
**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): April 26, 2017

HESS CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

No. 1-1204
(Commission
File Number)

No. 13-4921002
(IRS Employer
Identification No.)

**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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 26, 2017, Hess Corporation issued a news release reporting estimated results for the first quarter of 2017. A copy of this news release is attached hereto as Exhibit 99(1) and is hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibit

99(1) News release dated April 26, 2017 reporting estimated results for the first quarter of 2017.

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: April 26, 2017

HESS CORPORATION

By: /s/John P. Rielly

Name: John P. Rielly

Title: Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99(1) | News release dated April 26, 2017 reporting estimated results for the first quarter of 2017. |



HESS CORPORATION

News Release

HESS REPORTS ESTIMATED RESULTS FOR THE FIRST QUARTER OF 2017

First Quarter Highlights:

- *Net loss was \$324 million, or \$1.07 per common share, compared with a net loss of \$509 million, or \$1.72 per common share, in the first quarter of 2016*
- *Oil and gas production exceeded guidance; total production was 307,000 barrels of oil equivalent per day (boepd), excluding Libya; Bakken production was 99,000 boepd*
- *Hess Midstream Partners LP launched its initial public offering (IPO) in the first quarter of 2017; net proceeds from the upsized offering of approximately \$350 million (\$175 million attributable to Hess Corporation) were received in April 2017*
- *Another oil discovery on the Stabroek block, offshore Guyana (Hess 30 percent) was confirmed at the Snoek well located approximately five miles southeast of the Liza-1 discovery*
- *E&P capital and exploratory expenditures were \$393 million, down 28 percent from \$543 million in the prior-year quarter*
- *Cash and cash equivalents were \$2.7 billion at March 31, 2017 and December 31, 2016*

NEW YORK, April 26, 2017 — Hess Corporation (NYSE: HES) today reported a net loss of \$324 million, or \$1.07 per common share, in the first quarter of 2017 compared with a net loss of \$509 million, or \$1.72 per common share, in the first quarter of 2016. The first quarter 2017 results were improved as higher realized crude oil selling prices and lower operating costs and exploration expenses more than offset the change in deferred income taxes and lower production volumes.

“Production momentum returns to our portfolio starting in the second half of 2017, underpinned by the Bakken, the North Malay Basin and Stampede developments, and offshore Guyana, one of the industry’s largest oil discoveries in the past 10 years,” Chief Executive Officer John Hess said. “With more than a decade of visible production growth, our company is well positioned to deliver compelling long-term value for our shareholders.”

After-tax income (loss) by major operating activity was as follows:

| Three Months Ended March 31, (unaudited) | |
|--|------|
| 2017 | 2016 |
| (In millions, except per share amounts) | |

Net Income (Loss) Attributable to Hess Corporation

| | | |
|--|------------------|------------------|
| Exploration and Production | \$ (233) | \$ (453) |
| Midstream | 18 | 16 |
| Corporate, Interest and Other | (109) | (72) |
| Net income (loss) attributable to Hess Corporation | <u>\$ (324)</u> | <u>\$ (509)</u> |
| Net income (loss) per common share (diluted) (a) | <u>\$ (1.07)</u> | <u>\$ (1.72)</u> |
| Weighted average number of shares (diluted) | <u>313.9</u> | <u>299.8</u> |

(a) Calculated as net income (loss) attributable to Hess Corporation less preferred stock dividends, divided by weighted average number of diluted shares.

Exploration and Production:

The Exploration and Production net loss in the first quarter of 2017 was \$233 million compared to a net loss of \$453 million in the first quarter of 2016. The Corporation's average realized crude oil selling price, including the effect of hedging, was \$48.58 per barrel in the first quarter of 2017, up from \$28.50 per barrel in the year-ago quarter. The average realized natural gas liquids selling price in the first quarter of 2017 was \$18.71 per barrel, versus \$7.44 per barrel in the prior-year quarter, while the average realized natural gas selling price was \$3.20 per mcf compared with \$3.42 per mcf in the first quarter of 2016.

Excluding production from Libya, pro forma net production in the first quarter of 2017 was 307,000 boepd, compared to 350,000 boepd in the first quarter of 2016. Lower volumes were due to a reduced drilling program across our portfolio, natural field declines and lower entitlement in Asia. Net production in Libya, which recommenced in the fourth quarter of 2016, was 4,000 boepd in the first quarter of 2017.

Operational Highlights for the First Quarter of 2017:

Bakken (Onshore U.S.): Net production from the Bakken averaged 99,000 boepd, which exceeded guidance due to strong well performance, despite negative operational impacts from severe winter weather. The Corporation operated an average of two rigs in the first quarter, drilling eleven wells and bringing eight new wells online. A third rig was added in March and a fourth rig was added in April. We plan to add two additional rigs in the fourth quarter to end the year with six rigs.

Gulf of Mexico (Offshore U.S.): Net production from the Gulf of Mexico was 66,000 boepd compared to 69,000 boepd in the prior-year quarter, primarily reflecting lower production at the Conger and Shenzi fields. At the Stampede development (Hess operated - 25 percent), the first production well was completed, preparatory work for platform installation was finalized, and the second rig commenced drilling operations in February. First production is expected in the first half of 2018.

North Malay Basin Full-field Development (Offshore Malaysia): At the North Malay Basin project (Hess operated - 50 percent), the topsides for the central processing platform were shipped from the fabrication yard to the field and installed on the platform. Commissioning of the central processing platform is underway. The fourteenth and final well of the Phase I development drilling campaign was completed in the current quarter. The floating, storage, and offloading vessel is currently expected to be transported to the field in the second quarter. Production is expected to commence in the third quarter.

Guyana (Offshore): At the Stabroek Block (Hess 30 percent), operated by Esso Exploration and Production Guyana Limited, results from the Snoek well confirmed another oil discovery on the block, located approximately 5 miles (9 kilometers) southeast of the Liza-1 discovery well. The Snoek well encountered more than 82 feet (25 meters) of high-quality, oil-bearing sandstone reservoirs. The co-venture partners continue to evaluate the resource potential on the broader Stabroek Block and the operator is currently drilling the Liza-4 appraisal well.

Midstream:

Effective January 1, 2017, the Midstream segment includes our interest in a Permian Basin gas plant in West Texas and related CO₂ assets, and water handling assets in North Dakota. These assets are wholly-owned by the Corporation and are not included in our Hess Infrastructure Partners (HIP) joint venture, which is 50 percent owned by Hess. The Midstream segment had net income of \$18 million in the first quarter of 2017 compared to \$16 million in the prior-year quarter.

In the first quarter of 2017, Hess Midstream Partners LP (the Partnership), launched its IPO of common units with net proceeds of approximately \$350 million (\$175 million attributable to Hess Corporation) received upon completion of the offering in April. The Partnership owns a 20 percent interest in the joint venture assets, with the remaining 80 percent interest held by HIP. Hess Corporation owns approximately 35 percent of the Partnership, including its indirect ownership of the general partner through HIP.

Capital and Exploratory Expenditures:

Exploration and Production capital and exploratory expenditures were \$393 million in the first quarter of 2017, down 28 percent from \$543 million in the prior-year quarter, reflecting our reduced work program in response to the low commodity price environment.

Midstream capital expenditures were \$28 million in the first quarter of 2017 and \$36 million in the prior-year quarter.

Liquidity:

Net cash provided by operating activities was \$349 million in the first quarter of 2017 compared to a net use of cash from operating activities of \$60 million in the first quarter of 2016. Net cash provided by operating activities before changes in operating assets and liabilities was \$443 million in the first quarter of 2017, up from \$148 million in the year-ago quarter. At March 31, 2017, the Corporation had cash and cash equivalents of \$2,686 million and total debt, excluding the Midstream segment, of \$6,054 million. The Corporation's debt to capitalization ratio was 30.8 percent at March 31, 2017 and 30.4 percent at December 31, 2016.

Reconciliation of U.S. GAAP to Non-GAAP measures:

The following table reconciles reported net cash provided by (used in) operating activities to cash provided by operating activities before changes in operating assets and liabilities:

| | Three Months Ended March 31, (unaudited) | |
|--|--|---------|
| | 2017 | 2016 |
| | (In millions) | |
| Cash provided by operating activities before changes in operating assets and liabilities | \$ 443 | \$ 148 |
| Changes in operating assets and liabilities | (94) | (208) |
| Net cash provided by (used in) operating activities | \$ 349 | \$ (60) |

Hess Corporation will review first quarter financial and operating results and other matters on a webcast at 10 a.m. today. For details about the event, refer to the Investor Relations section of our website at www.hess.com.

Hess Corporation is a leading global independent energy company engaged in the exploration and production of crude oil and natural gas. More information on Hess Corporation is available at www.hess.com.

Forward-looking Statements

Certain statements in this release may constitute "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, uncertainties inherent in the measurement and interpretation of geological, geophysical and other technical data. Estimates and projections contained in this release are based on the Corporation's current understanding and assessment based on reasonable assumptions. Actual results may differ materially from these estimates and projections due to certain risk factors discussed in the Corporation's periodic filings with the Securities and Exchange Commission and other factors.

Non-GAAP financial measure

The Corporation has used a non-GAAP financial measure in this earnings release. "Net cash provided by operating activities before changes in operating assets and liabilities" is defined as Cash provided by operating activities excluding changes in operating assets and liabilities. Management believes that net cash provided by operating activities before changes in operating assets and liabilities demonstrates the Corporation's ability to internally fund capital expenditures, pay dividends and service debt. This measure is not, and should not be viewed as, a substitute for net cash provided by (used in) operating activities, which includes changes in operating assets and liabilities. A reconciliation of net cash provided by (used in) operating activities (U.S. GAAP) to net cash provided by operating activities before changes in operating assets and liabilities is provided in the release.

For Hess Corporation

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

| | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|---|--------------------------|--------------------------|---------------------------|
| Income Statement | | | |
| Revenues and non-operating income | | | |
| Sales and other operating revenues | \$ 1,277 | \$ 973 | \$ 1,388 |
| Other, net | (2) | 20 | (2) |
| Total revenues and non-operating income | 1,275 | 993 | 1,386 |
| Costs and expenses | | | |
| Cost of products sold (excluding items shown separately below) | 219 | 189 | 375 |
| Operating costs and expenses | 359 | 436 | 568 |
| Production and severance taxes | 31 | 19 | 27 |
| Exploration expenses, including dry holes and lease impairment | 58 | 132 | 1,033 |
| General and administrative expenses | 96 | 98 | 105 |
| Interest expense | 84 | 85 | 84 |
| Loss on debt extinguishment | — | — | 68 |
| Depreciation, depletion and amortization | 737 | 868 | 768 |
| Impairments | — | — | 67 |
| Total costs and expenses | 1,584 | 1,827 | 3,095 |
| Income (loss) before income taxes | (309) | (834) | (1,709) |
| Provision (benefit) for income taxes | (13) | (346) | 3,189 |
| Net income (loss) | (296) | (488) | (4,898) |
| Less: Net income (loss) attributable to noncontrolling interests | 28 | 21 | (6) |
| Net income (loss) attributable to Hess Corporation | (324) | (509) | (4,892) |
| Less: Preferred stock dividends | 12 | 6 | 11 |
| Net income (loss) applicable to Hess Corporation common stockholders | \$ (336) | \$ (515) | \$ (4,903) |

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

| Balance Sheet Information | March 31, 2017 | December 31, 2016 |
|--|-------------------|----------------------|
| Cash and cash equivalents | \$ 2,686 | \$ 2,732 |
| Other current assets | 1,485 | 1,544 |
| Property, plant and equipment – net | 23,201 | 23,595 |
| Other long-term assets | 728 | 750 |
| Total assets | \$ 28,100 | \$ 28,621 |
| Current maturities of long-term debt | \$ 116 | \$ 112 |
| Other current liabilities | 2,010 | 2,139 |
| Long-term debt | 6,669 | 6,694 |
| Other long-term liabilities | 4,072 | 4,085 |
| Total equity excluding other comprehensive income (loss) | 15,815 | 16,238 |
| Accumulated other comprehensive income (loss) | (1,667) | (1,704) |
| Noncontrolling interests | 1,085 | 1,057 |
| Total liabilities and equity | \$ 28,100 | \$ 28,621 |

| Total Debt | March 31, 2017 | December 31, 2016 |
|--------------------------|-------------------|----------------------|
| Hess | \$ 6,054 | \$ 6,073 |
| Midstream (a) | 731 | 733 |
| Hess Consolidated | \$ 6,785 | \$ 6,806 |

(a) Midstream debt is non-recourse to Hess Corporation.

| Debt to Capitalization Ratio | March 31, 2017 | December 31, 2016 |
|-------------------------------------|-------------------|----------------------|
| Hess Consolidated | 30.8% | 30.4% |

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

| | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|---|--------------------------|--------------------------|---------------------------|
| Cash Flow Information | | | |
| Cash Flows from Operating Activities | | | |
| Net income (loss) | \$ (296) | \$ (488) | \$ (4,898) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities | | | |
| (Gains) losses on asset sales, net | — | — | 4 |
| Depreciation, depletion and amortization | 737 | 868 | 768 |
| Impairments | — | — | 67 |
| Exploratory dry hole costs | — | 85 | 830 |
| Exploration lease and other impairment | 7 | 9 | 112 |
| Stock compensation expense | 22 | 25 | 4 |
| Provision (benefit) for deferred income taxes and other tax accruals | (27) | (351) | 3,173 |
| Loss on debt extinguishment | — | — | 68 |
| Cash provided by operating activities before changes in operating assets and liabilities | 443 | 148 | 128 |
| Changes in operating assets and liabilities | (94) | (208) | 198 |
| Net cash provided by (used in) operating activities | 349 | (60) | 326 |
| Cash Flows from Investing Activities | | | |
| Additions to property, plant and equipment - E&P | (340) | (567) | (399) |
| Additions to property, plant and equipment - Midstream | (50) | (53) | (88) |
| Proceeds from asset sales | 100 | — | 60 |
| Other, net | — | 7 | 3 |
| Net cash provided by (used in) investing activities | (290) | (613) | (424) |
| Cash Flows from Financing Activities | | | |
| Net borrowings (repayments) of debt with maturities of 90 days or less | 5 | 5 | 57 |
| Debt with maturities of greater than 90 days | | | |
| Borrowings | — | — | — |
| Repayments | (26) | (17) | (649) |
| Proceeds from issuance of preferred stock | — | 557 | — |
| Proceeds from issuance of common stock | — | 1,087 | — |
| Cash dividends paid | (92) | (80) | (90) |
| Noncontrolling interests, net | — | — | (23) |
| Other, net | 8 | (38) | 6 |
| Net cash provided by (used in) financing activities | (105) | 1,514 | (699) |
| Net Increase (Decrease) in Cash and Cash Equivalents | (46) | 841 | (797) |
| Cash and Cash Equivalents at Beginning of Period | 2,732 | 2,716 | 3,529 |
| Cash and Cash Equivalents at End of Period | \$ 2,686 | \$ 3,557 | \$ 2,732 |
| Additions to Property, Plant and Equipment included within Investing Activities: | | | |
| Capital expenditures incurred | \$ (370) | \$ (540) | \$ (409) |
| Increase (decrease) in related liabilities | (20) | (80) | (78) |
| Additions to property, plant and equipment | \$ (390) | \$ (620) | \$ (487) |

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

| | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|--|--------------------------|--------------------------|---------------------------|
| Capital and Exploratory Expenditures | | | |
| E&P Capital and exploratory expenditures | | | |
| United States | | | |
| Bakken | \$ 90 | \$ 116 | \$ 99 |
| Other Onshore | 8 | 21 | 2 |
| Total Onshore | 98 | 137 | 101 |
| Offshore | 158 | 205 | 171 |
| Total United States | 256 | 342 | 272 |
| Europe | 15 | 48 | 2 |
| Africa | 6 | 3 | 3 |
| Asia and other | 116 | 150 | 134 |
| E&P Capital and exploratory expenditures | <u>\$ 393</u> | <u>\$ 543</u> | <u>\$ 411</u> |
| Total exploration expenses charged to income included above | <u>\$ 51</u> | <u>\$ 39</u> | <u>\$ 91</u> |
| Midstream Capital expenditures | <u>\$ 28</u> | <u>\$ 36</u> | <u>\$ 89</u> |

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

| Income Statement | First Quarter 2017 | | |
|--|--------------------|----------------|-----------------|
| | United States | International | Total |
| Total revenues and non-operating income | | | |
| Sales and other operating revenues | \$ 922 | \$ 353 | \$ 1,275 |
| Other, net | (5) | — | (5) |
| Total revenues and non-operating income | 917 | 353 | 1,270 |
| Costs and expenses | | | |
| Cost of products sold (excluding items shown separately below) (a) | 295 | (53) | 242 |
| Operating costs and expenses | 174 | 135 | 309 |
| Production and severance taxes | 31 | — | 31 |
| Midstream tariffs | 124 | — | 124 |
| Exploration expenses, including dry holes and lease impairment | 22 | 36 | 58 |
| General and administrative expenses | 51 | 5 | 56 |
| Depreciation, depletion and amortization | 445 | 258 | 703 |
| Total costs and expenses | 1,142 | 381 | 1,523 |
| Results of operations before income taxes | (225) | (28) | (253) |
| Provision (benefit) for income taxes | (14) | (6) | (20) |
| Net income (loss) attributable to Hess Corporation | \$ (211) | \$ (22) | \$ (233) |

| Income Statement | First Quarter 2016 | | |
|--|--------------------|----------------|-----------------|
| | United States | International | Total |
| Total revenues and non-operating income | | | |
| Sales and other operating revenues | \$ 597 | \$ 374 | \$ 971 |
| Other, net | 6 | 4 | 10 |
| Total revenues and non-operating income | 603 | 378 | 981 |
| Costs and expenses | | | |
| Cost of products sold (excluding items shown separately below) (a) | 192 | 12 | 204 |
| Operating costs and expenses | 214 | 170 | 384 |
| Production and severance taxes | 17 | 2 | 19 |
| Midstream tariffs | 118 | — | 118 |
| Exploration expenses, including dry holes and lease impairment | 108 | 24 | 132 |
| General and administrative expenses | 50 | 5 | 55 |
| Depreciation, depletion and amortization | 532 | 305 | 837 |
| Total costs and expenses | 1,231 | 518 | 1,749 |
| Results of operations before income taxes | (628) | (140) | (768) |
| Provision (benefit) for income taxes | (242) | (73) | (315) |
| Net income (loss) attributable to Hess Corporation | \$ (386) | \$ (67) | \$ (453) |

(a) Includes amounts charged from the Midstream.

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

| Income Statement | Fourth Quarter 2016 | | |
|--|---------------------|-------------------|-------------------|
| | United States | International | Total |
| Total revenues and non-operating income | | | |
| Sales and other operating revenues | \$ 942 | \$ 445 | \$ 1,387 |
| Other, net | (8) | (3) | (11) |
| Total revenues and non-operating income | 934 | 442 | 1,376 |
| Costs and expenses | | | |
| Cost of products sold (excluding items shown separately below) (a) | 350 | 41 | 391 |
| Operating costs and expenses | 315 | 195 | 510 |
| Production and severance taxes | 26 | 1 | 27 |
| Midstream tariffs | 148 | — | 148 |
| Exploration expenses, including dry holes and lease impairment | 41 | 992 | 1,033 |
| General and administrative expenses | 55 | 2 | 57 |
| Depreciation, depletion and amortization | 471 | 261 | 732 |
| Total costs and expenses | 1,406 | 1,492 | 2,898 |
| Results of operations before income taxes | (472) | (1,050) | (1,522) |
| Provision (benefit) for income taxes (b) | 969 | 1,458 | 2,427 |
| Net income (loss) attributable to Hess Corporation | \$ (1,441) | \$ (2,508) | \$ (3,949) |

(a) Includes amounts charged from the Midstream.

(b) Includes charges of \$1,144 million (U.S.) and \$1,776 million (International) to establish valuation allowances against net deferred tax assets.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION SUPPLEMENTAL OPERATING DATA (UNAUDITED)

| Net Production Per Day (in thousands) | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|--|--------------------------|--------------------------|---------------------------|
| Crude oil - barrels | | | |
| United States | | | |
| Bakken | 67 | 73 | 62 |
| Other Onshore | 8 | 10 | 8 |
| Total Onshore | 75 | 83 | 70 |
| Offshore | 47 | 51 | 45 |
| Total United States | 122 | 134 | 115 |
| Europe | 31 | 35 | 37 |
| Africa (a) | 35 | 37 | 32 |
| Asia | 2 | 2 | 2 |
| Total | 190 | 208 | 186 |
| Natural gas liquids - barrels | | | |
| United States | | | |
| Bakken | 23 | 27 | 24 |
| Other Onshore | 10 | 13 | 10 |
| Total Onshore | 33 | 40 | 34 |
| Offshore | 6 | 6 | 5 |
| Total United States | 39 | 46 | 39 |
| Europe | 1 | 1 | 1 |
| Total | 40 | 47 | 40 |
| Natural gas - mcf | | | |
| United States | | | |
| Bakken | 53 | 67 | 52 |
| Other Onshore | 106 | 135 | 123 |
| Total Onshore | 159 | 202 | 175 |
| Offshore | 75 | 74 | 68 |
| Total United States | 234 | 276 | 243 |
| Europe | 38 | 45 | 45 |
| Asia | 212 | 250 | 224 |
| Total | 484 | 571 | 512 |
| Barrels of oil equivalent | 311 | 350 | 311 |

(a) Production from Libya recommenced in the fourth quarter of 2016. Production was 4,000 barrels of oil per day (bopd) in the first quarter of 2017 and in the fourth quarter of 2016.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION SUPPLEMENTAL OPERATING DATA (UNAUDITED)

| | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|---|--------------------------|--------------------------|---------------------------|
| Sales Volumes Per Day (in thousands) | | | |
| Crude oil - barrels | 175 | 214 | 190 |
| Natural gas liquids - barrels | 40 | 47 | 40 |
| Natural gas - mcf | 484 | 571 | 512 |
| Barrels of oil equivalent | <u>296</u> | <u>356</u> | <u>315</u> |

Sales Volumes (in thousands)

| | | | |
|-------------------------------|---------------|---------------|---------------|
| Crude oil - barrels | 15,744 | 19,449 | 17,432 |
| Natural gas liquids - barrels | 3,623 | 4,254 | 3,666 |
| Natural gas - mcf | 43,544 | 51,970 | 47,101 |
| Barrels of oil equivalent | <u>26,624</u> | <u>32,365</u> | <u>28,948</u> |

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
EXPLORATION AND PRODUCTION SUPPLEMENTAL OPERATING DATA (UNAUDITED)

| | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|---|--------------------------|--------------------------|---------------------------|
| Average Selling Prices | | | |
| Crude oil - per barrel (including hedging) | | | |
| United States | | | |
| Onshore | \$ 46.47 | \$ 26.90 | \$ 42.82 |
| Offshore | 47.18 | 27.02 | 44.73 |
| Total United States | 46.74 | 26.94 | 43.57 |
| Europe | 54.04 | 32.52 | 50.37 |
| Africa | 51.25 | 28.87 | 49.15 |
| Asia | 54.70 | 39.13 | 40.96 |
| Worldwide | 48.58 | 28.50 | 45.97 |
| Crude oil - per barrel (excluding hedging) | | | |
| United States | | | |
| Onshore | \$ 46.47 | \$ 26.90 | \$ 42.82 |
| Offshore | 47.18 | 27.02 | 44.73 |
| Total United States | 46.74 | 26.94 | 43.57 |
| Europe | 54.18 | 32.52 | 50.37 |
| Africa | 51.37 | 28.87 | 49.15 |
| Asia | 54.70 | 39.13 | 40.96 |
| Worldwide | 48.61 | 28.50 | 45.97 |
| Natural gas liquids - per barrel | | | |
| United States | | | |
| Onshore | \$ 18.07 | \$ 6.87 | \$ 13.70 |
| Offshore | 20.55 | 9.66 | 18.89 |
| Total United States | 18.43 | 7.20 | 14.38 |
| Europe | 28.06 | 16.24 | 25.05 |
| Worldwide | 18.71 | 7.44 | 14.68 |
| Natural gas - per mcf | | | |
| United States | | | |
| Onshore | \$ 2.32 | \$ 1.20 | \$ 1.99 |
| Offshore | 2.40 | 1.47 | 2.66 |
| Total United States | 2.35 | 1.27 | 2.18 |
| Europe | 3.99 | 4.59 | 3.75 |
| Asia | 4.01 | 5.58 | 4.30 |
| Worldwide | 3.20 | 3.42 | 3.24 |

The following is a summary of the Corporation's commodity hedging program:

| | Brent | West Texas Intermediate |
|--|-------------------|----------------------------|
| Outstanding Hedging Contracts – Oil Price Collars | | |
| Q2 average barrels of oil per day | 19,500 | 56,700 |
| Q3 and Q4 average barrels of oil per day | 20,000 | 60,000 |
| Ceiling price | \$75 | \$70 |
| Floor price | \$55 | \$50 |
| End date | December 31, 2017 | December 31, 2017 |

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
MIDSTREAM EARNINGS (UNAUDITED)
(IN MILLIONS)

| Income Statement | First Quarter 2017 | First Quarter 2016 | Fourth Quarter 2016 |
|---|--------------------------|--------------------------|---------------------------|
| Revenues and non-operating income | | | |
| Total revenues and non-operating income | \$ 149 | \$ 135 | \$ 165 |
| Costs and expenses | | | |
| Operating costs and expenses | 50 | 52 | 58 |
| General and administrative expenses | 5 | 5 | 5 |
| Depreciation, depletion and amortization | 32 | 28 | 33 |
| Impairments | — | — | 67 |
| Interest expense | 5 | 4 | 5 |
| Total costs and expenses | 92 | 89 | 168 |
| Results of operations before income taxes | | | |
| | 57 | 46 | (3) |
| Provision (benefit) for income taxes | 11 | 9 | 1 |
| Net income (loss) | 46 | 37 | (4) |
| Less: Net income attributable to noncontrolling interests | 28 | 21 | (6) |
| Net income (loss) attributable to Hess Corporation | \$ 18 | \$ 16 | \$ 2 |