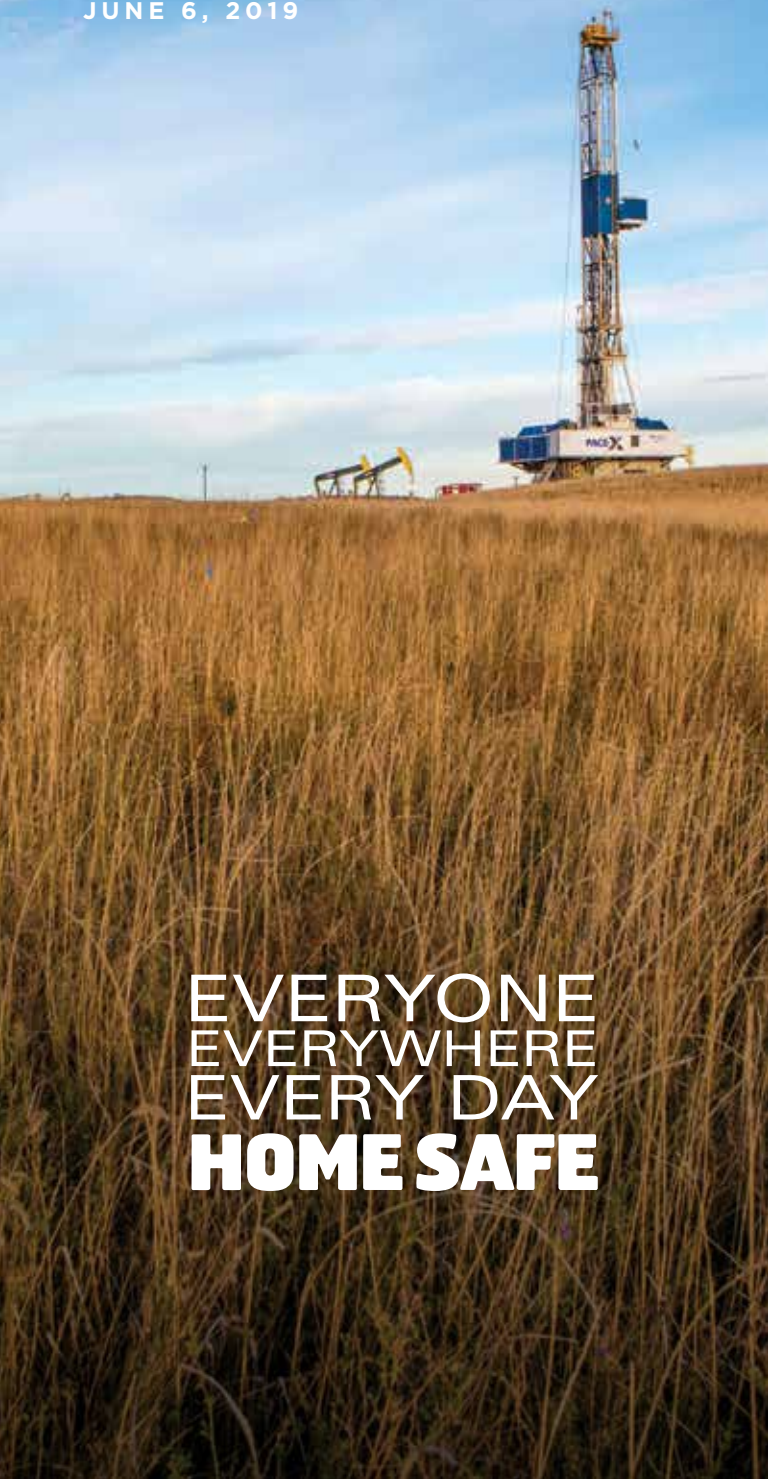




# TRAVEL GUIDE

## BAKKEN SITE VISIT

JUNE 6, 2019



EVERYONE  
EVERYWHERE  
EVERY DAY  
**HOME SAFE**

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# Itinerary

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**JUNE 6**

## **MORNING**

- ▶ Breakfast and EHS Orientation
- ▶ Travel into field
- ▶ Tour SIMOPS well location
- ▶ Tour workover rig
- ▶ Lunch at Tioga Gas Plant

## **AFTERNOON**

- ▶ Tioga Gas Plant tour
- ▶ Tour flaring/VOC wellsite
- ▶ Travel to Minot airport



# Hess Team

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**Greg Hill**  
Chief Operating Officer



**Mike Turner**  
SVP, Global Production



**Alex Sagebien**  
VP, EHS



**Barry Biggs**  
VP, Onshore



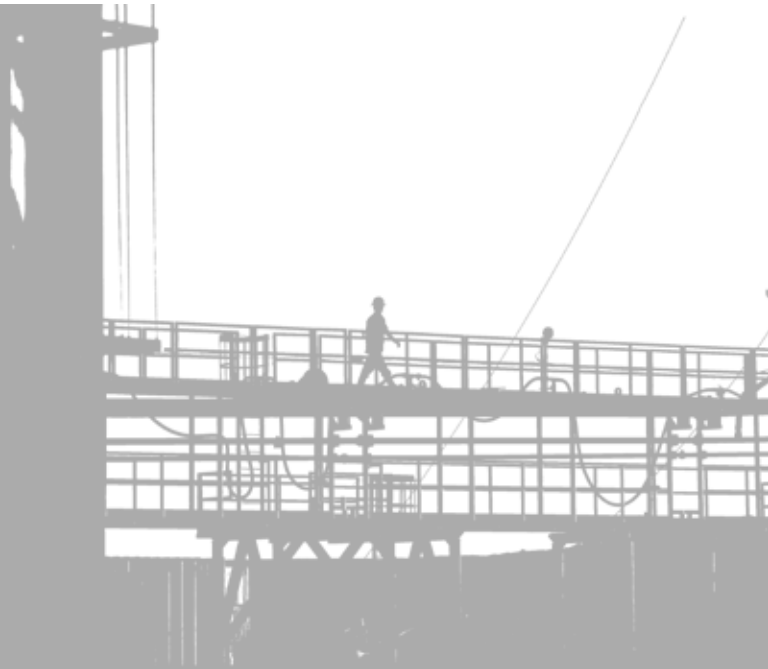
**John Gatling**  
VP, Midstream



**Kim Boles**  
Operations Manager,  
North Dakota



# Site Visit Locations

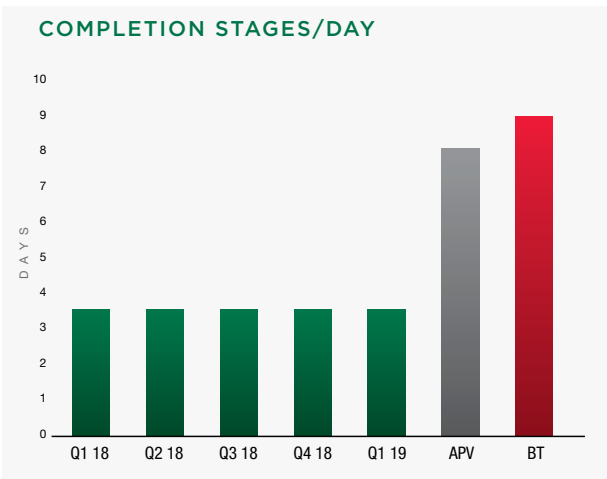


# SIMOPS Wellsite



## ASSET FACTS

- ▶ Multi-well pad in East Nesson area
- ▶ Currently frac'ing 4 well pads with offset production
- ▶ Drive-by of new bulk/test production facility



# Workover Rig

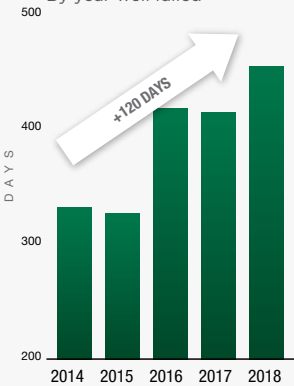


## ASSET FACTS

- ▶ Workover rig operating north of the river
- ▶ Capabilities include running/pulling tubing, installing ESP pumps, run sucker lift rods
- ▶ Hess fleet increasing in count to above 20 in 2019 to manage increased activity

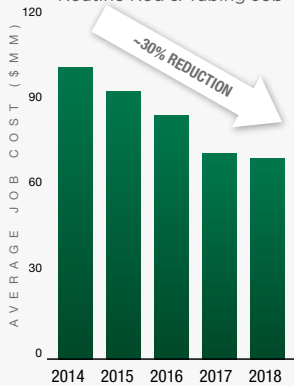
### MEAN TIME BETWEEN FAILURE

By year well failed

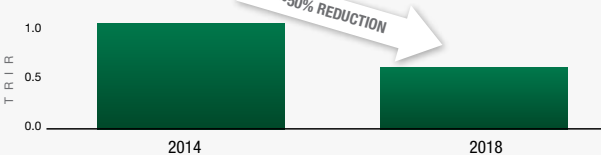


### AVG. ART. LIFT JOB COST

Routine Rod & Tubing Job



### TRIR

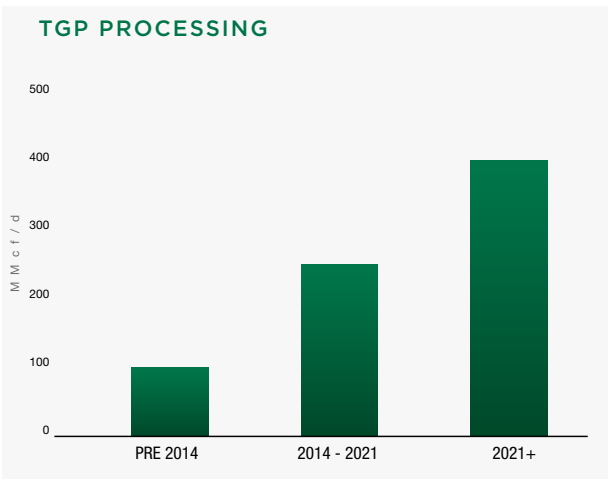


# Tioga Gas Plant



## ASSET FACTS

- ▶ Commissioned: 1954, Expanded: 2014 to 250 MMcf/d (prev. 100 MMcf/d)
- ▶ Planned expansion to 400 MMcf/d in ~2021
- ▶ Offers product fractionation capabilities (C1-C5) to various export markets





# Flare/VOC Wellsite



## ASSET FACTS

- ▶ SC-TR Slette (6 well pad) wellsite in Stony Creek
- ▶ Gathered by Kinder Morgan; wells curtailed Q1
- ▶ Currently utilizing VOC incinerators and Coldstream NGL recovery

## PERCENTAGE FLARING



# How We Operate

## OUR COMMITMENT

Hess is committed to protecting the health and safety of our people, safeguarding the environment, and contributing to the sustainability of the communities where we operate.

### SAFETY

Safety is central to Hess' culture, and our commitment to personal and process safety begins at the top of our organization and is reinforced at every level. Our safety programs and practices are designed to deliver continuous improvement, with the goal of having everyone across our operations return home safe every day.

### ENVIRONMENT

Responsible management of environmental impacts is an essential component of how we do business. For example in 2017 Hess was one of the first in our industry to complete a comprehensive program across North Dakota to detect and eliminate emissions leaks at our sites. This initiative has ensured fewer emissions are released into the air, and our sites are operating more efficiently.

### COMMUNITY INVESTMENTS

Hess seeks to be a partner of choice wherever we operate. In North Dakota we have invested over \$30 million in the past 5 years on community initiatives to strengthen education, workforce development, health and human services as well as support for disaster relief.



# Hess Safety Rules



## Energy Isolation

Stored energy sources shall be identified, isolated, tested and communicated to appropriate personnel before work shall proceed



## Lifting and Hoisting

Use only locally qualified operators and appropriate equipment for all mechanical lifting, hoisting and rigging operations



## Working at Heights

Personal fall protection equipment must be worn when working 6 feet (1.8 meters) or higher above ground



## Confined Space Entry

Confined spaces shall not be entered unless authorized by written permit



## Hot Work

A written work permit is required for all hot work outside of designated safe areas



## Excavation and Trenching

All excavation and trenching work greater than 4 feet (1.2 meters) deep requires written approval



## Land Transportation

Identify all driving threats associated with motor vehicle activity prior to putting motor vehicle in motion

# Hess Bakken Asset

## HESS IN NORTH DAKOTA

### Premier position in the Bakken

- ▶ Hess drilled the first well in 1951
- ▶ Average Bakken working interest: ~75%
- ▶ ~550,000 net acres
- ▶ Net EUR: ~2.3 BBOE
- ▶ ~2.0 BBOE yet to produce
- ▶ ~2,900 future operated drilling locations
- ▶ Hess second largest producer in ND

### Growth engine for Hess portfolio

- ▶ Currently operating at 6 rigs (increased from 4 in 2018)
- ▶ Growing production to ~200 Mboep/d by 2021
- ▶ 2019 Bakken E&P Capex: ~\$1,425M
- ▶ 2019 net production: 135 – 145 Mboep/d
- ▶ Investing in midstream infrastructure to support growth



# Itinerary

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