



Devon Energy

Oklahoma Fact Sheet

2011 marks our 40th anniversary as a company, and for all of those 40 years, Oklahoma has been our home. In a sense, Devon still retains the family atmosphere that John Nichols and his son Larry created when they and four full-time employees occupied just part of one floor in a downtown Oklahoma City office building.

Over the years, as other Oklahoma-based energy companies moved to Houston, we rejected suggestions to do the same. Today, one need only look toward downtown from virtually anywhere in Oklahoma City to be reminded of Devon's commitment to Oklahoma. Our new headquarters building is scheduled for completion in late 2012.

Devon's natural gas and oil production operations have grown rapidly through the years. We have maintained an active exploration and development program. We also have grown through an unprecedented series of mergers and acquisitions. This growth has established the company among the nation's largest energy producers, with reserves that span onshore North America.

In Oklahoma, Devon produced an average of 219 million cubic feet of natural gas equivalent per day in 2010. That is enough natural gas to heat 1.9 million homes.

Oklahoma is home to two important shale natural gas plays, the Cana-Woodford west of Oklahoma City and the Arkoma-Woodford in Southeast Oklahoma. The Cana-Woodford has quickly become one of the company's most critical assets, with production quadrupling in less than two years. Both areas of the Woodford formation are vital components of Devon's future exploration and production plans.

Additionally, in June 2011 the company announced its intent to drill up to 15 vertical and horizontal oil wells in North-Central Oklahoma by year's end. Devon has acquired more than 150,000 acres for its plan to drill into the Mississippian Lime and Woodford Shale formations.

Contributing to the Economy

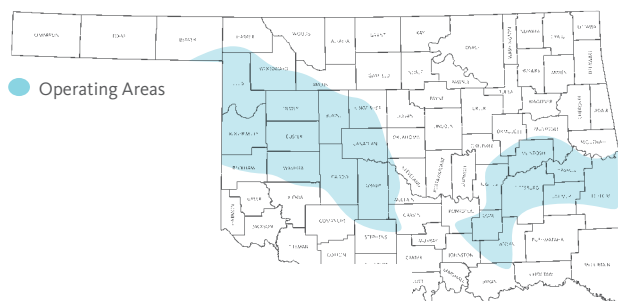
A survey commissioned by the Oklahoma City Urban Renewal Authority estimated Devon's local impact at \$760 million a year. By 2012, when Devon's new headquarters building is completed, the annual figure will reach \$954 million, the

survey found. Both figures considered our impact only on Oklahoma City. The statewide numbers are far greater. For instance, Devon plans to spend about \$1 billion drilling in Oklahoma during 2011. The vast majority of that investment is in the Cana-Woodford.

Part of the Community

Being a corporate leader means investing in communities. It is our role to embrace the communities where we operate. In Oklahoma, we are enthusiastic supporters of education, the arts, civic projects and community initiatives. We are honored to give back to the state that has nurtured our success and supported our growth for the past four decades.

In 2011, for instance, Devon employees donated more than \$350,000 to the Regional Food Bank of Oklahoma. The company matched employees' financial donations, for a total check exceeding \$700,000. During the 2010 United Way of Central Oklahoma campaign, the company matched employees' collective pledge, for a total contribution exceeding \$1.5 million.





In 2011, Devon launched its \$40K for Kids program to celebrate 40 years in business. The company is awarding a total of eight \$40,000 education grants to schools or nonprofit organizations in U.S. locations where the company has field operations. Also in 2011, Devon presented its first Oklahoma Science Giants Award to Kaiser Elementary in Oklahoma City. The \$25,000 award recognizes schools for helping students excel in science and preparing them for college and future careers.

Our community support goes far beyond monetary contributions. During the 2010-2011 school year, nearly 200 Devon employees spent a combined 3,500 hours tutoring at Mark Twain Elementary School in Oklahoma City. Employees also contributed 1,500 volunteer hours at the Regional Food Bank and showed up en masse to donate time at the Oklahoma City Memorial Marathon, the annual Festival of the Arts and Habitat for Humanity work days. Additionally, Devon's sponsorship provides all Oklahoma schoolchildren with free access to the archives of *The Oklahoman* newspaper.

Devon also is committed to higher education. Since 2005, Devon has contributed nearly \$9 million toward scholarships, endowed chairs and to petroleum engineering, geology and land programs at Oklahoma universities.

In addition, Devon is a major supporter of Allied Arts, the annual Oklahoma City Memorial Marathon, Lyric Theatre, the Oklahoma City Museum of Art, the National Cowboy and Western Heritage Museum, the Oklahoma City Public Schools Foundation and the Oklahoma City Philharmonic.

Through our partnership with the Oklahoma City Thunder, Devon honors a "Community Hero" each month during



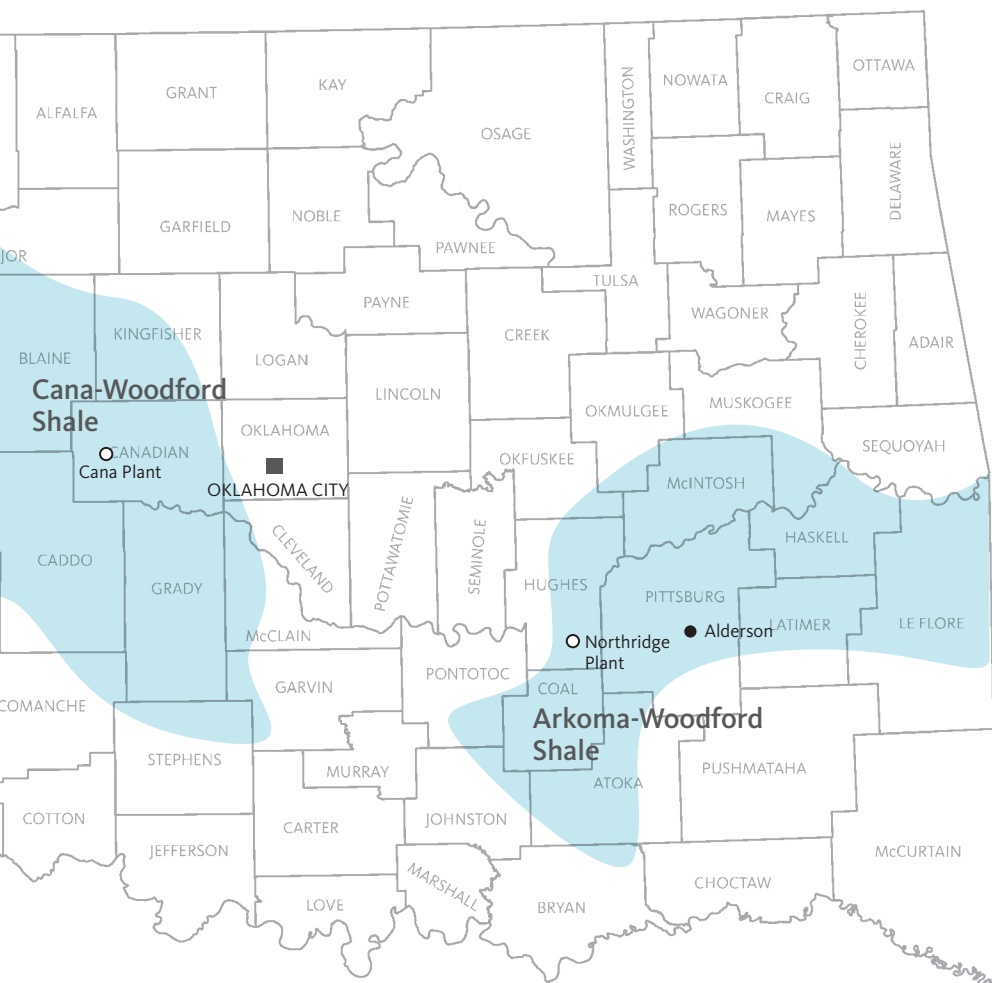
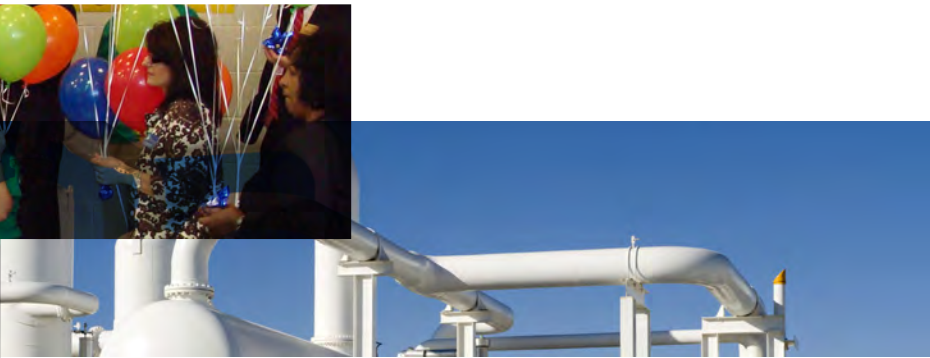
the NBA season. Recipients during the 2010-2011 season included the founder of the Regional Food Bank of Oklahoma, the head of a pet rescue operation forced to start over from scratch after a wildfire, and an Oklahoma City police officer who, despite being shot six times, calmly used her radio to report the suspect's vehicle description, leading to a quick arrest. We view the "Community Hero" program as a platform to recognize local heroes and to inspire other ordinary people to live extraordinary lives.

Our commitment to Oklahoma City's renaissance also can be seen in the Devon Boathouse, which opened in October 2010. This state-of-the-art facility has quickly become known as a premier training facility for rowing and canoe/kayak. With the Devon Boathouse as a catalyst, the Oklahoma River has emerged as the only river classified as a U.S. Olympic and Paralympic training site.

Devon's "good neighbor" principle also holds true outside of Oklahoma City. In West-Central Oklahoma, for example,

we partnered with the Geary-Hinton Rotary Club to revitalize the Wyldewood Park grandstands. In Watonga, we replaced the school gymnasium heaters and floors so the students could continue playing basketball throughout the winter. We also contribute money and equipment to police and fire departments, schools and local nonprofit organizations throughout our operating areas.

We believe these investments create vibrant communities that enhance quality of life for our employees, their families and their neighbors. Healthy communities are good for business, and healthy businesses create strong communities. That is why we are focused on community involvement and have a strong commitment to our neighbors.



Southeast Oklahoma

Since 2003, Devon has been leasing land in the Woodford Shale of the Arkoma Basin in Southeast Oklahoma. We drilled our first well there in 2005 and have drilled about 400 more since then.

The Arkoma-Woodford play is among a growing number of emerging natural gas reservoirs made possible through recent technological advancements

and continuing innovation. Historically, wells have been drilled straight down to rock formations where natural gas is trapped. However, shale is different from conventional sandstone reservoirs. Shale is formed from organic matter and can be rich with natural gas. But unlike sandstone, shale usually is too dense for gas to flow through it rapidly. Production of natural gas from shale required new ideas for natural gas production.

Devon has made numerous technological breakthroughs in the Barnett Shale field in North Texas. Devon found success in the Barnett by drilling horizontally through the shale and then fracturing it with water pressure, opening passageways for gas to escape to the well bore. The advancement solved the shale challenge and allowed Devon and other companies to drill for natural gas in other shale plays in Oklahoma and across North America.

Our drilling in the Arkoma-Woodford is concentrated in Coal, Hughes and Pittsburg counties. We extract the natural gas here at depths ranging from 6,000 to 8,000 feet, and in 2011 we plan to spend about \$30 million drilling wells. Our processing plant in Hughes County, which opened in 2008, can handle 100 million cubic feet of natural gas per day. We also have a field office in Alderson.

West-Central Oklahoma

West of Oklahoma City, Devon began drilling in 2007 in a separate and deeper area of the Woodford Shale. The Cana-Woodford is so named for Canadian County. The formation is considerably deeper and more expensive to reach here than in the Arkoma-Woodford. However, the Cana-Woodford has emerged as a leading growth area for Devon and as one of the most economic shale plays in North America, largely because of its high volume of condensate and other valuable liquids. In 2010, Devon more than doubled its leasehold. With 240,000 acres, the company now holds more than half of the best acreage. Devon expects to nearly double its Cana production by the end of 2011, to 250 million cubic feet equivalent per day.

Devon drilled 21 Cana wells in 2008, 41 in 2009 and 87 in 2010. In 2011, we plan to spend about \$1 billion and to drill more than 200 Cana wells. Additionally, in late 2010, Devon's new processing plant near Calumet received its first delivery of natural gas. The plant can process 200 million cubic feet of natural gas per day. It can be expanded to handle up to 600 million cubic feet per day. With 11 trillion cubic feet equivalent of risked resource potential and more than 5,000 risked locations remaining, the Cana provides many years of highly economic production and reserve growth.



Devon in Oklahoma

Employment and Operations

- 1,600 employees
- \$212 million payroll
- Leases in 70 counties
- About 425,000 net acres under lease
- 1,800 producing wells
- 300 miles of operated pipeline

2010 Activity

- Drilled 155 wells
- Average production of 219 million cubic feet of natural gas equivalent per day
- Paid \$29 million in gross production and ad valorem taxes
- Spent nearly \$550 million on goods and services
- Paid \$85 million in royalties to mineral rights owners

Focus on Environmental Stewardship

We respect the environment and look for ways to conserve our natural resources. Devon is recognized throughout North America for its environmental stewardship programs. For instance:

- Our water conservation programs in Texas and Canada have received awards from the Interstate Oil and Gas Compact Commission and the Canadian Association of Petroleum Producers, respectively. In North Texas, for example, we have recycled about 450 million gallons of water since 2006.

- Devon's consistency in reporting methane emissions reductions has earned numerous accolades from the Environmental Protection Agency's voluntary Natural Gas STAR program. In late 2010, Devon received the program's Continuing Excellence Award for seven years of continued reporting and emission-reduction efforts.
- The Bureau of Land Management presented its national Best Management Practices Award to Devon in 2008 for developing practices that prevent, avoid or mitigate adverse environmental effects.
- In 2010 our Krebs field office in southeast Oklahoma received an Environmental Excellence Award from Keep Oklahoma Beautiful.

About Devon Energy

- One of North America's leading independent producers of natural gas and oil
- Engaged in exploration and production
- Produces more than 2.5 billion cubic feet of natural gas a day, or about 4 percent of all the gas consumed in the United States
- Corporate headquarters in Oklahoma City
- More than 5,000 employees
- Member of the S&P 500
- Trades on the New York Stock Exchange under the ticker symbol DVN
- Named to Fortune magazine's Most Admired Companies list each year since 2006 and the 100 Best Companies to Work For list each year since 2008.

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