UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 001-32318

DEVON ENERGY CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**73-1567067**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

Three Memorial City Plaza
840 Gessner Road, Suite 1400, Houston, Texas 77024
(Address of principal executive offices, including zip code)

(281) 589-4600
(Registrant's telephone number, including area code)

333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102-5015
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.10 per share	DVN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

On July 22, 2026, 1.1 billion shares of common stock were outstanding.

DEVON ENERGY CORPORATION

FORM 10-Q

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DEFINITIONS

Unless the context otherwise indicates, references to “us,” “we,” “our,” “ours,” “Devon,” the “Company” and “Registrant” refer to Devon Energy Corporation and its consolidated subsidiaries. All monetary values, other than per unit and per share amounts, are stated in millions of U.S. dollars unless otherwise specified. In addition, the following are other abbreviations and definitions of certain terms used within this Quarterly Report on Form 10-Q:

“ASU” means Accounting Standards Update.

“Bbl” or “Bbls” means barrel or barrels.

“Boe” means barrel of oil equivalent. Gas proved reserves and production are converted to Boe, at the pressure and temperature base standard of each respective state in which the gas is produced, at the rate of six Mcf of gas per Bbl of oil, based upon the approximate relative energy content of gas and oil. NGL proved reserves and production are converted to Boe on a one-to-one basis with oil.

“Btu” means British thermal units, a measure of heating value.

“CAMT” means Corporate Alternative Minimum Tax.

“Catalyst” means Catalyst Midstream Partners, LLC.

“CDM” means Cotton Draw Midstream, L.L.C.

“Coterra” means Coterra Energy Inc.

“DD&A” means depreciation, depletion and amortization expenses.

“EPA” means the United States Environmental Protection Agency.

“FASB” means Financial Accounting Standards Board.

“Fervo” means Fervo Energy Company.

“G&A” means general and administrative expenses.

“GAAP” means U.S. generally accepted accounting principles.

“Grayson Mill” means Grayson Mill Intermediate HoldCo II, LLC and Grayson Mill Intermediate HoldCo III, LLC.

“Inside FERC” refers to the publication *Inside F.E.R.C.’s Gas Market Report*.

“LOE” means lease operating expenses.

“Matterhorn” refers to Matterhorn Express Pipeline, LLC and, as applicable, its direct parent, MXP Parent, LLC.

“MBbls” means thousand barrels.

“MBoe” means thousand Boe.

“Mcf” means thousand cubic feet.

“Merger” means the merger of Merger Sub with and into Coterra, with Coterra continuing as the surviving corporation and a wholly-owned subsidiary of the Company, pursuant to the terms of the Merger Agreement.

“Merger Agreement” means that certain Agreement and Plan of Merger, dated February 1, 2026, by and among the Company, Merger Sub and Coterra.

"Merger Sub" means Cubs Merger Sub, Inc., a wholly-owned subsidiary of the Company.

"MMBoe" means million Boe.

"MMBtu" means million Btu.

"MMcf" means million cubic feet.

"N/M" means not meaningful.

"NCI" means noncontrolling interests.

"NGL" or "NGLs" means natural gas liquids.

"NOV" means notice of violation.

"NYMEX" means New York Mercantile Exchange.

"OBBB" means One Big Beautiful Bill Act.

"OPEC" means Organization of the Petroleum Exporting Countries.

"Producers Midstream" means Producers Midstream II, LLC.

"SEC" means United States Securities and Exchange Commission.

"Senior Credit Facility" means Devon's syndicated unsecured revolving line of credit, effective as of March 24, 2023.

"SOFR" means secured overnight financing rate.

"TSR" means total shareholder return.

"U.S." means United States of America.

"VIE" means variable interest entity.

"WaterBridge" means WaterBridge Infrastructure LLC and WBI Operating LLC. Any references to WaterBridge as a public company or its publicly-traded equity are to WaterBridge Infrastructure LLC individually.

"WTI" means West Texas Intermediate.

"/Bbl" means per barrel.

"/d" means per day.

"/MMBtu" means per MMBtu.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This report includes “forward-looking statements” within the meaning of the federal securities laws. Such statements include those concerning strategic plans, our expectations and objectives for future operations, as well as other future events or conditions, and are often identified by use of the words and phrases “expects,” “believes,” “will,” “would,” “could,” “continue,” “may,” “aims,” “likely to be,” “intends,” “forecasts,” “projections,” “estimates,” “plans,” “expectations,” “targets,” “opportunities,” “potential,” “anticipates,” “outlook” and other similar terminology. All statements, other than statements of historical facts, included in this report that address activities, events or developments that Devon expects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control. Consequently, actual future results could differ materially and adversely from our expectations due to a number of factors, including, but not limited to:

- the volatility of oil, gas and NGL prices, including from the impact of ongoing or escalating armed conflicts, wars, and geopolitical instabilities, and from changes in trade relations and policies, such as the imposition of new or increased tariffs or other trade protection measures by the U.S., China or other countries;
- uncertainties inherent in estimating oil, gas and NGL reserves;
- the extent to which we are successful in acquiring and discovering additional reserves;
- the uncertainties, costs and risks involved in our operations;
- risks related to our hedging activities;
- our limited control over third parties who operate some of our oil and gas properties and investments;
- midstream capacity constraints and potential interruptions in production, including from limits to the build out of midstream infrastructure;
- competition for assets, materials, people and capital, which can be exacerbated by supply chain disruptions, including as a result of tariffs or other changes in trade policy;
- regulatory restrictions, compliance costs and other risks relating to governmental regulation, including with respect to federal lands, environmental matters, water disposal and tax matters;
- climate change and risks related to regulatory, social and market efforts to address climate change;
- risks relating to our sustainability initiatives;
- claims, litigation, audits and other proceedings impacting our business, including with respect to historic and legacy operations;
- governmental interventions in energy markets;
- counterparty credit risks;
- risks relating to our indebtedness;
- cybersecurity risks;
- risks associated with artificial intelligence and other emerging technologies;
- the extent to which insurance covers any losses we may experience;
- risks related to shareholder activism;
- our ability to successfully complete mergers, acquisitions and divestitures;
- our ability to pay dividends and make share repurchases;
- risks related to the Merger, including the risk that we may not realize the anticipated benefits of the Merger or successfully integrate the two legacy businesses; and
- any of the other risks and uncertainties discussed in this report, our 2025 Annual Report on Form 10-K and our other filings with the SEC.

The forward-looking statements included in this filing speak only as of the date of this report, represent management’s current reasonable expectations as of the date of this filing and are subject to the risks and uncertainties identified above as well as those described elsewhere in this report and in other documents we file from time to time with the SEC. We cannot guarantee the accuracy of our forward-looking statements, and readers are urged to carefully review and consider the various disclosures made in this report and in other documents we file from time to time with the SEC. All subsequent written and oral forward-looking statements attributable to Devon, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements above. We do not undertake, and expressly disclaim, any duty to update or revise our forward-looking statements based on new information, future events or otherwise. Based on guidance from the SEC, Devon may use the investors section of its website to communicate with investors about Devon. It is possible that the financial and other information posted there could be deemed to be material information. The information on Devon's website is not part of this Form 10-Q.

Part I. Financial Information

Item 1. Financial Statements

DEVON ENERGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(Unaudited)			
Oil, gas and NGL sales	$ 5,106	$ 2,710	$ 8,083	$ 5,836
Oil, gas and NGL derivatives	414	236	(287)	138
Marketing and midstream revenues	1,897	1,338	3,428	2,762
Total revenues	7,417	4,284	11,224	8,736
Production expenses	1,393	899	2,287	1,811
Exploration expenses	16	20	41	30
Marketing and midstream expenses	1,874	1,357	3,421	2,793
Depreciation, depletion and amortization	1,416	914	2,320	1,826
Asset impairments	—	—	—	254
Asset dispositions	(25)	(307)	(24)	(305)
General and administrative expenses	175	113	300	243
Financing costs, net	125	116	234	239
Restructuring and transaction costs	246	9	265	27
Other, net	(187)	2	(170)	11
Total expenses	5,033	3,123	8,674	6,929
Earnings before income taxes	2,384	1,161	2,550	1,807
Income tax expense	473	244	519	381
Net earnings	1,911	917	2,031	1,426
Net earnings attributable to noncontrolling interests	—	18	—	33
Net earnings attributable to Devon	$ 1,911	$ 899	$ 2,031	$ 1,393
Net earnings per share:				
Basic net earnings per share	$ 2.04	$ 1.42	$ 2.61	$ 2.18
Diluted net earnings per share	$ 2.03	$ 1.41	$ 2.60	$ 2.17
Comprehensive earnings:				
Net earnings	$ 1,911	$ 917	$ 2,031	$ 1,426
Other comprehensive earnings, net of tax:				
Pension and postretirement plans	1	1	2	2
Other comprehensive earnings, net of tax	1	1	2	2
Comprehensive earnings:	$ 1,912	$ 918	$ 2,033	$ 1,428
Comprehensive earnings attributable to noncontrolling interests	—	18	—	33
Comprehensive earnings attributable to Devon	$ 1,912	$ 900	$ 2,033	$ 1,395

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

		June 30, 2026 (Unaudited)		December 31, 2025
ASSETS				
Current assets:				
Cash, cash equivalents and restricted cash	$	1,009	$	1,434
Accounts receivable		3,162		1,792
Inventory		356		336
Other current assets		522		444
Total current assets		5,049		4,006
Oil and gas property and equipment, based on successful efforts accounting, net		60,899		23,731
Other property and equipment, net		2,199		1,688
Total property and equipment, net		63,098		25,419
Goodwill		753		753
Right-of-use assets		509		299
Investments		992		727
Other long-term assets		492		395
Total assets	$	70,893	$	31,599
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable	$	1,626	$	790
Revenues and royalties payable		2,451		1,491
Short-term debt		1,497		998
Income taxes payable		414		152
Other current liabilities		1,052		655
Total current liabilities		7,040		4,086
Long-term debt		9,891		7,391
Lease liabilities		356		197
Asset retirement obligations		1,169		863
Other long-term liabilities		1,043		907
Deferred income taxes		9,647		2,627
Commitments and contingencies (Note 18)				
Stockholders' equity:				
Common stock, $0.10 par value. Authorized 2.0 billion shares; issued 1,150 million and 622 million shares in 2026 and 2025, respectively		115		62
Additional paid-in capital		30,045		5,388
Retained earnings		11,712		10,200
Accumulated other comprehensive loss		(120)		(122)
Treasury stock, at cost, 0.1 million shares in 2026		(5)		—
Total stockholders' equity		41,747		15,528
Total liabilities and equity	$	70,893	$	31,599

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
	(Unaudited)			
Cash flows from operating activities:				
Net earnings	$ 1,911	$ 917	$ 2,031	$ 1,426
Adjustments to reconcile net earnings to net cash from operating activities:				
Depreciation, depletion and amortization	1,416	914	2,320	1,826
Asset impairments	—	—	—	254
Leasehold impairments	9	7	12	12
Accretion of liabilities	7	3	11	9
Total (gains) losses on commodity derivatives	(414)	(236)	287	(138)
Cash settlements on commodity derivatives	(116)	67	(173)	57
Gains on asset dispositions	(25)	(307)	(24)	(305)
Deferred income tax expense	95	18	329	59
Share-based compensation	71	23	93	53
Other	(204)	5	(182)	(17)
Changes in assets and liabilities, net	924	134	625	251
Net cash from operating activities	3,674	1,545	5,329	3,487
Cash flows from investing activities:				
Cash acquired in Merger	581	—	581	—
Capital expenditures	(1,318)	(956)	(2,157)	(1,890)
Acquisitions of property and equipment	(2,729)	(16)	(2,919)	(24)
Divestitures of property, equipment and investments	88	372	90	505
Distributions from investments	13	11	22	20
Contributions to investments and other	(10)	(8)	(12)	(10)
Net cash from investing activities	(3,375)	(597)	(4,395)	(1,399)
Cash flows from financing activities:				
Repayments of long-term debt	(500)	—	(500)	—
Repurchases of common stock	(197)	(249)	(266)	(550)
Dividends paid on common stock	(366)	(156)	(521)	(319)
Contributions from noncontrolling interests	—	—	—	14
Distributions to noncontrolling interests	—	(14)	—	(23)
Repayment of finance leases	(2)	—	(5)	(274)
Shares exchanged for tax withholdings and other	(44)	(5)	(71)	(24)
Net cash from financing activities	(1,109)	(424)	(1,363)	(1,176)
Effect of exchange rate changes on cash	4	1	4	1
Net change in cash, cash equivalents and restricted cash	(806)	525	(425)	913
Cash, cash equivalents and restricted cash at beginning of period	1,815	1,234	1,434	846
Cash, cash equivalents and restricted cash at end of period	$ 1,009	$ 1,759	$ 1,009	$ 1,759
Reconciliation of cash, cash equivalents and restricted cash:				
Cash and cash equivalents	$ 950	$ 1,713	$ 950	$ 1,713
Restricted cash	59	46	59	46
Total cash, cash equivalents and restricted cash	$ 1,009	$ 1,759	$ 1,009	$ 1,759

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

	Common Stock		Additional Paid-In Capital	Retained Earnings	Other Comprehensive Earnings (Loss)	Treasury Stock	Noncontrolling Interests	Total Equity
	Shares	Amount						
				(Unaudited)				
Three Months Ended June 30, 2026								
Balance as of March 31, 2026	621	$ 62	$ 5,316	$ 10,171	$ (121)	$ —	$ —	$ 15,428
Net earnings	—	—	—	1,911	—	—	—	1,911
Other comprehensive earnings, net of tax	—	—	—	—	1	—	—	1
Restricted stock grants, net of cancellations	2	—	—	—	—	—	—	—
Common stock repurchased	—	—	—	—	—	(240)	—	(240)
Common stock retired	(5)	—	(235)	—	—	235	—	—
Common stock dividends	—	—	—	(370)	—	—	—	(370)
Common stock issued	532	53	24,893	—	—	—	—	24,946
Share-based compensation	—	—	71	—	—	—	—	71
Balance as of June 30, 2026	1,150	$ 115	$ 30,045	$ 11,712	$ (120)	$ (5)	$ —	$ 41,747
Three Months Ended June 30, 2025								
Balance as of March 31, 2025	644	$ 64	$ 6,096	$ 8,506	$ (121)	$ —	$ 228	$ 14,773
Net earnings	—	—	—	899	—	—	18	917
Other comprehensive earnings, net of tax	—	—	—	—	1	—	—	1
Common stock repurchased	—	—	(1)	—	—	(254)	—	(255)
Common stock retired	(8)	—	(254)	—	—	254	—	—
Common stock dividends	—	—	—	(153)	—	—	—	(153)
Share-based compensation	—	—	23	—	—	—	—	23
Distributions to noncontrolling interests	—	—	—	—	—	—	(14)	(14)
Balance as of June 30, 2025	636	$ 64	$ 5,864	$ 9,252	$ (120)	$ —	$ 232	$ 15,292
Six Months Ended June 30, 2026								
Balance as of December 31, 2025	622	$ 62	$ 5,388	$ 10,200	$ (122)	$ —	$ —	$ 15,528
Net earnings	—	—	—	2,031	—	—	—	2,031
Other comprehensive earnings, net of tax	—	—	—	—	2	—	—	2
Restricted stock grants, net of cancellations	3	—	—	—	—	—	—	—
Common stock repurchased	—	—	—	—	—	(334)	—	(334)
Common stock retired	(7)	—	(329)	—	—	329	—	—
Common stock dividends	—	—	—	(519)	—	—	—	(519)
Common stock issued	532	53	24,893	—	—	—	—	24,946
Share-based compensation	—	—	93	—	—	—	—	93
Balance as of June 30, 2026	1,150	$ 115	$ 30,045	$ 11,712	$ (120)	$ (5)	$ —	$ 41,747
Six Months Ended June 30, 2025								
Balance as of December 31, 2024	651	$ 65	$ 6,387	$ 8,166	$ (122)	$ —	$ 208	$ 14,704
Net earnings	—	—	—	1,393	—	—	33	1,426
Other comprehensive earnings, net of tax	—	—	—	—	2	—	—	2
Restricted stock grants, net of cancellations	2	—	—	—	—	—	—	—
Common stock repurchased	—	—	(4)	—	—	(573)	—	(577)
Common stock retired	(17)	(1)	(572)	—	—	573	—	—
Common stock dividends	—	—	—	(307)	—	—	—	(307)
Share-based compensation	—	—	53	—	—	—	—	53
Contributions from noncontrolling interests	—	—	—	—	—	—	14	14
Distributions to noncontrolling interests	—	—	—	—	—	—	(23)	(23)
Balance as of June 30, 2025	636	$ 64	$ 5,864	$ 9,252	$ (120)	$ —	$ 232	$ 15,292

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Summary of Significant Accounting Policies

The accompanying unaudited interim financial statements and notes of Devon have been prepared pursuant to the rules and regulations of the SEC. Pursuant to such rules and regulations, certain disclosures previously included in financial statements prepared in accordance with U.S. GAAP have been omitted. The accompanying unaudited interim financial statements and notes should be read in conjunction with the financial statements and notes included in Devon's 2025 Annual Report on Form 10-K. The accompanying unaudited interim financial statements in this report reflect all adjustments that are, in the opinion of management, necessary for a fair statement of Devon's results of operations and cash flows for the three-month and six-month periods ended June 30, 2026 and 2025 and Devon's financial position as of June 30, 2026. Such adjustments are considered to be of a normal recurring nature unless otherwise noted.

Devon and Coterra completed an all-stock merger of equals on May 7, 2026. On the closing date of the Merger, each share of Coterra common stock was automatically converted into the right to receive 0.70 of a share of Devon common stock. The transaction has been accounted for using the acquisition method of accounting, with Devon as the accounting acquirer. See Note 2 for further discussion.

Variable Interest Entity

CDM was a joint venture entity formed by Devon and an affiliate of QL Capital Partners, LP ("QLCP"). Devon held a controlling interest in CDM and the portions of CDM's net earnings and equity not attributable to Devon's controlling interest were shown separately as noncontrolling interests in the accompanying consolidated statements of comprehensive earnings and consolidated balance sheets. CDM was considered a VIE to Devon. On August 1, 2025, Devon completed the acquisition of all outstanding noncontrolling interests in CDM for $260 million. As a result of this transaction, Devon owns 100% of the equity interests in CDM.

Disaggregation of Revenue

The following table presents revenue from contracts with customers that are disaggregated based on the type of good or service.

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Oil	$ 4,354	$ 2,174	$ 6,777	$ 4,588
Gas	104	178	309	487
NGL	648	358	997	761
Oil, gas and NGL sales	5,106	2,710	8,083	5,836
Oil	1,411	859	2,412	1,777
Gas	156	246	410	517
NGL	330	233	606	468
Marketing and midstream revenues	1,897	1,338	3,428	2,762
Total revenues from contracts with customers	$ 7,003	$ 4,048	$ 11,511	$ 8,598

Transaction Price Allocated to Remaining Performance Obligations

As of June 30, 2026, Devon had $5.3 billion of unsatisfied performance obligations related to natural gas sales that have a fixed pricing component and a contract term greater than one year. These obligations were assumed by Devon in connection with the Merger and are expected to be recognized ratably over the next 13 years.

Recently Issued Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses. ASU 2024-03 requires disclosures about specific types of expenses included in the expense captions presented on the face of the statement of operations as well as disclosures about selling expenses. This ASU will result in additional disclosures for Devon beginning with its 2027 annual reporting and interim periods beginning in 2028. Devon is evaluating the impact this ASU will have on the disclosures that accompany its consolidated financial statements.

2. Acquisitions and Divestitures

Coterra Merger

On May 7, 2026, Devon completed an all-stock merger of equals with Coterra, an oil and gas exploration and production company with assets in the Permian Basin in Texas and New Mexico, the Marcellus Shale in Pennsylvania and the Anadarko Basin in Oklahoma. On the closing date of the Merger, each share of Coterra common stock was converted into the right to receive 0.70 of a share of Devon common stock. No fractional shares of Devon's common stock were issued in the Merger, and holders of shares of Coterra common stock instead received cash in lieu of fractional shares of Devon common stock. Based on the closing price of Devon's common stock on May 6, 2026, the total value of Devon common stock issued to holders of Coterra common stock as part of this transaction was approximately $24.8 billion.

Purchase Price Allocation

This transaction has been accounted for using the acquisition method of accounting, with Devon as the accounting acquirer. Under the acquisition method of accounting, the assets and liabilities of Coterra have been recorded at their respective fair values as of the date of completion of the Merger and added to Devon's assets and liabilities. The preliminary purchase price assessment remains an ongoing process and is subject to change for up to one year subsequent to the closing date of the acquisition. Determining the fair value of the assets and liabilities of Coterra requires judgment and certain assumptions to be made, the most significant of these being related to the valuation of Coterra's oil and gas properties. The inputs and assumptions related to the oil and gas properties are categorized as level 3 in the fair value hierarchy.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

The following table represents the allocation of the total purchase price of Coterra to the identifiable assets acquired and the liabilities assumed based on the fair values as of the acquisition date.

		Preliminary Purchase Price Allocation
Consideration:		
Coterra common stock outstanding		759.4
Exchange Ratio		0.70
Devon common stock issued		531.6
Devon closing price on May 6, 2026	$	46.60
Total common equity consideration	$	24,772
Share-based replacement awards		174
Total consideration	$	24,946
Assets acquired:		
Cash, cash equivalents and restricted cash	$	581
Accounts receivable		1,110
Inventory		31
Other current assets		204
Proved oil and gas property and equipment		20,356
Unproved and properties under development		14,099
Other property and equipment, net		505
Right-of-use assets		131
Investments		100
Other long-term assets		133
Total assets acquired	$	37,250
Liabilities assumed:		
Accounts payable		723
Revenues and royalties payable		478
Short-term debt		249
Income taxes payable		27
Other current liabilities		425
Long-term debt		3,256
Lease liabilities		100
Asset retirement obligations		164
Other long-term liabilities		192
Deferred income taxes		6,690
Total liabilities assumed		12,304
Net assets acquired	$	24,946

Coterra Revenues and Net Earnings

From the closing date of the Merger through June 30, 2026, revenues and net earnings included in Devon's consolidated statements of comprehensive earnings associated with these assets totaled $1.3 billion and $230 million, respectively.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Pro Forma Financial Information

The following unaudited pro forma financial information is based on our historical consolidated financial statements adjusted to reflect as if the Coterra merger had occurred on January 1, 2025. The information below reflects pro forma adjustments to conform Coterra's historical financial information to Devon's financial statement presentation. The unaudited pro forma financial information is not necessarily indicative of what would have occurred if the acquisition had been completed as of the beginning of the periods presented, nor is it indicative of future results.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(Unaudited)			
Total revenues	$ 8,150	$ 6,240	$ 13,894	$ 12,586
Net earnings	$ 2,048	$ 1,298	$ 2,464	$ 2,138
Net earnings per share:				
Basic net earnings per share	$ 1.79	$ 1.11	$ 2.15	$ 1.83
Diluted net earnings per share	$ 1.78	$ 1.11	$ 2.14	$ 1.82

Lease Acquisition

During the second quarter of 2026, Devon acquired approximately 16,300 net undeveloped acres in the core of the Permian Basin in Lea and Eddy Counties, New Mexico through the Bureau of Land Management ("BLM") oil and gas lease sale for approximately $2.6 billion, which was funded with cash on hand.

Asset Exchange

On April 1, 2025, Devon and BPX Energy dissolved their partnership and divided their acreage in the Eagle Ford Blackhawk field located in Texas' DeWitt County, resulting in increased operational flexibility for both parties. The assets exchanged were in close proximity and shared similar geological characteristics. The transaction was accounted for as an equal, non-monetary exchange, as it did not result in a significant change to the risks, expected future cash flows or the timing of those cash flows, and therefore was determined to lack commercial substance. As a result, the new acreage and underlying property costs were recorded at the historical cost of the assets exchanged.

Divestiture of Matterhorn Investment

During the second quarter of 2025, Devon sold its investment in Matterhorn for $372 million and recognized a pre-tax gain of $307 million ($239 million, net of tax), which was recorded to asset dispositions on the accompanying consolidated statements of comprehensive earnings.

Contingent Earnout Payments

Devon was entitled to contingent earnout payments associated with the sale of its Barnett Shale assets in 2020 with upside participation beginning at a $2.75 Henry Hub natural gas price or a $50 WTI oil price. The contingent payment period commenced on January 1, 2021, and had a term of four years. Devon received $20 million in contingent earnout payments related to this transaction in the first six months of 2025. As of June 30, 2026, Devon had no other open contingent earnout arrangements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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3. Derivative Financial Instruments

Objectives and Strategies

Devon enters into derivative financial instruments with respect to a portion of its oil, gas and NGL production to hedge future prices received. Additionally, Devon periodically enters into derivative financial instruments with respect to a portion of its oil, gas and NGL marketing activities. These commodity derivative financial instruments include financial price swaps, basis swaps and costless price collars.

Devon does not intend to hold or issue derivative financial instruments for speculative trading purposes and has elected not to designate any of its derivative instruments for hedge accounting treatment.

Counterparty Credit Risk

By using derivative financial instruments, Devon is exposed to credit risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. To mitigate this risk, the hedging instruments are placed with a number of counterparties whom Devon believes are acceptable credit risks. It is Devon's policy to enter into derivative contracts only with investment-grade rated counterparties deemed by management to be competent and competitive market makers. Additionally, Devon's derivative contracts generally contain provisions that provide for collateral payments if Devon's or its counterparty's credit rating falls below certain credit rating levels. As of June 30, 2026, Devon neither held cash collateral of its counterparties nor posted cash collateral to its counterparties. Given Devon's current credit ratings and the terms of the underlying contracts, Devon is not required to post collateral to its counterparties with respect to its open derivative positions and would not be required to post any such collateral as a result of any change to the amount of Devon's net liability for such positions.

Commodity Derivatives

As of June 30, 2026, Devon had the following open oil derivative positions. The first two tables present Devon's oil derivatives that settle against the average of the prompt month NYMEX WTI futures price. The third table presents Devon's oil derivatives that settle against the respective indices noted within the table.

	Price Swaps		Price Collars		
Period	Volume (Bbls/d)	Weighted Average Price ($/Bbl)	Volume (Bbls/d)	Weighted Average Floor Price ($/Bbl)	Weighted Average Ceiling Price ($/Bbl)
Q3-Q4 2026	10,000	$ 66.13	84,500	$ 56.25	$ 73.11
Q1-Q4 2027	—	$ —	38,466	$ 59.04	$ 85.41

	Three-Way Price Collars			
Period	Volume (Bbls/d)	Weighted Average Floor Sold Price ($/Bbl)	Weighted Average Floor Purchased Price ($/Bbl)	Weighted Average Ceiling Price ($/Bbl)
Q3-Q4 2026	113,000	$ 49.36	$ 59.36	$ 72.36
Q1-Q4 2027	57,397	$ 47.25	$ 57.25	$ 73.14

	Oil Basis Swaps		
Period	Index	Volume (Bbls/d)	Weighted Average Differential to WTI ($/Bbl)
Q3-Q4 2026	WTI/NYMEX	83,500	$ 0.95
Q3-Q4 2026	Midland Sweet	46,000	$ 1.10
Q3-Q4 2026	WTI/Brent	8,000	$ (5.66)
Q3-Q4 2026	NYMEX Roll	95,000	$ 1.74
Q1-Q4 2027	WTI/NYMEX	32,466	$ 1.04
Q1-Q4 2027	Magellan East Houston	27,000	$ 1.85
Q1-Q4 2027	Midland Sweet	48,000	$ 1.02

DEVON ENERGY CORPORATION AND SUBSIDIARIES
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As of June 30, 2026, Devon had the following open natural gas derivative positions. The first table presents Devon's natural gas derivatives that settle against the Inside FERC first of the month Henry Hub index and the end of month NYMEX index. The second table presents Devon's natural gas derivatives that settle against the respective indices noted within the table.

	Price Swaps (1)			Price Collars (2)				
Period	Volume (MMBtu/d)		Weighted Average Price ($/MMBtu)	Volume (MMBtu/d)		Weighted Average Floor Price ($/MMBtu)		Weighted Average Ceiling Price ($/MMBtu)
Q3-Q4 2026	247,500	$	3.80	1,130,000	$	3.36	$	5.47
Q1-Q4 2027	—	$	—	490,000	$	3.17	$	5.33

(1) Price swaps settle against the Inside FERC first of month Henry Hub index.

(2) Related to the 2026 open positions, 230,000 MMBtu/d settle against the Inside FERC first of month Henry Hub index at a weighted average floor price of $3.26 and ceiling price of $4.90, and 900,000 MMBtu/d settle against the end of month NYMEX index at a weighted average floor price of $3.39 and ceiling price of $5.61. Related to the 2027 open positions, 110,000 MMBtu/d settle against the Inside FERC first of month Henry Hub index at a weighted average floor price of $3.45 and ceiling price of $4.25, and 380,000 MMBtu/d settle against the end of month NYMEX index at a weighted average floor price of $3.08 and ceiling price of $5.65.

	Natural Gas Basis Swaps			
Period	Index	Volume (MMBtu/d)		Weighted Average Differential to Henry Hub ($/MMBtu)
Q3-Q4 2026	Houston Ship Channel	50,000	$	(0.29)
Q3-Q4 2026	Transco Leidy	250,000	$	(0.78)
Q3-Q4 2026	Transco Zone 6 Non-NY	250,000	$	(0.16)
Q3-Q4 2026	WAHA	350,000	$	(1.86)
Q1-Q4 2027	Transco Leidy	47,500	$	(0.65)
Q1-Q4 2027	Transco Zone 6 Non-NY	150,000	$	0.35
Q1-Q4 2027	WAHA	135,041	$	(1.30)

Financial Statement Presentation

All derivative financial instruments are recognized at their current fair value as either assets or liabilities on the consolidated balance sheets. Amounts related to contracts allowed to be netted upon payment subject to a master netting arrangement with the same counterparty are reported on a net basis on the consolidated balance sheets. The table below presents a summary of these positions as of June 30, 2026 and December 31, 2025.

	June 30, 2026			December 31, 2025			
	Gross Fair Value	Amounts Netted	Net Fair Value	Gross Fair Value	Amounts Netted	Net Fair Value	Balance Sheet Classification
Commodity derivatives:							
Short-term derivative asset	$ 174	$ (31)	$ 143	$ 199	$ (7)	$ 192	Other current assets
Long-term derivative asset	70	(5)	65	2	—	2	Other long-term assets
Short-term derivative liability	(209)	31	(178)	(8)	7	(1)	Other current liabilities
Long-term derivative liability	(29)	5	(24)	—	—	—	Other long-term liabilities
Total derivative asset	$ 6	$ —	$ 6	$ 193	$ —	$ 193	

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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4. Share-Based Compensation

The table below presents the share-based compensation expense included in Devon's accompanying consolidated statements of comprehensive earnings.

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
G&A	$ 56	$ 46
Restructuring and transaction costs	37	7
Total	$ 93	$ 53
Related income tax benefit	$ 18	$ 8

Under its approved long-term incentive plans, Devon grants share-based awards to its employees. The following table presents a summary of Devon's unvested restricted stock awards and units and performance share units granted under the plans.

	Restricted Stock Awards & Units		Performance Share Units	
	Awards/Units	Weighted Average Grant-Date Fair Value	Units	Weighted Average Grant-Date Fair Value
	(Thousands, except fair value data)			
Unvested at 12/31/25	4,653	$ 40.79	1,293	$ 58.82
Granted [1]	9,201	$ 45.95	439	$ 61.73
Vested	(3,690)	$ 45.75	(200)	$ 81.70
Forfeited	(139)	$ 42.90	(117)	$ 81.70
Unvested at 6/30/26	10,025	$ 43.67	1,415 [2]	$ 54.59

(1) Pursuant to the terms of the Merger Agreement, certain of Coterra's outstanding time-based and performance-based equity awards converted into the right to receive Devon restricted stock units based, in part, on the 0.70 exchange ratio. As a result, approximately 7.2 million awards relate to the conversion of Coterra equity awards to Devon restricted stock unit awards.

(2) A maximum of 2.8 million common shares could be awarded based upon Devon's final TSR ranking.

The following table presents the assumptions related to the performance share units granted in 2026, as indicated in the previous summary table.

	2026
Grant-date fair value	$ 61.73
Risk-free interest rate	3.52%
Volatility factor	33.80%
Contractual term (years)	2.89

The following table presents a summary of the unrecognized compensation cost and the related weighted average recognition period associated with unvested awards and units as of June 30, 2026.

	Restricted Stock Awards/Units	Performance Share Units
Unrecognized compensation cost	$ 295	$ 35
Weighted average period for recognition (years)	2.5	2.1

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5. Asset Impairments

In the first quarter of 2025, Devon rationalized two headquarters-related real estate assets, triggering assets held for sale and recording asset impairments of $254 million. Both transactions closed in the first quarter of 2025 and generated aggregate sales proceeds of $120 million.

6. Restructuring and Transaction Costs

The following table summarizes Devon’s restructuring and transaction costs.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Restructuring	$ 198	$ 9	$ 198	$ 27
Transaction costs	48	—	67	—
Total	$ 246	$ 9	$ 265	$ 27

In conjunction with the Merger closing, Devon recognized $198 million of restructuring expenses during the first six months of 2026 primarily related to employee severance, termination and relocation benefits and contract terminations. Of these expenses, $37 million resulted from accelerated vesting of share-based grants, which are non-cash charges. Additionally, in conjunction with the Merger closing, Devon recognized $67 million of transaction costs primarily comprised of bank, legal and advisory fees associated with the Merger.

The following table summarizes Devon’s restructuring liabilities.

	Other Current Liabilities	Other Long-term Liabilities	Total
Balance as of December 31, 2025	$ 1	$ —	$ 1
Changes related to 2026 merger-related employee costs	78	48	126
Changes related to prior years’ restructurings	(1)	—	(1)
Balance as of June 30, 2026	$ 78	$ 48	$ 126

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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7. Income Taxes

The following table presents Devon's total income tax expense and a reconciliation of its effective income tax rate to the U.S. statutory income tax rate.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Earnings before income taxes	$ 2,384	$ 1,161	$ 2,550	$ 1,807
Current income tax expense	$ 378	$ 226	$ 190	$ 322
Deferred income tax expense	95	18	329	59
Total income tax expense	$ 473	$ 244	$ 519	$ 381
U.S. statutory income tax rate	21%	21%	21%	21%
State income taxes	(1%)	1%	(1%)	1%
Other	—	(1%)	—	(1%)
Effective income tax rate	20%	21%	20%	21%

In the second quarter of 2026, state income taxes included a $56 million deferred tax benefit from the release of valuation allowances against legacy Devon state deferred tax assets in connection with the Merger. The release reflected a change in judgment regarding the realizability of legacy Devon state deferred tax assets, driven by increased forecasted future state taxable income of the combined company.

On February 18, 2026, the IRS issued additional interim CAMT guidance through Notice 2026-7 (the "Notice"). In addition to other provisions, the Notice includes a new Adjusted Financial Statement Income ("AFSI") adjustment beginning in 2025 for amortization of domestic research costs, including accelerated amortization under the OBBB transition rule. Accordingly, Devon's six months ended June 30, 2026 income tax expense included a current tax benefit of approximately $218 million and a corresponding deferred tax expense associated with the deferral of income taxes resulting from the Notice.

8. Net Earnings Per Share

The following table reconciles net earnings available to common shareholders and weighted-average common shares outstanding used in the calculations of basic and diluted net earnings per share.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net earnings available to common shareholders - basic and diluted	$ 1,911	$ 899	$ 2,031	$ 1,393
Common shares:				
Average common shares outstanding - basic	937	635	778	640
Dilutive effect of potential common shares issuable	3	1	2	1
Average common shares outstanding - diluted	940	636	780	641
Net earnings per share available to common shareholders:				
Basic	$ 2.04	$ 1.42	$ 2.61	$ 2.18
Diluted	$ 2.03	$ 1.41	$ 2.60	$ 2.17

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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9. Other Comprehensive Earnings (Loss)

Components of other comprehensive earnings (loss) consist of the following:

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Pension and postretirement benefit plans:				
Beginning accumulated pension and postretirement benefits	$ (121)	$ (121)	$ (122)	$ (122)
Recognition of net actuarial loss and prior service cost in earnings (1)	1	2	3	3
Income tax expense	—	(1)	(1)	(1)
Accumulated other comprehensive loss, net of tax	$ (120)	$ (120)	$ (120)	$ (120)

(1) Recognition of net actuarial loss and prior service cost are included in the computation of net periodic benefit cost, which is a component of other, net in the accompanying consolidated statements of comprehensive earnings.

10. Supplemental Information to Statements of Cash Flows

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Changes in assets and liabilities, net:				
Accounts receivable	$ 197	$ 183	$ (265)	$ 120
Other current assets	(16)	15	(4)	(20)
Other long-term assets	49	(16)	42	(101)
Accounts payable and revenues and royalties payable	267	(162)	646	86
Income taxes payable	387	72	236	167
Other current liabilities	90	69	29	(83)
Other long-term liabilities	(50)	(27)	(59)	82
Total	$ 924	$ 134	$ 625	$ 251
Supplementary cash flow data:				
Interest paid	$ 103	$ 101	$ 255	$ 261
Income taxes paid (refunded)	$ (43)	$ 152	$ (39)	$ 152

As of June 30, 2026, Devon had approximately $610 million of accrued capital expenditures included in total property and equipment, net and accounts payable on the consolidated balance sheets. As of December 31, 2025 (pre-merger), Devon had approximately $360 million of accrued capital expenditures in total property and equipment, net and accounts payable on the consolidated balance sheets. As of May 7, 2026, Devon assumed approximately $320 million of accrued capital expenditures included in accounts payable.

11. Accounts Receivable

Components of accounts receivable include the following:

	June 30, 2026	December 31, 2025
Oil, gas and NGL sales	$ 1,798	$ 865
Joint interest billings	601	245
Marketing and midstream revenues	744	669
Other	30	20
Gross accounts receivable	3,173	1,799
Allowance for credit losses	(11)	(7)
Net accounts receivable	$ 3,162	$ 1,792

DEVON ENERGY CORPORATION AND SUBSIDIARIES
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12. Property and Equipment

The following table presents the aggregate capitalized costs related to Devon's oil and gas and non-oil and gas activities.

	June 30, 2026	December 31, 2025
Property and equipment:		
Proved	$ 82,437	$ 58,573
Unproved and properties under development	17,475	1,910
Total oil and gas	99,912	60,483
Less accumulated DD&A	(39,013)	(36,752)
Oil and gas property and equipment, net	60,899	23,731
Other property and equipment	2,954	2,624
Less accumulated DD&A	(755)	(936)
Other property and equipment, net	2,199	1,688
Property and equipment, net	$ 63,098	$ 25,419

13. Investments

The following table presents Devon's investments shown on the consolidated balance sheets.

Investments	% Interest June 30, 2026	Carrying Amount June 30, 2026	Carrying Amount December 31, 2025
Fervo	12%	$ 359	$ 162
WaterBridge	13%	243	268
Catalyst	50%	233	247
Producers Midstream	15%	94	—
Other	Various	63	50
Total		$ 992	$ 727

During the second quarter of 2026, Fervo completed its initial public offering, which diluted Devon's equity interest in Fervo from 15% to approximately 12%. Devon accounts for its investment in Fervo under the equity method, and because the offering price per share exceeded Devon's per share carrying value, Devon's investment increased by approximately $201 million, which was recorded to other, net in the accompanying consolidated statements of comprehensive earnings.

In conjunction with Merger, Devon acquired an investment in Producers Midstream, a joint venture that provides natural gas gathering and processing services in Lea County, New Mexico, in the Permian Basin. Devon's investment does not give it the ability to exercise significant influence over Producers Midstream.

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14. Debt and Related Expenses

See below for a summary of debt instruments and balances. The notes, debentures and Term Loan reflected below are senior, unsecured obligations of Devon.

	June 30, 2026	December 31, 2025
3.90% due May 15, 2027 (1)	$ 750	$ —
7.50% due September 15, 2027	73	73
5.25% due October 15, 2027	390	390
5.875% due June 15, 2028	325	325
4.375% due March 15, 2029 (1)	500	—
4.50% due January 15, 2030	585	585
7.875% due September 30, 2031	675	675
7.95% due April 15, 2032	366	366
5.60% due March 15, 2034 (1)	500	—
5.20% due September 15, 2034	1,250	1,250
5.40% due February 15, 2035 (1)	750	—
5.60% due July 15, 2041	1,250	1,250
4.75% due May 15, 2042	750	750
5.00% due June 15, 2045	750	750
5.75% due September 15, 2054	1,000	1,000
5.90% due February 15, 2055 (1)	750	—
Term Loan due September 25, 2026	750	1,000
Net premium on debentures and notes	22	23
Debt issuance costs	(48)	(48)
Total debt	$ 11,388	$ 8,389
Less amount classified as short-term debt	1,497	998
Total long-term debt	$ 9,891	$ 7,391

(1) These instruments were assumed by Devon in May 2026 in conjunction with the Merger. Approximately $277 million and $27 million of these instruments remain the unsecured and unsubordinated obligations of Coterra and Coterra Energy Operating Co., respectively, each of which is a subsidiary of Devon.

The following schedule includes the summary of the Coterra debt Devon assumed upon closing of the Merger on May 7, 2026.

	Face Value	Fair Value
3.77% due September 18, 2026	$ 250	$ 249
3.90% due May 15, 2027	750	747
4.375% due March 15, 2029	500	499
5.60% due March 15, 2034	500	516
5.40% due February 15, 2035	750	762
5.90% due February 15, 2055	750	732
	$ 3,500	$ 3,505

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Exchange Offers

In connection with the completed Merger, Devon commenced private exchange offers (the "Exchange Offers") in May 2026 to exchange any and all of certain outstanding notes previously issued by Coterra and Coterra Energy Operating Co. (collectively, the "Existing Coterra Notes") for newly issued Devon notes (the "New Devon Notes") with the same stated interest rates, interest payment dates, maturity dates and redemption provisions as the corresponding series of Existing Coterra Notes.

On June 25, 2026, Devon issued $2.95 billion aggregate principal amount of New Devon Notes in exchange for a like amount of Existing Coterra Notes validly tendered. The New Devon Notes are general unsecured obligations of Devon and rank equally with Devon's other unsecured and unsubordinated indebtedness. Following settlement, approximately $277 million and $27 million aggregate principal amount of Existing Coterra Notes remained outstanding as obligations of Coterra and Coterra Energy Operating Co., respectively. The New Devon Notes were issued as unregistered securities subject to a registration rights agreement.

Credit Lines

Devon has a $3.0 billion revolving Senior Credit Facility. In the first quarter of 2026, Devon amended the credit agreement governing the Senior Credit Facility to, among other things, extend the maturity date from March 24, 2030 to March 24, 2031, with the option to extend the maturity date by three additional one-year periods, subject to lender consent. As of June 30, 2026, Devon had no outstanding borrowings under the Senior Credit Facility and had less than $1.0 million in outstanding letters of credit under this facility. The Senior Credit Facility contains only one material financial covenant. This covenant requires Devon's ratio of total funded debt to total capitalization, as defined in the credit agreement, to be no greater than 65%. Under the terms of the credit agreement, total capitalization is adjusted to add back non-cash financial write-downs such as impairments. As of June 30, 2026, Devon was in compliance with this covenant with a debt-to-capitalization ratio of 18.1%.

Commercial Paper

Devon's Senior Credit Facility supports its $3.0 billion of short-term credit under its commercial paper program. Commercial paper debt generally has a maturity of between 1 and 90 days, although it can have a maturity of up to 365 days, and bears interest at rates agreed to at the time of the borrowing. As of June 30, 2026, Devon had no outstanding commercial paper borrowings.

Term Loan Credit Agreement

In August 2024, Devon entered into a delayed draw term loan credit agreement (the "Term Loan Credit Agreement"), providing for delayed draw term loans in an aggregate principal amount not to exceed $2.0 billion, including a 364-day tranche of $500 million and a two-year tranche of $1.5 billion. On September 27, 2024, Devon borrowed $1.0 billion on the two-year tranche (the "Term Loan") to partially fund the closing of the Grayson Mill acquisition. The Term Loan bears interest at a rate based on term SOFR plus a spread adjustment that varies based on Devon's credit ratings. The interest rate on the Term Loan was 4.96% as of June 30, 2026. The Term Loan Credit Agreement contains substantially the same financial covenant as the Senior Credit Facility. As of June 30, 2026, Devon was in compliance with this covenant with a debt-to-capitalization ratio of 18.1%.

In June 2026, Devon repaid $250 million of the outstanding principal on the Term Loan, reducing the outstanding balance to $750 million.

In July 2026, Devon repaid the remaining $750 million of outstanding principal, retiring the Term Loan in full.

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Retirement of Senior Notes

In June 2026, Devon early redeemed the $250 million of 3.77% senior notes due in September 2026 pursuant to the “make-whole” provisions in the governing document.

Net Financing Costs

The following schedule includes the components of net financing costs.

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Net financing costs:				
Interest based on debt outstanding	$ 144	$ 126	$ 262	$ 253
Interest income	(22)	(14)	(36)	(24)
Other	3	4	8	10
Total net financing costs	$ 125	$ 116	$ 234	$ 239

15. Leases

Devon’s operating lease right-of-use assets relate to real estate, drilling rigs and other equipment related to the exploration, development and production of oil and gas. Devon’s financing lease right-of-use assets primarily relate to equipment related to the exploration, development and production of oil and gas.

The following table presents Devon’s right-of-use assets and lease liabilities as of June 30, 2026 and December 31, 2025.

	June 30, 2026			December 31, 2025		
	Finance	Operating	Total	Finance	Operating	Total
Right-of-use assets	$ 47	$ 462	$ 509	$ 23	$ 276	$ 299
Lease liabilities:						
Current lease liabilities (1)	$ 10	$ 139	$ 149	$ 7	$ 95	$ 102
Long-term lease liabilities	30	326	356	16	181	197
Total lease liabilities (2)	$ 40	$ 465	$ 505	$ 23	$ 276	$ 299

(1) Current lease liabilities are included in other current liabilities on the consolidated balance sheets.

(2) Devon has entered into certain leases of equipment related to the exploration, development and production of oil and gas that had terms not yet commenced as of June 30, 2026 and are therefore excluded from the amounts shown above.

16. Asset Retirement Obligations

The following table presents the changes in Devon’s asset retirement obligations.

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Asset retirement obligations as of beginning of period	$ 906	$ 807
Assumed Coterra obligations	177	—
Liabilities incurred	26	21
Liabilities settled and divested	(24)	(22)
Revision and reclassification of estimated obligation	107	55
Accretion expense on discounted obligation	31	24
Asset retirement obligations as of end of period	1,223	885
Less current portion	54	46
Asset retirement obligations, long-term	$ 1,169	$ 839

During the first six months of 2026 and 2025, Devon increased its asset retirement obligations by approximately $107 million and $55 million, respectively, primarily due to changes in current cost estimates for its oil and gas assets.

17. Stockholders' Equity

On May 4, 2026, Devon's shareholders approved an amendment to Devon's Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 1.0 billion to 2.0 billion. The amendment became effective on May 7, 2026. The par value of Devon's common stock remains $0.10 per share.

Coterra Merger

On May 7, 2026, Devon completed an all-stock merger of equals with Coterra. On the closing date of the Merger, each share of Coterra common stock was converted into the right to receive 0.70 of a share of Devon common stock. Consequently, Devon issued approximately 532 million shares of Devon common stock to holders of Coterra common stock to effect the Merger on May 7, 2026.

Share Repurchases

On May 7, 2026, Devon's Board of Directors authorized a new $8.0 billion share repurchase program, which expires on June 30, 2029. The table below provides information regarding purchases of Devon's common stock in the first six months of 2025 and 2026, respectively (shares in thousands).

	Total Number of Shares Purchased	Dollar Value of Shares Purchased	Average Price Paid per Share
2025:			
First quarter	8,505	$ 301	$ 35.33
Second quarter	7,866	249	$ 31.78
2025 Total	16,371	550	$ 33.62
2026:			
First quarter [(1)]	1,850	69	$ 37.39
Second quarter	4,434	202	$ 45.48
2026 Total	6,284	$ 271	$ 43.10

(1) In connection with the Merger, Devon's previous $5.0 billion share repurchase plan was terminated on May 7, 2026. Under this program, Devon repurchased 1.9 million shares of common stock for $69 million, or $37.39 per share, during the first quarter of 2026 and 102 million common shares for $4.5 billion, or $43.90 per share, since the program's inception in November 2021.

Dividends

Devon pays a quarterly fixed dividend. In connection with the Merger, Devon raised its fixed dividend by approximately 33% from $0.24 to $0.32 per share in the second quarter of 2026. The following table summarizes Devon's dividends for the first six months of 2026 and 2025, respectively.

	Dividends	Rate Per Share
2026:		
First quarter	$ 155	$ 0.24
Second quarter	366	$ 0.32
Total year-to-date	$ 521	
2025:		
First quarter	$ 163	$ 0.24
Second quarter	156	$ 0.24
Total year-to-date	$ 319	

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

18. Commitments and Contingencies

Devon is party to various legal actions arising in connection with its business. Matters that are probable of unfavorable outcome to Devon and which can be reasonably estimated are accrued. Such accruals are based on information known about the matters, Devon's estimates of the outcomes of such matters and its experience in contesting, litigating and settling similar matters. None of the actions are believed by management to likely involve future amounts that would be material to Devon's financial position or results of operations after consideration of recorded accruals. Actual amounts could differ materially from management's estimates.

Royalty Matters

Numerous oil and natural gas producers and related parties, including Devon, have been named in various lawsuits alleging royalty underpayments. Devon is currently named as a defendant in a number of such lawsuits, including some lawsuits in which the plaintiffs seek to certify classes of similarly situated plaintiffs. Among the allegations typically asserted in these suits are claims that Devon used below-market prices, made improper deductions, paid royalty proceeds in an untimely manner without including required interest, used improper measurement techniques and entered into gas purchase and processing arrangements with affiliates that resulted in underpayment of royalties in connection with oil, natural gas and NGLs produced and sold. Devon is also involved in governmental agency proceedings and royalty audits and is subject to related contracts and regulatory controls in the ordinary course of business, some that may lead to additional royalty claims.

Environmental and Climate Change Matters

Devon's business is subject to numerous federal, state, tribal and local laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal fines and penalties, as well as remediation costs. Although Devon believes that it is in substantial compliance with applicable environmental laws and regulations and that continued compliance with existing requirements will not have a material adverse impact on its business, there can be no assurance that this will continue in the future.

The Company has previously received separate NOVs from the EPA alleging emissions and permitting violations relating to certain of our historic operations in North Dakota, western Texas and New Mexico, as applicable. The Company has been engaging with the EPA to resolve each of these matters, and Devon is actively negotiating a draft consent decree with the EPA and the U.S. Department of Justice with respect to the North Dakota NOV matter. If finalized, the consent decree may include monetary sanctions and obligations to complete mitigation projects and implement specific injunctive relief. Given that negotiations of the draft consent decree are ongoing and the uncertainty as to the ultimate result of the North Dakota NOV matter, we are currently unable to provide an estimate of potential loss; however, the costs associated with the resolution of the North Dakota NOV matter or any of the other NOV matters could be significant in amount and may include monetary penalties.

Beginning in 2013, various parishes in Louisiana filed suit against numerous oil and gas companies, including Devon, alleging that the companies' operations and activities in certain fields violated the State and Local Coastal Resource Management Act of 1978, as amended, and caused substantial environmental contamination, subsidence and other environmental damages to land and water bodies located in the coastal zone of Louisiana. The plaintiffs' claims against Devon relate primarily to the operations of several of Devon's corporate predecessors. The plaintiffs seek, among other things, payment of the costs necessary to clear, re-vegetate and otherwise restore the allegedly impacted areas. Although Devon cannot predict the ultimate outcome of these matters, Devon denies the allegations in these lawsuits and intends to vigorously defend against these claims.

The State of Delaware has filed legal proceedings against numerous oil and gas companies, including Devon, seeking relief to abate alleged impacts of climate change. These proceedings include far-reaching claims for monetary damages and injunctive relief. Although Devon cannot predict the ultimate outcome of this matter, Devon denies the allegations asserted in this lawsuit and intends to vigorously defend against these claims.

Other Indemnifications and Legacy Matters

Pursuant to various sale agreements relating to divested businesses and assets, Devon has indemnified various purchasers against liabilities that they may incur with respect to the businesses and assets acquired from Devon. Additionally, federal, state and other laws in areas of former operations may require previous operators (including corporate successors of previous operators) to perform or make payments in certain circumstances where the current operator may no longer be able to satisfy the applicable obligation. Such obligations may include plugging and abandoning wells, removing production facilities, undertaking other restorative actions or performing requirements under surface agreements in existence at the time of disposition. For example, a predecessor entity of a Devon subsidiary previously sold certain private, state and federal oil and gas leases covering properties in shallow waters off the coast of Louisiana in the Gulf of America. These assets are generally referred to as the East Bay Field. The current operator of the East Bay Field filed for protection under Chapter 11 of the U.S. Bankruptcy Code and was unable to satisfy the eventual decommissioning obligations associated with the East Bay Field. Other companies in the chain of title of the East Bay Field have also sought bankruptcy protection and will also likely be unable to satisfy the eventual decommissioning obligations associated with the East Bay Field.

In March 2025, Devon received an order from the Department of the Interior, Bureau of Safety and Environmental Enforcement ("BSEE") to decommission assets located on certain federal leases in the East Bay Field (the "Federal Assets"). As a result, during the first quarter of 2025, Devon recorded a contingent liability of $125 million within other liabilities in the consolidated balance sheet, reflecting the estimated costs of decommissioning the Federal Assets. The Company expects to be able to access funds available under certain bonds and a cash security account as and when Devon performs and pays these decommissioning obligations. Devon believes the funds will likely cover approximately $100 million of the estimated decommissioning costs for the Federal Assets. Accordingly, during the first quarter of 2025, Devon recorded an approximately $100 million receivable related to these sources of funds within other assets in the consolidated balance sheet. The remaining $25 million difference of the recorded decommissioning obligation and such sources of funds was recognized in the first quarter of 2025 in other, net on the consolidated statement of comprehensive earnings. In April 2026, we entered into a decommissioning agreement with BSEE and the surety for certain of these bonds, pursuant to which Devon commenced decommissioning activities on the Federal Assets and, subsequent to the end of the second quarter of 2026, began receiving reimbursement for the associated costs under applicable bonds.

Devon may be required to perform or fund decommissioning obligations associated with the East Bay Field under state and federal regulations applicable to predecessor operators beyond amounts accrued. Factors impacting this contingency include, among others: (i) the ultimate outcome of the ongoing bankruptcy proceedings, including with respect to state lease assets included in the East Bay Field, (ii) the actual costs to decommission the Federal Assets relative to the estimates, which are subject to numerous assumptions and uncertainties, and (iii) Devon's ability to successfully access additional funds under decommissioning bonds and other sources.

As of June 30, 2026, Devon has accrued approximately $150 million of contingent liabilities related to such decommissioning legacy matters, including liabilities associated with the East Bay Field.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

19. Fair Value Measurements

The following table provides carrying value and fair value measurement information for certain of Devon's financial assets and liabilities. The carrying values of cash, accounts receivable, other current receivables, accounts payable, other current payables, accrued expenses and lease liabilities included in the accompanying consolidated balance sheets approximated fair value at June 30, 2026 and December 31, 2025, as applicable. Therefore, such financial assets and liabilities are not presented in the following table.

			Fair Value Measurements Using:		
	Carrying Amount	Total Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
June 30, 2026 assets (liabilities):					
Cash equivalents	$ 621	$ 621	$ 621	$ —	$ —
Commodity derivatives	$ 208	$ 208	$ —	$ 208	$ —
Commodity derivatives	$ (202)	$ (202)	$ —	$ (202)	$ —
Debt	$ (11,388)	$ (11,340)	$ —	$ (11,340)	$ —
December 31, 2025 assets (liabilities):					
Cash equivalents	$ 764	$ 764	$ 764	$ —	$ —
Commodity derivatives	$ 194	$ 194	$ —	$ 194	$ —
Commodity derivatives	$ (1)	$ (1)	$ —	$ (1)	$ —
Debt	$ (8,389)	$ (8,290)	$ —	$ (8,290)	$ —

The following methods and assumptions were used to estimate the fair values in the table above.

Level 1 Fair Value Measurements

Cash equivalents – Amounts consist primarily of money market investments and the fair value approximates the carrying value.

Level 2 Fair Value Measurements

Commodity derivatives – The fair value of commodity derivatives is estimated using internal discounted cash flow calculations based upon forward curves and data obtained from independent third parties for contracts with similar terms or data obtained from counterparties to the agreements.

Debt – Devon's debt instruments do not consistently trade actively in an established market. The fair values of our debt are estimated based on rates available for debt with similar terms and maturity when active trading is not available. Our variable rate debt is non-public and consists of our Term Loan. The fair value of our variable rate debt approximates the carrying value as the underlying SOFR resets every month based on the prevailing market rate.

Level 3 Fair Value Measurements

Devon had no fair value measurements using Level 3 inputs at June 30, 2026 or December 31, 2025.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

20. Reportable Segments

Devon is a leading independent energy company engaged primarily in the exploration, development and production of oil, natural gas and NGLs. Devon's oil and gas exploration and production activities are solely focused in the U.S. For financial reporting purposes, Devon aggregates its U.S. operating segments into one reporting segment due to the similar nature of these operations.

Devon's chief operating decision maker is an executive committee, which includes, among others, the Chief Executive Officer, Chief Financial Officer, Chief Corporate Development Officer and the Executive Vice Presidents, Exploration and Production. To assess the performance of its assets, Devon uses net earnings. Devon believes net earnings provides information useful in assessing its operating and financial performance across periods.

The following table reflects Devon's net earnings, assets and capital expenditures for the time periods presented below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenues	$ 7,417	$ 4,284	$ 11,224	$ 8,736
LOE	626	483	1,112	962
Gathering, processing & transportation	391	219	582	423
Production and property taxes	376	197	593	426
Total significant expenses	1,393	899	2,287	1,811
Marketing and midstream expenses	1,874	1,357	3,421	2,793
DD&A	1,416	914	2,320	1,826
G&A	175	113	300	243
Financing costs, net	125	116	234	239
Income tax expense	473	244	519	381
Other segment items [1]	50	(276)	112	17
Total expenses	5,506	3,367	9,193	7,310
Net earnings	$ 1,911	$ 917	$ 2,031	$ 1,426
Total assets	$ 70,893	$ 31,390	$ 70,893	$ 31,390
Capital expenditures, including acquisitions	$ 3,998	$ 948	$ 4,997	$ 1,920

(1) Other segment items included in segment net earnings are exploration expenses, asset impairments, asset dispositions, restructuring and transaction costs and other, net.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis addresses material changes in our results of operations for the three-month and six-month periods ended June 30, 2026 compared to previous periods, and in our financial condition and liquidity since December 31, 2025. For information regarding our critical accounting policies and estimates, see our 2025 Annual Report on Form 10-K under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

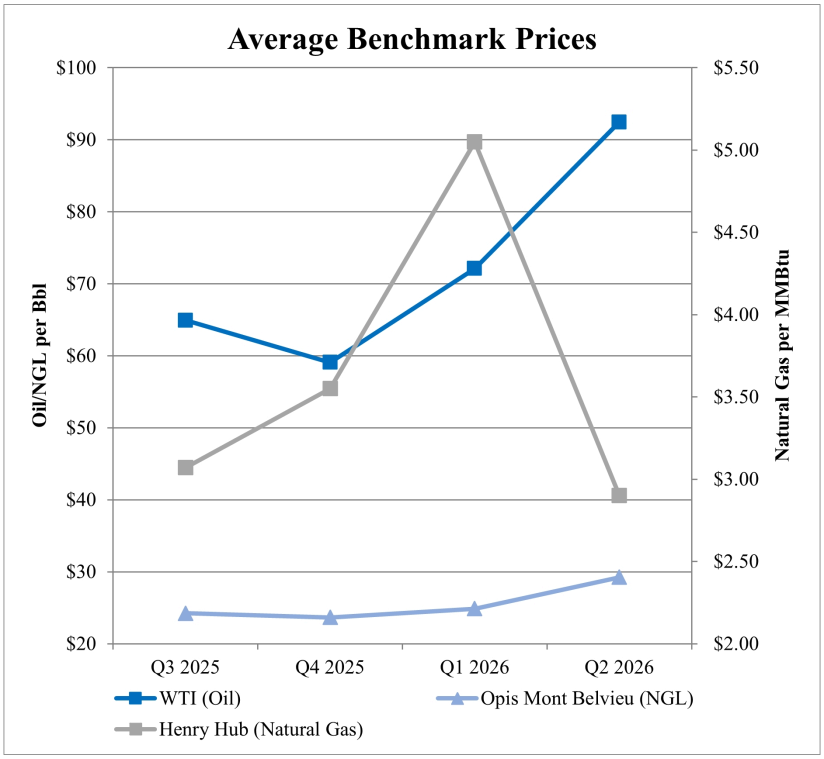
Executive Overview

We are a leading independent oil and natural gas exploration and production company whose operations are focused onshore in the United States. Our operations are currently focused in five core areas: Permian Basin, Rockies, Eagle Ford, Anadarko Basin and Marcellus Shale. Our asset base is underpinned by premium acreage in the economic core of the Permian Basin and our diverse, top-tier resource plays, providing a deep inventory of opportunities for years to come.

On February 1, 2026, we entered into the Merger Agreement providing for an all-stock merger of equals with Coterra, which successfully closed on May 7, 2026. The Merger created a leading large-cap shale operator with an asset base anchored by a premier position in the Permian Basin. We expect the combination to unlock substantial value for shareholders by leveraging enhanced scale to improve margins, increase free cash flow and accelerate cash returns through the capture of $1.0 billion in sustainable annual pre-tax synergies to be attained through an optimized capital program, operating margin improvements and streamlined corporate costs. In connection with the Merger, we also initiated a review of our combined asset portfolio. As a company, we remain focused on building economic value by executing on our strategic priorities of moderating production growth, emphasizing capital and operational efficiencies, optimizing reinvestment rates to maximize free cash flow, maintaining low leverage, delivering cash returns to our shareholders and pursuing operational excellence. Our recent performance highlights for these priorities include the following items for the second quarter of 2026:

- Production totaled 1,359 MBoe/d, including oil production of 503 MBbls/d.
- Generated $3.7 billion of operating cash flow.
- Exited with $4.0 billion of liquidity, including $1.0 billion of cash.
- Retired $500 million of debt.
- Announced a new $8.0 billion share repurchase program and have repurchased approximately 4.4 million of our common shares for approximately $202 million, or $45.48 per share, since inception of the plan after closing of the Merger.
- Paid dividends of $366 million.
- Acquired approximately 16,300 net acres for approximately $2.6 billion through a federal lease sale, expanding our premier position in the Permian Basin.
- On track to deliver $1.0 billion of annual pre-tax merger synergies by year-end 2027.
- Earnings attributable to Devon were $1.9 billion, or $2.03 per diluted share.

Our net earnings and operating cash flow are highly dependent upon oil, gas and NGL prices, which can be volatile due to several varying factors. As shown in the graph below, during the first six months of 2026, commodity prices have experienced heightened volatility, driven primarily by significant geopolitical events, including conflict in the Middle East and disruptions to global oil supply, along with continued uncertainty in global trade policy and OPEC+ production decisions.



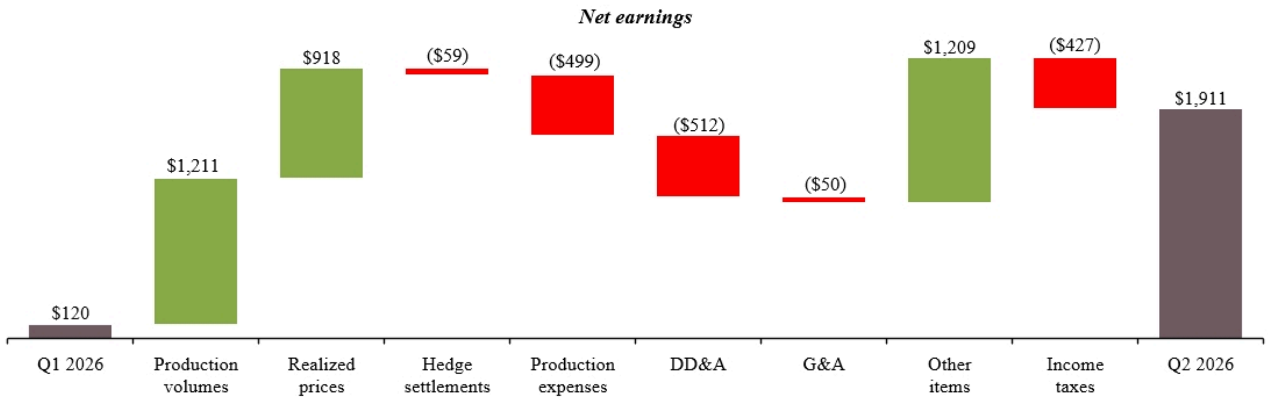
Despite the potential negative impacts of higher inflation rates and supply chain disruptions created by these developments, we remain committed to capital discipline and delivering the objectives that underpin our current plan. Our disciplined, returns-driven strategy is designed to adapt to market fluctuations by reducing activity when necessary to maximize free cash flow generation. We will continue to prioritize value creation through moderated capital investment and production growth, particularly with a view of the volatility in commodity prices, supply chain constraints and the economic uncertainty arising from inflation and geopolitical events. Our cash-return objectives remain focused on opportunistic share repurchases, funding our dividends, repaying debt at upcoming maturities and building cash balances. To emphasize our commitment to maximizing free cash flow and creating value for shareholders, we remain on track to deliver at least $1.0 billion of annual pre-tax run-rate synergies by year end 2027, with approximately $600 million expected to be captured in 2027. We are driving progress on capital optimization, operating margin improvements and a reduced corporate cost structure through the sharing of best practices and technology across the combined company. Through the sharing of best practices and technology across the combined company, we are driving progress on capital optimization, operating margin improvements and a reduced corporate cost structure.

Results of Operations

The following graphs, discussion and analysis are intended to provide an understanding of our results of operations and current financial condition. To facilitate the review, these numbers are being presented before consideration of noncontrolling interests.

Q2 2026 vs. Q1 2026

Our second quarter 2026 and first quarter 2026 net earnings were $1.9 billion and $120 million, respectively. The graph below shows the change in net earnings from the first quarter of 2026 to the second quarter of 2026. The material changes are further discussed by category on the following pages.



Production Volumes

	Q2 2026	% of Total	Q1 2026	Change
Oil (MBbls/d)				
Permian	329	65%	225	46%
Rockies	105	21%	103	2%
Eagle Ford	48	10%	43	13%
Anadarko	17	3%	12	38%
Other	4	1%	4	N/M
Total	503	100%	387	30%

	Q2 2026	% of Total	Q1 2026	Change
Gas (MMcf/d)				
Permian	1,274	39%	831	53%
Rockies	237	7%	230	3%
Eagle Ford	85	3%	76	11%
Anadarko	396	12%	235	68%
Marcellus	1,258	39%	—	N/M
Other	2	0%	1	N/M
Total	3,252	100%	1,373	137%

	Q2 2026	% of Total	Q1 2026	Change
NGLs (MBbls/d)				
Permian	206	66%	137	50%
Rockies	47	15%	46	4%
Eagle Ford	15	5%	11	37%
Anadarko	45	14%	24	90%
Other	1	0%	—	N/M
Total	314	100%	218	44%

	Q2 2026	% of Total	Q1 2026	Change
Combined (MBoe/d)				
Permian	748	55%	501	49%
Rockies	192	15%	187	3%
Eagle Ford	77	6%	66	17%
Anadarko	128	9%	75	70%
Marcellus	210	15%	—	N/M
Other	4	0%	4	N/M
Total	1,359	100%	833	63%

From the first quarter of 2026 to the second quarter of 2026, the change in volumes contributed to a $1.2 billion increase in earnings. Due to the Merger closing on May 7, 2026, volumes now include Coterra legacy assets in the Permian, Anadarko and Marcellus. Volumes associated with these Coterra legacy assets were approximately 488 MBoe/d in the second quarter of 2026. Volumes in the third quarter for the combined company are expected to range from approximately 1,660 to 1,690 MBoe/d, driven by a full quarter of production associated with Coterra legacy assets.

Realized Prices

	Q2 2026	Realization	Q1 2026	Change
Oil (per Bbl)				
WTI index	$ 92.47		$ 72.10	28%
Realized price, unhedged	$ 95.10	103%	$ 69.66	37%
Cash settlements	$ (7.01)		$ (1.72)	
Realized price, with hedges	$ 88.09	95%	$ 67.94	30%

	Q2 2026	Realization	Q1 2026	Change
Gas (per Mcf)				
Henry Hub index	$ 2.90		$ 5.05	-43%
Realized price, unhedged	$ 0.35	12%	$ 1.66	-79%
Cash settlements	$ 0.70		$ 0.02	
Realized price, with hedges	$ 1.05	36%	$ 1.68	-38%

	Q2 2026	Realization	Q1 2026	Change
NGLs (per Bbl)				
WTI index	$ 92.47		$ 72.10	28%
Realized price, unhedged	$ 22.70	25%	$ 17.80	28%
Cash settlements	$ —		$ —	
Realized price, with hedges	$ 22.70	25%	$ 17.80	28%

	Q2 2026	Q1 2026	Change
Combined (per Boe)			
Realized price, unhedged	$ 41.30	$ 39.70	4%
Cash settlements	$ (0.94)	$ (0.76)	
Realized price, with hedges	$ 40.36	$ 38.94	4%

From the first quarter of 2026 to the second quarter of 2026, realized prices contributed to a $918 million increase in earnings. Unhedged oil and NGL prices increased primarily due to higher WTI and Mont Belvieu index prices, while unhedged gas prices decreased primarily due to lower Henry Hub index prices and expanded regional gas price differentials in the Permian, including negative spot pricing at the Waha hub in the second quarter of 2026. Basis differentials began improving in June 2026, and we expect basis differentials to continue to improve as additional takeaway capacity commences service in the second half of 2026 and early 2027. The increase in index prices was partially offset by oil hedge cash settlements.

We currently have approximately 30% and 25% of our remaining anticipated 2026 oil and gas production hedged, respectively. For 2027, we currently have approximately 15% and 10% of our anticipated oil and gas production hedged, respectively.

Hedge Settlements

	Q2 2026	Q1 2026	Change
Oil	$ (321)	$ (60)	435%
Natural gas	205	3	N/M
Total cash settlements [1]	$ (116)	$ (57)	104%

(1) Included as a component of oil, gas and NGL derivatives on the consolidated statements of comprehensive earnings.

Cash settlements as presented in the tables above represent realized gains or losses related to the instruments described in Note 3 in “Part I. Financial Information – Item 1. Financial Statements” in this report.

Production Expenses

	Q2 2026	Q1 2026	Change
LOE	$ 626	$ 486	29%
Gathering, processing & transportation	391	191	105%
Production taxes	357	205	74%
Property taxes	19	12	58%
Total	$ 1,393	$ 894	56%
Per Boe:			
LOE	$ 5.06	$ 6.48	-22%
Gathering, processing & transportation	$ 3.16	$ 2.54	24%
Percent of oil, gas and NGL sales:			
Production taxes	7.0%	6.9%	1%

Production expenses increased primarily due to the Merger closing on May 7, 2026. LOE per Boe decreased and gathering, processing & transportation per Boe increased due to a different post-merger asset and product mix. Production taxes also increased due to the increase in WTI and Mont Belvieu index prices.

DD&A

	Q2 2026	Q1 2026	Change
Oil and gas per Boe	$ 11.19	$ 11.71	-4%
Oil and gas	$ 1,383	$ 878	57%
Other property and equipment	33	26	25%
Total DD&A	$ 1,416	$ 904	57%

DD&A increased in the second quarter of 2026 primarily due to the Merger closing on May 7, 2026. The increase was driven by higher oil and gas production volumes attributable to the assets acquired in the Merger. For additional information regarding the Merger, see Note 2 in “Part I. Financial Information – Item 1. Financial Statements” in this report.

G&A

	Q2 2026	Q1 2026	Change
G&A per Boe	$ 1.41	$ 1.67	-15%
Labor and benefits	$ 95	$ 64	48%
Non-labor	80	61	31%
Total	$ 175	$ 125	40%

G&A increased primarily due to the Merger closing on May 7, 2026. However, Devon's G&A per Boe rate decreased due to a shift in asset mix following the Merger, as increased production volumes drove Boe growth at a faster rate than the corresponding increase in G&A.

Other Items

	Q2 2026	Q1 2026	Change in earnings
Commodity hedge valuation changes [1]	$ 530	$ (644)	$ 1,174
Marketing and midstream operations	23	(16)	39
Exploration expenses	16	25	9
Asset dispositions	(25)	1	26
Net financing costs	125	109	(16)
Restructuring and transaction costs	246	19	(227)
Other, net	(187)	17	204
			$ 1,209

(1) Included as a component of oil, gas and NGL derivatives on the consolidated statements of comprehensive earnings.

We recognize fair value changes on our oil, gas and NGL derivative instruments in each reporting period. The changes in fair value resulted from new positions and settlements that occurred during each period, as well as the relationship between contract prices and the associated forward curves. For additional information, see Note 3 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Restructuring and transaction costs reflect employee related costs and various transaction costs related to the Merger. For additional information, see Note 6 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

During the second quarter of 2026, we recognized a gain on our Fervo investment of approximately $201 million in other, net. For additional information, see Note 13 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

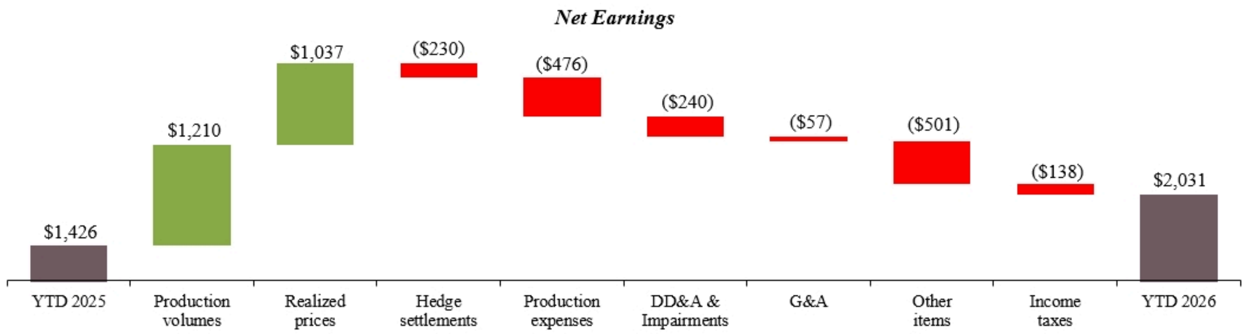
Income Taxes

	Q2 2026	Q1 2026
Current expense (benefit)	$ 378	$ (188)
Deferred expense	95	234
Total expense	$ 473	$ 46
Current tax rate	16%	-114%
Deferred tax rate	4%	142%
Effective income tax rate	20%	28%

For discussion on income taxes, see Note 7 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

June 30, 2026 YTD vs. June 30, 2025 YTD

Our six months ended June 30, 2026 net earnings were $2.0 billion, compared to net earnings of $1.4 billion for the first six months ended June 30, 2025. The graph below shows the change in net earnings from the six months ended June 30, 2025 to the six months ended June 30, 2026. The material changes are further discussed by category on the following pages.



Production Volumes

	Six Months Ended June 30,			
	2026	% of Total	2025	Change
Oil (MBbls/d)				
Permian	278	63%	222	25%
Rockies	104	23%	108	-4%
Eagle Ford	45	10%	42	8%
Anadarko	14	3%	12	19%
Other	4	1%	4	N/M
Total	445	100%	388	15%

	Six Months Ended June 30,			
	2026	% of Total	2025	Change
Gas (MMcf/d)				
Permian	1,054	45%	784	34%
Rockies	233	10%	230	1%
Eagle Ford	80	3%	89	-10%
Anadarko	316	14%	263	20%
Marcellus	633	27%	—	N/M
Other	2	1%	1	N/M
Total	2,318	100%	1,367	70%

	Six Months Ended June 30,			
	2026	% of Total	2025	Change
NGLs (MBbls/d)				
Permian	172	65%	126	37%
Rockies	47	17%	46	2%
Eagle Ford	13	5%	13	0%
Anadarko	34	13%	28	21%
Other	—	0%	—	N/M
Total	266	100%	213	25%

	Six Months Ended June 30,			
	2026	% of Total	2025	Change
Combined (MBoe/d)				
Permian	625	57%	478	31%
Rockies	190	17%	192	-1%
Eagle Ford	71	6%	70	2%
Anadarko	101	9%	84	20%
Marcellus	105	10%	—	N/M
Other	5	1%	4	26%
Total	1,097	100%	828	33%

From the six months ended June 30, 2025 to the six months ended June 30, 2026, the change in volumes contributed to a $1.2 billion increase in earnings. Due to the Merger closing on May 7, 2026, volumes now include Coterra legacy assets in the Permian, Anadarko and Marcellus. Volumes associated with these Coterra legacy assets were approximately 245 MBoe/d in the six months ended June 30, 2026.

Realized Prices

	Six Months Ended June 30,			
	2026	Realization	2025	Change
Oil (per Bbl)				
WTI index	$ 82.29		$ 67.72	22%
Realized price, unhedged	$ 84.11	102%	$ 65.40	29%
Cash settlements	$ (4.72)		$ 0.64	
Realized price, with hedges	$ 79.39	96%	$ 66.04	20%

	Six Months Ended June 30,			
	2026	Realization	2025	Change
Gas (per Mcf)				
Henry Hub index	$ 3.98		$ 3.55	12%
Realized price, unhedged	$ 0.74	19%	$ 1.97	-62%
Cash settlements	$ 0.49		$ 0.04	
Realized price, with hedges	$ 1.23	31%	$ 2.01	-39%

	Six Months Ended June 30,			
	2026	Realization	2025	Change
NGLs (per Bbl)				
WTI index	$ 82.29		$ 67.72	22%
Realized price, unhedged	$ 20.71	25%	$ 19.76	5%
Cash settlements	$ —		$ 0.01	
Realized price, with hedges	$ 20.71	25%	$ 19.77	5%

	Six Months Ended June 30,		
	2026	2025	Change
Combined (per Boe)			
Realized price, unhedged	$ 40.69	$ 38.93	5%
Cash settlements	$ (0.87)	$ 0.38	
Realized price, with hedges	$ 39.82	$ 39.31	1%

From the six months ended June 30, 2025 to the six months ended June 30, 2026, realized prices contributed to a $1.0 billion increase in earnings. This increase was primarily due to higher unhedged realized oil and NGL prices. This increase was partially offset by lower unhedged realized gas prices and oil hedge cash settlements.

Hedge Settlements

	Six Months Ended June 30,		
	2026	2025	Change
Oil	$ (381)	$ 45	-947%
Natural gas	208	12	1633%
Total cash settlements [1]	$ (173)	$ 57	-404%

(1) Included as a component of oil, gas and NGL derivatives on the consolidated statements of comprehensive earnings.

Cash settlements as presented in the tables above represent realized gains or losses related to the instruments described in Note 3 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Production Expenses

	Six Months Ended June 30,		
	2026	2025	Change
LOE	$ 1,112	$ 962	16%
Gathering, processing & transportation	582	423	38%
Production taxes	562	392	43%
Property taxes	31	34	-9%
Total	$ 2,287	$ 1,811	26%
Per Boe:			
LOE	$ 5.60	$ 6.42	-13%
Gathering, processing & transportation	$ 2.93	$ 2.82	4%
Percent of oil, gas and NGL sales:			
Production taxes	7.0%	6.7%	3%

Production expenses increased primarily due to the Merger closing on May 7, 2026, partially offset by positive results from the recently completed pre-merger business optimization plan. LOE per Boe decreased due to a different post-merger asset and product mix. Production taxes increased due to the increase in WTI and Mont Belvieu index prices.

DD&A and Asset Impairments

	Six Months Ended June 30,		
	2026	2025	Change
Oil and gas per Boe	$ 11.39	$ 11.85	-4%
Oil and gas	$ 2,261	$ 1,776	27%
Other property and equipment	59	50	17%
Total DD&A	$ 2,320	$ 1,826	27%
Asset impairments	$ —	$ 254	N/M

DD&A increased in the first six months of 2026 primarily due to higher volumes driven by the Merger and new well activity in the Permian.

In the first quarter of 2025, Devon rationalized two headquarters-related real estate assets resulting in total asset impairments of $254 million. See Note 5 in "Part I. Financial Information – Item 1. Financial Statements" of this report for further discussion.

G&A

	Six Months Ended June 30,		
	2026	2025	Change
G&A per Boe	$ 1.51	$ 1.62	-7%
Labor and benefits	$ 159	$ 126	26%
Non-labor	141	117	21%
Total	$ 300	$ 243	23%

G&A increased primarily due to the Merger closing on May 7, 2026. However, Devon's G&A per Boe rate decreased due to a shift in asset mix following the Merger, as increased production volumes drove Boe growth at a faster rate than the corresponding increase in G&A.

Other Items

	Six Months Ended June 30,		
	2026	2025	Change in earnings
Commodity hedge valuation changes [(1)]	$ (114)	$ 81	$ (195)
Marketing and midstream operations	7	(31)	38
Exploration expenses	41	30	(11)
Asset dispositions	(24)	(305)	(281)
Net financing costs	234	239	5
Restructuring and transaction costs	265	27	(238)
Other, net	(170)	11	181
			$ (501)

(1) Included as a component of oil, gas and NGL derivatives on the consolidated statements of comprehensive earnings.

We recognize fair value changes on our oil, gas and NGL derivative instruments in each reporting period. The changes in fair value resulted from new positions and settlements that occurred during each period, as well as the relationship between contract prices and the associated forward curves. For additional information, see Note 3 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

During the second quarter of 2025, we sold our investment in Matterhorn for $372 million and recognized a pre-tax gain of $307 million ($239 million, net of tax), which was recorded to asset dispositions. For additional information, see Note 2 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Restructuring and transaction costs reflect employee related costs and various transaction costs related to the Merger. The majority of these costs were recorded in the second quarter of 2026. For additional information, see Note 6 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

During the first six months of 2026, we recognized a gain on our Fervo investment of approximately $201 million in other, net. For additional information, see Note 13 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Income Taxes

	Six Months Ended June 30,	
	2026	2025
Current expense	$ 190	$ 322
Deferred expense	329	59
Total expense	$ 519	$ 381
Current tax rate	7%	18%
Deferred tax rate	13%	3%
Effective income tax rate	20%	21%

For information on income taxes, see Note 7 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Capital Resources, Uses and Liquidity

Sources and Uses of Cash

The following table presents the major changes in cash and cash equivalents for the three and six months ended June 30, 2026 and 2025.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating cash flow	$ 3,674	$ 1,545	$ 5,329	$ 3,487
Cash acquired in Merger	581	—	581	—
Capital expenditures	(1,318)	(956)	(2,157)	(1,890)
Acquisitions of property and equipment	(2,729)	(16)	(2,919)	(24)
Divestitures of property, equipment and investments	88	372	90	505
Investment activity, net	3	3	10	10
Debt activity	(500)	—	(500)	—
Repurchases of common stock	(197)	(249)	(266)	(550)
Common stock dividends	(366)	(156)	(521)	(319)
Noncontrolling interest activity, net	—	(14)	—	(9)
Repayment of finance leases	(2)	—	(5)	(274)
Other	(40)	(4)	(67)	(23)
Net change in cash, cash equivalents and restricted cash	$ (806)	$ 525	$ (425)	$ 913
Cash, cash equivalents and restricted cash at end of period	$ 1,009	$ 1,759	$ 1,009	$ 1,759

Operating Cash Flow and Cash Acquired in Merger

As presented in the table above, net cash provided by operating activities continued to be a significant source of capital and liquidity. Operating cash flow grew approximately 53% during the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increase was due to the Merger and prices significantly increasing in the first half of 2026. Operating cash flow funded our capital expenditures, and we continued to return value to our shareholders by utilizing cash flow and cash balances for share repurchases, dividends and debt retirements.

Capital Expenditures

The amounts in the table below reflect cash payments for capital expenditures, including cash paid for capital expenditures incurred in prior periods.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Permian	$ 786	$ 488	$ 1,235	$ 956
Rockies	197	233	420	455
Eagle Ford	117	142	233	293
Anadarko	109	39	138	84
Marcellus	64	—	64	—
Other	1	1	2	2
Total oil and gas	1,274	903	2,092	1,790
Midstream	30	34	46	66
Other	14	19	19	34
Total capital expenditures	$ 1,318	$ 956	$ 2,157	$ 1,890

Capital expenditures consist primarily of amounts related to our oil and gas exploration and development operations, midstream operations and other corporate activities. Our capital investment program is driven by a disciplined allocation process focused on moderating our production growth and maximizing our returns. As such, our capital expenditures for the first six months of 2026 represented approximately 40% of our operating cash flow. Capital expenditures increased in 2026 primarily due to the Merger closing on May 7, 2026 and results now include activity related to Coterra legacy assets in the Permian, Anadarko and Marcellus.

Acquisitions of Property and Equipment

During the first six months of 2026, we completed acquisitions of property primarily related to state and federal land sales in the Permian for approximately $2.6 billion. For additional information, see Note 2 in "Part I. Financial Information - Item 1. Financial Statements" in this report.

Divestitures of Property, Equipment and Investments

During the first six months of 2026, we received proceeds of $88 million from asset dispositions. For additional information, see Note 13 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

During the first six months of 2025, we generated additional cash flow by monetizing our investment in Matterhorn for $372 million and divesting headquarters-related real estate assets for $134 million as part of our real estate rationalization initiatives. For additional information regarding these divestitures, see Note 2 and Note 5, respectively, in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Investment Activity

During the first six months of 2026 and 2025, we received distributions from our investments of $22 million and $20 million, respectively. We contributed $12 million and $10 million to our investments during the first six months of 2026 and 2025, respectively.

Debt Activity

In the second quarter of 2026, we repaid $250 million of the outstanding principal on the Term Loan, reducing the outstanding balance to $750 million. We also early redeemed the $250 million of 3.77% senior notes due in September 2026. For additional information, see Note 14 in "Part I. Financial Information - Item 1. Financial Statements" in this report.

Shareholder Distributions and Stock Activity

We repurchased approximately 6.3 million shares of common stock for $271 million and approximately 16.4 million shares of common stock for $550 million under the share repurchase programs authorized by our Board of Directors in the first six months of 2026 and 2025, respectively. For additional information, see Note 17 in "Part I. Financial Information - Item 1. Financial Statements" in this report.

The following table summarizes our common stock dividends during the second quarter of 2026 and 2025. In connection with the Merger, Devon raised its fixed dividend by approximately 33% from $0.24 to $0.32 per share in the second quarter of 2026.

	Dividends	Rate Per Share
2026:		
First quarter	$ 155	$ 0.24
Second quarter	366	$ 0.32
Total year-to-date	$ 521	
2025:		
First quarter	$ 163	$ 0.24
Second quarter	156	$ 0.24
Total year-to-date	$ 319	

Noncontrolling Interest Activity, net

On August 1, 2025, Devon completed the acquisition of all outstanding noncontrolling interests in CDM for $260 million. Accordingly, all future net income and cash flows from CDM are fully attributable to Devon and there will be no further distributions to or contributions from noncontrolling interest holders.

During the first six months of 2025, we distributed $23 million to, and received $14 million in contributions from, our noncontrolling interests in CDM.

Repayment of Finance Lease

During the first six months of 2025, we paid $274 million in cash to extinguish a finance lease related to a headquarters-related real estate asset as part of our real estate rationalization initiatives.

Liquidity

The business of exploring for, developing and producing oil and natural gas is capital intensive. Because oil, natural gas and NGL reserves are a depleting resource, we, like all upstream operators, must continually make capital investments to grow and even sustain production. Generally, our capital investments are focused on drilling and completing new wells and maintaining production from existing wells. At opportunistic times, we also acquire operations and properties from other operators or landowners to enhance our existing portfolio of assets.

On May 7, 2026, Devon and Coterra completed an all-stock merger of equals transaction. The strategic combination is expected to unlock substantial value for shareholders by leveraging enhanced scale to improve margins, increase free cash flow and accelerate cash returns through the capture of $1.0 billion in sustainable annual synergies. Following the successful completion of the Merger, we announced an $8.0 billion share repurchase program that expires on June 30, 2029. We also raised our fixed dividend by approximately 33% from $0.24 to $0.32 per share in the second quarter of 2026. In connection with the Merger, we initiated a review of our combined asset portfolio.

Historically, our primary sources of capital funding and liquidity have been our operating cash flow and cash on hand. Additionally, we maintain a commercial paper program, supported by our revolving line of credit, which can be accessed as needed to supplement operating cash flow and cash balances. If needed, we can also issue debt and equity securities, including through transactions under our shelf registration statement filed with the SEC. We estimate the combination of our sources of capital will continue to be adequate to fund our planned capital requirements, as discussed in this section, as well as execute our cash-return business model.

Operating Cash Flow

Key inputs into determining our planned capital investment are the amount of cash we hold and operating cash flow we expect to generate over the next one to three or more years. At the end of the second quarter of 2026, we held approximately $1.0 billion of cash. Our operating cash flow forecasts are sensitive to many variables and include a measure of uncertainty as actual results may differ from our expectations.

Commodity Prices – The most uncertain and volatile variables for our operating cash flow are the prices of the oil, gas and NGLs we produce and sell. Prices are determined primarily by prevailing market conditions. Regional and worldwide economic uncertainty arising from geopolitical events, including conflict in the Middle East and related disruptions to global oil supply, weather, changes in public policy and other highly variable factors influence market conditions for these products. These factors, which are difficult to predict, create volatility in prices and are beyond our control.

To mitigate some of the risk inherent in prices, we utilize various derivative financial instruments to protect a portion of our production against downside price risk. The key terms to our oil, gas and NGL derivative financial instruments as of June 30, 2026 are presented in Note 3 in “Part I. Financial Information – Item 1. Financial Statements” of this report.

Further, when considering the current commodity price environment and our current hedge position, we expect to achieve our capital investment priorities. We remain committed to capital discipline and focused on delivering the objectives that underpin our capital plan for 2026.

Operating Expenses – Commodity prices can also affect our operating cash flow through an indirect effect on operating expenses. Significant commodity price decreases can lead to a decrease in drilling and development activities. As a result, the demand and cost for people, services, equipment and materials may also decrease, causing a positive impact on our cash flow as the prices paid for services and equipment decline. However, the inverse is also generally true during periods of rising commodity prices.

Cost savings and synergies resulting from the Merger are expected to be attained through an optimized capital program, operating margin improvements and streamlined corporate costs. We are on track to deliver at least $1.0 billion of annual pre-tax run-rate synergies by year-end 2027, with approximately $600 million expected to be captured in 2027. Shared best practices and technology are driving progress across these initiatives, strengthening margins and maximizing capital efficiency across the combined portfolio.

Additionally, the economic uncertainty arising from geopolitical events, including conflict in the Middle East and related disruptions to global oil supply, as well as evolving U.S. trade policies and tariff actions, may contribute to higher inflation rates and disrupt supply chains, negatively impacting our cash flow. While we actively work to mitigate the impact of these potential risks through operational efficiencies gained from the scale of our operations, as well as by leveraging long-standing relationships with our suppliers, the ultimate impacts remain uncertain.

Restructuring and Transaction Related Costs – Merger-related restructuring and transaction cost cash outflows were paid in the first six months of 2026, with additional costs expected to be paid primarily through the end of 2027. Payments extending beyond 2026 relate primarily to employee severance benefits. These payments relate to employee costs and the associated employee severance benefits, costs to modify or abandon vendor contracts and the acceleration of certain employee benefits triggered by the Merger.

Credit Losses – Our operating cash flow is also exposed to credit risk in a variety of ways. This includes the credit risk related to customers who purchase our oil, gas and NGL production, the collection of receivables from our joint interest owners for their proportionate share of expenditures made on projects we operate and counterparties to our derivative financial contracts. We utilize a variety of mechanisms to limit our exposure to the credit risks of our customers, joint interest owners and counterparties. Such mechanisms include, under certain conditions, requiring letters of credit, prepayments or cash collateral postings.

Assumption of Coterra Debt

In conjunction with the Merger closing on May 7, 2026, we assumed a principal value of approximately $3.5 billion of Coterra debt.

Repayment of Debt

In June 2026, Devon repaid $250 million of the outstanding principal on the Term Loan, reducing the outstanding balance to $750 million. In July 2026, Devon repaid the remaining $750 million of outstanding principal, retiring the Term Loan in full. Following these repayments, we have no outstanding debt maturities until the second quarter of 2027.

Credit Availability

As of June 30, 2026, we had approximately $3.0 billion of available borrowing capacity under our Senior Credit Facility. This credit facility supports our $3.0 billion of short-term credit under our commercial paper program. At June 30, 2026, there were no borrowings under our commercial paper program, and we were in compliance with the Senior Credit Facility's financial covenant.

Debt Ratings

We receive debt ratings from the major ratings agencies in the U.S. In determining our debt ratings, the agencies consider a number of qualitative and quantitative items including, but not limited to, commodity pricing levels, our liquidity, asset quality, reserve mix, debt levels, cost structure, planned asset sales and the size and scale of our production. Our credit rating from Standard and Poor's Financial Services is BBB+ with a stable outlook. Our credit rating from Fitch is BBB+ with a positive outlook. Our credit rating from Moody's Investor Service is Baa2 with a positive outlook. Any rating downgrades may result in additional letters of credit or cash collateral being posted under certain contractual arrangements.

There are no "rating triggers" in any of our contractual debt obligations that would accelerate scheduled maturities should our debt rating fall below a specified level. However, a downgrade could adversely impact our interest rate on our Term Loan or any credit facility borrowings and the ability to economically access debt markets in the future.

Cash Returns to Shareholders

We are committed to returning cash to shareholders through dividends and share repurchases. Our Board of Directors will consider a number of factors when setting the quarterly dividend, if any, including a general target of paying out approximately 10% to 15% of operating cash flow through the fixed dividend. In addition to the fixed quarterly dividend, we may pay a variable dividend or complete share repurchases. The declaration and payment of any future dividend, whether fixed or variable, will remain at the full discretion of our Board of Directors and will depend on our financial results, cash requirements, future prospects and other factors deemed relevant by the Board.

In August 2026, Devon announced a cash dividend in the amount of $0.32 per share payable in the third quarter of 2026 and will total approximately $366 million.

Following the completion of the Merger, we announced a new $8.0 billion share repurchase program that expires on June 30, 2029. Through July 2026, we had executed approximately $300 million of the authorized program.

Capital Expenditures

Our capital expenditures budget for the remainder of 2026 is expected to be approximately $2.7 billion to $2.9 billion.

Contractual Obligations

As a result of the Merger, we increased our material contractual obligations, which include debt and related interest expense, asset retirement obligations, lease obligations, operational agreements, drilling and facility obligations, various tax obligations and other obligations. As discussed above, we estimate the combination of our sources of capital will continue to be adequate to fund our short- and long-term contractual obligations.

Tax Contingencies

As we are regularly audited by tax authorities, we have and will continue to have our tax positions challenged. Certain tax authorities require material cash deposits be made to further dispute and respond to any of our challenged tax positions. The Canada Revenue Agency ("CRA") proposed several material adjustments to prior tax years relating to our legacy Canadian business. We have been engaging with the CRA to resolve these matters, but, based on recent communications, the CRA is making formal assessments for such adjustments. We disagree with the proposed adjustments and intend to vigorously contest any related assessments, which may require us to make material cash deposits while the matters are being resolved.

Critical Accounting Estimates

Purchase Accounting

Periodically, we acquire assets and assume liabilities in transactions accounted for as business combinations, such as the Merger with Coterra. In connection with the Merger, we allocated the $24.9 billion of purchase price consideration to the assets acquired and liabilities assumed based on estimated fair values as of the date of the acquisition.

We made a number of assumptions in estimating the fair value of assets acquired and liabilities assumed in the Merger. The most significant assumptions relate to the estimated fair values of proved and unproved oil and gas properties. Since sufficient market data was not available regarding the fair values of proved and unproved oil and gas properties, we prepared estimates and engaged third-party valuation experts. Significant judgments and assumptions are inherent in these estimates and include, among other things, estimates of reserve quantities, estimates of future commodity prices, drilling plans, expected development costs, lease operating costs, reserve risk adjustment factors and an estimate of an applicable market participant discount rate that reflects the risk of the underlying cash flow estimates.

Estimated fair values ascribed to assets acquired can have a significant impact on future results of operations presented in Devon's financial statements. A higher fair value ascribed to a property results in higher DD&A expense, which results in lower net earnings. Fair values are based on estimates of future commodity prices, reserve quantities, development costs and operating costs. In the event that future commodity prices or reserve quantities are lower than those used as inputs to determine estimates of acquisition date fair values, the likelihood increases that certain costs may be determined to not be recoverable.

Income Taxes

The amount of income taxes recorded requires interpretations of complex rules and regulations of federal, state, provincial and foreign tax jurisdictions. We recognize current tax expense based on estimated taxable income for the current period and the applicable statutory tax rates. We routinely assess potential uncertain tax positions and, if required, estimate and establish accruals for such amounts. We have recognized deferred tax assets and liabilities for temporary differences, operating losses and other tax carryforwards. We routinely assess our deferred tax assets and reduce such assets by a valuation allowance if we deem it is more likely than not that some portion or all of the deferred tax assets will not be realized.

On July 4, 2025, OBBB was signed into law. In addition to other provisions, OBBB includes permanent reinstatement of 100% bonus depreciation and the expensing of domestic research costs beginning in 2025 and allows for deduction of intangible drilling costs as part of the computation of the CAMT beginning in 2026. On February 18, 2026, the IRS issued additional interim CAMT guidance through Notice 2026-7. In addition to other provisions, the Notice includes a new AFSI adjustment beginning in 2025 for amortization of domestic research costs, including accelerated amortization under the OBBB transition rule, the impact of which was recorded in the first quarter of 2026. We continue to monitor for additional OBBB guidance.

Further, in the event we were to undergo an "ownership change" (as defined in Section 382 of the Internal Revenue Code of 1986, as amended), our ability to use net operating losses and tax credits generated prior to the ownership change may be limited. Generally, an "ownership change" occurs if one or more shareholders, each of whom owns five percent or more in value of a corporation's stock, increase their aggregate percentage ownership by more than 50 percent over the lowest percentage of stock owned by those shareholders at any time during the preceding three-year period. Based on currently available information, we do not believe an ownership change has occurred during second quarter 2026 for Devon; however, the Merger resulted in an ownership change for Coterra, which increases the likelihood Devon could experience an ownership change over the next three years.

For additional information regarding our critical accounting policies and estimates, see our 2025 Annual Report on Form 10-K.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

Commodity Price Risk

As of June 30, 2026, we have commodity derivatives that pertain to a portion of our estimated production for the last six months of 2026, as well as for 2027. The key terms to our open oil, gas and NGL derivative financial instruments are presented in Note 3 in “Part I. Financial Information – Item 1. Financial Statements” in this report.

The fair values of our commodity derivatives are largely determined by the forward curves of the relevant price indices. At June 30, 2026, a 10% change in the forward curves associated with our commodity derivative instruments would have changed our net positions by approximately $350 million.

Interest Rate Risk

At June 30, 2026, we had total debt of $11.4 billion. Of this debt, $10.7 billion was comprised of debentures and notes that have fixed interest rates which averaged 5.49%. We also have a $750 million Term Loan which has a variable interest rate that is adjusted monthly. The interest rate on the Term Loan was 4.96% at June 30, 2026.

Item 4. *Controls and Procedures*

Disclosure Controls and Procedures

We have established disclosure controls and procedures to ensure that material information relating to Devon, including its consolidated subsidiaries, is made known to the officers who certify Devon’s financial reports and to other members of senior management and the Board of Directors.

Based on their evaluation, our principal executive and principal financial officers have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) were effective as of June 30, 2026 to ensure that the information required to be disclosed by Devon in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms.

Changes in Internal Control Over Financial Reporting

In connection with the Merger, we are in the process of integrating Coterra’s operations, processes and systems into our internal control structure. As this integration progresses, we anticipate changes to our combined internal control environment that may affect our internal control over financial reporting. For additional information regarding the Merger, see Note 2 in “Part I. Financial Information – Item 1. Financial Statements” in this report.

Other than as described above in connection with the Merger, there were no changes in our internal control over financial reporting that occurred during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. Other Information

Item 1. *Legal Proceedings*

We are involved in various legal proceedings incidental to our business. However, to our knowledge as of the date of this report and subject to the environmental matters noted in Part I, Item 3. Legal Proceedings of our 2025 Annual Report on Form 10-K and the matters described below, there were no material pending legal proceedings to which we are a party or to which any of our property is subject. For more information on our legal contingencies, see Note 18 in "Part I. Financial Information – Item 1. Financial Statements" of this report.

Environmental Matters

Devon has elected to use a $1 million threshold for disclosing certain proceedings arising under federal, state or local environmental laws when a governmental authority is a party. Devon believes proceedings under this threshold are not material to Devon's business, financial condition and results of operations.

On June 26, 2023, we received a NOV from the EPA relating to alleged air emission violations by Coterra Energy Operating Co. (f/k/a Cimarex Energy Co.), a subsidiary of the Company, during 2020 and 2022 in Texas and New Mexico. On July 25, 2023, we subsequently received a letter from the U.S. Department of Justice that the EPA has referred this matter for civil enforcement proceedings. On August 17, 2023, we received a separate NOV from the EPA relating to alleged air emission violations by Coterra Energy Operating Co. during 2023 in New Mexico. The Company has been engaging with the EPA to resolve each of these matters, which remain ongoing, and management cannot predict their ultimate outcome; however, resolution of each of these matters may result in a fine or penalty in excess of $1 million.

Please see our 2025 Annual Report on Form 10-K and other SEC filings for additional information.

Item 1A. *Risk Factors*

There have been no material changes to the information included in Item 1A. "Risk Factors" in our 2025 Annual Report on Form 10-K.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

The following table provides information regarding purchases of our common stock that were made by us during the second quarter of 2026 (shares in thousands).

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (2)
April 1 - April 30	—	$ —	—	$ 538
May 1 - May 31	2,914	$ 47.62	2,148	$ 7,899
June 1 - June 30	2,290	$ 44.11	2,286	$ 7,798
Total	5,204	$ 46.07	4,434	

(1) In addition to shares purchased under the share repurchase program described below, these amounts include approximately 770 thousand shares received by us from employees for the payment of personal income tax withholdings on vesting transactions.

(2) On November 2, 2021, Devon announced a $1.0 billion share repurchase program that would expire on December 31, 2022. Through subsequent approvals, most recently in July 2024, Devon's Board of Directors expanded the share repurchase program authorization to $5.0 billion. Of the $5.0 billion authorized amount, we repurchased 102 million common shares for $4.5 billion, or $43.90 per share, prior to this program's termination effective May 7, 2026. On May 7, 2026, Devon announced a new $8.0 billion share repurchase program, which expires on June 30, 2029. During the second quarter of 2026, we repurchased 4.4 million common shares for $202 million, or $45.48 per share, under the new program. For additional information, see Note 17 in "Part I. Financial Information – Item 1. Financial Statements" in this report.

Item 3. ***Defaults Upon Senior Securities***

Not applicable.

Item 4. ***Mine Safety Disclosures***

Not applicable.

Item 5. ***Other Information***

During the three months ended June 30, 2026, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K), except as described below.

On June 12, 2026, Thomas E. Jorden, chair of Devon's Board of Directors, as trustee of the Thomas E. and Tamara Jacks Jorden Revocable Trust, adopted a Rule 10b5-1 trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The arrangement provides for the potential sale of up to 250,000 shares of Devon common stock, subject to certain conditions, during the period from September 14, 2026 through March 15, 2027.

Item 6. *Exhibits*

Exhibit Number	Description
3.1	Restated Certificate of Incorporation of Devon Energy Corporation.
4.1	Third Supplemental Indenture, dated as of June 25, 2026, between Devon Energy Corporation and U.S. Bank Trust Company, National Association, as Trustee (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K, filed June 25, 2026; File No. 001-32318).
4.2	Registration Rights Agreement, dated as of June 25, 2026, by and among Devon Energy Corporation, Wells Fargo Securities, LLC, BofA Securities, Inc. and Citigroup Global Markets Inc. (incorporated by reference to Exhibit 4.8 of Registrant's Current Report on Form 8-K, filed June 25, 2026; File No. 001-32318).
4.3	Certificate of Designations to 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock of Coterra Energy Operating Co. (f/k/a Cimarex Energy Co.) (incorporated by reference to Exhibit 4.3 of Coterra's Annual Report on Form 10-K for the fiscal year ended December 31, 2021; File No. 1-10447).
4.4	Amendment to Certificate of Designations to 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock of Coterra Energy Operating Co. (incorporated by reference to Exhibit 4.4 of Coterra's Annual Report on Form 10-K for the fiscal year ended December 31, 2021; File No. 1-10447).
4.5	Amendment to Certificate of Designations to 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock of Coterra Energy Operating Co. (incorporated by reference to Exhibit 4.3 of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2022; File No. 1-10447).
4.6	Amendment to Certificate of Designations 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock of Coterra Energy Operating Co.
	In connection with the Merger, Coterra and Coterra Energy Operating Co. became consolidated subsidiaries of Devon. Coterra and Coterra Energy Operating Co. are each parties to debt instruments under which the total amount of securities authorized does not exceed 10 percent of Devon's total consolidated assets. Pursuant to paragraph (4)(iii)(A) of Item 601(b) of Regulation S-K, Devon agrees to furnish a copy of any of those instruments to the SEC upon its request.
10.1*	2026 Form of Notice of Grant of Restricted Stock Award and Award Agreement under the 2022 Long-Term Incentive Plan between the Company and non-management directors for restricted stock awarded.
10.2*	2026 Form of Notice of Grant of Restricted Stock Unit Award and Award Agreement under the 2022 Long-Term Incentive Plan between the Company and non-management directors for restricted stock units awarded.
10.3*	Cabot Oil & Gas Corporation 2014 Incentive Plan, effective May 1, 2014 (incorporated by reference to Exhibit 10.1 of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2014; File No. 1-10447).
10.4*	Form of Non-Employee Director Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.2 of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2014; File No. 1-10447).
10.5*	Coterra Energy Inc. 2023 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 of Coterra's Current Report on Form 8-K, filed May 5, 2023; File No. 1-10447).
10.6*	Form of Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4(a) of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2025; File No. 1-10447).
10.7*	Form of Performance Stock Unit Award Agreement (incorporated by reference to Exhibit 10.4(b) of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2025; File No. 1-10447).
10.8*	Form of Amended and Restated Severance Compensation Agreement between Coterra Energy Inc. and certain officers (incorporated by reference to Exhibit 10.2 of Coterra's Current Report on Form 8-K, filed February 2, 2026; File No. 1-10447).
10.9*	Non-Employee Director Deferred Compensation Plan effective May 4, 2023 (incorporated by reference to Exhibit 10.3 of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023; File No. 1-10447).

10.10*	Form of Non-Employee Director Deferred Restricted Stock Unit Award Agreement (Annual RSU Grant) (incorporated by reference to Exhibit 10.3(b) of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023; File No. 1-10447).
10.11*	Deferred Compensation Plan of Cabot Oil & Gas Corporation, as amended and restated, effective January 1, 2011 (incorporated by reference to Exhibit 10.1 of Coterra's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2011; File No. 1-10447).
31.1	Certification of principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of principal executive officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

*Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DEVON ENERGY CORPORATION

Date: August 5, 2026

/s/ Gregory F. Conaway
Gregory F. Conaway
Vice President and Chief Accounting Officer

Exhibit 3.1

RESTATED CERTIFICATE OF INCORPORATION

OF

Devon Energy Corporation

(Originally incorporated under the name
"Devon Delaware Corporation" on May 18, 1999)

The undersigned, Marcus G. Bolinder, certifies that he is the Vice President, Corporate Governance and Secretary of Devon Energy Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), and does hereby further certify as follows:

A. The name of the Corporation is Devon Energy Corporation. The Corporation was originally incorporated under the name Devon Delaware Corporation and the original Certificate of Incorporation of the Corporation (the "Original Certificate of Incorporation") was filed with the Secretary of State of the State of Delaware on May 18, 1999.

B. The Original Certificate of Incorporation was subsequently restated by the Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on September 12, 2012 (the "2012 Restated Certificate of Incorporation") and the Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on June 7, 2023 (the "2023 Restated Certificate of Incorporation").

C. The 2023 Restated Certificate of Incorporation was subsequently amended by the Certificate of Amendment filed with the Secretary of State of the State of Delaware on May 7, 2026.

D. This Restated Certificate of Incorporation (the "Certificate of Incorporation"), which restates and integrates without further amendment the Corporation's 2023 Restated Certificate of Incorporation, as previously amended, has been declared advisable by the Board of Directors of the Corporation, duly adopted by the stockholders of the Corporation and duly executed by the officers of the Corporation in accordance with Sections 103 and 245 of the General Corporation Law of the State of Delaware.

E. The 2023 Restated Certificate of Incorporation, as previously amended, is hereby integrated and restated in its entirety and reads as follows:

ARTICLE I
Name

The name of this corporation (the "Corporation") is Devon Energy Corporation.

ARTICLE II
Registered Office

The address of the registered office of the Corporation in the State of Delaware is at Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle 19801, and the name of its registered agent at that address is The Corporation Trust Company.

ARTICLE III
Business

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the “General Corporation Law”).

ARTICLE IV
Authorized Capital Stock

A. The Corporation shall be authorized to issue a total of 2,004,500,000 shares of capital stock divided into two classes as follows:

(1) 2,000,000,000 shares of Common Stock, par value $0.10 per share (“Common Stock”), and

(2) 4,500,000 shares of Preferred Stock, par value $1.00 per share (“Preferred Stock”).

B. Shares of Preferred Stock may be issued from time to time in one or more series as may from time to time be determined by the Board of Directors of the Corporation (the “Board”), each of said series to be distinctly designated. The voting powers, preferences and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, if any, of each such series may differ from those of any and all other series of Preferred Stock at any time outstanding, and the Board is hereby expressly granted authority to fix or alter, by resolution or resolutions, the designation, number, voting powers, preferences and relative, participating, optional and other special rights, and the qualifications, limitations and restrictions thereof, of each such series, including, but without limiting the generality of the foregoing, the following:

(1) The distinctive designation of, and the number of shares of Preferred Stock that shall constitute, such series, which number (except where otherwise provided by the Board in the resolution establishing such series) may be increased or decreased (but not below the number of shares of such series then outstanding) from time to time by action of the Board;

(2) The rights in respect of dividends, if any, of such series of Preferred Stock, the extent of the preference or relation, if any, of such dividends to the dividends payable on any other class or classes or any other series of the same or other class or classes of capital stock of the Corporation, and whether or in what circumstances such dividends shall be cumulative;

(3) The right, if any, of the holders of such series of Preferred Stock to convert the same into, or exchange the same for, shares of any other class or classes or of any other series of the same or any other class or classes of capital stock or other securities of the Corporation or any other person, and the terms and conditions of such conversion or exchange;

(4) Whether or not shares of such series of Preferred Stock shall be subject to redemption, and, if so, the terms and conditions of such redemption (including whether such redemption shall be optional or mandatory), including the date or dates or event or events upon or after which they

shall be redeemable, and the amount and type of consideration payable upon redemption, which may vary under different conditions and at different redemption dates;

(5) The rights, if any, of the holders of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation or in the event of any merger or consolidation of or sale of assets by the Corporation;

(6) The terms of any sinking fund or redemption or purchase account, if any, to be provided for shares of such series of the Preferred Stock;

(7) The voting powers, if any, of the holders of any series of Preferred Stock generally or with respect to any particular matter, which may be less than, equal to or greater than one vote per share, and which may, without limiting the generality of the foregoing, include the right, voting as a series by itself or together with the holders of any other series of Preferred Stock or all series of Preferred Stock as a class, to elect one or more directors of the Corporation generally or under such specific circumstances and on such conditions, as shall be provided in the resolution or resolutions of the Board adopted pursuant hereto, including, without limitation, in the event there shall have been a default in the payment of dividends on or redemption of any one or more series of Preferred Stock; and

(8) Any other powers, preferences and relative, participating, optional or other rights, and qualifications, limitations or restrictions of shares of such series of Preferred Stock.

C. (1) After the provisions with respect to preferential dividends on any series of Preferred Stock (fixed in accordance with the provisions of Paragraph B of this Article IV), if any, shall have been satisfied and after the Corporation shall have complied with all the requirements, if any, with respect to redemption of, or the setting aside of sums as sinking funds or redemption or purchase accounts with respect to, any series of Preferred Stock (fixed in accordance with the provisions of Paragraph B of this Article IV), and subject further to any other conditions that may be fixed in accordance with the provisions of Paragraph B of this Article IV, then and not otherwise the holders of Common Stock shall be entitled to receive such dividends as may be declared from time to time by the Board.

(2) In the event of the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, after distribution in full of the preferential amounts, if any (fixed in accordance with the provisions of Paragraph B of this Article IV), to be distributed to the holders of Preferred Stock by reason thereof, the holders of Common Stock shall, subject to the additional rights, if any (fixed in accordance with the provisions of Paragraph B of this Article IV), of the holders of any outstanding shares of Preferred Stock, be entitled to receive all of the remaining assets of the Corporation, tangible and intangible, of whatever kind available for distribution to stockholders ratably in proportion to the number of shares of Common Stock held by them respectively.

(3) Except as may otherwise be required by law, and subject to the provisions of such resolution or resolutions as may be adopted by the Board pursuant to Paragraph B of this Article IV granting the holders of one or more series of Preferred Stock exclusive voting powers with respect to any matter, each holder of Common Stock shall have one vote in respect of each share of Common Stock held on all matters voted upon by the stockholders.

(4) The authorized amount of shares of Common Stock and of Preferred Stock may, without a class or series vote, be increased or decreased from time to time by the affirmative vote of the

holders of a majority of the combined voting power of the then-outstanding shares of Voting Stock, voting together as a single class.

D. No stockholder of the Corporation shall by reason of his holding shares of any class or series of stock of the Corporation have any preemptive or preferential right to purchase, acquire, subscribe for or otherwise receive any additional, unissued or treasury shares (whether now or hereafter acquired) of any class or series of stock of the Corporation now or hereafter to be authorized, or any notes, debentures, bonds or other securities convertible into or carrying any right, option or warrant to purchase, acquire, subscribe for or otherwise receive shares of any class or series of stock of the Corporation now or hereafter to be authorized, whether or not the issuance of any such shares, or such notes, debentures, bonds or other securities, would adversely affect the dividends or voting or other rights of such stockholder, and the Board may issue or authorize the issuance of shares of any class or series of stock of the Corporation, or any notes, debentures, bonds or other securities convertible into or carrying rights, options or warrants to purchase, acquire, subscribe for or otherwise receive shares of any class or series of stock of the Corporation, without offering any such shares of any such class, either in whole or in part, to the existing stockholders of any class.

E. Cumulative voting of shares of any class or series of capital stock of the Corporation having voting rights is not permitted.

ARTICLE V
Election of Directors

A. The business and affairs of the Corporation shall be conducted and managed by, or under the direction of, the Board. The number of directors which shall constitute the entire Board shall not be less than three nor more than twenty, and shall be determined by resolution adopted by a majority of the entire Board. Except as otherwise provided pursuant to Article IV of this Certificate of Incorporation relating to additional directors elected by the holders of one or more series of Preferred Stock, no decrease in the number of directors constituting the Board shall shorten the term of any incumbent director.

B. All directors of the Corporation shall be of one class and shall be elected annually. Each director shall serve for a term ending at the next following annual meeting of stockholders, and until such director’s successor shall have been duly elected and qualified, subject to his earlier death, disqualification, resignation or removal.

C. Except as otherwise provided for or fixed pursuant to the provisions of Article IV relating to the rights of the holders of any series of Preferred Stock to elect additional directors, and subject to the provisions hereof, newly created directorships resulting from any increase in the authorized number of directors, and any vacancies on the Board resulting from death, resignation, disqualification, removal, or other cause, may be filled only by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board. Any director elected in accordance with the preceding sentence shall hold office for a term ending at the next following annual meeting of stockholders, and until such director’s successor shall have been duly elected and qualified, subject to his earlier death, disqualification, resignation or removal.

D. During any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed pursuant to the provisions of Article IV, then upon commencement and for the duration of the period during which such right continues (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate and the total and authorized number of directors of the Corporation shall be reduced accordingly.

ARTICLE VI
Meeting of Stockholders

A. Meetings of stockholders of the Corporation may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. Except as otherwise provided for or fixed pursuant to the provisions of Article IV relating to the rights of the holders of any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only (i) pursuant to a resolution adopted by a majority of the then-authorized number of directors of the Corporation, (ii) if permitted by the Bylaws of the Corporation, by the Chairman of the Board or the President of the Corporation as and in the manner provided in the Bylaws of the Corporation, or (iii) by the Secretary of the Corporation upon receipt of the written request of one or more record holders owning, and having held continuously for a period of at least one year prior to the date such request is delivered, an aggregate of not less than 25% of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote on the matter or matters to be brought before the proposed special meeting, provided that such written request is made in accordance with and subject to the applicable requirements and procedures of the Bylaws of the Corporation, including any limitations on the stockholders' ability to request a special meeting set forth in the Bylaws of the Corporation. Special meetings of stockholders may not be called by any other person or persons or in any other manner. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

B. In addition to the powers conferred on the Board by this Certificate of Incorporation and by the General Corporation Law, and without limiting the generality thereof, the Board is specifically authorized from time to time, by resolution of the Board without additional authorization by the stockholders of the Corporation, to adopt, amend or repeal the Bylaws of the Corporation, in such form and with such terms as the Board may determine, including, without limiting the generality of the foregoing, Bylaws relating to (i) regulation of the procedure for submission by stockholders of nominations of persons to be elected to the Board, (ii) regulation of the attendance at annual or special meetings of the stockholders of persons other than holders of record or their proxies, (iii) regulation of the manner in which, and the circumstances under which, special meetings may be called by stockholders pursuant to Paragraph A of this Article VI and (iv) the regulation of the business that may properly be brought by a stockholder of the Corporation before an annual or special meeting of stockholders of the Corporation.

ARTICLE VII
Stockholder Consent

Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation, and the ability of the stockholders of the Corporation to consent in writing to the taking of any action is hereby specifically denied.

ARTICLE VIII
Limitation of Liability

A director or officer of this Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer, except for liability (i) for any breach of the director or officer's duty of loyalty to the Corporation or its stockholders, (ii) for any act or omission not in good faith or which involves intentional misconduct or a knowing violation of law, (iii) with respect to any director, under Section 174 of the General Corporation Law, (iv) for any transaction from which the director or officer derived an improper personal benefit, or (v) with respect to any officer, in any action by or in the right of the Corporation. In addition to the circumstances in which a director or officer of the Corporation is not personally liable as set forth in the preceding sentence, a director or officer of the Corporation shall not be liable to the fullest extent permitted by any amendment to the General Corporation Law hereafter enacted that further limits or permits the Corporation to limit the liability of a director or officer. Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a director or officer of the Corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

ARTICLE IX
Executive Committee

The Board, pursuant to the Bylaws of the Corporation or by resolution passed by a majority of the then-authorized number of directors, may designate any of their number to constitute an Executive Committee, which Executive Committee, to the fullest extent permitted by law and provided for in said resolution or in the Bylaws of the Corporation, shall have and may exercise all of the powers of the Board in the management of the business and affairs of the Corporation, and shall have power to authorize the seal of the Corporation to be affixed to all papers that may require it.

ARTICLE X
Indemnification

A. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the

Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture or other enterprise against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Corporation and with respect to any criminal action or proceeding had reasonable cause to believe that his conduct was unlawful.

B. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in the view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

C. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized herein.

D. The Corporation may purchase (upon resolution duly adopted by the board of directors) and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability.

E. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to herein or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

F. Every such person shall be entitled, without demand by him upon the Corporation or any action by the Corporation, to enforce his right to such indemnity in an action at law against the Corporation. The right of indemnification and advancement of expenses hereinabove provided shall not be deemed exclusive of any rights to which any such person may now or hereafter be otherwise entitled and specifically, without limiting the generality of the foregoing, shall not be deemed exclusive of any rights pursuant to statute or otherwise, of any such person in any such action, suit or proceeding to have assessed or allowed in his favor against the Corporation or otherwise, his costs and expenses incurred therein or in connection therewith or any part thereof.

ARTICLE XI
Amendment Of Corporate Documents

A. *Certificate of Incorporation*

In addition to any affirmative vote required by applicable law and in addition to any vote of the holders of any series of Preferred Stock provided for or fixed pursuant to the provisions of Article IV, any alteration, amendment, repeal or rescission (a "Change") of any provision of this Certificate of Incorporation must be approved by at least a majority of the then-authorized number of directors and by the affirmative vote of the holders of at least a majority of the combined voting power of the then-outstanding shares of Voting Stock, voting together as a single class. Subject to the provisions hereof, the Corporation reserves the right at any time, and from time to time, to amend, alter, repeal or rescind any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by law, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the rights reserved in this article.

B. *Bylaws*

In addition to any affirmative vote required by law, any Change of the Bylaws of the Corporation may be adopted either (i) by the Board by the affirmative vote of a least a majority of the then-authorized number of directors or (ii) by the stockholders by the affirmative vote of the holders of at least a majority of the combined voting power of the then-outstanding shares of Voting Stock, voting together as a single class.

ARTICLE XII
Definitions

For the purposes of this Certificate of Incorporation:

A. A "person" shall mean any individual, firm, corporation, partnership, limited liability company, trust, unincorporated organization or other entity.

B. “Voting Stock” means all outstanding shares of capital stock of the Corporation that pursuant to or in accordance with this Certificate of Incorporation are entitled to vote generally in the election of directors of the Corporation, and each reference herein, where appropriate, to a percentage or portion of shares of Voting Stock shall refer to such percentage or portion of the voting power of such shares entitled to vote.

[Signature page follows.]

IN WITNESS WHEREOF, this Certificate of Incorporation has been duly executed by an authorized officer of the Corporation on the 18th day of June, 2026.

Devon Energy Corporation

By: *_/s/_* Marcus G. Bolinder
Marcus G. Bolinder
Vice President, Corporate Governance and Secretary

Exhibit 4.6

COTERRA ENERGY OPERATING CO.
CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF DESIGNATIONS
OF
8 ⅛% SERIES A CUMULATIVE PERPETUAL CONVERTIBLE PREFERRED STOCK

Coterra Energy Operating Co. (f/k/a Cimarex Energy Co., the "**Corporation**"), a corporation organized and existing under the General Corporation Law of the State of Delaware (the "**DGCL**"), hereby certifies that:

FIRST: The Corporation desires to amend its Certificate of Designations of 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock (as currently in effect, the "**Certificate of Designations**") as follows:

1. The first sentence of Article 9, Section (a) of the Certificate of Designations is hereby amended and restated in its entirety as follows:

"(a) Each Holder shall have the right at any time, at its option, to convert, subject to the terms and provisions of this Section 9, each of such Holder's shares of Series A Preferred Stock into (i) the Cash Consideration, to the fullest extent permitted by law, and (ii) 30.604014 fully paid and nonassessable shares of Devon Common Stock, subject to adjustment as provided in this Section 9 (the "***Conversion Rate***").

2. Subsection (ix) of Article 9, Section (d) is hereby amended and restated in its entirety as follows:

"Notwithstanding anything to the contrary in this Article 9, references in this Certificate of Designations (including without limitation this Section 9(d)) to the Corporation and the Common Stock shall be deemed to be references to Devon and the Devon Common Stock, respectively, solely to the extent necessary to provide the Holders anti-dilution adjustments and other adjustments equivalent to those in effect as of immediately prior to the effective time of the Devon Merger."

3. The definitions set forth in Article 2, Sections (r), (s) and (t) of the Certificate of Designations are hereby amended and restated in their entirety as follows:

"(r) "**Devon**" means Devon Energy Corporation, a Delaware corporation."

"(s) "**Devon Common Stock**" means the common stock, par value $0.10 per share, of Devon."

"(t) "**Devon Merger**" means the merger of Cubs Merger Sub, Inc., a wholly owned subsidiary of Devon, with and into Coterra Energy Inc., a Delaware corporation, which was consummated on May 7, 2026."

SECOND: This Certificate of Amendment was duly adopted in accordance with the applicable provisions of Section 242 of the DGCL.

THIRD: This Certificate of Amendment shall become effective immediately upon filing on May 7, 2026.

EXCEPT AS AMENDED ABOVE, the Certificate of Designations shall remain in full force and effect.

[*Signature page follows*]

IN WITNESS WHEREOF, the Corporation has executed this Certificate of Amendment to Certificate of Designations of 8 ⅛% Series A Cumulative Perpetual Convertible Preferred Stock on this 7th day of May, 2026.

COTERRA ENERGY OPERATING CO.

/s/ Shannon E. Young III

Name: Shannon E. Young III

Title: Chief Financial Officer

Exhibit 10.1

Devon Energy Corporation
ID: 73-1567067
Three Memorial City Plaza
840 Gessner Road, Suite 1400
Houston, TX 77024

NOTICE OF GRANT OF RESTRICTED STOCK AWARD AND AWARD AGREEMENT

Participant Name Grant Date: **Grant Date**
Grant Type: **RSA**
Award No.: **Client Grant ID**

Effective **Grant Date**, you have been granted a Restricted Stock Award of **Number of Shares Granted** shares of Devon Energy Corporation (the "Company") Common Stock under the 2022 Devon Energy Corporation Long-Term Incentive Plan. These shares are restricted until the vesting date shown below.

Vesting Date	% of Shares to Vest
Day Immediately Following the Date of Grant*	100%

*Notwithstanding the foregoing, the vesting of the Award is contingent on your acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant; provided, however, that if you do not affirmatively decline acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant you will be deemed to have affirmatively accepted the Award on the day immediately following the Date of Grant.

By accepting this agreement, you and the Company agree that this award is granted under and governed by the terms and conditions of the Company's 2022 Long-Term Incentive Plan and the Award Agreement, both of which are attached and made a part of this document.

Exhibit 10.1

DEVON ENERGY CORPORATION
2022 LONG-TERM INCENTIVE PLAN
NON-MANAGEMENT DIRECTOR
RESTRICTED STOCK AWARD AGREEMENT

THIS RESTRICTED STOCK AWARD AGREEMENT (this “Award Agreement”) is entered into as of **Grant Date** (the “Date of Grant”), by and between Devon Energy Corporation, a Delaware corporation (the “Company”), and **Participant Name** (the “Participant”).

WITNESSETH:

WHEREAS, the Company has previously adopted the “Devon Energy Corporation 2022 Long-Term Incentive Plan” (the “Plan”);

WHEREAS, the Participant is a nonemployee director of the Company and it is important to the Company that the Participant be encouraged to remain a director of the Company; and

WHEREAS, in recognition of such facts, the Company desires to award to the Participant **Number of Shares Granted** shares of the Company’s Common Stock under the Plan subject to the terms and conditions of this Award Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, the Participant and the Company agree as follows:

1. The Plan. The Plan, a copy of which is attached hereto, is hereby incorporated by reference herein and made a part hereof for all purposes, and when taken with this Award Agreement shall govern the rights of the Participant and the Company with respect to the Award.

2. Grant of Award. The Company hereby grants to the Participant an award (the “Award”) of **Number of Shares Granted** shares of the Company’s Common Stock (the “Restricted Stock”), on the terms and conditions set forth herein and in the Plan.

3. Terms of Award.

(a) Escrow of Shares. A certificate or book-entry registration representing the Restricted Stock shall be issued in the name of the Participant and shall be escrowed with the Secretary subject to removal of the restrictions placed thereon or forfeiture pursuant to the terms of this Award Agreement.

(b) Vesting. 100% of the shares of the Restricted Stock is scheduled to vest on the day immediately following the Date of Grant (the “Vesting Date”). Notwithstanding the foregoing, the vesting of the Restricted Stock is contingent on the Participant’s acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant; provided, however, that if the Participant does not affirmatively decline acceptance of the Restricted Stock by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant the Participant shall be deemed to have affirmatively accepted the Restricted Stock on the day immediately following the Date of Grant. The portion of the Restricted Stock that has vested pursuant to the terms of this Award Agreement shall be deemed “Vested Stock.”

(c) Voting Rights and Dividends. The Participant shall have all of the voting rights attributable to the shares of Restricted Stock. Any dividends declared and paid by the Company with respect to shares of Restricted Stock ("Accrued Dividends") shall be paid to the Participant reasonably promptly following the time the underlying Restricted Stock becomes Vested Stock.

4. Non-transferability of Award. The Participant shall not have the right to sell, assign, transfer, convey, dispose, pledge, hypothecate, burden, encumber, or charge the Award or any Restricted Stock or any interest therein in any manner whatsoever.

5. Notices. All notices or other communications relating to the Plan and this Award Agreement as it relates to the Participant shall be in writing and shall be delivered electronically, personally, or mailed (U.S. mail) by the Company to the Participant at the then current address as maintained by the Company or such other address as the Participant may advise the Company in writing.

6. Binding Effect; No Third-party Beneficiaries; Governing Law and Venue; Compliance with Law. This Award Agreement shall be (i) binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and permitted assigns except as may be limited by the Plan, and (ii) governed by and construed under the laws of the State of Delaware. This Award Agreement shall not confer any rights or remedies upon any person other than the Company and the Participant and each of their respective heirs, representatives, successors and permitted assigns. The issuance of shares of Common Stock, if any, to the Participant pursuant to this Award Agreement is subject to any applicable taxes and other laws or regulations of the United States or of any state, municipality or other country having jurisdiction thereof. Any action arising out of, or relating to, any of the provisions of this Award Agreement shall be brought only in the United States District Court for the Southern District of Delaware, or if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Delaware, and the jurisdiction of such court in any such proceeding shall be exclusive.

7. Award Subject to Claims of Creditors. The Participant shall not have any interest in any particular assets of the Company, its parent, if applicable, or any Subsidiary or Affiliated Entity by reason of the right to earn an Award (including Accrued Dividends) under the Plan and this Award Agreement, and the Participant or any other person shall have only the rights of a general unsecured creditor of the Company, its parent, if applicable, or a Subsidiary or Affiliated Entity with respect to any rights under the Plan or this Award Agreement.

8. Company Policies. The Participant agrees that the Award, and the right to receive and/or retain any Vested Stock or cash payments covered by this Award, will be subject to any applicable clawback or recoupment policies, share trading policies and other policies that may be implemented from time to time by the Company's Board of Directors, a duly authorized committee thereof or the Company, or as required by applicable law or any applicable securities exchange listings standards. By accepting this Award under the Plan, the Participant agrees and acknowledges that the Participant is obligated to cooperate with, and provide any and all assistance necessary to, the Company to recover or recoup any Award or amounts paid under the Plan subject to clawback pursuant to such policy, law or standard. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to recover or recoup any Award or amounts paid pursuant to this Award.

9. Captions. The captions of specific provisions of this Award Agreement are for convenience and reference only, and in no way define, describe, extend or limit the scope of this Award Agreement or the intent of any provision hereof.

10. Counterparts. This Award Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original for all purposes, but all of which taken together shall form one agreement.

11. Amendment. Except as permitted by the Plan, this Award Agreement may not be amended, modified, terminated or otherwise altered except by the written consent of the Company and the Participant.

12. Entire Agreement. Except as otherwise provided herein, the Plan and this Award Agreement constitute the entire agreement between the Participant and the Company and supersede any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they relate in any way to the subject matter of this Award Agreement.

13. Application of Section 409A of the Code. The Award covered by this Award Agreement is intended to be exempt from, or otherwise comply with the provisions of, Section 409A of the Code, and the regulations and other guidance promulgated thereunder ("409A"). Notwithstanding the foregoing or any other provision of this Award Agreement or the Plan to the contrary, if the Award is subject to the provisions of 409A (and not exempt therefrom), the provisions of this Award Agreement and the Plan shall be administered, interpreted and construed in a manner necessary to comply with 409A (or disregarded to the extent such provision cannot be so administered, interpreted or construed). If any payments or benefits hereunder constitute non-conforming "deferred compensation" subject to taxation under 409A, the Participant agrees that the Company may, without the Participant's consent, modify the Award Agreement to the extent and in the manner the Company deems necessary or advisable or take such other action or actions, including an amendment or action with retroactive effect, that the Company deems appropriate in order either to preclude any such payment or benefit from being deemed "deferred compensation" without the meaning of 409A or to provide such payment or benefits in a manner that complies with the provisions of 409A such that they will not be subject to the imposition of taxes and/or interest thereunder. If, at the time of the Participant's separation from service (within the meaning of 409A), (A) the Participant is a specified employee (within the meaning of 409A and using the identification methodology selected by the Company from time to time) and (B) the Company makes a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of 409A) the settlement of which is required to be delayed pursuant to the six-month delay rule set forth in 409A in order to avoid taxes or penalties under 409A, then the Company shall not settle such amount on the otherwise scheduled settlement date, but shall instead settle it, without interest, within 30 days after such six-month period. Each payment under the Award shall be treated as a right to a separate payment. In no event shall the Participant, directly or indirectly, designate the calendar year of payment. Notwithstanding the foregoing, the Company makes no representations and/or warranties with respect to compliance with 409A, and the Participant recognizes and acknowledges that 409A could potentially impose upon the Participant certain taxes and/or interest charges for which the Participant is and shall remain solely responsible,

14. Definitions. Words, terms, or phrases used in this Award Agreement shall have the meaning set forth in this Section 14. Capitalized terms used in this Award Agreement but not defined herein shall have the meaning designated in the Plan.

(a) "Accrued Dividends" has the meaning set forth in Section 3(c).

(b) "Award" has the meaning set forth in Section 2.

(c) "Award Agreement" has the meaning set forth in the preamble.

(d) "Company" has the meaning set forth in the preamble.

(e) "Date of Grant" has the meaning set forth in the preamble.

(f) "Date of Termination" means the first day occurring on or after the Date of Grant on which the Participant is not a member of the Board.

(g) "Participant" has the meaning set forth in the preamble.

(h) “Plan” has the meaning set forth in the recitals.

(i) “Restricted Stock” has the meaning set forth in Section 2.

(j) “Vested Stock” has the meaning set forth in Section 3(b).

(k) “Vesting Date” has the meaning set forth in Section 3(b).

IN WITNESS WHEREOF, the parties hereto have executed this Award Agreement on the day and year first above written.

“COMPANY” DEVON ENERGY CORPORATION,
a Delaware corporation

“PARTICIPANT” **Participant Name**

Exhibit 10.2

NOTICE OF GRANT OF RESTRICTED STOCK UNIT AWARD
AND AWARD AGREEMENT

#ParticipantName# Grant Date: **#GrantDate#**
Grant Type: **RSU**
Award No.: **#ClientGrantID#**

Effective **#GrantDate#**, you have been granted an award of **#QuantityGranted#** Restricted Stock Units ("Award") under the Devon Energy Corporation 2022 Long-Term Incentive Plan. Each Restricted Stock Unit that vests entitles you to one share of Devon Energy Corporation (the "Company") Common Stock. This Award is restricted until the vesting date shown below.

Vesting Date	% of Shares to Vest
Day Immediately Following the Date of Grant*	100%

*Notwithstanding the foregoing, the vesting of the Award is contingent on your acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant; provided, however, that if you do not affirmatively decline acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant you will be deemed to have affirmatively accepted the Award on the day immediately following the Date of Grant.

This Award also entitles you to be paid Dividend Equivalents as set forth in the Award Agreement.

By accepting this agreement, you and the Company agree that this award is granted under and governed by the terms and conditions of the Company's 2022 Long-Term Incentive Plan and the Award Agreement, both of which are attached and made a part of this document.

DEVON ENERGY CORPORATION
2022 LONG-TERM INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this “Award Agreement”) is entered into as of **#GrantDate#** (the “Date of Grant”), by and between Devon Energy Corporation, a Delaware corporation (the “Company”), and **#ParticipantName#** (the “Participant”).

W I T N E S S E T H:

WHEREAS, the Company has previously adopted the Devon Energy Corporation 2022 Long-Term Incentive Plan (the “Plan”);

WHEREAS, the Participant is a nonemployee director of the Company and it is important to the Company that the Participant be encouraged to remain a director of the Company; and

WHEREAS, in recognition of such facts, the Company desires to award to the Participant **#QuantityGranted#** Restricted Stock Units subject to the terms and conditions of this Award Agreement and the Plan.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, the Participant and the Company agree as follows:

1. The Plan. The Plan, a copy of which is attached hereto, is hereby incorporated by reference herein and made a part hereof for all purposes, and when taken with this Award Agreement shall govern the rights of the Participant and the Company with respect to the Award.

2. Grant of Award. The Company hereby grants to the Participant an award (the “Award”) of **#QuantityGranted#** Restricted Stock Units, on the terms and conditions set forth herein and in the Plan. Each Restricted Stock Unit that vests entitles the Participant to one share of Common Stock.

3. Terms of Award.

(a) Restricted Stock Unit Account. The Company shall establish a bookkeeping account on its records for the Participant and shall credit the Participant’s Restricted Stock Units to the bookkeeping account.

(b) Vesting. 100% of the Restricted Stock Units are scheduled to vest on the day immediately following the Date of Grant. Notwithstanding the foregoing, the vesting of the Restricted Stock Units is contingent on the Participant’s acceptance of the Award by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant; provided, however, that if the Participant does not affirmatively decline acceptance of the Restricted Stock Units by 12:00 PM Houston, Texas time on the day immediately following the Date of Grant the Participant shall be deemed to have affirmatively accepted the Restricted Stock Units on the day immediately following the Date of Grant.

(c) Voting Rights and Dividend Equivalents. The Participant shall not have any voting rights with respect to the Restricted Stock Units. The Participant shall be credited with dividend equivalents (“Dividend Equivalents”) with respect to each outstanding Restricted Stock Unit to the extent that any dividends or other distributions (in cash or other property) are declared and/or paid with respect to the shares of Common Stock after the commencement of the Date of Grant (other than distributions pursuant to a share split, for which an adjustment shall be made as described in Section 10.1 of the Plan). Dividend Equivalents shall be credited to the bookkeeping account established on the records of the Company for the Participant and will vest subject to the same conditions as are applicable to the underlying Restricted Stock Units, and Dividend Equivalents will be [alt 1: paid in cash to the Participant reasonably promptly following such vesting or, with respect to dividends declared and/or paid thereafter, by December 31st of the calendar year in which the record date for such dividend occurs, unless payment as of such date is not practicable (but in no event later than March 15 of the calendar year following the year in which such vesting or record date occurs, as applicable)] / [alt 2: notionally invested in Company stock and paid in shares of Company stock at the same time as the payment of the Restricted Stock Units to which they relate]. Accordingly, Dividend Equivalents shall be forfeited to the extent that the Restricted Stock Units are forfeited or cancelled. No interest shall be credited on Dividend Equivalents.

(d) Conversion of Restricted Stock Units; Delivery of Restricted Stock Units.

(i) Payment in respect of vested Restricted Stock Units shall be made promptly following [alt 1: the Participant's Termination Date] / [alt 2: [INSERT PAYMENT DATE ELECTED]] / [alt 3: the first to occur of the Participant's Termination Date or [INSERT PAYMENT DATE ELECTED]][; provided, however, that in the event of the Participant's death prior to such payment date, payment in respect of vested Restricted Stock Units shall be made as soon as practicable thereafter (but in no event later than 90 days following the Participant's death)].

(ii) All payments in respect of earned and vested Restricted Stock Units shall be made in freely transferable shares of Common Stock. No fractional shares of Common Stock shall be issued pursuant to this Award, and any fractional share resulting from any calculation made in accordance with the terms of this Award Agreement shall be rounded down to the next whole share.

4. Non-transferability of Award. The Participant shall not have the right to sell, assign, transfer, convey, dispose, pledge, hypothecate, burden, encumber or charge any Restricted Stock Unit or any interest therein in any manner whatsoever.

5. Notices. All notices or other communications relating to the Plan and this Award Agreement as it relates to the Participant shall be in writing and shall be delivered electronically, personally or mailed (U.S. mail) by the Company to the Participant at the then current address as maintained by the Company or such other address as the Participant may advise the Company in writing.

6. Binding Effect; No-Third-party Beneficiaries; Governing Law and Venue; Compliance with Law. This Award Agreement shall be (i) binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns except as may be limited by the Plan, and (ii) governed by and construed under the laws of the State of Delaware. This Award Agreement shall not confer any rights or remedies upon any person other than the Company and the Participant and each of their respective heirs, representatives, successors and permitted assigns. The issuance of shares of Common Stock, if any, to the Participant pursuant to this Award Agreement is subject to any applicable taxes and other laws or regulations of the United States or of any state, municipality or other country having jurisdiction thereof. Any action arising out of, or relating to, any of the provisions of this Award Agreement shall be brought only in the United States District Court for the Southern District of Delaware, or if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Delaware, and the jurisdiction of such court in any such proceeding shall be exclusive.

7. Company Policies. The Participant agrees that the Award, and the right to receive and/or retain any vested Restricted Stock Units or payments covered by this Award, will be subject to any applicable clawback or recoupment policies, share trading policies and other policies that may be implemented from time to time by the Company's Board of Directors, a duly authorized committee thereof or the Company, or as required by applicable law or any applicable securities exchange listings standards. By accepting this Award under the Plan, the Participant agrees and acknowledges that the Participant is obligated to cooperate with, and provide any and all assistance necessary to, the Company to recover or recoup any Award or amounts paid under the Plan subject to clawback pursuant to such policy, law or standard. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to recover or recoup any Award or amounts paid pursuant to this Award.

8. Award Subject to Claims of Creditors. The Participant shall not have any interest in any particular assets of the Company, its parent, if applicable, or any Subsidiary or Affiliated Entity by reason of the right to earn an Award (including Dividend Equivalents) under the Plan and this Award Agreement, and the Participant or any other person shall have only the rights of a general unsecured creditor of the Company, its parent, if applicable, or a Subsidiary or Affiliated Entity with respect to any rights under the Plan or this Award Agreement.

9. Captions. The captions of specific provisions of this Award Agreement are for convenience and reference only, and in no way define, describe, extend or limit the scope of this Award Agreement or the intent of any provision hereof.

10. Counterparts. This Award Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original for all purposes, but all of which taken together shall form one agreement.

11. Amendment. Except as permitted by the Plan, this Award Agreement may not be amended, modified, terminated or otherwise altered except by the written consent of the Company and the Participant.

12. Entire Agreement. Except as otherwise provided herein, the Plan and this Award Agreement constitute the entire agreement between the Participant and the Company and supersede any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they relate in any way to the subject matter of this Award Agreement.

13. Application of Section 409A of the Code. The Award covered by this Award Agreement is intended to be exempt from, or otherwise comply with the provisions of, Section 409A of the Code, and the regulations and other guidance promulgated thereunder ("409A"). Notwithstanding the foregoing or any other provision of this Award Agreement or the Plan to the contrary, if the Award is subject to the provisions of 409A (and not exempt therefrom), the provisions of this Award Agreement and the Plan shall be administered, interpreted and construed in a manner necessary to comply with 409A (or disregarded to the extent such provision cannot be so administered, interpreted or construed). If any payments or benefits hereunder constitute non-conforming "deferred compensation" subject to taxation under 409A, the Participant agrees that the Company may, without the Participant's consent, modify the Award Agreement to the extent and in the manner the Company deems necessary or advisable or take such other action or actions, including an amendment or action with retroactive effect, that the Company deems appropriate in order either to preclude any such payment or benefit from being deemed "deferred compensation" within the meaning of 409A or to provide such payment or benefits in a manner that complies with the provisions of 409A such that they will not be subject to the imposition of taxes and/or

interest thereunder. If, at the time of the Participant's separation from service (within the meaning of 409A), (A) the Participant is a specified employee (within the meaning of 409A and using the identification methodology selected by the Company from time to time) and (B) the Company makes a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of 409A) the settlement of which is required to be delayed pursuant to the six-month delay rule set forth in 409A in order to avoid taxes or penalties under 409A, then the Company shall not settle such amount on the otherwise scheduled settlement date, but shall instead settle it, without interest, within 30 days after such six-month period. Each payment under the Award shall be treated as a right to a separate payment. In no event shall the Participant, directly or indirectly, designate the calendar year of payment. Notwithstanding the foregoing, the Company makes no representations and/or warranties with respect to compliance with 409A, and the Participant recognizes and acknowledges that 409A could potentially impose upon the Participant certain taxes and/or interest charges for which the Participant is and shall remain solely responsible.

14. Definitions. Words, terms or phrases used in this Award Agreement shall have the meaning set forth in this Section 14. Capitalized terms used in this Award Agreement but not defined herein shall have the meaning designated in the Plan.

(a) "Award" has the meaning set forth in Section 2.

(b) "Award Agreement" has the meaning set forth in the preamble.

(c) "Company" has the meaning set forth in the preamble.

(d) "Date of Grant" has the meaning set forth in the preamble.

(e) "Date of Termination" means the first day occurring on or after the Date of Grant on which the Participant is not a member of the Board.

(f) "Dividend Equivalent" has the meaning set forth in Section 3(c).

(g) "Participant" has the meaning set forth in the preamble.

(h) "Plan" has the meaning set forth in the recitals.

(i) "Restricted Stock Unit" means a restricted stock unit granted under the Plan.

"COMPANY" DEVON ENERGY CORPORATION,
a Delaware corporation

"PARTICIPANT" **#ParticipantName#**

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Clay M. Gaspar, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Devon Energy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ Clay M. Gaspar
Clay M. Gaspar
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULE 13a-14(a)/15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Shannon E. Young III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Devon Energy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ Shannon E. Young III
Shannon E. Young III
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Report of Devon Energy Corporation (“Devon”) on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Clay M. Gaspar, President and Chief Executive Officer of Devon, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Devon.

/s/ Clay M. Gaspar
Clay M. Gaspar
President and Chief Executive Officer
August 5, 2026

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Report of Devon Energy Corporation (“Devon”) on Form 10-Q for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shannon E. Young III, Executive Vice President and Chief Financial Officer of Devon, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Devon.

/s/ Shannon E. Young III

Shannon E. Young III
Executive Vice President and Chief Financial Officer
August 5, 2026