

AMERADA HESS CORPORATION

AUDIT COMMITTEE CHARTER

A. ORGANIZATION

1. The Audit Committee (the “Committee”) shall be appointed by the Board of Directors and shall consist of not less than three directors, all of whom shall have no material relationship with the Company and each of whom shall be "independent" under the rules of the New York Stock Exchange, Inc. (“NYSE”), and the Securities and Exchange Commission (“SEC”) in each case as affirmatively determined by the Board in its business judgment. Each member shall be "financially literate," and one member of the Committee shall have "accounting or related financial management expertise," in each case within the meaning of applicable NYSE rules and as determined by the Board of Directors in its business judgment. When and as required by applicable law and rules of the SEC, at least one member shall be an “audit committee financial expert” within the meaning of such laws and rules and as determined by the Board in its business judgment, or in the alternative, the Company shall make appropriate disclosures as required by applicable SEC rules explaining why there is not a member of the Committee who is an “Audit Committee financial expert”.
2. No director may serve as a member of the Committee if such director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee, and discloses this determination in the Company's annual proxy statement. No member of the Committee may receive any compensation, including any consulting, advisory or any other compensatory fee, from the Company other than (i) director's fees, which may be received in cash, stock, stock options or other in-kind consideration ordinarily available to directors; (ii) a pension or other deferred compensation for prior service that is not contingent on future service; and (iii) any other regular benefits that other directors receive. No member of the Committee may be an affiliated person of the Company or its subsidiaries.
3. Members shall be appointed by the Board of Directors based on nominations recommended by the Company's

Corporate Governance and Nominating Committee, and shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

4. The Board shall designate one member of the Committee as its chairperson.

B. STATEMENT OF POLICY

1. The Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility to the shareholders, the investment community, and others relating to the Company's financial statements, the financial reporting practices of the Company, the systems of internal accounting and financial controls and disclosure controls, the internal audit function, the annual independent audit of the Company's financial statements, the review of the independence of independent auditors, and the Corporation's environmental, health and safety and social responsibility programs.
2. In fulfilling its duties, the Committee should maintain free and open communication between the Committee, the Board of Directors, independent auditors, the internal auditors and management of the Company. The foregoing shall have direct and unfettered access to members of the Committee both at and between meetings of the Committee.

C. PURPOSES OF THE AUDIT COMMITTEE:

The purposes of the Committee are to:

1. Assist Board oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditors' qualifications and independence, and (iv) the performance of the independent auditors and the Company's internal audit function; and
2. Prepare the report required to be prepared by the Committee pursuant to SEC rules for inclusion in the Company's

annual proxy statement.

The function of the Committee is oversight. Management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements and for maintaining appropriate accounting and financial reporting principles and policies. Management and the internal auditing department are responsible for maintaining internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent auditors are responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures. In fulfilling their responsibilities hereunder, it is recognized that members of the Committee are not full-time employees of the Company and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing. As such, it is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing procedures or accounting reviews or to set auditor independence standards. Each member of the Audit Committee shall be entitled in his or her reasonable judgment to rely on (i) the integrity of those persons and organizations within and outside the Company from which it receives information and (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors).

D. MEETINGS OF THE AUDIT COMMITTEE

The Committee shall meet at least once every fiscal quarter. The Committee shall meet separately periodically at such times as it deems appropriate with management, the director of the internal auditing department and the independent auditors to discuss any matters that the Committee or any of these persons or firms believe should be discussed privately. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

E. DUTIES AND POWERS OF THE AUDIT COMMITTEE

To carry out its purposes, the Committee shall have the following duties and powers:

1. With respect to the independent auditors,
 - (i) exclusive authority to retain and terminate the independent auditors (subject, if applicable, to shareholder ratification);
 - (ii) to approve all audit engagement fees and terms;
 - (iii) to pre-approve all non-audit services permitted to be provided to this Company by the independent auditors when and as required by applicable law and SEC rules; provided, however, that for this purpose the Committee may delegate authority to one of its members, but any approval of non-audit services pursuant to such delegation shall be presented to the Committee at its next scheduled meeting;
 - (iv) to require that the independent auditors prepare and deliver annually a formal written statement (the "Auditors' Statement") describing: the auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (to assess the auditors' independence) all relationships between the independent auditors and the Company, including each non-audit service provided to the Company and the matters set forth in Independence Standards Board Standard No. 1;
 - (v) to discuss with the independent auditors any relationships or services disclosed in the Auditors' Statement that may impact the quality of audit services or the objectivity and independence of the independent auditors;

- (vi) to require the independent auditors to submit to the Company annually a formal written statement of the fees billed for each of the following categories of services rendered by the independent auditors: (a) the audit of the Company's annual financial statements for the most recent fiscal year and the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q for that fiscal year; (b) audit-related services for the most recent fiscal year (c) tax and tax-related services for the most recent fiscal year and (d) all other services rendered by the independent auditors for the most recent fiscal year, in the aggregate and by each service;
- (vii) if applicable, to consider whether the independent auditors provision of (a) tax-related services and (b) other non-audit services to the Company is compatible with maintaining the independence of the independent auditors;
- (viii) to review and evaluate the experience, qualifications, performance and independence of the senior members of the independent auditors;
- (ix) to discuss with management the timing and process for implementing the rotation of the lead audit partner and the reviewing partner when and as required by applicable law and SEC rules;
- (x) to take into account the opinions of management and the Company's internal auditors in assessing the independent auditors' experience, qualifications, performance and independence; and
- (xi) to instruct the independent auditors that the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the shareholders.

2. With respect to the internal auditing department,

- (i) to review the appointment and replacement of the director of the internal auditing department;
- (ii) to review with the director of the internal audit department the qualifications and staffing of the internal audit department and the scope of the audit; and

- (iii) to receive from the director of the internal auditing department summaries of and, as appropriate, the significant reports to management prepared by the internal auditing department and management's responses thereto, including the status of any open action items identified by the internal or independent auditors.

3. With respect to financial reporting principles and policies and internal controls and procedures,

- (i) to advise management, the internal auditing department and the independent auditors that they are expected to provide to the Committee a timely analysis of significant financial reporting issues and practices;
- (ii) to consider any reports or communications (and management's and or the internal audit department's responses thereto) submitted to the Committee by the independent auditors required by or referred to in Statement of Auditing Standards No. 61, as may be modified or supplemented, including reports and communications related to deficiencies in the design or operation of internal controls, fraud, illegal acts, audit adjustments and the independent auditors' judgments about the quality of the entity's accounting principles;
- (iii) to meet with management, the independent auditors and, if appropriate, the director of the internal auditing department:
 - to discuss, as appropriate: (a) any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company and (d) earnings press releases (paying particular attention to any use of "pro forma," or "adjusted" non-GAAP, information);

- to review the adequacy of internal controls and disclosure controls, including controls over quarterly financial reporting, computerized information systems and security;
- to discuss the scope of the annual audit;
- to discuss the annual audited financial statements and quarterly financial statements prior to their release, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";
- to discuss any significant matters arising from any audit, including any audit problems or difficulties, whether raised by management, the internal auditing department or the independent auditors, relating to the Company's financial statements;
- to discuss any difficulties the independent auditors encountered in the course of the audit, including any restrictions on their activities or access to requested information and any significant disagreements with management;
- to discuss any accounting adjustments that were proposed by the independent auditors but were "passed" (as immaterial or otherwise), any communications between the audit team and their national office with respect to significant auditing or accounting issues presented by the engagement and any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company;
- to review the form of opinion the independent auditors propose to render to the Board of Directors and shareholders on the audit of the Company's financial statements;
- to discuss significant changes to the auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the independent auditors, the internal auditing department or management; and

- to discuss policies with respect to risk assessment and risk management.
- (iv) to discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, and to discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- (v) to obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Securities Exchange Act of 1934, as amended, which sets forth certain procedures to be followed in any audit of financial statements required under the Securities Exchange Act of 1934;
- (vi) to discuss with the Company's General Counsel any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or the Company's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies;
- (vii) to review and discuss earnings press releases prior to their release;
- (viii) to discuss the types of financial information and earnings guidance provided, and the types of presentations made, to analysts and rating agencies;
- (ix) to establish clear Company hiring policies for employees or former employees of the independent auditors;
- (x) to establish procedures in accordance with applicable SEC rules for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (xi) review compliance with the Company's business practice guide and reports to the Company's internal hotline.

(xii) oversee the Corporation's environmental, health and safety and social responsibility programs.

4. With respect to reporting and recommendations,

- (i) to prepare any report or other disclosures, including any recommendation of the Committee, required by the rules of the SEC to be included in the Company's annual proxy statement;
- (ii) to review this Charter at least annually and recommend any changes to the full Board of Directors;
- (iii) to report regularly to the Board of Directors as it deems appropriate and, at a minimum, report to the Board of Directors after each of its meetings either at the Board meeting which immediately follows the meeting of the Committee or at the next succeeding Board meeting and to make such recommendations with respect to the above and other matters as the Committee may deem necessary or appropriate; and
- (iv) to prepare and review with the Board of Directors an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the Chairperson of the Committee or any other member of the Committee designated by the Committee to make the report.

F. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts, as it deems appropriate, without seeking approval of the Board of Directors or management. With respect to the retention of independent auditors, this authority shall be vested solely in the Committee.