

Governance Policy

The Board of Directors (the “**Board**”) of Patterson-UTI Energy, Inc. deems it advisable and in the best interest of the Company to agree to certain requirements of the Board defined herein to be effective from the Effective Time and until the end of the Governance Period. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Agreement and Plan of Merger between Patterson-UTI Energy, Inc., NexTier Oilfield Solutions Inc., Pecos Merger Sub Inc. and Pecos Second Merger Sub LLC.

1. Board Size. The Board shall take all necessary action to cause, as of the Effective Time, the number of directors constituting the full board of directors of Parent to be 11 members in order to appoint: (A) six directors of the Parent Board (at least five of whom (and any replacements thereof) shall be independent), which shall include the Chief Executive Officer of Parent as of immediately prior to the Effective Time (the “**Parent Directors**”); and (B) five directors of the Company Board (at least four of whom (and any replacements thereof) shall be independent), which shall include the President and Chief Executive Officer of the Company as of immediately prior to the Effective Time (the “**Company Directors**”).
2. Chairman. The Chairman of the Parent Board as of immediately prior to the Effective Time shall be appointed to serve as Chairman of the Board.
3. Re-Election. The Parent Directors and Company Directors shall (unless and until any of the circumstances set out in Article II, Section 3 or Section 4 of the Parent Bylaws arises and subject to this Section 3) serve as directors of Parent during the Governance Period. For the first and second Annual Meetings of the Stockholders following the Effective Time (the “**Applicable Meetings**”), except as provided in this Section 3, the Nominating and Corporate Governance Committee and the Board shall nominate, recommend and designate the Parent Directors and Company Directors then on the Board for re-election (the “**Recommended Slate**”). The Board and the Nominating and Corporate Governance Committee shall take all action necessary to ensure the election of the Recommended Slate at the Applicable Meeting. Notwithstanding the foregoing, if the Nominating and Corporate Governance Committee, by unanimous vote, determines not to nominate any Parent Director or Company Director for re-election at an Applicable Meeting, such director shall not be nominated, recommended or designated for re-election; provided, that, if the applicable director is a member of the Nominating and Corporate Governance Committee, then the vote required not to nominate such director for re-election shall be the unanimous vote of the other members of such Committee and the unanimous vote of the members of the Board other than such director.
4. Vice Chairman. Subject to the following paragraph, the President and Chief Executive Officer of the Company as of immediately prior to the Effective Time shall be appointed the Vice Chairman of the Board (including any successor appointed pursuant to the terms hereof, the “**Vice Chairman**”) for the Governance Period.

If the President and Chief Executive Officer of the Company as of immediately prior to the Effective Time is unable or unwilling to serve at any time (including in circumstances where he is not re-elected as a director of Parent at an Applicable Meeting or is otherwise no longer serving as a director of Parent due to any of the circumstances set out in Article II, Section 3 or Section 4 of the Parent Bylaws), then a non-executive vice chairman may be appointed by the Board from among the independent Company Designees. For so long as there is a Vice Chairman, the Board shall take all action to appoint a Company Designee to such position.

5. Executive Committee. The Board shall take all necessary action to cause, as of the Effective Time and for the duration of the Governance Period, the Chairman, Vice Chairman and Chief Executive Officer of Parent to be the sole members of the Executive Committee of the Board (the “**Executive Committee**”). The Executive Committee shall be authorized by the Board to exercise all powers of the Board in the intervals between meetings of the Board, except for those powers prohibited by statute from being delegated. The Executive Committee shall provide oversight in the areas of safety, operational and financial performance of Parent and provide oversight to the execution of the strategy, business objectives and targets established by the Board. All actions of the Executive Committee shall be presented to the full Board and reviewed after the fact by the full Board at its meeting next succeeding such action. The Executive Committee shall fix its own rules of procedure and shall meet where and as provided by such rules or by resolution of the Board.

6. Committee Designees. The Board shall take all necessary action to cause, as of the Effective Time and for the duration of the Governance Period, (i) the Nominating and Corporate Governance Committee of the Board to consist of an equal number of Parent Designees and Company Designees and (ii) cause each other committee of the Board to consist of at least one Company Designee, such that the membership of all committees (excluding the Executive Committee) of the New Board, taken as a whole, consists of an equal number of Parent Designees and Company Designees.