

# US Energy Sector M&A & Valuation TLDR - 2025-11-26

US Energy Sector

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## 1. 30-Second TL;DR

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- Diversified Energy acquired Canvas Energy for \$550 million, enhancing its operational footprint in Oklahoma with a competitive valuation multiple of 3.5x NTM EBITDA.
- Orintiv's acquisition of NuVista Energy aims to boost production capacity, although specific financials remain undisclosed.
- The energy sector is experiencing volatility due to geopolitical tensions, with oil prices around \$58, while renewable energy sectors show growth potential.
- Average EV/EBITDA multiples are 8.5x, with oil and gas at 6.3x and renewable energy at 15.1x, indicating a premium for growth sectors.

## 2. 1-Minute TL;DR

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- Diversified Energy's acquisition of Canvas Energy for \$550 million is a strategic move to expand its presence in Oklahoma, with a purchase price multiple of approximately 3.5x NTM EBITDA, enhancing production and growth opportunities.
- Orintiv's acquisition of NuVista Energy, while lacking specific financial details, is expected to significantly increase production capacity and streamline operations.
- The energy sector is currently volatile, influenced by geopolitical developments, particularly in Ukraine, leading to oil prices around \$58. The average EV/EBITDA multiple for the sector stands at 8.5x, with oil and gas trading lower at 6.3x, while renewable energy commands a higher multiple of 15.1x.
- Investors are advised to focus on resilient companies and monitor geopolitical events, as these factors will shape future market dynamics.

## 3. 2-Minute TL;DR

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- Diversified Energy's acquisition of Canvas Energy for \$550 million is a strategic horizontal move aimed at enhancing its operational footprint in Central Oklahoma. The deal, valued at a competitive 3.5x NTM EBITDA, is expected to increase net production by 13% and includes valuable undeveloped

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acreage for future growth. However, risks such as integration challenges and market volatility remain.

- Ovintiv's acquisition of NuVista Energy, announced for November 4, 2025, aims to enhance production capacity by approximately 100,000 BOE/day in 2026, aligning with its strategy to optimize its asset base. While specific valuation multiples are not disclosed, the focus on cash flow generation is evident.

- The energy sector is currently navigating a volatile landscape, heavily influenced by geopolitical tensions, particularly the situation in Ukraine, which has led to fluctuations in oil prices around \$58. The average EV/EBITDA multiple for the energy sector is approximately 8.5x, with oil and gas at 6.3x and renewable energy at 15.1x, indicating a premium for growth sectors.

- Key market drivers include geopolitical developments and strong cash flows from companies like EOG Resources, while headwinds consist of supply overhang and economic uncertainty. Investors are encouraged to focus on resilient companies and consider reallocating capital towards high-growth sectors like renewable energy, as the market continues to evolve.