



EOG Resources (NYSE: EOG)

October 2025





I. Macroeconomic Backdrop

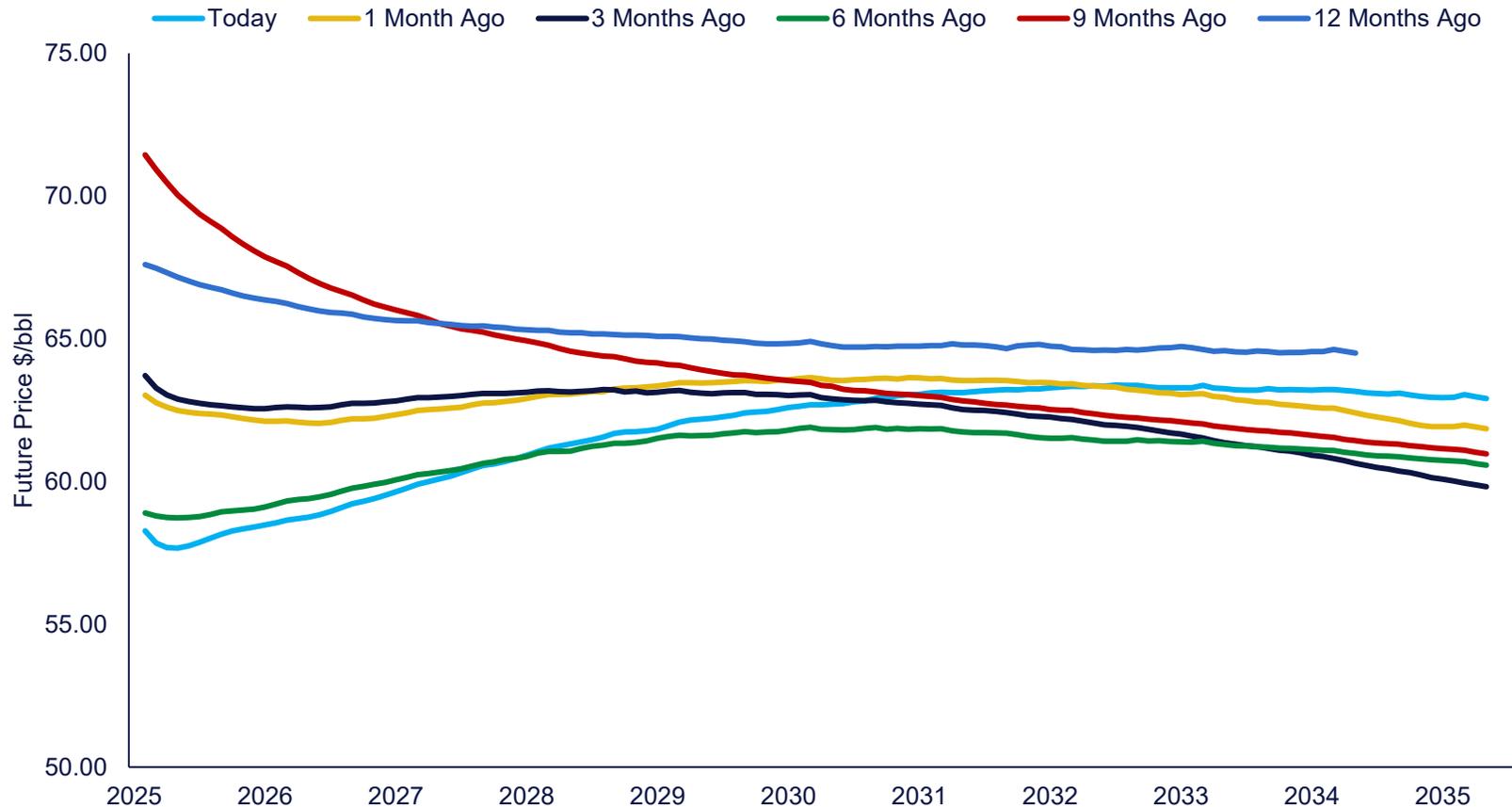


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ENERGY INVESTMENT FUND

Macroeconomic Outlook

Global oil markets remain in short-term backwardation, highlighting near-term tightness as OPEC+ increases production to regain market share. Rising supply has introduced renewed downward pressure on prices, but China's continued SPR refilling provides a structural floor

Current WTI Futures Curve Over Time



Headwinds



Steadily increasing production by **500 Mbbbl/d** from May



Capturing market share through **2.5+ MMbbbl/d** in production cuts in 2025



Structural floor from continued SPR refilling of **11 MMbbbl/d**

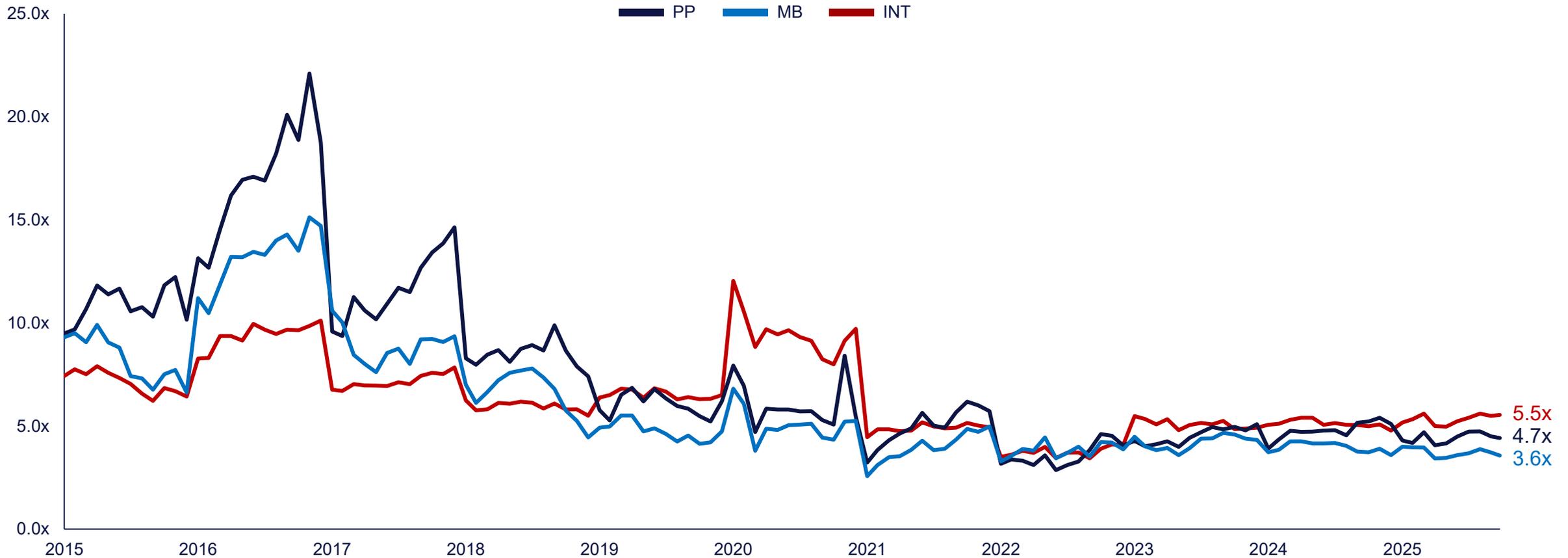


U.S. production near record highs at **13.3 MMbbbl/d**

Macroeconomic Outlook (cont'd)

Pure-play E&Ps have consistently traded at higher EV/EBITDA multiples over the past decade, reflecting investor preference for focused asset bases, clearer operational visibility, lower execution risk and tighter capital discipline

EV / LTM EBITDA (Last 10 Years)



Sources: Company Filings, FactSet Market Data as of 10/27/25
 (1) Pure-Play Comps: CHRD, EQT, FANG, MTDR, PR
 (2) Integrated Comps: BP, CVX, ENI, SHEL, XOM
 (3) Multi-Basin Comps: APA, CIVI, DVN, EOG, OVV



II. EOG Resources



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EOG Overview

EOG is a \$58B market cap, tenured multi-basin oil & gas producer with balanced exposure across crude, gas and NGLs across its Delaware, Eagle Ford / South Texas, Powder River and Utica positions

Company Overview

NYSE: EOG | Current Price: \$106.21 | 52-Wk Range: \$102.52 - \$138.18

1999

EOG becomes an independent E&P after spinning off from Enron Corporation,

2003

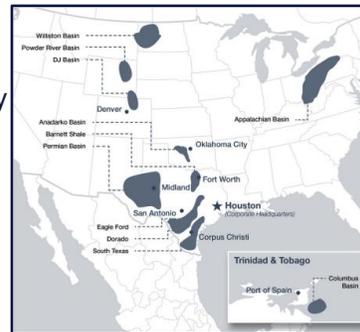
Acquires \$320MM Canadian assets; exits majority in 2014 for \$410MM to focus on Lower 48

2016

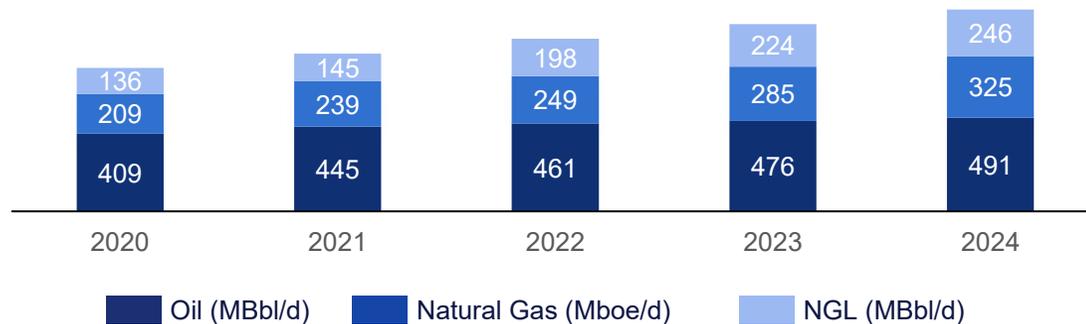
Acquires Yates Petroleum (\$2.5BN), expanding Delaware and Powder River footprints

2025

Acquires Encino Acquisition Partners (\$5.6BN), adding 675,000 net acres in the Utica



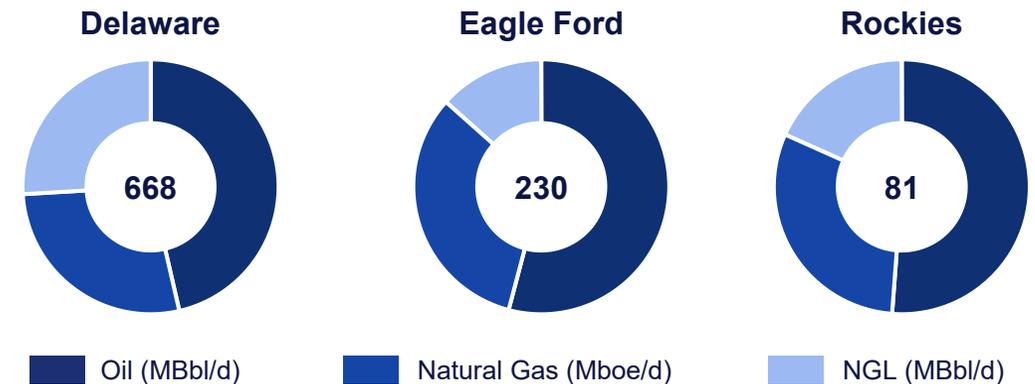
Yearly Production (Last 5 Years)



Firm Capitalization

Equity Value	\$58,727
(+) Total Debt	4,103
(-) Cash & Equivalents	(5,216)
(-) Capital Leases	(133)
Enterprise Value	\$57,745

Lower 48 Volumes (2024A)



Financial Overview

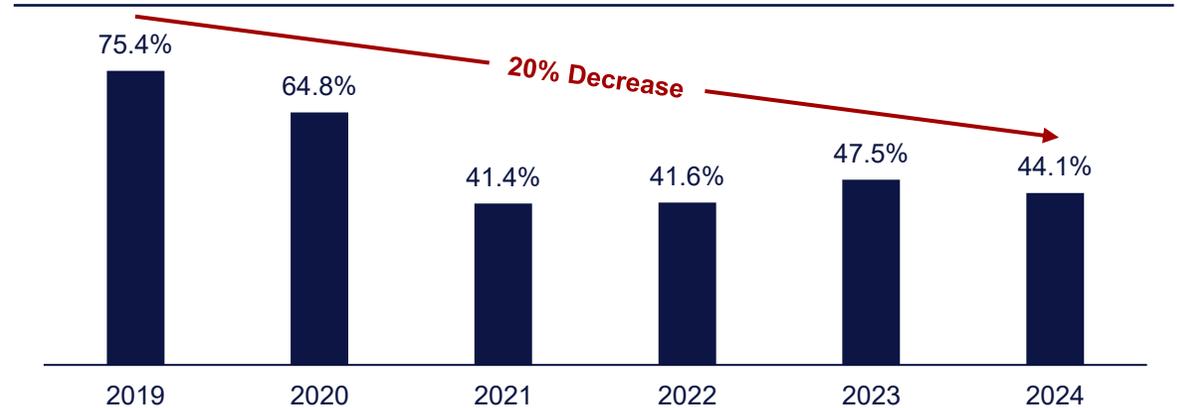
Revenue growth has stagnated and reinvestment rates have declined from prior highs, signaling reduced growth momentum. Return on invested capital has trended downward to 18.8%, suggesting diminishing efficiency and softer reinvestment returns amid a maturing asset base

Performance Summary

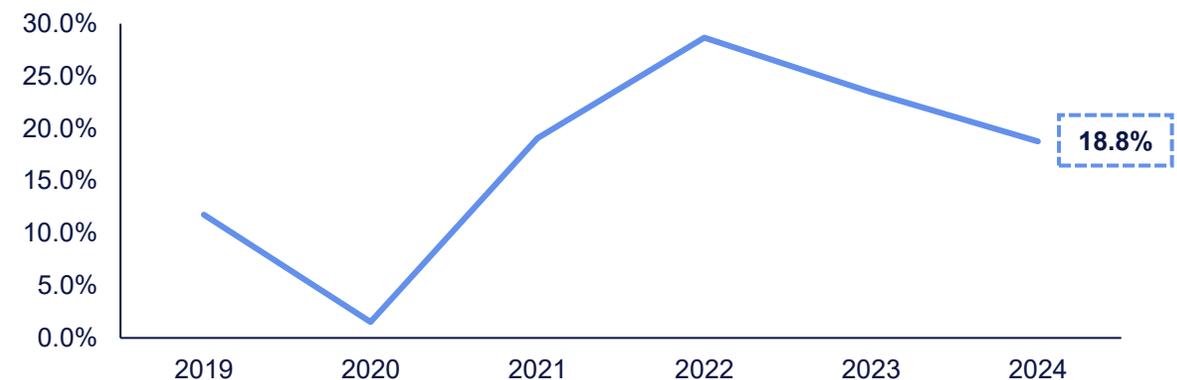
Selected Items (\$ in millions)	FY'19	FY'20	FY'21	FY'22	FY'23	FY'24
Income Statement						
Total Revenue	17,076	9,934	18,642	29,610	23,273	23,478
EBITDA	7,691	3,871	11,335	17,843	12,385	12,375
Net Income	2,735	(605)	4,664	7,759	7,594	6,403
Balance Sheet						
Total Assets	37,124	35,805	38,236	41,371	43,857	47,186
Total Debt	4,161	5,035	5,072	3,795	3,765	4,220
Total Liabilities	11,322	10,468	10,984	12,797	12,002	13,615
Total Shareholder's Equity	21,641	20,302	22,180	24,779	28,090	29,351
Cash Flow						
Net Operating Cash Flow	8,163	5,008	8,791	11,093	11,340	12,143
Net Investing Cash Flow	(6,177)	(3,348)	(3,419)	(5,056)	(6,340)	(5,967)
Net Financing Cash Flow	(1,513)	(359)	(3,493)	(5,273)	(5,694)	(4,361)
Free Cash Flow	473	1,301	1,879	764	(694)	1,815
Profitability & Ratio Analysis						
Gross Margin	28.6%	9.5%	44.8%	54.7%	45.9%	43.1%
Free Cash Flow Margin	11.8%	17.8%	27.6%	21.9%	25.6%	28.9%
Coverage Analysis						
Net Debt/EBITDA	27.7%	44.1%	0.0%	0.0%	0.0%	0.0%
EBIT/Interest Expense	21x	02x	37x	58x	64x	59x

Sources: Company Filings, FactSet Market Data as of 10/27/25
 (1) Reinvestment Rate = (CapEx / Cash Flow From Operations)
 (2) Return on Invested Capital = (NOPAT / invested capital)

Reinvestment Rate



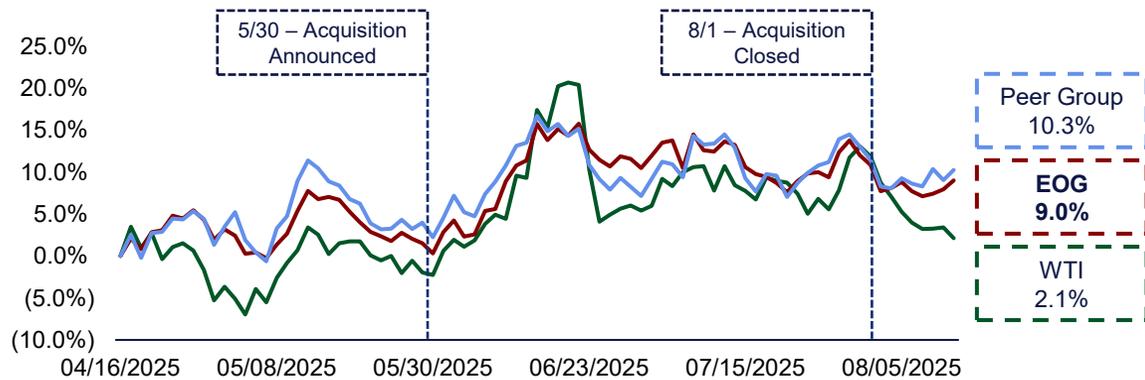
Return on Invested Capital



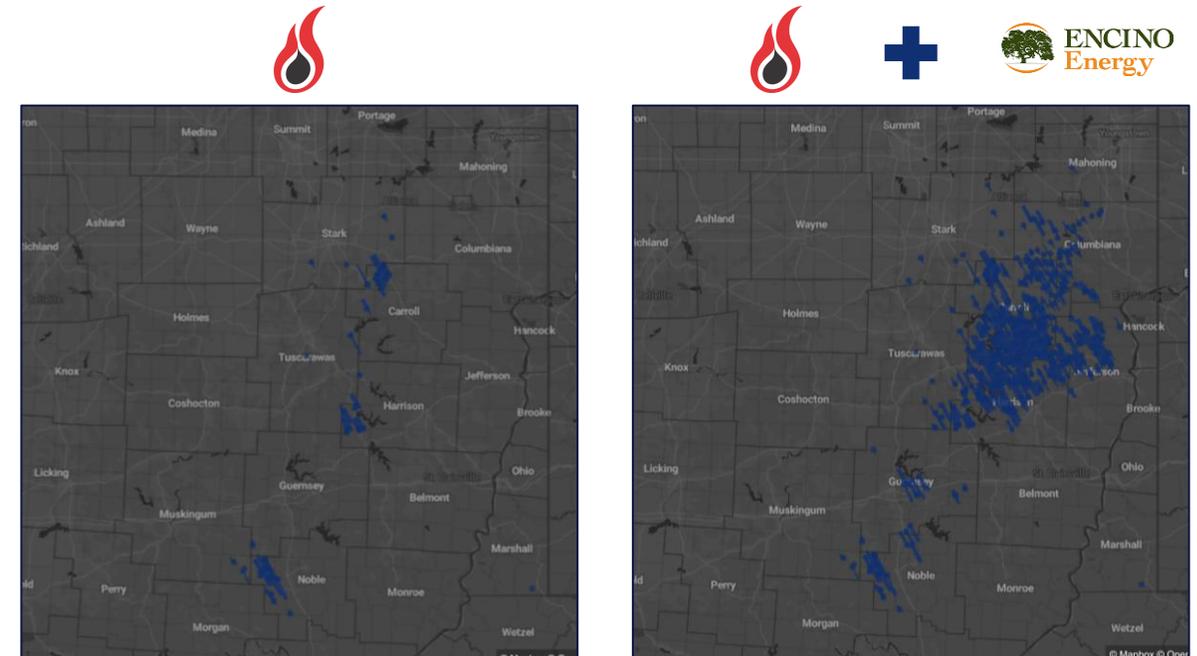
Encino Acquisition

The Encino deal enhances EOG's inventory depth with premium Utica assets but introduces noncore exposure and capital risk in a volatile macro environment

Market Reaction – EOG v. WTI v. Peer Group



Acreage Overview



Commentary



“We continue to view the Utica as the weakest pillar in EOG's tripart portfolio... We think a higher weighting to the Utica drags on capital efficiency and is dilutive to corporate liquids inventory quality”



“This acquisition combines large, premier acreage positions in the Utica, creating a third foundational play for EOG alongside our Delaware Basin and Eagle Ford assets... Encino's acreage improves the quality and depth of our Utica position”



“[A]cquisition moved EOG to ~0.3x Net Debt/EBITDA by YE25... but leverage shouldn't limit cash returns, with ~80% of 2025 FCF (~\$2.1B) committed to buybacks and dividends... and more expected in 2H25”

PF 1.1MM Net Acres in Utica

+10% to 2025 EBITDA, +9% to operating and free cash flow

\$5.6B (\$3.5B Debt + 2.1B Cash)

Pro forma 275,000 Boe/d, making EOG a leading Utica producer

Non-Core Strategies

EOG Resources' global gas strategy reflects rising exposure to non-core and higher-cost regions with limited clarity on returns from recent international and offshore investments

Dorado Gas

❖ The Dorado play represents EOG's exposure to dry natural gas in South Texas, a region pressured by oversupply and volatile pricing. Despite ~160,000 net acres and pipeline access to Agua Dulce, returns remain dependent on gas price recovery and Gulf Coast LNG demand that has yet to materially tighten the market



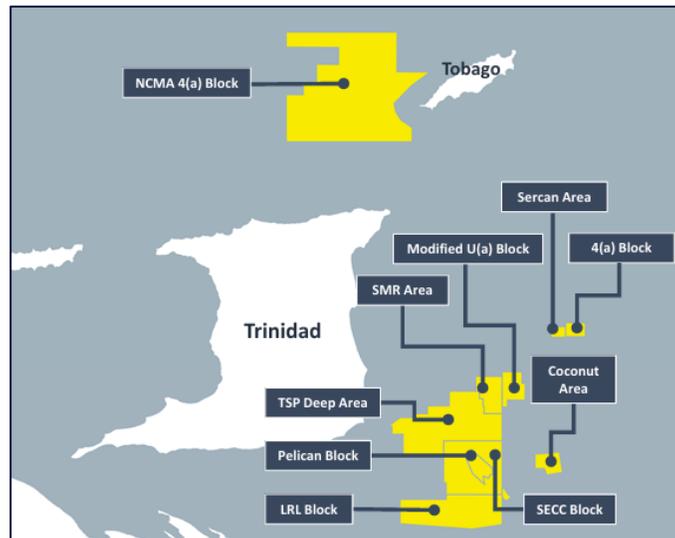
Net Completions

2024: 21
 ↓ +4
 2025: 25

Rig: 1
 Frac Crew: 1

❖ **Infrastructure Competitiveness:** Despite proximity to major hubs, their dry gas profile provides limited margin resilience, with rising service costs, slower export ramp-ups and competition from Appalachia and Haynesville

Trinidad Gas



❖ EOG, through its subsidiary EOG Resources Trinidad Ltd., is active offshore southeast Trinidad in the Columbus basin in a joint venture with BP Trinidad & Tobago Ltd (bpTT)



50/50 JV
 Operator: EOG



30+ years operating in Trinidad

Gas sold to domestic market

2024: Acquired 2 shallow water blocks

2025: Drill and complete 4 wells

❖ **Quarterly Production:** Output has remained broadly flat in recent quarters, hovering near the 240–250 MMcf/d range, indicating stagnation despite sustained drilling activity

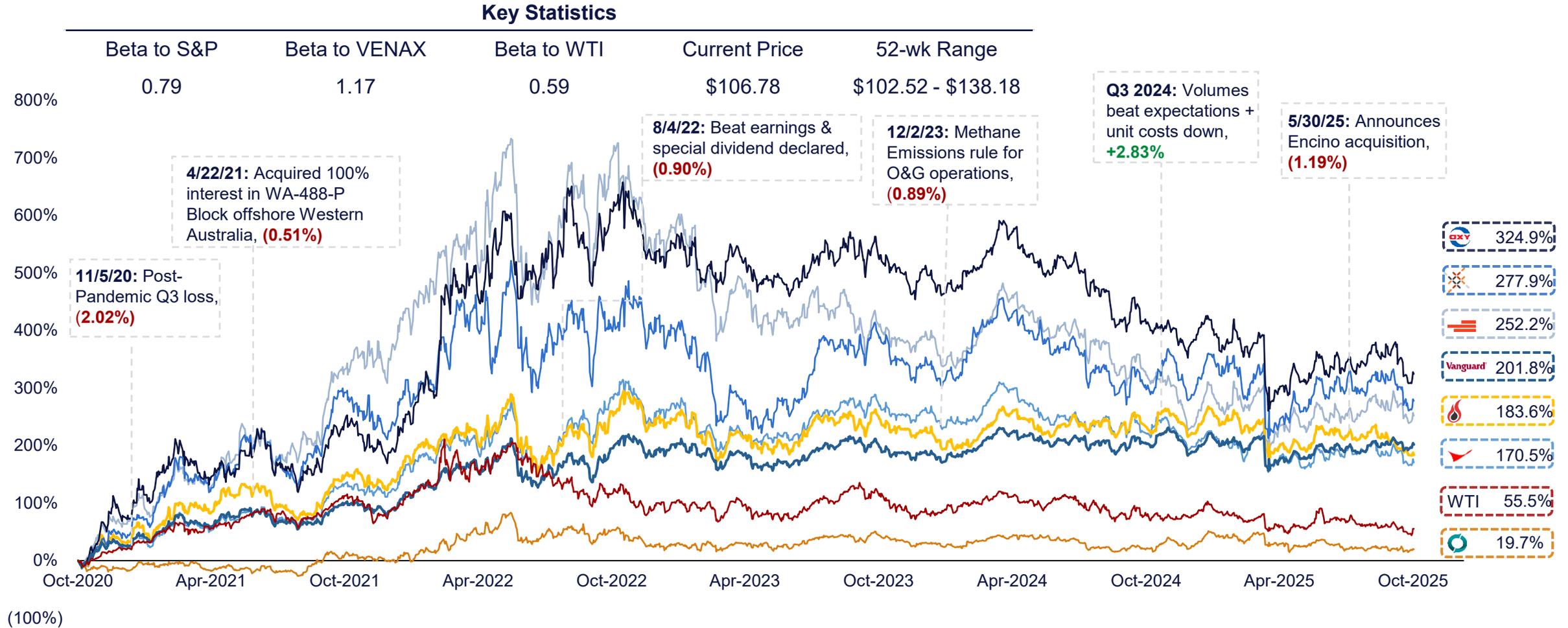
❖ **Valuation Outlook:** Trinidad exposure adds uncertainty with limited reinvestment potential. The offshore focus contrasts with EOG's low-cost onshore model, suggesting diminishing returns and risk concentration outside their U.S. core

Total Production (MMcf/d)



5-Year Share Price Performance

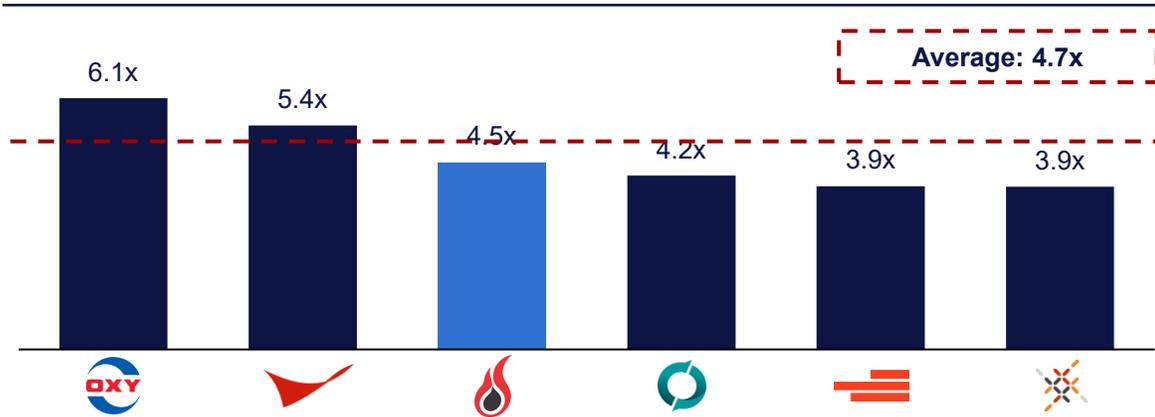
EOG's beta to WTI of 0.59 is lower than the average of its diversified oil-weighted peers of 0.69, as EOG's gassy mix dampens WTI exposure



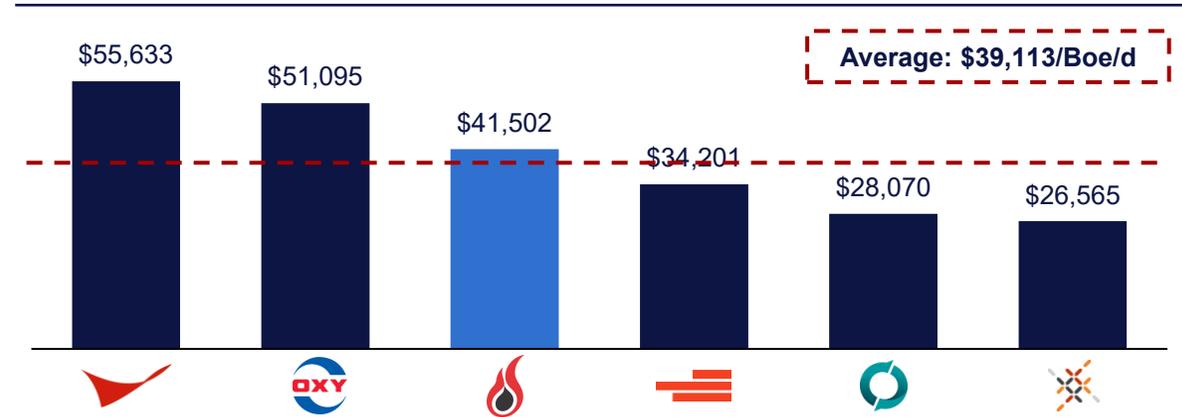
Comparable Companies Analysis

EOG trades around the average of its diversified peer group and leads the pack in managing leverage and FCF yield

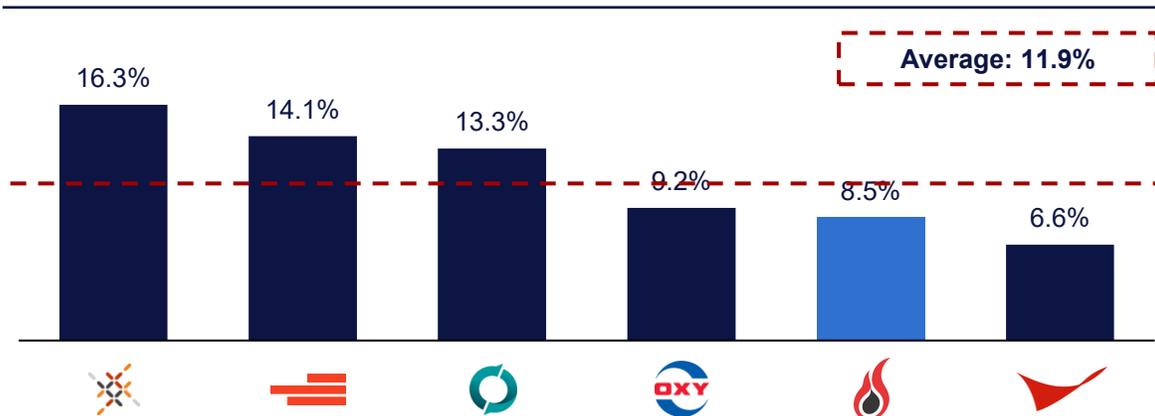
EV / 2026E EBITDA



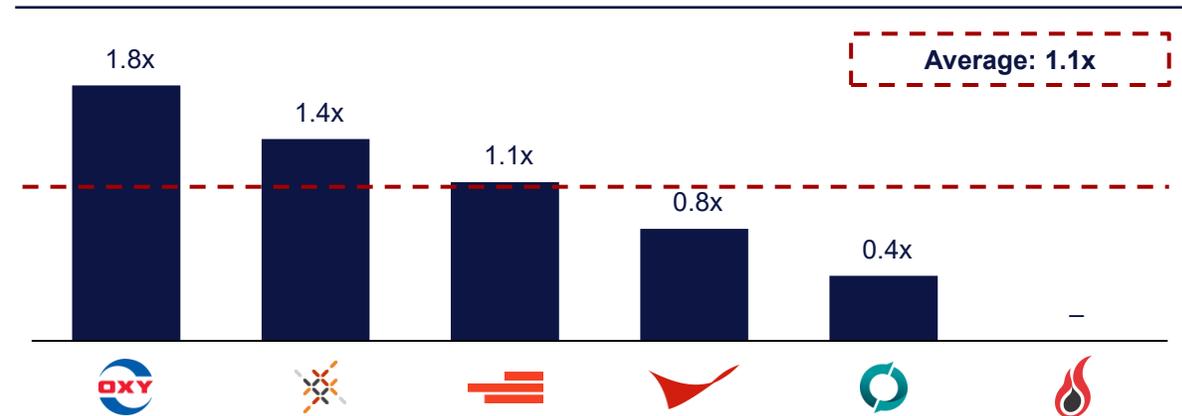
EV / 2026E Production



2026E FCF Yield



Net Debt / 2024A EBTIDA

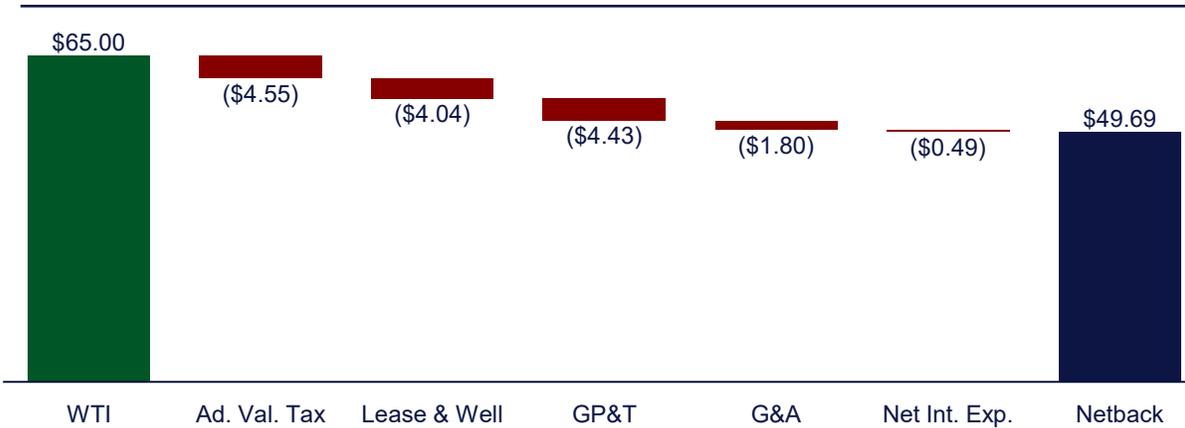


Sources: FactSet Market Data as of 10/27/25, Company filing(s)
 (1) Flowing multiple calculated as EV/Boe/d
 (2) Average excludes EOG
 (3) FCF yield calculated as (CFO – Capex) / Equity Value

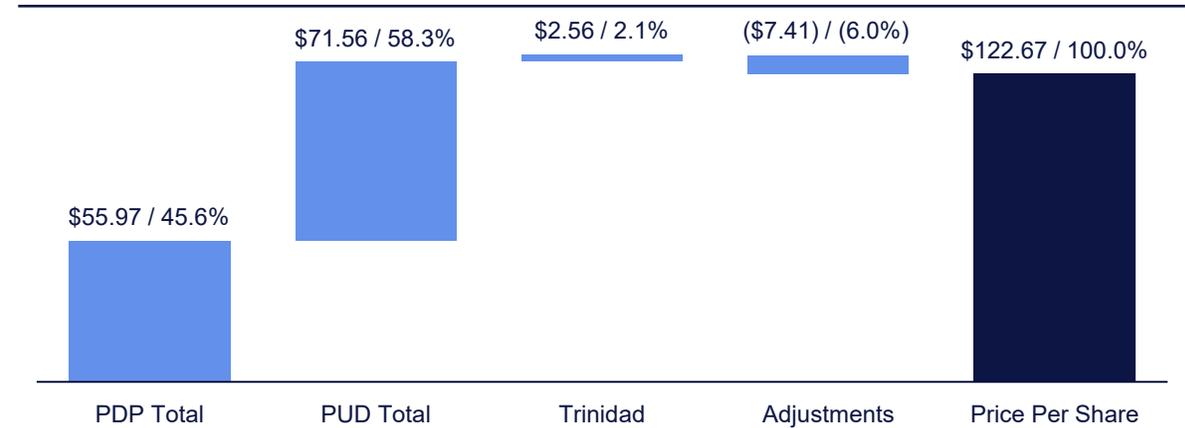
Net Asset Valuation

Intrinsic valuation suggests model upside, in line with broker estimates, due to EOG's high asset quality and the stock trading near a 52-week low given overall market dynamics

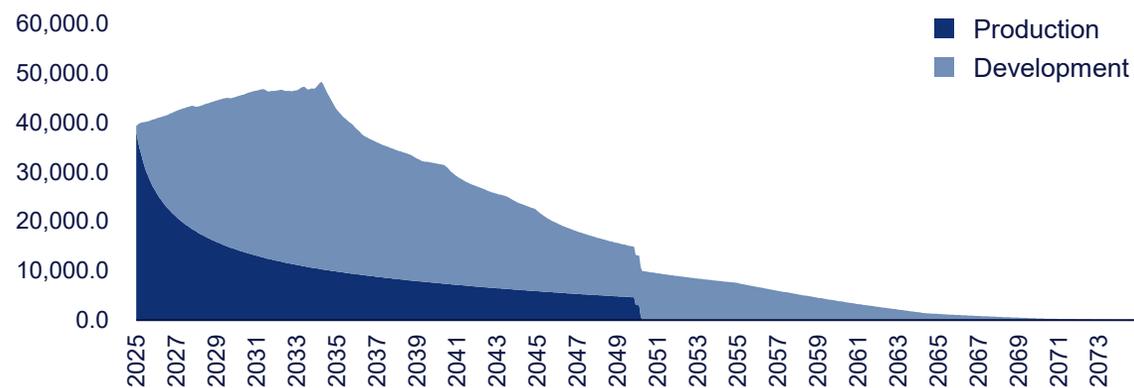
Per Barrel Assumptions



Implied Share Price Walk



Production & Development Schedule (MMBoe)



Assumptions & Case Scenarios

Case	WTI	HH	Share Price	Upside
Bull	\$60/bbl	\$4.00/Mcf	\$131.56	18.8%
Base	\$60/bbl	\$3.00/Mcf	\$122.67	13.0%
Bear	\$50/bbl	\$2.50/Mcf	\$105.42	(1.3%)



III. Portfolio Review

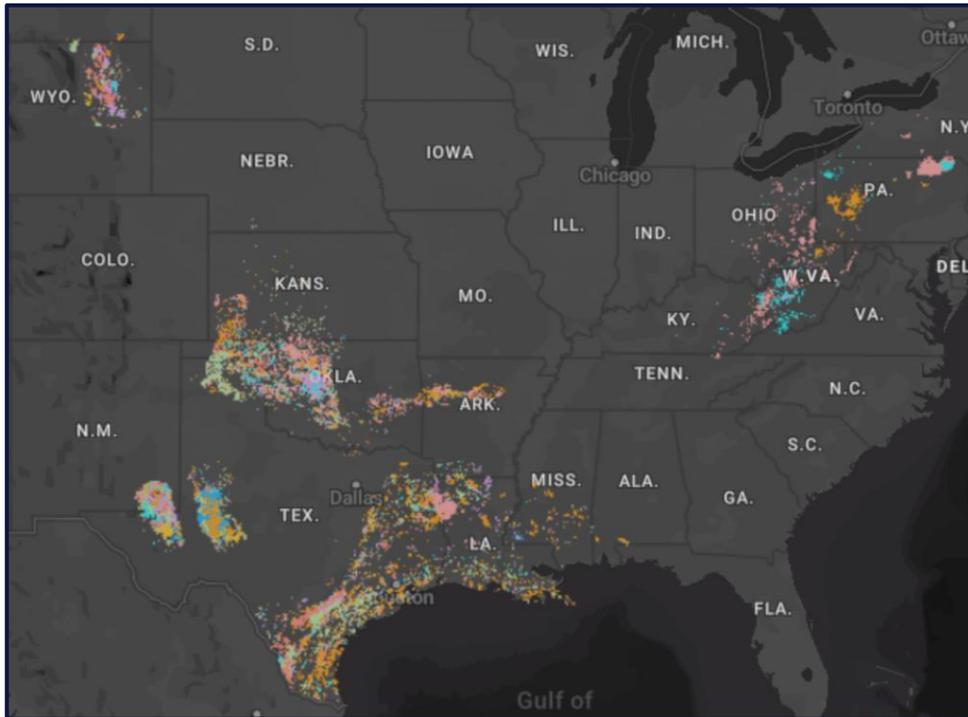


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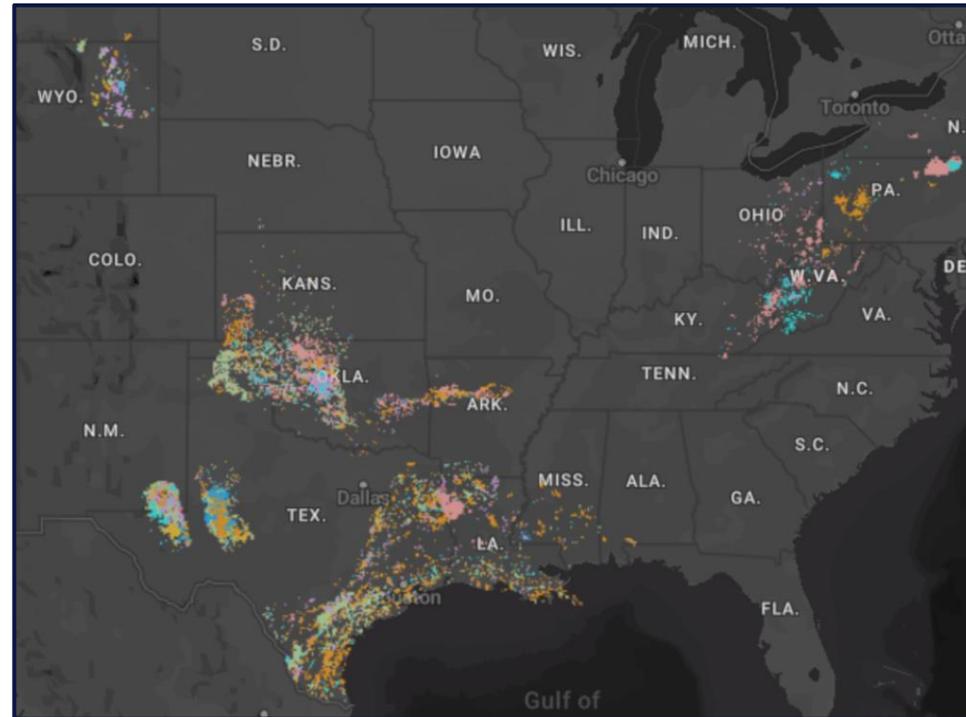
Portfolio Exposure and Allocations

Although EOG itself has strong exposure to the Delaware and Eagle Ford, it represents only 1.5% of our upstream exposure. Furthermore, without EOG in the portfolio, we still have exposure to these basins with larger allocations in ConocoPhillips and Permian Resources

Portfolio Exposure with EOG



Portfolio Exposure without EOG



Allocation

	34.1%
	26.9%
	10.6%
	8.1%
	7.6%
	4.8%
	4.6%
	1.8%
	1.5%

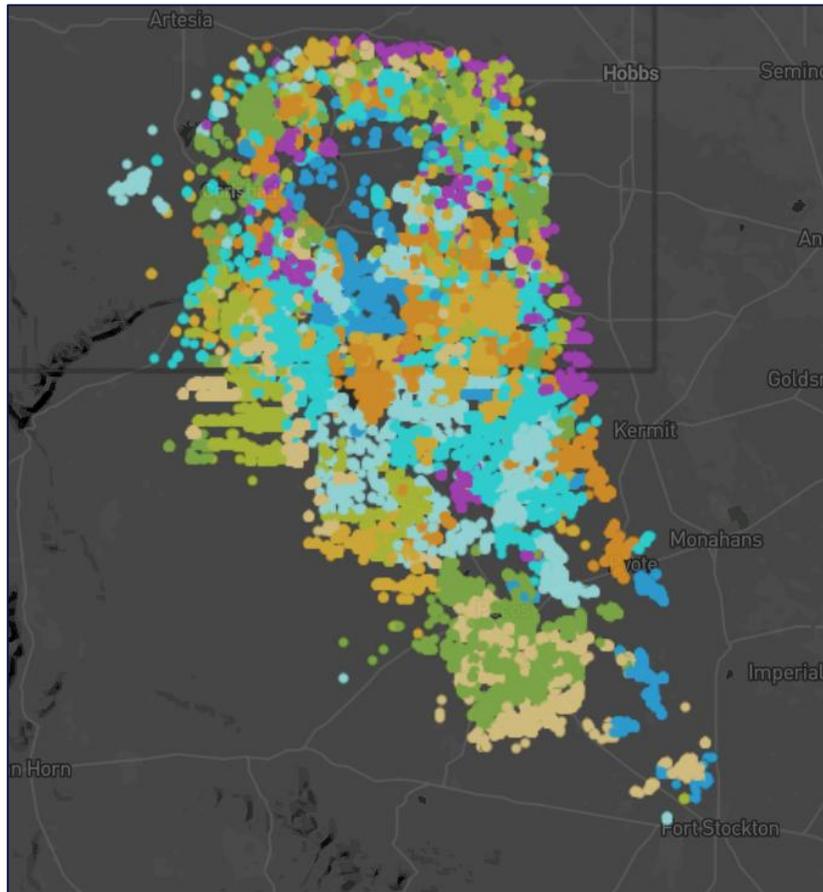
	COP		CTRA		DVN		EOG		EXE		FANG		MTDR		PR		XOM
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Total: ~\$108,392

Delaware Overview

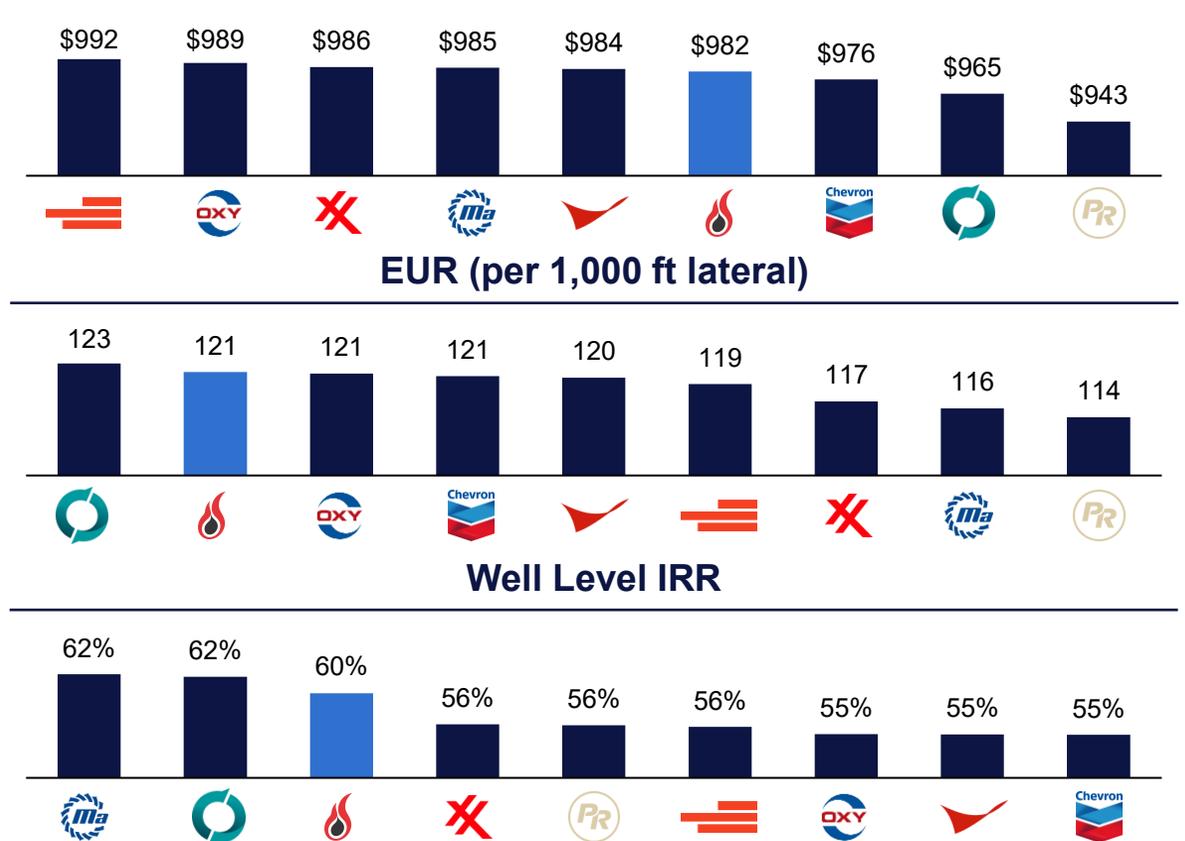
The Delaware remains EOG's crown jewel with the firm planning to complete 360 wells with 15 rigs and 4 frac crews in 2025, yielding EOG one of the highest EUR's per 1,000 ft lateral and well level IRR

Basin Acreage



- COP
- CTRA
- CVX
- DVN
- EOG
- MTRD
- OXY
- PR
- XOM

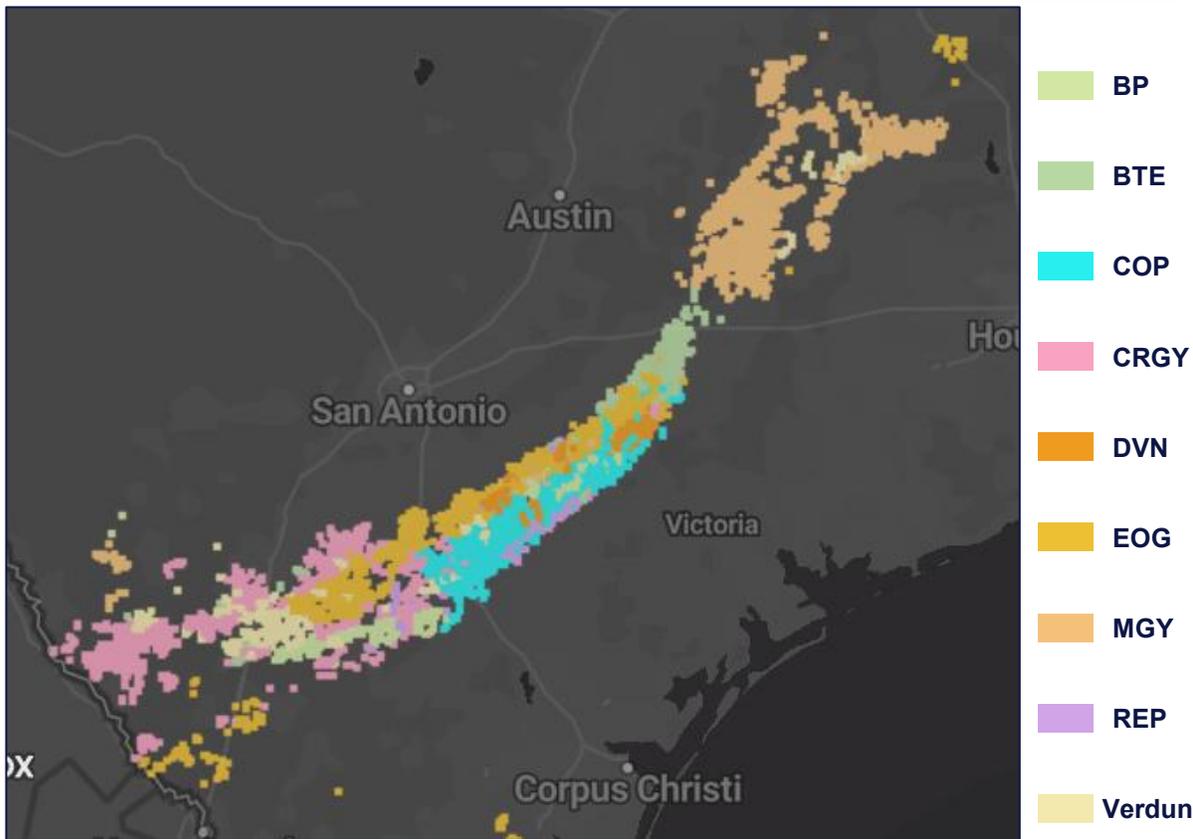
D&C / Well



Eagle Ford Overview

EOG completed a bolt on acquisition in Atascosa County in 2Q 2025 and increased drilled feet per day in 15% in 2024. The Eagle Ford provides significant NGL and natural gas upside, while EOG is on the lower end of well level IRR

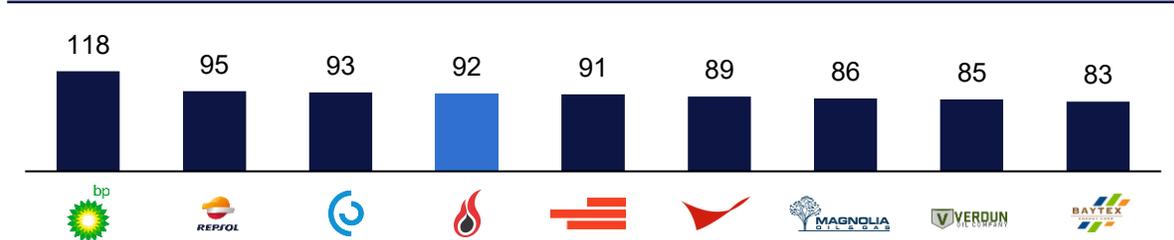
Basin Acreage



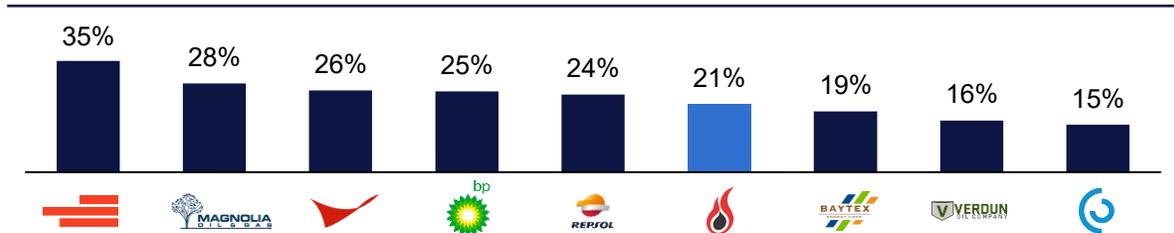
D&C / Well



EUR (per 1,000 ft lateral)



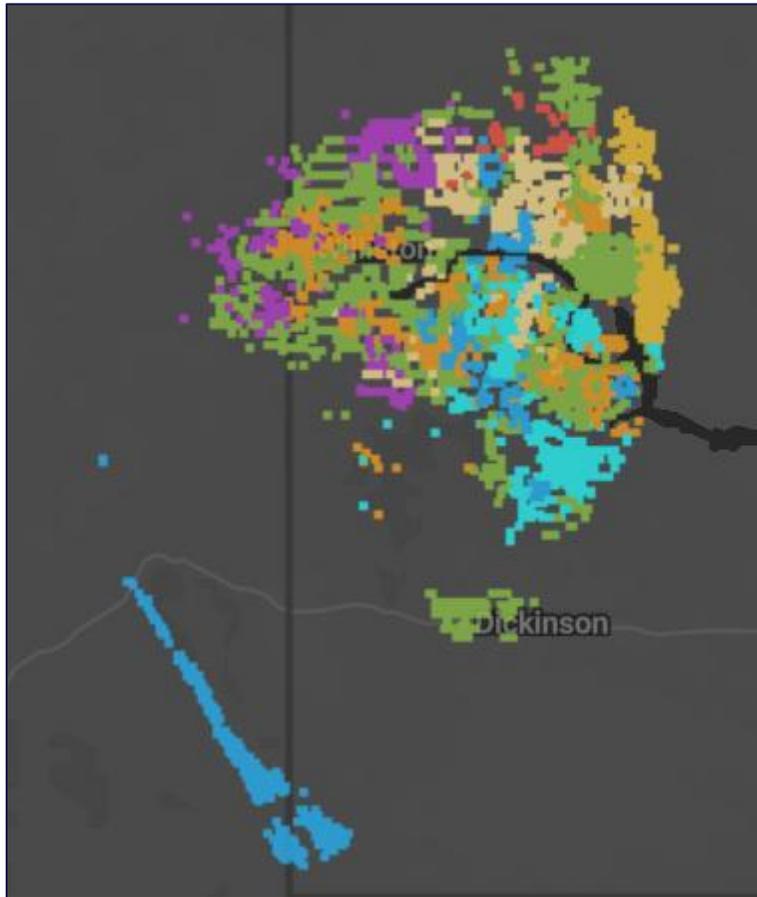
Well Level IRR



Powder River and Williston Overview

While Powder River volumes are not a significant part of EOG's portfolio, the firm plans to complete 25 wells using 1 rig and <1 frac crew in 2025. Management also intends to "minimize capital expenditures," suggesting the firm owns assets it does not plan to expand

Basin Acreage

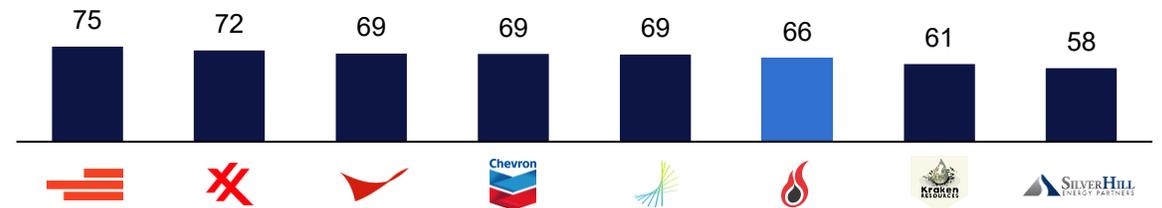


- CHRD
- COP
- CVX
- DVN
- EOG
- Kraken
- SHEP
- XOM

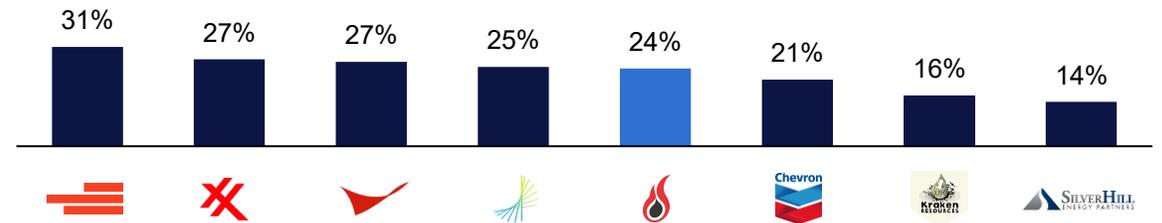
D&C / Well



EUR (per 1,000 ft lateral)



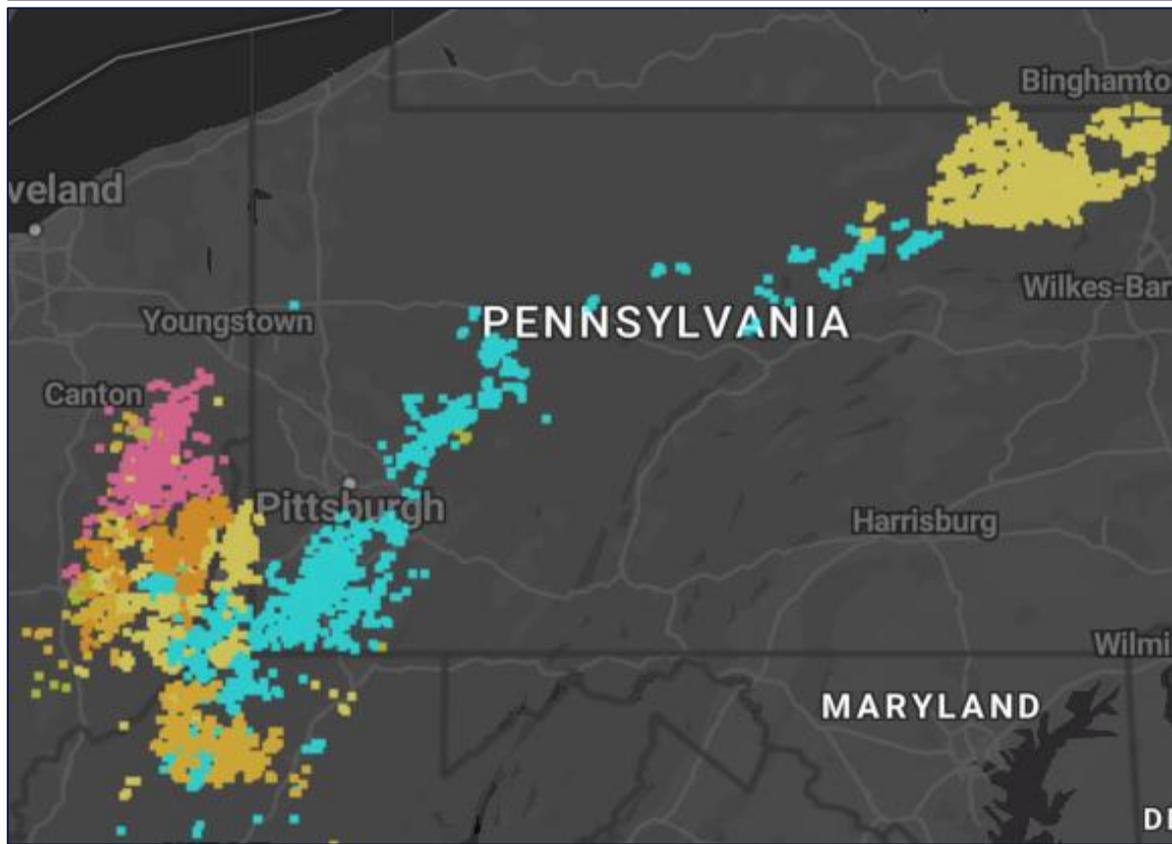
Well Level IRR



Utica Overview

Following the Encino acquisition, EOG has the potential to capitalize on the Utica liquids. However, this poses a capital allocation problem as the Utica is the highest cost basin in its portfolio. The fund would rather be exposed to Utica via Infinity Resources, a pure-play

Basin Acreage

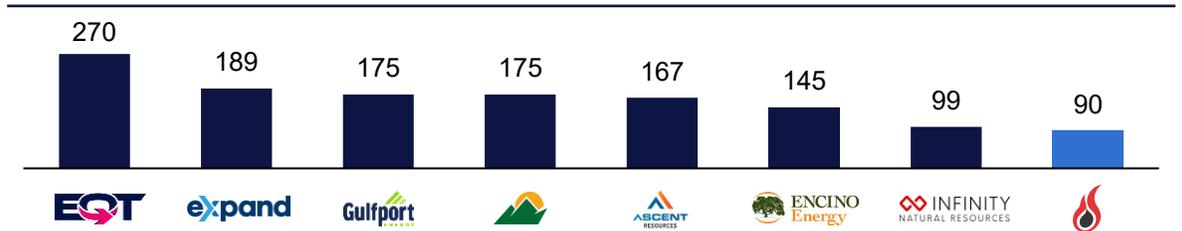


AR Ascent Encino* EOG EQT EXE GPOR INR

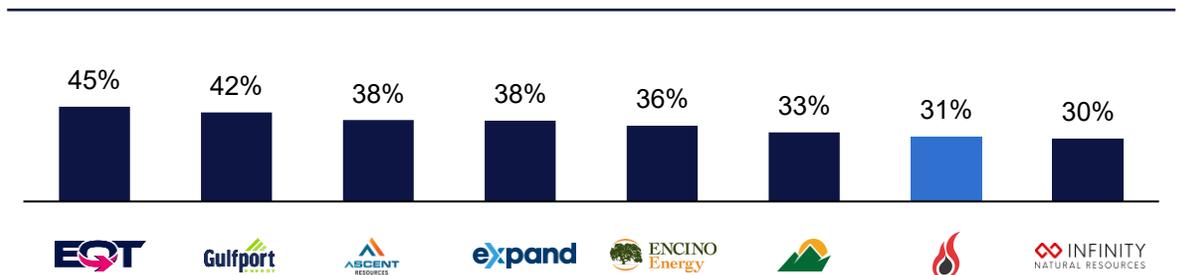
D&C / Well



EUR (per 1,000 ft lateral)



Well Level IRR



Final Recommendation

The team recommends exiting the fund's EOG position based on portfolio, rather than idiosyncratic, analysis

Investment Thesis



Bearish Macro Backdrop: We hold a bearish near-term view on oil given rising U.S. production, depletion of Tier-1 inventory, China refilling its SPR, and Saudi Arabia bringing wells back online as OPEC+ regains market share

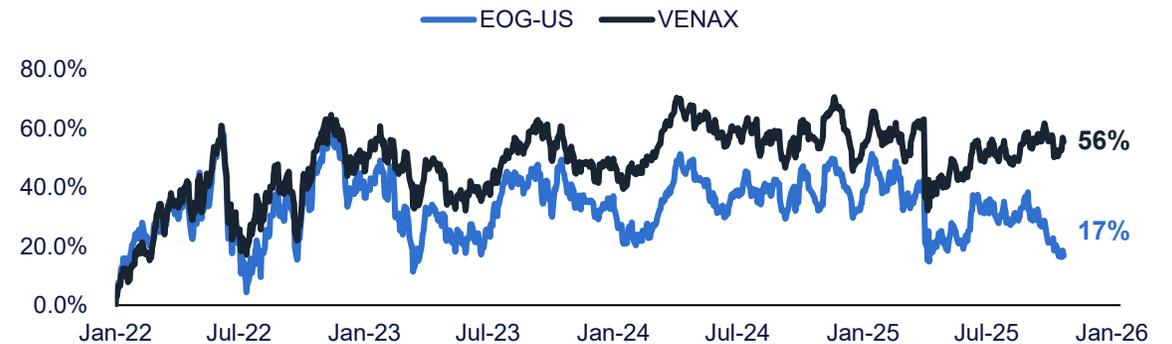


Valuation Discount for Diversified E&Ps: Multi-basin E&Ps like EOG trade at lower multiples as investors prefer focused operators with clear capital discipline. We can better diversify risk by owning pure plays in each basin and actively managing exposure



Capital Allocation and Execution Risk: EOG remains a premier operator but has underperformed within our portfolio. Continued spending in higher-risk areas like the Utica and Dorado gas plays adds uncertainty, and we prefer targeted exposure through focused pure plays.

Last 3-Years Price Returns



Pro-Forma Upstream Allocation





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Appendix A: Management Team

Tenured management team focused on integrating the Encino acquisition into daily operations, realizing synergies, strengthening their balance sheet and returning capital to shareholders through dividends and share buybacks

Erza Yacob



Chairman and CEO

- ❖ Joined in 2005 as a geoscientist, appointed chairman in 2022
- ❖ Previously served at United States Geological Survey
- ❖ Oversaw the acquisition of Encino Acquisition Partners in 2025

Jeff Leitzell



EVP and COO

- ❖ Joined in 2008 as an engineer, named EVP and COO in 2023
- ❖ Oversees core operations and ensures efficient drilling execution
- ❖ Recognized for expanding operations in Delaware Basin

Ann Janssen



EVP and CFO

- ❖ Joined in 1998 as a treasurer, named EVP/CEO in 2024
- ❖ Previously served as a public accountant at Arthur Andersen
- ❖ Designed EOG's internal reporting after the Enron scandal

Sandeep Bhakhri



SVP, CIO and CTO

- ❖ Joined in 1995 as CIO, named Senior Vice President in 2017
- ❖ Previously served at McDermott Marine Construction Company
- ❖ Built in-house digital tools to streamline supply chain control

EOG anticipates that its multi-basin portfolio strategy – combined with recently acquired assets (such as Encino Acquisition Partners, LLC) and new international ventures – will enable the company to generate **double-digit returns on capital employed** even in lower-cycle commodity-price environments

Appendix B: Debt Snapshots

Total debt remains elevated at \$4.2B, while liquidity has fallen nearly 20% quarter-over-quarter as cash reserves declined sharply. With all debt unsecured and maturities concentrated beyond 2035, the structure suggests limited near-term flexibility but growing long-term refinancing risk

Capital Structure

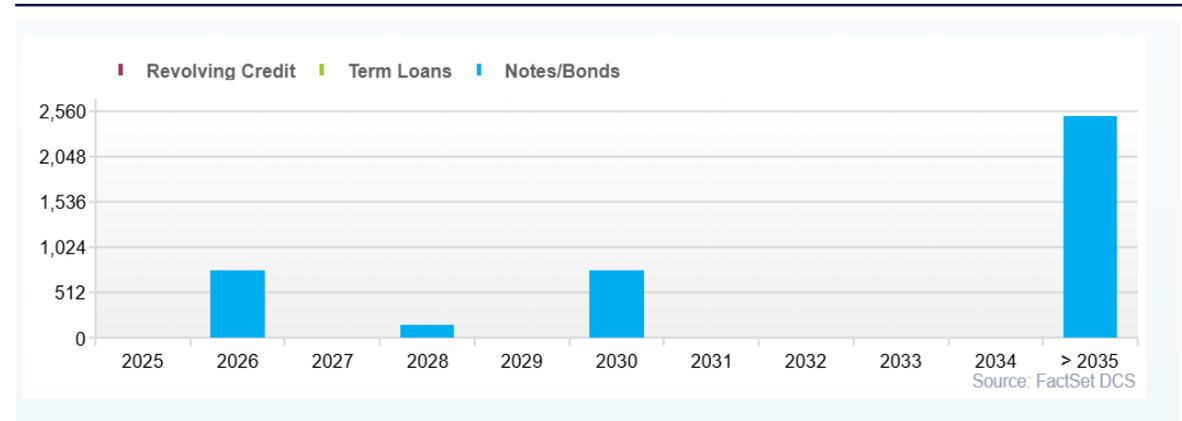
	Jun '25	/LTM EBITDA	/NTM EBITDA	Mar '25	/LTM EBITDA	/NTM EBITDA
Short Term Debt	778.0	0.07x	0.07x	318.0	0.03x	0.03x
Current Portion of LTD	778.0	-	-	318.0	-	-
Long Term Debt	4,236.0	0.36x	0.36x	3,782.0	0.30x	0.30x
Revolving Credit	0.0	0.00x	0.00x	0.0	0.00x	0.00x
Term Loans	-	-	-	-	-	-
Notes/Bonds	4,141.0	0.35x	0.35x	3,678.0	0.30x	0.29x
Other	95.0	0.01x	0.01x	104.0	0.01x	0.01x
Long Term Debt, Less Current Portion	3,458.0	0.29x	0.29x	3,464.0	0.28x	0.28x
Long Term Debt	4,236.0	0.36x	0.36x	3,782.0	0.30x	0.30x
Current Portion of LTD	-778.0	-0.07x	-0.07x	-318.0	-0.03x	-0.03x
Total Debt	4,236.0	0.36x	0.36x	3,782.0	0.30x	0.30x

Liquidity Details

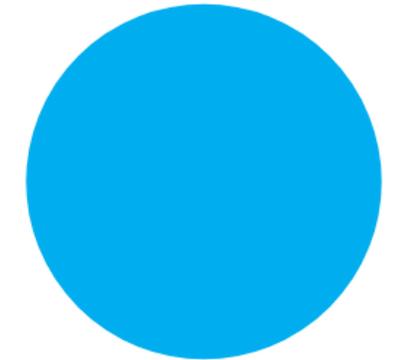
	Jun '25	Mar '25
Cash & ST Investments	5,216.0	6,599.0
LT Revolvers Available	1,900.0	1,900.0
Unsec. Rev. Facility	1,900.0	1,900.0
Total Liquidity	7,116.0	8,499.0

Sources: FactSet as of 9/29/25

Maturity Timeline



Seniority Comparison

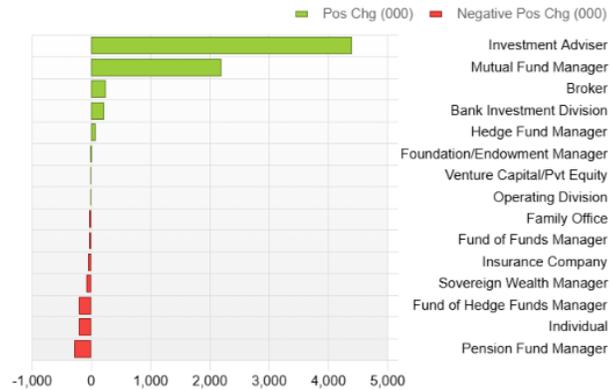


Senior Unsecured(100.00%)

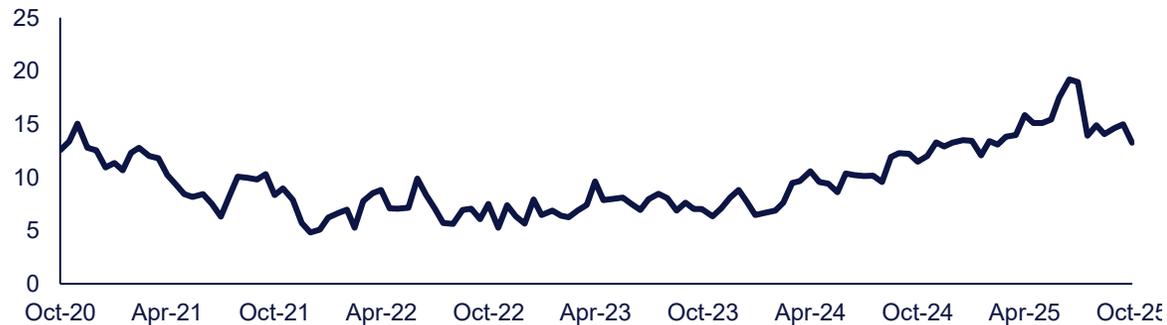
Appendix C: Investor Activity

Shares sold short have risen sharply over the past year, reaching multi-year highs, signaling growing bearish sentiment. Growth-oriented holders increased positions, while deep value and aggressive growth investors trimmed exposure, highlighting a widening divide in market outlook

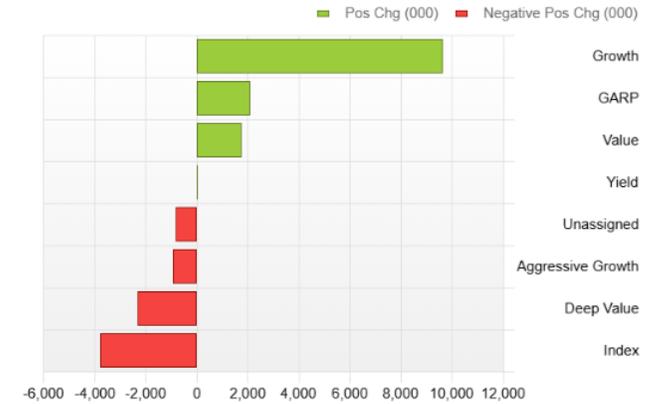
Activity by Investor Type



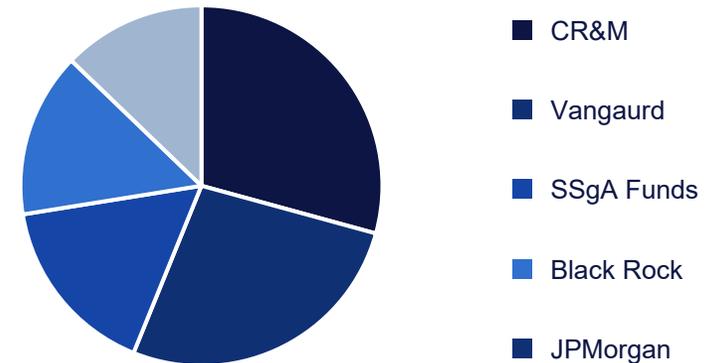
Shares Sold Short (MM)



Activity by Holder Style

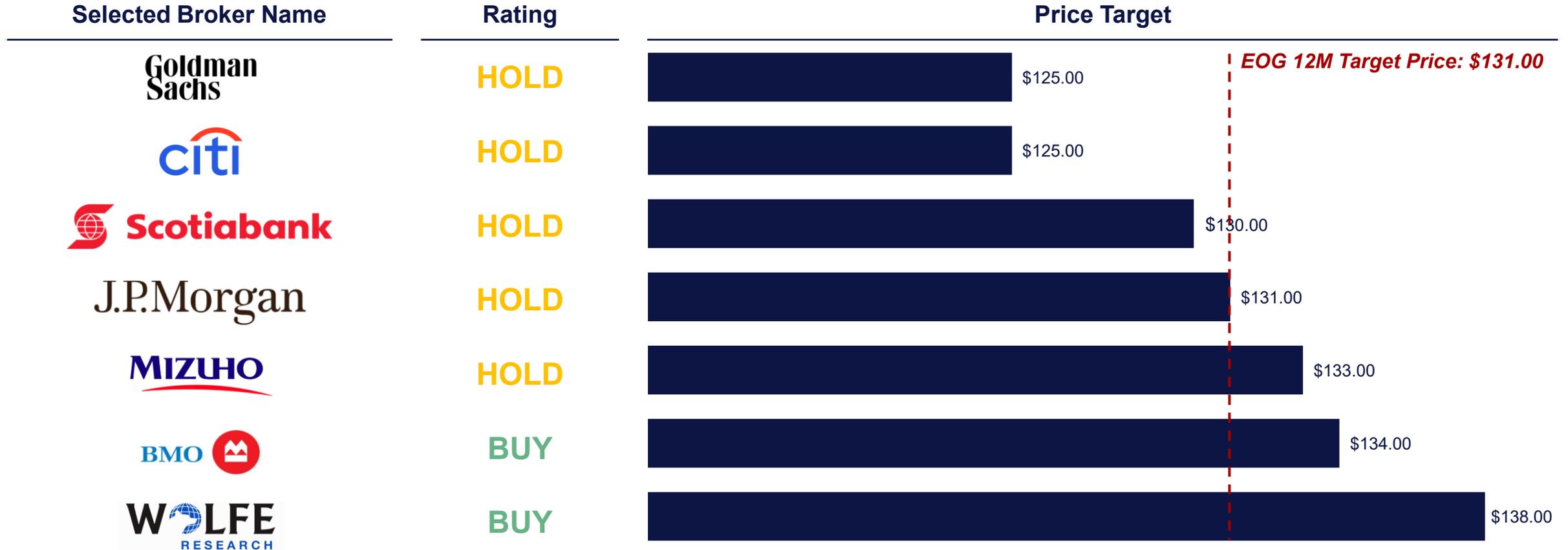


Top Institutional Investors



Appendix D: Broker Outlook

Brokers maintain a neutral stance on EOG, with five of seven firms rating it “Hold” and targets clustered between \$125–\$133/share. While the stock shows a ~23% implied upside from current levels, consensus reflects cautious sentiment and limited conviction in near-term catalysts



Price of \$106.38 (10/26/25) shows a **23% upside** for EOG, with reputable brokers having mixed feelings about the company’s future performance

Appendix E: Hedging Summary

Natural Gas Financial Price Swap Contracts

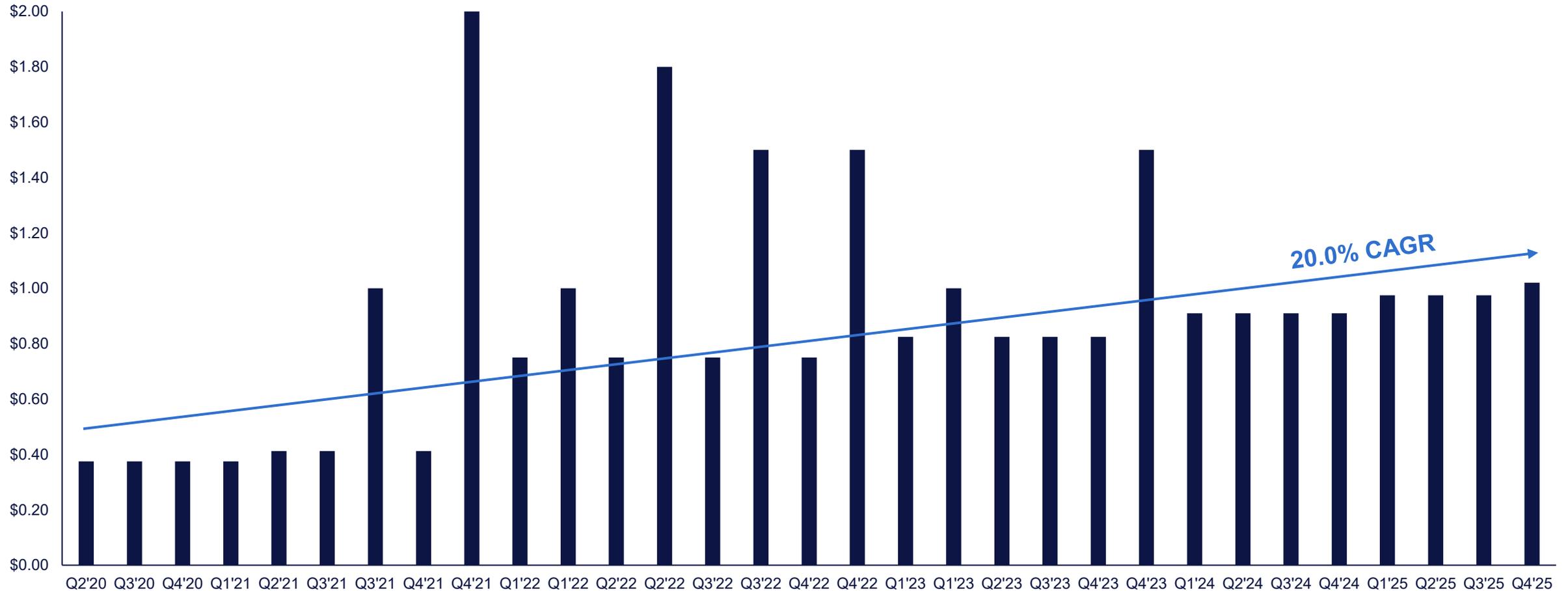
Period	Settlement Index	Contracts Sold	
		Volume (MMBtud in thousands)	Weighted Average Price (\$/MMBtu)
January - December 2024 (closed)	NYMEX Henry Hub	725	3.07
January - February 2025 (closed)	NYMEX Henry Hub	725	3.07
March - December 2025	NYMEX Henry Hub	725	3.07

Natural Gas Basis Swap Contracts

Period	Settlement Index	Contracts Sold	
		Volume (MMBtud in thousands)	Weighted Average Price Differential (\$/MMBtu)
January - December 2024 (closed)	NYMEX Henry Hub HSC Differential ⁽¹⁾	10	0.00
January - February 2025 (closed)	NYMEX Henry Hub HSC Differential	10	0.00
March - December 2025	NYMEX Henry Hub HSC Differential	10	0.00

Appendix F: Dividend History

Dividends have grown steadily over the past five years, supported by consistent free cash flow generation and disciplined capital returns. Despite periodic spikes, the long-term trend reflects a 20% CAGR, showing management's commitment to sustained shareholder distributions



Appendix G: Shareholder Returns

Due to EOG's leading operatorship and success within the upstream business, the firm consistently delivers cash returns primarily through base dividends and more recently special dividends and share repurchases

	2021	2022	2023	2024	YTD 2025 ³
Regular Dividends, \$MM	\$937	\$1,764	\$1,925	\$2,087	\$1,066
Special Dividends, \$MM	\$1,747	\$3,384	\$1,461	-	-
Share Repurchases¹, MM	-	-	8.6	25.8	11.7
Share Repurchases¹, \$MM	-	-	\$971	\$3,179	\$1,388
Total Cash Returns, \$MM	\$2,684	\$5,148	\$4,357	\$5,266	\$2,454
Free Cash Flow², \$MM	\$5,554	\$7,645	\$5,108	\$5,367	\$2,302
Free Cash Flow² Returned, %	48%	67%	85%	98%	

Appendix H: Asset Summary

EOG's multi-basin asset profile drives operational efficiency and sustained growth across the Lower 48

