

Edgar Filing: EOG RESOURCES INC - Form 8-K

EOG RESOURCES INC
Form 8-K
November 03, 2003

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: November 3, 2003

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)

EOG RESOURCES, INC.

Item 9. Regulation FD Disclosure

I. Fourth Quarter and Full Year 2003 Forecast

The forecast items for the fourth quarter and full year 2003 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

Edgar Filing: EOG RESOURCES INC - Form 8-K

incorporated by reference herein.

II. 2003 Fourth Quarter and 2004 Natural Gas and Crude Oil Financial Price Swap and Natural Gas Financial Collar Contracts

With the objective of enhancing the certainty of future revenues, from time to time EOG enters into NYMEX-related financial commodity price swap and collar contracts. In addition to these financial transactions, EOG is a party to various physical commodity contracts for the sale of hydrocarbons that cover varying periods of time and have varying pricing provisions. The financial impact of these various physical commodity contracts is included in revenues which in turn affects average realized hydrocarbon prices.

Presented below is a summary of EOG's 2003 fourth quarter and 2004 natural gas and crude oil financial price swap contracts and natural gas financial collar contracts as of November 3, 2003. EOG did not enter into any additional contracts since EOG filed its Current Report on Form 8-K on October 16, 2003. EOG accounts for these price swap and collar contracts using the mark-to-market accounting method.

(a) Natural Gas Financial Price Swap Contracts

| | Average Price (\$/MMBtu) | Net Volume (MMBtud) |
|-------------------|-----------------------------|------------------------|
| 2003 | | |
| October (closed) | \$4.70 | 205,000 |
| November (closed) | 4.97 | 40,000 |
| December | 5.19 | 40,000 |
| 2004 | | |
| January | \$5.57 | 30,000 |
| February | 5.50 | 30,000 |
| March | 5.37 | 30,000 |
| April | 4.89 | 30,000 |
| May | 4.80 | 30,000 |
| June | 4.80 | 30,000 |
| July | 4.80 | 30,000 |
| August | 4.80 | 30,000 |
| September | 4.78 | 30,000 |
| October | 4.80 | 30,000 |

(b) Crude Oil Financial Price Swap Contracts

| | Average Price (\$/Bbl) | Volume (Bbld) |
|------------------|---------------------------|------------------|
| 2003 | | |
| October (closed) | \$24.90 | 5,000 |
| November | 24.70 | 5,000 |
| December | 24.47 | 5,000 |

Edgar Filing: EOG RESOURCES INC - Form 8-K

| | | |
|----------|---------|-------|
| 2004 | | |
| January | \$29.80 | 2,000 |
| February | 29.37 | 2,000 |
| March | 28.87 | 2,000 |
| April | 28.42 | 2,000 |
| May | 28.05 | 2,000 |
| June | 27.70 | 2,000 |
| July | 26.86 | 1,000 |

(c) Natural Gas Financial Collar Contracts

| | | Floor Price | | Ceiling Price | |
|-------------------|----------|---------------|------------|---------------|------------|
| | Volume | Floor | Weighted | Ceiling | Weighted |
| | (MMBtud) | Range | Average | Range | Average |
| | | (\$/MMBtu) | (\$/MMBtu) | (\$/MMBtu) | (\$/MMBtu) |
| 2003(1) | | | | | |
| October (closed) | 125,000 | \$3.60 - 3.90 | \$3.75 | \$4.73 - 5.90 | \$5.27 |
| November (closed) | 255,000 | 3.77 - 5.07 | 4.38 | 4.90 - 6.04 | 5.42 |
| December | 255,000 | 3.92 - 5.27 | 4.57 | 5.05 - 6.18 | 5.61 |
| 2004 | | | | | |
| January (2) | 330,000 | \$5.06 - 5.88 | \$5.38 | \$5.86 - 6.69 | \$6.29 |
| February (2) | 330,000 | 5.02 - 5.78 | 5.31 | 5.82 - 6.62 | 6.24 |
| March (2) | 330,000 | 4.93 - 5.53 | 5.16 | 5.73 - 6.40 | 6.10 |
| April | 375,000 | 4.47 - 4.71 | 4.59 | 4.93 - 5.30 | 5.13 |
| May | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |
| June | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |
| July | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |
| August | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |
| September | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |
| October | 375,000 | 4.47 - 4.75 | 4.58 | 4.93 - 5.19 | 5.09 |