



EOG RESOURCES REPORTS SECOND QUARTER 2009 RESULTS

- Increases 2009 Liquids Production Growth Target from 22 to 25 Percent and Maintains 2010 Liquids Production Growth Target of 20 Percent
- Increases Acreage Position in the Fort Worth Barnett Combo Play
- Announces Strong Results from Fort Worth Barnett Combo, North Dakota Bakken and Manitoba Waskada Liquids Plays
- Reports High Rate Haynesville Natural Gas Wells

FOR IMMEDIATE RELEASE: Thursday, August 6, 2009

HOUSTON - [EOG Resources, Inc. \(EOG\)](#) today reported its second quarter 2009 operating and financial results. For the second quarter, EOG reported a net loss available to common stockholders of \$16.7 million, or \$0.07 per share. This compares to [second quarter 2008](#) net income available to common stockholders of \$178.2 million, or \$0.71 per share.

The results for the second quarter 2009 included a previously disclosed \$33.6 million (\$21.6 million after tax, or \$0.09 per share) net gain on the mark-to-market of financial commodity transactions. During the quarter, the net cash inflow related to financial commodity contracts was \$344.8 million (\$221.9 million after tax, or \$0.89 per share). Consistent with some analysts' practice of matching realizations to settlement months, adjusted non-GAAP net income available to common stockholders for the quarter was \$183.6 million, or \$0.73 per share. Adjusted non-GAAP net income available to common stockholders for the second quarter 2008 was \$631.7 million, or \$2.52 per share. (Please refer to the attached tables for the reconciliation of adjusted non-GAAP net income available to common stockholders to GAAP net income (loss) available to common stockholders.)

Operational Highlights and Targets

EOG continues to adapt and apply its horizontal gas drilling and completion expertise to develop unconventional crude oil and liquids rich reservoirs. Positive drilling results were reported recently from its three primary areas of focus in North America - the Fort Worth Barnett Combo, North Dakota Bakken and Manitoba Waskada.

- In the Fort Worth Barnett Combo Play where drilling operations are planned in multi-well packages to maximize resource potential, three Bowen wells, the A#1H, A#2H and B#1H, began sales at individual production rates ranging from 150 to 400 barrels of oil per day (Bopd) with 1.2 to 1.6 million cubic feet per day (MMcfd) of liquids rich natural gas. EOG has 100 percent working interest in the wells. The Seibold Unit #3H and #4H wells were completed at gross rates of 500 Bopd with 1.8 MMcfd and 550 Bopd with 1.2 MMcfd, respectively. EOG has 96 percent working interest in the wells. The Tunnicliff B#1H and B#2H were also brought to sales at 400 Bopd each with 3.0 and 1.8 MMcfd, respectively. EOG has 100 percent working interest in the wells. While EOG is currently operating a four-rig drilling program, it plans to increase its activity level to seven rigs later in the year. Subsequent to the second quarter, EOG completed the acquisition of 25,000 net unproved acres and approximately 2,000 net barrels of oil equivalents per day of production in Montague and Cooke Counties for \$134 million, comprised of cash and shares of EOG common stock. EOG currently holds approximately 194,000 net acres in Montague and Cooke Counties.
- With six rigs operating across its 500,000 total net acreage position in the North Dakota Bakken, EOG is drilling in both the Core and Lite areas. With initial production rates of 1,700 and 1,600 Bopd, respectively, the Austin #17-20H and #20-29H are characteristic of previously completed Bakken Core wells. EOG has 63 and 75 percent working interest in the wells, respectively. EOG further extended the productive limits of its acreage beyond the Core area with the Ross #7-17H and Sidonia #1-06H. Drilled in the Bakken Lite, the wells began initial production at 500 and 700 Bopd, respectively. EOG has 100 and 44 percent working interest in these wells, respectively. In total, EOG plans to drill 17 gross wells in the Bakken Lite area during 2009 and an additional 58 gross wells in the Bakken Core.
- In Manitoba, EOG reported excellent well results from the development of its Waskada Oil Field. Thirteen wells were completed with average peak month production rates of approximately 200 Bopd per well. EOG has 100 percent working interest in the wells.

"Through our application of horizontal drilling and completion technology, EOG has developed a solid early mover position in economic crude oil and liquids rich resource plays," said Mark G. Papa, Chairman and CEO. "The results from our exploration efforts in these types of reservoirs clearly position EOG as the dominant player in both the Core and Lite areas of the North Dakota Bakken, as well as in the Fort Worth Barnett Combo and Manitoba's Waskada Field."

Reflecting ongoing success from its portfolio of crude oil and liquids rich plays, EOG increased its full year 2009 total company liquids production growth target from 22 to 25 percent and maintained its 20 percent growth target for 2010.

EOG has a deep inventory of natural gas prospects and reported excellent drilling results in the United States. With four rigs operating in the Haynesville, EOG reported notable initial production rates from five wells recently completed in DeSoto Parish. The Johnson 6#1 and DN Bell #1 flowed at initial gross production rates of 14.3 and 14.4 MMcfd of natural gas, respectively. EOG has 64 and 100 percent working interest in the wells, respectively. The Thompson 11#1 was completed at a gross rate of 14.9 MMcfd. EOG has 70 percent working interest in the well. The Lafitte 34 #1 and Billingsley 35 #1 began sales at gross rates of 15.7 and 14.6 MMcfd, respectively. EOG has 65 and 63 percent working interest in the wells, respectively.

EOG also announced the Conwy crude oil discovery in Block 110/12 off the western coast of the United Kingdom in the East Irish Sea. Drilled to approximately 2,900 feet in June, the well has estimated net recoverable reserves of 11 million barrels of oil that can be developed at attractive economic rates of return. Beginning later this year, EOG plans to drill two additional exploration wells with initial production targeted for early 2012. EOG is the operator and has 100 percent working interest in the block.

"Our strong operational results from the quarter are consistent with EOG's corporate strategy - add more crude oil and liquids assets to complement our already strong natural gas portfolio, lead the industry in horizontal completions and maintain a focus on returns," said Papa.

Third Quarter and Full Year 2009 Forecast

Based on current data, forecast and benchmark commodity pricing information for the third quarter and full year 2009 are included in the accompanying table. EOG continues to target 5.5 percent total company organic production growth in 2009 over 2008, contingent on storage limitations in the North American natural gas market and the impact on natural gas prices.

Conference Call Scheduled for August 7, 2009

EOG's second quarter 2009 results [conference call](#) will be available via live audio webcast at 8 a.m. Central Daylight Time (9 a.m. Eastern Daylight Time) on Friday, August 7, 2009. To listen, log on to www.eogresources.com. The webcast will be archived on EOG's website through Friday, August 21, 2009.

[EOG Resources, Inc.](#) is one of the largest independent (non-integrated) oil and natural gas companies in the United States with proved reserves in the United States, Canada, Trinidad, the United Kingdom and China. [EOG Resources, Inc.](#) is listed on the New York Stock Exchange and is traded under the ticker symbol "[EOG](#)."

This press release (including the accompanying forecast and benchmark commodity pricing information) includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, including, among others, statements and projections regarding EOG's future financial position, operations, performance, business strategy, budgets, reserve information, levels of production and costs and statements regarding the plans and objectives of EOG's management for future operations, are forward-looking statements. EOG typically uses words such as "expect," "anticipate," "estimate," "project," "strategy," "intend," "plan," "target," "goal," "may," "will" and "believe" or the negative of those terms or other variations or comparable terminology to identify its forward-looking statements. In particular, statements, express or implied, concerning EOG's future operating results and returns or EOG's ability to replace or increase reserves, increase production or generate income or cash flows are forward-looking statements. Forward-looking statements are not guarantees of performance. Although EOG believes the expectations reflected in its forward-looking statements are reasonable and are based on reasonable assumptions, no assurance can be given that these assumptions are accurate or that these expectations will be achieved or will prove to have been correct. Moreover, EOG's forward-looking statements may be affected by known and unknown risks, events or circumstances that may be outside EOG's control. Important factors that could cause EOG's actual results to differ materially from the expectations reflected in EOG's forward-looking statements include, among others:

- the timing and extent of changes in prices for natural gas, crude oil and related commodities;
- changes in demand for natural gas, crude oil and related commodities, including ammonia and methanol;
- the extent to which EOG is successful in its efforts to discover, develop, market and produce reserves and to acquire natural gas and crude oil properties;
- the extent to which EOG can optimize reserve recovery and economically develop its plays utilizing horizontal and vertical drilling and advanced completion technologies;
- the extent to which EOG is successful in its efforts to economically develop its acreage in the Barnett Shale, the Bakken Formation, its Horn River Basin and Haynesville plays and its other exploration and development areas;
- EOG's ability to achieve anticipated production levels from existing and future natural gas and crude oil development projects, given the risks and uncertainties inherent in drilling, completing and operating natural gas and crude oil wells and the potential for interruptions of production, whether involuntary or intentional as a result of market or other conditions;
- the availability, proximity and capacity of, and costs associated with, gathering, processing, compression and transportation

facilities;

- the availability, cost, terms and timing of issuance or execution of, and competition for, mineral licenses and leases and governmental and other permits and rights of way;
- competition in the oil and gas exploration and production industry for employees and other personnel, equipment, materials and services and, related thereto, the availability and cost of employees and other personnel, equipment, materials and services;
- EOG's ability to obtain access to surface locations for drilling and production facilities;
- the extent to which EOG's third-party-operated natural gas and crude oil properties are operated successfully and economically;
- EOG's ability to effectively integrate acquired natural gas and crude oil properties into its operations, fully identify existing and potential problems with respect to such properties and accurately estimate reserves, production and costs with respect to such properties;
- weather, including its impact on natural gas and crude oil demand, and weather-related delays in drilling and in the installation and operation of gathering and production facilities;
- the ability of EOG's customers and other contractual counterparties to satisfy their obligations to EOG and, related thereto, to access the credit and capital markets to obtain financing needed to satisfy their obligations to EOG;
- EOG's ability to access the commercial paper market and other credit and capital markets to obtain financing on terms it deems acceptable, if at all;
- the accuracy of reserve estimates, which by their nature involve the exercise of professional judgment and may therefore be imprecise;
- the timing and extent of changes in foreign currency exchange rates, interest rates, inflation rates, global and domestic financial market conditions and global and domestic general economic conditions;
- the extent and effect of any hedging activities engaged in by EOG;
- the timing and impact of liquefied natural gas imports;
- the use of competing energy sources and the development of alternative energy sources;
- political developments around the world, including in the areas in which EOG operates;
- changes in government policies, legislation and regulations, including environmental regulations;
- the extent to which EOG incurs uninsured losses and liabilities;
- acts of war and terrorism and responses to these acts; and
- the other factors described under Item 1A, "Risk Factors," on pages 13 through 19 of EOG's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and any updates to those factors set forth in EOG's subsequent Quarterly Reports on Form 10-Q.

In light of these risks, uncertainties and assumptions, the events anticipated by EOG's forward-looking statements may not occur, and you should not place any undue reliance on any of EOG's forward-looking statements. EOG's forward-looking statements speak only as of the date made and EOG undertakes no obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

The United States Securities and Exchange Commission (SEC) currently permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. As noted above, statements of proved reserves are only estimates and may be imprecise. Any reserve estimates provided in this press release that are not specifically designated as being estimates of proved reserves may include not only proved reserves, but also other categories of reserves that the SEC's guidelines strictly prohibit EOG from including in filings with the SEC. Investors are urged to consider closely the disclosure in EOG's Annual Report on Form 10-K for the fiscal year ended December 31, 2008, available from EOG at P.O. Box 4362, Houston, Texas 77210-4362 (Attn: Investor Relations). You can also obtain this report from the SEC by calling 1-800-SEC-0330 or from the SEC's website at www.sec.gov.

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