or other benefits, under any severance plan or employment agreement, which the Executive is eligible to receive as a result of the termination of the Executive's employment.

14. Separability.

The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

15. Non-assignability.

This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or transfer this Agreement or any rights or obligations hereunder, except as provided in Section 9. Without limiting the foregoing, the Executive's right to receive payments hereunder shall not be assignable or transferable, whether by pledge, creation of a security interest or otherwise, other than a transfer by will or by the laws of descent or distribution, and in the event of any attempted assignment or transfer by the Executive contrary to this Section 15 the Company shall have no liability to pay any amount so attempted to be assigned or transferred to any person other than the Executive or, in the event of death, the Executive's designated beneficiary or, in the absence of an effective beneficiary designation, the Executive's estate.

16. Effectiveness; Term.

This Agreement will be effective and binding as of the date first above written immediately upon its execution and shall continue in effect through the second anniversary of such date; provided, however, that the term of this Agreement shall automatically be extended for an additional day for each day that passes so that there shall at any time be two years remaining in the term unless the Company provides written notice to the Executive that it does not wish the term of this Agreement to continue to be so extended, in which case the Agreement shall terminate on the second anniversary of such notice if there has not been a Change in Control prior to such second anniversary. In the event that a Change in Control has occurred during the term of this Agreement, then this Agreement shall continue to be effective until the second anniversary of such Change in Control. Notwithstanding any other provision of this Agreement, if, prior to a Change in Control, the Executive ceases for any reason to be an employee of the Company and any subsidiary (other than a termination of employment pursuant to Section 2(d) hereof), thereupon without further action the term of this Agreement shall be deemed to have expired and this Agreement will immediately terminate and be of no further effect. For purposes of this Section 16, the Executive shall not be deemed to have ceased to be an employee of the Company and any subsidiary by reason of the transfer of the Executive's employment between the Company and any subsidiary, or among any subsidiaries. Notwithstanding any provision of this Agreement to the contrary, the parties' respective rights and obligations under Sections 4 through 9 will survive any termination or expiration of this Agreement or the termination of the Executive's employment following a Change in Control for any reason whatsoever.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

18. Prior Agreement. This Agreement supersedes and terminates any and all prior similar agreements by and among Company (and/or a subsidiary) and the Executive.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the day and year first above set forth.

AMERADA HESS CORPORATION

By: /s/ John B. Hess

John B. Hess
Chairman of the Board and
Chief Executive Officer

/s/ F. Borden Walker

Signature

EXHIBIT 10(16)

AMERADA HESS CORPORATION

DEFERRED COMPENSATION PLAN

* * * * *

SECTION 1. PURPOSE. The purpose of the Plan is to provide certain select employees of the Company with an opportunity to defer the receipt of compensation for services rendered to the Company. The Plan is intended to aid the Company in retaining and attracting employees whose abilities, experience and judgment can contribute to the continued progress of the Company. The Plan is being maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees of the Company.

SECTION 2. DEFINITIONS.

(a) "Account(s)" means the Deferred Compensation Account(s).

(b) "Board" means the Company's Board of Directors.

(c) "Bonus" means any special and/or discretionary compensation amounts in excess of Salary, determined by the Company to be payable to a Participant with respect to services rendered.

(d) "Change in Control" shall mean:

(1) The acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either the then (i) outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) combined voting power of the then outstanding voting

securities of the Company entitled to vote generally in the election of directors (the "Outstanding Voting Securities"); provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any of its subsidiaries, (ii) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any of its subsidiaries, (iii) any acquisition by any corporation with respect to which, following such acquisition, more than 60% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be, or (iv) any acquisition by one or more Hess Entity (for this purpose a "Hess Entity" means (A) Mr. John Hess or any of his children, parents or siblings (B) any spouse of any person described in Section 2(d)(1)(iv)(A), (C) any trust as to which any of the persons described in Section 2(d)(1)(iv)(A) has substantial voting authority, (D) any affiliate (as such term is defined in Rule 12b-2 under the Exchange Act) of any person described in Section 2(d)(1)(iv)(A), (E) the Hess Foundation Inc., or (F) any persons comprising a group controlled (as such term is defined in such Rule 12b-2) by one or more of the foregoing persons or entities described in Section 2(d)(1)(iv)(A).

(2) Individuals who, as of the effective date of the Plan, constitute the Board (the "Incumbent Board") ceasing for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the effective date of the Plan whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened solicitation to which Rule 14a-11 of Regulation 14A promulgated under the Exchange Act applies or other actual threatened solicitation of proxies or consents; or

(3) Consummation of a reorganization, merger or consolidation, in each case, with respect to which all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation, beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such reorganization, merger or consolidation in substantially the same proportions as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be; or

(4) Consummation of (i) a complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company other than to a corporation with respect to which following such sale or other disposition, more than 60% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be. The term "the sale or other disposition of all or substantially all of the assets of the Company" shall mean a sale or other disposition transaction or series of related transactions involving assets of the Company or of any direct or indirect subsidiary of the Company (including the stock of any direct or indirect subsidiary of the Company) in which the value of the assets or stock being sold or otherwise disposed of (as measured by the purchase price being paid therefor or by such other method as the Board determines is appropriate in a case where there is no readily ascertainable purchase price) constitutes more than two-thirds of the fair market value of the Company (as hereinafter defined). The "fair market value of the Company" shall be the aggregate market value of the then Outstanding Company Common Stock (on a fully diluted basis) plus the aggregate market value of the Company's other outstanding equity securities. The aggregate market value of the shares

of Outstanding Company Common Stock shall be determined by multiplying the number of shares of such Common Stock (on a fully diluted basis) outstanding on the date of the execution and delivery of a definitive agreement with respect to the transaction or series of related transactions (the "Transaction Date") by the average closing price of the shares of Outstanding Company Common Stock for the ten trading days immediately preceding the Transaction Date. The aggregate market value of any other equity securities of the Company shall be determined in a manner similar to that prescribed in the immediately preceding sentence for determining the aggregate market value of the shares of Outstanding Company Common Stock or by such other method as the Board shall determine is appropriate.

(e) "Committee" means the Compensation Committee of the Board.

(f) "Company" means the Amerada Hess Corporation.

(g) "Deferred Compensation" means the Eligible Earnings that are the subject of an elective deferral under Section 5.

(h) "Deferred Compensation Account" means the bookkeeping account established for a Participant under the Plan and to which Deferred Compensation amounts with respect to such Participant are credited from time to time, as adjusted from time to time as provided in the Plan.

(i) "Deferred Compensation Election Form" means the form pursuant to which Eligible Employees elect to become Participants in the Plan and to defer Eligible Earnings thereunder, in such form as the Committee determines from time to time in its sole discretion.

(j) "Disability" means mental or physical disability as determined by the Committee in accordance with standards and procedures similar to those under the Company's

broad-based regular long-term disability plan, if any. At any time that the Company does not maintain such a long-term disability plan, Disability shall mean the inability of a Participant, as determined by the Committee, substantially to perform such Participant's regular duties and responsibilities due to a medically determinable physical or mental illness which has lasted (or can reasonably be expected to last) for a period of at least six (6) consecutive months.

(k) "Eligible Earnings" means a Participant's aggregate cash Salary and Bonus payments for the Plan Year.

(l) "Eligible Employee" means any employee of the Company who is selected as being eligible for participation by the Committee.

(m) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time. References to any provision of the Exchange Act shall be deemed to include successor provisions thereto and any rules and regulations thereunder.

(n) "Participant" means an Eligible Employee who has elected to defer Eligible Earnings pursuant to the Plan.

(o) "Plan" means the Amerada Hess Corporation Deferred Compensation Plan, as set forth herein and as amended from time to time.

(p) "Plan Year" means the calendar year.

(q) "Salary" means the regular gross base compensation paid by the Company to an employee (without regard to any reduction thereof pursuant to the Plan or any cafeteria, flexible spending, thrift or savings plan maintained by the Company), exclusive of Bonus payments and any other incentive or special payments made by the Company to such employee, as determined by the Committee.

SECTION 3. ELIGIBILITY. Individuals eligible to participate in the Plan shall consist of the Eligible Employees of the Company.

SECTION 4. ADMINISTRATION.

(a) The Plan shall be administered by the Committee. The Committee is authorized to construe and interpret the Plan and promulgate, amend and rescind rules and regulations relating to the implementation, administration and maintenance of the Plan. Subject to the terms and conditions of the Plan, the Committee shall make all determinations necessary or advisable for the implementation, administration and maintenance of the Plan including, without limitation, determining the Eligible Employees and correcting any technical defect(s) or technical omission(s), or reconciling any technical inconsistency(ies), in the Plan. The Committee may designate persons other than members of the Committee to carry out the day-to day ministerial administration of the Plan under such conditions and limitations as it may prescribe; provided, however, that the Committee shall not delegate its authority with regard to the determination of Eligible Employees. The Committee's determinations under the Plan need not be uniform and may be made selectively among Participants, whether or not such Participants are similarly situated. Any determination, decision or action of the Committee in connection with the construction, interpretation, administration, implementation or maintenance of the Plan shall be final, conclusive and binding upon all Participants and any person(s) claiming under or through any Participants.

(b) The Company will indemnify and hold harmless the Committee and each member thereof against any cost or expense (including without limitation attorney's fees) or liability (including without limitation any sum paid in settlement of a claim with the approval of

the Company) arising out of any act or omission to act, except in the case of willful gross misconduct or gross negligence.

(c) All fees and expenses incurred by the Committee and the Company with respect to the administration of the Plan shall be paid by the Company.

(d) The Committee shall have final and exclusive authority to decide all questions arising in connection with a Participant's or a beneficiary of a deceased Participant's (such Participant or beneficiary being referred to herein as a "Claimant") claim for benefits under the Plan.

SECTION 5. PARTICIPATION; ELECTIVE DEFERRALS. To elect to participate in the Plan for a particular Plan Year, an Eligible Employee must execute a Deferred Compensation Election Form and file such form with the Committee (or its designee) before the commencement of such Plan Year. To participate in the Plan during the year in which the Plan is first implemented, the Eligible Employee must make an election to defer Eligible Earnings for services to be performed subsequent to the election within 30 days after the effective date of the Plan. To participate in the Plan during the first year in which an individual becomes eligible to participate in the Plan, the new Eligible Employee must make an election to defer Eligible Earnings for services to be performed subsequent to the election within 30 days after the date the new Eligible Employee becomes eligible. Such election shall:

(i) contain a statement that the Eligible Employee elects to defer a portion of the Eligible Employee's Eligible Earnings up to 100% thereof for a specified Plan Year that become payable to the Eligible Employee after the filing of such election, or such other limit as the Committee may determine from time to time in its sole discretion. The minimum dollar amount of Eligible Earnings that an Eligible Employee may elect to

defer is $10,000, or such other minimum as the Committee may determine from time to time in its sole discretion, and such amount shall be pro rated with respect to an individual who becomes an Eligible Employee during a Plan Year;

(ii) apply only to the Eligible Earnings consisting of Salary otherwise payable to the Eligible Employee during the Plan Year for which such election is made and to any Bonus payment that is attributable to the Eligible Employee's services rendered to the Company during the Plan Year for which such election is made (whether or not actually payable in such Plan Year);

(iii) be irrevocable with respect to the Plan Year to which it applies;

(iv) specify whether upon the Participant's termination of employment by reason of retirement, the balance of the Participant's Deferred Compensation Account shall be paid, or in the case of installment payments, commence being paid, as soon as administratively possible after the end of the month in which the termination of the Participant's employment by reason of retirement occurs, or as soon as administratively possible following the beginning of the Plan Year immediately following the Plan Year in which such termination of employment by reason of retirement occurs;

(v) specify a date, no earlier than three years after the date such election is made, that the Deferred Compensation will be paid to the Participant. A Participant may elect to delay the date that the Deferred Compensation will be paid or the date of commencement of Deferred Compensation distributions; provided, however, that such election to delay the payment date or the commencement date of Deferred Compensation distributions shall only be effective with respect to payments of Deferred Compensation to be made or commencing no earlier than 13 months after the date of such changed

election. If a Participant is to commence receiving payments of Deferred Compensation prior to the date which is 13 months after the date of such changed election, such Participant's Deferred Compensation shall be paid in accordance with his or her most recent other election made more than 13 months prior to the payment date of, or commencement of distributions of, such Participant's Deferred Compensation; and

(vi) specify the form, either a lump sum or annual installments over a five year period, in which the Deferred Compensation will be paid to the Participant; provided, however, that in the event of a Participant's termination of employment for any reason other than his or her retirement prior to the distribution of his or her Deferred Compensation or the commencement of his or her Deferred Compensation distributions, such Participant's Deferred Compensation shall be paid in a single lump sum regardless of his or her election under this Section 5(vi). A Participant may change his or her election as to the form in which Deferred Compensation will be paid at any time prior to the payment of Deferred Compensation or the commencement of Deferred Compensation distributions; provided, however, that such election to change the distribution form shall only be effective with respect to payments of Deferred Compensation made or commencing no earlier than 13 months after the date of such changed election. If a Participant does commence receiving payments of Deferred Compensation prior to the date which is 13 months after the date of such changed election, such Participant's Deferred Compensation shall be paid in accordance with his or her most recent other election made more than 13 months prior to the payment date of, or commencement of, such Participant's Deferred Compensation.

Upon receipt of an Eligible Employee's Deferred Compensation Election Form, the Company shall establish as an accounting entry an individual Deferred Compensation Account for such Eligible Employee and such Eligible Employee shall become a Participant under the Plan. Thereafter, the Company shall credit the Participant's Deferred Compensation Account with all Deferred Compensation which would otherwise have been payable to the Eligible Employee in the absence of an election under the Plan. The Deferred Compensation Account shall be credited no less frequently than the last day of each month in an amount equal to the sum of the Deferred Compensation that would otherwise have been paid by the Company in accordance with the Company's normal payroll practices for such month.

SECTION 6. INVESTMENT OF ACCOUNT BALANCES. During and for each Plan Year, the balances in each Participant's Deferred Compensation Account will be deemed to be invested, as of the date elective deferrals are credited to such Deferred Compensation Account under the Plan, in such investment vehicle(s) offered by the Committee in its sole discretion and selected by the Participant. The Committee shall, in its sole discretion, have the right to change the investment vehicles(s) offered to Participants at any time and from time to time. At the end of each month, each Participant's Deferred Compensation Account shall be adjusted pursuant to Section 7 below and such adjusted Deferred Compensation Account balance shall then be reinvested for the immediately succeeding month.

SECTION 7. VALUATION. At the end of each month, the balance in the Deferred Compensation Account of each Participant shall be determined by the Company, taking into account any increase therein resulting from such Participant's Deferred Compensation contributions for such month under Section 6, if any, and any earnings attributable to such Participant's existing Deferred Compensation Account balance, including deferred Eligible

Earnings for such month under Section 5, if any, and any decrease therein resulting from the distribution to such Participant, or such Participant's Designated Beneficiary(ies), of any installment pursuant to such Participant's Deferred Compensation Election Form and Section 8, and any losses attributable to such Participant's existing Deferred Compensation Account balance under Section 6. The balance determined, as of the end of each Plan Year, shall be communicated in writing to each Participant as soon as practicable after the end of the Plan Year. In the case of any payment to be made upon a Participant's termination of employment or payment upon a Change in Control under Section 8 below, the balances in the Deferred Compensation Account of any affected Participant shall be valued and determined by the Company as of the date on which occurs any such termination or payment upon a Change in Control.

SECTION 8. PAYMENT OF DEFERRED COMPENSATION.

(a) Where no Change in Control has occurred the accrued balance in a Participant's Deferred Compensation Account shall be paid (or in the case of installments, commence being paid) to a Participant, or, in the case of any Participant's death prior to payment, the Participant's designated beneficiary(ies), in cash, in either a lump sum or installments, as specified by the Participant in accordance with Section 5, no later than the earlier of:

(i) as soon as administratively possible after the end of the month in which the termination of the Participant's employment for any reason (other than retirement) including, but not limited to, death or Disability, occur;

(ii) in the event of a Participant's termination of employment by reason of his or her retirement, the date specified by the Participant on the applicable Deferred Compensation Election Form in accordance with Section 5; or

(iii) the date specified by the Participant on the applicable Deferred Compensation Election Form in accordance with Section 5.

(b) Upon the occurrence of a Change in Control, the balance of each Participant's Deferred Compensation Account shall be paid by the Company in a cash lump sum to the Participant, or in the case of any Participant's death prior to such payment, the Participant's designated beneficiary(ies) in accordance with the Participant's Deferred Compensation Election Form (as soon as practicable after such occurrence).

(c) All payments of Deferred Compensation under this Section 8 shall include earnings and/or losses attributable to the deferred Eligible Earnings as determined in accordance with Section 6.

SECTION 9. WITHDRAWAL ELECTION. A Participant may elect, at any time, to withdraw all or any portion (subject to a minimum of $10,000) of his or her Account balance, calculated as if the Participant had terminated employment as of the day of the election, less a withdrawal penalty equal to 10% of such amount (the net amount shall be referred to as the "Withdrawal Amount"). This election can be made by the Participant at any time before the Participant's termination of employment for any reason, including retirement, Disability or death, and whether or not the Participant is in the process of being paid pursuant to an installment payment schedule. Once the Withdrawal Amount is paid, the Participant shall not be eligible to make a new deferral under the Plan for the next 13 months.

SECTION 10. AMENDMENT; TERMINATION. The Plan may be amended or modified at any time by the Board except that no such amendment or modification shall have a material adverse effect on the balance or the payment schedule (including any material change to Section 8(b) above) of any Participant's Deferred Compensation Account as of the effective date of any such amendment, modification or termination (without the consent of the Participant or, if the Participant is dead, his or her beneficiary(ies)). The Company may terminate the Plan at any time, in which event each Deferred Compensation Account will be paid out in a lump sum as soon as practicable after such termination.

SECTION 11. PARTICIPANT'S RIGHTS UNSECURED; NO DUTY TO INVEST. The right of a Participant to receive any distribution hereunder shall be an unsecured claim against the general assets of the Company. No Company assets shall in any way be subject to any prior claim by any Participant. The Company shall have no duty whatsoever to set aside or invest any amounts credited to any Deferred Compensation Account established under the Plan. Nothing in the Plan shall confer upon any employee of the Company any right to continued employment with the Company, nor shall it interfere in any way with the right, if any, of the Company to terminate the employment of any employee at any time for any reason. A Participant shall have no right, title, or interest whatsoever in or to any specific assets of the Company, nor any investments, if any, which the Company may make to aid it in meeting its obligations hereunder. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Company and any Participant or any other person. The Company may, but is not obligated to, enter into a "rabbi" trust agreement to provide for a source of funds out of which all or any portion of the benefits under the Plan may be satisfied.

SECTION 12. RESTRICTIONS ON ALIENATION. No amount deferred or credited to any Account under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, levy or charge. Any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber, levy or charge the same shall be void; nor shall any amount in any manner be subject to any claims for the debts, contracts, liabilities, engagements or torts of the Participant (or the Participant's beneficiary or personal representative) entitled to such benefit. No Participant shall be entitled to borrow at any time any portion of the Participant's Account balance under the Plan.

SECTION 13. WITHHOLDING. There shall be deducted from all payments under the Plan the amount of any taxes required to be withheld by any Federal, state, local or other government. The Participants, their beneficiaries and personal representatives shall bear any and all Federal, foreign, state, local, income, or other taxes imposed on amounts paid under the Plan.

SECTION 14. PARTICIPANTS BOUND BY TERMS OF THE PLAN. By electing to become a Participant, each Eligible Employee shall be deemed conclusively to have accepted and consented to all terms of the Plan and all actions or decisions made by the Company with regard to the Plan. Such terms and consent shall also apply to and be binding upon the beneficiaries, personal representatives and other successors in interest of each Participant.

SECTION 15. DESIGNATION OF BENEFICIARY(IES). Each Participant under the Plan may designate a beneficiary or beneficiaries to receive any payment which under the terms of the Plan becomes payable on, after or as a result of the Participant's death. At any time, and from time to time, any such designation may be changed or cancelled by the Participant without the consent of any such beneficiary(ies). Any such designation, change or cancellation must be on a form provided for that purpose by the Committee and shall not be effective until received by the

Committee. If no beneficiary(ies) has been designated by a deceased Participant, or if the designated beneficiaries have predeceased the Participant, the beneficiary shall be the Participant's estate. If the Participant designates more than one beneficiary, any payments under the Plan to such beneficiaries shall be made in equal shares unless the Participant has expressly designated otherwise, in which case the payments shall be made in the shares designated by the Participant.

SECTION 16. SEVERABILITY OF PROVISIONS. In the event any provision of the Plan would serve to invalidate the Plan, that provision shall be deemed to be null and void, and the Plan shall be construed as if it did not contain the particular provision that would make it invalid. The Plan shall be binding upon and inure to the benefit of (a) the Company and its respective successors and assigns, and (b) each Participant, his or her designees and estate. Nothing in the Plan shall preclude the Company from consolidating or merging into or with, or transferring all or substantially all of its assets to, another corporation, or engaging in any other corporate transaction.

SECTION 17. GOVERNING LAW AND INTERPRETATION. The Plan shall be construed and enforced in accordance with, and the rights of the parties hereto shall be governed by, the laws of the State of New York, without regard to the principles of conflict of laws thereof. This Plan shall not be interpreted as either an employment or trust agreement.

SECTION 18. OTHER COMPANY BENEFIT AND COMPENSATION PROGRAMS. Payments and other benefits received by a Participant under the Plan shall not be deemed a part of a Participant's compensation for purposes of the determination of benefits under any other employee welfare or benefit plans or arrangements, if any, provided by the Company or any affiliate of the Company. The existence of the Plan notwithstanding, the Company may adopt

such other compensation plans or programs and additional compensation arrangements as it deems necessary to attract, retain and motivate employees. The Committee is authorized to cause to be established a trust agreement or several trust agreements or similar arrangements from which the Committee may make payments of amounts due or to become due to any Participants under the Plan.

SECTION 19. EFFECTIVE DATE OF THE PLAN. The Plan shall be effective upon its adoption by the Company.

IN WITNESS WHEREOF, the Plan is hereby adopted by the Company on this 1st day of December, 1999.

Amerada Hess Corporation

By: /s/ John B. Hess

Title: Chairman of the Board and Chief Executive Officer

[GRAPHIC OMITTED]

AMERADA HESS

1999 ANNUAL REPORT

EXPLORATION
AND PRODUCTION

UNITED STATES

Crude oil and natural gas liquids production in the United States increased to 64,600 barrels per day in 1999 from 44,900 barrels per day in 1998. Natural gas production increased to 338,000 Mcf per day from 294,000 Mcf per day in 1998. The increased production was primarily due to a full year of peak production from the Baldpate Field on Garden Banks Blocks 259 and 260. The Corporation's net production from Baldpate reached peak levels of 26,800 barrels of crude oil and natural gas liquids per day and 77,000 Mcf of natural gas per day during the year. Amerada Hess is the operator of the Baldpate Field with a 50% interest.

Northwest of the Baldpate Field, Amerada Hess is developing the Conger Field (AHC 37.50%) on Garden Banks Block 215. The third development well was successfully drilled in 1999 and installation of high-pressure, subsea trees and related facilities is scheduled to begin during the summer of 2000. Three subsea wells will be tied back to the Garden Banks Block 172 "B" Platform which is located on the Enchilada Field. Initial production from the Conger Field is scheduled for late 2000 with the Corporation's share of production expected to reach 7,000 barrels of oil per day and 35,000 Mcf of natural gas per day in 2001.

Amerada Hess drilled a successful appraisal well on the Northwestern Field on Garden Banks Block 200 in 1999. The Corporation is in the final stages of engineering the development of the Northwestern Field, which is located in 1,750 feet of water. Production is expected to begin late in 2000 and the Corporation's share of production is expected to peak at about 35,000 Mcf of natural gas per day in 2001. Amerada Hess has a 50% interest in the Northwestern Field.

On the South Pass Block 89 Field (AHC 33.33%) five successful development wells in 1999 increased the Corporation's average production to 16,000 Mcf of natural gas per day and 3,000 barrels of oil per day from a previous level of 8,000 Mcf of natural gas per day and 1,500 barrels of oil per day. On Galveston Block 210 (AHC 55%), the Corporation drilled a successful development well that currently is producing at a gross rate of 12,000 Mcf of natural gas per day.

Onshore, Amerada Hess produces 33,000 barrels of crude oil and natural gas liquids and 147,000 Mcf of natural gas per day. About 40% of this production is in North Dakota where the Corporation drilled 14 horizontal wells on fields in which it has, on average, 89% interests. Infill and extension drilling is ongoing in the area.

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[GRAPHIC OMITTED]

GULF OF MEXICO

[GRAPHIC OMITTED]

NORTH SEA

UNITED KINGDOM

Production in the United Kingdom North Sea increased to 117,800 barrels of crude oil and natural gas liquids per day and 257,800 Mcf of natural gas per day from 115,450 barrels per day and 251,000 Mcf per day in 1998. Five new fields were brought onstream in 1999, development of the Bittern Field was nearly completed and older fields maintained good production rates.

The Renee (AHL14%) and Rubie (AHL 19.20%) Fields began producing crude oil in February 1999 through the Ivanhoe/Rob Roy facilities operated by Amerada Hess Limited, the Corporation's British subsidiary. Amerada Hess Limited's share of production from those fields is averaging 4,000 barrels of oil per day.

Production began from the Neptune and Mercury Fields as part of phase one of the development of the Easington Catchment Area of the southern North Sea. Amerada Hess Limited's share of production from these fields, in which it has approximately 23% interests, will average about 40,000 Mcf of natural gas per day in 2000.

The Buckland Field (AHL 14.07%) came onstream in August 1999. Production for Amerada Hess Limited currently is averaging about 4,000 barrels of oil per day and 7,000 Mcf of natural gas per day.

The Triton floating production, storage and offloading vessel for the Bittern Field has sailed to location. Production from the Bittern Field is expected to commence early in the second quarter and Amerada Hess Limited's share of production will peak at 15,000 barrels of oil per day late in 2000. Amerada Hess Limited manages the joint team that will operate the production facilities and has a 29.12% interest in the field.

The Skene Field (AHL 9.07%) is expected to be sanctioned for development in the second quarter of 2000. Amerada Hess Limited's share of production is expected to peak at 24,000 Mcf of natural gas per day late in 2001.

Approval for development of the Cook Field (AHL28.46%) located on Block 21/20a in the central North Sea has been received. The field is expected to come onstream late in the second quarter of 2000 and net production is expected to peak at 4,000 barrels of oil per day in 2002.

An appraisal program is in progress for the natural gas discoveries on Blocks 13/30a (AHL 90%), 14/26a (AHL 20%) and 20/4b (AHL 55%). Development decisions are likely to be made during 2000.

DENMARK

Amerada Hess A/S, the Corporation's Danish subsidiary, brought the South Arne Field onstream in the third quarter of 1999. Amerada Hess A/S developed the field with a concrete gravity base and integrated top sides. Net production is expected to average 30,000 barrels of oil per day and 40,000 Mcf of natural gas per day for Amerada Hess A/S in 2000. Further development wells, including water injectors, are being drilled to enhance future recovery. Amerada Hess A/S is the operator of the South Arne Field and has a 57.48% interest in the field.

NORWAY

Amerada Hess Norge A/S, the Corporation's Norwegian subsidiary, and its partners continue to evaluate the large enhanced-recovery, waterflood project for the Valhall Field, in which Amerada Hess Norge has a 28.09% interest. Early in 2000, the Norwegian Government provided royalty relief for fields on the Norwegian Continental Shelf. That decision is expected to accelerate the decision making process for the waterflood project and increase Amerada Hess Norge's share of production from the Valhall Field by about 2,000 barrels of oil per day. Production for Amerada Hess Norge averaged 27,009 barrels of crude oil and natural gas liquids per day and 30,600 Mcf of natural gas per day in 1999.

GABON

Amerada Hess Production Gabon, in which Amerada Hess has a 77.50% interest, has a 40% interest in the Atora Field which is being developed. Production is expected to begin late in 2000 and to peak at a rate of 4,000 barrels of oil per day for Amerada Hess. By year-end 2000, the Corporation's Gabonese production is expected to reach 11,000 barrels of oil per day compared with the current level of 7,000 barrels per day. Current production is primarily from the Rabi Kounga Field, in which Amerada Hess Production Gabon has a 10% interest. Amerada Hess Production Gabon plans to participate in the drilling of three exploration wells in Gabon in 2000.

BRAZIL

Seismic was shot over 4,000 square kilometers on Block BS-2 on the Santos Basin and BC-8 in the Campos Basin. Amerada Hess is the operator of these blocks with a 32% interest and exploration drilling is planned on both blocks in 2000.

During 1999, Amerada Hess acquired a 45% interest and operatorship of Block BMS-3 in the Santos Basin, on which acquisition of seismic is planned for 2000. Early in 2000, Amerada Hess acquired a 16% interest in Block BCE-2 in the Ceara Basin. Amerada Hess now has 1,427,700 net acres in Brazil.

INDONESIA

On the Jabung Production Sharing Contract (PSC) in which Amerada Hess holds a 30% interest, the North and Northeast Betara Fields and the Gemah discovery have been successfully appraised. The first phase of oil production is expected to begin late in 2000 and negotiations for sale of natural gas from the fields are nearly complete. The Corporation's share of production from the producing fields on the Jabung PSC, North Geragai and Makmur, is averaging about 3,000 barrels of oil per day.

On the Jambi Merang License (AHC 25%), the Corporation's share of production from the Gelam Field has averaged 5,700 Mcf of natural gas per day and 100 barrels of condensate per day since the interest was acquired in August 1999. On an adjacent discovery, the Pulau Gading Field, two successful appraisal wells were drilled in 1999 with gross flow rates of up to 17,000 Mcf of natural gas per day. Various options for developing the Pulau Gading Field are being assessed.

On the Lematang PSC, which Amerada Hess operates with a 70% interest, a successful natural gas discovery well was drilled on the Singa Field in 1999. Possible development scenarios for the development of this discovery are being analyzed. Emphasis is being placed on the sale of this natural gas to local markets.

Further appraisal drilling is planned in 2000 on the Pangkah PSC, in which the Corporation has a 36% interest. An oil and gas discovery was made on this concession in 1998.

In Indonesia, Amerada Hess has interests in five Production Sharing Contracts covering 3,300,000 net acres and plans to drill a total of six exploration wells in 2000.

THAILAND

Amerada Hess has a 15% interest in the Pailin Field that came onstream in August 1999. The Corpo ration's share of production is currently averaging 25,000 Mcf of natural gas per day and 1,500 barrels of condensate per day. Natural gas production is expected to increase to 50,000 Mcf of natural gas per day as demand justifies bringing the phase two development onstream. The Pailin Field is offshore Thailand and its production is sold in the Thailand gas market.

MALAYSIA

Amerada Hess expects to drill one well each on SK-306 (AHC 80%) and PM-304 (AHC 70%) in 2000. There are oil and gas discoveries on these blocks and the Corporation will evaluate the commercial potential of the hydrocarbons on these blocks.

VIETNAM

Amerada Hess acquired a 24.50% interest in Block 16-1 in the Mekong Basin, offshore Vietnam, in 1999. Seismic work is planned in 2000.

AZERBAIJAN

Amerada Hess has a 1.68% equity interest in the Azeri, Chirag and Guneshli Fields being developed in the Caspian Sea by the AIOCconsortium. Current net production is 1,500 barrels of oil per day and is expected to peak in 2008 at about 14,000 barrels of oil per day, assuming pipeline capacity is increased.

Amerada Hess has acquired an interest in the Kursanga and Karabagly Fields onshore Azerbaijan and plans for the rehabilitation of these fields have been approved. The Corporation's share of production from these fields is expected to rise from approximately 1,300 barrels of oil per day in 2000 to a peak of 7,000 barrels of oil per day in 2005.

[GRAPHIC OMITTED]

PAILIN FIELD, THAILAND

[GRAPHIC OMITTED]

ORLANDO, FLORIDA

REFINING
AND MARKETING
- ---

REFINING

The past year was the first full year of operation for HOVENSA L.L.C., the joint venture between Amerada Hess and Petroleos de Venezuela, S.A. that owns and operates the St. Croix refinery. Despite some of the worst refining margins in history, HOVENSA was profitable for the year. HOVENSA supplies refined petroleum products to both joint venture partners for markets primarily on the East Coast and Gulf Coast of the United States as well as to third parties in the Caribbean. Capitalizing on its strategic location and operational capabilities to maximize profitability, HOVENSA shipped 16 cargoes of gasoline and distillates to California in 1999 during periods of shortages caused by refinery outages on the West Coast of the United States.

Early in 2000, HOVENSA secured financing for the construction of a 58,000 barrel per day delayed coking unit. The coking unit will enable the refinery to process lower cost, heavy crude oil that will enhance financial returns and make the refinery one of the most sophisticated in the world. The refinery currently is processing 155,000 barrels per day of Venezuelan Mesa crude oil. Upon completion of construction of the coking unit, the refinery will also process 115,000 barrels per day of lower cost, Venezuelan Merey crude oil. Construction of the delayed coking unit and related facilities is expected to take about two years.

Refinery runs at HOVENSA averaged 418,000 barrels per day in 1999. The refinery's fluid catalytic cracking unit operated at rates that reached 140,000 barrels per day at times during 1999, making it one of the largest fluid catalytic cracking units in the world.

The Corporation's Port Reading fluid catalytic cracking unit ran at a rate of approximately 60,000 barrels per day in 1999 processing vacuum gas oil and residual fuel oil to manufacture primarily high quality gasoline for markets in the northeast.

MARKETING

Amerada Hess is building high-volume HESS EXPRESS convenience retail sites, upgrading existing gasoline stations and convenience stores, making acquisitions in key geographic areas and increasing the number of independent HESS branded retailers. The number of HESS retail outlets increased to 701 at year-end 1999 from 637 at year-end 1998. It is anticipated that by the end of 2000 there will be approximately 950 HESS retail outlets.

During 1999, 21 new HESS EXPRESS stores were opened, and construction began on 10 others. Twenty-three retail sites were upgraded by adding convenience stores or rebuilding existing facilities. The Corporation acquired 50 retail sites in central Pennsylvania and 10 retail sites in Florida.

Early in 2000, Amerada Hess reached agreement to purchase 178 Merit retail gasoline stations located in the northeast. All of the stations will be rebranded HESS. This acquisition greatly strengthens the HESS brand in the New York City, Boston and Philadelphia metropolitan areas and is expected to close early in May.

The reshaping of the Corporation's downstream asset base for increased profitability continued in 1999 with the sale of 12 terminals with approximately 19 million barrels of storage capacity and 40 retail sites in Atlanta, Georgia and Greenville, South Carolina where fuel margins for the Corporation were lower than in its other markets. Proceeds from these sales aggregated $340 million.

Early in 2000, the Corporation strengthened its energy marketing position on the East Coast of the United States when it reached agreement to purchase the energy marketing business of Statoil Energy Services. That company sells natural gas and electricity to industrial and commercial customers primarily in New York, Pennsylvania, Maryland, Virginia and Washington, D.C. The acquisition expands the HESS customer base, which previously was concentrated in the New York metropolitan area, and more than doubles sales of natural gas to end users. The transaction expands the Corporation's energy marketing and operating capabilities and is scheduled to close in the second quarter of 2000.

Financial Review
Amerada Hess Corporation and Consolidated Subsidiaries

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

Consolidated Results of Operations

Operating earnings (income excluding special items) for 1999 amounted to $307 million compared with a loss of $196 million in 1998 and income of $14 million in 1997.

The after-tax results by major operating activity for 1999, 1998 and 1997 are summarized below (in millions):

	1999	1998	1997
Exploration and production	$ 324	$ (18)	$ 258
Refining, marketing and shipping	133	(18)	(110)
Corporate	(31)	(37)	(16)
Interest	(119)	(123)	(118)
Operating earnings (loss)	307	(196)	14
Special items	131	(263)	(6)
Net income (loss)	$ 438	$(459)	$ 8
Net income (loss) per share (diluted)	$4.85	$(5.12)	$ .08

Comparison of Results

Exploration and Production: Operating earnings from exploration and production activities increased by $342 million in 1999, primarily due to significantly higher worldwide crude oil selling prices, increased crude oil and natural gas sales volumes and reduced exploration expenses in connection with a refocused exploration program. Exploration and production earnings decreased by $276 million in 1998 compared with 1997, principally reflecting lower crude oil selling prices.

The Corporation's average selling prices, including the effects of hedging, were as follows:

	1999	1998	1997
Crude oil and natural gas liquids (per barrel)			
United States	$16.23	$12.02	$18.43
Foreign	17.90	13.05	19.16
Natural gas (per Mcf)			
United States	2.14	2.08	2.42
Foreign	1.79	2.26	2.46

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

	1999	1998	1997
Crude oil and natural gas liquids (barrels per day)			
United States	64,605	44,920	43,950
Foreign	167,802	161,069	174,622
Total	232,407	205,989	218,572
Natural gas (Mcf per day)			
United States	338,044	293,849	311,915
Foreign	304,500	282,628	257,339
Total	642,544	576,477	569,254
Barrels of oil equivalent (per day)	339,498	302,069	313,448

The 1999 increases in United States crude oil and natural gas production were primarily due to new production from deepwater Gulf of Mexico fields which came onstream in late 1998. Increased foreign crude oil production was largely due to new production in 1999 from a field in the Danish sector of the North Sea. The 1999 increase in foreign natural gas production reflected increases in the North Sea, Indonesia and Thailand.

In 1998, United States crude oil production was comparable to 1997 and foreign crude oil production declined, largely due to maintenance related interruptions at three United Kingdom fields. United States natural gas production was lower in 1998, principally reflecting asset sales and natural decline. Foreign natural gas production increased in 1998 due to higher demand in the United Kingdom.

Depreciation, depletion, and amortization charges relating to exploration and production activities were higher in 1999 reflecting increased crude oil and natural gas production volumes. However, on a barrel of oil equivalent produced, depreciation and related charges were comparable in 1999 and 1998, and lower than in 1997. Production expenses were lower in 1999, reflecting lower costs of new fields. Exploration expenses were also lower in 1999, principally in the United States and United Kingdom, as a result of a reduced drilling program. Production and exploration expenses were also lower in 1998 than in 1997. General and administrative expenses in 1999 were somewhat lower than in 1998, reflecting cost reduction initiatives in the United States and United Kingdom. Excluding special charges, the total cost per barrel of depreciation, production, exploration and administrative expenses was $11.75 in 1999, $13.80 in 1998 and $14.50 in 1997.

Operating earnings from exploration and production activities in 1999 included net nonrecurring charges of $9 million, principally reflecting buyouts and renegotiations of drilling rig contracts and services, partially offset by $18 million in foreign currency exchange gains and related tax benefits. Pre-tax foreign currency gains or losses are included in other non-operating income in the income statement.

The effective income tax rate on exploration and production earnings in 1999 was 44%. Generally, this rate exceeds the U.S. statutory rate because of special petroleum taxes in the United Kingdom and Norway and exploration expenses in certain foreign areas for which income tax benefits are not available. The 1999 effective rate was lower than in 1998 because of the use of a net operating loss carryforward in Denmark and the reduced impact of international drilling outside of the North Sea. The Corporation anticipates that its effective income tax rate on exploration and production earnings will continue to exceed the U.S. statutory rate.

The selling price of crude oil has increased significantly from the low levels experienced in late 1998 and early 1999, however, there can be no assurance that the current higher selling prices will continue.

Refining, Marketing and Shipping: Operating earnings for refining, marketing and shipping activities increased to $133 million in 1999 compared with a loss of $18 million in 1998 and a loss of $110 million in 1997. The Corporation's downstream operations include HOVENSA L.L.C. (HOVENSA), a 50% owned refining joint venture with a subsidiary of Petroleos de Venezuela S.A. (PDVSA), formed in October 1998. The joint venture is accounted for on the equity method. Additional refining and marketing operations include a fluid catalytic cracking facility in Port Reading, New Jersey, as well as retail gasoline stations, energy marketing, shipping and trading.

HOVENSA: The Corporation's share of HOVENSA's income was $7 million in 1999 compared with income of $24 million in 1998 when the refinery was wholly-owned for the first ten months of the year. Margins for all refined products continued to be weak during 1999 as the cost of crude oil increased significantly. Income taxes or benefits are not recorded on HOVENSA results due to available loss carryforwards. Operating earnings from refining, marketing and shipping activities in 1999 also include $47 million of interest income on the note received from PDVSA in connection with the formation of the joint venture. In 1998, $8 million of interest was recorded on the note. Interest is reflected in non-operating income in the income statement.

Because HOVENSA is accounted for on the equity method, revenues and expenses of the refinery are no longer included in each caption in the Corporation's income statement. Prior to the formation of HOVENSA, refinery results were fully consolidated. In 1998 and 1997, the amounts shown below for the refinery were included in the income statement captions indicated (in millions):

	1998	1997
Sales and other operating revenues	$622	$928
Cost of products sold	439	874
Other operating expenses	83	122
Depreciation and amortization	70	78

Refinery runs in 1999 and 1998 were 418,000 and 421,000 barrels per day, respectively.

In February 2000, HOVENSA reached agreement on a $600 million bank financing for the construction of a 58,000 barrel per day delayed coking unit and related facilities at its refinery. The financing also provides for general working capital requirements.

Refining and marketing operations: Operating earnings from the Corporation's catalytic cracking facility in New Jersey improved in 1999 as a result of its use of relatively low cost feedstocks. Earnings from retail operations were higher in 1999, reflecting higher volumes and slightly improved margins. However, results of energy marketing activities were lower, due to extremely competitive industry conditions. Earnings in 1999 were determined on the LIFO inventory method of accounting. During the year, the cost of inventory increased significantly. As a result, cost of products sold determined using LIFO was $149 million higher than it would have been using the average cost method.

Sales volumes decreased to 126 million barrels in 1999 compared with 144 million barrels in 1998, excluding previously consolidated sales of the St. Croix refinery. The decrease primarily reflects lower spot sales. Operating expenses, excluding amounts related to the refinery, increased in 1999 due to expanded third party shipping activities. Revenue from shipping operations is included in operating revenue in the income statement.

The Corporation has a 50% voting interest in a consolidated partnership which trades energy commodities. The Corporation also periodically takes forward positions on energy contracts in addition to its hedging program. The combined results of trading activities were gains of $19 million in 1999 compared with losses of $26 million in 1998 and gains of $4 million in 1997. Expenses of the trading partnership are included in marketing expenses and have increased in 1999.

Refining, marketing and shipping operations had losses in 1998 and 1997 reflecting weak refining margins and an inventory write-down at the end of 1997. The results in both years were impacted by relatively mild winter weather and extremely competitive market conditions.

The Corporation is expanding its retail operations by purchasing and constructing gasoline stations. The Corporation is also expanding its energy marketing activities. The costs of operating the retail and energy marketing businesses are included in marketing expenses.

Refined product margins improved somewhat in early 2000 as a result of tight supplies for heating oil caused by cold weather in the Corporation's marketing areas. However, future results will continue to be volatile reflecting competitive industry conditions and supply and demand factors, including the effects of weather.

Corporate: Net corporate expenses amounted to $31 million in 1999, $37 million in 1998 and $16 million in 1997. The decrease in 1999 reflects lower administrative expenses and increased dividends from insurers. The Corporation does not expect these dividends to continue at 1999 levels. The change in 1998 compared with 1997 principally reflects Corporate income tax adjustments.

Interest: After-tax interest expense decreased in 1999 compared with an increase in 1998. The decrease in 1999 reflects lower average interest rates and increased tax benefits resulting from borrowings in different tax jurisdictions. This change was partially offset by, and the increase in pre-tax interest was primarily due to, lower amounts capitalized. The increase in interest in 1998 was due to higher average borrowings than in 1997. Assuming interest rates comparable to 1999, interest expense in 2000 is anticipated to be somewhat lower than in 1999, reflecting a lower average outstanding debt balance.

Consolidated Operating Revenues: Sales and other operating revenues increased by approximately 18% in 1999, excluding third party sales of the St. Croix refinery in 1998. The HOVENSA joint venture is accounted for on the equity method, and therefore, its revenues are not included in the Corporation's 1999 revenues. The increase in the Corporation's revenues in 1999 is principally due to higher crude oil and refined product selling prices and increased crude oil and natural gas sales volumes, partially offset by lower refined product sales volumes. Sales and other operating revenues decreased by 20% in 1998 compared with 1997 primarily due to lower crude oil and refined product selling prices.

Special Items

After-tax special items in 1999, 1998 and 1997 are summarized below (in millions):

	Total	Exploration and Production	Refining, Marketing and Shipping
1999			
Gain on asset sales	$ 176	$ 30	$ 146
Income tax benefits	54	54	--
Impairment of assets and operating leases	(99)	(65)	(34)
Total	$ 131	$ 19	$ 112
1998			
Gain (loss) on asset sales	$ (50)	$ 56	$(106)
Impairment of assets and operating leases	(198)	(154)	(44)
Severance	(15)	(15)	--
Total	$(263)	$(113)	$(150)
1997			
Asset impairment	$ (55)	$ (55)	$ --
Foreign tax refund	38	38	--
Gain on asset sale	11	11	--
Total	$ (6)	$ (6)	$ --

The gain on asset sales of $146 million in 1999 reflects the sale of the Corporation's Gulf Coast and Southeast pipeline terminals and certain retail sites. The Corporation also sold natural gas properties in California resulting in a gain of $30 million. Special income tax benefits of $54 million reflect actions taken in 1999 to realize the United States tax impact of certain prior year foreign exploration activities and capital losses.

Asset impairments in 1999 include $34 million for the Corporation's crude oil storage terminal in St. Lucia as a result of the nonrenewal of a storage contract. The carrying value of the terminal had been impaired by $44 million in 1998 reflecting the reduced crude oil storage requirements of the HOVENSA joint venture. Net charges of $38 million were also recorded in 1999 for the write-down in book value of the Corporation's interest in the Trans Alaska Pipeline System. This impairment is due to a significant reduction of crude oil volumes shipped through the Corporation's share of the pipeline. The Corporation has no crude oil production in Alaska. It is estimated that asset impairments recorded in 1999 and 1998 will reduce future depreciation expense (after income tax effect) by approximately $14 million per year in 2000 and 2001.

The Corporation also recorded a 1999 net charge of $27 million for the additional decline in value of a drilling service fixed-price contract due to lower market rates. The Corporation had previously impaired drilling service contracts in 1998 by recording a charge of $77 million. The Corporation's accrual for drilling service contracts, including the remainder of amounts provided in 1998, relates to payments that will be made in 2000 of approximately $45 million (after income tax effect).

The 1998 special items also included a loss of $106 million on the sale of 50% of the St. Croix refinery and formation of the HOVENSA joint venture. The Corporation had a gain of $56 million on the sale of oil and gas assets in the United States and Norway.

Asset impairment in 1998 included $35 million for impairment of a North Sea oil discovery and $13 million for other oil and gas assets in the United States and United Kingdom. The Corporation also recorded a $29 million charge for its share of asset impairment of Premier Oil plc, an equity affiliate. Severance costs of $15 million were also recorded in 1998.

The 1997 special items included an after-tax charge of $55 million for the reduction in carrying values and provision for future costs of two United Kingdom North Sea oil fields. These fields ceased production in 1999. Other 1997 special items included income of $38 million from a refund of United Kingdom Petroleum Revenue Taxes and a gain of $11 million on the sale of a United States natural gas field.

Liquidity and Capital Resources

Net cash provided by operating activities, including changes in operating assets and liabilities amounted to $770 million in 1999, $519 million in 1998 and $1,250 million in 1997. The increase in 1999 was primarily due to improved operating results, partially offset by a reduction in deferred revenues of $249 million from the advance sale of crude oil production in 1998. There was no comparable transaction in 1999. The variance between 1998 and 1997 was also due to the results of operations and changes in working capital, including inventory. Cash flow from operations, before changes in operating assets and liabilities, amounted to $1,116 million in 1999, $521 million in 1998 and $854 million in 1997.

The Corporation generated additional cash for capital expenditures and debt reduction by selling non-core assets in 1999 and 1998. The gross proceeds from asset sales amounted to $395 million in 1999 and $468 million in 1998.

Total debt was $2,310 million at December 31, 1999 compared with $2,652 million at December 31, 1998. The debt to capitalization ratio decreased to 43% at December 31, 1999 from 50% at year-end 1998. At December 31, 1999, floating rate debt amounted to 24% of total debt, including the effect of interest rate conversion (swap) agreements. At December 31, 1999, the Corporation had $1,880 million of additional borrowing capacity available under its revolving credit agreements and unused lines of credit under uncommitted arrangements with banks of $376 million.

On October 1, 1999, the Corporation issued $1 billion of public debentures. The proceeds of the issuance were used to repay revolving credit and other debt. Of the $1 billion, $300 million bears interest at 73/8% and is due in 2009 and $700 million bears interest at 77/8% and is due in 2029.

The Corporation conducts foreign exploration and production activities in the United Kingdom, Norway, Denmark, Gabon, Indonesia, Thailand, Azerbaijan and in other countries. The Corporation also has a refining joint venture with a Venezuelan company. Therefore, the Corporation is subject to the risks associated with foreign operations. These exposures may include political risk, credit risk and currency risk. There have not been any material adverse effects on the Corporation's results of operations or financial condition as a result of its dealings with foreign entities.

Capital Expenditures

The following table summarizes the Corporation's capital expenditures in 1999, 1998 and 1997 (in millions):

	1999	1998	1997
Exploration and production			
Exploration	$ 101	$ 242	$ 286
Production and development	626	915	679
Acquisitions	--	150	193
	727	1,307	1,158
Refining, marketing and shipping	70	132	188
Total	$ 797	$1,439	$1,346

The decrease in capital expenditures in 1999 reflects the completion of several major development projects and the reduced 1999 exploration program. Although not included in capital expenditures above, the Corporation increased its investment in Premier Oil plc, an equity affiliate, by $59 million in 1999. Acquisitions in 1998 reflect $100 million for exploration and production interests in Azerbaijan and $50 million for an increased interest in a consolidated subsidiary with proved crude oil reserves and exploration licenses in Gabon. Acquisitions in 1997 principally represent purchases of developed and undeveloped oil and gas properties in the United Kingdom. Refining and marketing expenditures in 1997 include the purchase of a chain of retail marketing properties in Florida.

Capital expenditures in 2000, excluding acquisitions, are currently expected to be approximately $750 million. These expenditures will be financed principally by internally generated funds.

On February 14, 2000, the Corporation announced that it entered into an agreement with the Meadville Corporation to acquire the 51% of Meadville's outstanding stock that it does not already own for approximately $168 million in cash and deferred payments, preferred stock or a combination of both as selected by the Meadville stockholders. The purchase includes 178 Merit retail gasoline stations located in the Northeast. The transaction is expected to close in early May.

Derivative Financial Instruments

The Corporation is exposed to market risks related to volatility in the selling prices of crude oil, natural gas and refined products, as well as to changes in interest rates and foreign currency values. Derivative instruments are used to reduce these price and rate fluctuations. The Corporation has guidelines for, and controls over, the use of derivative instruments.

The Corporation uses futures, forwards, options and swaps to reduce the effects of changes in the selling prices of crude oil, natural gas and refined products. These instruments fix the selling prices of a portion of the Corporation's products and the related gains or losses are an integral part of the Corporation's selling prices. At December 31, the Corporation had open hedge positions equal to 30% of its estimated 2000 worldwide crude oil production and 3% of its 2001 production. In addition, the Corporation had hedges covering 10% of its refining and marketing inventories. As market conditions change, the Corporation will adjust its hedge positions.

The Corporation owns an interest in a partnership that trades energy commodities and energy derivatives. The accounts of the partnership are consolidated with those of the Corporation. The Corporation also engages in trading for its own account.

The Corporation uses value at risk to estimate the potential effects of changes in fair values of derivatives and other instruments used in hedging activities and derivatives and commodities used in trading activities. This method determines the potential one-day change in fair value with 95% confidence. The analysis is based on historical simulation and other assumptions. The Corporation estimates that at December 31, 1999, the value at risk related to hedging activities, excluding the physical inventory hedged, was $13 million ($1 million at December 31, 1998). During 1999, the average value at risk for hedging activities was $6 million, the high was $13 million and the low was $2 million. During 1998, the average value at risk for hedging activities was $4 million, the high was $5 million and the low was $1 million. At December 31, 1999, the value at risk on trading activities, predominantly partnership trading, was $6 million ($4 million at December 31, 1998). During 1999, the average value at risk for trading activities was $7 million, the high was $10 million and the low was $5 million. During 1998, the average value at risk for trading activities was $5 million, the high was $6 million and the low was $3 million.

The Corporation also uses interest-rate conversion agreements to balance exposure to interest rates. At December 31, 1999, the Corporation has substantially all fixed-rate debt and has $400 million of notional value, interest-rate conversion agreements that increased its percentage of floating-rate debt to 24%. At December 31, 1998, the Corporation had $400 million of notional value, interest-rate conversion agreements that decreased its percentage of floating-rate debt to 32%. The Corporation's outstanding debt of $2,310 million, which together with the interest-rate swaps, has a fair value of $2,299 million at December 31, 1999. A 10% change in interest rates would change the fair values of debt and related swaps by $120 million ($64 million at December 31, 1998).

The Corporation uses foreign exchange contracts to reduce its exposure to fluctuating foreign exchange rates, principally the Pound Sterling. At December 31, 1999, the Corporation has $865 million ($97 million at December 31, 1998) of notional value foreign exchange contracts. Generally, the Corporation uses foreign exchange contracts to fix the exchange rate on net monetary liabilities of its North Sea operations. The change in fair value of the foreign exchange contracts from a 10% change in the exchange rate is estimated to be $90 million at December 31, 1999 ($10 million at December 31, 1998).

Environment, Health and Safety

The Corporation's awareness of its environmental responsibilities and 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 continues to focus on energy conservation, pollution control and waste minimization and treatment. There are also programs for compliance evaluation, facility auditing and employee training to monitor operational activities and to prevent conditions that might threaten the environment.

The Corporation produces gasolines that meet the current requirements for oxygenated and reformulated gasolines of the Clean Air Act of 1990, including the requirements for reformulated gasolines that began in 2000. Reformulated gasolines decrease emissions of volatile and toxic organic compounds. The Corporation's production of reformulated gasolines from its Port Reading facility and HOVENSA can meet its marketing requirements. In addition, the HOVENSA refinery has desulfurization capabilities enabling it to produce low-sulfur diesel fuel that meets the requirements of the Clean Air Act. HOVENSA can currently produce gasolines that meet the requirements of the California Air Resources Board.

In December 1999, the United States Environmental Protection Agency ("EPA") adopted rules which phase in limitations on the sulfur content of gasoline beginning in 2004. The rules will require Port Reading and HOVENSA to take steps to be in compliance and, increased capital expenditures are likely at one or both facilities. The Corporation is reviewing options to determine the most cost effective compliance strategy. EPA is also expected to propose reductions in the allowable sulfur content of diesel fuel which, if ultimately required, would result in additional capital expenditures.

The EPA is considering restrictions or a prohibition on the use of MTBE, a gasoline additive that is produced by Port Reading and HOVENSA and is used primarily to meet the Federal regulations requiring oxygenation of reformulated gasolines. California has already adopted a ban on MTBE use beginning in 2003. If MTBE is banned in other areas and the minimum oxygen content requirements for gasoline remain in place, the effect on the Corporation will depend on the specific regulations and the cost of alternative oxygenates.

The Corporation expects continuing expenditures for environmental 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 sites.

The Corporation expended $8 million in 1999, $9 million in 1998 and $12 million in 1997 for remediation. In addition, capital expenditures for facilities, primarily to comply with federal, state and local environmental standards, were $2 million in 1999, $4 million in 1998 and $5 million in 1997.

Year 2000

The Corporation has completed its program to address the year 2000 problem and has experienced only a few minor interruptions in its embedded computer systems, internal software and transactions with third parties. The total cost of the year 2000 remediation program was $12 million. The Corporation will continue to monitor systems during the year and will address any remaining year 2000 issues should they arise.

Forward Looking Information

Certain sections of the Financial Review, including references to the Corporation's future results of operations and financial position, capital expenditures, derivative disclosures and environmental sections, represent forward looking information. Forward looking disclosures are based on the Corporation's current understanding and assessment of these activities and reasonable assumptions about the future. Actual results may differ from these disclosures because of changes in market conditions, government actions and other factors.

Dividends

Cash dividends on common stock totaled $.60 per share ($.15 per quarter) during 1999 and 1998.

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 1999 and 1998 were as follows:

	1999		1998	
Quarter Ended	High	Low	High	Low
March 31	53 1/4	43 3/4	61 1/16	48 5/16
June 30	65 3/8	47 15/16	59 1/8	50 5/16
September 30	66 5/16	56 3/4	59 5/8	46
December 31	63 1/16	53 1/2	59 1/8	48

Quarterly Financial Data

Quarterly results of operations for the years ended December 31, 1999 and 1998 follow (millions of dollars, except per share data):

Quarter	Sales and other operating revenues	Operating earnings (loss)	Special items	Net income (loss)	Net income (loss) per share (diluted)
1999					
First	$1,539	$ 41	$ 30(a)	$ 71	$ .79
Second	1,430	37	40(a)	77	.86
Third	1,801	53	106(a)	159	1.75
Fourth	2,269	176	(45)(b)	131	1.45
Total	$7,039	$ 307	$ 131	$ 438	
1998					
First	$1,826	$ (69)	$ 56(a)	$ (13)	$ (.14)
Second	1,608	(22)	--	(22)	(.24)
Third	1,529	(6)	--	(6)	(.07)
Fourth	1,617	(99)	(319)(c)	(418)	(4.70)
Total	$6,580	$(196)	$(263)	$(459)	

(a) Represents after-tax gains on asset sales.
(b) Includes special income tax benefits of $54 million, offset by impairment of assets and operating leases of $99 million.
(c) Includes a loss of $106 million on the formation of the refining joint venture, impairment of assets and operating leases of $198 million and accrued severance costs of $15 million.

The results of operations for the periods reported herein should not be

considered as indicative of future operating results.

Statement of Consolidated Income
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1999	1998	1997
	For the Years Ended December 31		
Revenues			
Sales (excluding excise taxes) and other operating revenues	$ 7,039,138	$ 6,579,892	$ 8,223,582
Non-operating income			
Gain (loss) on asset sales	273,441	(25,679)	16,463
Equity in income (loss) of HOVENSA L.L.C	6,988	(15,848)	--
Other	141,787	82,740	120,435
Total revenues	7,461,354	6,621,105	8,360,480
Costs and Expenses			
Cost of products sold	4,240,910	4,373,616	5,577,924
Production expenses	487,219	517,828	557,025
Marketing expenses	387,298	378,506	328,975
Other operating expenses	216,651	224,433	231,791
Exploration expenses, including dry holes and lease impairment	261,038	348,951	421,863
General and administrative expenses	231,546	270,668	236,269
Interest expense	158,222	152,934	136,149
Depreciation, depletion and amortization	648,663	661,802	663,297
Impairment of assets and operating leases	127,998	206,478	80,602
Total costs and expenses	6,759,545	7,135,216	8,233,895
Income (loss) before income taxes	701,809	(514,111)	126,585
Provision (benefit) for income taxes	264,193	(55,218)	119,085
Net Income (Loss)	$ 437,616	$ (458,893)	$ 7,500
Net Income (Loss) Per Share			
Basic	$4.88	$(5.12)	$.08
Diluted	$4.85	$(5.12)	$.08

Statement of Consolidated Retained Earnings

Thousands of dollars, except per share data	1999	1998	1997
	For the Years Ended December 31		
Balance at Beginning of Year	$ 1,904,066	$ 2,463,005	$ 2,613,920
Net income (loss)	437,616	(458,893)	7,500
Dividends declared--common stock ($.60 per share in 1999, 1998 and 1997)	(54,311)	(54,520)	(55,090)
Common stock acquired and retired	--	(45,526)	(103,325)
Balance at End of Year	$ 2,287,371	$ 1,904,066	$ 2,463,005

See accompanying notes to consolidated financial statements.

Consolidated Balance Sheet
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars	At December 31 1999	1998
Assets		
Current Assets		
Cash and cash equivalents	$ 40,926	$ 73,791
Accounts receivable		
Trade	1,112,114	954,353
Other	62,930	58,831
Inventories	372,713	482,182
Current portion of deferred income taxes	67,418	114,194
Other current assets	171,469	203,355
Total current assets	1,827,570	1,886,706
Investments and Advances		
HOVENSA L.L.C	709,569	702,581
Other	282,599	232,826
Total investments and advances	992,168	935,407
Property, Plant and Equipment		
Exploration and production	9,974,117	9,718,424
Refining and marketing	980,806	1,193,353
Shipping	109,962	115,462
Total--at cost	11,064,885	11,027,239
Less reserves for depreciation, depletion, amortization and lease impairment	7,013,233	6,835,301
Property, plant and equipment--net	4,051,652	4,191,938
Note Receivable	538,500	538,500
Deferred Income Taxes and Other Assets	317,822	330,432
Total Assets	$ 7,727,712	$ 7,882,983

	At December 31	
	1999	1998
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable--trade	$ 771,797	$ 713,831
Accrued liabilities	621,334	554,632
Deferred revenue	3,846	251,328
Taxes payable	158,852	100,686
Notes payable	17,912	3,500
Current maturities of long-term debt	5,109	172,820
Total current liabilities	1,578,850	1,796,797
Long-Term Debt	2,286,660	2,476,145
Deferred Liabilities and Credits		
Deferred income taxes	442,172	483,843
Other	381,838	482,786
Total deferred liabilities and credits	824,010	966,629
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--90,676,405 shares in 1999; 90,356,705 shares in 1998	90,676	90,357
Capital in excess of par value	782,271	764,412
Retained earnings	2,287,371	1,904,066
Accumulated other comprehensive income	(122,126)	(115,423)
Total stockholders' equity	3,038,192	2,643,412
Total Liabilities and Stockholders' Equity	$ 7,727,712	$ 7,882,983

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 Cash Flows
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars	For the Years Ended December 31 1999	1998	1997
Cash Flows From Operating Activities			
Net income (loss)	$ 437,616	$ (458,893)	$ 7,500
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation, depletion and amortization	648,663	661,802	663,297
Impairment of assets and operating leases	127,998	206,478	80,602
Exploratory dry hole costs	69,346	159,435	191,351
Lease impairment	36,790	31,191	37,185
(Gain) loss on asset sales	(273,441)	25,679	(16,463)
Provision (benefit) for deferred income taxes	62,419	(137,922)	(80,208)
Undistributed earnings of affiliates	7,102	33,430	(29,439)
	1,116,493	521,200	853,825
Changes in other operating assets and liabilities			
(Increase) decrease in accounts receivable	(155,525)	6,335	(148,488)
Decrease in inventories	79,648	122,204	333,477
Increase (decrease) in accounts payable, accrued liabilities and deferred revenue	(175,227)	185,403	198,596
Increase (decrease) in taxes payable	53,256	(87,118)	(46,626)
Changes in prepaid expenses and other	(148,640)	(229,236)	59,223
Net cash provided by operating activities	770,005	518,788	1,250,007
Cash Flows From Investing Activities			
Capital expenditures			
Exploration and production	(727,086)	(1,306,438)	(1,157,938)
Refining, marketing and shipping	(69,571)	(132,240)	(187,652)
Total capital expenditures	(796,657)	(1,438,678)	(1,345,590)
Investment in affiliate	(59,171)	--	--
Proceeds from asset sales and other	431,818	502,854	63,017
Net cash used in investing activities	(424,010)	(935,824)	(1,282,573)
Cash Flows From Financing Activities			
Issuance (repayment) of notes	14,412	(14,342)	1,982
Long-term borrowings	990,125	848,320	398,391
Repayment of long-term debt	(1,347,745)	(317,144)	(209,000)
Cash dividends paid	(54,262)	(54,647)	(55,373)
Common stock acquired	--	(59,167)	(122,283)
Stock options exercised	18,283	--	--
Net cash provided by (used in) financing activities	(379,187)	403,020	13,717
Effect of Exchange Rate Changes on Cash	327	(3,347)	(2,519)
Net Decrease in Cash and Cash Equivalents	(32,865)	(17,363)	(21,368)
Cash and Cash Equivalents at Beginning of Year	73,791	91,154	112,522
Cash and Cash Equivalents at End of Year	$ 40,926	$ 73,791	$ 91,154

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	Amount	Capital in excess of par value
Balance at January 1, 1997	93,073,305	$93,073	$754,559
Awards of nonvested common stock to employees (net)	719,000	719	38,145
Common stock acquired and retired	(2,368,100)	(2,368)	(19,419)
Employee stock options exercised	27,000	27	1,346
Balance at December 31, 1997	91,451,205	91,451	774,631
Cancellations of nonvested common stock awards (net)	(26,000)	(26)	(1,292)
Common stock acquired and retired	(1,071,500)	(1,071)	(9,073)
Employee stock options exercised	3,000	3	146
Balance at December 31, 1998	90,356,705	90,357	764,412
Cancellations of nonvested common stock awards (net)	(2,500)	(3)	(102)
Employee stock options exercised	322,200	322	17,961
Balance at December 31, 1999	90,676,405	$90,676	$782,271

Statement of Consolidated Comprehensive Income

Thousands of dollars	For the Years Ended December 31 1999	1998	1997
Components of Comprehensive Income (Loss)			
Net income (loss)	$ 437,616	$(458,893)	$ 7,500
Change in foreign currency translation adjustment	(6,703)	(2,035)	(35,467)
Comprehensive Income (Loss)	$ 430,913	$(460,928)	$ (27,967)

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements
Amerada Hess Corporation and Consolidated Subsidiaries

1. Summary of Significant Accounting Policies

Nature of Business: Amerada Hess Corporation and subsidiaries (the "Corporation") engage in the exploration for and the production, purchase, transportation and sale of crude oil and natural gas. These activities are conducted primarily in the United States, United Kingdom, Norway, Denmark and Gabon. The Corporation also has oil and gas activities in Azerbaijan, Brazil, Indonesia, Thailand and other countries. In addition, the Corporation manufactures, purchases, transports and markets refined petroleum and other energy products. The Corporation owns 50% of a refinery joint venture in the United States Virgin Islands. An additional refining facility, terminals and retail gasoline stations are located on the East Coast of the United States.

In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenues and expenses in the income statement. Actual results could differ from those estimates. Among the estimates made by management are: oil and gas reserves, asset valuations and depreciable lives, pension liabilities, environmental obligations, dismantlement costs and income taxes.

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

Investments in affiliated companies, 20% to 50% owned, including HOVENSA L.L.C., the Corporation's refining joint venture, are stated at cost of acquisition plus the Corporation's equity in undistributed net income since acquisition, except as stated below. The change in the equity in net income of these companies is included in non-operating income in the income statement. The Corporation consolidates a trading partnership in which it owns a 50% voting interest and over which it exercises control.

Intercompany transactions and accounts are eliminated in consolidation.

Certain amounts in prior years' financial statements have been reclassified to conform with current year presentation.

Revenue Recognition: The Corporation recognizes revenues from the sale of crude oil, natural gas, petroleum products and other merchandise when title passes to the customer.

The Corporation recognizes revenues from the production of natural gas properties in which it has an interest based on sales to customers. Differences between natural gas volumes sold and the Corporation's share of natural gas production are not material.

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, except for inventories held for trading purposes which are marked to market. For inventories valued at cost, the Corporation uses principally the last-in, first-out inventory method.

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

Exploration and Development Costs: Oil and gas exploration and production activities are accounted for using the successful efforts method. Costs of acquiring undeveloped oil and gas leasehold acreage, including lease bonuses, brokers' fees and other related costs, are capitalized.

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.

The Corporation does not carry the capitalized costs of exploratory wells as an asset for more than one year, unless oil and gas reserves are found and classified as proved, or additional exploration is underway or planned. If exploratory wells do not meet these conditions, the costs are charged to expense.

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 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.

Impairment of Long-Lived Assets: The Corporation reviews long-lived assets, including oil and gas properties, for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recovered. If the carrying amounts are not expected to be recovered by undiscounted future cash flows, the assets are impaired and an impairment loss is recorded. The amount of impairment is based on the estimated fair value of the assets determined by discounting anticipated future net cash flows. The net present value of future cash flows is based on the Corporation's estimates, including future oil and gas prices applied to projected production profiles, discounted at a rate commensurate with the risks involved. Oil and gas prices used for determining asset impairments may differ from those used at year-end in the standardized measure of discounted future net cash flows.

Provisions for impairment of undeveloped oil and gas leases are based on periodic evaluations and other factors.

Maintenance and Repairs: The estimated costs of major maintenance, including turnarounds at the Port Reading refining facility, 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. The Corporation accrues for environmental expenses resulting from existing conditions related to past operations when the future costs are probable and reasonably estimable.

Employee Stock Options and Nonvested Common Stock Awards: The Corporation uses the intrinsic value method to account for employee stock options. Because the exercise prices of employee stock options equal or exceed the market price of the stock on the date of grant, the Corporation does not recognize compensation expense. The Corporation records compensation expense for nonvested common stock awards ratably over the vesting period.

Foreign Currency Translation: The U.S. dollar is the functional currency (primary currency in which business is conducted) for most foreign operations. For these operations, adjustments resulting from translating foreign currency assets and liabilities into U.S. dollars are recorded in income. For operations that use the local currency as the functional currency, adjustments resulting from translating foreign functional currency assets and liabilities into U.S. dollars are recorded in a separate component of stockholders' equity entitled "Accumulated other comprehensive income." Gains or losses resulting from transactions in other than the functional currency are reflected in net income.

Hedging: The Corporation uses futures, forwards, options and swaps to hedge the effects of fluctuations in the prices of crude oil, natural gas and refined products and changes in interest rates and foreign currency values. These transactions meet the requirements for hedge accounting, including designation and correlation. 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 and losses are included in current assets and liabilities.

Trading: Commodity trading activities are marked to market, with gains and losses recorded in operating revenue.

2. Special Items

1999: The Corporation recorded a gain of $274,100,000 ($176,000,000 after income taxes) from the sale of its Gulf Coast and Southeast pipeline terminals, natural gas properties in California and certain retail sites. Exploration and production results include special income tax benefits of $54,600,000, reflecting actions taken in 1999 to realize the United States tax impact of certain prior year exploration activities and capital losses.

Exploration and production earnings also include an impairment of $58,700,000 ($38,200,000 after income taxes) for the Corporation's interest in the Trans Alaska Pipeline System. The Corporation currently has no crude oil production in Alaska and there has been a significant reduction in crude oil volumes shipped through the Corporation's share of the pipeline. Refining and marketing results include an asset impairment of $34,000,000 (with no income tax benefit) for the Corporation's crude oil storage terminal in St. Lucia, due to the nonrenewal of a major third party storage contract. The terminal had been partially impaired in 1998 as a result of the reduced crude oil storage requirements of the HOVENSA joint venture. The Corporation also accrued $35,300,000 ($27,300,000 after income taxes) for a further decline in the value of a drilling service fixed-price contract due to lower market rates. At December 31, 1999, the Corporation's reserve for drilling service contracts was $54,600,000, including amounts provided in 1998. During the year, $70,700,000 of contract payments were charged against the reserve.

Gains on asset sales are included on a separate line in non-operating income in the income statement. The impairment of carrying values of the Alaska pipeline and the crude oil storage terminal and the loss on the drilling service contract are reflected in a separate impairment line in the income statement.

1998: The Corporation recorded a loss of $106,000,000 in connection with the sale of the 50% interest in the fixed assets of its Virgin Islands refinery. The Corporation also recorded an additional charge of $44,000,000 for the reduction in carrying value of its crude oil storage terminal in St. Lucia that is being used less as a result of the joint venture. No income tax benefit was recorded on either charge. Exploration and production results included a charge of $90,000,000 ($77,000,000 after income taxes) for the reduction in market value of drilling service fixed-price contracts due to the decline in worldwide crude oil prices. A charge of $54,000,000 ($35,000,000 after income taxes) was also recorded for the impairment of capitalized costs related to a North Sea oil discovery that was uneconomic. The Corporation expensed $29,000,000 for its share of asset impairment of an equity affiliate and $13,000,000 for the reduction in carrying value of developed and undeveloped properties in the United States and United Kingdom. In addition, the Corporation recorded gains of $80,300,000 ($56,200,000 after income taxes) on the sale of oil and gas assets in the United States and Norway.

In 1998, the Corporation recorded pre-tax charges of $23,000,000 ($15,000,000 after income taxes) for severance costs. The severance costs covered approximately 400 exploration and production employees (of which approximately 200 had been terminated at December 31, 1998). Approximately $2,000,000 of severance was paid in 1998 and the remainder was paid in 1999. The Corporation also recorded $8,000,000 of exit costs (accrued office lease costs). Approximately $3,400,000 of this reserve was used in 1999 and the remainder was reversed to income as a result of current plans for use of the office space.

1997: The Corporation recorded a charge of $80,600,000 ($55,000,000 after income taxes) for impairment of long-lived assets and a long-term operating lease, as a result of reserve revisions on two oil fields in the United Kingdom North Sea. The Corporation also recorded income of $38,200,000 from a refund of United Kingdom Petroleum Revenue Taxes. In 1997, the Corporation sold its interest in a United States natural gas field resulting in an after-tax gain of $10,700,000.

3. Accounting Changes

Effective January 1, 1999, the Corporation adopted the last-in, first-out (LIFO) inventory method for valuing its refining and marketing inventories. The Corporation believes that the LIFO method more closely matches current costs and revenues and will improve comparability with other oil companies. The change to LIFO decreased net income by $97,051,000 for the year ended December 31, 1999 ($1.08 per share basic and diluted). There is no cumulative effect adjustment as of the beginning of the year for this type of accounting change.

On January 1, 1998, the Corporation began capitalizing the cost of internal use software in accordance with AICPA Statement of Position 98-1. This accounting change increased net income for 1998 by $13,867,000 ($.15 per share).

In June 1998, the Financial Accounting Standards Board issued FAS No. 133, Accounting for Derivative Instruments and Hedging Activities. The Corporation must adopt FAS No. 133 by January 1, 2001. This statement requires that the Corporation recognize all derivatives on the balance sheet at fair value. For derivatives that are not hedges, the change in fair value must be recognized in income. For derivatives that hedge changes in the fair value of assets, liabilities or firm commitments, the gains or losses are recognized in earnings together with the offsetting losses or gains on the hedged items. For derivatives that hedge cash flows of forecasted transactions, the gains or losses are recognized in other comprehensive income until the hedged items are recognized in income.

The Corporation has not yet determined what the effect of FAS No. 133 will be on its income and financial position.

4. Inventories

Inventories at December 31 are as follows:

Thousands of dollars	1999	1998
Crude oil and other charge stocks	$ 67,539	$ 35,818
Refined and other finished products	393,064	386,917
Less: LIFO adjustment	(149,309)	--
	311,294	422,735
Materials and supplies	61,419	59,447
Total	$ 372,713	$ 482,182

5. Refining Joint Venture

In 1998, the Corporation formed HOVENSA L.L.C. (HOVENSA), a joint venture with Petroleos de Venezuela, S.A. (PDVSA). The Corporation's Virgin Islands subsidiary and PDVSA, V.I., Inc. (PDVSA V.I.), a wholly-owned subsidiary of PDVSA, contributed their 50% interests in the fixed assets of the Virgin Islands refinery, previously wholly-owned by the Corporation, to HOVENSA. HOVENSA is 50% owned by a subsidiary of the Corporation and 50% owned by PDVSA V.I. and operates the refinery. The Corporation purchased refined products from HOVENSA at a cost of approximately $1,196,000,000 during 1999 and $151,000,000 during the two months ended December 31, 1998. The Corporation sold crude oil to HOVENSA at a cost of approximately $81,000,000 during 1999 and $7,000,000 during the two months ended December 31, 1998.

The Corporation's investment in the joint venture is accounted for using the equity method. Summarized financial information for HOVENSA as of December 31, 1999 and for the year then ended and as of December 31, 1998 and for the two months since inception follows:

Thousands of dollars	1999	1998
Summarized Balance Sheet Information At December 31		
Current assets	$ 432,877	$ 352,171
Net fixed assets	1,328,407	1,343,712
Other assets	27,094	27,711
Current liabilities	(282,312)	(133,454)
Long-term debt	(150,000)	(250,000)
Deferred liabilities and credits	(25,750)	(27,718)
Partners' equity	$ 1,330,316	$ 1,312,422
Summarized Income Statement Information For the periods ended December 31		
Total revenues	$ 3,081,969	$ 344,896
Costs and expenses	(3,064,075)	(375,903)**
Net income (loss)*	$ 17,894	$ (31,007)

* The Corporation's share of HOVENSA's income in 1999 was $6,988 and its share of the 1998 loss was $15,848.

** 1998 results include an inventory writedown of $31,999, which reduced

costs of products sold in 1999.

As part of the formation of the joint venture, PDVSA, V.I. purchased a 50% interest in the fixed assets of the Corporation's Virgin Islands refinery for $62,500,000 in cash and a 10-year note from PDVSA V.I. for $562,500,000 bearing interest at 8.46% per annum and requiring principal payments over its term. At December 31, 1999, the principal balance of the note was $538,500,000. In addition, there was a $125,000,000, 10-year, contingent note, also bearing interest at 8.46% per annum. The contingent note was not valued for accounting purposes. PDVSA V.I.'s payment obligations under both notes are guaranteed by PDVSA and secured by a pledge of PDVSA V.I.'s interest in the joint venture.

In February 2000, HOVENSA reached agreement on a $600,000,000 bank financing for the construction of a 58,000 barrel per day delayed coking unit and related facilities at its refinery and for general working capital requirements. In connection with the financing, the Corporation and PDVSA V.I. agreed to amend the note received by the Corporation at the formation of the joint venture. PDVSA V.I. will defer principal payments on the note until after completion of coker construction but not later than February 14, 2003. Principal payments are due ratably until maturity on February 14, 2011. The interest rate on the note has been increased to 9.46%. PDVSA V.I. has the option to reduce the interest rate to the original rate of 8.46% by repaying principal in accordance with the original amortization schedule.

6. Short-Term Notes and Related Lines of Credit

Short-term notes payable to banks amounted to $17,912,000 at December 31, 1999 and $3,500,000 at December 31, 1998. The weighted average interest rates on these borrowings were 6.3% and 8.8% at December 31, 1999 and 1998, respectively. At December 31, 1999, the Corporation has uncommitted arrangements with banks for unused lines of credit aggregating $376,000,000.

7. Long-Term Debt

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

Thousands of dollars	1999	1998
7 3/8% and 7 7/8% Debentures, due in 2009 and 2029	$ 990,026	$ --
6.1% Marine Terminal Revenue Bonds--Series 1994-- City of Valdez, Alaska, due 2024	20,000	20,000
Pollution Control Revenue Bonds, weighted average rate 6.6%, due through 2022	52,623	52,607
Fixed rate notes, payable principally to insurance companies, weighted average rate 8.0%*, due through 2014	915,000	1,154,285
Global Revolving Credit Facility with banks, weighted average rate 6.5%, due 2002	120,000	1,195,000
Project lease financing, weighted average rate 5.1%, due through 2014	182,588	185,513
Capitalized lease obligations, weighted average rate 5.3%, due through 2009	8,332	35,960
Other loans, weighted average rate 8.0%, due through 2007	3,200	5,600
	2,291,769	2,648,965
Less amount included in current maturities	5,109	172,820
Total	$2,286,660	$2,476,145

* Includes effect of interest rate conversion agreements.

The aggregate long-term debt maturing during the next five years is as follows (in thousands): 2000--$5,109 (included in current liabilities); 2001--$25,411; 2002--$320,695; 2003--$80,990 and 2004--$159,794.

The Corporation's long-term debt agreements contain various restrictions and conditions, including working capital requirements and limitations on total borrowings and cash dividends. At December 31, 1999, the Corporation meets the required working capital ratio of 1 to 1. Under the agreements, the Corporation is permitted to borrow an additional $2,225,000,000 for the construction or acquisition of assets. In addition, at December 31, 1999 it has $638,000,000 of retained earnings free of dividend restrictions.

In 1999, the Corporation issued $1,000,000,000 of public debentures, of which $300,000,000 bears interest at 73/8% and is due in 2009 and the remainder bears interest at 77/8% and is due in 2029. After discount and the effect of interest rate conversion agreements, the effective borrowing rates are 6.48% and 7.97%, respectively.

The Corporation has a $2,000,000,000 Global Revolving Credit Facility (the "Facility"), of which $120,000,000 is outstanding at December 31, 1999. Borrowings bear interest at a margin above the London Interbank Offered Rate ("LIBOR") based on the Corporation's capitalization ratio. The borrowing rate at December 31, 1999 is .20% above LIBOR. Facility fees of .125% per annum are payable on the amount of the credit line.

In 1998, the Corporation entered into the sale and leaseback of its interests in the production platforms and related facilities of two Gulf of Mexico producing properties. These transactions were accounted for as financings. At December 31, 1999, the outstanding obligations amount to $182,588,000, maturing through 2014.

The Corporation sold a portion of its subsequent year crude oil production in 1998 and used the proceeds to repay revolving credit debt. Accordingly, at December 31, 1998, $249,325,000 is included in deferred revenue on the balance sheet. There was no comparable transaction in 1999.

At December 31, 1999, the Corporation has interest rate conversion agreements, accounted for by the accrual method, that effectively convert fixed rate debt to floating rate debt, increasing the percentage of its floating rate debt to 24%.

In 1999, 1998 and 1997, the Corporation capitalized interest of $15,754,000, $23,559,000 and $10,284,000 on major development projects. The total amount of interest paid (net of amounts capitalized), principally on short-term and long-term debt, in 1999, 1998 and 1997 was $145,366,000, $154,419,000 and $146,795,000, respectively.

8. Stock Based Compensation Plans

The Corporation has outstanding stock options and nonvested common stock under its 1995 Long-Term Incentive Plan (as amended, subject to stockholder approval) and its Executive Long-Term Incentive Compensation and Stock Ownership Plan (which expired in 1997). Generally, stock options vest one year from the date of grant and the exercise price equals or exceeds the market price on the date of grant. Nonvested common stock vests three or five years from the date of grant, depending on the terms of the award.

The Corporation's stock option activity in 1999, 1998 and 1997 consisted of the following:

	Options (thousands)	Weighted-average exercise price per share
Outstanding at January 1, 1997	1,421	$58.99
Granted	873	54.75
Exercised	(27)	50.86
Forfeited	(19)	59.52
Outstanding at December 31, 1997	2,248	57.43
Granted	873	53.05
Exercised	(3)	49.75
Forfeited	(23)	56.22
Outstanding at December 31, 1998	3,095	56.21
Granted*	1,804	55.66
Exercised	(322)	53.22
Forfeited	(70)	58.08
Outstanding at December 31, 1999	4,507	$56.18
Exercisable at December 31, 1997	1,376	$59.14
Exercisable at December 31, 1998	2,230	57.44
Exercisable at December 31, 1999	2,702	56.52

* 1,118 stock options with an exercise price of $58.13 per share were granted in December 1999 subject to approval of stockholders in 2000.

Exercise prices for employee stock options at December 31, 1999 ranged from $49.00 to $65.94 per share. The weighted-average remaining contractual life of employee stock options is 8.2 years.

The Corporation uses the Black-Scholes model to estimate the fair value of employee stock options for pro forma disclosure of the effects on net income and earnings per share. The Corporation used the following weighted-average assumptions in the Black-Scholes model for 1999, 1998 and 1997, respectively: risk-free interest rates of 5.9%, 5.6% and 5.9%; expected stock price volatility of .207, .218 and .220; a dividend yield of 1.1%; and an expected life of seven years. The Corporation's net income would have been reduced by approximately $6,000,000 in 1999, $19,100,000 in 1998 and $7,600,000 in 1997 ($.07 per share in 1999, $.21 per share in 1998 and $.08 per share in 1997, diluted) if option expense were recorded using the fair value method.

The weighted-average fair values of options granted for which the exercise price equaled the market price on the date of grant were $18.45 in 1999, $17.50 in 1998 and $18.69 in 1997.

Total compensation expense for nonvested common stock was $9,831,000 in 1999, $15,975,000 in 1998 and $11,553,000 in 1997. Awards of nonvested common stock were as follows:

	Shares of nonvested common stock awarded (thousands)	Weighted-average price on date of grant
Granted in 1997	746	$53.94
Granted in 1998	18	53.08
Granted in 1999	24	56.07

At December 31, 1999, the number of common shares reserved for issuance is as follows (in thousands):

1995 Long-Term Incentive Plan	
Future awards	3,882*
Stock options outstanding	4,507*
Stock appreciation rights	52
Warrants**	1,055
Total	9,496

* Includes 3,882 shares reserved for future awards and 1,118 stock options outstanding which are subject to approval of stockholders in 2000.

** Issued in connection with an insurance company financing, exercisable through June 27, 2001 at $64.46 per share.

9. Foreign Currency Translation

Worldwide currency translation gains amounted to $17,577,000 (including $7,688,000 of income tax benefits) in 1999. Foreign currency gains totaled $2,511,000 in 1998 and $5,073,000 in 1997 after income tax effects. Effective January 1, 1999, the Corporation changed the functional currency of its United Kingdom operations from the British pound sterling to the U.S. dollar.

10. Pension Plans

The Corporation has defined benefit pension plans for substantially all of its employees. The following table reconciles the benefit obligation and fair value of plan assets and shows the funded status:

Thousands of dollars	1999	1998
Reconciliation of pension benefit obligation		
Benefit obligation at January 1	$542,704	$464,728
Service cost	21,639	19,280
Interest cost	34,333	32,841
Actuarial (gain) loss	(71,262)	48,855
Benefit payments	(26,306)	(23,000)
Pension benefit obligation at December 31	501,108	542,704
Reconciliation of fair value of plan assets		
Fair value of plan assets at January 1	476,849	427,912
Actual return on plan assets	63,375	54,311
Employer contributions	19,678	16,833
Employee contributions	--	793
Benefit payments	(26,306)	(23,000)
Fair value of plan assets at December 31	533,596	476,849
Funded status at December 31		

Funded status	32,488	(65,855)
Unrecognized prior service cost	7,761	9,041
Unrecognized (gain) loss	(91,629)	2,861
Accrued pension liability	$(51,380)	$(53,953)

Pension expense consisted of the following:

Thousands of dollars	1999	1998	1997
Service cost	$ 21,639	$ 19,280	$ 19,109
Interest cost	34,333	32,841	33,162
Expected return on plan assets	(41,072)	(36,221)	(32,390)
Amortization of transition asset (obligation)	255	(72)	(3,052)
Amortization of prior service cost	1,280	1,280	1,280
Amortization of net gain	--	(22)	(1,692)
Pension expense	$ 16,435	$ 17,086	$ 16,417

Prior service costs and gains and losses in excess of 10% of the greater of the benefit obligation and the market value of assets are amortized over the average remaining service period of active employees.

The weighted-average actuarial assumptions used by the Corporation's pension plans at December 31 were as follows:

	1999	1998
Discount rate	7.3%	6.4%
Expected long-term rate of return on plan assets	8.7%	8.3%
Rate of compensation increases	4.5%	4.9%

The Corporation also has a nonqualified supplemental pension plan covering certain employees. The supplemental pension plan provides 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 plan were it not for limitations imposed by income tax regulations. The benefit obligation related to this unfunded plan totaled $38,358,000 at December 31, 1999 and $41,802,000 at December 31, 1998. Pension expense for the plan was $6,743,000 in 1999, $6,271,000 in 1998 and $5,098,000 in 1997. The Corporation has accrued $29,310,000 for this plan at December 31, 1999 and $25,205,000 at December 31, 1998. The trust established to fund the supplemental plan held assets valued at $13,586,000 at December 31, 1999 and $6,209,000 at December 31, 1998.

11. Provision for Income Taxes

The provision (benefit) for income taxes consisted of:

Thousands of dollars	1999	1998	1997
United States Federal			
Current	$ 6,093	$ 9,510	$ 16,210
Deferred	81,657	(68,203)	(27,254)
State	6,483	1,702	1,418
	94,233	(56,991)	(9,626)
Foreign			
Current	189,198	71,492	181,665(b)
Deferred	(15,058)	(66,310)	(41,599)
	174,140	5,182	140,066
Adjustment of deferred tax liability for foreign income tax rate change	(4,180)	(3,409)	(11,355)
Total	$ 264,193(a)	$ (55,218)	$ 119,085

(a) Includes a benefit of $54,600 representing actions taken in 1999 to realize the United States tax impact of certain prior year exploration activities and capital losses.
(b) Includes income tax refund of $38,180.

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

Thousands of dollars	1999	1998	1997

United States	$ 397,237	$(205,522)	$ 3,533
Foreign*	304,572	(308,589)	123,052
Total	$ 701,809	$(514,111)	$ 126,585

* 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	1999	1998
Deferred tax liabilities		
Fixed assets and investments	$ 320,324	$ 272,461
Foreign petroleum taxes	224,359	238,568
Other	55,917	58,251
Total deferred tax liabilities	600,600	569,280
Deferred tax assets		
Accrued liabilities	98,510	194,109
Net operating and capital loss carryforwards	299,962	224,765
Tax credit carryforwards	137,598	126,590
Other	78,691	41,592
Total deferred tax assets	614,761	587,056
Valuation allowance	(182,253)	(141,113)
Net deferred tax assets	432,508	445,943
Net deferred tax liabilities	$ 168,092	$ 123,337

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

	1999	1998	1997
United States statutory rate	35.0%	(35.0)%	35.0%
Effect of foreign operations, including foreign tax credits	3.0	24.2	72.3
Effect of capital and other loss carryforwards	--	(.2)	(8.3)
State income taxes, net of Federal income tax benefit	.6	.2	.7
Prior year adjustments	(.8)	(.3)	(3.5)
Tax credits	--	--	(.8)
Other	(.2)	.4	(1.3)
Total	37.6%	(10.7)%	94.1%

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, 1999, 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 $120 million would have been required.

For income tax reporting at December 31, 1999, the Corporation has general business credit carryforwards of approximately $30 million, principally expiring in 2000 and 2001. In addition, the Corporation has alternative minimum tax credit carryforwards of approximately $110 million, which can be carried forward indefinitely. At December 31, 1999, a net operating loss carryforward of approximately $1 billion is also available to offset income of the HOVENSA joint venture partners. Net operating loss carryforwards relating to several foreign exploration and production areas amount to approximately $190 million at December 31, 1999.

Income taxes paid (net of refunds) in 1999, 1998 and 1997 amounted to $141,465,000, $140,470,000 and $259,767,000, respectively.

12. Net Income Per Share

The weighted average number of common shares used in the basic and diluted earnings per share computations are summarized below:

Thousands of shares	1999	1998	1997
Common shares--basic	89,692	89,585	91,254
Effect of dilutive securities			
Nonvested common stock	436	--	428
Stock options	152	--	51
Common shares--diluted	90,280	89,585	91,733

Diluted common shares include shares that would be outstanding assuming the fulfillment of restrictions on nonvested shares and the exercise of stock options. In 1998, the above table excludes the antidilutive effect of 666,000 nonvested common shares and 78,000 stock options. The table also excludes the effect of out-of-the-money options on 1,609,000 shares, 1,626,000 shares and 867,000 shares in 1999, 1998 and 1997, respectively.

13. Leased Assets

The Corporation and certain of its subsidiaries lease floating production systems, drilling rigs, tankers, gasoline stations, office space and other assets for varying periods. At December 31, 1999, future minimum rental payments applicable to capital and noncancelable operating leases with remaining terms of one year or more (other than oil and gas leases) are as follows:

Thousands of dollars	Operating Leases	Capital Leases
2000	$ 274,551	$ 1,156
2001	172,149	1,156
2002	106,186	1,156
2003	90,570	1,156
2004	86,727	1,156
Remaining years	403,651	5,781
Total minimum lease payments	1,133,834	11,561
Less: Imputed interest	--	3,229
Income from subleases	17,263	--
Net minimum lease payments	$1,116,571*	$ 8,332
Capitalized lease obligations--		
Current		$ 531
Long-term		7,801
Total		$ 8,332

* Of the total future minimum payments under operating leases, $79,590 has been accrued at December 31, 1999.

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

Thousands of dollars	1999	1998	1997
Total rental expense	$156,362	$178,560	$195,246
Less income from subleases	51,418	29,979	11,792
Net rental expense	$104,944	$148,581	$183,454

14. Financial Instruments, Hedging and Trading Activities

The Corporation uses futures, forwards, options and swaps, individually or in combination, to reduce the effects of fluctuations in crude oil, natural gas and refined product prices and in fixed-price sales contracts. In addition, the Corporation uses interest-rate conversion agreements to adjust the interest rates on a portion of its long-term, fixed-rate debt. Foreign currency contracts are used to protect the Corporation from fluctuations in exchange rates.

Commodity Hedging: At December 31, 1999, the Corporation's hedging activities included commodity and financial contracts, maturing mainly in 2000, covering 29,700,000 barrels of crude oil and 1,400,000 barrels of refined products (3,000,000 net barrels of crude oil and refined products in 1998). The Corporation also hedged 4,500,000 net Mcf of natural gas in 1998.

The Corporation produced 85,000,000 barrels of crude oil and natural gas liquids and 235,000,000 Mcf of natural gas in 1999, and had approximately 14,000,000 barrels of crude oil and refined products in its refining and marketing inventories at December 31, 1999. Since the contracts described above are designated 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. Net deferred losses from the Corporation's hedging activities were $61,200,000 at December 31, 1999, including $47,600,000 of unrealized losses ($5,000,000 of gains at December 31, 1998, including $2,000,000 of unrealized gains).

Financial Instruments: At December 31, 1999, the Corporation has $400,000,000 in interest-rate conversion agreements outstanding ($400,000,000 at December 31, 1998). The Corporation also has $865,000,000 of notional value foreign currency forward and purchased option contracts maturing generally in 2000 ($97,000,000 at December 31, 1998) and $145,300,000 in letters of credit outstanding ($137,900,000 at December 31, 1998). 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 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 note receivable and debt generally using discounted cash flow analysis based on current interest rates for instruments 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 and trading activities, generally approximate their fair values at December 31, 1999, except as follows:

Millions of dollars, asset (liability)	1999 Balance Sheet Amount	1999 Fair Value	1998 Balance Sheet Amount	1998 Fair Value
Long-term, fixed-rate note receivable	$ 539	$ 493	$ 563	$ 563
Long-term, fixed-rate debt	(2,163)	(2,141)	(1,418)	(1,477)
Interest-rate conversion agreements	--	(11)	--	(24)

Market and Credit Risks: The Corporation's financial instruments expose it 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.

Commodity Trading: The Corporation, principally through a consolidated partnership, trades energy commodities, including futures, forwards, options and swaps, based on expectations of future market conditions. The Corporation's results from trading activities, including its share of the earnings of the trading partnership which has been profitable in 1999, 1998 and 1997, amounted to net income of $19,000,000 in 1999, a net loss of $26,000,000 in 1998 and net income of $4,000,000 in 1997.

The following table presents the year-end fair values of energy commodities and derivative instruments used in trading activities and the average aggregate fair values during the year:

Millions of dollars, asset (liability)	Fair Value At Dec. 31, 1999	Average for 1999	At Dec. 31, 1998	Average for 1998
Commodities	$ 69	$ 85	$ 98	$ 75
Futures and forwards				
Assets	225	143	29	43
Liabilities	(233)	(148)	(29)	(39)
Options				
Held	178	67	(7)	(3)
Written	(192)	(76)	8	5
Swaps				
Assets	546	356	110	59
Liabilities	(549)	(342)	(117)	(60)

Notional amounts of commodities and derivatives relating to trading activities follow:

Millions of barrels of oil equivalent	At December 31, 1999	1998
Commodities	3	7
Futures and forwards		
Long	177	39
Short	(168)	(51)
Options		
Held	343	20
Written	(318)	(21)
Swaps*		
Held	304	83
Written	(329)	(81)

* Includes 41 million barrels long and 53 million barrels short related to basis swaps at December 31, 1999 (18 million barrels long and 20 million barrels short in 1998).

15. Segment Information

The information which follows is required by FAS No. 131, Disclosures about Segments of an Enterprise and Related Information, and includes financial information by geographic area and operating segment. Financial information by major geographic area for each of the three years ended December 31, 1999 follows:

Millions of dollars	United States*	Europe	Other	Consolidated
1999				
Operating revenues	$4,948	$1,944	$ 147	$7,039
Property, plant and equipment (net)	1,289	2,396	367	4,052
1998				
Operating revenues	$5,046	$1,474	$ 60	$6,580
Property, plant and equipment (net)	1,457	2,351	384	4,192
1997				
Operating revenues	$6,552	$1,614	$ 58	$8,224
Property, plant and equipment (net)	2,872	2,106	213	5,191

* Includes U.S. Virgin Islands and shipping operations.

The Corporation operates principally in the petroleum industry and its operating segments are (1) exploration and production and (2) refining, marketing and shipping. Exploration and production operations include the exploration for and the production, purchase, transportation and sale of crude oil and natural gas. Refining, marketing and shipping operations include the manufacture, purchase, transportation, marketing and trading of petroleum and other energy products.

15. Segment Information (Continued)

The following table presents financial data by major operating segment for each of the three years ended December 31, 1999:

Millions of dollars	Exploration and Production	Refining, Marketing and Shipping	Corporate	Consolidated*
1999				
Operating revenues				
Total operating revenues	$ 2,719	$ 4,541	$ 1	
Less: Transfers between affiliates	222	--	--	
Operating revenues from unaffiliated customers	$ 2,497	$ 4,541	$ 1	$ 7,039
Operating earnings (loss)	$ 324	$ 133	$ (150)	$ 307
Special items	19	112	--	131
Net income (loss)	$ 343	$ 245	$ (150)	$ 438
Earnings of equity affiliates	$ (9)	$ 11	$ 7	$ 9
Interest income	12	50	1	63
Interest expense	--	--	158	158
Depreciation, depletion, amortization and lease impairment	641	42	2	685
Provision (benefit) for income taxes	184	118	(38)	264
Investments in equity affiliates	148	778	61	987
Identifiable assets	4,396	2,993	339	7,728
Capital employed	3,137	2,211	--	5,348
Capital expenditures	727	68	2	797
1998				
Operating revenues				
Total operating revenues	$ 1,980	$ 4,717	$ 1	
Less: Transfers between affiliates	118	--	--	
Operating revenues from unaffiliated customers	$ 1,862	$ 4,717	$ 1	$ 6,580
Operating earnings (loss)	$ (18)	$ (18)	$ (160)	$ (196)
Special items	(113)	(150)	--	(263)
Net income (loss)	$ (131)	$ (168)	$ (160)	$ (459)
Earnings of equity affiliates	$ (22)	$ (13)	$ 5	$ (30)
Interest income	11	11	1	23
Interest expense	--	--	153	153
Depreciation, depletion, amortization and lease impairment	566	125	2	693
Provision (benefit) for income taxes	7	(38)	(24)	(55)
Investments in equity affiliates	96	781	56	933
Identifiable assets	4,286	3,126	471	7,883
Capital employed	3,231	2,065	--	5,296
Capital expenditures	1,307	129	3	1,439
1997				
Operating revenues				
Total operating revenues	$ 3,086	$ 5,280	$ 1	
Less: Transfers between affiliates	142	1	--	
Operating revenues from unaffiliated customers	$ 2,944	$ 5,279	$ 1	$ 8,224
Operating earnings (loss)	$ 258	$ (110)	$ (134)	$ 14
Special items	(6)	--	--	(6)
Net income (loss)	$ 252	$ (110)	$ (134)	$ 8
Earnings of equity affiliates	$ 21	$ 6	$ 5	$ 32
Interest income	14	3	1	18
Interest expense	--	--	136	136
Depreciation, depletion, amortization and lease impairment	580	118	2	700
Provision (benefit) for income taxes	164	--	(45)	119
Investments in equity affiliates	114	77	53	244
Identifiable assets	3,727	3,713	495	7,935
Capital employed	2,468	2,875	--	5,343
Capital expenditures	1,158	183	5	1,346

* After elimination of transactions between affiliates, which are valued at approximate market prices.

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 independent directors, meets periodically with the independent auditors, internal auditors and management to review and discuss the Corporation's financial statements, 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/ John B. Hess

John B. 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, 1999 and 1998 and the related consolidated statements of income, retained earnings, cash flows, changes in common stock and capital in excess of par value and comprehensive income for each of the three years in the period ended December 31, 1999. 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 auditing standards generally accepted in the United States. 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, 1999 and 1998 and the consolidated results of their operations and their consolidated cash flows for each of the three years in the period ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

As discussed in Note 3 to the consolidated financial statements, in 1999 the Corporation adopted the last-in, first-out (LIFO) inventory method for valuing its refining and marketing inventories, and in 1998 the Corporation adopted AICPA Statement of Position 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use.

/s/ Ernst & Young LLP

New York, NY
February 24, 2000

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.

The Corporation produces crude oil and/or natural gas in the United States, Europe, Gabon, Indonesia, Thailand and Azerbaijan. Exploration activities are also conducted, or are planned, in additional countries.

The Corporation also owns a 25% interest in an oil and gas exploration company that it accounts for on the equity method.

Costs Incurred in Oil and Gas Producing Activities

For the Years Ended December 31 (Millions of dollars)	Total	United States	Africa, Europe	Asia and other
1999				
Property acquisitions	$ 24	$ 7	$ --	$ 17
Exploration	232	72	76	84
Development	626	137	451	38
Share of equity investee's costs incurred	38	--	11	27
1998				
Property acquisitions	$203	$ 41	$ 7	$155
Exploration	319	106	145	68
Development	915	182	650	83
Share of equity investee's costs incurred	70	--	13	57
1997				
Property acquisitions	$237	$ 39	$193	$ 5
Exploration	383	131	215	37
Development	679	231	408	40
Share of equity investee's costs incurred	45	--	9	36

Capitalized Costs Relating to Oil and Gas Producing Activities

At December 31 (Millions of dollars)	1999	1998
Unproved properties	$ 369	$ 434
Proved properties	1,551	1,596
Wells, equipment and related facilities	8,054	7,688
Total costs	9,974	9,718
Less: Reserve for depreciation, depletion, amortization and lease impairment	6,464	6,131
Net capitalized costs	$3,510	$3,587
Share of equity investee's capitalized costs	$ 233	$ 211

The results of operations for oil and gas producing activities shown below exclude sales of purchased natural gas, non-operating income (including gains on sales of oil and gas properties), interest expense and gains and losses resulting from foreign currency exchange transactions. Therefore, these results are on a different basis than the net income from exploration and production operations reported in management's discussion and analysis of results of operations and in Note 15 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	Europe	Africa, Asia and other
1999				
Sales and other operating revenues				
Unaffiliated customers	$ 1,776	$ 420	$ 1,242	$ 114
Inter-company	222	222	--	--
Total revenues	1,998	642	1,242	114
Costs and expenses				
Production expenses, including related taxes	487	126	336	25
Exploration expenses, including dry holes and lease impairment	261	96	91	74
Other operating expenses	101	47	34	20
Depreciation, depletion and amortization	604	194	385	25
Impairment of assets and operating leases	94	59	--	35
Total costs and expenses	1,547	522	846	179
Results of operations before income taxes	451	120	396	(65)
Provision (benefit) for income taxes	152	43	160	(51)
Results of operations	$ 299	$ 77	$ 236	$ (14)
Share of equity investee's results of operations	$ (6)	$ --	$ (11)	$ 5
1998				
Sales and other operating revenues				
Unaffiliated customers	$ 1,352	$ 344	$ 975	$ 33
Inter-company	144	84	--	60
Total revenues	1,496	428	975	93
Costs and expenses				
Production expenses, including related taxes	518	129	357	32
Exploration expenses, including dry holes and lease impairment	349	133	135	81
Other operating expenses	151*	67	68	16
Depreciation, depletion and amortization	534	154	351	29
Impairment of assets and operating leases	162	7	104	51
Total costs and expenses	1,714	490	1,015	209
Results of operations before income taxes	(218)	(62)	(40)	(116)
Provision (benefit) for income taxes	(38)	(22)	(22)	6
Results of operations	$ (180)	$ (40)	$ (18)	$ (122)
Share of equity investee's results of operations	$ (31)	$ --	$ (25)	$ (6)
1997				
Sales and other operating revenues				
Unaffiliated customers	$ 1,973	$ 506	$ 1,437	$ 30
Inter-company	134	76	--	58
Total revenues	2,107	582	1,437	88
Costs and expenses				
Production expenses, including related taxes	557	143	408	6
Exploration expenses, including dry holes and lease impairment	421	142	216	63
Other operating expenses	136	87	36	13
Depreciation, depletion and amortization	544	124	402	18
Impairment of assets and operating leases	81	--	81	--
Total costs and expenses	1,739	496	1,143	100
Results of operations before income taxes	368	86	294	(12)
Provision for income taxes	143	30	107	6
Results of operations	$ 225	$ 56	$ 187	$ (18)
Share of equity investee's results of operations	$ 26	$ --	$ 17	$ 9

* Includes severance and related costs of approximately $32 million.

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	Europe	Africa, Asia and other
Net Proved Developed and Undeveloped Reserves				
Crude Oil, Including Condensate and Natural Gas Liquids (Millions of barrels)				
At January 1, 1997	578	171	383	24
Revisions of previous estimates	47	7	40	--
Extensions, discoveries and other additions	39	12	21	6
Purchases of minerals in-place	14	1	13	--
Sales of minerals in-place	(3)	(1)	(2)	--
Production	(80)	(16)	(60)	(4)
At December 31, 1997	595	174	395	26
Revisions of previous estimates	80	6	72	2
Extensions, discoveries and other additions	55	6	22	27
Purchases of minerals in-place	45	--	2	43
Sales of minerals in-place	(5)	--	(5)	--
Production	(75)	(17)	(52)	(6)
At December 31, 1998	695	169	434	92
Revisions of previous estimates	21	13	10	(2)
Extensions, discoveries and other additions	68	5	49	14
Purchases of minerals in-place	4	--	--	4
Sales of minerals in-place	(5)	--	--	(5)
Production	(85)	(24)	(55)	(6)
At December 31, 1999	698	163	438	97
Share of equity investee's crude oil reserves**	14	--	9	5
Natural Gas (Millions of Mcf)				
At January 1, 1997	1,866	847	931	88
Revisions of previous estimates	78	16	54	8
Extensions, discoveries and other additions	195	68	48	79
Purchases of minerals in-place	44	--	44	--
Sales of minerals in-place	(41)	(8)	(33)	--
Production	(207)	(114)	(93)	--
At December 31, 1997	1,935	809	951	175
Revisions of previous estimates	147	35	113	(1)
Extensions, discoveries and other additions	227	80	54	93
Purchases of minerals in-place	3	1	2	--
Sales of minerals in-place	(47)	(38)	(9)	--
Production	(210)	(107)	(102)	(1)
At December 31, 1998	2,055	780	1,009	266
Revisions of previous estimates	34	(32)	35	31
Extensions, discoveries and other additions	94	25	60	9
Purchases of minerals in-place	4	4	--	--
Sales of minerals in-place	(48)	(48)	--	--
Production	(235)	(124)	(106)	(5)
At December 31, 1999	1,904	605*	998	301
Share of equity investee's natural gas reserves**	277	--	2	275
Net Proved Developed Reserves				
Crude Oil, Including Condensate and Natural Gas Liquids (Millions of barrels)				
At January 1, 1997	412	121	280	11
At December 31, 1997	420	123	280	17
At December 31, 1998	452	132	293	27
At December 31, 1999	513	136	351	26
Share of equity investee's crude oil reserves**	10	--	8	2
Natural Gas (Millions of Mcf)				
At January 1, 1997	1,368	553	815	--
At December 31, 1997	1,342	497	796	49
At December 31, 1998	1,330	525	753	52
At December 31, 1999	1,437	477	841	119
Share of equity investee's natural gas reserves**	87	--	2	85

* Excludes 373 million Mcf of carbon dioxide gas for sale or use in company operations.

** Prior year reserves are not available on a comparable basis.

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 have increased significantly during 1999 and 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	Europe	Africa, Asia and other
1999				
Future revenues	$19,858	$ 5,133	$12,810	$ 1,915
Less:				
Future development and production costs	6,500	1,396	4,484	620
Future income tax expenses	5,457	1,167	3,753	537
	11,957	2,563	8,237	1,157
Future net cash flows	7,901	2,570	4,573	758
Less: Discount at 10% annual rate	2,814	1,027	1,441	346
Standardized measure of discounted future net cash flows	$ 5,087	$ 1,543	$ 3,132	$ 412
Share of equity investee's standardized measure	$ 237	$ --	$ 71	$ 166
1998				
Future revenues	$10,826	$ 2,866	$ 6,457	$ 1,503
Less:				
Future development and production costs	6,412	1,479	4,183	750
Future income tax expenses	1,411	374	795	242
	7,823	1,853	4,978	992
Future net cash flows	3,003	1,013	1,479	511
Less: Discount at 10% annual rate	980	403	326	251
Standardized measure of discounted future net cash flows	$ 2,023	$ 610	$ 1,153	$ 260
1997				
Future revenues	$13,001	$ 4,078	$ 8,207	$ 716
Less:				
Future development and production costs	6,033	1,533	4,243	257
Future income tax expenses	3,127	831	2,073	223
	9,160	2,364	6,316	480
Future net cash flows	3,841	1,714	1,891	236
Less: Discount at 10% annual rate	1,424	692	648	84
Standardized measure of discounted future net cash flows	$ 2,417	$ 1,022	$ 1,243	$ 152

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)	1999	1998	1997
Standardized measure of discounted future net cash flows at beginning of year	$ 2,023	$ 2,417	$ 4,184
Changes during the year			
Sales and transfers of oil and gas produced during year, net of production costs	(1,511)	(978)	(1,550)
Development costs incurred during year	626	915	679
Net changes in prices and production costs applicable to future production	5,002	(2,215)	(3,304)
Net change in estimated future development costs	28	(273)	(392)
Extensions and discoveries (including improved recovery) of oil and gas reserves, less related costs	678	220	140
Revisions of previous oil and gas reserve estimates	244	233	271
Purchases (sales) of minerals in-place, net	(112)	126	90
Accretion of discount	288	435	769
Net change in income taxes	(2,289)	1,036	1,355
Revision in rate or timing of future production and other changes	110	107	175
Total	3,064	(394)	(1,767)
Standardized measure of discounted future net cash flows at end of year	$ 5,087	$ 2,023	$ 2,417

Ten-Year Summary of Financial Data
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1999(a)	1998	1997	1996
Statement of Consolidated Income				
Revenues				
Sales (excluding excise taxes) and other operating revenues				
Crude oil (including sales of purchased oil)	$ 1,406,987	$ 893,921	$ 1,435,848	$ 1,528,692
Natural gas (including sales of purchased gas)	1,856,179	1,710,743	1,414,314	1,364,833
Petroleum products	3,003,280	3,464,229	4,960,986	5,080,790
Other operating revenues	772,692	510,999	412,434	295,871
Total	7,039,138	6,579,892	8,223,582	8,270,186
Non-operating income				
Gain (loss) on asset sales	273,441	(25,679)	16,463	529,271(d)
Equity in income (loss) of HOVENSA L.L.C	6,988	(15,848)	--	--
Other	141,787	82,740	120,435	124,276
Total revenues	7,461,354	6,621,105	8,360,480	8,923,733
Costs and expenses				
Cost of products sold	4,240,910	4,373,616	5,577,924	5,386,316
Production expenses	487,219	517,828	557,025	620,533
Marketing expenses	387,298	378,506	328,975	264,295
Other operating expenses	216,651	224,433	231,791	129,454
Exploration expenses, including dry holes and lease impairment	261,038	348,951	421,863	384,324
General and administrative expenses	231,546	270,668	236,269	237,868
Interest expense	158,222	152,934	136,149	165,501
Depreciation, depletion and amortization	648,663	661,802	663,297	721,498
Impairment of assets and operating leases	127,998	206,478	80,602	--
Total costs and expenses	6,759,545	7,135,216	8,233,895	7,909,789
Income (loss) before income taxes	701,809	(514,111)	126,585	1,013,944
Provision (benefit) for income taxes	264,193	(55,218)	119,085	353,845
Net income (loss)	$ 437,616(b)	$ (458,893)(c)	$ 7,500	$ 660,099
Net income (loss) per share				
Basic	$4.88	$(5.12)	$.08	$7.13
Diluted	4.85	(5.12)	.08	7.09
Dividends Per Share of Common Stock	$.60	$.60	$.60	$.60
Weighted Average Number of Shares Outstanding (diluted)--in thousands	90,280	89,585	91,733	93,110

Thousands of dollars, except per share data	1995	1994	1993	1992
Statement of Consolidated Income				
Revenues				
Sales (excluding excise taxes) and other operating revenues				
Crude oil (including sales of purchased oil)	$ 1,565,310	$ 1,228,045	$ 1,219,750	$ 1,362,118
Natural gas (including sales of purchased gas)	1,120,450	1,063,560	1,020,563	787,996
Petroleum products	4,311,082	3,980,563	3,348,900	3,428,702
Other operating revenues	302,465	327,816	290,308	279,541
Total	7,299,307	6,599,984	5,879,521	5,858,357
Non-operating income				
Gain (loss) on asset sales	96,010	41,657	--	--
Equity in income (loss) of HOVENSA L.L.C	--	--	--	--
Other	124,571	49,226	17,068	99,866
Total revenues	7,519,888	6,690,867	5,896,589	5,958,223
Costs and expenses				
Cost of products sold	4,501,053	3,795,094	3,508,295	3,213,748
Production expenses	610,457	600,501	626,377	684,292
Marketing expenses	259,214	260,552	247,029	228,953
Other operating expenses	185,477	124,258	242,266	233,989
Exploration expenses, including dry holes and lease impairment	381,758	331,216	350,859	323,942
General and administrative expenses	262,950	230,110	229,218	238,032
Interest expense	247,465	245,149	156,615	147,099
Depreciation, depletion and amortization	840,002	868,175	759,406	764,683
Impairment of assets and operating leases	584,161(e)	--	--	--
Total costs and expenses	7,872,537	6,455,055	6,120,065	5,834,738
Income (loss) before income taxes	(352,649)	235,812	(223,476)	123,485
Provision (benefit) for income taxes	41,764	162,098	44,727	115,940
Net income (loss)	$ (394,413)	$ 73,714	$ (268,203)	$ 7,545
Net income (loss) per share				
Basic	$(4.26)	$.80	$(2.91)	$.09
Diluted	(4.26)	.79	(2.91)	.09
Dividends Per Share of Common Stock	$.60	$.60	$.60	$.60

Weighted Average Number of Shares Outstanding (diluted)--in thousands	92,509	92,968	92,213	87,286

Thousands of dollars, except per share data	1991	1990
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
Natural gas (including sales of purchased gas)	574,004	458,615
Petroleum products	3,897,748	4,587,646
Other operating revenues	346,300	653,051
Total	6,266,845	6,947,505
Non-operating income		
Gain (loss) on asset sales	--	--
Equity in income (loss) of HOVENSA L.L.C	--	--
Other	151,419	138,854
Total revenues	6,418,264	7,086,359
Costs and expenses		
Cost of products sold	3,686,227	4,003,747
Production expenses	619,482	503,579
Marketing expenses	262,728	268,222
Other operating expenses	176,879	231,942
Exploration expenses, including dry holes and lease impairment	397,267	360,168
General and administrative expenses	222,585	196,588
Interest expense	177,850	224,200
Depreciation, depletion and amortization	759,084	682,412
Impairment of assets and operating leases	--	--
Total costs and expenses	6,302,102	6,470,858
Income (loss) before income taxes	116,162	615,501
Provision (benefit) for income taxes	31,854	132,788
Net income (loss)	$ 84,308	$ 482,713
Net income (loss) per share		
Basic	$1.05	$5.99
Diluted	1.04	5.96
Dividends Per Share of Common Stock	$.60	$.60
Weighted Average Number of Shares Outstanding (diluted)--in thousands	81,087	81,023

(a) On January 1, 1999, the Corporation adopted the last-in, first-out (LIFO) inventory method for refining and marketing inventories.
(b) Includes after-tax gains on asset sales of $176,000 and special tax benefits of $54,600, partially offset by impairment of assets and operating leases (after income taxes) of $99,500.
(c) Reflects after-tax special charges aggregating $262,800 representing impairments of assets and operating leases, a net loss on asset sales and accrued severance.
(d) After income taxes, the net gain was $421,150.
(e) After income taxes, the net charge was $415,542.

See accompanying notes to consolidated financial statements.

Ten-Year Summary of Financial Data
Amerada Hess Corporation and Consolidated Subsidiaries

Thousands of dollars, except per share data	1999	1998	1997	1996
Selected Balance Sheet Data at Year-End				
Cash and cash equivalents	$ 40,926	$ 73,791	$ 91,154	$ 112,522
Working capital	248,720	89,909	463,781	689,864
Property, plant and equipment				
Exploration and production	$ 9,974,117	$ 9,718,424	$ 8,779,807	$ 8,233,445
Refining, marketing and other	1,090,768	1,308,815	3,841,828	3,668,974
Total--at cost	11,064,885	11,027,239	12,621,635	11,902,419
Less reserves	7,013,233	6,835,301	7,430,841	6,995,136
Property, plant and equipment--net	$ 4,051,652	$ 4,191,938	$ 5,190,794	$ 4,907,283
Total assets	$ 7,727,712	$ 7,882,983	$ 7,934,619	$ 7,784,481
Total debt	2,309,681	2,652,465	2,127,288	1,939,288
Stockholders' equity	3,038,192	2,643,412	3,215,699	3,383,631
Stockholders' equity per share	$ 33.51	$ 29.26	$ 35.16	$ 36.35
Summarized Statement of Cash Flows				
Net cash provided by operating activities	$ 770,005	$ 518,788	$ 1,250,007	$ 807,721
Cash flows from investing activities				
Capital expenditures				
Exploration and production	(727,086)	(1,306,438)	(1,157,938)	(788,286)
Refining, marketing and other	(69,571)	(132,240)	(187,652)	(72,339)
Total capital expenditures	(796,657)	(1,438,678)	(1,345,590)	(860,625)
Proceeds from sales of property, plant and equipment and other	372,647	502,854	63,017	1,037,073
Net cash provided by (used in) investing activities	(424,010)	(935,824)	(1,282,573)	176,448
Cash flows from financing activities				
Issuance (repayment) of notes	14,412	(14,342)	1,982	(72,046)
Long-term borrowings	990,125	848,320	398,391	--
Repayment of long-term debt	(1,347,745)	(317,144)	(209,000)	(794,527)
Issuance of common stock	--	--	--	--
Cash dividends paid	(54,262)	(54,647)	(55,373)	(55,746)
Common stock acquired	--	(59,167)	(122,283)	(8,236)
Stock options exercised	18,283	--	--	--
Net cash provided by (used in) financing activities	(379,187)	403,020	13,717	(930,555)
Effect of exchange rate changes on cash	327	(3,347)	(2,519)	2,837
Net increase (decrease) in cash and cash equivalents	$ (32,865)	$ (17,363)	$ (21,368)	$ 56,451
Stockholder Data at Year-End				
Number of common shares outstanding (in thousands)	90,676	90,357	91,451	93,073
Number of stockholders (based on number of holders of record)	7,416	8,959	9,591	10,153
Market price of common stock	$56.75	$49.75	$54.88	$57.88

Thousands of dollars, except per share data	1995	1994	1993	1992
Selected Balance Sheet Data at Year-End				
Cash and cash equivalents	$ 56,071	$ 53,135	$ 79,635	$ 141,014
Working capital	357,964	520,247	245,026	551,459
Property, plant and equipment				
Exploration and production	$ 9,392,184	$ 9,790,468	$ 9,360,871	$ 9,203,951
Refining, marketing and other	3,672,028	4,514,358	4,426,369	3,886,814
Total--at cost	13,064,212	14,304,826	13,787,240	13,090,765
Less reserves	7,694,496	7,938,824	7,052,328	6,646,801
Property, plant and equipment--net	$ 5,369,716	$ 6,366,002	$ 6,734,912	$ 6,443,964
Total assets	$ 7,756,370	$ 8,337,940	$ 8,641,546	$ 8,721,756
Total debt	2,717,866	3,339,788	3,687,922	3,186,199
Stockholders' equity	2,660,396	3,099,629	3,028,911	3,387,599
Stockholders' equity per share	$ 28.60	$ 33.33	$ 32.71	$ 36.59
Summarized Statement of Cash Flows				
Net cash provided by operating activities	$ 1,241,007	$ 957,018	$ 819,423	$ 1,137,707
Cash flows from investing activities				
Capital expenditures				
Exploration and production	(626,518)	(532,189)	(755,419)	(916,536)
Refining, marketing and other	(65,593)	(64,095)	(592,622)	(641,258)
Total capital expenditures	(692,111)	(596,284)	(1,348,041)	(1,557,794)
Proceeds from sales of property, plant and equipment and other	145,792	72,804	12,436	25,423
Net cash provided by (used in) investing activities	(546,319)	(523,480)	(1,335,605)	(1,532,371)
Cash flows from financing activities				
Issuance (repayment) of notes	26,247	(54,153)	117,791	(159,756)
Long-term borrowings	25,000	289,843	547,704	675,016

Repayment of long-term debt	(689,355)	(642,112)	(167,769)	(524,384)
Issuance of common stock	--	--	--	497,360
Cash dividends paid	(55,788)	(55,711)	(41,603)	(64,194)
Common stock acquired	--	--	--	--
Stock options exercised	--	--	--	--
Net cash provided by (used in) financing activities	(693,896)	(462,133)	456,123	424,042
Effect of exchange rate changes on cash	2,144	2,095	(1,320)	(8,534)
Net increase (decrease) in cash and cash equivalents	$ 2,936	$ (26,500)	$ (61,379)	$ 20,844
Stockholder Data at Year-End				
Number of common shares outstanding (in thousands)	93,011	92,996	92,587	92,584
Number of stockholders (based on number of holders of record)	11,294	11,506	12,000	13,088
Market price of common stock	$53.00	$45.63	$45.13	$46.00

Thousands of dollars, except per share data	1991	1990
Selected Balance Sheet Data at Year-End		
Cash and cash equivalents	$ 120,170	$ 129,914
Working capital	625,370	603,244
Property, plant and equipment		
Exploration and production	$ 9,306,435	$ 8,340,951
Refining, marketing and other	3,223,397	2,817,032
Total--at cost	12,529,832	11,157,983
Less reserves	6,339,232	5,594,399
Property, plant and equipment--net	$ 6,190,600	$ 5,563,584
Total assets	$ 8,841,435	$ 9,056,636
Total debt	3,266,195	2,925,285
Stockholders' equity	3,131,982	3,106,029
Stockholders' equity per share	$ 38.63	$ 38.34
Summarized Statement of Cash Flows		
Net cash provided by operating activities	$ 1,364,268	$ 1,326,444
Cash flows from investing activities		
Capital expenditures		
Exploration and production	(1,295,039)	(1,267,506)
Refining, marketing and other	(417,276)	(193,921)
Total capital expenditures	(1,712,315)	(1,461,427)
Proceeds from sales of property, plant and equipment and other	37,788	(12,012)
Net cash provided by (used in) investing activities	(1,674,527)	(1,473,439)
Cash flows from financing activities		
Issuance (repayment) of notes	(183,351)	46,744
Long-term borrowings	786,280	461,413
Repayment of long-term debt	(269,414)	(287,531)
Issuance of common stock	--	--
Cash dividends paid	(36,468)	(60,681)
Common stock acquired	--	(6,213)
Stock options exercised	--	--
Net cash provided by (used in) financing activities	297,047	153,732
Effect of exchange rate changes on cash	3,468	2,877
Net increase (decrease) in cash and cash equivalents	$ (9,744)	$ 9,614
Stockholder Data at Year-End		
Number of common shares outstanding (in thousands)	81,068	81,019
Number of stockholders (based on number of holders of record)	13,732	14,669
Market price of common stock	$47.50	$46.38

Ten-Year Summary of Operating Data
Amerada Hess Corporation and Consolidated Subsidiaries

	1999	1998	1997	1996	1995
Production Per Day (net)					
Crude oil (barrels)					
United States	54,772	36,784	35,707	41,020	52,284
United Kingdom	112,129	109,463	126,427	134,726	135,429
Norway	25,326	26,943	29,516	27,603	25,576
Denmark	7,547	--	--	--	--
Gabon	10,226	14,345	10,127	9,725	9,512
Indonesia and Azerbaijan	4,662	2,949	531	--	--
Canada and Abu Dhabi	--	--	--	5,929	16,976
Total	214,662	190,484	202,308	219,003	239,777
Natural gas liquids (barrels)					
United States	9,833	8,136	8,243	9,105	10,722
United Kingdom	5,670	5,990	6,364	6,628	6,900
Norway	1,683	1,379	1,657	1,585	1,414
Thailand	559	--	--	--	--
Canada	--	--	--	476	1,647
Total	17,745	15,505	16,264	17,794	20,683
Natural gas (Mcf)					
United States	338,044	293,849	311,915	337,653	401,581
United Kingdom	257,800	251,000	225,804	253,983	239,307
Norway	30,600	27,828	30,312	30,445	27,743
Denmark	2,900	--	--	--	--
Indonesia	5,400	3,800	1,223	--	--
Thailand	7,800	--	--	--	--
Canada	--	--	--	62,585	215,500
Total	642,544	576,477	569,254	684,666	884,131
Well Completions (net)					
Oil wells	28	28	42	39	33
Gas wells	11	20	11	25	41
Dry holes	9	25	24	40	50
Productive Wells at Year-End (net)					
Oil wells	735	721	860	854	2,154
Gas wells	161	252	447	455	1,160
Total	896	973	1,307	1,309	3,314
Undeveloped Net Acreage (held at end of year)					
United States	678,000	748,000	915,000	891,000	1,440,000
Foreign(a)	15,858,000	16,927,000	10,180,000	7,455,000	5,871,000
Total	16,536,000	17,675,000	11,095,000	8,346,000	7,311,000
Shipping					
Vessels owned or under charter at year-end	8	9	14	13	16
Total deadweight tons	884,000	952,000	1,602,000	1,236,000	2,010,000
Refining (barrels daily)					
Amerada Hess Corporation	--	419,000(b)	411,000	396,000	377,000
HOVENSA L.L.C.(c)	209,000	217,000	--	--	--
Petroleum Products Sold (barrels daily)					
Gasoline, distillates and other light products	284,000	411,000	436,000	412,000	401,000
Residual fuel oils	60,000	71,000	73,000	83,000	86,000
Total	344,000	482,000	509,000	495,000	487,000
Storage Capacity at Year-End (barrels)	38,343,000	56,070,000	87,000,000	86,986,000	89,165,000
Number of Employees (average)	8,485(d)	9,777	9,216	9,085	9,574

	1994	1993	1992	1991	1990
Production Per Day (net)					
Crude oil (barrels)					
United States	55,638	60,173	62,517	66,063	62,434
United Kingdom	122,043	80,019	86,265	59,979	56,027
Norway	24,279	26,388	29,598	28,619	24,351
Denmark	--	--	--	--	--
Gabon	8,857	8,301	6,910	8,952	--
Indonesia and Azerbaijan	--	--	--	--	--
Canada and Abu Dhabi	17,854	21,540	22,678	21,832	17,969
Total	228,671	196,421	207,968	185,445	160,781
Natural gas liquids (barrels)					
United States	11,964	11,798	11,063	10,047	9,436
United Kingdom	6,756	3,783	1,468	766	805
Norway	1,320	1,432	1,707	1,752	2,004
Thailand	--	--	--	--	--
Canada	1,809	1,956	1,981	1,997	1,704
Total	21,849	18,969	16,219	14,562	13,949

Natural gas (Mcf)					
United States	427,103	502,459	601,824	583,740	457,042
United Kingdom	208,742	188,024	153,599	128,014	145,921
Norway	24,417	28,987	31,858	26,947	25,656
Denmark	--	--	--	--	--
Indonesia	--	--	--	--	--
Thailand	--	--	--	--	--
Canada	185,856	167,839	137,680	104,151	76,768
Total	846,118	887,309	924,961	842,852	705,387
Well Completions (net)					
Oil wells	28	48	33	45	17
Gas wells	44	49	20	41	33
Dry holes	24	37	22	36	38
Productive Wells at Year-End (net)					
Oil wells	2,160	2,189	2,082	2,103	2,111
Gas wells	1,146	1,115	966	927	905
Total	3,306	3,304	3,048	3,030	3,016
Undeveloped Net Acreage (held at end of year)					
United States	1,685,000	1,854,000	1,819,000	1,802,000	1,716,000
Foreign(a)	4,570,000	4,310,000	3,168,000	3,480,000	3,329,000
Total	6,255,000	6,164,000	4,987,000	5,282,000	5,045,000
Shipping					
Vessels owned or under charter at year-end	17	15	21	21	23
Total deadweight tons	2,265,000	2,398,000	3,223,000	2,825,000	3,012,000
Refining (barrels daily)					
Amerada Hess Corporation	388,000	351,000	335,000	320,000	383,000
HOVENSA L.L.C.(c)	--	--	--	--	--
Petroleum Products Sold (barrels daily)					
Gasoline, distillates and other light products	375,000	291,000	275,000	285,000	296,000
Residual fuel oils	93,000	95,000	102,000	128,000	132,000
Total	468,000	386,000	377,000	413,000	428,000
Storage Capacity at Year-End (barrels)	94,597,000	94,380,000	95,199,000	94,879,000	93,867,000
Number of Employees (average)	9,858	10,173	10,263	10,317	9,645

(a) Includes acreage held under production sharing contracts.
(b) Through ten months of 1998.
(c) Reflects 50% of HOVENSA refinery crude runs from November 1, 1998.
(d) Includes approximately 4,200 employees of retail operations.

EXHIBIT 21

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES

SUBSIDIARIES OF THE REGISTRANT

NAME OF SUBSIDIARY	ORGANIZED UNDER THE LAWS OF
A.H. Shipping Guaranty Corporation	Delaware
Amerada Hess (Denmark) A/S	Denmark
Amerada Hess Limited	United Kingdom
Amerada Hess Norge A/S	Norway
Amerada Hess Production Gabon	Gabon
Amerada Hess Shipping Corporation	Liberia
Hess Energy Trading Company, LLC	Delaware
Hess Oil Virgin Islands Corp.	U.S. Virgin Islands
Jamestown Insurance Company Limited	Bermuda
Tioga Gas Plant, Inc.	Delaware

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 Hess Energy Trading Company, LLC, which is a trading company that is a joint venture between the Registrant and unrelated parties.

NAME OF AFFILIATE	
HOVENSA L.L.C.	U.S. Virgin Islands

Summarized Financial Information of HOVENSA L.L.C. is included in the Registrant's 1999 Annual Report to Stockholders.

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1,000

12-MOS
DEC-31-1999
JAN-01-1999
DEC-31-1999
40,926
0
1,175,044
0
372,713
1,827,570
11,064,885
7,013,233
7,727,712
1,578,850
2,286,660
0
0
90,676
2,947,516
7,727,712
7,039,138
7,461,354
4,240,910
4,240,910
0
0
158,222
701,809
264,193
437,616
0
0
0
437,616
4.88
4.85