

## THIRD-QUARTER AND FULL-YEAR 2022 GUIDANCE



### PRODUCTION GUIDANCE

	Quarter 3		Full Year	
	Low	High	Low	High
Oil (MBbls/d)	287	295	294	299
Natural gas liquids (MBbls/d)	151	156	148	152
Gas (MMcf/d)	930	970	940	960
Total oil equivalent (MBoe/d)	593	613	600	610

**Note:** Fourth-quarter production is estimated to increase ~4% due to timing of activity and higher working interest.

### CAPITAL EXPENDITURES GUIDANCE

(in millions)	Quarter 3 <sup>(1)</sup>		Full Year	
	Low	High	Low	High
Upstream capital	\$ 640	\$ 690	\$ 2,200	\$ 2,400
Environmental capital	20	30	75	100
Midstream & other capital	20	35	100	140
Total capital	\$ 680	\$ 755	\$ 2,375	\$ 2,640

**(1)** Devon expects to bring online ~100 new wells in the third quarter, driving higher production in the fourth quarter.

### PRICE REALIZATIONS GUIDANCE

	Quarter 3		Full Year	
	Low	High	Low	High
Oil - % of WTI	95%	100%	95%	100%
NGL - % of WTI	35%	40%	35%	40%
Natural gas - % of Henry Hub	80%	85%	80%	85%

### OTHER GUIDANCE ITEMS

(\$ millions, except Boe and %)	Quarter 3		Full Year	
	Low	High	Low	High
Marketing & midstream operating profit	\$ (10)	\$ —	\$ (25)	\$ (15)
LOE & GP&T per BOE	\$ 7.50	\$ 7.90	\$ 7.50	\$ 7.80
Production & property taxes as % of upstream sales	7.0%	8.0%	7.0%	8.0%
Exploration expenses	\$ —	\$ 5	\$ 5	\$ 15
Depreciation, depletion and amortization	\$ 510	\$ 560	\$ 2,050	\$ 2,150
General & administrative expenses	\$ 85	\$ 95	\$ 340	\$ 365
Net financing costs, net	\$ 80	\$ 90	\$ 335	\$ 345
Other expenses	\$ —	\$ 10	\$ (50)	\$ (30)

### INCOME TAX GUIDANCE

(% of pre-tax earnings)	Quarter 3	Full Year
Current income tax rate	10%	10%
Deferred income tax rate	12%	12%
Total income tax rate	22%	22%

# CONTINGENT PAYMENTS FOR BARNETT SHALE DIVESTITURE (4-year period beginning in 2021)



WTI Threshold		WTI Annual Earnout Amount		Henry Hub Threshold		Henry Hub Annual Earnout Amount	
\$	50.00	\$	10,000,000	\$	2.75	\$	20,000,000
\$	55.00	\$	12,500,000	\$	3.00	\$	25,000,000
\$	60.00	\$	15,000,000	\$	3.25	\$	35,000,000
\$	65.00	\$	20,000,000	\$	3.50	\$	45,000,000

## 2022 & 2023 HEDGING POSITIONS

### 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 2022	35,000	\$ 44.61	42,500	\$ 56.11	\$ 73.82
Q4 2022	35,000	\$ 44.61	45,500	\$ 63.32	\$ 90.33
Q1-Q4 2023	—	\$ —	37,193	\$ 68.55	\$ 95.92

### Oil Basis Swaps

Period	Index	Volume (Bbls/d)	Weighted Average Differential to WTI (\$/Bbl)
Q3-Q4 2022	BRENT/WTI Spread	1,000	\$ (7.75)
Q3-Q4 2022	NYMEX Roll	29,000	\$ 0.45
Q1-Q4 2023	Midland Sweet	12,296	\$ 0.52

### 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 2022	110,000	\$ 2.79	221,000	\$ 2.98	\$ 4.35
Q4 2022	125,000	\$ 3.34	165,000	\$ 3.16	\$ 4.82
Q1-Q4 2023	8,658	\$ 5.24	106,436	\$ 3.58	\$ 7.81

### Natural Gas Basis Swaps

Period	Index	Volume (MMBtu/d)	Weighted Average Differential to Henry Hub (\$/MMBtu)
Q3-Q4 2022	WAHA	70,000	\$ (0.57)
Q3-Q4 2022	El Paso Permian	50,000	\$ (0.85)
Q3-Q4 2022	Houston Ship Channel	40,000	\$ (0.15)
Q1-Q4 2023	WAHA	70,000	\$ (0.51)
Q1-Q4 2023	El Paso Permian	140,041	\$ (1.58)
Q1-Q4 2023	Houston Ship Channel	50,000	\$ (0.13)

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 end of the month NYMEX index. Commodity hedge positions are shown as of July 27, 2022.