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

FORM 8-K

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

Date of Report (Date of Earliest Event Reported): January 25, 2006

AMERADA HESS CORPORATION
(Exact Name of Registrant as Specified in Charter)

DELAWARE (State or Other Jurisdiction of Incorporation)	No. 1-1204 (Commission File Number)	No. 13-4921002 (IRS Employer Identification No.)
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1185 Avenue of the Americas
New York, New York 10036
(Address of Principal Executive Offices) (Zip Code)

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

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

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

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

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Item 2.02. Results of Operations and Financial Condition.

On January 25, 2006, Amerada Hess Corporation issued a news release reporting its results for the fourth quarter of 2005. A copy of this news release is attached hereto as Exhibit 99(1) and is hereby incorporated by reference.

Item 7.01. Regulation FD Disclosure.

Furnished hereunder are the prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer of Amerada Hess Corporation at a public conference call held on January 25, 2006. Copies of these remarks are attached as Exhibit 99(2) and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99(1) News release dated January 25, 2006 reporting results for the fourth quarter of 2005.

99(2) Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.

SIGNATURE

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

Date: January 25, 2006

AMERADA HESS CORPORATION

By: /s/ John P. Rielly

Name: John P. Rielly
Title: Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No. -----	Description -----
99(1)	News release dated January 25, 2006 reporting results for the fourth quarter of 2005.
99(2)	Prepared remarks of John B. Hess, Chairman of the Board of Directors and Chief Executive Officer.

Amerada Hess Reports Estimated Results for the Fourth Quarter of 2005

NEW YORK--(BUSINESS WIRE)--Jan. 25, 2006--Amerada Hess Corporation (NYSE:AHC) reported net income of \$452 million for the fourth quarter of 2005 compared with net income of \$229 million for the fourth quarter of 2004. For the full year, net income was \$1,242 million compared with \$977 million in 2004. See the following page for a table of items affecting the comparability of earnings between periods. The after-tax results by major operating activity in 2005 and 2004 were as follows:

	Three months ended December 31		Year ended December 31	
	2005*	2004*	2005*	2004

	(In millions, except per share amounts)			
Exploration and Production	\$298	\$211	\$1,058	\$755
Marketing and Refining	229	93	515	451
Corporate	(41)	(36)	(191)	(85)
Interest expense	(34)	(39)	(140)	(151)

Net income from continuing operations	\$452	\$229	\$1,242	\$970
Discontinued operations	-	-	-	7

Net income	\$452	\$229	\$1,242	\$977
	=====			
Net income per share (diluted)	\$4.31	\$2.22	\$11.94	\$9.57
	=====			
Weighted average number of shares (diluted)	104.8	103.0	104.0	102.1
	=====			

* Unaudited

Exploration and Production earnings were \$298 million in the fourth quarter of 2005 compared with \$211 million in the fourth quarter of 2004. The Corporation's oil and gas production, on a barrel-of-oil equivalent basis, was 316,000 barrels per day in the fourth quarter of 2005 compared with 346,000 barrels per day in the fourth quarter of 2004. Hurricane activity in the Gulf of Mexico reduced fourth quarter 2005 production by approximately 19,000 barrels of oil equivalent per day. The remainder of the production decrease is primarily due to increased maintenance activity in the North Sea.

In the fourth quarter of 2005, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was \$34.09 per barrel, an increase of \$6.78 per barrel from the fourth quarter of 2004. The Corporation's average United States natural gas selling price was \$11.75 per Mcf in the fourth quarter of 2005, an increase of \$5.92 per Mcf from the fourth quarter of 2004.

Marketing and Refining earnings were \$229 million in the fourth quarter of 2005 compared with \$93 million in the fourth quarter of 2004. Refining earnings were \$83 million in the fourth quarter of 2005 compared with \$36 million in the fourth quarter of 2004. The increased Refining earnings reflect higher refined product margins. Marketing operations generated earnings of \$131 million in the fourth quarter of 2005, compared with \$64 million in the same period of 2004, principally reflecting higher margins on refined product sales, increased sales volumes and income of \$25 million (\$40 million before income taxes) from the partial liquidation of prior year LIFO inventories.

The following items, on an after-tax basis, are included in net income in the fourth quarter and full year of 2005 and 2004 (in millions):

	Three months ended December 31		Year ended December 31	
	2005	2004	2005	2004

Exploration and Production				

Hurricane related costs	\$(12)	\$-	\$(26)	\$-

Gains from asset sales	30	21	41	54
Income tax adjustments	-	19	11	19
Legal settlement	-	-	11	-
Accrued severance and office costs	-	-	-	(9)
Marketing and Refining				

LIFO inventory liquidation	25	12	32	12
Charge related to customer bankruptcy	(8)	-	(8)	-
Corporate				

Premiums on bond repurchases	(19)	-	(26)	-
Tax on repatriated earnings	-	-	(72)	-
Income tax adjustments	-	-	-	13
Insurance accrual	-	(13)	-	(13)
	-----	-----	-----	-----
	\$16	\$39	\$(37)	\$76
	=====	=====	=====	=====

The fourth quarter 2005 asset sales represent the disposal of several non-producing properties in the United Kingdom. Marketing and Refining results in the fourth quarter of 2005 include income from the partial liquidation of prior year LIFO inventories and a charge resulting from the bankruptcy of a customer in the utility industry. In the fourth quarter of 2005, the Corporation repurchased \$497 million of bonds with maturities from 2006 to 2009 at a premium of \$29 million, before income taxes.

Net cash provided by operating activities was \$1,840 million in 2005 compared with \$1,903 million in 2004. Capital and exploratory expenditures for the year 2005 amounted to \$2,490 million of which \$2,384 million related to exploration and production activities. Capital and exploratory expenditures for the year 2004 amounted to \$1,650 million, including \$1,563 million for exploration and production.

At December 31, 2005, cash and short-term investments totaled \$325 million compared with \$877 million at December 31, 2004. The Corporation's debt to capitalization ratio at December 31, 2005 was 37.6% compared with 40.7% at the end of 2004. Total debt was \$3,785 million at December 31, 2005 and \$3,835 million at December 31, 2004.

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

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
	-----	-----	-----
Income Statement			

Revenues and Non-operating Income			
Sales and other operating revenues	\$ 7,059	\$ 4,612	\$ 5,769
Non-operating income			
Equity in income of HOVENSA L.L.C.	67	21	151
Gains on asset sales	30	32	--
Other	(10)	32	36
	-----	-----	-----
Total revenues and non-operating income	7,146	4,697	5,956
	-----	-----	-----
Costs and Expenses			
Cost of products sold	5,367	3,321	4,424
Production expenses	284	239	256
Marketing expenses	238	200	202
Exploration expenses, including dry holes and lease impairment	86	83	91
Other operating expenses	37	48	31
General and administrative expenses	103	90	83
Interest expense	55	62	54
Depreciation, depletion and amortization	258	275	251
	-----	-----	-----
Total costs and expenses	6,428	4,318	5,392
	-----	-----	-----

Income before income taxes	718	379	564
Provision for income taxes	266	150	292
	-----	-----	-----
Net income	\$ 452	\$ 229	\$ 272
	=====	=====	=====
Preferred stock dividends	12	12	12
	-----	-----	-----
Net income applicable to common stockholders	\$ 440	\$ 217	\$ 260
	=====	=====	=====

Supplemental Income Statement Information

Foreign currency gains, after-tax	\$ 2	\$ (1)	\$ 2
Capitalized interest	23	13	22

Cash Flow Information

Net cash provided by operating activities (*)	\$ 289	\$ 254	\$ 484
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Capital and Exploratory Expenditures

Exploration and Production			
United States	\$ 95	\$ 124	\$ 74
International	654	312	600
	-----	-----	-----

Total Exploration and Production	749	436	674
Marketing and Refining	32	42	25
	-----	-----	-----

Total Capital and Exploratory Expenditures	\$ 781	\$ 478	\$ 699
	=====	=====	=====

Exploration expenses charged to income included above			
United States	\$ 28	\$ 32	\$ 30
International	29	17	12
	-----	-----	-----
	\$ 57	\$ 49	\$ 42
	=====	=====	=====

(*) Includes changes in working capital

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

	Year	
	2005	2004
	-----	-----
Income Statement		

Revenues and Non-operating Income		
Sales and other operating revenues	\$22,747	\$16,733
Non-operating income		
Equity in income of HOVENSA L.L.C.	376	244
Gains on asset sales	48	55
Other	84	94
	-----	-----
Total revenues and non-operating income	23,255	17,126
	-----	-----
Costs and Expenses		
Cost of products sold	17,041	11,971
Production expenses	1,007	825
Marketing expenses	842	737
Exploration expenses, including dry holes and lease impairment	397	287
Other operating expenses	136	195

General and administrative expenses	357	342
Interest expense	224	241
Depreciation, depletion and amortization	1,025	970
	-----	-----
Total costs and expenses	21,029	15,568
	-----	-----
Income from continuing operations before income taxes	2,226	1,558
Provision for income taxes	984	588
	-----	-----
Income from continuing operations	1,242	970
Discontinued operations	--	7
	-----	-----
Net income	\$ 1,242	\$ 977
	=====	=====
Preferred stock dividends	48	48
	-----	-----
Net income applicable to common stockholders	\$ 1,194	\$ 929
	=====	=====

Supplemental Income Statement Information

Foreign currency gains, after-tax	\$ 18	\$ 6
Capitalized interest	80	54

Cash Flow Information

Net cash provided by operating activities (*)	\$ 1,840	\$ 1,903
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Capital and Exploratory Expenditures

Exploration and Production		
United States	\$ 353	\$ 446
International	2,031	1,117
	-----	-----
Total Exploration and Production	2,384	1,563
Marketing and Refining	106	87
	-----	-----
Total Capital and Exploratory Expenditures	\$ 2,490	\$ 1,650
	=====	=====

Exploration expenses charged to income included above

United States	\$ 89	\$ 89
International	60	40
	-----	-----
	\$ 149	\$ 129
	=====	=====

(*) Includes changes in working capital

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

December 31 December 31
2005 2004

Balance Sheet Information

Cash and short-term investments	\$ 325	\$ 877
Other current assets	4,965	3,458
Investments	1,389	1,254
Property, plant and equipment - net	9,512	8,505
Other assets	2,924	2,218
	-----	-----
Total assets	\$ 19,115	\$ 16,312
	=====	=====

Current portion of long-term debt	\$	26	\$	50
Other current liabilities		6,421		4,647
Long-term debt		3,759		3,785
Deferred liabilities and credits		2,623		2,233
Stockholders' equity excluding other comprehensive income (loss)		7,813		6,621
Accumulated other comprehensive income (loss)		(1,527)		(1,024)
		-----		-----
Total liabilities and stockholders' equity	\$	19,115	\$	16,312
		=====		=====

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

	Fourth Quarter 2005		
	United States	International	Total
	-----	-----	-----
Sales and other operating revenues	\$274	\$826	\$1,100
Non-operating income (expenses)	3	28	31
	-----	-----	-----
Total revenues	277	854	1,131
	-----	-----	-----
Costs and expenses			
Production expenses, including related taxes	70	214	284
Exploration expenses, including dry holes and lease impairment	34	52	86
General, administrative and other expenses	21	22	43
Depreciation, depletion and amortization	24	216	240
	-----	-----	-----
Total costs and expenses	149	504	653
	-----	-----	-----
Results of operations before income taxes	128	350	478
Provision for income taxes	43	137	180
	-----	-----	-----
Results of operations	\$85	\$213	\$298
	=====	=====	=====

	Fourth Quarter 2004		
	United States	International	Total
	-----	-----	-----
Sales and other operating revenues	\$278	\$651	\$929
Non-operating income (expenses)	28	19	47
	-----	-----	-----
Total revenues	306	670	976
	-----	-----	-----
Costs and expenses			
Production expenses, including related taxes	55	184	239
Exploration expenses, including dry holes and lease impairment	35	48	83
General, administrative and other expenses	8	28	36
Depreciation, depletion and amortization	52	210	262
	-----	-----	-----
Total costs and expenses	150	470	620
	-----	-----	-----
Results of operations before income taxes	156	200	356
Provision for income taxes	50	95	145
	-----	-----	-----
Results of operations	\$106	\$105	\$211
	=====	=====	=====

Third Quarter 2005

	United States	International	Total
Sales and other operating revenues	\$275	\$767	\$1,042
Non-operating income (expenses)	--	16	16
Total revenues	275	783	1,058
Costs and expenses			
Production expenses, including related taxes	76	180	256
Exploration expenses, including dry holes and lease impairment	40	51	91
General, administrative and other expenses	13	19	32
Depreciation, depletion and amortization	36	200	236
Total costs and expenses	165	450	615
Results of operations before income taxes	110	333	443
Provision for income taxes	41	167	208
Results of operations	\$69	\$166	\$235

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

Year 2005

	United States	International	Total
Sales and other operating revenues	\$1,097	\$3,113	\$4,210
Non-operating income (expenses)	(1)	95	94
Total revenues	1,096	3,208	4,304
Costs and expenses			
Production expenses, including related taxes	253	754	1,007
Exploration expenses, including dry holes and lease impairment	233	164	397
General, administrative and other expenses	74	66	140
Depreciation, depletion and amortization	145	820	965
Total costs and expenses	705	1,804	2,509
Results of operations before income taxes	391	1,404	1,795
Provision for income taxes	141	596	737
Results of operations	\$250	\$808	\$1,058

Year 2004

	United States	International	Total
Sales and other operating revenues	\$909	\$2,507	\$3,416
Non-operating income (expenses)	26	64	90
Total revenues	935	2,571	3,506

Costs and expenses			
Production expenses, including related taxes	198	627	825
Exploration expenses, including dry holes and lease impairment	135	152	287
General, administrative and other expenses	57	93	150
Depreciation, depletion and amortization	147	771	918
	-----	-----	-----
Total costs and expenses	537	1,643	2,180
	-----	-----	-----
Results of operations before income taxes	398	928	1,326
Provision for income taxes	141	430	571
	-----	-----	-----
Results of operations	\$257	\$498	\$755
	=====	=====	=====

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

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
	-----	-----	-----
Operating Data			

Net Production Per Day			

Crude oil - barrels			
United States	37	50	42
Europe	105	114	102
Africa, Asia and other	76	66	74
	-----	-----	-----
Total	218	230	218
	=====	=====	=====
Natural gas liquids - barrels			
United States	9	14	11
Europe	4	6	2
	-----	-----	-----
Total	13	20	13
	=====	=====	=====
Natural gas - mcf			
United States	112	178	125
Europe	254	316	218
Africa, Asia and other	147	82	141
	-----	-----	-----
Total	513	576	484
	=====	=====	=====
Barrels of oil equivalent	316	346	312
	=====	=====	=====
Average Selling Price (including hedging)			

Crude oil - per barrel			
United States	\$30.95	\$29.92	\$34.86
Europe	33.50	25.98	34.59
Africa, Asia and other	36.21	27.65	37.75
Natural gas liquids - per barrel			
United States	\$48.67	\$33.31	\$40.90
Europe	44.60	37.15	36.77
Natural gas - per mcf			
United States	\$11.75	\$5.83	\$8.53
Europe	6.91	4.42	4.12
Africa, Asia and other	4.04	4.19	4.12
Average Selling Price (excluding hedging)			

Crude oil - per barrel			
United States	\$54.85	\$43.20	\$58.32
Europe	53.10	42.55	59.47
Africa, Asia and other	54.77	41.33	59.56
Natural gas liquids - per barrel			
United States	\$48.67	\$33.31	\$40.90
Europe	44.60	37.15	36.77
Natural gas - per mcf			
United States	\$11.75	\$6.08	\$8.53
Europe	6.91	4.42	4.12
Africa, Asia and other	4.04	4.19	4.12

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

	Year	
	----- 2005	2004 -----
Operating Data		

Net Production Per Day		

Crude oil - barrels		
United States	44	44
Europe	110	119
Africa, Asia and other	74	65
	-----	-----
Total	228	228
	=====	=====
Natural gas liquids - barrels		
United States	12	12
Europe	4	6
	-----	-----
Total	16	18
	=====	=====
Natural gas - mcf		
United States	137	171
Europe	274	319
Africa, Asia and other	133	85
	-----	-----
Total	544	575
	=====	=====
Barrels of oil equivalent	335	342
	=====	=====
Average Selling Price (including hedging)		

Crude oil - per barrel		
United States	\$32.64	\$27.42
Europe	33.13	26.18
Africa, Asia and other	34.16	27.19
Natural gas liquids - per barrel		
United States	\$38.50	\$29.50
Europe	37.13	27.44
Natural gas - per mcf		
United States	\$7.93	\$5.18
Europe	5.29	3.96
Africa, Asia and other	4.02	3.90
Average Selling Price (excluding hedging)		

Crude oil - per barrel		
United States	\$51.16	\$38.56
Europe	52.22	37.57
Africa, Asia and other	51.97	37.16

Natural gas liquids - per barrel		
United States	\$38.50	\$29.50
Europe	37.13	27.44
Natural gas - per mcf		
United States	\$7.93	\$5.53
Europe	5.29	3.96
Africa, Asia and other	4.02	3.90

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
HEDGED PRICES AND VOLUMES

Maturity	Brent Crude Oil	
	Average Selling Price	Thousands of barrels per day
2006	\$28.10	30
2007	25.85	24
2008	25.56	24
2009	25.54	24
2010	25.78	24
2011	26.37	24
2012	26.90	24

Note: There were no WTI crude oil or natural gas hedges outstanding at December 31, 2005.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA

	Fourth Quarter 2005	Fourth Quarter 2004	Third Quarter 2005
Financial Information (in millions)			
Marketing and Refining Earnings			
Income before income taxes	\$ 358	\$ 139	\$ 202
Provision for income taxes	129	46	77
Marketing and Refining Earnings	<u>\$ 229</u>	<u>\$ 93</u>	<u>\$ 125</u>
Summary of Marketing and Refining Earnings			
Refining	\$ 83	\$ 36	\$ 144
Marketing	131	64	(22)
Trading	15	(7)	3
Total Marketing and Refining Earnings	<u>\$ 229</u>	<u>\$ 93</u>	<u>\$ 125</u>

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)

Gasoline	218	181	226
Distillates	170	152	104
Residuals	78	56	43
Other	53	41	37
Total	<u>519</u>	<u>430</u>	<u>410</u>

Refinery Throughput (barrels per day)

HOVENSA - Crude runs	482	472	413
HOVENSA - AHC 50% share	241	236	206

Refinery Utilization	Refinery Capacity			
HOVENSA	(thousands of barrels per day)			
Crude	500	96.3%	94.4%	82.5%*
FCC	150	87.1%	86.2%	89.7%
Coker	58	85.3%	84.1%	92.4%
Port Reading	65	98.5%	89.0%	95.5%

* Reflects reduced utilization from scheduled maintenance.

Retail Marketing

Number of retail stations (a)	1,354	1,254	1,358
Convenience store revenue (in millions) (b)	\$ 241	\$ 228	\$ 260
Average gasoline volume per station (gallons per month) (b)	199	194	211

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

(b) Company operated only.

AMERADA HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES MARKETING AND REFINING SUPPLEMENTAL FINANCIAL AND OPERATING DATA

Year

2005	2004
------	------

Financial Information (in millions)

Marketing and Refining Earnings

Income before income taxes	\$ 813	\$ 610
Provision for income taxes	298	159

Marketing and Refining Earnings	\$ 515	\$ 451
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Summary of Marketing and Refining Earnings

Refining	\$ 346	\$ 302
Marketing	136	112
Trading	33	37

Total Marketing and Refining Earnings	\$ 515	\$ 451
---------------------------------------	--------	--------

Operating Data (in thousands unless noted)

Refined Product Sales (barrels per day)

Gasoline	213	193
Distillates	136	140
Residuals	64	58
Other	43	37

Total	456	428
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Refinery Throughput (barrels per day)

HOVENSA - Crude runs	461	484
HOVENSA - AHC 50% share	231	242
Port Reading	55	52

Refinery Utilization Refinery Capacity

HOVENSA	(thousands of barrels per day)		
Crude	500	92.2%*	96.7%
FCC	150	81.9%*	92.9%
Coker	58	92.8%	94.5%
Port Reading	65	85.3%*	83.4%**

* Reflects reduced utilization from scheduled maintenance.

** Includes a storm-related interruption.

Retail Marketing

Number of retail stations (a)	1,354	1,254
Convenience store revenue (in millions) (b)	\$ 973	\$ 932
Average gasoline volume per station (gallons per month) (b)	204	191

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

(b) Company operated only.

CONTACT: Amerada Hess Corporation
J.R. Wilson, 212-536-8940

2005 FOURTH QUARTER EARNINGS CONFERENCE CALL

THANK YOU JAY, AND WELCOME TO OUR FOURTH QUARTER CONFERENCE CALL. I WOULD LIKE TO MAKE A FEW BRIEF COMMENTS ON SOME KEY ACHIEVEMENTS OF 2005 AND PROVIDE SOME GUIDANCE FOR 2006. JOHN RIELLY WILL THEN REVIEW THE FOURTH QUARTER FINANCIALS AFTER WHICH WE WILL TAKE QUESTIONS.

IN 2005, WE HAD ANOTHER STRONG YEAR OF OPERATING AND FINANCIAL PERFORMANCE AND WE CONTINUED TO MAKE PROGRESS IN ADVANCING OUR FIELD DEVELOPMENTS, BUILDING A HIGH IMPACT EXPLORATION PROGRAM, AND CAPTURING LONG-TERM GROWTH OPPORTUNITIES THROUGH SEVERAL NEW COUNTRY ENTRIES.

OUR 2005 CORPORATE NET INCOME WAS \$1.2 BILLION. EXPLORATION AND PRODUCTION EARNED NEARLY \$1.1 BILLION AND OUR CRUDE OIL AND NATURAL GAS PRODUCTION AVERAGED 335 THOUSAND BARRELS OF OIL EQUIVALENT PER DAY. HURRICANES KATRINA AND RITA IMPACTED OUR PRODUCTION BY SEVEN THOUSAND BARRELS OF OIL EQUIVALENT PER DAY IN 2005. ALTHOUGH OUR DEEPWATER PRODUCTION FACILITIES WERE LARGELY UNDAMAGED, WE WERE IMPACTED BY OUTAGES IN DOWNSTREAM TRANSPORTATION AND PROCESSING INFRASTRUCTURE. AS OF THE BEGINNING OF THIS YEAR, WE HAVE RESTORED 45 THOUSAND BARRELS OF OIL EQUIVALENT PER DAY IN THE GULF OF MEXICO, OUT OF A PRE-STORM TOTAL OF 51 THOUSAND BARRELS PER DAY.

IN 2006, WE FORECAST WORLDWIDE CRUDE OIL AND NATURAL GAS PRODUCTION TO AVERAGE BETWEEN 360 AND 380 THOUSAND BARRELS OF OIL EQUIVALENT PER DAY, INCLUDING 20-25 THOUSAND BARRELS PER DAY FROM LIBYA.

MARKETING AND REFINING ALSO HAD ANOTHER IMPRESSIVE YEAR IN 2005, EARNING \$515 MILLION. THE HOVENSA AND PORT READING REFINERIES BOTH UNDERWENT SUCCESSFUL TURNAROUNDS OF FCC UNITS IN THE FIRST QUARTER AND BENEFITED FROM ANOTHER YEAR OF STRONG MARGINS. DESPITE A CHALLENGING HURRICANE SEASON AND WARMER THAN NORMAL WINTER TEMPERATURES, OUR RETAIL AND ENERGY MARKETING BUSINESSES ALSO PERFORMED WELL. RETAIL MARKETING EXPERIENCED STRONG GROWTH IN 2005 WITH YEAR-OVER YEAR AVERAGE GASOLINE VOLUMES PER STATION INCREASING BY 7% AND CONVENIENCE STORE REVENUE RISING BY 4%.

IN TERMS OF EXPLORATION AND PRODUCTION, SIGNIFICANT PROGRESS WAS MADE IN OUR MAJOR FIELD DEVELOPMENTS, INCLUDING THREE NEW FIELD START-UPS (CLAIR, ACG PHASE I, AND THE JDA) AND SANCTIONING THE PHU HORM GAS DEVELOPMENT IN THAILAND. IMPORTANTLY, ALL OF OUR MAJOR DEVELOPMENT PROJECTS CONTINUE TO BE ON SCHEDULE AND ON BUDGET.

WITH REGARD TO EXPLORATION, WE ADDED NEW ACREAGE IN LIBYA, EGYPT, BRAZIL, AND THE DEEPWATER GULF OF MEXICO. IN 2006, OUR DRILLING PROGRAM INCLUDES SEVEN HIGH IMPACT WELLS IN THE GULF OF MEXICO. THREE WILDCAT WELLS ARE CURRENTLY DRILLING: PONY, OUACHITA, AND BAROSSA. RESULTS FROM ALL THREE OF THESE WELLS ARE EXPECTED IN THE SECOND QUARTER.

IN ADDITION, OVER THE PAST YEAR WE ESTABLISHED OPERATIONS IN TWO NEW COUNTRIES, RUSSIA AND EGYPT, AND MOST RECENTLY REENTERED OUR WAHA CONCESSIONS IN LIBYA.

- o WITH REGARD TO OUR SAMARA-NAFTA JOINT VENTURE IN RUSSIA, IN THE FOURTH QUARTER WE ACQUIRED ADDITIONAL ASSETS WHICH HAS BROUGHT OUR TOTAL INVESTMENT IN THAT COUNTRY TO ABOUT \$400 MILLION.
- o ON THE WEST MED BLOCK IN EGYPT, WE WILL BEGIN DEVELOPING EXISTING GAS DISCOVERIES AS WELL AS EVALUATING EXPLORATION OPPORTUNITIES.
- o IN TERMS OF THE WAHA CONCESSIONS IN LIBYA, WE BEGAN BOOKING PRODUCTION JANUARY 1 AND WILL BOOK RESERVES IN 2006.

AS TO YEAR-END PROVED RESERVES, WE ARE PLEASED TO REPORT THAT IN 2005, WE REPLACED ABOUT 140 PERCENT OF PRODUCTION, AT A FINDING, DEVELOPMENT AND ACQUISITION COST OF ABOUT \$13.60 PER BARREL. PROVED RESERVES, AT YEAR-END, WERE ABOUT 1.1 BILLION BARRELS OF OIL EQUIVALENT AND OUR RESERVE LIFE IMPROVED TO 8.8 YEARS, MARKING THE THIRD CONSECUTIVE YEAR IN WHICH WE HAVE LENGTHENED OUR RESERVE LIFE.

WITH REGARD TO OUR FINANCIAL POSITION, AS A RESULT OF THE SOLID OPERATING PERFORMANCE OF OUR ASSETS AND THE STRONG PRICING ENVIRONMENT IN 2005, OUR DEBT TO CAPITALIZATION RATIO IMPROVED BY 3 PERCENT TO 37.6 PERCENT AT THE END OF THE YEAR.

IN 2005, OUR CAPITAL AND EXPLORATORY EXPENDITURES AMOUNTED TO \$2.5 BILLION, OF WHICH \$2.4 BILLION RELATED TO EXPLORATION AND PRODUCTION ACTIVITIES. FOR 2006, OUR TOTAL CAPITAL EXPENDITURES ARE FORECAST TO BE \$4.0 BILLION, WHICH INCLUDES ABOUT \$780 MILLION FOR THE ACQUISITION OF THE WEST MED BLOCK IN EGYPT FROM APACHE CORPORATION AND OUR RENTRY INTO LIBYA. EXCLUDING ACQUISITIONS, \$3.1 BILLION IS DEDICATED TO EXPLORATION AND PRODUCTION, WITH NEARLY HALF OF THIS AMOUNT GOING TO FIELD DEVELOPMENTS. THIS HIGHER LEVEL OF SPENDING REFLECTS THE COMPANY'S STRONG PORTFOLIO OF ORGANIC GROWTH PROJECTS AND ATTRACTIVE INVESTMENT OPPORTUNITIES.

IN SUMMARY, WE ARE PLEASED WITH THE PERFORMANCE OF OUR ASSETS AND OUR ORGANIZATION IN 2005 AND REMAIN OPTIMISTIC THAT THE INVESTMENTS WE ARE MAKING FOR THE FUTURE WILL GROW OUR RESERVES AND PRODUCTION PROFITABLY AND CREATE SUSTAINABLE LONG-TERM VALUE FOR OUR SHAREHOLDERS.

I WILL NOW TURN THE CALL OVER TO JOHN RIELLY, WHO WILL PROVIDE MORE DETAIL ON OUR FINANCIAL RESULTS.