

HESS CORP
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PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the Hess March 4, investor call. My name is Grant, and I'll be your operator for today. At this time all participants are in listen-only mode. We will be conduct a question and answer session toward the end of this conference.

(Operator Instructions)

As a reminder this call is being recorded for replay purposes. I would now like to turn the call over to Mr. Jay Wilson, Vice President Investor Relations. Please proceed, sir.

Jay Wilson - Hess Corp - VP, IR

Thank you, Grant. Good morning, everyone and thank you for joining us.

We have a lot to cover today, and I suggest that if you haven't done so already, turn to the slide presentation we posted at www.transforminghess.com. We'll ask you to follow along with our slides. John Hess will walk you through the first 18 slides. We encourage you to review the remaining slides, as well. I trust you've already seen the press release and a shareholder letter that we also released this morning. Both are also available on the website.

Before I turn it over to John Hess, some housekeeping. This presentation contains projections and other forward-looking statements within the meaning of the Securities Exchange Act of 1934. These projections and statements reflect the Company's current views with respect to future events and financial performance. No assurances, excuse me, no assurances can be given, however, that these events will occur or that these projections will be achieved, and actual results could differ materially from those projected, as a result of certain risk factors. A discussion of these risk factors is included in the Company's periodic reports filed with the Securities and Exchange Commission.

Finally, I will note that Hess, its directors, and certain of its executive officers may be deemed to be participants in the solicitations of proxies from shareholders in connection with the matters to be considered at our 2013 annual meeting. Hess intends to file a proxy statement and white proxy card with the US Securities and Exchange Commission in connection with any such solicitation of

proxies from Hess shareholders. Investors and shareholders are strongly encouraged to read Hess's proxy statement and any other document filed with the SEC, carefully and in their entirety, when they become available, as they will contain important information.

With that, let me turn it over to John Hess, our Chairman and CEO, to get started.

John Hess - Hess Corp - Chairman of the Board & CEO

Thank you, Jay. Let me add my thanks to all of you for joining us this morning.

We will begin today on slide number 4. As many of you know, our board and management team have been in the process of transforming Hess into a more focused and higher growth exploration and production Company. Today we are announcing the culmination of that process by exiting our Downstream businesses and becoming a pure play E&P company.

Specifically, we will be divesting our Retail Energy marketing and Energy Trading businesses, divesting our E&P assets in Indonesia and Thailand, and pursuing the monetization of our Bakken midstream assets. Proceeds from all initiatives announced to date will be used, first to strengthen our balance sheet in order to fund future growth, and next, to increase current returns to all shareholders through a 150% increase of our annual dividends to \$1 per share, commencing in the third quarter of 2013, as well as to re-purchase up to \$4 billion of Hess shares. We also expect to return additional capital to shareholders in connection with the monetization of our midstream Bakken assets expected in 2015.

We are also adding six world class independent directors to board. Last August, we met with a search firm to begin identifying candidates. The six new independent directors are outstanding by any measure. They bring the right mix of top corporate leadership, operational and financial expertise, and top level E&P experience. With these six new directors, 13 of the 14 members of our board will be independent.

Before I continue, I would like to recognize our existing directors. Former Treasury Secretary Nicholas Brady, former Governor Thomas Kean, former Senator Sam Nunn, and Frank Olson will be retiring from our board. Two of our senior executives, Greg Hill and Borden Walker, also are leaving the Board, but will continue in their current leadership roles. All of these directors have served with distinction. They, along with our management team, and our continuing directors, deserve significant credit for building our Company today, and positioning us to create near and

long-term value for all of our shareholders.

The fact that Hess has some of the best oil and gas assets in our industry, including our leading position in the Bakken, is in large part due to their vision and commitment. They have my most sincere gratitude and respect, and I want to thank them for their service and many invaluable contributions to Hess over the years.

I am now looking at slide number 5. It was on our quarterly conference call in July 2012, that I first referred to the significant transformation which was underway at Hess. I described how we were at the midpoint of a five-year transformation process. Subsequently, our shareholders and Wall Street analysts indicated broad support for Hess's strategic transformation. From the date of that announcement, to the date we announced the sale of our terminal network, our stock has been up 34%.

There have been essentially three phases that this transformation has followed, and as you can see on this slide, we have made profound changes and taken a significant number of actions over the last several years. Beginning in 2010 with Phase I, we began a process of continuing to invest in our growth engines for the future, focusing the upstream business by pruning mature assets and reducing our exposure to the downstream business. Specifically, we substantially built upon our leadership position in the Bakken, including adding 250,000 net acres in 2010. We established a core position in the emerging Utica shale play, and through a series of transactions, we increased our ownership interest in Valhall. Lastly we closed our HOVENSA joint refinery in St. Croix, US Virgin Islands.

In terms of Phase II, on our July 2012 earnings call, for the first time we publicly communicated how we were at a midpoint of Hess's strategic transformation. On the call, we specified a number of steps that the Company was committed to making in the future in support of that process.

These steps included focusing our E&P strategy on lower risk and higher growth shale assets, including our Bakken and Utica positions, exploiting existing discoveries such as Tubular Bells in the North Malay Basin, narrowing our exploration focus to a few key areas such as offshore Ghana, further divesting upstream assets to focus on our growth engines, continuing to reduce our exposure to downstream, by completing our exit from the Refining business with a closure of our Port Reading, New Jersey refinery, and divesting our terminal network. We also reduced capital expenditures by increasing efficiencies in the Bakken and sharpening our focus in exploration.

With today's announcement, we are entering Phase III, completing our transformation to a pure play E&P company. We will exit what remains of the downstream and further focus our E&P portfolio on future growth. As slide number 6 makes clear, the market has been recognizing the value we are creating. From when we announced our July 2012 strategy update, our shares have outperformed our peer group. Our reported financial results have been strong, for the full year 2012, our net income of \$2 billion was the third highest in Hess Company history and our cash flow of

\$5.7 billion was the highest in our history. We are committed to delivering long-term, sustainable value to all of our shareholders, and the road map we have laid out today is going to help us do just that.

Let me take a moment now to sketch out the profile of the transformed Hess in greater detail. Moving to slide number 8. As I said with today's announcement, Hess will become a more focused, higher growth, lower risk, pure play E&P Company. We will deliver current returns to all shareholders while investing for future growth. With this focus, we expect to achieve a five-year compound average annual growth rate in production through 2017, of 5% to 8% off of 2012 pro forma production.

We also expect to grow our production in the mid-teens in aggregate, from 2012 pro forma to 2014. In addition, beginning in 2013, pro forma cash margin for BOE is expected to increase by \$5. Importantly, we have the breadth of technical skills and operating capabilities to deliver this growth and profit. Sharing these capabilities and technical skills across all of our projects globally enables us to drive better returns through cost and other efficiencies.

As evidence of these capabilities, Hess is a partner of choice for leading international oil companies and host governments on major E&P projects. This recognition of our capabilities drives value creation for all of our shareholders now and for the future. We will also retain our financial flexibility to fund future development, return capital to shareholders, and allocate capital efficiently.

Moving to slide number 9. You can see our focus on the five key areas I mentioned earlier. This map shows that 78% of our proved reserves and

84% of our production is concentrated in five geographic locations. All of our long-term growth opportunities are close to our near term producing assets, and in many cases have been generated as a result thereof. These opportunities include, Tubular Bells in the Deep Water Gulf of Mexico, North Malay Basin, which is adjacent to and shares similar geology with the Malaysia Thailand joint development area in the Gulf of Thailand, Utica, where we are applying the expertise developed in the Bakken, and Ghana, which shares similar geology as Equatorial Guinea, where we have a strong operating position.

On slide number 10, you'll see that we have six core projects. Collectively they will underpin an expected five-year compound average annual growth rate in production through 2017, of 5% to 8%, off of 2012 pro forma production. Our production growth over the next two years will come from the continued development of the Bakken in Valhall and the start-up production in North Malay Basin and Tubular Bells. Utica will also support our longer term production growth, and Ghana is in the early stages. It is a promising longer term opportunity. We recently announced that we have seven consecutive discoveries in Ghana. We are planning appraisal activities there, and are conducting pre-development studies.

And as I noted before, beginning in 2013, pro forma cash margin per BOE is expected to increase by \$5. Slide number 11 is a good snapshot of our proven reserve base. Simply put, we have the highest percentage of reserves that are liquids based among our peers. And as to production, 85% of our pro forma 2013, estimated crude oil production is Brent linked. Also, only 6% of our production is US natural gas. Our significantly oil-linked portfolio should allow us to achieve stronger cash margins and returns than our peers.

The next three slides show how the breadth of our world class technical capabilities translate into efficiencies, global synergies, higher returns, and new investment opportunities. Slide number 12 shows that we are a leader in the Bakken and are realizing significant operating efficiencies there, which is North America's most promising shale oil play. Our daily production is increasing, and we are demonstrating exceptional performance. On a 30-day initial production rate basis, for 2012, 3 of the top 5 wells in the Bakken and 10 out of the top 25, are Hess wells.

You can see along the top half of the slide, how we have substantially driven drilling and completion costs down and expect continued reductions as we have moved to pad drilling. We also have some of the best people in the industry working on the Bakken play. As shown on slide number

13, our well costs now rank us among the lowest cost and best in our peer group.

Please turn to slide number 14. We are a recognized quality global operator. Because of the breadth of our expertise and technical capabilities, we continue to be trusted and picked by leading international oil companies and host governments to operate major new oil and gas developments. For example, Chevron endorsed us as the operator of the \$2.3 billion Tubular Bells Deep Water Gulf of Mexico development, and PETRONAS picked us as operator of the \$2.9 billion North Malay Basin offshore development. This breadth of our technical capabilities has delivered great opportunities to develop new areas of growth. Now, and in the future.

To highlight just three examples. We are currently at the employing our Bakken fracking methodology to our drilling and completions in the Malaysia Thailand joint development area. We are leveraging our managed pressure drilling expertise from South Arne in Denmark to the Utica shale play in Ohio. And we are using expertise gained in the Gulf of Mexico and Equatorial Guinea to drive our recent success in Ghana.

Turning to slide number 15. Our plan is laser focused on creating value for our shareholders, including returning capital to shareholders, retaining financial flexibility for future growth, and continuing to allocate capital efficiently. Specifically, we expect to deploy the proceeds from all of our initiatives announced to date in the following manner. First, to pay down short-term debt, provide a cash cushion of an additional \$1 billion against future commodity price volatility, as well as help fund the development of our focused growth projects.

Next, to increase current returns to all shareholders through 150% increase of our annual dividend to \$1 per share, commencing in the third quarter of 2013. Third, to re-purchase up to \$4 billion of Hess shares with amount and timing of these re-purchases tied to our asset-sale program. Fourth in addition to this \$4 billion repurchase authorization, we also expect to return capital to shareholder in connection with the monetization with our midstream Bakken assets expected in 2015.

We are also efficiently allocating capital to maximize returns. In 2013, we decreased upstream capital and exploratory expenditures by 17%, and we expect further reductions in 2014. In terms of our exploration, we focused our budget by decreasing allocated spend by 29% when compared to 2012. Lastly, we have a cost reduction program underway, which we anticipate could save us at least \$150 million annually.

Slides number 16 and number 17 introduce our new independent directors. We do not think there's a better team anywhere for what we are trying to achieve. 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. I would like to take some time to tell you about each of these accomplished, recognized leaders in their fields.

John Krenicki, was one of the four Vice Chairman of GE, and served as President and Chief Executive Officer of GE Energy. John is recognized as one of the best operating executives in corporate America. He was responsible for doubling GE's revenue base and building it into one of GE's largest businesses, representing two-thirds of GE's non-financial revenues. He is currently a partner at private equity firm Clayton, Dublier & Rice.

Dr. Kevin Meyers, is recognized as one of the oil and gas industries' top senior E&P executives. As ConocoPhillips' Senior Vice President Exploration and Production, he ran the company's E&P business for the Americas. He has over 30 years experience in exploration and production, both domestic and international, and spearheaded the company's development of the Eagle Ford Shale, and drove their operations in the Permian Basin and the Bakken.

Fred Reynolds, is recognized as one of the best CFOs in America. Fred has had an extensive career in corporate finance and accounting as Executive Vice President and Chief Financial Officer of CBS Corporation and its predecessors from January 1994 until his retirement in August 2009. During his tenure as CFO, shareholders experienced substantial share price appreciation and significant capital returns.

Bill Schrader held senior executive positions at BP, overseeing many of BP 's most important E&P assets. Bill was Chief Operating Officer of TNK-BP, which comprised 27% of BP's reserves and 29% of BP's production. Bill also served as President of one of their most valuable assets, BP Azerbaijan, and as CEO of BP Exploration Angola, he oversaw a number of BP's deep water oil discoveries. Bill was also responsible for all of BP's E&P business Indonesia, including the Tangguh LNG project.

Dr. Mark Williams, served at the highest management level of Royal Dutch Shell during his 35-year career there, one of the world's largest oil and gas companies. He has 17 years of broad experience in E&P and the remainder in midstream and downstream businesses. As a Shell executive committee member, he was part of the senior leadership team collectively responsible for all strategic, capital, and operational matters.

And finally, also joining our board is Jim Quigley, who ran one of the world's largest consulting and accounting firms, Deloitte. Culminating with his role as the Chief Executive Officer of Deloitte, he has 38 years of experience in consulting, audit, tax, and financial advisory services. Jim was a senior trusted advisor to the CEOs and boards of many of the world's largest companies.

Each of these new independent directors has reviewed our plan and is excited about joining our board. We are delighted to have these outstanding individuals on our team. I welcome them all.

I'm now on slide number 18. In closing, I want to repeat a few key points. First, with today's announcement, Hess will become a pure play E&P company and exit the downstream. Second, in the next five years, we expect to achieve a 5% to 8% compound average annual growth rate in production, with aggregate growth through 2014 in the mid-teens. Third, we will apply the proceeds from all asset sales announced to date, first to bolster our balance sheet and ensure our ability to fund this growth. Second, to raise our common stock dividend by 150% to a \$1 per share.

Third returning the remaining cash proceeds from asset sales to shareholders through share buybacks. Fourth, the strength of Hess lies in its world class team of E&P professionals. Their collaborative efforts to share their experience and expertise, form the basis of our confidences in delivering on our five-year plan and creating significant shareholder value in the years beyond.

Lastly I want to thank our outgoing directors for their instrumental role in guiding the Company through this transformation. There is no stronger statement of their leadership and contribution to this Company, than the quality of the incoming members who will follow in their footsteps.

I look forward to speaking with you more about Hess in the days and weeks ahead. John Rielly and Greg Hill are here with me, and we would be happy now to take any questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions)

Paul Sankey, Deutsche Bank.

Paul Sankey - Deutsche Bank - Analyst

Hi, good morning, everyone. John, I guess a simple question is, why did this take so long? I mean, what, why did it take an activist to prompt this? Thanks.

John Hess - Hess Corp - Chairman of the Board & CEO

First of all, Paul, a couple of things I'd like to say to this. We have had this strategic transformation, as my remarks noted, underway, really going back not only since I became Chairman and we started to shift to E&P, but predominantly when we started to build our Bakken position in 2010. So this is not something that just happened overnight, and is response to an activist. In fact, Elliott got on the train after it really left the station. This is a carefully structured strategy that's been given a lot of thought and it's really the natural culmination of the strategic transformation I went through in my remarks, so I think it's important to realize that.

Paul Sankey - Deutsche Bank - Analyst

Okay. Thanks. And just to be specific on the volumes, can you just talk through again, how, how we're getting to the numbers? If you could just add some details, if you want, around where we're going to be in 2013, and where we're going to go to from there? Thanks.

John Rielly - Hess Corp - SVP & CFO

Sure, Paul. If we're looking at, first, let's just take 2012, pro forma production. If our actual production was 406,000 barrels a day and if you include all the sales that we've announced prior to today, and then including Indonesia and Thailand, that drops that pro forma production to 289,000 barrels a day in 2012. As we look forward in 2013, on our prior call, we had talked about that the headline production number would be 375,000 to 390,000 barrels a day, but that included the assets that would be producing, that would be sold, ultimately during 2013, the biggest piece of that being Russia. So then, our guidance at that time was, if you excluded the production from those assets being sold, that would be 325,000 to

340,000 barrels a day.

With Indonesia and Thailand, the expected production from those two assets is approximately 35,000 barrels a day. So if you take that 35,000 off the guidance that we gave, that takes you to that 290,000 to 305,000 barrels a day that we have in the presentation. So there's your, that's your base then, to 289,000 going to this 290,000 to 305,000. In 2013, we expect a significant increase, as we noted in the presentation, in 2014, where the Bakken production really begins to ramp up from the change to our pad drilling, continued Valhall drilling of production wells, and then the Tubular Bells development coming on. So we have significant growth then, showing in 2014. But again, our guidance then, on the 5% to 8% CAGR growth comes off the 289,000 barrels a day pro forma in 2012, and it's driven by those, those projects that John Hess went through.

Paul Sankey - Deutsche Bank - Analyst

Yes. That's very clear. Thanks John. Can you just confirm how you're assuming assets are sold? What timing? And I'll leave it there, thank you.

John Rielly - Hess Corp - SVP & CFO

At this point, I'd guide you -- we'd say 12 to 18 months. I mean, it's early in the process, but our guidance would be that we'd complete these sales by the end of 2014.

Paul Sankey - Deutsche Bank - Analyst

Yes. Thanks, this is an aggressive and impressive response, thanks.

Operator

Edward Westlake, Credit Suisse.

Edward Westlake - Credit Suisse - Analyst

Yes. Good morning. Can you hear me?

John Hess - Hess Corp - Chairman of the Board & CEO

Yes, we can.

Edward Westlake - Credit Suisse - Analyst

Great. Thanks very much. A very detailed presentation, very helpful. I guess in terms of resource replacement, as you look forward from here, you've laid out, obviously, Bakken Shale and there's [three-fourths] potential there, you have got the Utica, you have got Ghana. Are you comfortable that the assets and drilling around the assets that you have, can, I guess, extend the growth beyond 2017? Or maybe talk about your confidence in longer term reserve replacement? Thank you.

Greg Hill - Hess Corp - Senior Executive, Board of Directors

Yes, I think as John mentioned in his opening remarks, as you kind of go into the long-term, you have additional growth in Valhall and Bakken in the early days, in the outer years it's driven by the Utica and Ghana. Ghana, as John said, very promising, early days. Have a lot of appraisal drilling left to do, and then also the Utica, although early days, very promising. So we're gaining confidence, daily, in those two areas.

Edward Westlake - Credit Suisse - Analyst

And then on the Bakken. I mean, do you think you can cap a low \$9 million, obviously, as you shift into pad drilling? And have you done any tests in your acreage of -- at Three Forks?

Greg Hill - Hess Corp - Senior Executive, Board of Directors

We have done some test of the Three Forks, and we anticipate additional appraisal drilling in the Three Forks this year. As John mentioned in his opening remarks we're at \$9 million now, and we're just now really transformed into pad drilling, so I am optimistic that further reductions will come.

Edward Westlake - Credit Suisse - Analyst

Thank you.

Operator

Evan Calio, Morgan Stanley.

Evan Calio - Morgan Stanley - Analyst

Yes. Good morning, guys. Appreciate the clarity this morning. John, can you expand on that, on the strategy, or new hierarchy and the use of the cash? I mean is the \$4 billion buyback largely one-time funded from new asset sales, given that you're free cash flow -- or forecasting free cash fell flat in 2013?

John Rielly - Hess Corp - SVP & CFO

Yes. Sure. I'll walk you through that. I mean, again, so what are we talking about today? We are now -- we put our strategy, returning capital shareholders via an enhanced sustained common dividend, so we've increased our dividend, and now we have the authorization for the \$4 billion share repurchase. So what we expect at this time, as I said, it will take about 12 to 18 months to get the assets sales done. We expect the total proceeds from our asset sales to fund the proceeds that John had articulated.

So the first thing that we'll do with the proceeds is repay our short-term debt, and that will be approximately \$2.5 billion. We will add to cash to the balance sheet of approximately \$1 billion, really to cushion against commodity price volatility, and then we'll also use the proceeds to fund our development program that Greg just discussed. Then we will have excess cash. We expect to have excess cash from those asset sales, and we're going to use that excess cash to repurchase, at this point, expect to repurchase up to \$4 billion of shares.

Evan Calio - Morgan Stanley - Analyst

Any additional hedging in connection with that, you know, commitment to those cash strategies?

John Rielly - Hess Corp - SVP & CFO

So, in our 10-K if you see for 2013, we now have 90,000 barrels a day hedged at a price of \$109.74 Brent. So we do have that in 2013.

Evan Calio - Morgan Stanley - Analyst

On the -- if I [may ask] that question, on the potential monetization in the Bakken midstream assets that you discussed, I mean these are embedded assets, and could you provide any range on that EBITDA potential or just clarify the description of assets you're considering, or you would consider including here? And in addition, why 2015, as most of those assets would be operating -- generating potential cash, in something that could be monetized in the 2014 window?

John Rielly - Hess Corp - SVP & CFO

So, you're right. I mean it's -- the timing of monetizing the midstream infrastructure just depends on when that midstream infrastructure has distributable cash flow. And as you know, we're building out our gas plant right now, and there's additional gathering facilities, and on our last call we talked about that we'll be spending about \$500,000 million in the Bakken on the midstream infrastructure. So we do expect, to your point, to complete this kind of build-out by early 2014. And so with our guidance for 2015, what that just means, is we think we need some historical performance there, of the cash flow, of the EBITDA, from these midstream assets, and as we get that historical performance, I expect the timing of the monetization is 2015.

Evan Calio - Morgan Stanley - Analyst

Perfect. And if I could just follow-up with just one last question, and really follow-up to the first question. Could you guys provide any, like a pro forma 2013 CapEx on the lower production volume that you're showing, as you know, 289, 2012 pro forma? Meaning, how much of the CapEx is associated with assets being sold in this -- the \$6.8 billion guidance of earlier in the year?

John Rielly - Hess Corp - SVP & CFO

Sure. It is actually in the back slides that we didn't walk through, but as -- in the slide that talks about, kind of, some of our reductions in capital, so on the upstream side, we have \$6.7 billion of capital that we gave out, that's capital and exploratory spend. The pro forma number on that \$6.2 billion, excluding these asset sales.

Evan Calio - Morgan Stanley - Analyst

Perfect. I appreciate that.

John Rielly - Hess Corp - SVP & CFO

You're welcome.

Operator

Roger Read, Wells Fargo.

Roger Read - Wells Fargo Securities - Analyst

Yes. Good morning. I guess quick questions I had, just to think about, kind of future margins, or returns here, as we look at a more focused asset base? Can you kind of walk us through the impacts of where you're going to be seeing production increasing, for example, the Northern Malay Basin versus the assets you're selling there, and then also, sort of the impact on tax structure once assets, such as the Russian operations, are gone versus, what we know as a high tax area such as Norway? It may be a little early for some of that, but I'm just trying to understand as we, you know, try to make an expectation of '14 or '15 cash flow, some of the moving parts here.

John Rielly - Hess Corp - SVP & CFO

Sure. Roger it is early, but I can give you some general ideas on what we see with our pro forma portfolio. As John had mentioned in his remarks, right now with our -- with this focused portfolio, as you mentioned, will generate higher growth than we had before. The other thing that the portfolio is providing, is a higher cash margin per barrel. And as John mentioned, we're estimating that to be at \$5, so every barrel we're producing in this new portfolio, is, on average, giving us a \$5 higher cash margin.

And then just in relation to the last question, as we see in our portfolio, we have some reduced capital spending that we'll have going forward, as Greg is talking about some efficiencies that will continue to drive in the Bakken. And as John Hess mentioned earlier, we're undergoing a significant cost reduction program, so that we see incremental savings, and this is beyond the direct costs associated with the assets being sold, of \$150 million right now. So overall, just to answer your question, obviously we see the returns in the new portfolio obviously being positive as compared to the prior portfolio.

And the assets driving it? As I think was your question? Again, the growth in the early stages we're going to be Bakken, which has great cash margins and excellent returns. Valhall, now has completed its redevelopment projects, so the significant capital is behind it. What we're doing now is, just

-- now drilling up the field, and BP is now drilling up the field. So, it's just drilling production wells and taking it through this infrastructure that we've already paid for.

So those two are driving our early production, and then Tubular Bells, obviously, I know, having assets producing in the Gulf of Mexico in the fiscal terms that you have here in the US, is extremely favorable. So with those assets really driving our short-term growth to your point, we're seeing -- going to be a nice EBITDA in cash flow coming out of this new focus portfolio.

Roger Read - Wells Fargo Securities - Analyst

Okay. Thanks, and then just kind of a follow-up on the returns question. I mean, I understand where you intend to grow here, but if you were to just say, what area, which region, produces the best returns for you right now, I mean, is it clear that it's the Bakken, or does another one of the opportunities compete favorably with that?

Greg Hill - Hess Corp - Senior Executive, Board of Directors

The Bakken has excellent returns on it. I mean, the way you have to look at this though is, there will be assets, as I spoke of before, that have the complete infrastructure build-out, and then drilling a well and turning it on, will have fantastic returns. Pick Equatorial Guinea. We have been operating there for a while. It's mature. We are drilling wells there that have unbelievable returns. So you have different aspects going across the portfolio that -- where we can allocate capital, and we're going to allocate it efficiently. In our growth assets, though, Bakken, Valhall, and Tubular Bells, we have excellent returns that will be coming from those assets.

Roger Read - Wells Fargo Securities - Analyst

Okay. And then my final question. If we think about Ghana, I know that's much further out here, but you have a very high working interest ownership position there. I would expect that you sell that down. Is some of that capital? Or is that capital in addition to the \$4 billion we're talking about, that would be returned to shareholders, via the asset sales of everything that was talked about today?

Greg Hill - Hess Corp - Senior Executive, Board of Directors

Yes. Of course, no, that's out further in future. We'll begin an appraisal program next year, and that's in all of our funding growth estimates for the proceeds. We're early phases there, as we said, we're going to be in an appraisal program. As we've stated previously on conference calls, we would like to bring our working interest down. That's going to be a matter of timing as to when that occurs.

Roger Read - Wells Fargo Securities - Analyst

And the funds for that would be whatever you need funds for at the time. We're not, pegging those funds to something in particular right here?

Greg Hill - Hess Corp - Senior Executive, Board of Directors

No, we aren't.

Roger Read - Wells Fargo Securities - Analyst

Okay. Thank you.

Operator

Doug Leggate, Bank of America Merrill Lynch.

Doug Leggate - BofA Merrill Lynch - Analyst

Thanks everybody, a joint congratulations and a thorough response to recent events. I have three quick ones if I may, moving [forward to take my call from here]. First, on the downstream. The exit of retail and downstream is that intend as a sale, or are there any other options on the table, for example an IPO? [I know] one was relatively small, but just want to get -- make sure that we dot the i's there, on any tax consequences from John Rielly please?

John Hess - Hess Corp - Chairman of the Board & CEO

Yes. In terms of moving forward, 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. We're moving forward in an orderly manner, and we'll keep you informed.

Doug Leggate - BofA Merrill Lynch - Analyst

And tax consequences?

John Rielly - Hess Corp - SVP & CFO

Sure, Doug. As I see it now, the US cash taxes will be substantially deferred, because the intangible drilling cost deductions from our unconventional operations, and of course, the combination of timing, structure, and alternative minimum tax come into play, but relative to

proceeds and gains, cash tax deferral will