

ENERGY ON THE MOVE



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Hess Corporation has extensive interests in Libya that date back to 1955 when, as part of the Oasis Group, Hess was awarded six concession areas in the Sirte Basin. The first discovery was made in 1962, and by 1970 the concession was producing over one million barrels of oil per day.

The Libyan NOC became a partner in these concessions in 1973 and additional blocks were awarded in 1979. Hess was successful in acquiring Block 54 in the EPSA IV Round in mid-2005. This offshore block was the most sought-after in the round. Hess re-entered its dormant Waha interests in December 2005. The company also opened its new office in Tripoli during 2005.

- ▶ Concession life extended to 2031-34.
- ▶ Concessions comprise:
 - 22 blocks
 - 12.9 million acres / 52,000 km²
- ▶ All located in the prolific Sirte Basin.
- ▶ Significant undeveloped resources.
- ▶ Gross production 335 thousand barrels/day.
- ▶ Over 1500 wells.
- ▶ Pipelines : 1150 miles.
- ▶ Es Sider Terminal located on the Mediterranean coast.
- ▶ Terminal storage capacity: 6.5 million barrels.
- ▶ 13 producing fields in three clusters of central facilities.

CONCESSION INTERESTS		%
NOC		59.16
ConocoPhillips		16.33
Marathon Oil		16.33
Hess		8.16
PRIMARY FIELD/ GATHERING CENTER		SECONDARY FIELDS
Dahra		Bahi
Gialo		Masrab, Harash
Waha/Defa		Zaggut, Semah, Belhedan, Kalifa, Balat, Faregh





LIBYA

Block 54

- ▶ Location: Offshore Sirte Basin
- ▶ Area: 10,531 km²
- ▶ Water Depth: 50-1,500 m
- ▶ Round: EPSA IV – 1
- ▶ Term: 5 years
- ▶ Hess working interest: 100%
- ▶ 3000 km 2D seismic data acquired
- ▶ Exploration drilling being planned for 2007

Social Responsibility

- ▶ Hess is committed to having a positive impact on the lives of the people in the countries and communities where we do business.
- ▶ Donations to poor communities were distributed during Ramadan in 2005 and 2006.
- ▶ In 2006, the Tripoli office staff participated in the renovation of an orphanage in their free time and the company donated new furniture and toys.



Regional Context

Hess has a growing portfolio of interests in North Africa. In addition to Libya, Hess has interests in Egypt and Algeria.

- ▶ In Egypt, Hess acquired an interest and has become operator of the Block 1 West Med Deepwater Development Area.
- ▶ Development plans for the cluster of West Med gas discoveries are being formulated.
- ▶ Exploration potential through additional potential of West Med area and the extensive North Red Sea Area opportunity acquired in early 2006.
- ▶ In Algeria, Hess has a 49% interest in the Gassi El Agreb redevelopment project, a joint venture with Sonatrach that commenced in 2000. Since then, production had doubled. Second phase of Gassi El Agreb development is underway to further enhance output.
- ▶ Plans are being formulated for the development of the BMS discovery on Block 401c.
- ▶ Exploration in Blocks 428 and 429 West Agreb.
- ▶ Beyond these projects, Hess is ready to build on its initial success in the region and is always looking for new business opportunities in North Africa.

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