



NEWS RELEASE

Kitimat LNG Partners to Purchase Pacific Trail Pipelines Interest

KITIMAT, BRITISH COLUMBIA -- (MARKET WIRE) -- 02/07/11 -- Kitimat LNG partners Apache Canada Ltd. (Apache Canada) and EOG Resources Canada Inc. (EOG Canada) today announced that they have agreed to purchase the 50 percent interest in the Pacific Trail Pipelines Limited Partnership (PTPLP) they do not own from Pacific Northern Gas Ltd. (PNG) for \$50 million.

Apache Canada and EOG Canada will pay PNG \$30 million on closing - expected by the end of February - and a second payment of \$20 million when the purchasers decide to proceed with construction of the Kitimat liquefied natural gas (LNG) export facility.

"Acquiring the PTP is an important step in building a comprehensive system that will enable Apache and EOG to tap Asian markets for our abundant natural gas resources in the Horn River Basin and elsewhere in Western Canada," said Janine McArdle, president of Kitimat LNG.

PTPLP is planning to build a 463-kilometre (287-mile), 914-mm (36-inch) diameter underground line from Summit Lake, British Columbia, to Kitimat, the location of the planned LNG export terminal on the northern British Columbia coast. Following the completion of the purchase, Apache Canada will own 51 percent of the partnership and EOG Canada, through its wholly owned subsidiaries, will own the remaining 49 percent.

PNG will operate and maintain the planned pipeline under a seven-year agreement with Apache Canada and EOG Canada with provisions for five-year renewals. Apache Canada and EOG Canada also agreed to 20-year transportation service arrangements requiring them to use a portion of PNG's current pipeline capacity.

"Having this project under one operational manager - KM LNG Operating General Partnership - will provide an opportunity to integrate the supply chain from the point of natural gas production to the point of liquefaction," said Tim Wall, President of Apache Canada.

"We are committed to moving this project ahead and keeping the development process on schedule. Apache Canada and EOG Canada commend the work that PNG has done in advancing the pipeline, and we look forward to maintaining existing relationships with all the parties involved in this project," Wall added.

"This purchase ensures continuity for this project and is a very positive move for the advancement of the facility," said L.W. "Billy" Helms Jr., Vice President and General Manager, EOG Canada.

"We are very confident that the project will progress quickly under KM LNG, and that it will deliver significant benefits to our customers and the communities and First Nations along the route," said Greg Weeres, PNG's vice president of operations and engineering. "Moreover, with our responsibility for operating and maintaining the new pipeline, we look forward to a long-term relationship with KM LNG."

Apache Canada and EOG Canada are in marketing discussions with potential Asia-Pacific LNG customers. The producers expect to have firm sales commitments in place by the time the export facility is forecasted to begin operating in 2015.

About the Kitimat LNG Facility

Apache Canada and EOG Canada plan to build the Kitimat LNG facility on Bish Cove, approximately 650 kilometers (400 miles) north of Vancouver. The facility is planned for an initial output capacity of 5 million metric tonnes per annum. Apache Canada is the managing partner of KM LNG Operating General Partnership, which owns 51 percent of the Kitimat LNG facility and is the facility operator. EOG Canada, through its wholly owned subsidiaries, owns the remaining 49 percent of the Kitimat LNG facility. A copy of this release can be found at www.kitimatlngfacility.com.

About Apache Canada Ltd.

Apache Canada Ltd., a subsidiary of Apache Corporation (NYSE: APA)(NASDAQ: APA), is one of Canada's top oil and gas producers with operations in Alberta, British Columbia and Saskatchewan. For more information about Apache Canada, visit

www.apachecorp.com/Canada.

About EOG Canada

EOG Resources Canada Inc. is a wholly owned subsidiary of EOG Resources, Inc. (NYSE: EOG), one of the largest independent (non-integrated) oil and natural gas companies in the United States with proved reserves in the United States, Canada, Trinidad, the United Kingdom and China. EOG Resources, Inc. is listed on the New York Stock Exchange and is traded under the ticker symbol "EOG". For more information, visit www.eogresources.com.

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Apache Corporation and EOG Resources believe that their expectations to conclude the PTPLP transaction and other agreements are based on reasonable assumptions including, without limitation, expectations, beliefs, plans and objectives regarding the PTPLP transaction and the development of the Kitimat LNG facility. No assurance, however, can be given that such expectations will prove to have been correct. The companies caution that the PTPLP transaction and development of the Kitimat LNG facility may not proceed or could occur later than anticipated. See "Risk Factors" in the respective companies' most-recent Annual Reports on Form 10-K and other filings with the Securities and Exchange Commission (SEC) for a discussion of risk factors that affect their businesses and could affect the referenced transaction and agreements. The companies undertake no obligation to publicly update or revise any forward-looking statements.

Contacts:

Kitimat LNG Inc. - Media Contact

Paul Wyke

(403) 303-5925

www.kitimatlngfacility.com

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