

Edgar Filing: EOG RESOURCES INC - Form 8-K

EOG RESOURCES INC
Form 8-K
April 26, 2005

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 26, 2005

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.)
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333 Clay Suite 4200 Houston, Texas (Address of principal executive offices)	77002 (Zip code)
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713/651-7000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

EOG RESOURCES, INC.

Item 7.01 Regulation FD Disclosure.

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I. Second Quarter and Full Year 2005 Forecast

The forecast items for the second quarter and full year 2005 set forth below for EOG Resources, Inc. (EOG) are based on current available information and expectations as of the date of this document. This forecast replaces and supersedes any previously issued guidance or forecast.

Estimates are provided in the attached table, which is incorporated by reference herein.

II. 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 EOG 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, foreign currency exchange rates and interest rates; the timing and impact of liquefied natural gas imports and changes in demand or prices for ammonia or methanol; the extent and effect of any hedging activities engaged in by EOG; the extent of EOG'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; the availability and cost of drilling rigs, experienced drilling crews and tubular steel; the availability, terms and timing of governmental and other permits and rights of way; the availability of pipeline transportation capacity; the extent to which EOG can replicate on its other Barnett Shale acreage outside of Johnson and Parker Counties, Texas, the results of its most recent Barnett Shale wells; whether EOG is successful in its efforts to more densely develop its acreage in the Barnett Shale and other production areas; political developments around the world; acts of war and terrorism and responses to these acts; and financial market conditions. In light of these risks, uncertainties and assumptions, the events anticipated by EOG's forward-looking statements might not occur. EOG undertakes no obligations to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Definitions

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

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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.
(Registrant)

Date: April 26, 2005

By: /s/TIMOTHY K. DRIGGERS
Timothy K. Driggers
Vice President and Chief
Accounting Officer
(Principal Accounting Officer)

Estimated Ranges (See text for additional information)

	2Q 2005		Full Year 2005	
Daily Production				
Natural Gas (MMcfd)				
US	710	-	735	686 - 735
Canada	205	-	220	215 - 235
Trinidad	180	-	200	215 - 230
UK North Sea	30	-	40	30 - 42
Total	1,125	-	1,195	1,146 - 1,242
Crude Oil (Mbd)				
US	20.0	-	24.0	20.0 - 24.2
Canada	2.0	-	2.6	2.3 - 3.0
Trinidad	2.6	-	4.2	3.8 - 4.6
Total	24.6	-	30.8	26.1 - 31.8
Natural Gas Liquids (Mbd)				
US	4.5	-	5.5	4.4 - 5.2
Canada	0.5	-	1.2	0.4 - 1.1
Total	5.0	-	6.7	4.8 - 6.3
Natural Gas Equivalent Volumes (MMcfd)				
US	857	-	912	832 - 911
Canada	220	-	243	231 - 260
Trinidad	196	-	225	238 - 258
UK North Sea	30	-	40	30 - 42
Total	1,303	-	1,420	1,331 - 1,471
Operating Costs				
Unit Costs (\$/Mcfe)				
Lease and Well including Transportation	\$0.66	-	\$0.72	\$0.60 - \$0.70
Depreciation, Depletion and Amortization	\$1.20	-	\$1.24	\$1.14 - \$1.22
Expenses (\$MM)				
Exploration, Dry Hole and Impairment	65.0	-	100.0	260.0 - 280.0
General and Administrative	28.0	-	34.0	115.0 - 130.0
Capitalized Interest	3.0	-	3.5	12.0 - 15.0
Net Interest	12.0	-	16.0	52.0 - 57.0

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Taxes Other Than Income (% of Revenue)	5.3% -	5.9%	5.6% -	6.0%
Income Taxes				
Effective Rate	34% -	36%	34% -	36%
Deferred Ratio	30% -	50%	30% -	50%

Preferred Dividends (\$MM)	1.6 -	2.0	7.0 -	8.0
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Capital Expenditures excluding
Acquisitions (\$MM) - FY 2005

Approximately 1,600

Pricing

Natural Gas (\$/Mcf)				
Differentials (include the effect of physical contracts)				
United States - below NYMEX Henry Hub	\$0.10 -	\$0.45	\$0.15 -	\$0.35
Canada - below NYMEX Henry Hub	\$0.70 -	\$1.10	\$0.65 -	\$1.05

Realizations				
Trinidad	\$1.50 -	\$2.00	\$1.50 -	\$2.00
UK North Sea	\$5.00 -	\$7.50	\$5.00 -	\$7.50

Crude Oil (\$/Bbl)				
Differentials				
US - below WTI	\$1.00 -	\$1.50	\$1.00 -	\$1.50
Canada - below WTI	\$2.50 -	\$5.00	\$2.50 -	\$5.00
Trinidad - below WTI	\$5.00 -	\$6.25	\$5.00 -	\$6.25