



NEWS RELEASE

Devon Energy Provides Revised 2020 Capital Expenditure Outlook and Hedge Update

OKLAHOMA CITY – March 30, 2020 -- Devon Energy Corp. (NYSE: DVN) today provided updates to its 2020 capital expenditure outlook and hedge position. Based on current market conditions, Devon has elected to further reduce its capital expenditures by an additional \$300 million for the full-year 2020. The revised capital outlook of approximately \$1 billion represents a reduction of nearly 45 percent compared to the company's original 2020 capital budget.

The \$300 million of incremental capital reductions will be driven by the deferral of activity in the Eagle Ford, improved capital efficiencies in the Delaware Basin and lower service-cost pricing attained across the company's asset portfolio. With the revised capital plan, Devon now expects to fund its 2020 capital program within operating cash flow at current strip pricing. Beyond the spending cuts announced today, Devon is prepared to further reduce capital activity should commodity prices remain weak to protect its financial strength.

"Our top priority in this environment is to protect Devon's financial strength and liquidity," said Dave Hager, president and CEO. "Our decisive actions to date have allowed us to rapidly recalibrate drilling and completion activity to ensure we can fund all our 2020 capital requirements within cash flow. We will continue to assess market conditions and adjust activity levels as necessary to ensure the long-term viability of our business."

Updated Regional Basis Hedge Position

The company has also entered into regional basis swaps in an effort to provide additional protection against lower commodity prices across its asset portfolio. For details on Devon's updated regional basis hedge position, please see the tables below:

Oil Basis Swaps

Period	Index	Volume (Bbls/d)	Weighted Average Differential to WTI (\$/Bbl)
Q1-Q4 2020	Argus MEH	40,679	\$ 0.63
Q1-Q4 2020	Midland Sweet	23,835	\$ (1.23)

Natural Gas Basis Swaps

Period	Index	Volume (MMBtu/d)	Weighted Average Differential to Henry Hub (\$/MMBtu)
Q1-Q4 2020	Panhandle Eastern Pipe Line	30,000	\$ (0.47)
Q1-Q4 2020	El Paso Natural Gas	60,000	\$ (0.76)
Q1-Q4 2020	Houston Ship Channel	26,703	\$ (0.02)

As previously disclosed on March 19, 2020, the company has approximately 80 percent of its estimated oil production in 2020 protected at an average floor price of nearly \$45 WTI. Additionally, Devon has secured hedges on approximately 40 percent of its estimated natural gas production in 2020 at an average Henry Hub protected floor price of \$2.35 per million cubic feet. For additional details see the tables below:

Period	WTI Oil Price Swaps			WTI Oil Price Collars		
	Volume (Bbls/d)	Weighted Average Price (\$/Bbl)	Volume (Bbls/d)	Weighted Average Floor Price (\$/Bbl)	Weighted Average Ceiling Price (\$/Bbl)	
Q1-Q4 2020	66,625	\$ 38.57	54,750	\$ 51.47	\$ 61.52	

Period	Henry Hub Gas Price Swaps			Henry Hub Gas Price Collars		
	Volume (MMBtu/d)	Weighted Average Price (\$/MMBtu)	Volume (MMBtu/d)	Weighted Average Floor Price (\$/MMBtu)	Weighted Average Ceiling Price (\$/MMBtu)	
Q1-Q4 2020	81,600	\$ 2.77	132,750	\$ 2.09	\$ 2.52	

The company will provide detailed production, operating cost and capital expenditure updates in conjunction with first-quarter reporting.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company. These risks include, but are not limited to: the risk of continued or increased commodity price volatility, which could adversely impact the company's liquidity, capital plans and actual production and other results for 2020; the risk that our hedging activities will limit our participation in any commodity price increases; and the other risks identified in the Company's Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements in this press release are made as of the date hereof, and the company does not undertake any obligation to update the forward-looking statements as a result of new information, future events or otherwise.

About Devon Energy

Devon Energy is a leading independent energy company engaged in finding and producing oil and natural gas. Based in Oklahoma City and included in the S&P 500, Devon operates in several of the most prolific oil and natural gas plays in the U.S. with an emphasis on achieving strong corporate-level returns and capital-efficient cash-flow growth. For more information, please visit www.devonenergy.com and see our related Form 10-K.

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