

Edgar Filing: EOG RESOURCES INC - Form 8-K

EOG RESOURCES INC
Form 8-K
April 29, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report: April 29, 2002

EOG RESOURCES, INC.
(Exact name of registrant as specified in its charter)

| | | |
|---|--|---|
| Delaware (State or other jurisdiction of incorporation or organization) | 1-9743 (Commission File Number) | 47-0684736 I.R.S. Employer (Identification No.) |
|---|--|---|

| | |
|---|---------------------|
| 333 Clay Suite 4200 Houston, Texas (Address of principal executive offices) | 77002 (Zip code) |
|---|---------------------|

713/651-7000
(Registrant's telephone number, including area code)

2

EOG RESOURCES, INC.

Item 9. Regulation FD Disclosure

I. Second Quarter and Full Year 2002

The forecasts for second quarter and full year 2002 set forth below for EOG Resources, Inc. (Company) are given as of the date of this document only and are based on currently

Edgar Filing: EOG RESOURCES INC - Form 8-K

available information and expectations.

The Company does not provide guidance on other income, other expense, or gain or loss on sales of reserves and related assets unless specifically noted.

Estimates are provided in the attached table.

II. 2002 Financial and Physical Contracts

The outstanding Natural Gas Price Swaps, Natural Gas Physical Contracts and Crude Oil Price Swaps for 2002 were delineated in the Company's Form 8-K filing on March 19, 2002.

III. Forward-Looking Statements

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are not guarantees of performance. Although the Company believes its expectations reflected in forward-looking statements are based on reasonable assumptions, no assurance can be given that these expectations will be achieved. Important factors that could cause actual results to differ materially from the expectations reflected in the forward-looking statements include, among others: the timing and extent of changes in commodity prices for crude oil, natural gas and related products and interest rates; the extent and effect of any hedging activities engaged in by the Company; the extent of the Company's success in discovering, developing, marketing and producing reserves and in acquiring oil and gas properties; the accuracy of reserve estimates, which by their nature involve the exercise of professional judgment and may therefore be imprecise; political developments around the world, including terrorist activities and responses to such activities; and financial market conditions. In light of these risks, uncertainties and assumptions, the events anticipated by the Company's forward-looking statements might not occur. The Company undertakes no obligations to update or revise its forward-looking statements, whether as a result of new information, future events or

3

otherwise.

Definitions

| | |
|---------|---|
| \$/Bbl | US Dollars per barrel |
| \$/Mcf | US Dollars per thousand cubic feet |
| \$/Mcfe | US Dollars per thousand cubic feet equivalent |
| MMcfd | Million cubic feet per day |
| Mbd | Thousand barrels per day |
| WTI | West Texas Intermediate |
| MM | Millions |
| NYMEX | New York Mercantile Exchange |
| \$MM | US Dollars in millions |

Edgar Filing: EOG RESOURCES INC - Form 8-K

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EOG RESOURCES, INC.

Date: April 29, 2002

By: /s/ TIMOTHY K. DRIGGERS

 Timothy K. Driggers
 Vice President, Accounting
 and Land Administration
 (Principal Accounting Officer)

4

EOG Resources, Inc. Estimated Ranges

| | 2Q 2002 | Full Year 2002 |
|--|-----------------|-----------------|
| | ----- | ----- |
| Daily Production | | |
| Natural Gas (MMcfd) | | |
| US | 635 - 660 | 640 - 670 |
| Canada | 145 - 155 | 150 - 160 |
| Trinidad | 110 - 115 | 125 - 135 |
| Total | 890 - 930 | 915 - 965 |
| Crude Oil (Mbd) | | |
| US | 19.5 - 21.5 | 19.5 - 21.0 |
| Canada | 1.5 - 2.0 | 1.5 - 2.0 |
| Trinidad | 1.5 - 2.0 | 1.9 - 2.5 |
| Total | 22.5 - 25.5 | 22.9 - 25.5 |
| Natural Gas Liquids (Mbd) | | |
| US | 2.5 - 3.0 | 3.0 - 3.5 |
| Canada | 0.5 - 1.0 | 0.5 - 1.0 |
| Total | 3.0 - 4.0 | 3.5 - 4.5 |
| Operating Costs | | |
| Unit Costs (\$/Mcfe) | | |
| Lease and Well | \$0.43 - \$0.46 | \$0.42 - \$0.45 |
| Depreciation, Depletion and Amortization | \$0.98 - \$1.02 | \$0.98 - \$1.02 |
| Expenses (\$MM) | | |
| Exploration, Dry Hole and Impairment | 40.0 - 45.0 | 130.0 - 150.0 |
| General and Administrative | 20.0 - 23.0 | 80.0 - 85.0 |
| Capitalized Interest | 2.0 - 2.5 | 8.0 - 9.0 |
| Net Interest | 13.0 - 15.0 | 50.0 - 60.0 |
| Taxes Other than Income (% of Revenue) | 6.5 - 7.0 | 6.5 - 7.0 |
| Taxes | | |
| Effective Rate | 30% - 35% | 30% - 35% |

Edgar Filing: EOG RESOURCES INC - Form 8-K

| | | |
|--|-----------------|-----------------|
| Deferred Ratio | 65% - 85% | 65% - 85% |
| Preferred Dividends (\$MM) | 2.5 - 3.0 | 11.0 - 11.5 |
| Shares Outstanding (MM) at March 31, 2002 | | |
| Basic | 115.6 | |
| Diluted (based on stock price of \$40.56) | 117.5 | |
| Capital Expenditures Excluding Acquisitions (\$MM) | | |
| North America | | 635 - 675 |
| International | | 65 - 75 |
| Total | | 700 - 750 |
| Pricing | | |
| Natural Gas (\$/Mcf) | | |
| Differentials | | |
| US - below NYMEX Henry Hub | \$0.20 - \$0.30 | \$0.10 - \$0.20 |
| Canada - below NYMEX Henry Hub | \$0.50 - \$0.70 | \$0.30 - \$0.60 |
| Realizations | | |
| Trinidad | \$1.26 | \$1.15 - \$1.26 |
| Crude Oil (\$/Bbl) | | |
| Differentials | | |
| US - below WTI | \$1.50 - \$2.00 | \$1.50 - \$2.00 |
| Canada - below WTI | \$3.00 - \$4.00 | \$3.00 - \$4.00 |
| Trinidad - below WTI | \$3.50 - \$4.00 | \$3.50 - \$4.00 |