

# Supplemental Earnings Information



Second Quarter 2013

# Reported Net Income, Items Affecting Comparability and Adjusted Earnings by Operating Activity



\$ Millions, Except per Share Data

|  | 2Q<br>2013      | 2Q<br>2012     | Q1<br>2013      |
|--|-----------------|----------------|-----------------|
| <b><u>Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP) (a)</u></b> |                 |                |                 |
| Exploration and Production   | \$ 1,533        | \$ 644         | \$ 1,286        |
| Corporate and Other  | (113)           | (107)          | (110)           |
| Net income from continuing operations  | 1,420           | 537            | 1,176           |
| Discontinued operations - Downstream businesses                                  | 11              | 12             | 100             |
| Net income attributable to Hess Corporation                                      | <u>\$ 1,431</u> | <u>\$ 549</u>  | <u>\$ 1,276</u> |
| Net income per share (diluted):  |                 |                |                 |
| Continuing operations  | \$ 4.13         | \$ 1.58        | \$ 3.43         |
| Discontinued operations  | 0.03            | 0.03           | 0.29            |
| Net income per share   | <u>\$ 4.16</u>  | <u>\$ 1.61</u> | <u>\$ 3.72</u>  |
| <b><u>Items Affecting Comparability of Earnings - Income (Expense)</u></b>       |                 |                |                 |
| Exploration and Production   | \$ 933          | \$ (36)        | \$ 588          |
| Corporate and Other  | (1)             | -              | (11)            |
| Total items affecting comparability of earnings from continuing operations       | 932             | (36)           | 577             |
| Discontinued operations - Downstream businesses                                  | (21)            | -              | 30              |
| Total items affecting comparability of earnings between periods                  | <u>\$ 911</u>   | <u>\$ (36)</u> | <u>\$ 607</u>   |

(Continued)

# Reported Net Income, Items Affecting Comparability and Adjusted Earnings by Operating Activity



\$ Millions, Except per Share Data

|  | 2Q<br>2013     | 2Q<br>2012     | Q1<br>2013     |
|--|----------------|----------------|----------------|
| <b>Adjusted Earnings (Losses) (b)</b>              |                |                |                |
| Exploration and Production                         | \$ 600         | \$ 680         | \$ 698         |
| Corporate and Other                                | (112)          | (107)          | (99)           |
| Adjusted earnings from continuing operations       | 488            | 573            | 599            |
| Discontinued operations - Downstream businesses    | 32             | 12             | 70             |
| Adjusted earnings attributable to Hess Corporation | <u>\$ 520</u>  | <u>\$ 585</u>  | <u>\$ 669</u>  |
| Adjusted earnings per share (diluted):             |                |                |                |
| Continued operations                               | \$ 1.42        | \$ 1.69        | \$ 1.75        |
| Discontinued operations                            | 0.09           | 0.03           | 0.20           |
| Adjusted earnings per share                        | <u>\$ 1.51</u> | <u>\$ 1.72</u> | <u>\$ 1.95</u> |
| Weighted average number of shares (diluted)        | <u>344.0</u>   | <u>340.4</u>   | <u>342.6</u>   |

(a) As a result of the Corporation's plans announced in the first quarter of 2013 to divest its downstream businesses and complete its transformation into a pure play exploration and production company, the corporation now operates with two segments: an Exploration and Production segment and a Corporate and Other segment, which is primarily comprised of Corporate and interest expenses. The financial results for 2012 have been revised to consistently present these new segments. The results of the terminal, retail, energy marketing, energy trading and Port Reading refining operations (the "downstream businesses") have been classified as discontinued operations for all periods presented.

(b) "Adjusted Earnings," presented throughout this supplemental earnings information is defined as reported net income 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.

(Concluded)

# Items Affecting Comparability Between Periods



(Amounts are after income taxes)

## 2Q 2013

### ▪ **Exploration and Production – Earnings include:**

- A net gain of \$951 million related to the sale of the Corporation's 90 percent interest in its Russian subsidiary, Samara-Nafta.
- A charge of \$18 million for employee severance and exit costs related to the Corporation's transformation into a more focused pure play exploration and production company.

### ▪ **Corporate and Other – Results include:**

- A charge of \$1 million for employee severance costs.

### ▪ **Discontinued operations - Downstream businesses – Earnings include:**

- A charge of \$21 million for employee severance related to the Corporation's planned exit from its downstream businesses and costs to idle refinery equipment at the Port Reading refining facility.

## 2Q 2012

### ▪ **Exploration and Production – Earnings include:**

- An impairment charge of \$36 million for certain exploration properties that were due to be divested in an asset exchange with a joint venture partner.

(Continued)

# Items Affecting Comparability Between Periods



(Amounts are after income taxes)

## 1Q 2013

### ▪ **Exploration and Production – Earnings include:**

- Gains of \$360 million from the sale of the Corporation's interests in the Azeri-Chirag-Guneshli fields in the Caspian Sea, offshore Azerbaijan and \$323 million from the sale of the Beryl fields in the United Kingdom North Sea.
- A charge of \$67 million for employee severance costs related to the Corporation's transformation into a more focused pure play exploration and production company.
- An income tax charge of \$28 million relating to a planned divestiture.

### ▪ **Corporate and Other – Results include:**

- A charge of \$11 million for employee severance costs.

### ▪ **Discontinued operations - Downstream businesses – Earnings include:**

- Income of \$137 million related to the liquidation of LIFO inventories as a result of the shutdown of refining operations at the Port Reading facility.
- A charge of \$64 million for accelerated depreciation and other shutdown costs related to Port Reading.
- A charge of \$43 million for employee severance costs related to the Corporation's planned exit from its downstream businesses.

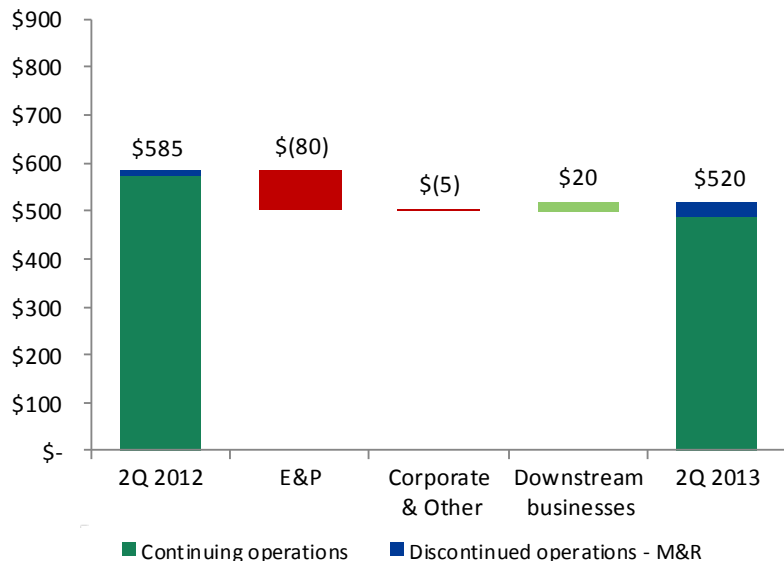
(Concluded)

# Consolidated Adjusted Earnings

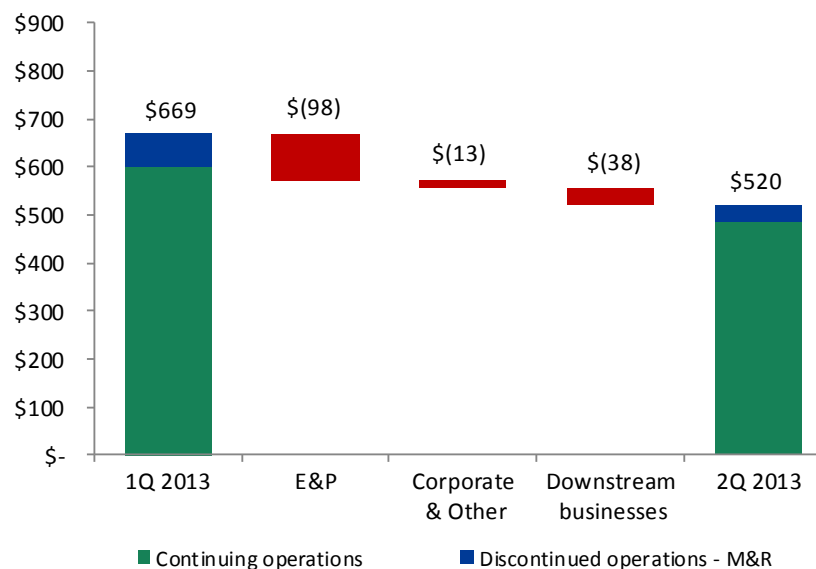


\$ Millions

**2Q 2013 vs. 2Q 2012**



**2Q 2013 vs. 1Q 2013**



|  | 2Q 2013       | 2Q 2012       | Incr. / (Decr.) |
|--|---------------|---------------|-----------------|
| <b>Exploration and Production</b>                      | \$ 600        | \$ 680        | \$ (80)         |
| <b>Corporate and Other</b>                             | (112)         | (107)         | (5)             |
| Adjusted earnings from continuing operations           | 488           | 573           | (85)            |
| <b>Discontinued operations - Downstream businesses</b> | 32            | 12            | 20              |
| Adjusted earnings attributable to Hess Corporation     | <u>\$ 520</u> | <u>\$ 585</u> | <u>\$ (65)</u>  |

|  | 2Q 2013       | 1Q 2013       | Incr. / (Decr.) |
|--|---------------|---------------|-----------------|
| <b>Exploration and Production</b>                      | \$ 600        | \$ 698        | \$ (98)         |
| <b>Corporate and Other</b>                             | (112)         | (99)          | (13)            |
| Adjusted earnings from continuing operations           | 488           | 599           | (111)           |
| <b>Discontinued operations - Downstream businesses</b> | 32            | 70            | (38)            |
| Adjusted earnings attributable to Hess Corporation     | <u>\$ 520</u> | <u>\$ 669</u> | <u>\$ (149)</u> |

# Analysis of Consolidated Adjusted Earnings



## 2Q 2013 vs. 2Q 2012

- **Exploration and Production** – The decrease in earnings is primarily due to lower sales volumes and higher taxes, partially offset by higher selling prices and lower operating costs.
- **Corporate and Other** – The increase in expenses is primarily due to higher Corporate costs.
- **Discontinued operations - Downstream businesses** – The increase in earnings primarily reflects improved trading results and higher earnings in energy marketing.

## 2Q 2013 vs. 1Q 2013

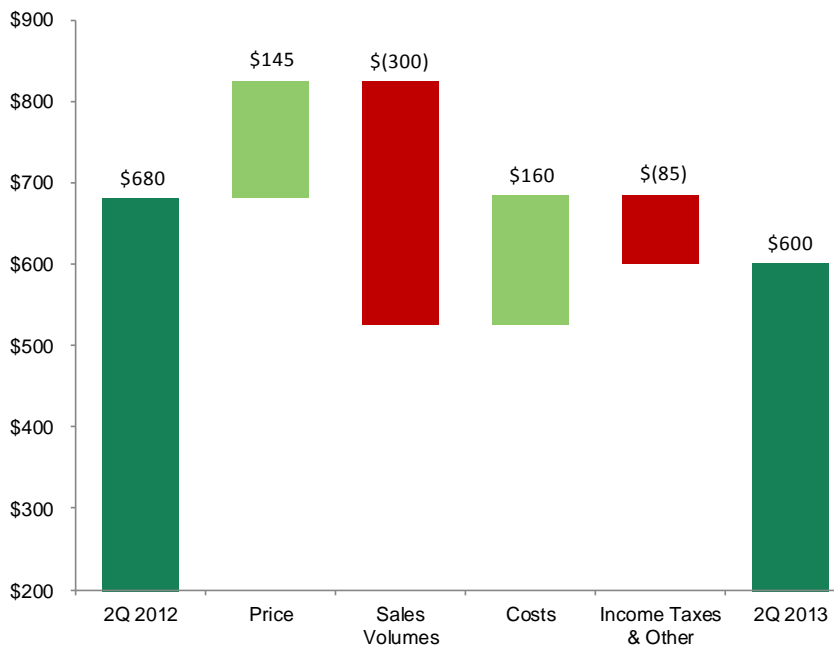
- **Exploration and Production** – The decrease in earnings is primarily due to lower sales volumes and sales prices, partially offset by lower operating costs.
- **Corporate and Other** – The increase in expenses is primarily due to higher Corporate costs, partially offset by lower interest expenses.
- **Discontinued operations - Downstream businesses** – The decrease in earnings is primarily due to lower marketing income, partially offset by higher trading income.

# Exploration and Production Adjusted Earnings

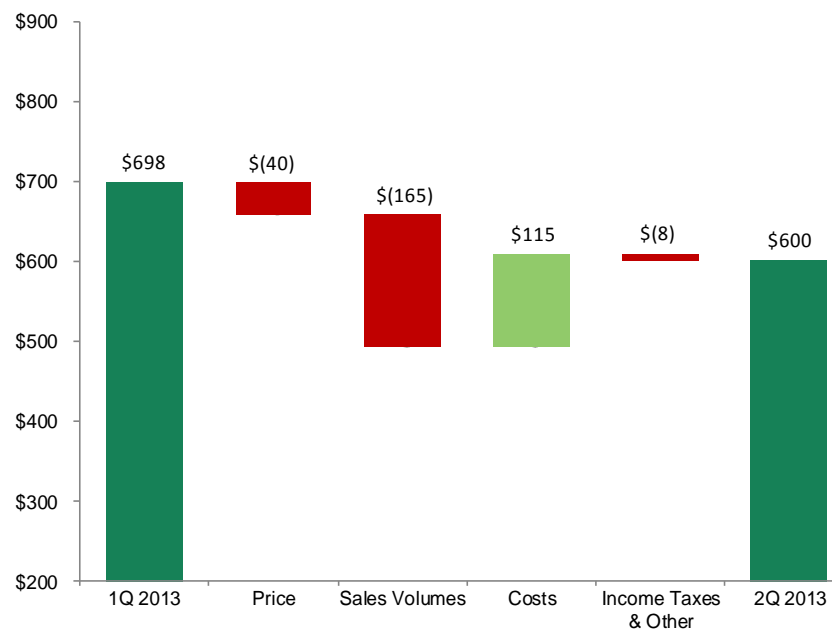


\$ Millions

**2Q 2013 vs. 2Q 2012**



**2Q 2013 vs. 1Q 2013**



|               | 2Q 2013       | 2Q 2012       | Incr. / (Decr.) |
|---------------|---------------|---------------|-----------------|
| United States | \$ 256        | \$ 196        | \$ 60           |
| International | 344           | 484           | (140)           |
| <b>Total</b>  | <b>\$ 600</b> | <b>\$ 680</b> | <b>\$ (80)</b>  |

|               | 2Q 2013       | 1Q 2013       | Incr. / (Decr.) |
|---------------|---------------|---------------|-----------------|
| United States | \$ 256        | \$ 205        | \$ 51           |
| International | 344           | 493           | (149)           |
| <b>Total</b>  | <b>\$ 600</b> | <b>\$ 698</b> | <b>\$ (98)</b>  |

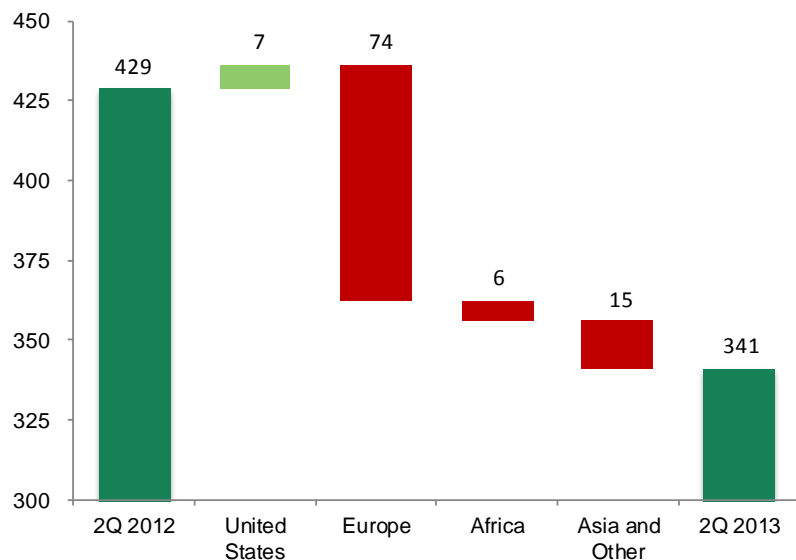


# Worldwide Oil & Gas Production

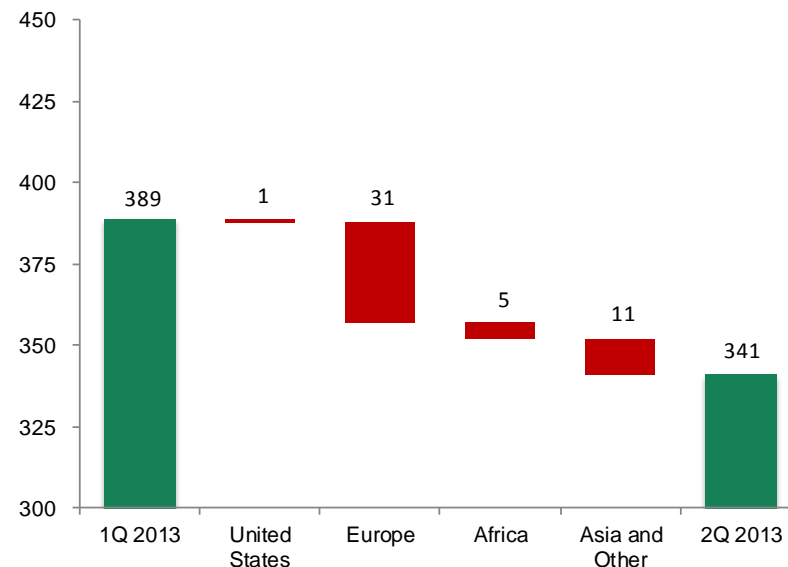


MBOEPD

2Q 2013 vs. 2Q 2012



2Q 2013 vs. 1Q 2013



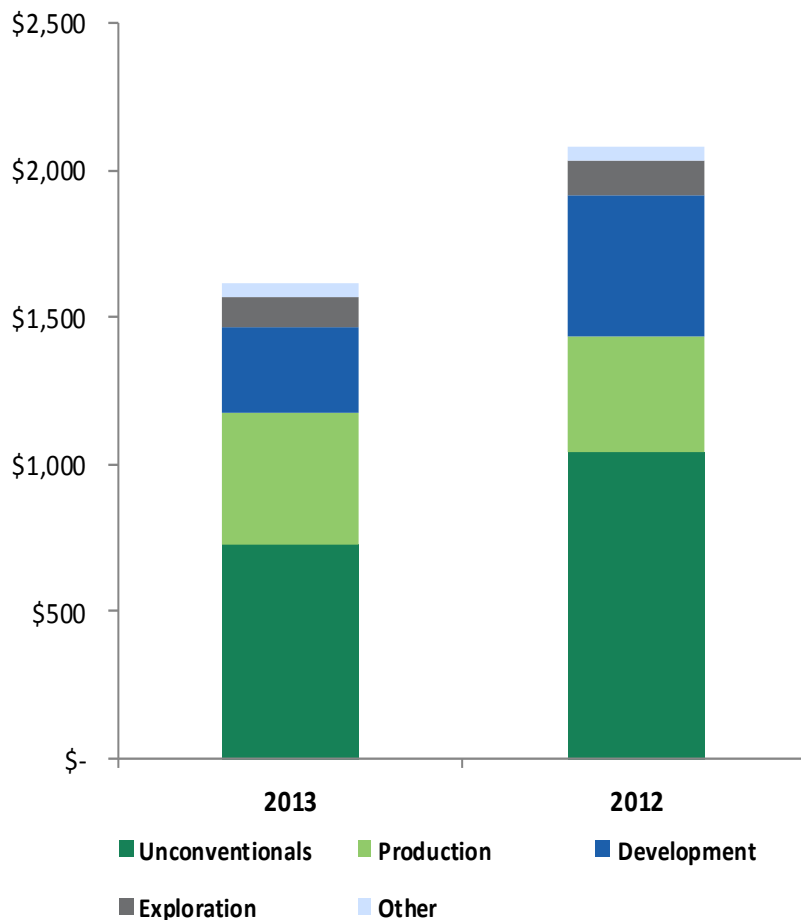
|                            | 2Q 2013 | 2Q 2012 | Incr. / (Decr.) |
|----------------------------|---------|---------|-----------------|
| <b>United States</b>       |         |         |                 |
| Bakken                     | 64      | 55      | 9               |
| Other Onshore              | 20      | 22      | (2)             |
| Total Onshore              | 84      | 77      | 7               |
| Offshore                   | 67      | 67      | -               |
| <b>Total United States</b> | 151     | 144     | 7               |
| <b>Europe</b>              | 36      | 110     | (74)            |
| <b>Africa</b>              | 73      | 79      | (6)             |
| <b>Asia and Other</b>      | 81      | 96      | (15)            |
| <b>Total</b>               | 341     | 429     | (88)            |

|                            | 2Q 2013 | 1Q 2013 | Incr. / (Decr.) |
|----------------------------|---------|---------|-----------------|
| <b>United States</b>       |         |         |                 |
| Bakken                     | 64      | 65      | (1)             |
| Other Onshore              | 20      | 21      | (1)             |
| Total Onshore              | 84      | 86      | (2)             |
| Offshore                   | 67      | 66      | 1               |
| <b>Total United States</b> | 151     | 152     | (1)             |
| <b>Europe</b>              | 36      | 67      | (31)            |
| <b>Africa</b>              | 73      | 78      | (5)             |
| <b>Asia and Other</b>      | 81      | 92      | (11)            |
| <b>Total</b>               | 341     | 389     | (48)            |

# Capital and Exploratory Expenditures – 2Q 2013 and 2012



\$ Millions



## Exploration and Production

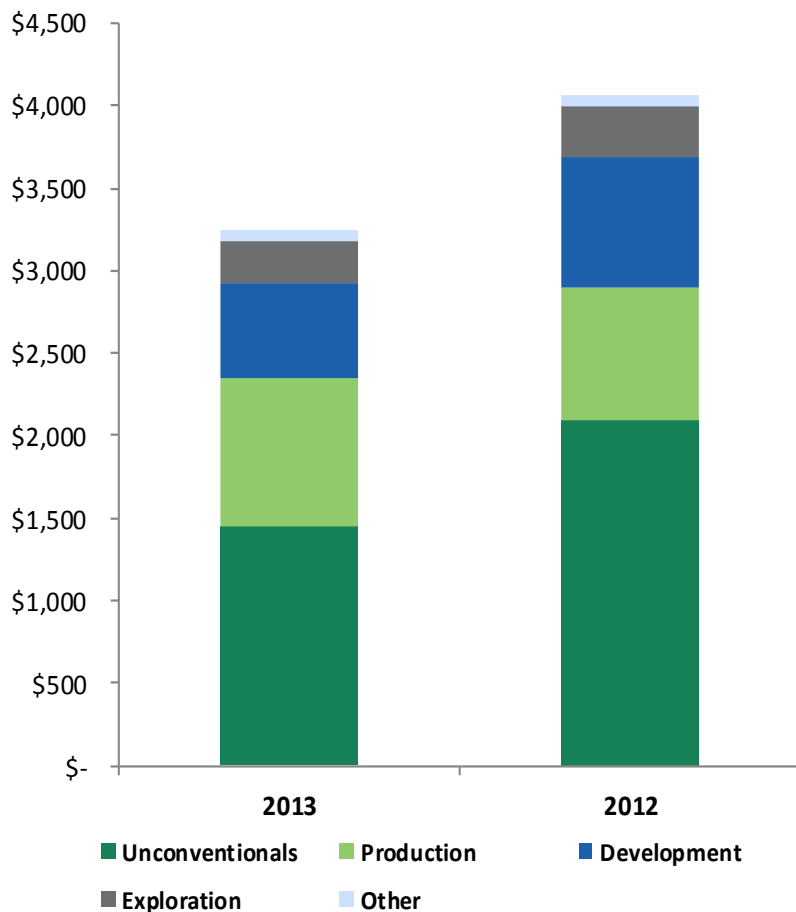
|  | Three Months Ended<br>June 30, |                        |
|--|--------------------------------|------------------------|
|  | 2013                           | 2012                   |
| United States  |                                |                        |
| Bakken   | \$ 546                         | \$ 826                 |
| Other Onshore  | 195                            | 208                    |
| Total Onshore  | <u>741</u>                     | <u>1,034</u>           |
| Offshore   | 217                            | 209                    |
| Total United States  | <u>958</u>                     | <u>1,243</u>           |
| Europe   | 172                            | 307                    |
| Africa   | 163                            | 162                    |
| Asia and Other   | 278                            | 324                    |
| <b>Total Exploration and Production</b>                            | <u>1,571</u>                   | <u>2,036</u>           |
| <b>Other</b>   | <u>42</u>                      | <u>42</u>              |
| <b>Total Capital and Exploratory Expenditures</b>                  | <u><u>\$ 1,613</u></u>         | <u><u>\$ 2,078</u></u> |
| <b>Total exploration expenses charged to income included above</b> | <u><u>\$ 113</u></u>           | <u><u>\$ 100</u></u>   |

(Continued)

# Capital and Exploratory Expenditures – YTD 2013 and 2012



\$ Millions



## Exploration and Production

|  | Six Months Ended<br>June 30, |                        |
|--|------------------------------|------------------------|
|  | 2013                         | 2012                   |
| United States  |                              |                        |
| Bakken   | \$ 1,081                     | \$ 1,678               |
| Other Onshore  | 371                          | 425                    |
| Total Onshore  | <u>1,452</u>                 | <u>2,103</u>           |
| Offshore   | 445                          | 381                    |
| Total United States  | <u>1,897</u>                 | <u>2,484</u>           |
| Europe   | 391                          | 605                    |
| Africa   | 392                          | 315                    |
| Asia and Other   | 504                          | 595                    |
| <b>Total Exploration and Production</b>                            | <u>3,184</u>                 | <u>3,999</u>           |
| <b>Other</b>   | <u>60</u>                    | <u>65</u>              |
| <b>Total Capital and Exploratory Expenditures</b>                  | <u><u>\$ 3,244</u></u>       | <u><u>\$ 4,064</u></u> |
| <b>Total exploration expenses charged to income included above</b> | <u><u>\$ 223</u></u>         | <u><u>\$ 208</u></u>   |

(Concluded)



---

# **2012 – 2013 PRO FORMA EXPLORATION AND PRODUCTION RESULTS**

---

## 2012 – 2013 Pro forma Financial Information



### Basis of Presentation:

The summarized actual and pro forma adjusted earnings for the Exploration and Production segment exclude hedging results and items affecting comparability of earnings between periods. In addition, the pro forma results assume the sale of the Corporation's interests in the ACG, Beryl, Bittern, Eagle Ford, Schiehallion and Snohvit fields and its properties in Russia, Indonesia and Thailand effective January 1, 2012. This measure of adjusted earnings is not, and should not, be viewed as a substitute for U.S. GAAP net income.

### Definitions:

- Cash Costs – Operating costs and expenses, production and severance taxes and general and administrative expenses.
- Cash Margin – Cash flow from operations before working capital changes plus exploration cash costs.

# Exploration and Production Pro forma – 2Q 2013



|   | Three Months Ended June 30, 2013 |                 |                 |                 |
|---|----------------------------------|-----------------|-----------------|-----------------|
|   | Actual                           | Pro Forma       | Actual          | Pro Forma       |
|   | (\$ Millions)                    |                 | (\$/BOE)        |                 |
| <b>Net revenue</b>                          | \$ 2,496                         | \$ 2,238        | \$ 80.40        | \$ 84.90        |
| <b>Costs and expenses</b>                   |                                  |                 |                 |                 |
| Cash costs                                  | 675                              | 588             | 21.72           | 22.29           |
| Depreciation, depletion & amortization      | 609                              | 608             | 19.63           | 23.06           |
| Production costs                            | 1,284                            | 1,196           | 41.35           | 45.35           |
| Exploration expense                         | 198                              | 193             | 6.39            | 7.32            |
| Total costs and expenses                    | 1,482                            | 1,389           | 47.74           | 52.67           |
| <b>Adjusted earnings before taxes</b>       | 1,014                            | 849             | 32.66           | 32.23           |
| Provision for income taxes                  | 456                              | 375             | 14.69           | 14.27           |
| <b>Adjusted earnings</b>                    | <u>\$ 558</u>                    | <u>\$ 474</u>   | <u>\$ 17.97</u> | <u>\$ 17.96</u> |
| <br>  |                                  |                 |                 |                 |
| <b>Production (MBOEPD)</b>                  | <u>341</u>                       | <u>290</u>      |                 |                 |
| <br>  |                                  |                 |                 |                 |
| <b>Capital and exploratory expenditures</b> | <u>\$ 1,571</u>                  | <u>\$ 1,479</u> |                 |                 |
| <br>  |                                  |                 |                 |                 |
| <b>Cash Margin</b>                          | <u>\$ 1,559</u>                  | <u>\$ 1,420</u> | <u>\$ 50.21</u> | <u>\$ 53.86</u> |

Note – See basis of presentation and definitions on Page 12.

# Exploration and Production Pro forma – YTD 2013



|   | Six Months Ended June 30, 2013 |                 |                 |                 |
|---|--------------------------------|-----------------|-----------------|-----------------|
|   | Actual                         | Pro Forma       | Actual          | Pro Forma       |
|   | (\$ Millions)                  |                 | (\$/BOE)        |                 |
| <b>Net revenue</b>                          | \$ 5,313                       | \$ 4,506        | \$ 80.38        | \$ 85.53        |
| <b>Costs and expenses</b>                   |                                |                 |                 |                 |
| Cash costs                                  | 1,418                          | 1,143           | 21.45           | 21.69           |
| Depreciation, depletion & amortization      | 1,285                          | 1,199           | 19.44           | 22.76           |
| Production costs                            | 2,703                          | 2,342           | 40.89           | 44.45           |
| Exploration expense                         | 403                            | 374             | 6.10            | 7.10            |
| Total costs and expenses                    | 3,106                          | 2,716           | 46.99           | 51.55           |
| <b>Adjusted earnings before taxes</b>       | 2,207                          | 1,790           | 33.39           | 33.98           |
| Provision for income taxes                  | 958                            | 783             | 14.50           | 14.87           |
| <b>Adjusted earnings</b>                    | <u>\$ 1,249</u>                | <u>\$ 1,007</u> | <u>\$ 18.89</u> | <u>\$ 19.11</u> |
| <b>Production (MBOEPD)</b>                  | <u>365</u>                     | <u>291</u>      |                 |                 |
| <b>Capital and exploratory expenditures</b> | <u>\$ 3,184</u>                | <u>\$ 2,884</u> |                 |                 |
| <b>Cash Margin</b>                          | <u>\$ 3,321</u>                | <u>\$ 2,896</u> | <u>\$ 50.25</u> | <u>\$ 54.97</u> |

Note – See basis of presentation and definitions on Page 12.

# Exploration and Production Pro forma – 2Q 2012



|   | Three Months Ended June 30, 2012 |                 |                 |                 |
|---|----------------------------------|-----------------|-----------------|-----------------|
|   | Actual                           | Pro Forma       | Actual          | Pro Forma       |
|   | (\$ Millions)                    |                 | (\$/BOE)        |                 |
| <b>Net revenue</b>                          | \$ 3,118                         | \$ 2,353        | \$ 79.85        | \$ 84.67        |
| <b>Costs and expenses</b>                   |                                  |                 |                 |                 |
| Cash costs                                  | 756                              | 546             | 19.38           | 19.66           |
| Depreciation, depletion & amortization      | 743                              | 621             | 19.03           | 22.36           |
| Production costs                            | 1,499                            | 1,167           | 38.41           | 42.02           |
| Exploration expense                         | 196                              | 165             | 5.02            | 5.95            |
| Total costs and expenses                    | 1,695                            | 1,332           | 43.43           | 47.97           |
| <b>Adjusted earnings before taxes</b>       | 1,423                            | 1,021           | 36.42           | 36.70           |
| Provision for income taxes                  | 662                              | 494             | 16.94           | 17.75           |
| <b>Adjusted earnings</b>                    | <u>\$ 761</u>                    | <u>\$ 527</u>   | <u>\$ 19.48</u> | <u>\$ 18.95</u> |
| <b>Production (MBOEPD)</b>                  | <u>429</u>                       | <u>305</u>      |                 |                 |
| <b>Capital and exploratory expenditures</b> | <u>\$ 2,036</u>                  | <u>\$ 1,757</u> |                 |                 |
| <b>Cash Margin</b>                          | <u>\$ 1,860</u>                  | <u>\$ 1,497</u> | <u>\$ 47.63</u> | <u>\$ 53.86</u> |

Note – See basis of presentation and definitions on Page 12.



# Exploration and Production Pro forma – YTD 2012



|   | Six Months Ended June 30, 2012 |                 |                 |                 |
|---|--------------------------------|-----------------|-----------------|-----------------|
|   | Actual                         | Pro Forma       | Actual          | Pro Forma       |
|   | (\$ Millions)                  |                 | (\$/BOE)        |                 |
| <b>Net revenue</b>                          | \$ 6,010                       | \$ 4,484        | \$ 79.91        | \$ 84.32        |
| <b>Costs and expenses</b>                   |                                |                 |                 |                 |
| Cash costs                                  | 1,494                          | 1,068           | 19.87           | 20.08           |
| Depreciation, depletion & amortization      | 1,402                          | 1,159           | 18.64           | 21.81           |
| Production costs                            | 2,896                          | 2,227           | 38.51           | 41.89           |
| Exploration expense                         | 449                            | 368             | 5.97            | 6.92            |
| Total costs and expenses                    | 3,345                          | 2,595           | 44.48           | 48.81           |
| <b>Adjusted earnings before taxes</b>       | 2,665                          | 1,889           | 35.43           | 35.51           |
| Provision for income taxes                  | 1,153                          | 792             | 15.33           | 14.89           |
| <b>Adjusted earnings</b>                    | <u>\$ 1,512</u>                | <u>\$ 1,097</u> | <u>\$ 20.10</u> | <u>\$ 20.62</u> |
| <br>  |                                |                 |                 |                 |
| <b>Production (MBOEPD)</b>                  | <u>413</u>                     | <u>292</u>      |                 |                 |
| <br>  |                                |                 |                 |                 |
| <b>Capital and exploratory expenditures</b> | <u>\$ 3,999</u>                | <u>\$ 3,466</u> |                 |                 |
| <br>  |                                |                 |                 |                 |
| <b>Cash Margin</b>                          | <u>\$ 3,570</u>                | <u>\$ 2,828</u> | <u>\$ 47.47</u> | <u>\$ 53.18</u> |

Note – See basis of presentation and definitions on Page 12.

# Exploration and Production Pro forma – FY 2012



|   | Year Ended December 31, 2012 |                 |                 |                 |
|---|------------------------------|-----------------|-----------------|-----------------|
|   | Actual                       |                 | Pro Forma       |                 |
|   | (\$ Millions)                |                 | (\$/BOE)        |                 |
| <b>Net revenue</b>                          | \$ 11,688                    | \$ 8,805        | \$ 78.65        | \$ 83.12        |
| <b>Costs and expenses</b>                   |                              |                 |                 |                 |
| Cash costs                                  | 3,066                        | 2,192           | 20.63           | 20.69           |
| Depreciation, depletion & amortization      | 2,853                        | 2,328           | 19.20           | 21.98           |
| Production costs                            | 5,919                        | 4,520           | 39.83           | 42.67           |
| Exploration expense                         | 984                          | 830             | 6.62            | 7.83            |
| Total costs and expenses                    | 6,903                        | 5,350           | 46.45           | 50.50           |
| <b>Adjusted earnings before taxes</b>       | 4,785                        | 3,455           | 32.20           | 32.62           |
| Provision for income taxes                  | 2,092                        | 1,462           | 14.08           | 13.80           |
| <b>Adjusted earnings</b>                    | <u>\$ 2,693</u>              | <u>\$ 1,993</u> | <u>\$ 18.12</u> | <u>\$ 18.82</u> |
| <br>  |                              |                 |                 |                 |
| <b>Production (MBOEPD)</b>                  | <u>406</u>                   | <u>289</u>      |                 |                 |
| <br>  |                              |                 |                 |                 |
| <b>Capital and exploratory expenditures</b> | <u>\$ 8,146</u>              | <u>\$ 7,055</u> |                 |                 |
| <br>  |                              |                 |                 |                 |
| <b>Cash Margin</b>                          | <u>\$ 6,619</u>              | <u>\$ 5,380</u> | <u>\$ 44.55</u> | <u>\$ 50.79</u> |

Note – See basis of presentation and definitions on Page 12.



---

# BAKKEN OPERATIONAL DATA

---

# Bakken Production - 2013



## Net Production by Product

|       |        | 2013 |    |    |    |    |
|-------|--------|------|----|----|----|----|
|       |        | YTD  | Q4 | Q3 | Q2 | Q1 |
| Oil   | MBBLPD | 52   |    |    | 52 | 53 |
| NGL   | MBBLPD | 6    |    |    | 6  | 6  |
| Gas   | MMCFPD | 37   |    |    | 39 | 34 |
| Total | MBOEPD | 64   |    |    | 64 | 65 |

## Net Production by Operatorship

|                  |        | 2013 |    |    |    |    |
|------------------|--------|------|----|----|----|----|
|                  |        | YTD  | Q4 | Q3 | Q2 | Q1 |
| Operated         | MBOEPD | 56   |    |    | 56 | 58 |
| Outside Operated | MBOEPD | 8    |    |    | 8  | 7  |
| Total            | MBOEPD | 64   |    |    | 64 | 65 |

|                    |     |  |  |     |     |
|--------------------|-----|--|--|-----|-----|
| % Outside Operated | 12% |  |  | 12% | 11% |
|--------------------|-----|--|--|-----|-----|

**2013 Bakken Production Guidance 64 - 70 MBOEPD**

# Bakken Production - 2012



## Net Production by Product

|       |        | 2012 |    |    |    |    |
|-------|--------|------|----|----|----|----|
|       |        | FY   | Q4 | Q3 | Q2 | Q1 |
| Oil   | MBBLPD | 47   | 53 | 52 | 47 | 37 |
| NGL   | MBBLPD | 4    | 6  | 5  | 4  | 2  |
| Gas   | MMCFPD | 27   | 32 | 35 | 23 | 16 |
| Total | MBOEPD | 56   | 64 | 62 | 55 | 42 |

## Net Production by Operatorship

|                  |        | 2012 |    |    |    |    |
|------------------|--------|------|----|----|----|----|
|                  |        | FY   | Q4 | Q3 | Q2 | Q1 |
| Operated         | MBOEPD | 48   | 55 | 54 | 46 | 36 |
| Outside Operated | MBOEPD | 8    | 9  | 8  | 9  | 6  |
| Total            | MBOEPD | 56   | 64 | 62 | 55 | 42 |

|                    |     |     |     |     |     |
|--------------------|-----|-----|-----|-----|-----|
| % Outside Operated | 14% | 14% | 13% | 16% | 14% |
|--------------------|-----|-----|-----|-----|-----|

**2013 Bakken Production Guidance 64 - 70 MBOEPD**

# Bakken Operational Well Statistics - 2013



## Hess Operated Wells

|                           |               | 2013 |    |    |     |     |
|---------------------------|---------------|------|----|----|-----|-----|
|                           |               | YTD  | Q4 | Q3 | Q2  | Q1  |
| <b>Rig Count</b>          |               |      |    |    |     |     |
| Drilling                  | No. Rigs      | 15   |    |    | 14  | 15  |
| Drilling Days             | Spud-to-Spud  | 27   |    |    | 27  | 26  |
| <b>No. of Wells</b>       |               |      |    |    |     |     |
| Drilled                   | by Qtr        | 94   |    |    | 45  | 49  |
| Completion                | by Qtr        | 86   |    |    | 49  | 37  |
| Average Frac Stage        | by Qtr        | 28   |    |    | 27  | 29  |
| On Production             | by Qtr        | 72   |    |    | 42  | 30  |
| On Production             | Wells Cum ITD | 626  |    |    | 626 | 584 |
| <b>Average 30-day IPs</b> |               |      |    |    |     |     |
| Gross                     | BOPD          | 795  |    |    | 797 | 793 |

## Outside Operated Wells

|                     |               | 2013 |    |    |     |     |
|---------------------|---------------|------|----|----|-----|-----|
|                     |               | YTD  | Q4 | Q3 | Q2  | Q1  |
| <b>No. of Wells</b> |               |      |    |    |     |     |
| On Production       | by Qtr        | 66   |    |    | 37  | 29  |
| On Production       | Wells Cum ITD | 663  |    |    | 663 | 626 |

# Bakken Operational Well Statistics - 2012



## Hess Operated Wells

|                           |               | 2012 |     |     |     |     |
|---------------------------|---------------|------|-----|-----|-----|-----|
|                           |               | FY   | Q4  | Q3  | Q2  | Q1  |
| <b>Rig Count</b>          |               |      |     |     |     |     |
| Drilling                  | No. Rigs      | 15   | 16  | 15  | 16  | 14  |
| Drilling Days             | Spud-to-Spud  | 30   | 28  | 29  | 32  | 31  |
| <b>No. of Wells</b>       |               |      |     |     |     |     |
| Drilled                   | by Qtr        | 176  | 53  | 41  | 42  | 40  |
| Completion                | by Qtr        | 206  | 45  | 50  | 57  | 54  |
| Average Frac Stage        | by Qtr        | 32   | 29  | 31  | 34  | 34  |
| On Production             | by Qtr        | 206  | 44  | 50  | 60  | 52  |
| On Production             | Wells Cum ITD | 554  | 554 | 510 | 460 | 404 |
| <b>Average 30-day IPs</b> |               |      |     |     |     |     |
| Gross                     | BOPD          | 782  | 841 | 759 | 776 | 750 |

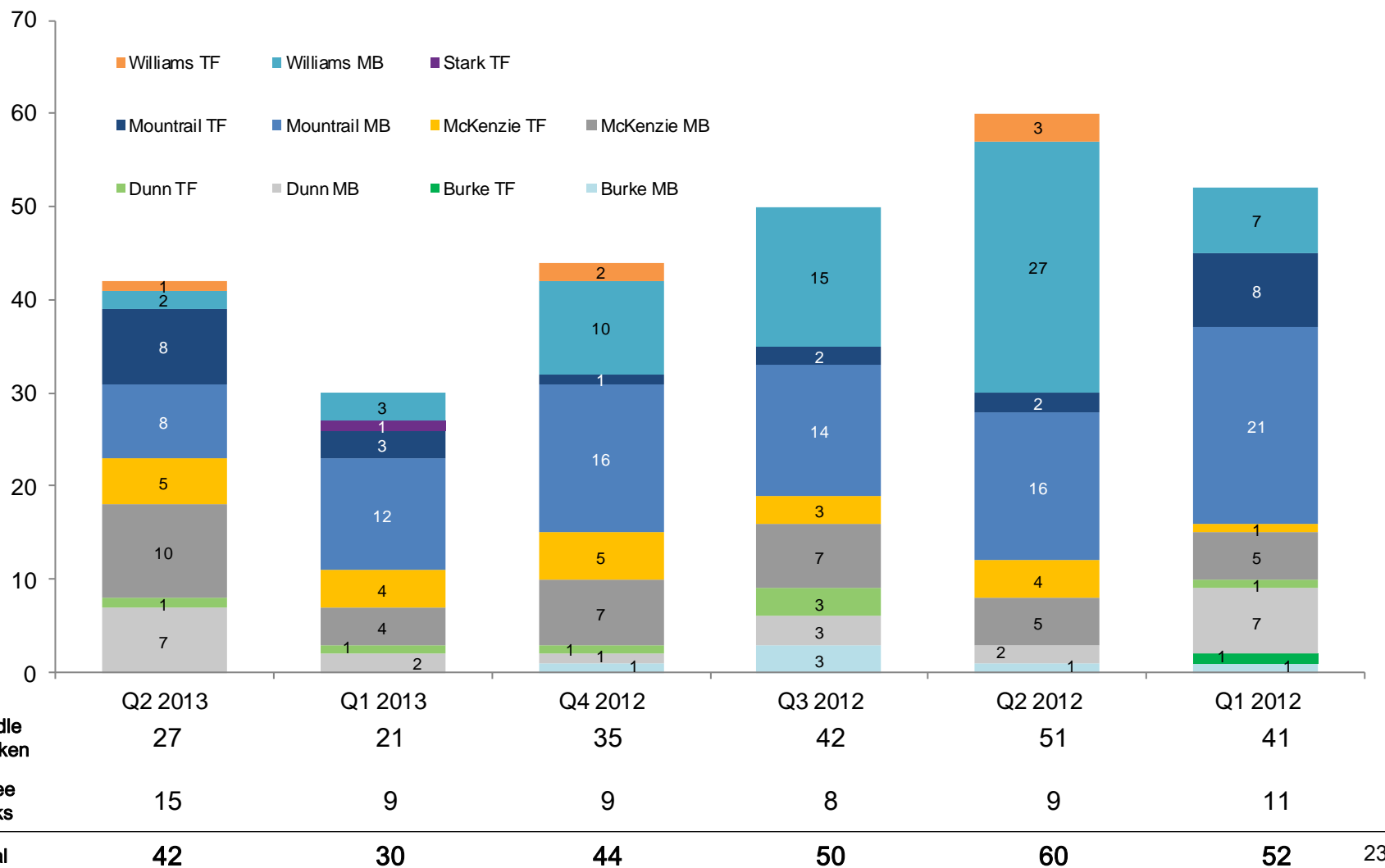
## Outside Operated Wells

|                     |               | 2012 |     |     |     |     |
|---------------------|---------------|------|-----|-----|-----|-----|
|                     |               | FY   | Q4  | Q3  | Q2  | Q1  |
| <b>No. of Wells</b> |               |      |     |     |     |     |
| On Production       | by Qtr        | 131  | 16  | 20  | 36  | 59  |
| On Production       | Wells Cum ITD | 597  | 597 | 581 | 561 | 525 |

# Hess Operated Bakken Wells Brought on Production by County and Formation



## Bakken Wells





# 2013 Bakken Well Costs, Working Interest and Acreage



| Average Well Cost - Hess Operated |          |        |    |    |        |        |
|-----------------------------------|----------|--------|----|----|--------|--------|
|                                   |          | 2013   |    |    |        |        |
|                                   |          | YTD    | Q4 | Q3 | Q2     | Q1     |
| Drilling                          | \$MMWell | \$ 4.9 |    |    | \$ 5.1 | \$ 4.8 |
| Completion                        | \$MMWell | 3.6    |    |    | 3.3    | 3.8    |
| Total                             | \$MMWell | \$ 8.5 |    |    | \$ 8.4 | \$ 8.6 |

| Average Working Interest of New Wells Spud each Quarter |   |      |    |    |     |     |
|---|---|------|----|----|-----|-----|
|   |   | 2013 |    |    |     |     |
|   |   | YTD  | Q4 | Q3 | Q2  | Q1  |
| Hess Operated   | % | 84%  |    |    | 83% | 84% |
| Outside Operated  | % | 12%  |    |    | 12% | 12% |

| Net Acreage Position |            |      |    |     |     |
|----------------------|------------|------|----|-----|-----|
|                      |            | 2013 |    |     |     |
|                      |            | Q4   | Q3 | Q2  | Q1  |
| Total Acreage        | '000 acres |      |    | 645 | 665 |

# 2012 Bakken Well Costs, Working Interest and Acreage



|            |          | Average Well Cost - Hess Operated |               |               |                |                |
|------------|----------|-----------------------------------|---------------|---------------|----------------|----------------|
|            |          | 2012                              |               |               |                |                |
|            |          | FY                                | Q4            | Q3            | Q2             | Q1             |
| Drilling   | \$MMWell | \$ 5.3                            | \$ 5.0        | \$ 5.3        | \$ 5.6         | \$ 5.4         |
| Completion | \$MMWell | 5.7                               | 4.0           | 4.2           | 6.0            | 8.0            |
| Total      | \$MMWell | <u>\$ 11.0</u>                    | <u>\$ 9.0</u> | <u>\$ 9.5</u> | <u>\$ 11.6</u> | <u>\$ 13.4</u> |

|                  |   | Average Working Interest of New Wells Spud each Quarter |     |     |     |     |
|------------------|---|---|-----|-----|-----|-----|
|                  |   | 2012  |     |     |     |     |
|                  |   | FY  | Q4  | Q3  | Q2  | Q1  |
| Hess Operated    | % | 80%   | 79% | 80% | 80% | 81% |
| Outside Operated | % | 12%   | 12% | 11% | 12% | 12% |

|               |            | Net Acreage Position |     |     |     |
|---------------|------------|----------------------|-----|-----|-----|
|               |            | 2012                 |     |     |     |
|               |            | Q4                   | Q3  | Q2  | Q1  |
| Total Acreage | '000 acres | 724                  | 752 | 800 | 833 |