



NEWS RELEASE

Devon Energy Monetizes Access Pipeline for CAD \$1.4 Billion (USD \$1.1 Billion); Additional CAD \$150 Million (USD \$120 Million) Payment with Future Expansion

7/14/2016

OKLAHOMA CITY--(BUSINESS WIRE)-- Devon Energy Corp. (NYSE: DVN) today announced that it has entered into a definitive agreement to sell its 50 percent ownership interest in Access Pipeline to Wolf Midstream Inc., a portfolio company of Canada Pension Plan Investment Board, for CAD \$1.4 billion, or USD \$1.1 billion, using current exchange rates. The agreement also includes the potential for an incremental CAD \$150 million payment with the sanctioning and development of a new thermal-oil project on Devon's Pike lease in Alberta, Canada.

"With the highly-accretive sale of Access, Devon's divestiture program is now complete with proceeds totaling \$3.2 billion, surpassing the top end of our \$2 billion to \$3 billion guidance range," said Dave Hager, president and CEO. "Furthermore, the divestiture proceeds significantly strengthen our investment-grade balance sheet and position us to further accelerate investment in our best-in-class U.S. resource plays, led by the STACK and Delaware Basin."

Under terms of the sale agreement, Devon's thermal-oil acreage is dedicated to Access Pipeline for an initial term of 25 years. A market-based toll will be applied to production from the Company's three Jackfish projects, which are fully operational. As a result, Devon expects its lease operating expense at the Jackfish complex to increase by approximately USD \$100 million on an annualized basis.

The agreement also includes the potential for the Access Pipeline toll to be reduced by as much as 30 percent with the development of new thermal-oil projects in the future. The Company's next potential project is the first phase of Pike, which is located immediately adjacent to the Jackfish complex. Devon is the operator of this joint venture leasehold with a 50 percent working interest. Front-end engineering and design work at the first phase of Pike is complete, but the project has not been sanctioned.

The transaction is subject to regulatory approvals along with customary terms and conditions. Closing is expected in the third quarter of 2016. Bennett Jones LLP acted as legal advisor to Devon.

About Devon Energy

Devon Energy is a leading independent energy company engaged in finding and producing oil and natural gas. Based in Oklahoma City and included in the S&P 500, Devon operates in several of the most prolific oil and natural gas plays in the U.S. and Canada with an emphasis on a balanced portfolio. The Company is the second-largest oil producer among North American onshore independents. For more information, please visit www.devonenergy.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. These risks include, but are not limited to: the failure to consummate the transaction due to unsatisfied closing conditions or otherwise; whether the potential incremental payment in the transaction is earned and paid; the timing, amount of proceeds and actual closing of this transaction and the Company's other pending divestitures; and the other risks identified in the Company's Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission. 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. The forward-looking statements in this press release are made as of the date hereof, and the Company does not undertake any obligation to update the forward-looking statements as a result of new information, future events or otherwise.

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Devon Energy Corporation

Investor Contacts

Howard Thill, 405-552-3693

Scott Coody, 405-552-4735

Chris Carr, 405-228-2496

Media Contact

John Porretto, 405-228-7506