

OWNER RESOURCE

News from Devon's Owner Relations Team



Welcome to the third edition of Devon's "Owner Resource" brochure for interest owners.

We are pleased to present the newest edition of our "Owner Resources" brochure for Devon's interest owners. Inside you will find the latest information on how to get your revenue payments more quickly, who to contact for help, how to read your check detail and other valuable tips to assist you with your revenue payments. As an added convenience to you, we recently began partnering with a third party to provide you access to your gas balancing statements online. This helps to avoid unnecessary hard copies and gives you better and quicker access to your statements.

The new feature is just one of the ways we are working to meet the needs of Devon's interest owners as well as keep them more informed. We realize our interest owners are a key partner in our role as the nation's leading independent oil and gas producer. We value our relationship with you and will continue to do our part to provide you with the most recent information and to maintain our commitment to open communication.

Sincerely,

J. Larry Nichols
Chairman and Chief Executive Officer

Devon Leads Water Recycling Efforts

Devon has become a leader in the Barnett Shale, the largest natural gas field in Texas, by using the latest technology such as hydraulic fracturing, horizontal drilling and, most recently, water recycling. Water is an essential element in the extraction of natural gas from the Barnett Shale, with approximately 1 to 4 million gallons of water used each time hydraulic fracturing (fracing) occurs on a well. It is also a vital natural resource for our country, one that companies, such as Devon, want to protect. Water recycling programs can significantly conserve the use of water and also minimize waste products for disposal – a benefit for both the industry and communities.

How does water recycling work?

Devon is testing two water recycling technologies. One of the technologies vaporizes steam from the flowback wastewater, then condenses it into clean, distilled water, which can be used at sub-

sequent frac jobs. The remaining concentrated water is removed for disposal or to a crystallizer for further processing.



Devon also is testing a water recycling system that will filter more than 105,000 gallons of water per day through a series of three membrane filters to remove impurities in the frac flowback water and preserve most of the fluid for re-use purposes.

How and where is recycling being done?

Devon currently recycles water at three sites in Denton and Johnson Counties. Seven mobile recycling units utilize the evaporation technology. Two more units using this process are under development for use later in 2007.

How much water is being re-used?

Devon's goal is to re-use 75 to 95 percent of flowback wastewater through recycling. As of February 2007, this technology has processed nearly 95 million gallons of distilled water, reducing by 80 million gallons the amount of fresh water required from outside sources. With the new energy-efficient technology, the water recycling units can process nearly 600,000 gallons per day of flowback water, resulting in 500,000 gallons of fresh distilled water that can be used on subsequent frac jobs.

Gas Balancing Statements Available Online

Devon is partnering with PDS Energy Information to provide access to the company's gas balancing statements via the Internet. This will allow working interest owners to have real-time access to Devon's gas balancing statements as they are completed. Devon no longer will mail hard copies of the gas balancing statements.

As a working interest owner, you will have access to both current and archived monthly statements as far back as January 2003 by logging on to the PDS Exchange website. To download or have your gas balancing statements e-mailed, log on to **www.pdsenergy.com**. Choose "Exchange Login" and then "Gas Balancing." You may view and print the statements free of charge or elect to have the statements e-mailed to you as new months are available.

Once you are logged in to PDS Exchange, you may change your temporary password under "Settings." For assistance with the system, including combining multiple log-ins for existing PDS Exchange users, please contact PDS at (800) 318-7850.

FREQUENTLY ASKED QUESTIONS

When can I expect payment for my new well?

Devon always attempts to commence payment for the proceeds of production as soon as it is able, and according to statutory limits for each state. Depending on the complexity of title and how active an area is, timing of first payments can vary. Please call our Owner Relations Hotline if you have questions concerning your lease.

How do I change my address?

Change of address requests must be made in writing to the address at right, Attention: Owner Relations Hotline. Please include your name, owner number, old address, new address, Tax ID/Social Security Number and a phone number where we can reach you. For a preprinted form, please call our Owner Relations Hotline. A form is also available on our Owner Connect (<https://connect.oildex.com/devon/>) and corporate (devonenergy.com) websites. An authorized signature is required for changing an address.

I haven't received my payment, what should I do?

Due to mailing, a check may arrive later than expected. If your check is more than two weeks late, please contact our Owner Relations Hotline so we may research the issue. To avoid postal delays, you may wish to consider direct deposit of your payment.

How do I set up direct deposit?

If you would like to receive your royalty payments via direct deposit, please call our Owner Relations

Hotline and a form will be mailed or faxed to you. A form is also available on our Owner Connect (<https://connect.oildex.com/devon/>) and corporate (devonenergy.com) websites. Please ensure all applicable parties sign the authorization form. The ACH settlement date is two banking days after the effective date.

I found a stale-dated check, how do I get it re-issued?

Please contact our Owner Relations hotline to see if the check was already voided and the revenues re-issued with a subsequent check. You may also return the stale-dated check to our offices at 20 North Broadway, Oklahoma City, OK, 73102, ATTN: Owner Relations, with a request to re-issue. Please include your phone number so we may contact you with our findings.

Why does my payment amount change?

Changing market conditions can cause price fluctuations, while mechanical or operational problems or routine maintenance may temporarily affect production, causing downtime. If you have reason to believe an error has occurred, please contact our Owner Relations Hotline.

My mother/father passed away, how do I transfer the interest?

If the deceased party left a Will and the Will is being probated, provide us with a copy of the Will, death certificate, Letters Testamentary and Final Decree of Distribution. If the estate is not probated, provide us with a copy of the Will (if available) and death

certificate. Our Division Orders Department will contact you if more documentation is required.

How do I contact Devon Energy?

Owner Relations Hotline:

(405) 228-4800

Revenue Accounting
(payment inquiries and lost checks)
Extension 2

Division Orders
(ownership changes and transfers)
Extension 4

For all other inquiries,
Extension 2

Address:

20 North Broadway
Oklahoma City, OK 73102-8260

Email:

DevonRevenueHotline@devonenergy.com

Fax:

(405) 228-4849

Web:

devonenergy.com



Royalty owners tour Devon's Barnett Shale operations in North Texas as part of the National Association of Royalty Owners conference in September 2006.



Devon Energy Production Company, L. P.
20 North Broadway
Oklahoma City, Oklahoma 73102-8260

STATEMENT OF OIL & GAS PAYMENTS

14 Co. #: 001
Owner #: 123456
15 Check #: 999999
Date: 2007/04/15

OWNER NAME

1 2 3 4 5 6						7 GROSS INFORMATION					8 NET INFORMATION					
1 PR Date	2 Product	3 Interest %	4 Int Type	5 BTU	6 Price	Volume	Gross	Prod Tax	Other Ded	Net Amount	Volume	Gross	Prod Tax/Code	Other Ded/Code	WPT	Net Amount
9 123456-001 PROPERTY NAME						10 St/County: ST Any County Section/Twn/Rng: 099 / 099S / 099W										
2-2007	NGL-BBL	.04185600	ROY	.000	28.556	103.59	2958.15	177.92	222.53	2557.70	4.34	123.82	7.45 SV	9.31 CM		107.06
2-2007	NGL-BBL	.04185600	ROY	.000					187.02	187.02 -				7.83 GA		7.83 -
2-2007	RES-GAS	.04185600	ROY	1.009	5.664	613.00	3472.36	242.64		3229.72	25.66	145.34	10.16 SV			135.18
Total Net for 123456-001											30.00 269.16 17.61 17.14 234.41					
Total Net for Owner:											30.00 269.16 17.61 17.14 234.41					
						11 Net Totals By Product:										
						13 NGL-BBL:					4.34 123.82 7.45 17.14 99.23					
						RES-GAS:					25.66 145.34 10.16 135.18					

S A M P L E

If the gas from your property requires processing through a gas processing plant, you will see residue gas in MCF and natural gas liquids (NGL) in barrels. Natural gas liquids include ethane, propane, butane and natural gasoline.

UNDERSTANDING THE CHECK DETAIL

View Your Detail Online

You can view your detail online by logging into Owner Connect at <https://connect.oildex.com/devon/>. For first-time users, your password is the last six digits of your taxpayer ID. The posted date is the day your detail was uploaded into Owner Connect, not the check date or deposit date of your direct deposit. You can also have your detail e-mailed to you by checking the boxes under the "MY PROFILE" tab.

Beginning with the April 15 distribution, joint interest billing owners can view netted revenue detail on Oildex. The check numbers begin with 00JBN.

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|---------------------------|--|
| 1. PR Date | Month and year the production was sold |
| 2. Product | Type of product sold, i.e. gas (GAS-MCF), oil (OIL BBLs), condensate (COND), natural gas liquids (NGLs-BBL), residue gas (RES-GAS) |
| 3. Interest % | Ownership decimal paid |
| 4. Interest Type | Type of interest being paid, i.e., Working Interest (WI), Royalty (ROY), Override (ORRI), etc. |
| 5. BTU | Heating value of the gas used to convert MCF (1000 cubic feet) to MMBTU (MCF x BTU) |
| 6. Price | Calculated by dividing gross value by gross volume |
| 7. Gross Information | 100% Volume, Gross Value, Taxes, Other Deductions and Net Value of the product sold |
| 8. Net Information | Owner's Volume, Gross Value, Taxes, Other Deductions and Net Value of the product sold; will be the gross information multiplied by the Interest % |
| 9. Property Number | Devon assigned number for your well lease or unit |
| 10. St/County | State and county where your property is located |
| 11. Legal Description | Legal description of the property; may be Section, Township and Range or Survey |
| 12. Total Net for Owner | Total payment to the owner |
| 13. Net Totals by Product | Total payments to the owner by product |
| 14. Owner Number | Number uniquely assigned to you |
| 15. Check # | Check number or ACH (direct deposit) payment ID |