



GUIDANCE

THIRD-QUARTER AND FULL-YEAR 2020

PRODUCTION GUIDANCE

	Quarter 3		Full Year	
	Low	High	Low	High
Oil (MBbls/d)	138	143	148	152
Natural gas liquids (MBbls/d)	73	78	73	77
Gas (MMcf/d)	540	580	560	610
Total oil equivalent (MBoe/d)	301	318	314	331

PRICE REALIZATIONS GUIDANCE

	Quarter 3		Full Year	
	Low	High	Low	High
Oil - % of WTI	90%	100%	88%	92%
NGL - realized price	\$ 10.00	\$ 13.00	\$ 10.00	\$ 12.00
Natural gas - % of Henry Hub	70%	80%	70%	75%

CAPITAL EXPENDITURES GUIDANCE

(in millions)	Quarter 3		Full Year	
	Low	High	Low	High
Total upstream capital	\$ 175	\$ 225	\$ 950	\$ 1,000

OTHER GUIDANCE ITEMS

(\$ millions, except Boe and %)	Quarter 3		Full Year	
	Low	High	Low	High
Marketing & midstream operating profit	\$ (10)	\$ —	\$ (35)	\$ (25)
LOE & GP&T per BOE ⁽¹⁾	\$ 8.05 ⁽¹⁾	\$ 8.25 ⁽¹⁾	\$ 7.95 ⁽¹⁾	\$ 8.15 ⁽¹⁾
Production & property taxes as % of upstream sales	7.4%	7.6%	7.4%	7.6%
Exploration expenses	\$ —	\$ 5	\$ 10	\$ 20
Depreciation, depletion and amortization	\$ 265	\$ 305	\$ 1,225	\$ 1,325
General & administrative expenses	\$ 75	\$ 85	\$ 315	\$ 335
Restructuring expenses ⁽²⁾	\$ 25 ⁽²⁾	\$ 50 ⁽²⁾	\$ 25 ⁽²⁾	\$ 50 ⁽²⁾
Financing costs, net	\$ 60	\$ 70	\$ 260	\$ 270
Other expenses	\$ —	\$ 10	\$ —	\$ 20
Current income tax rate from continuing operations	0%	0%	0%	0%
Deferred income tax rate from continuing operations	20%	30%	20%	30%
Total income tax rate from continuing operations	20%	30%	20%	30%

(1) In the third quarter 2020 and full-year 2020, Devon expects to incur approximately \$20 million and \$65 million of minimum volume commitments related to the Anadarko Basin. These commitments are expected to impact GP&T rates by approximately \$0.55 per Boe in 2020. These commitments will expire at the end of 2020.

(2) Approximately one-third of the estimated restructuring expenses are non-cash.

Oil Commodity Hedges

Period	Price Swaps		Price Collars		
	Volume (Bbls/d)	Weighted Average Price (\$/Bbl)	Volume (Bbls/d)	Weighted Average Floor Price (\$/Bbl)	Weighted Average Ceiling Price (\$/Bbl)
Q3 2020	87,500	\$ 37.02	47,500	\$ 50.98	\$ 60.98
Q4 2020	88,000	\$ 36.28	39,500	\$ 50.93	\$ 60.93
Q1 2021	47,500	\$ 35.74	20,000	\$ 49.20	\$ 59.20
Q2 2021	46,500	\$ 35.22	21,000	\$ 42.46	\$ 52.46
Q3 2021	1,000	\$ 55.35	14,500	\$ 36.16	\$ 46.16
Q4 2021	—	—	9,500	\$ 29.56	\$ 39.56

Oil Basis Swaps

Period	Index	Volume (Bbls/d)	Weighted Average Differential to WTI (\$/Bbl)
Q3 2020	Argus MEH	55,000	\$ 0.37
Q3 2020	Midland Sweet	32,000	\$ (1.23)
Q3 2020	NYMEX Roll	54,000	\$ 0.38
Q4 2020	Argus MEH	50,000	\$ 0.47
Q4 2020	Midland Sweet	32,000	\$ (1.23)
Q4 2020	NYMEX Roll	54,000	\$ 0.38
Q1-Q4 2021	Midland Sweet	7,000	\$ 1.27

Natural Gas Commodity Hedges - Henry Hub

Period	Price Swaps		Price Collars		
	Volume (MMBtu/d)	Weighted Average Price (\$/MMBtu)	Volume (MMBtu/d)	Weighted Average Floor Price (\$/MMBtu)	Weighted Average Ceiling Price (\$/MMBtu)
Q3 2020	63,300	\$ 2.72	255,000	\$ 1.83	\$ 2.32
Q4 2020	55,000	\$ 2.66	118,000	\$ 2.29	\$ 2.79
Q1 2021	25,000	\$ 2.69	143,000	\$ 2.31	\$ 2.81
Q2 2021	25,000	\$ 2.69	143,000	\$ 2.31	\$ 2.81
Q3 2021	25,000	\$ 2.69	143,000	\$ 2.31	\$ 2.81
Q4 2021	—	—	48,000	\$ 2.40	\$ 2.90

Natural Gas Basis Swaps

Period	Index	Volume (MMBtu/d)	Weighted Average Differential to Henry Hub (\$/MMBtu)
Q3 2020	Panhandle Eastern Pipe Line	30,000	\$ (0.47)
Q3 2020	El Paso Natural Gas	65,000	\$ (0.78)
Q3 2020	Houston Ship Channel	30,000	\$ (0.02)
Q4 2020	Panhandle Eastern Pipe Line	30,000	\$ (0.47)
Q4 2020	El Paso Natural Gas	65,000	\$ (0.78)
Q4 2020	Houston Ship Channel	30,000	\$ (0.02)
Q1-Q4 2021	El Paso Natural Gas	35,000	\$ (0.92)

NGL Commodity Hedges

Period	Product	Price Swaps	
		Volume (Bbls/d)	Weighted Average Price (\$/Bbl)
Q3 2020	Ethane	15,000	\$ 5.62
Q3 2020	Natural Gasoline	1,000	\$ 44.84
Q3 2020	Normal Butane	1,500	\$ 23.56
Q3 2020	Propane	4,500	\$ 25.18
Q4 2020	Natural Gasoline	1,000	\$ 44.84
Q4 2020	Normal Butane	1,500	\$ 23.56
Q4 2020	Propane	4,500	\$ 25.18

Devon's oil derivatives settle against the average of the prompt month NYMEX West Texas Intermediate futures price. Devon's natural gas derivatives settle against the Inside FERC first of the month Henry Hub index. Devon's NGL derivatives settle against the average of the prompt month OPIS Mont Belvieu, Texas index. Commodity hedge positions are shown as of July 31, 2020.