

# Supplemental Earnings Information



Third Quarter 2016



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# OPERATING RESULTS

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



\$ In Millions, Except Per Share Data

	3Q 2016	3Q 2015	2Q 2016
<b><u>Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)</u></b>			
Exploration and Production	\$ (234)	\$ (188)	\$ (328)
Bakken Midstream	13	16	11
Corporate and Other	(69)	(44)	(25)
Interest	(49)	(50)	(50)
Discontinued Operations	-	(13)	-
Net income (loss) attributable to Hess Corporation	\$ (339)	\$ (279)	\$ (392)
Net income (loss) per common share (diluted)	\$ (1.12)	\$ (0.98)	\$ (1.29)
<b><u>Items Affecting Comparability of Earnings - Income (Expense)</u></b>			
Exploration and Production	\$ 51	\$ 33	\$ (57)
Bakken Midstream	-	-	-
Corporate and Other	(50)	(8)	-
Discontinued Operations	-	(13)	-
Total items affecting comparability of earnings between periods	\$ 1	\$ 12	\$ (57)

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



\$ In Millions, Except Per Share Data

	3Q 2016	3Q 2015	2Q 2016
<b><u>Adjusted Net Income (Loss)*</u></b>			
Exploration and Production	\$ (285)	\$ (221)	\$ (271)
Bakken Midstream	13	16	11
Corporate and Other	(19)	(36)	(25)
Interest	(49)	(50)	(50)
Discontinued Operations	-	-	-
Adjusted net income (loss) attributable to Hess Corporation	\$ (340)	\$ (291)	\$ (335)
Adjusted net income (loss) per common share (diluted)	\$ (1.12)	\$ (1.03)	\$ (1.10)
Weighted average number of common shares outstanding (diluted)	313.2	283.5	313.2

\* The Corporation has used a non-GAAP financial measure in this supplemental earnings information. "Adjusted Net Income (Loss)" presented throughout this supplemental information is defined as reported net income (loss) attributable to Hess Corporation excluding items identified as affecting comparability of earnings between periods. Management uses adjusted net income (loss) to evaluate the Corporation's operating performance and believes that investors' understanding of our performance is enhanced by disclosing this measure, which excludes certain items that management believes are not directly related to ongoing operations and are not indicative of future business trends and operations. This measure is not, and should not be viewed as, a substitute for U.S. GAAP net income (loss).

# Items Affecting Comparability of Earnings Between Periods



(Amounts, After Income Taxes)

## 3Q 2016

- **Exploration and Production** – A tax benefit of \$51 million related to the resolution of certain international tax matters.
- **Bakken Midstream** – None.
- **Corporate and Other** – A charge of \$50 million for the premium paid to repurchase 65 percent of the principal amount of the Corporation's 8.125% notes, due in 2019.

## 3Q 2015

- **Exploration and Production** – Results include:
  - A gain of \$31 million from sale of dry gas acreage in the Utica shale play.
  - A tax benefit of \$50 million associated with an international investment incentive.
  - Charges totaling \$48 million for undeveloped leasehold impairment and other exit costs.
- **Bakken Midstream** – None.
- **Corporate and Other** – A charge of \$8 million related to the HOVENSA bankruptcy.
- **Discontinued Operations** – A loss of \$13 million primarily related to pension settlement charges.

# Items Affecting Comparability of Earnings Between Periods (cont'd)



(Amounts, After Income Taxes)

## 2Q 2016

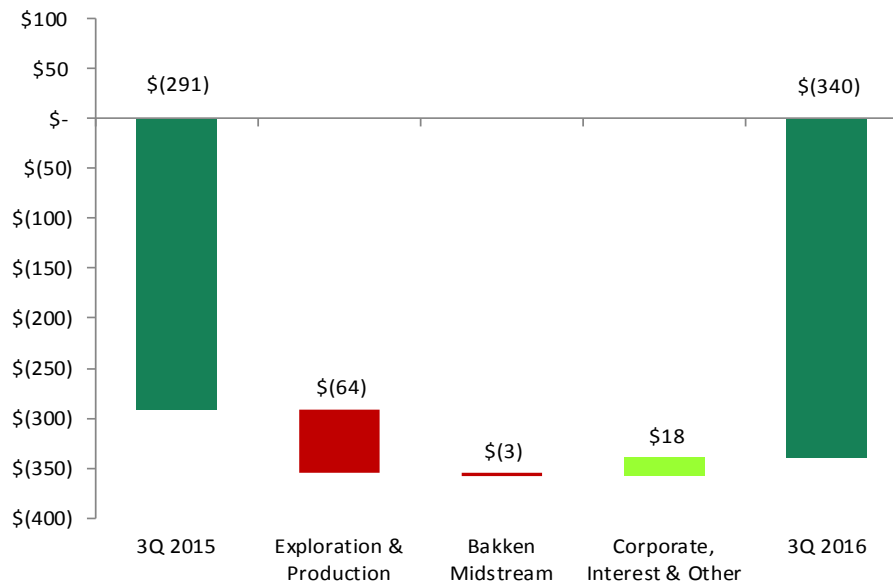
- **Exploration and Production** – Results include:
  - A charge of \$52 million to write-off the Sicily #1 exploration well in the Gulf of Mexico, completed in 2015, based on the Corporation's decision in the second quarter of 2016 to exit the project.
  - A charge of \$22 million associated with the termination of a drilling rig contract.
  - A gain of \$17 million related to the sale of undeveloped acreage, onshore United States.
- **Bakken Midstream** – None.
- **Corporate and Other** – None.

# Consolidated Adjusted Net Income (Loss)

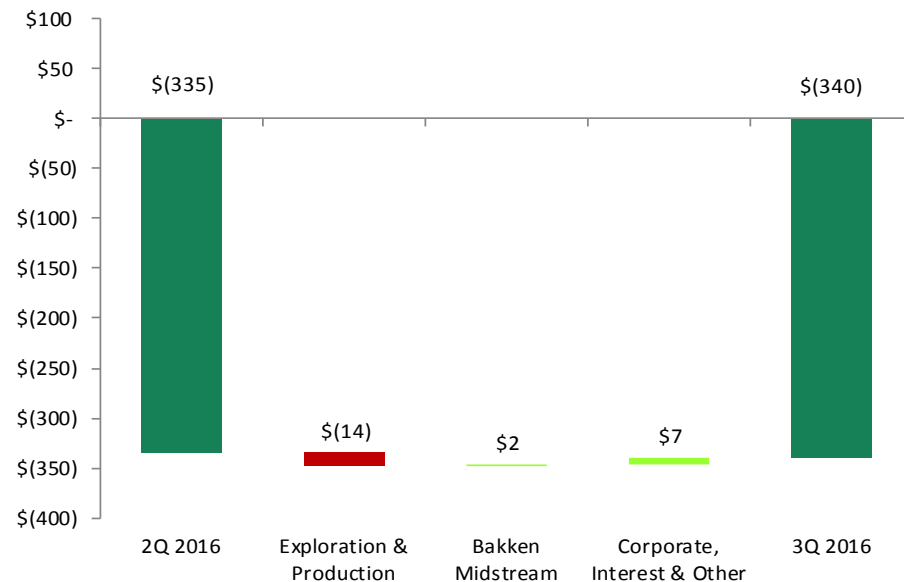


\$ In Millions

**3Q 2016 vs. 3Q 2015**



**3Q 2016 vs. 2Q 2016**



	3Q 2016	3Q 2015	Incr. / (Decr.)
Exploration and Production	\$ (285)	\$ (221)	\$ (64)
Bakken Midstream	13	16	(3)
Corporate, Interest and Other	(68)	(86)	18
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (340)</u>	<u>\$ (291)</u>	<u>\$ (49)</u>

	3Q 2016	2Q 2016	Incr. / (Decr.)
Exploration and Production	\$ (285)	\$ (271)	\$ (14)
Bakken Midstream	13	11	2
Corporate, Interest and Other	(68)	(75)	7
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (340)</u>	<u>\$ (335)</u>	<u>\$ (5)</u>

# Analysis of Consolidated Adjusted Net Income (Loss)



## 3Q 2016 vs. 3Q 2015

- **Exploration and Production** – The decrease in earnings was primarily attributable to lower production volumes and lower realized selling prices, which were partially offset by lower operating costs and depreciation, depletion and amortization expenses.
- **Bakken Midstream** – The decrease in earnings was primarily due to lower throughput volumes.
- **Corporate, Interest and Other** – The decrease in corporate and other costs was primarily due to reductions in employee costs, professional fees, and office expenses.

## 3Q 2016 vs. 2Q 2016

- **Exploration and Production** – The decrease in earnings was primarily attributable to lower sales volumes, which were partially offset by lower exploration expenses.
- **Bakken Midstream** – The increase in earnings was primarily due to lower operating costs and interest expense.
- **Corporate, Interest and Other** – The decrease in corporate and other costs was primarily due to reductions in employee costs and professional fees.

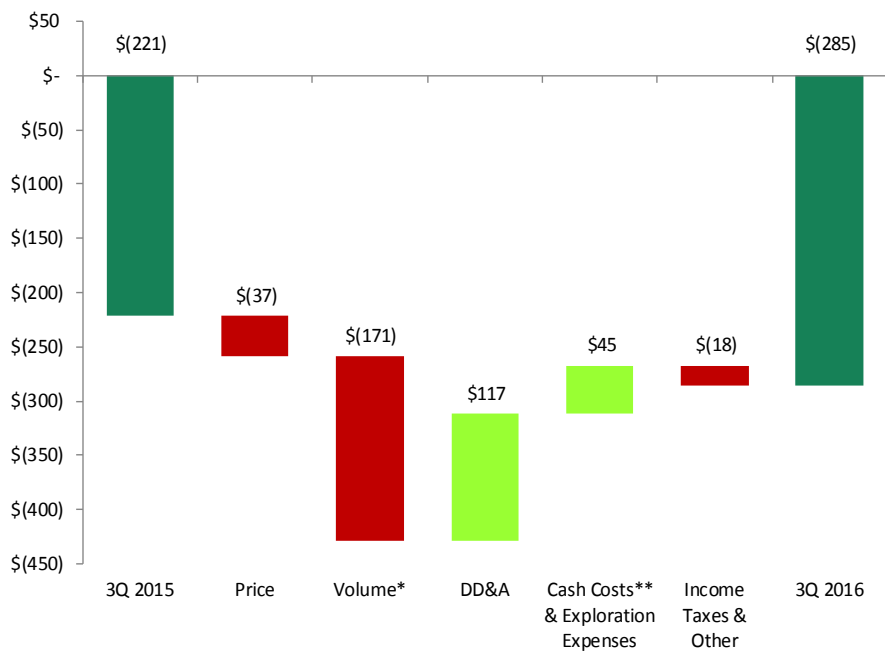


# Exploration and Production – Adjusted Net Income (Loss)

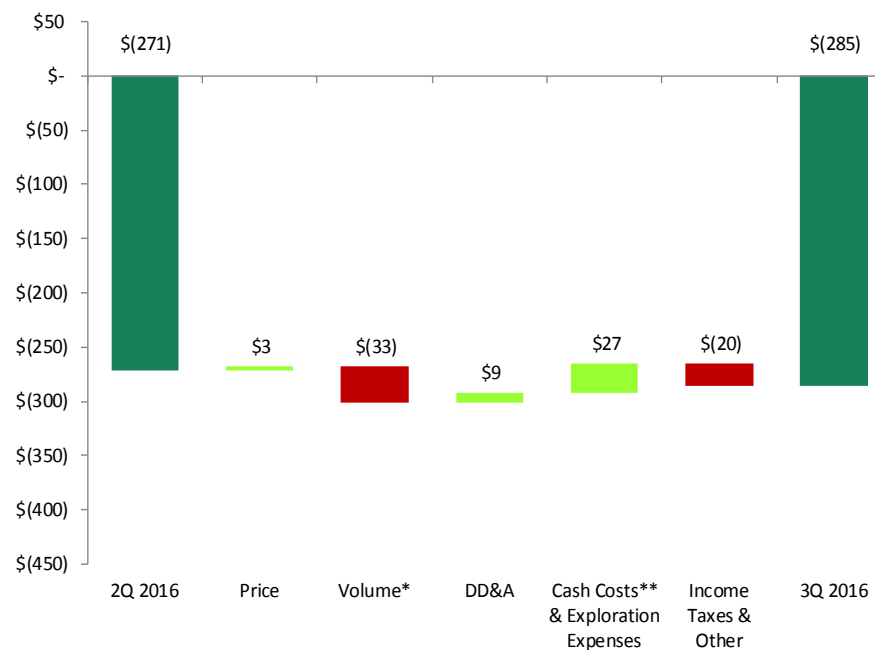


\$ In Millions

**3Q 2016 vs. 3Q 2015**



**3Q 2016 vs. 2Q 2016**



	3Q 2016	3Q 2015	Incr. / (Decr.)
United States	\$ (234)	\$ (249)	\$ 15
International	(51)	28	(79)
<b>Total</b>	<b>\$(285)</b>	<b>\$(221)</b>	<b>\$(64)</b>

	3Q 2016	2Q 2016	Incr. / (Decr.)
United States	\$ (234)	\$ (277)	\$ 43
International	(51)	6	(57)
<b>Total</b>	<b>\$(285)</b>	<b>\$(271)</b>	<b>\$(14)</b>

\* Includes associated Cost of products sold.

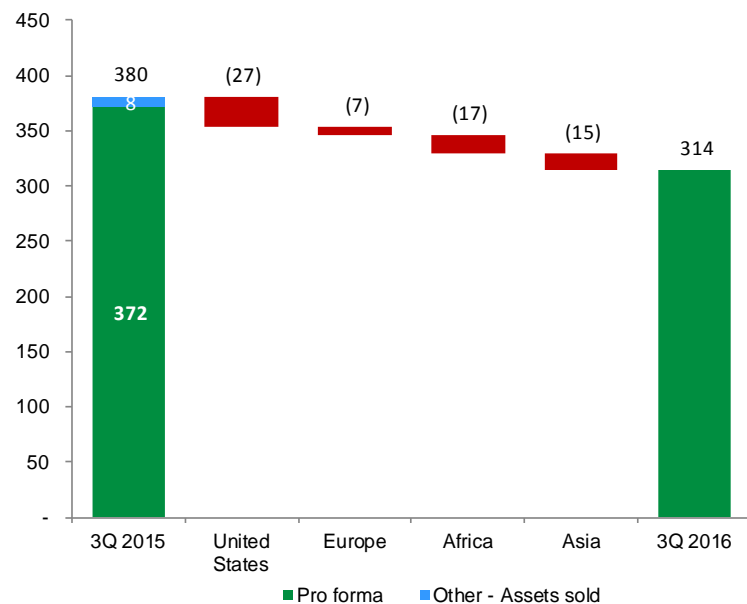
\*\* Cash costs include Operating costs and expenses, Production and severance taxes, General and administrative expenses, and Bakken Midstream tariffs.

# Worldwide Oil & Gas Production

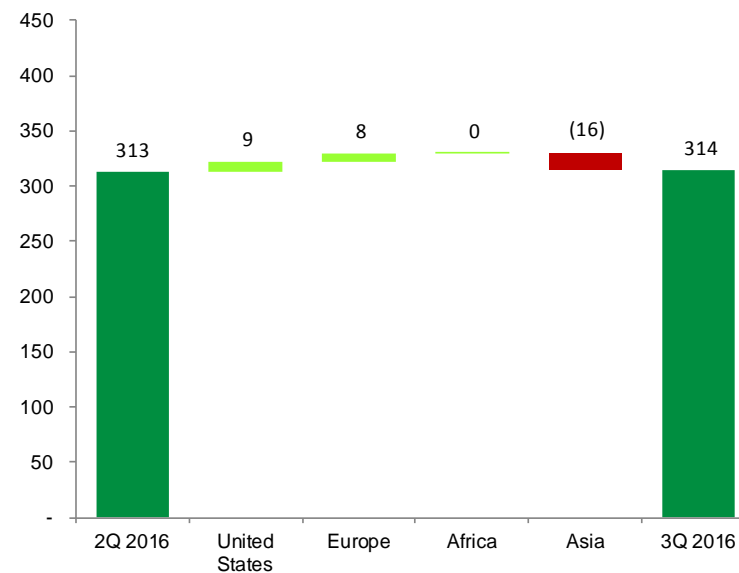


In MBOEPD

**3Q 2016 vs. 3Q 2015**



**3Q 2016 vs. 2Q 2016**



	3Q 2016	3Q 2015	Incr. / (Decr.)
<b>United States</b>			
Bakken	107	113	(6)
Other Onshore	43	42	1
Total Onshore	150	155	(5)
Offshore	61	83	(22)
<b>Total United States</b>	<u>211</u>	<u>238</u>	<u>(27)</u>
<b>Europe</b>	42	49	(7)
<b>Africa</b>	33	50	(17)
<b>Asia</b>	28	43	(15)
<b>Total</b>	<u>314</u>	<u>380</u>	<u>(66)</u>

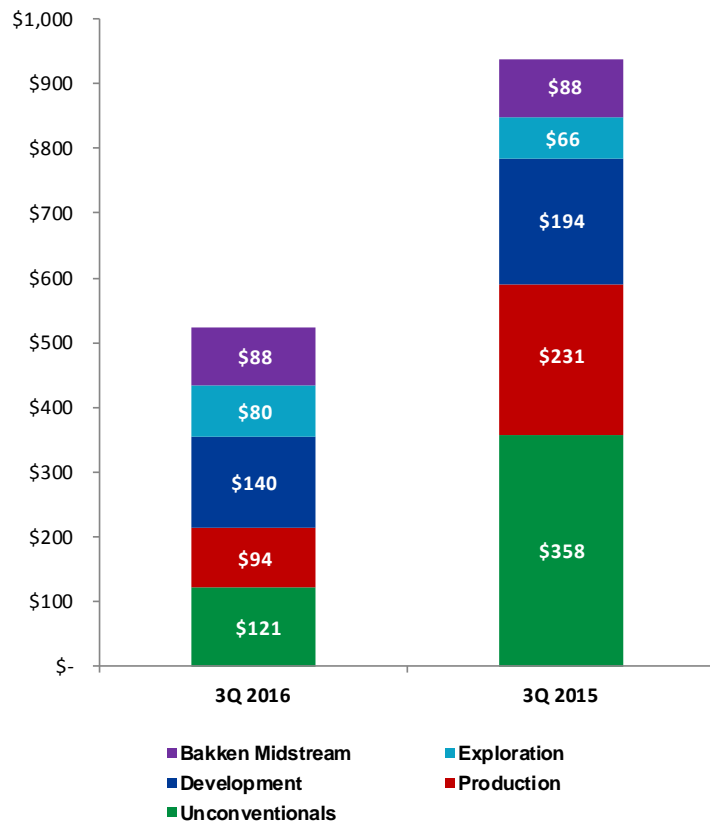
	3Q 2016	2Q 2016	Incr. / (Decr.)
<b>United States</b>			
Bakken	107	106	1
Other Onshore	43	42	1
Total Onshore	150	148	2
Offshore	61	54	7
<b>Total United States</b>	<u>211</u>	<u>202</u>	<u>9</u>
<b>Europe</b>	42	34	8
<b>Africa</b>	33	33	-
<b>Asia</b>	28	44	(16)
<b>Total</b>	<u>314</u>	<u>313</u>	<u>1</u>

# Capital and Exploratory Expenditures



\$ In Millions

## 3Q 2016 vs. 3Q 2015



### E&P Capital and Exploratory Expenditures

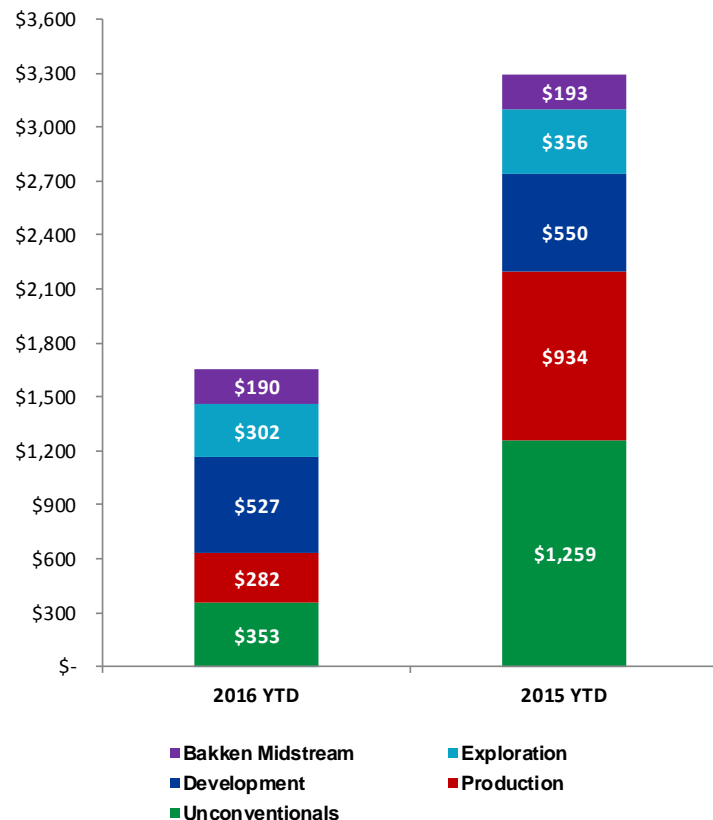
	Three Months Ended September 30,	
	2016	2015
United States		
Bakken	\$ 126	\$ 295
Other Onshore	4	70
Total Onshore	130	365
Offshore	191	199
Total United States	321	564
Europe	1	58
Africa	4	13
Asia and Other	109	214
E&P Capital and Exploratory Expenditures	<u>\$ 435</u>	<u>\$ 849</u>
Total exploration expenses charged to income included above	<u>\$ 52</u>	<u>\$ 79</u>
Bakken Midstream Capital Expenditures	<u>\$ 88</u>	<u>\$ 88</u>

# Capital and Exploratory Expenditures (cont'd)



\$ In Millions

## 3Q 2016 YTD vs. 3Q 2015 YTD



### E&P Capital and Exploratory Expenditures

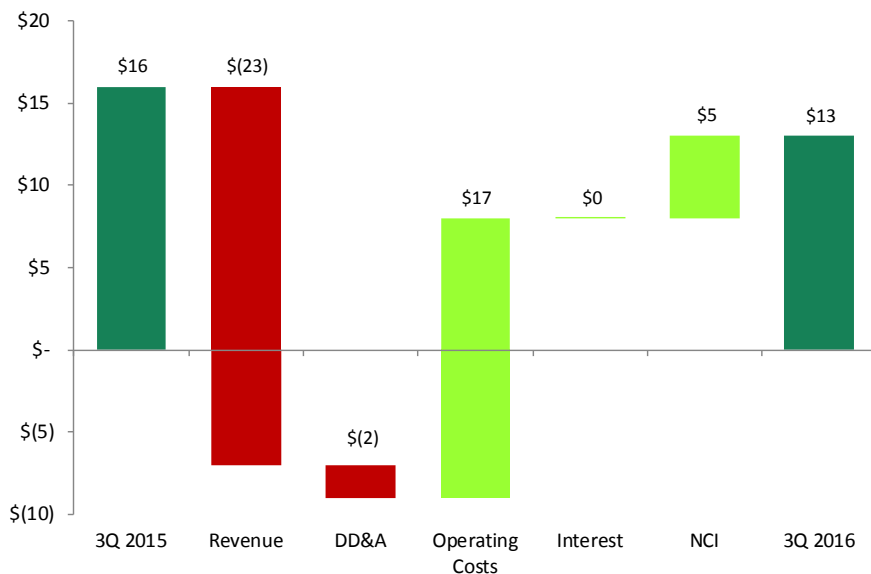
	Nine Months Ended September 30,	
	2016	2015
United States		
Bakken	\$ 330	\$ 1,060
Other Onshore	48	260
Total Onshore	378	1,320
Offshore	564	666
Total United States	942	1,986
Europe	63	255
Africa	7	159
Asia and Other	452	699
E&P Capital and Exploratory Expenditures	<u>\$ 1,464</u>	<u>\$ 3,099</u>
Total exploration expenses charged to income included above	<u>\$ 142</u>	<u>\$ 184</u>
Bakken Midstream Capital Expenditures	<u>\$ 190</u>	<u>\$ 193</u>

# Bakken Midstream – Adjusted Net Income & Throughput

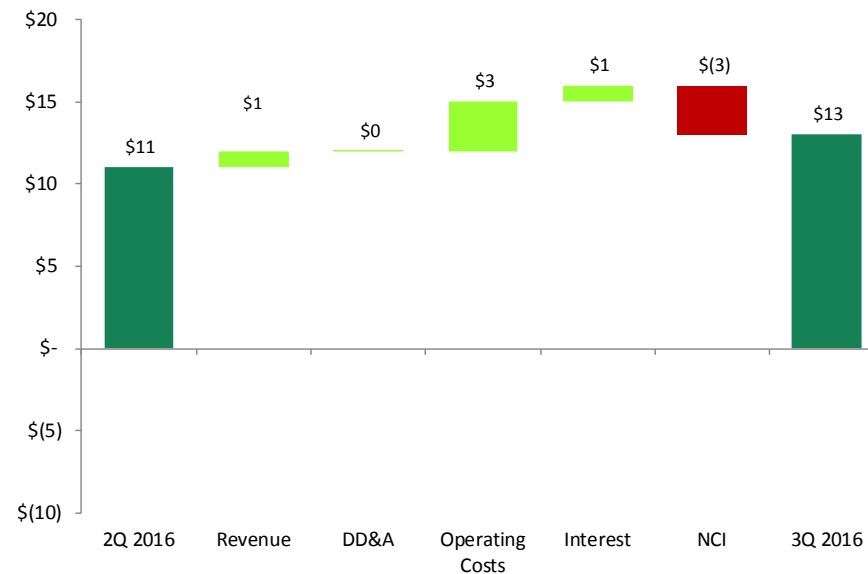


\$ In Millions

**3Q 2016 vs. 3Q 2015**



**3Q 2016 vs. 2Q 2016**



Volumes In Thousands

	MINIMUM VOLUME COMMITMENTS	ACTUAL - OPERATING VOLUMES								
		2016	4Q 2016	3Q 2016	2Q 2016	1Q 2016	4Q 2015	3Q 2015	2Q 2015	1Q 2015
Processing:										
Tioga gas plant - mcf of natural gas per day	186		196	183	193	186	210	202	179	
Export:										
Terminal throughput - bopd	73		51	64	63	62	72	82	79	
Tioga rail terminal crude loading - bopd	38		43	39	33	42	47	51	50	
Rail services - bopd	43		20	30	29	43	45	44	40	
Pipelines:										
Oil gathering - bopd	48		58	59	57	50	41	35	28	
Gas gathering - mcf of natural gas per day	193		208	199	205	198	226	227	204	



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## **OTHER INFORMATION**

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# 2016 Guidance to Investors



	Guidance****		Actual		
	Full Year	4Q	3Q	2Q	1Q
<b><u>Production - Thousand Barrels of Oil Equivalent Per Day (MBOEPD)</u></b>					
Total	315 - 325	~305	314	313	350
Bakken	~105	100 - 105	107	106	111
<b><u>Unit Cost - \$ Per Barrel of Oil Equivalent (\$/BOE)*</u></b>					
Cash Costs	\$16.00 - \$16.50	\$17.50 - \$18.50	\$16.08	\$16.23	\$14.62
DD&A	\$26.50 - \$27.00	\$26.00 - \$27.00	\$27.09	\$27.06	\$26.44
Total Production Costs	\$42.50 - \$43.50	\$43.50 - \$45.50	\$43.17	\$43.29	\$41.06
Bakken Midstream Tariff	\$3.85 - \$3.95	\$4.20 - \$4.30	\$3.92	\$3.83	\$3.51
<b>Exploration Expenses, Excluding Dry Hole Costs (\$ Millions)*</b>	\$250 - \$260	\$75 - \$85	\$62	\$66	\$47
<b>Exploration and Production Effective Tax Rate**</b>	40% - 44%	36% - 40%	41%	47%	41%
<b><u>Capital and Exploratory Expenditures (\$ Millions)</u></b>					
Exploration and Production	\$2,000	\$550	\$435	\$485	\$544
Bakken Midstream	\$290	\$100	\$88	\$67	\$35
<b><u>Other (\$ Millions)*</u></b>					
Bakken Midstream Net Income Attributable to Hess Corporation***	\$48 - \$53	\$10 - \$15	\$13	\$11	\$14
Corporate Expenses, After-Taxes	\$90 - \$95	\$25 - \$30	\$19	\$25	\$22
Interest Expenses, After-Taxes	\$200 - \$205	\$50 - \$55	\$49	\$50	\$50

\* Excludes "items affecting comparability".

\*\* Based on current strip oil prices, the Corporation is forecasting a pre-tax loss for 2016, and as a result, the E&P effective tax rate, excluding items affecting comparability, is expected to be a benefit.

\*\*\* Reflects Hess Corporation's 50% ownership in the Bakken Midstream Joint Venture.

\*\*\*\* Guidance excludes any contribution from Libya.

# Consolidating Income Statement– 3Q 2016



\$ In Millions, Except Unit Costs Data

	Three Months Ended September 30, 2016				
	Exploration & Production	Bakken Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
<b>Revenue and Non-Operating Income</b>					
Sales and other operating revenues	\$ 1,177	\$ 120	\$ -	\$ (120)	\$ 1,177
Other, net	7	-	12	-	19
Total revenues and non-operating income	1,184	120	12	(120)	1,196
<b>Costs and Expenses</b>					
Cost of products sold (excluding items shown separate below)	229	-	-	(7)	222
Operating costs and expenses	378	43	-	-	421
Production and severance taxes	27	-	-	-	27
Bakken Midstream tariffs	113	-	-	(113)	-
Exploration expenses, including dry holes and lease impairment	78	-	-	-	78
General and administrative expenses	61	4	41	-	106
Interest expense	-	4	80	-	84
Depreciation, depletion and amortization	784	25	2	-	811
Total costs and expenses	1,670	76	123	(120)	1,749
Adjusted Income (Loss) Before Income Taxes	(486)	44	(111)	-	(553)
Provision (benefit) for income taxes	(201)	9	(43)	-	(235)
Adjusted Net Income (Loss)	(285)	35	(68)	-	(318)
Less: Net income (loss) attributable to noncontrolling interests	-	22	-	-	22
<b>Adjusted Net Income (Loss) Attributable to Hess Corporation<sup>(1)</sup></b>	<b>\$ (285)</b>	<b>\$ 13</b>	<b>\$ (68)</b>	<b>\$ -</b>	<b>\$ (340)</b>
<b>Items affecting comparability of earnings (after tax)<sup>(1)</sup></b>	<b>51</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>1</b>
<b>Net Income (Loss) Attributable to Hess Corporation<sup>(1)</sup></b>	<b>\$ (234)</b>	<b>\$ 13</b>	<b>\$ (118)</b>	<b>\$ -</b>	<b>\$ (339)</b>
<b>Exploration &amp; Production Unit Costs (\$/boe)<sup>(2)</sup></b>					
Cash Costs <sup>(3)</sup>	\$ 16.08				
DD&A Costs	27.09				
Production Costs	\$ 43.17				
Bakken Midstream Tariffs	\$ 3.92				
Production Volumes (mmboe)	28.9				
<b>Bakken Midstream</b>					
EBITDA <sup>(4)</sup>	\$ 73				

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

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

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

(4) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization.



# Consolidating Income Statement- 3Q 2016 YTD



\$ In Millions, Except Unit Costs Data

	Nine Months Ended September 30, 2016				
	Exploration & Production	Bakken Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
<b>Revenue and Non-Operating Income</b>					
Sales and other operating revenues	\$ 3,374	\$ 358	\$ -	\$ (358)	\$ 3,374
Other, net	27	-	30	-	57
Total revenues and non-operating income	<u>3,401</u>	<u>358</u>	<u>30</u>	<u>(358)</u>	<u>3,431</u>
<b>Costs and Expenses</b>					
Cost of products sold (excluding items shown separate below)	712	-	-	(24)	688
Operating costs and expenses	1,142	134	-	-	1,276
Production and severance taxes	74	-	-	-	74
Bakken Midstream tariffs	334	-	-	(334)	-
Exploration expenses, including dry holes and lease impairment	326	-	-	-	326
General and administrative expenses	177	13	120	-	310
Interest expense	-	14	240	-	254
Depreciation, depletion and amortization	2,396	73	7	-	2,476
Total costs and expenses	<u>5,161</u>	<u>234</u>	<u>367</u>	<u>(358)</u>	<u>5,404</u>
Adjusted Income (Loss) Before Income Taxes	(1,760)	124	(337)	-	(1,973)
Provision (benefit) for income taxes	(753)	24	(122)	-	(851)
Adjusted Net Income (Loss)	(1,007)	100	(215)	-	(1,122)
Less: Net income (loss) attributable to noncontrolling interests	-	62	-	-	62
<b>Adjusted Net Income (Loss) Attributable to Hess Corporation<sup>(1)</sup></b>	<b>\$ (1,007)</b>	<b>\$ 38</b>	<b>\$ (215)</b>	<b>\$ -</b>	<b>\$ (1,184)</b>
<b>Items affecting comparability of earnings (after tax)<sup>(1)</sup></b>	<b>(6)</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>(56)</b>
<b>Net Income (Loss) Attributable to Hess Corporation<sup>(1)</sup></b>	<b>\$ (1,013)</b>	<b>\$ 38</b>	<b>\$ (265)</b>	<b>\$ -</b>	<b>\$ (1,240)</b>
<b>Exploration &amp; Production Unit Costs (\$/boe)<sup>(2)</sup></b>					
Cash Costs <sup>(3)</sup>	\$ 15.61				
DD&A Costs	26.85				
Production Costs	<u>\$ 42.46</u>				
Bakken Midstream Tariffs	<u>\$ 3.74</u>				
Production Volumes (mmboe)	<u>89.2</u>				
<b>Bakken Midstream</b>					
EBITDA <sup>(4)</sup>	<u>\$ 211</u>				

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

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

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

(4) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization.

# Consolidating Income Statement<sup>(1)</sup> – 3Q 2015



\$ In Millions, Except Unit Costs Data

	Three Months Ended September 30, 2015				
	Exploration & Production	Bakken Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
<b>Revenue and Non-Operating Income</b>					
Sales and other operating revenues	\$ 1,671	\$ 148	\$ -	\$ (148)	\$ 1,671
Other, net	(22)	-	1	-	(21)
Total revenues and non-operating income	1,649	148	1	(148)	1,650
<b>Costs and Expenses</b>					
Cost of products sold (excluding items shown separate below)	386	-	1	(31)	356
Operating costs and expenses	443	65	-	-	508
Production and severance taxes	29	-	-	-	29
Bakken Midstream tariffs	117	-	-	(117)	-
Exploration expenses, including dry holes and lease impairment	76	-	-	-	76
General and administrative expenses	54	4	54	-	112
Interest expense	-	4	80	-	84
Depreciation, depletion and amortization	963	22	3	-	988
Total costs and expenses	2,068	95	138	(148)	2,153
Adjusted Income (Loss) Before Income Taxes	(419)	53	(137)	-	(503)
Provision (benefit) for income taxes	(198)	10	(51)	-	(239)
Adjusted Net Income (Loss)	(221)	43	(86)	-	(264)
Less: Net income (loss) attributable to noncontrolling interests	-	27	-	-	27
<b>Adjusted Net Income (Loss) Attributable to Hess Corporation<sup>(2)</sup></b>	<b>\$ (221)</b>	<b>\$ 16</b>	<b>\$ (86)</b>	<b>\$ -</b>	<b>\$ (291)</b>
<b>Items affecting comparability of earnings (after tax)<sup>(2)</sup></b>	<b>33</b>	<b>-</b>	<b>(8)</b>	<b>-</b>	<b>25</b>
<b>Net Income (Loss) Attributable to Hess Corporation<sup>(2)</sup></b>	<b>\$ (188)</b>	<b>\$ 16</b>	<b>\$ (94)</b>	<b>\$ -</b>	<b>\$ (266)</b>
<b>Exploration &amp; Production Unit Costs (\$/boe)<sup>(3)</sup></b>					
Cash Costs <sup>(4)</sup>	\$ 14.98				
DD&A Costs	27.53				
Production Costs	\$ 42.51				
Bakken Midstream Tariffs	\$ 3.36				
Production Volumes (mmboe)	35.0				
<b>Bakken Midstream</b>					
EBITDA <sup>(5)</sup>	\$ 79				

(1) - Reflects continuing operations only - excludes discontinued operations.

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

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

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

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization.

# Consolidating Income Statement<sup>(1)</sup> – 3Q 2015 YTD



\$ In Millions, Except Unit Costs Data

	Nine Months Ended September 30, 2015				
	Exploration & Production	Bakken Midstream	Corporate, Interest & Other	Eliminations	Consolidated TOTAL
	A	B	C	D	A + B + C + D
<b>Revenue and Non-Operating Income</b>					
Sales and other operating revenues	\$ 5,162	\$ 423	\$ -	\$ (423)	\$ 5,162
Other, net	(28)	-	1	-	(27)
Total revenues and non-operating income	5,134	423	1	(423)	5,135
<b>Costs and Expenses</b>					
Cost of products sold (excluding items shown separate below)	1,078	-	-	(88)	990
Operating costs and expenses	1,300	196	-	-	1,496
Production and severance taxes	110	-	-	-	110
Bakken Midstream tariffs	335	-	-	(335)	-
Exploration expenses, including dry holes and lease impairment	260	-	-	-	260
General and administrative expenses	216	9	158	-	383
Interest expense	-	6	249	-	255
Depreciation, depletion and amortization	2,899	65	8	-	2,972
Total costs and expenses	6,198	276	415	(423)	6,466
Adjusted Income (Loss) Before Income Taxes	(1,064)	147	(414)	-	(1,331)
Provision (benefit) for income taxes	(526)	45	(160)	-	(641)
Adjusted Net Income (Loss)	(538)	102	(254)	-	(690)
Less: Net income (loss) attributable to noncontrolling interests	-	27	-	-	27
<b>Adjusted Net Income (Loss) Attributable to Hess Corporation<sup>(2)</sup></b>	<b>\$ (538)</b>	<b>\$ 75</b>	<b>\$ (254)</b>	<b>\$ -</b>	<b>\$ (717)</b>
<b>Items affecting comparability of earnings (after tax)<sup>(2)</sup></b>	<b>(466)</b>	<b>-</b>	<b>(12)</b>	<b>-</b>	<b>(478)</b>
<b>Net Income (Loss) Attributable to Hess Corporation<sup>(2)</sup></b>	<b>\$ (1,004)</b>	<b>\$ 75</b>	<b>\$ (266)</b>	<b>\$ -</b>	<b>\$ (1,195)</b>
<b>Exploration &amp; Production Unit Costs (\$/boe)<sup>(3)</sup></b>					
Cash Costs <sup>(4)</sup>	\$ 15.77				
DD&A Costs	28.14				
Production Costs	\$ 43.91				
Bakken Midstream Tariffs	\$ 3.26				
Production Volumes (mmboe)	103.0				
<b>Bakken Midstream</b>					
EBITDA <sup>(5)</sup>	\$ 218				

(1) - Reflects continuing operations only - excludes discontinued operations.

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

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

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

(5) - EBITDA is calculated as net income before income taxes plus interest expense and depreciation, depletion and amortization.



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# BAKKEN OPERATIONAL DATA

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# Bakken Production - 2016



		Net Production by Product				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	70		67	69	73
NGL	MBBLPD	27		29	27	27
Gas	MMCFPD	64		66	59	67
Total	MBOEPD*	108		107	106	111

		Net Production by Operatorship				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	98		97	97	100
Outside Operated	MBOEPD	10		10	9	11
Total	MBOEPD	108		107	106	111

% Outside Operated		9%		9%	8%	10%
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\* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

# Bakken Production - 2015



		Net Production by Product				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	81	78	82	85	79
NGL	MBBLPD	20	21	20	22	19
Gas	MMCFPD	64	60	65	71	58
Total	MBOEPD*	112	109	113	119	108

		Net Production by Operatorship				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	100	97	102	107	96
Outside Operated	MBOEPD	12	12	11	12	12
Total	MBOEPD	112	109	113	119	108
% Outside Operated		11%	11%	10%	10%	11%

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

# Bakken Operational Well Statistics - 2016



Hess Operated Wells						
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
<b>Rig Count</b>						
Drilling	No. Rigs	3		3	3	4
Drilling Days	Spud-to-Spud	17		16	16	18
		2016				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
Drilled	by Qtr	60		21	20	19
Completion	by Qtr	77		26	23	28
On Production	by Qtr	79		22	26	31
On Production	Cum. to date	1,280		1,280	1,258	1,232
<b>Well Performance</b>						
Average Frac Stage	by Qtr	46		51	47	41
Average 30-day IPs	Gross BOPD*	830		843	869	779
Outside Operated Wells						
		2016				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
On Production	by Qtr	7		—	7	—
On Production - Other	Cum. to date adj. **	45		5	15	25
On Production	Cum. to date	1,101		1,101	1,096	1,074

\* Based on weighted average of total number of wells.

\*\* Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.

# Bakken Operational Well Statistics - 2015



Hess Operated Wells						
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
<b>Rig Count</b>						
Drilling	No. Rigs	8	7	7	8	12
Drilling Days	Spud-to-Spud	18	16	17	18	21
		2015				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
Drilled	by Qtr	182	35	42	45	60
Completion	by Qtr	212	35	42	62	73
On Production	by Qtr	219	34	48	67	70
On Production	Cum. to date	1,201	1,201	1,167	1,119	1,052
<b>Well Performance</b>						
Average Frac Stage	by Qtr	37	39	39	36	35
Average 30-day IPs	Gross BOPD*	861	829	887	835	871
Outside Operated Wells						
		2015				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
On Production	by Qtr	63	11	17	20	15
On Production - Other	Cum. to date adj. **	72	8	39	9	16
On Production	Cum. to date	1,049	1,049	1,030	974	945

\* Based on weighted average of total number of wells.

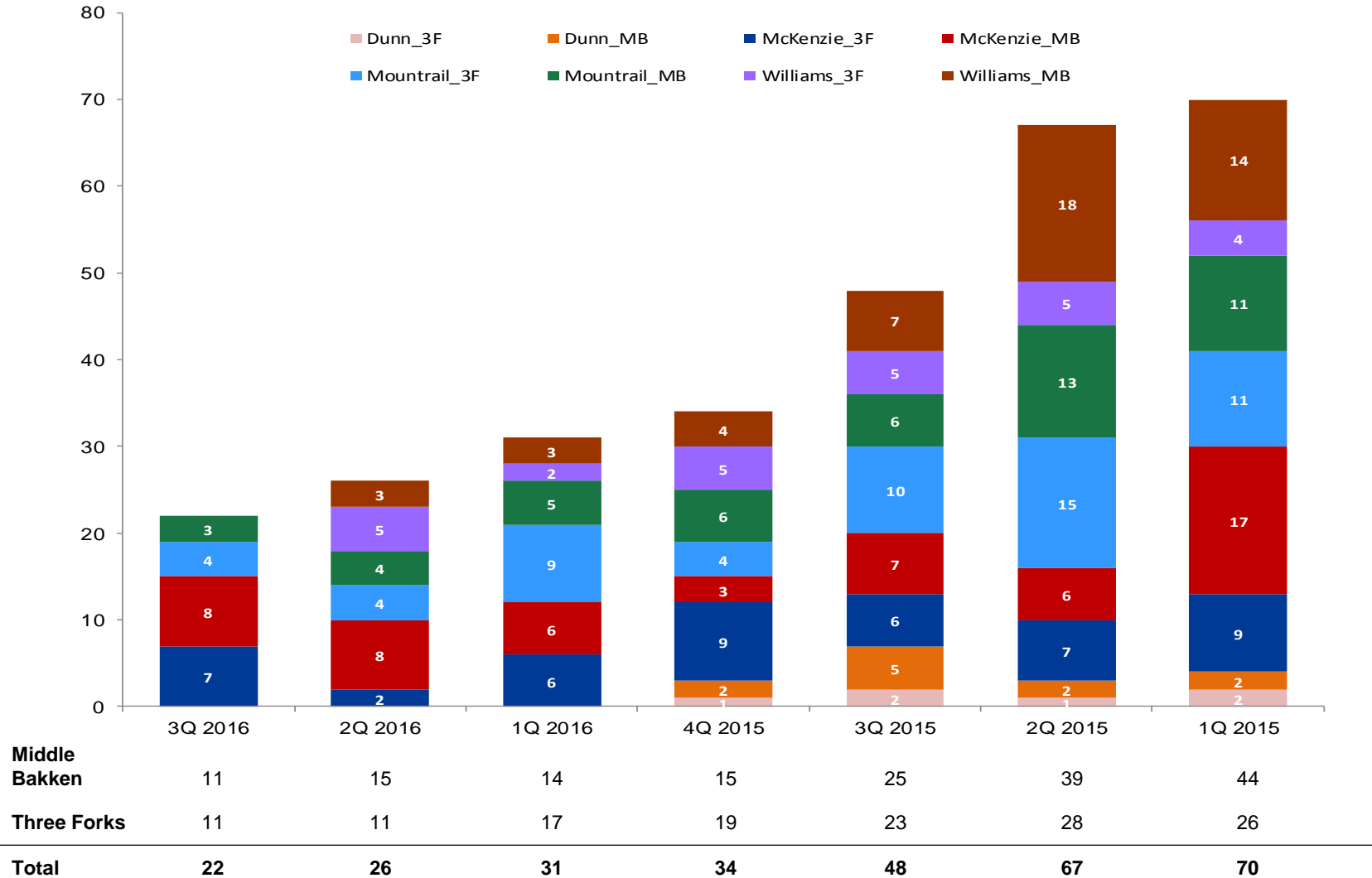
\*\* Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.



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



## Bakken Wells



# Bakken Well Costs, Working Interest and Acreage - 2016



## Average Well Cost - Hess Operated

		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MMWell	\$ 2.9		\$ 2.8	\$ 2.9	\$ 3.1
Completion	\$MMWell	2.0		1.9	1.9	2.0
Total	\$MMWell	\$ 4.9		\$ 4.7	\$ 4.8	\$ 5.1

## Average Working Interest of New Wells Spud Each Quarter

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

## Net Acreage Position

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

# Bakken Well Costs, Working Interest and Acreage - 2015



## Average Well Cost - Hess Operated

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MMWell	\$ 3.5	\$ 3.2	\$ 3.2	\$ 3.5	\$ 3.9
Completion	\$MMWell	2.3	1.9	2.1	2.1	2.9
Total	\$MMWell	<u>\$ 5.8</u>	<u>\$ 5.1</u>	<u>\$ 5.3</u>	<u>\$ 5.6</u>	<u>\$ 6.8</u>

## Average Working Interest of New Wells Spud Each Quarter

		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Hess Operated	%	76%	77%	77%	76%	74%
Outside Operated	%	10%	10%	10%	10%	10%

## Net Acreage Position

		2015			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	583	605	605	609



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# UTICA OPERATIONAL DATA

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# Utica Production - 2016



		Net Production by Product				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	1		1	1	1
NGL	MBBLPD	8		8	8	8
Gas	MMCFPD	123		126	122	121
Total	MBOEPD*	30		30	29	29

		Net Production by Operatorship				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	21		21	21	21
Outside Operated	MBOEPD	9		9	8	8
Total	MBOEPD	30		30	29	29

% Outside Operated		30%		30%	28%	28%
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\* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

# Utica Production - 2015



		Net Production by Product				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	2	2	2	2	2
NGL	MBBLPD	7	8	8	7	4
Gas	MMCFPD	96	124	112	82	65
Total	MBOEPD*	24	30	28	22	17

		Net Production by Operatorship				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	16	23	20	13	9
Outside Operated	MBOEPD	8	7	8	9	8
Total	MBOEPD	24	30	28	22	17

% Outside Operated		32%	23%	28%	41%	45%
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\* Includes natural gas production converted on the basis of relative energy content (six mcf equals one barrel of oil equivalent).

# Utica Operational Well Statistics - 2016



## Hess/CNX Operated Activities

			2016				
			YTD Avg	4Q	3Q	2Q	1Q
<b>Rig Count</b>							
Drilling	No. Rigs		1	—	—	—	1

			2016				
			YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>							
Drilled	by Qtr		6	—	—	—	6
Completion	by Qtr		6	—	—	2	4
On Production	by Qtr		14	—	—	5	9
On Production	Cum. to date		93	—	93	93	88

### Well Performance - Hess Op Only

Average Frac Stage	by Qtr		31	—	—	31	31
Average Lateral Length	Ft/Qtr		6,892	—	—	—	6,892

## Outside Operated Wells (NOJV)

			2016				
			YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>							
On Production	by Qtr		3	—	—	—	3
On Production	Cum. to date		33	—	33	33	33

# Utica Operational Well Statistics - 2015



Hess/CNX Operated Activities						
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
<b>Rig Count</b>						
Drilling	No. Rigs	2	1	1	2	2
		2015				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
Drilled	by Qtr	24	4	5	10	5
Completion	by Qtr	32	8	5	15	4
On Production	by Qtr	32	8	11	9	4
On Production - Other	Cum. to date adj. *	1	—	—	1	—
On Production	Cum. to date	79	79	71	60	50
<b>Well Performance - Hess Op Only</b>						
Average Frac Stage	by Qtr	37	31	40	47	27
Average Lateral Length	Ft/Qtr	7,445	7,000	8,776	7,639	6,032
Outside Operated Wells (NOJV)						
		2015				
		YTD	4Q	3Q	2Q	1Q
<b>No. of Wells</b>						
On Production	by Qtr	1	—	—	—	1
On Production	Cum. to date	30	30	30	30	30

\* Reflects changes arising from the impact of swaps, acquisitions, divestitures and other adjustments.



# Utica Well Costs, Working Interest and Acreage - 2016



		Average Well Cost - Hess Operated				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 3.9		\$ —	\$ —	\$ 3.9
Completion	\$MM/Well	4.7		—	5.2	4.6
Total	\$MM/Well	<u>\$ 8.6</u>		<u>\$ —</u>	<u>\$ 5.2</u>	<u>\$ 8.5</u>
Drilling	\$/Ft	\$ 245		\$ —	\$ —	\$ 245
Completion	\$/MStage	\$ 160		\$ —	\$ 169	\$ 147

		Average Working Interest of Wells TD Cumulative Through Quarter				
		2016				
		YTD Avg	4Q	3Q	2Q	1Q
Hess/CONSOL JV*	%	48%		48%	48%	48%
NOJV	%	7%		7%	7%	7%

		Net Acreage Position (JV Core Acreage)			
		2016			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres		49	50	50

\* Excludes 25% CNX carry on eligible costs; \$335 MM total obligation.

# Utica Well Costs, Working Interest and Acreage - 2015



		Average Well Cost - Hess Operated				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MMWell	\$ 5.3	\$ 4.4	\$ 5.4	\$ 4.8	\$ 6.5
Completion	\$MMWell	4.3	3.8	5.2	4.2	3.9
Total	\$MMWell	<u>\$ 9.6</u>	<u>\$ 8.2</u>	<u>\$ 10.6</u>	<u>\$ 9.0</u>	<u>\$ 10.4</u>
Drilling	\$/Ft	\$ 318	\$ 267	\$ 302	\$ 288	\$ 420
Completion	\$/MStage	\$ 124	\$ 122	\$ 130	\$ 103	\$ 142

		Average Working Interest of Wells TD Cumulative Through Quarter				
		2015				
		YTD Avg	4Q	3Q	2Q	1Q
Hess/CONSOL JV*	%	48%	48%	46%	46%	47%
NOJV	%	7%	7%	8%	8%	8%

		Net Acreage Position (JV Core Acreage)			
		2015			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	50	47	47	45

\* Excludes 25% CNX carry on eligible costs; \$335 MM total obligation.