



EOG RESOURCES, INC. REPORTS RECORD FIRST QUARTER 2000 NET INCOME AVAILABLE TO COMMON OF \$.33 PER SHARE, INCREASES NORTH AMERICAN PRODUCTION GROWTH TARGET TO 7 PERCENT AND INCREASES DIVIDEND

FOR IMMEDIATE RELEASE: Tuesday, April 18, 2000

HOUSTON – EOG Resources, Inc. (EOG) today reported first quarter 2000 net income available to common of \$38.8 million, or \$.33 per share, compared to net income available to common of \$5.1 million, or \$.03 per share, for the comparable period a year ago. First quarter 1999 net income included a one-time after tax gain of \$18.2 million from the sale of Enron Corp. options that EOG owned. EOG also announced an increase in targeted North America production growth for 2000 from 4 percent to 7 percent.

“The record earnings per share in the first quarter 2000 and our increased North America production target underscore our strong fundamentals,” said Mark G. Papa, EOG chairman and chief executive officer. “We are committed to being the best organic natural gas player in North America. We expect our production growth for the year to come primarily from the drillbit rather than from acquisitions. During first quarter 2000, total company production per share increased 23 percent as compared to the first quarter a year ago.”

On an absolute basis, total company production increased 5 percent during the first quarter 2000 versus as adjusted production (excluding India) from the same quarter a year ago. North America production increased 8 percent versus the same quarter a year ago. The increase in North America production is primarily due to increased crude oil production from the East Texas, South Texas, West Texas and Rocky Mountain divisions and increased natural gas production from the East Texas, South Texas and Canada divisions. Natural gas liquids (NGL) production increased 72 percent versus the same quarter a year ago reflecting the attractive economics of extracting NGLs from natural gas.

Commodity realizations were strong during the first quarter 2000. Natural gas realizations in North America increased 53 percent and crude and condensate realizations increased 145 percent versus the comparable period a year ago.

Discretionary cash flow available to common increased from \$68 million, as adjusted, in the first quarter of 1999 to \$167 million in the first quarter of 2000. During the first quarter 2000, EOG announced a new ten million share repurchase authorization. Year to date EOG has repurchased 2.1 million shares. At March 31, 2000, debt to total capitalization was 45 percent compared to 47 percent at December 31, 1999.

“Industry fundamentals are very strong right now and EOG’s earnings have increased as a result of our emphasis on rate of return, increased production and an unhedged natural gas position. Approximately 82 percent of our production in North America is natural gas,” said Papa.

EOG also announced a 17 percent increase in its annual dividend from \$.12 per share to \$.14 per share beginning with dividends payable after April 28, 2000.

Click [here](#) to download Financial Tables

Click [here](#) to download Supplemental Financial Tables

EOG Resources, Inc. (formerly Enron Oil & Gas Company) is one of the largest independent (non-integrated) oil and gas companies in the United States and is the operator of substantial proved reserves in the U.S., Canada and offshore Trinidad. EOG is listed on the New York Stock Exchange and is traded under the ticker symbol, “EOG.”

This press release 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. Although EOG believes that its expectations are based on reasonable assumptions, it can give no assurance that such expectations will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include, but are not limited to, the timing and extent of changes in reserve quantities and commodity prices for crude oil, natural gas and related products and interest rates, the extent of EOG’s success in discovering, developing, producing and marketing reserves and in acquiring oil and gas properties, uncertainties and changes associated with international projects and operations including reserve estimates, markets, contract terms, construction, financing availability, operating costs, and political developments around the world, and conditions of the

capital and equity markets during the periods covered by the forward looking statements.