

DEVON ENERGY CORP/DE

FORM 8-K (Current report filing)

Filed 03/03/14 for the Period Ending 02/28/14

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

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): February 28, 2014 (February 28, 2014)

DEVON ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation)

001-32318
(Commission File Number)

73-1567067
(I.R.S. Employer Identification No.)

333 WEST SHERIDAN AVE., OKLAHOMA CITY, OK
(Address of principal executive offices)

73102-5015
(Zip Code)

Registrant's telephone number, including area code: (405) 235-3611

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencements communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.01 Completion of Acquisition or Disposition of Assets.

As previously disclosed, on November 20, 2013, Devon Energy Production Company, L.P., an Oklahoma limited partnership (“Buyer”) and wholly-owned subsidiary of Devon Energy Corporation (the “Company”), entered into a Purchase and Sale Agreement (the “Purchase Agreement”) with GeoSouthern Intermediate Holdings, LLC, a Delaware limited liability company, and, solely with respect to certain sections specified therein, GeoSouthern Energy Corporation, a Texas corporation. Pursuant to the Purchase Agreement, Buyer agreed to acquire (the “Acquisition”) Seller’s interests in certain affiliates (the “Acquired Companies”) that own certain oil and gas properties, leasehold mineral interest and related assets located in the Eagle Ford Formation.

On February 28, 2014, the Acquisition closed as contemplated by the Purchase Agreement. On that date Seller transferred the Acquired Companies to Devon GS Acquisition, L.L.C., an Oklahoma limited liability company and direct wholly-owned subsidiary of Buyer, in exchange for the aggregate purchase price of approximately \$6 billion (the “Purchase Price”). The Purchase Price was funded by the Company with cash on hand and debt financing. Upon closing, a portion of the Purchase Price was placed into escrow for a specified period to fund certain indemnity obligations of Seller under the Purchase Agreement, if any.

Item 7.01 Regulation FD Disclosure

On February 28, 2014, the Company issued a press release announcing the closing of the Acquisition.

The information in Item 7.01 of this Current Report and in Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 7.01 of this Current Report and in Exhibit 99.1 attached hereto shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibits</u>
99.1	Press Release dated February 28, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 28, 2014

Devon Energy Corporation

By: /s/ Carla D. Brockman

Carla D. Brockman

Vice President, Corporate Governance and Secretary

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 28, 2014.



Devon Energy Corporation
 333 West Sheridan Avenue
 Oklahoma City, OK 73102-5015

News Release

Investor Contacts	Scott Coody	405 552 4735
	Shea Snyder	405 552 4782
Media Contact	Chip Minty	405 228 8647

Devon Energy Completes Acquisition of Eagle Ford Assets from GeoSouthern Energy

OKLAHOMA CITY – February 28, 2014 – Devon Energy Corporation (NYSE:DVN) today completed its previously announced acquisition of Eagle Ford assets from GeoSouthern Energy. Devon has acquired 82,000 net acres located in DeWitt and Lavaca counties in Texas. This world-class light-oil position is delivering outstanding well results offering some of the highest rate-of-return drilling opportunities in North America.

“Our Eagle Ford acquisition is one of several bold steps we have recently taken to upgrade our portfolio and improve the growth trajectory and profitability of our business,” said John Richels, president and chief executive officer. “We were able to acquire these premier Eagle Ford assets at a price well below our current EBITDA multiple, resulting in immediate accretion to Devon shareholders on virtually every metric, including cash flow per debt-adjusted share.”

Devon plans to invest approximately \$1.1 billion in the Eagle Ford this year and will drill more than 200 wells. For its 10 months of ownership in the play this year, the company’s net production is expected to average between 70,000 and 80,000 barrels of oil equivalent per day. With the majority of Devon’s Eagle Ford acreage derisked, this opportunity provides low-risk, repeatable oil growth for years to come.

Devon Energy Corporation is an Oklahoma City-based independent energy company engaged in oil and gas exploration and production. Devon is a leading U.S.-based independent oil and gas producer and is included in the S&P 500 Index. For additional information, visit www.devonenergy.com.

This press release includes “forward-looking statements” as defined by the Securities and Exchange Commission (SEC). Such statements are those concerning strategic plans, expectations and objectives for future operations. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company. Statements regarding future drilling and production are subject to all of the risks and uncertainties normally incident to the exploration for and development and production of oil and gas. These risks include, but are not limited to, the volatility of oil, natural gas and NGL prices; uncertainties inherent in estimating oil, natural gas and NGL reserves; the extent to which we are successful in acquiring and discovering additional reserves; unforeseen changes in the rate of production from our oil and gas properties; uncertainties in future exploration and drilling results; uncertainties inherent in estimating the cost of drilling and completing wells; drilling risks; competition for leases, materials, people and capital; midstream capacity constraints and potential interruptions in production; risk related to our hedging activities; environmental risks; political changes; changes in laws or regulations; our limited control over third parties who operate our oil and gas properties; our ability to successfully complete mergers, acquisitions and divestitures; and other risks identified in our Form 10-K and our other filings with the SEC. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements in this press release are made as of the date of this press release, even if subsequently made available by Devon on its website or otherwise. Devon does not undertake any obligation to update the forward-looking statements as a result of new information, future events or otherwise.