



CAPTRUST

February 8, 2023

Company	Ticker	Sector	Industry
EOG Resources, Inc.	EOG-US	Energy	Oil Gas & Consumable Fuels

Business Description

EOG Resources is an independent oil and gas producer engaging in the exploration, development, production, and marketing of crude oil and natural gas. EOG has acreage in several U.S. shale plays, including the Permian Basin (West Texas), the Eagle Ford (South Texas), Williston Basin (North Dakota), Woodford (Oklahoma), Barnett Shale (North Texas), DJ Basin (Colorado-Wyoming), Powder River Basin (Wyoming), in addition to several other onshore assets. At the end of 2020, it reported net proved reserves of 3.2 billion barrels of oil equivalent. Net production averaged 754 thousand barrels of oil equivalent per day in 2020 at a ratio of 72% oil and natural gas liquids and 28% natural gas. It operates through the United States, Trinidad & Tobago, and Other International segments. The company was founded in 1985 and is headquartered in Houston, TX.

Price Chart

Key Info & Metrics



Empirical Research Rank:	1
Date Purchased:	05/05/2021
Price:	\$127.78
52-Week Range:	\$95.12 - \$148.26
Dividend Yield:	6.95%
Market Cap (\$M):	\$75,057
Forward Price-to-Earnings:	9
Total Return	
Year-to-Date:	-0.7%
1 Year:	19.8%
3 Year:	102.6%
5 Year:	45.3%

Investment Case - Updated: November 6, 2022

EOG, formerly Enron Oil & Gas (don't hold that against them), is a premier oil and gas producer with some of the best acreage in the oil and gas industry. EOG provides an excellent balance between growth and cash flow in the energy sector. It is one of only a few producers to grow its production while also generating free cash flow in the five-year period ending 2020 (when oil prices were volatile and below average). It carries the lowest leverage in the industry with 11 percent net-debt-to-capital, making it an opportunistic buyer of assets when appropriate. A recent sale of its Chinese assets simplifies the story and removes political risk. A recent \$1 special dividend will potentially be converted to a permanent dividend increase if oil prices remain stable above \$60 for a sustained period.

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