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**HESS CORPORATION**

**2015 ANNUAL MEETING OF  
STOCKHOLDERS**

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**MAY 6, 2015**

## Forward-looking statements and other information

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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.

We use certain terms in this presentation relating to reserves other than proved, such as unproved resources. Investors are urged to consider closely the disclosure relating to proved reserves in Hess' Form 10-K, File No. 1-1204, available from Hess Corporation, 1185 Avenue of the Americas, New York, New York 10036 c/o Corporate Secretary and on our website at [www.hess.com](http://www.hess.com). You can also obtain this form from the SEC on the EDGAR system.



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**John Hess**  
**Chief Executive Officer**

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# Driving Shareholder Value

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- **Financial strength and flexibility**

- Strong balance sheet and liquidity positions Hess to manage volatile price environment
- \$1.5 billion cash and Debt to Capitalization ratio of 22% at March 31, 2015

- **Disciplined financial strategy**

- Invest for returns
- Manage business to be cash generative over the long term
- Use balance sheet in a given year to fund a shortfall in operating cash flow
- Maintain investment grade credit rating

- **Focused resilient portfolio linked by operating capabilities, balanced for risk and leveraged to a recovery in oil prices**

- Five areas represent 83% reserves and 92% production
- Industry leading operating performance in unconventional and offshore; partner of choice
- 50/50 unconventional and conventional; US and International; onshore and offshore
- Leveraged to liquids with industry leading cash margins

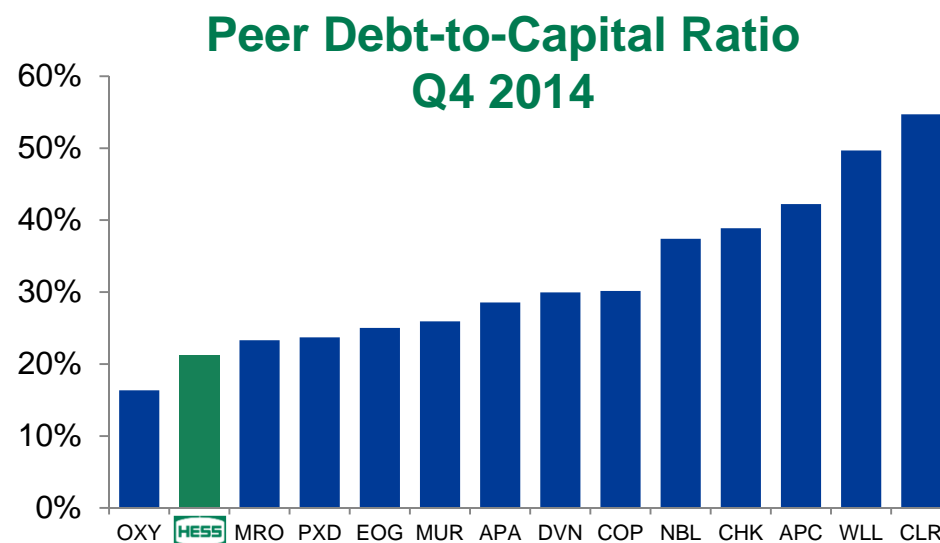
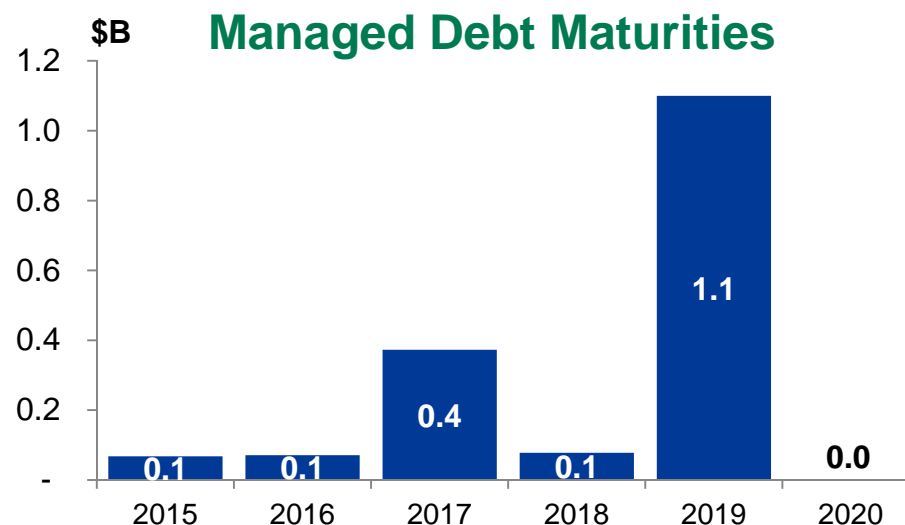
- **Opportunity to deliver competitive future growth**

- 2015 net production forecast 10-13% above 2014
- Current 6P resource base of ~6 BBOE contributing to growth beyond 2018
- Exploratory success provides upside
- Actual growth rate will be a function of oil price and activity levels



# Financial Strength and Flexibility

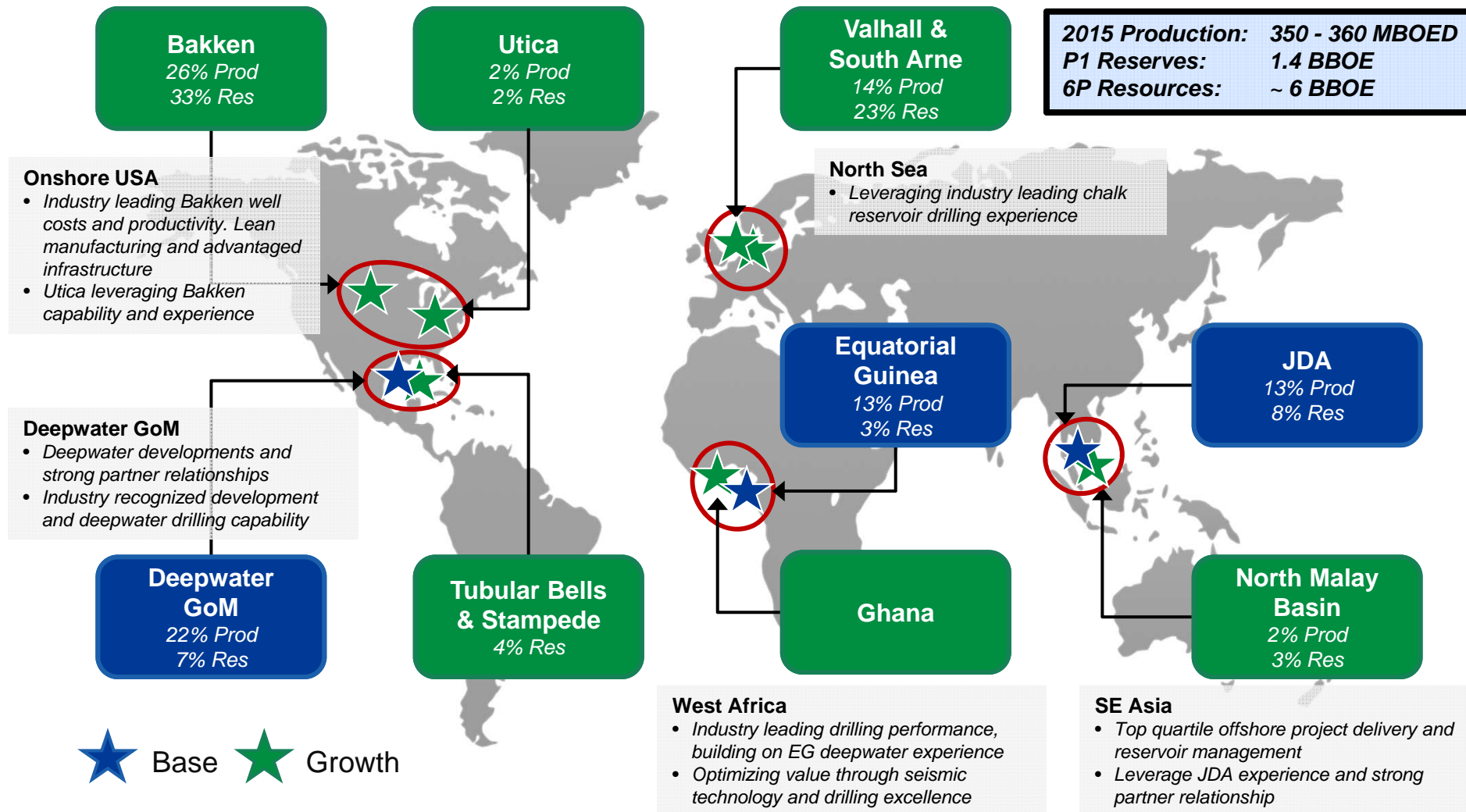
- **\$ 6.4 B of Liquidity at 03/31/15**
  - \$1.5 B Cash
  - \$4.0 B Unused Revolver
  - \$0.9 B Unused Committed Lines
- **Debt-to-Capital: 22% at 03/31/15**
  - Net Debt-to-Capital of 17%
  - Total Debt of \$6.0 B
- **Investment Grade rating with stable outlook**
  - Moody's: Baa2
  - S&P: BBB
  - Fitch: BBB



Source: Company filings

# Focused Resilient Portfolio

Linked by operating capabilities



Located in areas where Hess is competitively advantaged

Net Production: 2014 pro-forma, includes Libya. 2015 assumes zero contribution from Libya

Reserves: 2014 Year End Proven, includes Libya

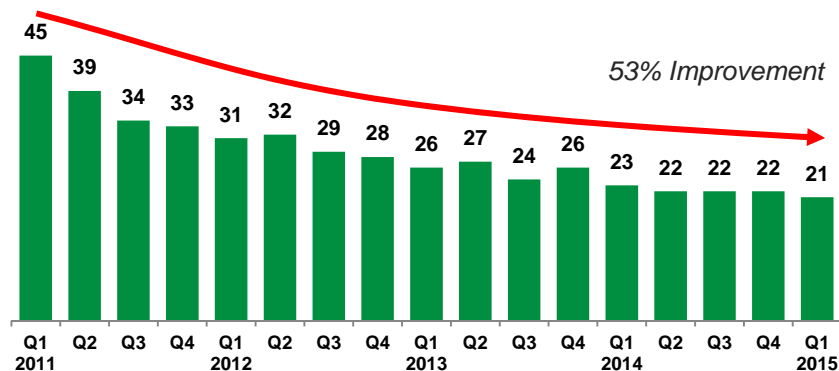
# Industry Leading Operating Performance

## Unconventionals - Bakken

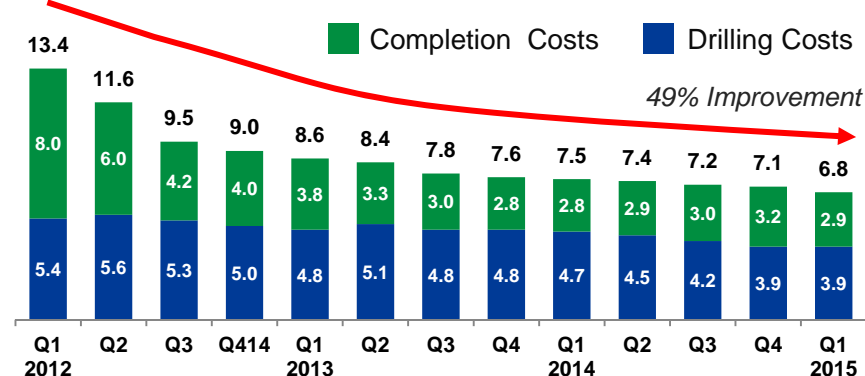


### Reducing Well Costs...

Drilling Performance: Spud-to-Spud (Days)

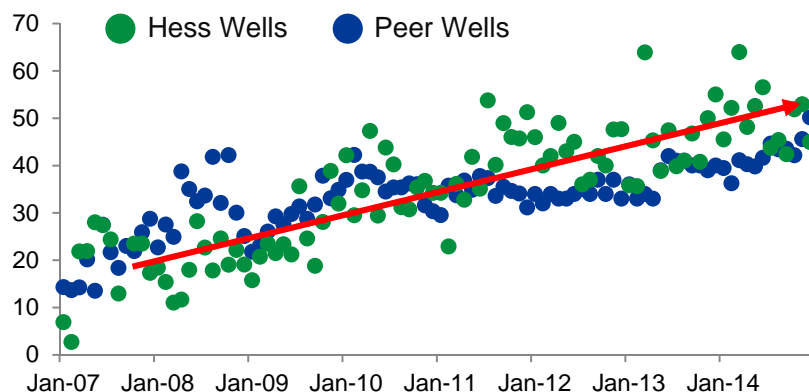


Drilling Performance: Costs (\$MM)

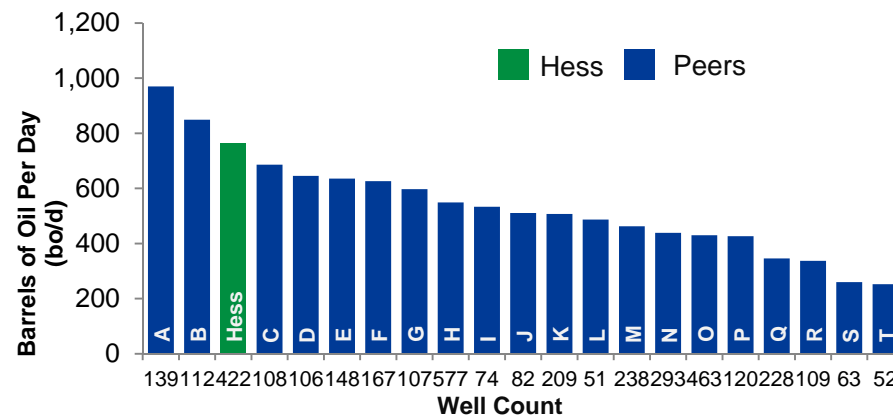


### ...While Optimizing Well Productivity

Average 90-Day Initial Production (MBO) by Completion Date



Operator Average 30-Day IP Rate (since YE 2012)



Low cost + high productivity + high margins = high returns

# Industry Leading Operating Performance

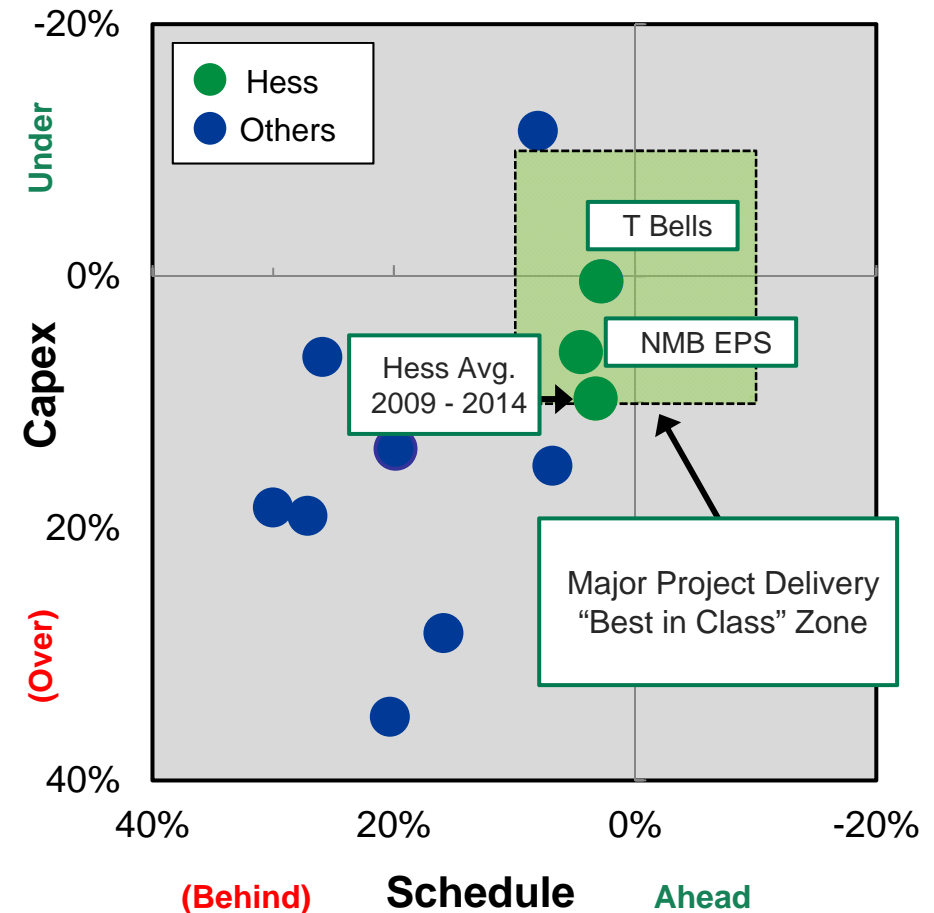
Offshore drilling and project delivery



Drilling Performance Quartile	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Ghana	✓			
North Malay Basin	✓			
Tubular Bells	✓			
Equatorial Guinea	✓			
South Arne		✓		

## Industry Project Delivery

(IPA Study 2005 - 2013)



Source: Rushmore data 2014

Source: IPA Study (2005 - 13) updated with recent Hess projects

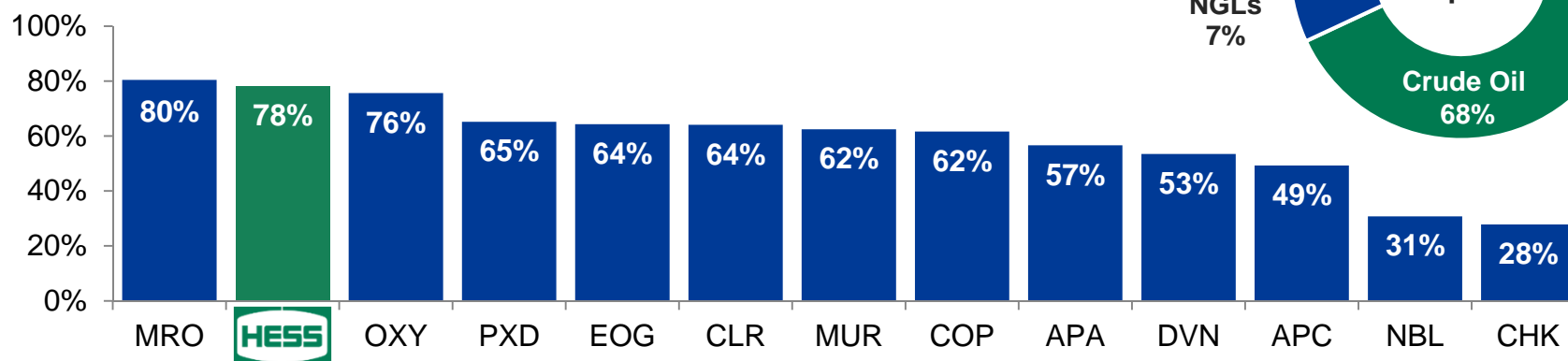


# Leveraged to Liquids

With industry leading cash margins

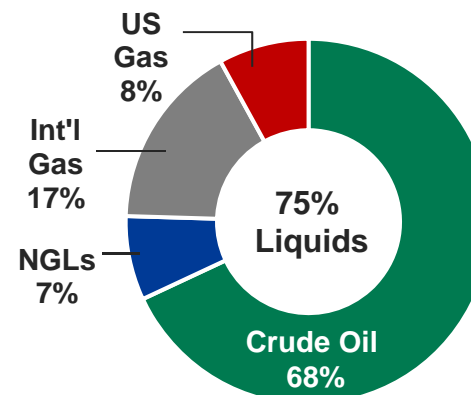


## Liquids % of YE 2014 Reserves

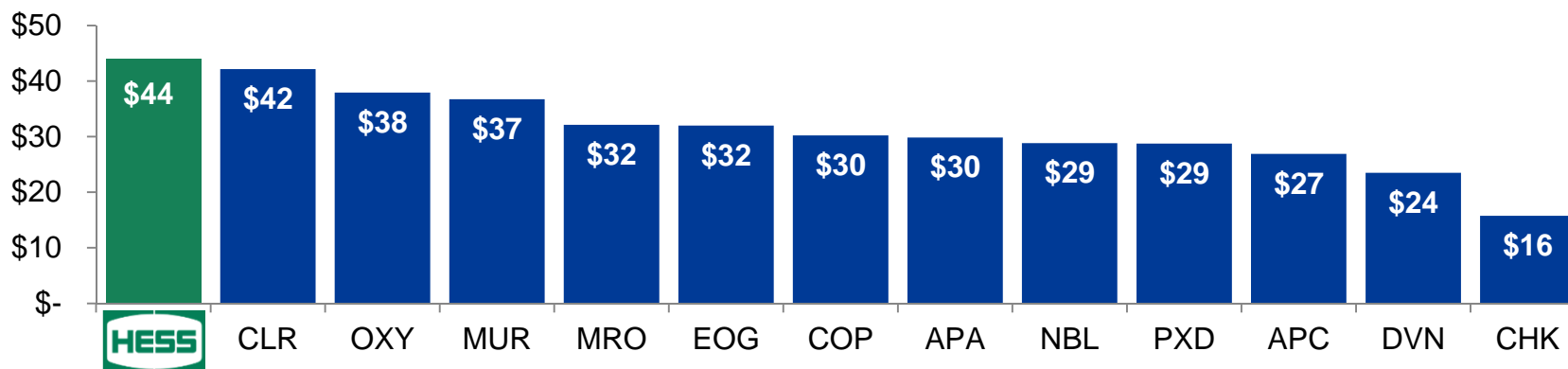


Source: Bloomberg

## 2014 Hess Production Pro Forma



## 2014 Cash Margin



Source: Thomson One (Adjusted Net Income), 2014 SEC filings (DD&A, Exploration Expense)  
 Cash Margin = Adjusted Net Income [excluding special items] + DD&A + Exploration Expense



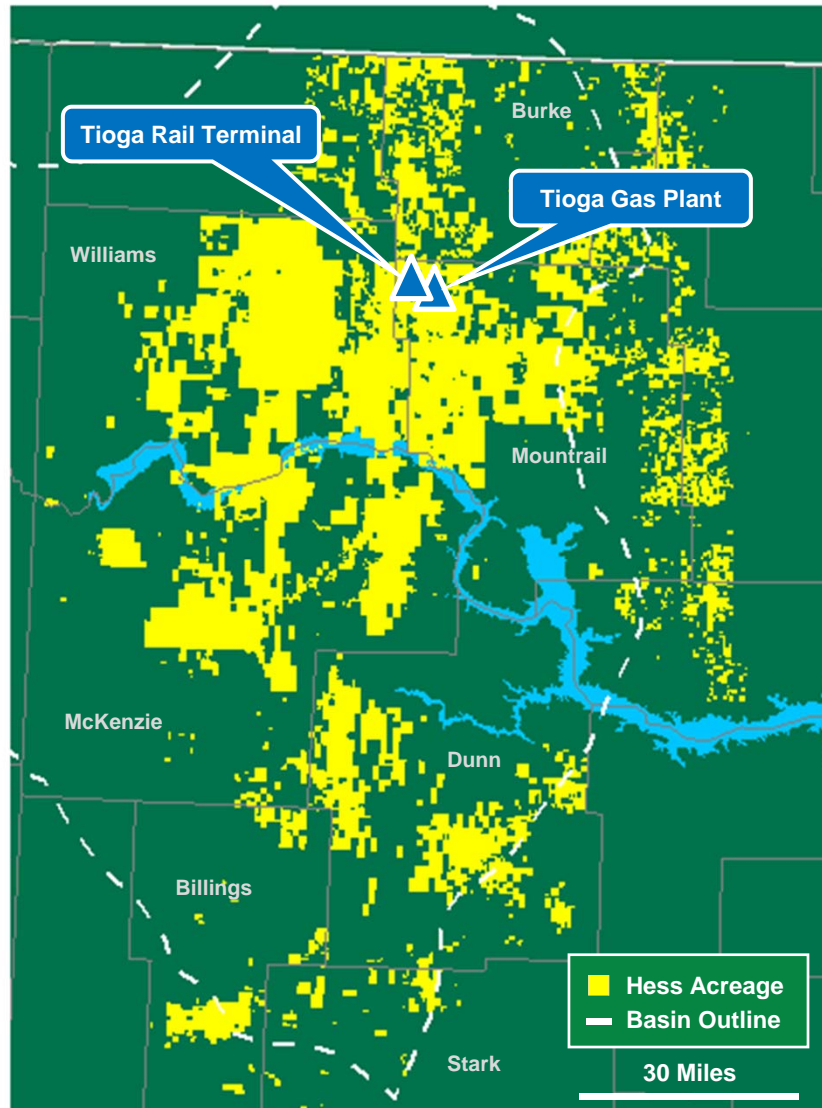
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**Greg Hill**  
**President and Chief Operating Officer**

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# 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 and cash margin

## • 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
- 2015 capex \$1.7 B

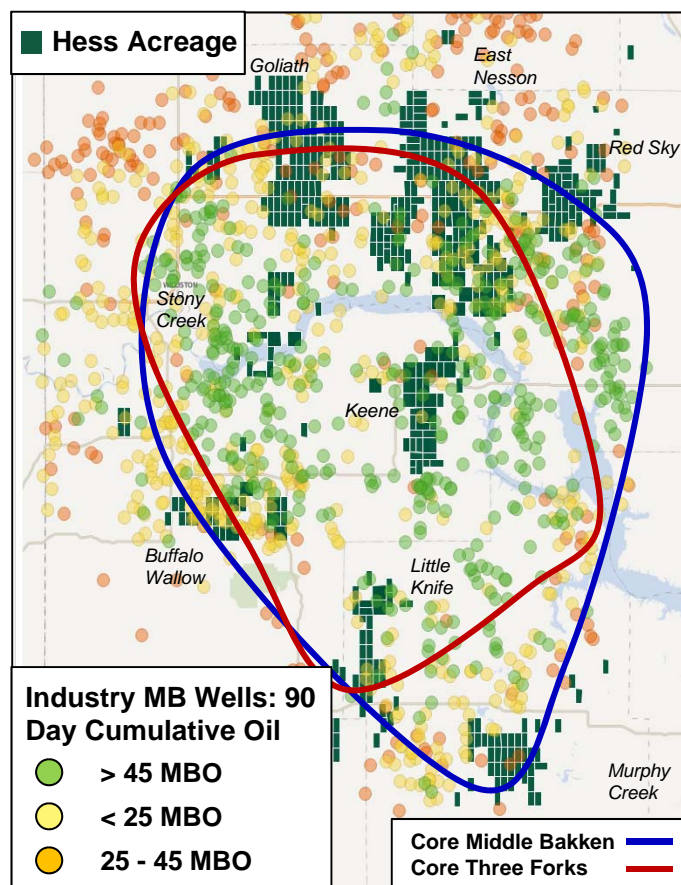
**Major contributor to future production growth**

# One of the Best Portfolios in the Bakken

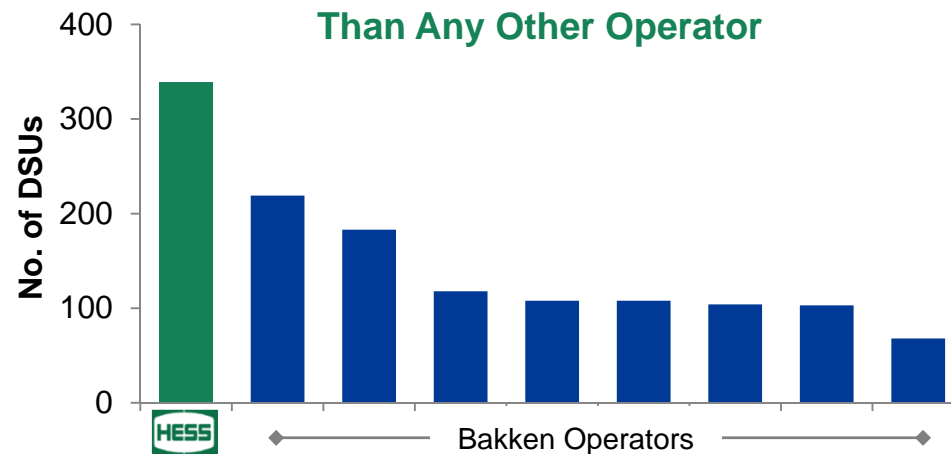
Material position in the core of the Bakken



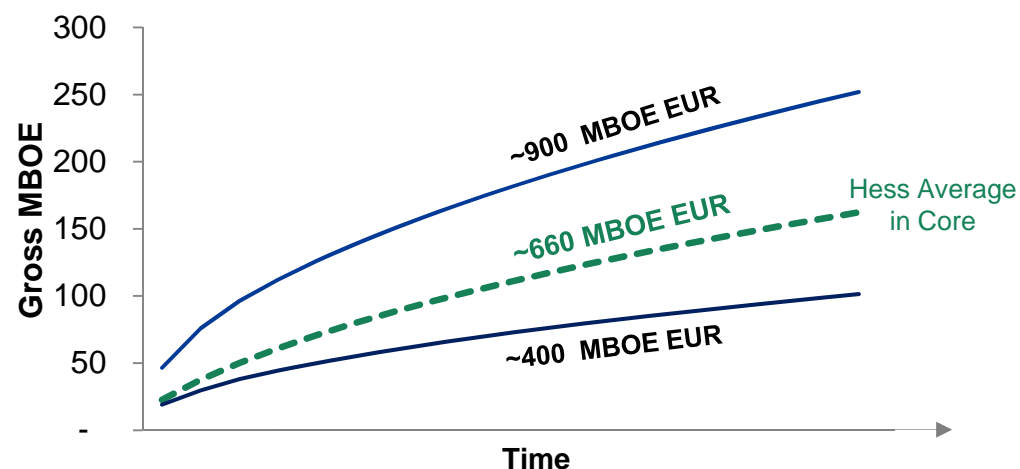
## 30+ Stage Wells Since 2012



## More DSUs in Core of Middle Bakken Than Any Other Operator



## Hess Middle Bakken Type Curve Performance



Source: NDIC

DSU: 1,280 acre Drilling Spacing Unit  
Source: NDIC and Hess analysis

# One of the Best Portfolios in the Bakken

Advantaged infrastructure maximizing value



Tioga Rail Terminal



Tioga Gas Plant

- **Tioga Rail Terminal**

- 9 crude oil train sets (CPC - 1232)
- 5 additional train sets purchased for 2015
- Crude oil loading capacity up to 140 MBD
- NGL loading capacity of 30 MBD
- 287 MB of crude oil storage

- **Tioga Gas Plant**

- Recent expansion to 250 MMCFD
- Potential to debottleneck to 300 MMCFD
- 60 MBD NGL fractionation facility
- Ethane sold under long-term contract

- **Ramberg Truck Facility**

- 130 MBD delivery capacity
- Connected into Tioga Rail Terminal and third parties

- **Mentor Storage Terminal**

- LPG storage of 328 MB

- **Field Compression, Pipeline and Gathering Systems**

MLP on track for 2015 IPO



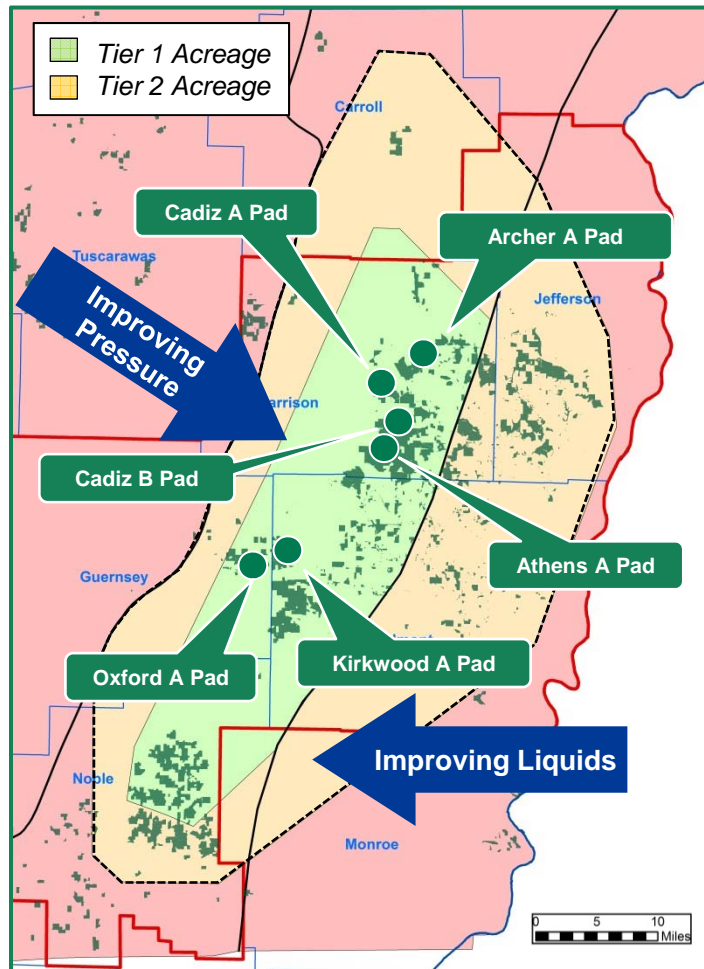
# Utica: Material Position in the Wet Gas Window

Acreage in play sweet spot with high NRI



## JV Acreage

Optimum Mix of Pressure and Liquid Content



### • Strategic / Portfolio Context

- Encouraging 2014 appraisal, transitioning to development at measured pace
- Wells highly productive with high liquids content
- Leveraging Bakken capability to maximize efficiency and reduce costs
- Flexibility to optimize market price differentials via multiple delivery outlets

### • Asset Details

- 50% WI; 95% gross NRI
- 45,000 net acres
- Net production goal of ~ 40 MBOED 2020+
- 2 rig program, reduced to 1 rig from June 2015
- 2015 capex \$240 MM

Core position in emerging Utica Shale play

# Deepwater Gulf of Mexico: Tubular Bells

Low cost production leveraging deepwater capability



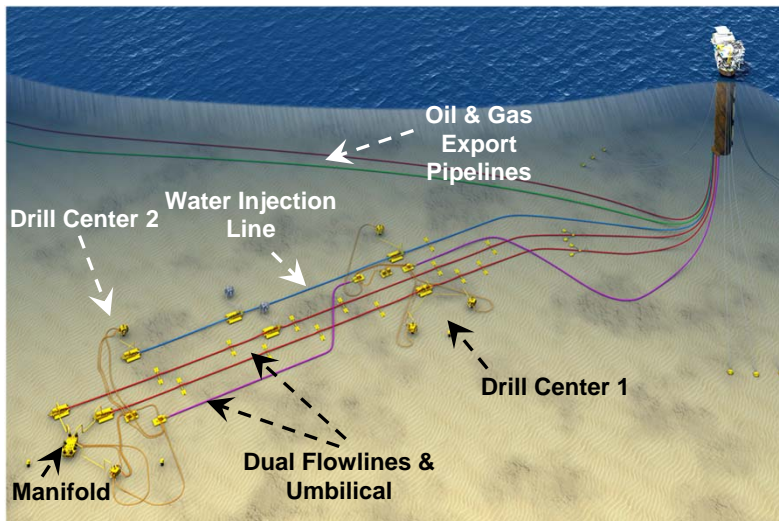
Water Depth ~4,400 ft  
Drilling TD ~24,000 ft

- **Strategic / Portfolio Context**

- Material growth asset
- Key contributor to production and cash flow
- Leverages deepwater capability

- **Asset Details**

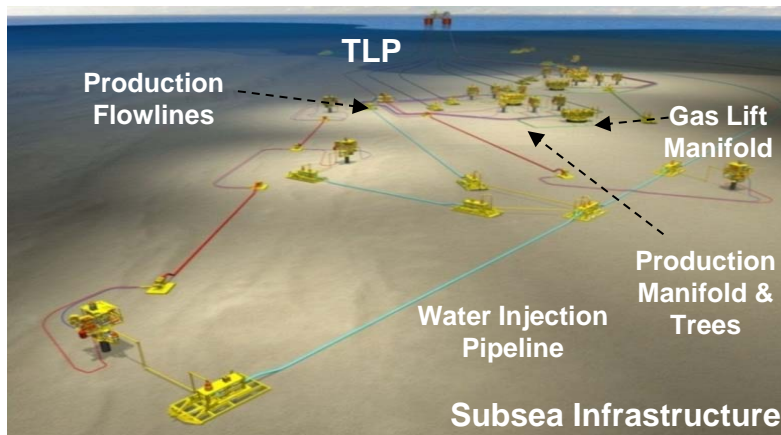
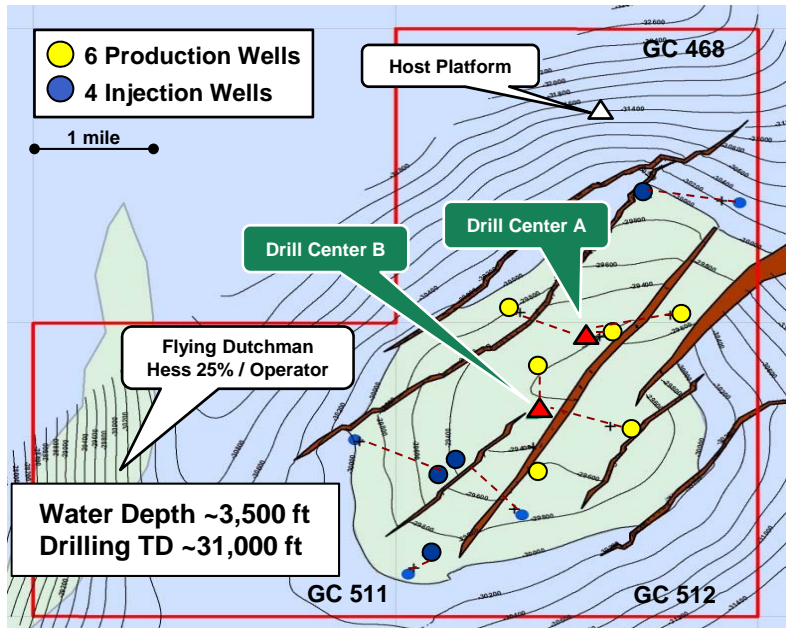
- 57% WI, operator
- First oil November 2014
- 2015 net production 30 - 35 MBOED
- Drilling 4<sup>th</sup> producer, plan water injection
- 2015 capex \$250 MM



**Biggest driver of production growth in 2015**

# Deepwater Gulf of Mexico: Stampede

Building on Tubular Bells success



## • Strategic / Portfolio Context

- Leverages proven deepwater capability
- Material contribution to 2018+ growth
- One of the largest undeveloped fields in GoM (300 - 350 MMBOE gross)

## • Asset Details

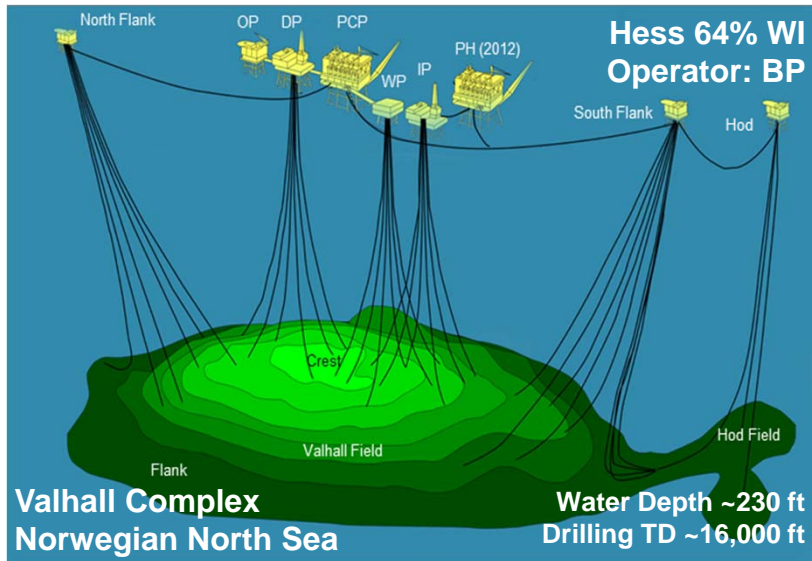
- 25% WI, operator
- Progressing hull and topsides fabrication
- Plan to commence drilling in late 2015, first oil targeted in 2018
- Gross processing capacity of 80 MBOD
- Mature captured near field exploitation
- 2015 capex \$300 MM

**Operator of choice for deepest development in GoM at 30,000 ft**



# North Sea Chalk: Valhall & South Arne

Long life, material oil assets with running room

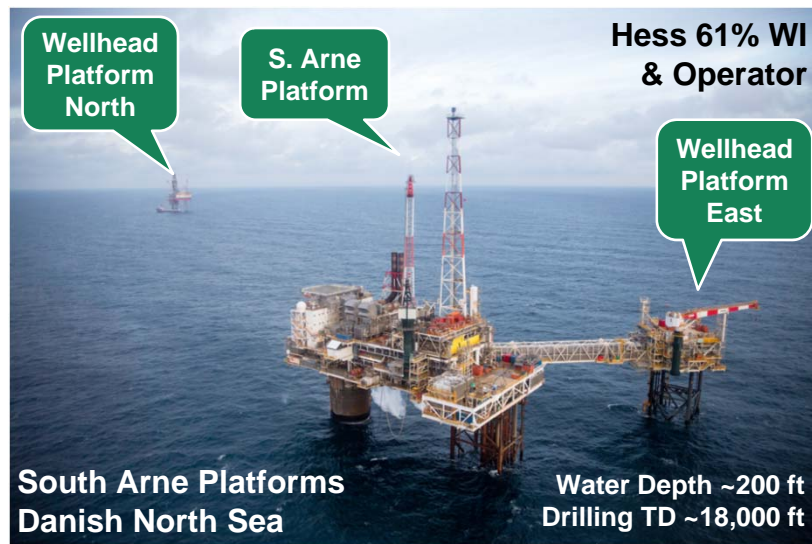


## • Strategic / Portfolio Context

- Long life, material assets
- Underdeveloped chalk reservoirs; significant remaining upside
- Leveraging expertise in horizontal, managed pressure drilling in chalk reservoirs

## • Asset Details: Valhall

- 2015 net production 30-35 MBOED
- Redevelopment completed 1Q13, extended life by 40 years
- 2014 cash margin \$53 / BOE
- 2015 capex \$70 MM



## • Asset Details: South Arne

- 2015 net production 15-20 MBOED
- Identify further infill drilling potential with new Ocean Bottom Seismic
- 2014 cash margin \$61 / BOE
- 2015 capex \$230 MM

# Malaysia Gas: JDA & North Malay Basin

Long term production and material cash flow



- **Strategic / Portfolio Context**

- Low cost, long life gas reserves with oil linked pricing
- NMB leverages JDA development capabilities and strong Petronas relationship
- Growing Malaysia supply/demand gap

- **Asset Details: JDA**

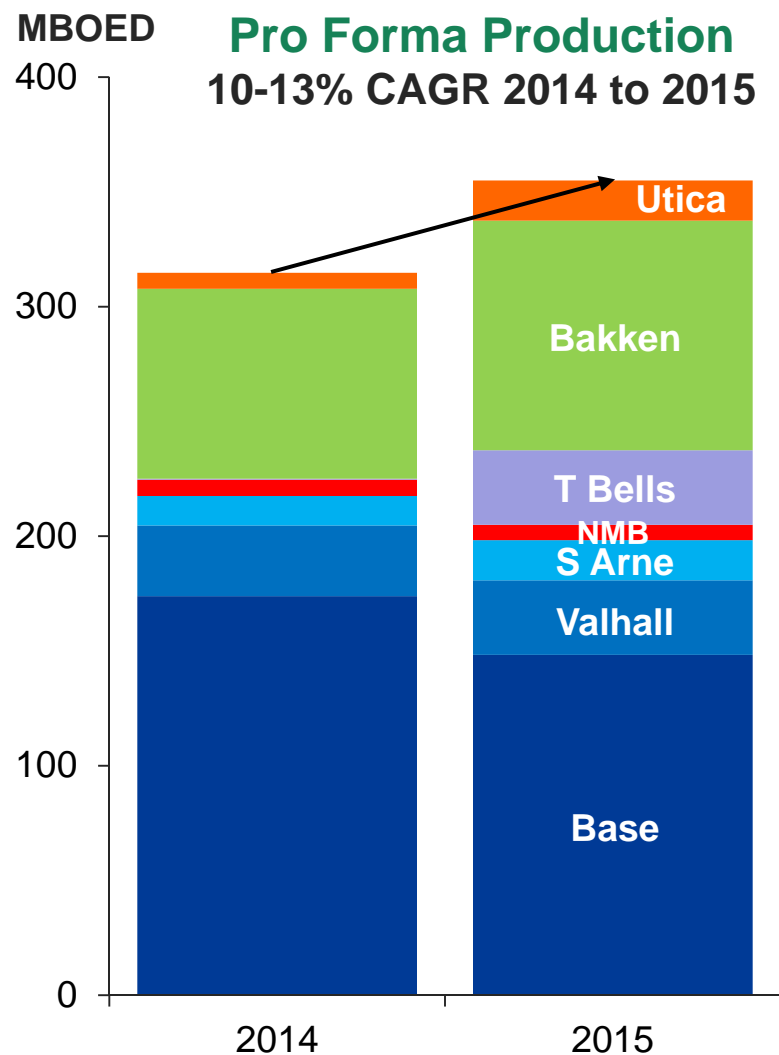
- Material production, free cash flow
- 2015 net production ~250 MMSCFED
- 2014 cash margin \$30 / BOE
- 2015 capex \$175 MM

- **Asset Details: NMB**

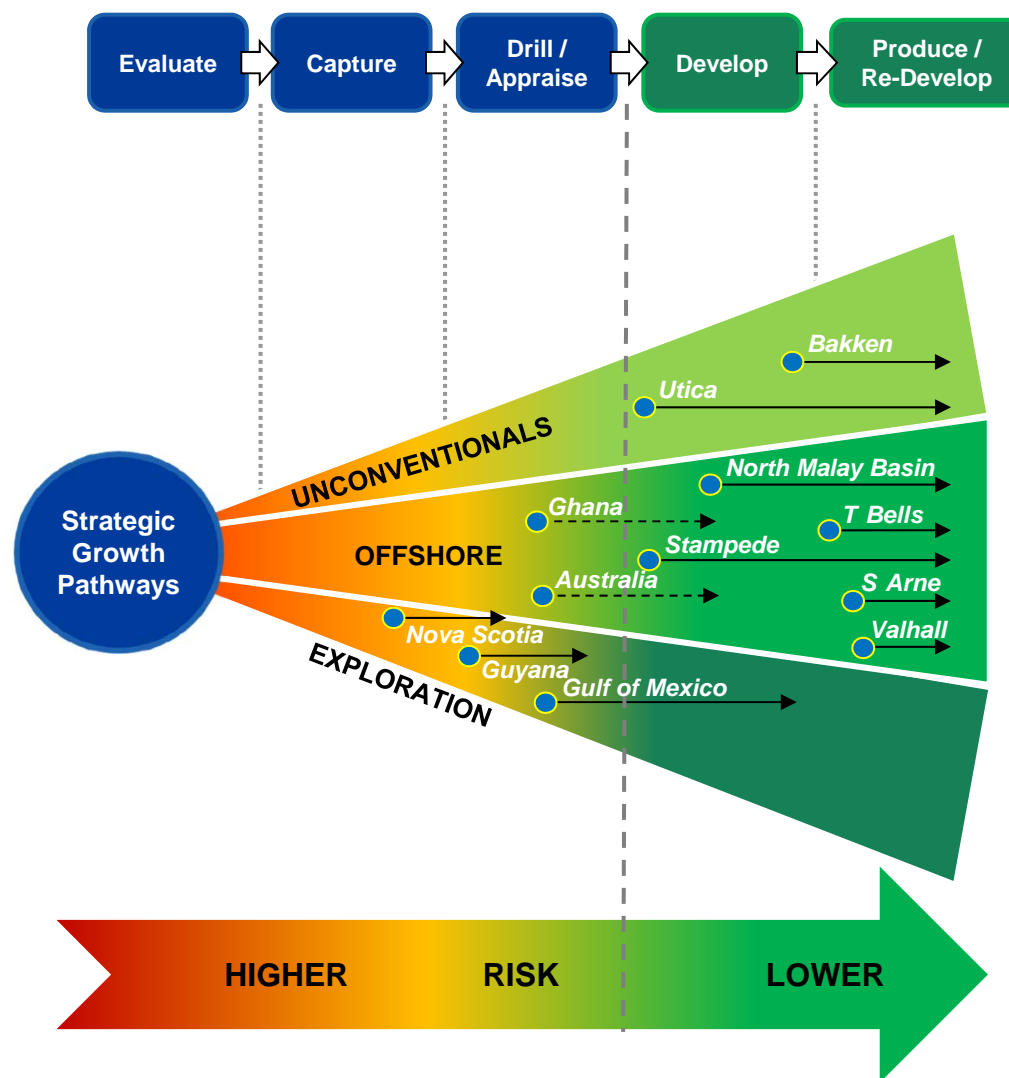
- Low risk development of 9 discoveries
- Full Field Development completion 2017; net production up to ~165 MMSCFED
- 2015 net production ~40 MMSCFED
- 2014 cash margin \$21 / BOE
- 2015 capex \$600 MM

# Portfolio Positioned for Competitive Growth

Low risk, captured growth opportunities

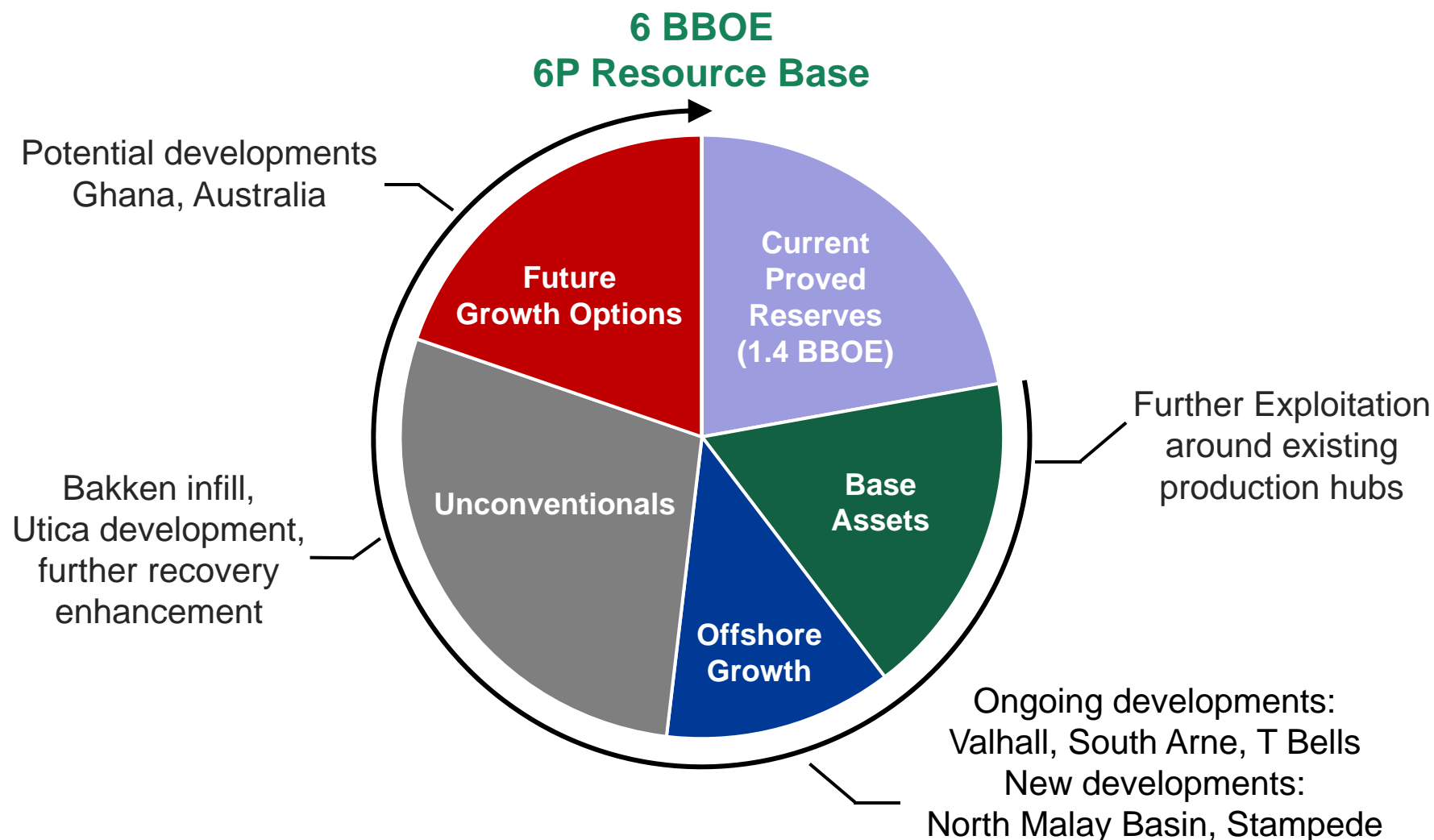


Pro forma for asset sales, excludes Libya  
All figures net to Hess unless otherwise stated



# Portfolio Positioned for Competitive Growth

Sustaining growth through 2018 and beyond

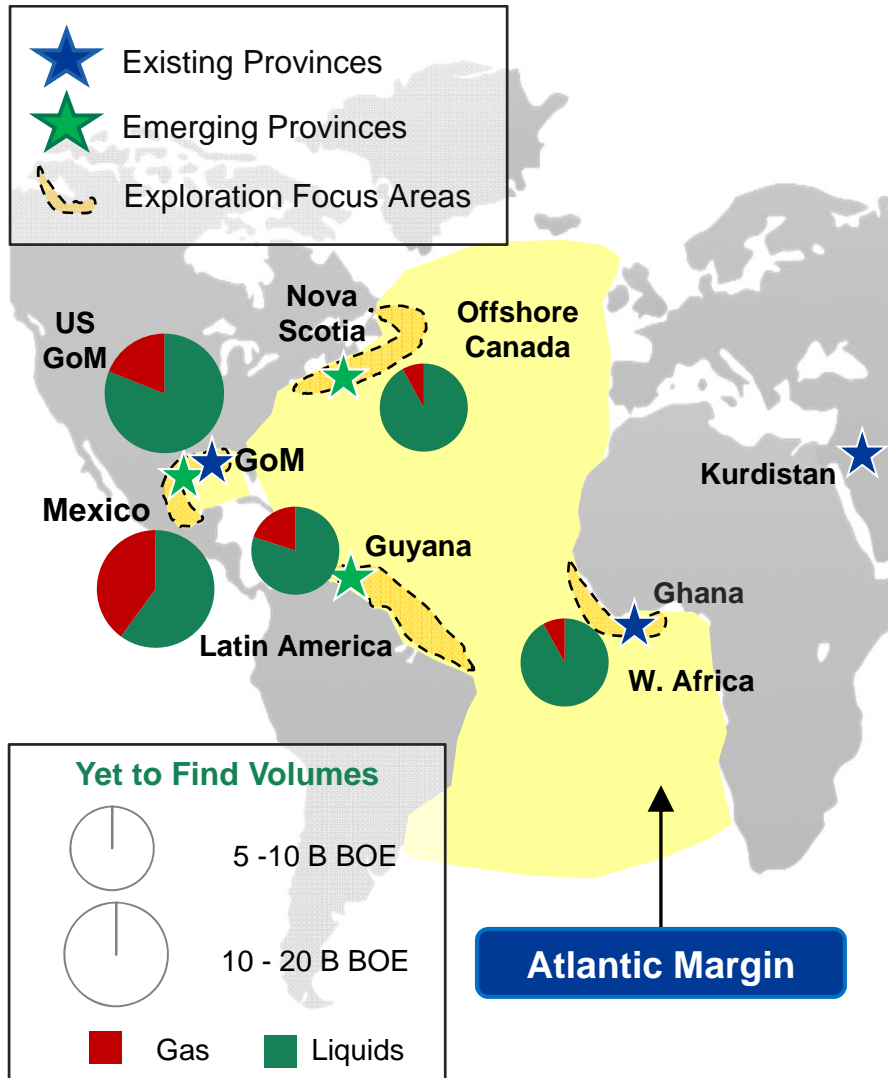


**Underpins growth through 2018; foundation for growth beyond 2018**

Reserves/Resources: Pro forma 2014 Year End, including Libya. All figures net to Hess unless otherwise stated

# Portfolio Positioned for Competitive Growth

Exploration provides further upside to long term growth

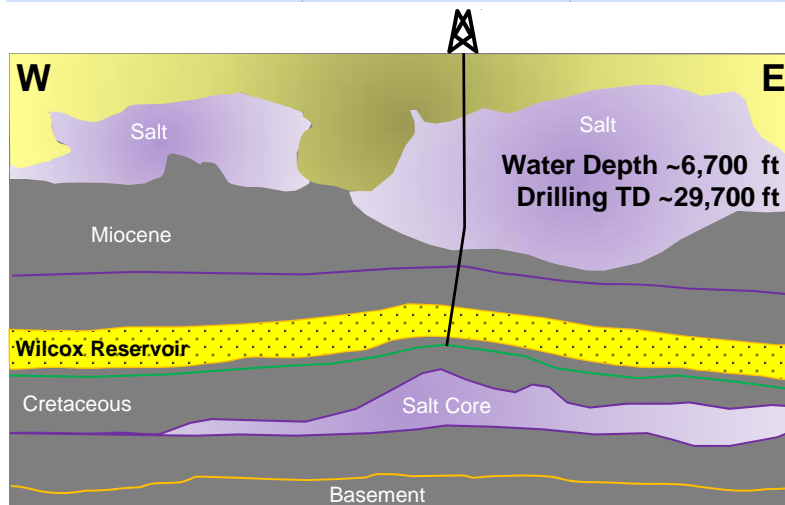
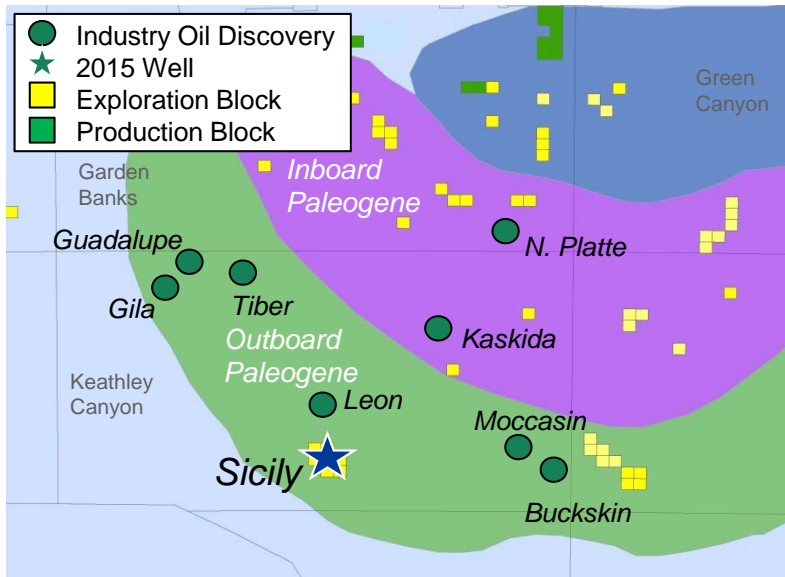


- **Focused strategy to deliver material long term value**
- **Exploration themes:**
  - **Focused:** In basins we understand and that leverage our capabilities
  - **Balanced:** Between both proven and emerging areas
  - **Impactful:** Materiality and running room
  - **Value driven:** Through working interest management, liquids rich areas and attractive fiscal terms
- **Goals**
  - Add 600 - 700 MMBOE resources over 5 years
  - Achieve \$25 / BOE F&D cost



# Deepwater Gulf of Mexico: Sicily Prospect

## Exposure to prolific Paleogene outboard play



### • Strategic / Portfolio Context

- Large and well imaged 4-way trap
- Low geological risk Paleogene Oil
- 300 - 400 MMBOE gross unrisks volume
- Strategic partnership with proven operator

### • Forward Plan

- Sicily #1 well reached TD April 2015
- Completed logging and sidewall coring of the well
- Results currently under evaluation

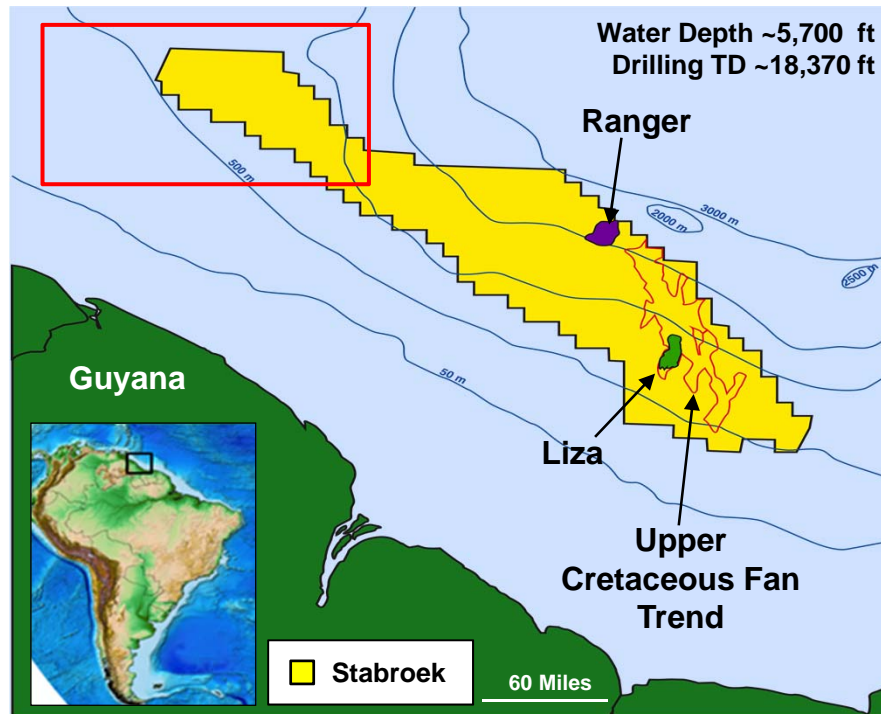
### • Asset Details

- 25% WI, operated by Chevron

Balanced access via farm-ins

# Offshore Guyana: Stabroek License

Multiple leads testing several play types



GoM Green Canyon for scale

- **Strategic / Portfolio Context**

- 6.5 MM acres; ~1,150 GoM blocks
- Multiple prospects and leads in several plays
- 500 MMBO net risked resource
- Proven petroleum system, oil prone source rock

- **Forward Plan**

- Spud Liza-1 prospect March 2015, TD expected in 2Q15
- Acquire additional 3D seismic
- Maturing prospect inventory

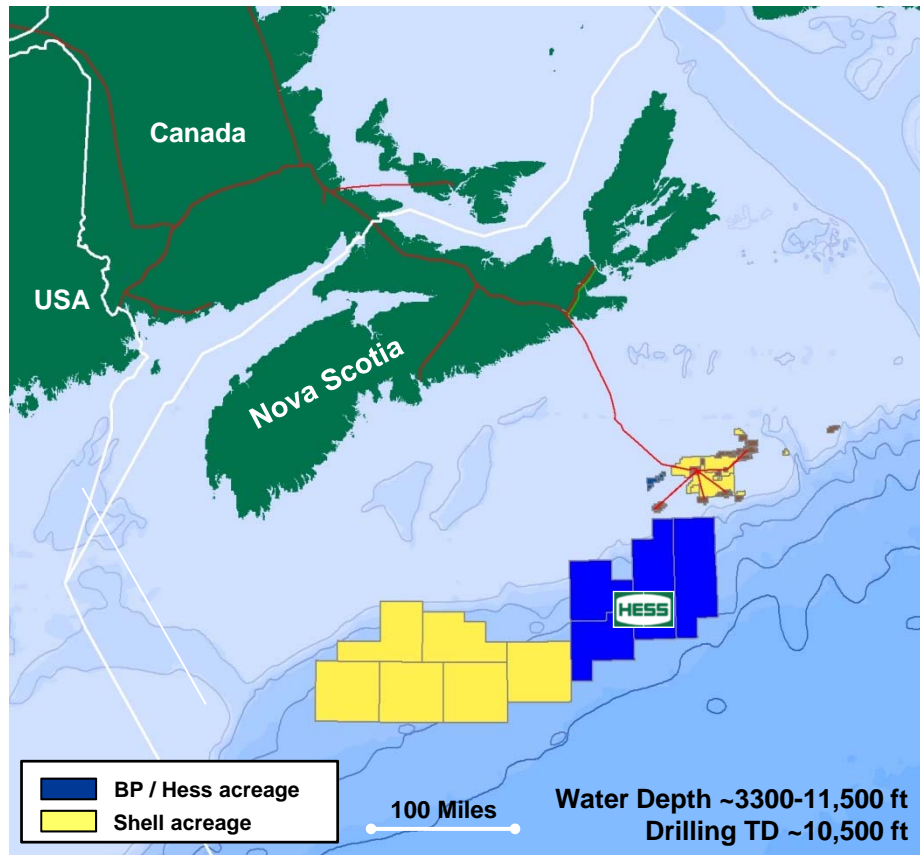
- **Asset Details**

- 30% WI, operated by Esso E&P Guyana Ltd.

**Access to a material unexplored deepwater play**

# Offshore Nova Scotia

Material position in emerging deepwater play



## • Strategic / Portfolio Context

- 3.5 MM acres; ~ 600 GoM blocks
- Multiple leads in sub-salt play
- 800 MMBOE net risked resource
- GoM analogue trap styles
- Oil prone, Cretaceous reservoirs

## • Forward Plan

- Acquisition complete for Wide Azimuth 3D seismic
- Mature the prospect inventory
- Expect first well in 2017

## • Asset Details

- 40% WI, operated by BP

Access to a material deepwater Gulf of Mexico analogue





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**John Hess**  
**Chief Executive Officer**

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- **Financial strength and flexibility**
- **Disciplined financial strategy**
- **Focused resilient portfolio linked by operating capabilities, balanced for risk and leveraged to a recovery in oil prices**
- **Opportunity to deliver competitive future growth**

