

HESS CORPORATION



HESS AND GLOBAL INFRASTRUCTURE PARTNERS
FORM BAKKEN MIDSTREAM JOINT VENTURE

JUNE 11, 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 (SEC).

A registration statement related to Hess Midstream Partners LP common units has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy the securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

Non-GAAP financial measure: The Company has used a non-GAAP financial measure in this presentation. "EBITDA" is defined as net income (loss) before the subtraction of interest, taxes, depreciation, depletion and amortization. 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). A reconciliation of historical and projected net income (loss) attributable to the company's midstream Bakken assets is provided in the presentation.



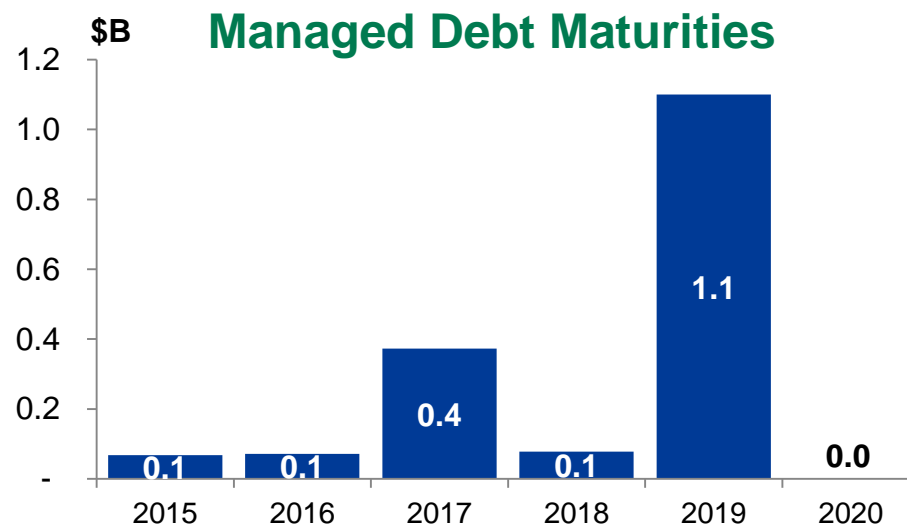
Strategic Highlights

- **Formation of Bakken Midstream Joint Venture valued at \$5.35 billion**
- **Hess to sell 50% interest in Bakken Midstream assets to Global Infrastructure Partners (GIP) for cash consideration of \$2.675 billion**
- **Total after-tax cash proceeds to Hess of \$3.0 billion, including JV debt issuance. Proceeds to be used to:**
 - Preserve balance sheet strength
 - Provide additional financial flexibility for future growth opportunities
 - Continue to repurchase stock on a disciplined basis
- **Hess to retain operational control of Bakken Midstream Assets**
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Hess: Advantaged Liquidity Position

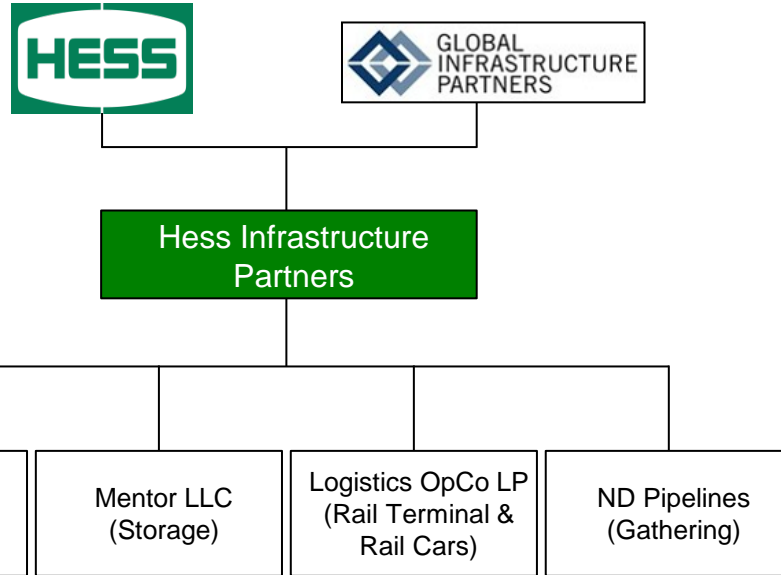
- **> \$ 8 B of Liquidity**
 - \$3.0 B Cash Proceeds
 - \$4.0 B Unused Revolver
 - \$0.9 B Unused Committed Lines
- **Pro-forma Net Debt-to-Capital of approximately 10%**
- **Pro-forma 2015 E&P Capital & Exploratory Spend of \$4.1 billion**
 - Annualized run-rate based on 2H 2015 of \$3.5 billion
- **Joint Venture funds future Midstream capital expenditures**



Effect of Transaction on 2015 E&P Revenue, Unit Costs and Margin (\$/BOE)

Increase in E&P Revenue	1.00
Increase in E&P Unit Costs	
Cash Costs	2.50
DD&A	-
Total Production Unit Costs	2.50
Decrease in E&P Net Margin	(1.50)

Joint Venture Structure



Hess Controlled Decisions

- Operations of Midstream Assets
- Annual Budgeting Process

Joint Decisions

- Capital Structure
- Debt and Equity Offerings
- New Contracts

- Hess & GIP each to own 50% of Hess Infrastructure Partners (JV)
- Upon closing, JV will incur \$600 MM of debt through a 5-Year Term Loan A facility:
 - Proceeds to be distributed equally to both partners
- JV will have a committed 5-Year \$400 million revolving credit facility available
- Hess will consolidate JV on its balance sheet
 - Report separate Midstream segment
 - No accounting gain recognized on closing

Strategic Bakken Midstream Assets

Financial Highlights



- **1Q 2015 actuals (gross)**

- EBITDA of \$64 million
- Capex of \$39 million

- **Projected outlook for 12 months ending 3/31/16 (gross)**

- EBITDA of \$290 - \$300 million
- Capex of \$325 - \$350 million

- **Projected 5-year ongoing annual capex of \$175 - \$225 million**

Joint Venture Assets

Processing & Storage	<ul style="list-style-type: none">- Tioga Gas Plant- Mentor Storage Terminal
Logistics	<ul style="list-style-type: none">- Tioga Rail Terminal & Rail Cars- Ramberg Truck Facility
Gathering	<ul style="list-style-type: none">- Red Sky / Nesson, Hawkeye, Goliath Gathering Systems

Fee Based Contracts

- Multiple fee-based contracts with JV entities
- Tariff structure:
 - First 10 years: Adjusted based on volume & capital
 - Second 10 years: Fixed, with CPI indexation

Minimum Volume Commitments

- Three year rolling commitments based on development plans

Stable Long Term Cash Flows

Strategic Bakken Midstream Assets

Gas Processing & Storage Assets

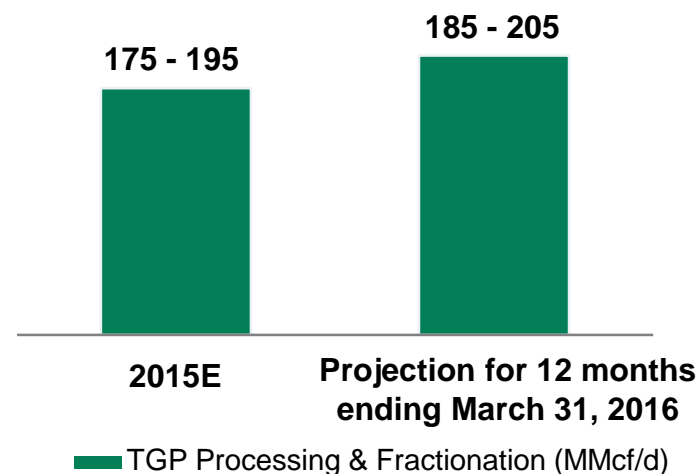


Tioga Gas Plant

- **Completed large-scale expansion and upgrade 2014**
- **Single largest cryogenic plant in N. Dakota**
 - Processing capacity of 250 MMcf/d
 - NGL extraction capacity of 60 MBbl/d
- **Only plant with Ethane extraction**
 - Sold under long term profitable contract to NOVA
- **Evaluating capacity upgrade from 250 MMcf/d to 300 MMcf/d**



TGP Processing Volumes (Gross)



Mentor, Minnesota Propane Storage Terminal

- **328 MBbls storage cavern with rail and truck transloading facility**

Strategic Bakken Midstream Assets

Logistics Assets



Tioga Rail Terminal and Crude Oil Rail Cars

- **3rd largest Bakken terminal capable of loading 2 unit trains per day**
 - Crude oil loading capacity of 140 MBbl/d
 - Additional NGL train loading capacity of 30 MBbl/d
- **9 crude oil unit trains**
 - Total of 962 existing rail cars to export to various markets on the East, West and Gulf Coast regions
 - Can be retrofitted over next 5 years to meet new DOT standards
- **Additional 550 crude oil rail cars ordered that meet new proposed standards**



Ramberg Trucking Facility

- **Crude oil truck and pipeline terminal capable of receiving up to 130 MBbl/d**
 - Delivers to Tioga Rail Terminal and interconnecting pipelines
 - Storage capacity of 39 MBbls

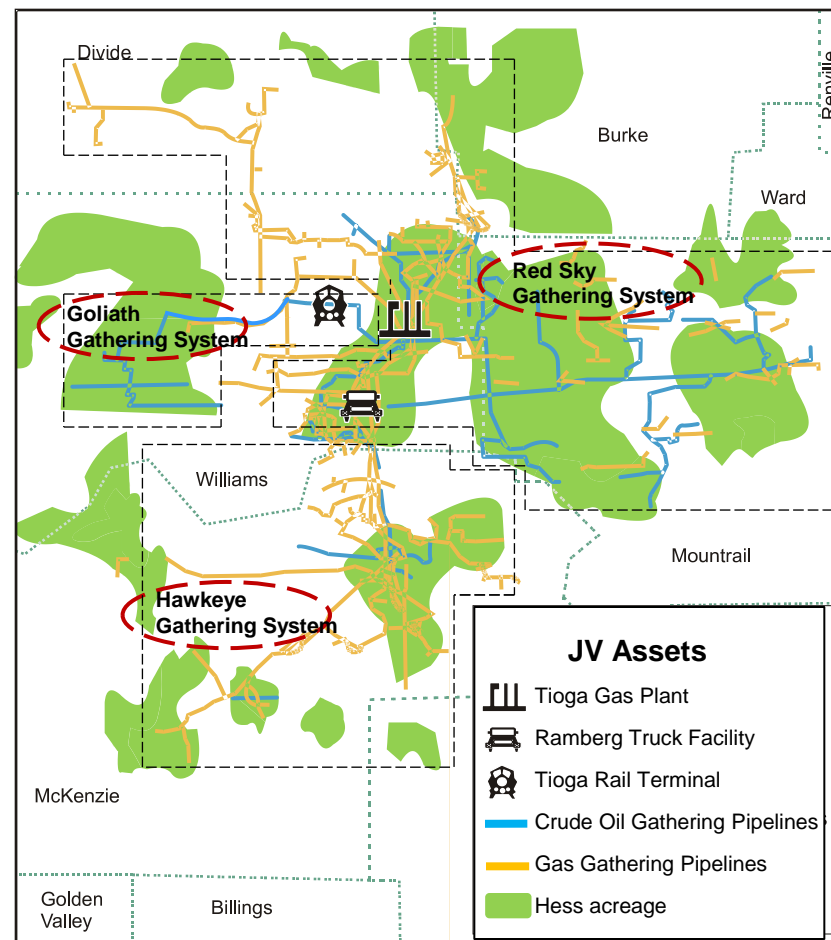


Strategic Bakken Midstream Assets

Gathering Assets



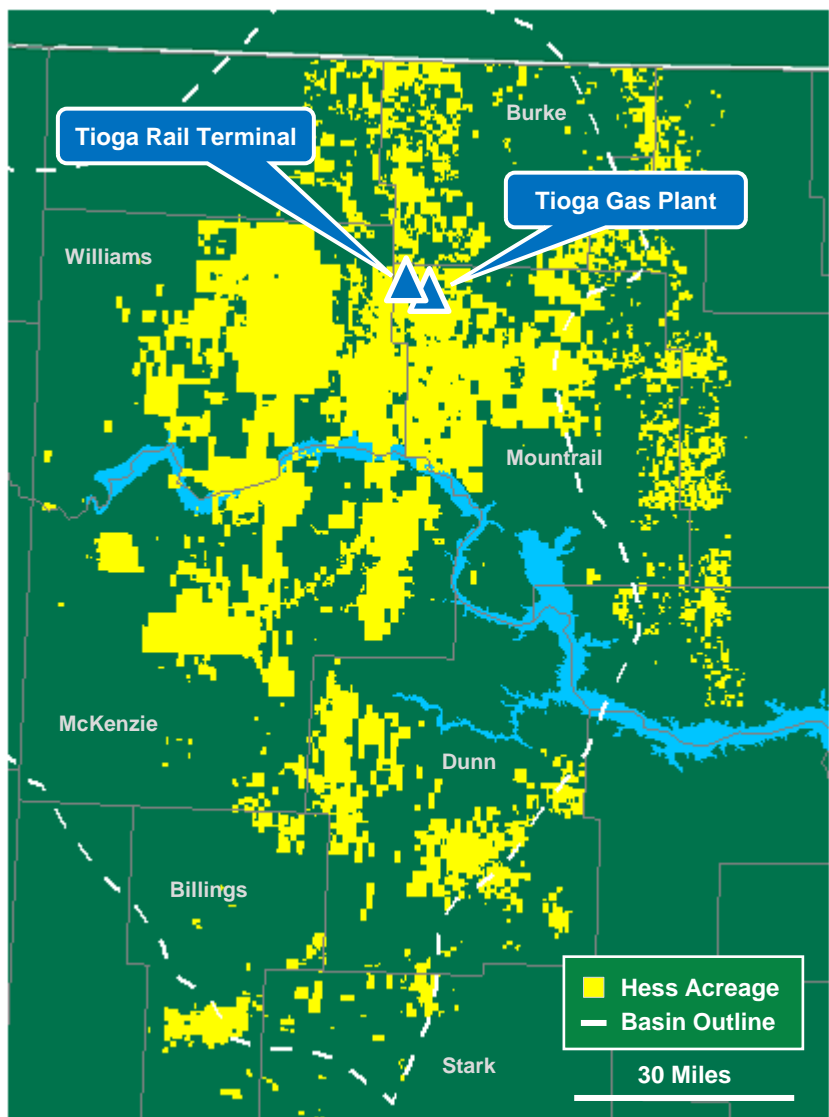
- **Composed of three major gathering and compression systems**
 - Red Sky
 - Hawkeye
 - Goliath
- **Combined current throughput of 205 MMcf/d and 33 MBbl/d**
- **Forecast capacity expansion to ~330 MMcf/d and ~205 MBbl/d to support Bakken growth**
- **Strategically positioned to capitalize on 3rd party growth**



>3,000 miles of gathering pipelines to support Hess' production growth

Hess: One of the Best Portfolios 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

- 615,000 net acres; Hess ~ 70% WI, operator
- 2015 net production 95 - 105 MBOED
- Peak net production goal ~175 MBOED 2020+
- Net Estimated Ultimate Recovery >1.4 BBOE
- >4,000 total operated drilling locations
- 2014 30 Day IPs: 800 - 950 BOED
- Reduced rig count from 17 in 2014, to 12 in 1Q15 and to 8 for balance of 2015
- Pro-forma 2015 Bakken E&P capex \$1.4 B

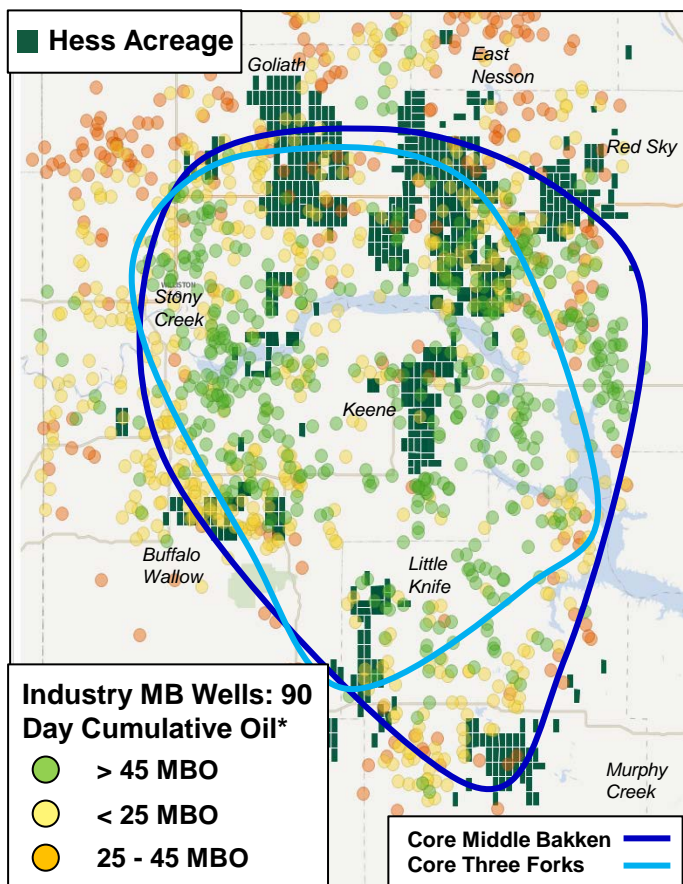
Major contributor to future production growth

Hess: One of the Best Portfolios in the Bakken

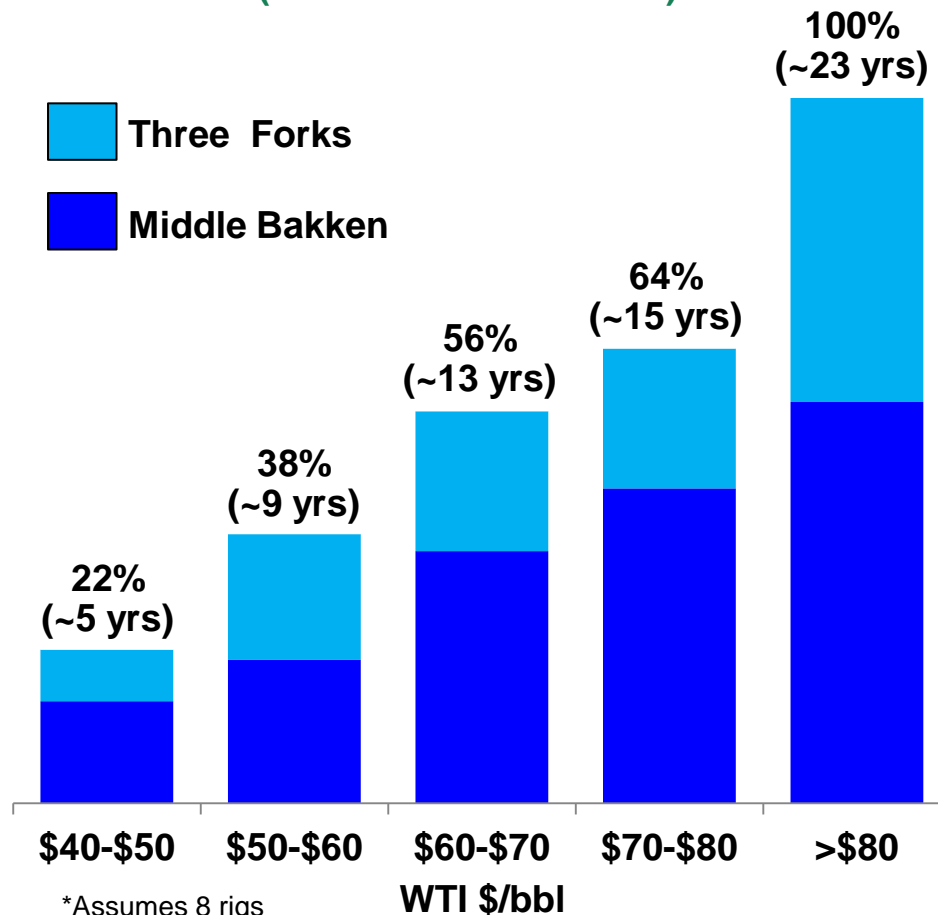


Robust well inventory focused in Core of play

Hess Position in Core



~3,300 Future Operated Drilling Locations % of Total Inventory & Implied Rig Years* vs WTI Price (15% AT IRR Threshold)



*30+ Stage Wells Since 2012
Source: NDIC, Hess analysis



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