

Supplemental Earnings Information



First Quarter 2015



OPERATING RESULTS

Reported Net Income (Loss), Items Affecting Comparability & Adjusted Net Income (Loss) by Operating Activity



In millions, except per share data

	1Q 2015	1Q 2014	4Q 2014
<u>Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)</u>			
Exploration and Production	\$ (286)	\$ 508	\$ 92
Corporate and Other	(37)	(93)	(46)
Interest	(53)	(51)	(51)
Discontinued Operations	(13)	22	(3)
Net income (loss) attributable to Hess Corporation	\$ (389)	\$ 386	\$ (8)
Net income (loss) per share (diluted)	\$ (1.37)	\$ 1.20	\$ (0.03)
<u>Items Affecting Comparability of Earnings - Income (Expense)</u>			
Exploration and Production	\$ (93)	\$ (6)	\$ (55)
Corporate, Interest and Other	(4)	(60)	(3)
Discontinued Operations	(13)	6	(3)
Total items affecting comparability of earnings between periods	\$ (110)	\$ (60)	\$ (61)

(Continued)

Reported Net Income (Loss), Items Affecting Comparability & Adjusted Net Income (Loss) by Operating Activity



In millions, except per share data

	1Q 2015	1Q 2014	4Q 2014
<u>Adjusted Net Income (Loss)*</u>			
Exploration and Production	\$ (193)	\$ 514	\$ 147
Corporate and Other	(33)	(33)	(43)
Interest	(53)	(51)	(51)
Discontinued Operations	-	16	-
Adjusted net income (loss) attributable to Hess Corporation	\$ (279)	\$ 446	\$ 53
Adjusted net income (loss) per share (diluted)	\$ (0.98)	\$ 1.38	\$ 0.18
Weighted average number of shares (diluted)	283.5	322.6	289.0

* The Corporation has used a non-GAAP financial measure in this supplemental earnings information. "Adjusted Net Income (Loss)" presented throughout this supplemental information is defined as reported net income (loss) attributable to Hess Corporation excluding items identified as affecting comparability of earnings between periods. We believe that investors' understanding of our performance is enhanced by disclosing this measure. This measure is not, and should not be viewed, as a substitute for U.S. GAAP net income (loss).

(Concluded)

Items Affecting Comparability of Earnings Between Periods



(Amounts are after income taxes)

1Q 2015

- **Exploration and Production** – Results include:
 - A charge of \$67 million to write-off a previously capitalized exploration well and associated leasehold costs related to the Dinarta Block in the Kurdistan Region of Iraq following the decision by the Corporation and its partner to cease further drilling activity and to exit operations in the region.
 - Charges totaling \$26 million to expense surplus drilling materials due to changes in the capital program, and to write-off an exploration project in Brunei.

- **Corporate, Interest and Other** – Results include charges of \$4 million primarily for exit-related costs.

- **Discontinued Operations** – The Corporation incurred a loss of \$13 million related to the continued exit from its downstream businesses.

(Continued)

Items Affecting Comparability of Earnings Between Periods



(Amounts are after income taxes)

1Q 2014

- **Exploration and Production** – Earnings include a charge of \$6 million for employee severance.
- **Corporate, Interest and Other** – Results include:
 - A charge of \$52 million to reduce the carrying value of the Corporation's joint venture interest in the Bayonne Energy Center (Hess 50 percent) to estimated fair value.
 - Charges of \$8 million for severance and other exit costs.
- **Discontinued Operations** – Earnings include:
 - A gain of \$24 million resulting from the required remeasurement of the Corporation's original 44 percent investment in WilcoHess at fair value following acquisition of the remaining interest in the venture.
 - Income of \$16 million resulting from the liquidation of last-in, first-out (LIFO) inventories.
 - Charges totaling \$34 million for exit costs, severance and other charges.

(Continued)

Items Affecting Comparability of Earnings Between Periods



(Amounts are after income taxes)

4Q 2014

- **Exploration and Production** – Earnings include:
 - A charge of \$48 million for remeasurement of deferred taxes resulting from legal entity restructurings.
 - Charges of \$7 million for employee severance, exit costs and other charges.
- **Corporate, Interest and Other** – Results include charges of \$3 million for severance and other costs.
- **Discontinued Operations** – The Corporation incurred a loss of \$3 million related to the continued exit from the downstream businesses.

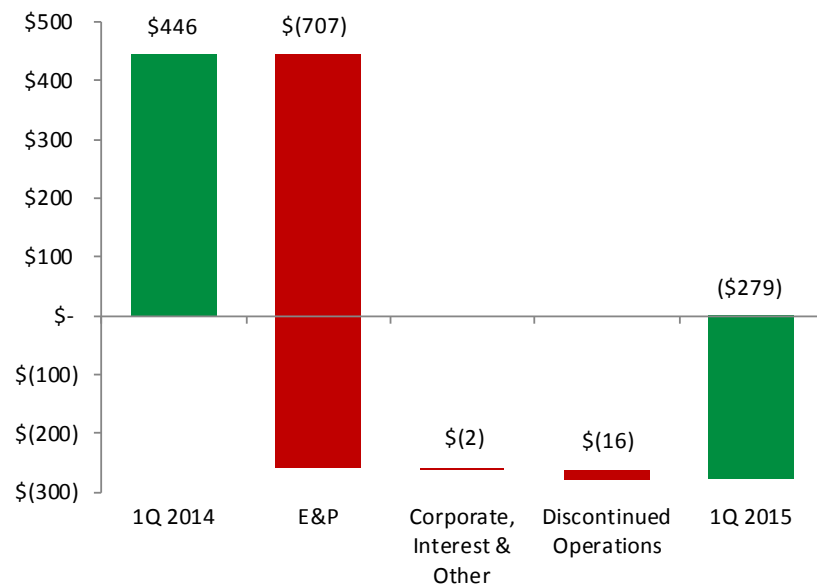
(Concluded)

Consolidated Adjusted Net Income (Loss)

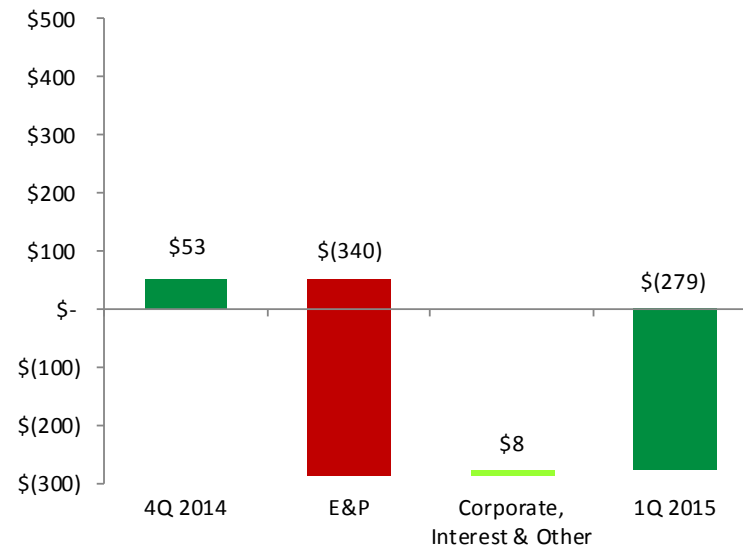


\$ Millions

1Q 2015 vs. 1Q 2014



1Q 2015 vs. 4Q 2014



	1Q 2015	1Q 2014	Incr. / (Decr.)
Exploration and Production	\$ (193)	\$ 514	\$ (707)
Corporate, Interest and Other	(86)	(84)	(2)
Discontinued Operations	-	16	(16)
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (279)</u>	<u>\$ 446</u>	<u>\$ (725)</u>

	1Q 2015	4Q 2014	Incr. / (Decr.)
Exploration and Production	\$ (193)	\$ 147	\$ (340)
Corporate, Interest and Other	(86)	(94)	8
Discontinued Operations	-	-	-
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (279)</u>	<u>\$ 53</u>	<u>\$ (332)</u>

Analysis of Consolidated Adjusted Net Income (Loss)



1Q 2015 vs. 1Q 2014

- **Exploration and Production** – The decrease in earnings was primarily attributable to lower realized selling prices and higher depreciation, depletion and amortization expenses, which were partially offset by higher crude oil and natural gas liquids sales volumes.

1Q 2015 vs. 4Q 2014

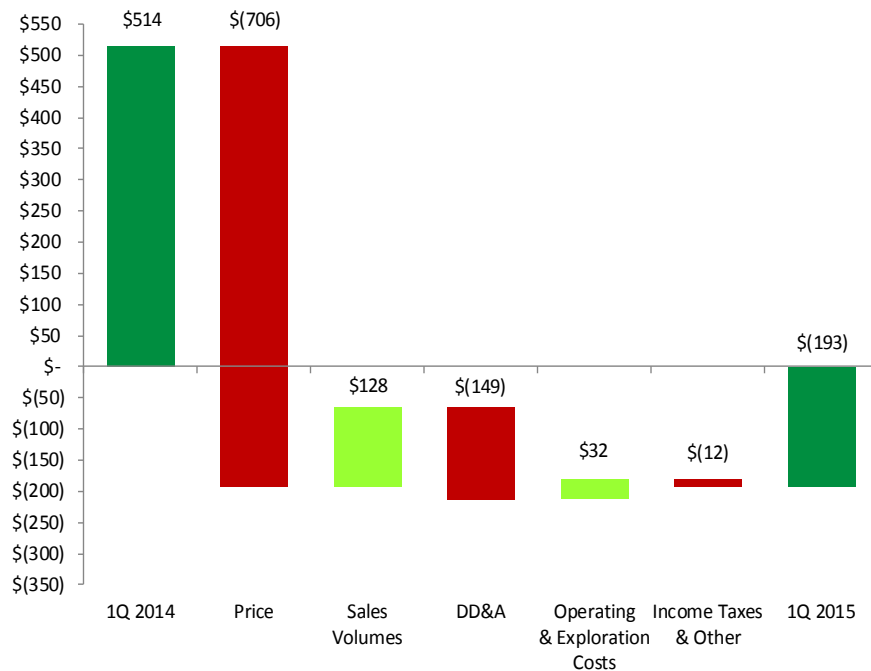
- **Exploration and Production** – The decrease in earnings was primarily attributable to lower realized selling prices and higher depreciation, depletion and amortization expenses, which were partially offset by lower exploration expenses.
- **Corporate, Interest and Other** – The decrease in corporate, interest and other costs primarily resulted from lower professional fees and other administrative costs.

Exploration and Production Adjusted Net Income (Loss)

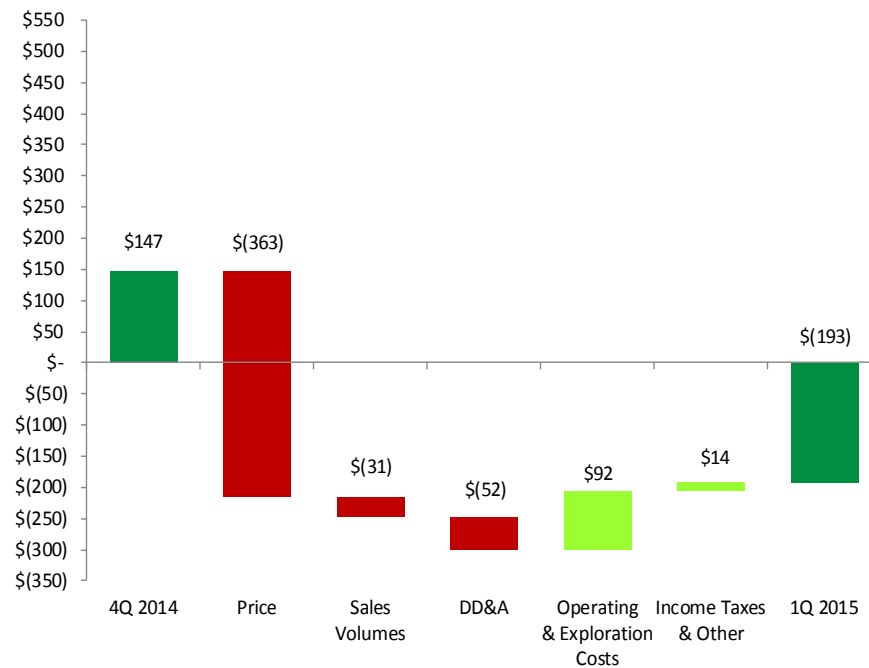


\$ Millions

1Q 2015 vs. 1Q 2014



1Q 2015 vs. 4Q 2014



	1Q 2015	1Q 2014	Incr. / (Decr.)
United States	\$ (233)	\$ 240	\$ (473)
International	40	274	(234)
Total	\$ (193)	\$ 514	\$ (707)

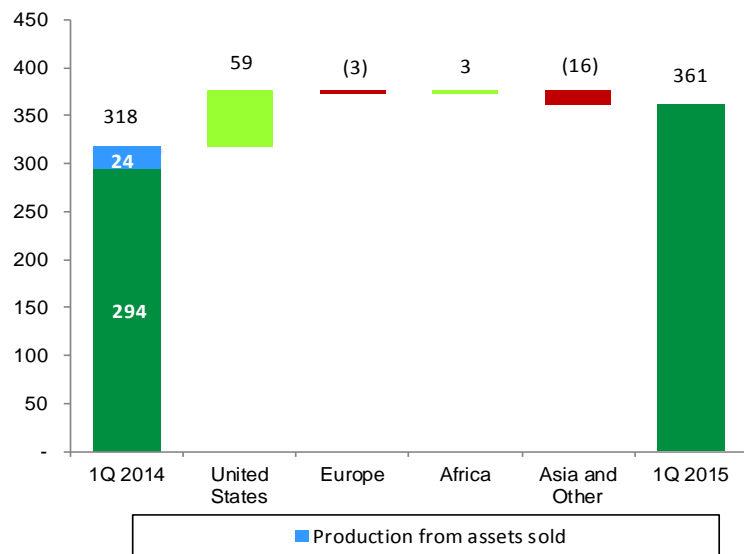
	1Q 2015	4Q 2014	Incr. / (Decr.)
United States	\$ (233)	\$ 27	\$ (260)
International	40	120	(80)
Total	\$ (193)	\$ 147	\$ (340)

Worldwide Oil & Gas Production

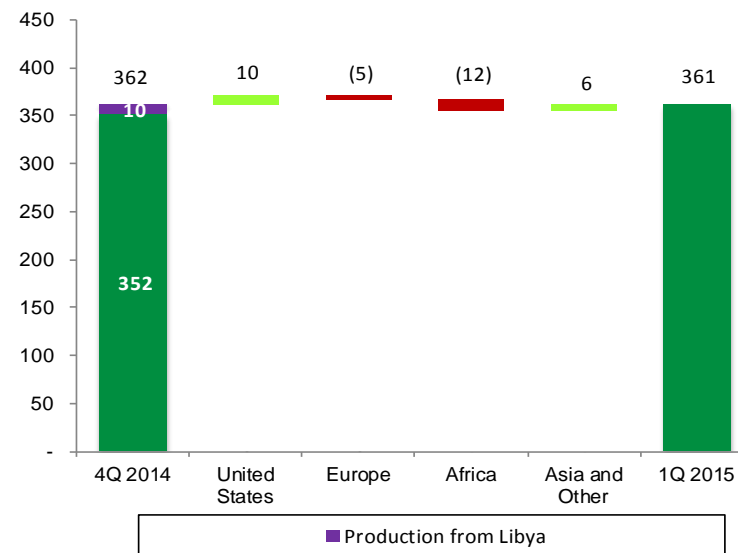


MBOEPD

1Q 2015 vs. 1Q 2014



1Q 2015 vs. 4Q 2014



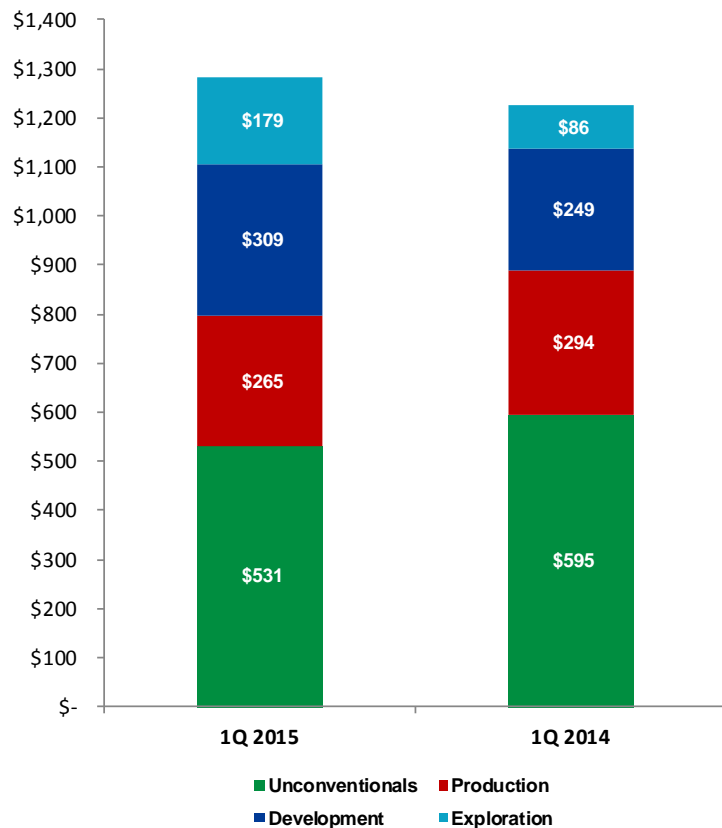
	1Q 2015	1Q 2014	Incr. / (Decr.)
United States			
Bakken	108	63	45
Other Onshore	34	15	19
Total Onshore	142	78	64
Offshore	66	71	(5)
Total United States	208	149	59
Europe	44	47	(3)
Africa	51	48	3
Asia and other	58	74	(16)
Total	361	318	43

	1Q 2015	4Q 2014	Incr. / (Decr.)
United States			
Bakken	108	102	6
Other Onshore	34	29	5
Total Onshore	142	131	11
Offshore	66	67	(1)
Total United States	208	198	10
Europe	44	49	(5)
Africa	51	63	(12)
Asia and other	58	52	6
Total	361	362	(1)

Capital and Exploratory Expenditures



\$ Millions



Exploration and Production

	Three Months Ended March 31,	
	2015	2014
United States		
Bakken	\$ 471	\$ 451
Other Onshore	83	171
Total Onshore	<u>554</u>	<u>622</u>
Offshore	279	162
Total United States	<u>833</u>	<u>784</u>
Europe	115	145
Africa	88	100
Asia and Other	248	195
Total Capital and Exploratory Expenditures	<u>\$ 1,284</u>	<u>\$ 1,224</u>
Total exploration expenses charged to income included above	<u>\$ 47</u>	<u>\$ 78</u>



OTHER INFORMATION

2015 Guidance to Investors



	Guidance***		Actual
	Full Year	2Q	1Q
<u>Production (MBOEPD)</u>			
Pro forma	350 - 360	355 - 365	361
Bakken	95 - 105	100 - 110	108
<u>Unit Cost (\$/BOE)*</u>			
Cash Costs	\$17.50 - \$18.50	\$17.50 - \$18.50	\$17.90
DD&A	\$28.50 - \$29.50	\$28.50 - \$29.50	\$29.36
Total production unit costs	\$46.00 - \$48.00	\$46.00 - \$48.00	\$47.26
Exploration Expenses, Excluding Dry Hole Costs (\$ Millions)	\$380 - \$400	\$90 - \$100	\$94
E&P Effective Tax Rate**	39% - 43%	39% - 43%	50%
<u>Capital and Exploratory Spend (\$ Millions)</u>			
Total	\$4,400	\$1,200	\$1,284
Bakken	\$1,700	\$500	\$471
<u>Other (\$ Millions)*</u>			
Corporate expenses, after-taxes	\$120 - \$130	\$30 - \$35	\$33
Interest expenses, after-taxes	\$205 - \$215	\$50 - \$55	\$53

* Excludes "items affecting comparability".

** Based on current strip oil prices, the Corporation is forecasting a pre-tax loss for 2015, and as a result, the E&P effective tax rate, excluding items affecting comparability, is expected to be a benefit.

*** Guidance excludes any contribution from Libya.



BAKKEN OPERATIONAL DATA

Bakken Production - 2015



Net Production by Product

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	79				79
NGL	MBBLPD	19				19
Gas	MMCFPD	58				58
Total	MBOEPD*	108				108

Net Production by Operatorship

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	96				96
Outside Operated	MBOEPD	12				12
Total	MBOEPD	108				108
% Outside Operated		11%				11%

* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Bakken Production - 2014



Net Production by Product

		2014				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	66	78	63	64	58
NGL	MBBLPD	10	16	15	8	2
Gas	MMCFPD	40	50	46	48	15
Total	MBOEPD*	83	102	86	80	63

Net Production by Operatorship

		2014				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	73	90	76	70	54
Outside Operated	MBOEPD	10	12	10	10	9
Total	MBOEPD	83	102	86	80	63
% Outside Operated		12%	12%	12%	13%	14%

* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Bakken Operational Well Statistics - 2015



Hess Operated Wells

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs					12
Drilling Days	Spud-to-Spud					21

		2015				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
Drilled	by Qtr					60
Completion	by Qtr					73
On Production	by Qtr					70
On Production - Other	Cum. to date adj. *					-
On Production	Cum. to date					1,052

Well Performance						
Average Frac Stage	by Qtr					35
Average 30-day IPs	Gross BOPD**					871

Outside Operated Wells

		2015				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr					15
On Production - Other	Cum. to date adj. *					16
On Production	Cum. to date					945

* Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.

** Based on weighted average of total number of wells.

Bakken Operational Well Statistics - 2014



Hess Operated Wells						
		2014				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	17	17	17	17	17
Drilling Days	Spud-to-Spud	22	22	22	22	23
No. of Wells						
		YTD	4Q	3Q	2Q	1Q
Drilled	by Qtr	261	78	71	66	46
Completion	by Qtr	230	82	60	46	42
On Production	by Qtr	238	96	59	53	30
On Production - Other	Cum. to date adj. *	22	-	-	-	22
On Production	Cum. to date	982	982	886	827	774
Well Performance						
Average Frac Stage	by Qtr	34	35	35	33	33
Average 30-day IPs	Gross BOPD**	884	870	826	976	880
Outside Operated Wells						
		2014				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	146	36	47	30	33
On Production - Other	Cum. to date adj. *	9	23	4	12	(30)
On Production	Cum. to date	914	914	855	804	762

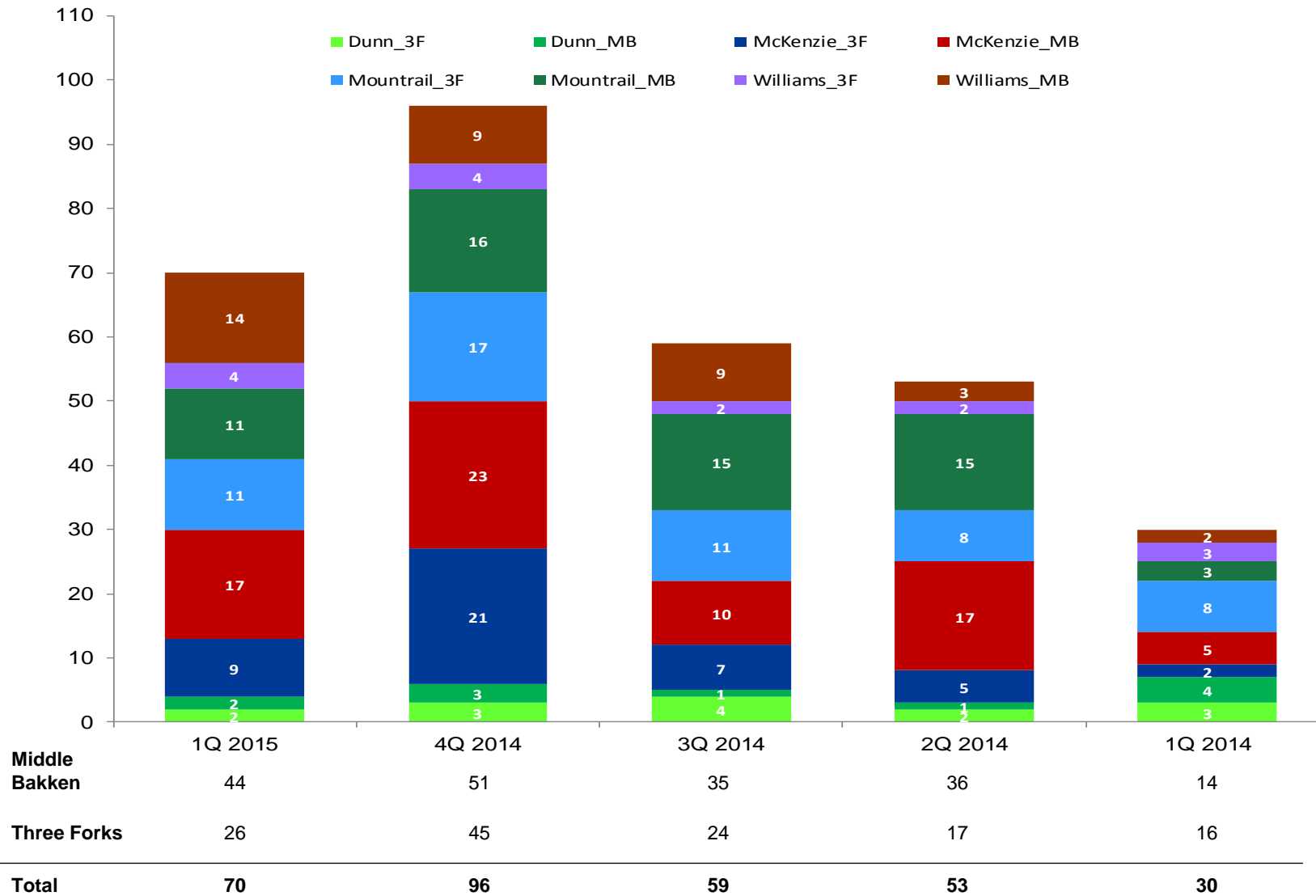
* Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.

** Based on weighted average of total number of wells.

Hess Operated Bakken Wells Brought on Production by County and Formation



Bakken Wells



Bakken Well Costs, Working Interest and Acreage - 2015



Average Well Cost - Hess Operated

		2015				
		YTD	4Q	3Q	2Q	1Q
Drilling	\$MMWell	\$ 3.9				\$ 3.9
Completion	\$MMWell	2.9				2.9
Total	\$MMWell	\$ 6.8				\$ 6.8

Average Working Interest of New Wells Spud each Quarter

		2015				
		YTD	4Q	3Q	2Q	1Q
Hess Operated	%	74%				74%
Outside Operated	%	10%				10%

Net Acreage Position

		2015			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres				609

Bakken Well Costs, Working Interest and Acreage - 2014



Average Well Cost - Hess Operated

		2014				
		YTD	4Q	3Q	2Q	1Q
Drilling	\$MMWell	\$ 4.3	\$ 3.9	\$ 4.2	\$ 4.5	\$ 4.7
Completion	\$MMWell	3.0	3.2	3.0	2.9	2.8
Total	\$MMWell	\$ 7.3	\$ 7.1	\$ 7.2	\$ 7.4	\$ 7.5

Average Working Interest of New Wells Spud each Quarter

		2014				
		YTD	4Q	3Q	2Q	1Q
Hess Operated	%	75%	75%	76%	75%	74%
Outside Operated	%	12%	12%	11%	12%	12%

Net Acreage Position

		2014			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	613	635	642	644



UTICA OPERATIONAL DATA

Utica Production - 2015



Net Production by Product

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	2				2
NGL	MBBLPD	4				4
Gas	MMCFPD	65				65
Total	MBOEPD*	17				17

Net Production by Operatorship

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	9				9
Outside Operated	MBOEPD	8				8
Total	MBOEPD	17				17

% Outside Operated 45% 45%

* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Utica Production - 2014



Net Production by Product

		2014				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	1	1	2	-	-
NGL	MBBLPD	2	4	2	1	1
Gas	MMCFPD	36	45	39	37	23
Total	MBOEPD*	9	13	11	7	5

Net Production by Operatorship

		2014				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	6	7	5	6	4
Outside Operated	MBOEPD	3	6	6	1	1
Total	MBOEPD	9	13	11	7	5

% Outside Operated	37%	49%	53%	10%	8%
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* Includes production from dry gas sale in first two quarters; natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Utica Operational Well Statistics - 2015



Hess/CNX Operated Activities

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	2				2
No. of Wells						
		YTD	4Q	3Q	2Q	1Q
Drilled	by Qtr	5				5
Completion	by Qtr	4				4
On Production	by Qtr	4				4
On Production	Cum. to date	50				50
Well Performance - Hess Op Only						
Average Frac Stage	by Qtr	27				27
Average Lateral Length	Ft/Qtr	6,032				6,032

Outside Operated Wells (NOJV)

		2015				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	1				1
On Production	Cum. to date	30				30

Utica Operational Well Statistics - 2014



Hess/CNX Operated Activities

			2014				
			YTD Avg	4Q	3Q	2Q	1Q
Rig Count							
Drilling	No. Rigs		4	3	4	4	4
			2014				
			YTD	4Q	3Q	2Q	1Q
No. of Wells							
Drilled	by Qtr		38	10	10	10	8
Completion	by Qtr		36	10	11	12	3
On Production	by Qtr		39	8	18	3	10
On Production	Cum. to date		46	46	38	20	17
Well Performance - Hess Op Only							
Average Frac Stage	by Qtr		40	41	41	43	34
Average Lateral Length	Ft/Qtr		8,587	8,957	8,669	9,373	7,543

Outside Operated Wells (NOJV)

			2014				
			YTD	4Q	3Q	2Q	1Q
No. of Wells							
On Production	by Qtr		22	5	9	8	-
On Production	Cum. to date		29	29	24	15	7

Utica Well Costs, Working Interest and Acreage - 2015



Average Well Cost - Hess Operated

		2015				
		YTD	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 6.5				\$ 6.5
Completion	\$MM/Well	3.9				3.9
Total	\$MM/Well	\$ 10.4				\$ 10.4
Drilling	\$/Ft	\$ 420				\$ 420
Completion	\$/MStage	\$ 142				\$ 142

Average Working Interest of Wells TD Cumulative Through Quarter

		2015				
		YTD	4Q	3Q	2Q	1Q
Hess/CONSOL JV*	%	47%				47%
NOJV	%	8%				8%

Net Acreage Position (JV Core Acreage)

		2015			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres				45

* Excludes 25% CNX carry on eligible costs; \$335 MM total obligation.

Utica Well Costs, Working Interest and Acreage - 2014



Average Well Cost - Hess Operated

		2014				
		YTD	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 6.8	\$ 6.6	\$ 6.7	\$ 6.7	\$ 7.4
Completion	\$MM/Well	6.9	7.0	7.4	7.4	5.9
Total	\$MM/Well	<u>\$ 13.7</u>	<u>\$ 13.6</u>	<u>\$ 14.1</u>	<u>\$ 14.1</u>	<u>\$ 13.3</u>
Drilling	\$/Ft	\$ 381	\$ 362	\$ 362	\$ 351	\$ 445
Completion	\$/Stage	\$ 177	\$ 170	\$ 182	\$ 178	\$ 183

Average Working Interest of Wells TD Cumulative Through Quarter

		2014				
		YTD	4Q	3Q	2Q	1Q
Hess/CONSOL JV*	%	47%	47%	47%	46%	46%
NOJV	%	8%	8%	7%	6%	6%

Net Acreage Position (JV Core Acreage)

		2014			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	45	44	43	43

* Excludes 25% CNX carry on eligible costs; \$335 MM total obligation.