

Supplemental Earnings Information



Second Quarter 2018



OPERATING RESULTS

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



\$ In Millions, Except Per Share Data

	2Q 2018	2Q 2017	1Q 2018
<u>Net Income (Loss) Attributable to Hess Corporation (U.S. GAAP)</u>			
Exploration and Production	\$ 31	\$ (354)	\$ (25)
Midstream	30	16	28
Corporate and Other	(108)	(35)	(21)
Interest	(83)	(76)	(88)
Net income (loss) attributable to Hess Corporation	\$ (130)	\$ (449)	\$ (106)
Net income (loss) per common share (diluted)*	\$ (0.48)	\$ (1.46)	\$ (0.38)
<u>Items Affecting Comparability of Earnings - Income (Expense)</u>			
Exploration and Production	\$ 10	\$ -	\$ (37)
Midstream	-	-	-
Corporate and Other	(84)	-	3
Total items affecting comparability of earnings between periods	\$ (74)	\$ -	\$ (34)

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

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



\$ In Millions, Except Per Share Data

	2Q 2018	2Q 2017	1Q 2018
<u>Adjusted Net Income (Loss)*</u>			
Exploration and Production	\$ 21	\$ (354)	\$ 12
Midstream	30	16	28
Corporate and Other	(24)	(35)	(24)
Interest	(83)	(76)	(88)
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (56)</u>	<u>\$ (449)</u>	<u>\$ (72)</u>
Adjusted net income (loss) per common share (diluted)**	<u>\$ (0.23)</u>	<u>\$ (1.46)</u>	<u>\$ (0.27)</u>
Weighted average number of common shares outstanding (diluted) [in millions]	<u>297.5</u>	<u>314.4</u>	<u>309.5</u>

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

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

Items Affecting Comparability of Earnings Between Periods



(Amounts, After Income Taxes)

2Q 2018

- **Exploration and Production** – Results included:
 - A gain of \$10 million associated with the sale of the Corporation's interests in Ghana.
- **Midstream** – None.
- **Corporate and Other** – Results included:
 - A charge of \$26 million related to the premium paid for debt repurchases.
 - A charge of \$58 million resulting from the settlement of legal claims related to former downstream interests.

1Q 2018

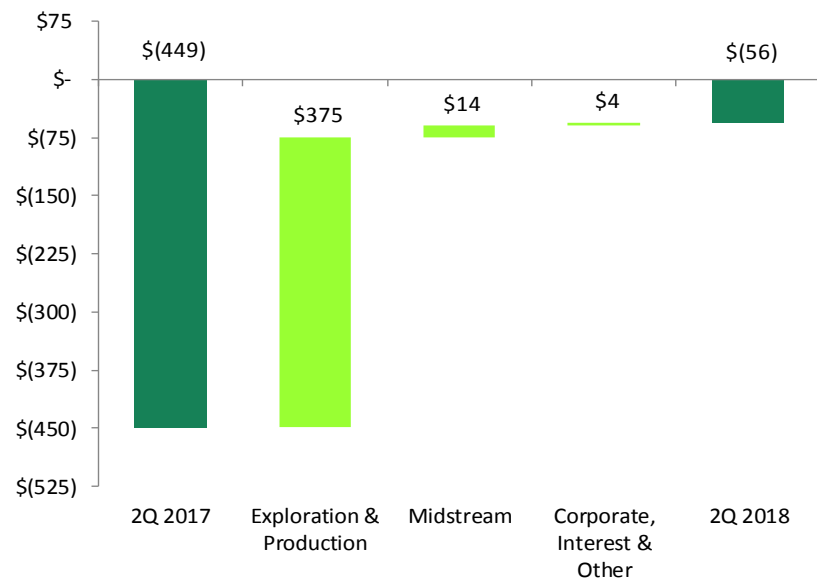
- **Exploration and Production** – Results included:
 - A severance charge of \$37 million related to a previously disclosed cost reduction program.
- **Midstream** – None.
- **Corporate and Other** – Results included:
 - A charge of \$27 million related to the premium paid for debt repurchases.
 - As required under accounting standards' intraperiod allocation rules, the Corporation recognized a noncash income tax benefit of \$30 million which offsets a \$30 million noncash income tax charge recorded in other comprehensive income resulting from a reduction in the Corporation's pension liabilities.

Consolidated Adjusted Net Income (Loss)

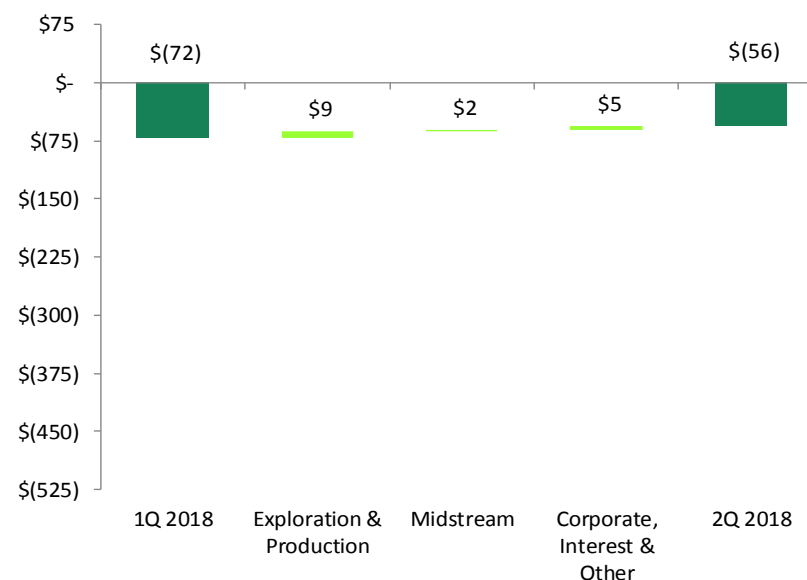


\$ In Millions

2Q 2018 vs. 2Q 2017



2Q 2018 vs. 1Q 2018



	2Q 2018	2Q 2017	Incr. / (Decr.)
Exploration and Production	\$ 21	\$ (354)	\$ 375
Midstream	30	16	14
Corporate, Interest and Other	(107)	(111)	4
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (56)</u>	<u>\$ (449)</u>	<u>\$ 393</u>

	2Q 2018	1Q 2018	Incr. / (Decr.)
Exploration and Production	\$ 21	\$ 12	\$ 9
Midstream	30	28	2
Corporate, Interest and Other	(107)	(112)	5
Adjusted net income (loss) attributable to Hess Corporation	<u>\$ (56)</u>	<u>\$ (72)</u>	<u>\$ 16</u>

Analysis of Consolidated Adjusted Net Income (Loss)



2Q 2018 vs. 2Q 2017

- **Exploration and Production** – The improved results primarily reflect higher realized crude oil selling prices, lower operating costs and depreciation, depletion and amortization expense, partially offset by lower production volumes, primarily due to asset sales.
- **Midstream** – The increase in earnings primarily reflects higher throughput volumes and lower operating costs.
- **Corporate and Other** – The decrease in corporate and other costs was primarily due to higher interest income and lower employee compensation costs and professional fees.
- **Interest** – The increase in interest expense was due to lower capitalized interest in the second quarter of 2018 primarily due to first production commencing at the Stampede Field in January 2018.

2Q 2018 vs. 1Q 2018

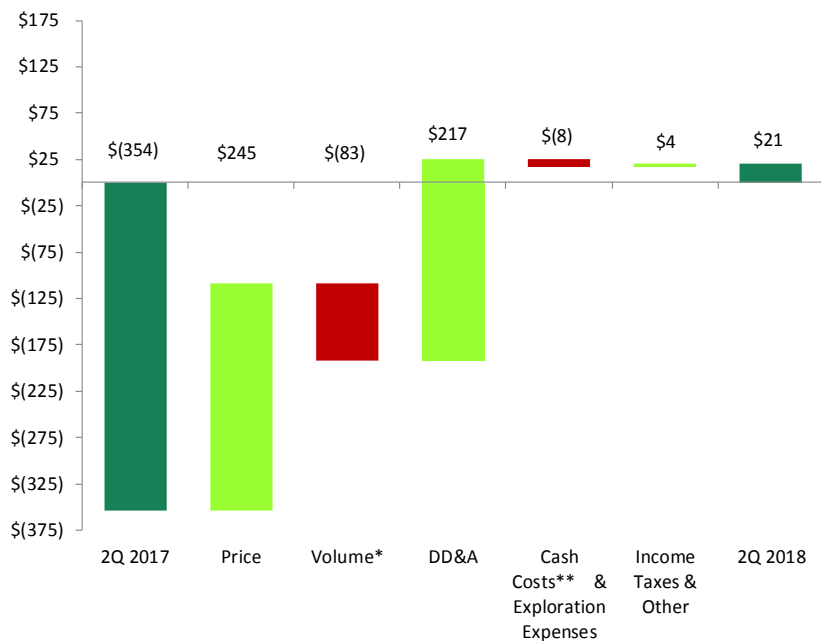
- **Exploration and Production** – The increase in earnings primarily reflects higher realized crude oil selling prices and production volumes, partially offset by higher operating costs, exploration expense and depreciation, depletion and amortization expense.
- **Midstream** – The increase in earnings primarily reflects higher throughput volumes.
- **Corporate and Other** – No significant changes.
- **Interest** – The decrease in interest expense reflects lower average borrowings.

Exploration and Production – Adjusted Net Income (Loss)

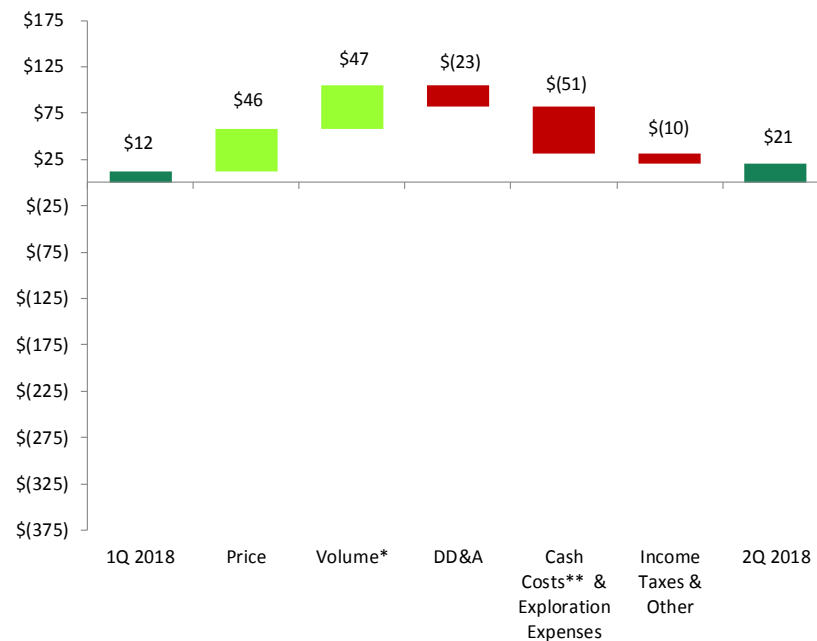


\$ In Millions

2Q 2018 vs. 2Q 2017



2Q 2018 vs. 1Q 2018



	2Q 2018	2Q 2017	Incr. / (Decr.)
United States	\$ (19)	\$ (340)	\$ 321
International	40	(14)	54
Total	\$ 21	\$ (354)	\$ 375

	2Q 2018	1Q 2018	Incr. / (Decr.)
United States	\$ (19)	\$ (41)	\$ 22
International	40	53	(13)
Total	\$ 21	\$ 12	\$ 9

* Includes associated Marketing, including purchased oil and gas.

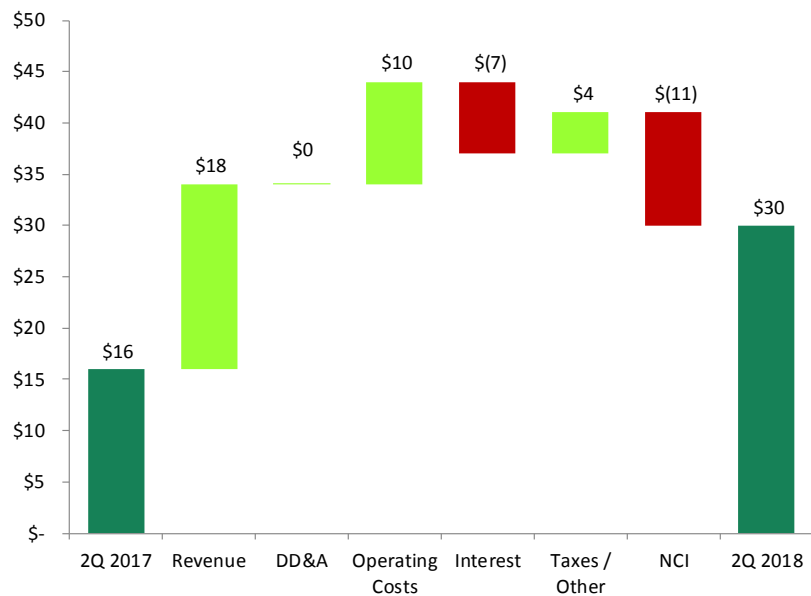
** Cash costs include Operating costs and expenses, Production and severance taxes, E&P general and administrative expenses, and Midstream tariffs.

Midstream – Adjusted Net Income

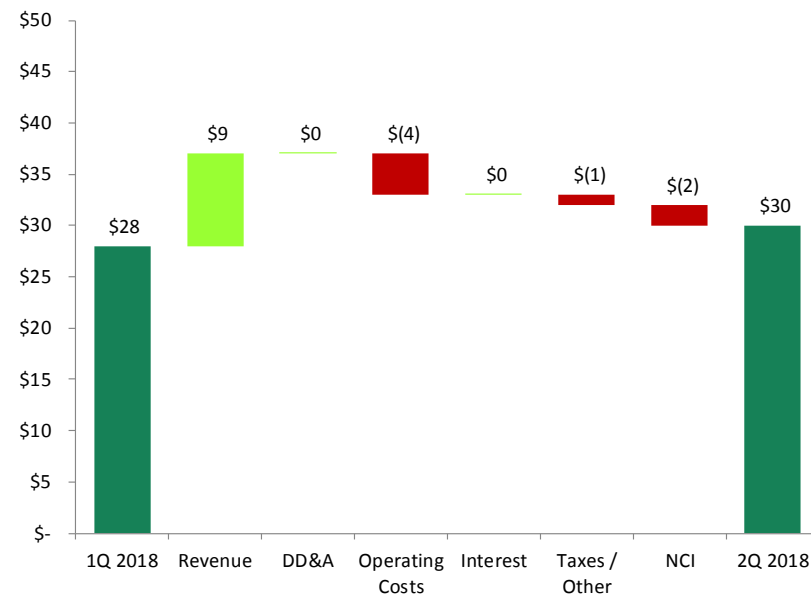


\$ In Millions

2Q 2018 vs. 2Q 2017



2Q 2018 vs. 1Q 2018

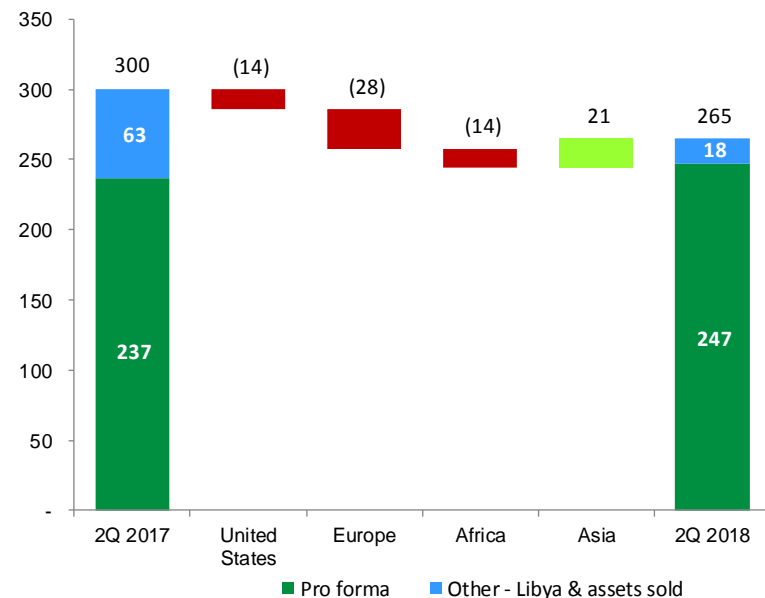


Worldwide Oil & Gas Production

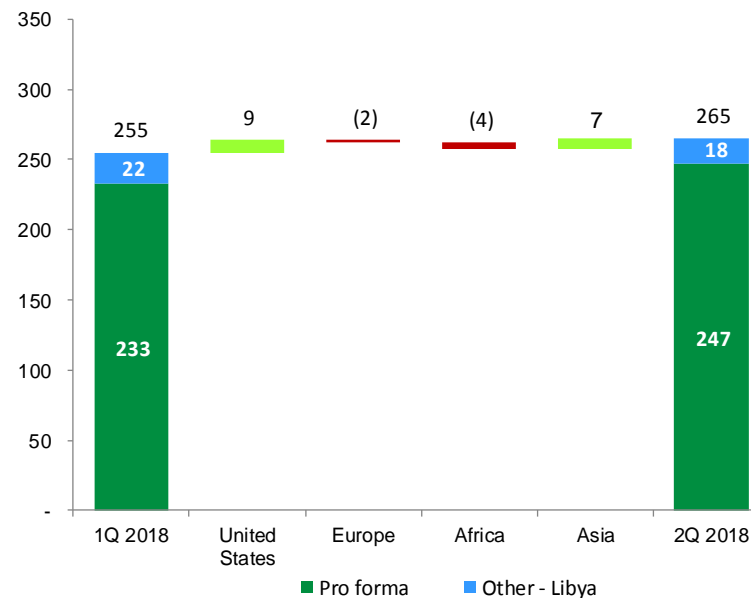


In MBOEPD

2Q 2018 vs. 2Q 2017



2Q 2018 vs. 1Q 2018



	2Q 2018	2Q 2017	Incr. / (Decr.)
United States			
Bakken	114	108	6
Other Onshore	17	33	(16)
Total Onshore	131	141	(10)
Offshore	47	51	(4)
Total United States	178	192	(14)
Europe	6	34	(28)
Africa	18	32	(14)
Asia	63	42	21
Total	265	300	(35)

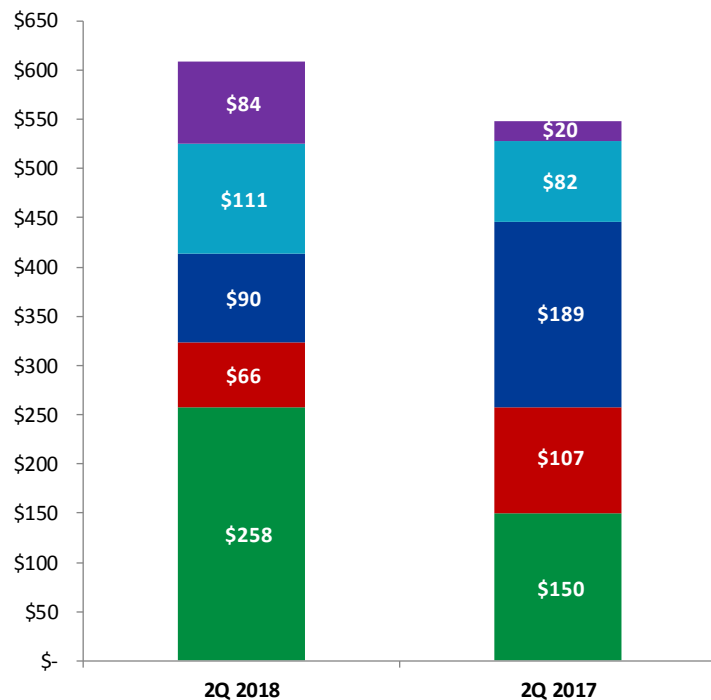
	2Q 2018	1Q 2018	Incr. / (Decr.)
United States			
Bakken	114	111	3
Other Onshore	17	17	-
Total Onshore	131	128	3
Offshore	47	41	6
Total United States	178	169	9
Europe	6	8	(2)
Africa	18	22	(4)
Asia	63	56	7
Total	265	255	10

Capital and Exploratory Expenditures



\$ In Millions

2Q 2018 vs. 2Q 2017



■ Midstream ■ Exploration ■ Development
■ Production ■ Unconventionals

E&P Capital and Exploratory Expenditures

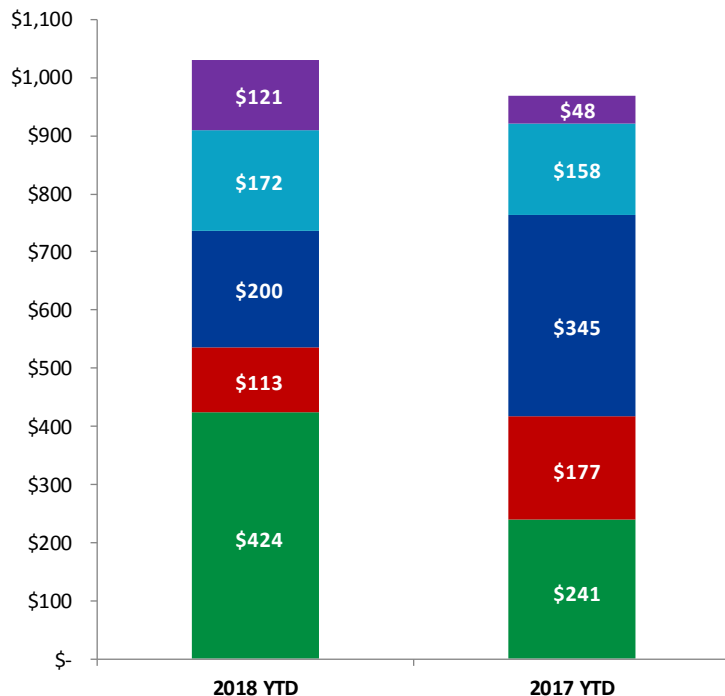
	Three Months Ended June 30,	
	2018	2017
United States		
Bakken	\$ 242	\$ 148
Other Onshore	25	9
Total Onshore	<u>267</u>	<u>157</u>
Offshore	92	191
Total United States	<u>359</u>	<u>348</u>
South America	73	61
Europe	4	42
Asia and Other	89	77
E&P Capital and Exploratory Expenditures	<u>\$ 525</u>	<u>\$ 528</u>
Total exploration expenses charged to income included above	<u>\$ 39</u>	<u>\$ 45</u>
Midstream Capital Expenditures	<u>\$ 84</u>	<u>\$ 20</u>

Capital and Exploratory Expenditures (Cont'd)



\$ In Millions

2Q 2018 YTD vs. 2Q 2017 YTD



■ Midstream ■ Exploration ■ Development
■ Production ■ Unconventionals

E&P Capital and Exploratory Expenditures

	Six Months Ended June 30,	
	2018	2017
United States		
Bakken	\$ 408	\$ 238
Other Onshore	35	17
Total Onshore	443	255
Offshore	175	349
Total United States	618	604
South America	148	106
Europe	5	57
Asia and Other	138	154
E&P Capital and Exploratory Expenditures	\$ 909	\$ 921
Total exploration expenses charged to income included above	\$ 69	\$ 96
Midstream Capital Expenditures	\$ 121	\$ 48



FINANCIAL INFORMATION

Consolidating Income Statement – 2Q 2018



\$ In Millions, Except Unit Costs Data

	Three Months Ended June 30, 2018				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated Total
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,534	\$ 176	\$ -	\$ (176)	\$ 1,534
Gains (losses) on asset sales, net	1	-	-	-	1
Other, net	9	2	10	-	21
Total revenues and non-operating income	1,544	178	10	(176)	1,556
Costs and Expenses					
Marketing, including purchased oil and gas	463	-	-	(13)	450
Operating costs and expenses	241	47	-	-	288
Production and severance taxes	42	-	-	-	42
Midstream tariffs	163	-	-	(163)	-
Exploration expenses, including dry holes and lease impairment	62	-	-	-	62
General and administrative expenses	40	3	28	-	71
Interest expense	-	15	83	-	98
Depreciation, depletion and amortization	407	31	6	-	444
Total costs and expenses	1,418	96	117	(176)	1,455
Adjusted Income (Loss) Before Income Taxes	126	82	(107)	-	101
Provision (benefit) for income taxes	105	9	-	-	114
Adjusted Net Income (Loss)	21	73	(107)	-	(13)
Less: Net income (loss) attributable to noncontrolling interests	-	43	-	-	43
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ 21	\$ 30	\$ (107)	\$ -	\$ (56)
Items affecting comparability of earnings (after tax)⁽¹⁾	10	-	(84)	-	(74)
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ 31	\$ 30	\$ (191)	\$ -	\$ (130)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 13.37				
DD&A Costs	16.85				
Production Costs	\$ 30.22				
Production Volumes (mmboe) ⁽⁴⁾	24.2				
Midstream					
EBITDA ⁽⁵⁾	\$ 126				

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

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

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

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

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

Consolidating Income Statement – 2Q 2017



\$ In Millions, Except Unit Costs Data

	Three Months Ended June 30, 2017				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated Total
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 1,194	\$ 157	\$ -	\$ (154)	\$ 1,197
Gains (losses) on asset sales, net	-	-	2	-	2
Other, net	4	-	(1)	-	3
Total revenues and non-operating income	1,198	157	1	(154)	1,202
Costs and Expenses					
Marketing, including purchased oil and gas	272	-	-	(19)	253
Operating costs and expenses	316	58	-	-	374
Production and severance taxes	30	-	-	-	30
Midstream tariffs	135	-	-	(135)	-
Exploration expenses, including dry holes and lease impairment	52	-	-	-	52
General and administrative expenses	53	3	39	-	95
Interest expense	-	6	76	-	82
Depreciation, depletion and amortization	708	32	1	-	741
Total costs and expenses	1,566	99	116	(154)	1,627
Adjusted Income (Loss) Before Income Taxes	(368)	58	(115)	-	(425)
Provision (benefit) for income taxes	(14)	10	(4)	-	(8)
Adjusted Net Income (Loss)	(354)	48	(111)	-	(417)
Less: Net income (loss) attributable to noncontrolling interests	-	32	-	-	32
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (354)	\$ 16	\$ (111)	\$ -	\$ (449)
Items affecting comparability of earnings (after tax)⁽¹⁾	-	-	-	-	-
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (354)	\$ 16	\$ (111)	\$ -	\$ (449)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 14.60				
DD&A Costs	25.93				
Production Costs	\$ 40.53				
Production Volumes (mmboe) ⁽⁴⁾	27.3				
Midstream					
EBITDA ⁽⁵⁾	\$ 96				

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

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

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

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

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

Consolidating Income Statement – 2Q 2018 YTD



\$ In Millions, Except Unit Costs Data

	Six Months Ended June 30, 2018				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated Total
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 2,880	\$ 343	\$ -	\$ (343)	\$ 2,880
Gains (losses) on asset sales, net	3	-	5	-	8
Other, net	24	3	31	-	58
Total revenues and non-operating income	2,907	346	36	(343)	2,946
Costs and Expenses					
Marketing, including purchased oil and gas	837	-	-	(29)	808
Operating costs and expenses	469	88	-	-	557
Production and severance taxes	81	-	-	-	81
Midstream tariffs	314	-	-	(314)	-
Exploration expenses, including dry holes and lease impairment	99	-	-	-	99
General and administrative expenses	82	6	78	-	166
Interest expense	-	30	171	-	201
Depreciation, depletion and amortization	792	62	7	-	861
Total costs and expenses	2,674	186	256	(343)	2,773
Adjusted Income (Loss) Before Income Taxes	233	160	(220)	-	173
Provision (benefit) for income taxes	200	18	(1)	-	217
Adjusted Net Income (Loss)	33	142	(219)	-	(44)
Less: Net income (loss) attributable to noncontrolling interests	-	84	-	-	84
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ 33	\$ 58	\$ (219)	\$ -	\$ (128)
Items affecting comparability of earnings (after tax)⁽¹⁾	(27)	-	(81)	-	(108)
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ 6	\$ 58	\$ (300)	\$ -	\$ (236)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 13.41				
DD&A Costs	16.81				
Production Costs	\$ 30.22				
Production Volumes (mmboe) ⁽⁴⁾	47.1				
Midstream					
EBITDA ⁽⁵⁾	\$ 249				

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

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

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

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

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

Consolidating Income Statement – 2Q 2017 YTD



\$ In Millions, Except Unit Costs Data

	Six Months Ended June 30, 2017				
	Exploration & Production	Midstream	Corporate, Interest & Other	Eliminations	Consolidated Total
	A	B	C	D	A + B + C + D
Revenue and Non-Operating Income					
Sales and other operating revenues	\$ 2,450	\$ 306	\$ -	\$ (301)	\$ 2,455
Gains (losses) on asset sales, net	-	-	2	-	2
Other, net	(1)	-	-	-	(1)
Total revenues and non-operating income	2,449	306	2	(301)	2,456
Costs and Expenses					
Marketing, including purchased oil and gas	495	-	-	(42)	453
Operating costs and expenses	624	108	-	-	732
Production and severance taxes	61	-	-	-	61
Midstream tariffs	259	-	-	(259)	-
Exploration expenses, including dry holes and lease impairment	110	-	-	-	110
General and administrative expenses	110	8	72	-	190
Interest expense	-	11	155	-	166
Depreciation, depletion and amortization	1,411	64	3	-	1,478
Total costs and expenses	3,070	191	230	(301)	3,190
Adjusted Income (Loss) Before Income Taxes	(621)	115	(228)	-	(734)
Provision (benefit) for income taxes	(34)	21	(8)	-	(21)
Adjusted Net Income (Loss)	(587)	94	(220)	-	(713)
Less: Net income (loss) attributable to noncontrolling interests	-	60	-	-	60
Adjusted Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (587)	\$ 34	\$ (220)	\$ -	\$ (773)
Items affecting comparability of earnings (after tax)⁽¹⁾	-	-	-	-	-
Net Income (Loss) Attributable to Hess Corporation⁽¹⁾	\$ (587)	\$ 34	\$ (220)	\$ -	\$ (773)
Exploration & Production Unit Costs (\$/boe)⁽²⁾					
Cash Costs ⁽³⁾	\$ 14.38				
DD&A Costs	25.51				
Production Costs	\$ 39.89				
Production Volumes (mmbøe) ⁽⁴⁾	55.3				
Midstream					
EBITDA ⁽⁵⁾	\$ 190				

(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) - mmbøe represents millions of barrels of oil equivalent.

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



OTHER INFORMATION

2018 Guidance to Investors



	GUIDANCE ⁽¹⁾		ACTUAL	
	Full Year	3Q	2Q	1Q
<u>Production - Thousand Barrels of Oil Equivalent Per Day (MBOEPD)</u>				
Total - excluding Libya	245 - 255	250 - 260	247	233
Bakken	115 - 120	115 - 120	114	111
<u>Unit Cost - \$ Per Barrel of Oil Equivalent (\$/BOE)</u>				
Cash Costs	\$13.00 - \$14.00	\$13.00 - \$14.00	\$13.37	\$13.46
DD&A	\$18.00 - \$19.00	\$18.00 - \$19.00	\$16.85	\$16.77
Total Production Costs	\$31.00 - \$33.00	\$31.00 - \$33.00	\$30.22	\$30.23
Exploration Expenses, Excluding Dry Hole Costs (\$ Millions)	\$190 - \$210	\$50 - \$60	\$49	\$37
Midstream Tariff (\$ Millions)	\$635 - \$650	~\$165	\$163	\$151
Exploration and Production Effective Tax Rate (Benefit) Expense, excluding Libya⁽²⁾	(16)% - (20)%	0% - 4%	NM	NM
Exploration and Production Capital and Exploratory Expenditures (\$ Millions)	\$2,100	\$600	\$525	\$384
Noncash Crude Oil Hedging Premium Amortization (\$ Millions)	~\$175	~\$50	\$44	\$31
<u>Other (\$ Millions)</u>				
Corporate Expenses	\$100 - \$110	\$25 - \$30	\$24	\$24
Interest Expenses	\$340 - \$345	~\$85	\$83	\$88
Midstream Net Income Attributable to Hess Corporation	~\$115	~\$30	\$30	\$28

(1) All guidance excludes "items affecting comparability".

(2) The Corporation does not recognize deferred taxes in the United States, Denmark (hydrocarbon tax only), Malaysia & Guyana, which causes a lower effective tax rate. The income tax benefit is insignificant for the first and second quarters of 2018, thus it is not meaningful.

Bakken: Unlocking Midstream Value



- **\$2.85 B cash proceeds from midstream JV formation and IPO**

- Value accretive JV and HESM IPO
- Achieved premium valuation of >16x EBITDA¹

\$2.85 B

- Cash proceeds received to date for HESM IPO and HIP joint venture transactions

- **Significant retained Midstream value²**

- Visible market valuation at significant EBITDA multiple uplift
- Expect this value to continue to grow with our Midstream business

~16-18x

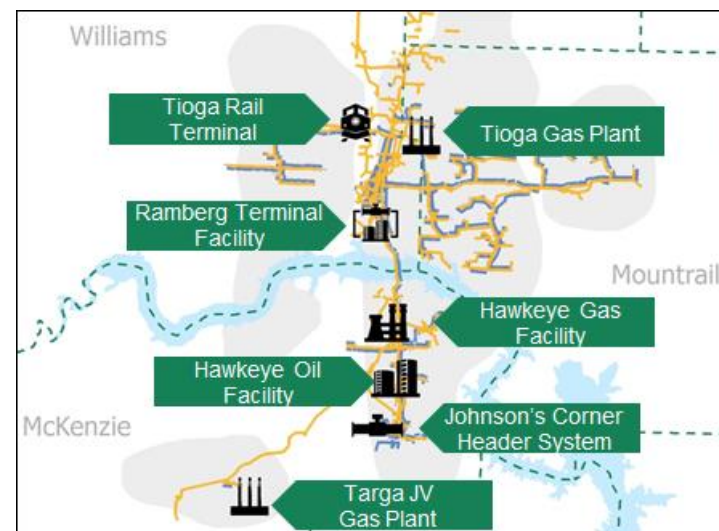
- Implied EBITDA multiple from cash proceeds received in HESM and HIP transactions¹

>\$2 B

- Combined equity value of HESM LP units and retained EBITDA (excluding GP interest)²

- **Continued value creation**

- Accelerating cash flows through HIP independent capital structure
- Additional Hess assets available for potential sale to HIP / HESM



Leading Bakken infrastructure JV and MLP creates low cost of capital funding vehicle for Hess

1) Represents aggregate Enterprise Value implied at announcement of the Hess Infrastructure Partners joint venture as well as Enterprise Value implied at pricing of the HESM IPO, divided by estimated forward EBITDA at the time of each announcement, respectively. 2) Based on HESM market cap on 06/29/18 and reflects (i) market value of Hess ownership of HESM LP common units (~35%), and (ii) implied value of Hess ownership of HIP (50%), which retained 80% economic interest in joint interest assets post-IPO, net of HIP debt.

2Q 2018: Net Hess Cash Outflow



<u>Bakken Net Production</u>	<u>Q2 2018</u>		
Bakken Net Production (MBOEPD)	114		
Bakken Net Production (MMBOE)	10.4		
<u>Midstream Tariffs on Hess Net Production</u>	<u>\$ Millions</u>	<u>\$/BOE</u>	<u>Description:</u>
Midstream Segment Revenue ⁽¹⁾	176		(Source: HES Supplemental Earnings Information)
Less: MVCs	(13)		MVC shortfall fees not part of long term production costs as production expected to grow beyond MVC levels (Source: HESM Earnings Release)
Less: Revenue to Wholly-owned Hess Assets ⁽²⁾	(11)		Midstream 100% consolidated revenues such as Bakken Water Mgmt. (Source: HES / HESM Earnings Release)
Less: Third Party Rail Transportation	(3)		Third party rail transportation costs included in realized price netback (Source: HESM 10Q)
Less: Revenue Recovery from Partners and 3rd parties	(58)		Tariffs recovered from 3 rd Party shippers and Royalty/Working Interest owners of Hess-operated acreage
Total Tariffs related to Hess Net Production	91	8.77	Share of tariff payments attributable to Hess net production
Less: Hess-owned share of Hess tariff payments	(43)		Revenue attributable to Hess ~47% ownership of HESM (~35%) and HIP (50%) that remains within Hess; does not affect Bakken well economics ⁽³⁾
Net Hess cash outflow for tariffs	48	4.63	Net outflow of tariff payments attributable to Hess net production
Memo: HESM consolidated cash operating expense	39		HESM consolidated operating expenses funded by HIP and HESM cashflows and capital structure (Source: HESM Earnings Release)

- Tariff structure has generated \$2.85B cash proceeds⁴ and facilitated cash distributions to Hess
- Net Hess cash outflow for tariffs of \$48mm or \$4.63/BOE in Q2 2018
 - Comparable to \$39mm cash operating expense as reported in HESM consolidated financial statements
 - Tariff structure transfers ongoing midstream capital expenditure to HESM/HIP

-\$2.85 B cash proceeds with cash outflow comparable to midstream operating expense

1) Reflects "Sales and other operating revenues" for the Midstream segment for the quarter ended 6/30/18. 2) Revenue at Hess Midstream Segment less HESM Consolidated Revenue.

3) Reflects Hess ownership of i) ~35% of HESM LP units and ii) 50% of HIP's retained 80% economic interest in joint interest assets post-IPO. 4) Cash proceeds received to date for HESM IPO and HIP joint venture transactions.



BAKKEN OPERATIONAL DATA

Bakken Production - 2018



Net Production by Product

		2018				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	72			72	72
NGL	MBBLPD	29			31	28
Gas	MMCFPD	67			68	66
Total	MBOEPD ⁽¹⁾	112			114	111

Net Production by Operatorship

		2018				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	101			102	100
Outside Operated	MBOEPD	11			12	11
Total	MBOEPD	112			114	111
% Outside Operated		10%			11%	10%

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

Bakken Production - 2017



Net Production by Product

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Oil	MBBLPD	67	69	63	68	67
NGL	MBBLPD	28	30	29	29	23
Gas	MMCFPD	62	66	63	66	53
Total	MBOEPD ⁽¹⁾	105	110	103	108	99

Net Production by Operatorship

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Operated	MBOEPD	96	99	95	100	91
Outside Operated	MBOEPD	9	11	8	8	8
Total	MBOEPD	105	110	103	108	99
% Outside Operated		9%	10%	8%	7%	8%

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

Bakken Operational Well Statistics - 2018



Hess Operated Wells

		2018				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	4			4	4
Drilling Days	Spud-to-Spud	15			14	15

		2018				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
Drilled	by Qtr	51			28	23
Completion	by Qtr	47			24	23
On Production	by Qtr	40			27	13
On Production	Cum. to date	1,355			1,355	1,328

Outside Operated Wells

		2018				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	35			27	8
On Production	Cum. to date	1,205			1,205	1,178

Bakken Operational Well Statistics - 2017



Hess Operated Wells

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Rig Count						
Drilling	No. Rigs	4	4	4	4	2
Drilling Days	Spud-to-Spud	15	15	16	15	15

		2017				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
Drilled	by Qtr	85	27	24	23	11
Completion	by Qtr	68	24	20	14	10
On Production	by Qtr	68	34	13	13	8
On Production - Other	by Qtr ⁽¹⁾	(25)	(7)	—	(18)	—
On Production	Cum. to date	1,315	1,315	1,288	1,275	1,280

Outside Operated Wells

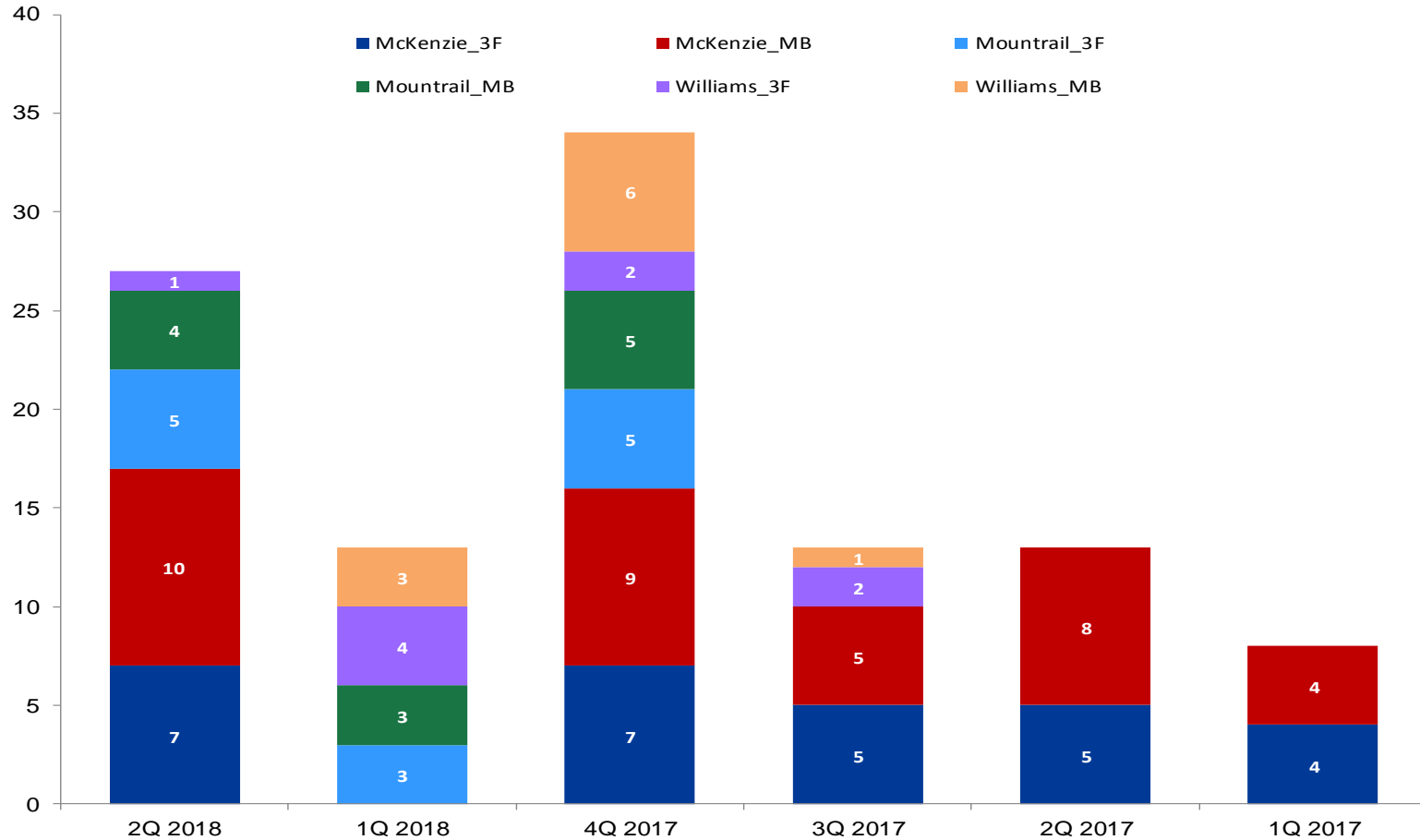
		2017				
		YTD	4Q	3Q	2Q	1Q
No. of Wells						
On Production	by Qtr	45	35	7	3	—
On Production - Other	Cum. to date adj. ⁽¹⁾	21	12	8	1	—
On Production	Cum. to date	1,170	1,170	1,123	1,108	1,104

⁽¹⁾ 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



Middle Bakken	14	6	20	6	8	4
Three Forks	13	7	14	7	5	4
Total	27	13	34	13	13	8

Bakken Well Costs, Working Interest and Acreage - 2018



Average Well Cost - Hess Operated

		2018				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 2.7			\$ 2.6	\$ 2.7
Completion	\$MM/Well	3.3			3.3	3.3
Total ⁽¹⁾	\$MM/Well	\$ 6.0			\$ 5.9	\$ 6.0

Average Working Interest of New Wells Spud Each Quarter

		2018				
		YTD Avg	4Q	3Q	2Q	1Q
Hess Operated	%	84%			79%	88%

Net Acreage Position

		2018			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres			554	554

⁽¹⁾ Reflects average cost of high proppant completions and excludes cost of completion pilots.

Bakken Well Costs, Working Interest and Acreage - 2017



Average Well Cost - Hess Operated

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Drilling	\$MM/Well	\$ 2.7	\$ 2.8	\$ 2.7	\$ 2.7	\$ 2.7
Completion	\$MM/Well	2.9	3.2	3.1	1.8	1.8
Total ⁽¹⁾	\$MM/Well	\$ 5.6	\$ 6.0	\$ 5.8	\$ 4.5	\$ 4.5

Average Working Interest of New Wells Spud Each Quarter

		2017				
		YTD Avg	4Q	3Q	2Q	1Q
Hess Operated	%	79%	81%	74%	77%	83%

Net Acreage Position

		2017			
		4Q	3Q	2Q	1Q
Total Acreage	'000 acres	554	554	556	556

⁽¹⁾ Q1-Q2 reflect average cost for standard design (50 stages/70k lbs of proppant per stage) and exclude cost of completion pilots. Q3 reflects average cost of standard design and completion pilots. Average cost of high proppant completions only is \$6.0MM/well. Q4 reflects average cost of high proppant completions and excludes cost of completion pilots.