

DENVER, Dec. 06, 2016 (GLOBE NEWSWIRE) -- [PDC Energy Inc.](#) ("PDC" or the "Company") (Nasdaq:PDCE) today announced that the Company closed the previously announced Delaware Basin acquisition.

## Acquisition Highlights

- Closing price of approximately \$1.5 billion, subject to certain post-closing adjustments.
- Approximately 57,000 net acres in Reeves and Culberson Counties, Texas, subject to ongoing title review.
- Current net production of ~7,500 Boe/d from 25 horizontal wells with two additional wells in the completion process.
- Midstream assets including an estimated 50 miles of gas gathering lines, 30 miles of water disposal lines, five salt water disposal wells and two fresh water supply wells.

President and Chief Executive Officer, Bart Brookman said, "This acquisition provides us a deep inventory of horizontal drilling locations that complements our existing core Wattenberg position. We believe we currently have over 700 horizontal locations on the Delaware acreage in the Wolfcamp A, B and C zones. With potential upside through Wolfcamp downspacing, as well as additional potential locations in the Avalon and various Bone Spring horizons, we estimate we may have decades of future drilling locations. Our primary plan in the Delaware for 2017 is to focus on holding acreage with two drilling rigs initially and a third rig early in the fourth quarter.

"We are very excited with the progress being made in building out our Delaware operations team, which includes a number of employees from the seller. Wells completed earlier this year are showing strong production which bolsters our confidence in recent completion enhancements."

Total capital spend in the Delaware in 2017 is expected to be approximately \$235 million, of which approximately \$185 million is allocated to spud 28 wells and turn-in-line 19 wells. PDC plans to spend approximately \$35 million for leasing, seismic and technical studies with an additional \$15 million for midstream and infrastructure related projects. Completions are proceeding on two wells that were spud in September and October, one of which may be turned-in-line before year-end.

## About PDC Energy, Inc.

[PDC Energy Inc.](#) is a domestic independent exploration and production company that produces, develops, acquires and explores for crude oil, natural gas and NGLs with operations in the Wattenberg Field in Colorado, in the Delaware Basin in West Texas and in the Utica Shale in southeastern Ohio. Its operations are focused on the liquid-rich horizontal Niobrara and Codell plays in the Wattenberg Field, the Wolfcamp zones in the Delaware and the condensate and wet gas portions of the Utica Shale play.

## NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this news release, other than statements of historical fact, are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Words such as expects, anticipates, intends, plans, believes, seeks, estimates and similar expressions or variations of such words are intended to identify forward-looking statements herein. These statements relate to, among other things: potential drilling locations on the properties acquired, expected drilling results and future capital expenditures and projects. Forward-looking statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from the forward-looking statements. Important factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to:

- changes in worldwide production volumes and demand, including economic conditions that might impact demand and actions, or failure to take action, by OPEC;
- volatility of commodity prices for crude oil, natural gas and NGLs and the risk of an extended period of depressed prices;
- reductions in the borrowing base under the revolving credit facility;
- impact of governmental policies and/or regulations, including changes in environmental and other laws, the interpretation and enforcement related to those laws and regulations, liabilities arising thereunder and the costs to comply with those laws and regulations;
- declines in the value of crude oil, natural gas and NGLs properties resulting in further impairments;
- changes in estimates of proved reserves;
- inaccuracy of reserve estimates and expected production rates;
- potential for production decline rates from wells being greater than expected;
- timing and extent of success in discovering, acquiring, developing and producing reserves;
- availability of sufficient pipeline, gathering and other transportation facilities and related infrastructure to process and transport production and the impact of these facilities and regional capacity on the prices received for production;
- timing and receipt of necessary regulatory permits;
- risks incidental to the drilling and operation of crude oil and natural gas wells;
- future cash flows, liquidity and financial condition;
- competition within the oil and gas industry;
- availability and cost of capital;
- success in marketing crude oil, natural gas and NGLs;

- effect of crude oil and natural gas derivatives activities;
- impact of environmental events, governmental and other third-party responses to such events, and the ability to insure adequately against such events;
- cost of pending or future litigation;
- effect that acquisitions that the Company may pursue have on capital expenditures;
- the ability to retain or attract senior management and key technical employees; and
- success of strategic plans, expectations and objectives for future operations.

PDC urges you to carefully review and consider the cautionary statements made in the "Risk Factors" section of the Company's 2015 Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission ("SEC") on February 22, 2016, and other filings with the SEC for further information on risks and uncertainties that could affect the Company's business, financial condition and results of operations, which are incorporated by this reference as though fully set forth herein. The Company cautions you not to place undue reliance on forward-looking statements, which speak only as of the date made. PDC undertakes no obligation to update any forward-looking statements in order to reflect any event or circumstance occurring after the date of this release or currently unknown facts or conditions or the occurrence of unanticipated events. All forward looking statements are qualified in their entirety by this cautionary statement.

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