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Diversified Energy Acquires Additional Asset Retirement Company

BIRMINGHAM, Ala., May 16, 2022 /PRNewswire/ -- Diversified Energy Company PLC (LSE: DEC) ("Diversified" or "the Company") acquired privately held Nick's Well Plugging LLC ("NWP"), further expanding its internal well-retirement capacity. NWP is a well-established plugging service provider headquartered in Warren, Ohio with a combined 50+ years of oil and gas experience, including plugging oil and gas wells across Appalachia.

Following a 30-year career with Haliburton, Orville "Nick" Nicholas partnered with his son, Jason Nicholas, and daughter, Tammy Angus, to found NWP in May 2010. As part of the acquisition, Jason and Tammy joined Diversified's existing well retirement subsidiary, Next LVL Energy. Nick will serve as a plugging consultant during a transition period.

NWP, Diversified's second acquisition of a well retirement operation this year, enhances Diversified's ability to maintain and reduce already low well retirement costs by eliminating 3rd-party margins, increasing control over the process and utilizing excess capacity to generate additional revenues.

"I am very pleased to welcome the respected Nicholas family and employees of NWP to our Next LVL Energy team, and I remain excited about the growth of our plugging operations," Brad Gray, Diversified's Executive Vice President & Chief Operating Officer said.

"This acquisition demonstrates our commitment to responsibly retire our long-life, low-decline assets when the time comes. Asset retirement is an integral part of our business, and this acquisition strengthens our ability to safely and efficiently retire wells. Our investments to vertically integrate well-plugging expertise and equipment enable us to meet or exceed our own company targets and give the flexibility and capacity to offer services to other operators and States Governments looking to retire orphan wells. This acquisition is a win-win for Diversified, its stakeholders, the environment and communities in the states in need of increased retirement activities."

With the addition of NWP's two retirement crews, Diversified has eight total internal crews and expects to add a 9th crew by the end of the second quarter. With its investment in NWP, Diversified is well-positioned to meet or exceed its stated commitment to retire at least 200 of its wells per year across Appalachia by 2023 and to offer its plugging services to other operators and State Governments.

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About Diversified Energy Company PLC

Diversified Energy Company PLC is an independent energy company engaged in the production, marketing and transportation of primarily natural gas related to its synergistic US onshore upstream and midstream assets.

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