

PDC Energy, Inc.

Corporate Governance Guidelines

As Amended June 4, 2015

The Board of Directors (the "Board") of PDC Energy, Inc. ("PDC" or the "Company") has adopted these guidelines to promote the effective functioning of the Board and its committees.

These guidelines represent the Board's current thinking with respect to selected corporate governance issues considered to be of significance to stockholders. These guidelines, along with the charters of the committees of the Board, provide the framework for the governance of the Company. With the exception of the majority voting policy set forth in Section 3(e), the guidelines are only guidelines and not rigid rules. The Nominating and Governance Committee will continue to assess the appropriateness and efficacy of the guidelines and recommend from time to time changes for approval by the Board as it deems appropriate in the best interests of the Company or as required by applicable laws and regulations.

1. Role of the Board

The business and affairs of PDC are managed by or under the direction of its Board in accordance with Delaware law and the Company's by-laws. The directors' fiduciary duty is to exercise their business judgment in the best interests of PDC's stockholders.

2. Board Structure

- a. *Board Size and Composition*—The size of the Board will provide for sufficient diversity among non-employee directors while also facilitating substantive discussions in which each director can participate meaningfully. The PDC by-laws authorize the Board to determine the size of the Board. The Board believes it should have a minimum number of seven members. The Board size is assessed at least annually by the Nominating and Governance Committee. A substantial majority of the Board will consist of directors whom the Board has determined to be independent (non-employee).
- b. *Independent Directors*—In general, an independent director must have no material relationship with PDC, directly or indirectly, except as a director. The Board will determine independence on the basis of the standards specified in the corporate governance rules of the NASDAQ, applicable laws and regulations and other facts and circumstances the Board considers relevant.
- c. *Election of Directors*—Directors will stand for election at the annual meeting of stockholders for a three-year term in three classes of the same size as nearly as possible.
- d. *Chairman and CEO*—Regarding Board leadership, the Board has no policy with respect to the separation of the offices of Chairman and Chief Executive Officer (CEO). The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make such a determination when it annually elects its Chairman or when circumstances arise that may require such action. The Board formally designates a Non-Executive Chairman from among its independent directors; such leadership evolves naturally and may also vary depending on the issue under consideration or circumstances that may arise.
- e. *Term and Age Limits*—The Board believes that experience as a PDC director is a valuable asset. Therefore, directors may serve successive terms and the Board has no formal age restrictions or guidelines. On an annual basis, the Nominating & Governance Committee will review, as appropriate, with each Board member any concerns regarding continued service on the Board.

- f. *Other Directorship*—Recognizing the substantial time commitment required of directors, it is expected that directors will serve on the boards of other public companies only to the extent that, in the judgment of the Board, such services do not detract from the directors' ability to devote the necessary time and attention to PDC. In no case will a director serve on the boards of more than two other public companies. The Nominating and Governance Committee will, at least annually, review all directors' service on the boards of other public companies.
- g. *Change in Status*—To avoid any potential conflict of interest, directors will not accept a seat on any additional public company board without first reviewing the matter with the Nominating and Governance Committee. In addition, any director will immediately notify the Chair of the Nominating and Governance Committee in the event of retirement or other substantial change in the nature of the director's employment or other significant responsibilities.

3. Director Selection; Qualifications; Education

- a. *Selection*—The Board, acting on the recommendation of the Nominating and Governance Committee, will nominate a slate of director candidates for election at each annual meeting of shareholders and will elect directors to fill vacancies, including vacancies created as a result of any increase in the size of the Board, between annual meetings.
- b. *Qualifications*—The Board maintains separate guidelines describing the desired qualifications for nonemployee directors. At least annually, the Nominating and Governance Committee will review these guidelines and make such recommendations to the Board as the Nominating and Governance Committee may deem appropriate.
- c. *Orientation*—New independent directors will receive a comprehensive orientation from appropriate executives regarding PDC's business and affairs. The Chairman of the Nominating and Governance Committee and the Non-Executive Chairman will assure appropriate orientation regarding Board governance and operations.
- d. *Education*—The Board has adopted a formal Board Training Policy. In addition, reviews of aspects of PDC's operations will be presented by appropriate executives from time to time as part of the agenda of regular Board meetings. The Board will also normally conduct an on-site visit to a PDC facility other than the corporate headquarters in conjunction with regular Board meetings on a regular basis. Directors are encouraged to participate in approved Board governance training on a periodic basis. If approved in advance of the training by the Chair of the Nominating and Governance Committee, the Company will reimburse directors for the cost of such training.
- e. *Uncontested Elections*—At any shareholder meeting at which directors are subject to an uncontested election, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election shall submit to the Board a letter of resignation for consideration by the Nominating and Governance Committee. The Nominating and Governance Committee shall recommend to the Board the action to be taken with respect to such offer of resignation. In the event that all members of the Nominating and Governance Committee are among the nominees for director who are offering to resign, the Board shall appoint a special committee of one or more other independent directors to act on behalf of the Nominating and Governance Committee with respect to this policy. The Board shall act promptly with respect to each such letter of resignation and shall promptly notify the director concerned of its decision.

4. Board Meetings; Director Responsibilities

- a. *Number of Regular Meetings*—The Board meets regularly on previously determined dates and conducts special meetings on the call of the Chair or as otherwise provided in its Bylaws.
- b. *Agenda and Briefing Material*—An agenda for each Board meeting and briefing materials will, to the extent practicable in light of the timing of matters that require Board attention, be distributed to each director approximately 5 days prior to each quarterly meeting, provided that (a) materials for the annual strategic planning meeting should be provided ten (10) days prior to the meeting, and (b) materials for special meetings should be provided three (3) days in advance, as there is usually only one topic at such meetings. The Non-Executive Chairman, in conjunction with the CEO, will normally set the agenda for Board meetings. Any director may request the inclusion of specific items.
- c. *Meeting Attendance*—It is expected that each director will make every effort to attend each Board meeting and each meeting of any committee on which he or she sits. Attendance in person is preferred but attendance by teleconference is permitted if necessary.
- d. *Director Preparedness*—Each director should be familiar with the agenda for each meeting, have carefully reviewed all other materials distributed in advance of the meeting, and be prepared to participate meaningfully in the meeting, and to discuss all scheduled items of business.
- e. *Confidentiality*—The proceedings and deliberations of the Board and its committees are confidential. All directors are to be aware of and comply with federal guidelines on disclosure of material and nonpublic information regarding the Company and its operations. Each director will maintain the confidentiality of information received in connection with his or her service as a director.
- f. *Conflict of Interest*—Directors must promptly inform the Chair of the Nominating and Governance Committee if any actual or potential conflict of interest arises between the director and PDC. If a significant conflict exists and cannot be resolved, in the opinion of the majority of the Board members, the director should resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests. In addition to the conflict of interest and ethics rules above and in other Company policies, directors should avoid the appearance of a conflict of interest. For example, in the event a director wishes to attend an overnight event with accommodations paid for by a vendor or potential vendor of the Company, then written pre-approval should be requested from the Board Chairman or, if involving the Chairman, then from the Chair of the N&G Committee.

5. Independent Director Executive Sessions

- a. An executive session of the independent directors occurs without any Company management present. These sessions will normally be held immediately following each meeting of the full Board. Additional meetings may be called at the discretion of the Non-Executive Chairman or at the request of any independent director. The Non-Executive Chairman will preside at the executive sessions unless, taking into account the subject matter under discussion, the independent directors select another leader for a particular session. Any independent director may raise issues for discussion at an executive session. Additional executive sessions can be called at the discretion of any independent director.
- b. To the extent that any Board members(s) are not employed by the Company but are also not considered independent under NASDAQ rules, the Board will hold an executive session without such person(s) present from time to time.

6. Board Self-Evaluation

At least annually, the Board will evaluate its performance and effectiveness.

7. Committees

- a. *Committees*—The Board will appoint from among its members committees it determines are necessary or appropriate to conduct its business. Currently, the standing committees of the Board are the Audit Committee, Nominating and Governance Committee, and Compensation Committee.
- b. *Committee Composition*—The Nominating and Governance Committee, Audit Committee and Compensation Committee will consist solely of independent directors. The Nominating and Governance Committee will recommend committee Chairs to the full Board for approval.
- c. *Committee Charters*—Each of the committees will have a written charter outlining its responsibilities. Charters will be adopted by the Board based on the recommendation of the applicable committee to the Nominating and Governance Committee and the subsequent recommendation to the full Board from the Nominating and Governance Committee.
- d. *Committee Assignments and Rotation*—Membership of each committee will be determined by the Board after receiving the recommendation of the Nominating and Governance Committee. Consideration will be given to rotating committee memberships from time to time.
- e. *Committee Funding*—The Corporation will provide each Board committee with sufficient funds to discharge the committee's responsibilities in accordance with its charter.
- f. *Committee Self-Evaluation*—At least annually, each of the Board committees will conduct an evaluation of its performance and effectiveness, and will consider whether any changes to the committee's charter are appropriate. Such evaluations may be performed as part of the full Board annual self-assessment.
- g. *Committee Reports*—The Chair of each Board committee will report to the full Board on the activities of his or her committee, including the results of the committee's self-evaluation and any recommended changes to the committee's charter.

8. Senior Executives Performance Review

At least annually, the independent directors will, in conjunction with the Compensation Committee, review the performance of the CEO and, after receiving the CEO's feedback, the other Senior Management Team members in light of the Company's goals and objectives.

9. Succession Planning

At least annually, the Board will review succession plans for the CEO and other senior executives. Succession planning will address both succession in the ordinary course of business and contingency planning in case of unexpected events.

10. Board Resources

- a. *Access to Employees*—Independent directors will have full access to senior management of the Company and other employees on request to discuss the business and affairs of the Company. The Board expects that there will be regular opportunities for directors to meet with the CEO and other members of management in Board and committee meetings and in other formal or informal settings.
- b. *Authority to Retain Advisors*—It is normally expected that information regarding the Company's business and affairs will be provided to the Board by PDC management and staff and by the

Company's independent auditors. The Board and each committee will have the authority, at PDC's expense, to retain and terminate independent advisors as the Board and any such committee deems necessary.

11. Standards of Business Conduct

PDC has adopted comprehensive standards of business conduct. Each director is expected to be familiar with and to follow these standards. The Nominating and Governance Committee will review any issues arising under the applicable standards of business conduct with respect to an executive officer or director and will report its findings to the full Board.

12. Communication by Interested Parties with Non-Employee Directors

The Nominating and Governance Committee will maintain procedures for interested parties to communicate with the independent directors. Contact information and a description of the procedures for handling these communications will be published in the proxy statement for each annual meeting of stockholders and posted on PDC's website.

13. Independent Director and Non-Executive Chairman Compensation

Compensation for independent directors and, if appointed, the Non-Executive Chairman, will be determined by the Board on the recommendation of the Compensation Committee and will be reviewed annually. Independent director and Non-Executive Chairman compensation will be set at a level that is consistent with market practice, taking into account the size and scope of the Company's business and the responsibilities of its directors. A substantial portion of the compensation paid to independent directors for service on the Board will be paid in stock of the Company a portion of which must be held until the director retires from the Board.

14. Board Interaction with Investors, Media and Others

The Board believes that senior executives speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, as appropriate.

15. Stockholder Matters

- a. *Voting Rights*—Each share of the Company's common stock is entitled to one vote. PDC's charter and by-laws will not impose voting requirements for actions by holders of its common stock higher than the minimum requirements of Delaware law and will not restrict the ability of stockholders to act by written consent.
- b. *Annual Meeting Attendance*—It is expected that each director will make every effort to attend each annual meeting of stockholders.
- c. *Ratification of Auditors*—The appointment of independent auditors will be submitted for ratification by the stockholders at each annual meeting.
- d. *Stockholder Proposals Receiving Majority Approval*—If a stockholder proposal that is not supported by the Board receives a majority of the votes cast at a meeting at which a quorum is present, the proposal will be reconsidered by the Board. Action taken on the proposal will be reported to stockholders in a timely manner.

16. Strategic Planning and Organizational Development

The Board views involvement in strategic planning and approval of the Company's long-term strategic plan as important responsibilities and conducts a strategic planning meeting at least annually. This work includes ensuring the most effective organizational structure is in place and that appropriate attention to human resources development occurs as part of PDC's approach to succession planning.

17. Corporate Governance Guidelines Revision

The Nominating and Governance Committee and the Board will review and revise these Corporate Governance Guidelines and related documents as and when appropriate.