

THE AMERICAN LAWYER

law.com/americanlawyer

MARCH 2025

THE 2025 DEALMAKERS OF THE YEAR



KRISHNA VEERARAGHAVAN AND BENJAMIN GOODCHILD
PAUL, WEISS, RIFKIND, WHARTON & GARRISON

THE 2025 DEALMAKERS OF THE YEAR

By Brenda Sapino Jeffreys

Paul, Weiss, Rifkind, Wharton & Garrison partner Krishna Veeraraghavan faced a number of unusual challenges when advising Endeavor Energy Resources, a private exploration and production company in its \$26 billion merger with Diamondback Energy.

The deal combined two companies with headquarters across the street from each other in the West Texas city of Midland. But despite a list of unusual challenges, Veeraraghavan, global co-head of the firm's M&A group and a partner in New York, said it was "an amazing deal to work on."

About a year before the merger closed in September 2024, Texas oilman Autry Stephens, who owned almost all of Endeavor, engaged the firm when he was thinking about selling the company.

Stephens faced a cancer diagnosis and wanted to ensure the transfer of generational wealth. But the engagement came with challenges, with oil and gas companies in the Permian Basin engaged in fevered consolidation at the time, and combining the privately-held Endeavor – itself very active in the Permian Basin – with a public company provided other complications.

"Getting people to do a public-style deal for a private company" was a significant issue, said Benjamin Goodchild, a corporate partner in New York and member of the firm's M&A group who worked with Veeraraghavan on the transaction.

"That was definitely an outlier in terms of the common approach for private deals in this space. That required a lot of discussions amongst the principals and all the way through," Veeraraghavan said.

"Those multiple challenges stemmed from the need to achieve the multiple objectives," Veeraraghavan said.

Paul, Weiss worked on the deal for about a year, Veeraraghavan said. Vinson & Elkins was co-counsel on the transaction.

Ultimately, Goodchild said, they negotiated with at least three counterparties until the deal came together with Diamondback, which was represented by Wachtell Lipton Rosen & Katz.

"It was an awful lot of work, a one-year-long effort, really a marathon," Goodchild said.

The \$26 billion deal – the definitive merger agreement was announced in February 2024 – called for Diamondback to pay Endeavor with common stock and about \$8 billion in cash. After the closing, Diamondback stockholders owned about 60.5% of the stock, and Endeavor's equity holders about 39.5%.

The deal was expected to close during the fourth quarter of 2024 but ultimately closed in September 2024, following an antitrust review by the Federal Trade Commission.

The closing came shortly after Stephens, who founded his company in 1979, passed away in August 2024 at age 86.