1Q 2018 Earnings Call

May 4, 2018

Forward-Looking Statements

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1Q 2018 Financial Recap

(in millions)	Three Months Ended		
	3/31/18	12/31/17	3/31/17
Revenue			
Completion & Remedial	$117.6	$122.0	$80.4
Well Servicing	57.5	54.5	48.6
Water Logistics	56.5	55.5	50.2
Contract Drilling	3.0	3.3	2.8
	$234.7	$235.3	$182.0
Gross Profit			
Completion & Remedial	$28.0	$36.7	$13.2
Well Servicing	9.3	10.5	7.7
Water Logistics	15.6	11.3	8.7
Contract Drilling	0.5	0.4	0.4
	$53.4	$58.9	$29.9
Net Loss	($30.5)	($20.3)	($38.6)
FD Loss per Share	($1.16)	($0.78)	($1.49)
Adj EBITDA	$22.8	$28.8	$3.2

1Q 2018 Operational Highlights

- Steady growth in Well Servicing and Water Logistics segments:
  - Well Servicing segment revenue up 6% sequentially to $57.5 mm
  - Water Logistics segment revenue increased 2% sequentially to $56.5 mm
  - Total
- Increased utilization across production service segments:
  - 1Q18 rig utilization totaled 76% with an average of 21 24-hour rig packages working
  - Average revenue per fluid service truck increased 4% sequentially to $59,000

Operational Update

	1Q18	4Q17	3Q17
Well servicing rig hours	168,500	159,500	165,200
Well servicing utilization rate	76%	53%	55%
Number of well servicing rigs - end of period	310	421	421
Fluid services truck hours	479,600	492,800	483,300
Number of fluid service trucks - end of period	934	975	958
Number of fluid service trucks - average	960	967	947
Total pressure pumping HHP - end of period	522,565	522,565	522,565
Active frac HHP	413,300	413,300	413,300
Purchased frac HHP undergoing make-ready	-	-	-
Total frac HHP - end of period	413,300	413,300	413,300
Coiled tubing units - end of period	18	18	18

Notes:

HHP is hydraulic horsepower.

CapEx and Liquidity

- Capital expenditures (including capital leases) for 1Q18 totaled $21.3 million
  - Maintenance/sustaining expenditures were $17.0 million
  - Expansion projects and other totaled $3.8 million

- 2018 capital expenditures anticipated to be $80.0 mm, including $40 mm of capital leases and other financings

- On April 11, 2018, Basic amended its $120 mm ABL to increase commitments to $150 mm
  - Will give the company additional access to liquidity as the accounts receivable base grows

Balance Sheet and Liquidity

$millions	March 31, 2018	
Cash and cash equivalents	$	34
Restricted Cash		48
$100 million Revolver	$	85
Term Note Facility		162
Other debt and capital leases (net of discounts)		80
Total debt	**$**	**327**
Shareholders' Equity		319
Total Capitalization	**$**	**646**
Net debt [1]	$	245
Total liquidity [2]	$	35
Net Debt/Book Cap		43%
Net Debt/Adjusted EBITDA (TTM)		3.58

[1] Net debt excludes the portion of debt that was used to fund the letters of credit for insurance collateral

[2] Liquidity is computed using cash balance of $33.5 million, plus availability under the revolver of $1 million

Completion and Remedial Services

Operational Highlights

- Severe weather caused customers to defer completion work
- A slower start to customer projects early in the quarter further impacted revenues

Segment Outlook

- Pressure pumping calendar is booked through 2Q18, with a significant increase in revenue outlook for May
- Due to strong demand, continue to high-grade client base
- We expect segment maintenance capex of <10% of revenue as we continue to focus on lower wear-and-tear jobs with strong operating margins

Segment Revenue Breakdown

	1Q18	4Q17	3Q17
Pumping	62%	62%	62%
Coiled Tubing	17%	20%	21%
Rental Tools	18%	15%	14%
Other	3%	3%	3%

Well Services

Segment Analysis

	1Q18	4Q17	3Q17
Rig Hours (000s)	168.5	159.5	165.2
Utilization	76%	53%	55%
Revenue/Hour*	$338	$339	$329
Segment Margin	11.3%	19.3%	20.9%

**Excludes rental tool revenue as a part of larger rig packages*

Operational Highlights

- Rigs working with 24-hour packages increased from an average of 20 in 4Q to 21 in 1Q
- Rental and fishing tool revenue (part of C&R segment) was up 11% sequentially, driven by increased amount of completion work by service rigs
- Rig rates are up sequentially across all regions on average, though revenue per rig hour was relatively flat at $338 due largely to a higher proportion of rigs working in the Permian Basin, where rates are lower

Segment Outlook

- Pricing continues to climb in the mid-single digit range in 2Q, with the industry near what appears to be full utilization based on available labor
- Completion and 24-hour work continues to increase, presenting significant additional revenue potential (booked in C&R segment)

Water Logistics

Operational Highlights

- Average revenue per truck up 4% from 4Q
- Approximately 39% of SWD capacity in the Permian Basin was fed by pipeline during the quarter
- Segment margins were up significantly to 27.6% in 1Q18, up from 20.3% in 4Q17

Segment Outlook

- Continuing to move toward much higher-margin pipeline input of water to SWDs, targeting nearly 30% of total fluid disposal by year end

Segment Analysis

	1Q18	4Q17	3Q17
Trucks (Avg.)	960	967	947
Rev/Truck (000s)	$59.0	$57.4	$55.3
Disposal Wells	85	85	86
Segment Margin	27.6%	20.3%	21.1%

1Q18 Takeaways

- Supply chain operating at high levels of efficiency, few delays on jobs due to proppant, chemicals, cement, acid availability
- Pumping services seeing steady revenue climb into May despite harsh seasonality in 1Q
  - Focus on work that is 8,500 psi or less (vs. working at 11,500 psi) resulting in lower relative capex
- Well service rig utilization of 76% for fleet of 310 rigs
  - Number of 24-hour packages continues to increase, averaging 21 for 1Q, more than triple that of 1Q16
  - Equipment rentals associated with completions and larger workovers can double or triple overall rate paid on jobs (booked as C&R segment revenue)

2Q18 Outlook

We expect 2Q18 revenues to increase sequentially by 7%-11%

- Increase expected to be driven by all segments, with higher completion and remedial services activity, particularly frac services, cement, acid, and coiled tubing
- Production-oriented segment revenue pricing gains are likely to continue in the mid-single digit range for Well Servicing and low single digits for Water Logistics
- Oil prices having held stable above $65 is resulting in a continued strengthening of activity levels

Non-GAAP Reconciliation

(000s)	Three Months Ended	
	3/31/18	**3/31/17**
Net Loss	($30.5)	($38.6)
Adjustments		
Income Tax Provision (Benefit)	(0.1)	(0.4)
Interest Expense	11.3	9.1
Depreciation & Amortization	30.2	25.4
EBITDA	$10.9	($3.7)
Adjustments:		
(Gain) Loss on Sale of Assets	1.8	(0.5)
Non-cash stock compensation	6.8	4.4
Retention Expense	0.0	1.4
Restructuring Costs, Other	0.0	1.6
Costs for pulled bond offering	1.8	0.0
Executive bonus	1.6	0.0
Adjusted EBITDA	$22.8	$3.2

This presentation contains references to the non-GAAP financial measure of earnings (net income) before interest, taxes, depreciation and amortization, or "EBITDA." This presentation also contains references to the non-GAAP financial measure of earnings (net income) before interest, taxes, depreciation, amortization, retention expense, due diligence for M&A activities, restructuring costs,, and the gain or loss on disposal of assets or "Adjusted EBITDA." EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP.