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## Skadden, Gibson Dunn Steer \$58B Devon, Coterra Deal

By **Al Barbarino**

*Law360 (February 2, 2026, 8:37 AM EST)* -- Devon Energy and Coterra Energy said Monday they have agreed to merge in a roughly \$58 billion all-stock transaction, including debt, with Skadden Arps Slate Meagher & Flom LLP advising Devon and Gibson Dunn & Crutcher LLP representing Coterra.

Under the agreement, Coterra shareholders will receive 0.70 share of Devon common stock for each share of Coterra common stock, according to a joint announcement.

Devon shareholders would own approximately 54% of the combined company, which would retain the Devon name, while Coterra shareholders would own approximately 46%.

The merged company, headquartered in Houston while maintaining significant presence in Oklahoma City, will be a leading large-cap shale operator anchored by a "premier position" in the economic core of the Delaware Basin, the announcement said.

The deal is expected to generate \$1 billion in annual pre-tax synergies by year-end 2027, driven by operating efficiencies, streamlined corporate costs and optimized capital allocation.

"This transformative merger combines two companies with proud histories and cultures of operational excellence, creating a premier shale operator," Devon President and CEO Clay Gaspar said, in the announcement.

Coterra Chairman, CEO and President Tom Jorden said the combined company will offer "best-in-class rock quality and inventory depth, supported by a balanced commodity mix, leading cost structure, and a conservative balance sheet."

After the merger, Gaspar will serve as president and CEO, while Jorden will become non-executive chair. The board will consist of 11 directors, with six from Devon and five from Coterra.

The companies said pro forma third-quarter 2025 production would exceed 1.6 million barrels of oil equivalent per day, including more than 550,000 barrels of oil per day and 4.3 billion cubic feet of gas per day.

More than half of output and cash flow would come from the Delaware Basin, where the combined company will control nearly 750,000 net acres and more than 10 years of "top-tier inventory."

The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals and customary closing conditions. That includes approvals by Devon and Coterra shareholders, the companies said.

Evercore is advising Devon as financial adviser while Goldman Sachs and J.P. Morgan Securities are advising Coterra.

Fried Frank Harris Shriver & Jacobson LLP advised Evercore, led by partners Roy Tannenbaum and Philip Richter.

The Skadden team includes partners Steve Gill, Dohyun Kim, Mingda Zhao, Elizabeth Gonzalez-Sussman, Emery Choi, Erica Schohn, Joseph Penko, Michael Hong, Steven Messina, Trevor Allen and David Wales.

The Gibson Dunn team includes partners Tull Florey, Hillary Holmes, Andrew Kaplan, Rahul Vashi, Shalla Prichard, Krista Hanvey and Joshua Lipton.

--Editing by Alyssa Miller.