



Citi Global Energy Conference

June 7, 2012

Investor Notices

Safe Harbor

Information provided in this presentation includes “forward-looking statements” as defined by the Securities and Exchange Commission. Forward-looking statements are identified as “forecasts, projections, estimates, plans, expectations, targets, etc.” and are subject to a variety of risk factors. For representative risk factors that could cause Devon’s actual results to differ materially from the forward-looking statements contained herein, see Form 8-K filed February 15, 2012.

Cautionary Note to Investors

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC's definitions for such terms, and price and cost sensitivities for such reserves, and prohibits disclosure of resources that do not constitute such reserves. This presentation may contain certain terms, such as resource potential and exploration target size. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realized. The SEC guidelines strictly prohibit us from including these estimates in filings with the SEC. Investors are urged to consider closely the disclosure in our Form 10-K for the fiscal year ended December 31, 2011, available from us at Devon Energy Corporation, Attn. Investor Relations, 333 West Sheridan, Oklahoma City, OK 73102. You can also obtain this form from the SEC by calling 1-800-SEC-0330 or from the SEC’s website at www.sec.gov.

Devon Today

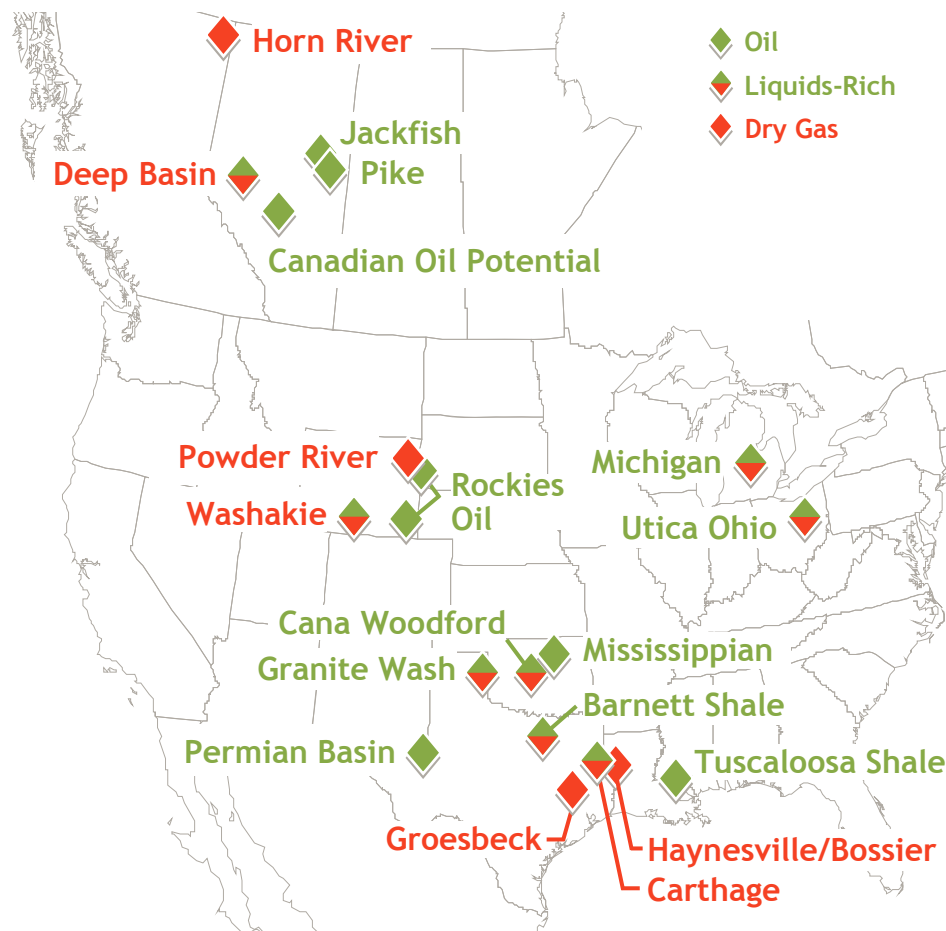
Proved reserves: ≈ 3.0 billion BOE
(42% liquids)

Q1 2012 production: 694 MBOED

Production mix: 21% oil
16% NGLs
63% natural gas

Significant midstream business
2012e operating profit: $\approx \$450$ million

Enterprise value: $\approx \$25$ billion



Devon's Strengths

Committed to delivering:

- Top-quartile per share results
- Strong full-cycle returns

Deep inventory of repeatable opportunities in current environment

Strong, highly-visible oil and liquids growth

Significant upside from exploration prospects

Superior financial strength and flexibility

Financial Strength & Flexibility

Cash and short-term investments: \$7.7 billion
(As of 5/2/12)

Net debt-to-cap ratio: 11%⁽¹⁾

Strong investment grade ratings

- Fitch: BBB+
- Moody's: Baa1
- S&P: BBB+

Disciplined hedging program

Providing flexibility to invest in high-return projects in all market cycles



Note: Includes a non-GAAP measure, see appendix for required disclosures.

(1) Pro forma for closing of Sinopec transaction as of 3/31/12.

Capital Allocation Criteria

E&P capital projects

- Balancing resource capture and development
(Exploration & leasehold capital: $\approx 20\%$ of E&P capital since 2009)

Debt reduction

- Reduced net debt by $> \$4$ billion since 2003⁽¹⁾

Share repurchases

- Reduced net share count by $\approx 20\%$ since 2004

Dividends

- Average annual increase of 26% since 2004

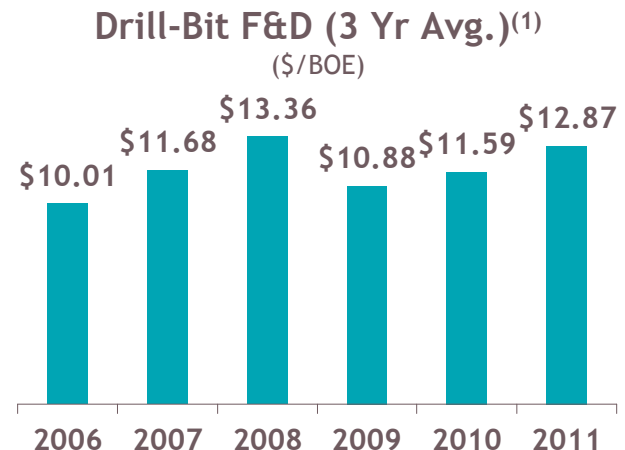
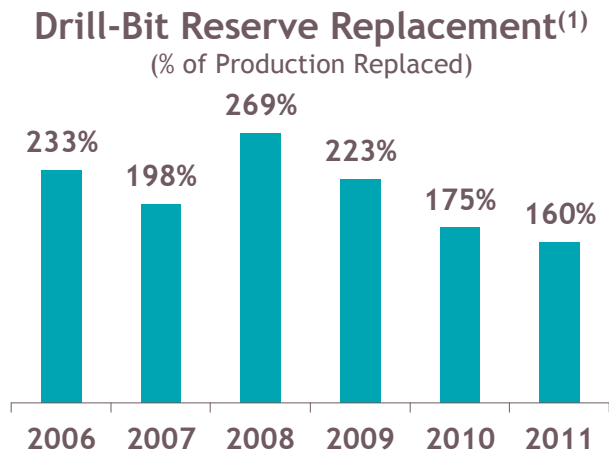
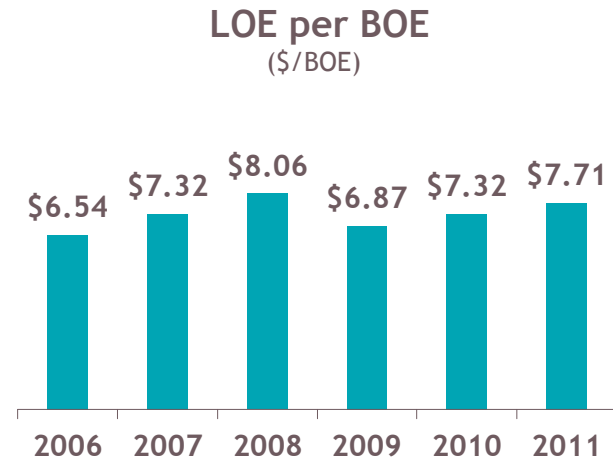
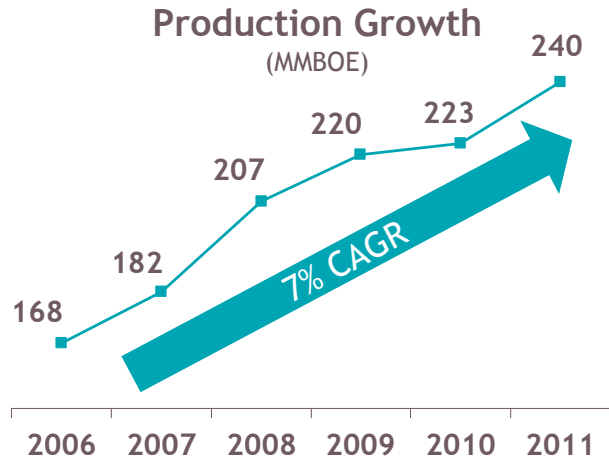
Note: Includes a non-GAAP measure, see appendix for required disclosures.

(1) Pro forma for closing of Sinopec transaction as of 3/31/12.



Focused on High-Return Growth

North American Onshore Historical Performance



Note: Includes a non-GAAP measure, see appendix for required disclosures.

(1) Excludes price revisions

Devon's Recycle Ratio

North America Onshore

Full-Year 2011 Results

	\$ Per BOE
Revenue (excluding hedges)	\$ 36.90
Cash costs ⁽¹⁾	(12.78)
Midstream capital	(1.39)
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Cash margin per BOE	\$ 22.73
3-yr drilling F&D (includes performance revisions)	\$ 12.87
Unit cash margin / F&D	177%

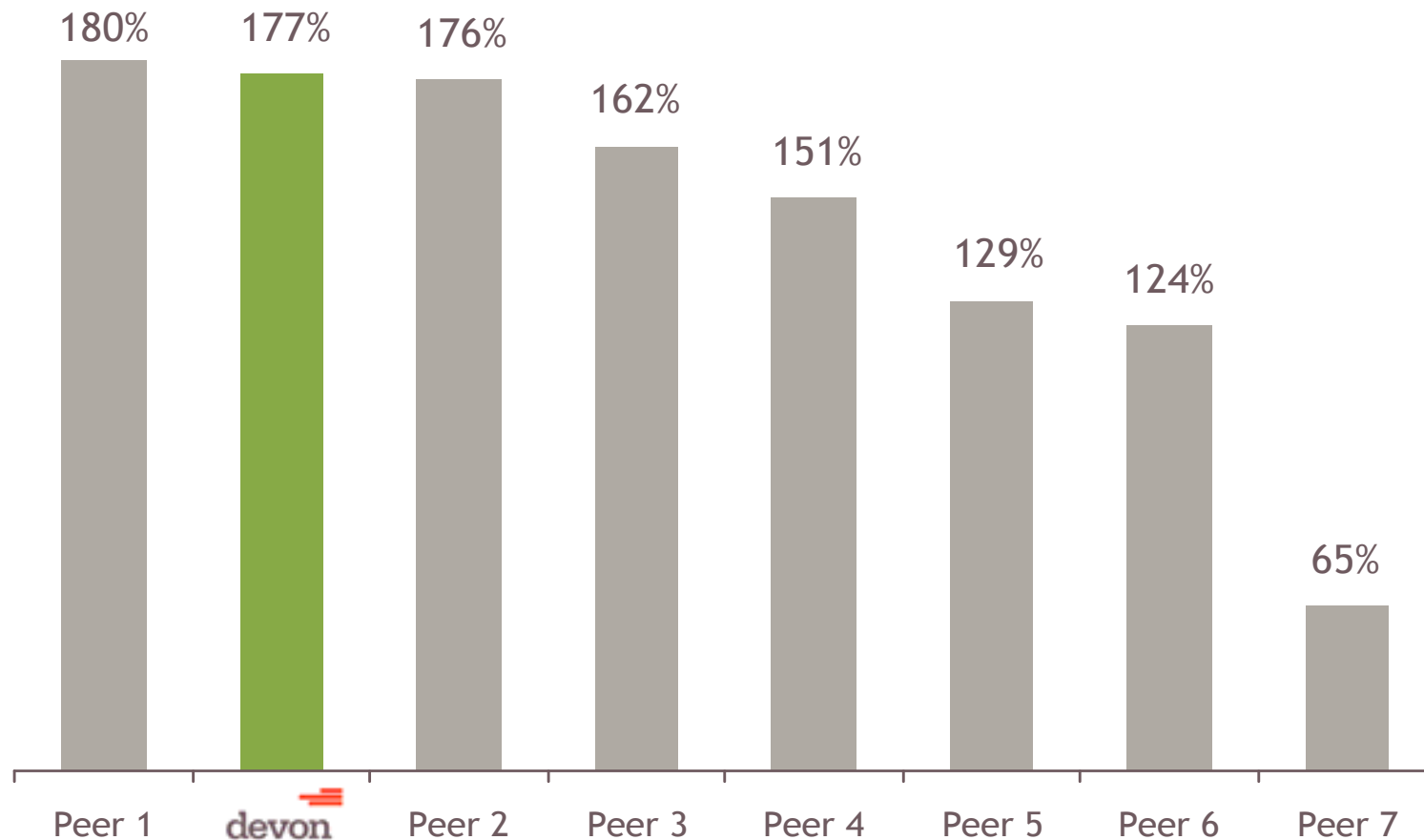
Note: Includes a non-GAAP measure, see appendix for required disclosures.

(1) Cash costs include LOE, taxes other than income, G&A, interest expense and current taxes.

Recycle Ratio

Excluding Hedges

Full-Year 2011 Results



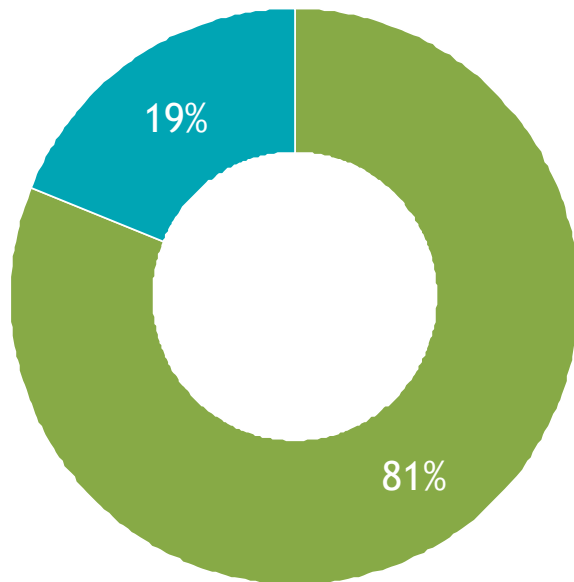
Note: Peer group includes APA, APC, CHK, ECA, EOG, NBL and NFX
Source: SEC filings and company disclosures

Devon's Risked Resource Base

High-Quality and Balanced

16.2 BBOE Risked Resource

(31.8 BBOE Unrisked)



■ Proved Reserves (26% PUD) **■ Additional Risked Potential**

Note: Includes 12/31/11 proved reserves of 3.0 BBOE.

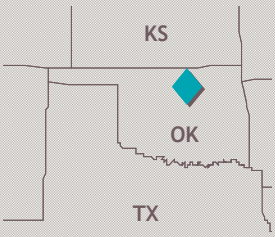




Risked Resource By Product (BBOE)

Oil (29%)	4.7
NGLs (19%)	3.1
Gas (52%)	8.4
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Total	16.2

Oil-focused exploration provides upside to risked resource

New Venture Positions

Five Oil and Liquids-Rich Plays Partnered with Sinopec

	Mississippian	Rockies Oil	Utica Ohio	Tuscaloosa	Michigan
JV Acreage (Net to DVN)	230,000 (153,000 net)	320,000 (213,000 net)	235,000 (157,000 net)	285,000 (190,000 net)	360,000 (240,000 net)
Location					
Average Royalty	20%	18%	16%	21%	17%
Play Type	Oil in matrix and fractured carbonate zone	Oil in matrix and fractured carbonate zone	Oil in carbonate rich shale zone	Oil and gas in silica rich shale zone	Oil and gas in shale and carbonate zones
Targets	Mississippian Lime & Woodford Shale	Niobrara, Turner, Codell, Mowry & Frontier	Utica Shale	Tuscaloosa Marine Shale (Silica-rich shale)	A1 Carbonate & Utica Shale
Depth	4,500' - 6,500'	6,000' - 12,000'	3,000' - 6,000'	11,000' - 15,000'	7,500' - 10,500'
2011 & 2012 Activity	Drill/participate in ~50 wells	Drill/participate in ~35 wells	Drill/participate in ~15 wells	Drill/participate in ~10 wells	Drill/participate in ~15 wells

Joint Venture Agreement

Deal Structure and Rationale

Deal Structure

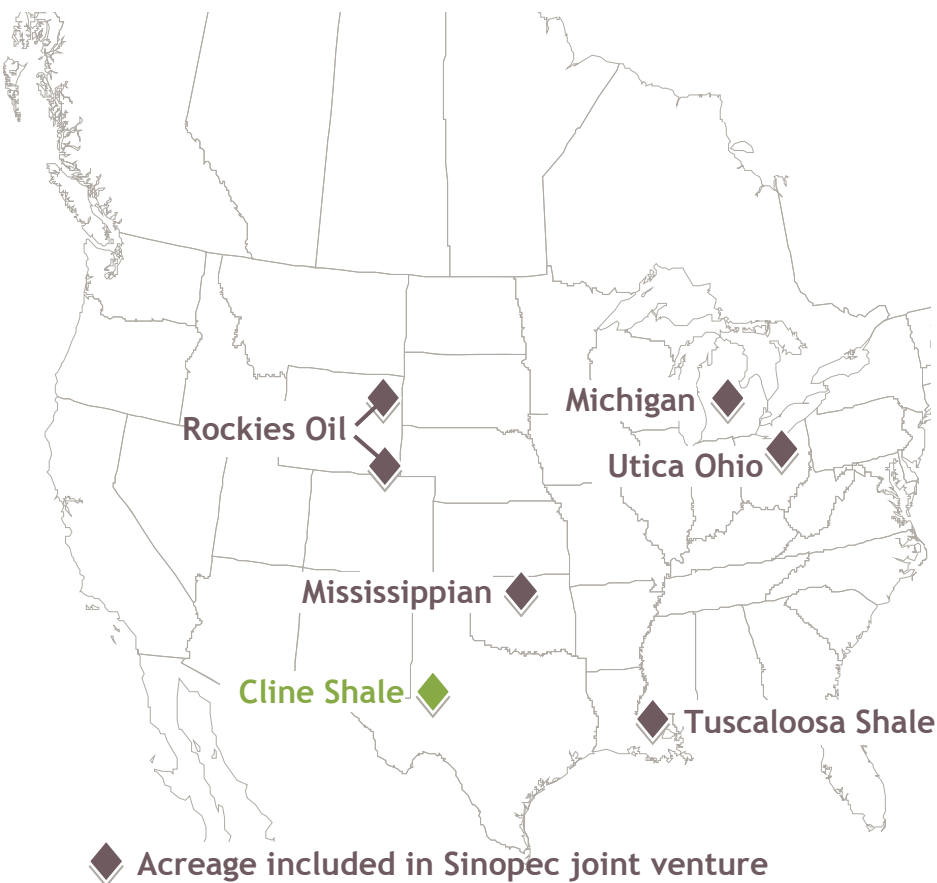
- \$2.5 billion transaction with Sinopec (\$900 million cash and \$1.6 billion carry)
- Sinopec receives 33% of Devon's interest in five new venture plays (Mississippian, Rockies Oil, Utica, Tuscaloosa and Michigan Basin)
- Devon serves as operator

Rationale

- Improves capital efficiency
- Accelerates de-risking and commercialization
- Mitigates exploration risk
- Provides additional cash flow for development projects
- Flexibility to generate new prospects

Growing the Resource Base

New Ventures Exploration



Cline Shale

- Net acreage: 500,000 (closed & committed)
- 2012 plans: Drill 15 wells (4 rigs by year-end)
- Attractive attributes:
 - Permian Basin oil play
 - Low entry costs
 - Multiple pay zones

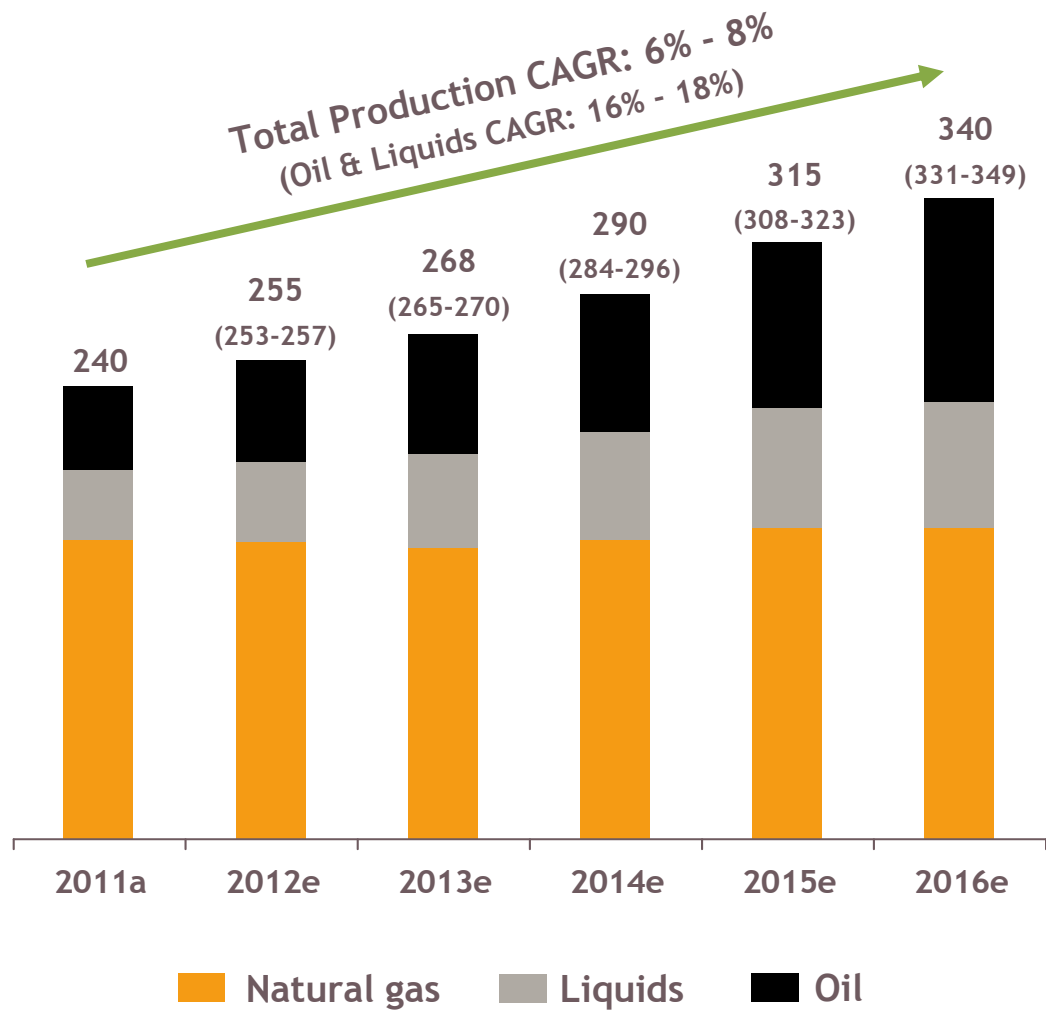
Undisclosed Opportunities

- Building significant acreage in an additional undisclosed oil position (captured 250,000 net acres; targeting 500,000)
- Initiating positions in new oil-focused opportunities

Long-Term Outlook

Robust Oil & Liquids Production Growth

Production Data in MMBOE



Note: See appendix for long-term outlook assumptions.

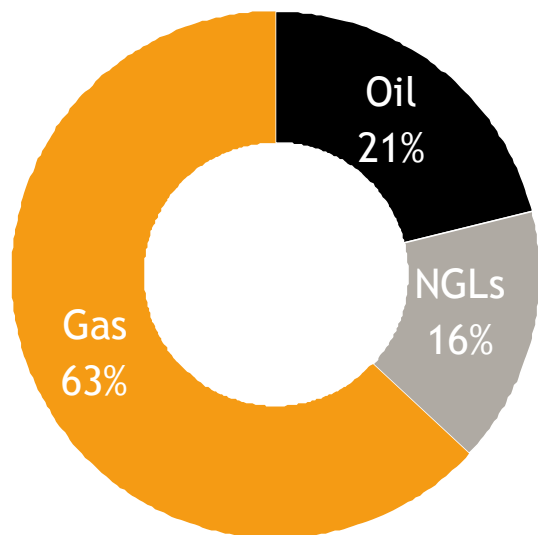
5-Year Production CAGR By Product

Oil	19%
Liquids	13%
Natural gas	1%
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Total (BOE)	≈7%

Long-Term Outlook

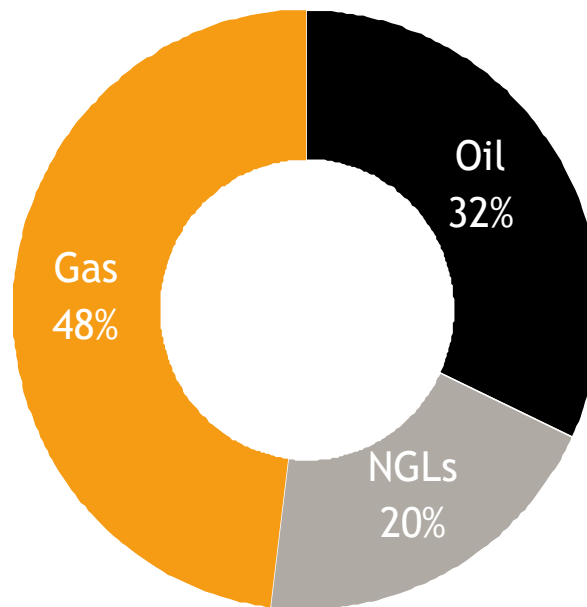
Robust Oil & Liquids Production Growth

Q1 2012



694 MBOED
(37% Oil & Liquids)

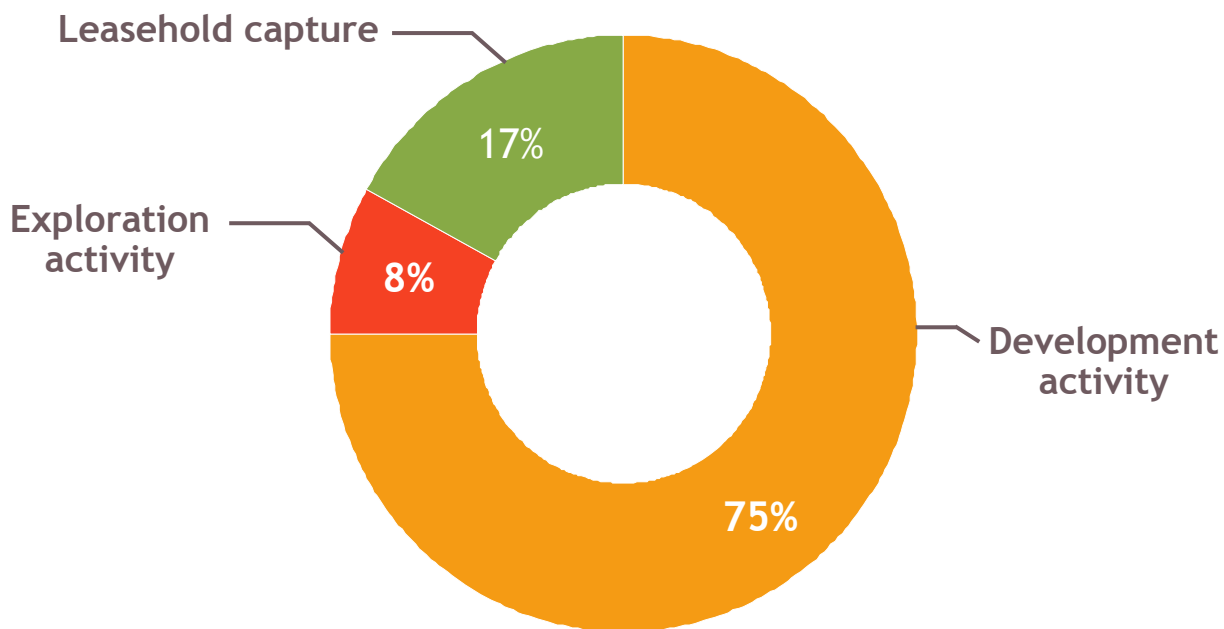
2016



905-955 MBOED
(>50% Oil & Liquids)

2012 E&P Capital Allocation

≈ 100% of capital allocated towards oil and liquids-rich projects

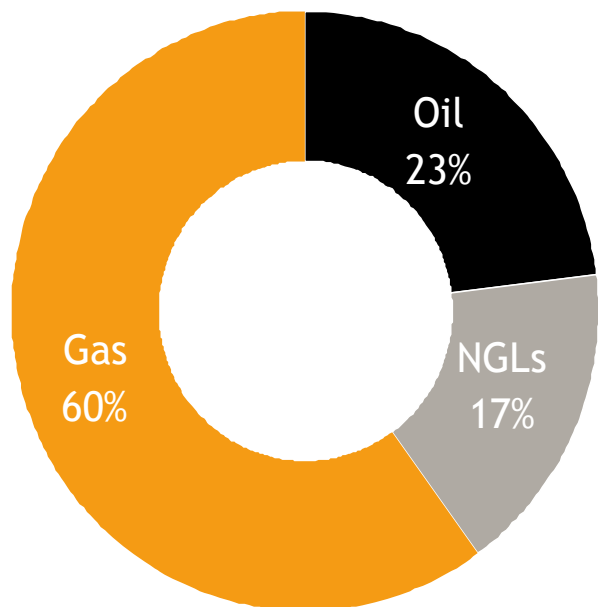


\$6.1 - \$6.5 Billion

2012 Capital Program

Delivering Strong Oil & Liquids Growth

2012 Exit Rate



≈ 710 MBOED
(40% Oil & Liquids)

Oil production

- Annual growth rate: 22% - 24%
- Driven by Jackfish and Permian
- ≈25% of total company volumes

NGLs production

- Annual growth rate: 11% - 13%
- Driven by Cana and Barnett activity
- NGLs have access to Mont Belvieu

Natural gas production

- Expect minor declines
- No dry gas rigs running
- No significant lease expirations

Devon's Thermal Oil Position

SAGD Development



- Jackfish (100% WI)
- Pike (50% WI)
- Access Pipeline



Field characteristics

- Low F&D
- Flat production profile
- Long reserve life >20 years

Jackfish

- Top-tier operating performance
- Q1 2012 net production: 31 MBOPD

Jackfish 2

- Current production rate: 21 MBOPD
- Production ramp-up throughout 2012

Jackfish 3

- Construction ≈30% complete

Pike

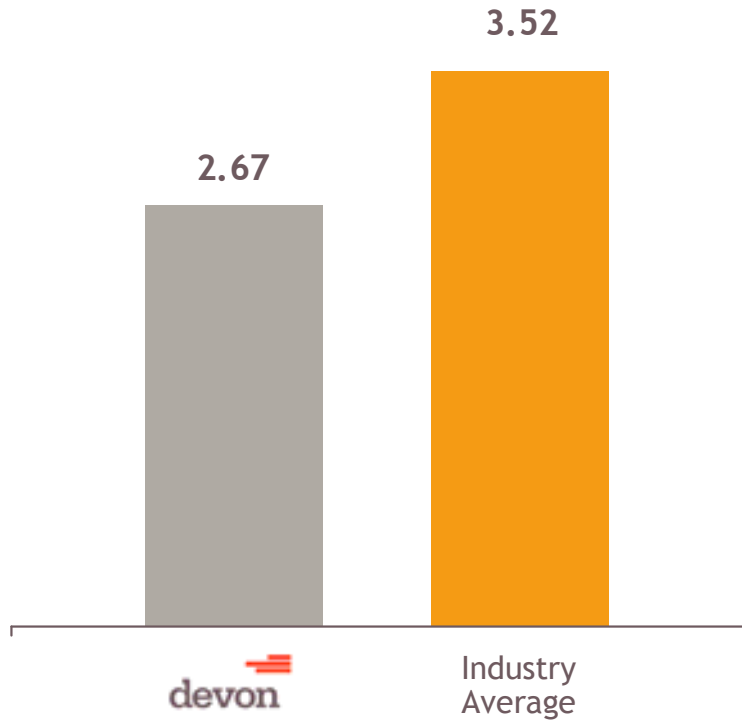
- Up to five SAGD development phases
- First regulatory filing expected by mid-2012

Jackfish 1 Performance

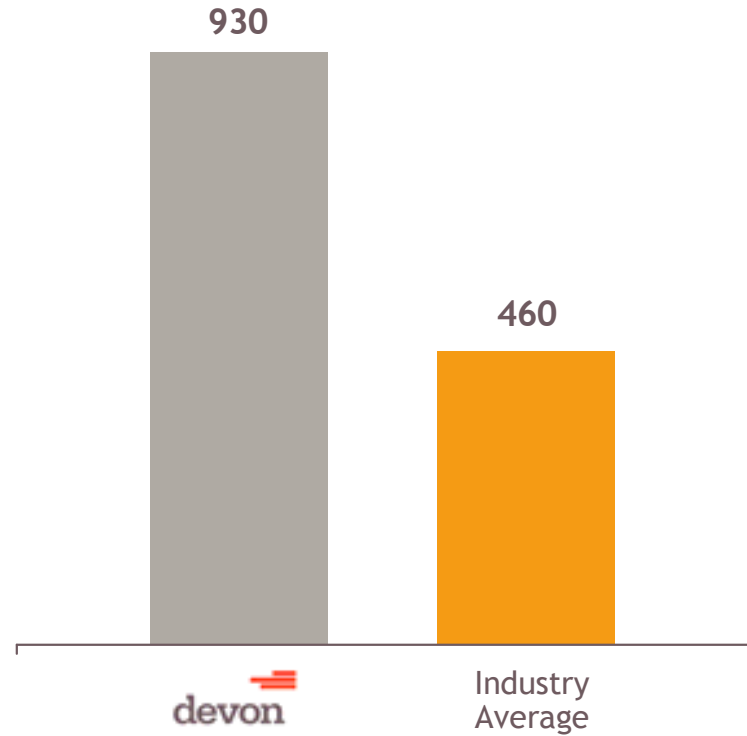
Comparison to Industry SAGD Projects

51 Months After Project Startup

Cumulative Steam Oil Ratio (SOR)



Production Per Well (BOPD)



Note: Industry average includes: Bolney-Celtic, Christina Lake, Firebag, Foster Creek, Great Divide, Hangingstone, Hilda Lake, Long Lake, MacKay River, Orion, Senlac, Surmont, Tangleflags, and Tucker

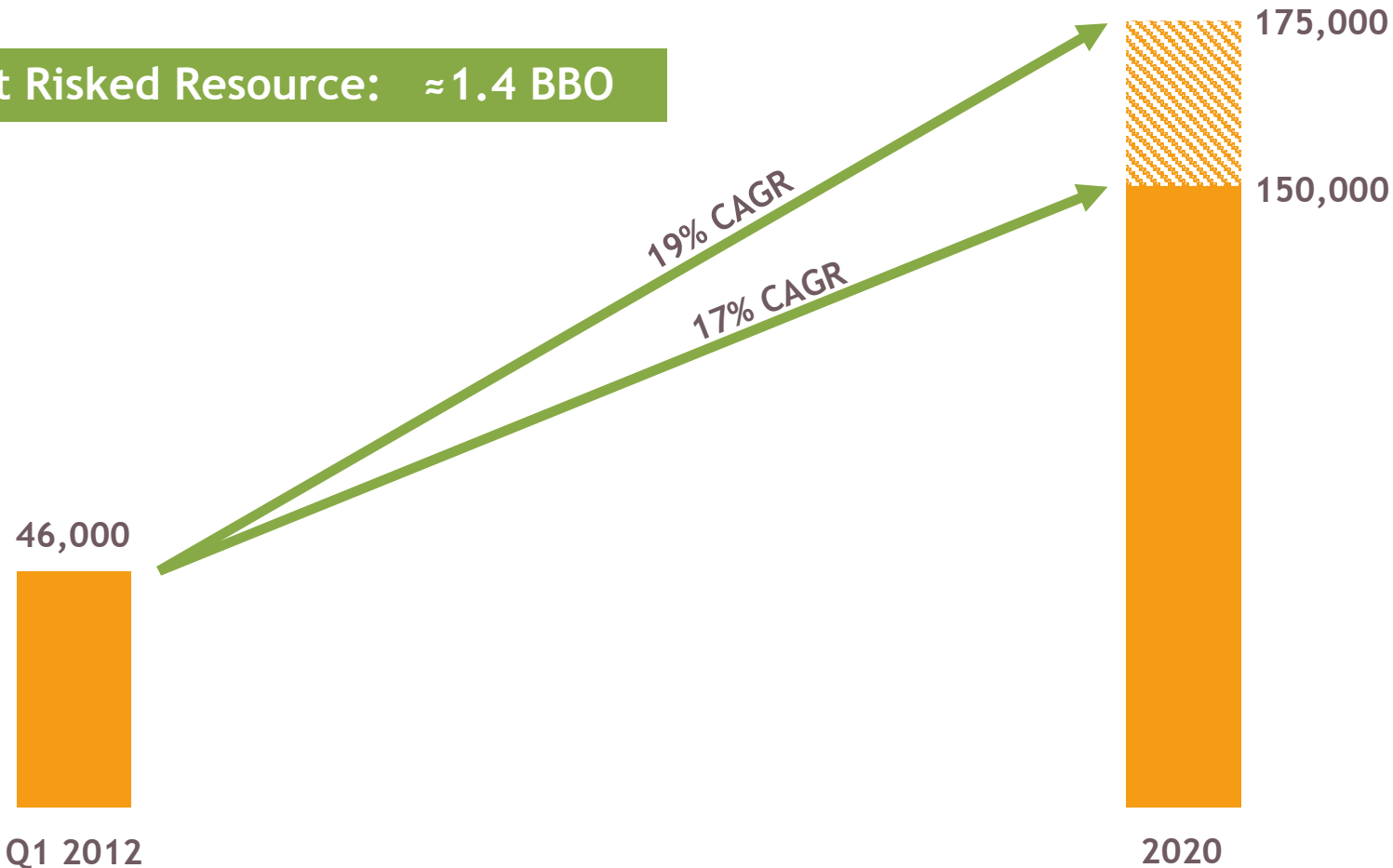
Source: FirstEnergy Capital and company disclosures

Long-Term Production Outlook

Thermal Oil

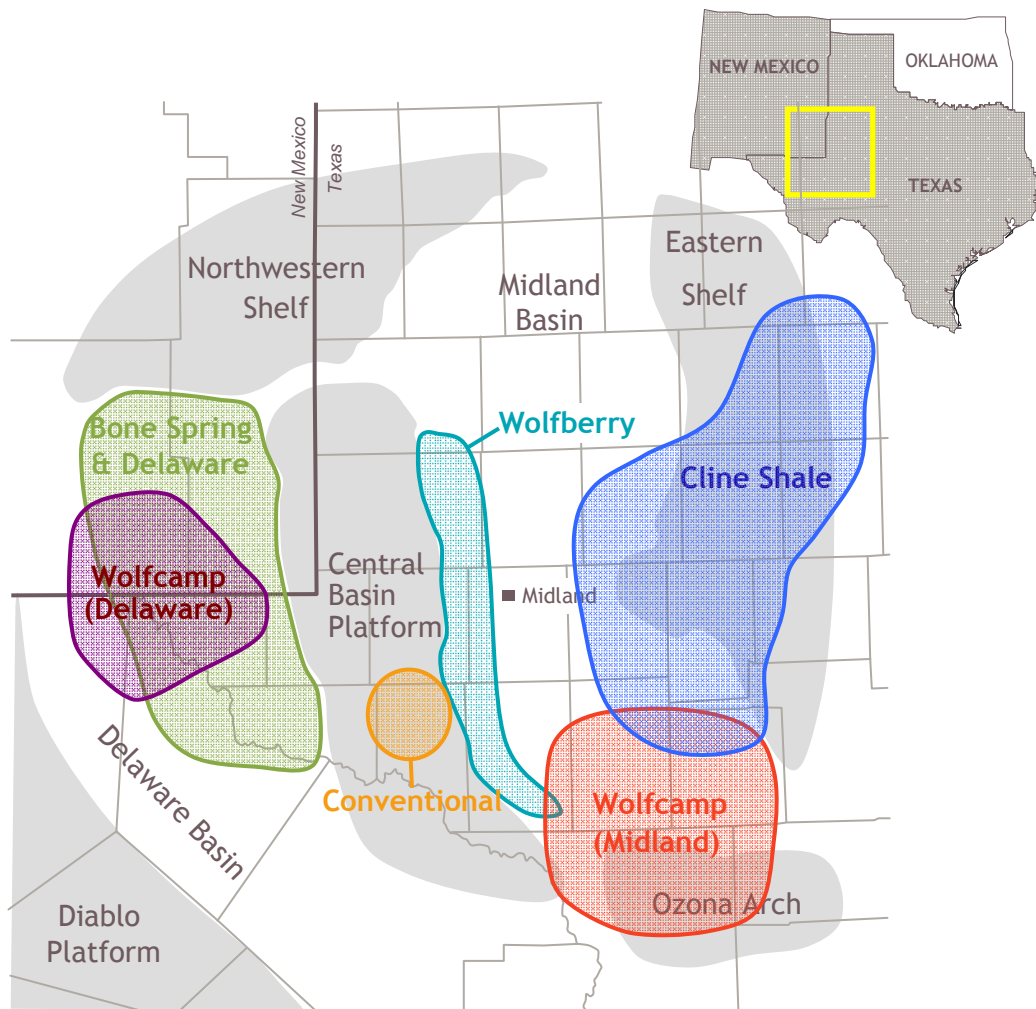
Net Barrels Per Day

Net Risked Resource: ≈ 1.4 BBO



Permian Basin Overview

Oil & Liquids-Rich Opportunities



Net risked resource: 2.8 BBOE

Risked locations: >8,000

Net acres: 1.5 million basin-wide

Q1 2012 net production: \approx 56 MBOED
(76% liquids)

Activity targeting several play types

Expect >30% oil growth in 2012

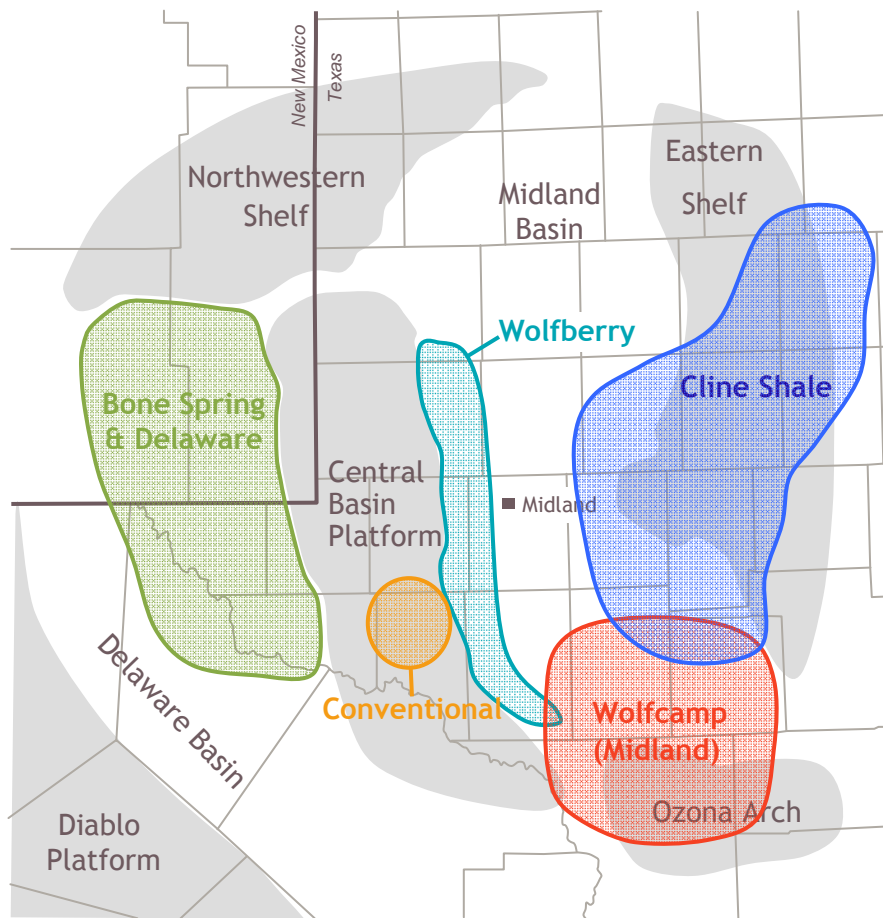
21 operated rigs

2012 capital: \approx \$1.4 billion

2012 plans: Drill >300 wells

Permian Basin

2012 Activity



2012 Program

- Balancing exploration and development
- Oil-focused activity
- Horizontal drilling emphasis

Wolfberry

- 160,000 net acres (Drill ~100 wells)

Bone Spring/Delaware

- 185,000 net acres (Drill ~110 wells)

Other Conventional Activity

- Exploit Central Basin Platform targets
- Drill ~50 wells

Wolfcamp Midland

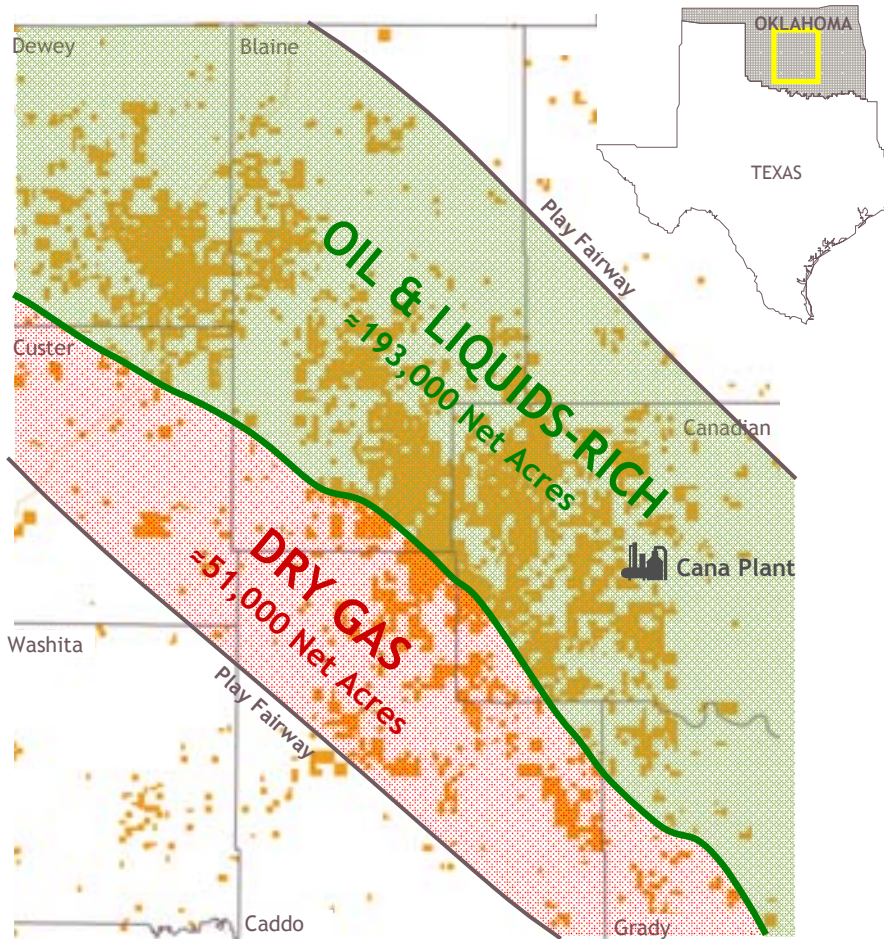
- 92,000 net acres (Drill ~30 wells)

Cline Shale

- 500,000 net acres (Drill ~15 wells)

Cana Woodford Shale

Liquids-Rich Gas Development



Net risked resource: 11.4 TCFE

Risked locations: ≈5,400

Net acreage: 244,000

Low average royalty burden: 21%

Q1 2012 net production: 271 MMCFED

2012e program: >40% of production is liquids

Expanding gas processing facility:

- 30 MBPD of NGL capacity

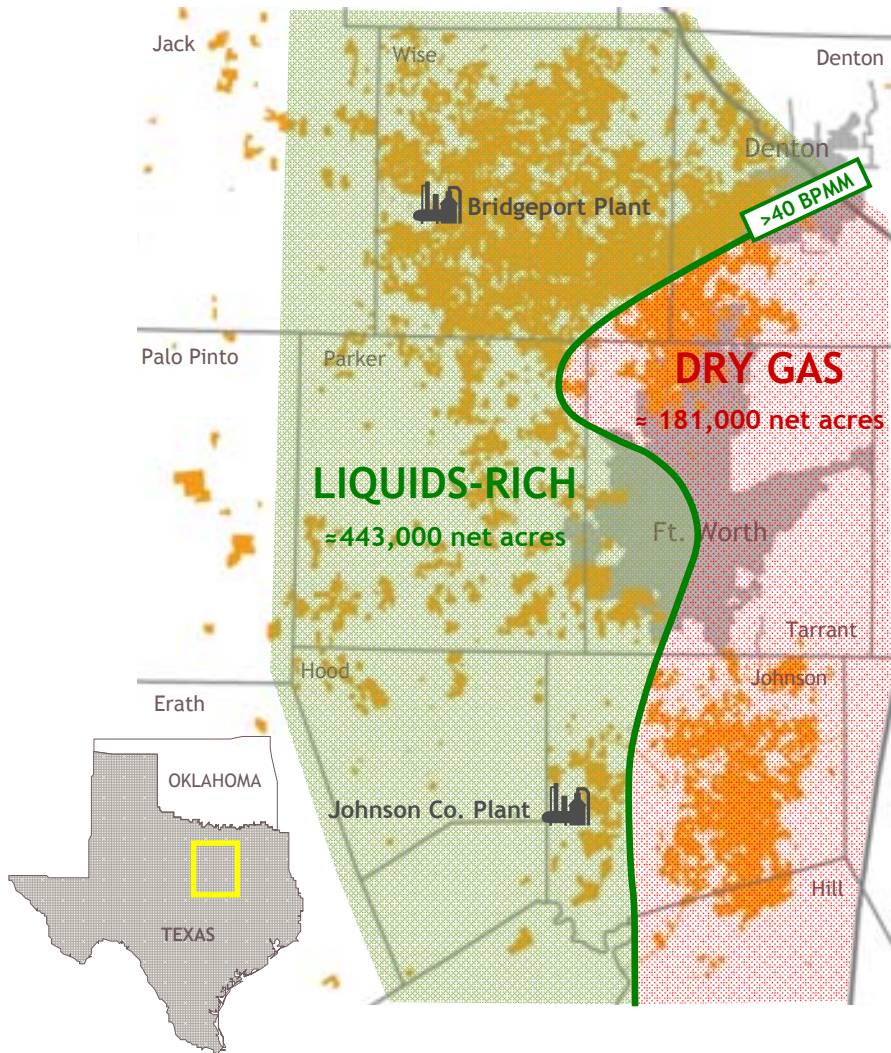
Significant undrilled liquids-rich inventory

- ≈3,000 locations

2012 plans: Drill ≈200 wells

Barnett Shale

Liquids-Rich Gas Development



Net risked resource: 14.8 TCFE

Risked locations: ≈ 5,000

Net acreage: 624,000

Low average royalty burden: 18%

Q1 2012 net production: 1.37 BCFED

2012e program: >30% of production is liquids

Expanding gas processing capacity to:

- 72 MBPD of NGL capacity

Significant undrilled liquids-rich inventory

- ≈2,500 locations

2012 plans: Drill ≈300 wells

Why Own Devon?

Committed to delivering:

- Top-quartile per share results
- Strong full-cycle returns

Deep inventory of repeatable opportunities in current environment

Strong, highly-visible oil and liquids growth

Significant upside from exploration prospects

Superior financial strength and flexibility

Thank You.



Appendix

Long-Term Outlook

Economic Assumptions

- Devon's 2012-2016 forecast assumes:

	WTI Price	Henry Hub Price
2012	\$105	\$2.75
2013	\$105	\$3.50
2014	\$100	\$4.00
2015	\$95	\$4.25
2016 +	\$95	\$4.50

- NGL realizations: 36% of WTI
- Current cost environment held constant
- Sinopec JV transaction (\$900 million cash and \$1.6 billion drilling carry)
- Additional JV transaction during 2013 (\$450 million cash and \$0.9 billion drilling carry)
- Common dividend continues at current rate
- Utilize cash balances of \$2.6 billion through 2016

Long-Term Outlook

Economic Assumptions

- Devon's E&P capital expenditure forecast through 2016:

	E&P Capital (\$ Billions)
2012	\$6.3
2013	\$6.6
2014	\$7.4
2015	\$7.3
2016 +	\$7.8

Resource By Asset

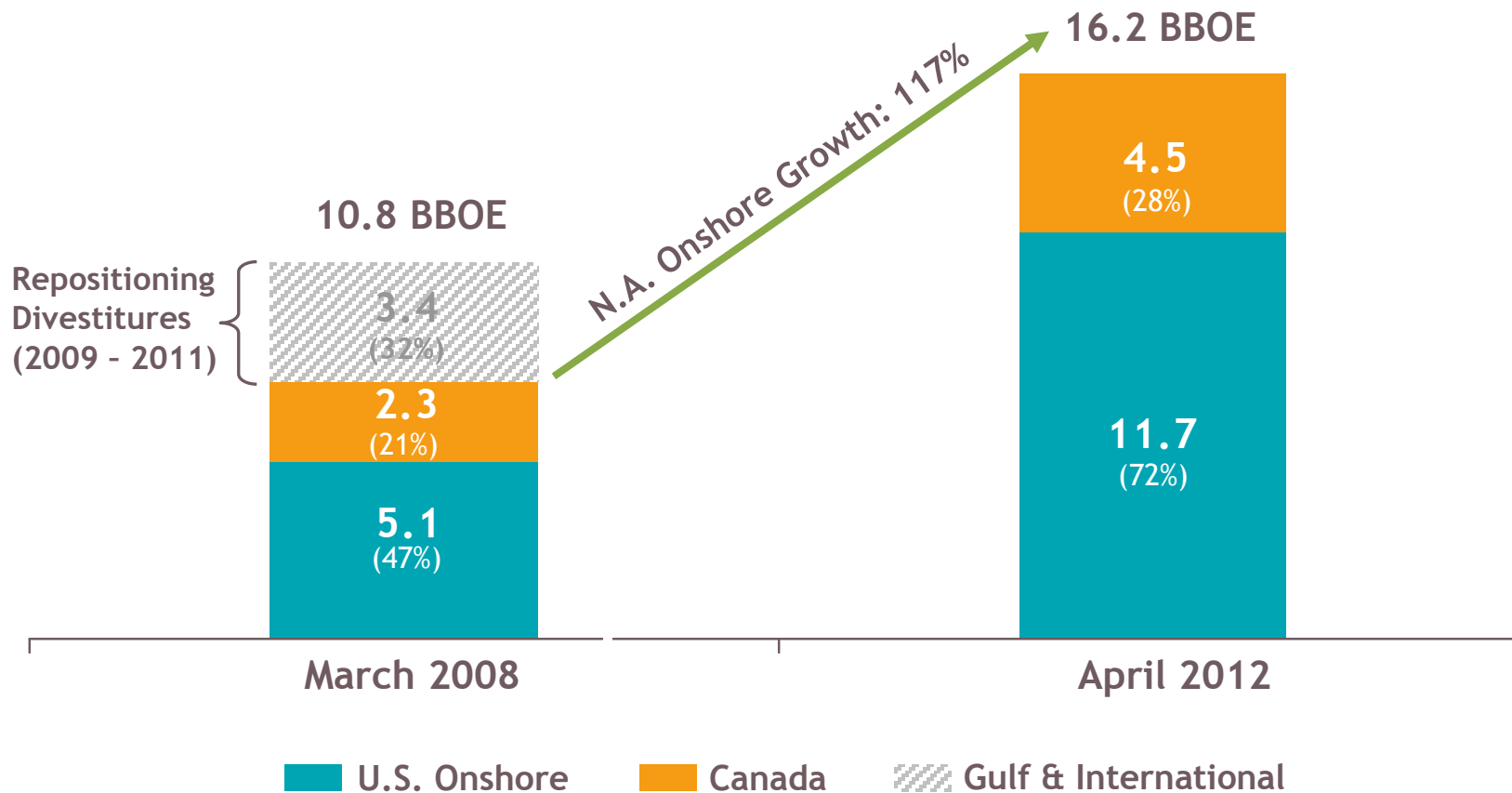
Strong Foundation for Growth

Data in BBOE

	Unrisked Resource	Proved Reserves	+	Additional Risked Potential	=	Total Risked Resources
Permian Basin	7.6	0.2		2.6		2.8
Barnett Shale	4.3	1.2		1.3		2.5
Cana Woodford Shale	2.8	0.3		1.6		1.9
Canadian Oil Sands	2.1	0.5		0.9		1.4
East Texas/Gulf Coast	0.9	0.2		0.6		0.8
Other U.S.	4.6	0.4		1.7		2.1
Other Canada	3.3	0.2		1.8		2.0
Horn River	1.4	-		1.1		1.1
Sinopec JV Assets (net)	4.8	-		1.6		1.6
Total	31.8	3.0		13.2		16.2

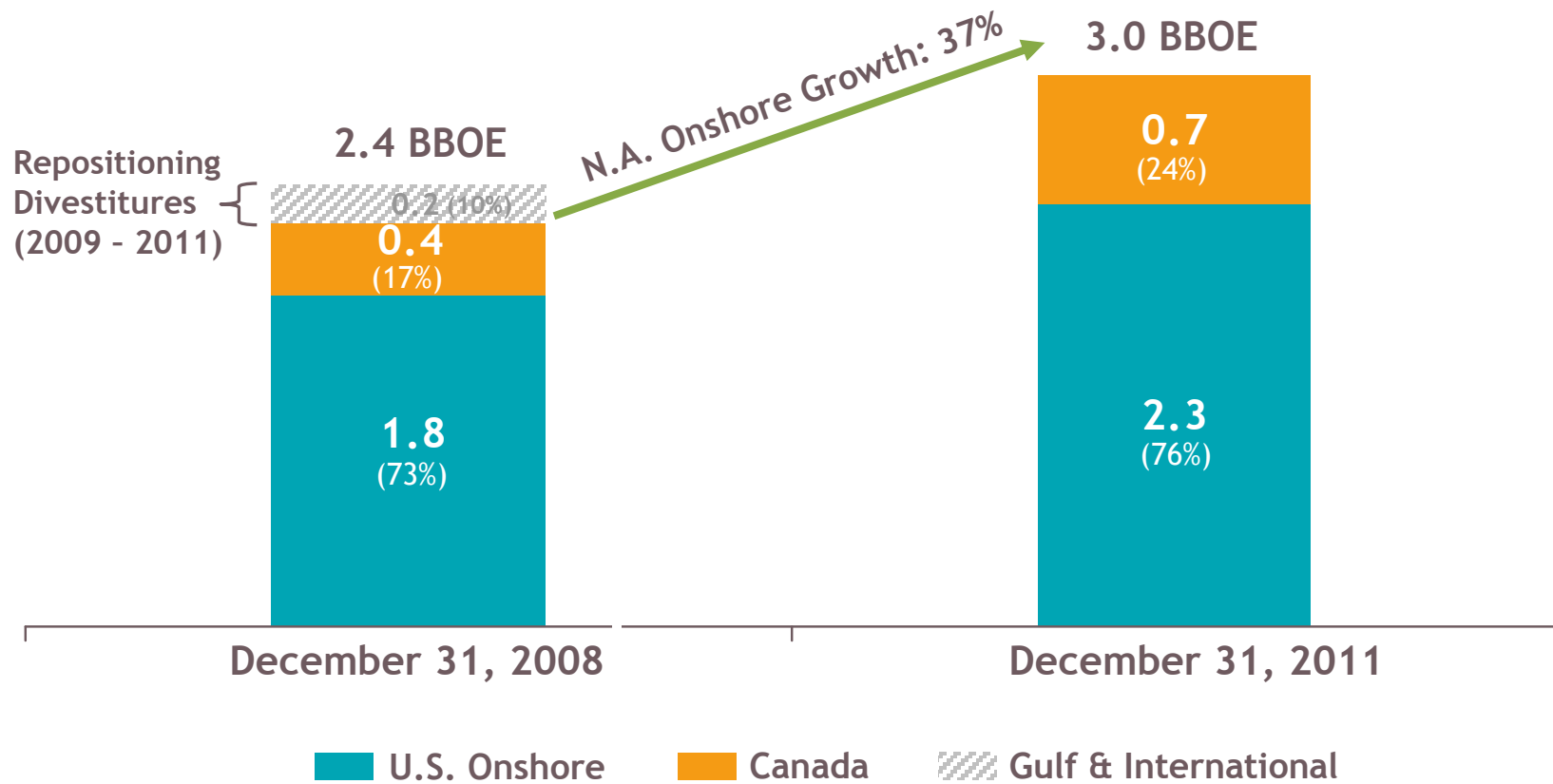
Risked Resource Base

History of Growth



Proved Reserves

History of Growth



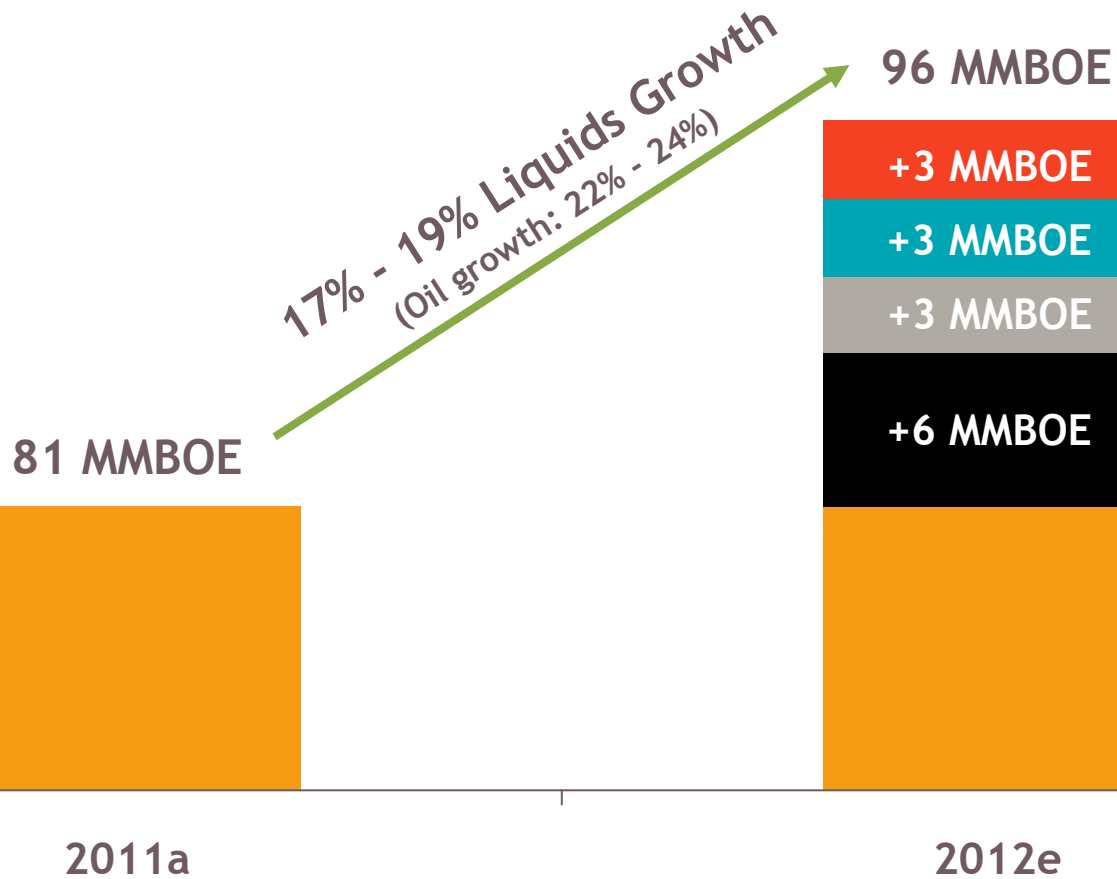
2012 Exploration & Leasehold Budget Reconciliation

\$ Millions

Original 2012 exploration & leasehold budget	\$530
Undisclosed oil play #1 (Captured 250,000 net acres; targeting 500,000 net acres)	500
Cline Shale	350
Other undisclosed oil plays	220
Revised 2012 exploration & leasehold budget	\$1,600

2012 Liquids Growth

By Key Asset



■ Base Production ■ Thermal ■ Permian ■ Cana ■ Barnett

2012 F&D Target

E&P capital	\$6.1 - \$6.5 billion
Capitalized G&A and interest	\$0.4 billion
Drill-bit capital	\$6.5 - \$6.9 billion
Drill-bit reserve additions ⁽¹⁾	360 - 390 MMBOE
F&D ⁽¹⁾	≈\$16 - \$19/BOE
Reserve replacement ⁽¹⁾	≈150%

(1) Excludes price revisions

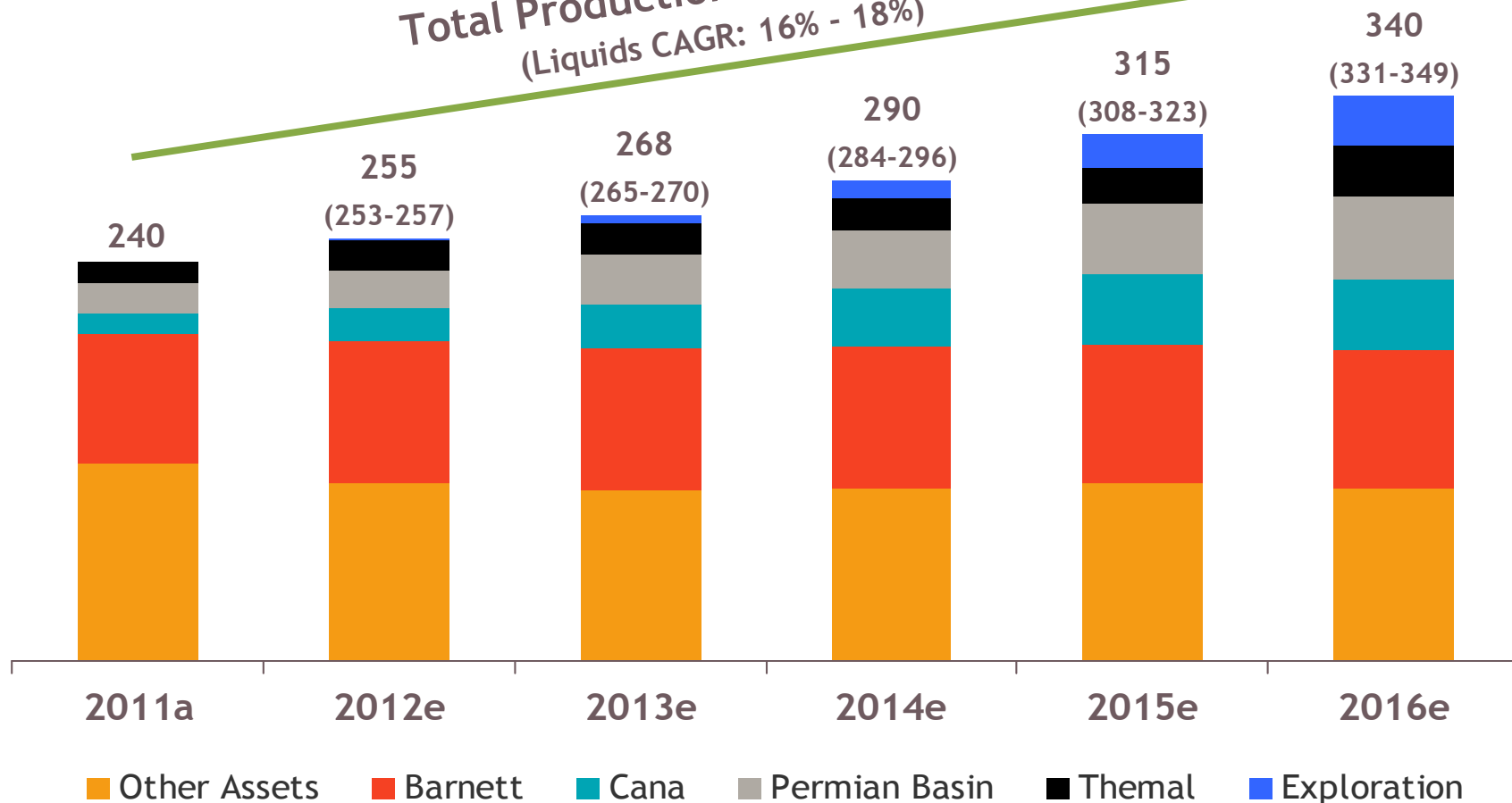
Notes: F&D equals drill-bit capital divided by drill-bit reserve additions
Includes a non-GAAP measure, see appendix for required disclosures.

Long-Term Outlook

Production By Key Asset

Production Data in MMBOE

Total Production CAGR: 6% - 8%
(Liquids CAGR: 16% - 18%)



Note: See appendix for forecast assumptions.

Slide 36

Oil Hedges

Oil Hedges

Q2-Q4 2012

67,400 BOD collared: \$89 floor and \$124 ceiling

41,700 BOD swapped at \$106

19,500 BOD of call options sold at \$95

2013

41,000 BOD collared: \$91 floor and \$117 ceiling

31,000 BOD swapped at \$104

6,000 BOD of call options sold at \$120

2014

2,000 BOD collared: \$90 floor and \$111 ceiling

4,000 BOD swapped at \$100

6,000 BOD of call options sold at \$120

Natural Gas Hedges

Natural Gas Hedges

Q2-Q4 2012

1.037 BCFD with an average protected price of \$4.42
488 MMCFD of call options sold at \$6.00

2013

150 MMCFD swapped at \$4.50

2014

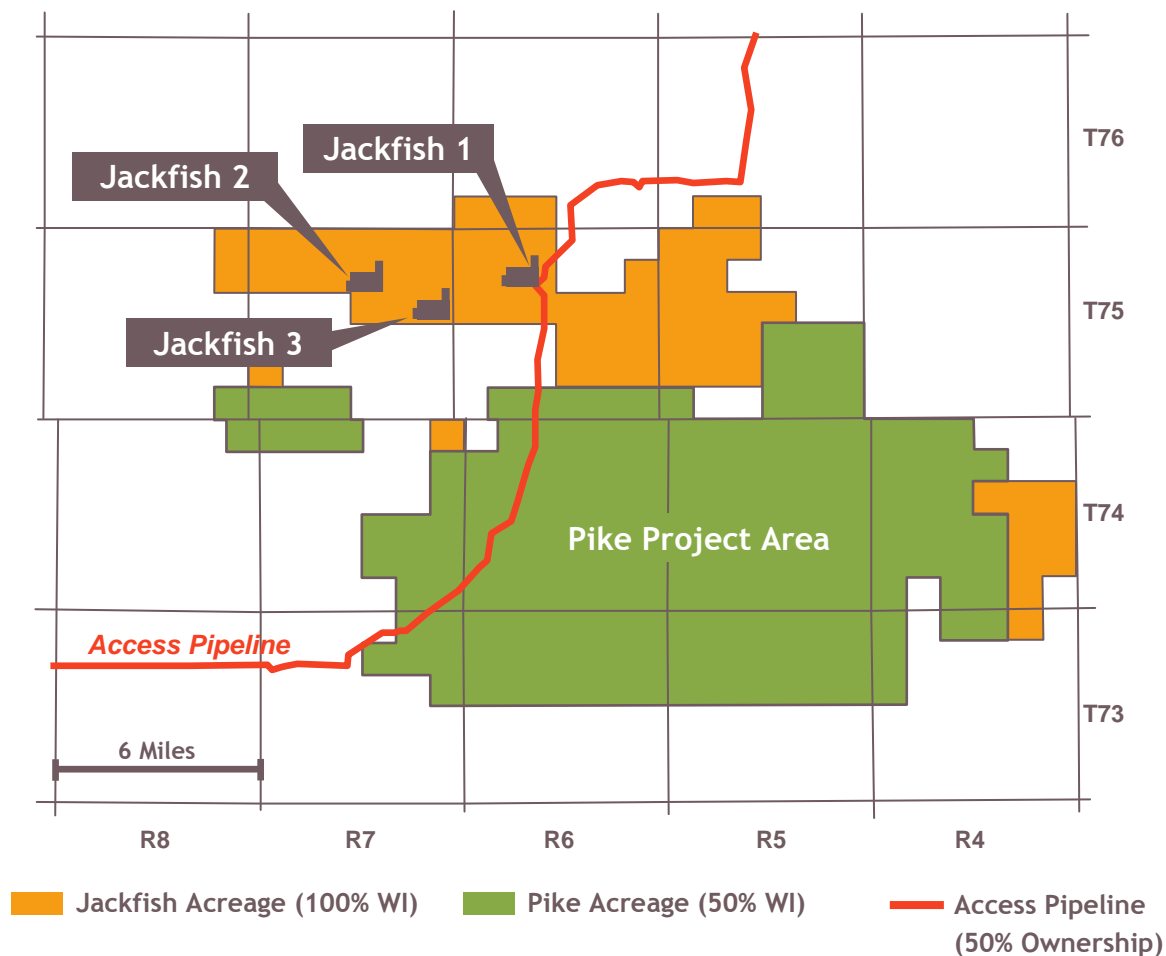
150 MMCFD of call options sold at \$5.00

Repositioning Proceeds

\$ Billions

	Pre-Tax Proceeds	Closing
Maersk - Deepwater GOM	\$1.3	Q1 2010
BP - Deepwater GOM	\$1.8	Q2 2010
Apache - GOM Shelf	\$1.1	Q2 2010
CNOOC, CVX, BP - China	\$0.6	Q2 & Q3 2010
BP - Azerbaijan	\$2.0	Q3 2010
BP - Brazil	\$3.2	Q2 2011
Other assets	\$0.1	Q1 2012
Total pre-tax proceeds	\$10.1	

Devon's SAGD Today

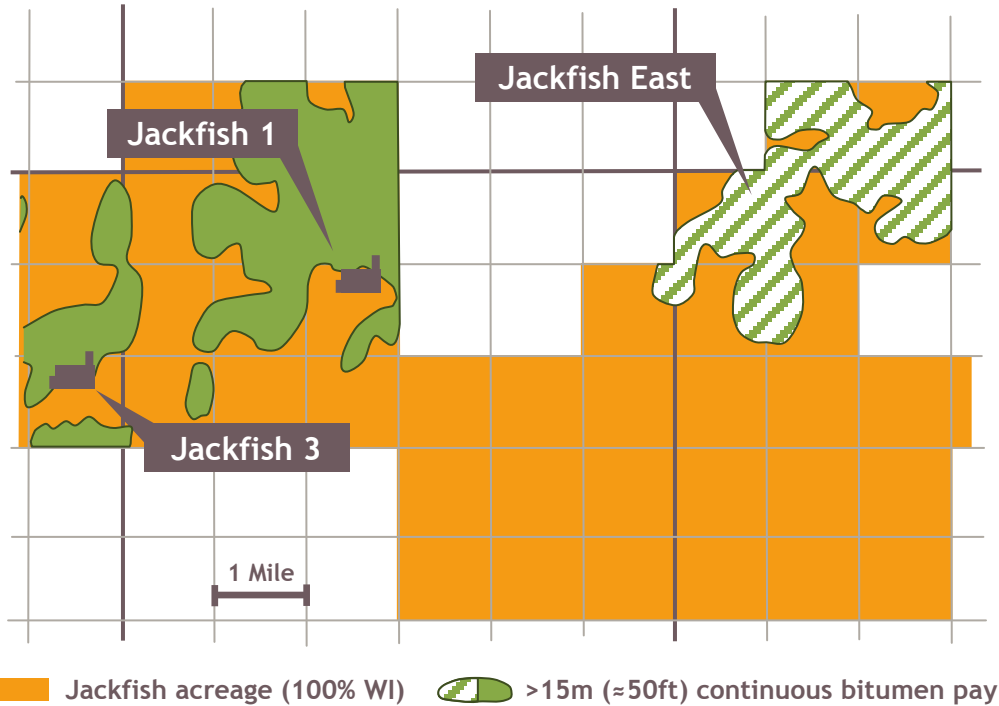


Devon's SAGD characteristics

- Low F&D
- Low geologic risk
- High reservoir quality
- Flat production profile
- Long reserve life \approx 25 years



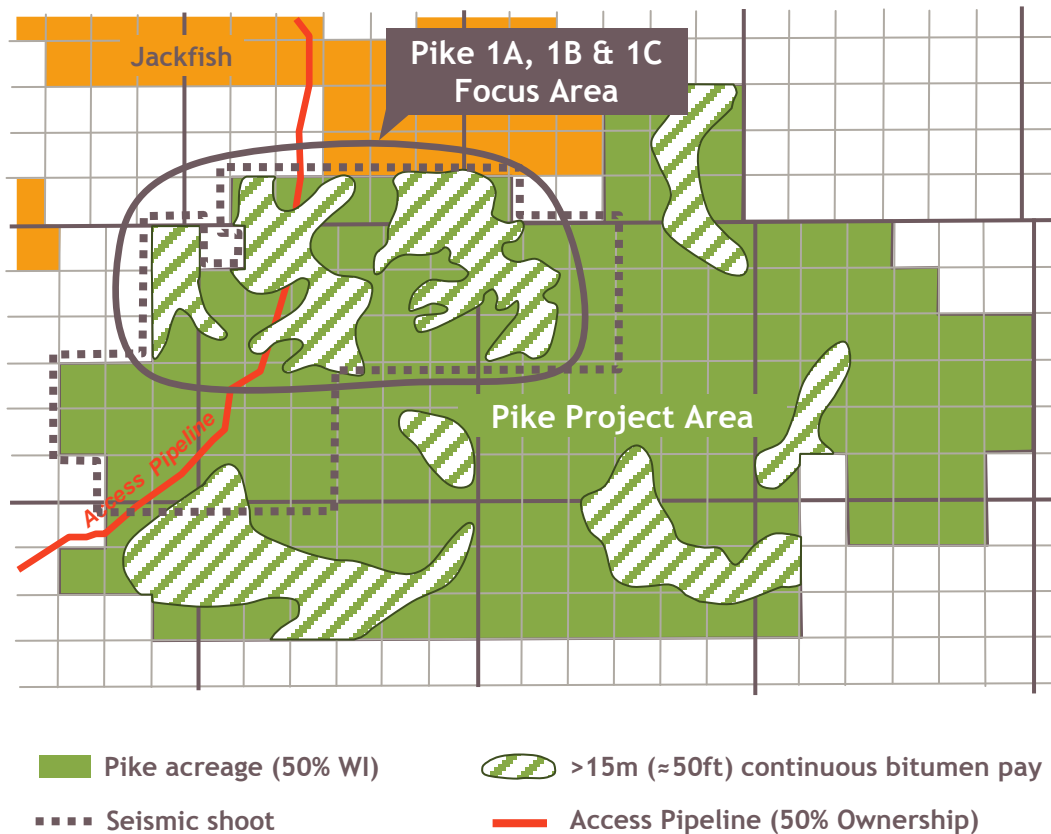
Jackfish East



- Jackfish expansion phase
- 150 MMBO EUR (≈130 MMBO net)
- 20-25 MBOPD of production (≈17-21 MBOPD net)
- Similar reservoir quality with minimal bottom water
- Delineation program to be completed Q1 2013

	2015	2016	2017	2018	2019
Regulatory Application & Review	█				
Engineering	█	█			
Plant Construction		█	█	█	
Plant Start-up				█	█

Pike Project Overview



Pike leasehold

- 50% operated working interest
- Similar reservoir characteristics to Jackfish
- Up to five 35 MBOPD SAGD development phases

Potential Pike 1 development

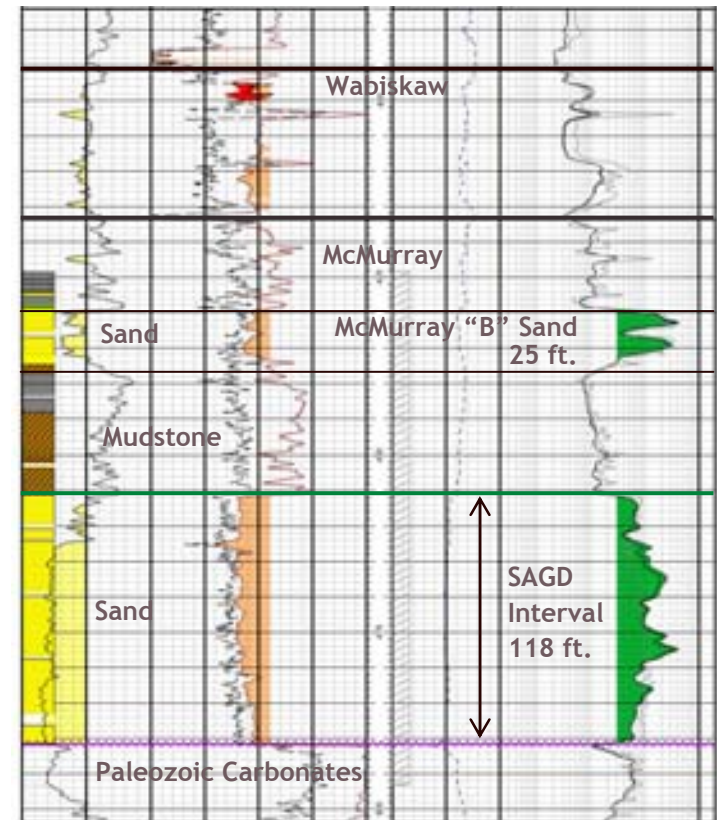
- Single plant pad
- Up to three 35 MBOPD projects
- Developed concurrently
- Regulatory filing expected in 2012

Pike Stratigraphic Drilling

Confirms High-Quality Reservoir

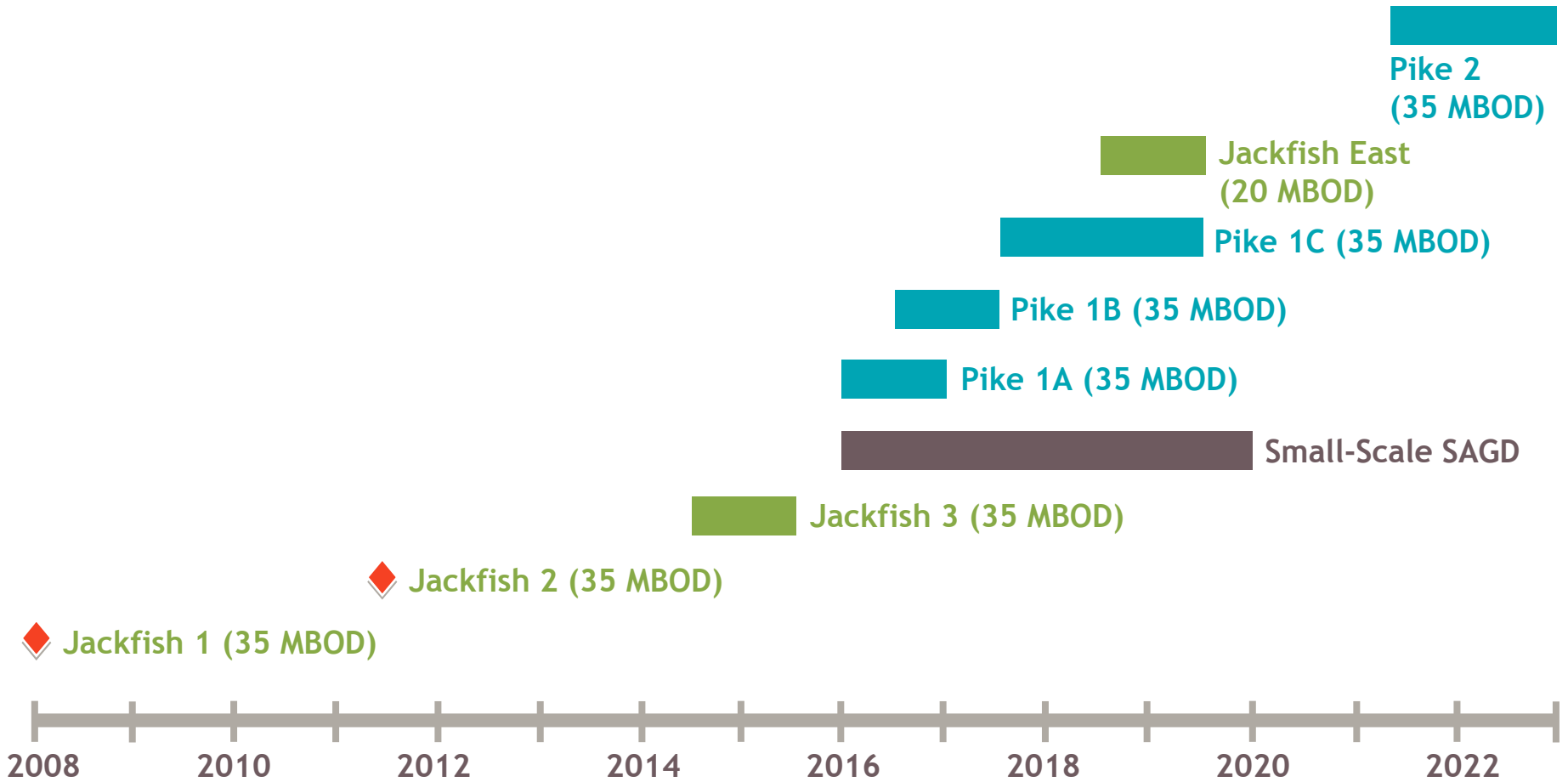
	Pike	Jackfish
Depth (Ft, TVD)	1,400 - 1,560	1,320 - 1,380
Pay Thickness (Ft)	49 - 144	49 - 164
Porosity (%)	30 - 35	30 - 33
Permeability (Darcies)	2 - 10	2 - 10
Oil Saturation (%)	60 - 90	60 - 90
Original Pressure (KPa)	2,900	2,800
Original Temperature (°C)	15	15

Pike Type Log



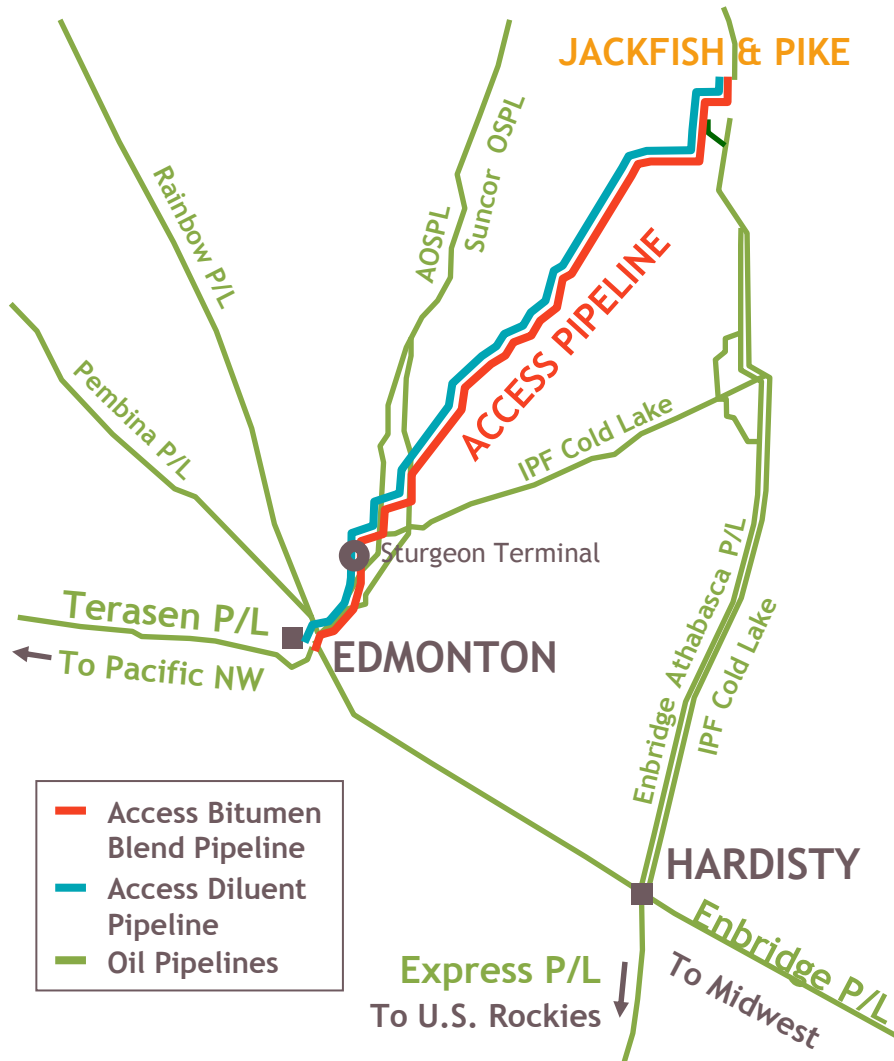
SAGD Development Timeline

Timing Range of Expected Plant Start-Up



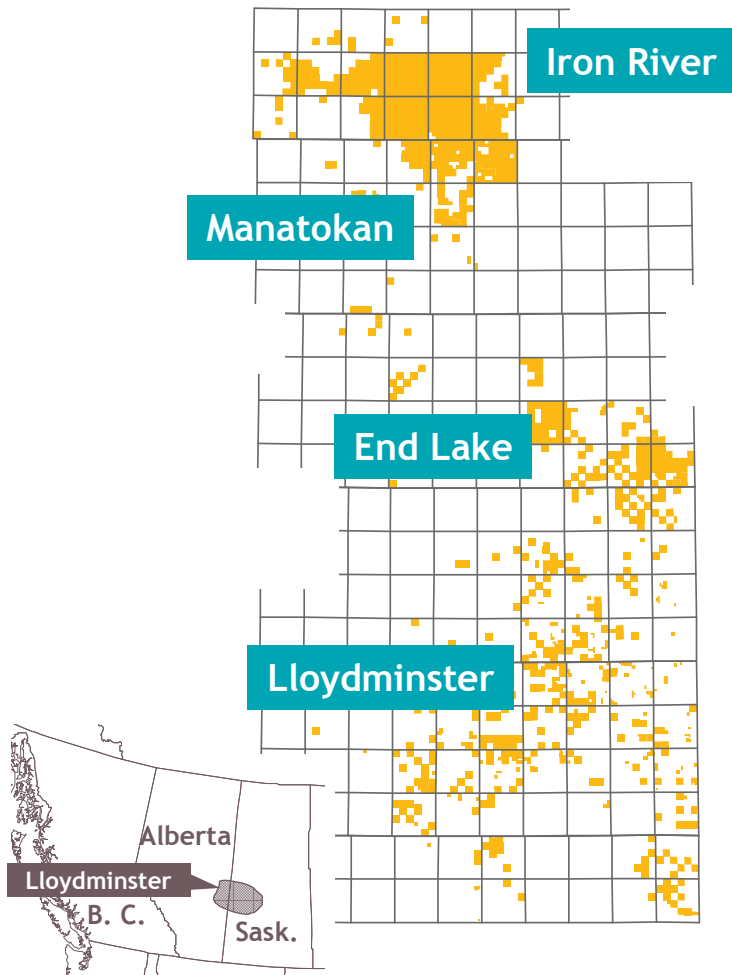
Heavy Oil Midstream Infrastructure

Access Pipeline



- ≈200 mile dual pipeline from Edmonton to Devon's thermal acreage
- Devon ownership: 50%
- Capacity net to Devon
 - Blended bitumen: ≈80,000 BOPD
 - Condensate: ≈35,000 BPD
- Application to double system capacity: 2012
- Access to Edmonton condensate, synthetic crude and light oil markets
- Flexibility enhances economics

Lloydminster Oil Development



Net risked resource: ≈ 120 MMBOE
Risked locations: $>1,000$

Low-risk development

Strong operating margins

Q1 2012 net production: 39 MBOED

2012 plans: ≈ 150 wells

Granite Wash

Oil & Liquids-Rich Development



Net risked resource: ≈ 200 MMBOE

Risked locations: ≈ 350 net wells

Net acreage: 63,700

Legacy land position held by production

Low average royalty burden: 19%

Q1 2012 net production: 19 MBOED

Liquids drive superior economics

3 operated rigs running

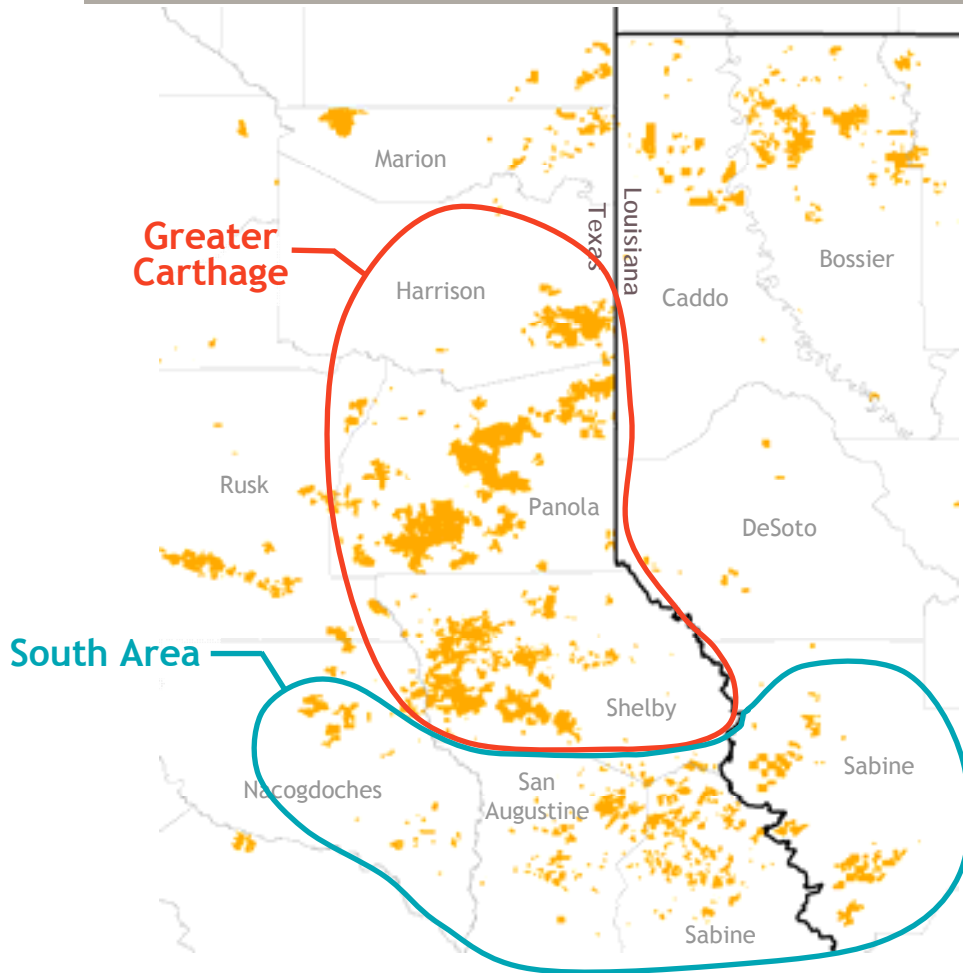
2012 plans: Drill ≈ 65 wells

Performance Reserve Revisions

Barnett Shale

Year	Performance Reserve Revisions (BCFE)
2004	+186
2005	+366
2006	+30
2007	+240
2008	+132
2009	+288
2010	+156
2011	+30

East Texas Unconventional Haynesville / Bossier Shale



Net prospective acres: >100,000

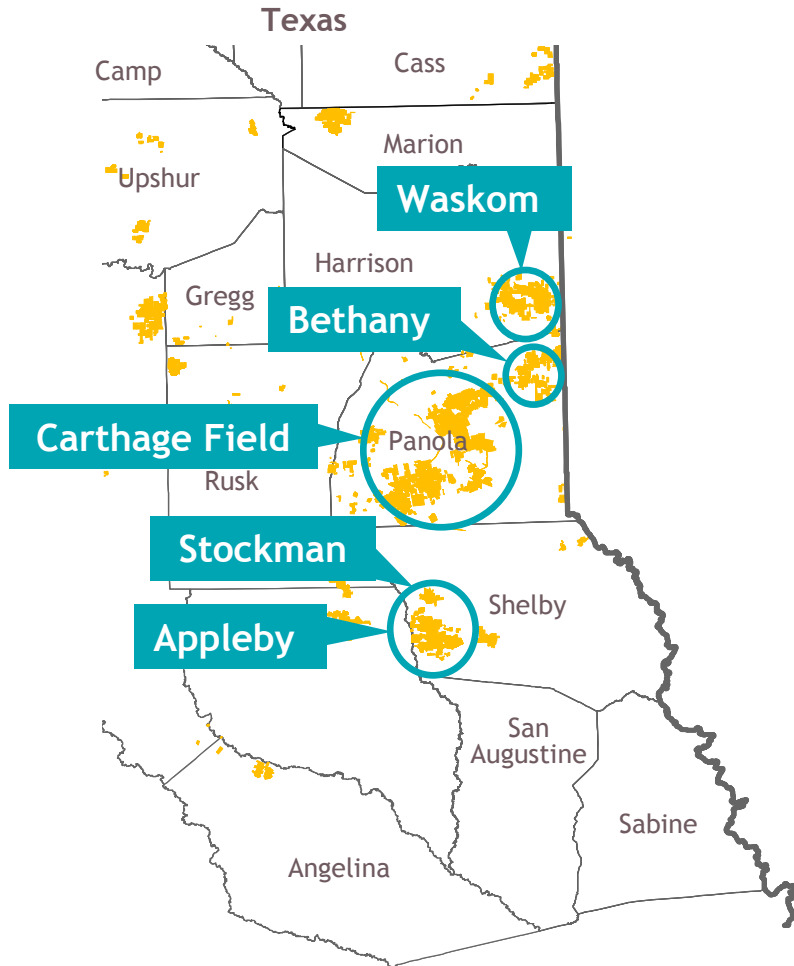
Significant portion of acreage held by production or fee

Low average royalty burden: 14%

Low cost of entry

Largely de-risked Carthage area

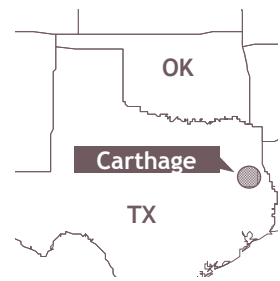
Carthage



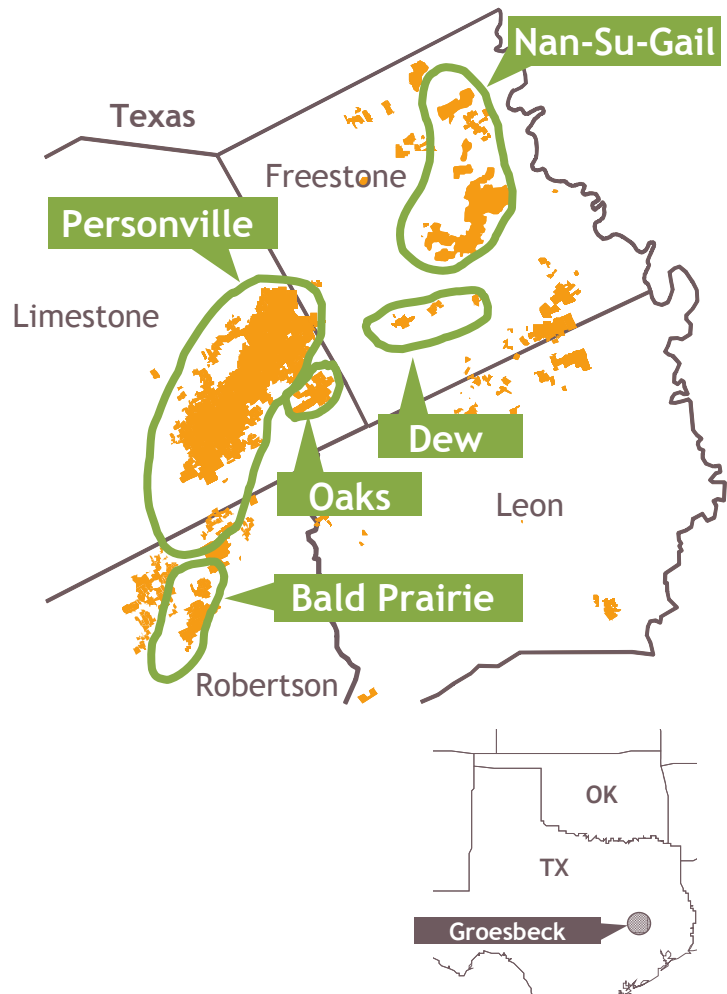
Net acreage: 201,000

Working interest: 86%

Q1 2012 net production: 198 MMCFED



Groesbeck

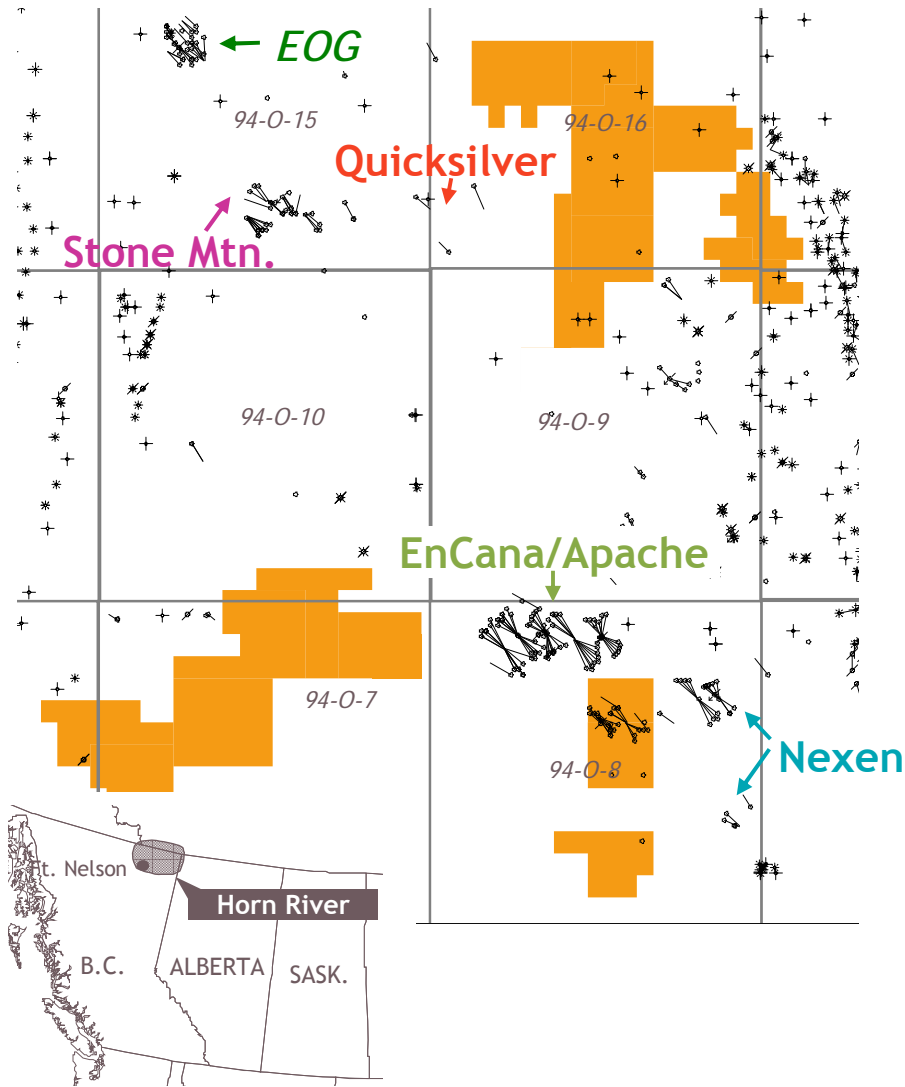


Net acreage: 146,000

Working interest: 72%

Q1 2012 net production: 77 MMCFED

Horn River Basin



Net risked resource: ≈ 7 TCFE

Risked locations: $>1,500$

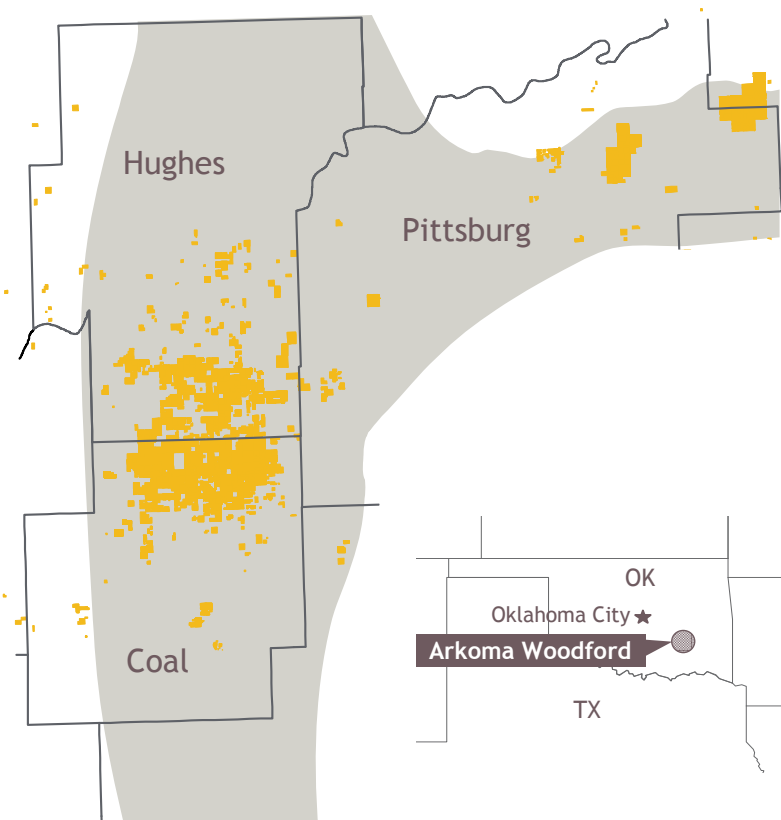
Net acreage: 174,000

Natural gas shale play

Thickest section of the basin

Minimal drilling required to hold acreage

Arkoma Woodford Shale



Net risked resource: 2.4 TCFE

Risked locations: ≈2,000

Net acreage: 39,000

Low cost of entry: ≈\$400/acre

Low average royalty burden: 20%

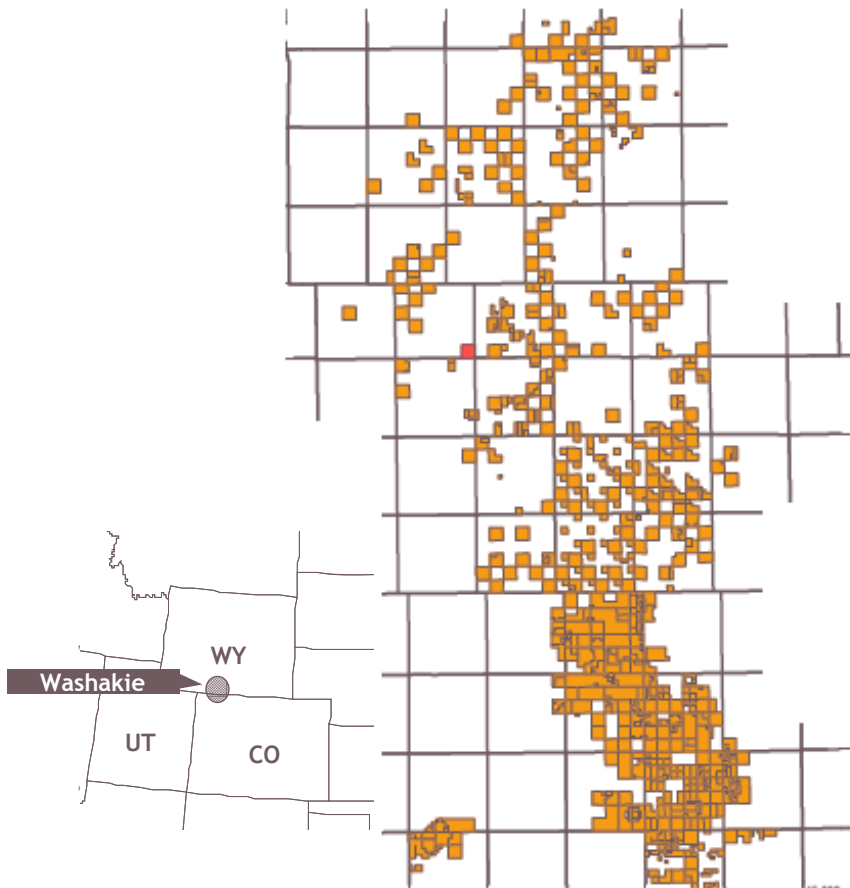
Acreage held by production

Q1 2012 net production: 62 MMCFED

Strategic midstream infrastructure

- Processing capacity: 200 MMCFD

Washakie



Net acreage: 162,000

Working interest: 76%

Q1 2012 net production: 136 MMCFED

Low-risk, tight sand gas