

Diamondback Energy, Inc.
Form S-4
April 26, 2017
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As filed with the Securities and Exchange Commission on April 26, 2017

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Diamondback Energy, Inc.*
(Exact Name of Registrant As Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1311
(Primary Standard Industrial
Classification Code Number)

45-4502447
(I.R.S. Employer
Identification Number)

500 West Texas

Suite 1200

Midland, Texas 79701

(432) 221-7400

(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

Teresa L. Dick

Chief Financial Officer

14301 Caliber Drive, Suite 300

Oklahoma City, Oklahoma 73134

(405) 463-6900

(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies to:

Seth R. Molay, P.C.

Akin Gump Strauss Hauer & Feld LLP

1700 Pacific Avenue, Suite 4100

Dallas, TX 75201

(214) 969-4780

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration

statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company)

Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount Registered	Proposed Maximum Per Unit Offering Price	Proposed Maximum Offering Price Aggregate	Amount of Registration Fee(1)(2)
4.750% Senior Notes due 2024	\$500,000,000	100.0%	\$500,000,000	\$57,950.00
5.375% Senior Notes due 2025	\$500,000,000	100.0%	\$500,000,000	\$57,950.00
Guarantees of 4.750% Senior Notes due 2024(2)				None(3)
Guarantees of 5.375% Senior Notes due 2025(2)				None(3)

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- (1) Calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933, as amended.
- (2) Diamondback O&G LLC and Diamondback E&P LLC will guarantee the notes being registered.
- (3) Pursuant to Rule 457(n) under the Securities Act of 1933, as amended, no registration fee for the registration of the guarantees is required.

*** Co-Registrants**

Exact Name of Co-Registrant as Specified in its Charter (1)	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number
Diamondback O&G LLC	Delaware	26-1409444
Diamondback E&P LLC	Delaware	36-4728559

- (1) The address of each Co-Registrant is c/o Diamondback Energy, Inc., 500 West Texas, Suite 1200, Midland, Texas 79701 and the telephone number for each Co-Registrant is (432) 221-7400.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not exchange these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED April 26, 2017

PRELIMINARY PROSPECTUS

DIAMONDBACK ENERGY, INC.

Offer to Exchange

up to \$500,000,000 of

outstanding 4.750% Senior Notes due 2024

for

up to \$500,000,000 of

4.750% Senior Notes due 2024

that have been registered

under the Securities Act of 1933, as amended

And

up to \$500,000,000 of

outstanding 5.375% Senior Notes due 2025

for

up to \$500,000,000 of

5.375% Senior Notes due 2025

that have been registered
under the Securities Act of 1933, as amended

Each Exchange Offer (defined below) will expire at midnight, New York City Time, on _____, 2017, unless we extend such Exchange Offer. We do not currently intend to extend the Exchange Offers.

We are offering to exchange up to \$500,000,000 aggregate principal amount of our new 4.750% Senior Notes due 2024, or the 2024 Exchange Notes, which have been registered under the Securities Act of 1933, as amended, or the Securities Act, for an equal principal amount of our outstanding 4.750% Senior Notes due 2024, or the 2024 Initial Notes, issued in a private offering on October 28, 2016, and up to \$500,000,000 aggregate principal amount of our new 5.375% Senior Notes due 2025, or the 2025 Exchange Notes, which have been registered under the Securities Act of 1933 for an equal principal amount of our outstanding 5.375% Senior Notes due 2025, or the 2025 Initial Notes, issued in a private offering December 20, 2016. We refer to the 2024 Exchange Notes and the 2025 Exchange Notes collectively as the Exchange Notes and the 2024 Initial Notes and the 2025 Initial Notes collectively as the Initial Notes. We refer to the Exchange Notes and the Initial Notes collectively as the Notes. We refer to the 2024 Exchange Notes and the 2024 Initial Notes collectively as the 2024 Notes and the 2025 Exchange Notes and the 2025 Initial Notes collectively as the 2025 Notes. We refer to the exchange of the 2024 Exchange Notes for the 2024 Initial Notes as the 2024 Exchange Offer and the exchange of the 2025 Exchange Notes for the 2025 Initial Notes as the 2025 Exchange Offer. The 2024 Exchange Offer and the 2025 Exchange Offer are collectively referred to as the Exchange Offers.

We will exchange all 2024 Initial Notes that are validly tendered and not validly withdrawn prior to the closing of the 2024 Exchange Offer for an equal principal amount of the 2024 Exchange Notes that have been registered. We will exchange all 2025 Initial Notes that are validly tendered and not validly withdrawn prior to the closing of the 2025 Exchange Offer for an equal principal amount of the 2025 Exchange Notes that have been registered.

You may withdraw tenders of the 2024 Initial Notes and the 2025 Initial Notes, as applicable, at any time prior to the expiration of the 2024 Exchange Offer and the 2025 Exchange Offer.

The terms of the 2024 Exchange Notes and 2025 Exchange Notes to be issued are identical in all material respects to the terms of the 2024 Initial Notes and the 2025 Initial Notes, respectively, except for transfer restrictions and registration rights that do not apply to the Exchange Notes, and different administrative terms.

The 2024 Exchange Notes, together with any 2024 Initial Notes not exchanged in the 2024 Exchange Offer, will constitute a single class of debt securities under the indenture governing the 2024 Exchange Notes and 2024 Initial Notes, or the 2024 Indenture.

The 2025 Exchange Notes, together with any 2025 Initial Notes not exchanged in the 2025 Exchange Offer, will constitute a single class of debt securities under the indenture governing the 2025 Exchange Notes and 2025 Initial Notes, or the 2025 Indenture. We refer to the 2024 Indenture and the 2025 Indenture collectively as the Indentures.

The exchange of the Initial Notes will not be a taxable exchange for United States federal income tax purposes.

We will not receive any proceeds from the Exchange Offers.

We do not intend to list the Exchange Notes on any securities exchange and, therefore, no active public market is anticipated for the Exchange Notes.

See **Risk Factors** beginning on page 10 for a discussion of factors that you should consider before tendering your Initial Notes.

Each broker-dealer that receives any Exchange Notes for its own account in the applicable Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. The related letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of the Exchange Notes received in exchange for the Initial Notes where such Initial Notes in the applicable Exchange Offer were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days following the effective date of the registration statement of which this prospectus forms a part, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See *Plan of Distribution*.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2017.

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. In making your investment decision, you should rely only on the information contained or incorporated by reference into this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in this prospectus, as well as the information we previously filed with the Securities and Exchange Commission that is incorporated by reference herein, is accurate as of any date other than its respective date.

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This prospectus incorporates by reference important business and financial information about us that is not included or delivered with this prospectus. Copies of this information are available without charge to any person to whom this prospectus is delivered and to any person who holds Notes, upon written or oral request. Written requests should be directed to Diamondback Energy, Inc., Attention: Investor Relations, at 500 West Texas, Suite 1200, Midland, Texas 79701. Oral requests should be made by calling our Investor Relations Department at (432) 221-7400.

In order to ensure timely delivery of the documents, you must make your requests to us no later than _____, 2017 (which is five business days prior to the expiration of the Exchange Offers, unless we extend one or both of the Exchange Offers). In the event that we extend one or both of the Exchange Offers, you must submit your

request at least five business days before the expiration date of the Exchange Offer applicable to your Notes, as extended.

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WHERE YOU CAN FIND MORE INFORMATION

We currently file periodic reports and other information under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Under the terms of the Indentures, we have agreed that, whether or not we are required to do so by the rules and regulations of the Securities and Exchange Commission, or the SEC, for so long as any of the 2024 or 2025 Notes remain outstanding, we will furnish to the trustee and the holders of the applicable Notes and, upon written request, to prospective investors, and file with the SEC (unless the SEC will not accept such a filing) (i) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if we were required to file such reports, including a Management's Discussion and Analysis of Financial Condition and Results of Operations and, with respect to the annual information only, a report thereon by our independent registered public accountant and (ii) all reports that would be required to be filed with the SEC on Form 8-K if we were required to file such reports, in each case within the time period specified in the rules and regulations of the SEC. In addition, for so long as any of the Notes remain outstanding, we have agreed to make available to any holder of the Notes or prospective purchaser of the Notes, at their request, the information required by Rule 144A(d)(4) under the Securities Act. This prospectus contains or incorporates by reference summaries of certain agreements that we have entered into, such as the Indentures and the agreements described under *Description of Other Indebtedness*, *Description of 2024 Exchange Notes* and *Description of 2025 Exchange Notes*. The descriptions contained or incorporated by reference into this prospectus of these agreements do not purport to be complete and are qualified in their entirety by reference to the definitive agreements. Copies of the definitive agreements will be made available without charge to you by making a written or oral request to us.

Our SEC filings are available to the public over the Internet at the SEC's web site at www.sec.gov, which contains reports, proxy and information statements, and other information regarding issuers that file electronically. You may also read and copy any document we file with the SEC at the SEC's Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room and copy charges. Also, using our website, <http://www.diamondbackenergy.com>, you can access electronic copies of documents we file with the SEC, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any amendments to those reports. Information on our website is not incorporated by reference into this prospectus. You may also request a copy of those filings, excluding exhibits, at no cost by writing to Diamondback Energy, Inc., Attention: Investor Relations, at 500 West Texas, Suite 1200, Midland, Texas 79701, or calling (432) 221-7400.

INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus the information we provide in other documents filed by us with the SEC. The information incorporated by reference is an important part of this prospectus. Any statement contained in a document that is incorporated by reference in this prospectus is automatically updated and superseded if information contained in this prospectus, or information that we later file with the SEC, modifies and replaces this information. We incorporate by reference the following documents that we have filed with the SEC (except as indicated below with respect to Item 2.02 or Item 7.01 of Form 8-K):

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our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on February 15, 2017; and

our Current Reports on Form 8-K, filed with the SEC on March 6, 2017 and March 8, 2017.

In addition, all documents filed by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than those furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K, unless otherwise stated therein) (i) after the date of the initial registration statement of which this prospectus is a part and prior to effectiveness of such registration statement and (ii) after the date of this prospectus through the completion of the

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applicable exchange offer, in each case, will be deemed to be incorporated by reference into this prospectus and to be a part of this prospectus from the dates of the filing of such documents. Pursuant to General Instruction B of Form 8-K, any information submitted under Item 2.02, Results of Operations and Financial Condition, or Item 7.01, Regulation FD Disclosure, of Form 8-K is not deemed to be filed for the purpose of Section 18 of the Exchange Act, and we are not subject to the liabilities of Section 18 with respect to information submitted under Item 2.02 or Item 7.01 of Form 8-K. We are not incorporating by reference any information submitted under Item 2.02 or Item 7.01 of Form 8-K into any filing under the Securities Act or the Exchange Act or into this prospectus, unless otherwise indicated on such Form 8-K.

You may request a copy of this prospectus or any of the incorporated documents (excluding exhibits, unless the exhibits are specifically incorporated) at no charge to you by writing to Diamondback Energy, Inc., Attention: Investor Relations, at 500 West Texas, Suite 1200, Midland, Texas 79701, or calling (432) 221-7400.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed modified, superseded or replaced for purposes of this prospectus to the extent that a statement contained in this prospectus modifies, supersedes or replaces such statement.

INDUSTRY AND MARKET DATA

We obtained the industry and market data used throughout or incorporated by reference into this prospectus from our own research, surveys or studies conducted by third parties and industry or general publications. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While we believe that each of these studies and publications is reliable, neither we nor the initial purchasers have independently verified such data and neither we nor the initial purchasers make any representation as to the accuracy of such information. Similarly, we believe our internal research is reliable but it has not been verified by any independent sources.

NON-GAAP FINANCIAL MEASURES

Consolidated Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. We define Consolidated Adjusted EBITDA as net income (loss) plus non-cash loss on derivative instruments, net, interest expense, depreciation, depletion and amortization expense, impairment of oil and natural gas properties, non-cash equity-based compensation expense, capitalized equity-based compensation expense, asset retirement obligation accretion expense, income tax (benefit) provision and non-controlling interest. Consolidated Adjusted EBITDA is not a measure of net income (loss) as determined by United States generally accepted accounting principles, or GAAP. Management believes Consolidated Adjusted EBITDA is useful because it allows it to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure. We add the items listed above to net income (loss) in arriving at Consolidated Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending

upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Consolidated Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income (loss) as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. Certain items excluded from Consolidated Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Consolidated Adjusted EBITDA. Our computations of Consolidated Adjusted EBITDA may not be comparable to other similarly titled measure of other companies or

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to such measure in our revolving credit facility or any of our other contracts, including the Indentures. We have included a reconciliation of Consolidated Adjusted EBITDA to net income, the most directly comparable GAAP financial measure, elsewhere in this prospectus.

PV-10 is a non-GAAP measure because it excludes income tax effects. Management believes that the presentation of the non-GAAP financial measure of PV-10 provides useful information to investors because it is widely used by professional analysts and sophisticated investors in evaluating oil and gas companies. PV-10 is not a measure of financial or operating performance under GAAP. PV-10 should not be considered as an alternative to the standardized measure as defined under GAAP. We have included a reconciliation of PV-10 to the standardized measure of discounted future net cash flows, the most directly comparable GAAP measure, elsewhere in this prospectus.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated by reference, contains forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about our:

business strategy;

exploration and development drilling prospects, inventories, projects and programs;

oil and natural gas reserves;

acquisitions

identified drilling locations;

ability to obtain permits and governmental approvals;

technology;

financial strategy;

realized oil and natural gas prices;

production;

lease operating expenses, general and administrative costs and finding and development costs;

future operating results; and

plans, objectives, expectations and intentions.

All of these types of statements, other than statements of historical fact included or incorporated by reference in this prospectus, are forward-looking statements. These forward-looking statements may be found in the *Summary* and *Risk Factors* included elsewhere in this prospectus, in Management's Discussion and Analysis of Financial Condition and

Results of Operations and Business and Properties included in our Annual Report on Form 10-K for the year ended December 31, 2016 and subsequent filings we make with the SEC incorporated by reference in this prospectus. In some cases, you can identify forward-looking statements by terminology such as may, could, should, expect, plan, project, intend, anticipate, believe, estimate, predict, potential, pursue, target, seek, objective or of such terms or other comparable terminology.

The forward-looking statements contained or incorporated by reference in this prospectus are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, our management's assumptions about future events may prove to be inaccurate. Our management cautions all readers that the forward-looking statements contained or incorporated by reference in this prospectus are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to the many factors including those described under *Risk Factors* and elsewhere in this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2016 and subsequent filings we make with the SEC incorporated by reference in this prospectus. All forward-looking statements contained in this prospectus or included in a document incorporated by reference herein speak only as of the date hereof or thereof, respectively. We do not intend to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

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SUMMARY

This summary highlights selected information contained in, or incorporated by reference into, this prospectus about us and the Exchange Offers. This summary does not contain all the information that is important to you. You should read the entire prospectus carefully, including the Risk Factors, as well as the financial statements and related notes thereto and other information incorporated by reference into this prospectus. In this prospectus, we refer to Diamondback, together with its consolidated subsidiaries, as we, us, our or the Company. This prospectus includes certain terms commonly used in the oil and natural gas industry, which are defined elsewhere in this prospectus in the Glossary of Oil and Natural Gas Terms.

Diamondback Energy, Inc.

Overview

We are an independent oil and natural gas company focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves in the Permian Basin in West Texas. This basin, which is one of the major producing basins in the United States, is characterized by an extensive production history, a favorable operating environment, mature infrastructure, long reserve life, multiple producing horizons, enhanced recovery potential and a large number of operators.

We began operations in December 2007 with our acquisition of 4,174 net acres in the Permian Basin. At December 31, 2016, our total net acreage position in the Permian Basin was approximately 105,894 net acres. In addition, we, through our subsidiary Viper Energy Partners LP, or Viper, own mineral interests underlying approximately 107,568 gross (6,404 net royalty) acres primarily in Midland County, Texas in the Permian Basin. Approximately 41% of these net acres are operated by us. We own Viper Energy Partners GP LLC, the general partner of Viper, which we refer to as the general partner, and we own approximately 74% of the limited partner interest in Viper.

Our activities are primarily focused on horizontal development of the Spraberry and Wolfcamp formations of the Midland Basin and the Wolfcamp and Bone Spring formations of the Delaware Basin, both of which are part of the larger Permian Basin in West Texas and New Mexico. The Permian Basin is characterized by high oil and liquids rich natural gas, multiple vertical and horizontal target horizons, extensive production history, long-lived reserves and high drilling success rates.

As of December 31, 2016, our estimated proved oil and natural gas reserves were 205,457 MBOE (which includes estimated reserves of 31,435 MBOE attributable to the mineral interests owned by Viper), based on reserve reports prepared by Ryder Scott Company, L.P., or Ryder Scott, our independent reserve engineers. Of these reserves, approximately 57.9% are classified as proved developed producing. Proved undeveloped, or PUD, reserves included in this estimate are from 120 gross (102 net) horizontal well locations in which we have a working interest, and 14 horizontal wells in which we own only a mineral interest through our subsidiary, Viper. As of December 31, 2016, our estimated proved reserves were approximately 68% oil, 18% natural gas liquids and 14% natural gas.

Our Offices

Our principal executive offices are located at 500 West Texas, Suite 1200, Midland, Texas 79701, and our telephone number at that address is (432) 221-7400. We also lease additional office space in Midland and in Oklahoma City, Oklahoma. Our website address is www.diamondbackenergy.com. Information contained on our website does not constitute part of this prospectus.

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Summary of the Terms of the Exchange Offers

The summary below includes a description of the principal terms of the Exchange Offers. Certain of the terms and conditions described below are subject to important limitations and exceptions. Additional information regarding the terms and conditions of the Exchange Offers and the Exchange Notes can be found under the headings *The Exchange Offers*, *Description of 2024 Exchange Notes* and *Description of 2025 Exchange Notes*.

The 2024 Initial Notes

On October 28, 2016, we issued \$500,000,000 million in aggregate principal amount of 4.750% Senior Notes due 2024, which we refer to as the 2024 Initial Notes, to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to certain non-U.S. persons in accordance with Regulation S under the Securities Act under an indenture among us, our subsidiary guarantors and Wells Fargo Bank, National Association, as the trustee, which indenture we refer to as the 2024 Indenture.

The 2025 Initial Notes

On December 20, 2016, we issued \$500,000,000 million in aggregate principal amount of 5.375% Senior Notes due 2025, which we refer to as the 2025 Initial Notes, to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to certain non-U.S. persons in accordance with Regulation S under the Securities Act under an indenture among us, our subsidiary guarantors and Wells Fargo Bank, National Association, as the trustee, which indenture we refer to as the 2025 Indenture.

We refer to the 2024 Initial Notes and the 2025 Initial Notes collectively as the Initial Notes. We refer to the 2024 Indenture and the 2025 Indenture collectively as the Indentures.

The Exchange Offers

We are offering to exchange up to \$500.0 million aggregate principal amount of our 4.750% Senior Notes due 2024 that have been registered under the Securities Act for up to \$500.0 million aggregate principal amount of 2024 Initial Notes and up to \$500.0 million aggregate principal amount of our 5.375% Senior Notes due 2025 that have been registered under the Securities Act for up to \$500.0 million aggregate principal amount of 2025 Initial Notes. You may exchange your Initial Notes only by following the procedures described elsewhere in this prospectus under the *The Exchange Offers Procedures for Tendering Initial Notes*.

Registration Rights

We issued the 2024 Initial Notes in a private offering on October 28, 2016 and the 2025 Initial Notes in a private offering on December 20,

2016. In connection with the offering of the Initial Notes, we entered into registration rights agreements with the initial purchasers of the Initial Notes, or the initial purchasers, which agreements provide for, among other things, these Exchange Offers.

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Resale of Exchange Notes

Based upon interpretive letters written by the SEC, we believe that the Exchange Notes issued in the Exchange Offers may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

You are acquiring the Exchange Notes in the ordinary course of your business;

You are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes; and

You are not our affiliate, as that term is defined for the purposes of Rule 144A under the Securities Act.

If any of the foregoing is not true and you transfer any Exchange Note without registering the Exchange Note and delivering a prospectus meeting the requirements of the Securities Act, or without an exemption from registration of your Exchange Notes from such requirements, you may incur liability under the Securities Act. We do not assume any responsibility for, and will not indemnify you for, any such liability. Each broker-dealer that receives Exchange Notes for its own account in exchange for Initial Notes that were acquired by such broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the Exchange Notes. A broker-dealer may use this prospectus for an offer to resell, a resale or any other retransfer of the Exchange Notes. See *Plan of Distribution*.

Consequences for Failure to Exchange Initial Notes

Initial Notes that are not tendered or that are tendered but not accepted will, following the completion of the Exchange Offers, continue to be subject to existing restrictions upon transfer. The trading market for Initial Notes not exchanged in the Exchange Offers may be significantly more limited than at present. Therefore, if your Initial Notes are not tendered and accepted in the Exchange Offers, it may become more difficult for you to sell or transfer your Initial Notes. Furthermore, you will no longer be able to compel us to register the Initial Notes under the Securities Act and we will not be required to pay additional interest as described in the registration rights agreements. In addition, you will not be able to offer or sell the Initial Notes unless they are registered under the Securities Act (and we will have no obligation to register them, except in limited circumstances), or unless you offer or sell them under

an exemption from the requirements of, or a transaction not subject to, the Securities Act.

Expiration of the Exchange Offers

Each Exchange Offer will expire at midnight, New York City time on _____, 2017, unless we decide to extend the expiration date for such Exchange Offer.

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Conditions to the Exchange Offers

Neither Exchange Offer is subject to any condition other than certain customary conditions, which we may, but are not required to, waive. We currently anticipate that each of the conditions will be satisfied and that we will not need to waive any conditions. We reserve the right to terminate or amend each Exchange Offer at any time before the expiration date of such Exchange Offer if any such condition occurs. In the event of a material change in either of the Exchange Offers, including the waiver of a material condition, we will extend, if necessary, the expiration date of the affected Exchange Offer such that at least five business days remain in the affected Exchange Offer following notice of the material change. For additional information regarding the conditions to the Exchange Offers, see *The Exchange Offers Conditions to the Exchange Offers*.

Procedures for Tendering Initial Notes

If you wish to accept the Exchange Offer applicable to your Initial Notes, you must complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal, and transmit it together with all other documents required by the letter of transmittal (including the Initial Notes to be exchanged) to Wells Fargo Bank, National Association, as exchange agent, at the address set forth on the cover page of the letter of transmittal. In the alternative, you can tender your Initial Notes by following the procedures for book-entry transfer, as described in this prospectus. For more information on accepting the Exchange Offer applicable to your Initial Notes and tendering your Initial Notes, see *The Exchange Offers Procedures for Tendering Initial Notes*.

Special Procedures for Beneficial Owners

If you are a beneficial holder whose Initial Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your Initial Notes in the applicable Exchange Offer, you should contact the registered holder promptly and instruct the registered holder to tender your Initial Notes on your behalf. If you are a beneficial holder and you wish to tender your Initial Notes on your own behalf, you must, prior to delivering the letter of transmittal and your Initial Notes to the exchange agent, either make appropriate arrangements to register ownership of your Initial Notes in your own name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Withdrawal Rights

You may withdraw the tender of your Initial Notes at any time prior to midnight, New York City time, on the expiration date of the Exchange Offer applicable to your Initial Notes. To withdraw, you must send a written or facsimile transmission of your notice of withdrawal to the exchange agent as described under *The Exchange Offers Withdrawal of Tenders* by midnight, New York City time, on the expiration date.

Acceptance of Initial Notes and Delivery of Exchange Notes Subject to certain conditions, we will accept all Initial Notes that are properly tendered in the Exchange Offers and not withdrawn prior to midnight, New York City time, on the expiration date. We will

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deliver the Exchange Notes promptly after the expiration date. Initial Notes will be validly tendered and not validly withdrawn if they are tendered in accordance with the terms of the applicable Exchange Offer as detailed under *The Exchange Offers Procedures for Tendering Initial Notes* and not withdrawn in accordance with the terms of the Exchange Offers as detailed under *The Exchange Offers Withdrawal of Tenders*.

United States Federal Income Tax Consequences

We believe that the exchange of Initial Notes for Exchange Notes generally will not be a taxable exchange for federal income tax purposes, but you should consult your tax adviser about the tax consequences of this exchange. See *Material U.S. Federal Income Tax Considerations*.

Exchange Agent

Wells Fargo Bank, National Association, the trustee under the Indentures, is serving as exchange agent in connection with the Exchange Offers. The mailing address of the exchange agent is set forth on the cover page of the letter of transmittal.

Fees and Expenses

We will bear all expenses related to consummating the Exchange Offers and complying with the registration rights agreements.

Use of Proceeds

We will not receive any cash proceeds from the issuance of the Exchange Notes. We received net proceeds of approximately \$496.0 million, after deducting the initial purchasers' discounts and offering expenses, from the issuance of the 2024 Initial Notes, which we used to (i) to purchase our outstanding 2021 Senior Notes tendered pursuant to a tender offer for all of our outstanding 2021 Senior Notes, to pay fees and expenses thereof and to redeem all of our 2021 Senior Notes that were not tendered and remained outstanding thereafter and (ii) for general corporate purposes. We received net proceeds of approximately \$495.8 million, after deducting the initial purchasers' discounts and offering expenses, from the issuance of the 2025 Initial Notes, which we used to fund a portion of the cash consideration for our previously reported acquisition of certain assets from Brigham Resources Operating, LLC and Brigham Resources Midstream, LLC, which we completed on February 27, 2017 and refer to herein as the Brigham Acquisition.

Regulatory Approvals

Other than those under federal securities laws, there are no federal or state regulatory requirements that we must comply with and there are no approvals that we must obtain in connection with the Exchange Offers.

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Summary Description of Exchange Notes

Issuer	Diamondback Energy, Inc.
2024 Exchange Notes Offered	\$500.0 million in aggregate principal amount of 4.750% Senior Notes due 2024 registered under the Securities Act.
2025 Exchange Notes Offered	\$500.0 million in aggregate principal amount of 5.375% Senior Notes due 2025 registered under the Securities Act.
Interest Rate and Payment Dates	<p>The 2024 Exchange Notes will bear interest at the rate of 4.750% per annum, payable semi-annually on May 1 and November 1 of each year, commencing on May 1, 2017.</p> <p>The 2025 Exchange Notes will bear interest at the rate of 5.375% per annum, payable semi-annually on May 31 and November 30 of each year, commencing on May 31, 2017.</p>
Maturity Dates	<p>The 2024 Exchange Notes will mature on November 1, 2024.</p> <p>The 2025 Exchange Notes will mature on May 31, 2025.</p>
Ranking	<p>The Exchange Notes will be our general unsecured senior obligations.</p> <p>Accordingly, they will rank:</p> <ul style="list-style-type: none">equal in right of payment to all of our existing and future senior indebtedness;effectively subordinate to all of our existing and future secured indebtedness, including all of the indebtedness under our revolving credit facility, to the extent of the value of the collateral securing such indebtedness;

structurally subordinate to all indebtedness and other liabilities, including trade payables, of any non-guarantor subsidiaries (other than unsubordinated indebtedness and other liabilities owed to us); and

senior in right of payment to any subordinated indebtedness we may incur.

Certain of our direct and indirect subsidiaries, namely Rattler Midstream LLC (formerly known as White Fang Energy LLC), or Rattler, Viper, Viper's subsidiary and Viper's general partner, are not guarantors of the notes. As of December 31, 2016, the borrowing base under our revolving credit facility was \$1.0 billion, the elected commitment amount under our revolving credit facility was \$500.0 million, we had no outstanding borrowings, and we had \$500.0 million of available borrowing capacity under our revolving credit facility. As of December 31, 2016, Viper, one of our unrestricted subsidiaries, had \$120.5 million of outstanding borrowings and \$154.5 million available for borrowing under its revolving credit facility, which is guaranteed by Viper's subsidiary. In

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January 2017, Viper repaid its outstanding borrowings under its credit facility in full. Although none of our other unrestricted subsidiaries had any borrowings as of December 31, 2016, Rattler, which is also an unrestricted subsidiary under the Indentures, is a guarantor of our revolving credit agreement. At December 31, 2016, our non-guarantor subsidiaries had \$2.2 million of outstanding liabilities, including trade payables, but excluding intercompany obligations, Viper's borrowings under its revolving credit facility and Viper's subsidiary's guarantee thereof, and Rattler's guarantee of our revolving credit agreement. Our non-guarantor subsidiaries generated 15% of our total revenues and \$72.6 million of our adjusted EBITDA for the year ended December 31, 2016, of which Rattler generated 0% and \$0.

Subsidiary Guarantees

The Exchange Notes will initially be guaranteed by all of our subsidiaries, except Rattler, Viper, Viper's general partner and Viper's subsidiary, which have been designated as unrestricted subsidiaries under the Indentures. In the future, each of our restricted subsidiaries that guarantees any of our or a guarantor's other indebtedness and other domestic restricted subsidiaries that incur indebtedness under any credit facility will be required to guarantee the Exchange Notes. All of our guarantor subsidiaries will guarantee the obligations under our revolving credit facility, or be liable as the borrower thereunder, in each case on a senior secured basis.

In the future, the guarantees may be released or terminated under certain circumstances. See *Description of 2024 Exchange Notes 2024 Note Guarantees* and *Description of 2025 Exchange Notes 2025 Note Guarantees*.

The guarantees of the Exchange Notes will be senior unsecured obligations of the guarantor subsidiaries and will rank:

equal in right of payment to all senior unsecured indebtedness of the guarantor subsidiary;

effectively subordinate to all secured indebtedness of the guarantor subsidiary, including its indebtedness or guarantee of indebtedness, as applicable, under our revolving credit facility, to the extent of the value of the collateral securing such indebtedness or guarantee of indebtedness, as applicable;

structurally subordinate to all indebtedness and other liabilities, including trade payables, if any, of any of our non-guarantor subsidiaries (other than subordinated indebtedness and other liabilities owed to us); and

senior in right of payment to any subordinated indebtedness of the guarantor subsidiary.

Optional Redemption

At any time prior to November 1, 2019, we may on any one or more occasions redeem up to 35% of the aggregate principal amount of the 2024 Notes (including the 2024 Exchange Notes) at a redemption

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price equal to 104.750% of the principal amount of the 2024 Notes redeemed, with an amount not greater than the net cash proceeds of certain equity offerings at the redemption price set forth under *Description of 2024 Exchange Notes Optional Redemption*, if at least 65% of the aggregate principal amount of the 2024 Notes originally issued under the 2024 Indenture remains outstanding immediately after such redemption and the redemption occurs within 120 days of the closing date of such equity offering.

At any time prior to November 1, 2019, we may on one or more occasions redeem all or a part of the 2024 Exchange Notes at a make whole redemption price set forth under *Description of 2024 Exchange Notes Optional Redemption*.

On and after November 1, 2019, we may on any one or more occasions redeem all or a part of the 2024 Exchange Notes at the redemption prices set forth under *Description of 2024 Exchange Notes Optional Redemption*.

At any time prior to May 31, 2020 we may on any one or more occasions redeem up to 35% of the aggregate principal amount of the 2025 Notes (including the 2025 Exchange Notes) at a redemption price equal to 105.375% of the principal amount of the 2025 Notes redeemed, with an amount not greater than the net cash proceeds of certain equity offerings at the redemption price set forth under *Description of 2025 Exchange Notes Optional Redemption*, if at least 65% of the aggregate principal amount of the 2025 Notes originally issued under the 2025 Indenture remains outstanding immediately after such redemption and the redemption occurs within 120 days of the closing date of such equity offering.

At any time prior to May 31, 2020, we may on one or more occasions redeem all or a part of the 2025 Exchange Notes at a make whole redemption price set forth under *Description of 2025 Exchange Notes Optional Redemption*.

On and after May 31, 2020, we may on any one or more occasions redeem all or a part of the 2025 Exchange Notes at the redemption prices set forth under *Description of 2025 Exchange Notes Optional Redemption*.

Change of Control

If we experience certain change of control transactions, each holder of Notes (including Exchange Notes) may require us to repurchase all or any part of its Notes for cash at a price equal to 101% of the aggregate principal amount of such Notes, plus any accrued and unpaid interest to, but not including, the date of repurchase.

Certain Covenants

Each Indenture contains certain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:

incur or guarantee additional indebtedness or issue certain redeemable or preferred stock;

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pay dividends on capital stock or redeem, repurchase or retire our capital stock or subordinated indebtedness;