UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarter ended *June 30, 2015*

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 1-1204

HESS CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation or Organization)

13-4921002
(I.R.S. Employer Identification Number)

1185 AVENUE OF THE AMERICAS, NEW YORK, N.Y.
(Address of Principal Executive Offices)
10036
(Zip Code)

(Registrant's Telephone Number, Including Area Code is (212) 997-8500)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its Corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ (Do not check if a smaller reporting company) Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At June 30, 2015, there were 287,057,761 shares of Common Stock outstanding.

HESS CORPORATION
Form 10-Q
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (UNAUDITED)

	June 30, 2015	December 31, 2014
	(In millions, except share amounts)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 931	$ 2,444
Accounts receivable		
Trade	1,492	1,642
Other	302	431
Inventories	569	527
Other current assets	632	1,643
Total current assets	3,926	6,687
PROPERTY, PLANT AND EQUIPMENT		
Total — at cost	47,878	46,522
Less: Reserves for depreciation, depletion, amortization and lease impairment	20,580	19,005
Property, plant and equipment — net	27,298	27,517
GOODWILL	1,473	1,858
DEFERRED INCOME TAXES	2,504	2,169
OTHER ASSETS	357	347
TOTAL ASSETS	$ 35,558	$ 38,578
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 616	$ 708
Accrued liabilities	2,495	3,781
Taxes payable	313	294
Current maturities of long-term debt	69	68
Total current liabilities	3,493	4,851
LONG-TERM DEBT	5,888	5,919
DEFERRED INCOME TAXES	1,825	2,009
ASSET RETIREMENT OBLIGATIONS	2,011	2,281
OTHER LIABILITIES AND DEFERRED CREDITS	1,238	1,198
Total liabilities	14,455	16,258
EQUITY		
Hess Corporation stockholders' equity		
Common stock, par value $1.00		
Authorized — 600,000,000 shares		
Issued — 287,057,761 shares at June 30, 2015; 285,834,964 shares at December 31, 2014	287	286
Capital in excess of par value	3,329	3,277
Retained earnings	18,923	20,052
Accumulated other comprehensive income (loss)	(1,436)	(1,410)
Total Hess Corporation stockholders' equity	21,103	22,205
Noncontrolling interests	—	115
Total equity	21,103	22,320
TOTAL LIABILITIES AND EQUITY	$ 35,558	$ 38,578

See accompanying Notes to Consolidated Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED INCOME (UNAUDITED)

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions, except per share amounts)			
REVENUES AND NON-OPERATING INCOME				
Sales and other operating revenues	$ 1,953	$ 2,829	$ 3,491	$ 5,502
Gains on asset sales, net	—	779	—	789
Other, net	(18)	(25)	(6)	(116)
Total revenues and non-operating income	1,935	3,583	3,485	6,175
COSTS AND EXPENSES				
Cost of products sold (excluding items shown separately below)	356	421	634	785
Operating costs and expenses	503	545	1,009	1,040
Production and severance taxes	45	78	81	140
Exploration expenses, including dry holes and lease impairment	90	460	359	579
General and administrative expenses	151	143	298	285
Interest expense	86	85	171	166
Depreciation, depletion and amortization	1,028	785	1,984	1,511
Impairment	385	—	385	—
Total costs and expenses	2,644	2,517	4,921	4,506
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(709)	1,066	(1,436)	1,669
Provision (benefit) for income taxes	(156)	92	(507)	331
INCOME (LOSS) FROM CONTINUING OPERATIONS	(553)	974	(929)	1,338
INCOME (LOSS) FROM DISCONTINUED OPERATIONS, NET OF INCOME TAXES	(14)	(44)	(27)	13
NET INCOME (LOSS)	(567)	930	(956)	1,351
Less: Net income (loss) attributable to noncontrolling interests	—	(1)	—	34
NET INCOME (LOSS) ATTRIBUTABLE TO HESS CORPORATION	$ (567)	$ 931	$ (956)	$ 1,317
NET INCOME (LOSS) ATTRIBUTABLE TO HESS CORPORATION PER SHARE				
BASIC:				
Continuing operations	$ (1.94)	$ 3.15	$ (3.27)	$ 4.26
Discontinued operations	(0.05)	(0.14)	(0.10)	(0.07)
NET INCOME (LOSS) PER SHARE	$ (1.99)	$ 3.01	$ (3.37)	$ 4.19
DILUTED:				
Continuing operations	$ (1.94)	$ 3.10	$ (3.27)	$ 4.20
Discontinued operations	(0.05)	(0.14)	(0.10)	(0.07)
NET INCOME (LOSS) PER SHARE	$ (1.99)	$ 2.96	$ (3.37)	$ 4.13
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING (DILUTED)	284.3	314.1	283.9	318.7
COMMON STOCK DIVIDENDS PER SHARE	$ 0.25	$ 0.25	$ 0.50	$ 0.50

See accompanying Notes to Consolidated Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
NET INCOME (LOSS)	$ (567)	$ 930	$ (956)	$ 1,351
OTHER COMPREHENSIVE INCOME (LOSS):				
Derivatives designated as cash flow hedges				
Effect of hedge (gains) losses reclassified to income	—	(5)	—	(10)
Income taxes on effect of hedge (gains) losses reclassified to income	—	2	—	4
Net effect of hedge (gains) losses reclassified to income	—	(3)	—	(6)
Change in fair value of cash flow hedges	(18)	(40)	2	(26)
Income taxes on change in fair value of cash flow hedges	6	15	(1)	10
Net change in fair value of cash flow hedges	(12)	(25)	1	(16)
Change in derivatives designated as cash flow hedges, after taxes	(12)	(28)	1	(22)
Pension and other postretirement plans				
(Increase) reduction in unrecognized actuarial losses	(15)	(4)	(15)	(4)
Income taxes on actuarial changes in plan liabilities	6	2	6	2
(Increase) reduction in unrecognized actuarial losses, net	(9)	(2)	(9)	(2)
Amortization of net actuarial losses	25	15	44	23
Income taxes on amortization of net actuarial losses	(8)	(5)	(14)	(8)
Net effect of amortization of net actuarial losses	17	10	30	15
Change in pension and other postretirement plans, after taxes	8	8	21	13
Foreign currency translation adjustment				
Foreign currency translation adjustment	72	(88)	(48)	(37)
Change in foreign currency translation adjustment	72	(88)	(48)	(37)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	68	(108)	(26)	(46)
COMPREHENSIVE INCOME (LOSS)	(499)	822	(982)	1,305
Less: Comprehensive income (loss) attributable to noncontrolling interests	—	(1)	—	34
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO HESS CORPORATION	$ (499)	$ 823	$ (982)	$ 1,271

See accompanying Notes to Consolidated Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED CASH FLOWS (UNAUDITED)

	Six Months Ended June 30,	
	2015	2014
	(In millions)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (956)	$ 1,351
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
(Gains) losses on asset sales, net	—	(789)
Depreciation, depletion and amortization	1,984	1,511
Impairment	385	—
Loss from equity affiliates	—	84
Exploratory dry hole costs	176	286
Exploration lease impairment	78	161
Stock compensation expense	51	40
Provision (benefit) for deferred income taxes	(534)	72
(Income) loss from discontinued operations, net of income taxes	27	(13)
Changes in operating assets and liabilities	(114)	(596)
Cash provided by (used in) operating activities - continuing operations	1,097	2,107
Cash provided by (used in) operating activities - discontinued operations	(21)	(46)
Net cash provided by (used in) operating activities	1,076	2,061
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(2,423)	(2,340)
Proceeds from asset sales	—	2,847
Other, net	(13)	(124)
Cash provided by (used in) investing activities - continuing operations	(2,436)	383
Cash provided by (used in) investing activities - discontinued operations	95	(405)
Net cash provided by (used in) investing activities	(2,341)	(22)
CASH FLOWS FROM FINANCING ACTIVITIES		
Debt with maturities of greater than 90 days		
Borrowings	—	598
Repayments	(34)	(500)
Common stock acquired and retired	(78)	(1,735)
Cash dividends paid	(144)	(156)
Employee stock options exercised, including income tax benefits	10	148
Noncontrolling interests, net	—	(1)
Other, net	(2)	—
Cash provided by (used in) financing activities - continuing operations	(248)	(1,646)
Cash provided by (used in) financing activities - discontinued operations	—	(2)
Net cash provided by (used in) financing activities	(248)	(1,648)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,513)	391
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,444	1,814
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 931	$ 2,205

See accompanying Notes to Consolidated Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF CONSOLIDATED EQUITY (UNAUDITED)

	Common Stock	Capital in Excess of Par	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Hess Stockholders' Equity	Noncontrolling Interests	Total Equity
				(In millions)			
BALANCE AT JANUARY 1, 2015	$ 286	$ 3,277	$ 20,052	$ (1,410)	$ 22,205	$ 115	$ 22,320
Net income (loss)			(956)		(956)	—	(956)
Other comprehensive income (loss)				(26)	(26)	—	(26)
Comprehensive income (loss)					(982)	—	(982)
Activity related to restricted common stock awards, net	2	34	—	—	36	—	36
Employee stock options, including income tax benefits	—	12	—	—	12	—	12
Performance share units	—	12	—	—	12	—	12
Cash dividends declared	—	—	(144)	—	(144)	—	(144)
Common stock acquired and retired	(1)	(6)	(29)	—	(36)	—	(36)
Noncontrolling interests, net	—	—	—	—	—	(115)	(115)
BALANCE AT JUNE 30, 2015	$ 287	$ 3,329	$ 18,923	$ (1,436)	$ 21,103	$ —	$ 21,103
BALANCE AT JANUARY 1, 2014	$ 325	$ 3,498	$ 21,235	$ (338)	$ 24,720	$ 64	$ 24,784
Net income (loss)			1,317		1,317	34	1,351
Other comprehensive income (loss)				(46)	(46)	—	(46)
Comprehensive income (loss)					1,271	34	1,305
Activity related to restricted common stock awards, net	1	28	—	—	29	—	29
Employee stock options, including income tax benefits	3	147	—	—	150	—	150
Performance share units	—	8	—	—	8	—	8
Cash dividends declared	—	—	(156)	—	(156)	—	(156)
Common stock acquired and retired	(21)	(227)	(1,517)	—	(1,765)	—	(1,765)
Noncontrolling interests, net	—	—	—	—	—	(1)	(1)
BALANCE AT JUNE 30, 2014	$ 308	$ 3,454	$ 20,879	$ (384)	$ 24,257	$ 97	$ 24,354

See accompanying Notes to Consolidated Financial Statements.

HESS CORPORATION AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

The financial statements included in this report reflect all normal and recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the Corporation's consolidated financial position at June 30, 2015 and December 31, 2014, the consolidated results of operations for the three months and six months ended June 30, 2015 and 2014, and consolidated cash flows for the six months ended June 30, 2015 and 2014. The unaudited results of operations for the interim periods reported are not necessarily indicative of results to be expected for the full year.

The financial statements were prepared in accordance with the requirements of the Securities and Exchange Commission (SEC) for interim reporting. As permitted under those rules, certain notes or other financial information that are normally required by U.S. generally accepted accounting principles (GAAP) have been condensed or omitted from these interim financial statements. These statements, therefore, should be read in conjunction with the consolidated financial statements and related notes included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2014.

The statements of consolidated income for the three months and six months ended June 30, 2014 and consolidated cash flows for the six months ended June 30, 2014, have been recast to reflect the Corporation's energy trading joint venture, HETCO, which was sold in February 2015, as discontinued operations. In *Note 12*, *Segment Information*, the Corporation has reported a new operating segment to reflect the establishment of the Bakken Midstream operating segment in the second quarter of 2015 and have presented prior period numbers on a comparable basis. See *Note 14, Subsequent Event*; in *Notes to Consolidated Financial Statements* for further information. Certain information in the financial statements and notes has been reclassified to conform to the current period presentation.

New Accounting Pronouncements: In April 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*. The ASU amends the criteria for reporting discontinued operations to include only disposals representing a strategic shift in operations. The ASU also requires expanded disclosures regarding the assets, liabilities, income, and expenses of discontinued operations. This ASU became effective for the Corporation in the first quarter of 2015 and did not have a significant impact on its consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*, as a new Accounting Standards Codification (ASC) Topic ASC 606. This ASU is effective for the Corporation beginning in the first quarter of 2018, with early adoption permitted from the first quarter of 2017. The Corporation is currently assessing the impact of the ASU on its consolidated financial statements.

In February 2015, the FASB issued ASU 2015-02, *Amendments to the Consolidation Analysis*, which makes changes to both the variable interest model and the voting model, affecting all reporting entities involved with limited partnerships or similar entities. This ASU is effective for the Corporation beginning in the first quarter of 2016, with early adoption permitted. The Corporation is currently assessing the impact of the ASU on its consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*, which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the associated debt liability. This ASU is effective for the Corporation beginning in the first quarter of 2016, with early adoption permitted. The Corporation does not expect that the ASU will have a material impact to its consolidated financial statements.

2. Discontinued Operations

The results of operations for the Corporation's divested energy trading joint venture, HETCO, which was sold in February 2015, and other previously divested downstream businesses have been reported as discontinued operations in the Statement of Consolidated Income for all periods presented.

Sales and other operating revenues and Income (loss) from discontinued operations were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Sales and other operating revenues	$ —	$ 3,083	$ 14	$ 6,250
Income (loss) from discontinued operations before income taxes	$ (19)	$ (67)	$ (43)	$ 6
Current tax provision (benefit)	—	—	—	—
Deferred tax provision (benefit)	(5)	(23)	(16)	(7)
Provision (benefit) for income taxes	(5)	(23)	(16)	(7)
Income (loss) from discontinued operations, net of income taxes	$ (14)	$ (44)	$ (27)	$ 13
Less: Net income (loss) attributable to noncontrolling interests	—	(1)	—	34
Income (loss) from discontinued operations attributable to Hess Corporation	$ (14)	$ (43)	$ (27)	$ (21)

At December 31, 2014, HETCO assets totaling $1,035 million, which consisted of accounts receivable and other long-lived assets, were reported in Other current assets, and liabilities totaling $797 million, which consisted primarily of accounts payable, were reported in Accrued liabilities in the Consolidated Balance Sheet.

3. Inventories

Inventories consisted of the following:

	June 30, 2015	December 31, 2014
	(In millions)	
Crude oil and natural gas liquids	$ 289	$ 246
Materials and supplies	280	281
Total inventories	$ 569	$ 527

4. Capitalized Exploratory Well Costs

The following table discloses the net changes in capitalized exploratory well costs pending determination of proved reserves for the six months ended June 30, 2015 (in millions):

Balance at January 1	$ 1,416
Additions to capitalized exploratory well costs pending the determination of proved reserves	281
Reclassifications to wells, facilities and equipment based on the determination of proved reserves	(72)
Capitalized exploratory well costs charged to expense	(120)
Balance at June 30, 2015	$ 1,505

Capitalized exploratory well costs charged to expense in the preceding table primarily relate to the Dinarta Block in the Kurdistan Region of Iraq following the decision of the Corporation and its partner in March 2015 to cease further drilling activity in the region. In addition, the Corporation expensed $56 million of exploratory well costs incurred during 2015 that are not reflected in the preceding table.

Capitalized exploratory well costs greater than one year old after completion of drilling were $1,247 million at June 30, 2015. Approximately 70% of the capitalized well costs in excess of one year relates to Block WA-390-P, offshore Western Australia, where development planning and commercial activities for the Corporation's natural gas discoveries are ongoing.

In December 2014, the Corporation executed a non-binding letter of intent with the North West Shelf (NWS), a third party joint venture with existing natural gas processing and liquefaction facilities. Successful execution of binding agreements with NWS is necessary before the Corporation can execute a gas sales agreement and sanction development of the project. Approximately 30% of the capitalized well costs in excess of one year relates to offshore Ghana, where the Corporation has drilled seven successful exploration wells. Appraisal plans for the seven wells on the block were submitted to the Ghanaian government in June 2013 for approval. Four of the plans were approved and discussions continue with the government on the three remaining appraisal plans. In 2014, the Corporation completed a three well appraisal program in Ghana. Well results continue to be evaluated and development planning is progressing.

5. Goodwill

In the second quarter of 2015, the Corporation established a new operating segment, the Bakken Midstream segment which had previously been reported as part of the Onshore reporting unit within the E&P operating segment. As a result, the Corporation has two operating segments, E&P and Bakken Midstream, as of June 30, 2015. The E&P operating segment previously had two reporting units, Offshore which had allocated goodwill of $1,098 million and Onshore which had allocated goodwill of $760 million prior to forming the Bakken Midstream operating segment. Upon formation of the Bakken Midstream operating segment, the Corporation allocated $375 million of goodwill from the Onshore reporting unit to the Bakken Midstream operating segment based on the relative fair values of the Bakken Midstream business and the remainder of the Onshore reporting unit. There has been no change to the composition of the Offshore reporting unit.

In accordance with accounting standards for goodwill, the Corporation performed impairment tests at June 30, 2015 on the Offshore and Onshore reporting units prior to creation of the Bakken Midstream segment. No impairment resulted from this assessment. In addition, accounting standards require that following a reorganization, allocated goodwill should be tested for impairment. The Corporation also performed impairment tests on the allocated goodwill for the Bakken Midstream and the Onshore reporting unit at June 30, 2015. Goodwill allocated to the Bakken Midstream operating segment passed the impairment test but the goodwill allocated to the Onshore reporting unit did not pass the impairment test. As a result, the Corporation recorded a noncash pre-tax charge of $385 million ($385 million after income taxes) in the second quarter of 2015 to reflect the Onshore reporting unit's goodwill at its implied fair value of zero based on a hypothetical purchase price allocation as stipulated in the accounting standards.

Fair value of the Corporation's Onshore reporting unit was determined using multiple valuation techniques, including projected discounted cash flows of producing assets and known development projects. The determination of projected discounted cash flows depends on estimates about oil and gas reserves, future prices, operating costs, capital expenditures, discount rate and timing of future net cash flows. The Corporation also considered the relative market valuation of similar peer companies using market multiples, and other observable market data, in determining fair value of the Onshore reporting unit. The valuation methodologies used represent Level 3 measurements as defined by accounting standards. Fair value of the Bakken Midstream operating segment was based on the value implied in the Corporation's announced sale in June 2015 of a 50% interest in the Bakken Midstream business.

The changes in the carrying amount of goodwill are as follows (in millions):

	Exploration and Production	Bakken Midstream	Total
Beginning balance at January 1	$ 1,858	$ —	$ 1,858
Reclassification	(375)	375	—
Impairment	(385)	—	(385)
Ending balance at June 30, 2015	$ 1,098	$ 375	$ 1,473

6. Debt

In January 2015, the Corporation entered into a $4 billion syndicated revolving credit facility that expires in January 2020. The new facility, which replaced a $4 billion facility that was scheduled to expire in April 2016, can be used for borrowings and letters of credit. Based on the Corporation's credit rating as of June 30, 2015, borrowings on the facility will generally bear interest at 1.075% above the London Interbank Offered Rate with the facility fee amounting to 0.175% per annum. The

interest rate and facility fee are subject to adjustment if the Corporation's credit rating changes. The restrictions on the amount of total borrowings and secured debt are substantially similar to the previous facility. At June 30, 2015, there were no borrowings outstanding or letters of credit issued against the syndicated revolving credit facility.

7. Dispositions

In April 2014, the Corporation completed the sale of its E&P interests in Thailand for cash proceeds of approximately $805 million. This transaction resulted in a pre-tax gain of $706 million ($706 million gain after income taxes). In June 2014, the Corporation completed the sale of its 50% interest in a joint venture constructing an electric generating facility in Newark, New Jersey for cash proceeds of $320 million, resulting in a pre-tax gain of approximately $13 million ($8 million gain after income taxes). Also in June 2014, the Corporation completed the sale of approximately 30,000 net acres of Utica dry gas acreage, including related wells and facilities, for cash proceeds of approximately $485 million and recorded a pre-tax gain of $62 million ($35 million gain after income taxes). The Corporation also sold approximately 47,000 acres of Utica dry gas acreage in March 2014 for proceeds of approximately $590 million. There was no gain or loss realized on the transaction as the carrying value of undeveloped leasehold costs was reduced by the sales proceeds. In the first quarter of 2014, the Corporation completed the sale of its interest in the Pangkah asset, offshore Indonesia for cash proceeds of approximately $650 million. This transaction resulted in a pre-tax gain of $31 million ($10 million loss after income taxes). In addition, the Corporation sold an exploration block in Indonesia for a pre-tax loss of $20 million ($11 million gain after income taxes).

8. Exit and Severance Costs

During the three months and six months ended June 30, 2015, the Corporation recorded exit related costs of $21 million and $27 million, respectively, and recorded exit related costs of $4 million and $24 million for the three and six months ended June 30, 2014, respectively. In addition, the Corporation incurred severance expense totaling $28 million and $61 million during the three months and six months ended June 30, 2014, respectively, primarily related to the Corporation's divestiture program. During the three and six months ended June 30, 2015, payments for accrued severance costs amounted to $9 million and $37 million, respectively.

9. Retirement Plans

Components of net periodic pension cost consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Service cost	$ 18	$ 13	$ 35	$ 25
Interest cost	26	24	52	49
Expected return on plan assets	(43)	(40)	(85)	(80)
Amortization of unrecognized net actuarial losses	20	7	39	15
Settlement loss	5	8	5	8
Pension expense	$ 26	$ 12	$ 46	$ 17

In 2015, the Corporation expects to contribute approximately $55 million to its funded pension plans. Through June 30, 2015, the Corporation contributed approximately $27 million of this amount.

10. Weighted Average Common Shares

The net income (loss) and weighted average number of common shares used in the basic and diluted earnings per share computations were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions, except per share amounts)			
Net income (loss) from continuing operations attributable to Hess Corporation	$ (553)	$ 974	$ (929)	$ 1,338
Income (loss) from discontinued operations, net of income taxes	(14)	(44)	(27)	13
Less: Net income (loss) attributable to noncontrolling interests	—	(1)	—	34
Net income (loss) from discontinued operations attributable to Hess Corporation	(14)	(43)	(27)	(21)
Net income (loss) attributable to Hess Corporation	$ (567)	$ 931	$ (956)	$ 1,317
Weighted average common shares outstanding:				
Basic	284.3	309.7	283.9	314.2
Effect of dilutive securities				
Restricted common stock	—	1.4	—	1.5
Stock options	—	1.7	—	1.7
Performance share units	—	1.3	—	1.3
Diluted	284.3	314.1	283.9	318.7
Net income (loss) attributable to Hess Corporation per share:				
Basic:				
Continuing operations	$ (1.94)	$ 3.15	$ (3.27)	$ 4.26
Discontinued operations	(0.05)	(0.14)	(0.10)	(0.07)
Net income (loss) per share	$ (1.99)	$ 3.01	$ (3.37)	$ 4.19
Diluted:				
Continuing operations	$ (1.94)	$ 3.10	$ (3.27)	$ 4.20
Discontinued operations	(0.05)	(0.14)	(0.10)	(0.07)
Net income (loss) per share	$ (1.99)	$ 2.96	$ (3.37)	$ 4.13

The Corporation granted 1,122,724 shares of restricted stock, 362,873 performance share units (PSUs) and 521,773 stock options during the six months ended June 30, 2015 and 1,028,883 shares of restricted stock, 298,222 PSUs and 162,911 stock options for the same period in 2014. The Corporation excluded 7,012,818 stock options, 3,027,138 restricted stock awards and 912,383 performance stock units from the computation of diluted shares for the three months ended June 30, 2015, and excluded 6,901,674 stock options, 2,952,012 restricted stock awards and 1,025,826 performance share units from the computation of diluted shares for the six months period ended June 30, 2015 as they are anti-dilutive. The weighted average common shares used in the diluted earnings per share calculations for the three and six months ended June 30, 2014 excluded stock options amounting to 1,978,777 and 2,577,984, respectively, as they were anti-dilutive.

The Corporation is permitted but not required to repurchase up to $6.5 billion of outstanding common shares under a Board authorized plan. During the second quarter of 2015, the Corporation purchased $20 million of common stock. As of June 30, 2015, total shares repurchased under the plan were 63.2 million shares at a cost of approximately $5.3 billion.

11. Guarantees and Contingencies

The Corporation is subject to loss contingencies with respect to various claims, lawsuits and other proceedings. The Corporation cannot predict with certainty if, how or when such claims, lawsuits and proceedings will be resolved or what the eventual relief, if any, may be. Numerous issues may need to be resolved, including through lengthy discovery, conciliation and/or arbitration proceedings, or litigation before a loss or range of loss can be reasonably estimated. Subject to the foregoing, in management's opinion, based upon currently known facts and circumstances, the outcome of such lawsuits,

claims and proceedings is not expected to have a material adverse effect on the financial condition of the Corporation. However, the Corporation could incur judgments, enter into settlements or revise its opinion regarding the outcome of certain matters, and such developments could have a material adverse effect on its results of operations in the period in which the amounts are accrued and its cash flows in the period in which the amounts are paid.

In July 2004, HOVENSA LLC (HOVENSA), a 50/50 joint venture between the Corporation's subsidiary, Hess Oil Virgin Islands Corp. (HOVIC), and a subsidiary of Petroleos de Venezuela S.A. (PDVSA), and HOVIC each received a letter from the Commissioner of the Virgin Islands Department of Planning and Natural Resources and Natural Resources Trustees, advising of the Trustee's intention to bring suit against HOVIC and HOVENSA under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). The letter alleges that HOVIC and HOVENSA are potentially responsible for damages to natural resources arising from releases of hazardous substances from the HOVENSA refinery, which had been operated by HOVIC until October 1998. An action was filed on May 5, 2005 in the District Court of the Virgin Islands against HOVENSA, HOVIC and other companies that operated industrial facilities on the south shore of St. Croix asserting that the defendants are liable under CERCLA and territorial statutory and common law for damages to natural resources. In 2014 HOVIC, HOVENSA and the government of the U.S. Virgin Islands entered into a settlement agreement pursuant to which HOVENSA paid $3.5 million and agreed to pay the government of the U.S. Virgin Islands an additional $40 million no later than December 31, 2014. HOVENSA was unable to make this additional payment because the U.S. Virgin Islands legislature did not approve a proposed operating agreement required to complete a proposed sale of HOVENSA, which would have provided funds to make the settlement payment. Under the terms of the settlement agreement, the U.S. Virgin Islands government was granted a first lien on HOVENSA's assets to secure the settlement payment, and in January 2015 the government commenced a foreclosure action to enforce this lien. HOVENSA intends to defend this action and is also actively pursuing a sale of its terminal assets to satisfy its obligations, including its obligations to the government; however, it is possible that any such sale may not be completed before HOVENSA exhausts its available funds and it may be required to commence bankruptcy proceedings. The Registrant does not believe the resolution of the foreclosure proceeding or a HOVENSA bankruptcy will have a material adverse effect on its financial condition.

In February 2015, the Pension Benefit Guaranty Corporation (PBGC) issued a notice of determination to terminate the HOVENSA pension plan. HOVENSA had been in negotiations with the PBGC to make additional contributions to the plan with proceeds from a proposed sale of HOVENSA, which was not completed for the reasons described above. The Registrant does not believe that the resolution of this matter will have a material adverse effect on its financial condition.

The Corporation is from time to time involved in other judicial and administrative proceedings, including proceedings relating to other environmental matters. The Corporation cannot predict with certainty if, how or when such proceedings will be resolved or what the eventual relief, if any, may be, particularly for proceedings that are in their early stages of development or where plaintiffs seek indeterminate damages. Numerous issues may need to be resolved, including through potentially lengthy discovery and determination of important factual matters before a loss or range of loss can be reasonably estimated for any proceeding. Subject to the foregoing, in management's opinion, based upon currently known facts and circumstances, the outcome of such proceedings is not expected to have a material adverse effect on the financial condition, results of operations or cash flows of the Corporation.

12. Segment Information

The Corporation has two operating segments, Exploration and Production and Bakken Midstream. The Exploration and Production operating segment explores for, develops, produces, purchases and sells crude oil, natural gas liquids and natural gas with production operations primarily in the United States (U.S.), Denmark, Equatorial Guinea, the Joint Development Area of Malaysia/Thailand (JDA), Malaysia, and Norway. The Bakken Midstream operating segment provides services including crude oil and natural gas gathering, processing of natural gas and the fractionation of natural gas liquids, terminaling and loading crude oil and natural gas liquids, transportation of crude oil by rail car and the storage and terminaling of propane, primarily located in the Bakken shale play of North Dakota. All unallocated costs are reflected under Corporate, Interest and Other.

The following table presents operating segment financial data for continuing operations (in millions):

For the Three Months Ended June 30, 2015	Exploration and Production	Bakken Midstream	Corporate, Interest and Other	Eliminations	Total
Operating Revenues - Third parties	$ 1,953	$ —	$ —	$ —	$ 1,953
Intersegment Revenues	—	145	—	(145)	-
Operating Revenues	$ 1,953	$ 145	$ —	$ (145)	$ 1,953
Net income (loss) from continuing operations attributable to Hess Corporation	$ (502)	$ 32	$ (83)	$ —	$ (553)
Depreciation, depletion and amortization	1,004	22	2	—	1,028
Provision (benefit) for income taxes	(120)	19	(55)	—	(156)
Capital Expenditures*	948	65	—	—	1,013

For the Three Months Ended June 30, 2014	Exploration and Production	Bakken Midstream	Corporate, Interest and Other	Eliminations	Total
Operating Revenues - Third parties	$ 2,829	$ —	$ —	$ —	$ 2,829
Intersegment Revenues	-	81	—	(81)	—
Operating Revenues	$ 2,829	$ 81	$ —	$ (81)	$ 2,829
Net income (loss) from continuing operations attributable to Hess Corporation	$ 1,049	$ 7	$ (82)	$ —	$ 974
Depreciation, depletion and amortization	762	20	3	—	785
Provision (benefit) for income taxes	141	4	(53)	—	92
Capital Expenditures*	1,138	48	16	—	1,202

For the Six Months Ended June 30, 2015	Exploration and Production	Bakken Midstream	Corporate, Interest and Other	Eliminations	Total
Operating Revenues - Third parties	$ 3,491	$ —	$ —	$ —	$ 3,491
Intersegment Revenues	-	275	—	(275)	-
Operating Revenues	$ 3,491	$ 275	$ —	$ (275)	$ 3,491
Net income (loss) from continuing operations attributable to Hess Corporation	$ (816)	$ 59	$ (172)	$ —	$ (929)
Depreciation, depletion and amortization	1,936	43	5	—	1,984
Provision (benefit) for income taxes	(431)	35	(111)	—	(507)
Capital Expenditures*	2,145	105	—	—	2,250

For the Six Months Ended June 30, 2014	Exploration and Production	Bakken Midstream	Corporate, Interest and Other	Eliminations	Total
Operating Revenues - Third parties	$ 5,502	$ —	$ —	$ —	$ 5,502
Intersegment Revenues	—	129	—	(129)	-
Operating Revenues	$ 5,502	$ 129	$ —	$ (129)	$ 5,502
Net income (loss) from continuing operations attributable to Hess Corporation	$ 1,570	$ (6)	$ (226)	$ —	$ 1,338
Depreciation, depletion and amortization	1,474	29	8	—	1,511
Provision (benefit) for income taxes	476	(3)	(142)	—	331
Capital Expenditures*	2,195	121	32	—	2,348

* *Capital expenditures include accruals.*

Identifiable assets by operating segment were as follows:

	June 30, 2015	December 31, 2014
	(In millions)	
Exploration and Production	$ 31,992	$ 32,742
Bakken Midstream	2,550	2,465
Corporate, Interest and Other	945	2,213
Continuing operations	35,487	37,420
Discontinued operations	71	1,158
Total	$ 35,558	$ 38,578

13. Financial Risk Management

In the normal course of its business, the Corporation is exposed to commodity risks related to changes in the prices of crude oil, natural gas liquids, and natural gas as well as changes in interest rates and foreign currency values. In the disclosures that follow, corporate risk management activities refer to the mitigation of these risks through hedging activities.

Corporate Financial Risk Management Activities: Financial risk management activities include transactions designed to reduce risk in the selling prices of crude oil or natural gas produced by the Corporation or to reduce exposure to foreign currency or interest rate movements. Generally, futures, swaps or option strategies may be used to fix or reduce volatility in the forward selling price of a portion of the Corporation's crude oil or natural gas production. Forward contracts may also be used to purchase certain currencies in which the Corporation does business with the intent of reducing exposure to foreign currency fluctuations. These forward contracts comprise various currencies, primarily the British Pound and Danish Krone. Interest rate swaps may be used to convert interest payments on certain long-term debt from fixed to floating rates.

The gross notional volumes of Corporate risk management derivative contracts outstanding were as follows:

	June 30, 2015	December 31, 2014
Commodity, primarily crude oil (millions of barrels)	13	—
Foreign exchange (millions of USD)	$ 947	$ 1,189
Interest rate swaps (millions of USD)	$ 1,300	$ 1,300

In the first quarter of 2015, the Corporation entered into Brent crude oil collars to hedge 50,000 barrels of oil per day (bopd) from March 2015 to December 2015 at a cost of $38 million. This program was supplemented in the second quarter of 2015 by entering into West Texas Intermediate (WTI) crude oil collars to hedge 20,000 bopd from May 6, 2015 to December 2015 at a cost of $10 million. Under the terms of both programs, the floor price to be received by the Corporation is $60 per barrel and the ceiling price it may receive is $80 per barrel. All crude oil collars have been designated as cash flow hedges.

Realized and unrealized losses from Brent and WTI crude oil collars for the three and six months ended June 30, 2015 decreased Sales and other operating revenues by $35 million and $18 million, respectively, which included pre-tax losses of $35 million and $23 million, respectively, associated with changes in time value of the hedging contracts. Realized and unrealized losses in 2014 amounted to $10 million and $1 million for the three months and six months ended June 30, 2014, respectively. There was no significant hedge ineffectiveness for the three months and six months ended June 30, 2015 and an ineffectiveness loss of approximately $3 million and $4 million for the three months and six months ended June 30, 2014, respectively, under the 2014 hedge program. At June 30, 2015, the after-tax deferred gains in Accumulated other comprehensive income (loss) related to crude oil collars was approximately $1 million, which will be reclassified into earnings during 2015 as the hedged crude oil sales are recognized in earnings.

At June 30, 2015 and December 31, 2014, the Corporation had interest rate swaps with gross notional amounts of $1,300 million. During the first quarter of 2015, the Corporation settled existing interest rate swaps and received cash proceeds of $41 million. Simultaneously, the Corporation entered into new interest rate swap arrangements. All interest rate swaps have been designated as fair value hedges. The Corporation recorded a decrease of approximately $6 million and an increase of approximately $4 million for the three months and six months ended June 30, 2015, respectively, and increases of approximately $4 million and $5 million for the three months and six months ended June 30, 2014, respectively, in the fair

value of interest rate swaps (excluding accrued interest). These items, excluding accrued interest, offset changes in the carrying value of the hedged fixed-rate debt.

Total foreign exchange gains and losses are reported in Other, net in Revenues and non-operating income in the Statement of Consolidated Income and amounted to a loss of $7 million and a gain of $8 million in the three months and six months ended June 30, 2015, respectively, compared with a loss of $19 million and $25 million in the three months and six months ended June 30, 2014, respectively. Gains or losses on foreign exchange derivative contracts not designated as hedges, which are a component of total foreign exchange gains and losses, amounted to a loss of $41 million and a gain of $57 million in the three and six months ended June 30, 2015, respectively, and a loss of $13 million in both the three and six months ended June 30, 2014.

Fair Value Measurements: The following table provides information about the effect of netting arrangements on the presentation of the Corporation's physical and financial derivative assets and (liabilities) that are measured at fair value, with the effect of single counterparty multilateral netting being included in column (v):

		Gross Amounts Offset in the Consolidated Balance Sheet				
	Gross Amounts	Physical Derivative and Financial Instruments	Cash Collateral	Net Amounts Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet	Net Amounts
	(i)	(ii)	(iii)	(iv)=(i)+(ii)+(iii)	(v)	(vi)=(iv)+(v)
			(In millions)			
June 30, 2015						
Assets						
Derivative contracts						
Commodity	$ 33	$ (8)	$ —	$ 25	$ —	$ 25
Interest rate and other	7	(4)	—	3	—	3
Counterparty netting	—	—	—	—	—	—
Total derivative contracts	$ 40	$ (12)	$ —	$ 28	$ —	$ 28
Liabilities						
Derivative contracts						
Commodity	$ (11)	$ 8	$ —	$ (3)	$ —	$ (3)
Other	(10)	4	—	(6)	—	(6)
Counterparty netting	—	—	—	—	—	—
Total derivative contracts	$ (21)	$ 12	$ —	$ (9)	$ —	$ (9)

The net assets and liabilities reflected in column (iv) of the table above were included in Accounts receivable – Trade and Accounts payable, respectively.

The table below reflects the gross and net fair values of risk management derivative instruments:

	Accounts Receivable	Accounts Payable
	(In millions)	
June 30, 2015		
Derivative contracts designated as hedging instruments		
Commodity	$ 25	$ —
Interest rate and other	2	—
Total derivative contracts designated as hedging instruments	27	—
Derivative contracts not designated as hedging instruments		
Commodity	8	(11)
Foreign exchange	5	(10)
Total derivative contracts not designated as hedging instruments	13	(21)
Gross fair value of derivative contracts	40	(21)
Master netting arrangements	(12)	12
Net fair value of derivative contracts	$ 28	$ (9)

At June 30, 2015, Level 1 items comprised $3 million of Derivative liabilities. Level 2 items comprised Derivative liabilities of $6 million and Derivative assets of $28 million, which included commodity contracts of $25 million and interest rate and other items of $3 million. The Corporation did not have Level 3 instruments at June 30, 2015. For all other short-term financial instruments, primarily cash equivalents and accounts receivable and payable, the carrying value approximated the respective fair value at June 30, 2015. Total Long-term debt of $5,957 million at June 30, 2015, had a fair value of $6,642 million based on Level 2 inputs.

Discontinued Operations - Trading Activities: In the first quarter of 2015, the Corporation sold its interest in the energy trading joint venture, HETCO. Pursuant to the terms of the sale, the successor entity is permitted to continue to utilize the Corporation's guarantees issued in favor of counterparties existing as of the sales date until November 12, 2015, provided that new trades are for a period of one year or less, comply with certain credit requirements, and net exposures remain within value at risk limits previously applied by the Corporation. The Corporation has the right to seek reimbursement from the successor entity upon any counterparty draw on the applicable guarantee from the Corporation. The fair value of the guarantee recorded by the Corporation amounted to $11 million.

14. Subsequent Event

On July 1, 2015, the Corporation completed the sale of a 50% interest in its Bakken Midstream business to Global Infrastructure Partners (GIP) for cash consideration of approximately $2.7 billion and formed a joint venture with GIP. Subsequent to closing, the joint venture incurred $600 million of debt through a 5-year Term Loan A facility with proceeds distributed equally to both partners, resulting in total after-tax cash proceeds, net to the Corporation, of approximately $3.0 billion. In addition, the joint venture has independent access to capital via a $400 million 5-year Senior Revolving Credit Facility, which is fully committed.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

Hess Corporation is a global Exploration and Production (E&P) company that explores for, develops, produces, purchases, and sells crude oil, natural gas liquids, and natural gas with production operations primarily in the United States (U.S.), Denmark, Equatorial Guinea, the Joint Development Area of Malaysia/Thailand (JDA), Malaysia, and Norway. The Corporation's Bakken Midstream operating segment, which was established in the second quarter of 2015, provides services including crude oil and natural gas gathering, processing of natural gas and the fractionation of natural gas liquids, transportation of crude oil by rail car, terminaling and loading crude oil and natural gas and the storage and terminaling of propane, primarily in the Bakken shale play of North Dakota. Certain previously reported amounts have been recast to reflect the separation of Bakken Midstream business from the Exploration and Production operating segment.

Second Quarter Results

The Corporation reported a net loss of $567 million in the second quarter of 2015, compared with net income of $931 million in the second quarter of 2014. Excluding items affecting comparability of earnings between periods on page 19, adjusted net losses were $147 million in the second quarter of 2015 down from adjusted net income of $432 million in the second quarter of 2014. Lower realized selling prices reduced adjusted net income by approximately $740 million after-tax compared with the prior-year quarter. In addition, second quarter 2015 results benefitted from higher production, lower cash operating costs and reduced exploration expenses that were partially offset by higher depreciation, depletion, and amortization expense.

Response to Low Oil Prices

In response to the decline in oil prices that began in late 2014, the Corporation conducted an extensive company-wide review of its cost base and engaged with our suppliers during the first half of 2015 to identify opportunities to reduce costs. As a result of our efforts to date, the Corporation has lowered its full year 2015 guidance for capital and exploratory expenditures by $300 million to $4.4 billion (E&P - $4.1 billion and Bakken Midstream - $0.3 billion), which is an approximate 20 percent reduction from 2014 capital and exploratory expenditures of $5.6 billion. The Corporation also reduced its full year 2015 cash operating costs guidance by approximately $300 million, or $2.50 per barrel of oil equivalent associated with projected savings. In addition, the Corporation significantly reduced share repurchases in the first half of 2015 to $27 million.

Based on current strip crude oil prices, the Corporation forecasts a significant net loss and a net cash flow deficit in 2015, excluding proceeds from asset sales. The Corporation expects to fund its 2015 net cash flow deficit with existing cash on hand, proceeds from the sale of a 50% interest in its Bakken Midstream business in July 2015, which resulted in approximately $3 billion of total after-tax cash proceeds to the Corporation, and, if necessary, borrowings under its long-term syndicated revolving credit facility. The Corporation plans to maintain its financial flexibility and to reduce its cash flow deficit by pursuing further cost reductions and supply chain savings, significantly moderating stock repurchases compared with 2014, and depending on where crude oil prices trend, potentially further reducing its planned capital program. In addition, should needs dictate, the Corporation may also access other sources of liquidity by utilizing existing uncommitted credit facilities, issuing debt and equity securities, and/or pursuing further asset sales.

Exploration and Production

E&P incurred a net loss of $502 million in the second quarter of 2015 compared with net income of $1,049 million in the second quarter of 2014. Excluding items affecting comparability of earning between periods, the adjusted net loss was $96 million in the second quarter of 2015 compared to adjusted net income of $475 million in 2014. In the second quarter of 2015, the Corporation's average worldwide crude oil selling price, including the effect of hedging, was $55.83 per barrel down from $102.16 per barrel in the second quarter of 2014. The average worldwide natural gas liquids selling price was $11.06 per barrel in the second quarter of 2015, down from $36.59 per barrel in the year-ago quarter while the average worldwide natural gas selling price was $4.49 per thousand cubic feet (mcf) in the second quarter of 2015 compared with $6.35 per mcf in the second quarter a year-ago. Worldwide crude oil and natural gas production was 391,000 barrels of oil equivalent per day (boepd) in the second quarter of 2015, compared with 319,000 boepd in the same period of 2014. Pro forma production, which excludes production from assets sold as well as any contribution from Libya, was 391,000 boepd and 310,000 boepd in the second quarter of 2015 and 2014, respectively.

The Corporation expects production, excluding Libya, to average between 355,000 boepd and 365,000 boepd for the third quarter and to average between 360,000 boepd and 370,000 boepd for the full year of 2015.

Overview (continued)

The following is an update of E&P activities:

- In North Dakota, net production from the Bakken oil shale play increased to an average of 119,000 boepd for the second quarter of 2015 compared with 80,000 boepd in the prior-year quarter due to continued drilling activities. The Corporation brought 67 gross operated wells on production in the second quarter of 2015 bringing the year-to-date total to 137 wells, and expects a further 88 wells to be brought on production in the second half of 2015. Drilling and completion costs per operated well averaged $5.6 million, a reduction of 24% from the second quarter of 2014. The Corporation operated an average of 8 rigs in the second quarter of 2015 compared with 17 rigs in the second quarter of 2014. As a result of strong first half performance, the Corporation expects Bakken production to be in the range of 105,000 boepd to 110,000 boepd during 2015, up from previous guidance of 95,000 boepd to 105,000 boepd for 2015.

- In the Utica shale, net production amounted to 22,000 boepd in the second quarter of 2015, compared to 3,000 boepd in the prior year quarter. In addition, ten wells were drilled, fifteen wells were completed and nine wells were brought on production across the Corporation's joint venture acreage in the second quarter of 2015. The Corporation and its joint venture partner released one rig in June 2015 and the joint venture plans to operate a single Hess operated rig for the remainder of 2015. The Corporation expects net production in 2015 to be in the range of 20,000 boepd to 25,000 boepd.

- In the Gulf of Mexico, second quarter net production increased compared to the prior-year quarter due to higher volumes from Tubular Bells, which totaled 23,000 boepd in the second quarter of 2015, partially offset by lower production from the Conger and Llano Fields. Due to a delay in bringing on the fourth well at the Tubular Bells field, coupled with the now-resolved compressor mechanical issues experienced in the first quarter, full year 2015 production for Tubular Bells has been reduced to a range of 25,000 boepd to 30,000 boepd net barrels of oil equivalent per day.

- At the Corporation's non-operated Sicily exploration prospect in the Keathley Canyon area (Hess 25 percent) in the Gulf of Mexico, the operator successfully completed drilling and logging activities in the second quarter. The well was drilled to a depth of 30,214 feet and is being evaluated. The drilling of an appraisal well to further evaluate the discovery is expected late this year or in early 2016.

- At the North Malay Basin in the Gulf of Thailand, the Corporation installed two wellhead platform jackets and commenced construction on wellhead platform topsides, as part of the full-field development project. The Corporation expects net production of approximately 165 mmcf per day in 2017.

- In the Joint Development Area of Malaysia/Thailand, net production increased to 47,000 boepd during the second quarter of 2015 from 36,000 boepd in the year-ago quarter primarily as a result of a planned facility shutdown in the summer of 2014.

- In Guyana, the operator completed drilling of the Liza-1 well in the deepwater Stabroek block (Hess 30 percent) during the second quarter of 2015, and reported a significant oil discovery. The well was drilled to 17,825 feet and encountered more than 295 feet of high-quality oil-bearing sandstone reservoirs. The operator recently commenced the acquisition of 17,000 square kilometers of 3D seismic.

- In Libya, production remained shut-in for the second quarter of 2015 due to continued civil unrest in the country.

Results of Operations

The after-tax income (loss) by major operating activity is summarized below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions, except per share amounts)			
Net income (loss) attributable to Hess Corporation:				
Exploration and Production	$ (502)	$ 1,049	$ (816)	$ 1,570
Bakken Midstream	32	7	59	(6)
Corporate, Interest and Other	(83)	(82)	(172)	(226)
Income (loss) from continuing operations	(553)	974	(929)	1,338
Discontinued operations	(14)	(43)	(27)	(21)
Total	$ (567)	$ 931	$ (956)	$ 1,317
Net income (loss) attributable to Hess Corporation per share - Diluted:				
Continuing operations	$ (1.94)	$ 3.10	$ (3.27)	$ 4.20
Discontinued operations	(0.05)	(0.14)	(0.10)	(0.07)
Net income (loss) attributable to Hess Corporation per share - Diluted	$ (1.99)	$ 2.96	$ (3.37)	$ 4.13

Items Affecting Comparability of Earnings Between Periods

The following table summarizes, on an after-tax basis, items of income (expense) that are included in net income (loss) and affect comparability of earnings between periods. The items in the table below are explained and the pre-tax amounts are shown on pages 24 to 26.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Exploration and Production	$ (406)	$ 574	$ (499)	$ 568
Bakken Midstream	—	—	—	—
Corporate, Interest and Other	—	(9)	(4)	(69)
Discontinued operations	(14)	(66)	(27)	(60)
Total items affecting comparability of earnings between periods	$ (420)	$ 499	$ (530)	$ 439

The following table reconciles reported net income (loss) attributable to Hess Corporation and adjusted net income (loss):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Net income (loss) attributable to Hess Corporation	$ (567)	$ 931	$ (956)	$ 1,317
Less: Total items affecting comparability of earnings between periods	(420)	499	(530)	439
Adjusted net income (loss) attributable to Hess Corporation	$ (147)	$ 432	$ (426)	$ 878

"Adjusted net income (loss)" presented in this report 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).

In the following discussion and elsewhere in this report, the financial effects of certain transactions are disclosed on an after-tax basis. Management reviews segment earnings on an after-tax basis and uses after-tax amounts in its review of variances in segment earnings. Management believes that after-tax amounts are a preferable method of explaining variances in earnings, since they show the entire effect of a transaction rather than only the pre-tax amount. After-tax amounts are determined by applying the income tax rate in each tax jurisdiction to pre-tax amounts.

Results of Operations (continued)

Comparison of Results

Exploration and Production

Following is a summarized income statement of the Corporation's E&P operations:

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(In millions)			
Revenues and non-operating Income				
Sales and other operating revenues	$ 1,953	$ 2,829	$ 3,491	$ 5,502
Gains on asset sales, net	—	$ 766	—	$ 776
Other, net	(17)	(28)	(6)	(34)
Total revenues and non-operating income	1,936	3,567	3,485	6,244
Costs and Expenses				
Cost of products sold (excluding items shown separate below)	386	444	692	837
Operating costs and expenses	435	498	878	936
Production and severance taxes	45	78	81	140
Bakken Midstream tariffs	116	58	218	77
Exploration expenses, including dry holes and lease impairment	90	460	359	579
General and administrative expenses	97	77	183	155
Depreciation, depletion and amortization	1,004	762	1,936	1,474
Impairment	385	—	385	—
Total costs and expenses	2,558	2,377	4,732	4,198
Results of operations before income taxes	(622)	1,190	(1,247)	2,046
Provision (benefit) for income taxes	(120)	141	(431)	476
Net income (loss) attributable to Hess Corporation	$ (502)	$ 1,049	$ (816)	$ 1,570

Excluding the E&P items affecting comparability of earnings between periods in the table on page 24, the changes in E&P earnings are primarily attributable to changes in selling prices, production and sales volumes, cash operating costs, depreciation, depletion and amortization, Bakken Midstream tariffs, exploration expenses and income taxes, as well as the impact of asset sales as described below.

Results of Operations (continued)

Selling Prices: Average realized crude oil selling prices were 45% and 49% lower in the second quarter and first six months of 2015, respectively, compared to same periods in 2014 primarily due to declines in the benchmark prices for Brent and West Texas Intermediary (WTI) crude oil. In addition, realized selling prices for natural gas liquids declined by approximately 70% and 68% in the second quarter and first six months of 2015, respectively, compared to same periods in 2014.

The Corporation's average selling prices were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Crude oil - per barrel (including hedging)				
United States				
Onshore	$ 50.33	$ 93.84	$ 44.85	$ 91.67
Offshore	57.82	100.42	52.11	99.89
Total United States	53.25	96.62	47.56	95.19
Europe	60.88	111.03	57.42	110.10
Africa	59.70	108.83	56.54	108.65
Asia	59.37	106.33	56.85	104.66
Worldwide	55.83	102.16	50.99	100.96
Crude oil - per barrel (excluding hedging)				
United States				
Onshore	$ 50.54	$ 93.84	$ 44.97	$ 91.67
Offshore	57.82	101.09	52.11	100.24
Total United States	53.38	96.90	47.63	95.33
Europe	62.39	111.39	58.18	110.06
Africa	61.00	109.10	57.18	108.62
Asia	59.37	106.33	56.85	104.66
Worldwide	56.40	102.45	51.28	101.03
Natural gas liquids - per barrel				
United States				
Onshore	$ 9.47	$ 36.99	$ 11.58	$ 40.91
Offshore	15.82	32.21	15.77	33.14
Total United States	10.46	35.39	12.26	37.54
Europe	27.53	55.77	27.56	60.16
Worldwide	11.06	36.59	12.78	39.41
Natural gas - per mcf				
United States				
Onshore	$ 1.81	$ 4.36	$ 1.93	$ 4.87
Offshore	2.13	4.01	2.20	4.18
Total United States	1.93	4.22	2.03	4.52
Europe	7.35	10.51	7.63	11.01
Asia and other	6.27	7.24	6.11	7.23
Worldwide	4.49	6.35	4.61	6.72

In the first quarter of 2015, the Corporation entered into Brent crude oil collars to hedge 50,000 barrels of oil per day (bopd) from March 2015 to December 2015. This program was supplemented in the second quarter of 2015 by entering into West Texas Intermediate (WTI) crude oil collars to hedge 20,000 bopd from May 6, 2015 to December 2015. Under the terms of both programs, the floor price to be received by the Corporation is $60 per barrel and the ceiling price it may receive is $80 per barrel.

Results of Operations (continued)

Realized and unrealized losses from crude oil price collars decreased Sales and other operating revenues by $35 million and $18 million for the three and six months ended June 30, 2015, respectively ($22 million and $11 million after income taxes, respectively). Realized and unrealized losses in 2014 amounted to $10 million and $1 million for the three months and six months ended June 30, 2014, respectively ($6 million and $1 million after income taxes, respectively).

Production Volumes: The Corporation's crude oil and natural gas production increased to 391,000 boepd and 376,000 boepd in the second quarter and first six months of 2015, from 319,000 boepd for the same periods in 2014.

The Corporation's net daily worldwide production by region was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In thousands)			
Operating Data				
Net Production Per Day				
Crude oil - barrels				
United States				
Bakken	85	64	82	61
Other Onshore	11	9	11	9
Total Onshore	96	73	93	70
Offshore	61	54	55	53
Total United States	157	127	148	123
Europe	39	36	38	37
Africa	48	51	50	49
Asia	2	2	2	4
Worldwide	246	216	238	213
Natural gas liquids - barrels				
United States				
Bakken	22	8	21	5
Other Onshore	12	5	10	4
Total Onshore	34	13	31	9
Offshore	6	7	6	7
Total United States	40	20	37	16
Europe	2	1	1	1
Worldwide	42	21	38	17
Natural gas - mcf				
United States				
Bakken	71	48	65	31
Other Onshore	95	50	87	38
Total Onshore	166	98	152	69
Offshore	98	83	82	81
Total United States	264	181	234	150
Europe	41	35	39	36
Asia and other	312	275	324	345
Worldwide	617	491	597	531
Barrels of oil equivalent*	391	319	376	319

* *Reflects natural gas production converted on the basis of relative energy content (six mcf equals one barrel). Barrel of oil equivalence does not necessarily result in price equivalence as the equivalent price of natural gas on a barrel of oil equivalent basis has been substantially lower than the corresponding price for crude oil over the recent past. In addition, natural gas liquids do not sell at prices equivalent to crude oil. See the average selling prices in the table on page 21.*

United States: Onshore crude oil and natural gas liquids production was higher in the second quarter and first six months of 2015, compared to the corresponding period in 2014, primarily due to continued drilling in the Bakken oil shale play while the increase in natural gas production was primarily attributable to the Bakken and the Utica shale. Total Offshore

production increased in the second quarter of 2015 as production from the Tubular Bells Field, which came online in November 2014, exceeded the decline in production from the Conger and Llano Fields due to maintenance activities. Total Offshore production in the first six months of 2015 was comparable to the year-ago quarter as production from the Tubular Bells Field was offset by lower production from the Conger and Llano Fields.

Europe: Crude oil and natural gas production in the second quarter of 2015 was slightly higher compared with the same period of 2014 due to scheduled maintenance at the Valhall Field, Offshore Norway in the prior year. Crude oil and natural gas production was also slightly higher in the first six months of 2015 compared with 2014 as higher production from the South Arne Field was partially offset by lower production in Norway.

Africa: Crude oil production in Africa was lower in the second quarter of 2015 compared to the corresponding period in 2014, primarily due to lower production in Equatorial Guinea and Algeria. Crude oil production in the six months ended June 30, 2015 was flat compared to the same period in 2014 as higher production from Equatorial Guinea was partly offset by reduced production in Algeria and Libya.

Asia and Other: Natural gas production in the second quarter of 2015 was up from 2014 as higher production at the Joint Development Area of Malaysia/Thailand (JDA), caused by planned downtime in 2014, more than offset the impact of asset sales. Lower natural gas production in the first six months of 2015 relative to 2014, largely results from asset sales in Indonesia and Thailand in 2014 which is partially offset by higher production from the JDA.

Sales Volumes: The impact of higher sales volumes increased after-tax income by approximately $230 million and $310 million in the second quarter and first six months of 2015, compared with the corresponding period in 2014.

The Corporation's worldwide sales volumes were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
	(In thousands)			
Crude oil - barrels	22,729	20,193	42,436	37,943
Natural gas liquids - barrels	3,848	1,942	6,967	3,064
Natural gas - mcf	56,179	44,662	107,820	96,019
Barrels of oil equivalent*	35,940	29,578	67,373	57,010
Crude oil - barrels per day	250	222	234	210
Natural gas liquids - barrels per day	42	21	38	17
Natural gas - mcf per day	617	491	596	530
Barrels of oil equivalent per day*	395	325	372	315

* *Reflects natural gas production converted on the basis of relative energy content (six mcf equals one barrel). Barrel of oil equivalence does not necessarily result in price equivalence as the equivalent price of natural gas on a barrel of oil equivalent basis has been substantially lower than the corresponding price for crude oil over the recent past. In addition, natural gas liquids do not sell at prices equivalent to crude oil. See the average selling prices in the table on page 21.*

Cost of Products Sold: Cost of products sold is mainly comprised of costs relating to purchases of third party crude oil, natural gas liquids and natural gas. The decrease in cost of products sold in the second quarter and first six months of 2015 compared with the same periods in 2014 principally reflect the decline in crude oil prices.

Cash Operating Costs: Cash operating costs, consisting of Operating costs and expenses, Production and severance taxes and E&P General and administrative expenses, were down in the three and six months ended June 30, 2015 compared to the prior year periods due to lower operating costs across the portfolio and lower production taxes in the Bakken, which were partially offset by operating costs at Tubular Bells where production commenced in the fourth quarter of 2014.

Depreciation, Depletion and Amortization: Depreciation, depletion and amortization (DD&A) expenses were higher in the second quarter and first six months of 2015, compared with the prior year periods, primarily reflecting higher production volumes from the Bakken, Tubular Bells and Utica Fields. The Tubular Bells, Utica and Bakken fields each had a higher DD&A rate per barrel than the portfolio average.

Bakken Midstream Tariffs Expense: Tariffs increased during the three and six months ended June 30, 2015 compared with the respective prior year periods primarily due to higher volumes processed through the Tioga Gas Plant.

Results of Operations (continued)

Unit Cost Information:

Unit cost per barrel of oil equivalent (boe) information is based on total E&P production volumes and exclude items affecting comparability of earnings as disclosed below. Cash operating costs per boe were $15.65 in the second quarter of 2015 compared with $22.58 in the second quarter of 2014 and DD&A costs per boe were $28.22 in the second quarter of 2015 compared with $26.19 in the second quarter of 2014, resulting in total production unit costs of $43.87 and $48.77 per boe in the second quarter of 2015 and 2014, respectively. Bakken Midstream Tariff expense was $3.26 and $2.00 per boe in the second quarter of 2015 and 2014, respectively. Cash operating costs per boe were $16.17 in the first six months of 2015 compared with $21.33 in the first six months of 2014 and DD&A costs per boe were $28.45 in the first six months of 2015 compared with $25.54 in the first six months of 2014 resulting in total production unit costs of $44.62 and $46.87 per boe in the first six months of 2015 and 2014, respectively. Bakken Midstream Tariff expense was $3.20 and $1.33 per boe in the first six months of 2015 and 2014, respectively.

For the third quarter of 2015, E&P cash operating costs are estimated to be in the range of $16.50 to $17.50 per boe and DD&A expenses are estimated to be in the range of $28.50 to $29.50 per boe resulting in total production unit costs ranging from $45.00 to $47.00 per boe. For the full year 2015, E&P cash operating costs are estimated to be in the range of $16.00 to $17.00 per boe and DD&A expenses are estimated to be in the range of $28.50 to $29.50 per boe resulting in total production unit costs ranging from $44.50 to $46.50 per boe. Bakken Midstream tariff expense is expected to be $3.55 to $3.65 per boe for the third quarter of 2015, and $3.40 to $3.50 per boe for the full year of 2015.

Exploration Expenses: Exploration expenses were lower in the second quarter and first six months of 2015 compared to the same period in 2014, primarily due to lower dry hole and lease impairment charges. Exploration expenses, excluding dry hole expense, are estimated to be in the range of $110 million to $120 million for the third quarter of 2015 and $380 million to $400 million for the full year.

Income Taxes: Excluding items affecting comparability between periods, the effective income tax rate for E&P operations was a benefit of 56% and 51% in the second quarter and first six months of 2015, respectively, compared to a provision of 34% and 37% for the second quarter and the first six months of 2014, respectively. For the full year 2015, the E&P effective income tax rate is expected to be a benefit in the range of 44% to 48% and the third quarter rate is expected to be a benefit in the range of 41% to 45%, assuming no contribution from Libya.

Items Affecting Comparability of Earnings Between Periods: The following table summarizes, on an after-tax basis, income (expense) items that affect comparability of E&P earnings between periods:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)		(In millions)	
Impairment	$ (385)	$ —	$ (385)	$ —
Terminated international office space	(21)	—	(21)	—
Gain on asset sales, net	—	741	—	741
Dry hole and other expenses	—	(173)	(77)	(173)
Inventory write-off	—	—	(16)	—
Employee severance and exit costs	—	6	—	—
	$ (406)	$ 574	$ (499)	$ 568

Impairment: Second quarter 2015 results include a noncash pre-tax goodwill impairment charge of $385 million ($385 million after income taxes) associated with the Corporation's onshore reporting unit. As a result of establishing the Bakken Midstream business as a separate operating segment in the second quarter of 2015, U.S. GAAP required the reallocation of goodwill to the Bakken Midstream segment and a goodwill impairment test for each of the Corporation's reporting units. See *Note 5, Goodwill* in *Notes to Consolidated Financial Statements* for further information.

Terminated international office space: The Corporation recognized pre-tax charges totaling $21 million ($21 million after income taxes) associated with terminated international office space in the second quarter.

Gains on asset sales, net: In June 2014, the Corporation completed the sale of approximately 30,000 net acres, including related wells and facilities in the dry gas area of the Utica shale play, for cash proceeds of approximately $485 million, resulting in a pre-tax gain of $62 million ($35 million after income taxes). In April 2014, the Corporation completed the sale of its Thailand assets for cash proceeds of approximately $805 million. This transaction resulted in a pre-tax gain of $706 million ($706 million after income taxes).

Results of Operations (continued)

Dry hole and other expenses: The Corporation incurred a pre-tax charge of $159 million ($67 million after income taxes) to write-off a previously capitalized exploration well and associated leasehold expenses related to the Dinarta Block, in the Kurdistan Region of Iraq following the decision of the Corporation and its partner in March 2015 to abandon the well, relinquish the Dinarta Block, and to exit operations in the region. Exploration expenses in the first quarter of 2015 also included a pre-tax charge of $16 million ($10 million after income taxes) to write down a foreign exploration project to fair value. In the second quarter of 2014, the Corporation recorded a pre-tax charge of $169 million ($105 million after income taxes) to write-off a previously capitalized exploration well in the western half of Block 469 in the Gulf of Mexico. In addition, in the second quarter of 2014 the Corporation recorded charges totaling $135 million pre-tax ($68 million after income taxes) to write-off leasehold acreage in the Paris Basin of France, the Shakrok Block in Kurdistan and the Corporation's interest in a natural gas exploration project, offshore Sabah, Malaysia.

Inventory write-off: During the first quarter of 2015, the Corporation incurred a pre-tax charge of $21 million ($16 million after income taxes) to write off surplus drilling materials in Equatorial Guinea following the decision to suspend the infill drilling program at the Okume Field.

The Corporation's future E&P earnings may be impacted by external factors, such as volatility in the selling prices of crude oil, natural gas liquids, and natural gas, reserve and production changes, exploration expenses, industry cost inflation and/or deflation, changes in foreign exchange rates and income tax rates, the effects of weather, political risk, environmental risk and catastrophic risk. For a more comprehensive description of the risks that may affect the Corporation's E&P business, see Item 1A. Risk Factors Related to Our Business and Operations in the Annual Report on Form 10-K for the year ended December 31, 2014.

Bakken Midstream

Net income (loss) of the Corporation's Bakken Midstream operating segment, which is primarily located in North Dakota, is summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Revenues and Non-operating Income				
Total revenues and non-operating income	$ 145	$ 81	$ 275	$ 129
Costs and Expenses				
Operating costs and expenses	68	47	131	104
General and administrative expenses	3	2	5	4
Depreciation, depletion and amortization	22	20	43	29
Interest expense	1	1	2	1
Total costs and expenses	94	70	181	138
Results of operations before income taxes	51	11	94	(9)
Provision (benefit) for income taxes	19	4	35	(3)
Net income (loss) attributable to Hess Corporation	$ 32	$ 7	$ 59	$ (6)

Total revenues and non-operating income for the three and six months ended June 30, 2015 improved from the prior year periods mainly due to higher throughput volumes at the Tioga Gas Plant. In the fourth quarter of 2013, the Tioga Gas Plant was shut down for a large-scale expansion, refurbishment and optimization project, during which a new cryogenic processing train was installed and processing capacity was increased to 250 MMcf/d from 120 MMcf/d. The Tioga Gas Plant's expanded operations commenced in late March 2014. Operating costs and expenses were higher in the three and six months ended June 30, 2015 compared to the prior year periods mainly due to an increase in third-party operating and maintenance expense. Depreciation, depletion and amortization (DD&A) expenses were higher in the first six months of 2015 compared with 2014, primarily due to the commencement of depreciation of the Tioga Gas Plant expansion expenditures upon restart of operations in late March 2014. Net income attributable to Hess Corporation from the Bakken Midstream segment for each of the third and fourth quarters of 2015 is estimated to be in the range of $15 million to $20 million, after giving effect to the sale of 50% of the Bakken Midstream business.

On July 1, 2015, the Corporation completed the sale of a 50% interest in its Bakken Midstream business to Global Infrastructure Partners (GIP) for cash consideration of approximately $2.7 billion and formed a joint venture with GIP.

Results of Operations (continued)

Subsequent to closing, the joint venture incurred $600 million of debt through a 5-year Term Loan A facility with proceeds distributed equally to both partners, resulting in total after-tax cash proceeds, net to the Corporation, of approximately $3.0 billion. In addition, the joint venture has independent access to capital via a $400 million 5-year Senior Revolving Credit Facility, which is fully committed.

Corporate, Interest and Other

The following table summarizes corporate, interest and other expenses:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In millions)			
Corporate and other expenses (excluding items affecting comparability)	$ 53	$ 36	$ 108	$ 92
Interest expense	96	104	190	204
Less: Capitalized interest	(11)	(20)	(21)	(39)
Interest expense, net	85	84	169	165
Corporate, Interest and Other expenses before income taxes	138	120	277	257
Provision (benefit) for income taxes	(55)	(47)	(109)	(100)
Net Corporate, Interest and Other expenses after income taxes	83	73	168	157
Items affecting comparability of earnings between periods, after-tax	—	9	4	69
Total Corporate, Interest and Other expenses after income taxes	$ 83	$ 82	$ 172	$ 226

Corporate and other expenses for the three and six months ended June 30, 2014 include a pre-tax gain of $13 million ($8 million after income taxes) related to the disposition of the Corporation's 50% interest in a joint venture involved in the construction of an electric generating facility in Newark, New Jersey. The remaining increase in 2015 compared to the year-ago periods is primarily attributable to higher pension expense. Interest expense was lower in the three and six months of 2015 compared to the same periods in 2014 primarily due to lower interest rates in 2015. The reduction in capitalized interest in the three and six months ended June 30, 2015 relative to the same periods in 2014 is associated with the cessation of capitalized interest on the Tubular Bells Field upon first production in the fourth quarter of 2014. Third quarter 2015 Corporate expenses are expected to be in the range of $30 million to $35 million after taxes and interest expense is expected to be in the range of $50 million to $55 million after taxes. Excluding items affecting comparability of earnings, the estimate for corporate expenses for full year 2015 is still expected to be in the range of $120 million to $130 million after taxes and interest expense is still estimated to be in the range of $205 million to $215 million after taxes.

Items Affecting Comparability of Earnings Between Periods:

In the first quarter of 2015, the Corporation incurred exit costs of $6 million ($4 million after income taxes). During the first quarter of 2014, the corporation recorded a charge of $84 million ($52 million after income taxes) to reduce the carrying value of its investment in the Bayonne Energy Center to fair value. In the three and six months ended June 30, 2014 the Corporation recorded severance and other exit costs of $15 million ($9 million after income taxes) and $27 million ($17 million after-tax).

Discontinued Operations

The net loss attributable to Hess Corporation from discontinued operations was $14 million and $43 million for the three months ended June 30, 2015 and 2014, respectively, and $27 million and $21 million during the six months ended June 30, 2015, and 2014, respectively. The loss in the second quarter resulted from a pension settlement charge, employee related costs and other miscellaneous expenses. The Corporation sold its interest in HETCO, its energy trading joint venture, in February 2015 and the retail marketing business in September 2014.

Liquidity and Capital Resources

The following table sets forth certain relevant measures of the Corporation's liquidity and capital resources:

	June 30, 2015	December 31, 2014
	(In millions, except ratio)	
Cash and cash equivalents	$ 931	$ 2,444
Current maturities of long-term debt	69	68
Total debt	5,957	5,987
Total equity	21,103	22,320
Debt to capitalization ratio*	22.0%	21.2%

* *Total debt as a percentage of the sum of total debt plus equity*

In July 2015, the Corporation received after-tax cash proceeds of approximately $3 billion from the Bakken Midstream joint venture transaction. See *Note 14, Subsequent Event*, in *Notes to Consolidated Financial Statements* for further information.

Cash Flows

The following table summarizes the Corporation's cash flows:

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(In millions)	
Cash flows from operating activities:		
Cash provided by (used in) operating activities - continuing operations	$ 1,097	$ 2,107
Cash provided by (used in) operating activities - discontinued operations	(21)	(46)
Net cash provided by (used in) operating activities	1,076	2,061
Cash flows from investing activities:		
Additions to property, plant and equipment	(2,423)	(2,340)
Proceeds from asset sales	—	2,847
Other, net	(13)	(124)
Cash provided by (used in) investing activities - continuing operations	(2,436)	383
Cash provided by (used in) investing activities - discontinued operations	95	(405)
Net cash provided by (used in) investing activities	(2,341)	(22)
Cash flows from financing activities:		
Cash provided by (used in) financing activities - continuing operations	(248)	(1,646)
Cash provided by (used in) financing activities - discontinued operations	—	(2)
Net cash provided by (used in) financing activities	(248)	(1,648)
Net increase (decrease) in cash and cash equivalents from continuing operations	(1,587)	844
Net increase (decrease) in cash and cash equivalents from discontinued operations	74	(453)
Net increase (decrease) in cash and cash equivalents	$ (1,513)	$ 391

Operating activities: Net cash provided by operating activities was $1,076 million in the first six months of 2015, compared with $2,061 million in the same period of 2014, primarily reflecting the decline in benchmark crude oil prices.

Investing activities: Additions to property, plant and equipment were higher in the six months of 2015 compared to the same period in 2014 primarily due to a net decrease in the Corporation's capital expenditure accruals of approximately $170 million. During the first half of 2014, the Corporation received proceeds of approximately $805 million from the sale of its assets in Thailand, approximately $650 million from the sale of its interest in the Pangkah Field, offshore Indonesia, approximately $1,075 million from the sale of dry gas acreage in the Utica, including related wells and facilities, and $320 million from the sale of the Corporation 50% interest in the Newark, New Jersey power plant.

In January 2014, the Corporation acquired its partners' 56% interest in WilcoHess, a retail gasoline joint venture, for approximately $290 million which is reported in discontinued operations. In June 2014, the Corporation incurred capital expenditures of $105 million related to the acquisition of previously leased gasoline stations. Both of these transactions were undertaken in connection with the Corporation's divesture of its retail marketing business.

Financing activities: In the first six months of 2015, the Corporation repaid $34 million of debt. The Corporation also purchased $27 million of common shares under its Board authorized $6.5 billion repurchase plan and settled $51 million of

common stock purchases from 2014. Common stock purchases were approximately $1,735 million in the first six months of 2014. Dividends paid were $144 million in the first six months of 2015 compared to $156 million in the first six months of 2014 representing a dividend rate of $0.50 per common share in both periods.

Future Capital Requirements and Resources

The Corporation anticipates investing approximately $4.4 billion in capital and exploratory expenditures during 2015 of which $4.1 billion relates to E&P. Based on current strip crude oil prices, the Corporation forecasts in 2015 a significant net loss and a net cash flow deficit, excluding proceeds from asset sales, after funding planned capital expenditures, dismantlement obligations, pension contributions, dividends and share repurchases under its Board authorized plan. The Corporation expects to fund its 2015 net cash flow deficit with existing cash on hand, proceeds from the July 2015 sale of a 50% interest in its Bakken Midstream business, which resulted in approximately $3.0 billion of total after-tax cash proceeds to the Corporation and, if necessary, borrowings under its long-term syndicated revolving credit facility.

Crude oil and natural gas prices are volatile and difficult to predict. In addition, unplanned increases in the Corporation's capital expenditure program could occur. The Corporation plans to maintain its financial flexibility and to reduce its cash flow deficit by pursuing further cost reductions and supply chain savings, significantly moderating stock repurchases compared with 2014, and depending on where crude oil prices trend, potentially further reducing its planned capital program. In addition, should needs dictate, the Corporation may also access other sources of liquidity by utilizing existing uncommitted credit facilities, issuing debt and equity securities, and/or pursuing further asset sales.

The table below summarizes the capacity, usage and available capacity of the Corporation's borrowing and letter of credit facilities at June 30, 2015:

	Expiration Date	Capacity	Borrowings	Letters of Credit Issued	Total Used	Available Capacity
				(In millions)		
Revolving credit facility	January 2020	$ 4,000	$ —	$ —	$ —	$ 4,000
Committed lines	Various *	800	—	11	11	789
Uncommitted lines	Various *	117	—	117	117	—
Total		$ 4,917	$ —	$ 128	$ 128	$ 4,789

* *Committed and uncommitted lines have expiration dates through 2016.*

The Corporation's $128 million in letters of credit outstanding at June 30, 2015 are primarily issued to satisfy performance obligations related to the Corporation's exploration and production activities.

In January 2015, the Corporation entered into a $4 billion syndicated revolving credit facility that expires in January 2020. The new facility, which replaced a $4 billion facility that was scheduled to expire in April 2016, can be used for borrowings and letters of credit. Based on the Corporation's credit rating as of June 30, 2015, borrowings on the facility will generally bear interest at 1.075% above the London Interbank Offered Rate. A fee of 0.175% per annum is also payable on the amount of the facility. The interest rate and facility fee are subject to adjustment if the Corporation's credit rating changes.

The Corporation's long-term debt agreements, including the revolving credit facility, contain financial covenants that restrict the amount of total borrowings and secured debt. These financial covenants do not currently materially impact the Company's ability to issue indebtedness to fund its future capital requirements.

The Corporation also has a shelf registration under which it may issue additional debt securities, warrants, common stock or preferred stock.

Market Risk Disclosures

The Corporation is exposed in the normal course of business to commodity risks related to changes in the prices of crude oil and natural gas, as well as changes in interest rates and foreign currency values. *See Note 13*, *Financial Risk Management*, in the Notes to Consolidated Financial Statements. In the disclosures that follow, risk management activities refer to the mitigation of these risks through hedging activities.

Value at Risk: The Corporation uses value at risk to monitor and control commodity risk within its risk management activities. The value at risk model uses historical simulation and the results represent the potential loss in fair value over one day at a 95% confidence level. The model captures both first and second order sensitivities for options. Results may vary from time to time as hedging levels change in risk management activities. The potential change in fair value based on commodity price risk is presented in the financial risk management activities section below.

Financial Risk Management Activities

In the first quarter of 2015, the Corporation entered into Brent crude oil collars to hedge 50,000 bopd from March 2015 to December 2015. This program was supplemented in the second quarter of 2015 by entering into West Texas Intermediate crude oil collars to hedge 20,000 bopd from May 6, 2015 to December 2015. Under the terms of both programs, the floor price to be received by the Corporation is $60 per barrel and the ceiling price it may receive is $80 per barrel.

The Corporation estimates that the value at risk associated with crude oil collars was $11 million at June 30, 2015. The results may vary from time to time primarily as crude oil prices or hedge levels change.

The Corporation has outstanding foreign exchange contracts used to reduce its exposure to fluctuating foreign exchange rates for various currencies. The change in fair value of foreign exchange contracts from a 10% weakening of the U.S. Dollar exchange rate is estimated to be a loss of approximately $95 million at June 30, 2015.

The Corporation's outstanding long-term debt of $5,957 million, including current maturities, had a fair value of $6,642 million at June 30, 2015. A 15% decrease in the rate of interest would increase the fair value of debt by approximately $480 million at June 30, 2015. A 15% increase in the rate of interest would decrease the fair value of debt by approximately $420 million at June 30, 2015.

Discontinued Operations – Trading Activities

In the first quarter of 2015, the Corporation sold its interest in its energy trading joint venture, HETCO. Pursuant to the terms of the sale, the successor entity is permitted to continue to utilize the Corporation's guarantees issued in favor of counterparties existing as of the sales date until November 12, 2015, provided that new trades are for a period of one year or less, comply with certain credit requirements, and net exposures remain within value at risk limits previously applied by the Corporation. The Corporation has the right to seek reimbursement from the successor entity upon any counterparty drawing on the applicable guarantee from the Corporation. The fair value of the guarantee recorded by the Corporation amounted to $11 million.

Forward-looking Information

Certain sections of Management's Discussion and Analysis of Financial Condition and Results of Operations, including references to the Corporation's future results of operations and financial position, liquidity and capital resources, capital expenditures, asset sales, oil and gas production, costs and expenses, tax rates, debt repayment, hedging, derivative and market risk disclosures include forward-looking information. These sections typically include statements with words such as "anticipate," "estimate," "expect," "forecast," "guidance," "could," "may," "should," "would" or similar words, indicating that future outcomes are uncertain. Forward-looking disclosures are based on the Corporation's current understanding and assessment of these activities and reasonable assumptions about the future. Actual results may differ from these disclosures because of changes in market conditions, government actions and other factors.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

The information required by this item is presented under Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Market Risk Disclosures."

Item 4. Controls and Procedures.

Based upon their evaluation of the Corporation's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of June 30, 2015, John B. Hess, Chief Executive Officer, and John P. Rielly, Chief Financial Officer, concluded that these disclosure controls and procedures were effective as of June 30, 2015.

There was no change in internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rules 13a-15 or 15d-15 in the quarter ended June 30, 2015 that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

Item 1. Legal Proceedings.

Information regarding legal proceedings is contained in *Note 11, Guarantees and Contingencies* in the Notes to Consolidated Financial Statements and is incorporated herein by reference.

Item 2. Share Repurchase Activities.

The Corporation's share repurchase activities for the three months ended June 30, 2015, were as follows:

2015	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs (b) (In millions)
April	—	$ —	—	$ 1,225
May	—	—	—	1,225
June	293,005	68.26	293,005	1,205
Total	293,005	$ 68.26	293,005	

(a) *Repurchased in open-market transactions. The average price paid per share was inclusive of transaction fees.*

(b) *In March 2013, the Corporation announced a board authorized plan to repurchase up to $4 billion of outstanding common shares. In May 2014, the Corporation increased the repurchase program to $6.5 billion.*

Item 5. Other Information.

On August 3, 2015, the Corporation entered into Change in Control Termination Benefits Agreements (the "CIC Agreements") with Michael R. Turner, the Corporation's Senior Vice President of Onshore, and four other senior officers of the Corporation (each, an "Executive") to align the termination benefits for the Executives with the termination benefits currently in place for the Corporation's other senior officers. The CIC Agreements are "double trigger" and provide for lump sum cash payments equal to two times the Executive's annual compensation if within 24 months following a change in control, the employment of the Executive is terminated by the Executive for good reason or by the Corporation without cause, in each case as defined in the CIC Agreements. For these purposes, annual compensation consists of: (1) the Executive's base pay at the date of his or her termination or immediately before the change in control, whichever is higher, plus (2) the greater of his or her target bonus for the year in which the change in control occurs or the highest bonus earned in the three fiscal years preceding the change in control. In addition, the Executive is entitled to receive a prorated portion of his or her target bonus for the fiscal year in which termination occurs.

The CIC Agreements provide for the continuation of medical, dental and other welfare benefits for 24 months following termination and up to $30,000 of reasonable outplacement assistance through the end of the second year following termination. The Executive's stock options will vest and become fully exercisable, and all other stock-based awards will vest (with any performance criteria deemed to be met at target), on the date of termination. The CIC Agreements also provide for immediate vesting of retirement benefits upon termination, deemed age and service credit of an additional two years for purposes of determining retirement benefits, and deemed compensation in determining retirement benefits for those two years equal to the annual compensation used to calculate the lump sum severance payment, as described above.

The Executives are not entitled to a "gross-up" payment from the Corporation for any excise tax imposed by the Internal Revenue Code on "excess parachute payments" resulting from a change in control, but payments and benefits under the CIC Agreements may be reduced in order to avoid the application of such excise tax if the reduction would increase the net after-tax amount received by the Executive.

The CIC Agreements have an initial term of two years and are automatically extended so that there will at all times be two years remaining in the term, unless the Corporation elects to end automatic extensions, in which case the term will end two years after the Corporation provides such notice to the Executives. The CIC Agreements will otherwise terminate on the earlier of: (1) two years following a change of control, or (2) if prior to a change of control, the date the Executive's employment with the Corporation is terminated.

The foregoing summary is qualified in its entirety by reference to the full text of the CIC Agreements, a form of which is filed as Exhibit 10.3 hereto and incorporated herein by reference.

Item 6. Exhibits and Reports on Form 8-K.

a. Exhibits

10(1)	Amended and Restated 2008 Long-Term Incentive Plan., incorporated by reference to Form 8-K of the Registrant filed on May 12, 2015.
10(2)	Amendment No 1 to the Credit Agreement, dated as of July 10, 2015 among Hess Corporation, the subsidiaries party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.
10(3)*	Form of Change in Control Termination Benefits Agreement, dated as of August 3, 2015, between the Company and Michael R. Turner. Substantially identical agreements (differing only in the signatories thereto) were entered into between the Company and four other senior officers.
31(1)	Certification required by Rule 13a-14(a) (17 CFR 240.13a-14(a)) or Rule 15d-14(a) (17 CFR 240.15d-14(a)).
31(2)	Certification required by Rule 13a-14(a) (17 CFR 240.13a-14(a)) or Rule 15d-14(a) (17 CFR 240.15d-14(a)).
32(1)	Certification required by Rule 13a-14(b) (17 CFR 240.13a-14(b)) or Rule 15d-14(b) (17 CFR 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350).
32(2)	Certification required by Rule 13a-14(b) (17 CFR 240.13a-14(b)) or Rule 15d-14(b) (17 CFR 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350).
101(INS)	XBRL Instance Document
101(SCH)	XBRL Schema Document
101(CAL)	XBRL Calculation Linkbase Document
101(LAB)	XBRL Labels Linkbase Document
101(PRE)	XBRL Presentation Linkbase Document
101(DEF)	XBRL Definition Linkbase Document

** These exhibits relate to executive compensation plans and arrangements*

b. Reports on Form 8-K

During the quarter ended June 30, 2015, Registrant filed the following reports on Form 8-K:

(i) Filing dated May 12, 2015 reporting under Items 5.02, 5.07 and 9.01 the approval of the Amended and Restated 2008 Long-Term Incentive Plan; the submission of matters to a vote of security holders and exhibits related thereto.

(ii) Filing dated April 29, 2015 reporting under Items 2.02 and 9.01 a news release dated April 29, 2015 reporting results for the first quarter of 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HESS CORPORATION
(REGISTRANT)

By /s/ John B. Hess
JOHN B. HESS
CHIEF EXECUTIVE OFFICER

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Date: August 7, 2015

Exhibit 10(2)

AMENDMENT NO. 1 dated as of July 10, 2015 (this "Amendment"), to the Five-Year Credit Agreement dated as of January 21, 2015 (the "Credit Agreement"), among HESS CORPORATION, a Delaware corporation; HESS OIL AND GAS HOLDINGS INC., a Cayman Islands exempted company incorporated with limited liability, HESS INTERNATIONAL HOLDINGS LIMITED, a Cayman Islands exempted company incorporated with limited liability, HESS CAPITAL SERVICES LLC, a Delaware limited liability company, HESS (NETHERLANDS) OIL AND GAS HOLDINGS C.V., a limited partnership formed under the laws of The Netherlands, represented by its general partner (*beherend vennoot)* Hess Netherlands Partnership Holdings, LLC, and HESS OVERSEAS FINANCE INVESTMENTS CENTRE LIMITED, a Cayman Islands exempted company incorporated with limited liability, as Borrowing Subsidiaries, and each other Borrowing Subsidiary from time to time party thereto; the LENDERS from time to time party thereto and JPMORGAN CHASE BANK, N.A., as administrative agent.

Pursuant to the Credit Agreement, the Lenders have agreed to extend credit to the Borrowers on the terms and subject to the conditions set forth therein.

Pursuant to that certain Equity Interest Purchase Agreement, dated as of June 10, 2015 (the "EIPA"), among Hess TGP Finance Company LLC, a Delaware limited liability company, Hess Investments North Dakota LLC (formerly known as Hess Investments North Dakota Limited), a Delaware limited liability company ("HINDL"), GIP II Blue Holding Partnership, L.P., a Delaware limited partnership (the "GIP JV Partner"), Hess Infrastructure Partners LP (formerly known as Hess USA Investment LP), a Delaware limited partnership, and Hess Infrastructure Partners GP LLC (formerly known as Hess USA Investment LLC), a Delaware limited liability company, a joint venture will be established between HINDL and the GIP JV Partner pursuant to which each will own 50% of the issued and outstanding common units representing limited partner interests of Hess JV (as defined below) and 50% of the issued and outstanding membership interests of Hess JV General Partner (as defined below) (collectively, together with the related transactions, the "Hess JV Transaction").

The Company has requested an amendment to the Credit Agreement (a) to permit restrictive agreements at Hess JV, Hess JV General Partner and their respective Subsidiaries under Section 6.03 of the Credit Agreement and (b) to modify the application of clause (e) of Article VII of the Credit Agreement to Material Indebtedness of Hess JV, Hess JV General Partner and their respective Subsidiaries.

Each of the Lenders party hereto, collectively constituting the Required Lenders, is willing to agree to such amendment on the terms and subject to the conditions set forth herein.

Each capitalized term used and not otherwise defined herein shall have the meaning assigned to such term in the Credit Agreement.

Accordingly, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments. (a) Section 1.01 of the Credit Agreement is hereby amended to insert in the appropriate alphabetical order the following defined terms:

"EIPA" means the Equity Interest Purchase Agreement, dated as of June 10, 2015, among Hess TGP Finance Company LLC, a Delaware limited liability company, HINDL, GIP JV Partner, Hess JV and Hess JV General Partner.

"GIP JV Partner" means GIP II Blue Holding Partnership, L.P., a Delaware limited partnership.

"Hess JV" means Hess Infrastructure Partners LP (formerly known as Hess USA Investment LP), a Delaware limited partnership.

"Hess JV General Partner" means Hess Infrastructure Partners GP LLC (formerly known as Hess USA Investment LLC), a Delaware limited liability company.

"Hess JV Period" means the period commencing on the date of consummation of the Hess JV Transaction and ending on the date, if any, on which Hess JV becomes a wholly owned Subsidiary of the Company.

"Hess JV Transaction" means the establishment of a joint venture between HINDL and the GIP JV Partner pursuant to which each will own 50% of the issued and outstanding common units representing limited partner interests of Hess JV and 50% of the issued and outstanding membership interests of Hess JV General Partner, together with the related transactions contemplated by the EIPA, in each case, on the terms and upon the satisfaction of the conditions set forth in the EIPA, as it may be amended, supplemented, waived or otherwise modified in accordance with the terms thereof.

"HINDL" means Hess Investments North Dakota Limited, a Delaware corporation.

(b) Section 1.01 of the Credit Agreement is hereby further amended to insert a proviso at the end of the definition of "Borrowing Subsidiary" as follows:

"; provided that, notwithstanding anything to the contrary herein, during the Hess JV Period none of Hess JV, Hess JV General Partner or any of their respective Subsidiaries may be designated as a Borrowing Subsidiary".

(c) Section 1.01 of the Credit Agreement is hereby further amended to amend and restate the proviso set forth at the end of the definition of "Total Capitalization" as follows:

"; provided that in determining the Company's shareholders' equity, any interests in Hess JV, Hess JV General Partner, Midstream MLP or any of their Subsidiaries that are not beneficially owned by the Company shall be excluded".

(d) Section 2.21 of the Credit Agreement is hereby amended to amend and restate clause (a) set forth therein as follows:

"(a) the Facility Fee shall cease to accrue pursuant to Section 2.12(a) on the unused amount of the Commitment of such Defaulting Lender;"

(e) Section 3.12 of the Credit Agreement is hereby amended and restated to read as follows:

"SECTION 3.12. Hess JV Transaction; Midstream MLP IPO. Upon the consummation of the Hess JV Transaction, no Material Adverse Effect has occurred or would reasonably be expected to occur as a result of the consummation of the Hess JV Transaction. Upon the consummation of the Midstream MLP IPO, no Material Adverse Effect would reasonably be expected to occur as a result of the consummation of the Midstream MLP IPO and the other Midstream MLP IPO Transactions.

(f) Section 6.03 of the Credit Agreement is hereby amended to insert a proviso at the end thereof to read as follows:

"; provided that (a) during the Hess JV Period, the foregoing shall not apply to any such agreement or other arrangement applicable to Hess JV or its Subsidiaries and (b) during the Hess JV Period and so long as Hess JV General Partner shall be the sole general partner of Hess JV, the foregoing shall not apply to any such agreement or other arrangement applicable to Hess JV General Partner".

(g) Section 6.06 of the Credit Agreement is hereby amended and restated to read as follows:

"SECTION 6.06. Transactions with Affiliates. The Company will not, and will not permit any of its Subsidiaries to, enter into or engage in any material transaction (including any sale, lease, transfer, purchase or acquisition of property or assets) with Hess JV, Hess JV General Partner, Midstream MLP, Midstream MLP GP or any of their Subsidiaries, except on terms and conditions, taken as a whole, that are not less favorable to the Company or such Subsidiary in any material respect than those that would prevail in an arm's-length transaction with unrelated third parties; provided that the foregoing restriction shall not apply to (a) transactions involving any employee benefit plans or related trusts of the Company or any of its Subsidiaries, (b) the payment of reasonable compensation, fees and expenses to, and indemnity provided on behalf of, directors, officers and employees of the Company or any of its Subsidiaries, (c)(i) the Hess JV Transaction and any agreement attached to the EIPA as an exhibit thereto and any transactions contemplated by such agreement or (ii) the Midstream MLP IPO Transactions, the Midstream MLP Drop-Down Transactions or any agreement attached to the Registration Statement as an exhibit thereto and any transactions contemplated by such agreement, (d) transactions entered into with Hess JV, Hess JV General Partner, Midstream MLP, Midstream MLP GP or any of their Subsidiaries (i) (A) in the case of transactions with Hess JV, Hess JV General Partner and their Subsidiaries (other than, following the consummation of the Midstream MLP IPO, Midstream MLP, Midstream MLP GP and their Subsidiaries), on terms and conditions that are fair and reasonable to the Company and its other Subsidiaries (as reasonably determined

by a Financial Officer of the Company), taking into account the totality of the relationship between the Company and its other Subsidiaries, on the one hand, and Hess JV, Hess JV General Partner and their Subsidiaries (other than, following the consummation of the Midstream MLP IPO, Midstream MLP, Midstream MLP GP and their Subsidiaries), on the other, or (B) following the consummation of the Midstream MLP IPO, in the case of transactions with Midstream MLP, Midstream MLP GP and their Subsidiaries, on terms and conditions that are fair and reasonable to the Company and its other Subsidiaries (as reasonably determined by a Financial Officer of the Company), taking into account the totality of the relationship between the Company and its other Subsidiaries (other than Hess JV, Hess JV General Partner and their Subsidiaries), on the one hand, and Midstream MLP, Midstream MLP GP and their Subsidiaries, on the other, (ii) on terms and conditions approved by the Board of Directors of the Company or (iii) with respect to which the Company shall have delivered to the Administrative Agent a favorable fairness opinion from a third-party appraiser of recognized standing, (e) the purchase of, or any agreement to purchase, any equity interests of Hess JV, Hess JV General Partner or Midstream MLP or the right to exercise any right, option or warrant with respect thereto, (f) any investment in, or credit support with respect to, Hess JV, Hess JV General Partner, Midstream MLP, Midstream MLP GP or any of their Subsidiaries as the Company or any of its Subsidiaries shall deem appropriate to the extent not otherwise prohibited by this Agreement, (g) any corporate sharing agreements with respect to tax sharing and general overhead and administrative matters, or (h) transactions pursuant to any contract or agreement in effect as of the date hereof and set forth on Schedule 6.06."

(h) Clause (e) of Article VII of the Credit Agreement is hereby amended and restated to read as follows:

"(i) any obligation of the Company or any Significant Subsidiary (other than Hess JV, Hess JV General Partner, Midstream MLP or any of their respective Subsidiaries) in respect of any Material Indebtedness now or hereafter outstanding shall become due by its terms, whether by acceleration or otherwise, and shall not be paid, extended or refunded or any default or event of default shall occur in respect of any such obligation and shall continue for a period of time sufficient to cause or permit the acceleration of maturity thereof, or the Company or any Significant Subsidiary shall fail to pay any Swap Payment Obligation of such Person in excess of $150,000,000 when due and payable (whether by acceleration or otherwise), unless such Person is contesting such Swap Payment Obligation in good faith by appropriate proceedings and has set aside appropriate reserves relating thereto in accordance with GAAP; provided that in the case of any guarantees, endorsements and other contingent obligations in respect of any such obligation for borrowed money of an entity other than the Company or any Consolidated Subsidiary (all of the foregoing being herein called "Accommodation Guarantee Indebtedness"), a default with respect to any Accommodation Guarantee Indebtedness of such Person shall constitute an Event of Default hereunder only if there shall have been a default in the performance by such Person of its obligations with respect to such Accommodation Guarantee Indebtedness and such default shall continue for more than 30 days after a holder or beneficiary of such Accommodation Guarantee Indebtedness shall have demanded the performance of such obligation; or (ii) to the extent Hess JV, Hess JV General Partner, Midstream MLP or any of their

respective Subsidiaries constitutes a Significant Subsidiary, any Material Indebtedness of such Significant Subsidiary shall become due or required to be prepaid, repurchased, redeemed or defeased prior to its scheduled maturity, and shall not be paid, extended or refunded;"

SECTION 2. Effectiveness. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

(a) The Administrative Agent shall have received from the Company and the Required Lenders either (i) a counterpart of this Amendment signed on behalf of such party or (ii) evidence satisfactory to the Administrative Agent (which may include a facsimile or electronic transmission) that such party has signed a counterpart of this Amendment.

The Administrative Agent shall have received, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses (including fees, charges and disbursements of counsel) required to be reimbursed or paid by the Company under the Credit Agreement.

SECTION 3. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of the Lenders, the Issuing Banks or the Administrative Agent under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle the Company to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

SECTION 4. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 5. Governing Law. This Amendment shall be construed in accordance with and governed by the law of the State of New York.

SECTION 6. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

HESS CORPORATION,

by

/s/ John P. Rielly

Name: John P. Rielly

Title: Senior Vice President and Chief Financial Officer

Name of Institution: JPMORGAN CHASE BANK, N.A.,

by /s/ Debra Hrelja
Name: Debra Hrelja
Title: Vice President

Name of Institution: THE BANK OF TOKYO-MITSUBISHI UFJ,LTD.

by /s/ Kevin Sparks
Name: Kevin Sparks
Title: Vice President

Name of Institution: GOLDMAN SACHS BANK USA,

by /s/ Michelle Latzoni
Name: Michelle Latzoni
Title: Authorized Signatory

Name of Institution: MORGAN STANLEY BANK, N.A.,

by /s/ Dmitriy Barskiy
Name: Dmitriy Barskiy
Title: Authorized Signatory

Name of Institution: BANK OF AMERICA, N.A.,

by /s/ Raza Jafferi
Name: Raza Jafferi
Title: Vice President

Name of Institution: CITIBANK, N.A

by /s/ Maureen Maroney
Name: Maureen Maroney
Title: Vice President

Name of Institution: WELLS FARGO BANK, N.A.

by /s/ Michael A. Tribolet
Name: Michael A. Tribolet
Title: Managing Director

Name of Institution: The Bank of Nova Scotia

by /s/ J. Frazell
Name: J. Frazell
Title: Director

Name of Institution: Scotiabanc Inc.

By /s/ J.F. Todd
Name: J.F. Todd
Title: Managing Director

Name of Institution: BNP PARIBAS

by /s/ Claudia Zarate
Name: Claudia Zarate
Title: Director

by /s/ Nicolas Anberree
Name: Nicolas Anberree
Title: Vice President

Name of Institution: DNB Capital LLC

by /s/ Jill Ilski
Name: Jill Ilski
Title: First Vice President

by /s/ Asluv Tveit
Name: Asluv Tveit
Title: First Vice President

Name of Institution: HSBC Bank USA, National Association

by /s/ Douglas A. Whiddon
Name: Douglas A. Whiddon
Title: Director

Name of Institution: Sumitomo Mitsui Banking Corporation

by /s/ James D. Weinstein
Name: James D. Weinstein
Title: Managing Director

Name of Institution: Banco Bilbao Vizcaya Argentaria, S.A. New York Branch

by /s/ Veronica Incera
Name: Veronica Incera
Title: Managing Director

For any Lender requiring a second signature block:

by /s/ Mauricio Benitez
Name: Mauricio Benitez
Title: Director

Name of Institution: CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

by /s/ Michael Willis
Name: Michael Willis
Title: Managing Director

For any Lender requiring a second signature block:

by /s/ David Gurghigian
Name: David Gurghigian
Title: Managing Director

Name of Institution: ING CAPITAL LLC

by /s/ Cheryl LaBelle
Name: Cheryl LaBelle
Title: Managing Director

For any Lender requiring a second signature block:

by /s/ Hans Beekmans
Name: Hans Beekmans
Title: Director

Name of Institution: INTESA SANPAOLO S.p.A.

by /s/ Glen Binder
Name: Glen Binder
Title: VP

by /s/ Franco Di Mario
Name: Franco Di Mario
Title: FVP and Head of Credit

Name of Institution: Mizuho Bank, Ltd.

by /s/ Leon Mo
Name: Leon Mo
Title: Authorized Signatory

Name of Institution: Standard Chartered Bank

by /s/ Steve Aloupis
Name: Felipe Macia A2789
Title: Managing Director Syndications Americas

by /s/ Robin Francis
Name: Robin Francis
Title: Manager LDU Americas, Standard Chartered Bank

Name of Institution: Bank of China, New York Branch

by /s/ Dong Yuan
Name: Dong Yuan
Title: Executive Vice President

Name of Institution: BRANCH BANKING AND TRUST COMPANY

by /s/ Janet L. Wheeler
Name: Janet L. Wheeler
Title: Vice President

Name of Institution: COMMERZBANK AG, NEW YORK AND GRAND CAYMAN BRANCHES

by /s/ Diane Pockaj
Name: Diane Pockaj
Title: Managing Director

by /s/ Kiuli Chan
Name: Kiuli Chan
Title: Director

Name of Institution: The Northern Trust Company

by /s/ Sophia E. Love
Name: Sophia E. Love
Title: Senior Vice President

Name of Institution: U.S. Bank National Association

by /s/ John M. Eyerman
Name: John M. Eyerman
Title: Vice President

Exhibit 10(3)

<u>CHANGE IN CONTROL
TERMINATION BENEFITS AGREEMENT</u>

THIS CHANGE IN CONTROL TERMINATION BENEFITS AGREEMENT (the "Agreement"), dated as of the 3rd day of August, 2015, is between **Hess Corporation**, a Delaware corporation (the "Company"), and Michael R. Turner (the "Executive").

WITNESSETH:

WHEREAS, the Company considers it essential to the best interests of the Company and its stockholders that its management be encouraged to remain with the Company and to continue to devote full attention to the Company's business in the event of a transaction or series of transactions that could result in a change in control of the Company through a tender offer or otherwise;

WHEREAS, the Company recognizes that the possibility of a change in control and the uncertainty which it may raise among management may result in the departure or distraction of management personnel to the detriment of the Company and its stockholders;

WHEREAS, the Executive is a key executive of the Company;

WHEREAS, the Company believes the Executive has made valuable contributions to the productivity and profitability of the Company;

WHEREAS, should the Company receive a proposal for, or otherwise consider any such transaction, in addition to the Executive's regular duties, the Executive may be called upon to assist in the assessment of such proposals, advise management and the Board of Directors of the Company (the "Board") as to whether a proposed transaction would be in the best interests of the Company and its stockholders, and to take such other actions as the Board might determine to be appropriate;

WHEREAS, the Board has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued services of the Executive, notwithstanding the possibility, threat or occurrence of a change in control of the Company and believes that it is imperative to diminish the potential distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened change in control, to assure the Executive's full attention and dedication to the Company in the event of any threatened or pending change in control, and to provide the Executive with appropriate severance arrangements following a change in control; and

WHEREAS, the Company intends that the Agreement comply with, or not be subject to, section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and guidance and regulations issued thereunder, so that, notwithstanding any other provision of the Agreement, the Agreement shall be interpreted, operated and administered in a manner consistent with this intention.

NOW, THEREFORE, to assure the Company that it will have the continued undivided attention and services of the Executive and the availability of the Executive's advice and counsel notwithstanding the possibility, threat or occurrence of a change in control of the Company, and to induce the Executive to remain in the employ of the Company and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Change in Control.

For purposes of the Agreement, a Change in Control shall be deemed to have taken place if any of the following shall occur:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either the then (i) outstanding shares of Common Stock of the Company (the "Outstanding Company Common Stock") or (ii) combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Voting Securities") provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any of its subsidiaries, (ii) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any of its subsidiaries, (iii) any acquisition by any company with respect to which, following such acquisition, more than 60% of, respectively, the then outstanding shares of common stock of such company and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be, or (iv) any acquisition by one or more Hess Entity (for this purpose a "Hess Entity" means (A) Mr. John Hess or any of his children, parents or siblings, (B) any spouse of any person described in Section (A) above, (C) any trust with respect to which any of the persons described in (A) has substantial voting authority (D) any affiliate (as such term is defined in Rule 12b-2 under the Exchange Act) of any person described in (A) above, (E) the Hess Foundation Inc., or (F) any persons comprising a group controlled (as such term is defined in such Rule 12b-2) by one or more of the foregoing persons or entities described in this Section 1(a)(iv)); or

(b) Within any 24 month period, individuals who, immediately prior to the beginning of such period, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director during such period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened solicitation to which Rule 14a-ll of Regulation 14A promulgated under the Exchange Act applies or other actual or threatened solicitation of proxies or consents; or

(c) Consummation of a reorganization, merger or consolidation, in each case, with respect to which all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation, beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the company resulting from such reorganization, merger or consolidation in substantially the same proportions as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be; or

(d) Consummation of (i) a complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company, other than to a company, with respect to which following such sale or other disposition, more than 60% of, respectively, the then outstanding shares of common stock of such company and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Voting Securities, as the case may be. The term "the sale or other disposition of all or substantially all of the assets of the Company" shall mean a sale or other disposition in a transaction or series of related transactions involving assets of the Company or of any direct or indirect subsidiary of the Company (including the stock of any direct or indirect subsidiary of the Company) in which the value of the assets or stock being sold or otherwise disposed of (as measured by the purchase price being paid therefor or by such other method as the Board determines is appropriate in a case where there is no readily ascertainable purchase price) constitutes more than two-thirds of the fair market value of the Company (as hereinafter defined). The "fair market value of the Company" shall be the aggregate market value of the then Outstanding Company Common Stock (on a fully diluted basis) plus the aggregate market

value of the Company's other outstanding equity securities. The aggregate market value of the shares of Outstanding Company Common Stock shall be determined by multiplying the number of shares of such Common Stock (on a fully diluted basis) outstanding on the date of the execution and delivery of a definitive agreement with respect to the transaction or series of related transactions (the "Transaction Date") by the average closing price of the shares of Outstanding Company Common Stock for the ten trading days immediately preceding the Transaction Date. The aggregate market value of any other equity securities of the Company shall be determined in a manner similar to that prescribed in the immediately preceding sentence for determining the aggregate market value of the shares of Outstanding Company Common Stock or by such other method as the Board shall determine is appropriate.

2. Circumstances Triggering Receipt of Termination Benefits.

(a) Subject to Section 2(c), the Company will provide the Executive with the benefits set forth in Section 4 upon the Executive's Separation from Service that is initiated:

(i) by the Company at any time within the first 24 months after a Change in Control;

(ii) by the Executive for "Good Reason" (as defined in Section 2(b) below) at any time within the first 24 months after a Change in Control; or

(iii) by the Company or the Executive pursuant to Section 2(d).

For purposes of this Agreement, the term "Separation from Service" or "Separate(s/d) from Service" means a "separation from service" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations thereunder.

(b) In the event of a Change in Control, the Executive may Separate from Service for "Good Reason" and receive the payments and benefits set forth in Section 4 upon the occurrence of one or more of the following events (regardless of whether any other reason, other than Cause as provided below, for such Separation from Service exists or has occurred):

(i) Failure to elect or reelect or otherwise to maintain the Executive in the office or the position, or at least a substantially equivalent office or position, of or with the Company (or any successor thereto), which the Executive held immediately prior to a Change in Control, or the removal of the Executive as a director of the Company (or any successor thereto), if the Executive shall have been a director of the Company immediately prior to the Change in Control;

(ii) (A) Any material adverse change in the nature or scope of the Executive's authorities, powers, functions, responsibilities or duties from those in effect

immediately prior to the Change in Control, (B) a reduction in the Executive's annual base salary rate, (C) a reduction in the Executive's annual incentive compensation target or any material reduction in the Executive's other bonus opportunities, or (D) the termination or denial of the Executive's ability to participate in Employee Benefits (as defined in Section 4(b)) or retirement benefits (as described in Section 4(c)) or a material reduction in the scope or value thereof, any of which is not remedied by the Company within 10 days after receipt by the Company of written notice from the Executive of such change, reduction or termination, as the case may be;

(iii) The liquidation, dissolution, merger, consolidation or reorganization of the Company or transfer of all or substantially all of its businesses and/or assets, unless the successor or successors (by liquidation, merger, consolidation, reorganization, transfer or otherwise) to which all or substantially all of its businesses and/or assets have been transferred (directly or by operation of law) assumed all duties and obligations of the Company under this Agreement pursuant to Section 9(a);

(iv) The Company requires the Executive to change the Executive's principal location of work to a location that is in excess of 30 miles from the location thereof immediately prior to the Change in Control, or requires the Executive to travel in the course of discharging the Executive's responsibilities or duties at least 20% more (in terms of aggregate days in any calendar year or in any calendar quarter when annualized for purposes of comparison to any prior year) than was required of the Executive in any of the three full years immediately prior to the Change in Control without, in either case, the Executive's prior written consent;

(v) Without limiting the generality or effect of the foregoing, any material breach of this Agreement by the Company or any successor thereto, which breach is not remedied within 10 days after written notice to the Company from the Executive describing the nature of such breach.

(c) Notwithstanding Sections 2(a) and (b) above, no benefits shall be payable by reason of this Agreement in the event of:

(i) The Executive's Separation from Service by reason of the Executive's death or Disability, unless the Executive has previously given a valid "Notice of Termination" pursuant to Section 3. For purposes hereof, "Disability" shall be defined as the inability of the Executive due to illness, accident or other physical or mental disability to perform the Executive's duties for any period of six consecutive months or for any period of eight months out of any 12-month period, as determined by an independent physician selected by the Executive (or the Executive's legal representative) and reasonably acceptable to the Company, provided that the Executive does not return to work on substantially a full-time basis within 30 days after written notice from the Company, pursuant to Section 3, of the intent to terminate the Executive's employment due to Disability;

(ii) The Executive's retirement on or after Normal Retirement Date pursuant to the Company's Employees' Pension Plan; provided, however, that if the Executive Separates from Service for Good Reason at such time of retirement, the Executive's retirement shall be treated hereunder as a Separation from Service for Good Reason and the Executive shall be entitled to the benefits provided in Section 4 hereof;

(iii) The Executive's Separation from Service for Cause. For the purposes hereof, "Cause" shall be defined as (A) a felony conviction of the Executive or the failure of the Executive to contest prosecution for a felony, (B) the Executive's gross and willful misconduct in connection with the performance of the Executive's duties with the Company and/or its subsidiaries or (C) the willful and continued failure of the Executive to substantially perform the Executive's duties with the Company (or any successor thereto) after a written demand from the Company's internal Executive Committee, any successor or similar internal management committee or, absent any such committee, its Chief Executive Officer (such committee, or the Chief Executive Officer, being the "Notifying Party") for substantial performance which specifically identifies the manner in which the Notifying Party believes that the Executive has not performed the Executive's duties with the Company, any of which is directly and materially harmful to the business or reputation of the Company or any subsidiary or affiliate. Notwithstanding the foregoing, the Executive shall not be deemed to have Separated from Service for "Cause" hereunder unless and until the Executive shall have been afforded, after reasonable notice, an opportunity to appear, together with counsel (if the Executive chooses to have counsel present), before the Notifying Party, if the Notifying Party is a committee, or in the event that the Notifying Party is the Chief Executive Officer, the three most highly compensated senior executive officers of the Company, not including the Chief Executive Officer (such Notifying Party or the three senior executive officers, as the case may be, being the "Hearing Party"), and after such hearing there shall have been delivered to the Executive a written determination by the Hearing Party that, in the good faith opinion of the Hearing Party the Executive shall have been Separated from Service for "Cause" as herein defined and specifying the particulars thereof in detail. Nothing herein will limit the right of the Executive or the Executive's beneficiaries to contest the validity or propriety of any such determination. This Section 2(c) shall not preclude the payment of any amounts otherwise payable to the Executive under any of the Company's employee benefit plans, pension plans, stock plans, programs and arrangements.

(d) A Separation from Service initiated by the Company without Cause or by the Executive for an event that would constitute Good Reason following a Change in Control that occurs, in either event, prior to a Change in Control, but occurs (i) not more than 180 days prior to the date on which a Change in Control occurs and (ii) (x) at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control or (y) otherwise arose in connection with, or in anticipation of, a Change in Control, shall be deemed to be a Separation from Service without Cause within the first 24 months after a Change in Control for purposes of this Agreement and

the date of such Change in Control shall be deemed to be the date immediately preceding the date the Executive's Separation from Service.

3. Notice of Termination.

Any Separation from Service as contemplated by Section 2 shall be communicated by written "Notice of Separation" to the other party hereto. Any "Notice of Separation" shall (i) indicate the effective date of the Separation from Service, which shall not be less than 30 days or more than 60 days after the date the Notice of Separation is delivered (the "Separation Date"), (ii) cite the specific provision in this Agreement relied upon, and (iii) except for a Separation from Service pursuant to Section 2(d), shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for such Separation from Service including, if applicable, the failure by the Company, after provision of written notice by the Executive, to effect a remedy pursuant to the final clause of Section 2(b)(ii) or 2(b)(v).

4. Benefits upon Separation from Service.

Subject to the conditions set forth in Section 2, the following benefits shall be paid or provided to the Executive:

(a) Compensation.

The Company shall pay to the Executive two times the sum of (i) "Base Pay", which shall be an amount equal to the greater of (A) the Executive's rate of annual base salary (prior to any deferrals) on the date of the Executive's Separation from Service, or (B) the Executive's rate of annual base salary (prior to any deferrals) immediately prior to the Change in Control, plus (ii) "Incentive Pay", which shall be an amount equal to the greater of (X) the target annual bonus payable to the Executive under the Company's incentive compensation plan or any other annual bonus plan for the fiscal year of the Company in which the Change in Control occurred or (Y) the highest annual bonus earned by the Executive under the Company's incentive compensation plan or any other annual bonus plan (whether paid currently or on a deferred basis) during the three fiscal years of the Company immediately preceding the fiscal year of the Company in which the Change in Control occurred. In addition, the Executive shall receive a pro rata portion of the target bonus for the fiscal year in which the Executive's termination of employment occurs.

The amount payable under Section 4(a) shall be paid to the Executive in a lump sum payment by the 60th day following the date of the Executive's Separation from Service. Notwithstanding the foregoing, payment of such amounts may not be made to a Key Employee (as defined in Section 4(g)) upon a Separation from Service before the date which is six months after the date of the Key Employee's Separation from Service (or, if earlier, the date of death of the Key Employee). Any payments that would otherwise be made during this period of delay shall be accumulated and paid on the first day of the

seventh month following the date of the Executive’s Separation from Service (or, if earlier, the first day of the month after the Participant’s death).

In the event payment of the amount payable under Section 4(a) is delayed for six months pursuant to the immediately preceding paragraph, the Company shall as soon as administratively practicable following the date of the Executive’s Separation from Service (i) establish an irrevocable grantor trust of which the Company is the grantor, and a bank or trust company reasonably acceptable to the Executive is the trustee (the "Grantor Trust"), and (ii) contribute to the Grantor Trust the full such amount payable under Section 4(a). The Grantor Trust shall be a "rabbi trust," the assets of which shall be used solely for the purpose of satisfying the Company’s obligations under Section 4(a) of this Agreement; *provided*, *however*, that such assets shall be subject to the claims of the Company’s general creditors in the event of the Company’s bankruptcy (or similar insolvency proceeding), and the Grantor Trust shall not cause any amount payable under this Agreement to be funded for tax purposes.

(b) Welfare Benefits.

For a period of 24 months following the date of the Executive's Separation from Service (the "Continuation Period"), the Company shall arrange to provide the Executive with benefits (the "Employee Benefits"), including travel accident, major medical, dental care and other welfare benefit programs, substantially similar to those in effect immediately prior to the Change in Control, or, if greater, to those that the Executive was receiving or entitled to receive immediately prior to the date of the Executive's Separation from Service (or, if greater, immediately prior to the reduction, termination, or denial described in Section 2(b)(ii)(D)). If and to the extent that any benefit described in this Section 4(b) is not or cannot be paid or provided under any policy, plan, program or arrangement of the Company or any subsidiary, as the case may be, then the Company will itself pay or provide for the payment to the Executive, the Executive's dependents and beneficiaries of such Employee Benefits along with, in the case of any benefit which is subject to tax because it is not or cannot be paid or provided under any such policy, plan, program or arrangement of the Company or any subsidiary, an additional amount such that after payment by the Executive, or the Executive's dependents or beneficiaries, as the case may be, of all taxes so imposed, the recipient retains an amount equal to such taxes. Employee Benefits otherwise receivable by the Executive pursuant to this Section 4(b) will be reduced to the extent comparable welfare benefits are actually received by the Executive from another employer during the Continuation Period, and any such benefits actually received by the Executive shall be reported by the Executive to the Company. In addition, the Executive shall receive additional age and service credit for the Continuation Period for purposes of the Executive's eligibility to receive any retiree medical benefits.

To the extent the continuation of the Employee Benefits under this Section 4(b) is, or ever becomes, taxable to the Executive and to the extent the Employee Benefits that are medical benefits continue beyond the period in which the Executive would be entitled

(or would, but for this Agreement, be entitled) to continuation coverage under a group health plan of the Company under Code section 4980B (COBRA) if the Executive elected such coverage and paid the applicable premiums, the Company shall administer such continuation of coverage consistent with the following additional requirements as set forth in Treas. Reg. § 1.409A-3(i)(1)(iv):

(i) The Executive's eligibility for Employee Benefits in one year shall not affect the Executive's eligibility for Employee Benefits in any other year;

(ii) Any reimbursement of eligible expenses will be made on or before the last day of the year following the year in which the expense was incurred; and

(iii) Executive's right to Employee Benefits shall not be subject to liquidation or exchange for another benefit.

In the event the preceding sentence applies and the Executive is a Key Employee (as defined in Section 4(g)), provision of Employee Benefits after the COBRA period shall commence on the first day of the seventh month following the date of the Executive's Separation from Service (or, if earlier, the first day of the month after the Executive's death).

(c) Retirement Benefits.

The Executive shall be deemed to be completely vested in the Executive's currently accrued benefits under the Company's Employees' Pension Plan and the Company's Pension Restoration Plan or other supplemental pension plan ("SERP") in effect as of the date of the Change in Control (collectively, the "Plans"), regardless of the Executive's actual vesting service credit thereunder. In addition, the Executive shall be deemed to earn age and service credit for benefit calculation purposes thereunder for the Continuation Period. The additional retirement benefits to be paid pursuant to the Plans shall be calculated as though the Executive's compensation rate for the years during the Continuation Period equaled the sum of Base Pay plus Incentive Pay. Any benefits payable pursuant to this Section 4(c) that are not payable out of the Plans for any reason (including but not limited to any applicable benefit limitations under the Employee Retirement Income Security Act of 1974, as amended, or any restrictions relating to the qualification of the Company's Employees' Pension Plan under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code")) shall be paid directly by the Company out of its general assets at the time and form in which such benefits would have been payable under the applicable Plan.

(d) Stock Based Compensation Plans.

(i) Any issued and outstanding stock options shall vest and become exercisable on the date of the Executive's Separation from Service (to the extent they have not already become vested and exercisable) and any other stock-based awards under any compensation plan or program maintained by the Company (including, without

limitation, awards of restricted stock and book value appreciation units) and the Executive's rights thereunder shall vest on the date of the Executive's Separation from Service (to the extent they have not already vested) and any performance criteria under any such compensation plan or program shall be deemed met at target as of the date of the Executive's Separation from Service.

(ii) If and to the extent that any benefit or entitlement (or portion thereof) described in paragraph (i) above is not able to be implemented by the Company under the then applicable terms of any plan, program or award agreement applicable to the Executive, to the extent permitted by Code section 409A, the Company shall pay to the Executive cash and/or other property (including, without limitation, common stock of the Company or any successor thereto) with a value, as determined by the Board, equal to the value of any such option, award or other entitlement (or portion thereof) that the Executive was not able to receive under paragraph (i) above, such payment shall be made upon the date provided in Section 4(a) following the Executive's Separation from Service and such payment shall be in full satisfaction of the option, award or other entitlement (or portion thereof) to which such payment relates.

(e) Defined Contribution Deferred Compensation Plans.

The Company shall pay to the Executive all other amounts of tax-qualified and nonqualified deferred compensation accrued or earned by the Executive through the date of the Executive's Separation from Service, and amounts otherwise owing under the then existing plans and policies of the Company, other than those amounts described in Section 4(c), including but not limited to, all amounts of compensation previously deferred by the Executive (together with any accrued interest or other earnings thereon) and not yet paid by the Company, under the terms and conditions and time and form of payment of the underlying applicable arrangements, plans or policies of the Company.

(f) Outplacement Services.

If so requested by the Executive, reasonable outplacement services shall be provided to the Executive by a professional outplacement firm or provider selected by the Executive that is reasonably acceptable to the Company at a cost to the Company not in excess of $30,000; provided, however, that such reasonable outplacement expenses must be incurred on or before the last day of the second year following, and payment of such expenses is actually made before the last day of the second year following, the year in which the Executive's Separation from Service occurred.

(g) Key Employee.

For purposes of this Section 4, the term "Key Employee" means an employee treated as a "specified employee" as of his Separation from Service under Code section 409A(a)(2)(B)(i), i.e., a key employee (as defined in Code section 416(i) without regard to paragraph (5) thereof) of the Company or its affiliates if the Company’s or its affiliate's

stock is publicly traded on an established securities market or otherwise. Key Employees shall be determined in accordance with Code section 409A using a December 31 identification date. A listing of Key Employees as of an identification date shall be effective for the 12-month period beginning on the April 1 following the identification date.

5. Golden Parachute Provisions.

(a) Notwithstanding any provision of this Agreement to the contrary, in the event that any amount or benefit to be paid or provided under this Agreement or otherwise to the Executive constitutes a "parachute payment" within the meaning of Section 280G of the Code, and but for this provision, would be subject to the excise tax imposed by Section 4999 of the Code (such tax or taxes, together with any equivalent state or local excise taxes and any interest and penalties, being hereafter collectively referred to as the "Excise Tax"), then the totality of those amounts shall be either: (a) delivered to the Executive in full, or (b) delivered to the Executive as to such lesser extent which would result in no portion of such payments and benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the Excise Tax, results in the receipt by the Executive on an after-tax basis, of the greatest amount of such payments and benefits, notwithstanding that all or some portion of such amount may be taxable under Section 4999 of the Code. Any reduction of any amount required by this provision shall occur in the following order: (1) reduction of cash payments to the Executive under this Agreement or otherwise; (2) reduction of vesting acceleration of stock options or other stock-based awards under this Agreement or otherwise; and (3) reduction of other benefits paid or provided to the Executive. If two or more stock options or other stock-based awards are granted on the same date, each option or award will be reduced on a pro rata basis (dollar-for-dollar).

(b) Unless the Company and the Executive otherwise agree, any determination required under this Section 5 shall be made in writing by the Company’s outside auditors immediately prior to the Change in Control (the "Accounting Firm"), whose determination shall be conclusive and binding upon the Executive and the Company for all purposes.

(c) The Company and the Executive shall each provide the Accounting Firm access to and copies of any books, records and documents in the possession of the Company or the Executive, as the case may be, reasonably requested by the Accounting Firm, and otherwise cooperate with the Accounting Firm in connection with the preparation and issuance of the determinations and calculations contemplated by Section 5(b).

(d) The fees and expenses of the Accounting Firm for its services in connection with the determinations and calculations contemplated by Section 5(b) shall be borne by the Company.

6. No Mitigation Obligation; Obligations Absolute.

The payment of the severance compensation by the Company to the Executive in accordance with the terms of this Agreement is hereby acknowledged by the Company to be reasonable, and the Executive will not be required to mitigate the amount of any payment or other benefit provided in this Agreement by seeking other employment or otherwise, nor will any profits, income, earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of the Executive hereunder or otherwise, except as expressly provided in the second to last sentence of Section 4(b). The obligations of the Company to make the payments and provide the benefits provided herein to the Executive are absolute and unconditional and may not be reduced under any circumstances, including without limitation any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or any third party at any time.

7. Legal Fees and Expenses.

It is the intent of the Company that the Executive not be required to incur legal fees and the related expenses associated with the interpretation, enforcement or defense of the Executive's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Executive hereunder. Accordingly, if, following a Change in Control, it should appear to the Executive that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Executive any or all of the benefits provided or intended to be provided to the Executive hereunder, the Company irrevocably authorizes the Executive from time to time to retain counsel of the Executive's choice, at the expense of the Company as hereafter provided, to advise and represent the Executive in connection with any such interpretation, enforcement or defense, including without limitation the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other person affiliated with the Company, in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to the Executive's entering into an attorney-client relationship with such counsel, and in that connection the Company and the Executive agree that a confidential relationship shall exist between the Executive and such counsel. Without respect to whether the Executive prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for all reasonable attorneys' fees and related expenses incurred by the Executive in good faith in connection with any of the foregoing; provided, however, that the Company shall have no obligation hereunder to pay any attorneys' fees or related expenses with respect to any frivolous claims made by the Executive. Payments by the Company shall be made in accordance with the rules immediately below, upon written request of the Executive which must be accompanied by such evidence of eligible fees and expenses as the Company may reasonably require.

The Company shall administer such reimbursements consistent with the following additional requirements as set forth in Treas. Reg. § 1.409A-3(i)(1)(iv):

(i) The Executive’s eligibility for reimbursement of eligible legal fees and expenses in one year shall not affect Executive’s eligibility for eligible legal fees in any other year;

(ii) Any reimbursement of eligible legal fees and expenses shall be made on or before the last day of the year following the year in which the expense was incurred; and

(iii) The Executive’s right to the reimbursement of eligible legal fees and expenses shall not be subject to liquidation or exchange for another benefit.

8. Continuing Obligations.

The Executive hereby agrees that all documents, records, techniques, business secrets and other information which have come into the Executive's possession from time to time during the Executive's employment with the Company shall be deemed to be confidential and proprietary to the Company and, except for personal documents and records of the Executive, shall be returned to the Company. The Executive further agrees to retain in confidence any confidential information known to him concerning the Company and its subsidiaries and their respective businesses so long as such information is not otherwise publicly disclosed, except that Executive may disclose any such information required to be disclosed in the normal course of the Executive's employment with the Company or pursuant to any court order or other legal process or as necessary to enforce the Executive's rights under this Agreement.

9. Successors.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance reasonably satisfactory to the Executive to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of such successor entity to enter into such agreement prior to the effective date of any such succession (or, if later, within three business days after first receiving a written request for such agreement) shall constitute a breach of this Agreement and shall entitle the Executive to terminate employment pursuant to Section 2(a) (ii) and to receive the payments and benefits provided under Section 4. As used in this Agreement, "Company" shall mean the Company as herein before defined and any successor to its business and/or assets as aforesaid which executes and delivers the Agreement provided for in this Section 9 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs,

distributees, devisees and legatees. If the Executive dies while any amounts are payable to him hereunder, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's designee or, if there is no such designee, to the Executive's estate.

10. Notices.

For all purposes of this Agreement, all communications, including without limitation notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid, or three business days after having been sent by a nationally recognized overnight courier service such as FedEx, UPS, or Purolator, addressed to the Company (to the attention of the Secretary of the Company, with a copy to the General Counsel of the Company) at its principal executive office and to the Executive at the Executive's principal residence, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

11. Governing Law.

THE VALIDITY, INTERPRETATION, CONSTRUCTION AND PERFORMANCE OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

12. Miscellaneous.

No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement (or in any employment or other written agreement relating to the Executive).
Nothing expressed or implied in this Agreement will create any right or duty on the part of the Company or the Executive to have the Executive remain in the employment of the Company or any subsidiary prior to or following any Change in Control. The Company may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as the Company is required to withhold pursuant to any law or government regulation or ruling. In the event that the Company refuses or otherwise fails to make a payment when due and it is ultimately decided that the Executive is entitled to such payment, such payment shall be increased to reflect an interest factor, compounded annually, equal to the prime rate in effect as of the date the payment was first due plus

two points. For this purpose, the prime rate shall be based on the rate identified by Chase Manhattan Bank as its prime rate.

13. Separability.

The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

14. Non-assignability.

This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or transfer this Agreement or any rights or obligations hereunder, except as provided in Section 9. Without limiting the foregoing, the Executive's right to receive payments hereunder shall not be assignable or transferable, whether by pledge, creation of a security interest or otherwise, other than a transfer by will or by the laws of descent or distribution, and in the event of any attempted assignment or transfer by the Executive contrary to this Section 14 the Company shall have no liability to pay any amount so attempted to be assigned or transferred to any person other than the Executive or, in the event of death, the Executive's designated beneficiary or, in the absence of an effective beneficiary designation, the Executive's estate.

15. Effectiveness; Term.

This Agreement will be effective and binding as of the date first above written immediately upon its execution and shall continue in effect through the second anniversary of such date; provided, however, that the term of this Agreement shall automatically be extended for an additional day for each day that passes so that there shall at any time be two years remaining in the term unless the Company provides written notice to the Executive that it does not wish the term of this Agreement to continue to be so extended, in which case the Agreement shall terminate on the second anniversary of such notice if there has not been a Change in Control prior to such second anniversary. In the event that a Change in Control has occurred during the term of this Agreement, then this Agreement shall continue to be effective until the second anniversary of such Change in Control. Notwithstanding any other provision of this Agreement, if, prior to a Change in Control, the Executive ceases for any reason to be an employee of the Company and any subsidiary (other than a termination of employment pursuant to Section 2(d) hereof), thereupon without further action the term of this Agreement shall be deemed to have expired and this Agreement will immediately terminate and be of no further effect. For purposes of this Section 15, the Executive shall not be deemed to have ceased to be an employee of the Company and any subsidiary by reason of the transfer of the Executive's employment between the Company and any subsidiary, or among any subsidiaries. Notwithstanding any provision of this Agreement to the contrary, the parties' respective rights and obligations under Sections 4 through 9 will survive any termination or expiration of this Agreement or the termination of the Executive's employment following a Change in Control for any reason whatsoever.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

17. Prior Agreement. This Agreement supersedes and terminates any and all prior similar agreements by and among Company (and/or a subsidiary) and the Executive.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the day and year first above set forth.

HESS CORPORATION

/s/ Michael R. Turner

Michael R. Turner

By: /s/ John B. Hess

Name: John B. Hess

Title: Chief Executive Officer

Exhibit 31(1)

CERTIFICATIONS

I, John B. Hess, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hess Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ John B. Hess
JOHN B. HESS
CHIEF EXECUTIVE OFFICER

Date: August 7, 2015

Exhibit 31(2)

I, John P. Rielly, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hess Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Date: August 7, 2015

Exhibit 32(1)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hess Corporation (the “Corporation”) on Form 10-Q for the period ending June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John B. Hess, Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By /s/ John B. Hess

JOHN B. HESS
CHIEF EXECUTIVE OFFICER
Date: August 7, 2015

A signed original of this written statement required by Section 906 has been provided to Hess Corporation and will be retained by Hess Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32(2)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hess Corporation (the “Corporation”) on Form 10-Q for the period ending June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John P. Rielly, Senior Vice President and Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By /s/ John P. Rielly
JOHN P. RIELLY
SENIOR VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER
Date: August 7, 2015

A signed original of this written statement required by Section 906 has been provided to Hess Corporation and will be retained by Hess Corporation and furnished to the Securities and Exchange Commission or its staff upon request.