DEVON ENERGY CORP/DE
Form 10-K
February 24, 2012
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

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

For the fiscal year ended December 31, 2011

or

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

Commission File Number 001-32318

DEVON ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**73-1567067**
(State of other jurisdiction of incorporation or organization)	*(I.R.S. Employer identification No.)*
20 North Broadway, Oklahoma City, Oklahoma	**73102-8260**
(Address of principal executive offices)	*(Zip code)*

Registrant s telephone number, including area code:

(405) 235-3611

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

Title of each class	Name of each exchange on which registered

Common stock, par value $0.10 per share	The New York Stock Exchange

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes þ No ¨

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No þ

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 þ No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes þ No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ¨

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

Large accelerated filer þ	Accelerated filer ¨	Non-accelerated filer ¨	Smaller reporting company ¨
		(Do not check if a smaller reporting company)	

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

The aggregate market value of the voting common stock held by non-affiliates of the registrant as of June 30, 2011, was approximately $32.7 billion, based upon the closing price of $78.81 per share as reported by the New York Stock Exchange on such date. On February 9, 2012, 404.1 million shares of common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Proxy statement for the 2012 annual meeting of stockholders Part III

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INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements regarding our expectations and plans, as well as future events or conditions. Such forward-looking statements are based on our examination of historical operating trends, the information used to prepare our December 31, 2011 reserve reports and other data in our possession or available from third parties. 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 from our expectations due to a number of factors, such as changes in the supply of and demand for oil, natural gas and NGLs and related products and services; exploration or drilling programs; political or regulatory events; general economic and financial market conditions; and other factors discussed in this report.

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 assume no duty to update or revise our forward-looking statements based on new information, future events or otherwise.

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PART I

Item 1 and 2. *Business and Properties*

General

Devon Energy Corporation (Devon) is a leading independent energy company engaged primarily in the exploration, development and production of oil, natural gas and NGLs. Our operations are concentrated in various North American onshore areas in the U.S. and Canada. We also own natural gas pipelines, plants and treatment facilities in many of our producing areas, making us one of North America s larger processors of natural gas.

Devon pioneered the commercial development of natural gas from shale and coalbed formations, and we are a proven leader in using steam to produce oil from the Canadian oil sands. A Delaware corporation formed in 1971, we have been publicly held since 1988, and our common stock is listed on the New York Stock Exchange. Our principal and administrative offices are located at 20 North Broadway, Oklahoma City, OK 73102-8260 (telephone 405/235-3611). As of December 31, 2011, we had approximately 5,200 employees.

Devon files or furnishes annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K as well as any amendments to these reports with the U.S. Securities and Exchange Commission (SEC). Through our website, http://www.devonenergy.com, we make available electronic copies of the documents we file or furnish to the SEC, the charters of the committees of our Board of Directors and other documents related to our corporate governance (including our Code of Ethics for the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer). Access to these electronic filings is available free of charge as soon as reasonably practicable after filing or furnishing them to the SEC. Printed copies of our committee charters or other governance documents and filings can be requested by writing to our corporate secretary at the address on the cover of this report.

In addition, the public may read and copy any materials Devon files with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Washington D.C. 20549. The public may also obtain information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Reports filed with the SEC are also made available on its website at www.sec.gov.

Strategy

We aspire to be the premier independent oil and natural gas company in North America and to provide our shareholders with top-quartile returns over the long-term. To achieve this, we strive to optimize our capital investments to maximize growth in cash flows, earnings, production and reserves, all on a per debt-adjusted share basis. We do this by:

- exercising capital discipline,
- maintaining superior financial strength,
- investing in oil and gas properties with strong full-cycle margins, and
- balancing our production and resource mix between natural gas and liquids.

Growth in cash flow per debt-adjusted share has the greatest long-term correlation to share price appreciation. As a result, we focus on capital investments that sustain and accelerate growth per debt-adjusted share. In an environment that involves challenged natural gas prices and more robust liquids prices, our capital allocation is focused on liquids-based resource capture and development. Our portfolio strikes a good balance between oil, NGLs and natural gas with a cost structure that generates highly competitive full-cycle returns. Within our portfolio, we have a deep inventory of repeatable opportunities diversified across several key resource plays. We also have significant exposure to several emerging plays and new venture opportunities. Finally, the recent divestiture of our offshore operations generated about $8 billion in after-tax proceeds. We used a portion of these proceeds to repurchase $3.5 billion of our common stock and repay debt, giving us one of the strongest balance sheets in our peer group.

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Oil and Gas Properties

Property Profiles

The locations of our key properties are presented on the following map. These properties include those that currently have significant proved reserves and production, as well as properties that do not currently have significant levels of proved reserves or production but are expected to be the source of significant future growth in proved reserves and production.

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The following table outlines a summary of key data in each of our operating areas for 2011. Notes 21 and 22 to the financial statements included in Item 8. Financial Statements and Supplementary Data of this report contain additional information on our segments and geographical areas.

	Proved Reserves December 31, 2011			Production Year Ended December 31, 2011			Total	Gross	Average
	MMBoe(1)	% of Total	% Liquids	MMBoe(1)	% of Total	% Liquids	Net Acres (in thousands)	Wells Drilled	Working Interest
U.S.									
Barnett	1,151	38.3%	22.1%	78	32.4%	21.3%	625	309	89.0%
Cana-Woodford	327	10.9%	36.4%	12	5.1%	26.0%	244	207	51.4%
Permian	189	6.3%	77.8%	18	7.5%	74.5%	1,070	284	80.0%
Carthage	172	5.7%	29.7%	15	6.2%	26.0%	309	31	88.1%
Washakie	98	3.3%	35.9%	8	3.5%	37.5%	157	57	76.0%
Granite Wash	46	1.5%	35.7%	6	2.5%	43.2%	63	59	48.7%
Arkoma-Woodford	37	1.2%	20.0%	5	1.9%	21.6%	42	29	31.3%
New Ventures		%	%		%	%	1,370		N/M
Other	258	8.6%	24.4%	31	13.0%	19.5%	2,664	113	N/M
Total U.S.	**2,278**	**75.8%**	**30.4%**	**173**	**72.1%**	**28.8%**	**6,544**	**1,089**	**N/M**
Canada									
Jackfish	457	15.2%	100.0%	13	5.3%	100.0%	34	21	100.0%
Northwest	95	3.2%	41.0%	15	6.2%	24.5%	1,829	42	74.0%
Deep Basin	65	2.2%	14.6%	15	6.1%	10.5%	727	29	45.0%
Lloydminster	54	1.8%	78.6%	14	6.0%	81.6%	2,677	197	87.0%
Pike		%	%		%	%	59		50.0%
Other	56	1.8%	29.3%	10	4.3%	19.1%	1,501	27	N/M
Total Canada	**727**	**24.2%**	**77.6%**	**67**	**27.9%**	**47.1%**	**6,827**	**316**	N/M
Devon	**3,005**	**100.0%**	**41.9%**	**240**	**100.0%**	**33.9%**	**13,371**	**1,405**	**N/M**

(1) Gas proved reserves and production are converted to Boe at the rate of six Mcf of gas per Bbl of oil, based upon the approximate relative energy content of gas and oil. NGL reserves and production are converted to Boe on a one-to-one basis with oil.

N/M Not meaningful.

U.S.

Barnett Shale This is our largest property both in terms of production and proved reserves. Our leases are located primarily in Denton, Johnson, Parker, Tarrant and Wise counties in north Texas. The Barnett Shale is a non-conventional reservoir, producing natural gas and NGLs.

We are the largest producer in the Barnett Shale. Since acquiring a substantial position in this field in 2002, we continue to introduce technology and new innovations to enhance production and have transformed this into one of the top producing gas fields in North America. We have drilled nearly 5,000 wells in the Barnett Shale since 2002, yet we still have several thousand remaining drilling locations. In 2012, we plan to drill approximately 300 wells.

In addition, we have a significant processing plant and gathering system in North Texas to service these properties. Currently, these midstream assets include over 3,000 miles of pipeline, two natural gas processing plants with 750 MMcf per day of total capacity and a 15 MBbls per day NGL fractionator. To meet increasing demand from our liquids-rich development drilling, we intend to increase the size of our inlet processing capacity to 890 MMcf per day by early 2013.

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Cana-Woodford Shale Our acreage is located primarily in Oklahoma s Canadian, Blaine, Caddo, and Dewey counties. The Cana-Woodford Shale is a non-conventional reservoir and produces natural gas, NGLs and condensate.

The Cana-Woodford is a leading growth area for Devon and has rapidly emerged as one of the most economic shale plays in North America. We are the largest leaseholder and the largest producer in the Cana-Woodford. During 2011, we increased our production by 85%. We have several thousand remaining drilling locations. In 2012, we plan to drill approximately 200 wells.

In addition, we have constructed a gas processing plant with 200 MMcf per day of total capacity. To meet increasing demand from our development drilling, we intend to increase the size of our plant to 350 MMcf per day by mid-2013.

Permian Basin These properties have been a legacy asset for us and continue to offer both exploration and low-risk development opportunities. Our acreage is located in various counties in west Texas and southeast New Mexico. Our current drilling activity is targeting conventional and non-conventional liquids-rich targets within the Conventional Delaware, Bone Spring, Wolfcamp, Wolfberry and Avalon Shale plays. In 2012, we plan to drill more than 300 wells.

Carthage Our acreage is located primarily in Harrison, Marion, Panola and Shelby counties in east Texas. These wells produce natural gas and NGLs from conventional reservoirs. In 2012, we plan to drill approximately 35 wells.

Washakie These leases are concentrated in Wyoming s Carbon and Sweetwater counties. The Washakie wells produce natural gas and NGLs from conventional reservoirs. Targeting the Almond and Lewis formations, we have been among the most active drillers in the Washakie basin for many years.

Granite Wash Our acreage is concentrated in the Texas Panhandle and western Oklahoma. These properties produce liquids and natural gas from conventional reservoirs. Our legacy land position in the Granite Wash is held by production and provides some of the best economics in our portfolio. High initial production rates and strong liquids yields contribute to the superior full-cycle rates of return. In 2012, we plan to drill approximately 65 wells.

Arkoma-Woodford Shale Our acreage is located primarily in Coal and Hughes counties in southeastern Oklahoma. These properties produce natural gas and NGLs from a non-conventional reservoir. Our acreage in this play is held by production. In 2012, we do not plan to drill additional wells.

New Ventures During 2010 and 2011, we made significant acreage acquisitions targeting liquids rich production, including the following five exploration opportunities that we have publicly disclosed.

Michigan Basin Our 340,000 acres are located in central Michigan and target oil and gas in the A1 Carbonate and Utica shale.

Mississippian Our 230,000 acres are located in northern Oklahoma and target oil in the Mississippian Lime and Woodford shale.

Niobrara Our 300,000 acres are located primarily in eastern Wyoming and target oil in the Niobrara, Turner, Cordell, Mowry, Frontier and Parkman plays. Currently, we are using 3D seismic to identify appropriate drilling zones.

Ohio Utica Our 235,000 acres are located in Ohio and targets oil in the Utica shale.

Tuscaloosa Our 265,000 acres are located in Louisiana and Mississippi and target oil and gas in the silica rich shale zone.

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Additionally, in the first quarter of 2012, we expect to close our recently announced transaction in which our new partner will obtain a 33.3% interest in these new ventures properties for approximately $2.5 billion, including a $900 million payment at closing and $1.6 billion toward our share of future drilling costs. We will continue to de-risk the development of these properties with our partner by drilling approximately 125 wells in 2012.

Canada

Jackfish Jackfish is our thermal heavy oil project in the non-conventional oil sands of east central Alberta. We are the first and only U.S.-based independent energy company to develop and operate an oil sands project in Canada. We are employing steam-assisted gravity drainage at Jackfish. The first phase of Jackfish is fully operational with a gross facility capacity of 35 MBbls per day. The second phase of Jackfish began production in the second quarter of 2011 and will continue to increase production throughout 2012. Also, in 2011 we received regulatory approval for the construction of a third phase and will begin construction in 2012. We expect each phase to maintain a flat production profile for greater than 20 years at an average net production rate of approximately 25-30 MBbls per day.

To facilitate the delivery of our heavy oil production, we have a 50% interest in the Access Pipeline transportation system in Canada. This pipeline system allows us to blend our Jackfish heavy oil production with condensate or other blend-stock and transport the combined product to the Edmonton area for sale.

Northwest This region includes acreage in west central Alberta and northeast British Columbia. These properties produce liquids-rich natural gas and light gravity oil from conventional reservoirs. In 2012, we plan to drill approximately 25 wells.

The region includes both winter-only and all season access areas. Multi-zone drilling opportunities are common. Since initial exploration in the 1970s, the region has seen significant infrastructure expansion. We own and operate gas gathering and processing facilities in the area, enabling projects to be brought on-stream quickly.

Deep Basin Our properties in Canada s Deep Basin include portions of west central Alberta and east central British Columbia. The area produces natural gas and liquids from conventional reservoirs. In 2012, we plan to drill approximately 15 wells.

We are one of the major producers in the Deep Basin. We have used our large proprietary two-dimensional and three-dimensional seismic databases to build an extensive inventory of deep to mid-range drilling targets in this area. Most recently, we have been testing light oil targets in the Cardium formation and liquids-rich opportunities in the lower Cretaceous zones, including the Cadomin. The region has winter-only access restrictions in many areas, but offers year-round access in others. We control significant gas processing and transportation infrastructure throughout the region and hold interests in the only major gas facilities in the Wapiti area.

Lloydminster Our Lloydminster properties are located to the south and east of Jackfish in eastern Alberta and western Saskatchewan. Lloydminster produces heavy oil by conventional means, without the need for steam injection. In 2012, we plan to drill approximately 150 wells.

The region is well-developed with significant infrastructure and is primarily accessible year-round for drilling. Lloydminster is a low-risk, high margin oil development play. We have drilled over 2,300 wells in the area since 2003.

Pike Our Pike oil sands acreage is situated directly to the south of our Jackfish acreage in east central Alberta and has similar reservoir characteristics to Jackfish. The Pike leasehold is currently undeveloped and has no proved reserves or production as of December 31, 2011. We continued appraisal drilling in 2011 and will carry forward these activities into 2012. The results will help us determine the optimal configuration for the initial phase of development.

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Proved Reserves

For estimates of our proved, proved developed and proved undeveloped reserves and the discussion of the contribution by each key property, see Note 22 to the financial statements included in Item 8. Financial Statements and Supplementary Data of this report.

No estimates of our proved reserves have been filed with or included in reports to any federal or foreign governmental authority or agency since the beginning of 2011 except in filings with the SEC and the Department of Energy (DOE). Reserve estimates filed with the SEC correspond with the estimates of our reserves contained herein. Reserve estimates filed with the DOE are based upon the same underlying technical and economic assumptions as the estimates of our reserves included herein. However, the DOE requires reports to include the interests of all owners in wells that we operate and to exclude all interests in wells that we do not operate.

Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from known reservoirs under existing economic conditions, operating methods and government regulations. To be considered proved, oil and gas reserves must be economically producible before contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain. Also, the project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

The process of estimating oil, gas and NGL reserves is complex and requires significant judgment as discussed in Item 1A. Risk Factors of this report. As a result, we have developed internal policies for estimating and recording reserves. Such policies require proved reserves to be in compliance with the SEC definitions and guidance. Our policies assign responsibilities for compliance in reserves bookings to our Reserve Evaluation Group (the Group). These same policies also require that reserve estimates be made by professionally qualified reserves estimators (Qualified Estimators), as defined by the Society of Petroleum Engineers standards.

The Group, which is led by Devon s Director of Reserves and Economics, is responsible for the internal review and certification of reserves estimates. We ensure the Group s Director and key members of the Group have appropriate technical qualifications to oversee the preparation of reserves estimates, including any or all of the following:

- an undergraduate degree in petroleum engineering from an accredited university, or equivalent;
- a petroleum engineering license, or similar certification;
- memberships in oil and gas industry or trade groups; and
- relevant experience estimating reserves.

The current Director of the Group has all of the qualifications listed above. The current Director has been involved with reserves estimation in accordance with SEC definitions and guidance since 1987. He has experience in reserves estimation for projects in the U.S. (both onshore and offshore), as well as in Canada, Asia, the Middle East and South America. He has been employed by Devon for the past eleven years, including the past four in his current position. During his career with Devon and others, he was responsible for reserves estimation as the primary reservoir engineer for projects including, but not limited to:

- Hugoton Gas Field (Kansas),
- Sho-Vel-Tum CO_2 Flood (Oklahoma),
- West Loco Hills Unit Waterflood and CO_2 Flood (New Mexico),

Dagger Draw Oil Field (New Mexico),

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- Clarke Lake Gas Field (Alberta, Canada),
- Panyu 4-2 and 5-1 Joint Development (Offshore South China Sea), and
- ACG Unit (Caspian Sea).

From 2003 to 2010, he served as the reservoir engineering representative on our internal peer review team. In this role, he reviewed reserves and resource estimates for projects including, but not limited to the Mobile Bay Norphlet Discoveries (Gulf of Mexico Shelf), Cascade Lower Tertiary Development (Gulf of Mexico Deepwater) and Polvo Development (Campos Basin, Brazil).

The Group reports independently of any of our operating divisions. The Group s Director reports to our Vice President of Budget and Reserves, who reports to our Chief Financial Officer. No portion of the Group s compensation is directly dependent on the quantity of reserves booked.

Throughout the year, the Group performs internal audits of each operating division s reserves. Selection criteria of reserves that are audited include major fields and major additions and revisions to reserves. In addition, the Group reviews reserve estimates with each of the third-party petroleum consultants discussed below. The Group also ensures our Qualified Estimators obtain continuing education related to the fundamentals of SEC proved reserves assignments.

The Group also oversees audits and reserves estimates performed by third-party consulting firms. During 2011, we engaged two such firms to audit 95% of our proved reserves. LaRoche Petroleum Consultants, Ltd. audited the 2011 reserve estimates for 97% of our U.S. onshore properties. AJM Deloitte audited 89% of our Canadian reserves.

Audited reserves are those quantities of reserves that were estimated by our employees and audited by an independent petroleum consultant. The Society of Petroleum Engineers definition of an audit is an examination of a company s proved oil and gas reserves and net cash flow by an independent petroleum consultant that is conducted for the purpose of expressing an opinion as to whether such estimates, in aggregate, are reasonable and have been estimated and presented in conformity with generally accepted petroleum engineering and evaluation methods and procedures.

In addition to conducting these internal and external reviews, we also have a Reserves Committee that consists of three independent members of our Board of Directors. This committee provides additional oversight of our reserves estimation and certification process. The Reserves Committee assists the Board of Directors with its duties and responsibilities in evaluating and reporting our proved reserves, much like our Audit Committee assists the Board of Directors in supervising our audit and financial reporting requirements. Besides being independent, the members of our Reserves Committee also have educational backgrounds in geology or petroleum engineering, as well as experience relevant to the reserves estimation process.

The Reserves Committee meets a minimum of twice a year to discuss reserves issues and policies, and meets separately with our senior reserves engineering personnel and our independent petroleum consultants at those meetings. The responsibilities of the Reserves Committee include the following:

- approve the scope of and oversee an annual review and evaluation of our oil, gas and NGL reserves;
- oversee the integrity of our reserves evaluation and reporting system;
- oversee and evaluate our compliance with legal and regulatory requirements related to our reserves;
- review the qualifications and independence of our independent engineering consultants; and

monitor the performance of our independent engineering consultants.

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Production, Production Prices and Production Costs

The following table presents production, price and cost information for each significant field, country and continent.

	Production				Average Sales Price			Production Cost
Year Ended December 31,	**Oil (MMBbls)**	**Gas (Bcf)**	**NGLs (MMBbls)**	**Total (MMBoe)(1)**	**Oil (Per Bbl)**	**Gas (Per Mcf)**	**NGLs (Per Bbl)**	**(Per Boe)**
2011								
Barnett Shale	1	367	16	78	$ 94.23	$ 3.30	$ 39.00	$ 3.97
Jackfish	13			13	$ 58.16	$	$	$ 17.28
U.S.	17	740	33	173	$ 91.19	$ 3.50	$ 39.47	$ 5.35
Canada	28	213	4	67	$ 66.97	$ 3.87	$ 55.99	$ 13.82
North America	45	953	37	240	$ 76.06	$ 3.58	$ 41.10	$ 7.71
2010								
Barnett Shale	1	335	13	70	$ 77.40	$ 3.55	$ 29.97	$ 3.87
Jackfish	9			9	$ 52.51	$	$	$ 16.81
U.S.	16	716	28	163	$ 75.81	$ 3.76	$ 30.86	$ 5.47
Canada	25	214	4	65	$ 58.60	$ 4.11	$ 46.60	$ 12.37
North America	41	930	32	228	$ 65.14	$ 3.84	$ 32.61	$ 7.42
2009								
Barnett Shale		331	13	69	$ 58.78	$ 2.99	$ 22.36	$ 3.96
Jackfish	8			8	$ 41.07	$	$	$ 12.75
U.S.	17	743	26	167	$ 57.56	$ 3.20	$ 23.51	$ 5.97
Canada	25	223	4	66	$ 47.35	$ 3.66	$ 33.09	$ 10.15
North America	42	966	30	233	$ 51.39	$ 3.31	$ 24.71	$ 7.16

(1) Gas production is converted to Boe at the rate of six Mcf per Bbl of oil, based upon the approximate relative energy content of gas and oil. NGL production is converted to Boe on a one-to-one basis with oil.

Drilling Statistics

The following table summarizes our development and exploratory drilling results.

	Development Wells(1)		Exploratory Wells(1)		Total Wells(1)		
Year Ended December 31,	**Productive**	**Dry**	**Productive**	**Dry**	**Productive**	**Dry**	**Total**
2011							
U.S.	721.2	5.5	18.8	4.0	740.0	9.5	749.5
Canada	247.6	1.5	19.1	1.0	266.7	2.5	269.2
Total North America	968.8	7.0	37.9	5.0	1,006.7	12.0	1,018.7
2010							
U.S.	855.7	5.3	23.4	1.5	879.1	6.8	885.9
Canada	267.8		41.9	1.0	309.7	1.0	310.7
Total North America	1,123.5	5.3	65.3	2.5	1,188.8	7.8	1,196.6
2009							
U.S.	508.0	3.8	6.8	2.0	514.8	5.8	520.6
Canada	307.2		28.2		335.4		335.4

Total North America	815.2	3.8	35.0	2.0	850.2	5.8	856.0

(1) These well counts represent net wells completed during each year. Net wells are gross wells multiplied by our fractional working interests on the well.

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The following table presents the February 1, 2012, results of our wells that were in progress on December 31, 2011.

	Productive		Dry		Still in Progress		Total	
	Gross(1)	Net(2)	Gross(1)	Net(2)	Gross(1)	Net(2)	Gross(1)	Net(2)
U.S.	221	150.7			43	22.5	264	173.2
Canada	6	5.5			1	1.0		