

DENVER, Sept. 25, 2017 (GLOBE NEWSWIRE) -- [PDC Energy Inc.](#) (“PDC” or the “Company”) (Nasdaq:PDCE) today announced that it has entered into a Purchase and Sale Agreement (the “Acquisition”) to acquire certain assets from Bayswater Exploration & Production, LLC, and certain related parties, for approximately \$210 million in cash, subject to certain post-closing adjustments. The Company also entered into an Acreage Exchange Agreement (the “Acreage Trade”) with another Wattenberg operator to consolidate certain acreage positions. Both the Acquisition and the Acreage Trade are located in the Core Wattenberg field in Weld County, Colorado, and result in two newly consolidated acreage positions known as the “Prairie Area” and the “Plains Area”. PDC anticipates these two new consolidated areas, along with its Kersey Area, to be the primary focus of its ongoing development efforts.

For a map related to these transactions, visit “Newsroom” on the “Investor Relations” page on PDC’s website at www.pdce.com.

President and Chief Executive Officer, Bart Brookman commented, “These strategic business development initiatives offer PDC a great opportunity to not only drill more extended-reach lateral wells, but add to our existing inventory of highly economic projects in the Core Wattenberg Field. As we have experienced first-hand in our Kersey Area, there are significant capital and operational efficiencies, reduced surface impacts, and incremental value created through consolidated acreage positions.”

Acquisition (Prairie Area)

The Acquisition consists of approximately 8,300 net acres together with current net production of approximately 2,200 barrels of oil equivalent per day, of which approximately 60 percent is crude oil. The Company estimates the Acquisition will add an incremental 240 gross drilling locations as well as increase the working interests in nearly 60 existing PDC locations. Also included are 30 operated drilled uncompleted wells.

The newly acquired acreage, combined with the Company’s existing acreage, is expected to result in a consolidated position of approximately 30,000 net acres in the Middle and Outer Core areas of the Wattenberg Field, and will be referred to as its Prairie Area. The Company anticipates closing this transaction late in the fourth quarter of 2017 and funding the acquisition with available cash and debt.

Acreage Trade (Plains Area)

Pursuant to the terms of the Acreage Trade, this strategic transaction includes leasehold acreage only, and does not include production, wellbores or existing facilities. PDC expects to receive approximately 11,700 net acres in exchange for approximately 12,100 net acres, subject to title examination and other customary adjustments. The difference in net acres is primarily due to variances in working and net revenue interests.

The newly acquired acreage, combined with the Company’s existing acreage and portions of a previously announced acreage trade, is expected to result in a consolidated position of approximately 17,500 net acres in the Inner and Middle Core areas of the Wattenberg Field. The Company will refer to this area as its Plains Area and anticipates closing this transaction in the fourth quarter of 2017.

About PDC Energy, Inc.

[PDC Energy Inc.](#) is a domestic independent exploration and production company that produces, develops, and explores for crude oil, natural gas, and NGLs, with primary operations in the Wattenberg Field in Colorado and the Delaware Basin in Reeves and Culberson Counties, Texas. The Company also has operations in the Utica Shale in Southeastern Ohio, which it plans to divest. PDC’s operations are focused in the horizontal Niobrara and Codell plays in the Wattenberg Field and in the Wolfcamp zones in the Delaware Basin.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this news release and all other statements 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. The transactions contemplated by the Acquisition and the Trade are subject to continuing diligence between the parties; accordingly, there is a possibility such transactions will not occur within the expected timeframe or at all. 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. PDC urges you to carefully review and consider the cautionary statements made in this press release, the Item 1-A Risk Factors in the 2016 Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission (“SEC”) on February 28, 2017, 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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