

# DEVON ENERGY CORP/DE

## FORM 8-K (Current report filing)

Filed 12/21/01 for the Period Ending 12/20/01

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 12/21/2001 For Period Ending 12/20/2001

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): DECEMBER 20, 2001

## DEVON ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	000-30176	73-1567067
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

**20 NORTH BROADWAY, SUITE 1500**  
**OKLAHOMA CITY, OKLAHOMA 73102**  
(Address of Principal Executive Offices) (Zip Code)

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

**ITEM 5. OTHER EVENTS**

On December 20, 2001, Devon Energy Corporation announced that it had entered into additional hedging transactions covering its first quarter 2002 natural gas production. In addition, the company summarized the aggregate effects of all of its 2002 oil and gas hedges in place.

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 December 20, 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: December 20, 2001*

# INDEX TO EXHIBITS

EXHIBIT  
NUMBER

DESCRIPTION

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99

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Press Release dated December 20, 2001

[DEVON ENERGY LETTERHEAD]

NEWS RELEASE

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Investor contact: Zack Hager  
(405) 552-4526

Media contact: Michael Barrett  
(405) 228-4252

**DEVON ENERGY UPDATES 2002 OIL AND GAS HEDGING POSITION**

OKLAHOMA CITY (Dec. 20, 2001) - Devon Energy Corporation (AMEX: DVN, TSE: NSX) announced today that it has entered into additional hedging transactions covering its first quarter 2002 natural gas production. In addition, the company summarized the aggregate effects of all of its 2002 oil and gas hedges in place. Devon's 2002 hedges include oil and gas price swaps, costless collars and fixed-price agreements.

Gas production

For the first quarter of 2002, Devon recently entered into fixed-price physical delivery contracts for natural gas production in the United States and Canada. In the U. S., the company entered into fixed-price physical delivery contracts covering an additional 116,400 million British thermal units (mmbtu) of natural gas per day at an average price of \$2.65 per mmbtu. In Canada, the company entered into fixed-price physical delivery contracts covering an additional 118,400 mmbtu of natural gas per day at an average price of \$2.46 per mmbtu.

In aggregate, including the recent contracts, Devon has downside price protection in place for about one-half of its expected first quarter 2002 gas production at an average price of \$2.94 per mmbtu. For the full year 2002, Devon has downside price protection in place for approximately 39 percent of its expected gas production at an average price of \$3.02 per mmbtu.

Oil production

In aggregate, Devon has downside price protection in place for approximately 53,200 barrels of oil per day in 2002 at an average price of \$22.34 per barrel. This represents approximately 55 percent of Devon's expected 2002 oil production.

The recent transactions described above update hedges disclosed in Devon's SEC Form 8-K dated Dec. 11, 2001. The expected levels of 2002 oil and gas production referenced above are based upon annual production estimates included in Devon's Form 8-K dated Dec. 11, 2001. These production estimates exclude production attributable to oil and gas properties Devon has designated for disposition in 2002.

This press release includes "forward-looking statements" as defined by the Securities and Exchange Commission. Such statements are those concerning the contemplated transaction and 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. These statements are based on certain assumptions made by the company based on its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. 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 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.

Devon Energy Corporation is an Oklahoma City-based 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.

### **NOTICE TO INVESTORS CONCERNING DEVON'S PROPOSED ACQUISITION OF MITCHELL ENERGY**

Investors and security holders are advised to read the definitive joint proxy statement/prospectus included in the Registration Statement on Form S-4 filed with the Securities and Exchange Commission in connection with the proposed transaction because it contains important information. A 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 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](mailto: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 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](mailto: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.

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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