PDCE1 (adjusted SRC Energy Inc. options) will be subject to special pricing consideration in expiration processing on January 17, 2020. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of PDCE1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC’s Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

PDCE1

PDCE1 options are adjusted SRC Energy Inc. options, adjusted January 15, 2020 (see OCC Information Memo #46337). The deliverable of PDCE1 options is:

NEW DELIVERABLE
PER CONTRACT: 1) 15 PDC Energy, Inc. (PDCE) Common Shares
2) Cash in lieu of 0.8 fractional PDCE shares

As of January 16, 2020, the SRCI Exchange Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a PDCE1 price for use in expiration processing, OCC will use the following formula:

\[
PDCE1 = 0.158 \times PDCE
\]

For example, if PDCE closes at 24.10, the PDCE1 price would be:

\[
PDCE1 = 0.158 \times 24.10 = 3.81
\]

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the merger.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.