HESS CORPORATION
1185 Avenue of the Americas
New York, NY 10036

JOHN P. RIELLY
Senior Vice President
and Chief Financial Officer
(212) 536-8230
(212) 536-8502 FAX

July 29, 2011

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: File No. 4-600

Dear Ms. Murphy:

Hess Corporation ("Hess" or "the Corporation") appreciates the opportunity to comment on the Securities and Exchange Commission Staff Paper on the Work Plan for the Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers ("Staff Paper"). Hess is a global integrated energy company primarily engaged in the exploration for and production of crude oil and natural gas, the manufacturing of refined petroleum products and the purchasing, trading and marketing of refined petroleum products, natural gas and electricity. The Corporation is a registrant with the U.S. Securities and Exchange Commission and is classified as a large accelerated filer.

The Corporation's framework for evaluating the approach outlined in the Staff Paper is solely based on whether the original objective of establishing a "single set of high-quality globally accepted accounting standards" as set forth in the SEC's Roadmap is achievable. The purpose of the Roadmap was to outline the milestones needed to be met before the SEC would mandate adoption of international financial reporting standards ("IFRS") for U.S. registrants. The Staff Paper properly identifies a risk of developing a U.S. version of IFRS through the endorsement process which would in turn result in a lack of comparability of financial statements across jurisdictions. The Roadmap did not contemplate any scenario where U.S. registrants might adopt a U.S. version of IFRS. We would view any such lack of comparability following the proposed endorsement period as a failed outcome after having been compelled to incur significant time, effort and expense to adopt numerous new accounting standards. While the Staff Paper states that it should be rare for the FASB to not endorse an IASB standard, we believe this assumption would be optimistic given the relative maturity of U.S. GAAP compared with that of IFRS. If the SEC is seriously contemplating a U.S. version of IFRS as a satisfactory outcome, we would recommend staying with U.S. GAAP instead of proceeding with the adoption of IFRS.

We believe there is a significant risk that a U.S. version of IFRS will be created by the proposal in the Staff Paper. Therefore, we would like the Staff to gather more information to make an informed decision about whether establishing a single set of high-quality globally accepted accounting standards is achievable, before committing U.S. registrants to a new set of accounting standards approaching IFRS. We recommend the Staff instruct the FASB to conduct a thorough evaluation of IFRS with the intent to communicate to the Staff and other US constituents the following:

- IASB standards that can be endorsed today,
- IASB standards that could be endorsed today but have some deficiencies compared with U.S. GAAP,
- IASB standards that cannot be endorsed and are scheduled for redeliberation,
- IASB standards that cannot be endorsed and are not scheduled for redeliberation,
- Gaps in IFRS where standards need to be promulgated to achieve a complete set of high quality global accounting standards,
- A transition plan to convert U.S. registrants to IFRS.

With the information above, the Staff and U.S. registrants can better assess the level of effort and potential length of time that it might take to achieve a conversion to IFRS. If at that point a decision is made by the SEC to move forward with IFRS, we recommend continued convergence by both Boards on all remaining standards that are not endorsed in accordance with the FASB's transition plan. We believe convergence by the Boards would increase the likelihood of achieving a single set of high quality global accounting standards that could be embraced across all jurisdictions. This approach may also result in some IFRS being redeliberated where further review is warranted.

To reiterate, we believe any scenario whereby US registrants continue to report under U.S. GAAP following an endorsement process will likely fail to have U.S. registrants report on a comparable basis with IFRS. In addition, we question whether the IASB will welcome the FASB in its endorsement role as described in the Staff Paper.

Despite the foregoing, if the SEC ultimately adopts the endorsement process outlined in the Staff Paper, the Corporation is supportive of several aspects of the IFRS transition plan if the endorsement process has a date certain ending at which point U.S. registrants would adopt IFRS. We believe the principal advantages of the transition plan set out in the Staff Paper are:

- Use of a phased approach pursuant to an established transition protocol which would likely be a lower cost alternative to full adoption of IFRS on a specified date.
- Maximization of the number of IFRS subject to prospective adoption as proposed in the Staff Paper to reduce otherwise costly restatements. In our view, retrospective adoption would add significantly to implementation costs, without providing a commensurate benefit.

In addition to these positive factors, we have suggestions for your consideration in developing the SEC's work plan and the FASB's endorsement protocol, as follows:

The endorsement period should have a stated beginning and ending date, commencing after the effective date of the convergence standards.

We believe that a minimum of four years should be allowed for the endorsement process to be completed and that endorsement should commence after the effective date of the convergence projects. The adoption of standards such as leases and revenue recognition will consume available resources in the near term, so we suggest endorsement of IFRS should commence only in a stable environment, once the convergence projects have been completed.

The FASB's endorsement protocol should include a mandate to rationalize disclosure requirements presently existing in U.S. GAAP and SEC requirements, as well as in IFRS.

We believe there will be a unique opportunity during the endorsement process to streamline disclosure requirements from the legacy FASB and SEC literature and select for endorsement only the most pertinent IFRS disclosures. We can envision disclosure overload becoming an unintended consequence of the endorsement process, unless there is a specific mandate included in the transition plan to reduce or streamline disclosures from the three sources of accounting guidance being evaluated. Disclosures covering financial instruments and the determination of fair value have proliferated in recent years and are an example of where rationalization of the requirements would be beneficial.

Furthermore, we note that if standards are not completely endorsed or converged, a likely outcome would be an attempt to reconcile the differing accounting treatments through additional disclosure in the footnotes, further adding to the disclosure burden.

The importance of prospective adoption of international standards and disclosures should continue to be emphasized in the SEC's statement on the adoption of IFRS.

As stated above, we believe the endorsement process should commence after the adoption of the convergence projects and extend for a minimum period of four years. Given the potential volume of information to be processed to retrospectively adopt IFRS and considering the related costs, we believe that prospective adoption of standards as contemplated in the Staff Paper is a preferred method. Furthermore, we believe serious consideration should be given to prospective adoption for each of the convergence standards, particularly leases and revenue recognition.

In summary, we believe the objective of establishing a single set of high quality globally accepted accounting standards should be the primary objective, and that an outcome of a U.S. version of IFRS should not be an acceptable alternative. To that end, we believe the SEC should instruct the FASB to conduct a thorough evaluation of IFRS to better understand the level of work necessary to achieve that primary objective prior to reaching its final decision on whether to adopt IFRS or continue with U.S. GAAP. Assuming a decision is then made to adopt IFRS, we recommend convergence by both Boards on all remaining standards that are not endorsed, until the SEC and U.S. constituents are confident a single set of high quality standards exist.

Hess Corporation appreciates the opportunity to comment on the SEC's Staff Paper and would be happy to discuss these comments with the appropriate staff members.

Sincerely yours,

John P. Rielly
Senior Vice President and
Chief Financial Officer