

**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 March 31, 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
(State or other jurisdiction of
incorporation or organization)

333 West Sheridan Avenue, Oklahoma City, Oklahoma
(Address of principal executive offices)

73-1567067
(I.R.S. Employer
identification No.)

73102-5015
(Zip code)

Registrant's telephone number, including area code: (405) 235-3611

Former name, address and former fiscal year, if changed from last report: Not applicable

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.10 per share	DVN	The 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 April 22, 2026, 621.4 million 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.

“MBbls” means thousand barrels.

“MBoe” means thousand Boe.

“Mcf” means thousand cubic feet.

“Merger” means the merger of Merger Sub with and into Coterra, 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.

“OBBA” means One Big Beautiful Bill Act.

“OPEC” means Organization of the Petroleum Exporting Countries.

“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.

“Term Loan” means Term Loan Credit Agreement.

“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 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, 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 restrictions on our operations during the pendency of the Merger, litigation risk, the risk that the Merger Agreement may be terminated and the risk that we may not realize the anticipated benefits of the Merger or successfully integrate the two companies; 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.

Part I. Financial Information

Item 1. Financial Statements

DEVON ENERGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
Oil, gas and NGL sales	\$ 2,977	\$ 3,126
Oil, gas and NGL derivatives	(701)	(98)
Marketing and midstream revenues	1,531	1,424
Total revenues	3,807	4,452
Production expenses	894	912
Exploration expenses	25	10
Marketing and midstream expenses	1,547	1,436
Depreciation, depletion and amortization	904	912
Asset impairments	—	254
Asset dispositions	1	2
General and administrative expenses	125	130
Financing costs, net	109	123
Restructuring and transaction costs	19	18
Other, net	17	9
Total expenses	3,641	3,806
Earnings before income taxes	166	646
Income tax expense	46	137
Net earnings	120	509
Net earnings attributable to noncontrolling interests	—	15
Net earnings attributable to Devon	\$ 120	\$ 494
Net earnings per share:		
Basic net earnings per share	\$ 0.19	\$ 0.77
Diluted net earnings per share	\$ 0.19	\$ 0.77
Comprehensive earnings:		
Net earnings	\$ 120	\$ 509
Other comprehensive earnings, net of tax:		
Pension and postretirement plans	1	1
Other comprehensive earnings, net of tax	1	1
Comprehensive earnings:	121	510
Comprehensive earnings attributable to noncontrolling interests	—	15
Comprehensive earnings attributable to Devon	\$ 121	\$ 495

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	March 31, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current assets:		
Cash, cash equivalents and restricted cash	\$ 1,815	\$ 1,434
Accounts receivable	2,250	1,792
Inventory	319	336
Other current assets	378	444
Total current assets	4,762	4,006
Oil and gas property and equipment, based on successful efforts accounting, net	23,912	23,731
Other property and equipment, net	1,686	1,688
Total property and equipment, net	25,598	25,419
Goodwill	753	753
Right-of-use assets	312	299
Investments	715	727
Other long-term assets	403	395
Total assets	<u>\$ 32,543</u>	<u>\$ 31,599</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 975	\$ 790
Revenues and royalties payable	1,678	1,491
Short-term debt	999	998
Other current liabilities	1,082	807
Total current liabilities	4,734	4,086
Long-term debt	7,387	7,391
Lease liabilities	206	197
Asset retirement obligations	986	863
Other long-term liabilities	940	907
Deferred income taxes	2,862	2,627
Stockholders' equity:		
Common stock, \$0.10 par value. Authorized 1.0 billion shares; issued 621 million and 622 million shares in 2026 and 2025, respectively	62	62
Additional paid-in capital	5,316	5,388
Retained earnings	10,171	10,200
Accumulated other comprehensive loss	(121)	(122)
Total stockholders' equity	15,428	15,528
Total liabilities and equity	<u>\$ 32,543</u>	<u>\$ 31,599</u>

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
Cash flows from operating activities:		
Net earnings	\$ 120	\$ 509
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation, depletion and amortization	904	912
Asset impairments	—	254
Leasehold impairments	3	5
Accretion of liabilities	4	6
Total losses on commodity derivatives	701	98
Cash settlements on commodity derivatives	(57)	(10)
Losses on asset dispositions	1	2
Deferred income tax expense	234	41
Share-based compensation	22	30
Other	22	(22)
Changes in assets and liabilities, net	(299)	117
Net cash from operating activities	1,655	1,942
Cash flows from investing activities:		
Capital expenditures	(839)	(934)
Acquisitions of property and equipment	(190)	(8)
Divestitures of property and equipment	2	133
Distributions from investments	9	9
Contributions to investments and other	(2)	(2)
Net cash from investing activities	(1,020)	(802)
Cash flows from financing activities:		
Repurchases of common stock	(69)	(301)
Dividends paid on common stock	(155)	(163)
Contributions from noncontrolling interests	—	14
Distributions to noncontrolling interests	—	(9)
Repayment of finance leases	(3)	(274)
Shares exchanged for tax withholdings and other	(27)	(19)
Net cash from financing activities	(254)	(752)
Net change in cash, cash equivalents and restricted cash	381	388
Cash, cash equivalents and restricted cash at beginning of period	1,434	846
Cash, cash equivalents and restricted cash at end of period	\$ 1,815	\$ 1,234
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 1,763	\$ 1,198
Restricted cash	52	36
Total cash, cash equivalents and restricted cash	\$ 1,815	\$ 1,234

See accompanying notes to consolidated financial statements.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY

	Common Stock		Additional	Retained	Other Comprehensive	Treasury	Noncontrolling	Total
	Shares	Amount	Paid-In Capital	Earnings	Earnings (Loss)	Stock	Interests	Equity
	(Unaudited)							
Three Months Ended March 31, 2026								
Balance as of December 31, 2025	622	\$ 62	\$ 5,388	\$ 10,200	\$ (122)	\$ —	\$ —	\$ 15,528
Net earnings	—	—	—	120	—	—	—	120
Other comprehensive earnings, net of tax	—	—	—	—	1	—	—	1
Restricted stock grants, net of cancellations	1	—	—	—	—	—	—	—
Common stock repurchased	—	—	—	—	—	(94)	—	(94)
Common stock retired	(2)	—	(94)	—	—	94	—	—
Common stock dividends	—	—	—	(149)	—	—	—	(149)
Share-based compensation	—	—	22	—	—	—	—	22
Balance as of March 31, 2026	621	\$ 62	\$ 5,316	\$ 10,171	\$ (121)	\$ —	\$ —	\$ 15,428
Three Months Ended March 31, 2025								
Balance as of December 31, 2024	651	\$ 65	\$ 6,387	\$ 8,166	\$ (122)	\$ —	\$ 208	\$ 14,704
Net earnings	—	—	—	494	—	—	15	509
Other comprehensive earnings, net of tax	—	—	—	—	1	—	—	1
Restricted stock grants, net of cancellations	2	—	—	—	—	—	—	—
Common stock repurchased	—	—	(3)	—	—	(319)	—	(322)
Common stock retired	(9)	(1)	(318)	—	—	319	—	—
Common stock dividends	—	—	—	(154)	—	—	—	(154)
Share-based compensation	—	—	30	—	—	—	—	30
Contributions from noncontrolling interests	—	—	—	—	—	—	14	14
Distributions to noncontrolling interests	—	—	—	—	—	—	(9)	(9)
Balance as of March 31, 2025	644	\$ 64	\$ 6,096	\$ 8,506	\$ (121)	\$ —	\$ 228	\$ 14,773

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 normally 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 periods ended March 31, 2026 and 2025 and Devon's financial position as of March 31, 2026.

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 March 31,			
	2026		2025	
Oil	\$	2,423	\$	2,414
Gas		205		309
NGL		349		403
Oil, gas and NGL sales		2,977		3,126
Oil		1,001		918
Gas		254		272
NGL		276		234
Marketing and midstream revenues		1,531		1,424
Total revenues from contracts with customers	\$	4,508	\$	4,550

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

2. Acquisitions and Divestitures

Pending Merger

On February 1, 2026, Devon, Coterra and Merger Sub entered into the Merger Agreement, providing for an all-stock merger of equals. Coterra is an oil and gas exploration and production company with assets in the Delaware Basin in Texas and New Mexico, Marcellus Shale in Pennsylvania and the Anadarko Basin in Oklahoma. On the closing date of the Merger, each share of Coterra common stock will be automatically converted into the right to receive 0.70 of a share of Devon common stock. No fractional shares of Devon's common stock will be issued in the Merger, and holders of shares of Coterra common stock will instead receive cash in lieu of fractional shares of Devon common stock, if any. The Merger has been unanimously approved by the boards of directors of Devon and Coterra.

On May 4, 2026, the shareholders of Devon and Coterra each approved the Merger at their respective special meetings. The Merger is expected to close on May 7, 2026, subject to other customary closing conditions.

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.

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 quarter of 2025.

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 March 31, 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 we 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.

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

Commodity Derivatives

As of March 31, 2026, Devon had the following open oil derivative positions. The first table presents Devon's oil derivatives that settle against the average of the prompt month NYMEX WTI futures price. The second table presents Devon's oil derivatives that settle against the respective indices noted within the table.

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)	
Q2-Q4 2026	108,698	\$ 49.51	\$ 59.59	\$ 71.22	
Q1-Q4 2027	37,397	\$ 45.78	\$ 55.78	\$ 71.89	

Oil Basis Swaps				
Period	Index	Volume (Bbls/d)	Weighted Average Differential to WTI (\$/Bbl)	
Q2-Q4 2026	Midland Sweet	46,000	\$ 1.10	
Q2-Q4 2026	WTI/Brent	8,625	\$ (5.61)	
Q2-Q4 2026	NYMEX Roll	86,051	\$ 1.24	
Q1-Q4 2027	Magellan East Houston	20,000	\$ 1.77	
Q1-Q4 2027	Midland Sweet	46,000	\$ 1.00	

As of March 31, 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. The second table presents Devon's natural gas derivatives that settle against the respective indices noted within the table.

Price Swaps			Price Collars		
Period	Volume (MMBtu/d)	Weighted Average Price (\$/MMBtu)	Volume (MMBtu/d)	Weighted Average Floor Price (\$/MMBtu)	Weighted Average Ceiling Price (\$/MMBtu)
Q2-Q4 2026	247,500	\$ 3.80	230,000	\$ 3.26	\$ 4.90
Q1-Q4 2027	—	\$ —	90,000	\$ 3.50	\$ 4.31

Natural Gas Basis Swaps			
Period	Index	Volume (MMBtu/d)	Weighted Average Differential to Henry Hub (\$/MMBtu)
Q2-Q4 2026	Houston Ship Channel	50,000	\$ (0.29)
Q2-Q4 2026	WAHA	150,000	\$ (1.79)

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

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 March 31, 2026 and December 31, 2025.

	March 31, 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	\$ 126	\$ (4)	\$ 122	\$ 199	\$ (7)	\$ 192	Other current assets
Long-term derivative asset	4	—	4	2	—	2	Other long-term assets
Short-term derivative liability	(526)	4	(522)	(8)	7	(1)	Other current liabilities
Long-term derivative liability	(55)	—	(55)	—	—	—	Other long-term liabilities
Total derivative asset (liability)	<u>\$ (451)</u>	<u>\$ —</u>	<u>\$ (451)</u>	<u>\$ 193</u>	<u>\$ —</u>	<u>\$ 193</u>	

4. Share-Based Compensation

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

	Three Months Ended March 31,	
	2026	2025
G&A	\$ 22	\$ 24
Restructuring and transaction costs	—	6
Total	<u>\$ 22</u>	<u>\$ 30</u>
Related income tax benefit	\$ 5	\$ 3

Under its approved long-term incentive plan, 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 plan.

	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	1,931	\$ 43.48	439	\$ 61.73
Vested	(1,468)	\$ 44.54	(200)	\$ 81.70
Forfeited	(42)	\$ 41.03	(117)	\$ 81.70
Unvested at 3/31/26	<u>5,074</u>	<u>\$ 40.73</u>	<u>1,415 ⁽¹⁾</u>	<u>\$ 54.59</u>

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

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

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 March 31, 2026.

	Restricted Stock Awards/Units	Performance Share Units
Unrecognized compensation cost	\$ 169	\$ 40
Weighted average period for recognition (years)	3.0	2.3

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. 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 March 31,	
	2026	2025
Earnings before income taxes	\$ 166	\$ 646
Current income tax expense (benefit)	\$ (188)	\$ 96
Deferred income tax expense	234	41
Total income tax expense	\$ 46	\$ 137
U.S. statutory income tax rate	21%	21%
State income taxes	3%	1%
Other	4%	(1%)
Effective income tax rate	28%	21%

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 first quarter 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.

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

7. 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 March 31,	
	2026	2025
Net earnings available to common shareholders - basic and diluted	\$ 120	\$ 494
Common shares:		
Average common shares outstanding - basic	616	643
Dilutive effect of potential common shares issuable	2	2
Average common shares outstanding - diluted	618	645
Net earnings per share available to common shareholders:		
Basic	\$ 0.19	\$ 0.77
Diluted	\$ 0.19	\$ 0.77

8. Other Comprehensive Earnings (Loss)

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

	Three Months Ended March 31,	
	2026	2025
Pension and postretirement benefit plans:		
Beginning accumulated pension and postretirement benefits	\$ (122)	\$ (122)
Recognition of net actuarial loss and prior service cost in earnings ⁽¹⁾	2	1
Income tax expense	(1)	—
Accumulated other comprehensive loss, net of tax	\$ (121)	\$ (121)

- (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.

9. Supplemental Information to Statements of Cash Flows

	Three Months Ended March 31,	
	2026	2025
Changes in assets and liabilities, net:		
Accounts receivable	\$ (462)	\$ (63)
Other current assets	12	(35)
Other long-term assets	(7)	(85)
Accounts payable and revenues and royalties payable	379	248
Other current liabilities	(212)	(57)
Other long-term liabilities	(9)	109
Total	\$ (299)	\$ 117
Supplementary cash flow data:		
Interest paid	\$ 152	\$ 160
Income taxes paid	\$ 4	\$ —

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

10. Accounts Receivable

Components of accounts receivable include the following:

	March 31, 2026	December 31, 2025
Oil, gas and NGL sales	\$ 1,210	\$ 865
Joint interest billings	281	245
Marketing and midstream revenues	754	669
Other	12	20
Gross accounts receivable	2,257	1,799
Allowance for doubtful accounts	(7)	(7)
Net accounts receivable	\$ 2,250	\$ 1,792

11. Property and Equipment

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

	March 31, 2026	December 31, 2025
Property and equipment:		
Proved	\$ 59,690	\$ 58,573
Unproved and properties under development	1,852	1,910
Total oil and gas	61,542	60,483
Less accumulated DD&A	(37,630)	(36,752)
Oil and gas property and equipment, net	23,912	23,731
Other property and equipment	2,412	2,624
Less accumulated DD&A	(726)	(936)
Other property and equipment, net	1,686	1,688
Property and equipment, net	\$ 25,598	\$ 25,419

12. Investments

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

Investments	% Interest March 31, 2026	Carrying Amount	
		March 31, 2026	December 31, 2025
WaterBridge	14%	\$ 267	\$ 268
Catalyst	50%	240	247
Fervo	15%	163	162
Other	Various	45	50
Total		\$ 715	\$ 727

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

13. 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.

	March 31, 2026	December 31, 2025
7.50% due September 15, 2027	\$ 73	\$ 73
5.25% due October 15, 2027	390	390
5.875% due June 15, 2028	325	325
4.50% due January 15, 2030	585	585
7.875% due September 30, 2031	675	675
7.95% due April 15, 2032	366	366
5.20% due September 15, 2034	1,250	1,250
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
Term Loan due September 25, 2026	1,000	1,000
Net premium on debentures and notes	21	23
Debt issuance costs	(49)	(48)
Total debt	\$ 8,386	\$ 8,389
Less amount classified as short-term debt	999	998
Total long-term debt	\$ 7,387	\$ 7,391

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 March 31, 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 March 31, 2026, Devon was in compliance with this covenant with a debt-to-capitalization ratio of 24.9%.

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 5.2% as of March 31, 2026.

The Term Loan Credit Agreement contains substantially the same financial covenant as the Senior Credit Facility. As of March 31, 2026, Devon was in compliance with this covenant with a debt-to-capitalization ratio of 24.9%.

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

Retirement of Senior Notes

On September 15, 2025, Devon early redeemed the \$485 million of 5.85% senior notes due in December 2025 pursuant to the “par-call” rights set forth in the indenture document.

Net Financing Costs

The following schedule includes the components of net financing costs.

	Three Months Ended March 31,	
	2026	2025
Net financing costs:		
Interest based on debt outstanding	\$ 118	\$ 127
Interest income	(14)	(10)
Other	5	6
Total net financing costs	\$ 109	\$ 123

14. 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. As of March 31, 2026, Devon’s financing lease right-of-use assets primarily relate to equipment related to the exploration, development and production of oil and gas. During the first quarter of 2025, Devon extinguished an approximately \$300 million real estate finance lease by making a cash payment of \$274 million and recognized a gain on early lease extinguishment in other, net related to the difference on the accompanying consolidated statement of comprehensive earnings. For additional information, see [Note 5](#).

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

	March 31, 2026			December 31, 2025		
	Finance	Operating	Total	Finance	Operating	Total
Right-of-use assets	\$ 32	\$ 280	\$ 312	\$ 23	\$ 276	\$ 299
Lease liabilities:						
Current lease liabilities ⁽¹⁾	\$ 8	\$ 95	\$ 103	\$ 7	\$ 95	\$ 102
Long-term lease liabilities	21	185	206	16	181	197
Total lease liabilities ⁽²⁾	\$ 29	\$ 280	\$ 309	\$ 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 March 31, 2026 and are therefore excluded from the amounts shown above.

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

15. Asset Retirement Obligations

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

	Three Months Ended March 31,	
	2026	2025
Asset retirement obligations as of beginning of period	\$ 906	\$ 807
Liabilities incurred	11	11
Liabilities settled and divested	(11)	(8)
Revision and reclassification of estimated obligation	107	55
Accretion expense on discounted obligation	14	12
Asset retirement obligations as of end of period	1,027	877
Less current portion	41	42
Asset retirement obligations, long-term	<u>\$ 986</u>	<u>\$ 835</u>

During the first quarters 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.

16. Stockholders' Equity

Share Repurchases

Devon's Board of Directors has authorized a \$5.0 billion share repurchase program with a June 30, 2026 expiration date. Pursuant to the terms of the Merger Agreement, Devon's share repurchase activity has been suspended and is expected to remain suspended through the completion of the Merger. The table below provides information regarding purchases of Devon's common stock under the \$5.0 billion share repurchase program (shares in thousands).

	Total Number of Shares Purchased	Dollar Value of Shares Purchased	Average Price Paid per Share
\$5.0 Billion Plan			
2021	13,983	\$ 589	\$ 42.15
2022	11,708	718	\$ 61.36
2023	19,350	992	\$ 51.23
2024	23,944	1,044	\$ 43.61
2025:			
First quarter	8,505	301	\$ 35.33
Second quarter	7,866	249	\$ 31.78
Third quarter	7,324	250	\$ 34.06
Fourth quarter	7,118	250	\$ 35.12
2025 Total	30,813	1,050	\$ 34.07
2026:			
First quarter	1,850	69	\$ 37.39
Total plan	<u>101,648</u>	<u>\$ 4,462</u>	<u>\$ 43.90</u>

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

Devon pays a quarterly dividend which can be comprised of a fixed dividend and a variable dividend. The variable dividend is dependent on quarterly cash flows, among other factors. The following table summarizes Devon's dividends paid for the first quarter of 2026 and 2025, respectively.

	Dividends		Rate Per Share	
2026:				
First quarter	\$	155	\$	0.24
2025:				
First quarter	\$	163	\$	0.24

Noncontrolling Interests

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. For additional information, see [Note 1](#).

17. 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. As of March 31, 2026, Devon has accrued approximately \$60 million in other current liabilities pertaining to such royalty matters.

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 NOV's from the EPA alleging emissions and permitting violations relating to certain of our historic operations in North Dakota, western Texas and New Mexico, respectively. 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 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 ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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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 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. Devon may also 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 funds under decommissioning bonds and other sources.

As of March 31, 2026, Devon has accrued approximately \$175 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)

18. 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 March 31, 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
March 31, 2026 assets (liabilities):					
Cash equivalents	\$ 1,021	\$ 1,021	\$ 1,021	\$ —	\$ —
Commodity derivatives	\$ 126	\$ 126	\$ —	\$ 126	\$ —
Commodity derivatives	\$ (577)	\$ (577)	\$ —	\$ (577)	\$ —
Debt	\$ (8,386)	\$ (8,292)	\$ —	\$ (8,292)	\$ —
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 March 31, 2026 or December 31, 2025.

DEVON ENERGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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19. 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 the executive committee, which includes, among others, the chief executive officer, chief operating officers and chief financial officer. 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 March 31,	
	2026	2025
Total revenues	\$ 3,807	\$ 4,452
LOE	486	479
Gathering, processing & transportation	191	204
Production and property taxes	217	229
Total significant expenses	894	912
Marketing and midstream expenses	1,547	1,436
DD&A	904	912
G&A	125	130
Financing costs, net	109	123
Income tax expense	46	137
Other segment items ⁽¹⁾	62	293
Total expenses	3,687	3,943
Net earnings	<u>\$ 120</u>	<u>\$ 509</u>
Total assets	\$ 32,543	\$ 30,928
Capital expenditures, including acquisitions	\$ 999	\$ 972

(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 period ended March 31, 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."

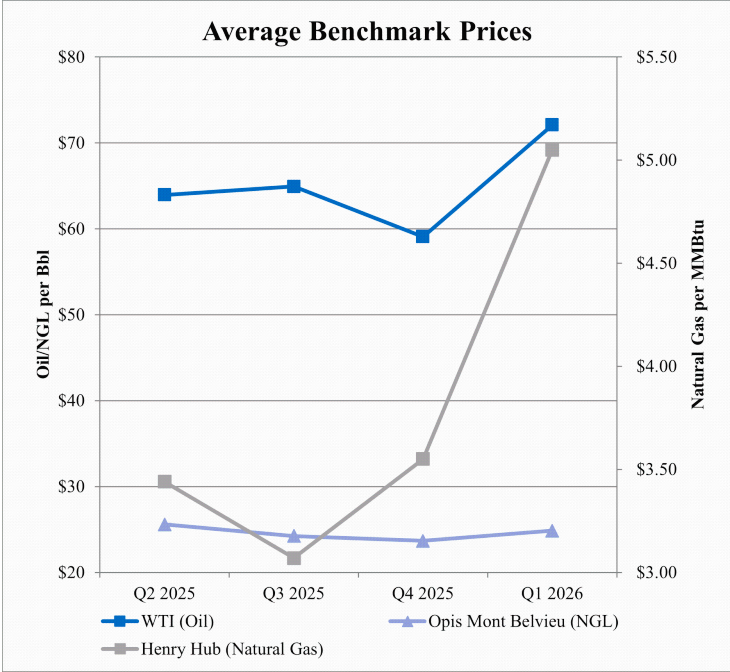
Executive Overview

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 four core areas: the Delaware Basin, Rockies, Eagle Ford and Anadarko Basin. Our asset base is underpinned by premium acreage in the economic core of the Delaware 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. The Merger will create a leading large-cap shale operator with an asset base anchored by a premier position in the economic core of the Delaware Basin. The Merger 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. 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 first quarter of 2026:

- Oil production totaled 387 MBbls/d, delivering at the top end of guidance.
- As of March 31, 2026, completed approximately 89% of our authorized \$5.0 billion share repurchase program with approximately 102 million of our common shares purchased for approximately \$4.5 billion, or \$43.90 per share since inception of the plan.
- Exited with \$4.8 billion of liquidity, including \$1.8 billion of cash.
- Generated \$1.7 billion of operating cash flow and \$6.4 billion for the trailing twelve months.
- Paid dividends of \$155 million.
- On track to achieve 100% of our \$1.0 billion optimization plan ahead of schedule.
- Earnings attributable to Devon were \$120 million, or \$0.19 per diluted share.
- Core earnings (Non-GAAP) were \$641 million, or \$1.04 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 quarter 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. As a result, our net earnings were reduced by a \$0.6 billion non-cash valuation loss on our commodity derivatives.



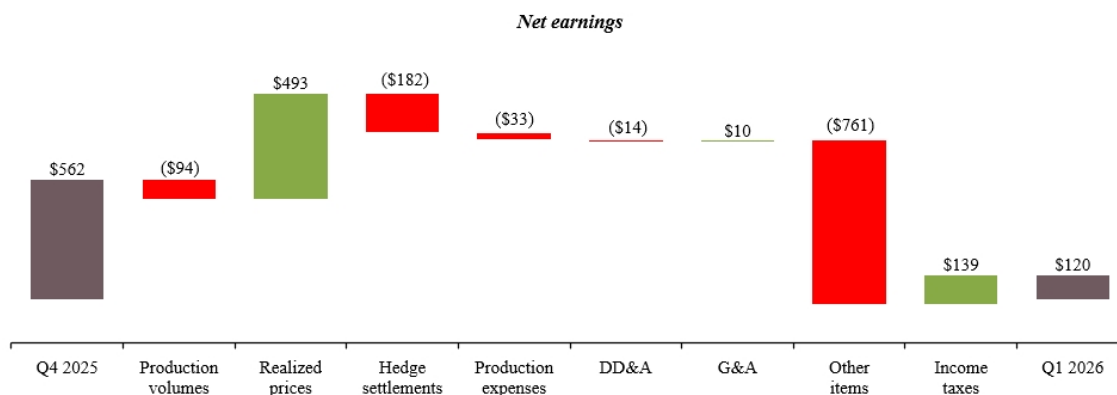
Despite the potential negative impacts of higher inflation rates and supply chain disruptions created by these developments, we remain committed to capital discipline and delivering the objectives that underpin our current plan. Our disciplined, returns-driven strategy is designed to adapt to market 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 implemented a business optimization plan early in 2025 targeting a \$1.0 billion improvement in annual pre-tax cash flow. The plan included actions to achieve more efficient field-level operations and improvements in drilling and completion costs, along with enhanced operating margins and reduced corporate costs. We are on track to achieve the full \$1.0 billion target ahead of our original year-end 2026 timeline.

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.

Q1 2026 vs. Q4 2025

Our first quarter 2026 and fourth quarter 2025 net earnings were \$120 million and \$562 million, respectively. The graph below shows the change in net earnings from the fourth quarter of 2025 to the first quarter of 2026. The material changes are further discussed by category on the following pages.



Production Volumes

	Q1 2026	% of Total	Q4 2025	Change
Oil (MBbls/d)				
Delaware Basin	225	58%	234	-4%
Rockies	103	27%	102	1%
Eagle Ford	43	11%	39	10%
Anadarko Basin	12	3%	12	0%
Other	4	1%	3	N/M
Total	387	100%	390	-1%

	Q1 2026	% of Total	Q4 2025	Change
Gas (MMcf/d)				
Delaware Basin	831	60%	848	-2%
Rockies	230	17%	234	-2%
Eagle Ford	76	6%	56	35%
Anadarko Basin	235	17%	246	-4%
Other	1	0%	1	N/M
Total	1,373	100%	1,385	-1%

	Q1 2026	% of Total	Q4 2025	Change
NGLs (MBbls/d)				
Delaware Basin	137	63%	146	-7%
Rockies	46	21%	51	-10%
Eagle Ford	11	5%	10	12%
Anadarko Basin	24	11%	24	0%
Other	—	0%	—	N/M
Total	218	100%	231	-6%

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	Q1 2026	% of Total	Q4 2025	Change
Combined (MBoe/d)				
Delaware Basin	501	60%	521	-4%
Rockies	187	23%	192	-2%
Eagle Ford	66	8%	57	14%
Anadarko Basin	75	9%	77	-2%
Other	4	0%	4	N/M
Total	833	100%	851	-2%

From the fourth quarter of 2025 to the first quarter of 2026, the change in volumes contributed to a \$94 million decrease in earnings. The decrease in volumes was driven by natural declines and winter weather-related downtime, primarily in the Delaware Basin.

Realized Prices

	Q1 2026	Realization	Q4 2025	Change
Oil (per Bbl)				
WTI index	\$ 72.10		\$ 59.09	22%
Realized price, unhedged	\$ 69.66	97%	\$ 57.19	22%
Cash settlements	\$ (1.72)		\$ 2.47	
Realized price, with hedges	\$ 67.94	94%	\$ 59.66	14%

	Q1 2026	Realization	Q4 2025	Change
Gas (per Mcf)				
Henry Hub index	\$ 5.05		\$ 3.55	42%
Realized price, unhedged	\$ 1.66	33%	\$ 1.33	25%
Cash settlements	\$ 0.02		\$ 0.25	
Realized price, with hedges	\$ 1.68	33%	\$ 1.58	6%

	Q1 2026	Realization	Q4 2025	Change
NGLs (per Bbl)				
WTI index	\$ 72.10		\$ 59.09	22%
Realized price, unhedged	\$ 17.80	25%	\$ 16.86	6%
Cash settlements	\$ —		\$ 0.23	
Realized price, with hedges	\$ 17.80	25%	\$ 17.09	4%

	Q1 2026	Q4 2025	Change
Combined (per Boe)			
Realized price, unhedged	\$ 39.70	\$ 32.92	21%
Cash settlements	\$ (0.76)	\$ 1.60	
Realized price, with hedges	\$ 38.94	\$ 34.52	13%

From the fourth quarter of 2025 to the first quarter of 2026, realized prices contributed to a \$493 million increase in earnings. Unhedged realized oil, gas and NGL prices increased primarily due to higher WTI, Henry Hub and Mont Belvieu index prices.

We currently have approximately 30% and 35% of our remaining anticipated 2026 oil and gas production hedged, respectively.

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Hedge Settlements

	Q1 2026	Q4 2025	Change
Oil	\$ (60)	\$ 89	-167%
Natural gas	3	31	-90%
NGL	—	5	N/M
Total cash settlements ⁽¹⁾	<u>\$ (57)</u>	<u>\$ 125</u>	-146%

(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

	Q1 2026	Q4 2025	Change
LOE	\$ 486	\$ 479	1%
Gathering, processing & transportation	191	195	-2%
Production taxes	205	172	19%
Property taxes	12	15	-20%
Total	<u>\$ 894</u>	<u>\$ 861</u>	4%
Per Boe:			
LOE	\$ 6.48	\$ 6.11	6%
Gathering, processing & transportation	\$ 2.54	\$ 2.49	2%
Percent of oil, gas and NGL sales:			
Production taxes	6.9%	6.7%	3%

Production expenses increased during the first quarter of 2026 primarily due to higher production taxes resulting from an increase in WTI, Henry Hub and Mont Belvieu index prices.

Field-Level Cash Margin

The table below presents the field-level cash margin for each of our operating areas. Field-level cash margin is computed as oil, gas and NGL sales less production expenses and is not a measure defined by GAAP. A reconciliation to the comparable GAAP measures is found in “Non-GAAP Measures” in this Item 2. The changes in production volumes, realized prices and production expenses, shown above, had the following impact on our field-level cash margins by asset.

	Q1 2026	\$ per BOE	Q4 2025	\$ per BOE
Field-level cash margin (Non-GAAP)				
Delaware Basin	\$ 1,253	\$ 27.77	\$ 1,083	\$ 22.60
Rockies	451	26.80	341	19.32
Eagle Ford	238	40.18	177	33.51
Anadarko Basin	129	19.18	106	15.02
Other	12	N/M	10	N/M
Total	<u>\$ 2,083</u>	<u>\$ 27.78</u>	<u>\$ 1,717</u>	<u>\$ 21.93</u>

DD&A

	Q1 2026	Q4 2025	Change
Oil and gas per Boe	\$ 11.71	\$ 10.85	8%
Oil and gas	\$ 878	\$ 850	3%
Other property and equipment	26	40	-35%
Total DD&A	<u>\$ 904</u>	<u>\$ 890</u>	2%

DD&A increased in the first quarter of 2026 primarily due to an increase in the oil and gas DD&A rate. The largest contributor to the higher rate was our 2025 drilling and development activity.

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G&A

	Q1 2026	Q4 2025	Change
G&A per Boe	\$ 1.67	\$ 1.72	-3%
Labor and benefits	\$ 64	\$ 70	-9%
Non-labor	61	65	-6%
Total	<u>\$ 125</u>	<u>\$ 135</u>	-7%

Other Items

	Q1 2026	Q4 2025	Change in earnings
Commodity hedge valuation changes ⁽¹⁾	\$ (644)	\$ 59	\$ (703)
Marketing and midstream operations	(16)	(30)	14
Exploration expenses	25	5	(20)
Asset dispositions	1	(1)	(2)
Net financing costs	109	107	(2)
Restructuring and transaction costs	19	—	(19)
Other, net	17	(12)	(29)
			<u>\$ (761)</u>

(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.

In the first quarter of 2026, we incurred transaction costs of approximately \$19 million, which included various legal, advisory and other consulting costs associated with the Merger.

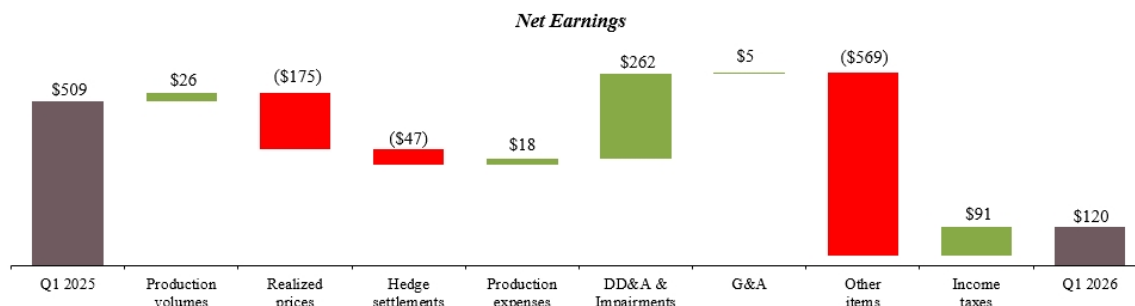
Income Taxes

	Q1 2026	Q4 2025
Current expense (benefit)	\$ (188)	\$ 23
Deferred expense	234	162
Total expense	<u>\$ 46</u>	<u>\$ 185</u>
Current tax rate	-114%	3%
Deferred tax rate	142%	22%
Effective income tax rate	<u>28%</u>	<u>25%</u>

For discussion on income taxes, see [Note 6](#) in “Part I. Financial Information – Item 1. Financial Statements” in this report.

Q1 2026 vs. Q1 2025

Our first quarter 2026 and first quarter 2025 net earnings were \$120 million and \$509 million, respectively. The graph below shows the change in net earnings from the first quarter of 2025 to the first quarter of 2026. The material changes are further discussed by category on the following pages.



Production Volumes

	Q1 2026	% of Total	Q1 2025	Change
Oil (MBbls/d)				
Delaware Basin	225	58%	216	4%
Rockies	103	27%	112	-8%
Eagle Ford	43	11%	45	-5%
Anadarko Basin	12	3%	11	5%
Other	4	1%	4	N/M
Total	387	100%	388	0%

	Q1 2026	% of Total	Q1 2025	Change
Gas (MMcf/d)				
Delaware Basin	831	60%	744	12%
Rockies	230	17%	233	-1%
Eagle Ford	76	6%	117	-35%
Anadarko Basin	235	17%	252	-6%
Other	1	0%	—	N/M
Total	1,373	100%	1,346	2%

	Q1 2026	% of Total	Q1 2025	Change
NGLs (MBbls/d)				
Delaware Basin	137	63%	118	16%
Rockies	46	21%	44	3%
Eagle Ford	11	5%	15	-29%
Anadarko Basin	24	11%	26	-8%
Other	—	0%	—	N/M
Total	218	100%	203	7%

	Q1 2026	% of Total	Q1 2025	Change
Combined (MBoe/d)				
Delaware Basin	501	60%	458	9%
Rockies	187	23%	195	-4%
Eagle Ford	66	8%	79	-17%
Anadarko Basin	75	9%	79	-5%
Other	4	0%	4	N/M
Total	833	100%	815	2%

From the first quarter of 2025 to the first quarter of 2026, the change in volumes contributed to a \$26 million increase in earnings. Volumes increased primarily due to new well activity in the Delaware Basin.

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Realized Prices

	Q1 2026	Realization	Q1 2025	Change
Oil (per Bbl)				
WTI index	\$ 72.10		\$ 71.50	1%
Realized price, unhedged	\$ 69.66	97%	\$ 69.13	1%
Cash settlements	\$ (1.72)		\$ 0.02	
Realized price, with hedges	<u>\$ 67.94</u>	94%	<u>\$ 69.15</u>	-2%
Gas (per Mcf)				
Henry Hub index	\$ 5.05		\$ 3.65	38%
Realized price, unhedged	\$ 1.66	33%	\$ 2.55	-35%
Cash settlements	\$ 0.02		\$ (0.07)	
Realized price, with hedges	<u>\$ 1.68</u>	33%	<u>\$ 2.48</u>	-32%
NGLs (per Bbl)				
WTI index	\$ 72.10		\$ 71.50	1%
Realized price, unhedged	\$ 17.80	25%	\$ 22.03	-19%
Cash settlements	\$ —		\$ (0.10)	
Realized price, with hedges	<u>\$ 17.80</u>	25%	<u>\$ 21.93</u>	-19%
Combined (per Boe)				
Realized price, unhedged	\$ 39.70		\$ 42.58	-7%
Cash settlements	\$ (0.76)		\$ (0.13)	
Realized price, with hedges	<u>\$ 38.94</u>		<u>\$ 42.45</u>	-8%

From the first quarter of 2025 to the first quarter of 2026, realized prices contributed to a \$175 million decrease in earnings. This decrease was primarily due to lower unhedged realized gas and NGL prices. This decrease was partially offset by an increase in unhedged realized oil prices. Realized prices were also negatively impacted by oil hedge cash settlements.

Hedge Settlements

	Q1 2026	Q1 2025	Change
Oil	\$ (60)	\$ —	N/M
Natural gas	3	(8)	138%
NGL	—	(2)	N/M
Total cash settlements ⁽¹⁾	<u>\$ (57)</u>	<u>\$ (10)</u>	-470%

(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.

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Production Expenses

	Q1 2026	Q1 2025	Change
LOE	\$ 486	\$ 479	1%
Gathering, processing & transportation	191	204	-6%
Production taxes	205	212	-3%
Property taxes	12	17	-29%
Total	<u>\$ 894</u>	<u>\$ 912</u>	-2%
Per Boe:			
LOE	\$ 6.48	\$ 6.53	0%
Gathering, processing & transportation	\$ 2.54	\$ 2.78	-9%
Percent of oil, gas and NGL sales:			
Production taxes	6.9%	6.8%	2%

Field-Level Cash Margin

The table below presents the field-level cash margin for each of our operating areas. Field-level cash margin is computed as oil, gas and NGL sales less production expenses and is not a measure defined by GAAP. A reconciliation to the comparable GAAP measures is found in “Non-GAAP Measures” in this Item 2. The changes in production volumes, realized prices and production expenses, shown above, had the following impact on our field-level cash margins by asset.

	Q1 2026	\$ per BOE	Q1 2025	\$ per BOE
Field-level cash margin (Non-GAAP)				
Delaware Basin	\$ 1,253	\$ 27.77	\$ 1,283	\$ 31.13
Rockies	451	\$ 26.80	509	\$ 29.01
Eagle Ford	238	\$ 40.18	270	\$ 37.98
Anadarko Basin	129	\$ 19.18	136	\$ 19.13
Other	12	N/M	16	N/M
Total	<u>\$ 2,083</u>	<u>\$ 27.78</u>	<u>\$ 2,214</u>	<u>\$ 30.16</u>

DD&A and Asset Impairments

	Q1 2026	Q1 2025	Change
Oil and gas per Boe	\$ 11.71	\$ 12.07	-3%
Oil and gas	\$ 878	\$ 886	-1%
Other property and equipment	26	26	0%
Total DD&A	<u>\$ 904</u>	<u>\$ 912</u>	-1%
Asset impairments	\$ —	\$ 254	N/M

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

	Q1 2026	Q1 2025	Change
G&A per Boe	\$ 1.67	\$ 1.77	-6%
Labor and benefits	\$ 64	\$ 70	-9%
Non-labor	61	60	2%
Total	<u>\$ 125</u>	<u>\$ 130</u>	-4%

Other Items

	Q1 2026	Q1 2025	Change in earnings
Commodity hedge valuation changes ⁽¹⁾	\$ (644)	\$ (88)	\$ (556)
Marketing and midstream operations	(16)	(12)	(4)
Exploration expenses	25	10	(15)
Asset dispositions	1	2	1
Net financing costs	109	123	14
Restructuring and transaction costs	19	18	(1)
Other, net	17	9	(8)
			<u>\$ (569)</u>

(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.

Income Taxes

	Q1 2026	Q1 2025
Current expense	\$ (188)	\$ 96
Deferred expense	234	41
Total expense	<u>\$ 46</u>	<u>\$ 137</u>
Current tax rate	-114%	15%
Deferred tax rate	142%	6%
Effective income tax rate	<u>28%</u>	<u>21%</u>

For information on income taxes, see [Note 6](#) 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 months ended March 31, 2026 and 2025.

	Three Months Ended March 31,	
	2026	2025
Operating cash flow	\$ 1,655	\$ 1,942
Capital expenditures	(839)	(934)
Acquisitions of property and equipment	(190)	(8)
Divestitures of property, equipment and investments	2	133
Investment activity, net	7	7
Repurchases of common stock	(69)	(301)
Common stock dividends	(155)	(163)
Noncontrolling interest activity, net	—	5
Repayment of finance leases	(3)	(274)
Other	(27)	(19)
Net change in cash, cash equivalents and restricted cash	\$ 381	\$ 388
Cash, cash equivalents and restricted cash at end of period	\$ 1,815	\$ 1,234

Operating Cash Flow

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 funded our capital expenditures, and we continued to return value to our shareholders by utilizing cash flow and cash balances for share repurchases and dividends.

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 March 31,	
	2026	2025
Delaware Basin	\$ 449	\$ 468
Rockies	223	222
Eagle Ford	116	151
Anadarko Basin	29	45
Other	1	1
Total oil and gas	818	887
Midstream	16	32
Other	5	15
Total capital expenditures	\$ 839	\$ 934

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 three months of 2026 represented approximately 51% of our operating cash flow.

Acquisitions of Property and Equipment

During the first three months of 2026, we completed acquisitions of property primarily related to state and federal land sales in the Delaware Basin.

Divestitures of Property and Equipment

During the first three months of 2025, we generated \$133 million in proceeds primarily from the sale of headquarters-related real estate assets as part of our real estate rationalization initiatives. For additional information, see [Note 5](#) in “Part I. Financial Information – Item 1. Financial Statements” in this report.

Investment Activity

During the first three months of 2026 and 2025, we received distributions from our investments of \$9 million and \$9 million, respectively. We contributed \$2 million and \$2 million to our investments during the first three months of 2026 and 2025, respectively.

Shareholder Distributions and Stock Activity

We repurchased approximately 1.9 million shares of common stock for \$69 million and approximately 8.5 million shares of common stock for \$301 million under the share repurchase program authorized by our Board of Directors in the first three months of 2026 and 2025, respectively. For additional information, see [Note 16](#) in “Part I. Financial Information – Item 1. Financial Statements” in this report.

The following table summarizes our common stock dividends during the first quarter of 2026 and 2025.

	Dividends		Rate Per Share	
2026:				
First quarter	\$	155	\$	0.24
2025:				
First quarter	\$	163	\$	0.24

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 three months of 2025, we distributed \$9 million to our noncontrolling interests in CDM. During the first three months of 2025, we received \$14 million in contributions from our noncontrolling interests.

Repayment of Finance Lease

During the first three 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. For additional information, see [Note 14](#) in “Part I. Financial Information – Item 1. Financial Statements” in this report.

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.

To emphasize our commitment to maximizing free cash flow and creating value for shareholders, we implemented a business optimization plan targeting a \$1.0 billion improvement in annual pre-tax cash flow. The optimization initiatives were primarily focused on capital efficiencies, production optimization, commercial opportunities and corporate cost reductions. We are on track to achieve 100% of our \$1.0 billion optimization plan ahead of our original year-end 2026 timeline.

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.

Strategic Merger of Equals

On February 1, 2026, Devon and Coterra entered into the Merger Agreement to combine in an all-stock merger of equals transaction expected to close on May 7, 2026. 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 Merger and subject to the approval of the board of directors of the combined company, we expect to enhance cash returns to shareholders through a planned quarterly dividend of \$0.315 per share and a new share repurchase authorization exceeding \$5 billion.

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 first quarter of 2026, we held approximately \$1.8 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 March 31, 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.

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.

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.

Credit Availability

As of March 31, 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 March 31, 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 positive 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% 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.

Our Board of Directors has authorized a \$5.0 billion share repurchase program that expires on June 30, 2026. Through April 2026, we had executed \$4.5 billion of the authorized program. Pursuant to the terms of the Merger Agreement, our share repurchase activity has been suspended and is expected to remain suspended through the completion of the Merger.

Capital Expenditures

Our capital expenditures budget for the remainder of 2026 is expected to be consistent with our current operating plans, exclusive of merger-related impacts. Our capital expenditures budget reflecting the combined company will be finalized and communicated following the close of the Merger.

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, we expect the CRA to make 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

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 first quarter 2026 for Devon.

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

Non-GAAP Measures

We utilize “core earnings attributable to Devon” and “core earnings per share attributable to Devon” that are not required by or presented in accordance with GAAP. These non-GAAP measures are not alternatives to GAAP measures and should not be considered in isolation or as a substitute for analysis of our results reported under GAAP. Core earnings attributable to Devon, as well as the per share amount, represent net earnings excluding certain non-cash and other items that are typically excluded by securities analysts in their published estimates of our financial results. Our non-GAAP measures are typically used as a quarterly performance measure. Amounts excluded relate to asset dispositions, non-cash asset impairments (including unproved asset impairments), fair value changes in derivative financial instruments and restructuring and transaction costs.

We believe these non-GAAP measures facilitate comparisons of our performance to earnings estimates published by securities analysts. We also believe these non-GAAP measures can facilitate comparisons of our performance between periods and to the performance of our peers.

Below are reconciliations of core earnings and core earnings per share attributable to Devon to comparable GAAP measures.

	Three Months Ended March 31,			Per Diluted Share
	Before Tax	After Tax	After NCI	
2026:				
Earnings attributable to Devon (GAAP)	\$ 166	\$ 120	\$ 120	\$ 0.19
Adjustments:				
Asset dispositions	1	1	1	—
Asset and exploration impairments	2	2	2	0.01
Fair value changes in financial instruments	644	499	499	0.81
Restructuring and transaction costs	19	19	19	0.03
Core earnings attributable to Devon (Non-GAAP)	<u>\$ 832</u>	<u>\$ 641</u>	<u>\$ 641</u>	<u>\$ 1.04</u>
2025:				
Earnings attributable to Devon (GAAP)	\$ 646	\$ 509	\$ 494	\$ 0.77
Adjustments:				
Asset dispositions	2	1	1	—
Asset and exploration impairments	259	202	202	0.31
Fair value changes in financial instruments	88	68	68	0.11
Restructuring and transaction costs	18	14	14	0.02
Core earnings attributable to Devon (Non-GAAP)	<u>\$ 1,013</u>	<u>\$ 794</u>	<u>\$ 779</u>	<u>\$ 1.21</u>

EBITDAX and Field-Level Cash Margin

To assess the performance of our assets, we use EBITDAX and Field-Level Cash Margin. We compute EBITDAX as net earnings before income tax expense; financing costs, net; exploration expenses; DD&A; asset impairments; asset disposition gains and losses; non-cash share-based compensation; non-cash valuation changes for derivatives and financial instruments; restructuring and transaction costs; accretion on discounted liabilities; and other items not related to our normal operations. Field-Level Cash Margin is computed as oil, gas and NGL sales less production expenses. Production expenses consist of lease operating, gathering, processing and transportation expenses, as well as production and property taxes.

We exclude financing costs from EBITDAX to assess our operating results without regard to our financing methods or capital structure. Exploration expenses and asset disposition gains and losses are excluded from EBITDAX because they generally are not indicators of operating efficiency for a given reporting period. DD&A and impairments are excluded from EBITDAX because capital expenditures are evaluated at the time capital costs are incurred. We exclude share-based compensation, valuation changes, restructuring and transaction costs, accretion on discounted liabilities and other items from EBITDAX because they are not considered a measure of asset operating performance.

We believe EBITDAX and Field-Level Cash Margin provide information useful in assessing our operating and financial performance across periods. EBITDAX and Field-Level Cash Margin as defined by Devon may not be comparable to similarly titled measures used by other companies and should be considered in conjunction with net earnings from operations.

Below are reconciliations of net earnings to EBITDAX and a further reconciliation to Field-Level Cash Margin.

	Three Months Ended March 31,	
	2026	2025
Net earnings (GAAP)	\$ 120	\$ 509
Financing costs, net	109	123
Income tax expense	46	137
Exploration expenses	25	10
Depreciation, depletion and amortization	904	912
Asset impairments	—	254
Asset dispositions	1	2
Share-based compensation	22	24
Derivative and financial instrument non-cash valuation changes	644	88
Restructuring and transaction costs	19	18
Accretion on discounted liabilities and other	17	9
EBITDAX (Non-GAAP)	1,907	2,086
Marketing and midstream revenues and expenses, net	16	12
Commodity derivative cash settlements	57	10
General and administrative expenses, cash-based	103	106
Field-level cash margin (Non-GAAP)	\$ 2,083	\$ 2,214

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

Commodity Price Risk

As of March 31, 2026, we have commodity derivatives that pertain to a portion of our estimated production for the last nine 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 March 31, 2026, a 10% change in the forward curves associated with our commodity derivative instruments would have changed our net positions by approximately \$300 million.

Interest Rate Risk

At March 31, 2026, we had total debt of \$8.4 billion. Of this debt, \$7.4 billion was comprised of debentures and notes that have fixed interest rates which averaged 5.7%. We also have a \$1.0 billion Term Loan which has a variable interest rate that is adjusted monthly. The interest rate on the Term Loan was 5.2% at March 31, 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 March 31, 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

On January 1, 2026, Devon completed the implementation of an upgraded enterprise resource planning software. As a result of this implementation, corresponding changes to our business processes and information systems have been made, updating applicable internal controls over financial reporting where necessary.

Except as described above, there were no other changes in our internal control over financial reporting that occurred during our most recent fiscal quarter 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](#), 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 17](#) in “Part I. Financial Information – Item 1. Financial Statements” of this report.

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.

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 first 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⁾
January 1 - January 31	1,851	\$ 37.39	1,850	\$ 538
February 1 - February 28	577	\$ 43.48	—	\$ 538
March 1 - March 31	2	\$ 43.76	—	\$ 538
Total	2,430	\$ 38.84	1,850	

- (1) In addition to shares purchased under the share repurchase program described below, these amounts include approximately 0.6 million shares received by us from employees for the payment of personal income tax withholdings on vesting transactions.
- (2) On November 2, 2021, we announced a \$1.0 billion share repurchase program that would expire on December 31, 2022. Through subsequent approvals, including most recently in July 2024, Devon's Board of Directors expanded the share repurchase program authorization to \$5.0 billion, with a June 30, 2026 expiration date. In the first quarter of 2026, we repurchased 1.9 million common shares for \$69 million, or \$37.39 per share, under this share repurchase program. For additional information, see [Note 16](#) 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 March 31, 2026, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) 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).

Item 6. Exhibits

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of February 1, 2026, by and among Devon Energy Corporation, Cubs Merger Sub, Inc., and Coterra Energy Inc. (incorporated by reference to Exhibit 2.1 to Registrant's Current Report on Form 8-K, filed February 2, 2026; File No. 001-32318).
10.1	First Amendment to Amended and Restated Credit Agreement, dated as of March 24, 2026, by and among Devon Energy Corporation, as borrower, the lenders and letter of credit issuers party thereto and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K, filed March 24, 2026; File No. 001-32318).
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).

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: May 6, 2026

/s/ John B. Sherrer

John B. Sherrer

Vice President, Accounting and Controller

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: May 6, 2026

/s/ Clay M. Gaspar

Clay M. Gaspar

President and Chief Executive Officer

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

I, Jeffrey L. Ritenour, 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: May 6, 2026

/s/ Jeffrey L. Ritenour

Jeffrey L. Ritenour

Executive Vice President and Chief Financial Officer

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 March 31, 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

May 6, 2026

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 March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jeffrey L. Ritenour, 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/ Jeffrey L. Ritenour

Jeffrey L. Ritenour

Executive Vice President and Chief Financial Officer

May 6, 2026
