

Supplemental Earnings Information



First Quarter 2017



OPERATING RESULTS

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



\$ In Millions, Except Per Share Data

	1Q 2017	1Q 2016	4Q 2016
<u>Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)</u>			
Exploration and Production	\$ (233)	\$ (453)	\$ (3,949)
Midstream	18	16	2
Corporate and Other	(30)	(22)	(895)
Interest	(79)	(50)	(50)
Net income (loss) attributable to Hess Corporation	\$ (324)	\$ (509)	\$ (4,892)
Net income (loss) per common share (diluted)*	\$ (1.07)	\$ (1.72)	\$ (15.65)
<u>Items Affecting Comparability of Earnings - Income (Expense)</u>			
Exploration and Production	\$ -	\$ -	\$ (3,693)
Midstream	-	-	(21)
Corporate and Other	-	-	(873)
Total items affecting comparability of earnings between periods	\$ -	\$ -	\$ (4,587)

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

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



\$ In Millions, Except Per Share Data

	1Q 2017	1Q 2016	4Q 2016
<u>Adjusted Net Income (Loss)*</u>			
Exploration and Production	\$ (233)	\$ (453)	\$ (256)
Midstream	18	16	23
Corporate and Other	(30)	(22)	(22)
Interest	(79)	(50)	(50)
Adjusted net income (loss) attributable to Hess Corporation	\$ (324)	\$ (509)	\$ (305)
Adjusted net income (loss) per common share (diluted)**	\$ (1.07)	\$ (1.72)	\$ (1.01)
Weighted average number of common shares outstanding (diluted) [in millions]	313.9	299.8	313.3

* 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. Management uses adjusted net income (loss) to evaluate the Corporation's operating performance and believes that investors' understanding of our performance is enhanced by disclosing this measure, which excludes certain items that management believes are not directly related to ongoing operations and are not indicative of future business trends and operations. This measure is not, and should not be viewed as, a substitute for U.S. GAAP net income (loss).

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

Items Affecting Comparability of Earnings Between Periods



(Amounts, After Income Taxes)

4Q 2016

- **Exploration and Production** – Results include:
 - A noncash charge of \$2,920 million to establish valuation allowances against net deferred tax assets as of December 31, 2016, as required under accounting standards following a three-year cumulative loss.
 - A charge of \$693 million to fully impair the carrying value of the Corporation's interests in blocks WA-390-P and WA-474-P (Hess 100%) offshore the North West Shelf of Australia following the decision to defer further development of the Equus natural gas fields.
 - Charges of \$80 million for exit costs for an offshore drilling rig, severance, and surplus materials and supplies inventory.

- **Midstream** – A charge of \$21 million, net of noncontrolling interest, for impairment of older specification rail cars.

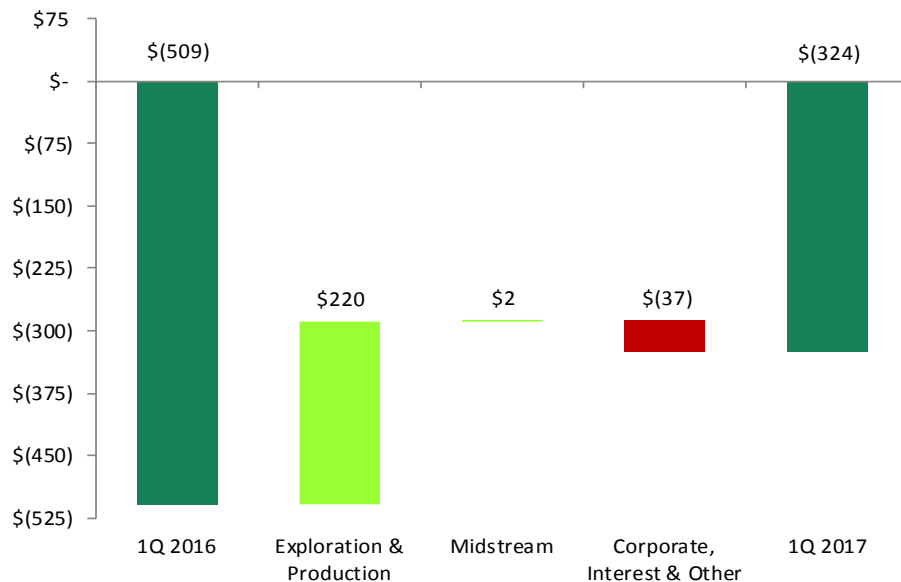
- **Corporate and Other** – Results include:
 - A noncash charge of \$829 million to establish valuation allowances against net deferred tax assets as of December 31, 2016, as required under accounting standards following a three-year cumulative loss.
 - Charges of \$44 million related to a loss on the repurchase and redemption of notes to complete a debt refinancing initiated in the third quarter, and severance.

Consolidated Adjusted Net Income (Loss)

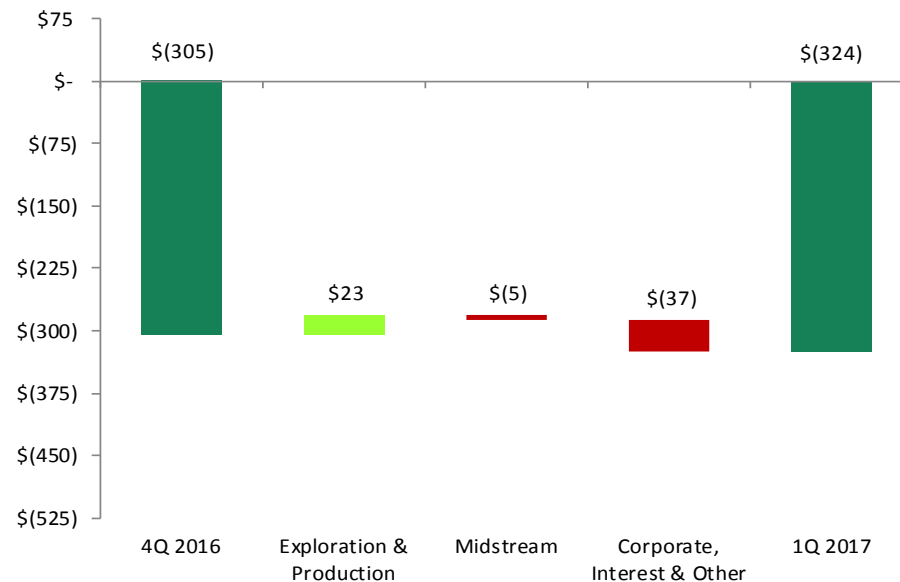


\$ In Millions

1Q 2017 vs. 1Q 2016



1Q 2017 vs. 4Q 2016



	1Q 2017	1Q 2016	Incr. / (Decr.)
Exploration and Production	\$ (233)	\$ (453)	\$ 220
Midstream	18	16	2
Corporate, Interest and Other	(109)	(72)	(37)
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (324)</u>	<u>\$ (509)</u>	<u>\$ 185</u>

	1Q 2017	4Q 2016	Incr. / (Decr.)
Exploration and Production	\$ (233)	\$ (256)	\$ 23
Midstream	18	23	(5)
Corporate, Interest and Other	(109)	(72)	(37)
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (324)</u>	<u>\$ (305)</u>	<u>\$ (19)</u>

Analysis of Consolidated Adjusted Net Income (Loss)



1Q 2017 vs. 1Q 2016

- **Exploration and Production** – The improvement in results primarily reflects higher realized crude oil selling prices and lower operating costs and exploration expenses, partially offset by the change in deferred income taxes and lower production volumes.
- **Midstream** – The increase in earnings was primarily due to recognition of higher minimum volume deficiency payments earned in the first quarter of 2017.
- **Corporate, Interest and Other** – The increase in corporate and other costs was primarily due to the change in deferred income taxes.

1Q 2017 vs. 4Q 2016

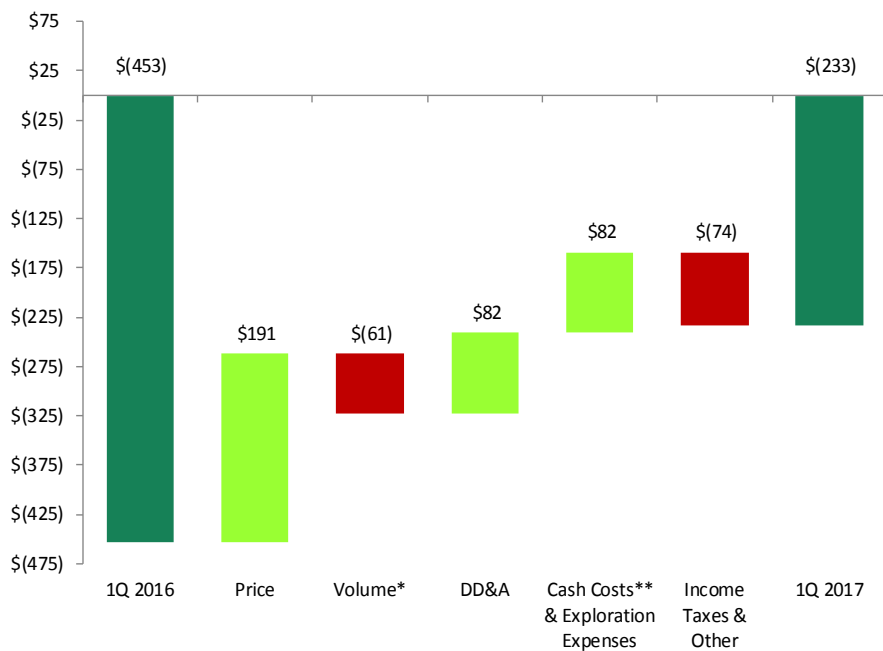
- **Exploration and Production** – The improvement in results primarily reflects higher realized crude oil selling prices and lower operating costs and exploration expenses, partially offset by the change in deferred income taxes.
- **Midstream** – The decrease in earnings was primarily due to recognition of higher minimum volume deficiency payments earned in the fourth quarter of 2016, partially offset by lower first quarter 2017 operating expenses.
- **Corporate, Interest and Other** – The increase in corporate and other costs was primarily due to the change in deferred income taxes.

Exploration and Production – Adjusted Net Income (Loss)

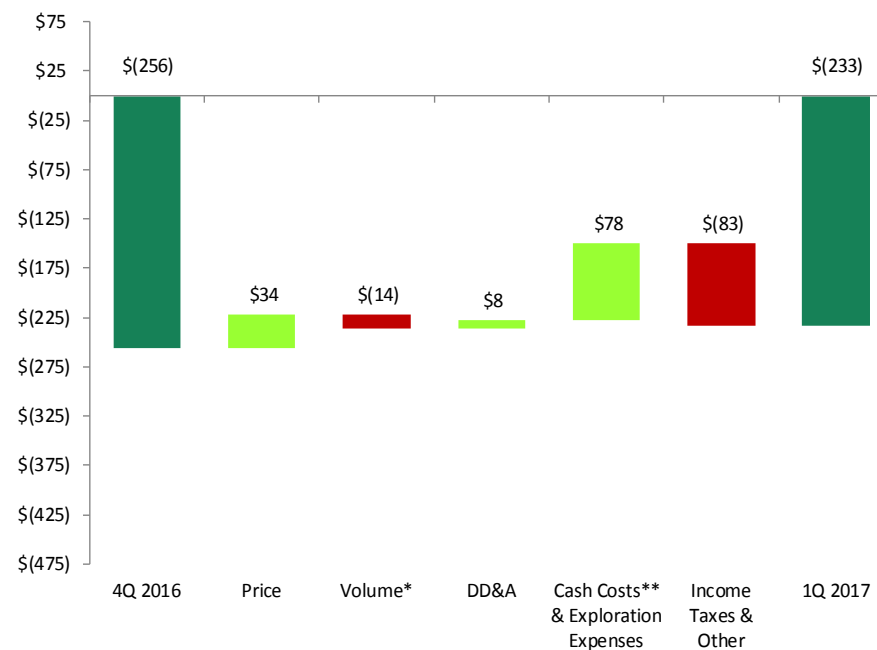


\$ In Millions

1Q 2017 vs. 1Q 2016



1Q 2017 vs. 4Q 2016



	1Q 2017	1Q 2016	Incr. / (Decr.)
United States	\$ (211)	\$ (386)	\$ 175
International	(22)	(67)	45
Total	\$(233)	\$(453)	\$ 220

	1Q 2017	4Q 2016	Incr. / (Decr.)
United States	\$ (211)	\$ (233)	\$ 22
International	(22)	(23)	1
Total	\$(233)	\$(256)	\$ 23

* Includes associated Cost of products sold.

** Cash costs include Operating costs and expenses, Production and severance taxes, General and administrative expenses, and Midstream tariffs.

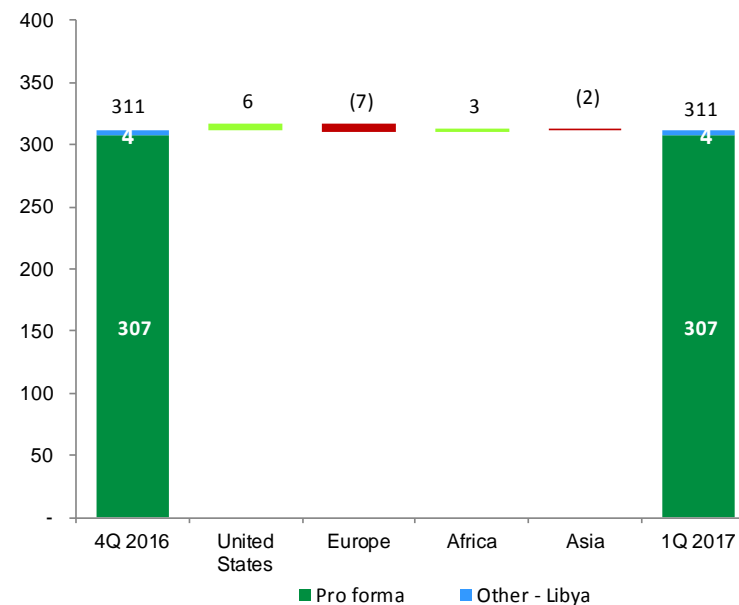
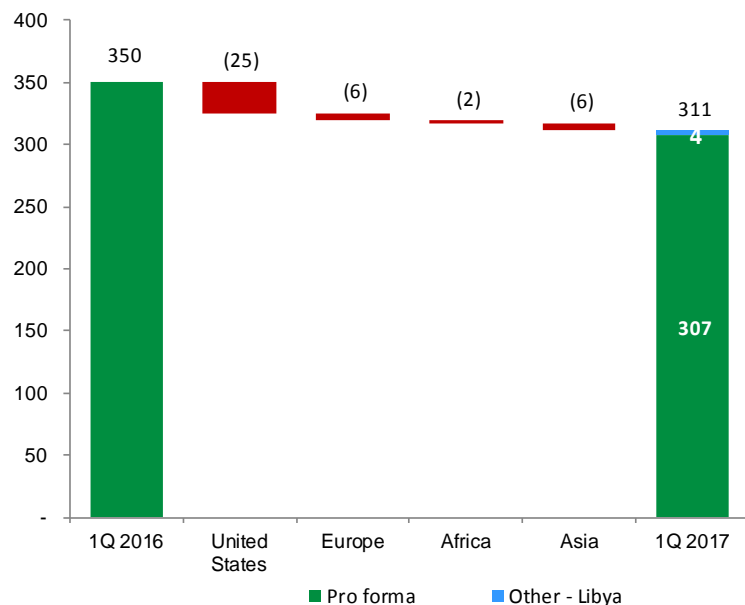
Worldwide Oil & Gas Production



In MBOEPD

1Q 2017 vs. 1Q 2016

1Q 2017 vs. 4Q 2016



	1Q 2017	1Q 2016	Incr. / (Decr.)
United States			
Bakken	99	111	(12)
Other Onshore	36	46	(10)
Total Onshore	135	157	(22)
Offshore	66	69	(3)
Total United States	<u>201</u>	<u>226</u>	<u>(25)</u>
Europe	38	44	(6)
Africa	35	37	(2)
Asia	37	43	(6)
Total	<u>311</u>	<u>350</u>	<u>(39)</u>

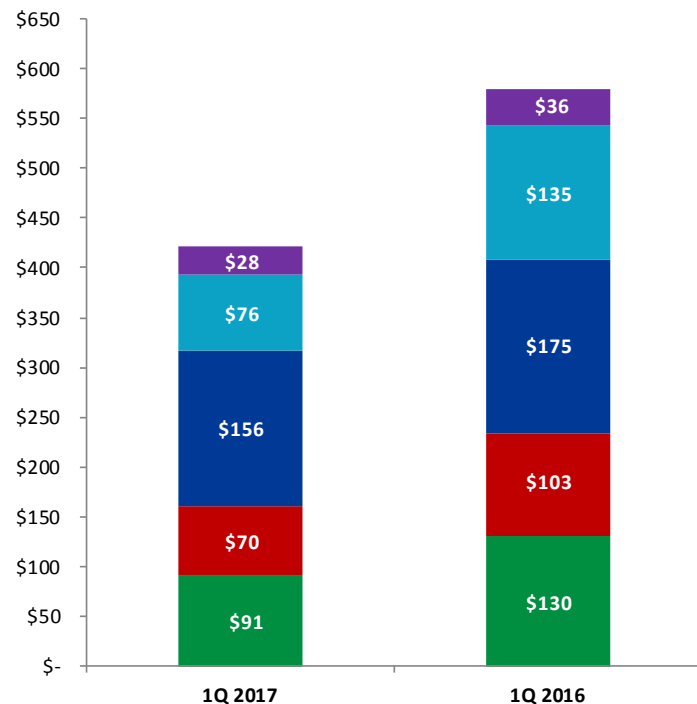
	1Q 2017	4Q 2016	Incr. / (Decr.)
United States			
Bakken	99	95	4
Other Onshore	36	39	(3)
Total Onshore	135	134	1
Offshore	66	61	5
Total United States	<u>201</u>	<u>195</u>	<u>6</u>
Europe	38	45	(7)
Africa	35	32	3
Asia	37	39	(2)
Total	<u>311</u>	<u>311</u>	<u>-</u>

Capital and Exploratory Expenditures



\$ In Millions

1Q 2017 vs. 1Q 2016



■ Midstream
 ■ Exploration
 ■ Development
■ Production
 ■ Unconventionals

E&P Capital and Exploratory Expenditures

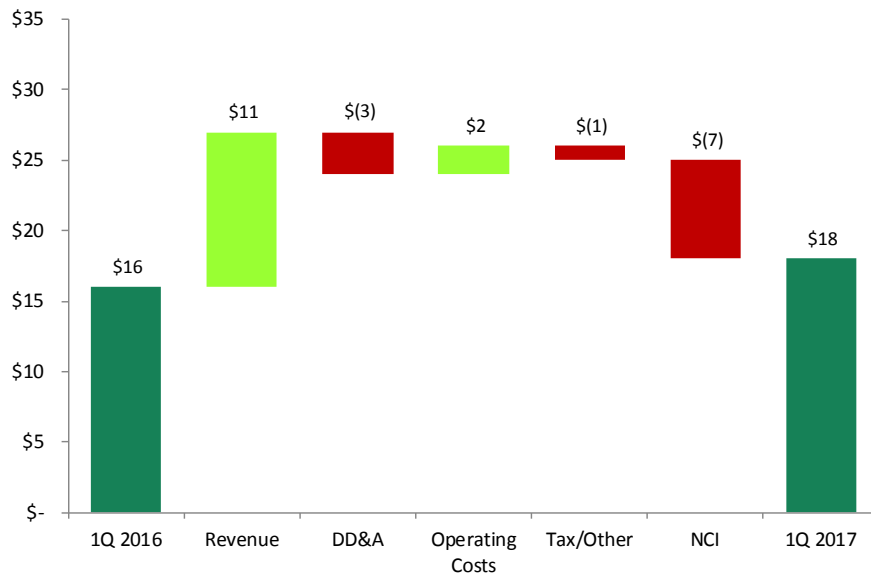
	Three Months Ended March 31,	
	2017	2016
United States		
Bakken	\$ 90	\$ 116
Other Onshore	8	21
Total Onshore	98	137
Offshore	158	205
Total United States	256	342
Europe	15	48
Africa	6	3
Asia and Other	116	150
E&P Capital and Exploratory Expenditures	<u>\$ 393</u>	<u>\$ 543</u>
Total exploration expenses charged to income included above	<u>\$ 51</u>	<u>\$ 39</u>
Midstream Capital Expenditures	<u>\$ 28</u>	<u>\$ 36</u>

Midstream – Adjusted Net Income

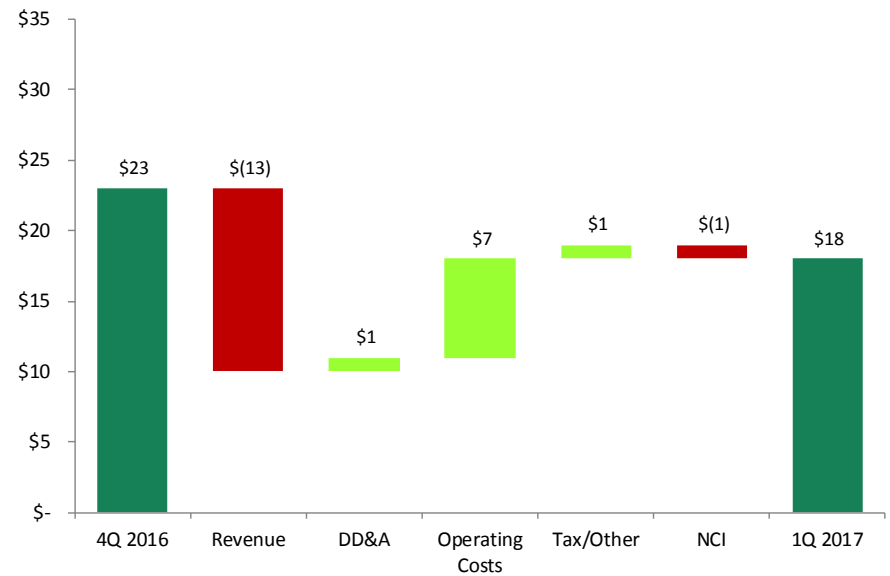


\$ In Millions

1Q 2017 vs. 1Q 2016



1Q 2017 vs. 4Q 2016





2017 & 2016 FINANCIAL INFORMATION



Basis of Presentation

On pages 13-18, we have provided consolidating income statements that exclude, where applicable, items affecting comparability of earnings between periods, to improve understanding of our segment results within the context of the Corporation's consolidated results and variances in financial statement line items without the inclusion of items affecting comparability of earnings. See comments regarding Non-GAAP measures on page 3.

Beginning January 1, 2017, the Midstream segment includes the Corporation's interest in a Permian Basin gas plant in West Texas and related CO₂ assets and the Corporation's wholly-owned water handling assets in North Dakota that were formerly included in the Exploration and Production (E&P) segment. On page 14-18, financial information for 2016 has been recast to reflect the transfer of these assets from E&P to Midstream.

Consolidating Income Statement- 1Q 2017



\$ In Millions, Except Unit Costs Data

	Three Months Ended March 31, 2017				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,275	\$ 149	\$ -	\$ (147)	\$ 1,277
Other, net	(5)	-	3	-	(2)
Total revenues and non-operating income	1,270	149	3	(147)	1,275
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	242	-	-	(23)	219
Operating costs and expenses	309	50	-	-	359
Production and severance taxes	31	-	-	-	31
Midstream tariffs	124	-	-	(124)	-
Exploration expenses, including dry holes and lease impairment	58	-	-	-	58
General and administrative expenses	56	5	35	-	96
Interest expense	-	5	79	-	84
Depreciation, depletion and amortization	703	32	2	-	737
Total costs and expenses	1,523	92	116	(147)	1,584
Adjusted Income (Loss) Before Income Taxes	(253)	57	(113)	-	(309)
Provision (benefit) for income taxes	(20)	11	(4)	-	(13)
Adjusted Net Income (Loss)	(233)	46	(109)	-	(296)
Less: Net income (loss) attributable to noncontrolling interests	-	28	-	-	28
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (233)	\$ 18	\$ (109)	\$ -	\$ (324)
Items affecting comparability of earnings (after tax)⁽¹⁾	-	-	-	-	-
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (233)	\$ 18	\$ (109)	\$ -	\$ (324)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 14.15				
DD&A Costs	25.10				
Production Costs	\$ 39.25				
Production Volumes (mmboe) ⁽⁴⁾	28.0				
Midstream					
EBITDA ⁽⁵⁾	\$ 94				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.

Consolidating Income Statement- 1Q 2016



\$ In Millions, Except Unit Costs Data

	Three Months Ended March 31, 2016				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 971	\$ 135	\$ -	\$ (133)	\$ 973
Other, net	10	-	10	-	20
Total revenues and non-operating income	981	135	10	(133)	993
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	204	-	-	(15)	189
Operating costs and expenses	384	52	-	-	436
Production and severance taxes	19	-	-	-	19
Midstream tariffs	118	-	-	(118)	-
Exploration expenses, including dry holes and lease impairment	132	-	-	-	132
General and administrative expenses	55	5	38	-	98
Interest expense	-	4	81	-	85
Depreciation, depletion and amortization	837	28	3	-	868
Total costs and expenses	1,749	89	122	(133)	1,827
Adjusted Income (Loss) Before Income Taxes	(768)	46	(112)	-	(834)
Provision (benefit) for income taxes	(315)	9	(40)	-	(346)
Adjusted Net Income (Loss)	(453)	37	(72)	-	(488)
Less: Net income (loss) attributable to noncontrolling interests	-	21	-	-	21
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (453)	\$ 16	\$ (72)	\$ -	\$ (509)
Items affecting comparability of earnings (after tax)⁽¹⁾	-	-	-	-	-
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (453)	\$ 16	\$ (72)	\$ -	\$ (509)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 14.38				
DD&A Costs	26.28				
Production Costs	\$ 40.66				
Production Volumes (mmboe) ⁽⁴⁾	31.9				
Midstream					
EBITDA ⁽⁵⁾	\$ 78				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.

Consolidating Income Statement- 2Q 2016



\$ In Millions, Except Unit Costs Data

	Three Months Ended June 30, 2016				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,222	\$ 133	\$ -	\$ (131)	\$ 1,224
Other, net	10	-	8	-	18
Total revenues and non-operating income	1,232	133	8	(131)	1,242
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	295	-	-	(18)	277
Operating costs and expenses	364	55	-	-	419
Production and severance taxes	28	-	-	-	28
Midstream tariffs	113	-	-	(113)	-
Exploration expenses, including dry holes and lease impairment	116	-	-	-	116
General and administrative expenses	60	5	41	-	106
Interest expense	-	6	79	-	85
Depreciation, depletion and amortization	765	30	2	-	797
Total costs and expenses	1,741	96	122	(131)	1,828
Adjusted Income (Loss) Before Income Taxes	(509)	37	(114)	-	(586)
Provision (benefit) for income taxes	(238)	7	(39)	-	(270)
Adjusted Net Income (Loss)	(271)	30	(75)	-	(316)
Less: Net income (loss) attributable to noncontrolling interests	-	19	-	-	19
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (271)	\$ 11	\$ (75)	\$ -	\$ (335)
Items affecting comparability of earnings (after tax)⁽¹⁾	(57)	-	-	-	(57)
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (328)	\$ 11	\$ (75)	\$ -	\$ (392)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 15.91				
DD&A Costs	26.89				
Production Costs	\$ 42.80				
Production Volumes (mmboe) ⁽⁴⁾	28.4				
Midstream					
EBITDA ⁽⁵⁾	\$ 73				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.

Consolidating Income Statement– 3Q 2016



\$ In Millions, Except Unit Costs Data

	Three Months Ended September 30, 2016				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,175	\$ 136	\$ -	\$ (134)	\$ 1,177
Other, net	7	-	12	-	19
Total revenues and non-operating income	1,182	136	12	(134)	1,196
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	238	-	-	(16)	222
Operating costs and expenses	368	53	-	-	421
Production and severance taxes	27	-	-	-	27
Midstream tariffs	118	-	-	(118)	-
Exploration expenses, including dry holes and lease impairment	78	-	-	-	78
General and administrative expenses	60	5	41	-	106
Interest expense	-	4	80	-	84
Depreciation, depletion and amortization	779	30	2	-	811
Total costs and expenses	1,668	92	123	(134)	1,749
Adjusted Income (Loss) Before Income Taxes	(486)	44	(111)	-	(553)
Provision (benefit) for income taxes	(201)	9	(43)	-	(235)
Adjusted Net Income (Loss)	(285)	35	(68)	-	(318)
Less: Net income (loss) attributable to noncontrolling interests	-	22	-	-	22
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (285)	\$ 13	\$ (68)	\$ -	\$ (340)
Items affecting comparability of earnings (after tax)⁽¹⁾	51	-	(50)	-	1
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (234)	\$ 13	\$ (118)	\$ -	\$ (339)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 15.72				
DD&A Costs	26.92				
Production Costs	\$ 42.64				
Production Volumes (mmboe) ⁽⁴⁾	28.9				
Midstream					
EBITDA ⁽⁵⁾	\$ 78				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.

Consolidating Income Statement- 4Q 2016



\$ In Millions, Except Unit Costs Data

	Three Months Ended December 31, 2016				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,387	\$ 165	\$ -	\$ (164)	\$ 1,388
Other, net	(11)	-	9	-	(2)
Total revenues and non-operating income	1,376	165	9	(164)	1,386
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	391	-	-	(16)	375
Operating costs and expenses	382	58	-	-	440
Production and severance taxes	27	-	-	-	27
Midstream tariffs	148	-	-	(148)	-
Exploration expenses, including dry holes and lease impairment	87	-	-	-	87
General and administrative expenses	59	5	40	-	104
Interest expense	-	5	79	-	84
Depreciation, depletion and amortization	732	33	3	-	768
Total costs and expenses	1,826	101	122	(164)	1,885
Adjusted Income (Loss) Before Income Taxes	(450)	64	(113)	-	(499)
Provision (benefit) for income taxes	(194)	14	(41)	-	(221)
Adjusted Net Income (Loss)	(256)	50	(72)	-	(278)
Less: Net income (loss) attributable to noncontrolling interests	-	27	-	-	27
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (256)	\$ 23	\$ (72)	\$ -	\$ (305)
Items affecting comparability of earnings (after tax)⁽¹⁾	(3,693)	(21)	(873)	-	(4,587)
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (3,949)	\$ 2	\$ (945)	\$ -	\$ (4,892)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 16.35				
DD&A Costs	25.53				
Production Costs	\$ 41.88				
Production Volumes (mmboe) ⁽⁴⁾	28.7				
Midstream					
EBITDA ⁽⁵⁾	\$ 102				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.

Consolidating Income Statement– Full Year 2016



\$ In Millions, Except Unit Costs Data

	Year Ended December 31, 2016				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 4,755	\$ 569	\$ -	\$ (562)	\$ 4,762
Other, net	16	-	39	-	55
Total revenues and non-operating income	<u>4,771</u>	<u>569</u>	<u>39</u>	<u>(562)</u>	<u>4,817</u>
Costs and Expenses					
Cost of products sold (excluding items shown separately below)	1,128	-	-	(65)	1,063
Operating costs and expenses	1,498	218	-	-	1,716
Production and severance taxes	101	-	-	-	101
Midstream tariffs	497	-	-	(497)	-
Exploration expenses, including dry holes and lease impairment	413	-	-	-	413
General and administrative expenses	234	20	160	-	414
Interest expense	-	19	319	-	338
Depreciation, depletion and amortization	3,113	121	10	-	3,244
Total costs and expenses	<u>6,984</u>	<u>378</u>	<u>489</u>	<u>(562)</u>	<u>7,289</u>
Adjusted Income (Loss) Before Income Taxes	(2,213)	191	(450)	-	(2,472)
Provision (benefit) for income taxes	(948)	39	(163)	-	(1,072)
Adjusted Net Income (Loss)	(1,265)	152	(287)	-	(1,400)
Less: Net income (loss) attributable to noncontrolling interests	-	89	-	-	89
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (1,265)	\$ 63	\$ (287)	\$ -	\$ (1,489)
Items affecting comparability of earnings (after tax)⁽¹⁾	(3,699)	(21)	(923)	-	(4,643)
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (4,964)	\$ 42	\$ (1,210)	\$ -	\$ (6,132)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 15.56				
DD&A Costs	26.40				
Production Costs	<u>\$ 41.96</u>				
Production Volumes (mmboe) ⁽⁴⁾	<u>117.9</u>				
Midstream					
EBITDA ⁽⁵⁾	<u>\$ 331</u>				

(1) - See footnote on page 3 regarding non-GAAP financial measures.

(2) - Unit costs exclude items affecting comparability of earnings.

(3) - Cash costs include Operating costs and expenses, Production and severance taxes, and General and administrative expenses.

(4) - mmboe represents millions of barrels of oil equivalent.

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization. Excludes items affecting comparability of earnings.



OTHER INFORMATION

2017 Guidance to Investors



	GUIDANCE ⁽¹⁾		ACTUAL
	Full Year	2Q	1Q
<u>Production - Thousand Barrels of Oil Equivalent Per Day (MBOEPD)</u>			
Total - excluding Libya	300 - 310 Q3: 305 - 315 Q4: 330 - 340 ⁽⁴⁾	275 - 285	307
Bakken	95 - 105	~100	99
<u>Unit Cost - \$ Per Barrel of Oil Equivalent (\$/BOE)</u>			
Cash Costs	\$15.00 - \$16.00	\$15.50 - \$16.50	\$14.15
DD&A	\$24.00 - \$25.00	\$25.00 - \$26.00	\$25.10
Total Production Costs	\$39.00 - \$41.00	\$40.50 - \$42.50	\$39.25
Exploration Expenses, Excluding Dry Hole Costs (\$ Millions)	\$250 - \$270	\$65 - \$75	\$58
Midstream Tariff (\$ Millions)	\$520 - \$550	\$125 - \$135	\$124
Exploration and Production Effective Tax Rate⁽²⁾	12% - 16%	10% - 14%	13%
<u>Other (\$ Millions)</u>			
Corporate Expenses	\$140 - \$150	\$35 - \$40	\$30
Interest Expenses	\$295 - \$305	\$75 - \$80	\$79
Midstream Net Income Attributable to Hess Corporation⁽³⁾	\$65 - \$85	\$15 - \$25	\$18
<u>Capital and Exploratory Expenditures (\$ Millions)</u>			
Exploration and Production	\$2,250	\$675	\$393
Midstream	\$190	\$40	\$28

(1) All guidance excludes any contribution from Libya and "items affecting comparability".

(2) Based on current strip oil prices, the Corporation is forecasting a pre-tax loss for 2017, and as a result, the E&P effective tax rate is expected to be a benefit. In 2017, the Corporation will not be recognizing deferred taxes in the U.S., Denmark (hydrocarbon tax only), and Malaysia which causes the lower effective tax rate.

(3) The Midstream segment reflects Hess Corporation's 50% ownership in the Hess Infrastructure Partners joint venture, and includes the Corporation's interest in a Permian Basin gas plant in West Texas and related CO₂ assets and wholly-owned water handling assets in North Dakota.

(4) Fourth quarter 2017 production forecast of 330,000 boepd to 340,000 boepd is comprised of the following:

Oil: 182,000 bpd to 186,000 bpd; Natural gas liquids: 43,000 bpd to 47,000 bpd; and Natural gas: 630 mmcfpd to 640 mmcfpd.



BAKKEN OPERATIONAL DATA

Bakken Production - 2017



Net Production by Product

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	67				67
NGL	MBBLPD	23				23
Gas	MMCFPD	53				53
Total	MBOEPD ⁽¹⁾	99				99

Net Production by Operatorship

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	91				91
Outside Operated	MBOEPD	8				8
Total	MBOEPD	99				99

% Outside Operated 8% 8%

⁽¹⁾ Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Bakken Production - 2016



Net Production by Product

		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	68	62	67	69	73
NGL	MBBLPD	27	24	29	27	27
Gas	MMCFPD	61	52	66	59	67
Total	MBOEPD ⁽¹⁾	105	95	107	106	111

Net Production by Operatorship

		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	95	87	97	97	100
Outside Operated	MBOEPD	10	8	10	9	11
Total	MBOEPD	105	95	107	106	111
% Outside Operated		10%	8%	9%	8%	10%

⁽¹⁾ Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

Bakken Operational Well Statistics - 2017



Hess Operated Wells						
		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	2				2
Drilling Days	Spud-to-Spud	15				15
		2017				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
Drilled	by Qtr	11				11
Completion	by Qtr	10				10
On Production	by Qtr	8				8
On Production	Cum. to date	1,280				1,280
Well Performance						
Average Frac Stage	by Qtr	50				50
Average 90-day IPs	Gross BOPD ⁽¹⁾	793				793
Outside Operated Wells						
		2017				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	—				—
On Production	Cum. to date	1,104				1,104

⁽¹⁾ Based on weighted average of total number of wells.

Bakken Operational Well Statistics - 2016



Hess Operated Wells						
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	3	2	3	3	4
Drilling Days	Spud-to-Spud	17	17	16	16	18
		2016				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
Drilled	by Qtr	71	11	21	20	19
Completion	by Qtr	92	15	26	23	28
On Production	by Qtr	100	21	22	26	31
On Production - Other	by Qtr ⁽¹⁾	—	1	(1)	—	—
On Production	Cum. to date	1,272	1,272	1,250	1,229	1,203
Well Performance						
Average Frac Stage	by Qtr	47	50	51	47	41
Average 90-day IPs	Gross BOPD ⁽²⁾	620	811	573	555	618
Outside Operated Wells						
		2016				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	7	—	—	7	—
On Production - Other	Cum. to date adj. ⁽¹⁾	48	3	5	15	25
On Production	Cum. to date	1,104	1,104	1,101	1,096	1,074

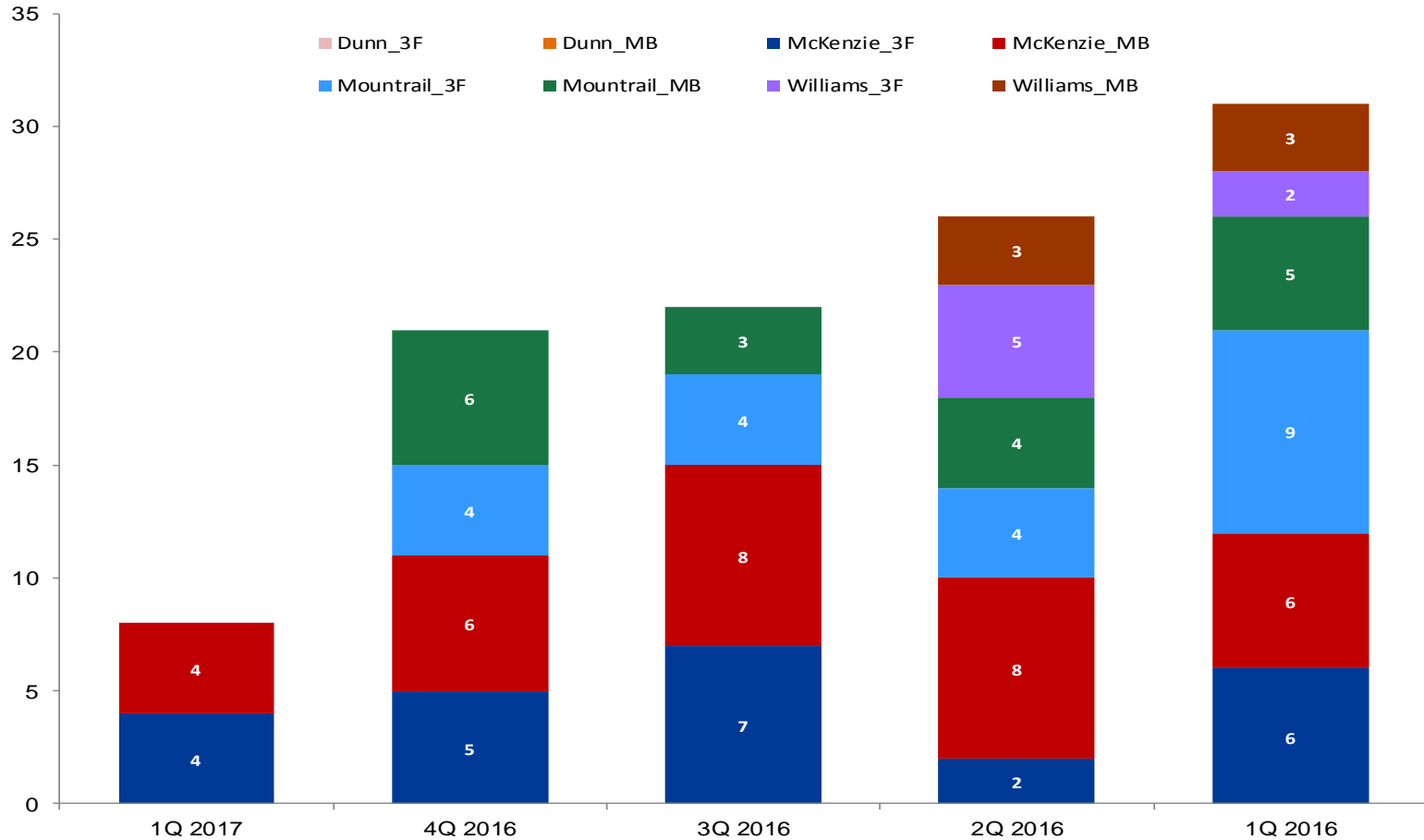
⁽¹⁾ Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.

⁽²⁾ Based on weighted average of total number of wells.

Hess Operated Bakken Wells Brought on Production by County and Formation



Bakken Wells



Middle Bakken

4

12

11

15

14

Three Forks

4

9

11

11

17

Total

8

21

22

26

31

Bakken Well Costs, Working Interest and Acreage - 2017



Average Well Cost - Hess Operated

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 2.7				\$ 2.7
Completion	\$MM/Well	1.8				1.8
Total ⁽¹⁾	\$MM/Well	\$ 4.5				\$ 4.5

Average Working Interest of New Wells Spud Each Quarter

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Hess Operated	%	83%				83%
Outside Operated	%	10%				10%

Net Acreage Position

		2017			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres				556

⁽¹⁾ Average cost for standard design; excludes average cost of completion pilots.

Bakken Well Costs, Working Interest and Acreage - 2016



Average Well Cost - Hess Operated

		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 2.9	\$ 2.7	\$ 2.8	\$ 2.9	\$ 3.1
Completion	\$MM/Well	1.9	1.9	1.9	1.9	2.0
Total ⁽¹⁾	\$MM/Well	\$ 4.8	\$ 4.6	\$ 4.7	\$ 4.8	\$ 5.1

Average Working Interest of New Wells Spud Each Quarter

		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Hess Operated	%	73%	90%	73%	63%	75%
Outside Operated	%	10%	10%	10%	10%	10%

Net Acreage Position

		2016			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	577	577	577	578

⁽¹⁾ Average cost for standard design; excludes average cost of completion pilots.