Elliott Management’s Perspectives:

Accountability Needed to Recoup Shareholder Value

March 2013

www.ReassessHess.com
Elliott Associates, L.P. and Elliott International, L.P. ("Elliott") intend to make a filing with the Securities and Exchange Commission of a proxy statement and an accompanying proxy card to be used to solicit proxies in connection with the 2013 Annual Meeting of Stockholders (including any adjournments or postponements thereof or any special meeting that may be called in lieu thereof) (the “2013 Annual Meeting”) of Hess Corporation (the “Company”). Information relating to the participants in such proxy solicitation has been included in materials filed on January 29, 2013 by Elliott with the Securities and Exchange Commission pursuant to Rule 14a-12 under the Securities Exchange Act of 1934, as amended. Stockholders are advised to read the definitive proxy statement and other documents related to the solicitation of stockholders of the Company for use at the 2013 Annual Meeting when they become available because they will contain important information, including additional information relating to the participants in such proxy solicitation. When completed and available, Elliott’s definitive proxy statement and a form of proxy will be mailed to stockholders of the Company. These materials and other materials filed by Elliott in connection with the solicitation of proxies will be available at no charge at the Securities and Exchange Commission’s website at www.sec.gov. The definitive proxy statement (when available) and other relevant documents filed by Elliott with the Securities and Exchange Commission will also be available, without charge, by directing a request to Elliott’s proxy solicitor, Okapi Partners, at its toll-free number (877) 796-5274 or via email at info@okapipartners.com.

Cautionary Statement Regarding Forward-Looking Statements

The information herein contains “forward-looking statements.” Specific forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as “may,” “will,” “expects,” “believes,” “anticipates,” “plans,” “estimates,” “projects,” “targets,” “forecasts,” “seeks,” “could” or the negative of such terms or other variations on such terms or comparable terminology. Similarly, statements that describe our objectives, plans or goals are forward-looking. Our forward-looking statements are based on our current intent, belief, expectations, estimates and projections regarding the Company and projections regarding the industry in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other factors that are difficult to predict and that could cause actual results to differ materially. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.
“I think we have to start by remembering that the basic requirement for any business hasn't changed. The fundamental test of success and sustainability is performance - the delivery of real results, quarter by quarter, year by year against promises…”

Rodney Chase, Shareholder Nominee
Former Deputy CEO BP, May 2000
I. Executive Summary
Shareholders recognize the stock price potential and the need for accountability

- Since Elliott involvement made public, stock has outperformed by 18\%\(^{(1)}\)—creating an additional $3.5 billion in market capitalization
- Shareholders want accountability: history of withholding votes on directors, objecting to Say on Pay, and trying to de-stagger board

Hess has underperformed by (460)\% over CEO’s tenure due to mismanagement and poor capital allocation

- Unfocused portfolio resulting in severe discount to intrinsic value
- Mismanagement of premier Bakken asset continues today
- Cash flow from conventional assets spent on failed exploration resulting in $4 billion loss, program continues today
- Endless ineffective restructurings that led Goldman Sachs to ask: “Will Perpetual Restructuring Mode Ever End?”

Board and management do not want to be accountable to shareholders

- Seek validation from past 6 months of stock performance, despite CEO’s 17 year tenure
- Avoid change by constructing false excuses, such as strategic benefits, “synergies”, tax inefficiencies, and funding questions
- Contradict earlier statements and actions (eg Sam Nunn’s August appointment) by insisting latest announcements part of “5” year plan
- Hide behind Wall Street valuations that reflect Hess management mediocrity, when only 2 years ago targets were $100 / share
- Hand pick nominees willing to Rubber Stamp status quo. Board selects Hess family trust executor as Lead “Independent” Director

Great Directors + Great Assets = Tremendous potential to recoup shareholder value

- Premier assets with good market benchmarks: top Bakken position & Crown Jewel conventional assets
- Elect five truly independent, highly qualified executives with significant, relevant experience to evaluate all options to maximize shareholder returns, including creating manageable enterprises accountable to shareholders:
  - Hess Resource Co: Bakken flagship asset with MLP dropdown of midstream assets
  - Hess International: Long-life, oil-weighted, high cash-flowing assets with ready market if board wishes to high-grade portfolio

1. Outperformance from 1/25/13 to 3/8/13 versus Revised proxy peers, see slide 5
2. See slides 13 and 14
Unrelenting Underperformance

“Since July 24, 2012, the last day of trading before we announced our updated strategy, Hess shares have increased...”
- John Hess, January 28 2013

“...and material position in the Bakken, leading US oil play

Hess began to accumulate substantial amount of stock
Announcement of latest strategic plan that started 3 years ago
Elliott’s intent to nominate directors announced

Relative Performance

Source: Bloomberg, Company filings
2. Hess 4Q 2009 Earnings call
3. Performance versus Revised Proxy Peers; see footnote 4
4. As of 11/28/12, date before which Elliott began to purchase a substantial amount of Hess stock

John Hess
Tenure
vs Proxy Peers
17 Years (333)% 5-Year (31)% 4-Year (43)% 3-Year (29)% 2-Year (40)% 1-Year (17)%
vs Revised Proxy Peers
(460)% (45)% (63)% (44)% (47)% (20)%
vs Bakken Operators
NA (263)% (984)% (184)% (70)% (16)%
vs XLE
NA (31)% (57)% (43)% (44)% (20)%
vs XOP
NA (39)% (81)% (52)% (39)% (15)%

Proxy Peers: Used by Hess for mgmt compensation: Anadarko, Apache, BP, Chevron, ConocoPhillips, Devon, EOG, Exxon, Marathon, Murphy, Occidental, Shell, Statoil, Talisman and Total; Revised Proxy Peers: excludes Devon & Talisman due to high North America gas weighting; excludes BP, Shell, Statoil, Total due to European super major status; includes Noble as additional relevant competitor; Bakken Operators: Includes Continental, Oasis and Kodiak

Despite highest oil weighting of any peer...
<table>
<thead>
<tr>
<th>Accountability?</th>
<th>...Not at Hess</th>
</tr>
</thead>
</table>
| **Credibility with Shareholders** | - Materially underperform peers then go on to deny by pointing to last 6 months of stock performance  
- **Contradict** earlier actions by alleging recent announcements part of long standing “5” year plan  
- Construct false excuses such as tax, funding, and “synergies” to avoid change  
- Mislead investors about costs in Bakken by comparing different completion techniques  
- **Claim epiphany on governance** started in August 2012:  
  - But in August 2012 added Sam Nunn—a former elected legislator with no oil & gas operating experience and questionable independence—then in March 2013 cut him loose |
| **Independent Oversight**      | - Nominees Rubber Stamp “5” year plan before having joined the board  
- **Lead Independent Director**, John Mullin III, is joint-executor of Hess family estate  
- $30+mm paid to current directors over John Hess’s tenure despite 460% underperformance  
- Long standing Hess family relationships with numerous board members |
| **Reasonable Tenure**          | - 14 year tenure is the average for directors not up for election in 2013  
- 17 year tenure is the average term of a non-management director at retirement while John Hess CEO |
| **Annually Accountable**       | - John Hess likely blocked de-staggering of board in 2008. How will he vote this year?  
- **Staggered** board with 14 directors  
- Over 90% of outside shareholders voted three different times to de-stagger |
| **Pay for Performance**        | - $32mm awarded to Management in 2012 despite underperforming peers by 10%  
- 427th out of 450 S&P 500 companies in Say on Pay opposition  
- 149th out of 156 Energy companies in Say on Pay opposition  
- Awards announced in March 2013 show continued willingness to pay for underperformance |

Sources: Company Filings, Bloomberg  
See citations throughout presentation
Unending and Ineffective Restructurings

“Will perpetual restructuring mode ever end?”
- Goldman Sachs, October 2003

Span of Announced Restructuring

1996 to 1999 “Repositioning”
“After more than 3 years of aggressively repositioning its asset base and slashing costs, we expect Amerada Hess will finally deliver…”
- Lehman, May 1999

2001 to 2003 “Reshaping”
“We have done a lot of work the last two years to reshape our portfolio... It’s starting to stabilize.”
- John Hess, October 2003

2001 to 2006 Continued “Reshaping”
“Over the last five years our company has done a lot of work to reshape our portfolio... We’re starting to deliver a consistent track record of performance.”

2008 to 2010 “Rebalancing”
“So about two years ago, we really started to push a more balanced approach between accessing unconventional... to balance the high impact exploration program...”
- John Hess, November 2010

2001 to 2010 “Restructuring”
“We have done a lot of work over the last 10 years to restructure our own Company significantly...”
- John Hess, July 2011

2009 to 2014 “Important Change”
“...important change for Hess...This change essentially began in 2009 and should be largely complete in 2014.”
- John Hess, July 2012

2010 to ? “Multiyear Transformation”
“We would note that our current board is comprised of highly accomplished directors who deserve credit for initiating the multiyear transformation that started in 2010 and that continues today.”
- Jon Pepper, Hess spokesman, February 2013

Results

1. Goldman Sachs, October 14, 2003
2. Lehman Brothers, May 28, 1999
3. Hess 3Q 2003 Earnings Call
4. Lehman Brothers Conference, September 2006
5. BAML Conference, November 2010
6. Hess 2011 Earnings Call
7. Hess 2012 Earnings Call
9. Underperformance vs. Revised Proxy Peers; calculated over period referred to in quote


Results
(21)% (24)% (87)% (17)% (167)% (63)% (29)%
Unresponsive to Value Enhancing Ideas; History of False Excuses

**Value Enhancing Idea**

Spin-off Retail

Sell Marketing Business

**Jan 2013 Hess Excuses**

Brand is valuable for upstream

Marketing useful if we ever discover natural gas

**Reality**

- Oil & gas are commodities; brand adds no value to upstream

- Oil & gas are commodities; marketing adds no value to “eventual” natural gas discoveries

**Hess Continuing Excuses**

Monetize Midstream in MLP

Don’t Combine Conventional and Unconventional Assets

Create Bakken Standalone

Time not right yet...

Conventional funded unconventional

Tax inefficiency and funding inability

- MLP capital markets are open today and offer unprecedented low cost of capital\(^{(1)}\)
- Other operators with early stage assets have taken advantage of MLP cost of capital through partial drop-downs or developing assets inside MLP\(^{(2)}\)
- Hess conventional extra cash flow funded exploration and refining failures, not the Bakken
- Hess issued more debt, issued comparable equity, and sold more assets than pure play Continental to develop Bakken
- Hess Bakken & Utica should be tax-paying in near-term - value of using deductions today vs tomorrow is minimal\(^{(3)}\)
- Bakken operators have negative FCF and easily access credit markets (Continental notes yield less than 4.0%)\(^{(4)}\)

1. Wells Fargo MLP Monthly March 2013
2. See slides 62 and 63
3. See slide 51
4. See slide 49
Shareholders are Frustrated

Withholding votes on directors

<table>
<thead>
<tr>
<th>Most Recent Votes Withheld From Directors⁽¹⁾</th>
<th>39%, 39% and 33% of votes withheld against Brady, Kean and Olson, respectively⁽¹⁾</th>
</tr>
</thead>
<tbody>
<tr>
<td>14%, 14%, and 14% of votes withheld against Holiday, Bodman, and von Metzsch⁽¹⁾</td>
<td></td>
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<tr>
<td>For context, in 2012 the average percentage of votes withheld from a nominee in a non-contested S&amp;P 500 election was 3.7%⁽²⁾</td>
<td></td>
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</tbody>
</table>

Trying to de-stagger board

% of Total Shares Voted for Declassification⁽³⁾

- 90%+ of outside shareholders voted to declassify the Hess board in 3 separate votes
- Charter/bylaws require 80% of outstanding. In 2008, board recommended for de-staggering:
  - 246mm shares voted to de-stagger
    - 76% of outstanding shares
    - 87% of voting shares
  - 37 mm shares voted against declassification (John Hess controlled 37mm shares)

Did John Hess vote against his board’s recommendation and against declassification?

Objecting via Say on Pay

Say on Pay Support⁽⁴⁾

- Only 51% support on Hess Say on Pay⁽⁴⁾
  - 427th out of 450 in S&P 500⁽⁵⁾
  - 149th out of 156 Energy companies⁽⁵⁾

Hess’s cumulative CEO compensation over the past 5 years ranks in the 73rd percentile relative to peers, while total shareholder returns over the same 5 year period rank in the 20th percentile⁽⁶⁾

Sources: Company Filings, Factset, ISS Voting Analytics
1. % of voted shares withheld; Hess estate is assumed to have voted for nominees and is excluded from calculation
2. Factset SharkRepellent
3. Hess estate is assumed to have voted against declassification and is excluded from calculation
4. Hess estate is assumed to support Say on Pay and is excluded from calculation
5. Other companies did not have say on pay votes; Hess estate is not excluded from calculation
6. Shareholder returns and market capitalization as of 11/28/12, date before which Elliott began to purchase a substantial amount of stock
(40+)\% underperformance over the last 2 years and (460)\% over the last 17 years

$4 billion (20\% of market capitalization) lost in exploration

Substantial operational missteps in development of the Bakken

Nearly no return of capital over past decade despite oil price quadrupling

Selecting a 14\textsuperscript{th} director in August 2012 with no oil & gas operating experience and questionable independence amidst plummeting stock price and continued shareholder dissatisfaction

... And then denying accountability for any of the above in March 2013

Hess Needs Substantial Change and Accountability
Hess Needs Directors That Are Independent

**Management Nominees: Rubber Stamp?**

“These independent directors agreed to join our board, because they believe in our outstanding plan, and they recognize that our plan is the right plan for all of our shareholders.”

“We have had this strategic transformation, as my remarks noted, underway, really going back...since I became Chairman...In fact, Elliott got on the train after it really left the station...This is a culmination of a multi year strategy…”

- John Hess, March 4th 2013(1)

**Shareholder Nominees: Independent**

“While this letter presents Elliott’s perspectives, Shareholder Nominees will form their own, independent views on the Company, its assets, and its strategy. These five accomplished individuals bring deep knowledge and experience in areas that are severely lacking in the existing board.”

- Elliott Letter to Shareholders, January 29th 2013(2)

Source: Company transcripts
2. Elliott Letter to Shareholders January 29, 2013
# Great Value-Creating Independent Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Experience Hess Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rodney Chase</strong></td>
<td>• Restructuring</td>
</tr>
<tr>
<td>Former Depute Group Chief Executive, BP</td>
<td>• Conventional E&amp;P</td>
</tr>
<tr>
<td>Former Chairman/CEO of BP America, CEO of E&amp;P</td>
<td>• Public Board</td>
</tr>
<tr>
<td>• Direct experience managing every major business at global integrated energy company</td>
<td></td>
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<tr>
<td>• Significant public oil &amp; gas corporate board experience</td>
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<tr>
<td><strong>Harvey Golub</strong></td>
<td>• Restructuring</td>
</tr>
<tr>
<td>Former Chairman &amp; CEO, American Express</td>
<td>• Unconventional E&amp;P</td>
</tr>
<tr>
<td>Former Non-Executive Chairman, AIG</td>
<td>• Public Board</td>
</tr>
<tr>
<td>• Mr. Golub’s refocusing of American Express in the 1990s has been called “one of the most impressive turnarounds of a large public corporation in history”(^1) and led to over 750% share price appreciation during his tenure</td>
<td></td>
</tr>
<tr>
<td><strong>Karl F. Kurz</strong></td>
<td>• Restructuring</td>
</tr>
<tr>
<td>Former COO, Anadarko Petroleum</td>
<td>• Conventional E&amp;P</td>
</tr>
<tr>
<td>Former Vice President of E&amp;P Americas &amp; President of ARCO Europe</td>
<td>• Midstream</td>
</tr>
<tr>
<td>• Helped lead major transformation at a large independent E&amp;P: top-tier exploration capability, capital discipline and operational focus</td>
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<tr>
<td>• Managed Anadarko’s onshore unconventional as SVP of US Onshore</td>
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<tr>
<td>• Led midstream and marketing operations as VP of Marketing</td>
<td></td>
</tr>
<tr>
<td><strong>David McManus</strong></td>
<td>• Restructuring</td>
</tr>
<tr>
<td>Former EVP, Pioneer Natural Resources</td>
<td>• Conventional E&amp;P</td>
</tr>
<tr>
<td>Former EVP at BG, Former President of ARCO Europe</td>
<td>• Midstream</td>
</tr>
<tr>
<td>• Oversaw value accretive divestiture of Pioneer’s international portfolio</td>
<td></td>
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<tr>
<td>• Presented substantial divestiture program to board and executed</td>
<td></td>
</tr>
<tr>
<td>• Evaluated both IPO in London and outright sale - pursued value maximizing path</td>
<td></td>
</tr>
<tr>
<td><strong>Marshall D. (Mark) Smith</strong></td>
<td>• Conventional E&amp;P</td>
</tr>
<tr>
<td>Current SVP &amp; CFO, Ultra Petroleum</td>
<td>• Unconventional E&amp;P</td>
</tr>
<tr>
<td>• Manages lowest-cost operator in resource play environment</td>
<td></td>
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<tr>
<td>• Monetized midstream assets via accretive REIT deal while maintaining strategic control</td>
<td></td>
</tr>
<tr>
<td>• Direct experience dealing with high-cost operator in resource play JV</td>
<td></td>
</tr>
</tbody>
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1. Salomon Smith Barney 4/13/1999
Great Assets = $39 to $50 billion in Value / $96 to 128 per Share(1)

Unconventionals

Large, un-replicable and highly desirable position in core of premier US oil resource play
- W.D. Von Gonten study concluded Hess has higher per acre value and is very comparable to CLR in absolute value(3)

Additional core position in Utica shale, promising emerging liquids play
- Extensive acreage located in core liquids-rich zone

Conventionals

Long-life, oil-weighted reserves in “crown jewel” assets and favorable oil-linked gas assets in Southeast Asia
- Valhall (Norway), Shenzi (GOM), Ceiba & Okume (Equatorial Guinea), JDA (Malaysia-Thailand)
- Highly desirable asset base to numerous parties

Midstream

Valuable midstream infrastructure in Bakken
- Tioga gas plant (ultimate capacity of 250mmcf/d) – Wall St expects $200mm of annual cash flow(7)
- Bakken rail terminal with capacity of 54,000 bbl/d generating average $14+ uplift per bbl through the third quarter – results in $285mm annualized(8)

Downstream

Saleable downstream businesses – upside potential from unlocking working capital
- 1,360 retail stations
- 20 petroleum terminals
- Energy marketing & distribution
- Gas fired power plants

Sources: Bloomberg, Analyst reports, Company filings
1. Elliott estimates; Valuation updated for YE2012 balance sheet, shares, Wood Mackenzie, Bakken operator
2. Continental stock performance since last Elliott presentation, 1/25/13. Further progress strengthens the thesis
3. W. D. Von Gonten & Co. is an industry leading petroleum engineering & geological services consulting firm
4. Wall St analysts who build asset by asset NAV; Calculated as the average value for each asset
5. valuations, disclosure on Eagle Ford, Utica, Terminals
6. Elliott estimate based on management commentary 2Q 2012, 3Q 2012 earnings calls
7. All sell-side analysts with publicly disclosed breakout for downstream and midstream values

Wall St. NAV Exceeds Elliott TEV(9)

Elliott Estimates(1)

TEV
$13.0 billion to $14.4 billion

TEV
$21.4 billion to $30.2 billion

TEV
$2.0 billion to $2.5 billion

TEV
$3.1 billion to $3.5 billion
Tremendous Potential for Increase in Share Price

Instead of an opaque, unmanageable conglomerate

Unconventional
- 725,000 net acres in the Bakken
- 177,000 net acres in the Utica Shale
- 45,000 net acres in the Eagle Ford

Global Offshore and Other Conventional
- Long-life, oil-weighted reserves in “crown jewel” assets including Shenzi (GOM), Valhall (Norway), Ceiba & Okume (Equatorial Guinea)
- Favorable gas assets in Southeast Asia including JDA & Natuna Sea Block

Midstream
- Valuable Bakken infrastructure including Tioga gas plant and Bakken rail terminal

Downstream & No-Stream
- Miscellaneous businesses - many with capital tied up at low rates of return

Unlock great companies that will be accountable to shareholders

Create Hess Resource Co.
Bakken, Eagle Ford and Utica with dropdown of midstream assets
TEV = $13.0 to $14.4 billion\(^{(1)}\)

Create Hess International
Focus remaining conventional portfolio on core areas of competitive advantage through divestiture of non-core assets
TEV = $21.4 to $30.2 billion\(^{(1)}\)

Monetize resource play infrastructure
TEV = $2.0 to $2.5 billion\(^{(1)}\)

Divest downstream assets
TEV = $3.1 to $3.5 billion\(^{(1)}\)

Share Price = $95.70 to $128.46\(^{(1)}\)
TEV = $39 to $50 billion\(^{(1)}\)

Source: Company filings
1. Elliott estimates; Per share values calculated net of debt, cash pro forma for announced/completed transactions (Azerbaijan & UK assets), pension, tax attributes, interest tax shield

Hess’s March promises (if delivered) affect less than 10% of potential share uplift \(^{(1)}\) over another 2 year period
II. Lack of Accountability at Hess
March 4th presentation and subsequent letter from CEO evidenced the board’s disregard for their responsibility to provide oversight of management and accountability to shareholders:

- Ignored history of underperformance, asking shareholders to only remember last 6 months — and even then excluded dividends to make outperformance look higher
- Claimed five year transformation long underway, despite opposite claims only weeks ago
- Announced new Lead Independent Director is John Mullin III — joint executor of Hess estate
- Insisted search for new directors started in August, despite appointing Sam Nunn in August
- Misrepresented Bakken well cost data to claim Hess is ahead of its peers
- Asserted use of Conventional’s cash flow on funding Bakken; failing to mention $4bn in exploration losses and nearly $1bn that went to Hovensa refinery\(^1\)
- Permitted scant disclosure to continue
- Talked down value and lowers expectations by hiding behind price targets that reflect mismanagement
- Hand-picked nominees to Rubber Stamp continuation of status quo

Hess Does Not Want to be Accountable to Shareholders

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1. See slides 24 and 25
Despite a 17 year tenure CEO and 13 year Average Tenure Board, Hess Tells Shareholders to Only Remember Last Six Months

“Since July 24, 2012, the last day of trading before we announced our updated strategy, Hess shares have increased...”
- John Hess, January 28 2013 (1)

Hess showed shareholders 6 month performance charts that ignored dividends (7% difference for MUR alone)

2. Underperformance calculated versus Revised Proxy Peers: Anadarko, Apache, Chevron, ConocoPhillips, Exxon, Marathon, Murphy, Noble, Occidental
3. Market capitalization implied by Revised Proxy Peer performance less actual market capitalization
4. January 25, 2010 to July 24, 2012, date before which management claims to have updated their strategy (also coincidentally the stock’s lowest point)
5. July 24, 2012 to November 28, 2012, date before which Elliott began to purchase substantial amount of Hess stock

Since July 24, 2012

- 47% Underperformance (2,4)
- $9.4bn of Market Cap Foregone (3,4)
- 5% Outperformance (2,5)
- $0.7bn of Market Cap Regained (3,5)
Hess Tells Shareholders March 4th Announcement Part of a Long Standing Plan

Really?
So when did this “5” year restructuring begin and end?

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Start of restructuring program.</td>
</tr>
<tr>
<td>2009</td>
<td>Continued restructuring.</td>
</tr>
<tr>
<td>2010</td>
<td>Continued restructuring.</td>
</tr>
<tr>
<td>2011</td>
<td>Continued restructuring.</td>
</tr>
<tr>
<td>2012</td>
<td>Continued restructuring.</td>
</tr>
<tr>
<td>2013</td>
<td>Continued restructuring.</td>
</tr>
<tr>
<td>2014</td>
<td>End of restructuring.</td>
</tr>
</tbody>
</table>

When will it end?
“the major moves to reshape our portfolio... will have been completed by the end of 2013.”
John Hess, January 2013(4)

“we’d say 12 to 18 months [March 2014 to September 2014].”
John Rielly, SVP & CFO, Hess March 2013(6)

“...I mean, it’s early in the process, but our guidance would be that we’d complete these sales by the end of 2014.”
John Rielly, SVP & CFO, Hess March 2013(6)

“...monetization of our Bakken midstream assets expected in 2015.”
John Hess, March 2013(6)

Source: Company transcripts
1. BAML Conference, November 2010
2. Hess 2Q 2011 Earnings Call
3. Hess 2Q 2012 Earnings Call
If Recent Divestments Have Long Been Part of “5” Year Plan, Why Was Management Defending the Opposite Only Weeks Ago?

**Until March 2013**

Hess: Marketing, Retail and Infrastructure long-term strategic

“…the strategic infrastructure we have in North Dakota, having control of that adds a lot of value...that’s not something we would be interested in MLPing...Energy Marketing and Retail Marketing remain a long-term strategic part of our portfolio that...builds upon our strong brand...”

- John Hess, November 2012(1,3)

“We have a strong brand... it enhances the company from a financial and reputational point of view.... an energy marketing business... will help us if we find gas in the Utica...So they’re going to be some strategic benefits...”

- John Hess, January 2013(2,4)

**As of March 4th 2013:**

Hess: Marketing, Retail and Infrastructure should be monetized

“...monetization of our Bakken midstream assets expected in 2015...We have had this strategic transformation underway really... predominately when we started to build out our Bakken position in 2010. So this is not something that just happened overnight...”

- John Hess, March 2013(5)

“...in terms of pursuing strategic options to maximize value, be it the retail marketing business or energy marketing business, we are evaluating several options to monetize these businesses to maximize shareholder value. And we are just starting that process.”

- John Rielly, SVP & CFO, March 2013(5)
Why Are “Independent” Nominees Signing Off On This “5” Year Plan Before They Have Sat as Directors and Thoroughly Evaluated All Options?

Management Nominees: Rubber Stamp?

“These independent directors agreed to join our board, because they believe in our outstanding plan, and they recognize that our plan is the right plan for all of our shareholders.”

- John Hess, March 4th 2013(1)

Shareholder Nominees: Independent

“While this letter presents Elliott’s perspectives, Shareholder Nominees will form their own, independent views on the Company, its assets, and its strategy. These five accomplished individuals bring deep knowledge and experience in areas that are severely lacking in the existing board.”

- Elliott Letter to Shareholders, January 29th 2013(2)

Source: Company transcripts
2. Elliott Letter to Shareholders January 29, 2013
Hess’s Boardroom Deems This Appropriate

On March 4th Hess announced the appointment of a new lead “independent” director…

- Although documents have not yet been filed with NY Courts\(^1\), Hess disclosed that John Mullin is no longer an estate executor
- Does Hess think that washes clean John Mullin’s relationship with the Hess family? Such closeness ought to be inappropriate for board membership, let alone lead directorship…
- Does the board believe it is meeting its obligations to shareholders?

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Source: Company filings

1. As of March 12, 2013, Surrogate’s Court of the State of New York, New York County had not received, nor had a judge approved, paperwork releasing John Mullin III from his role as trustee of the Hess estate
How Can Hess Insist Search for New Directors Started in August, When…

In August, in the face of:

- Plummeting stock price

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
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<tbody>
<tr>
<td>2010</td>
<td>80</td>
</tr>
<tr>
<td>2011</td>
<td>75</td>
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<tr>
<td>2012</td>
<td>70</td>
</tr>
<tr>
<td>2013</td>
<td>65</td>
</tr>
<tr>
<td>2014</td>
<td>60</td>
</tr>
<tr>
<td>2015</td>
<td>55</td>
</tr>
<tr>
<td>2016</td>
<td>50</td>
</tr>
</tbody>
</table>

Out of control well-costs\(^{(1)}\)

<table>
<thead>
<tr>
<th>Company</th>
<th>WLL</th>
<th>CLR</th>
<th>SM</th>
<th>OAS</th>
<th>HOG</th>
<th>HES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; Gas Operating Experience</td>
<td>$7.0</td>
<td>$7.5</td>
<td>$8.0</td>
<td>$8.5</td>
<td>$9.0</td>
<td>$9.5</td>
</tr>
</tbody>
</table>

Exploration value destruction\(^{(2)}\)

- Hess
- Peer Average\(^{(3)}\)

- Value Creation from Exploration:
  - Hess: 0%
  - Peer Average: 5%

- Out of control well-costs:
  - Current: Peer Average
  - Past: Peer Average

- Exploration value destruction:
  - Current: Peer Average
  - Past: Peer Average

… Hess added Sam Nunn as 14th director

Industry Experience  X
- No oil & gas operating experience

Independence ?
- John Hess is Trustee of think-tank where Nunn is Chairman

Background ?
- Distinguished Senator with focus on nuclear nonproliferation

March 2013 Sam Nunn Steps Down

Sources: Company Filings, Earnings Transcripts, Bloomberg
1. 1Q, 2Q and 3Q earnings transcripts
2. Source: Wood Mackenzie
3. Revised Proxy Peers
4. Management members and executors of Hess estate are considered not independent
Disingenuous for Hess to Claim it is a Low Cost Bakken Operator; Like for Like, Hess Remains Higher Cost

Plug and Perf Completion Design\(^{(1)}\)

Hess well costs 39% above Continental
1H’12 drilling the same type of well

Sliding Sleeve Completion Design\(^{(2)}\)

Hess well costs 17% to 38% above Whiting
4Q’12 drilling the same type of well:

“In the first half of the year, we transitioned from a higher cost 38-stage hybrid completion design to a lower cost sliding sleeve design.”

– Greg Hill, President Hess, January 2013\(^{(3)}\)

<table>
<thead>
<tr>
<th>Frac Method</th>
<th>Plug &amp; Perf</th>
<th>Plug &amp; Perf</th>
<th>Rigs</th>
<th>% Pad Drilling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proppant(^{(4)})</td>
<td>60% Sand, 40% Ceramic</td>
<td>40% to 50% Sand, remainder Ceramic</td>
<td>20</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frac Method</th>
<th>Sliding Sleeve</th>
<th>Sliding Sleeve</th>
<th>Sliding Sleeve</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proppant(^{(4)})</td>
<td>100% Sand</td>
<td>Range of 70% to 100% Sand, remainder Ceramic</td>
<td>95+% Sand</td>
</tr>
<tr>
<td>Rigs</td>
<td>6</td>
<td>20</td>
<td>14</td>
</tr>
<tr>
<td>% Pad Drilling</td>
<td>100%</td>
<td>50%</td>
<td>~95%</td>
</tr>
</tbody>
</table>

Sources: Public company filings, corporate presentations, earnings call transcripts and North Dakota Industrial Commission data
1. 1Q and 2Q earnings transcripts and presentations
2. 4Q earnings transcripts and presentations
3. Hess 4Q earnings call
4. Data from North Dakota Industrial Commission
Hess Claims Conglomerate Funded Bakken Opportunity; Instead It Made a Mess of It

“…our conventional portfolio generate[s] the cash needed to fund the unconventional growth that we have in the Bakken and the Utica.”

- John Hess, Chairman & CEO Hess, January 2013

<table>
<thead>
<tr>
<th>2009-2012</th>
<th>Hess (Conglomerate)</th>
<th>Continental (Pure Play)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Bakken Production</td>
<td>~55,000 boe/d</td>
<td>~56,700 boe/d</td>
</tr>
<tr>
<td>Increase in Bakken Net Acreage</td>
<td>~155,000</td>
<td>~560,000</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$5.4bn</td>
<td>$4.6bn</td>
</tr>
<tr>
<td>Infrastructure Spend</td>
<td>$1.2bn</td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>$1.8bn</td>
<td>$1.2bn</td>
</tr>
<tr>
<td>Total</td>
<td>$8.4bn</td>
<td>$5.8bn</td>
</tr>
<tr>
<td>Debt Issued</td>
<td>$4.2bn</td>
<td>$3.1bn</td>
</tr>
<tr>
<td>Equity Issued</td>
<td>$0.7bn</td>
<td>$1.0bn</td>
</tr>
<tr>
<td>Asset Sales</td>
<td>$1.5bn</td>
<td>$0.3bn</td>
</tr>
<tr>
<td>Total</td>
<td>$6.4bn</td>
<td>$4.4bn</td>
</tr>
<tr>
<td>Bakken EBITDA Generated</td>
<td>$2.4bn</td>
<td>$2.5bn</td>
</tr>
<tr>
<td>Total Return</td>
<td>1%</td>
<td>255%</td>
</tr>
<tr>
<td>Change in Market Capitalization</td>
<td>+$0.6bn</td>
<td>+ $10.1bn</td>
</tr>
</tbody>
</table>

Hess conglomerate structure has yielded cost overruns, operational hiccups, and an affinity for overbuilding.

Pure play (CLR) achieved similar production growth and acquired more acres at lower cost and greater benefit.

Sources: Company Filings, Earnings Transcripts, Bloomberg, CapIQ
2. Hess company filings, earnings transcripts
3. Continental company filings, earnings call transcripts
4. Elliott estimate based on average of OAS, KOG and NOG EBITDA before G&A per BOE less CLR G&A per BOE for each period; excludes impact of infrastructure
Where Did Cash From Conventional Assets Go?

Not to shareholders...

2002-2012 Cash Return as % of Current Market Cap

Exploration Value Creation as % of Current Market Cap

Cash Spent 2009-2012

1. As of 3/8/13
2. Market Capitalization as of 11/28/12, date before which Elliott began to purchase a substantial amount of Hess stock
4. Company filings
Lack of disclosure allows Management to avoid answering basic questions

- What is the total capital spent in Australia? in Ghana? What is the estimated return on this capital?

- What happened to the $452 million\(^2\) spent on Gulf of Mexico leases on two days in 2008? What is the return on this capital?

- What is Bakken midstream EBITDA? What is retail EBITDA? What is energy marketing EBITDA? What is terminal EBITDA?

- What working capital is tied up in non-upstream E&P? What is the return on capital for these businesses including working capital?

- What is the maximum total balance sheet exposure to HETCO? How much money has corporate proprietary trading (outside of HETCO) lost in the past 3 years?
..., And What is Going on with Hess’s Hedging? With HETCO? With Prop Trading? Why Does Prop Trading Even Exist at Corporate?

In the last decade, Hess has lost $6.7bn through hedging

Realized Hedging Performance 2002-2012\(^{(1)}\)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$\text{millions}$</td>
<td>($800)</td>
<td>($1,600)</td>
<td>($1,400)</td>
<td>($1,200)</td>
<td>($1,000)</td>
<td>($800)</td>
</tr>
</tbody>
</table>

Hess’s cumulative realized hedging losses since 2002 equivalent to 9% of E&P Revenues

Over the same period, peers\(^{(2)}\) realized cumulative gains equal to 1% of E&P revenues

Disclosure suggests an additional ~$400mm in “proprietary trading” losses since 2009\(^{(3)}\) or very high operating costs at HETCO or...? Why do shareholders have to guess?

Implied Prop Trading Losses 2009-2012\(^{(3)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\text{millions}$</td>
<td>($20)</td>
<td>($40)</td>
<td>($60)</td>
<td>($80)</td>
</tr>
</tbody>
</table>

You may ask: “what is proprietary trading? And what is it doing at Hess?”

We would answer: “No idea from disclosures”

Proprietary trading is separate and in addition to HETCO, Hess’s hedge fund

Hess has promised to sell HETCO, will it also shut down proprietary trading?

Source:
1. Pre-tax gains/losses on commodity derivatives
2. Revised Proxy Peers who engage in hedging for upstream business including Anadarko, Apache, EOG, Marathon and Noble
3. 10K (pg. 74) groups together 100% of trading revenues for HETCO and corporate proprietary trading. 10K (pg. 28) also groups together 100% of net income for proprietary trading and 50% of income from HETCO. Using corporate effective tax rate, this implies losses at corporate proprietary trading. 2009 is first year disclosure includes revenues. Why does Hess group these together rather than clearly showing what is going on at each group?
Hess Hides Behind Price Targets That Price in Management Mediocrity

- Two years ago, Hess’s price target was $100 / share
- Poor execution drove that price target down 35% to $65 / share prior to Elliott’s public involvement
- Specter of accountability pushing change at Hess increased the target price by 20% to $78 / share
- No material change to quality of assets. Management and Board have no excuse to lower the bar…

### Hess Average Sell-side Target Price

<table>
<thead>
<tr>
<th>Period</th>
<th>Target Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nearly 2 Years Ago (1)</td>
<td>$100</td>
</tr>
<tr>
<td>25-Jan-13</td>
<td>$65</td>
</tr>
<tr>
<td>Today (2)</td>
<td>$78</td>
</tr>
<tr>
<td>Elliott Low Case</td>
<td>$96</td>
</tr>
<tr>
<td>Elliott High Case</td>
<td>$128</td>
</tr>
</tbody>
</table>

Sources:
1. May 2011
2. March 8, 2013

Production misses and CapEx overruns drove price target down
Potential for accountability to shareholders resulting in value enhancing actions lifts price target

Over same time period, majority of Peer price targets have risen…Hess cannot excuse this away.
Why is Hess...

- Constructing stock charts focused on the last 6 months and excluding dividends?
- Announcing perpetual restructurings without effecting material change?
- Entrenched behind a staggered board with persistent corporate governance malpractice?
- Misrepresenting Bakken well cost data to claim it is low cost operator?
- Ignoring capital allocation failures by claiming that Conventional assets funded the Bakken?
- Avoiding disclosure that is comparable to its peers?
- Pointing to low price targets as validation?

Hess Does Not Want to be Accountable to Shareholders
**Lack of Accountability → Failure to Meet Promises to Shareholders**

"It should be obvious that we have made a lot of moves with a multi-year strategy to put our company in a position to generate long-term shareholder value, that we look at things for all shareholders benefit."  - John Hess, January 2013

---

**John Hess**

- "the most important part of our financial strategy is, **obviously**, ultimately, we want to build a company to have a business that delivers **first quartile financial shareholder returns**"  
  September 2011

- "**as a potential shareholder or current shareholder you should feel very good** about the growth being captured…"  
  September 2010

- "We are proud of our organization’s ability to deliver performance and remain **confident that our future investment opportunities will create value for our shareholders.**"  
  January 2009

- "We think [high-impact exploration] is the best way to **create shareholder value** and we’ve been delivering on that."  
  February 2008

---

**Shareholder Return**

<table>
<thead>
<tr>
<th>Relative Performance(2):</th>
<th>September 2011 - November 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(28%)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholder Return</th>
<th>January 2009 - November 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(75%)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholder Return</th>
<th>February 2008 - November 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(66%)</td>
<td></td>
</tr>
</tbody>
</table>

---

1. 4Q 2012 Earnings call, January 30, 2013
2. Revised proxy peers from the date of quote through 11/28/12, date before which Elliott began to purchase a substantial amount of Hess stock
5. 4Q 2008 Earnings call, January 28, 2009
**But Buried Within Are Great Assets**

Where have Hess’s crown jewel assets come from?

<table>
<thead>
<tr>
<th>Asset Origin</th>
<th>Asset Highlights</th>
</tr>
</thead>
</table>
| 1969 Amerada acquisition: legacy predating current management | Bakken:  
- Several hundred thousand acres in heart of Bakken dating to 1950s  
- Acquired substantial acreage around original position; 300,000 acres acquired determined to be non-core(2)  
- Valhall:  
- Acquired via the 1969 Amerada merger |

| Bakken | Large, unreplicable and highly desirable position in core of premier US oil resource play  
- W.D. Von Gonten study concluded Hess has higher per acre value and is comparable to CLR in absolute value(1) |

| Valhall | Crown jewel oil asset in Norway with over 40 year life remaining  
- Redevelopment recently completed, Valhall expected to grow production from 26mboe/d in 2013 to 75mboe/d and generate significant free cash flow |

| Equatorial Guinea | Highly profitable, cash-cow oil asset with favorable production sharing contract  
- Substantial cash generator beginning to decline  
- 17% of current Hess pro-forma production |

| JDA | Large, profitable oil-linked gas asset  
- Low cost, long life production with long-term production sharing contract through 2029  
- Strong RP Ratio despite 17% of current Hess pro-forma production |

| Shenzi | One of the top fields in the Gulf of Mexico  
- A flagship deepwater Gulf of Mexico asset  
- Continued growth in reserves expected - nearby analogous fields are now estimated to be 3x larger than original estimates |

Source: Company filings
1. W. D. Von Gonten & Co. is an industry leading petroleum engineering and geological services consulting firm  
2. At its peak, Hess owned “more than 900,000 net acres in the Bakken oil shale play.” 2010 10-K; 550,000 to 600,000 net acres considered core; 4Q2012 earnings call
III. Delivering Accountability at Hess
Manageable Enterprises Accountable to Shareholders

Great Stewards of Capital
“Harvey Golub is everything that you would want in a director. And one of the things that I appreciate most about him is that he has always respected the space between the Non-Executive Chairman and the CEO roles. He challenged me. He held me accountable. But he did not try to do my job for me…

... And he has challenged us to sharpen our strategy, and better execute that strategy by holding us to high performance standards. He often tells us, ‘This is what you said you would do. Are you delivering and, if not, why not?’”(1)

Douglas Conant, former CEO of Campbell Soup Co, on Harvey Golub, Shareholder Nominee, former Chairman & CEO American Express, September 2009

Warren Buffett: “Harvey Golub has done an absolutely sensational job, and we're probably $4 billion better because of it.”(2)
An Independent, Experienced Slate of Directors to Provide Oversight

Rodney Chase
Former Deputy Group Chief Executive, BP
Former Chairman/CEO of BP America, CEO of E&P
- Direct experience managing every major business at global integrated energy company
- Significant public oil & gas corporate board experience

Harvey Golub
Former Chairman & CEO, American Express
Former Non-Executive Chairman, AIG
- Mr. Golub’s refocusing of American Express in the 1990s has been called “one of the most impressive turnarounds of a large public corporation in history” (1) and led to over 750% share price appreciation during his tenure

Karl F. Kurz
Former COO, Anadarko Petroleum
Former EVP at BG, Former President of ARCO Europe
- Helped lead major transformation at a large independent E&P: top-tier exploration capability, capital discipline and operational focus
- Managed Anadarko’s onshore unconventional as SVP of US Onshore
- Led midstream and marketing operations as VP of Marketing

David McManus
Former EVP, Pioneer Natural Resources
Former EVP at BG, Former President of ARCO Europe
- Oversaw value accretive divestiture of Pioneer’s international portfolio
- Presented substantial divestiture program to board and executed
- Evaluated both IPO in London and outright sale - pursued value maximizing path

Marshall D. (Mark) Smith
Current SVP & CFO, Ultra Petroleum
- Manages lowest-cost operator in resource play environment
- Monetized midstream assets via accretive REIT deal while maintaining strategic control
- Direct experience dealing with high-cost operator in resource play JV

Experience Hess Needs
- Restructuring
  - Conventional E&P
  - Public Board
- Conventional E&P
  - Midstream
- Unconventional E&P
  - Public Board
- Conventional E&P
  - Unconventional E&P
History of Persistent Governance Failures at Hess
Calls Into Question Board’s Ability to Nominate New Directors

Failures under John Hess’s tenure:

- **Director tenure**
  - 17 year average tenure of non-management directors at retirement

- **Oil & Gas operating experience**
  - Never even one independent director with oil & gas operating experience

- **Least independence**
  - Consistently 3 joint-executors of Hess estate served as directors
  - Continually interlocking director and management relationships

- **Management directors**
  - Never fewer than 3 directors that are management members at any one time

Current board continues the trend..

<table>
<thead>
<tr>
<th>Name</th>
<th>Age (1)</th>
<th>Tenure (1)</th>
<th>Total Return Over Tenure(2)</th>
<th>Oil &amp; Gas Operating Experience</th>
<th>Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Hess</td>
<td>58</td>
<td>35 / 17</td>
<td>(460%)</td>
<td>Hess Management</td>
<td>Hess Chairman &amp; CEO</td>
</tr>
<tr>
<td>Thomas H. Kean</td>
<td>77</td>
<td>23</td>
<td>(1,022%)</td>
<td>None</td>
<td>Government; Joint executor Hess estate; Director &amp; Sec. of Hess Charitable Trust</td>
</tr>
<tr>
<td>Edith Holiday</td>
<td>61</td>
<td>20</td>
<td>(589%)</td>
<td>None</td>
<td>Government; Worked directly for Nicholas Brady in Senate and Treasury;</td>
</tr>
<tr>
<td>Nicholas F. Brady</td>
<td>82</td>
<td>19</td>
<td>(550%)</td>
<td>None</td>
<td>Government/Finance; Joint executor Hess estate; invests for Hess Charitable Trust</td>
</tr>
<tr>
<td>Robert Wilson</td>
<td>72</td>
<td>17</td>
<td>(335%)</td>
<td>None</td>
<td>Healthcare; Johnson-Hess family connection</td>
</tr>
<tr>
<td>Frank A. Olson</td>
<td>80</td>
<td>15</td>
<td>(396%)</td>
<td>None</td>
<td>Auto Rental</td>
</tr>
<tr>
<td>Craig Matthews</td>
<td>69</td>
<td>11</td>
<td>(153%)</td>
<td>None</td>
<td>Electricity</td>
</tr>
<tr>
<td>Ernst von Metzsch</td>
<td>73</td>
<td>10</td>
<td>(44%)</td>
<td>None</td>
<td>Finance</td>
</tr>
<tr>
<td>Risa Lavizzo-Mourey</td>
<td>58</td>
<td>9</td>
<td>(68%)</td>
<td>None</td>
<td>Non-profit; Johnson-Hess family connection</td>
</tr>
<tr>
<td>F. Borden Walker</td>
<td>59</td>
<td>9</td>
<td>(68%)</td>
<td>Hess Management</td>
<td>Hess EVP &amp; President, Marketing and Refining</td>
</tr>
<tr>
<td>John Mullin III</td>
<td>71</td>
<td>6</td>
<td>(56%)</td>
<td>None</td>
<td>Finance; Joint executor of Hess estate</td>
</tr>
<tr>
<td>Samuel Bodman</td>
<td>74</td>
<td>4</td>
<td>(47%)</td>
<td>None</td>
<td>Government/Chemicals</td>
</tr>
<tr>
<td>Gregory P. Hill</td>
<td>52</td>
<td>4</td>
<td>(47%)</td>
<td>Hess Management</td>
<td>Hess EVP &amp; President, Worldwide Exploration and Production</td>
</tr>
<tr>
<td>Samuel A. Nunn Jr.</td>
<td>74</td>
<td>6mo</td>
<td>NA</td>
<td>None</td>
<td>Government; Chairman CSIS of which John Hess is a Trustee</td>
</tr>
</tbody>
</table>

Sources: Company Filings, Bloomberg

1. Age and tenure calculated as of date of 2013 annual general meeting; Tenure for John Hess shows both as director and as CEO, respectively
2. Revised Proxy Peers: Anadarko, Apache, EOG, Chevron, ConocoPhillips, Exxon, Marathon, Murphy, Noble, Occidental. Underperformance calculated from 1st day of the year following appointed to the board through 11/28/12, date before which Elliott began to purchase a substantial amount of stock. John Hess calculated from the year he was appointed CEO
History of Compensating for Underperformance Needs to Change
Elliott Compensation Aligned with Long-Term Shareholder Interest

Sources: Company Filings, Bloomberg

1. Age and tenure calculated as of date of 2013 annual general meeting; Tenure for John Hess shows both as director and as CEO, respectively
2. Revised Proxy Peers: Anadarko, Apache, EOG, Chevron, ConocoPhillips, Exxon, Marathon, Murphy, Noble, Occidental. Underperformance calculated from 1st day of the year following appointed to the board through 11/28/12, date before which Elliott began to purchase a substantial amount of stock. John Hess calculated from the year he was appointed CEO
3. Adjusted for inflation using Bloomberg Urban CPI; Without taking into account inflation compensation totaled $26 million
4. Without taking into account inflation, John Hess was paid a cumulative $165 million

---

### Non-Management Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Tenure (1)</th>
<th>Return Over Tenure (2)</th>
<th>Cumulative Compensation Over Tenure (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas H. Kean</td>
<td>23</td>
<td>(1,022%)</td>
<td>$5.4 million</td>
</tr>
<tr>
<td>Edith Holiday</td>
<td>20</td>
<td>(589%)</td>
<td>$4.0 million</td>
</tr>
<tr>
<td>Nicholas F. Brady</td>
<td>19</td>
<td>(550%)</td>
<td>$4.6 million</td>
</tr>
<tr>
<td>Robert Wilson</td>
<td>17</td>
<td>(335%)</td>
<td>$3.7 million</td>
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<tr>
<td>Frank A. Olson</td>
<td>15</td>
<td>(396%)</td>
<td>$3.5 million</td>
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<td>11</td>
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<td>Ernst von Metzsch</td>
<td>10</td>
<td>(44%)</td>
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<tr>
<td>Risa Lavizzo-Mourey</td>
<td>9</td>
<td>(68%)</td>
<td>$2.4 million</td>
</tr>
<tr>
<td>John Mullin III</td>
<td>6</td>
<td>(56%)</td>
<td>$1.8 million</td>
</tr>
<tr>
<td>Samuel Bodman</td>
<td>4</td>
<td>(47%)</td>
<td>$1.1 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$31.7 million</strong></td>
</tr>
</tbody>
</table>

---

- Hess has paid current directors more than $30 million over their tenure while delivering stockholders material underperformance
- Hess has purposefully mislead shareholders with false descriptions of nominees “tethered to an unusual compensation scheme”
- Elliott nominees would not be compensated for underperformance:
  - Elliott nominees receive $30,000 for each 1% of outperformance versus Hess’s proxy peers at the end of a 3 year period
  - As an example, if at the end of a director’s three year term, Hess has outperformed peers by 10% then the director would receive $300,000
  - Rewards nominees if they deliver the outperformance they achieved at: Anadarko, Pioneer, and American Express
- Hess should stop paying millions of dollars to directors that have delivered terrible performance
  - Hess’s has been a 17 year meal ticket at shareholders’ expense

---

John Hess was paid a cumulative $190 million over his tenure, despite underperforming peers by (460)%

Hess management was paid $32 million in 2012 despite underperforming peers by (10)%, dramatic cost overruns, operational failures and continued destruction of shareholder capital
Shareholder Nominees Have the Relevant Oil & Gas Operating and Restructuring Experience Needed at Hess

Which nominees are better suited for a pure-play E&P company?

Which nominees are better suited for a corporate transformation?

Which nominees are more likely to positively impact governance?

Which nominees will have the ability to ask the right questions?

- **Shareholder Nominees**
  - Senior Management Upstream Oil & Gas Operating Experience
  - Restructuring Experience
  - Public Board Experience
  - Senior Mgmt Conventional E&P Experience
  - Senior Mgmt Unconventional E&P Experience
  - Midstream Experience

- **Management Nominees**
  - 4 Directors
  - 2 Directors
  - 3 Directors
  - 2 Directors
  - 1* Director
  - 0 Directors

* Unconventional experience includes Kevin Meyers for 1½ years in his role as SVP ConocoPhillips Americas

Senior Management Oil & Gas Upstream Operating Experience does not include Mark Williams as his primary executive experience was overseeing Shell downstream division.
## Shareholder Nominees Have Unparalleled Operating Experience

<table>
<thead>
<tr>
<th>Shareholder Nominees</th>
<th>Management Nominees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rodney Chase</strong></td>
<td>Former COO, TNK-BP joint venture</td>
</tr>
<tr>
<td></td>
<td>William Schrader</td>
</tr>
<tr>
<td><strong>Harvey Golub</strong></td>
<td>Former Chairman &amp; CEO, American Express</td>
</tr>
<tr>
<td></td>
<td>Former Vice Chairman of GE</td>
</tr>
<tr>
<td></td>
<td>John Krenicki Jr.</td>
</tr>
<tr>
<td></td>
<td>Former Non-Executive Chairman, AIG</td>
</tr>
<tr>
<td></td>
<td>President and CEO of GE Energy</td>
</tr>
<tr>
<td><strong>Karl Kurz</strong></td>
<td>Former COO, Anadarko Petroleum</td>
</tr>
<tr>
<td></td>
<td>Former SVP of E&amp;P for the Americas, ConocoPhillips</td>
</tr>
<tr>
<td></td>
<td>Dr. Kevin Meyers</td>
</tr>
<tr>
<td><strong>David McManus</strong></td>
<td>Former EVP, Pioneer Natural Resources</td>
</tr>
<tr>
<td></td>
<td>Downstream Director, Royal Dutch Shell</td>
</tr>
<tr>
<td></td>
<td>Dr. Mark Williams</td>
</tr>
<tr>
<td></td>
<td>Former EVP at BG, Former President of ARCO Europe</td>
</tr>
<tr>
<td><strong>Mark Smith</strong></td>
<td>Former EVP and CFO, CBS Corporation</td>
</tr>
<tr>
<td></td>
<td>Fredric Reynolds</td>
</tr>
<tr>
<td></td>
<td>Current SVP &amp; CFO, Ultra Petroleum</td>
</tr>
</tbody>
</table>
Management Nominees: Rubber Stamp?

Shareholder Nominees: Independent

“These independent directors agreed to join our board, because they believe in our outstanding plan, and they recognize that our plan is the right plan for all of our shareholders.”

“We have had this strategic transformation, as my remarks noted, underway, really going back...since I became Chairman...In fact, Elliott got on the train after it really left the station...This is a culmination of a multi year strategy...”

- John Hess,
March 4th 2013

“While this letter presents Elliott’s perspectives, Shareholder Nominees will form their own, independent views on the Company, its assets, and its strategy. These five accomplished individuals bring deep knowledge and experience in areas that are severely lacking in the existing board.”

-Elliott Letter to Shareholders,
January 29th 2013
### Why Didn’t Hess Let Shareholders Decide on the 6th Director?

<table>
<thead>
<tr>
<th>Management Nominee</th>
<th>Upstream Oil &amp; Gas Operating Experience</th>
<th>Restructuring Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Quigley</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Former CEO, Deloitte</td>
<td></td>
</tr>
</tbody>
</table>

#### Shareholders have been asking to vote on directors annually for over 5 years

#### % of Total Shares Voted for Declassification

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Shares Voted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>100%</td>
</tr>
<tr>
<td>2008</td>
<td>100%</td>
</tr>
<tr>
<td>2012</td>
<td>100%</td>
</tr>
</tbody>
</table>

In 3 separate votes, 90+% of outside shareholders voted to declassify the Hess board.

“The ability to elect directors is the single most important use of the shareholder franchise, and all directors should be accountable on an annual basis.”

— ISS Proxy Advisory Services

---

1. Hess estate is assumed to vote against declassification and is excluded from calculation; Company filings, Factset, ISS Voting Analytics;
2. ISS commentary on Hess, Hess Corporation 2012 Core Research Report
Here’s A Thought: Let Management Nominees Replace Remaining Directors

**Hess’s “World Class Leaders”(1)**

- William Schrader
- John Krenicki Jr.
- Dr. Kevin Meyers
- Dr. Mark Williams
- Frederic Reynolds
- John Quigley

**“No Sacred Cows”(2)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Age (3)</th>
<th>Return Over Tenure(4)</th>
<th>Tenure (3)</th>
<th>Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Hess</td>
<td>58</td>
<td>(460%)</td>
<td>35 / 17</td>
<td>Hess Chairman &amp; CEO</td>
</tr>
<tr>
<td>Edith Holiday</td>
<td>61</td>
<td>(589%)</td>
<td>20</td>
<td>Government; Worked directly for Nicholas Brady in Senate and Treasury;</td>
</tr>
<tr>
<td>Robert Wilson</td>
<td>72</td>
<td>(335%)</td>
<td>17</td>
<td>Healthcare; Johnson-Hess family connection</td>
</tr>
<tr>
<td>Craig Matthews</td>
<td>69</td>
<td>(153%)</td>
<td>11</td>
<td>Electricity</td>
</tr>
<tr>
<td>Ernst von Metzsch</td>
<td>73</td>
<td>(44%)</td>
<td>10</td>
<td>Finance</td>
</tr>
<tr>
<td>Risa Lavizzo-Mourey</td>
<td>58</td>
<td>(68%)</td>
<td>9</td>
<td>Non-profit; Johnson-Hess family connection</td>
</tr>
<tr>
<td>John Mullin III</td>
<td>71</td>
<td>(56%)</td>
<td>6</td>
<td>Finance; Joint executor of Hess estate</td>
</tr>
<tr>
<td>Samuel Bodman</td>
<td>74</td>
<td>(47%)</td>
<td>4</td>
<td>Government/Chemicals</td>
</tr>
<tr>
<td>Gregory P. Hill</td>
<td>52</td>
<td>(47%)</td>
<td>4</td>
<td>Hess EVP &amp; President, Worldwide Exploration and Production</td>
</tr>
</tbody>
</table>

**Average Tenure(3)**: 14 years

**Restructuring Experience**: None

**Upstream Oil & Gas Operating Experience**: None

---

**Sources**: Company Filings, Bloomberg

2. John Hess referring to board of directors on 4Q 2012 Earnings call
3. Tenure calculated as of date of 2013 annual general meeting; Tenure for John Hess shows both as director and as CEO, respectively
4. Tenure excluding John Hess is 11 years
De-staggering the Hess board requires 80% of outstanding (not just voting) shares

In 2007, Shareholders’ backed de-staggering the Hess board with over 97% of outside voters electing to de-stagger

In 2008, the Hess board recommended FOR de-staggering the board (had they not, they may have had governance agencies recommend withholds on all of their nominees).

- 245.7mm shares voted to de-stagger
  - 76% of outstanding shares
  - 87% of voting shares
- 1.8mm shares abstained
- 37.1 mm shares voted against declassification (John Hess controlled 36.6mm shares)

In 2008, the Hess board recommended FOR de-staggering the board (had they not, they may have had governance agencies recommend withholds on all of their nominees).

245.7mm shares voted to de-stagger
- 76% of outstanding shares
- 87% of voting shares
1.8mm shares abstained
37.1 mm shares voted against declassification (John Hess controlled 36.6mm shares)

Sources: Company Filings, Factset, ISS Voting Analytics
1. Hess estate is assumed to have voted against declassification and is excluded from calculation

How did John Hess vote in 2008?

How will John Hess vote this year?

In 2012, Shareholders again backed de-staggering the board with over 94% of outside voters electing to de-stagger

Now, the Hess board again has recommended FOR de-staggering the board

Yet, at the same time the board opposes a shareholder proposal to remove the 80% voting requirement that prevented de-staggering the board three times before

How will John Hess vote this year?

Did John Hess vote against the recommendation of his own board of which he is Chairman?

How will he vote this year?
Why is Hess...

- Refusing to accept Shareholders’ exceptional Nominees?

- Proposing nominees that have less oil & gas operating experience and less restructuring experience than Shareholder Nominees?

- Selecting nominees that Rubber Stamp management’s plan without evaluating alternatives?

- Naming John Mullin III, joint-executor of the Hess estate, the new lead “independent” director?

- Appointing John Quigley as a 6th director instead of letting shareholders decide?

Hess Does Not Want to be Accountable to Shareholders
Great Stewards of Capital

Manageable Enterprises Accountable to Shareholders
“One thing that we are committed to do as an executive team is make sure we can meet our forecasts and deliver on our promises…”

Karl Kurz, Shareholder Nominee
February 2009(1)
Create Hess Resource Co. via Tax-free Spinoff

Instead of an opaque, unmanageable conglomerate

Unconventional
- 725,000 net acres in the Bakken
- 177,000 net acres in the Utica Shale
- 45,000 net acres in the Eagle Ford

Global Offshore and Other Conventional
- Long-life, oil-weighted reserves in “crown jewel” assets including Shenzi (GOM), Valhall (Norway), Ceiba & Okume (Equatorial Guinea)
- Favorable gas assets in Southeast Asia including JDA & Natuna Sea Block

Midstream
- Valuable Bakken infrastructure including Tioga gas plant and Bakken rail terminal

Downstream & No-Stream
- Miscellaneous businesses - many with capital tied up at low rates of return

Unlock great companies that will be accountable to shareholders

Create Hess Resource Co.
Bakken, Eagle Ford and Utica with dropdown of midstream assets
TEV = $13.0 to $14.4 billion\(^{(1)}\)

Create Hess International
Focus remaining conventional portfolio on core areas of competitive advantage through divestiture of non-core assets
TEV = $21.4 to $30.2 billion\(^{(1)}\)

Monetize resource play infrastructure

Divest downstream assets
TEV = $3.1 to $3.5 billion\(^{(1)}\)

Share Price = $95.70 to $128.46\(^{(1)}\)
TEV = $39 to $50 billion\(^{(1)}\)

Source: Company filings
1. Elliott estimates; Per share values calculated net of debt, cash pro forma for announced/completed transactions (Azerbaijan & UK assets), pension, tax attributes, interest tax shield

Hess’s March promises (if delivered) affect less than 10% of potential share uplift \(^{(1)}\) over another 2 year period
Hess Resource Co. would be premier resource play focused company:

- Premier position in Bakken
- Promising position in Utica
- W.D. Von Gonten analysis of Hess acreage
  - Hess and Continental Williston acreage very comparable on absolute basis
  - Hess has higher per acre value
  - Extremely large percentage of Hess acreage in core Bakken and Three Forks

### Goldman Sachs’ Calculation of Hess Bakken via Continental

<table>
<thead>
<tr>
<th></th>
<th>HES</th>
<th>CLR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Company Value:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Cap ($mm)</td>
<td>$23,726</td>
<td>$16,918</td>
</tr>
<tr>
<td>Net Debt ($mm)</td>
<td>7,469</td>
<td>3,504</td>
</tr>
<tr>
<td>Enterprise Value ($mm)</td>
<td>$31,195</td>
<td>$20,422</td>
</tr>
<tr>
<td>Non-Bakken Valuation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012 Proved Reserves (mmBOE)</td>
<td>785</td>
<td></td>
</tr>
<tr>
<td>Bakken Proved Reserves (mmBOE)</td>
<td>564</td>
<td></td>
</tr>
<tr>
<td>Proved Reserves ex-Bakken (mmBOE)</td>
<td>221</td>
<td></td>
</tr>
<tr>
<td>Value of non-Bakken ($/BOE)</td>
<td>$12.50</td>
<td></td>
</tr>
<tr>
<td>Value of non-Bakken ($mm)</td>
<td>$2,764</td>
<td></td>
</tr>
<tr>
<td><strong>Bakken value ($mm)</strong></td>
<td><strong>$17,658</strong></td>
<td><strong>$17,658</strong></td>
</tr>
</tbody>
</table>

Goldman Sachs methodology, as published in 1/30/2013 note; updated for stock prices as of 3/8/2013 and Continental year-end 2012 proved reserves

1. W. D. Von Gonten & Co. is an industry leading petroleum engineering and geological services consulting firm that has evaluated every major shale play in the US. They are recognized experts in unconventional resource play evaluations
2. Percentage of 4Q 2012 production from oil or oil and NGLs
3. Elliott estimates based on peer operators, management commentary
4. Goldman Sachs’ Bakken methodology, as published in 1/30/2013 note; updated for stock prices as of 3/8/2013 and Continental year-end 2012 proved reserves
5. Average of Wall St analysts who build asset by asset NAV
6. Elliott estimates based on Von Gonten study and market value of Bakken operators; Continental implied value via Goldman Sachs, (see footnote 4) plus average sellside value for Utica and Eagle Ford; (see footnote 5)
Management either has not done its homework or does not understand the credit markets

- Numerous examples of US resource focused companies with negative free cash flow
  - All able to fund themselves in the public markets and all trade at premium multiples to Hess
  - Continental has had negative free cash flow for the past 5 years yet has:
    - $2.9bn of public debt trading at an average yield under 3.5%
    - Enterprise value of over $20bn and trades at ~11.3x EBITDA

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Cap</th>
<th>EV / LTM EBITDAX(2,3)</th>
<th>Net Debt / LTM EBITDAX(3)</th>
<th>2013 FCF as % of Market Cap</th>
<th>Weighted Avg. Yield(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continental</td>
<td>$16.9bn</td>
<td>11.3x</td>
<td>2.1x</td>
<td>(7)%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Halcon</td>
<td>$2.6bn</td>
<td>12.6x</td>
<td>5.7x</td>
<td>(24)%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Kodiak</td>
<td>$2.5bn</td>
<td>11.7x</td>
<td>3.8x</td>
<td>(6)%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Oasis</td>
<td>$3.6bn</td>
<td>9.1x</td>
<td>2.0x</td>
<td>(10)%</td>
<td>4.7%</td>
</tr>
<tr>
<td>SM Energy</td>
<td>$3.9bn</td>
<td>5.2x</td>
<td>1.4x</td>
<td>(9)%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Pioneer</td>
<td>$17.1bn</td>
<td>9.1x</td>
<td>1.1x</td>
<td>(4)%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Cabot</td>
<td>$13.6bn</td>
<td>18.5x</td>
<td>1.3x</td>
<td>1%</td>
<td>N/A</td>
</tr>
<tr>
<td>Range</td>
<td>$12.8bn</td>
<td>18.1x</td>
<td>3.3x</td>
<td>(3)%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Hess Resource Co.</td>
<td>$13.0bn to 14.4bn</td>
<td>10.0x to 11.1x(5)</td>
<td>(2)% / (3)%(6)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

"...there will be times when CLR may outspend its internally generated cash flow. However, so long as it is earning the returns on investment in the incremental barrel produced by these borrowings... this should be of minor concern.

- Moody's March 2012(7)
Resource Co. Would Be One of the Best Funded US Unconventional Pure Plays

Given ability to raise capital via debt markets or raise proceeds from infrastructure, Hess Resource Co. has ample cash to standalone

Bakken Standalone

<table>
<thead>
<tr>
<th>Year</th>
<th>Bakken Production (MBOE/D)</th>
<th>Bakken EBITDA (mm)</th>
<th>Well Capex (mm)</th>
<th>Cash Taxes (mm)</th>
<th>Free Cash Flow (mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>120</td>
<td>$2,218</td>
<td>(1,700)</td>
<td>-</td>
<td>($268)</td>
</tr>
<tr>
<td>2014</td>
<td>131</td>
<td>$2,537</td>
<td>(1,918)</td>
<td>-</td>
<td>($64)</td>
</tr>
<tr>
<td>2015</td>
<td>120</td>
<td>$2,218</td>
<td>(2,141)</td>
<td>-</td>
<td>$77</td>
</tr>
<tr>
<td>2016</td>
<td>120</td>
<td>$2,537</td>
<td>(2,148)</td>
<td>-</td>
<td>$389</td>
</tr>
<tr>
<td>2017</td>
<td>131</td>
<td>$2,780</td>
<td>(2,141)</td>
<td>(111)</td>
<td>$529</td>
</tr>
</tbody>
</table>

Free Cash Flow & Sources of Cash

- **Free Cash Flow**
- **Monetization of 50% of Midstream**
- **Initial Debt Capacity**

Per management production guidance:
- Bakken should be cash flow breakeven YE2014
- This does not include the substantial cash generated by midstream assets
- $3+ billion of excess cash can be used to
  - Fund Utica development

1. Management guidance for 2013; thereafter Elliott estimates based on Continental 600 EUR type curve; Rig program based on achieving management guidance of 120MBOE/D by mid-decade
2. Elliott estimate based on average of OAS, KOG and NOG 4Q EBITDA before G&A per BOE; less allocation of Hess E&P G&A and corporate overhead; OAS, KOG and NOG do not control midstream infrastructure; therefore there is no meaningful double counting in value of MLP spinoff
3. Elliott estimates: Capex is management guidance for 2013; thereafter Elliott estimates for rig program using a well capex of $8.2m; $8.2m well capex is Continental’s estimate for their well cost by YE2013
4. Assume 75% of well capex is intangible with 100% IDC; tangible capex depreciated at MACRs 7; 35% tax rate on taxable income
5. Valuation assumes 50% of Elliott low case midstream valuation
6. 2x LTM EBITDA
### Impact of Tax Shield from Bakken = $0.13 per share

<table>
<thead>
<tr>
<th>Tax Calculations</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakken Production (MBOE/D)</td>
<td>68</td>
<td>87</td>
<td>105</td>
<td>120</td>
<td>131</td>
</tr>
<tr>
<td>Bakken EBITDA ($mm)</td>
<td>$1,432</td>
<td>$1,853</td>
<td>$2,218</td>
<td>$2,537</td>
<td>$2,780</td>
</tr>
<tr>
<td>Tax Depreciation Bakken ($mm)</td>
<td>(1,776)</td>
<td>(2,020)</td>
<td>(2,225)</td>
<td>(2,251)</td>
<td>(2,231)</td>
</tr>
<tr>
<td>Taxable Income ($mm)</td>
<td>($345)</td>
<td>($167)</td>
<td>($7)</td>
<td>$286</td>
<td>$549</td>
</tr>
<tr>
<td>Cash Taxes ($mm)</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>($111)</td>
</tr>
</tbody>
</table>

Hess Bakken should become a taxpayer in 2017 per management production guidance.

- **Bakken operations should become a taxpayer in 2017**
  - NPV of shifting 4 years of declining deductions out to the years when Bakken is taxpayer is ~$0.13 / share
  - Existing NOLs can remain at Hess International post-spinoff. (Tax analysis is limited to future deductions.
  - In the event the NOLs must travel with the Bakken, impact would be an additional ~$0.08 per share
  - Neither taxable income nor depreciation from Bakken midstream assets included (if funded appropriately in MLP market, assets would generate income tax not deductions)

- **Tax analysis of the Utica is highly dependent on well type curve, liquid content and development ramp assumptions — which management has never disclosed**
  - Using Utica peers’ type curve estimates and a reasonable development program, the value of tax shield would be an additional $0.10 per share
  - By the time development ramps in the Utica, the resulting tax deductions will be a useful tax shield for an income generating Bakken

- **Does not include unnecessary infrastructure spend**

---

1. Management guidance for 2013; thereafter Elliott estimates based on Continental 600 EUR type curve; Rig program based on achieving management guidance of 120MBOE/D by mid-decade
2. Elliott estimate based on average of OAS, KOG and NOG 4Q EBITDA before G&A per BOE; less allocation of Hess E&P G&A and corporate overhead; OAS, KOG and NOG do not control midstream infrastructure; therefore there is no meaningful double counting in value of MLP spinoff
3. Elliott estimates: Capital expenditures are management guidance for 2013; thereafter Elliott estimates for rig program using a well capex of $8.2m; $8.2m well capex is Continental’s estimate for their well cost by YE2013; Assume 75% of well capex is intangible with 100% IDC; tangible capex depreciated at MACRs 7; Historical depreciation is calculated using 70% IDC
4. Elliott view based on counsel from tax and accounting advisors
5. Assumes $91 million of federal tax loss carry forwards are recognized immediately versus recognized in 2017+ from Bakken generated income
6. Assumes 75% of well capex is intangible with 100% IDC; tangible capex depreciated at MACRs 7
By 4Q 2012, Hess had switched to a Sliding Sleeve completion design\(^{(1)}\)

When evaluated on an apples to apples basis (sliding sleeve to sliding sleeve), Hess well costs are 17% to 38% above Whiting.

Continental, Oasis and Kodiak are predominately completing their wells using 1) a higher cost Plug & Perf design\(^{(3)}\) and 2) substantially more high cost ceramic proppant.\(^{(3)}\) They are not appropriate comparables for a well cost comparison.

Premier assets of Hess Resource Co. mismanaged by Hess Conglomerate

Sources: Public company filings, corporate presentations, earnings call transcripts and North Dakota Industrial Commission data
1. 4Q earnings transcripts and presentations
2. Data from North Dakota Industrial Commission
3. OAS: BAML Conference November 2012; KOG: BAML Conference November 2012; Data from North Dakota Industrial Commission
Hess Conglomerate Unable to Reap Full Potential of Bakken

1. Present value of additional or lessor rig held in perpetuity across 575,000 net acres, excluding acreage drilled through YE2012. Assumes 8 wells per spacing unit (4 Bakken, 4 TFS), $6.5 million NPV per well; 28 day spud to spud time (Hess 4Q); Pretax value at 10% discount rate.

2. Production growth guidance for 2013 for Bakken or corporate if not disclosed.

3. Continental Resources 4Q12 Earnings call.

NPV Impact from Reducing Bakken Rig Program

- Hess’s inability to operate a rig program comparable to peers of its size results in $2.5 billion of forgone value...

...as evidenced by slower production growth.

<table>
<thead>
<tr>
<th>Bakken Operator</th>
<th>Production Growth(2)</th>
<th>2012</th>
<th>2013E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continental</td>
<td></td>
<td>80%</td>
<td>38%</td>
</tr>
<tr>
<td>Oasis</td>
<td></td>
<td>110%</td>
<td>42%</td>
</tr>
<tr>
<td>Kodiak</td>
<td></td>
<td>267%</td>
<td>109%</td>
</tr>
<tr>
<td>Hess</td>
<td></td>
<td>87%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Question: “And if you do come in below that target or budget, I mean do you think – would we expect to see you drill incremental wells for the same CapEx over the year, or just come out with a lower CapEx budget?”

Rick Bott, Continental President & COO: “…our goal is to accelerate value. We have a deep multi-decade inventory and we want to bring as much of that value forward. So, our plan would be to leverage those efficiencies and be able to drill additional wells…”(3)

Vs.

What Best-in-Class Bakken Operators are doing:

- Continental
- Oasis
- Kodiak
- Hess

![Graph showing NPV Impact from Reducing Bakken Rig Program](image-url)
While Bakken Competitors Are Focused on Maximizing Asset Potential, Hess Conglomerate is Burdened by Yesterday’s Issues

### Continental
- **Accelerating Lower Three Forks Exploration Program**
  - 20 wells to define the productivity of 2nd, 3rd and 4th benches of the Three Forks across 75x60 miles\(^1\)

- **High Density Pilot Appraisal Project**
  - 4 pilot density projects to test 320 and 160 acre spacing (14 and 28 wells per unit) \(^1\)

### Whiting
- **Hidden Bench Lower Bakken Silt Testing**
  - Testing additional target zone situated between Middle Bakken and Three Forks \(^2\)

- **High Density Pilot Appraisal Project**
  - Initiating higher density pilots in Sanish, Pronghorn, Hidden Bench and Missouri Breaks \(^2\)

- **Testing Additional Three Forks Zones**
  - Testing the 2nd bench of the Three Forks in the Cassandra and Tarpon areas \(^2\)

### Oasis
- **High Density Pilot Appraisal Project**
  - Launching infill pilots in 22 spacing units \(^3\)

- **Extensional Acreage Testing**
  - Testing Three Forks wells in North Cottonwood, Red Bank and extensional Montana acreage \(^3\)

- **Lower Three Forks Exploration Program**
  - Drilling 6 vertical wells into lower Three Forks benches in 1Q13 to determine areas for horizontal pilots in late 2013 \(^3\)

### Kodiak
- **High Density Pilot Appraisal Project**
  - 2 pilot projects testing 12 wells per unit including 6 Middle Bakken wells and 6 Three Forks \(^4\)

- **Lower Three Forks Intervals Exploratory Testing**
  - Exploratory testing of the upper, middle and TF3 Three Forks intervals \(^4\)

---

**Sources:** Public company filings, corporate presentations and earnings call transcripts

1. Continental 4Q12 Earnings call
2. Whiting 4Q12 Earnings call and presentation
3. Oasis 4Q12 Earnings call
4. Kodiak 4Q12 Earnings call
5. Hess 4Q 2012 Earnings Call

---

“...We’re doing a very small amount of appraisal work in the Three Forks...”

Greg Hill, January 2013 \(^5\)
Management Has Lost Sight of the Big Picture

Why is Hess...

- Constructing tax and funding excuses that are demonstrably false?
- Claiming they are a low cost operator in the Bakken when the reality is different?
- Talking down the value of their Bakken acreage rather than acknowledging they are unable to grow production as quickly as their peers without cost overruns?
- Resisting creating one of the premier US resource pure plays, an action that would create tremendous returns for their shareholders?

Hess Does Not Want to be Accountable to Shareholders

Source: Elliott estimates
1. See slide 51
2. See slide 53
3. Present value of additional $1.3 million cost for each well across 575,000 net acres, excluding acreage drilled through YE2012. Assumes 8 wells per spacing unit (4 Bakken, 4 TFS), 14 rig program, adding 1 rig per year until 20 rigs; Pretax value at 10% discount rate
Create Hess International

Instead of an opaque, unmanageable conglomerate

- **Unconventional**
  - 725,000 net acres in the Bakken
  - 177,000 net acres in the Utica Shale
  - 45,000 net acres in the Eagle Ford

- **Global Offshore and Other Conventional**
  - Long-life, oil-weighted reserves in “crown jewel” assets including Shenzi (GOM), Valhall (Norway), Ceiba & Okume (Equatorial Guinea)
  - Favorable gas assets in Southeast Asia including JDA & Natuna Sea Block

- **Midstream**
  - Valuable Bakken infrastructure including Tioga gas plant and Bakken rail terminal

- **Downstream & No-Stream**
  - Miscellaneous businesses - many with capital tied up at low rates of return

Unlock great companies that will be accountable to shareholders

- **Create Hess Resource Co.**
  - Bakken, Eagle Ford and Utica with dropdown of midstream assets
  - TEV = $13.0 to $14.4 billion

- **Create Hess International**
  - Focus remaining conventional portfolio on core areas of competitive advantage through divestiture of non-core assets
  - TEV = $21.4 to $30.2 billion

- **Monetize resource play infrastructure**
  - TEV = $2.0 to $2.5 billion

- **Divest downstream assets**
  - TEV = $3.1 to $3.5 billion

Share Price = $95.70 to $128.46
TEV = $39 to $50 billion

Source: Company filings
1. Elliott estimates; Per share values calculated net of debt, cash pro forma for announced/completed transactions (Azerbaijan & UK assets), pension, tax attributes, interest tax shield

Hess’s March promises (if delivered) affect less than 10% of potential share uplift over another 2 year period
Great Assets Undervalued in Conglomerate Portfolio

- Exploration failures, high hedging costs, and opacity around capital intensity has resulted in severe undervaluation of assets
- Poor disclosure causes less than 25% of wall street analysts to build asset by asset NAVs for Hess
- Recent transactions at a premium to Wood Mackenzie\(^{(1)}\) and Rystad\(^{(2)}\) values:

<table>
<thead>
<tr>
<th>Transaction (^{(1)})</th>
<th>Premium / (Discount)</th>
<th>Wood Mackenzie(^{(2)})</th>
<th>Rystad (^{(3)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hess sale of Azerbaijan to ONGC</td>
<td>9%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Nexen sale to CNOOC</td>
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<td>32%</td>
<td></td>
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<td>Freeport acquires Plains E&amp;P</td>
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</tr>
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<td>BP Deepwater GOM sale to Plains E&amp;P</td>
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<td>El Paso E&amp;P sale to private equity</td>
<td>11%</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

Strong Cash Flow; Investment Grade Rating

- Long lived oil assets producing substantial cash flow
  - Wood Mackenzie and Rystad both project Hess International would average \textdollar{\textasciitilde}2.8 billion of free cash flow per year before exploration for the next decade\(^{(2,3)}\)

```
Great Assets Undervalued in Conglomerate Portfolio

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```
Market Valuation Today Implies Little to No Value for Assets Worth $20 to $30bn

NAV-Based Value of International...

<table>
<thead>
<tr>
<th>Asset by Asset NAV Valuations(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Sell-Side</td>
</tr>
<tr>
<td>Elliott Low: Wood Mackenzie</td>
</tr>
<tr>
<td>Average Sell-Side</td>
</tr>
<tr>
<td>Elliott High: Rystad</td>
</tr>
<tr>
<td>High Sell-Side</td>
</tr>
</tbody>
</table>

- Wood Mackenzie: ZERO value for Ghana or Australia
- Rystad includes higher value for development potential

Market Implied Value of International...

<table>
<thead>
<tr>
<th>Elliott Valuation</th>
<th>CLR Implied Bakken(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Hess Enterprise Value (March 8, 2013)(3) Pro forma for 1Q13 asset sales</td>
<td></td>
</tr>
<tr>
<td>$13.0bn</td>
<td>$14.4bn</td>
</tr>
<tr>
<td>less Hess Resource Co.</td>
<td></td>
</tr>
<tr>
<td>$2.0bn</td>
<td>$2.5bn</td>
</tr>
<tr>
<td>less Midstream</td>
<td></td>
</tr>
<tr>
<td>$3.1bn</td>
<td>$3.5bn</td>
</tr>
<tr>
<td>Residual Value of International</td>
<td></td>
</tr>
<tr>
<td>$10.7bn</td>
<td>$8.3bn</td>
</tr>
</tbody>
</table>

Implied EBITDAX Multiple(4)

- Elliott Low: 1.9x
- Elliott High: 1.5x
- CLR: 0.5x

Peer multiple = 4.2x(5)

5yr production CAGR(6):
- Peer 2.5%; Hess Int’l Pro Forma 2%

Hess Enterprise Value (March 8, 2013)(3)

- Pro forma for 1Q13 asset sales
- Average sell-side estimates are added for Eagle Ford and Utica for Hess Resource Co; Midstream and downstream values are average sell-side estimates
- Enterprise value as of 3/8/13; Pro forma for announced Azerbaijan and Beryl transactions; Net debt includes other assets (tax attributes, pension, etc)

A board focused on shareholder returns would not allow undervaluation of this magnitude to persist

- Hess International could divest assets to buyback stock
- or could divest assets to high-grade portfolio (similar to the transformation Karl Kurz helped deliver at Anadarko)

Sources:
1. Sell-side analysts who build asset by asset NAV; see slide 57
2. Continental implied Bakken value as calculated by Goldman Sachs, updated for share price as of 3/8/13 and YE2012 reserves, see slide 48 for full calculation; Average sell-side estimates are added for Eagle Ford and Utica for Hess Resource Co; Midstream and downstream values are average sell-side estimates
3. Enterprise value as of 3/8/13; Pro forma for announced Azerbaijan and Beryl transactions; Net debt includes other assets (tax attributes, pension, etc)
4. Elliott estimates International EBITDA is approximately $5.6 billion
5. Revised proxy peers 2013 EVEBITDAX multiple: Excludes Noble due to material difference in 5 year production growth CAGR
6. Source: Wood Mackenzie; Rystad
7. Elliott estimate using information on sources and uses of cash in March 4, 2013 update call

...Shows Significant Upside to Current Stock Price

<table>
<thead>
<tr>
<th></th>
<th>Elliott Low Valuation of Other Hess Assets</th>
<th>Elliott High Valuation of Other Hess Assets</th>
<th>CLR Implied Bakken Valuation(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Valuation: Elliott Low</td>
<td>$26.23</td>
<td>$33.22</td>
<td>$49.42</td>
</tr>
<tr>
<td>International Valuation: Elliott High</td>
<td>$52.00</td>
<td>$58.99</td>
<td>$75.18</td>
</tr>
<tr>
<td>International Valuation: Average Sell-Side(1)</td>
<td>$35.70</td>
<td>$42.69</td>
<td>$58.89</td>
</tr>
<tr>
<td>International Valuation: Peer Multiple(5)</td>
<td>$37.82</td>
<td>$44.81</td>
<td>$61.01</td>
</tr>
</tbody>
</table>
If Hess is “realizing synergies from the transfer of technical skills and operating capabilities globally”\(^{(1)}\) then...

Why is Hess a less efficient operator in unconventional plays than independents without global offshore assets?
- Continental
- Pioneer
- EOG

Why has Hess had significantly less exploration success than exploration focused independents without unconventional assets?
- Tullow
- Kosmos
- Cobalt

---

Why is Hess…

- Claiming financing and financial flexibility concerns that are clearly false?
- Alleging synergies that obviously don’t exist?
- Talking down the value of its international assets?
- Avoiding real action when its stock price reflects substantial discount to NAV?

Hess Does Not Want to be Accountable to Shareholders
Monetize Midstream and Divest Downstream

Instead of an opaque, unmanageable conglomerate

Unconventional
- 725,000 net acres in the Bakken
- 177,000 net acres in the Utica Shale
- 45,000 net acres in the Eagle Ford

Global Offshore and Other Conventional
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Create Hess Resource Co.
Bakken, Eagle Ford and Utica with dropdown of midstream assets

TEV = $13.0 to $14.4 billion(1)

Create Hess International
Focus remaining conventional portfolio on core areas of competitive advantage through divestiture of non-core assets

TEV = $21.4 to $30.2 billion(1)

Monetize resource play infrastructure

TEV = $2.0 to $2.5 billion(1)

Divest downstream assets

TEV = $3.1 to $3.5 billion(1)

Share Price = $95.70 to $128.46(1)
TEV = $39 to $50 billion(1)

Hess’s March promises (if delivered) affect less than 10% of potential share uplift (1) over another 2 year period

Source: Company filings

1. Elliott estimates; Per share values calculated net of debt, cash pro forma for announced/completed transactions (Azerbaijan & UK assets), pension, tax attributes, interest tax shield
MLP: Shareholders Do Not Need to Wait Until 2015…

First Hess would never MLP them…

“…the strategic infrastructure we have in North Dakota, having control of that adds a lot of value… the Tioga Gas Plant…that's not something we would be interested in MLPing.”

John Hess, November 2012(1)

…Now Hess wants shareholders to wait until 2015

“…we need some historical performance there of cash flow, of the EBITDA, from these midstream assets, and as we get that… I expect the timing of the monetization is 2015.”

John Rielly, March 2013(2)

MLP markets are open to assets that are still being built out and allow companies to maintain control

- 1. 3Q 2012 Earnings call
- 3. 2012 Gathering & Processing MLP IPOs including SXE, SMLP, and EQM
- 5. Adjusted for expansion capex

IPO Multiples Value Future Growth(3)

- Trailing Multiple at IPO: 14x
- Forward Multiple at IPO: 11x

39% EBITDA Growth
160% NTM Expansion Capex / LTM EBITDA

MLPs Acquire Growing Assets for Full Value(4)

- Run-rate Multiple at Acquisition: 28x
- 24 to 36 Month Forward Multiple at Acquisition(5): 8x

46% Growth Capex as % of Transaction Value

Hess has clearly not examined MLP potential
- Hess has sufficient assets to access MLP capital to build out assets today
- Shareholder capital should not be tied up only to be inefficiently monetized later

Karl Kurz and Mark Smith (Shareholder Nominees) carried out tax efficient monetizations of midstream infrastructure while retaining strategic control
Best-In-Class Operator Created Substantial Value from Midstream MLPs

3 Years Ago...

Anadarko has created $6.7 billion of value for shareholders through midstream monetization

- Anadarko completed an initial public offering of Western Gas Partners LP (WES) in 2008 with assets generating $79 mm in EBITDA and with a gross cost basis of $484 mm—less than Hess today
- In December 2012, APC completed the IPO of Western Gas Equity Partners LP (WGP), the entity that holds APC’s LP and GP interests and incentive distribution rights in WES
- Anadarko achieved this value creation while maintaining control of the MLP and its assets through its GP ownership

<table>
<thead>
<tr>
<th>Assets Contributed or Sold to MLP</th>
<th>Value in APC</th>
<th>Value Received Through MLP</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial WES Asset Contribution</td>
<td>$0.4 billion</td>
<td>APC Ownership in WGP</td>
<td>$6.6 billion</td>
</tr>
<tr>
<td>Drop Down Transactions</td>
<td>$1.3 billion</td>
<td>Cash and Loans from Drop Downs</td>
<td>$1.6 billion</td>
</tr>
<tr>
<td>Total Contributed Assets</td>
<td>$1.7 billion</td>
<td>Total Value Received</td>
<td>$8.4 billion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IPO Proceeds (6)</td>
<td>$0.3 billion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Value Created Through MLP</td>
<td></td>
<td></td>
<td>$6.7 billion</td>
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</tbody>
</table>

“And we think that will be a very good economic roundtrip of invested capital on the part of APC into the MLP, and then reinvest that capital again. It really, for us, mid-stream delivers our upstream story. We’re not trying to develop a separate midstream line of business that has a lot of third party work that will go into it, but rather it will be something that supplements what we would otherwise be doing for ourselves on balance sheet, by having a different access to capital and a different way to recognize the value of those assets in the market place.”

- Al Walker, Current CEO, Former SVP & CFO Anadarko (November 8, 2007)
Divesting Downstream Distractions—Long Overdue
But Only $2 Out of $27 Billion that Could Be Achieved for Shareholders

Out of everything that could be achieved, this is all that management and its hand-picked nominees are willing to do...

Potential Uplift to Current Enterprise Value(1)

- Hess Reaction: $2 bn
- Elliott Low: $16 bn
- Elliott High: $27 bn

Outstanding Questions:

- What is the timing of the downstream divestitures? How are the businesses going to be monetized?
- Will Hess divest the 2 New Jersey power plants?
- Will Hess divest Nuvera, its fuel cell technology investment?
- What about the LNG partnerships?
- Will Hess halt its proprietary trading in addition to simply exiting HETCO?

1. Elliott estimates; Potential uplift calculated as Elliott valuations less current market embedded values, as of 11/28/12;
Why is Hess...

- Constructing false arguments about how to best finance and build infrastructure?
- Avoiding MLP monetization timelines or commitments?
- Announcing incremental change in an attempt to preserve status quo?

Hess Does Not Want to be Accountable to Shareholders
IV. Conclusion
Why is Hess...

- Constructing stock charts focused on the last 6 months and excluding dividends?
- Announcing perpetual restructurings without effecting material change?
- Entrenched behind a staggered board with persistent corporate governance malpractice?
- Ignoring capital allocation failures by claiming that Conventional assets funded the Bakken?
- Avoiding disclosure that is comparable to its peers?
- Pointing to low price targets as validation?
- Refusing to accept Shareholders’ exceptional Nominees?
- Proposing nominees that have less oil & gas operating experience and less restructuring experience than Shareholder Nominees?
- Selecting nominees that Rubber Stamp management's plan without evaluating alternatives?
- Naming John Mullin III, joint-executor of the Hess estate, the new lead “independent” director?
- Appointing John Quigley as a 6th director instead of letting shareholders decide?
- Constructing tax and funding excuses that are demonstrably false?
- Claiming they are a low cost operator in the Bakken when the reality is different?
- Talking down the value of their Bakken acreage rather than acknowledging they are unable to grow production as quickly as their peers without cost overruns?
- Resisting creating one of the premier US resource pure plays, an action that would create tremendous returns for their shareholders?
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- Avoiding real action when its stock price reflects substantial discount to NAV?
- Constructing false arguments about how to best finance and build infrastructure?
- Avoiding MLP monetization timelines or commitments?
- Announcing incremental change in an attempt to preserve status quo?
Lack of Accountability: A Vicious Cycle

- Poor Capital Allocation & Poor Execution
- Low Returns & Value Destruction
- No Responsibility Taken
- Stock Underperformance

Lack of Accountability
Truly Independent and Highly Qualified Directors Will Restore Accountability and Deliver Returns to Shareholders

Underperformance of this magnitude and duration demands substantial change

<table>
<thead>
<tr>
<th>Proxy Peers (Under) / Over Performance</th>
<th>(333)%</th>
<th>(31)%</th>
<th>(43)%</th>
<th>(29)%</th>
<th>(40)%</th>
<th>(17)%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revised Proxy Peers (Under) / Over Performance</td>
<td>(460)%</td>
<td>(45)%</td>
<td>(63)%</td>
<td>(44)%</td>
<td>(47)%</td>
<td>(20)%</td>
</tr>
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Shareholder Nominees have the experience, independence and relevant expertise to deliver not just promise

<table>
<thead>
<tr>
<th>Name</th>
<th>Credentials</th>
<th>Relevance for Hess</th>
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</thead>
<tbody>
<tr>
<td>Rodney Chase</td>
<td>Former Deputy Group Chief Executive, BP</td>
<td>• Direct experience managing every major business at global integrated energy company</td>
</tr>
<tr>
<td></td>
<td>Former Chairman/CEO of BP America, CEO of Marketing &amp; Refining, CEO of E&amp;P</td>
<td></td>
</tr>
<tr>
<td>Harvey Golub</td>
<td>Former Chairman &amp; CEO, American Express</td>
<td>• Mr. Golub’s refocusing of American Express in the 1990s has been called “one of the most impressive turnarounds of a large public corporation in history” and led to over 750% share price appreciation during his tenure</td>
</tr>
<tr>
<td></td>
<td>Former Non-Executive Chairman, AIG</td>
<td></td>
</tr>
<tr>
<td>Karl Kurz</td>
<td>Former COO, Anadarko Petroleum</td>
<td>• Helped lead major transformation at a large independent E&amp;P: building a top-tier exploration capability, instilling capital discipline and improving operational focus</td>
</tr>
<tr>
<td></td>
<td>Former EVP at BG, President of ARCO Europe</td>
<td>• Managed Anadarko’s onshore resource play development as SVP of US Onshore</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Led midstream and marketing operations as VP of Marketing</td>
</tr>
<tr>
<td>David McManus</td>
<td>Former EVP, Pioneer Natural Resources</td>
<td>• Oversaw value accretive divestiture program of Pioneer's international portfolio</td>
</tr>
<tr>
<td></td>
<td>Former EVP at BG, President of ARCO Europe</td>
<td>• Presented substantial divestiture program to board and executed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Evaluated both IPO in London and outright sale - pursued value maximizing path</td>
</tr>
<tr>
<td>Mark Smith</td>
<td>Current SVP &amp; CFO, Ultra Petroleum</td>
<td>• Manages lowest-cost operator in resource play environment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Monetized midstream assets via accretive REIT deal while maintaining strategic control</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Direct experience dealing with high-cost operator in resource play joint-venture</td>
</tr>
</tbody>
</table>

Source: Company Filings
1. As of 11/28/12, date before which Elliott began to purchase a substantial amount of Hess stock. Proxy Peers: Anadarko, Apache, BP, Chevron, ConocoPhillips, Devon, EOG, Exxon, Marathon, Murphy, Occidental, Shell, Statoil, Talisman and Total

Revised proxy peers: Anadarko, Apache, EOG, Chevron, ConocoPhillips, Exxon, Marathon, Murphy, Noble, Occidental.
Salomon Smith Barney 4/13/1999
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