

SUPPLEMENTARY OIL AND GAS DATA (UNAUDITED)

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, Equatorial Guinea, Algeria, Gabon, Indonesia, Thailand and Azerbaijan. Exploration activities are also conducted, or are planned, in additional countries.

In 2001 and 2002, the Corporation had two equity investees and reported its proportionate share of their oil and gas data in the following tables. As a result of transactions in

2003, one of these equity investees was consolidated and the other was exchanged for other oil and gas interests. Previously, the Corporation owned a 25% interest in certain oil and gas fields in the joint development area of Malaysia and Thailand (JDA) through a 50% investment in a joint venture that was accounted for as an equity investment. In 2003, the Corporation exchanged producing properties in Colombia for the remaining 50% of the JDA joint venture. As a result of this exchange, the Corporation has consolidated its oil and gas interests in the JDA. In 2003, the Corporation exchanged its 25% equity investment in Premier Oil plc for an interest in a producing field in Indonesia.

During 2003, the Corporation exchanged its interests in producing oil and gas fields in the United Kingdom for an increased interest in a Gulf of Mexico field under development. The Corporation sold producing properties in the Gulf of Mexico Shelf, the Jabung Field in Indonesia and several small United Kingdom fields in 2003.

COSTS INCURRED IN OIL AND GAS PRODUCING ACTIVITIES

<i>For the Years Ended December 31 (Millions of dollars)</i>	<i>Total</i>	<i>United States</i>	<i>Europe</i>	<i>Africa, Asia and other</i>
2003				
Property acquisitions				
Unproved	\$ 16	\$ 16	\$ —	\$ —
Proved	23	—	—	23
Exploration	321	143	49	129
Production and development*	1,082	118	501	463
2002				
Property acquisitions				
Unproved	\$ 23	\$ 22	\$ —	\$ 1
Proved	70	—	—	70
Exploration	335	120	53	162
Production and development	1,095	146	509	440
Share of equity investees' costs incurred	39	—	25	14
2001				
Property acquisitions				
Unproved	\$ 820	\$ 121	\$ 1	\$ 698
Proved	2,772	831	—	1,941
Exploration	297	107	87	103
Production and development	1,182	322	516	344
Share of equity investees' costs incurred	14	—	9	5

* Includes \$15 million that the Corporation has capitalized related to asset retirement obligations accrued during 2003. Also see Note 4 to the financial statements entitled Accounting Change.

CAPITALIZED COSTS RELATING TO OIL AND GAS PRODUCING ACTIVITIES

<i>At December 31 (Millions of dollars)</i>	2003	2002
Unproved properties	\$ 950	\$ 1,020
Proved properties	2,634	2,843
Wells, equipment and related facilities	11,030	10,836
Total costs	14,614	14,699
Less: Reserve for depreciation, depletion, amortization and lease impairment	7,512	8,539
Net capitalized costs	\$ 7,102*	\$ 6,160
Share of equity investees' capitalized costs	\$ —	\$ 704

* Includes amounts related to asset retirement obligations.

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 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 19 to the financial statements.

RESULTS OF OPERATIONS FOR OIL AND GAS PRODUCING ACTIVITIES

<i>For the Years Ended December 31 (Millions of dollars)</i>	<i>Total</i>	<i>United States</i>	<i>Europe</i>	<i>Africa, Asia and other</i>
2003				
Sales and other operating revenues				
Unaffiliated customers	\$2,771	\$ 469	\$1,716	\$ 586
Inter-company	316	316	—	—
Total revenues	3,087	785	1,716	586
Costs and expenses				
Production expenses, including related taxes	796	194	408	194
Exploration expenses, including dry holes and lease impairment	369	147	60	162
General, administrative and other expenses	168*	65	63	40
Depreciation, depletion and amortization	998	260	553	185
Total costs and expenses	2,331	666	1,084	581
Results of continuing operations before income taxes	756	119	632	5
Provision for income taxes	358	42	291	25
Results of continuing operations	398	77	341	(20)
Discontinued operations	42	25	4	13
Results of operations	\$ 440	\$ 102	\$ 345	\$ (7)
2002				
Sales and other operating revenues				
Unaffiliated customers	\$2,766	\$ 365	\$1,768	\$ 633
Inter-company	568	536	32	—
Total revenues	3,334	901	1,800	633
Costs and expenses				
Production expenses, including related taxes	736	208	387	141
Exploration expenses, including dry holes and lease impairment	316	85	94	137
General, administrative and other expenses	105	45	16	44
Depreciation, depletion and amortization	1,061	345	518	198
Asset impairments	1,024	318	—	706
Total costs and expenses	3,242	1,001	1,015	1,226
Results of continuing operations before income taxes	92	(100)	785	(593)
Provision for income taxes	225	(33)	376	(118)
Results of continuing operations	(133)	(67)	409	(475)
Discontinued operations	52	(51)	14	89
Results of operations	\$ (81)	\$ (118)	\$ 423	\$ (386)
Share of equity investees' results of operations	\$ 8	\$ —	\$ (3)	\$ 11
2001				
Sales and other operating revenues				
Unaffiliated customers	\$2,154	\$ 216	\$1,650	\$ 288
Inter-company	1,032	856	176	—
Total revenues	3,186	1,072	1,826	288
Costs and expenses				
Production expenses, including related taxes	642	190	350	102
Exploration expenses, including dry holes and lease impairment	347	138	103	106
General, administrative and other expenses	139	78	25	36
Depreciation, depletion and amortization	780	292	437	51
Total costs and expenses	1,908	698	915	295
Results of continuing operations before income taxes	1,278	374	911	(7)
Provision for income taxes	490	128	313	49
Results of continuing operations	788	246	598	(56)
Discontinued operations	95	28	16	51
Results of operations	\$ 883	\$ 274	\$ 614	\$ (5)
Share of equity investees' results of operations	\$ 17	\$ —	\$ 12	\$ 5

* Includes accrued severance and London office lease costs of approximately \$40 million.

The Corporation's net oil and gas reserves have been estimated by independent consultants DeGolyer and MacNaughton. The reserves in the tabulation below include proved undeveloped crude oil and natural gas reserves that will require substantial future development expenditures. On

a barrel of oil equivalent basis, 32% of the Corporation's December 31, 2003 worldwide proved reserves are undeveloped. 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

	Crude Oil, Condensate and Natural Gas Liquids (Millions of barrels)						Natural Gas (Millions of Mcf)					
	United States	Europe	Africa, Asia and other	Equity Investees	World- wide		United States	Europe	Africa, Asia and other	Equity Investees	World- wide	
Net Proved Developed and Undeveloped Reserves												
At January 1, 2001	156	419	180	755	11	766	552	945	310	1,807	320	2,127
Revisions of previous estimates	3	(1)	4	6	(1)	5	31	(25)	(17)	(11)	46	35
Improved recovery	—	34	—	34	—	34	—	27	—	27	—	27
Extensions, discoveries and other additions	9	18	8	35	—	35	62	196	33	291	—	291
Purchases of minerals in-place	22	1	190	213	13	226	227	—	10	237	493	730
Sales of minerals in-place	—	—	—	—	—	—	—	(1)	—	(1)	(25)	(26)
Production	(28)	(63)	(18)	(109)	(2)	(111)	(155)	(131)	(10)	(296)	(7)	(303)
At December 31, 2001	162	408	364	934	21	955	717	1,011	326	2,054	827	2,881
Revisions of previous estimates ^(a)	(10)	7	(73)	(76)	(5)	(81)	(82)	(16)	8	(90)	(81)	(171)
Extensions, discoveries and other additions	13	11	15	39	—	39	69	24	31	124	3	127
Sales of minerals in-place	(3)	(1)	(6)	(10)	—	(10)	(29)	(43)	—	(72)	—	(72)
Production	(24)	(61)	(34)	(119)	(2)	(121)	(136)	(124)	(15)	(275)	(13)	(288)
At December 31, 2002	138	364	266	768	14	782	539	852	350	1,741	736	2,477
Revisions of previous estimates ^(a)	8	8	33	49	—	49	(8)	14	(25)	(19)	—	(19)
Extensions, discoveries and other additions	1	6	4	11	—	11	3	81	4	88	—	88
Purchases of minerals in-place ^(c)	8	—	14 ^(b)	22	(6) ^(b)	16	21	—	1,023 ^(b)	1,044	(405) ^(b)	639
Sales of minerals in-place ^(c)	(8)	(20)	(81)	(109)	(7)	(116)	(103)	(13)	(157)	(273)	(316)	(589)
Production	(20)	(53)	(22)	(95)	(1)	(96)	(92)	(134)	(23)	(249)	(15)	(264)
At December 31, 2003	127	305	214	646	—	646^(d)	360^(e)	800	1,172	2,332	—	2,332^(d)
Net Proved Developed Reserves												
At January 1, 2001	140	353	80	573	9	582	476	842	111	1,429	199	1,628
At December 31, 2001	144	318	196	658	7	665	580	709	111	1,400	220	1,620
At December 31, 2002	113	294	140	547	8	555	450	631	154	1,235	221	1,456
At December 31, 2003	105	249	111	465	—	465	297	518	633	1,448	—	1,448

(a) Includes the impact of changes in selling prices on production sharing contracts with cost recovery provisions and stipulated rates of return. In 2003 such revisions were immaterial. In 2002 revisions included reductions of approximately 44 million barrels of crude oil and 26 million Mcf of natural gas relating to higher selling prices. In 2002 revisions also reflected reductions in reserves on fields acquired in the LLOG and Triton acquisitions.

(b) Includes the reclassification of reserves to "Africa, Asia and other" from "Equity Investees" as a result of the consolidation of the Corporation's interest in the JDA.

(c) Includes additions and reductions to reserves from asset exchanges.

(d) Includes 32% of crude oil reserves and 43% of natural gas reserves held under production sharing contracts. These reserves are located outside of the United States and are subject to different political and economic risks.

(e) Excludes 443 million Mcf of carbon dioxide gas for sale or use in company operations.

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

Future net cash flows are calculated by applying year-end oil and gas selling prices (adjusted for price changes provided by contractual arrangements) to estimated future production of proved oil and gas reserves, less estimated future development and production costs, which are based on year-end costs and existing economic assumptions. Future income

tax expenses are computed by applying the appropriate year-end statutory tax rates to the pre-tax net cash flows relating to the Corporation's proved oil and gas reserves. 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, corporate general and administrative expenses and changes in future prices and costs. The selling prices of crude oil and natural gas are highly volatile. The year-end prices, which are required to be used for the discounted future net cash flows and do not include the effects of hedges, may not be representative of future selling prices.

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

<i>At December 31 (Millions of dollars)</i>	<i>Total</i>	<i>United States</i>	<i>Europe</i>	<i>Africa, Asia and other</i>
2003				
Future revenues	\$27,649	\$5,742	\$12,417	\$9,490
Less:				
Future development and production costs	10,065	1,546	5,181	3,338
Future income tax expenses	5,848	1,299	3,496	1,053
	15,913	2,845	8,677	4,391
Future net cash flows	11,736	2,897	3,740	5,099
Less: Discount at 10% annual rate	4,719	1,062	1,333	2,324
Standardized measure of discounted future net cash flows	\$ 7,017	\$1,835	\$ 2,407	\$2,775
2002				
Future revenues	\$27,994	\$6,219	\$13,203	\$8,572
Less:				
Future development and production costs	10,133	1,843	4,863	3,427
Future income tax expenses	6,661	1,228	4,042	1,391
	16,794	3,071	8,905	4,818
Future net cash flows	11,200	3,148	4,298	3,754
Less: Discount at 10% annual rate	4,115	1,178	1,441	1,496
Standardized measure of discounted future net cash flows	\$ 7,085	\$1,970	\$ 2,857	\$2,258
Share of equity investees' standardized measure	\$ 587	\$ —	\$ 23	\$ 564
2001				
Future revenues	\$22,666	\$4,884	\$10,569	\$7,213
Less:				
Future development and production costs	10,335	1,817	4,889	3,629
Future income tax expenses	3,989	686	2,495	808
	14,324	2,503	7,384	4,437
Future net cash flows	8,342	2,381	3,185	2,776
Less: Discount at 10% annual rate	3,286	809	1,132	1,345
Standardized measure of discounted future net cash flows	\$ 5,056	\$1,572	\$ 2,053	\$1,431
Share of equity investees' standardized measure	\$ 543	\$ —	\$ 28	\$ 515

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

<i>For the years ended December 31 (Millions of dollars)</i>	2003	2002	2001
Standardized measure of discounted future net cash flows at beginning of year	\$ 7,085	\$ 5,056	\$ 6,828
Changes during the year			
Sales and transfers of oil and gas produced during year, net of production costs	(2,291)	(2,964)	(2,840)
Development costs incurred during year	1,082	1,095	1,182
Net changes in prices and production costs applicable to future production	796	5,767	(4,346)
Net change in estimated future development costs	(726)	(546)	(838)
Extensions and discoveries (including improved recovery) of oil and gas reserves, less related costs	261	287	521
Revisions of previous oil and gas reserve estimates	622	(939)	231
Purchases (sales) of minerals in-place, net	(469)	(247)	1,186
Accretion of discount	945	796	1,087
Net change in income taxes	72	(1,701)	1,943
Revision in rate or timing of future production and other changes	(360)	481	102
Total	(68)	2,029	(1,772)
Standardized measure of discounted future net cash flows at end of year	\$ 7,017	\$ 7,085	\$ 5,056