

DEVON ENERGY CORP/DE
Form 11-K
June 26, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2013

or

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

Commission File Number 001-32318

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
Devon Energy Corporation Incentive Savings Plan

B. Name of the issuer of the securities held pursuant to the plan and the address of its principal executive office:

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Devon Energy Corporation

333 West Sheridan Avenue

Oklahoma City, OK 73102-5015

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN

FORM 11-K

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Report of Independent Registered Public Accounting Firm

Plan Administrator

Devon Energy Corporation Incentive Savings Plan

We have audited the accompanying statements of net assets available for benefits of Devon Energy Corporation Incentive Savings Plan (the Plan) as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Devon Energy Corporation Incentive Savings Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the year ended December 31, 2013 in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

/s/ GRANT THORNTON LLP

Oklahoma City, Oklahoma

June 26, 2014

Table of Contents**DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN****STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

| | December 31, | |
|---|---------------------|--------------------|
| | 2013 | 2012 |
| ASSETS | | |
| Investments, at fair value | \$ 719,693,385 | \$ 638,987,799 |
| Employer contributions receivable | 5,166,083 | 21,411,745 |
| Notes receivable from participants | 10,555,870 | 11,009,558 |
| Other receivables | 1,558,260 | 1,527,282 |
| Total assets | 736,973,598 | 672,936,384 |
| LIABILITIES | | |
| Other liabilities | 1,105,307 | 1,638,154 |
| Total liabilities | 1,105,307 | 1,638,154 |
| Net assets reflecting all investments at fair value | 735,868,291 | 671,298,230 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts held by a collective trust | 773,253 | (120,975) |
| NET ASSETS AVAILABLE FOR BENEFITS | \$ 736,641,544 | \$ 671,177,255 |

See accompanying notes to financial statements

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

| | Year Ended December 31, 2013 |
|---|---|
| Additions: | |
| Investment income: | |
| Net appreciation in fair value of investments | \$ 110,077,388 |
| Dividend income | 11,045,835 |
| Interest income | 35,385 |
| Net investment income | 121,158,608 |
| Contributions: | |
| Participant, including rollovers | 31,629,532 |
| Employer, net of forfeitures | 35,610,894 |
| Total contributions | 67,240,426 |
| Interest income on notes receivable from participants | 448,242 |
| Total additions | 188,847,276 |
| Deductions: | |
| Distributions to participants | 121,665,112 |
| Administrative expenses | 1,717,875 |
| Total deductions | 123,382,987 |
| Net increase in net assets available for benefits | 65,464,289 |
| Net assets available for benefits: | |
| Beginning of year | 671,177,255 |
| End of year | \$ 736,641,544 |

See accompanying notes to financial statements

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

1. Description of Plan

The following description of the Devon Energy Corporation Incentive Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement and respective amendments for a more complete description of the Plan's provisions.

General

The Plan is a multiple employer defined contribution plan covering substantially all United States employees of Devon Energy Corporation (Devon) and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Employees are eligible to participate in the Plan as soon as administratively possible following the completion of one hour of service. There is no minimum age requirement for employees to be eligible.

The plan administrator is a committee of Devon employees who are appointed by, and serve at the direction of Devon (the Benefits Committee). The Benefits Committee is responsible for administration of the Plan, except for the duties related to selecting and monitoring the Plan's investment options. The selection and monitoring of investment options, and related functions, is the responsibility of a separate committee of Devon employees who are appointed by, and serve at the direction of Devon (the Investments Committee).

Devon's Board of Directors, or a committee thereof, has the sole responsibility for appointing and removing the Plan's trustee, which is currently Fidelity Management Trust Company (the Trustee). Under the terms of an agreement between the Trustee and the Plan, the Trustee administers the Plan's trust in accordance with instructions provided by the Benefits Committee.

Contributions

As defined in the Plan, participants may elect to contribute from 1% to 50% of their compensation to the Plan on a pre-tax basis or on an after-tax, designated Roth basis. The combined pre-tax and designated Roth contributions are subject to limitations under the Internal Revenue Code (the Code). Participants who have attained age 50 before the end of the Plan year are eligible to make pre-tax or designated Roth catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (Rollover Contributions). Participant Rollover Contributions were approximately \$3,666,000 during 2013.

Participants may receive an employer match on their contribution to the Plan in an amount determined annually by Devon. The amount of the matching contribution will vary according to the participant's years of service and whether the participant is eligible for enhanced contributions. Participants employed subsequent to October 1, 2007 and participants who opted out of a separate defined benefit plan sponsored by Devon are eligible for enhanced contributions. During 2013, for all participants with at least five years of service, Devon contributed amounts equal to 100% of each participant's contributions to the Plan, with the matching contribution being limited to the lesser of 6% of the participant's compensation, or \$15,300. For participants with less than five years of service, Devon's matching contributions in 2013 were limited to the lesser of 3% of the participant's compensation, or \$7,650.

Participants eligible for enhanced contributions also receive additional, nondiscretionary contributions by Devon calculated as a percentage of their compensation, as defined in the Plan. In 2013, the enhanced contribution percentage

ranged from 8% to 16%, depending upon a participant's years of service.

Participant Accounts

Each participant's account is credited with the participant's contribution, Devon's contribution and allocations of earnings or losses on the investments selected by the participant, and charged with an allocation of administrative expenses. Allocations are based on participant earnings, account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS CONTINUED

Investments

Participants direct their account balances to be invested in a number of investment options. Participants may change their investment options on a daily basis. Investment options of the Plan as of December 31, 2013 consist of mutual funds, equity securities, Devon common stock, money market funds, collective trust funds, stable value fund and Brokerage Link. Brokerage Link is a self-directed brokerage account that allows participants to invest in a wide variety of funds.

Vesting and Forfeitures

Participants are vested immediately in their contributions, plus the associated investment income or losses. For each year of service up to four years, a participant becomes 25% vested in employer contributions to their account and the associated investment income or losses. Participants will become vested upon a change of control of Devon, as defined in the Plan, or if the participant dies, becomes totally disabled or reaches age 65 while employed by Devon or another participating employer.

Upon a termination of service that results in nonvested amounts in a participant's account, the nonvested portion is forfeited and used to reduce Devon's future contributions. Employer contributions were reduced by \$967,000 in 2013 due to forfeitures. As of December 31, 2013 and 2012, there were approximately \$1,739,000 and \$976,000, respectively, of forfeitures available to reduce future employer contributions.

Notes Receivable from Participants

Participants may borrow from their fund accounts and may have up to two loans outstanding at any time. Total borrowings may not exceed the lesser of 50% of a participant's vested balance or \$50,000. The loans are secured by the balance in the participants' accounts. The loans bear interest at a fixed rate, which approximates the rate generally charged for consumer loans secured by certificates of deposit or marketable securities. The interest rates ranged from 4.25% to 9.75% at December 31, 2013. The terms of the loans may not exceed five years, except for loans used to purchase a primary residence, in which case the loan term generally will not exceed 15 years. Maturity dates ranged from January 2014 to November 2023 at December 31, 2013. Principal and interest is repaid through biweekly payroll deductions from the participants' wages.

Payment of Benefits

While still employed, a participant who is age 59 ½ or older may withdraw all or part of the vested interest in their account at any time. Participants who are still employed also may withdraw their Rollover Contributions regardless of age. In addition, participants who are still employed and who have taken all other withdrawals and loans available under the Plan may also request a withdrawal in an amount necessary to satisfy an immediate and heavy financial need.

On termination of service due to death, disability or upon retirement, participants (or a beneficiary in the case of death) may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in their

account or equal installments (monthly, quarterly, semi-annually or annually) for any period less than the life expectancy of the participant and their beneficiary. For termination of service for other reasons, participants may receive the value of the vested interest in their account as a lump-sum distribution. Depending on the value of the participant's vested interest in their account at the time of their termination of service, the value of the participant's vested interest may be automatically paid in a lump-sum distribution, paid in a direct rollover or automatically rolled over to an individual retirement account or annuity established in the participant's or beneficiary's name.

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS CONTINUED

2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Plan in preparing the accompanying financial statements.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell the investment in an orderly transaction between market participants. This price is commonly referred to as the exit price. Fair value measurements are classified according to a hierarchy that prioritizes the inputs underlying the valuation techniques. This hierarchy consists of three broad levels:

Level 1 Inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. When available, Level 1 inputs are used to measure fair value because they generally provide the most reliable evidence of fair value.

Level 2 Inputs consist of quoted prices that are generally observable for the asset. Common examples of Level 2 inputs include quoted prices for similar assets in active markets or quoted prices for identical assets in markets not considered to be active.

Level 3 Inputs are not observable from objective sources and have the lowest priority. The most common Level 3 fair value measurement is an internally developed cash flow model.

Realized gains or losses are calculated based on proceeds from the sale of investments and the fair value of the investments at the beginning of the plan year or at time of purchase if acquired during the current plan year.

Unrealized appreciation or depreciation of the investments is calculated based on the fair value of the investments at the end of the plan year and the fair value of the investments at the beginning of the plan year or at time of purchase if

acquired during the current plan year. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The accompanying Statements of Net Assets Available for Benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The accompanying Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis for fully benefit-responsive investment contracts. Contract value represents the principal balance of the underlying investment contracts, plus accrued interest at the stated contract rates, less withdrawals and administrative charges by the financial institutions. There are no material reserves against contract value for credit risk of the contract issuers or otherwise.

Table of Contents**DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS CONTINUED***Notes Receivable from Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Trustee, audit and certain other administrative fees are paid by Devon on behalf of the Plan and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

3. Reclassifications

Certain reclassifications of prior year comparative information have been made in order to conform to current year presentation. These reclassifications had no effect on net assets or the change in net assets.

4. Fair Value Measurements

The following tables provide the Plan's investments at fair value according to the fair value hierarchy. The Plan had no Level 3 investments as of December 31, 2013 and 2012. There have been no changes in the methodologies used at December 31, 2013 and 2012.

| | As of December 31, 2013 | | |
|--------------------|--------------------------------|---------------------------|---------------------------|
| | Fair Value Measurements | | |
| | Using: | | |
| | Total | Level 1 Inputs | Level 2 Inputs |
| Mutual funds: | | | |
| Growth funds | \$ 45,244,880 | \$ 45,244,880 | \$ |
| Fixed income funds | 97,728,799 | 97,728,799 | |
| Balanced funds | 37,037,603 | 37,037,603 | |
| Other funds | 16,049,371 | 16,049,371 | |
| Total mutual funds | 196,060,653 | 196,060,653 | |

| | | | |
|---|-----------------------|-----------------------|-----------------------|
| Equity securities: | | | |
| Employer stock | 58,527,349 | 58,527,349 | |
| Domestic large cap value | 66,596,374 | 66,596,374 | |
| Domestic large cap growth | 65,305,737 | 65,305,737 | |
| Domestic small cap value | 47,405,259 | 47,405,259 | |
| Domestic small cap growth | 33,143,613 | 33,143,613 | |
| Total equity securities | 270,978,332 | 270,978,332 | |
| Money market funds | 41,856,688 | 41,856,688 | |
| Collective trust funds: | | | |
| U.S. equity index ⁽¹⁾ | 93,521,199 | | 93,521,199 |
| Stable value ⁽²⁾ | 39,870,835 | | 39,870,835 |
| International equity index ⁽³⁾ | 72,857,556 | | 72,857,556 |
| Real estate investment trust ⁽⁴⁾ | 4,548,122 | | 4,548,122 |
| Total collective trust funds | 210,797,712 | | 210,797,712 |
| Total investments | \$ 719,693,385 | \$ 508,895,673 | \$ 210,797,712 |

Table of Contents**DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS CONTINUED**

| | As of December 31, 2012 | | |
|---|-------------------------|-----------------------|-----------------------|
| | Fair Value Measurements | | |
| | Using: | | |
| | Total | Level 1 Inputs | Level 2 Inputs |
| Mutual funds: | | | |
| Growth funds | \$ 33,431,939 | \$ 33,431,939 | \$ |
| Fixed income funds | 107,270,465 | 107,270,465 | |
| Balanced funds | 28,945,217 | 28,945,217 | |
| Other funds | 13,680,685 | 13,680,685 | |
| Total mutual funds | 183,328,306 | 183,328,306 | |
| Equity securities: | | | |
| Employer stock | 57,229,169 | 57,229,169 | |
| Domestic large cap value | 55,083,236 | 55,083,236 | |
| Domestic large cap growth | 52,141,542 | 52,141,542 | |
| Domestic small cap value | 35,592,002 | 35,592,002 | |
| Domestic small cap growth | 24,838,748 | 24,838,748 | |
| Total equity securities | 224,884,697 | 224,884,697 | |
| Money market funds | 45,639,449 | 45,639,449 | |
| Collective trust funds: | | | |
| U.S. equity index ⁽¹⁾ | 75,393,713 | | 75,393,713 |
| Stable value ⁽²⁾ | 40,392,154 | | 40,392,154 |
| International equity index ⁽³⁾ | 65,838,189 | | 65,838,189 |
| Real estate investment trust ⁽⁴⁾ | 3,511,291 | | 3,511,291 |
| Total collective trust funds | 185,135,347 | | 185,135,347 |
| Total investments | \$ 638,987,799 | \$ 453,852,452 | \$ 185,135,347 |

- (1) Investment fund seeks results that correspond generally to the price and yield performance, before fees and expenses, of the Russell 3000 index. This fund allows for daily redemptions with no unfunded commitments.
- (2) Investment fund seeks preservation of principal and to earn current income while tracking interest rates over the intermediate term by investing in a diversified portfolio of stable value contracts, including wrap contracts issued by insurance companies, banks and other financial institutions. This fund allows for daily redemptions with no unfunded commitments.
- (3)

Investment fund seeks results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI ACWI ex-U.S. IMI Index. This fund allows for daily redemptions with no unfunded commitments.

- (4) Investment fund seeks results through active management that correspond generally to the price and yield performance, after fees and expenses, of the FRSE NAREIT Equity REITS Index. This fund allows for daily redemptions with no unfunded commitments.

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

Level 1 Fair Value Measurements

Amounts consist primarily of mutual funds, equity securities and money market funds that are actively traded and can be redeemed upon demand. The fair values of these instruments are based upon unadjusted quoted market prices.

Level 2 Fair Value Measurements

Amounts consist primarily of collective trust funds. These funds can be redeemed upon demand. The fair values are based upon the net asset values (NAV) provided by investment managers. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the

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DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS CONTINUED

investment for an amount different than the reported NAV. Participant purchases and sales transactions may occur daily. In the event the Plan initiates a full redemption of one of the collective trusts, the investment managers reserve the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although these valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

5. Stable Value Fund

The PIMCO Stable Income Fund (the Fund) is a collective trust fund sponsored by SEI Trust Company. The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the Fund's constant NAV of approximately \$100 per unit. Distribution to the Fund's unit holders are declared daily from the net investment income and automatically reinvested in the Fund on a monthly basis. It is the policy of the Fund to use its best efforts to maintain a stable net asset value of approximately \$100 per unit, although, there is no guarantee that the Fund will be able to maintain this value.

The Fund has certain restrictions on withdrawals and transfers as follows. Withdrawals directed by the Plan require written notice to the Trustee. The Trustee shall notify the Plan that such request will be fulfilled as either, (1) a deferred book value plan withdrawal, which the Trustee will act in good faith to complete by the fifth business day of the month that follows the date that is 24 months after the Trustee's receipt of the Plan's request for a withdrawal or (2) an ordinary plan withdrawal to be completed on or prior to the first business day that is within 45 days of the Plan's request for withdrawal. The methodology chosen by the Trustee will depend on the value of the Fund's portfolio, taking into account any adverse market value adjustments applicable to such withdrawal under the Fund's investment contracts.

Withdrawals made in order to accommodate distribution to participants, whether in-service or following termination of employment may be made on any business day. Withdrawals made in order to accommodate a participant-directed exchange to another investment option may be made on any business day, provided that the exchange is not directed to competing investment options, which consist of the Vanguard Money Market Fund and Brokerage Link. Transferred amounts must be held in a non-competing investment option for 90 days before subsequent transfers to a competing fund can occur. The Trustee reserves the right to delay participant withdrawals up to 30 days in order to maintain liquidity for the Trust or if it determines that an immediate withdrawal would have an adverse impact on the Trust.

The average yield earned by the Trust at December 31, 2013, representing the annualized earnings of all investments in the Trust divided by the period-end fair value of all investments in the Trust was 1.41%. The average yield earned by the Trust at December 31, 2013, representing the annualized earnings credited to participants in the Trust as of the last day of the period, divided by the period-end fair value of all investments in the Trust was .69%. Certain events may limit the ability of the Fund to realize the contract value of investment contracts and may therefore result in

payments to participants that reflect fair value rather than contract value. Such events include, but are not limited to, certain amendments to the Plan documents or the Fund's investment guidelines that are not approved by issuers of investment contracts, failure to comply with certain contract provisions, complete or partial termination of the Plan or merger with another plan or bankruptcy of the Plan. The Benefits and Investments Committees believe that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

6. Plan Termination

Although Devon has not expressed any intent to terminate the Plan, it may do so at any time. Benefits owed to participants are not actuarially determined and the aggregate vested benefits are limited to the Plan's net assets available for plan benefits. In the event of the Plan's termination, participants would become 100% vested in their accounts.

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Following is a schedule of the Plan's investments that exceed 5% of the Plan's net assets at December 31, 2013 and 2012, and the fair value of such investments:

| | 2013 | | 2012 | |
|--|---------------------------|---------------|---------------------------|---------------|
| | Number of shares or units | Fair value | Number of shares or units | Fair value |
| PIMCO Total Return Fund | 5,805,895 | \$ 62,065,017 | 6,857,697 | \$ 77,080,517 |
| BlackRock, Inc. U.S. Equity Index | 4,807,991 | \$ 93,521,199 | 5,174,586 | \$ 75,393,713 |
| BlackRock, Inc. International Equity Index | 5,647,129 | \$ 72,857,556 | 5,878,410 | \$ 65,838,189 |
| Devon Energy Corporation Common Stock | 945,973 | \$ 58,527,349 | 1,099,715 | \$ 57,229,169 |
| PIMCO Stable Income Fund | 402,975 | \$ 39,870,835 | 401,067 | \$ 40,392,154 |
| Vanguard Prime Money Market Fund | * | \$ * | 34,424,570 | \$ 34,424,570 |
| Harbor International Fund | 537,950 | \$ 38,199,848 | * | \$ * |

* Investment did not represent five percent or more of the Plan's net assets.

During 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

| | |
|------------------------|----------------|
| Mutual funds | \$ (1,143,639) |
| Collective trust funds | 34,323,570 |
| Equity securities | 76,897,457 |
| | \$ 110,077,388 |

8. Related Party Transactions

The Trustee and Devon are parties in interest as defined by ERISA. Certain plan investments are shares of mutual funds managed by Fidelity Management & Research Company, which is an affiliate of the Trustee. The Trustee also invests certain Plan assets in the Devon Stock Fund. Such transactions qualify as party-in-interest transactions permitted by the Department of Labor regulations.

9. Tax Status

The Internal Revenue Service has determined and informed Devon by a letter dated April 16, 2010, that the Plan and related trusts are designed in accordance with applicable sections of the Code. Prior to April 16, 2010, the Plan operated under a determination letter dated August 1, 2002. Although the Plan has been amended since receiving the determination letter, the Benefits Committee believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Benefits Committee has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions. The Internal Revenue Service conducted routine audits of Devon, including the Plan, for the 2008 and 2009 tax years and had no adverse findings regarding operation of the plan. The Benefits Committee believes it is no longer subject to income tax examinations for years prior to 2010.

Table of Contents**DEVON ENERGY CORPORATION INCENTIVE SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS CONTINUED****10. Risk and Uncertainties**

In general, the investments provided by the Plan are exposed to various risks, such as interest rate, credit and overall market volatility risks. Because of the risks associated with investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits.

11. Reconciliation of Financial Statement to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2013 and 2012 to Form 5500.

| | 2013 | 2012 |
|---|----------------|----------------|
| Net assets available for benefits per the financial statements | \$ 736,641,544 | \$ 671,177,255 |
| Adjustment from contract value to fair value for interest in collective trust relating to fully benefit-responsive investment contracts | (773,253) | 120,975 |
| Net assets available for benefits per Form 5500 | \$ 735,868,291 | \$ 671,298,230 |

The following is a reconciliation of investment income per the financial statements for 2013 to Form 5500:

| | 2013 |
|---|----------------|
| Net investment income per financial statements | \$ 121,158,608 |
| Interest income on notes receivable from participants | 448,242 |
| Adjustment from contract value to fair value for interest in collective trust relating to fully benefit-responsive investment contracts | (894,228) |
| Net investment income per Form 5500 | \$ 120,712,622 |

Table of Contents**Devon Energy Corporation Incentive Savings Plan**

Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2013

| Identity of issue, borrower, lessor or similar party | Description of investment | Number of Shares | |
|--|---|------------------|---------------|
| | | or Units | Current Value |
| Devon Energy Corporation** | Devon common stock | 945,973 | \$ 58,527,349 |
| Cash equivalent fund: | | | |
| INTEREST-BEARING CASH | Money-market securities | | 13,654,393 |
| THE VANGUARD GROUP | Vanguard Money Market Fund | 28,202,295 | 28,202,295 |
| Mutual Funds and Collective Trust Funds: | | | |
| ABERDEEN | Aberdeen Emerging Markets Fund | 515,618 | 7,460,996 |
| BLACKROCK, INC. | US Equity Index | 4,807,991 | 93,521,199 |
| BLACKROCK, INC. | International Equity Index | 5,647,129 | 72,857,556 |
| CAPITAL RESEARCH & MANAGEMENT COMPANY | Europacific Growth Fund | 52,043 | 2,551,653 |
| HARBOR FUNDS | Harbor International Fund | 537,950 | 38,199,848 |
| INVESCO | Invesco Equity Real Estate Securities Trust | 48,847 | 4,548,122 |
| NEUBERGER BERMAN | Neuberger Berman High Yield Bond Fund | 2,384,488 | 22,366,502 |
| PIMCO FUNDS | PIMCO Total Return Fund | 5,805,895 | 62,065,017 |
| PIMCO FUNDS | PIMCO All Asset All Authority | 2,829,118 | 28,008,272 |
| SEI TRUST COMPANY | PIMCO Stable Income Fund | 402,975 | 39,870,835 |
| WESTERN ASSET | Inflation Indexed Plus Bond Portfolio | 976,943 | 10,853,837 |
| Equity Securities: | | | |
| ABERCROMBIE & FITCH CO CL A | Common stock | 18,700 | 615,417 |
| ACORDA THERAPEUTICS INC | Common stock | 20,100 | 586,920 |
| ADOBE SYSTEMS INC | Common stock | 39,534 | 2,367,296 |
| ADVISORY BOARD CO | Common stock | 16,229 | 1,033,300 |
| AKORN INC | Common stock | 19,968 | 491,812 |
| ALEXION PHARMACEUTICALS INC | Common stock | 8,467 | 1,126,619 |
| ALLEGHANY CORP DEL | Common stock | 3,100 | 1,239,876 |
| ALLIANT ENERGY CORPORATION | Common stock | 21,100 | 1,088,760 |
| ALTRIA GROUP INC | Common stock | 22,600 | 867,614 |
| AMAZON.COM INC | Common stock | 5,552 | 2,214,082 |
| AMDOCS LTD | Common stock | 17,700 | 729,948 |
| AMERICAN EXPRESS CO | Common stock | 9,700 | 880,081 |
| AMERICAN INTERNATIONAL GROUP | Common stock | 23,100 | 1,179,255 |
| AMERICAN PUBLIC EDUCATION INC | Common stock | 5,400 | 234,738 |

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| AMERIPRISE FINANCIAL INC | Common stock | 7,700 | 885,885 |
| APOLLO EDUCATION GRP INC CL A | Common stock | 11,400 | 311,448 |
| APPLE INC | Common stock | 2,637 | 1,479,647 |
| ASCENA RETAIL GROUP INC | Common stock | 17,700 | 374,532 |
| ASSURED GUARANTY LTD | Common stock | 23,300 | 549,647 |
| ATHENAHEALTH INC | Common stock | 2,539 | 341,496 |
| ATLANTIC TELE-NETWORK INC | Common stock | 7,800 | 441,246 |
| B/E AEROSPACE INC | Common stock | 13,194 | 1,148,274 |
| BANK OF AMERICA CORPORATION | Common stock | 92,400 | 1,438,668 |
| BARNES & NOBLE INC | Common stock | 33,900 | 506,805 |
| BENEFITFOCUS INC | Common stock | 3,658 | 211,213 |
| BIOGEN IDEC INC | Common stock | 2,475 | 692,381 |
| BLOCK H & R INC | Common stock | 21,300 | 618,552 |
| BOEING CO | Common stock | 17,350 | 2,368,102 |
| BP PLC SPON ADR | Common stock | 20,300 | 986,783 |
| BRUKER CORP | Common stock | 25,700 | 508,089 |
| BUFFALO WILD WINGS INC | Common stock | 2,946 | 433,651 |
| CA INC | Common stock | 32,500 | 1,093,625 |
| CABLEVISION SYS CORP NY GRP A | Common stock | 21,300 | 381,909 |
| CAPITAL ONE FINANCIAL CORP | Common stock | 21,400 | 1,639,454 |
| CARDINAL HEALTH INC | Common stock | 20,300 | 1,356,243 |
| CARNIVAL CORP | Common stock | 25,200 | 1,012,284 |

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| CASH AMERICA INTERNATIONAL INC | Common stock | 16,400 | 628,120 |
| CELGENE CORP | Common stock | 7,819 | 1,321,098 |
| CENTENE CORP | Common stock | 15,081 | 889,025 |
| CHART INDUSTRIES INC | Common stock | 3,581 | 342,487 |
| CHEMED CORP | Common stock | 4,600 | 352,452 |
| CHICAGO BRIDGE & IRON (NY REG) | Common stock | 9,303 | 773,451 |
| CHILDRENS PL RETAIL STORES INC | Common stock | 9,300 | 529,821 |
| CHIPOTLE MEXICAN GRILL INC | Common stock | 2,313 | 1,232,320 |
| CHURCHILL DOWNS INC | Common stock | 3,600 | 322,740 |
| CIGNA CORP | Common stock | 9,400 | 822,312 |
| CIRRUS LOGIC INC | Common stock | 18,400 | 375,912 |
| CIT GROUP INC | Common stock | 12,500 | 651,625 |
| CITIGROUP INC | Common stock | 32,850 | 1,711,814 |
| CMS ENERGY CORP | Common stock | 45,600 | 1,220,712 |
| COGNIZANT TECH SOLUTIONS CL A | Common stock | 9,993 | 1,009,093 |
| COMMUNITY HEALTH SYS INC NEW | Common stock | 6,300 | 247,401 |
| CONCUR TECHNOLOGIES INC | Common stock | 5,602 | 578,014 |
| CONOCOPHILLIPS | Common stock | 12,900 | 911,385 |
| CONTAINER STORE GROUP INC | Common stock | 7,320 | 341,185 |
| CORNERSTONE ONDEMAND INC | Common stock | 6,061 | 323,294 |
| COSTAR GROUP INC | Common stock | 4,803 | 886,538 |
| COSTCO WHOLESALE CORP | Common stock | 13,996 | 1,665,664 |
| CRH PLC SPON ADR | Common stock | 42,100 | 1,075,655 |
| CUMMINS INC | Common stock | 9,716 | 1,369,665 |
| DELPHI AUTOMOTIVE PLC | Common stock | 20,800 | 1,250,704 |
| DISCOVER FIN SVCS | Common stock | 15,800 | 884,010 |
| DMLER AG SPON ADR | Common stock | 11,300 | 986,942 |
| DOLBY LABORATORIES INC CL A | Common stock | 19,400 | 748,064 |
| DST SYSTEMS INC | Common stock | 6,700 | 607,958 |
| DUPONT (EI) DE NEMOURS & CO | Common stock | 11,600 | 753,652 |
| E TRADE FINANCIAL CORP | Common stock | 39,100 | 767,924 |
| EATON CORP PLC | Common stock | 13,800 | 1,050,456 |
| EHOSTAR CORP CL A | Common stock | 9,600 | 477,312 |
| EMERSON ELECTRIC CO | Common stock | 10,100 | 708,818 |
| ENERGY XXI (USA) | Common stock | 18,700 | 506,022 |
| ENSTAR GROUP LTD | Common stock | 2,800 | 388,948 |
| ENTROPIC COMMUNICATIONS INC | Common stock | 104,300 | 491,253 |
| ESSENT GROUP LTD | Common stock | 15,800 | 380,148 |
| EXPRESS INC | Common stock | 32,400 | 604,908 |
| F5 NETWORKS INC | Common stock | 12,492 | 1,135,023 |
| FACEBOOK INC A | Common stock | 39,118 | 2,138,190 |
| FAIRCHILD SEMICON INTL INC | Common stock | 53,100 | 708,885 |
| FAIRWAY GROUP HLDGS CORP | Common stock | 19,954 | 361,566 |
| FEDEX CORP | Common stock | 11,220 | 1,613,099 |
| FIDELITY NATL FINL INC NEW | Common stock | 23,900 | 775,555 |
| FIESTA RESTAURANT GROUP INC | Common stock | 6,921 | 361,553 |
| FIFTH THIRD BANCORP | Common stock | 41,400 | 870,642 |
| FINANCIAL ENGINES INC | Common stock | 14,081 | 978,348 |

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| FIREEYE INC | Common stock | 8,822 | 384,727 |
| FIRST NIAGARA FINL GROUP INC | Common stock | 75,100 | 797,562 |
| FIRST REPUBLIC BANK | Common stock | 12,400 | 649,140 |
| FIVE BELOW INC | Common stock | 7,220 | 311,904 |
| FLEETMATICS GROUP PLC | Common stock | 8,711 | 376,751 |
| FLUOR CORP | Common stock | 18,761 | 1,506,321 |
| FTI CONSULTING INC | Common stock | 5,900 | 242,726 |

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|--------------------------------|--------------|--------|-----------|
| GENERAC HOLDINGS INC | Common stock | 4,800 | 271,872 |
| GENERAL DYNAMICS CORPORATION | Common stock | 8,100 | 773,955 |
| GENERAL ELECTRIC CO | Common stock | 46,960 | 1,316,289 |
| GENERAL MOTORS CO | Common stock | 25,300 | 1,034,011 |
| GILEAD SCIENCES INC | Common stock | 29,980 | 2,252,997 |
| GLOBAL CASH ACCESS HLDGS INC | Common stock | 57,300 | 572,427 |
| GLOBAL PAYMENTS INC | Common stock | 3,900 | 253,461 |
| GOOGLE INC CL A | Common stock | 2,267 | 2,540,650 |
| GREEN DOT CORP CLASS-A | Common stock | 10,100 | 254,015 |
| GT ADVANCED TECHNOLOGIES INC | Common stock | 30,600 | 266,832 |
| GUIDEWIRE SOFTWARE INC | Common stock | 16,214 | 795,621 |
| HANESBRANDS INC | Common stock | 13,100 | 920,537 |
| HANOVER INSURANCE GROUP INC | Common stock | 14,300 | 853,853 |
| HCC INSURANCE HOLDINGS INC | Common stock | 16,100 | 742,854 |
| HEALTHSTREAM INC | Common stock | 18,309 | 599,986 |
| HEICO CORP | Common stock | 4,876 | 282,564 |
| HELIX ENERGY SOL GRP INC | Common stock | 27,700 | 642,086 |
| HEXCEL CORPORATION | Common stock | 7,962 | 355,822 |
| HOMEAWAY INC | Common stock | 20,095 | 821,484 |
| HONEYWELL INTL INC | Common stock | 7,500 | 685,275 |
| HUMANA INC | Common stock | 6,524 | 673,407 |
| HUNT J B TRANSPORT SERVICES IN | Common stock | 7,607 | 588,021 |
| IBERIABANK CORP | Common stock | 6,000 | 377,100 |
| IDACORP INC | Common stock | 18,400 | 953,856 |
| ILLINOIS TOOL WORKS INC | Common stock | 8,700 | 731,496 |
| ILLUMINA INC | Common stock | 11,358 | 1,256,422 |
| INFOBLOX INC | Common stock | 26,204 | 865,256 |
| INSULET CORP | Common stock | 18,093 | 671,250 |
| INTERACTIVE INTELLIGENCE GROUP | Common stock | 5,442 | 366,573 |
| INTERNATIONAL GAME TECHNOLOGY | Common stock | 53,200 | 966,112 |
| IPG PHOTONICS CORP | Common stock | 5,211 | 404,426 |
| ITT CORP | Common stock | 8,400 | 364,728 |
| JETBLUE AIRWAYS CORP | Common stock | 41,000 | 350,550 |
| JOHNSON & JOHNSON | Common stock | 10,100 | 925,059 |
| JOY GLOBAL INC | Common stock | 14,500 | 848,105 |
| JPMORGAN CHASE & CO | Common stock | 26,100 | 1,526,328 |
| K12 INC | Common stock | 17,000 | 369,750 |
| KANSAS CITY SOUTHERN | Common stock | 22,699 | 2,810,817 |
| KAR AUCTION SERVICES INC | Common stock | 16,500 | 487,575 |
| KATE SPADE & COMPANY | Common stock | 12,342 | 395,808 |
| KBR INC | Common stock | 27,600 | 880,164 |
| KINDRED HEALTHCARE INC | Common stock | 16,800 | 331,632 |
| KULICKE & SOFFA INDUSTRIES INC | Common stock | 28,300 | 376,390 |
| LAM RESEARCH CORP | Common stock | 11,000 | 598,950 |
| LAS VEGAS SANDS CORP | Common stock | 22,925 | 1,808,095 |
| LEXMARK INTERNATIONAL INC CL A | Common stock | 10,400 | 369,408 |
| LINKEDIN CORP CL A | Common stock | 7,102 | 1,539,927 |
| LUMBER LIQUIDATORS HLDNGS INC | Common stock | 6,470 | 665,698 |

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| MARATHON OIL CORP | Common stock | 24,000 | 847,200 |
| MARKEL CORP | Common stock | 1,300 | 754,455 |
| MARKETAXESS HLDGS INC | Common stock | 5,725 | 382,831 |
| MASTERCARD INC CL A | Common stock | 3,192 | 2,666,788 |
| MEDICINES CO | Common stock | 9,048 | 349,434 |
| MEDIDATA SOLUTIONS INC | Common stock | 12,718 | 770,329 |
| MEDNAX INC | Common stock | 9,000 | 480,420 |

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|--------------------------------|--------------|---------|-----------|
| MEDTRONIC INC | Common stock | 16,700 | 958,413 |
| MERCK & CO INC NEW | Common stock | 11,900 | 595,595 |
| MFA FINANCIAL INC | Common stock | 176,600 | 1,246,796 |
| MICHAEL KORS HOLDINGS LTD | Common stock | 7,287 | 591,632 |
| MICROCHIP TECHNOLOGY | Common stock | 22,600 | 1,011,350 |
| MICROSOFT CORP | Common stock | 27,950 | 1,046,169 |
| MKS INSTRUMENTS INC | Common stock | 19,700 | 589,818 |
| NABORS INDUSTRIES LTD | Common stock | 38,000 | 645,620 |
| NATIONAL OILWELL VARCO INC | Common stock | 11,800 | 938,454 |
| NCI BUILDING SYSTEMS INC NEW | Common stock | 26,834 | 470,668 |
| NETFLIX INC | Common stock | 3,516 | 1,294,486 |
| NETGEAR INC | Common stock | 16,900 | 556,686 |
| NETSUITE INC | Common stock | 12,455 | 1,283,114 |
| NEW YORK COMMUNITY BANCORP INC | Common stock | 62,400 | 1,051,440 |
| NEWCASTLE INVESTMENT CORP REIT | Common stock | 179,300 | 1,029,182 |
| NOBLE CORP PLC | Common stock | 19,400 | 726,918 |
| OCCIDENTAL PETROLEUM CORP | Common stock | 7,060 | 671,406 |
| OCWEN FINANCIAL CORP | Common stock | 15,100 | 837,295 |
| OMNICARE INC | Common stock | 18,100 | 1,092,516 |
| ON ASSIGNMENT INC | Common stock | 14,396 | 502,708 |
| OUTERWALL INC | Common stock | 9,300 | 625,611 |
| PACIRA PHARMACE | Common stock | 18,186 | 1,045,513 |
| PALO ALTO NETWORKS INC | Common stock | 5,602 | 321,947 |
| PENTAIR LTD | Common stock | 14,300 | 1,110,681 |
| PEOPLES UNITED FINANCIAL INC | Common stock | 60,000 | 907,200 |
| PFIZER INC | Common stock | 29,170 | 893,477 |
| PHILIP MORRIS INTL INC | Common stock | 8,150 | 710,110 |
| PITNEY-BOWES INC | Common stock | 20,500 | 477,650 |
| PNC FINANCIAL SERVICES GRP INC | Common stock | 12,500 | 969,750 |
| PORTFOLIO RECOVERY ASSOC INC | Common stock | 18,029 | 952,652 |
| PRECISION CASTPARTS CORP | Common stock | 8,490 | 2,286,357 |
| PRICELINE GROUP INC | Common stock | 1,941 | 2,256,218 |
| PULTEGROUP INC | Common stock | 6,700 | 136,479 |
| QUESTCOR PHARMACEUTICALS INC | Common stock | 7,100 | 386,595 |
| RALPH LAUREN CORP | Common stock | 10,317 | 1,821,673 |
| RAYTHEON CO | Common stock | 14,350 | 1,301,545 |
| REGENERON PHARMACEUTICALS INC | Common stock | 6,755 | 1,859,246 |
| RENT A CTR INC | Common stock | 19,100 | 636,794 |
| RESMED INC | Common stock | 5,200 | 244,816 |
| RETAILMENOT INC | Common stock | 9,495 | 273,361 |
| REXAM PLC SPON ADR | Common stock | 18,700 | 826,727 |
| ROCKWOOD HOLDINGS INC | Common stock | 12,800 | 920,576 |
| ROVI CORPORATION | Common stock | 34,500 | 679,305 |
| ROYAL CARIBBEAN CRUISES LTD | Common stock | 26,400 | 1,251,888 |
| SALESFORCE.COM INC | Common stock | 40,367 | 2,227,855 |
| SALIX PHARMACEUTICALS LTD | Common stock | 4,187 | 376,579 |
| SANOFI SPON ADR | Common stock | 16,900 | 906,347 |
| SCHLUMBERGER LTD | Common stock | 7,171 | 646,179 |

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| SCHOLASTIC CORP | Common stock | 15,700 | 533,957 |
| SCIENCE APPLICATNS INTL CORP | Common stock | 15,100 | 499,357 |
| SCRIPPS (EW) CO CL A | Common stock | 32,300 | 701,556 |
| SEADRILL LTD (USA) | Common stock | 20,400 | 838,032 |
| SERVICENOW INC | Common stock | 15,131 | 847,487 |
| SHUTTERFLY INC | Common stock | 16,180 | 824,047 |

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| SHUTTERSTOCK INC | Common stock | 6,841 | 572,113 |
| SILICON IMAGE INC | Common stock | 86,900 | 534,435 |
| SLM CORP | Common stock | 40,100 | 1,053,828 |
| SPLUNK INC | Common stock | 12,918 | 887,079 |
| SPROUTS FMRS MKT INC | Common stock | 7,934 | 304,904 |
| SPX CORP | Common stock | 11,000 | 1,095,710 |
| STAGE STORES INC | Common stock | 18,500 | 411,070 |
| STANLEY BLACK & DECKER INC | Common stock | 10,600 | 855,314 |
| STARBUCKS CORP | Common stock | 26,811 | 2,101,714 |
| STATE STREET CORP | Common stock | 15,500 | 1,137,545 |
| STEWART INFORMATION SERVICES | Common stock | 20,200 | 651,854 |
| STRATASYS LTD | Common stock | 4,341 | 584,733 |
| TABLEAU SOFTWARE INC CL A | Common stock | 7,429 | 512,081 |
| TARGET CORP | Common stock | 13,300 | 841,491 |
| TEAM HEALTH HOLDINGS INC | Common stock | 17,894 | 815,072 |
| TERADYNE INC | Common stock | 29,200 | 514,504 |
| TEXAS INSTRUMENTS INC | Common stock | 23,600 | 1,036,276 |
| TIVO INC | Common stock | 38,500 | 505,120 |
| TOTAL SYS SVCS INC | Common stock | 19,200 | 638,976 |
| TREEHOUSE FOODS INC | Common stock | 12,300 | 847,716 |
| TRIPADVISOR INC | Common stock | 7,495 | 620,811 |
| TYCO INTL LTD | Common stock | 26,100 | 1,071,144 |
| ULTIMATE SOFTWARE GROUP INC | Common stock | 5,483 | 840,105 |
| UNDER ARMOUR INC CL A | Common stock | 8,545 | 745,979 |
| UNION PACIFIC CORP | Common stock | 10,109 | 1,698,312 |
| UNITEDHEALTH GROUP INC | Common stock | 12,700 | 956,310 |
| URS CORP NEW | Common stock | 6,800 | 360,332 |
| VEEVA SYS INC CL A | Common stock | 8,748 | 280,811 |
| VERIZON COMMUNICATIONS INC | Common stock | 19,000 | 933,660 |
| VISA INC CL A | Common stock | 10,387 | 2,312,977 |
| VODAFONE GROUP PLC SPON ADR | Common stock | 17,500 | 687,925 |
| VONAGE HOLDINGS CORP | Common stock | 95,900 | 319,347 |
| WALGREEN CO | Common stock | 12,000 | 689,280 |
| WELLCARE HEALTH PLANS INC | Common stock | 7,000 | 492,940 |
| WELLPOINT INC | Common stock | 10,400 | 960,856 |
| WELLS FARGO & CO | Common stock | 34,800 | 1,579,920 |
| WESTAR ENERGY INC | Common stock | 38,900 | 1,251,413 |
| WESTERN REFINING INC | Common stock | 12,500 | 530,125 |
| WHIRLPOOL CORP | Common stock | 9,920 | 1,556,051 |
| WHITE MOUNTAINS INS GROUP LTD | Common stock | 1,200 | 723,696 |
| WHOLE FOODS MARKET INC | Common stock | 25,724 | 1,487,619 |
| WILEY (JOHN) & SONS INC CL A | Common stock | 9,800 | 540,960 |
| WILLIS GROUP HOLDINGS PLC | Common stock | 9,400 | 421,214 |
| WINDSTREAM HOLDINGS INC | Common stock | 90,400 | 721,392 |
| WORKDAY INC CL A | Common stock | 24,243 | 2,016,048 |
| WORLD FUEL SERVICES CORP | Common stock | 14,400 | 621,504 |
| XOOM CORP | Common stock | 17,935 | 490,881 |
| YELP INC | Common stock | 11,847 | 816,851 |

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|--------------------------------------|--|----------------|
| Brokerage Link | Participant directed accounts including certain Fidelity investment funds** | 25,110,183 |
| Notes receivable from participants** | Installment loans due from participants with maturity dates ranging from January 2014 to November 2023 and interest rates ranging from 4.25% to 9.75%. | 10,555,870 |
| | | \$ 730,249,255 |

** Represents party in interest to the Plan.

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SIGNATURE

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

Devon Energy Incentive Savings Plan

Date: June 26, 2014

/s/ Frank W. Rudolph

Frank W. Rudolph

Executive Vice President Human Resources