

## **SRC Energy Inc. Corporate Governance Guidelines**

The following guidelines have been adopted by the Board of Directors (the “Board”) of SRC Energy Inc. (the “Company”) to assist the Board in the exercise of its responsibilities. These guidelines are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These guidelines should be interpreted in the context of all applicable laws and the Company’s Articles of Incorporation, Bylaws and other corporate governance documents.

### **Board of Directors**

***Size.*** The number of directors that constitutes the Board will be fixed from time to time pursuant to the Company’s Articles of Incorporation and Bylaws (as amended from time to time). The Nominating and Governance Committee will consider as appropriate the advisability or need for any changes in the number and composition of the Board.

***Qualification Standards.*** The Board will have a majority of directors who are independent as defined by the listing requirements of the NYSE American market. Each year, the Nominating and Governance Committee will review the relationships between the Company and each director and will report the results of its review to the Board, which will then determine which directors satisfy the applicable independence standards. The Nominating and Governance Committee will oversee the identification of individuals qualified to become Board members, taking into account the criteria set forth on Exhibit A. An invitation to join the Board should be extended by the Chairman of the Board.

***Director Responsibilities.*** The basic responsibility of each director is to exercise his or her business judgment to act in what he or she reasonably believes to be in the best interests of the Company and its shareholders. In discharging this obligation, directors should be entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and to meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board’s understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, so that directors can review these materials in advance of the meeting.

***Service on Other Boards; Change in Status.*** No director may serve on the board of directors of more than three other public companies. In advance of accepting an invitation to serve on another public company board, directors should advise the Chairman of the Board and the Chairman of the Nominating and Governance Committee to allow an assessment to be made of, among other things, the potential impact of such service on the director’s time and availability, potential conflict of interest issues and the director’s status as an independent director. In addition, a non-employee director should advise the Chairman of the Board and the Chairman 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.

***No Term Limits; Retirement Age.*** The Board does not believe it should establish limits on the specific number of terms of a director’s service. As an alternative to term limits, the Nominating and Governance Committee will review each director’s continuation on the Board every year. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board. In addition, no director may be nominated to a new term if he or she would be age 75 or older at the time of the election unless the Board approves an exception on a case by case basis. A retirement age of 75 is

generally considered appropriate for the Company directors, but the Board may decide to defer retirement on an annual basis in appropriate circumstances after a director reaches age 75.

***Majority Voting Policy.***

1. In any uncontested election of directors to the Board of the Company (i.e., an election other than one in which the number of director nominees exceeds the number of directorships subject to election), if a nominee for director does not receive the vote of at least “the majority of the votes cast” at any meeting for the election of directors at which a quorum is present, and no successor has been elected at such meeting, such director will promptly tender his or her resignation to the Board. For purposes of this Majority Voting Policy, “the majority of votes cast” means that the number of shares voted “for” a director’s election exceeds 50% of the number of votes cast with respect to that director’s election. “Votes cast with respect to that director’s election” shall include votes to withhold authority and shall exclude abstentions and failures to vote with respect to that director’s election.
2. If the number of nominees for any election of directors nominated by (i) the Board, (ii) any shareholder, or (iii) a combination of nominees by the Board and any shareholder, exceeds the number of directorships subject to election, the nominees receiving a plurality of the votes cast by holders of shares entitled to vote in the election at a meeting at which a quorum is present will be elected.
3. The Board, within ninety (90) days of receiving the certified voting results pertaining to the election, will decide whether to accept the resignation of any unsuccessful incumbent, or whether other action should be taken, through a process managed by the Nominating and Governance Committee. Consideration of resignations shall exclude the director(s) in question; provided, however, if such exclusion results in less than two directors remaining on the Board, then all directors may participate in the decision whether to accept such resignations. In reaching its decision, the Board may consider any factors it deems relevant, including (i) the stated reasons, if any, why stockholders withheld their votes, (ii) possible alternatives for curing the underlying cause of the withheld votes, (iii) the director’s tenure, (iv) the director’s qualifications, (v) the director’s past and expected future contributions to the Company, (vi) the overall composition of the Board, and (vii) whether accepting the tendered resignation would cause the Company to fail to meet any applicable rule or regulation, including NYSE MKT listing standards and Securities and Exchange Commission regulations.
4. The Board promptly will disclose the decision whether to accept the director’s resignation offer (and the reasons for rejecting the resignation, if applicable) in a document filed with the Securities and Exchange Commission.
5. Unless otherwise determined by the Board, any accepted resignation shall be effective when such director’s successor is elected and qualified, or upon such director’s earlier resignation or removal. If a resignation is not accepted by the Board, such director will continue to serve until the next annual meeting and until such director’s successor is elected and qualified, or upon such director’s earlier resignation or removal.

***Meetings of the Board.*** The Chairman of the Board will establish the agenda for each Board meeting. Each director is free to suggest the inclusion of items on the agenda. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

**Lead Director.** The non-management directors will annually appoint a lead independent director (the “Lead Director”). The Lead Director will represent and coordinate the activities of the non-management directors and help ensure the independence of the Board from the CEO and Chairman. The Lead Director will convene sessions of the non-management directors. The principal responsibilities of the Lead Director will be to act as chair at meetings of the Board when the Chairman is not present, to chair the executive sessions of the non-management directors, to act as a liaison between the non-management directors and the CEO and, in the event of the disability or death of the Chairman or Chairman/ CEO, to oversee the succession process. The Lead Director may also perform such other roles and responsibilities as may be assigned by the full Board.

**Meetings of Non-Management Directors.** The non-management directors may have regularly scheduled meetings in executive session held during each regularly scheduled Board meeting, or at such other times as determined by the non-management directors. The Lead Director shall preside at these meetings.

**Board Interaction with External Constituencies.** The Board believes that management speaks for the Company. As such, individual directors will not meet or otherwise directly communicate with shareholders, research analysts, vendors, the press or other external constituencies on behalf of the Company unless the communication is (1) requested by the Chairman of the Board, the Chief Executive Officer or the full Board or (2) required to discharge his or her duties as set forth in committee charters or these Guidelines.

**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.

**Director Compensation.** The Compensation Committee will conduct a periodic review of director compensation and make a recommendation to the Board regarding the form and amount of director Compensation. The Compensation Committee will consider that a director’s independence may be jeopardized if (1) director compensation and perquisites exceed customary levels, (2) the Company makes substantial charitable contributions to organizations with which a director is affiliated or (3) the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

**Annual Performance Evaluation of the Board.** The Nominating and Governance Committee will assist the Board with its annual performance review. As part of this process, the Nominating and Governance Committee may solicit comments from all directors and report to the full Board with the results of the assessment.

**Director Orientation.** The Nominating and Governance Committee will work with senior management to develop an orientation program for new directors.

**Board Member Attendance at Annual Meetings of Shareholders.** Directors are encouraged to attend the Company’s annual meeting of shareholders.

**Shareholder Communications with Directors.** The Board welcomes communications from the Company’s shareholders and other interested parties. Shareholders and any other interested parties may send communications to the Board, any committee of the Board, the Chairman of the Board or any other director to the Company at 1675 Broadway, Suite 2600, Denver, Colorado 80202.

The shareholder or other interested party should mark the envelope containing a communication as “Shareholder Communication with Directors” and clearly identify the intended recipient(s) of the communication. The Company’s General Counsel will review each communication so received and will forward the communication, as expeditiously as reasonably practicable, to the addressees if: (1) the communication complies with the requirements of any applicable policy adopted by the Board relating to the subject matter of the communication and (2) the communication falls within the scope of matters generally considered by the Board. To the extent the subject matter of a communication relates to matters that have been delegated by the Board to a committee or to an executive officer of the Company, then the Company’s General Counsel may forward the communication to the executive officer or chairman of the committee to which the matter has been delegated. The acceptance and forwarding of communications to the members of the Board or an executive officer does not imply or create any fiduciary duty of the Board members or executive officer to the person submitting the communications.

### **Committees of the Board of Directors**

***Committees.*** The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. However, the Board may, from time to time, establish and maintain additional committees as necessary or appropriate. Members of the standing committees will be appointed by the Board upon recommendation of the Nominating and Governance Committee, with consideration given to the desires of individual directors. All of the members of the Audit Committee, Compensation Committee and Nominating and Governance Committee must satisfy the independence and experience requirements detailed in their respective committee charters. The Nominating and Governance Committee will review and make recommendations to the Board regarding the independence of directors under applicable NYSE American and other rules applicable to the committees on which such director is serving or may serve. The Board will then determine which directors are independent and qualified under applicable standards.

***Committee Charters.*** Each standing committee will have its own charter. The charters will set forth the authority and responsibilities of the committees as well as qualifications for committee membership, committee structure and operations and committee reporting to the Board. Each committee shall review its charter annually.

***Committee Meetings.*** The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee’s charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee’s agenda. Committee members are free to suggest the inclusion of items on the agenda. Committee members are free to raise at any committee meeting subjects that are not on the agenda for that meeting.

***Annual Performance Evaluation of the Committees.*** The Board will solicit input from the Chairman of each committee in order to assess the annual performance of the Board’s committees.

### **Director Access to Independent Advisors and Management**

The Board and each committee has the power to hire independent legal, financial or other experts and advisors as it may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or directly by the director. The directors will use their judgment to ensure that any such contact is

not disruptive to the business operations of the Company. The Board welcomes regular attendance at each Board meeting of executive officers of the Company.

### **Review of Governance Policies**

The Nominating and Governance Committee periodically will review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval. In addition, the Nominating and Governance Committee will consider any other corporate governance issues that arise from time to time and will develop appropriate recommendations for the Board.

**as approved 10.29.2018**

## **Exhibit A – Director Qualifications**

The Nominating and Governance Committee has established certain attributes and core competencies to consider in the evaluation of candidates, including shareholder-nominated candidates, for appointment or election to the Board, including, but not limited to: (i) relevant oil and gas exploration and production industry knowledge and experience, (ii) diversity of background and experience in areas including business, finance, accounting, technology, marketing, and government, (iii) personal qualities of leadership, character, judgment and personal and professional integrity and high ethical standards, (iv) the candidate's ability to exercise independent and informed business judgment, (v) whether the candidate is free of conflicts and has the time required for preparation, participation and attendance at meetings, (vi) the ability to work with other members of the Board, the Chief Executive Officer and senior officers of the Company in a constructive and collaborative fashion to achieve the Company's goals and implement its strategy and (vii) in the case of an incumbent Director, such Director's past performance on the Board. In addition, the Nominating and Governance Committee seeks to achieve diversity within the Board and adheres to the Company's philosophy of maintaining an environment free from discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, veteran status or any protected category under applicable law. This process is designed to provide that the Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to the business of the Company.

The Nominating and Governance Committee may establish additional criteria for persons to be nominated for election to the Board, taking into account the composition of the Board as a whole, in the context of the perceived needs of the Board or any of its committees at a given point in time, and shall submit such criteria to the Board for its approval.