

# DEVON ENERGY CORP/DE

## FORM 8-K (Current report filing)

Filed 07/27/00 for the Period Ending 07/27/00

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

## FORM 8-K (Unscheduled Material Events)

Filed 7/27/2000 For Period Ending 7/27/2000

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

# 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): JULY 27, 2000

## DEVON ENERGY CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	001-30176	73-1567067
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(COMMISSION FILE NUMBER)	(IRS EMPLOYER IDENTIFICATION NUMBER)

20 NORTH BROADWAY, SUITE 1500, OKLAHOMA CITY, OK 73102  
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (405) 235-3611

PAGE 1 OF 11 PAGES

**ITEM 5. Other Events**

The Company announced net earnings for the quarter ended June 30, 2000 in a press release. Net earnings for the quarter ended June 30, 2000 were \$90.7 million.

**ITEM 7. Financial Statements and Exhibits**

(c) Exhibits

**99 Press Release dated July 27, 2000.**

**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/ Danny J. Heatly

-----  
Danny J. Heatly  
Vice President - Accounting

Date: July 27, 2000

## NEWS RELEASE

### FOR IMMEDIATE RELEASE

CONTACT: ZACK HAGER  
INVESTOR RELATIONS  
(405) 552-4526

DEVON ENERGY'S NET EARNINGS SOAR 460 PERCENT:  
SECOND QUARTER 2000 EARNINGS PER SHARE TOP \$1.00

OKLAHOMA CITY, OKLAHOMA, JULY 27, 2000--Devon Energy Corporation (AMEX: DVN, TSE: NSX) today reported record revenues and net earnings for the quarter ended June 30, 2000. Record second quarter oil and gas production and higher product prices led to the increases in revenues and net earnings. For the quarter ended June 30, 2000, net earnings were \$90.7 million or \$1.02 per common share (\$1.00 per diluted common share). This compares to second quarter 1999 net earnings of \$16.2 million or 33 cents per common share.

Net earnings for the first six months of 2000 were \$151.8 million or \$1.70 per share (\$1.67 per diluted share), also record highs. This compares to net earnings of \$22.2 million or 46 cents per common share in the first six months of 1999.

### HIGHER PRODUCTION AND PRICES PUSH REVENUES TO RECORD LEVELS

Sales of Devon's oil, gas and natural gas liquids (NGLs) were up 281 percent in the second quarter of 2000 to \$389.4 million, another record. This compares with second quarter 1999 sales of oil, gas and NGLs of \$102.1 million. Significant gains in both production and prices contributed to the increase in revenues.

Total production of oil, gas and NGLs was up 111 percent over the second quarter of 1999 to 19.1 million barrels of oil equivalent (Boe). The record pace of year 2000 production growth is largely the result of Devon's August 17, 1999, merger with PennzEnergy Company.

Oil, natural gas and NGLs prices were all dramatically higher in the second quarter of 2000. Devon's second quarter average oil price increased 73 percent from \$14.71 per barrel in 1999 to \$25.47 per barrel in 2000. The average price for Devon's second quarter natural gas production increased 83 percent from \$1.64 per thousand cubic feet in 1999 to \$3.00 per thousand cubic feet in 2000. The average price received for the company's NGLs increased 67 percent from \$11.33 per barrel in 1999 to \$18.87 per barrel in 2000.

Allen Turner, Senior Vice President, remarked, "Many oil and gas companies are reporting earnings growth in this period of robust oil and gas prices. In addition to higher commodity prices, Devon has enjoyed strong production growth. The expansion brought by the PennzEnergy merger late last year is the largest contributing factor.

"However, we are also quite pleased with the production growth in our Gulf of Mexico/Gulf Coast division during the last three months. In this particular geologic area it can be difficult to offset normal production decline. In the most recent quarter, we not only sustained production in this area, we actually grew production. Second quarter 2000 production for this division was eight percent higher than in the first quarter of this year.

"In many of our previous mergers and acquisitions, we have gained not only existing production, but also exploitation opportunities. This is proving true with the PennzEnergy assets, particularly in the Gulf of Mexico."

### PENNZENERGY MERGER INCREASES EXPENSES; BUT PRE-TAX EARNINGS STILL RISE

In addition to driving revenues higher, the PennzEnergy merger caused expenses to rise. Total pre-tax expenses jumped \$170.3 million to \$247.5 million for the second quarter of 2000. However, this expense increase was far less than the \$296.5 million revenue gain. As a result, pre-tax earnings rose 466 percent in the second quarter to \$153.4 million.

Nonetheless, most of Devon's expenses were higher, reflecting the expanded scope of operations. Lease operating expenses increased 161 percent in the most recent quarter to \$70.8 million. Production taxes were up 230 percent to \$11.4 million in the second quarter of 2000. Second quarter depreciation, depletion and amortization of property and equipment increased \$77.4 million to \$113.2 million in 2000. General and administrative expenses increased by \$9.2 million to \$16.1 million in the most recent quarter. Total second quarter financing costs increased by \$21.7 million to \$25.7 million in 2000.

### INCOME TAXES

Income tax expense for the most recent quarter was \$62.6 million or 41 percent of pre-tax earnings. This compares to second quarter 1999 income tax expense of \$10.9 million or 40 percent of pre-tax earnings. Approximately \$29.0 million of second quarter 2000 income tax

expense was deferred, not requiring the use of cash.

## **ZERO COUPON CONVERTIBLE DEBENTURES ISSUED AT ATTRACTIVE INTEREST RATE**

On June 22, 2000, the company announced a private placement of 20-year zero coupon convertible debentures. Net proceeds of the issue were approximately \$346 million. Devon intends to use the proceeds to repay higher cost existing debt and for other corporate purposes. The effective interest rate on the debentures is 3.875 percent per annum. Because the debentures bear no coupon interest rate, there are no cash interest payments required until redemption. Each debenture, which was priced at \$464.13, is convertible into 5.7593 shares of Devon common stock.

## **MERGER WITH SANTA FE SNYDER ON SCHEDULE**

Devon's proposed merger with Santa Fe Snyder Corporation, originally announced on May 26, 2000, has moved a step closer to completion. As reported on July 13, 2000, the Registration Statement on Form S-4 was declared effective by the SEC on July 12, 2000. Definitive proxy materials were filed with the SEC on July 21, 2000. Distribution of printed proxy materials began on July 25, 2000. Shareholders of each company will meet on August 29, 2000 to vote on the merger. Assuming shareholders of both companies approve the transaction, completion of the merger will follow shortly thereafter. The merger of Devon and Santa Fe Snyder will make Devon one of the five largest independent oil and gas companies based in the United States.

This press release includes "forward-looking statements" as defined by the Securities and Exchange Commission. Such statements are those concerning the company's plans, expectations and objectives for future operations. All statements included in this press release, other than statements of historical facts, 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. 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 independent energy company engaged in oil and gas property acquisition, exploration and production. It is one of the top 10 public independent oil and gas companies based in the United States, as measured by oil and gas reserves. Devon's Canadian operations are conducted by its subsidiary, Northstar Energy Corporation. Shares of Devon Energy Corporation trade on the American Stock Exchange under the symbol DVN.

## **INVESTOR NOTICES**

INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE JOINT PROXY STATEMENT/ PROSPECTUS INCLUDED IN THE REGISTRATION STATEMENT ON FORM S-4 FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED MERGER BECAUSE IT CONTAINS IMPORTANT INFORMATION. THE JOINT PROXY STATEMENT/PROSPECTUS HAS BEEN 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 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 77024, 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 the joint proxy statement/prospectus and 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 the joint proxy statement/prospectus and Santa Fe Snyder's filing with the SEC under Rule 14a-12 on May 26, 2000.

## **FINANCIAL INFORMATION FOLLOWS**

**DEVON ENERGY CORPORATION**  
**STATEMENT OF OPERATIONS DATA (US\$)**  
(IN THOUSANDS, EXCEPT PER SHARE AND % CHANGE DATA)

	QUARTER ENDED JUNE 30,			SIX MONTHS ENDED JUNE 30,		
	2000	1999	% CHANGE	2000	1999	% CHANGE
Oil sales	\$148,249	\$36,871	302%	\$293,793	\$64,784	353%
Gas sales	210,754	59,387	255%	366,286	112,938	224%
Natural gas liquids sales	30,433	5,835	422%	65,703	9,764	573%
Other	11,407	2,219	414%	22,772	4,092	457%
Total revenues	\$400,843	\$104,312	284%	\$748,554	\$191,578	291%
Net earnings	\$90,734	\$16,209	460%	\$151,821	\$22,189	584%
Net earnings applicable to common shareholders	\$88,300	\$16,209	445%	\$146,953	\$22,189	562%
Net earnings per common share						
Basic	\$1.02	\$0.33	209%	\$1.70	\$0.46	270%
Diluted	\$1.00	\$0.33	203%	\$1.67	\$0.46	263%
Weighted average common shares outstanding						
Basic	86,756	48,679	78%	86,481	48,575	78%

BALANCE SHEET DATA (US\$)  
(IN THOUSANDS, EXCEPT % CHANGE DATA)

	JUNE 30, 2000	DECEMBER 31, 1999	% CHANGE
Total assets	\$4,827,936	\$4,623,160	4%
Debentures exchangeable into shares of Chevron Corporation common stock	\$760,313	\$760,313	--%
Senior convertible debentures	\$352,853	-	NM
Other long-term debt	\$672,661	\$1,026,808	-34%
Stockholders' equity	\$2,177,620	\$2,025,520	8%
Working capital	\$356,097	\$189,750	88%
Common shares outstanding	\$86,982	86,085	1%

**NM Not Meaningful**

###

**DEVON ENERGY CORPORATION**  
**STATEMENT OF OPERATIONS DATA (US\$)**  
(IN THOUSANDS, EXCEPT PER SHARE AND % CHANGE DATA)

	QUARTER ENDED JUNE 30,			SIX MONTHS ENDED JUNE 30,		
	2000	1999	% CHANGE	2000	1999	% CHANGE
Oil sales	\$148,249	\$36,871	302%	\$293,793	\$64,784	353%
Gas sales	210,754	59,387	255%	366,286	112,938	224%
Natural gas liquids sales	30,433	5,835	422%	65,703	9,764	573%
Other	11,407	2,219	414%	22,772	4,092	457%
Total revenues	\$400,843	\$104,312	284%	\$748,554	\$191,578	291%
Net earnings	\$90,734	\$16,209	460%	\$151,821	\$22,189	584%
Net earnings applicable to common shareholders	\$88,300	\$16,209	445%	\$146,953	\$22,189	562%
Net earnings per common share						
Basic	\$1.02	\$0.33	209%	\$1.70	\$0.46	270%
Diluted	\$1.00	\$0.33	203%	\$1.67	\$0.46	263%
Weighted average common shares outstanding						
Basic	86,756	48,679	78%	86,481	48,575	78%

BALANCE SHEET DATA (US\$)  
(IN THOUSANDS, EXCEPT % CHANGE DATA)

	JUNE 30, 2000	DECEMBER 31, 1999	% CHANGE
Total assets	\$4,827,936	\$4,623,160	4%
Debentures exchangeable into shares of Chevron Corporation common stock	\$760,313	\$760,313	--%
Senior convertible debentures	\$352,853	-	NM
Other long-term debt	\$672,661	\$1,026,808	-34%
Stockholders' equity	\$2,177,620	\$2,025,520	8%
Working capital	\$356,097	\$189,750	88%
Common shares outstanding	\$86,982	86,085	1%

**NM Not Meaningful**

###



**DEVON ENERGY CORPORATION**  
**SUPPLEMENT TO NEWS RELEASE OF JULY 27, 2000**  
**UNAUDITED QUARTERLY INFORMATION**

PAGE 1 OF 5

PRODUCTION DATA (net of royalties)	QUARTER ENDED JUNE 30,			SIX MONTHS ENDED JUNE 30,		
	2000	1999	% CHANGE	2000	1999	% CHANGE
<b>TOTAL PERIOD PRODUCTION</b>						
Gas (Bcf)						
U.S.- Northern	28.7	16.4	75%	58.8	32.3	82%
U.S.- Southern	25.1	0.5	NM	47.4	1.0	NM
Canada	16.4	19.4	-15%	32.8	38.1	-14%
<b>Total Gas</b>	<b>70.2</b>	<b>36.3</b>	<b>93%</b>	<b>139.0</b>	<b>71.4</b>	<b>95%</b>
Oil (MBbls)						
U.S.- Northern	2,889	1,222	136%	5,733	2,513	128%
U.S.- Southern	1,413	9	NM	2,764	17	NM
Canada	1,162	1,275	-9%	2,364	2,541	-7%
Other International	357	-	NM	655	-	NM
<b>Total Oil</b>	<b>5,821</b>	<b>2,506</b>	<b>132%</b>	<b>11,516</b>	<b>5,071</b>	<b>127%</b>
Natural Gas Liquids (MBbls)						
U.S.- Northern	1,083	351	209%	2,235	665	236%
U.S.- Southern	362	-	NM	812	-	NM
Canada	168	164	2%	342	326	5%
<b>Total Natural Gas Liquids</b>	<b>1,613</b>	<b>515</b>	<b>213%</b>	<b>3,389</b>	<b>991</b>	<b>242%</b>
<b>AVERAGE DAILY PRODUCTION</b>						
Gas (Mcf)						
U.S.- Northern	315,181	180,582	75%	323,188	178,431	81%
U.S.- Southern	276,074	5,495	NM	260,553	5,547	NM
Canada	180,308	212,604	-15%	180,143	210,541	-14%
<b>Total Gas</b>	<b>771,563</b>	<b>398,681</b>	<b>94%</b>	<b>763,884</b>	<b>394,519</b>	<b>94%</b>
Oil (Bbls)						
U.S.- Northern	31,750	13,428	136%	31,500	13,884	127%
U.S.- Southern	15,533	99	NM	15,188	94	NM
Canada	12,769	14,011	-9%	12,989	14,039	-7%
Other International	3,918	-	NM	3,598	-	NM
<b>Total Oil</b>	<b>63,970</b>	<b>27,538</b>	<b>132%</b>	<b>63,275</b>	<b>28,017</b>	<b>126%</b>
Natural Gas Liquids (Bbls)						
U.S.- Northern	11,904	3,857	209%	12,280	3,674	234%
U.S.- Southern	3,978	-	NM	4,459	-	NM
Canada	1,846	1,802	2%	1,879	1,801	4%
<b>Total Natural Gas Liquids</b>	<b>17,728</b>	<b>5,659</b>	<b>213%</b>	<b>18,618</b>	<b>5,475</b>	<b>240%</b>

NM: Not meaningful.

**DEVON ENERGY CORPORATION**  
**SUPPLEMENT TO NEWS RELEASE OF JULY 27, 2000**  
**UNAUDITED QUARTERLY INFORMATION**

PAGE 2 OF 5

PRICE DATA	QUARTER ENDED JUNE 30,			SIX MONTHS ENDED JUNE 30,		
	2000	1999	% CHANGE	2000	1999	% CHANGE
<b>AVERAGE REALIZED PRICES (US\$)</b>						
Gas (\$/Mcf)						
U.S.- Northern	\$ 3.15	\$ 1.91	65%	\$ 2.73	\$ 1.82	50%

U.S.- Southern	\$ 3.41	\$ 2.02	69%	\$ 2.99	\$ 1.85	62%
Canada	\$ 2.10	\$ 1.39	51%	\$ 1.95	\$ 1.37	42%
All Gas	\$ 3.00	\$ 1.64	83%	\$ 2.63	\$ 1.58	66%
Oil (\$/Bbl)						
U.S.- Northern	\$ 27.64	\$ 16.19	71%	\$27.55	\$ 13.61	102%
U.S.- Southern	\$ 26.89	\$ 14.56	85%	\$27.09	\$ 12.12	124%
Canada	\$ 23.02	\$ 13.29	73%	\$23.38	\$ 11.96	95%
Other International	\$ 10.21	-	NM	\$ 8.69	-	NM
All Oil	\$ 25.47	\$ 14.71	73%	\$25.51	\$ 12.78	100%
Natural Gas Liquids (\$/Bbl)						
U.S.- Northern	\$ 17.83	\$ 10.49	70%	\$17.57	\$ 9.33	88%
U.S.- Southern	\$ 19.24	NM	NM	\$22.07	NM	NM
Canada	\$ 24.78	\$ 13.11	89%	\$24.95	\$ 10.92	128%
All Liquids	\$ 18.87	\$ 11.33	67%	\$19.39	\$ 9.85	97%
AVERAGE BENCHMARK PRICES (US\$)						
Gas (\$/Mcf) - Texas Gulf Coast Index	\$ 3.35	\$ 2.07	62%	\$ 2.89	\$ 1.86	55%
Gas (\$/Mcf) - NYMEX	\$ 3.44	\$ 2.15	60%	\$ 2.99	\$ 1.95	53%
Oil (\$/Bbl) - West Texas Intermediate	\$25.95	\$ 15.10	72%	\$25.94	\$ 12.75	103%

**DEVON ENERGY CORPORATION**  
**SUPPLEMENT TO NEWS RELEASE OF JULY 27, 2000**  
**UNAUDITED QUARTERLY INFORMATION**

PAGE 3 OF 5

STATEMENT OF OPERATIONS DATA (US\$)	QUARTER ENDED JUNE 30,			SIX MONTHS ENDED JUNE 30,		
	2000	1999	% CHANGE	2000	1999	% CHANGE
(IN THOUSANDS, EXCEPT PER SHARE AND % CHANGE DATA)						
TOTAL REVENUES (NET OF ROYALTIES)	\$ 400,843	\$ 104,312	284%	\$ 748,554	\$ 191,578	291%
Oil sales	148,249	36,871	302%	293,793	64,784	353%
Gas sales	210,754	59,387	255%	366,286	112,938	224%
Natural gas liquids sales	30,433	5,835	422%	65,703	9,764	573%
Other	11,407	2,219	414%	22,772	4,092	457%
TOTAL PRE-TAX EXPENSES	\$ 247,474	\$ 77,221	220%	\$ 487,005	\$ 153,323	218%
Lease operating expenses	70,794	27,100	161%	136,687	54,520	151%
Production taxes	11,370	3,446	230%	21,790	6,415	240%
Total production and operating expenses	82,164	30,546	169%	158,477	60,935	160%
Depreciation, depletion and amortization of property & equipment	113,151	35,763	216%	221,703	69,321	220%
Amortization of goodwill	10,361	-	NM	20,693	-	NM
General and administrative expenses	16,123	6,952	132%	32,773	13,175	149%
Interest expense	25,675	7,115	261%	50,951	13,779	270%
Deferred effects of change in currency rates on subsidiary's long-term debt	-	(5,585)	NM	2,408	(8,746)	NM
Distributions on preferred securities	-	2,430	-100%	-	4,859	-100%
EARNINGS BEFORE INCOME TAXES	153,369	27,091	466%	261,549	38,255	584%
TOTAL INCOME TAX EXPENSE	62,635	10,882	476%	109,728	16,066	583%
Current	33,658	2,399	1303%	63,505	4,302	1376%
Deferred	28,977	8,483	242%	46,223	11,764	293%
NET EARNINGS	\$ 90,734	\$ 16,209	460%	\$ 151,821	\$ 22,189	584%
NET EARNINGS APPLICABLE TO COMMON STOCKHOLDERS	\$ 88,300	\$ 16,209	445%	\$ 146,953	\$ 22,189	562%
EARNINGS PER COMMON SHARE						
Basic	\$ 1.02	\$ 0.33	209%	\$ 1.70	\$ 0.46	270%
Diluted	\$ 1.00	\$ 0.33	203%	\$ 1.67	\$ 0.46	263%
WEIGHTED AVERAGE SHARES OUTSTANDING						
Basic	86,756	48,679	78%	86,481	48,575	78%

PRO FORMA STATEMENT of OPERATIONS and PRODUCTION DATA (US\$) (1)  
(in thousands, except per share and % change data)

Quarter Ended June 30,

Six Months Ended June 30,

	2000	1999	% Change	2000	1999	% Change
Total Revenues (net of royalties)	\$ 637,943	\$216,912	194%	\$ 1,188,354	\$372,778	219%
Oil sales	272,649	98,171	178%	540,593	167,484	223%
Gas sales	319,054	107,887	196%	552,086	186,238	196%
Natural gas liquids sales	33,533	7,935	323%	70,903	13,564	423%
Other	12,707	2,919	335%	24,772	5,492	351%
Total Pre-Tax Expenses	\$ 383,474	\$636,221	-40%	\$ 754,305	\$781,923	-4%
Lease operating expenses	114,494	59,600	92%	223,887	115,820	93%
Production taxes	21,470	6,246	244%	39,990	12,215	227%
Total production and operating expenses	135,964	65,846	106%	263,877	128,035	106%
Depreciation, depletion and amortization of property & equipment	172,251	60,063	187%	337,503	119,821	182%
Amortization of goodwill	10,361	-	NM	20,693	-	NM
General and administrative expenses	24,023	15,452	55%	48,873	26,775	83%
Expenses related to prior merger	-	16,800	-100%	-	16,800	-100%
Interest expense	40,875	17,415	135%	80,951	30,579	165%
Deferred effects of change in currency rates on subsidiary's long-term debt	-	(5,585)	NM	2,408	(8,746)	NM
Distributions on preferred securities	-	2,430	-100%	-	4,859	-100%
Reduction in carrying value of oil and gas properties	-	463,800	-100%	-	463,800	-100%
Earnings (Loss) Before Income Taxes	254,469	(419,309)	NM	434,049	(409,145)	NM
Total Income Tax Expense	101,135	(137,018)	NM	175,528	(133,434)	NM
Current	36,358	1,799	1921%	72,505	4,402	1547%
Deferred	64,777	(138,817)	NM	103,023	(137,836)	NM
Net Earnings (Loss) Before Extraordinary Item	153,334	(282,291)	NM	258,521	(275,711)	NM
Extraordinary item	-	4,200	-100%	-	4,200	-100%
Net Earnings (Loss)	\$ 153,334	\$ (286,491)	NM	\$ 258,521	\$ (279,911)	NM
Net Earnings (Loss) Applicable to Common						
Stockholders	\$ 150,900	\$ (286,491)	NM	\$ 253,653	\$ (279,911)	NM
Earnings (Loss) per Common Share						
Basic before extraordinary item	\$ 1.19	\$ (3.50)	NM	\$ 2.00	\$ (3.64)	NM
Basic after extraordinary item	\$ 1.19	\$ (3.55)	NM	\$ 2.00	\$ (3.69)	NM
Diluted before extraordinary item	\$ 1.17	\$ (3.50)	NM	\$ 1.97	\$ (3.64)	NM
Diluted after extraordinary item	\$ 1.17	\$ (3.55)	NM	\$ 1.97	\$ (3.69)	NM
Weighted Average Shares Outstanding						
Basic	126,994	80,645	57%	126,675	75,833	67%
Production Data:						
Oil (MBbls)	11,179	7,726	45%	22,094	12,877	72%
Gas (MMcf)	106,201	71,235	49%	209,970	113,264	85%
NGLs (MBbls)	1,762	673	162%	3,696	1,523	143%
Mboe	30,641	20,272	51%	60,785	33,277	83%

(1) Prepared under the pooling-of-interests method of accounting for business combinations which combines the results of both Devon and Santa Fe Snyder as if the two companies had always been combined. Santa Fe Snyder's historical financial data has been restated to conform to Devon's accounting policies. The pro forma information is presented for illustrative purposes only. If the merger had occurred in the past, the combined company's operating results might have been different from those presented. Please refer to Form 10-Q for the period ended June 30, 2000 for a more complete discussion of pro forma information.

DEVON ENERGY CORPORATION  
SUPPLEMENT TO NEWS RELEASE OF JULY 27, 2000  
UNAUDITED QUARTERLY INFORMATION  
Page 5 of 5

BALANCE SHEET DATA (US\$)

(in thousands, except % change data)

	June 30, 2000	December 31, 1999	% Change
Total Assets	\$ 4,827,936	\$ 4,623,160	4%
Cash and cash equivalents	298,971	167,167	79%
Other current assets	329,671	250,027	32%
Total current assets	628,642	417,194	51%
Property and equipment (net)	3,179,761	3,155,920	1%

Investment in Chevron Corporation common stock	601,527	614,382	-2%
Goodwill, net of amortization	299,481	322,800	-7%
Other assets	118,525	112,864	5%
<b>Total Liabilities</b>	<b>\$ 2,650,316</b>	<b>\$ 2,597,640</b>	<b>2%</b>
Current liabilities	272,545	227,444	20%
Other liabilities	160,062	192,210	-17%
Debentures exchangeable into shares of Chevron Corporation common stock	760,313	760,313	--%
Senior convertible debentures	352,853	-	NM
Other long-term debt	672,661	1,026,808	-34%
Deferred income taxes	431,882	390,865	10%
<b>Stockholders' equity</b>	<b>\$ 2,177,620</b>	<b>\$ 2,025,520</b>	<b>8%</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>\$ 4,827,936</b>	<b>\$ 4,623,160</b>	<b>4%</b>
<b>Common Shares Outstanding</b>	<b>86,982</b>	<b>86,085</b>	<b>1%</b>

STATEMENT of CASH FLOWS DATA (US\$)  
(in thousands, except % change data)

Six Months Ended June 30,

	2000	1999	% Change
	----	----	-----
<b>Cash Flows From Operating Activities</b>			
Net earnings	\$ 151,820	\$ 22,189	584%
Depreciation, depletion and amortization of property and equipment	221,703	69,321	220%
Amortization of goodwill	20,693	-	NM
Amortization of debt premium, net	(1,932)	-	NM
Deferred effect of changes in currency rates on subsidiary's long-term debt	2,408	(8,746)	NM
Loss (gain) on sale of assets	44	(33)	NM
Deferred income taxes	46,223	11,764	293%
Changes in assets and liabilities net of effects in acquisitions of businesses	(59,418)	(8,584)	592%
<b>Net cash provided by operating activities</b>	<b>\$ 381,541</b>	<b>\$ 85,911</b>	<b>344%</b>
<b>Cash Flows From Investing Activities</b>			
Capital Expenditures	(303,826)	(139,895)	117%
Other	42,850	5,476	683%
<b>Net cash used by investing activities</b>	<b>\$ (260,976)</b>	<b>\$ (134,419)</b>	<b>94%</b>
<b>Cash Flows From Financing Activities</b>			
Net cash provided by financing activities	\$ 12,003	\$ 43,281	-72%

End of Filing

Powered By **EDGAR**  
Online

© 2005 | EDGAR Online, Inc.