

Devon Energy Deals Central Basin Platform Assets For \$191 Million

By Darren Barbee

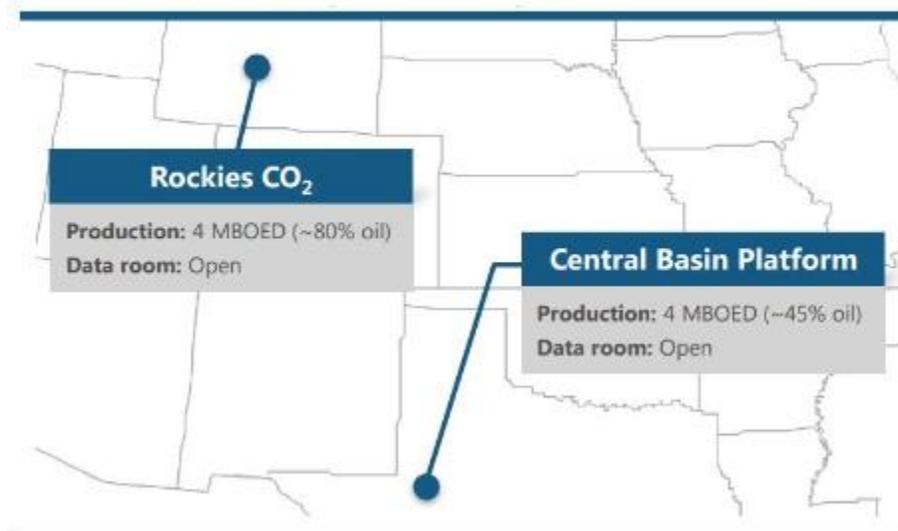
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Hart Energy

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Devon Energy Corp. (NYSE: DVN) has apparently sold its Central Basin Platform (CBP) assets located in the Permian Basin to Stronghold Energy II for \$191 million, according to a notice on RBC Richardson Barr's website.

Devon Pending Divestitures



Devon Energy Central Basin Platform Map (Source: Devon Energy Corp.)

The notice, dated January 2019, said Devon "has divested certain oil and gas properties." The deal had been pending as early as Jan. 24. No further details were available, including whether the parties had reached an agreement or had closed the deal.

RBC confirmed the deal closed in January.

Devon said on its third-quarter earnings call that it had opened a data room for the assets, which produce 4,000 barrels of oil equivalent per day (boe/d), 45% of which is oil.

Stronghold a private company based in Midland, Texas, backed by private-equity firm Warbug Pincus since January 2018. The company formed in 2017 to focus on acquiring acreage in the CBP.

Stronghold is led by Steve Weatherl, an Exxon Mobil Corp. (NYSE: XOM) trained geologist with extensive Permian Basin experience.

Devon continues to move forward with the monetization of its Rockies CO₂ noncore assets, Seaport Global analysts said in a Jan. 22 report. The Rockies assets generate about 4,000 boe/d, 80% of which is oil. The data room for those assets was also open.