Our operating plan and commitment to safety, environment and community stem from our strong core values:

INTEGRITY

RESPECT

TEAMWORK

STAKEHOLDER FOCUS

PERFORMANCE DRIVEN

OUR MISSION:

Efficiently and safely produce energy – while respecting the environment – in order to power and better people’s lives.

“At PDC it is our highest priority to protect, respect and minimize our impacts on the environment. It’s an integral part of our commitment to the communities where we live and work.

- Bart Brookman, President and CEO

PDC Energy was founded in 1969 and has grown to a company of more than 600 employees with four offices.

60% of PDC Energy employees are under the age of 40.

5 internal leadership programs designed to inspire, grow and retain our talented workforce.

At our Denver HQ
SAFETY

Every day our top priority is operating safely. We take this responsibility for our communities and each other personally. In 2018:

- **Only 2 injuries** that resulted in days away, out of nearly **1.25 million hours worked** by PDC employees
- **Zero** vehicle-related injuries with over **4.3 million miles driven**
- Field staff received **training on 35 separate safety topics**
- We hold our contractors to the same exact standards to which we hold ourselves. **13,300 contractors completed PDC’s Contractor Expectations training**, which outlines PDC’s commitment to and expectations regarding environmental health and safety
- **50 Contractor Safety Audits performed** on drilling, completions, workover, production & construction contractors to reinforce our commitment to safety and document our results
- Employees have ‘stop work’ authority, which allows any employee to raise a concern about safety and have all work cease until after the issue is addressed at that location

ENVIRONMENT

PDC employees live and work where we operate. We embrace environmental protection beyond the boundaries of our facilities. In 2018:

- **642**
  - PDC completed environmental mitigation projects that will reduce emissions an estimated **642 tons per year**.
- **300**
  - A voluntary ozone reduction program in Colorado, with participation from operations and office employees, included such actions as reduced vehicle idling, encouraged alternative transportation methods, employee training and communications. In all, employees catalogued over 300 separate voluntary actions they had taken.
- **326,894**
  - Audio, visual and olfactory (AVO) inspections conducted:
  - **1,990 Leak Detection and Repair (LDAR) optical gas camera inspections conducted**.
- **10 million**
  - The utilization of over 200 miles of pipelines in both Colorado and Texas has not only lowered vehicle emissions, but has eliminated over 10 million miles of truck traffic per year from already congested roads.

WILDLIFE PROTECTION:

Our commitment to the environment extends to the flora and fauna with which we share space. We carefully consider sensitive habitats and individual species life history requirements, including several species of raptors, when planning our development timing.

**SPILL RATE:**

![Graph showing environmental spill rate per MMBbl (metric million barrels of oil) for 2016, 2017, and 2018.](Image)
In both of PDC’s areas of operations – the Wattenberg Field in Colorado and the Delaware Basin in Texas – we place a strong focus on enhancing operational efficiencies and minimizing potential environmental impacts.

**WATTENBERG:**

Roughly half of PDC wells in the Wattenberg are now being drilled on electric grid power, which results in reduced noise and emissions.

Five years ago, PDC was drilling one mile long laterals in 14 days. Today, we are drilling one mile laterals in five days – a 65% reduction in the amount of time it takes to drill a well.

PDC has implemented a **24-7 Field Monitoring Team** equipped with technology and analytics to collaborate with PDC Field Operations to safely optimize production, while minimizing downtime and prioritizing environmental compliance. This has resulted in:

- Improved timeliness of response to issues
- Better support of field personnel, allowing better work/life balance by utilizing a dedicated staff for managing after-hours workload
- Better knowledge of location and working conditions of field personnel
- Improved overall safety and effectiveness of our operation

**DELAWARE:**

100% & 80%

100% of water and 80% of oil are piped in the Delaware, instead of being transported via truck.

1/2

Added compression and made improvements to batteries – including vapor recovery units – to reduce flaring by approximately half compared to 2017 volumes.

2/3

Reduced spill rate by two-thirds from 2017 to 2018.

Kait Soehner is the Production Manager for PDC’s Delaware Basin operations. In this role, she oversees the production of our resources and ensures that targets are met safely, reliably and efficiently. Kait has been with PDC for 5 years.

Safety is the responsibility of every employee at PDC. We make every effort to align with best practices to protect the health, safety and wellbeing of every person involved in our operations – our employees and our contractors – and that extends to the community, as well. Fifty of our employees call the Permian home, so the safety and welfare of our community and environment is personal. I sincerely believe we are putting our best foot forward to protect the environment – not because we are told to, but because it matters for our families, too.
At PDC, volunteerism is an everyday commitment for our employees, and once a year we hold our signature volunteer event – **Energizing Our Community day**. On this day, PDC employees take the full workday to give back to dozens of organizations across the country.

**In 2018:**
- 91% of employees participated in EOC day
- 55 organizations across the country that PDC volunteered for or donated to on EOC day
- 1,800 hours of volunteer time throughout the year
- 150 organizations supported by PDC

<table>
<thead>
<tr>
<th>Organization</th>
<th>Donated Amount</th>
<th>Equivalent In Kind</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red Cross</td>
<td>$10,500</td>
<td>700 smoke alarms</td>
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<tr>
<td>Weld Food Bank</td>
<td>$12,620</td>
<td>50,480 meals</td>
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<tr>
<td>Pecos Little League</td>
<td>$5,000</td>
<td>Full league fees</td>
</tr>
<tr>
<td>Wish for Wheels</td>
<td>$120</td>
<td>120 bikes assembled</td>
</tr>
</tbody>
</table>

Two decades ago, Adolfo Diaz realized that the parents in migrant worker communities were often struggling to provide new toys and gifts for their children during the holiday season. He set out to change that and the Migrant Christmas Fiesta was born. Last year, PDC partnered with Diaz and provided $10,000 toward the Fiesta and gifts for children. As for the donation, Diaz said to the *Greeley Tribune*, “I’m grateful and humbled and very proud. It will be a very merry Christmas for all the kids.”

**PDC Scholarship Program**

PDC invests in the future of the communities where we operate.

- In Texas, PDC partners with **UT Permian Basin** to offer scholarships focused on education and retaining teachers in the Midland and Pecos areas.
- In Colorado, PDC has three separate scholarship programs in partnership with **Colorado School of Mines**, **University of Northern Colorado**, and **AIMS Community College**. Two are geared towards technical degrees for future industry employees. The third is designed to change a first generation college student’s life by providing a two-year, full-ride scholarship for an oil and gas technologies trade degree.
SENIOR MANAGEMENT TEAM:

Barton R. Brookman, President and Chief Executive Officer
Lance A. Lauck, Executive Vice President Corporate Development and Strategy
Scott J. Reasoner, Chief Operating Officer
R. Scott Meyers, Chief Financial Officer
Nicole Martinet, General Counsel, Senior Vice President and Corporate Secretary
John DeLawder, Senior Vice President Corporate Administration

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