

Dear Interest Owner,
In order to help you
understand the royalty
payments you receive from
EOG, we are providing you
with information that you
may find useful. Consider
filing this brochure for
future reference.



QUESTIONS?

Please visit the "Interest Owners" section on our website (www.eogresources.com) for additional information and FAQs.



CONTACT US

If you need to contact EOG by telephone, please call our toll-free line at (877) 363-3647 and select the following options:

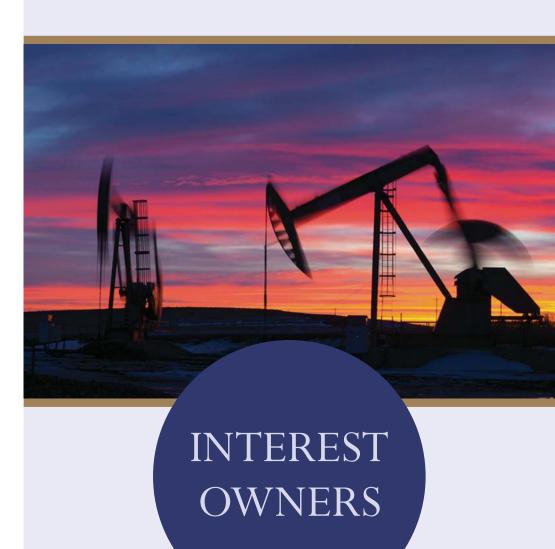
- Royalty Issues option 2
- Land Administration option 3
- Accounts Payable option 4

You can also email us at Royalty_Interest@eogresources.com or write to us at the address below:

EOG Resources, Inc. Attn: Royalty Payments P.O. Box 4362 Houston, TX 77210-4362



Helpful information about your EOG Royalty Payment







PAYMENT SCHEDULE

Payments are mailed or deposited electronically into your account on or around the 12th of the month, unless that day is a weekend or holiday. In that case, payment is mailed or deposited electronically into your account the next business day. If you are receiving payments via mail, please allow 10 business days to receive your check. Payments for a production month (both oil and natural gas) are normally sent out on or around the 12th of the second month following the production month. For example, payments for the production month of January are sent out on or around March 12th.

DIRECT DEPOSIT OPTION

EOG offers the option for you to receive your royalty payments through Direct Deposit (ACH), which is an automated process that permits funds to be directly transferred to your financial institution (bank, credit union, etc.). This is an optional service at no cost to you. Please visit our website at www.eogresources.com, under the Interest Owners tab for more information on this service or contact us at (877) 363-3647 then select option 3 then option 2 for the Direct Deposit (ACH) Department.

MINIMUM PAYMENT POLICY

EOG Resources has a minimum payment policy of the lesser of \$25 or the minimum amount required by statute or the minimum amount required by your lease. A payment will automatically be issued on the month that your account has accumulated this minimum required amount. Otherwise, in January of each year, you will be issued your accumulated payment as long as it totals more than \$10.

1099 MISCELLANEOUS

1099s are mailed to your address on file on January 31 of each year. Please allow 10 business days to receive your 1099 by mail. For more information, see the 1099 section of our website at www.eogresources.com, under the Interest Owners tab or email us at EOGR1099@eogresources.com or call us at (877) 642-1099.

ADDRESS CHANGE

To ensure your payments reach you promptly, notify us of any change in mailing address immediately by filling out our Owner Address Correction/Update Form available from our website at www.eogresources.com, under Interest Owners: Ownership/Address Change. Be sure to include the owner number(s) of all parties listed on the form, and all owners must sign the request. Please mail the completed form to the following address:

EOG Resources, Inc. Attn: Land Administration P.O. Box 4362 Houston, TX 77210-4362

OWNERSHIP CHANGE

All ownership changes must be in writing and cannot be

processed over the phone. Please visit our website at www.eogresources.com, under Interest Owners:

Ownership/Address Change for a list of required documents needed for different types of ownership changes. Be sure to include the owner number(s) of all parties listed on the form, and all owners must sign the request. For additional questions, please contact us at (877) 363-3647 then select option 3, then option 1.

FREQUENTLY ASKED QUESTIONS

Where can I find my owner number (Account number)?
The owner number is on your check, check stub detail and on your 1099. Each owner has been assigned a unique

6-digit owner number. Please include your owner number in all communications with EOG Resources, including voicemails and emails.

Why does my monthly payment amount vary?

There are various factors that may affect your monthly payment such as suspended payments, adjustments, fluctuating commodity prices, production volumes and operating issues which may affect the volumes produced from a well during a given time period.

What should I do if I did not receive my royalty check?

Due to potential postal delays, please allow 10 business days after the 12th of the month to receive your royalty check. If you still have not received your check after 10 business days, then please contact the Royalty Relations Department at (713) 651-6553 or email us at Royalty Interest@eogresources.com.

Can checks over 6 months old still be cashed?

No, checks over 6 months old are outdated and cannot be cashed. Please call the Royalty Relations Department at (713) 651-6553 or email us at

Royalty_Interest@eogresources.com to have a check reissued.

Why is my 1099 more than what I received on my royalty checks?

The 1099 tax form shows your GROSS amount before taxes and other deductions as required by the IRS. The royalty checks are the NET amount after taxes and other deductions. In order to help you reconcile your gross amount to the total of your net royalty payments received, we include a reconciliation on the top of the 1099. The net amount should agree with the total royalty checks received.

What are the other deductions and where do I put them on my tax form?

Other deductions include your share of expenses incurred to make the products marketable, cost to transport to market and your share of the state severance taxes assessed on production. EOG Resources is not able to provide any tax advice and encourages all owners to seek proper tax assistance in preparing their tax returns.

Can you withhold federal taxes from my checks?

EOG Resources does not withhold federal taxes unless required by statute.

EOG RESOURCES, INC. A ROYALTY OWNER 123 STREET ANYTOWN, TX 12345-6789 ANY APPLICABLE COMMENTS, PRODUCT TYPE, TAX CODE, DEDUCT CODE AND INTEREST TYPE CROSS REFERENCES ARE LOCATED AT THE END OF THIS DOCUMENT. B CHECK NO.: 0000611527 OWNER NO.: 987654 **D** PG 3 OF 4 ☐ CHECK DATE: 05/13/2015 GROSS ---------- OWNER PROD QUANTITY GROSS DATE TYPF BBI S/MCF CODE DEDUCTS CODE VALUE PRICE VALUE DEDUCTS VALUE TΔX GAS WELL 9-23H **G** PROPERTY 123456-000 DECK 16 INT TYPE 2 OWNER INT 0.01873670 SETTLEMENT INT 0.01873670 31913.49 W 91.71 597.96 03/15 8566.48 36821.09 **P** 12.77 O CV 4.30 689.91 .24 03/15 -35.89 93 95 17019 27 03/15 902 13 4 80 CV 12000.26 318.89 09 224.86 03/15 720.30 SV 13.49 -13.49 STATE-COUNTY: WY-CAMPBELL AA PROPERTY TOTAL 1008.80 49.71 185.66 773.44 AB PAYMENT TOTAL 1008.80 49.71 185.66 773.44 AC COMMENTS: PRODUCT TYPES: TAX CODES: DEDUCT CODES: INTEREST TYPES: 2- NATURAL GAS CV- CONSERVATION P1- PROCESSING 2- ROYALTY INTEREST 7- PLANT PRODUCTS SV- SEVERANCE T1- TRANSPORTATION PLEASE DIRECT OWNERSHIP QUESTIONS OR ADDRESS CHANGES TO: PLEASE DIRECT PRODUCTION/PAYMENT QUESTIONS TO

ITEMS ON YOUR CHECK DETAIL

ATTN: LAND ADMINISTRATION

P.O. BOX 4362 HOUSTON, TX 77210-4362

The check detail includes information for both the entire interest for which EOG remits a royalty payment, as well as your ownership interest. Information specific to your ownership interest can be found in the five columns on the right side of the check detail under the "Owner" heading. The other check detail columns contain property information and information applicable to the entire interest for which EOG remits a royalty payment. Definitions for all items displayed on the check detail include:

TELEPHONE: (713) 651-6552 OR 1-887-363-EOGR (3647)

- Owner Name and Address: Your name and address according to our records.
- Check Number: The check number for the associated payment.
- Owner Number: Your owner number as assigned by EOG.
- Page Numbering: The specific page number and the total number of pages.
- Check Date: The date the check was issued.
- Property Name: The property name assigned by EOG or the property operator.
- **©** Property Number: EOG's internal number for the property.
- Deck Code: EOG's internal accounting code identifying ownership.
- Interest Type: Your type of ownership in the property and may include:
 - 1-Working Interest
 - 2-Royalty Interest
 - 3-Overriding Royalty Interest
- Owner Interest: Your interest percentage in the property with respect to EOG's royalty remittance obligation.
- Settlement Interest: The interest used to calculate your share of the entire interest for which EOG remits royalty. EOG does not always own or have the right to sell the products produced from the property. EOG distributes to interest owners proportionately from proceeds received. In the above example, the .187 settlement interest indicates that EOG had the right to sell 100% (.187 owner interest divided by .187 settlement interest) of the products.
- Production Date: Month and year when sales occurred.

- Product Type: Type of product for which payment is being remitted. Products reported are identified at the bottom left corner of the check stub and may include:
 - 1-Crude Oil
 - 2-Natural Gas

ATTN: ROYALTY PAYMENTS

P.O. BOX 4362 HOUSTON, TX 77210-4362

- 3-Condensate
- 4-Casinghead Gas
- 7-Plant Products
- Quantity: Barrels (Bbls) of crude oil, condensate, or plant products or thousand cubic feet (Mcf) of natural gas associated with the total sales from the property or the entire interest for which EOG remits a royalty payment. If the settlement interest is equal to the owner interest, then the quantity represents the total quantity (Mcf or Bbls) from the property (see note K).
- Gross Value: Value of crude oil, condensate, plant products or natural gas associated with the quantity, as described above.
- Gross Tax: Amount of severance and other production-related taxes associated with the property.
- Tax Code: Codes used to identify specific taxes. Tax codes are identified at the bottom 2nd column of the check detail and may include:
 - SV- Severance
 - CV- Conservation
- **Other Deducts:** Amount of any deductions other than severance and other production-related taxes.
- **Deduct Code:** Codes used to identify other deductions. Deduction codes are identified at the bottom 3rd column of the check detail and may include:
 - (CM) Compression: The cost of compressing natural gas to meet pipeline pressure requirements.
 - (DH) Dehydration: The cost of removing water from natural

- gas, as necessary to meet the pipeline specification for transporting.
- (P1/P2) Processing: The cost of processing natural gas to extract plant products.

 (TR) Tax Reimbursement: Reimbursements received from
- (TR) Tax Reimbursement: Reimbursements received fro purchasers for applicable severance taxes.
- (T1/T2) Transportation: The cost of gathering and/or transporting crude oil, condensate, plant products or natural gas from the lease to a downstream point of delivery.

 (MS) Miscellaneous: Other deductions not listed.
- Gross Net Value: Value from the property less all deductions and taxes.
- Owner Price: The price EOG pays you per barrel (Bbl) of crude oil, condensate and plant products or price per thousand cubic feet (Mcf) of natural gas.
- Owner Gross Value: Your share of gross value from the property prior to any deductions.
- Owner Tax: Your share of severance and other productionrelated taxes.
- Owner Other Deducts: Your share of other deductions.
- Owner Net Value: Your share of the value from the property less all deductions and taxes.
- State-County: The state and county or parish where the referenced property is located.
- Property Total: Your share of the total for all product types and production dates for the referenced property.
- Payment Total: Your total payment for all properties for this check
- Comments: Any applicable comments related to your ownership, which may help explain items on the current check.