

# DEVON ENERGY CORP/DE

## FORM 425

(Filing of certain prospectuses and communications in connection with business combination transactions)

Filed 06/19/00

Address	333 W. SHERIDAN AVENUE OKLAHOMA CITY, OK 73102
Telephone	4055528183
CIK	0001090012
Symbol	DVN
SIC Code	1311 - Crude Petroleum and Natural Gas
Fiscal Year	12/31

# DEVON ENERGY CORP/DE

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Filed 6/19/2000

Address	20 N BROADWAY STE 1500 OKLAHOMA CITY, Oklahoma 73102
Telephone	405-235-3611
CIK	0001090012
Industry	Oil & Gas Operations
Sector	Energy
Fiscal Year	12/31

**FILED BY DEVON ENERGY CORPORATION  
PURSUANT TO RULE 425 UNDER THE SECURITIES ACT OF 1933  
AND DEEMED FILED PURSUANT TO RULE 14A-12  
OF THE SECURITIES EXCHANGE ACT OF 1934  
SUBJECT COMPANY: DEVON ENERGY CORPORATION  
COMMISSION FILE NO. 0-30176**

**INVESTOR NOTICE**

INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE JOINT PROXY STATEMENT/ PROSPECTUS THAT WILL BE INCLUDED IN THE REGISTRATION STATEMENT ON FORM S-4 TO BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED MERGER BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. THE JOINT PROXY STATEMENT/PROSPECTUS WILL BE FILED WITH THE SEC BY DEVON AND SANTA FE SNYDER. INVESTORS AND SECURITY HOLDERS MAY OBTAIN A FREE COPY OF THE JOINT PROXY STATEMENT/PROSPECTUS (WHEN AVAILABLE) AND OTHER DOCUMENTS FILED BY DEVON AND SANTA FE SNYDER WITH THE SEC AT THE SEC'S WEB SITE AT WWW.SEC.GOV. THE JOINT PROXY STATEMENT/PROSPECTUS AND SUCH OTHER DOCUMENTS (RELATING TO DEVON) MAY ALSO BE OBTAINED FOR FREE FROM DEVON BY DIRECTING SUCH REQUEST TO: DEVON ENERGY CORPORATION, 20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OKLAHOMA 73102-8260, ATTENTION: INVESTOR RELATIONS, TELEPHONE: (405) 552-4570, E-MAIL: NAKITA.RIZZO@DVN.COM. THE JOINT PROXY STATEMENT/PROSPECTUS AND SUCH OTHER DOCUMENTS (RELATING TO SANTA FE SNYDER) MAY ALSO BE OBTAINED FOR FREE FROM SANTA FE SNYDER BY DIRECTING SUCH REQUEST TO: SANTA FE SNYDER CORPORATION, 840 GESSNER, SUITE 1400, HOUSTON, TEXAS 10023, ATTENTION: INVESTOR RELATIONS, TELEPHONE: (713) 507-5307, E-MAIL: NPERRY@SANTAFE-SNYDER.COM.

Devon, its directors, executive officers and certain members of management and employees may be considered "participants in the solicitation" of proxies from Devon's shareholders in connection with the merger. Information regarding such persons and a description of their interests in the merger is contained in Devon's filing with the SEC under Rule 425 on May 26, 2000.

Santa Fe Snyder, its directors, executive officers and certain members of management and employees may be considered "participants in the solicitation" of proxies from Santa Fe Snyder's shareholders in connection with the merger. Information regarding such persons and a description of their interests in the merger is contained in Santa Fe Snyder's filing with the SEC under Rule 14a-12 on May 26, 2000.

**SLIDE 1 - TITLE SLIDE "DEVON ENERGY, CAPP 2000 SYMPOSIUM, JUNE 19-21, 2000"**

**SLIDE 2 - RISK FACTORS**

"For representative risk factors that could cause Devon's actual results to differ materially from the estimates contained herein, see forms 8-K dated January 26 and June 5, 2000 and form 10-K dated March 30, 2000. All data presented assumes an effective merger date of December 31, 1999 adjusted for certain subsequent acquisitions, divestitures and financial transactions."

**SLIDE 3 - CANADIAN CONTEXT**

- o Canadian operations: Northstar Energy
- o North American based company with North-South management teams
- o Largest operating basin is Western Canadian Sedimentary Basin
- o Dual listing (AMEX:DVN / TSE:NSX)
- o NSX: "Canadian basket" qualified

**SLIDE 4 - DEVON OVERVIEW**

- o Top 10 independent (U.S. and Canada)
- o Proved oil and gas reserves of 670 MMBOE (12/31/99)
- o 81% North America / 19% International
- o Production mix: 62% gas / 38% oil
- o Enterprise value approximating \$6.3 billion
- o Investment grade credit - BBB+

**SLIDE 5 - TOTAL PROVED RESERVES**

(Bar graph showing Devon's proved reserves from 1987 to 1999 in MMBoe at year-end)

1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999  
8 22 30 32 36 61 78 106 115 179 184 299 670

Note: 1987-1997 represents historical Devon as reported prior to 1998 Northstar merger.

## SLIDE 6 - RESERVES PER COMMON SHARE

(Bar graph showing Devon's Reserves per common share from 1987 to 1999 in Boe)

1987 1988 1989 1990\* 1991\* 1992\* 1993 1994 1995 1996\* 1997\* 1998\* 1999  
1.31 2.56 2.61 2.82 3.13 2.96 3.76 4.79 5.18 4.84 4.94 5.61 7.78

Note: 1987-1997 represents historical Devon as reported prior to 1998 Northstar merger.

\*Fully Diluted

## SLIDE 7 - NET DEBT PER BOE

(Bar graph showing Devon's net debt per Boe from 1987 to 1999)

(Long term debt less working capital)

1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999  
1.16 1.33 0.19 0.74 0.78 0.68 0.83 0.85 1.17 -0.07 -0.34 1.25 1.47

Note: 1987-1997 represents historical Devon as reported prior to 1998 Northstar merger.

(1) Presented net of the book value of Devon's 7.1 million shares of Chevron common stock.

## SLIDE 8 - DEVON'S OPERATING RESULTS

Cash Margin Per Share*		Earnings Per Share*	
1987	1999	1987	1999
1.15	6.03	-0.17	1.46

\* Fully Diluted

## SLIDE 9 - DRILLING ACTIVITY

- o 1988 - 1999 > 2,400 wells drilled
- o Historically high success rates

## SLIDE 10 - MERGERS & ACQUISITIONS

PennzEnergy Company, 1999, \$2.6Bn

Northstar Energy, 1998, \$759MM Kerr McGee Corp, North American Onshore Assets, 1996, \$254MM

## SLIDE 11 - FOR IMMEDIATE RELEASE

May 25, 2000 -- Devon Energy and Santa Fe Snyder to merge creating a top 5 U.S. independent oil and gas company.

## SLIDE 12 - TRANSACTION SUMMARY

- o Structure: non-taxable merger
- o Equity Ownership: 68% Devon 32% Santa Fe Snyder
- o Exchange Ratio: approximately 40.3 MM common shares, or .22 DVN per SFS share
- o Board of Directors: proportional representation

## SLIDE 13 - THE COMBINED COMPANY

Proved Reserves:	1,056 MBoe
Reserve profile:	76% North America
	24% International
Production Mix - N.A.	61% gas/39% oil
- Int'l	14% gas/86% oil

Undeveloped Acreage (net)	32 million
R/P Ratio:	8.9 years
Credit Rating:	Investment Grade
Enterprise Value:	\$9 Billion

## SLIDE 14 - U.S. PEER COMPARISON

(Bar Graph, reserves in MMBoe @ 6:1)

### APC/UPR BR UCL DVN KMG APA PXD EOG OEI MUR

1942 1709 1653 1056 915 807 605 602 415 401

Note: Reflects proved reserves at 12/31/99 adjusted for material acquisitions and divestitures. Represents Pro-forma Devon.

## SLIDE 15 - CANADIAN PEER COMPARISON

(Bar Graph, reserves in MMBoe @ 6:1)

### AEC TLM DVN CNQ PCP GOU CXY RES AXL CRS

1254 1094 1056 917 890 814 776 602 573 284

Note: Reflects proved reserves at 12/31/99 adjusted for material acquisitions and divestitures. Represents Pro-forma Devon.

## SLIDE 16 - STRATEGIC RATIONALE

Compelling property fit:

- o U.S. core area overlap
- o Broader international growth platform

Positive financial impact:

- o Per share accretion
- o \$30 - \$35 million annual cost savings

## SLIDE 17 - RESERVES PER COMMON SHARE

(Bar graph showing Devon's Reserves per common share from 1987 to 1999 in Boe)

1987	1988	1989	1990*	1991*	1992*	1993	1994	1995	1996*	1997*	1998*	1999	1999Pro Forma
1.31	2.56	2.61	2.82	3.13	2.96	3.76	4.79	5.18	4.84	4.94	5.61	7.78	8.36

Note: 1987-1997 represents historical Devon as reported prior to 1998 Northstar merger.

## SLIDE 18 - OPERATING RESULTS

### Quarter Ended March 31, 2000

	Actual	Pro Forma	Cost Savings(1)
EBITDA (\$MM)	\$255	\$396	\$404
Cash Margin to Common	\$200	\$321	\$327
Shares O/S (MM)	86.2	126.3	126.3
Cash Margin/Share	\$2.32	\$2.54	\$2.59

(1) Includes estimated annual G&A and LOE savings of \$30 million taxed at 40%.

## SLIDE 19 - FINANCIAL STRENGTH

### Quarter Ended March 31, 2000

	Actual	Pro Forma	Cost Savings(1)
EBITDA (\$MM)	\$255	\$396	\$404
Total Net Debt(2)	\$1,046	\$2,149	\$2,149
EBITDA/Interest	10.1x	10.2x	10.4x
Net Debt/Annualized EBITDA	1.0x	1.4x	1.3x

(1) Includes estimated annual G&A and LOE savings of \$30 million taxed at 40%.

(2) Net of the market value of Devon's 7.1 million shares of Chevron common stock.

## **SLIDE 20 - NORTH AMERICAN OPERATIONS**

Bar charts and map showing Devon's reserves growth (year-end vs. pro forma year-end) in the Rocky Mountains, Permian Basin and the Gulf of Mexico/Gulf Coast.

## **SLIDE 21 - CANADA - OPERATING PROFILE**

- o Gas-focused asset base in western Canada
- o Large, concentrated portfolio of opportunities
- o High impact gas exploration plays
- o Industry leader - low cost operations
- o Consistent track record of growth

## **SLIDE 22 - CANADIAN OPERATIONS**

Map of Canada showing Devon's positions in Alberta and British Columbia.

- o 121 MMBoe proved reserves
- o 2.2 million net undeveloped acres
- o \$2.82/Boe operating costs
- o 202 mmcf/d gas production
- o 16,100 Bbls/d oil production

## **SLIDE 23 - FOOTHILLS - AMOCO JOINT VENTURE**

Map showing foothills acreage position and Westcoast Pipeline.

- o Significant gas potential
- o 600,000 gross acres
- o 4 geological play types
- o Large seismic/technical database
- o 49% interest

## **SLIDE 24 - ROCKY MOUNTAINS**

Map showing Devon and Santa Fe Snyder key properties in the Rocky Mountains.

- o 219 MMBoe Pro Forma
- o Gas leveraged
- o Improving differentials
- o Shared coalbed methane technologies

## **SLIDE 25 - GULF OF MEXICO**

Map showing Devon and Santa Fe Snyder offshore blocks in the Gulf of Mexico.

## **SLIDE 26 - INTERNATIONAL OPERATIONS**

International map showing the countries in which Devon and Santa Fe Snyder have production and/or exploration.

## **SLIDE 27 - INTERNATIONAL RESERVES POSITION**

	Company	Reserves at 12/31/99	% Total Company
	-----	-----	-----
Azerbaijan	DVN	107.7	10.2%
Indonesia	SFS	62.4	5.9%
Argentina	SFS	33.2	3.1%
Brazil	SFS	13.9	1.3%
Gabon	SFS	10.4	1.0%
Other	DVN/SFS	28.7	2.7%
Totals		256.3	24.2%

## SLIDE 28 - AZERBAIJAN

Middle East map showing Azerbaijan and pipelines in the area.

## SLIDE 29 - SOUTHEAST ASIA

Southeast Asia map showing the general location of the following areas: B7/38, PM308, Jabung, Jambi B, Tuban

## SLIDE 30 - SOUTH AMERICA

South America map showing the general location of the following basins: Cuyo Basin, Neuquen Basin, Potiguar Basin, Sergipe-Alagoas Basin, Espirito Santo Basin, Campos Basin, San Jorge Basin

## SLIDE 31 - CAPITAL EXPENDITURES (EXPLORATION & DEVELOPMENT)

(\$MM)

**1996 1997 1998 1999 2000E 2000E**

77 115 275 217 500 900

Note: 1996-1997 represents historical Devon as reported prior to 1998 Northstar merger.

## SLIDE 32 - DECADE OF OPPORTUNITIES

- o 2000 - 1st significant Powder River CBM production
- o 2001 - 1st significant production from Carauna Field
- o 2001 - 2002 - Canadian Foothills discovery on stream
- o 2002 - 2003 - Initial South Sumatra gas production
- o 2003 - Powder River CBM fully on stream
- Initial Pearl River Basin production
- o 2004 - 2006 - Raton Basin CBM peak production
- o 2005 - 2010 - Azerbaijan peak production

## SLIDE 33 - TITLE SLIDE "DEVON ENERGY, CAPP 2000 SYMPOSIUM, JUNE 19-21, 2000"

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**End of Filing**

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