

HESS CORPORATION



BARCLAYS CEO ENERGY – POWER CONFERENCE

SEPTEMBER 10, 2015

Forward-looking statements and other information



This presentation contains projections and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These projections and statements reflect the company's current views with respect to future events and financial performance.

No assurances can be given, however, that these events will occur or that these projections will be achieved, and actual results could differ materially from those projected as a result of certain risk factors. A discussion of these risk factors is included in the company's periodic reports filed with the Securities and Exchange Commission.

We use certain terms in this presentation relating to reserves other than proved, such as unproved resources. Investors are urged to consider closely the disclosure relating to proved reserves in Hess' Form 10-K, File No. 1-1204, available from Hess Corporation, 1185 Avenue of the Americas, New York, New York 10036 c/o Corporate Secretary and on our website at www.hess.com. You can also obtain this form from the SEC on the EDGAR system.

Why Hess?



One of the strongest balance sheets among E&P peers

- \$3 billion of proceeds from Bakken midstream joint venture¹
- 8% Net Debt-to-Capitalization ratio lowest among peer group^{1,2}
- > \$8 B of Liquidity¹
- 2015 capital and operating expense reductions of \$600 million
- Significant further spending reductions underway

Disciplined financial strategy

- Invest for returns
- Manage business to be cash generative over the long term
- Use balance sheet to fund long term growth projects through cycle
- Preserve balance sheet strength and maintain investment grade rating

Focused resilient portfolio linked by operating capabilities

- Five core areas represent 94% production / 83% reserves
- Linked by operating capabilities – partner of choice with industry leading operating performance in unconventional and offshore
- Balanced for risk – 50/50 unconventional and conventional / US and International / onshore and offshore
- Leveraged to liquids – industry leading cash margins

Competitively positioned to grow as oil prices recover

- Significant captured near-term growth optionality: Bakken & Utica
- Intermediate-term growth: North Malay Basin (2017) & Stampede (2018)
- Longer-term growth: Recent exploration success in Guyana and the deepwater Gulf of Mexico provides material upside

¹ Post Bakken Midstream JV closing on July 1, 2015

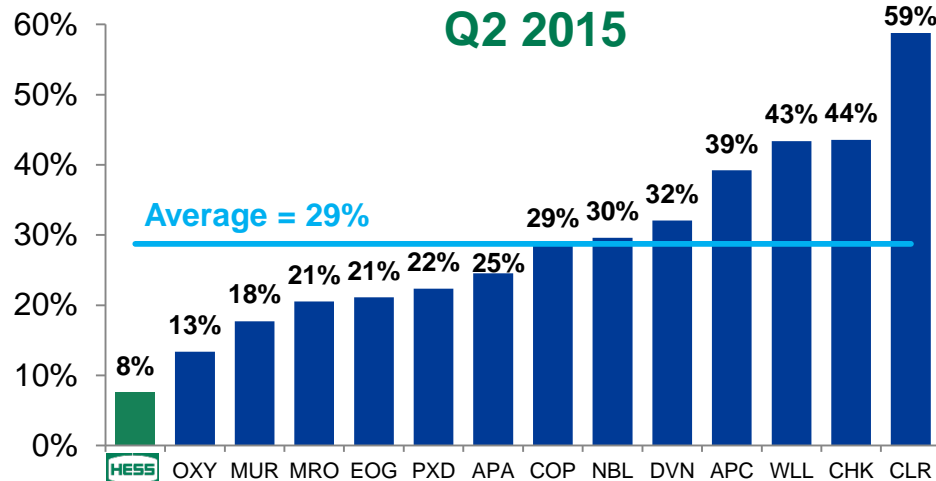
² Peer group includes APA, APC, CHK, CLR, COP, DVN, EOG, MRO, MUR, NBL, OXY and PXD

One of the strongest balance sheets and liquidity positions among E&P peers

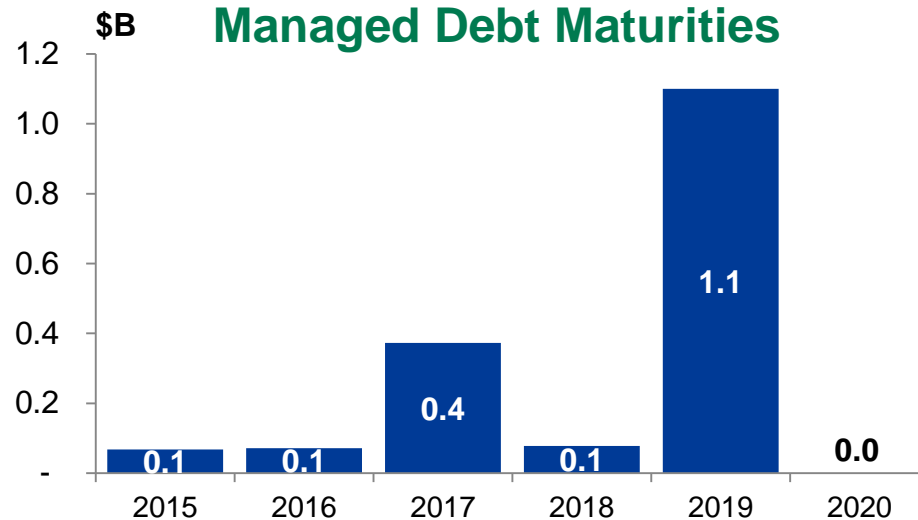


- **> \$8 B of Liquidity post July 1 close of midstream JV**
 - \$0.9 B Cash at 6/30/15
 - \$3.0 B Cash Proceeds from JV transaction
 - \$4.0 B Unused Revolver
 - \$0.8 B Unused Committed Lines
- **Net Debt-to-Capitalization ratio of approximately 8%**
- **2015 E&P Capital & Exploratory Spend of \$4.1 B**
 - Further significant capital reductions underway in response to low oil prices
- **Joint Venture funds future Midstream capital expenditures**
 - ~ \$325 - 350 million in 2015
 - ~ \$175 - 225 million annually over next five years

**Peer Net Debt-to-Capital Ratio
Q2 2015**



Managed Debt Maturities



Source: Company filings; data as of 6/30/15; Hess data as of 7/1/15 adjusted for midstream sale

Focused Resilient Portfolio

Linked by operating capabilities



2015 Production: 360 - 370 MBOED
P1 Reserves: 1.4 BBOE
6P Resources: ~ 6 BBOE

Bakken

29% Prod
33% Res

Utica

6% Prod
2% Res

Valhall & South Arne

13% Prod
23% Res

Onshore USA

- Industry leading Bakken well costs and productivity. Lean manufacturing and advantaged infrastructure
- Utica leveraging Bakken capability and experience

North Sea

- Leveraging industry leading chalk reservoir drilling experience

Deepwater GoM

- Deepwater developments and strong partner relationships
- Industry recognized development and deepwater drilling capability

Equatorial Guinea

12% Prod
3% Res

JDA

11% Prod
8% Res

Deepwater GoM

21% Prod
7% Res

Tubular Bells & Stampede

4% Res

Ghana

North Malay Basin

2% Prod
3% Res

★ Base ★ Growth

West Africa

- Industry leading drilling performance, building on EG deepwater experience
- Optimizing value through seismic technology and drilling excellence

SE Asia

- Top quartile offshore project delivery and reservoir management
- Leverage JDA experience and strong partner relationship

Located in areas where Hess is competitively advantaged

Net Production: 2015 assumes zero contribution from Libya

Reserves: 2014 Year End Proven, includes Libya

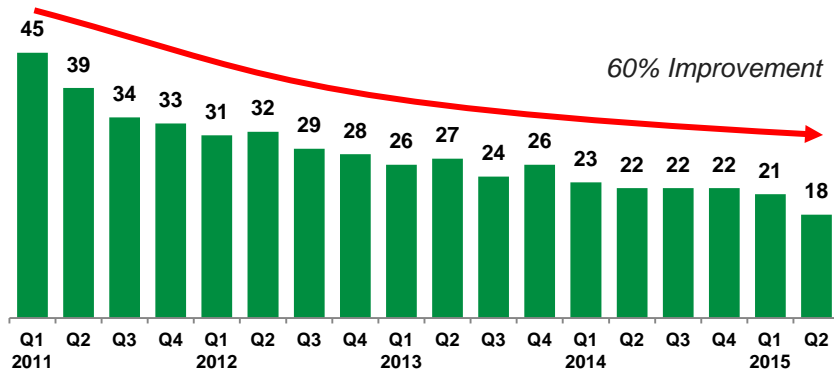
Industry Leading Operating Performance

Unconventionals - Bakken

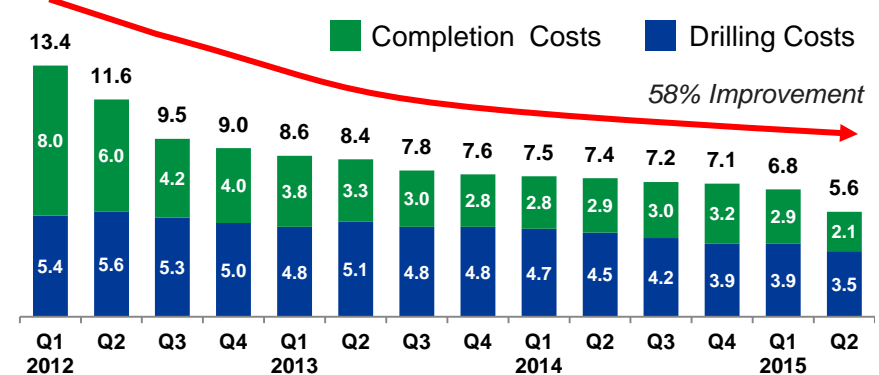


Reducing Well Costs...

Drilling Performance: Spud-to-Spud (Days)

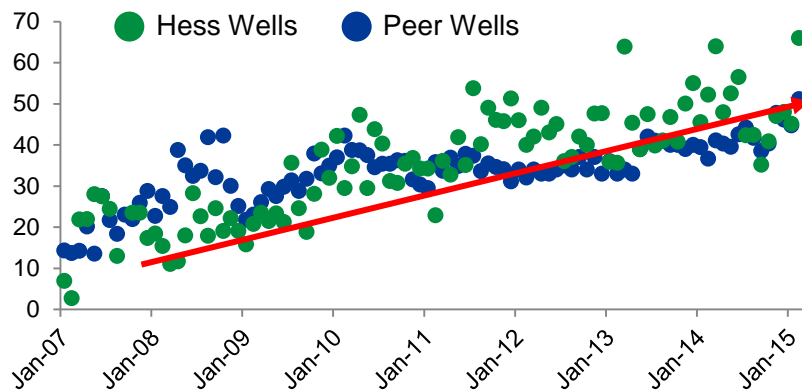


Drilling Performance: Costs (\$MM)

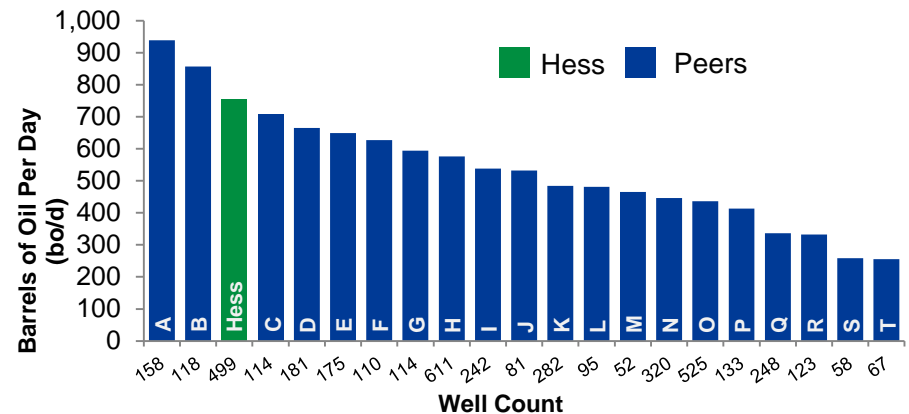


...While Optimizing Well Productivity

Average 90-Day Initial Production (MBO) by Completion Date



Operator Average 30-Day IP Rate (since YE 2012)



Low cost + high productivity + high margins = high returns

Industry Leading Operating Performance

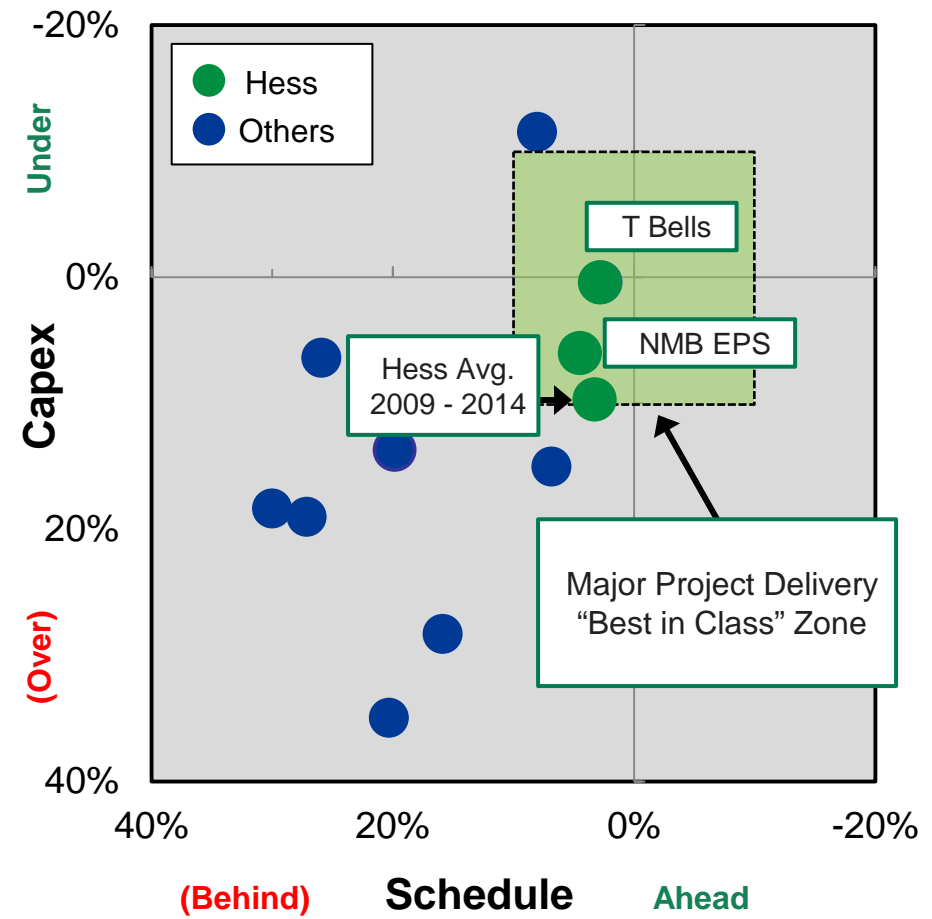
Offshore drilling and project delivery



Industry Project Delivery

(IPA Study 2005 - 2013)

| Drilling Performance Quartile | 1 st | 2 nd | 3 rd | 4 th |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|
| Ghana | ✓ | | | |
| North Malay Basin | ✓ | | | |
| Tubular Bells | ✓ | | | |
| Equatorial Guinea | ✓ | | | |
| South Arne | | ✓ | | |



Source: Rushmore data 2014

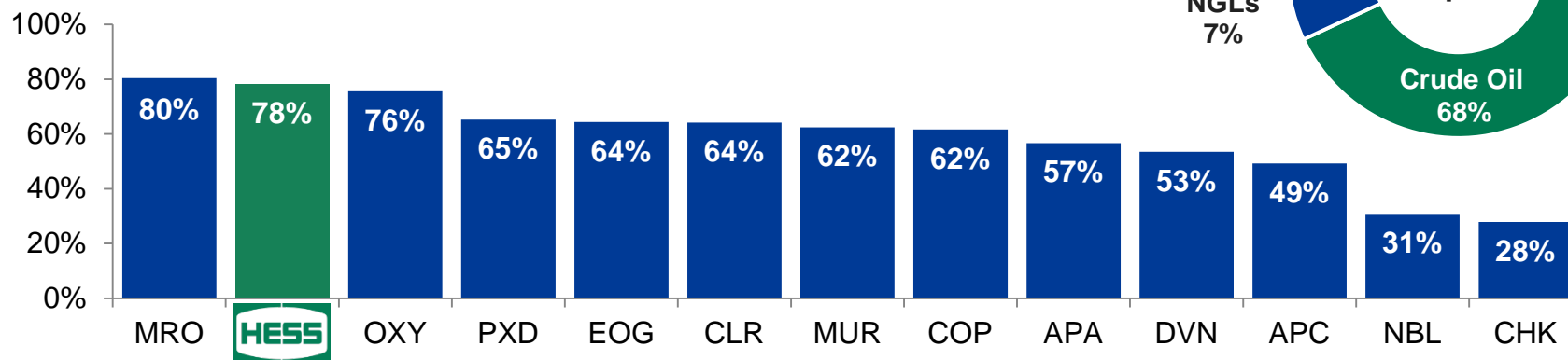
Source: IPA Study (2005 - 13) updated with recent Hess projects

Focused Resilient Portfolio

Leveraged to liquids with industry leading cash margins

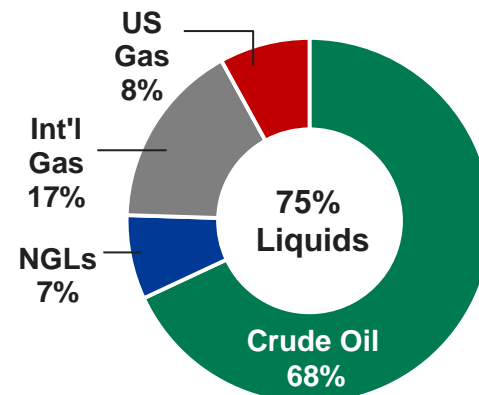


Liquids % of YE 2014 Reserves

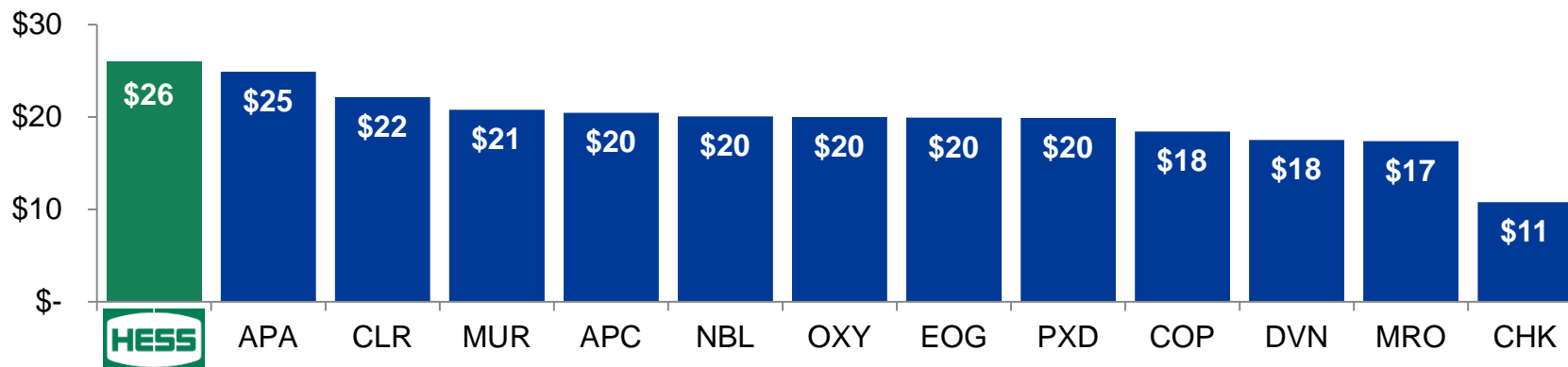


Source: Bloomberg

2014 Hess Production Pro Forma



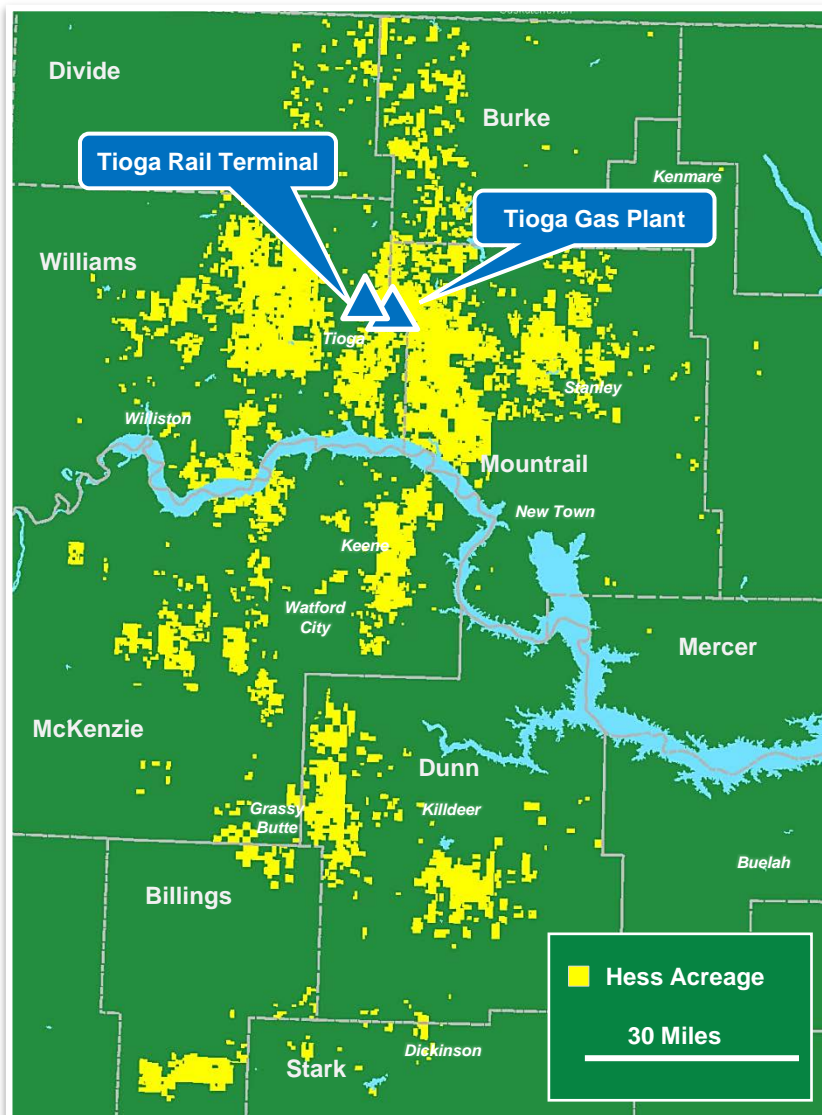
1H 2015 Cash Margin



Source: Thomson One (Adjusted Net Income), 2015 SEC filings (DD&A, Exploration Expense)
 Cash Margin = Adjusted Net Income [excluding special items] + DD&A + Exploration Expense

One of the Best Positions in the Bakken

Competitively advantaged with Lean manufacturing process



• Strategic / Portfolio Context

- Industry leading acreage position in the core of the Middle Bakken and Three Forks
- Top quartile well cost and productivity, delivering some of the highest returns in play
- Advantaged infrastructure enhances netbacks

• Asset Details

- 605,000 net acres; Hess ~ 70% WI, operator
- 2015 net production 105 - 110 MBOED
- Net Estimated Ultimate Recovery >1.4 BBOE
- >4,000 total operated drilling locations
- 30 Day IPs: 800 - 950 BOPD
- Reduced rig count from 17 in 2014, to 12 in 1Q15 and to 8 in 2Q15
- 2015 Bakken E&P capex ~ \$1.4 B

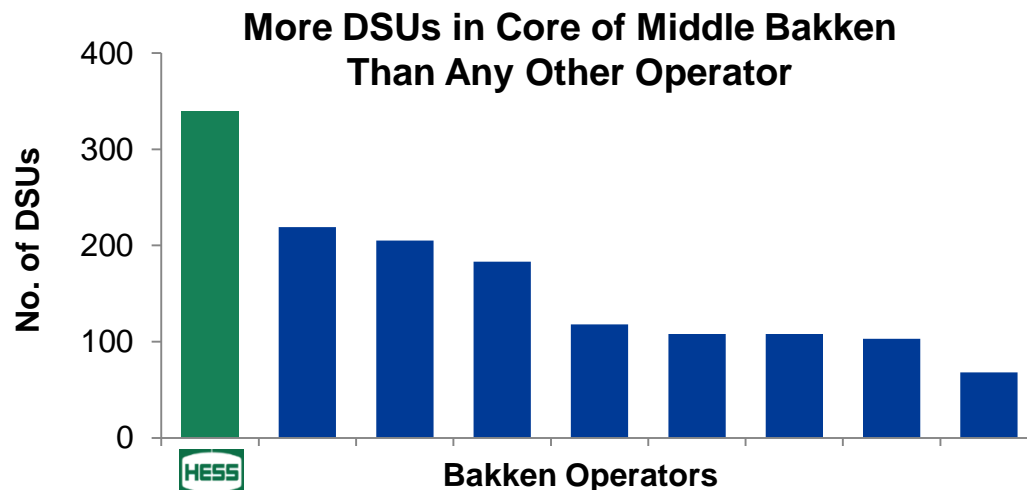
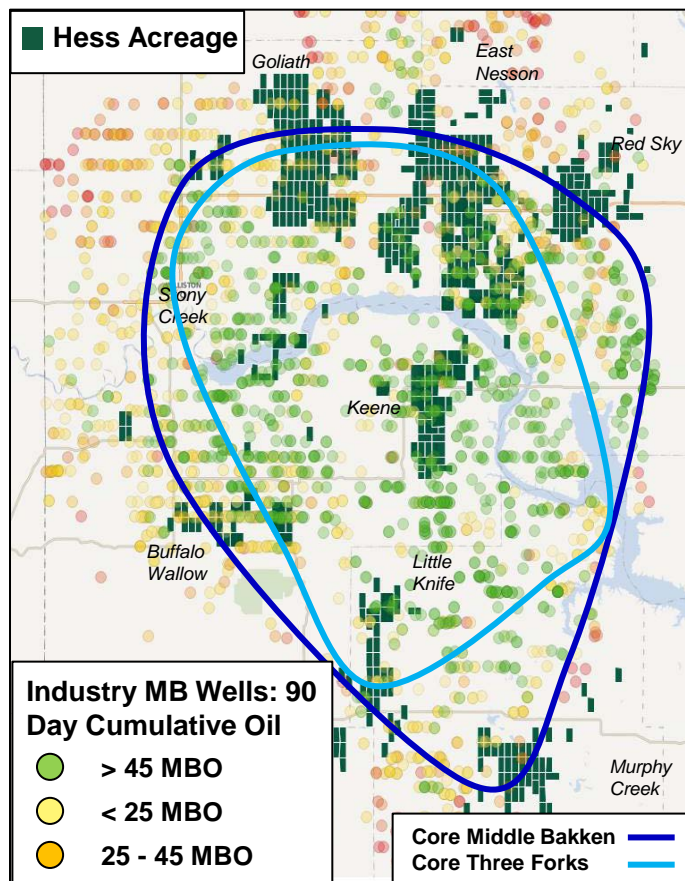
Major contributor to future production growth

One of the Best Positions in the Bakken

Material position in the core of the Bakken

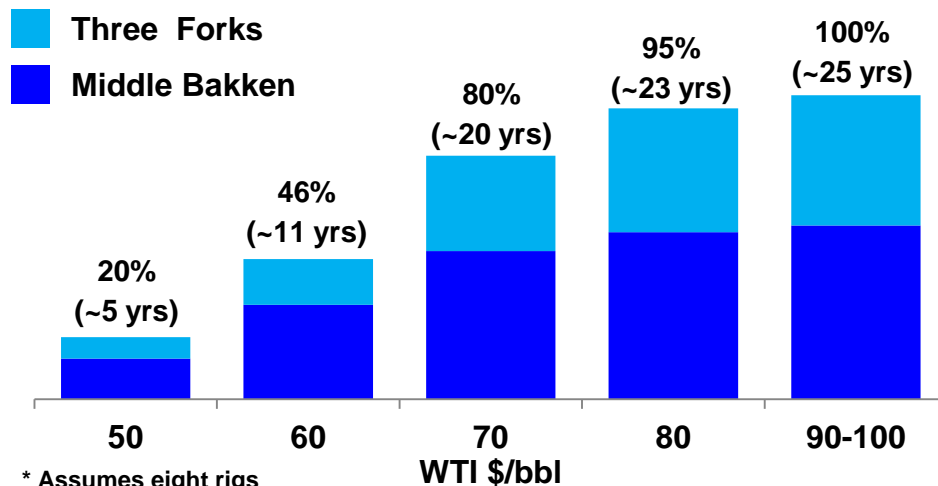


30+ Stage Wells Since 2012



~3,200 Future Operated Drilling Locations

% of Total Inventory & Implied Rig Years* vs WTI Price (15% AT IRR Threshold)



DSU: 1,280 acre Drilling Spacing Unit
Source: NDIC and Hess analysis

One of the Best Positions in the Bakken

Advantaged infrastructure maximizing value



Tioga Rail Terminal



Tioga Gas Plant

- Bakken Midstream JV valued at \$5.35 billion
- Hess sold 50% interest in Bakken Midstream assets to GIP for \$2.675 billion
- Total after-tax cash proceeds to Hess of \$3.0 billion, including JV debt issuance
- Hess retains operational control of Bakken Midstream assets
- Transaction delivered significant and immediate value to shareholders

Joint Venture committed to pursuing MLP IPO

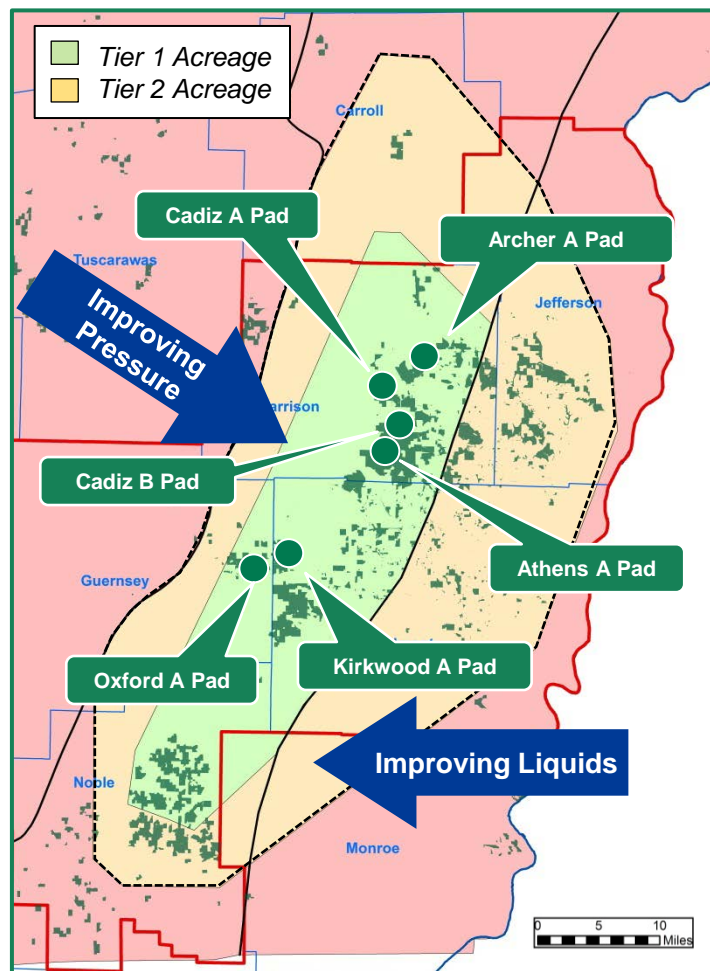
Utica: Material Position in the Wet Gas Window



Acreage in play sweet spot with high NRI

JV Acreage

Optimum Mix of Pressure and Liquid Content



• Strategic / Portfolio Context

- Wells highly productive with high liquids content
- Leveraging Bakken capability to maximize efficiency and reduce costs
- Executing development at measured pace

• Asset Details

- 50% WI; 95% gross NRI
- 45,000 net acres
- 2015 net production 20 - 25 MBOED
- 2 rig program, reduced to 1 rig from June 2015
- 2015 capex \$240 MM

Core position in emerging Utica Shale play

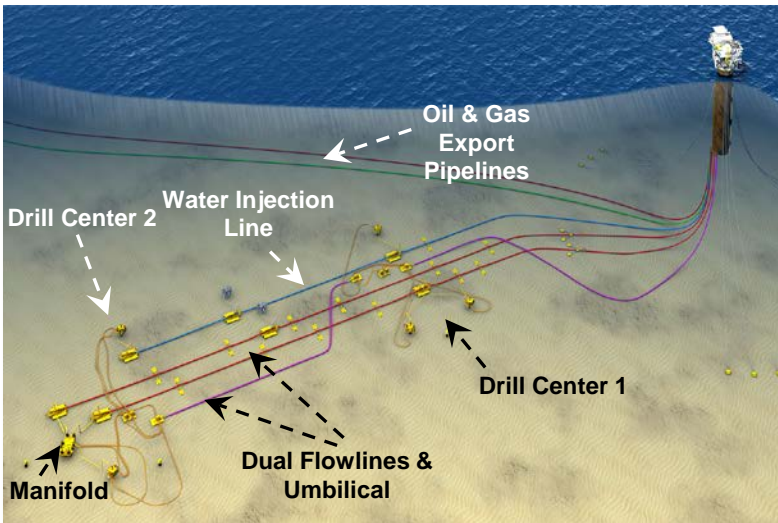
Deepwater Gulf of Mexico: Tubular Bells

Low cost production leveraging deepwater capability



- **Strategic / Portfolio Context**

- Material growth asset
- Key contributor to production and cash flow
- Leverages deepwater capability



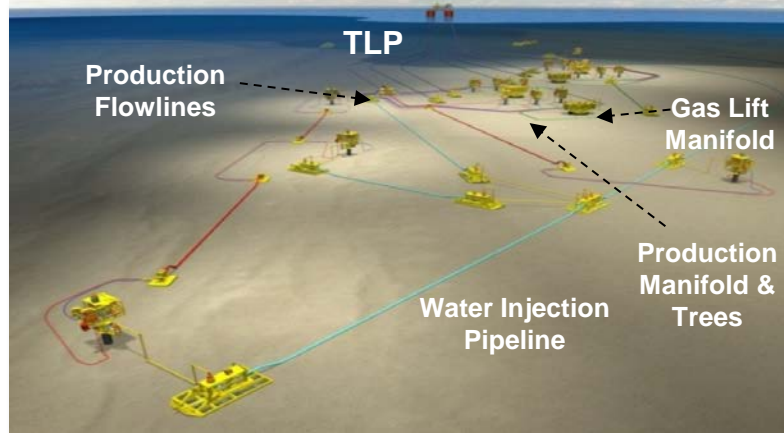
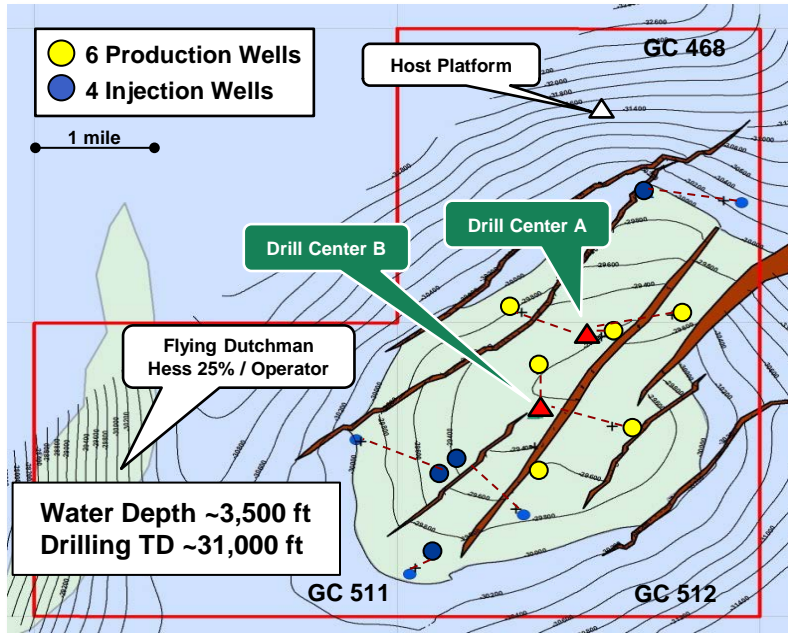
- **Asset Details**

- 57% WI, operator
- First oil November 2014
- 2015 net production 25 - 30 MBOED
- 2015 capex ~\$220 MM

Biggest driver of production growth in 2015

Deepwater Gulf of Mexico: Stampede

Building on Tubular Bells success



• Strategic / Portfolio Context

- Leverages proven deepwater capability
- Material contribution to 2018+ growth
- One of the largest undeveloped fields in GoM (300 - 350 MMBOE gross)

• Asset Details

- 25% WI, operator
- Progressing hull and topsides fabrication
- Plan to commence drilling in 2016; first oil targeted in 2018
- Gross processing capacity of 80 MBOD
- Mature captured near field exploitation
- 2015 capex ~\$280 MM

Operator for deepest development in GoM at 30,000 ft

West Africa: Equatorial Guinea

Maximizing value through 4D seismic and drilling excellence

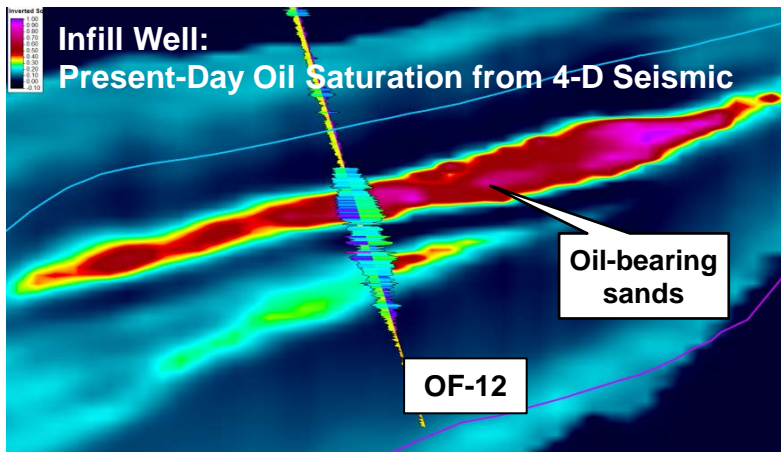


- **Strategic / Portfolio Context**

- Material cash flow
- 4D seismic for continuing identification of high value drilling opportunities to maintain production plateau
- Leverages deepwater capability

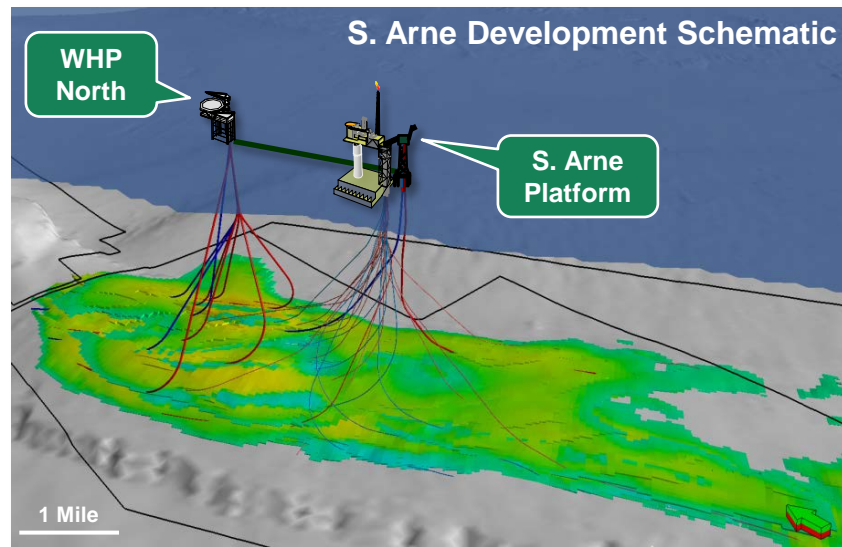
- **Asset Details**

- 85% WI, operator
- 2015 net production 40 - 45 MBOED
- Process new 4D seismic / mature further exploitation opportunities
- 1H 2015 cash margin \$38 / BOE
- 2015 capex ~\$160 MM



North Sea Chalk: South Arne

Material asset with continuing development potential



• Strategic / Portfolio Context

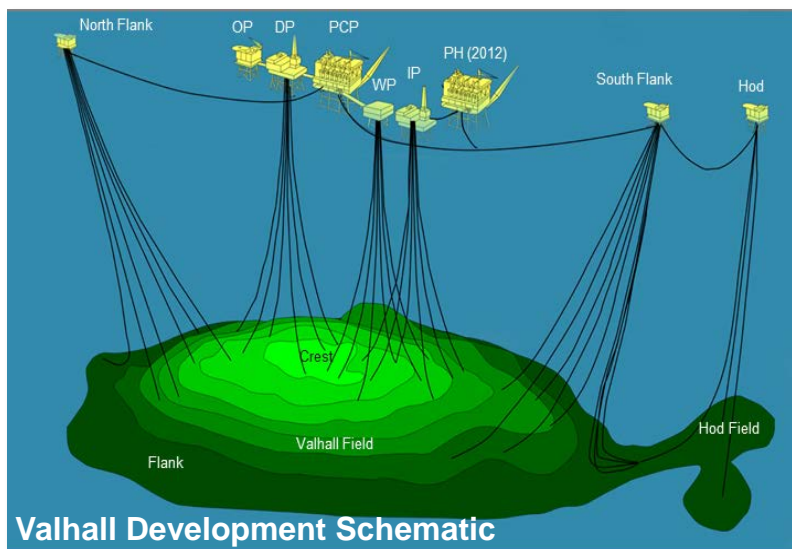
- Growth asset with material cash flow
- Multi year drilling inventory
- Leveraging expertise in horizontal, managed pressure drilling in chalk reservoirs

• Asset Details

- 61.5% WI, operator
- 2015 net production 15 - 20 MBOED
- Identify further infill drilling potential with new Ocean Bottom Seismic
- 1H 2015 cash margin \$35 / BOE
- 2015 capex ~\$230 MM

North Sea Chalk: Valhall

Long life asset with material upside



- **Strategic / Portfolio Context**

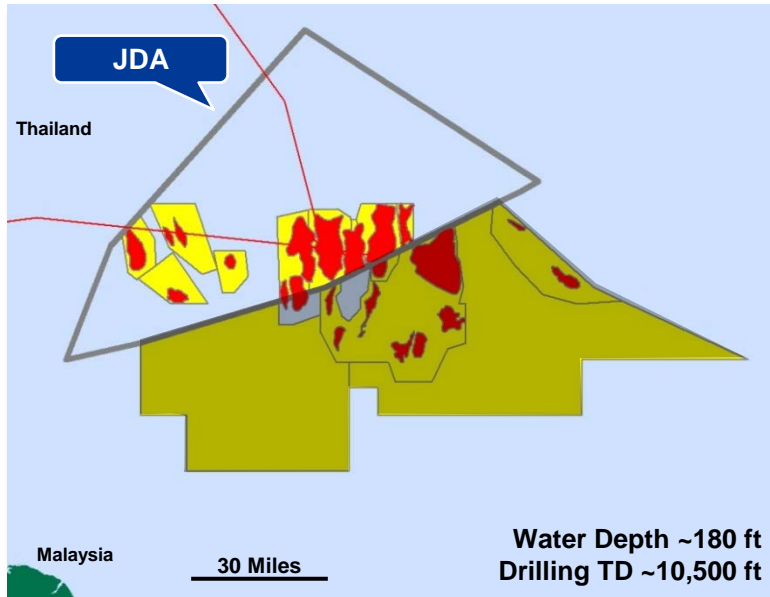
- Long life, material asset
- Underdeveloped chalk reservoir; significant remaining upside
- Working with operator to leverage chalk expertise from South Arne

- **Asset Details**

- 64% WI, operated by BP
- 2015 net production 30 - 35 MBOED
- Redevelopment completed 1Q13, extended life by 40 years
- Multi year drilling program ongoing
- 1H 2015 cash margin \$29 / BOE
- 2015 capex ~\$70 MM

Malaysia Gas: Joint Development Area

Long term production and material cash flow



• Strategic / Portfolio Context

- Low cost, long life gas reserves with oil linked pricing
- Material production, free cash flow
- Leverages shallow water offshore development capabilities

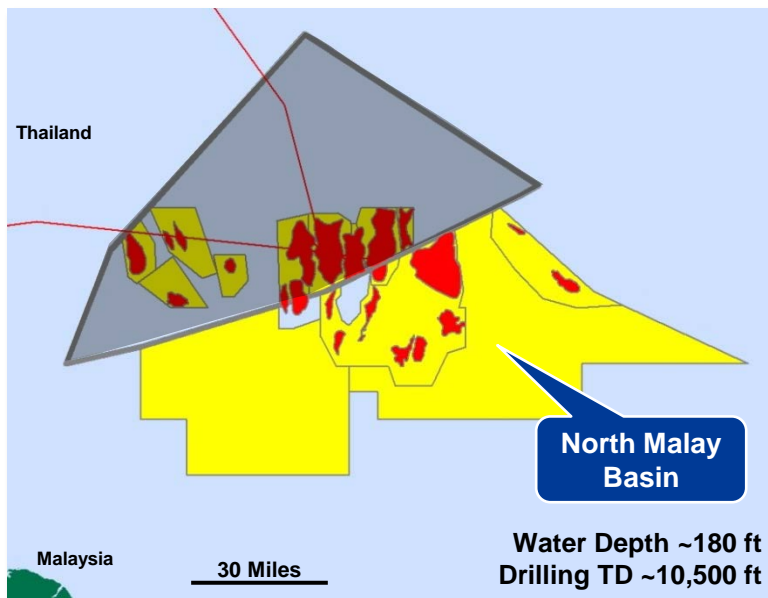
• Asset Details

- 50% WI, operated by Carigali-Hess
- 2015 net production ~250 MMSCFED
- PSC through 2029
- 1H 2015 cash margin \$31 / BOE
- 2015 capex ~\$180 MM



Malaysia Gas: North Malay Basin

Low risk, oil linked gas development



• Strategic / Portfolio Context

- Growing Malaysia supply/demand gap
- Low risk development of 9 discoveries
- Material production and cash flow 2017+
- Oil indexed GSA through 2033
- Leverages JDA experience and strong Petronas relationship
- Near field exploration upside

• Asset Details

- 50% WI, operator
- 2015 net production ~40 MMSCFED
- Full Field Development completion 2017; net production up to ~165 MMSCFED
- Exploration drilling underway (6 wells)
- 2015 capex ~\$550 MM



Competitively positioned for growth

Significant captured growth options



Bakken

- 1.4 BBOE net EUR
- >3,000 future drilling locations

Utica

- 300 MMBOE net EUR
- >500 drilling locations

North Malay Basin

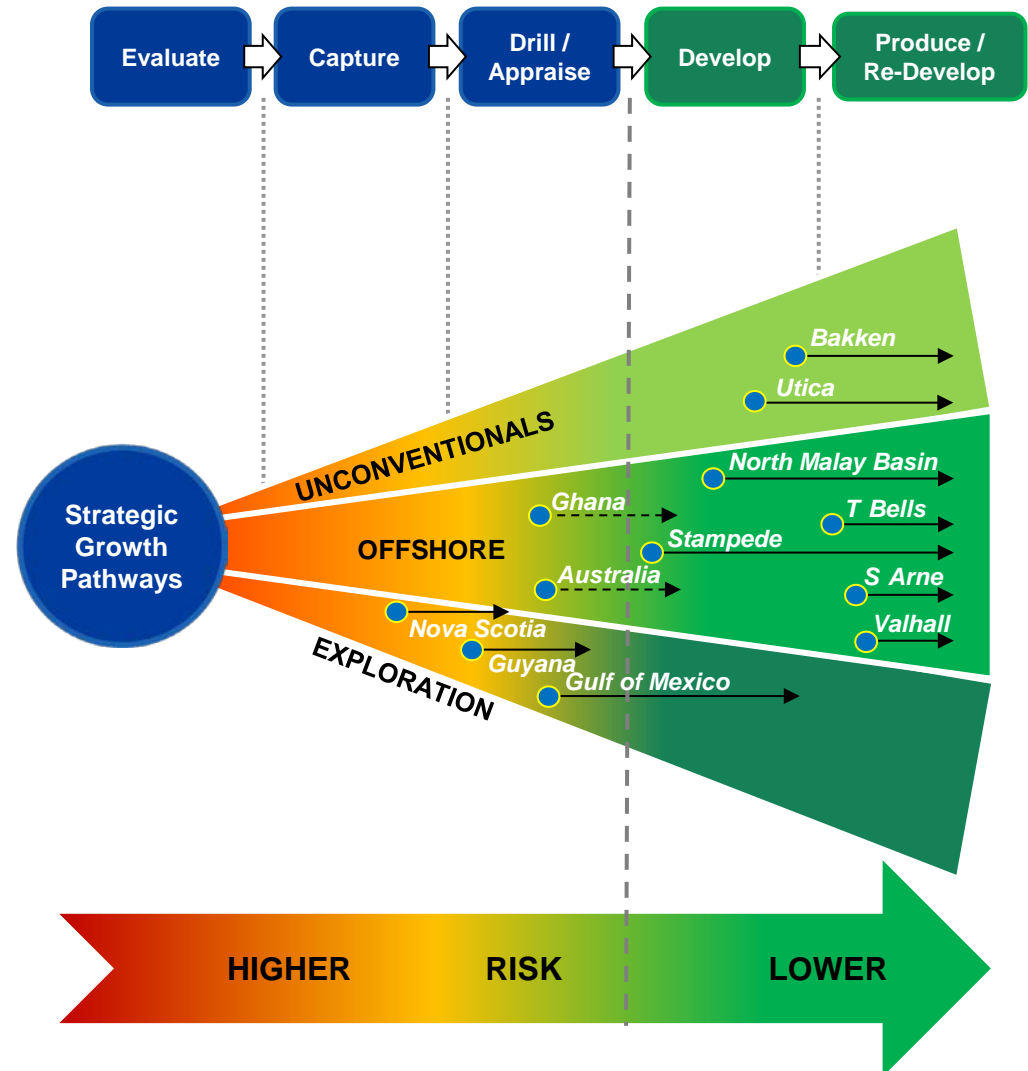
- Full field development underway
- Net production to quadruple to 165 MMSCFED in 2017

Stampede

- First oil targeted in 2018
- Net production ~15 MBOED

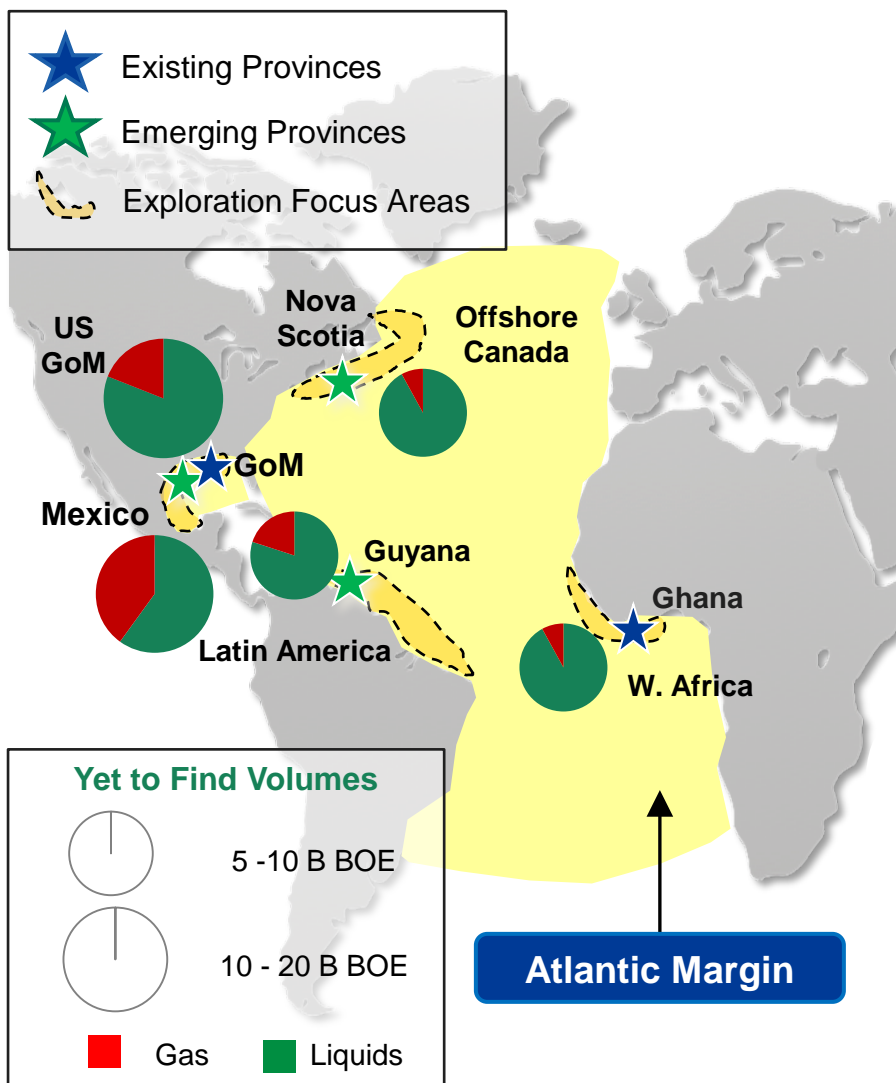
Exploration

- Recent material discoveries in Guyana and the Gulf of Mexico



Competitively positioned for growth

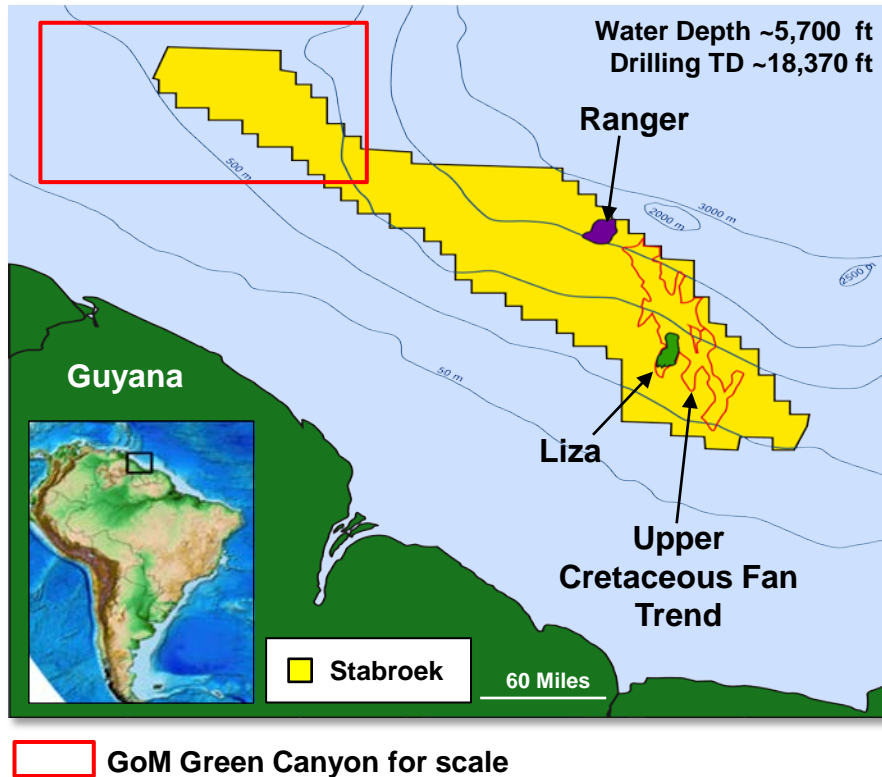
Exploration provides further upside to long term growth



- **Focused strategy to deliver material long term value**
- **Exploration themes:**
 - **Focused:** In basins we understand and that leverage our capabilities
 - **Balanced:** Between both proven and emerging areas
 - **Impactful:** Materiality and running room
 - **Value driven:** Through working interest management, liquids rich areas and attractive fiscal terms
- **Goals**
 - Add 600 - 700 MMBOE resources over 5 years
 - Achieve <\$20 / BOE F&D cost

Offshore Guyana: Stabroek License

Liza-1 Significant Oil Discovery



• Strategic / Portfolio Context

- 6.5 MM acres; ~1,150 GoM blocks
- Multiple prospects and play types
- 500 MMBO pre drill net risked resource
- Proven petroleum system

• Forward Plan

- Liza-1 encountered 295 feet of high-quality oil bearing sandstone reservoirs
- Well data being analyzed to better determine full resource potential
- Acquiring new 3-D seismic

• Asset Details

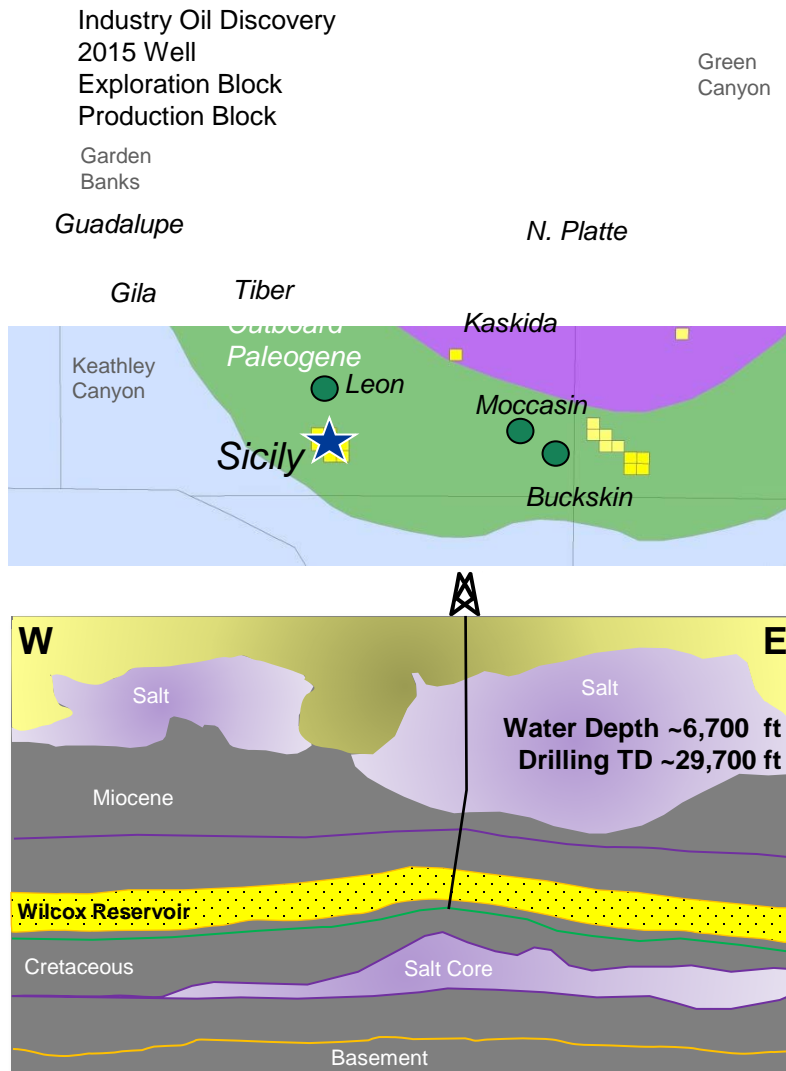
- 30% WI, operated by Esso E&P Guyana Ltd.

Access to a material unexplored deepwater play

Deepwater Gulf of Mexico: Sicily Discovery



Exposure to prolific Paleogene outboard play



• Strategic / Portfolio Context

- Large and well imaged 4-way trap
- Paleogene oil; 300 - 400 MMBOE pre drill gross unrisked resource
- Strategic partnership with proven operator

• Forward Plan

- Sicily #1 well reached TD April 2015
- Completed logging and sidewall coring of the well
- Appraisal well planned late 2015 / early 2016

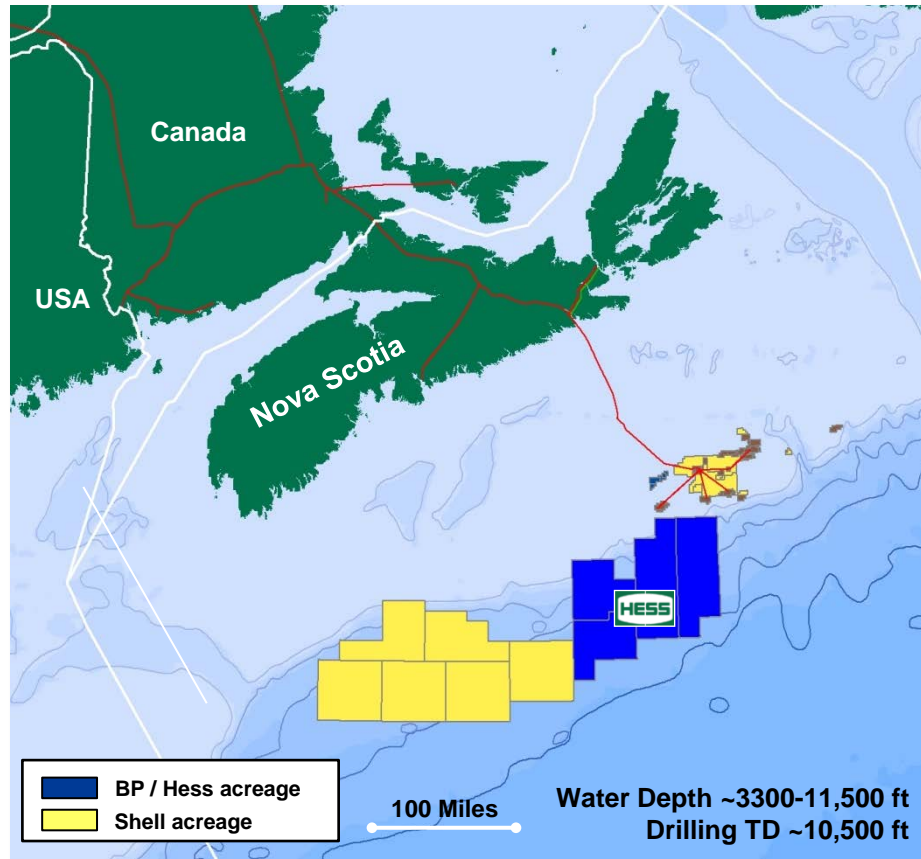
• Asset Details

- 25% WI, operated by Chevron

Balanced access via

Offshore Nova Scotia

Material position in emerging deepwater play



- **Strategic / Portfolio Context**
 - 3.5 MM acres; ~ 600 GoM blocks
 - Multiple leads in sub-salt play
 - 800 MMBOE pre drill net risked resource
 - GoM analogue trap styles
 - Oil prone, Cretaceous reservoirs
- **Forward Plan**
 - Completed Wide Azimuth 3D seismic
 - Mature the prospect inventory
 - Expect first well in 2017
- **Asset Details**
 - 40% WI, operated by BP

Access to a material deepwater Gulf of Mexico analogue

Summary

Key messages



- **One of the strongest balance sheets and liquidity positions among E&P peers**
- **Disciplined financial strategy**
- **Focused resilient portfolio linked by operating capabilities, balanced for risk and leveraged to liquids**
- **Competitively positioned for growth as oil prices recover**

