

# DEVON ENERGY CORP /OK/

## FORM 8-K (Current report filing)

Filed 07/22/99 for the Period Ending 07/15/99

Address	20 N BROADWAY STE 1500 OKLAHOMA CITY, OK 73102-8260
Telephone	4052353611
CIK	0000837330
SIC Code	1311 - Crude Petroleum and Natural Gas
Fiscal Year	12/31

# DEVON ENERGY CORP /OK/

## FORM 8-K (Unscheduled Material Events)

Filed 7/22/1999 For Period Ending 7/15/1999

Address	20 N BROADWAY STE 1500 OKLAHOMA CITY, Oklahoma 73102-8260
Telephone	405-235-3611
CIK	0000837330
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 15, 1999

## DEVON ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

OKLAHOMA	1-10067	73-1474008
(State or Other Jurisdiction of Employer Incorporation or Organization)	(Commission File Number)	(I.R.S. 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

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## **Item 5. Other Events**

On December 31, 1996, Devon Energy Corporation ("Devon") acquired the North American onshore oil and gas exploration and production properties and business of Kerr-McGee Corporation ("Kerr-McGee") in exchange for 9,954,000 shares of Devon common stock. Because of Kerr-McGee's relatively large ownership position, Devon and Kerr-McGee entered into two agreements, both dated December 31, 1996, to define and limit their respective rights and obligations. These two agreements are called the Stock Rights and Restrictions Agreement and the Registration Rights Agreement.

On July 15, 1999, Devon executed an agreement (the "Termination Agreement") with Kerr-McGee. The Termination Agreement provides for, among other things, the termination of the Stock Rights and Restriction Agreement upon the effectiveness of the pending merger of Devon Energy Corporation and PennzEnergy Company. A copy of the Termination Agreement is filed herewith as exhibit 4.

## **Item 7. Financial Statements and Exhibits**

(c) Exhibits

4. Termination Agreement, dated July 15, 1999

### **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: Marian J. Moon  
Marian J. Moon  
Corporate Secretary

Date: July 15, 1999

## Exhibit 4

### AGREEMENT

Agreement dated as of July 15, 1999 by and among Devon Energy Corporation, an Oklahoma corporation ("Devon"), Devon Delaware Corporation, a Delaware corporation ("Newco"), and Kerr- McGee Corporation, a Delaware corporation ("Kerr-McGee").

Whereas, Devon and Kerr-McGee are parties to a Stock Rights and Restrictions Agreement ("Standstill Agreement") and a Registration Rights Agreement ("Registration Agreement"), both dated as of December 31, 1996;

Whereas, Kerr-McGee proposes to make a public offering of an issue of Exchangeable Notes which at Kerr-McGee's option would be exchangeable for shares of Devon Common Stock;

Whereas, pursuant to the Registration Agreement, Kerr-McGee has requested Devon to register for sale with the Securities and Exchange Commission shares of Devon Common Stock currently held by Kerr-McGee which would be exchangeable for the Kerr-McGee Exchangeable Notes; and

Whereas, on May 19, 1999, Messrs. Luke R. Corbett, Tom J. McDaniel and Lawrence H. Towell, Directors of Devon nominated by Kerr-McGee, did resign from the Devon Board of Directors and Kerr- McGee thereby terminated its status as an affiliate of Devon.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

1. Devon hereby irrevocably instructs Bank Boston N.A., as Transfer Agent of Devon Common Stock, on the effective date of the Merger (as hereinafter defined) upon presentation by Kerr- McGee to Bank Boston N.A. of a certificate or certificates representing the shares of Devon Common Stock owned by Kerr-McGee to issue new share certificates to replace the presented certificates as directed by Kerr-McGee, without any legends, and to promptly return the new certificates to Kerr-McGee.
2. The Standstill Agreement shall terminate, without any further action by the parties hereto, upon the effectiveness of the merger (or other business combination) of Devon and PennzEnergy Company, a Delaware corporation ("PZE") pursuant to the Amended and Restated Agreement and Plan of Merger dated as of May 19, 1999 among Devon, Newco, Devon Oklahoma Corporation and PZE as such agreement may be amended or superseded. (Such merger or business combination is referred to as the "Merger.")
3. Devon and Newco hereby covenant and agree that the rights under any shareholder rights plan that Newco or any other corporation which issues shares in exchange for shares of Devon Common Stock in the Merger, will have, or adopt, will not become exercisable solely as a result of Kerr- McGee acquiring shares pursuant to the Merger, provided that between the date hereof and the effective time of the Merger, neither Kerr-McGee nor any of its controlled subsidiaries acquires by purchase any shares of Devon Common Stock.
4. Provided Kerr-McGee does not, by purchase, increase the percentage of outstanding shares of Devon or Newco Common Stock owned by it, Devon and Newco each agree that it will not take the position in any filings with the Securities and Exchange Commission or otherwise that Kerr-McGee is an affiliate of Devon or Newco.
5. Upon the effectiveness of the Merger, the Registration Agreement is hereby amended to delete Section 5 thereof entitled "Stock Rights and Restrictions Agreement" and, as so amended, shall continue in force and effect in accordance with its terms.
6. Devon and Newco agree that in connection with the proposed Kerr-McGee public offering of an issue of Exchangeable Notes, referred to above, they will execute and deliver an underwriting agreement in the form thereof attached hereto as Exhibit A with such changes therein as may be agreed to by Kerr- McGee and the underwriters which do not change in any material respect provisions thereof related to Devon and Newco and further provided that the terms of the Exchangeable Notes, size and the timing of the offering, pricing, underwriters discount and selling commissions shall be determined by Kerr-McGee and the underwriters.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written by their respective officers thereunder duly authorized.

#### DEVON ENERGY CORPORATION

By: /s/ Duke R. Ligon  
Vice President

#### DEVON DELAWARE CORPORATION

By: /s/ H. Allen Turner  
Vice President

**KERR-MCGEE CORPORATION**

By: /s/ Gregory F. Pilcher  
Vice President

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**End of Filing**

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