

**SRC Energy Inc.**  
**Audit Committee Charter**

**Purpose**

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) is to assist the Board in monitoring the accounting and financial reporting processes of SRC Energy Inc. (the “Company”) and the audits of the financial statements of the Company.

**Committee Structure**

The Committee shall consist of at least three directors as determined by the Board. Each member of the Committee shall meet the independence and qualification requirements of Rule 10A-3 under the Securities Exchange Act of 1934 and the rules and regulations of the NYSE MKT, and must not have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time during the prior three years. The Committee shall at all times have at least one member who qualifies as an “audit committee financial expert” under Item 407 of Securities and Exchange Commission (“SEC”) Regulation S-K. The Board may, at any time and in its complete discretion, replace a Committee member.

**Meetings**

The Committee shall meet as often as it deems necessary and at least quarterly. The Committee may meet periodically in separate, private sessions with management and the independent auditor to discuss anything the Committee or these groups believe should be discussed. The Committee may require any Company officer or employee or the Company’s outside counsel or external auditor to attend a Committee meeting or to meet with any members of, or consultants to, the Committee, and to provide pertinent information as necessary.

The Committee shall maintain minutes and other relevant documentation of all its meetings.

**Advisors and Funding**

The Committee shall have the authority to engage independent legal, accounting and other advisors as it deems necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, to compensate the independent auditor, outside legal counsel or any other advisors employed by the Committee, and to pay ordinary Committee administrative expenses that are necessary and appropriate in carrying out its duties.

**Committee Authority and Responsibilities**

***Oversight of Company’s Independent Auditor***

- The Committee shall directly appoint, retain and compensate any independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee has the sole authority to approve all audit engagement fees and terms, as well as all significant non-audit engagements with the independent auditor and shall preapprove and/or establish pre-approval policies and procedures for all auditing and non-audit services of the independent auditor, in each case in accordance with applicable SEC rules. The Committee shall be directly responsible for overseeing the work of the independent auditor

(including resolution of disagreements between management and the independent auditor regarding financial reporting), and the independent auditor shall report directly to the Committee.

- The Committee shall (i) ensure that it receives from the independent auditor a formal written statement delineating all relationships between the auditor and the Company, consistent with The Public Company Accounting Oversight Board Rule 3526 or any successor rule, (ii) actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and (iii) take appropriate action to oversee the independence of the independent auditor.

### ***Disclosure and Financial Statements***

- The Committee shall review and discuss prior to public dissemination the annual audited and quarterly unaudited financial statements with management and the independent auditor. The review shall include the Company's disclosures in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of the Company's related periodic report. Based on the annual review relating to the Annual Report on Form 10-K, the Committee shall recommend to the Board inclusion of the financial statements in such report.
- The Committee shall review and discuss with management and the independent auditor (i) major issues regarding accounting principles and financial statement presentations, including significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies, (ii) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.
- The Committee shall obtain, review and discuss reports from the independent auditor regarding (i) all critical accounting policies and practices to be used, (ii) all alternative treatments of financial information within GAAP that have been discussed with management officials of the Company, ramifications of the use of these alternative disclosures and treatments, and the treatment preferred by the independent auditor and the reasons for favoring that treatment and (iii) other material written communications between the independent auditor and Company management, such as any management letter or schedule of unadjusted differences.

### ***Whistleblower Procedures***

- The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company from its employees regarding accounting, internal accounting controls and auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

### ***General***

- The Committee shall have the authority to take such additional actions as it deems reasonably necessary to fulfil its responsibilities hereunder.

- The Committee shall report regularly to the full Board regarding its activities.
- The Committee shall annually evaluate its own effectiveness and this charter.
- Nothing in this charter shall be deemed to impose a responsibility on the Committee to prepare and certify the Company's financial statements, to guaranty the independent auditor's report or to guaranty other disclosures by the Company. Committee members are not full-time Company employees and are not performing the functions of auditors or accountants.