

DEVON ENERGY CORP/DE

FORM 8-K (Current report filing)

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Address	333 W. SHERIDAN AVENUE OKLAHOMA CITY, OK 73102
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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 report): December 4, 2007 (December 3, 2007)

DEVON ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or Other Jurisdiction of
Incorporation or Organization)

001-32318

(Commission File Number)

73-1567067

(IRS Employer
Identification Number)

20 NORTH BROADWAY, OKLAHOMA CITY, OK

(Address of Principal Executive Offices)

73102

(Zip Code)

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

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-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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NEWS RELEASE

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DEVON ENERGY PROVIDES FORWARD-LOOKING ESTIMATES OF PRODUCTION, RESERVE ADDITIONS AND CAPITAL EXPENDITURES

OKLAHOMA CITY – December 3, 2007 – Devon Energy Corporation (NYSE:DVN) today provided summary estimates of 2007 and 2008 capital expenditures and reserve additions. The company also reconfirmed its oil and gas production guidance for the years 2007, 2008 and 2009. Devon will report its actual results for 2007 and provide detailed forecasts for 2008 in early February 2008.

Production Guidance

As previously announced, Devon continues to expect to produce approximately 57 million oil-equivalent barrels (Boe) from continuing operations in the fourth quarter of 2007. This would represent an eight percent increase compared with Devon's fourth-quarter 2006 production from continuing operations of 52.8 million Boe. Continuing operations excludes production from the company's operations in Africa that it is divesting.

For the full year of 2007, Devon expects to produce approximately 223 million Boe. This represents annual production growth from continuing operations of approximately 11.5 percent. The growth is a result of strong performance from Devon's U.S. onshore properties, a full year of production from the ACG field in Azerbaijan and second-half start-ups of production from the company's Merganser field in the deepwater Gulf of Mexico and the Polvo field offshore Brazil.

Production from continuing operations in 2008 is expected to total 240 million to 247 million Boe. The production growth in 2008 is expected to include additional contributions from onshore properties in both Canada and the U.S., a full year of production from Merganser and continued ramp-up of production from Polvo. Devon expects further production growth in 2009, to an estimated 259 to 274 million Boe.

Strong Drill-Bit Reserve Growth Expected in 2007 and 2008

Drill-bit capital for 2007 is estimated at \$5.7 to \$5.8 billion. Devon estimates that for 2007 its additions to proved reserves will be 350 million to 360 million Boe.

The company expects to post strong reserve growth again in 2008. Devon forecasts proved reserve additions of 390 million to 410 million Boe in the coming year. Drill-bit capital for 2008 is forecast at \$6.1 billion to \$6.4 billion.

Summary Forecasts

Year	\$ Billions	Millions of Oil Equivalent Barrels (MMBoe)	
	Drill-Bit (1) Capital	Reserve (2) Additions	Retained (3) Production
2007	5.7 - 5.8	350 - 360	223
2008	6.1 - 6.4	390 - 410	240-247
2009			259-274

Notes to the table above:

(1) Drill-bit Capital includes exploration and development expenditures, plugging and abandonment charges and capitalized interest and general and administrative costs. Marketing and midstream and corporate capital are excluded.

(2) Reserve Additions include performance revisions but exclude revisions due to changes in oil, natural gas and natural gas liquids prices.

(3) Retained Production excludes production from African properties selected for divestiture.

Devon Energy Corporation is an Oklahoma City-based independent energy company engaged in oil and gas exploration and production. Devon is one of the world's leading independent oil and gas producers 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. Such statements are those concerning forecasts, estimates, expectations and objectives for future operations. 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 production, reserve additions and capital expenditures 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, inflation or lack of availability of goods and services, environmental risks, drilling risks and regulatory changes. 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.

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