



# Beehive Project

**WA-488-P**

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May 2023 Flyer

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# Beehive Project *Updated Timelines*

## Geophysical Survey



- Completed in June 2022
- Examined the seabed features and potential hazards
- Obtained shallow gas mapping for mobile offshore drilling unit placement

## Geotechnical Assessment



- Plan to conduct a Geotechnical Assessment over a 14-day period between October 2023 and December 2025
- Undertaken using a medium-sized vessel
- Located approximately 77 km off the Western Australia coastline and 87 km from the Northern Territory coastline
- The activity area covers an area of approximately 50 km<sup>2</sup> in water depths ranging from 35 m to 50 m

## Exploration Drilling

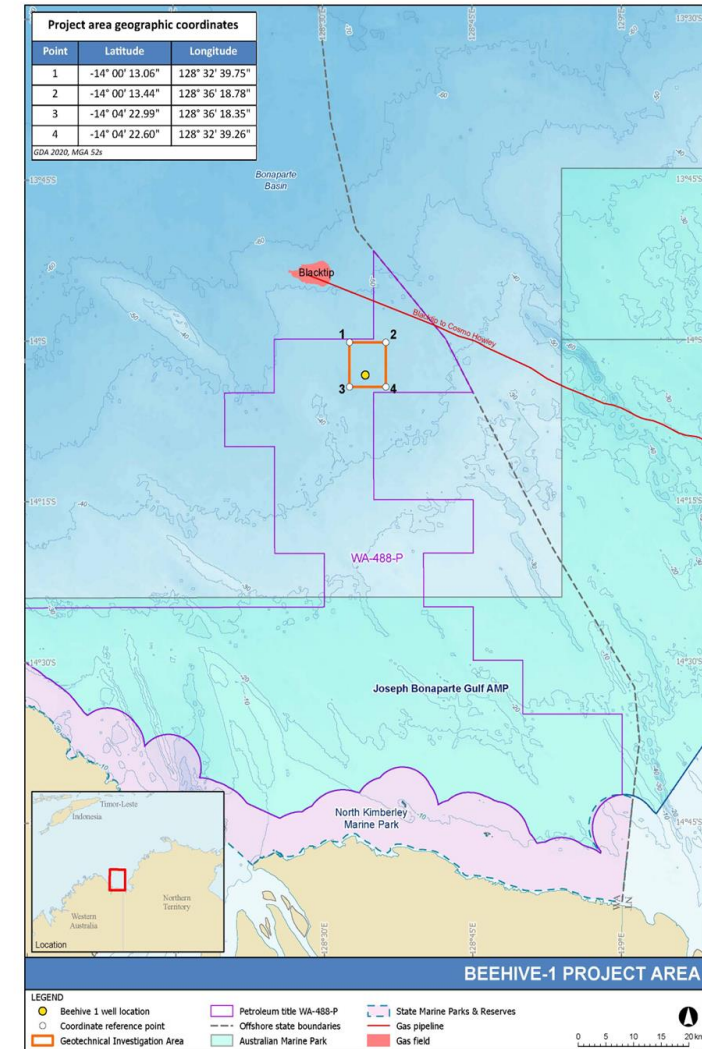


- Plan to drill a single exploratory well over a 55- to 100-day period between January 2024 and December 2025
- Undertaken using a jack-up mobile offshore drilling unit
- Located approximately 80 km off the Western Australia coastline and 300 km southwest of Darwin in the Northern Territory
- Drilled vertically to a depth of about 5,090 m using water-based mud in a water depth of approximately 40 m

Environment Plan: *approved and completed*

Environment Plan: *in-process and seeking input*

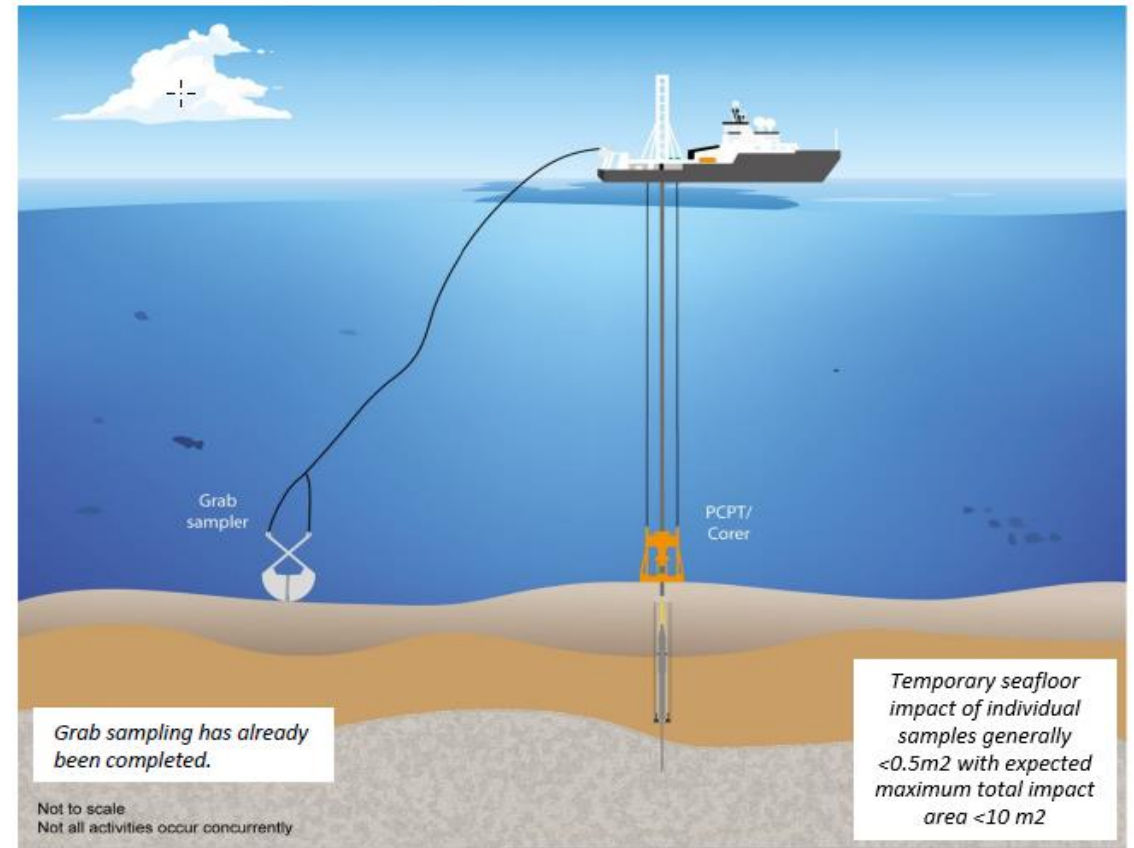
Environment Plan: *in-process and seeking input*



Beehive-1 well location and Geotechnical Assessment area

# Beehive Geotechnical Assessment Activity Overview

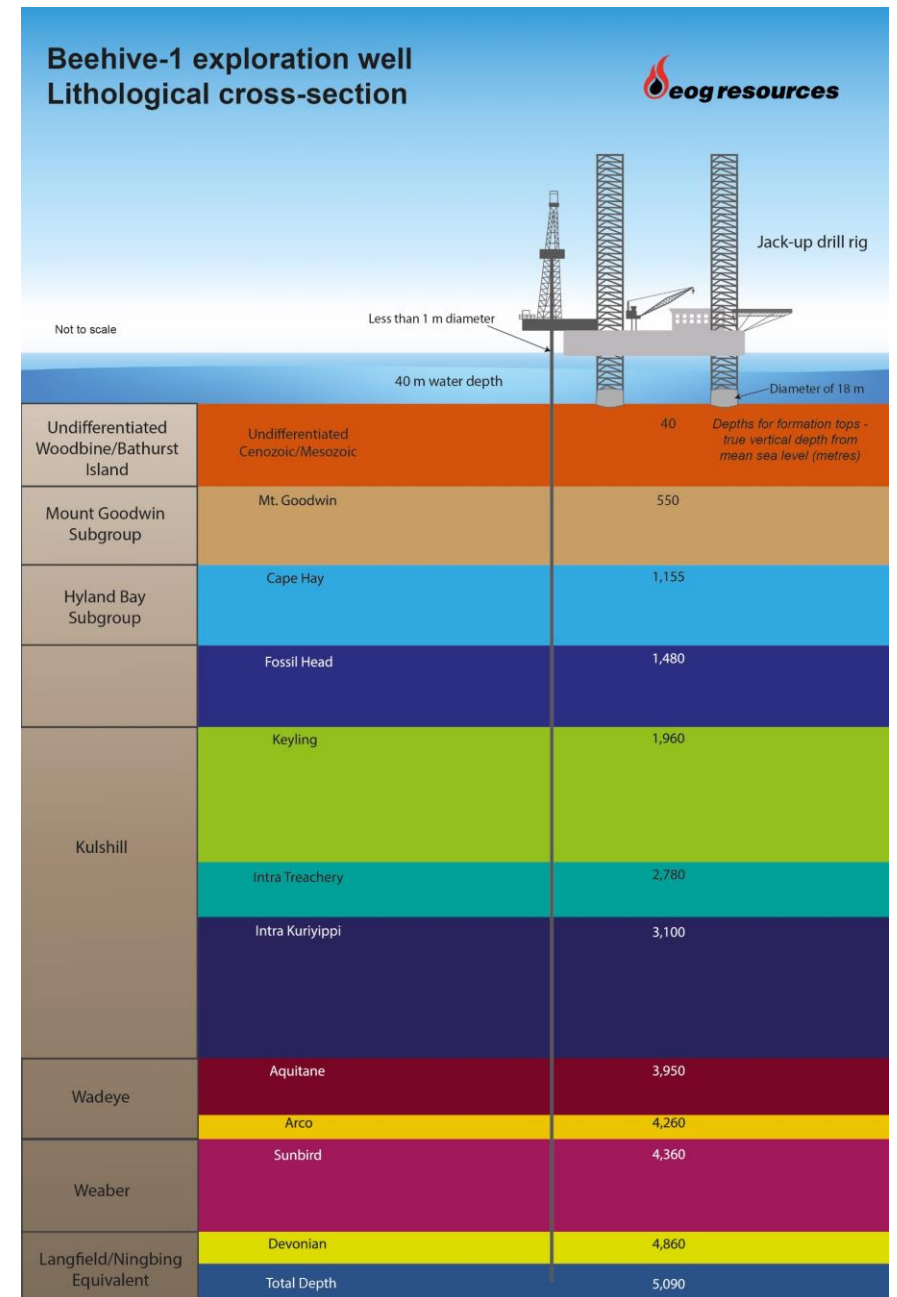
- Purpose: assess the physical properties of the seabed, such as soil types and rock formations, to support the safe placement of the mobile offshore drilling unit (MODU)
- Objective: acquire physical measurements and samples of local shallow geology within a relatively small area near potential MODU locations
- Equipment and Techniques:
  - *A specialised medium-sized vessel*
  - *Borehole sampling to acquire high quality soils for laboratory testing to inform the detailed engineering design in the field; and*
  - *Piezo cone penetrometer testing to determine seabed strength and general ground stratigraphy*
- *Note: the Beehive Geotechnical Assessment activity must be completed prior to the Beehive-1 Exploration Drilling and is the subject of a separate Environment Plan and associated consultation process.*



Simplified representation of Geotechnical Assessment techniques

# Beehive-1 Exploration Drilling Activity Overview

- Description: Beehive-1 exploration well is a vertical well targeting the Sunbird formation with a planned total depth of 5,090 m
  - Water-based muds will be used to drill the well
- Location: situated in a water depth of approximately 40 m and located 80 km off the Western Australia coastline and 300 km southwest of Darwin in the Northern Territory
- Timing: drilling activity is expected to take 55 to 100 days to complete and will be conducted between January 2024 and December 2025
  - Exact timing is dependent on the receipt of environmental approvals and the availability of a mobile offshore drilling unit, or MODU
  - Operations will be conducted 24 hours per day, 7 days per week
- On Completion: if the well successfully finds hydrocarbon pay in the target formation, well evaluation will proceed, however, Beehive-1 will not be put on commercial production and will be plugged and abandoned with no equipment remaining on the seabed



Beehive-1 lithological cross section and jack-up type MODU (depths are approximate)

# How to Provide Feedback

Further information regarding EOG's Beehive activities or to provide feedback via our **Social Pinpoint Consultation Hub** please visit our website.

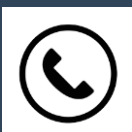
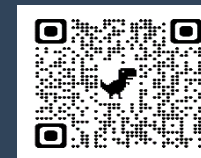
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**Note: you may request that information you provide during the consultation not be made publicly available. That information must still be included in the environment plan submitted to NOPSEMA as sensitive information but will be excluded from information published on NOPSEMA's website.**

\* *The Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009* (including the definitions, sections 9(8), and 11A(4)) indicate that, if requested, information that you or your organization provides, along with personal information, will be considered "sensitive information". Environment plans published by NOPSEMA on its website do not include any information deemed as sensitive.

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- the timing, extent and duration of changes in prices for, supplies of, and demand for, crude oil and condensate, natural gas liquids (NGLs), natural gas and related commodities;
- the extent to which EOG is successful in its efforts to acquire or discover additional reserves;
- the extent to which EOG is successful in its efforts to (i) economically develop its acreage in, (ii) produce reserves and achieve anticipated production levels and rates of return from, (iii) decrease or otherwise control its drilling, completion and operating costs and capital expenditures related to, and (iv) maximize reserve recovery from, its existing and future crude oil and natural gas exploration and development projects and associated potential and existing drilling locations;
- the success of EOG's cost-mitigation initiatives and actions in offsetting the impact of inflationary pressures on EOG's operating costs and capital expenditures;
- the extent to which EOG is successful in its efforts to market its production of crude oil and condensate, NGLs and natural gas;
- security threats, including cybersecurity threats and disruptions to our business and operations from breaches of our information technology systems, physical breaches of our facilities and other infrastructure or breaches of the information technology systems, facilities and infrastructure of third parties with which we transact business;
- the availability, proximity and capacity of, and costs associated with, appropriate gathering, processing, compression, storage, transportation, refining, and export facilities;
- the availability, cost, terms and timing of issuance or execution of mineral licenses and leases and governmental and other permits and rights-of-way, and EOG's ability to retain mineral licenses and leases;
- the impact of, and changes in, government policies, laws and regulations, including climate change-related regulations, policies and initiatives (for example, with respect to air emissions); tax laws and regulations (including, but not limited to, carbon tax and emissions-related legislation); environmental, health and safety laws and regulations relating to disposal of produced water, drilling fluids and other wastes, hydraulic fracturing and access to and use of water; laws and regulations affecting the leasing of acreage and permitting for oil and gas drilling and the calculation of royalty payments in respect of oil and gas production; laws and regulations imposing additional permitting and disclosure requirements, additional operating restrictions and conditions or restrictions on drilling and completion operations and on the transportation of crude oil, NGLs and natural gas; laws and regulations with respect to financial derivatives and hedging activities; and laws and regulations with respect to the import and export of crude oil, natural gas and related commodities;
- the impact of climate change-related policies and initiatives at the corporate and/or investor community levels and other potential developments related to climate change, such as (but not limited to) changes in consumer and industrial/commercial behavior, preferences and attitudes with respect to the generation and consumption of energy; increased availability of, and increased consumer and industrial/commercial demand for, competing energy sources (including alternative energy sources); technological advances with respect to the generation, transmission, storage and consumption of energy; alternative fuel requirements; energy conservation measures and emissions-related legislation; decreased demand for, and availability of, services and facilities related to the exploration for, and production of, crude oil, NGLs and natural gas; and negative perceptions of the oil and gas industry and, in turn, reputational risks associated with the exploration for, and production of, crude oil, NGLs and natural gas;
- continuing political and social concerns relating to climate change and the greater potential for shareholder activism, governmental inquiries and enforcement actions and litigation and the resulting expenses and potential disruption to EOG's day-to-day operations;
- the extent to which EOG is able to successfully and economically develop, implement and carry out its emissions and other ESG-related initiatives and achieve its related targets and initiatives;
- EOG's ability to effectively integrate acquired crude oil and natural gas properties into its operations, identify and resolve existing and potential issues with respect to such properties and accurately estimate reserves, production, drilling, completion and operating costs and capital expenditures with respect to such properties;
- the extent to which EOG's third-party-operated crude oil and natural gas properties are operated successfully, economically and in compliance with applicable laws and regulations;
- competition in the oil and gas exploration and production industry for the acquisition of licenses, leases and properties;
- the availability and cost of, and competition in the oil and gas exploration and production industry for, employees, labor and other personnel, facilities, equipment, materials (such as water, sand, fuel and tubulars) and services;
- the accuracy of reserve estimates, which by their nature involve the exercise of professional judgment and may therefore be imprecise;
- weather, including its impact on crude oil and natural gas demand, and weather-related delays in drilling and in the installation and operation (by EOG or third parties) of production, gathering, processing, refining, compression, storage, transportation, and export 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, and to otherwise satisfy its capital expenditure requirements;
- the extent to which EOG is successful in its completion of planned asset dispositions;
- the extent and effect of any hedging activities engaged in by EOG;
- 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 duration and economic and financial impact of epidemics, pandemics or other public health issues;
- geopolitical factors and political conditions and developments around the world (such as the imposition of tariffs or trade or other economic sanctions, political instability and armed conflict), including in the areas in which EOG operates;
- the extent to which EOG incurs uninsured losses and liabilities or losses and liabilities in excess of its insurance coverage;
- acts of war and terrorism and responses to these acts; and
- the other factors described under ITEM 1A, Risk Factors of EOG's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and any updates to those factors set forth in EOG's subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K.

In light of these risks, uncertainties and assumptions, the events anticipated by EOG's forward-looking statements may not occur, and, if any of such events do, we may not have anticipated the timing of their occurrence or the duration or extent of their impact on our actual results. Accordingly, 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, other than as required by applicable law, to update or revise its forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.

**Oil and Gas Reserves; Non-GAAP Financial Measures:**

The United States Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose not only "proved" reserves (i.e., quantities of oil and gas that are estimated to be recoverable with a high degree of confidence), but also "probable" reserves (i.e., quantities of oil and gas that are as likely as not to be recovered) as well as "possible" reserves (i.e., additional quantities of oil and gas that might be recovered, but with a lower probability than probable reserves). Statements of reserves are only estimates and may not correspond to the ultimate quantities of oil and gas recovered. Any reserve or resource estimates provided in this presentation that are not specifically designated as being estimates of proved reserves may include "potential" reserves, "resource potential" and/or other estimated reserves or estimated resources not necessarily calculated in accordance with, or contemplated by, the SEC's latest reserve reporting guidelines. Investors are urged to consider closely the disclosure in EOG's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, 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](http://www.sec.gov). In addition, reconciliation schedules and definitions for non-GAAP financial measures can be found on the EOG website at [www.eogresources.com](http://www.eogresources.com).