

PDC ENERGY, INC.
Form 10-K/A
May 01, 2018

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

FORM 10-K/A
Amendment No. 1

T ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

or

£ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-37419
PDC ENERGY, INC.
(Exact name of registrant as specified in its charter)

Delaware 95-2636730
(State of incorporation) (I.R.S. Employer Identification No.)
1775 Sherman Street, Suite 3000
Denver, Colorado 80203
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (303) 860-5800

Securities registered pursuant to Section 12(b) of the Act:
Title of each class Name of each exchange on which registered
Common Stock, par value \$0.01 per share NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes T No £

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes £ No T

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes T No £

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a 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 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of our common stock held by non-affiliates on June 30, 2017 was \$2.8 billion (based on the closing price of \$43.11 per share as of the last business day of the fiscal quarter ending June 30, 2017).

As of February 15, 2018, there were 65,965,374 shares of our common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

We hereby incorporate by reference into this document the information required by Part III of this Form, which appears in our definitive proxy statement filed pursuant to Regulation 14A with the Securities and Exchange Commission on April 19, 2018 for our 2018 Annual Meeting of Stockholders.

EXPLANATORY NOTE

We are filing this Amendment No. 1 on Form 10-K/A ("Amendment") to amend our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as filed with the Securities and Exchange Commission ("SEC") on February 27, 2018 (the "Form 10-K"). The sole purpose of this Amendment is to correct an inadvertent error in the Extensible Business Reporting Language ("XBRL") information filed on Exhibit 101 to the original Form 10-K.

No changes have been made in this Amendment to modify or update the other disclosures presented in the Form 10-K. This Amendment does not reflect events occurring after the filing of the Form 10-K or modify or update any disclosures in the Form 10-K that may be affected by such events. This Amendment should be read in conjunction with the Form 10-K and our other filings with the SEC.

SIGNATURES

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PDC ENERGY, INC.

By: /s/ Barton R. Brookman
Barton R. Brookman
President and Chief Executive Officer

May 1, 2018

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

Exhibits Index

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | Filed Herewith |
|----------------|---|---------------------------|-----------------|---------------------|----------------|
| | | Form | SEC File Number | Exhibit Filing Date | |
| 2.1 | <u>Plan of Conversion, dated June 5, 2015, by PDC Energy, Inc. (the "Company").</u> | 8-K12B | 001-37419 | 2.1 | 6/8/2015 |
| 2.2 | <u>Stock Purchase and Sale Agreement, dated August 23, 2016, by and among the seller parties thereto, Kimmeridge Energy Management Company GP, LLC, Arris Petroleum Corporation, and PDC Energy, Inc.</u> | 8-K | 001-37419 | 2.1 | 8/24/2016 |
| 2.3 | <u>Asset Purchase and Sale Agreement, dated August 23, 2016, by and among 299 Resources, LLC, 299 Production, LLC, 299 Pipeline, LLC, Kimmeridge Energy Management Company GP, LLC and PDC Energy, Inc.</u> | 8-K | 001-37419 | 2.2 | 8/24/2016 |
| 3.1 | <u>Certificate of Incorporation of the Company.</u> | 8-K12B | 001-37419 | 3.1 | 6/8/2015 |
| 3.2 | <u>By-laws of the Company.</u> | 8-K12B | 001-37419 | 3.2 | 6/8/2015 |
| 4.1 | <u>Form of Common Stock Certificate of the Company.</u> | 10-K | 001-37419 | 4.1 | 2/28/2017 |
| 4.2 | <u>Indenture, dated as of November 29, 2017, by and between PDC Energy, Inc., PDC Permian, Inc., a subsidiary guarantor of the Company, and U.S. Bank Trust National Association, as Trustee, relating to the 5.750% Senior Notes due 2026.</u> | 8-K | 001-37419 | 4.1 | 11/29/2017 |
| 4.3 | <u>Base Indenture, dated as of September 14, 2016, by and between the Company and U.S. Bank Trust National Association, as Trustee.</u> | 8-K | 001-37419 | 4.1 | 9/14/2016 |
| 4.4 | <u>First Supplemental Indenture, dated as of September 14, 2016, by and between the Company and U.S. Bank Trust National Association, as Trustee, relating to the 1.125% Convertible Senior Notes due 2021.</u> | 8-K | 001-37419 | 4.2 | 9/14/2016 |
| 4.5 | <u>Indenture, dated as of September 15, 2016, by and between PDC Energy, Inc. and U.S. Bank Trust National Association, as Trustee, relating to the 6.125% Senior Notes due 2024.</u> | 8-K | 001-37419 | 4.1 | 9/15/2016 |

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

| | | | | | |
|--------|--|------|-----------|--------|-----------|
| 10.1 | <u>Form of Indemnification Agreement.</u> | 8-K | 000-07246 | 10.1 | 6/8/2015 |
| 10.2 | <u>401(k) and Profit Sharing Plan, as amended on January 4, 2016.</u> | 10-K | 001-37419 | 10.2 | 2/28/2017 |
| 10.3 | <u>Amended and Restated Non-Employee Director Deferred Compensation Plan.</u> | 10-K | 001-37419 | 10.3 | 2/27/2018 |
| 10.4 | <u>2004 Long-Term Equity Compensation Plan amended and restated as of March 8, 2008 ("2004 Plan").</u> | 10-K | 000-07246 | 10.26 | 2/27/2009 |
| 10.4.1 | <u>Summary of 2010 Stock Appreciation Rights and Restricted Stock Awards under the 2004 Plan.</u> | 8-K | 000-07246 | | 4/23/2010 |
| 10.5 | <u>Amended and Restated 2010 Long-Term Equity Compensation Plan, as amended.</u> | 10-K | 001-37419 | 10.5 | 2/22/2016 |
| 10.6 | <u>Executive Severance Compensation Plan, as amended.</u> | 10-K | 001-37419 | 10.6 | 2/22/2016 |
| 10.7 | <u>Form of 2011 Restricted Stock/Stock Appreciation Rights Agreement.</u> | 10-K | 000-07246 | 10.5.2 | 2/21/2014 |
| 10.7.1 | <u>Form of 2013 Performance Share Agreement.</u> | 10-K | 000-07246 | 10.9 | 2/27/2013 |
| 10.7.2 | <u>Form of 2013 Restricted Stock/Stock Appreciation Rights Agreement.</u> | 10-K | 000-07246 | 10.10 | 2/27/2013 |
| 10.7.3 | <u>Form of 2014 Performance Share Agreement.</u> | 10-K | 000-07246 | 10.5.4 | 2/19/2015 |
| 10.7.4 | <u>Form of 2014 Restricted Stock/Stock Appreciation Rights Agreement.</u> | 10-K | 000-07246 | 10.5.5 | 2/19/2015 |
| 10.7.5 | <u>Form of 2015 Performance Share Agreement.</u> | 10-K | 000-07246 | 10.5.6 | 2/19/2015 |
| 10.7.6 | <u>Form of 2015 Restricted Stock Unit Agreement.</u> | 10-K | 000-07246 | 10.5.7 | 2/19/2015 |

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | Filed Herewith |
|----------------|--|---------------------------|-----------------|---------|----------------|
| | | Form | SEC File Number | Exhibit | |
| 10.7.7 | <u>Form of 2015 Stock Appreciation Rights Agreement.</u> | 10-K | 000-07246 | 10.5.8 | 2/19/2015 |
| 10.7.8 | <u>Form of 2016 Performance Share Agreement.</u> | 10-K | 001-37419 | 10.7.8 | 2/22/2016 |
| 10.9 | <u>Employment Agreement with Daniel W. Amidon, General Counsel and Corporate Secretary, dated as of April 19, 2010.</u> | 8-K | 000-07246 | 10.3 | 4/23/2010 |
| 10.10 | <u>Employment Agreement with Lance A. Lauck, Senior Vice President of Business Development, dated as of April 19, 2010.</u> | 8-K | 000-07246 | 10.4 | 4/23/2010 |
| 10.11 | <u>Third Amended and Restated Credit Agreement dated as of May 21, 2013, among PDC Energy, Inc. as Borrower, Riley Natural Gas Company, a Subsidiary of PDC Energy, Inc., as Guarantor, JP Morgan Chase Bank, N.A. as Administrative Agent, J.P. Morgan Securities LLC as Sole Bookrunner and Co-Lead Arranger, Wells Fargo Bank, N.A. as Syndication Agent, and Wells Fargo Securities, LLC as Co-Lead Arranger, and Certain Lenders.</u> | 8-K | 000-07246 | 10.1 | 5/28/2013 |
| 10.11.1 | <u>First and Second Amendments to Third Amended and Restated Credit Agreement dated as of May 14, 2014 and September 30, 2015, respectively, among PDC Energy, Inc. as the Borrower, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders.</u> | 10-K | 001-37419 | 10.11.1 | 2/22/2016 |
| 10.11.2 | <u>Third Amendment to the Third Amended and Restated Credit Agreement, dated as of September 6, 2016, among the Company, as Borrower, certain Subsidiaries of the Company, as Guarantors, the lenders from time to time party thereto (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders.</u> | 8-K | 001-37419 | 10.1 | 9/8/2016 |
| 10.11.3 | <u>Fourth Amendment to the Third Amended and Restated Credit Agreement, dated as of October 14, 2016, among the Company, as Borrower, certain Subsidiaries of the Company, as Guarantors, the lenders from time to time party thereto (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders.</u> | 10-Q | 001-37419 | 99.1 | 11/3/2016 |

| | | | | | |
|---------|---|------|-----------|---------|-----------|
| 10.11.4 | <u>Fifth Amendment to Third Amended and Restated Credit Agreement, dated as of May 10, 2017, among the Company, as Borrower, certain Subsidiaries of the Company, as Guarantors, JPMorgan Chase Bank, N.A., as administrative agent, and the other lenders party thereto.</u> | 8-K | 001-37419 | 10.1 | 5/16/2017 |
| 10.11.5 | <u>Sixth Amendment to the Third Amended and Restated Credit Agreement, dated as of October 6, 2017, among the Company, as Borrower, certain Subsidiaries of the Company, as Guarantors, the lenders from time to time party thereto (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders.</u> | 10-Q | 001-37419 | 10.1 | 11/7/2017 |
| 10.12 | <u>Change of Control and Severance Plan.</u> | 10-K | 001-37419 | 10.14 | 2/28/2017 |
| 10.12.1 | <u>Amendment to the PDC Energy Change of Control and Severance Plan.</u> | 10-K | 001-37419 | 10.14.1 | 2/28/2017 |
| 10.13 | <u>Registration Rights Agreement, dated as of September 15, 2016, by and between PDC Energy, Inc. and J.P. Morgan Securities LLC, as representative of the initial purchasers, relating to the 6.125% Senior Notes due 2024.</u> | 8-K | 001-37419 | 10.2 | 9/15/2016 |
| 10.14 | <u>Investment Agreement, dated December 6, 2016, by and among the Investor parties identified therein and PDC Energy, Inc. (relating to the Stock Purchase and Sale Agreement).</u> | 8-K | 001-37419 | 10.1 | 12/7/2016 |
| 10.15 | <u>Investment Agreement, dated December 6, 2016, by and among the Investor parties identified therein and PDC Energy, Inc. (relating to the Asset Purchase and Sale Agreement).</u> | 8-K | 001-37419 | 10.2 | 12/7/2016 |

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | Filed Herewith |
|----------------|--|---------------------------|-----------------|---------------------|----------------|
| | | Form | SEC File Number | Exhibit Filing Date | |
| 10.16 | <u>Purchase Agreement, dated as of November 14, 2017, by and between 10.PDC Energy, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the initial purchasers named therein, and PDC Permian, Inc., a subsidiary guarantor of the Company, relating to the 5.750% Senior Notes due 2026.</u> | 8-K | 001-37419 | 10.1 | 11/17/2017 |
| 10.17 | <u>Registration Rights Agreement, dated as of November 29, 2017, by and between PDC Energy, Inc., PDC Permian, Inc., a subsidiary guarantor of the Company, and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the initial purchasers, relating to the 5.750% Senior Notes due 2026.</u> | 8-K | 001-37419 | 10.1 | 11/29/2017 |
| 12.1 | <u>Computation of Ratio of Earnings to Fixed Charges.</u> | 10-K | 001-37419 | 12.1 | 2/27/2018 |
| 21.1 | <u>Subsidiaries.</u> | 10-K | 001-37419 | 21.1 | 2/27/2018 |
| 23.1 | <u>Consent of PricewaterhouseCoopers LLP.</u> | 10-K | 001-37419 | 23.1 | 2/27/2018 |
| 23.2 | <u>Consent of Ryder Scott Company, L.P., Petroleum Consultants.</u> | 10-K | 001-37419 | 23.2 | 2/27/2018 |
| 23.3 | <u>Consent of Netherland, Sewell & Associates, Inc., Petroleum Consultants.</u> | 10-K | 001-37419 | 23.3 | 2/27/2018 |
| 31.1 | <u>Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u> | 10-K | 001-37419 | 31.1 | 2/27/2018 |
| 31.2 | <u>Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u> | 10-K | 001-37419 | 31.2 | 2/27/2018 |
| 32.1 | <u>Certifications by Chief Executive Officer and Chief Financial Officer pursuant to Title 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.</u> | 10-K | 001-37419 | 32.1 | 2/27/2018 |
| 99.1 | <u>Report of Independent Petroleum Consultants - Ryder Scott Company, L.P.</u> | 10-K | 001-37419 | 99.1 | 2/27/2018 |

Edgar Filing: PDC ENERGY, INC. - Form 10-K/A

| | | | | | | |
|---------|--|------|-----------|------|-----------|---|
| 99.2 | <u>Report of Independent Petroleum Consultants - Netherland, Sewell & Associates, Inc.</u> | 10-K | 001-37419 | 99.2 | 2/27/2018 | |
| 101.INS | XBRL Instance Document | | | | | X |
| 101.SCH | XBRL Taxonomy Extension Schema Document | | | | | X |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document | | | | | X |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document | | | | | X |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document | | | | | X |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document | | | | | X |