

# DEVON ENERGY CORP/DE

## FORM 8-K (Current report filing)

Filed 09/26/01 for the Period Ending 09/25/01

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

## FORM 8-K (Unscheduled Material Events)

Filed 9/26/2001 For Period Ending 9/25/2001

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

# 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): SEPTEMBER 25, 2001

## DEVON ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE  
(State or Other Jurisdiction of  
Incorporation or Organization)

000-30176  
(Commission File Number)

73-1567067  
(I.R.S. Employer  
Identification Number)

20 NORTH BROADWAY, SUITE 1500  
OKLAHOMA CITY, OKLAHOMA  
(Address of Principal Executive Offices)

73102  
(Zip Code)

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

**ITEM 5. OTHER EVENTS**

On September 25, 2001, Devon Energy Corporation announced that it had entered into various financial transactions concerning some of its 2001 and 2002 oil and natural gas production.

The press release is filed as Exhibit 99 to this Current Report on Form 8-K, and the contents of such Exhibit is incorporated by reference.

**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS**

(c) Exhibits

99 Press Release dated September 25, 2001

**SIGNATURES**

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

**DEVON ENERGY CORPORATION**

By: /s/ MARIAN J. MOON

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Marian J. Moon  
Senior Vice President

Date: September 26, 2001

## EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
99	Press Release dated September 25, 2001

**EXHIBIT 99**

**[DEVON ENERGY LETTERHEAD]**

**NEWS RELEASE**

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FOR IMMEDIATE RELEASE

MEDIA CONTACTS: VINCE WHITE  
VP COMMUNICATIONS AND INVESTOR RELATIONS  
(405) 552-4505

INVESTOR CONTACTS: ZACK HAGER  
MANAGER, INVESTOR RELATIONS  
(405) 552-4526

**DEVON ENERGY UPDATES OIL AND GAS HEDGING POSITIONS**

OKLAHOMA CITY, OKLAHOMA, SEPTEMBER 25, 2001 -- Devon Energy Corporation (AMEX: DVN; TSE: NSX) announced today that it has entered into various financial transactions concerning some of its 2001 and 2002 oil and natural gas production. Certain portions of Devon's 2001 and 2002 oil and natural gas production were previously hedged by prior agreements. Devon disclosed those agreements in SEC Form 8-K dated January 29, 2001. The following describes transactions entered into since that previous disclosure and the aggregate effect of all the transactions now in place.

**FIXED PRICES - OIL PRODUCTION**

For the fourth quarter of 2001, Devon recently entered into price swaps covering approximately 15,000 barrels of oil per day at an average price of \$27.10 per barrel. The price swaps will be settled utilizing the monthly average of the closing prices of the New York Mercantile Exchange's (NYMEX) light sweet crude contract.

In aggregate, including previously disclosed transactions, Devon has downside price protection in place for approximately 25,000 barrels per day in the fourth quarter of 2001 at an average price of \$22.96 per barrel. For comparison, Devon's second quarter 2001 actual oil production

was approximately 110,000 barrels of oil per day.

For 2002, Devon recently entered into price swaps covering approximately 8,000 barrels per day at an average price of \$25.50 per barrel. Devon also recently entered into costless collars covering approximately 20,000 barrels per day at average floor and ceiling prices of \$23.00 and \$28.19 per barrel, respectively.

In aggregate, including previously disclosed transactions, Devon has downside price protection in place for approximately 35,000 barrels of oil per day in 2002. This downside protection is at an average price of \$22.36 per barrel.

#### **FIXED PRICES - NATURAL GAS PRODUCTION**

For the fourth quarter of 2001 and the first six months of 2002, Devon recently entered into costless collars covering approximately 149,000 million British thermal units (mmbtu) of natural gas per day. The average floor and ceiling prices for the costless collars are \$2.89 and \$4.39 per mmbtu, respectively. The costless collars will be settled using the first of the month published index prices in the regions in which the gas is produced.

In aggregate, including previously disclosed transactions, Devon has downside price protection in place for approximately 326,000 mmbtu per day in the fourth quarter of 2001 at an average price of \$3.18 per mmbtu. For comparison, Devon's second quarter 2001 actual production was approximately 1,192,000 thousand cubic feet of gas per day.

In aggregate, including previously disclosed transactions, Devon has downside price protection in place for approximately 466,000 mmbtu of gas per day in 2002. This downside price protection is at an average price of \$3.18 per mmbtu.

Devon Energy Corporation is an independent energy company engaged in oil and gas exploration, production and property acquisitions. Devon ranks among the top five U.S.-based independent oil and gas producers and is included in the S&P 500 Index. Shares of Devon Energy Corporation trade on the American Stock Exchange under the symbol DVN. Devon's exchangeable shares (resulting from Northstar, Devon's wholly-owned Canadian operating unit) trade on The Toronto Stock Exchange under the symbol NSX.

#### **NOTICE TO INVESTORS CONCERNING DEVON'S PLANS TO ACQUIRE MITCHELL ENERGY**

Investors and security holders are advised to read the definitive joint proxy statement/prospectus that will be included in the Registration Statement on Form S-4 filed with the Securities and Exchange Commission in connection with the proposed transaction because it will contain important information. A preliminary joint proxy statement/prospectus has been filed with the SEC by Devon and Mitchell. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus and other documents filed by Devon and Mitchell with the SEC at the SEC's web site at [www.sec.gov](http://www.sec.gov). The definitive joint proxy statement/prospectus and such

other documents (relating to Devon) may also be obtained for free from Devon when they become available 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:

judy.roberts@dvn.com. The definitive joint proxy statement/prospectus and such other documents (relating to Mitchell) may also be obtained for free from Mitchell when they become available by directing such request to: Mitchell Energy & Development Corp., 2001 Timberloch Place, The Woodlands, Texas 77380, Attention: Investor Relations, telephone: (713) 377-6625, e-mail: mndpr@mitchellenergy.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 transaction. Information regarding such persons and a description of their interests in the transaction is contained in Devon's Proxy Statements and Annual Reports on Form 10-K filed with the SEC. Additional information regarding the interests of those persons may be obtained by reading the definitive proxy statement/prospectus when it becomes available.

Mitchell, its directors, executive officers and certain members of management and employees may be considered "participants in the solicitation" of proxies from Mitchell's shareholders in connection with the transaction. Information regarding such persons and a description of their interests in the transaction is contained in Mitchell's Proxy Statements and Annual Reports on Form 10-K filed with the SEC. Additional information regarding the interests of those persons may be obtained by reading the definitive proxy statement/prospectus when it becomes available.

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**End of Filing**

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