

CODE OF
**BUSINESS
CONDUCT
AND ETHICS**



OUR VALUES

Safety and Environment

The safety of our employees and the protection of our environment is a cornerstone, and we are committed to providing a safe, incident-free work environment for all.

Operational Excellence

We partner with our customers and take purposeful initiative to achieve their goals, through delivering high-quality performance, value-added services and products with a focus on innovative technology and solutions in all aspects of our work.

Honesty and Integrity

We will act with honesty and integrity in everything we do - building trust in our relationships.

Diversity, Inclusion and Respect

We are committed to diversity in recruiting, opportunity and leadership and to fostering a culture of inclusion and respect.

Development of Our People

We are committed to support the growth, development and career advancement of every employee.

Profitability and Financial Stability

We are committed to delivering best-in-class profitability and maintaining financial strength.

A MESSAGE FROM **ANDY HENDRICKS**



At Patterson-UTI, we take pride in our reputation of delivering high quality services as well as our reputation for integrity in our business relationships. Our reputation is a valuable asset that must be protected by each of our employees, officers and directors. No amount of financial success is more important than doing what is right.

Patterson-UTI's Code of Business Conduct and Ethics is your guideline to the policies and to our executive team's expectations of how each of us will work and conduct our business. As you read and use our Code, you will find that it provides practical advice and information to help us comply with the law and also to apply our good judgment to situations that may arise at work.

Of course, no single document can answer all of our questions or address every situation, which is why we have provided additional resources to help you make the right decision. These resources are listed throughout this Code.

If you are unsure of what to do in a particular circumstance, or if you are concerned about a potential violation of our Code, our policies, or the law, I urge you to speak up. There are many ways to get help, including talking to your manager, contacting Human Resources or the Legal Department, or using the SHARP Hotline. Remember, an issue cannot be resolved unless it is first identified.

Today's business environment can be complicated. And while some things will seem uncertain, it is my hope that our shared values and our practical, good sense will keep us focused on doing things the right way. The Board of Directors supports and has adopted this Code of Business Conduct and Ethics to help each of our team members, including executives and Board members, understand the expectations.

Patterson-UTI has a leadership position in the industry, and we must protect our solid reputation that everyone has worked hard over the decades to earn. Working together, we will continue to be proud of how we achieve success.

Thank you.

A handwritten signature in black ink, appearing to read 'A. Hendricks', written in a cursive style.

Andy Hendricks
President & Chief Executive Officer

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OUR CODE PURPOSE AND OVERVIEW

OUR COMMITMENT TO ETHICS AND COMPLIANCE

At Patterson-UTI Energy, Inc. and its subsidiaries (“Patterson-UTI” or “the Company”), ethical behavior means always acting with integrity and doing the right thing. That means using good judgment and always following all applicable laws and regulations. At Patterson-UTI, we strive to treat everyone with fairness and respect. Not because it’s the law, but because it’s the right thing to do.

We operate in many locations and environments, so we always need to be aware of the different laws and customs that apply – especially when we are guests in a location where the laws and customs are different from what we’re used to.

Our policy is to follow all applicable laws and regulations, and we also work hard to stay true to our values and principles as described in this Code of Business Conduct and Ethics. If you ever encounter a situation where the law conflicts with this Code, or you don’t know the right thing to do, seek guidance from your supervisor, from the Legal Department, or from any of the other resources listed in this Code. Our commitment to ethics and compliance means that help is always available to you.

HOW TO USE THIS CODE

Our Code is intended to serve as a resource when we need information about our policies or standards or if we are faced with a difficult decision.

It’s impossible to anticipate every question or situation, so in addition to our Code, Patterson-UTI also has other resources that can be of help. These additional resources are listed throughout this Code.

Finally, no Code, including this one, covers all situations. You are part of Patterson-UTI because we believe in you and your ability to exercise good judgment. This Code will provide you with guidance to ensure you approach all your working relationships with ethics and integrity.

WHO MUST FOLLOW THIS CODE

Our Code applies to all directors, officers and employees of Patterson-UTI.

Business partners, including third parties, contractors and joint venture partners are an extension of Patterson-UTI and can have an impact on our good name. For this reason, they are expected to act consistently with the Code, as well as our vendor guidelines and any applicable contractual provisions, when working for us, with us, or on our behalf. Our business partners are also encouraged to develop and implement ethics programs that are consistent with our standards.

We will take appropriate measures when we believe our business partners have not met our expectations or their contractual obligations.



OUR CODE ALWAYS APPLIES

Our Code Always Applies

We must always follow this Code and our policies, even if requested to do something differently by a customer. If a customer or anyone else asks you to violate this Code or to ignore a policy, let your supervisor know right away.

EMPLOYEE RESPONSIBILITIES

Each of us must take responsibility for doing the right thing when faced with tough choices. Meeting our responsibilities is what enables us to succeed and grow, today – and in the future. All employees are expected to:

- Act in a professional, safe and ethical manner that is consistent with our standards.
- Be familiar with the information contained in this Code as well as applicable laws, Patterson-UTI policies and customer policies (if applicable). Know the policies that relate to your job responsibilities.
- Promptly report concerns about actions that may be inconsistent with our Code, policies, or laws and regulations.
- Share the Company's commitment to mutual respect for all coworkers, customers, vendors, and other third parties by demonstrating common courtesy, civility and professionalism.

Remember: There is no excuse for “cutting corners”, “bending the rules” or putting pressure on others to violate this Code, our policies, laws or regulations.

QUESTION & ANSWER

Q: I know my coworker is related to a vendor we are using but I don't want to report it because my coworker is also really good friends with my boss. What should I do?

A: You must report this potential conflict of interest. It is every employee's responsibility to know the most up-to-date policies and to report violations of the policies. If you know that there is a potential violation of a policy and you do not report it, you could also be held accountable.

ADDITIONAL RESPONSIBILITIES OF PATTERSON-UTI LEADERSHIP

Employees who have the responsibility of managing and directing others have additional responsibilities:

- Ensure that the people that report to you have safe working equipment, required personal protection and training for their tasks.
- Lead by example, be a role model.
- Make a positive contribution to an atmosphere free of discrimination, harassment, and retaliation and based on mutual respect.
- Support coworkers when they ask questions and raise concerns.
- Create an environment where individuals feel comfortable speaking up.
- Listen and respond to concerns when they are raised.
- Make sure that no one who speaks up suffers retaliation.
- Be a resource for others. Be proactive. Look for opportunities to discuss our Code and how it applies to our working environment.
- Seek help and guidance whenever needed.

MAKING THE RIGHT CHOICE

OUR GUIDELINES FOR ETHICAL DECISION MAKING

Making the right decision is not always easy. There will be times when you'll be under pressure or unsure of what to do. When faced with a tough decision, it may help to ask these questions:

- Is it legal?
- Is it consistent with our policies and values?
- Does it meet the high expectations reflected in our Code?
- Would I still be comfortable with the decision if it appeared in the newspaper?

If the answer to any of these questions is "No," stop and ask for guidance.

Always remember when you have a tough decision to make, you're not alone. Your coworkers and management are available to help, and you have other resources to turn to including our policies and the SHARP Hotline.

ASKING QUESTIONS AND RAISING CONCERNS

If you see something wrong, or suspect any illegal or unethical behavior, if you think something violates our policies, or if you have a question about what to do, speak up and ask for help. You have a responsibility to speak up, and you should never assume that someone else has reported the problem.

It is always best to talk with your supervisor or manager first, but if you can't, or you would rather talk to someone else, you have several options:



First: You may talk with any other supervisor or member of management.



Second: You may contact Human Resources or any member of the Legal Department.



Third: If you prefer, at any time you can use the **SHARP Hotline** which you may contact through the following avenues:
1-844-66-SHARP (United States and Canada)
01-800-5190777 (Colombia)
800-850-0230 (Saudi Arabia)

Instructions for how to contact the Hotline from other international locations can be found at:

[Welcome to the SHARP Hotline - Powered by Convercent](#)

You may also report your issue via the web at:

[Welcome to the SHARP Hotline - Powered by Convercent](#)

Board members should contact the Chair of the Audit Committee or the Chairman of the Board.

QUESTION & ANSWER

Q: My boss has various goals relating to performance. I don't think we can safely meet these goals this month, but my boss has said that we have to do "whatever it takes." I think he means for us to ignore the rules to get results. If my boss tells me to do something that is wrong or against Company policy, what do I do?


A: Even under pressure, you should never do anything unsafe or that violates our ethical standards. While successful businesses set high goals, and employees strive to achieve them, you should never violate the law, this Code or our policies to achieve your goals. If you feel someone wants you to violate Company policy, talk to a supervisor, to Human Resources, to any member of the Legal Department, or use the SHARP Hotline.

WHAT TO EXPECT WHEN YOU USE THE HOTLINE

SHARP is the Secure Hotline for Asking and Reporting at Patterson-UTI, and is available 24 hours, seven days a week. If you choose to call the SHARP Hotline, trained specialists from an independent third party will answer your call, document your concerns and forward a written report to the Company for further investigation. If you choose to submit your concerns through the web, the Company will receive a report with your concerns.

When you use the SHARP Hotline by phone or by internet, you may choose to remain anonymous where allowed by local law. All reports will be treated seriously and appropriately, and any concerns raised are kept confidential to the fullest extent possible under the circumstances.

After you make a report, you can check its status by calling back or logging into the SHARP Hotline website. Following up is especially important if you have submitted a report anonymously, as we may need additional information in order to conduct an effective investigation. Checking back will also enable you to track the resolution of the report.



Every time we ask a question or raise a concern, we create an opportunity to improve. When we take action and report questionable conduct, we are protecting ourselves as well as Patterson-UTI's reputation. Remember, an issue cannot be addressed unless it is brought to someone's attention.

QUESTION & ANSWER

Q: I have a concern that I think needs to be brought to "corporate's" attention. My manager tells us that we should never call "corporate" because it makes us look bad and that nothing will get done anyway. I'm afraid that if I call "corporate," my manager will be upset that I went over his head, and it will make things worse for me. What should I do?

A: You can use the SHARP Hotline. Every SHARP Hotline submission is taken seriously and investigated. Reports can be made anonymously, although we may need to talk to you and others to gather additional information. We also prohibit retaliation against individuals who raise concerns in good faith.

OUR ANTI-RETALIATION POLICY

Patterson-UTI is committed to providing the opportunity for individuals to raise concerns without fear of retaliation. Each of us plays a critical role in safeguarding the reputation of Patterson-UTI. All Patterson-UTI employees are responsible for speaking up any time they become aware of a potential violation of our Code, policies, laws or regulations.

We will not tolerate retaliation against an employee who in good faith asks questions, makes a report of actions that may be inconsistent with our Code, policies, or laws or regulations or who assists in an investigation of suspected wrongdoing.

Reporting “in good faith” means making a genuine attempt to provide honest, complete, and accurate information, even if it later proves to be unsubstantiated or mistaken.

Notwithstanding anything to the contrary, and for the avoidance of doubt, nothing contained in this Code, nor in any agreement signed by you, limits or restricts your ability to communicate with the Securities and Exchange Commission or any other federal, state or local governmental agency or commission (each a “Government Agency”) or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information and reporting possible violations of law or regulation or other disclosures protected under the whistleblower provisions of applicable law or regulation, without notice to the Company, or from recovering whistleblower awards from the Securities and Exchange Commission or any other agency.

Retaliation includes negative action in response to a good faith report or in response to truthful participation in an investigation. That action can include termination, change of duties or reduction in compensation. We do not tolerate retaliation. It is important to us that anyone can feel safe when reporting a workplace concern.

ACCOUNTABILITY AND DISCIPLINE

Due to the high importance that we place on ethics and compliance, individuals who do not follow our Code, policies, laws or regulations will be subject to discipline, which may include separation from the Company.

Others involved in the wrongdoing may also be subject to discipline. This includes those who fail to use reasonable care to detect a violation, persons who refuse to disclose information which may be important to an investigation, as well as supervisors who approve, condone, “look the other way,” or attempt to retaliate.

Violations of this Code are analyzed on a case-by-case basis and any disciplinary action will be taken in accordance with all applicable internal procedures, agreements and legal requirements.

QUESTION & ANSWER

Q: I think I saw my manager using her company credit card for some personal expenses, and I think she has been including some personal items on her expense report. I'm not 100% sure, but it seems like it's been going on for some time. I know that I'm supposed to report it to someone, but I think she'll figure out it was me. What should I do?

A: You're right that you must report your concerns. You can report your concerns to another supervisor or manager, Human Resources, any member of the Legal Department or through the SHARP Hotline. After you make the report, if you believe you are experiencing retaliation, you must report it. We take claims of retaliation seriously. Reports of retaliation will be thoroughly investigated and, if they are true, retaliators will be disciplined, up to and including separation from the Company.

WAIVERS AND CHANGES TO THE CODE

This Code is maintained in the Corporate Governance section on the Company's website at www.patenergy.com and will reflect all amendments through the date of posting. As the Code may change from time-to-time, you are advised to periodically visit the website and review the Code. It is everyone's responsibility to know the most up-to-date policies in the Code.

On rare occasions, limited waivers of the Code may be necessary. For example, a minor conflict of interest situation can sometimes be resolved simply by disclosure of the possible conflict to all interested parties. Waivers given to a director or executive officer must be approved by the Board of Directors. All exceptions with respect to a director or executive officer will promptly be disclosed, along with the reason for the waiver, as required by applicable law and market regulations.



OUR SAFE AND RESPECTFUL WORKPLACE

DIVERSITY, INCLUSION AND RESPECT

Patterson-UTI brings together employees with a wide variety of backgrounds, skills and cultures. Combining such a wealth of talent and resources creates the diverse and dynamic teams that consistently drive our success.

We value the unique contribution that each person brings to Patterson-UTI. Cooperation and teamwork are central to how we work, and we believe the best solutions are those that draw on diverse ideas and perspectives.

ANTI-HARASSMENT AND ANTI-DISCRIMINATION

Equal employment opportunity, anti-harassment and anti-discrimination are fundamental principles of our Company. We do not tolerate harassment or discrimination based on age, race, sex, pregnancy, color, religion, national origin, disability, marital status, covered veteran status, genetic information, gender identity, sexual orientation, or any other characteristic protected under state, federal or local law.

- Refrain from using profanity towards another individual, and never refer to others using derogatory nicknames.
- Never make comments, or send jokes or

materials, including text messages, emails, pictures or writings that others might consider offensive.

FREEDOM FROM HARRASSMENT

We all have the right to work in an environment that is free from intimidation and harassment. Verbal or physical conduct by any employee that harasses another, disrupts another's work performance, or creates an intimidating, offensive, abusive, or hostile work environment will not be tolerated.

This includes, bullying, threats, excessive use of profanity, or any other form of aggression or hostility that creates a climate of intimidation. This also includes conduct outside the workplace if it affects the work environment.

There are many different kinds of harassment, including sexual harassment and harassment based on someone's age, race, or other protected characteristics.

All types of harassment are against our policies and the law. Always keep the following in mind:

- Insults, jokes, comments, pranks that are meant to intimidate others are never allowed.
- Even if you think your comments or actions are harmless, if they offend others you should stop.



QUESTION & ANSWER

Q: One of my coworkers sends e-mails that have jokes and derogatory comments about older employees and retirement. I'm not quite that age yet, and they don't offend me personally, but they really aren't right for the workplace or our team. Should I do something?

A: You should notify your immediate supervisor, Human Resources, or the SHARP Hotline. It doesn't matter if you are not personally offended. Sending such jokes violates our values as well as our policies pertaining to the use of e-mail and our standards on diversity, harassment and discrimination. In addition, this conduct may violate the law. Even if no one else has said anything, you are responsible for reporting this issue.

Make sure you:

Help each other by speaking out when a coworker's conduct makes you or others uncomfortable.

- Never tolerate intimidation or harassment of any kind.
- Do not use Patterson-UTI's information systems to visit inappropriate internet sites or to engage in inappropriate activity.
- Report all incidents of intimidation and harassment.

PROHIBITED CONDUCT:

Watch out for the following, which is never acceptable:

- Verbal abuse, bullying or threats.
- Different treatment of people based on their race, ethnicity, or other protected characteristic.
- Any conduct that is inconsistent with the Company's commitment to a respectful workplace.
- The display of sexually explicit or offensive pictures or other materials that demean others.
- Offensive jokes or comments.

WE DO NOT TOLERATE HARASSMENT

of any kind, including the following:

- Acting aggressively in a manner that causes someone else to fear injury to themselves or their property.
- Threatening remarks, obscene phone calls or stalking.
- Causing or threatening physical injury to another.
- Intentionally damaging someone else's property.

Refer to the Equal Employment Opportunity and Anti-Harassment Policy.

QUESTION & ANSWER

Q: I went out after work with some coworkers and everyone got along really well, except one colleague kept making comments about my appearance and suggesting that we leave together. I asked him to stop, but he wouldn't. We weren't in the office and it was 'after hours' so I wasn't sure what I should do. Is it harassment?

A: It definitely could be. This type of conduct is not tolerated, not only during working hours but in all work-related situations, including work-related social events, and anything that affects the workplace environment. Tell your colleague such actions are inappropriate and must be stopped, and if they continue, you need to report the problem. If you aren't comfortable speaking with your colleague directly, you can also notify your supervisor, contact Human Resources or the SHARP Hotline for assistance.

QUESTION & ANSWER

Q: One of my coworkers is always hiding my personal belongings, leaving vulgar notes for me, and coming up behind me on the job site trying to startle me. I know he's just playing around, but it's irritating, embarrassing and not always safe. I don't want to get him in trouble, but what should I do?

A: You should notify your immediate supervisor, HR, or the SHARP Hotline. It doesn't matter if you are not personally offended. Sending such jokes violates our values as well as our policies pertaining to the use of e-mail and our standards on diversity, harassment and discrimination. In addition, this conduct may violate the law. Even if no one else has said anything, you are responsible for reporting this issue.

SAFE AND HEALTHY WORK ENVIRONMENT

At Patterson-UTI, our people are our greatest strength, and we are committed to their safety, health and well-being. Our goal is to provide an incident-free work environment. Our managers and supervisors are accountable for the safety of our people and are committed to ensuring that they have safe working equipment, required personal protection and training for their tasks. Our employees are trained to be responsible for the safety of their own actions in order to protect themselves, their team members and others. Our commitment to health and safety is everyone's job.

When it comes to safety and health, as a Company, as a team, and individually, we must always demonstrate visible leadership, care, and concern for one another.

Employees shall observe the behavior of other personnel in their work environment and constantly be aware of both safe and unsafe behaviors. Any person who has a concern about his or her safety or the safety of another person has the responsibility to stop the operation.

Make sure you:

- Understand your responsibilities to comply with the applicable standards of safety and health.
- Always wear required safety equipment and never tamper with safety equipment or systems.
- Participate in all required safety training.
- Only undertake work that you are qualified to perform.
- Stop work if you consider it unsafe.
- Never work while impaired by, for example, a lack of sleep, alcohol, or prohibited drugs.
- Report any accident, injury, illness, or unsafe condition immediately. Never assume that someone else has reported a risk or concern.
- Know the emergency procedures that apply where you work.

SAFETY FIRST:

- Watch out for any unsafe working conditions. Report all concerns regarding health and safety immediately to your supervisor.
- Never cut corners and never bend the rules.
- Horse play, practical jokes, or fighting of any kind is strictly prohibited at all Patterson-UTI jobsites and facilities.
- Always use the correct tool for the job.
- Keep the work environment clean. Use good housekeeping practices to sustain a clean environment and help avoid potential hazards.

PROTECTING THE ENVIRONMENT

We are committed to a clean and healthy environment for all. It is our goal to minimize our environmental impact in the communities in which we work and live, while providing services for our customers in a safe and responsible manner. We pursue various initiatives to make improvements in air and water quality, emissions, land usage, chemicals management, energy usage and reducing waste materials.

We are proud to work alongside our customers and suppliers to strengthen environmental stewardship and responsibility, and we strive to implement industry environmental best practices whenever practical.

We expect employees to work to improve our environmental performance through technical innovation, monitoring, pollution prevention, and waste minimization, water and energy efficiency, effective use of raw materials, and by paying careful attention to the best use of resources.

QUESTION & ANSWER

Q: I'm new here, and I've noticed some work practices that are different from my old company. They don't seem safe to me, but I don't want to make waves. Who should I speak to?

A: Discuss your concerns with your supervisor or with an HSE representative. There may be very good reasons for the practices, but it's important to remember that raising a concern about safety does not cause trouble – it is being responsible. If you are uncomfortable with a process, you may be putting your coworkers at risk.

Q: Are our subcontractors expected to follow the same Health, Safety and Environment policies and procedures as employees?

A: Absolutely. Managers and supervisors are responsible for ensuring that our subcontractors and vendors at work on our premises understand and comply with all applicable laws and regulations governing the particular facility, as well as with additional requirements we may impose.



WORKING WITH OUR CUSTOMERS AND SUPPLIERS

HONEST AND FAIR DEALING

Always tell the truth about our services and capabilities and never make promises we can't keep. Do not take unfair advantage through manipulation, concealment, abuse of privileged or confidential information, misrepresentation, fraudulent behavior, or any other unfair practice. In short, always apply the same ethical principles of respect and teamwork, as if the suppliers were fellow employees.

Make sure you:

- Treat others fairly and honestly.
- Never follow a request to do something that you regard as unlawful or contrary to our standards or policies.
- Promise what you can deliver and deliver on what you promise.

Watch out for:

- Pressure from others to avoid rules and regulations.
- Temptations to tell people what you think they want to hear rather than the truth.
- Misrepresentations or exaggerations about the capabilities of products or services.

SUPPLIER RELATIONS

Our suppliers are essential to our ability to conduct business and meet our high standards and expectations - that is why we choose them carefully and use an objective and impartial selection process.

- Avoid all conflicts of interest and favoritism in supplier relations.
- Help suppliers understand our expectations and act in a way that is consistent with our standards and applicable policies.
- Report any suspicions that a supplier may not be meeting our standards or their obligations.



CONFLICT OF INTEREST

A conflict of interest is any situation where your private interests interfere, or appear to interfere with the interests of the Company. Conflicts of interest most often occur when you or a relative or a member of your household may benefit personally as a result of your position with Patterson-UTI.

Conflicts of interest are not always clear. If you have a question, contact Human Resources, the General Counsel, or any member of the Legal Department, or use the SHARP Hotline. This will allow us to fairly and appropriately address the situation. Directors should contact the Chair of the Audit Committee or the Chairman of the Board.

Some types of conflicts of interest include:

Friends and relatives

Relationships with relatives, members of your household and close friends may create a conflict of interest. As set forth in the Employment of Relatives Policy, employees who have relatives employed at the Company or who become related to another employee of the Company, must immediately disclose the relationship to Human Resources so that appropriate steps can be taken to address the potential conflict.

In general, you, your relatives and members of your household must avoid relationships with vendors, suppliers, customers, competitors or anyone else that appear to create, or do create, conflicts of interest.

Outside employment and civic activities

Patterson-UTI does not prohibit employees from engaging in certain types of outside employment and civic activities, but if these activities may create a potential conflict of interest (which may include work for a competitor, customer, vendor or supplier) or may affect your job performance, you must immediately disclose them to Human Resources or to the General Counsel.

Personal investments

A conflict of interest can occur if you or a relative have an ownership or other financial interest in a competitor, vendor, supplier or customer. If such a situation exists, you must disclose the matter to the General Counsel.

Corporate opportunities

If you learn about a business opportunity because of your position at work, it belongs to the Company first. You may not take for yourself, or direct to any friend or relative, any opportunities that you become aware of as a result of your employment.

Charitable giving and community contributions

If not handled properly, donations and contributions can create conflicts of interest. For this reason, and to ensure that the donations or contributions are consistent with the Company's community engagement plans, charitable contributions require approval from the business President or functional Vice President. Charitable contributions outside of the United States or Canada also require approval from the General Counsel.

Political Activities

You have the right to voluntarily participate in the political process including making personal political contributions. However, you must always make it clear that your personal views and actions are not those of Patterson-UTI.

No Patterson-UTI funds may be used for any political purpose. This includes the contribution of Company funds to political parties, candidates or causes. This prohibition also includes buying tickets to events such as candidate luncheons, making donations at the request of clients or otherwise using Patterson-UTI resources to influence a political process.

QUESTION & ANSWER

Q: A client has invited me to attend a fundraising luncheon for a candidate for local office. I want to go, but I know that Patterson-UTI does not make political contributions. What should I do?

A: If you want to attend in your personal capacity, you are free to do so. No Patterson-UTI funds should be used to buy tickets to the luncheon or to support a political candidate, and you should take care to not associate our Company name in any way with your personal political activities.

Patterson-UTI policy is to prohibit conflicts of interest, except with approval from the CEO or the CEO's designee. Any approval may require the satisfaction of certain conditions.

Conflicts of interest involving the CEO or members of the Board of Directors should be disclosed to the Chairman of the Board of Directors or the Chairman of the Audit Committee of the Board of Directors.

Make sure you:

- Avoid conflict of interest situations whenever possible.
- If a possible conflict of interest exists, disclose it promptly.
- Always make decisions in the best interests of the Company.

- Disclose any relationship, outside activity, or financial interest that may present a possible conflict of interest or even the appearance of a conflict.
- Think ahead and proactively address situations that may put your interests or those of a relative in potential conflict with the Company.

To learn more:

- See also the Employment of Relatives Policy COR-102
- See also the Conflicts of Interest, Including Gifts and Entertainment Policy COR-109
- See also the Political Contributions Policy COR-104-PC

As an employee of Patterson-UTI, in your business activities you must always act in the best interest of the Company and its values. This means **avoiding conflicts of interest**.

Some common conflicts of interest:

- Working for a vendor, customer, or competitor.
- Side jobs that take up your time or leave you too tired.
- Working alongside relatives or people with whom you have a romantic relationship.
- Gifts, meals, travel, or entertainment that could influence your decisions on behalf of the Company.
- Rebates, kickbacks, gift cards, or giveaways from vendors.
- Using a vendor that is part owned by a relative or where you have a personal financial interest.
- Using Company information or resources for personal gain

What do I do if there might be a conflict?

- Outside Employment:** Contact Human Resources or the General Counsel
- Related to another employee:** Contact Human Resources
- Any other conflict of interest:** Contact any member of the Legal Department or the General Counsel
- Someone else has a conflict of interest:** Contact Human Resources, any member of the Legal Department or the General Counsel, or the SHARP Hotline.

If a conflict of interest does not harm the Company, the Company may decide to waive the conflict. Regardless, the conflict has to be promptly and completely disclosed.

WHEN IN DOUBT – ALWAYS DISCLOSE

QUESTION & ANSWER

Q: My manager's brother owns a tire shop and the Company buys tires from him. He gives us a discount and the tires are the same tires we would get somewhere else. Is this a problem?

A: If an employee or his or her relative has a financial interest in a vendor, there could be a conflict of interest. If your manager's brother owns the tire shop, that looks like a conflict of interest. Even if it turns out to be a better deal for the Company, the conflict of interest would have to be disclosed to the Company. In order to move forward with using this vendor, the CEO or CEO's designee must approve.

Q: The person that sits next to me has been getting a lot of little gifts from a vendor. I really think it goes beyond what's allowed in the Conflicts of Interest, Including Gifts and Entertainment Policy. I have nothing to do with it, and we don't even work together, but I don't want to get blamed. What should I do?

A: If you are aware of a potential violation of our Code or Company policy, you need to speak up. It doesn't matter if you don't work directly together, whether you report to the person, or whether you have anything to do with the potentially wrongful conduct. Every Patterson-UTI employee has the obligation to report improper activities so that corrective action can be taken. This is a requirement of being on the Patterson-UTI team, and anyone who does not report wrongful conduct can be held accountable.

GIFTS AND BUSINESS COURTESIES

In the right circumstances, a modest gift may be a thoughtful "thank you," or a meal may be an appropriate setting for a business discussion which strengthens a professional relationship. However, if not handled carefully, the exchange of gifts and entertainment can look like a conflict of interest,

especially if it happens frequently or if the value is large enough that someone could reasonably think it is influencing a business decision.

When it comes to gifts and entertainment, our position is clear – employees must not accept gifts, meals, entertainment and other courtesies that could affect their objectiveness or influence them in a commercial, professional or administrative relationship.

Vendors and Suppliers

Do not accept or solicit gifts, services, discounts, or other things of value from a vendor or supplier that is doing business with or seeking to do business with Patterson-UTI. There are limited exceptions:

- Employees may accept gifts of low value, subject to the limits below, that are related to the development or maintenance of ongoing business relationships with current or potential vendors or suppliers.
- Employees may accept non-cash gifts of promotional items that display the logo of a vendor or supplier. The value of such gifts must not exceed \$200 per year per vendor or supplier.
- Employees may accept a non-cash gift during the holiday season from a current or potential vendor or supplier, such as food items or a gift basket, where the value of the gift does not exceed \$100 per year.
- Employees may accept business meals with current or potential vendors or suppliers where the value of the meal does not exceed \$100 per meal and the value of all meals does not exceed \$300 per year for each vendor or supplier.
- Employees are not allowed to accept, from current or potential vendors or suppliers, tickets for entertainment (such as concerts or sporting events) or participate in activities (such as hunting or fishing trips) where the value of the tickets or activity is greater than \$500, without receiving prior written approval from the President of your business organization (or CFO for employees of Patterson-UTI Management Services, LLC)
- Employees are not permitted to accept offers to pay for travel or overnight accommodations from a vendor or supplier that is doing business with or seeking to do business with Patterson-UTI. Our policy is to pay for an employee's commercial travel and accommodation expenses associated with functions that involve travel and that have a business purpose, and where any required advance written approval from a supervisor has been obtained.
- Employees are always prohibited from receiving cash or gift cards from any current or potential vendor or supplier.
- Employees that are aware of an active procurement process are prohibited from improperly communicating with or receiving any gift, meal, entertainment or other business courtesy from vendors or suppliers that are participating in that procurement process. Communications that are part of that procurement process or that are part of the Company's existing, ordinary course of business operations are not subject to this prohibition.

WHEN IN DOUBT – ALWAYS DISCLOSE

Gifts and entertainment come in all different forms: fruit baskets, meals, tickets to sporting events, and hunting and fishing trips, to name just a few examples. Before accepting or offering gifts or entertainment, think about the situation -- is it allowed under our policies and guidelines? Does the action legitimately support Patterson-UTI's interest? Is the amount reasonable and customary? If it is a gift or entertainment that we are providing, does it meet the recipients' standards as well as ours? Would it embarrass you or the Company if it was on the front page of the newspaper or if your coworkers or supervisors knew about it?

QUESTION & ANSWER

Q: When I was traveling, a supplier of ours gave me a football jersey for my son. It's really nice, and I think he'd love it, but it's clearly expensive. What should I do?

A: You're right to be concerned, and you probably can't accept it. A lavish or expensive gift can create the appearance of impropriety, and could create feelings of owing something to the supplier. Such gifts can violate the Company's Conflicts of Interest, including Gifts and Entertainment Policy, and you should let Human Resources know or report it to any member of the Legal Department or the General Counsel as soon as possible.

We may have to return the gift with a letter explaining our policy. If a gift is perishable or impractical to return, another option may be to share it among employees in a common area or to donate it to charity.

Customers

The giving of gifts, meals, entertainment or other business courtesies under certain circumstances can be appropriate in many cultures for building and maintaining proper business relationships. Employees should not offer any gift, meal, entertainment or other business courtesy if the intent or the appearance of the intent is to improperly influence the recipient's business decisions.

As a service organization, we endeavor to meet or exceed our customers' expectations. When giving gifts, meals, entertainment or offering business courtesies to customers or potential customers, Patterson-UTI employees must comply with the following:

- The policies of those customers or potential customers.
- Occasionally customers may reciprocate the offer to participate in events together and this is generally allowed but must be approved in advance by the President or Senior Vice President of your business organization.
- Employees are permitted to accept non-cash gifts from customers or potential customers where the combined value does not exceed \$200 per year per customer.
- Employees are always prohibited from receiving cash or gift cards from any current or potential customer.

- **Additional procedures must be complied with when the customer or potential customer is a Government Official.** Please see "Gifts and Entertainment - Government Officials" below.

Any exceptions to these vendor/supplier or customer gifts and entertainment rules are permissible only with advance approval from the President of your business organization (or CFO for employees of Patterson-UTI Management Services, LLC).

Make sure you:

- Only provide and accept gifts and entertainment that are reasonable and customary for the business relationship and that comply with Patterson-UTI policy.
- Do not request or solicit personal gifts, favors, entertainment or services. Accepting gifts of cash or cash equivalents (i.e., gift cards) is never allowed.
- Never give or receive gifts or hospitality that are inappropriate or illegal or that could negatively impact the Company's reputation.
- Understand and comply with the policies of the recipient's organization before offering or providing gifts, meals, or entertainment.

QUESTION & ANSWER

Q: A supplier we work with frequently is going to be in town for a few days, and they have invited me and a colleague to dinner one evening. I think it would be good for business to spend some time getting to know them better. Is it okay to have dinner with the supplier?

A: It is okay to go to dinner with the supplier, but you cannot accept meals in excess of \$100, or a total of \$300 per year from a single vendor or supplier. This means that sometimes you may have to explain that Company policy requires you to pay your own way. Any exceptions to this require advance approval from the President of your business organization (or CFO for employees of Patterson-UTI Management Services, LLC). The rules for meals with customers are different than the rules for meals with vendors and suppliers, so if in doubt, consult the Conflicts of Interest, Including Gifts and Entertainment Policy or contact any member of the Legal Department or the General Counsel.

Watch out for:

- Excessive hospitality or other special treatment from or for any vendor, supplier, or customer.
- Situations that could embarrass you or the Company.
- Gifts, meals, or entertainment from vendors or suppliers that could create an appearance of a conflict of interest.

- Gifts that create an obligation to do something for the provider of the gift.

If you are uncertain whether a gift or entertainment you have been offered or plan to give is appropriate, contact any member of the Legal Department or the General Counsel for assistance.

GIFTS AND ENTERTAINMENT - GOVERNMENT OFFICIALS

Extra care needs to be taken when dealing with governments, governmental agencies, political parties, public international organizations and their officials. No gifts, entertainment, or other benefits that could be considered as influencing any business decision or to obtain improper advantage can be offered to public officials. Remember that employees of state-owned oil companies are considered government officials.

In the case of government officials, before you provide any gift, meal, travel, or entertainment or other similar expenses be sure that it complies with our Global Anticorruption Policy.

Any request made to you or to another employee for an improper payment, or any action taken or threatened by a government official with the intent of obtaining an improper payment should be reported immediately to the General Counsel.

Watch out for:

- Companies that appear to be privately held but are actually considered governmental entities. Employees of state-owned oil companies are considered government officials. Special rules apply to gifts and entertainment for government officials.

To learn more:

- See also the Conflicts of Interest, Including Gifts and Entertainment Policy COR-109
- See also the Global Anticorruption Policy COR-104

PROTECTING INFORMATION AND ASSETS

PROTECTING OUR ASSETS

Every employee is responsible for the proper use of Patterson-UTI's assets, and protecting them from waste, abuse or loss. Company assets include not only Company property such as vehicles, tools, materials, and supplies, but also Company strategies, name, logos, trademarks, brands, intellectual property and goodwill, as well as our computer and communications systems, software and hardware.

All employees are expected to work efficiently during working hours and make the best use of the time and resources provided.

Make sure you:

- Use Patterson-UTI assets responsibly and appropriately.
- Respect the copyrights, trademarks and license agreements of others when dealing with printed or electronic materials, software or other media content.

- Do not use Company equipment without approval.
- Do not share passwords.
- Minimize use of Company email for non-business purposes.
- Do not use a Company credit or fuel card for personal matters.

Never leave your laptop or any personal devices that contain confidential information in your car or unattended in a public place.

To learn more:

See also the Acceptable Use Policy COR-107

CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY

In the course of our work, many of us have access to confidential or proprietary information about the Company, our employees, our customers, suppliers or other third parties. Each of us must be careful to safeguard our confidential information as well as confidential information that is entrusted to us by others, except when disclosure is authorized or legally mandated.

You may have access to confidential or proprietary information from your employment with a former employer. During your employment at Patterson-UTI, you may not improperly use or disclose confidential information or trade secrets of any former employer or any other person to whom you have an obligation of confidentiality.

A condition of employment is that intellectual property created on the job or with Company resources belongs to Patterson-UTI and cannot be used for personal gain.

Make sure you:

- Respect all patents, trademarks, copyrights, proprietary information or trade secrets, as well as the confidentiality of anyone with whom we do business.
- Keep confidential information secure, limit access only to those who have a "need to know," and use only for permitted purposes.
- Never try to induce other people to breach confidentiality obligations they owe to third parties.



CONFIDENTIAL INFORMATION INCLUDES, BUT IS NOT LIMITED TO:

- Operational data and reports
- Customer and supplier lists
- Contract information
- Personnel information and records
- Pricing information
- Company financial information that has not been released to the public
- Software programs developed by employees or specifically for the Company
- Business and strategic plans
- Intellectual property, “know how” and inventions
- Technology, operations, research and technical data
- Manufacturing techniques and processes, and
- Third party information and records given to us in confidence.

Make sure you protect against:

- Unintentional exposure of confidential information in public settings such as on phone calls or while working on your laptop.
- The loss of control of confidential information. When sending personal information to third parties, make sure that the transmissions are for legitimate business reasons and that they comply with local law.

Our obligation to protect confidential information acquired while employed by Patterson-UTI extends even after our employment at the Company ends. If you leave the Company, you are obligated to return to the Company any confidential information (in any format, whether electronic or hard copy) that you possess, and to delete any confidential information that may exist on your personal devices, unless otherwise instructed by an authorized Company representative. You may not use or disclose any confidential information gained from your employment with Patterson-UTI after your employment ends.

Be careful what you say around strangers.

Conversations in restaurants, airports, elevators and other public places are not private, and you never know who can hear you. Protecting confidential information means not discussing it openly where it can be overheard.

QUESTION & ANSWER

Q: I met up with some friends and former coworkers who now work for a competitor. They asked how things are going and asked about some of the things that we used to work on together. How much can I tell them, since they used to work at the Company?

A: Even if someone used to work for the Company, if they are no longer employed by the Company, you cannot share any confidential Company information with them. This includes anything that you wouldn't share with someone outside the Company - such as plans or operational information, or information about customers, vendors and suppliers, pricing, or personnel - or any other kind of confidential information.

ACQUIRING COMPETITIVE INTELLIGENCE

We obtain competitive information only through legal means and never through misrepresentation, or through any behavior that could be construed as “espionage,” or “spying”.

Stealing proprietary information, acquiring trade secrets through bribery, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited.

Any information obtained from third parties, including information about the competition, will always be obtained and used in a strictly legal manner.

CREATING AND MANAGING OUR BUSINESS RECORDS

Business partners, government officials, shareholders, and the public need to be able to rely on the accuracy and completeness of our disclosures and business records.

Accurate information is also essential within the Company so that we can make informed decisions.

Our books and records must accurately and fairly reflect our transactions in reasonable detail and in accordance with our accounting practices and policies. Some employees have special responsibilities in this area, but all of us contribute to the process of recording business results and maintaining records.

Each of us is responsible for helping to ensure the information we record is accurate, timely and complete, and maintained in a manner that is consistent with our system of internal controls. We expect all personnel to ensure that all reports and documents filed with the Securities and Exchange Commission and all other public communications for which they are responsible, provide full, fair, accurate, timely and understandable disclosure and that the same are filed on a timely basis.

Make sure you:

- Create business records that accurately reflect the truth of the underlying event or transaction. Be guided by the principles of transparency and truthfulness.
- Write carefully and clearly in all your business communications, including emails and texts. Write with the understanding that someday the records may become public documents.
- Never issue incorrect, incomplete or inexact information, or information which could confuse the person who receives it.
- Never destroy documents in response to or in anticipation of an investigation or audit.
- Preserve documents as instructed by any Legal Holds.
- Contact the Legal Department or use the SHARP Hotline if there is any doubt about the appropriateness of record destruction.

QUESTION & ANSWER

Q: At the end of the last quarter reporting period, my supervisor asked me to record additional expenses even though I had not yet received the invoices from the supplier and the work has not yet started. I agreed to do it, mostly because I didn’t think it really made a difference since we were all sure that the work would be completed in the next quarter. Now I wonder if I did the right thing.

A: No, you did not. Costs must be recorded in the period in which they are incurred. The work was not started and the costs were not incurred by the date you recorded the transaction. It was therefore a misrepresentation and, depending on the circumstances, could amount to fraud.

Possible red flags:

Financial entries that are not clear and complete or that may hide or disguise the true nature of any transaction.

Undisclosed or unrecorded funds, assets or liabilities.

Incomplete or sloppy recordkeeping.

To learn more:

See also the Global Anticorruption Policy COR-104

VIDEO AND PHOTOGRAPHY OF COMPANY PROPERTY

Only authorized individuals are permitted to take any photographs or videos of Company personnel, equipment or facilities. There are legal, safety and privacy steps to be taken prior to taking or using any video or photographs. Unauthorized individuals who wish to take photos or videos of Company personnel, equipment or facilities, must obtain authorization from the Legal and MarCom Departments in advance.

COMMUNICATING WITH THE PUBLIC

We are committed to honest, professional and legal communications to business partners and the public. In

all disclosures we must maintain the highest standards of ethics, objectivity and transparency. Inquiries from investors and financial analysts should be referred to the Director of Investor Relations. Inquiries from the media should be referred to Media Relations.

Make sure you:

- Never give the impression that you are speaking on behalf of the Company in any personal communication, including speeches and presentations, unless you are authorized to do so.
- Unless you are authorized to do so, never speak to reporters or respond to their email inquiries – even if asked to speak “off the record”.

Watch out for:

- Any suggestion you speak for the Company in your personal communications, including in emails, blogs, message boards and social networking sites.
- Temptations to use your Company title or affiliation outside of work – such as in charitable or community work – without making it clear that the use is for identification only and that you are not representing the Company.

To learn more:

See also the Video and Photography Policy COR-101

See also the Recording Devices, Social Media and Public Posting Policy COR-132

USING SOCIAL MEDIA

We need to be careful when writing communications that might be published online. If you participate in online forums, blogs, newsgroups, chat rooms, bulletin boards or other social media, before you post any content, think carefully.

When using social media, employees may not:

- Comment on confidential and non-public Company information such as the Company’s current or future business performance or business plans.
- Disclose the Company’s trade secrets and confidential information.
- Violate the Company’s intellectual property rights or use protected information for business and commercial purposes.
- Harass, threaten or defame professionals, employees, customers or suppliers with whom the Company engages.
- Violate the Company’s Equal Employment Opportunity and Anti-Harassment Policy

Employees must state that the employee’s views are their own if they are commenting on social media in such a way that their relationship with the Company may be revealed.

FOLLOWING THE LETTER AND THE SPIRIT OF THE LAW

THE COMPANY'S EXPECTATION IS THAT ALL DIRECTORS, OFFICERS AND EMPLOYEES WILL COMPLY WITH ALL APPLICABLE LAWS, RULES AND REGULATIONS.

INVESTIGATIONS AND INQUIRIES

All employees are expected to fully cooperate with internal and external audits, investigations, and inquiries that are conducted by the Company. In addition, in the course of business you may receive inquiries or requests for information from government officials.

If you learn of a potential government investigation or inquiry, immediately notify the Legal Department, prior to taking or promising any action.

With respect to all internal and external audits, investigations, and inquiries:

- DON'T give incomplete, false or misleading information to a Company or government investigator; don't encourage anyone else to, either.
- DO COOPERATE with the Company's investigators. Give truthful and complete responses.
- NEVER destroy, alter or conceal any document in anticipation of or in response to a request for these documents.

INSIDER TRADING

The following is a brief summary of the insider trading policy restrictions applicable to our directors, officers, employees and consultants. **All directors, officers, employees and consultants must read and understand the Company's Insider Trading Policy (COR-146).**

In the course of business, you may learn confidential information about Patterson-UTI or other publicly traded companies with which we do business. Federal and state laws prohibit buying, selling or making other transfers of securities by persons who possess material nonpublic information. These laws also prohibit persons with such information from passing it on to others who may trade on the basis of such information. Our Insider Trading Policy prohibits:

1. Trading (directly or indirectly, through family members or controlled entities) in the stock or other securities of any company when you possess material nonpublic information about that company.
2. Conveying material nonpublic information about the Company or another company to others, or suggesting that anyone purchase or sell any company's securities while you are aware of material nonpublic information about that company.
3. Communicating nonpublic information about the Company to any person (including family members and friends) except Company personnel who have a legitimate business need for the information.

Violations of insider trading laws will expose the individuals involved to disciplinary action, as well as potential civil or criminal liability.

Be discreet with nonpublic information and refrain from discussing it in public places where it can be overheard, such as elevators and other public spaces in the Company's offices, restaurants, taxis, and airplanes.

If you have any questions as to whether information is material or has been released to the public, or any other questions about transactions involving the Company's stock or other securities, please contact the Chief Financial Officer or General Counsel.

To learn more:

See also the Insider Trading Compliance Policy COR-146



QUESTION & ANSWER

Q: I received sensitive pricing information from one of our competitors. What should I do?

A: You should contact the Legal Department without delay and before any further action is taken. It is important that from the moment we receive such information we demonstrate respect for antitrust laws, and we make clear that we expect others to do the same. This requires appropriate action that can only be decided on a case-to-case basis and may include sending a letter to the competitor.

MATERIAL NON-PUBLIC INFORMATION

Information is considered public only after it has been effectively disclosed in a manner sufficient to ensure its availability to the investing public. Selective disclosure to a few persons does not make information public.

Information is considered material if:

- there is a substantial likelihood that a reasonable investor would consider the information important in deciding whether to buy, hold, or sell the securities in question; or
- the information, if disclosed, could be viewed by a reasonable investor as having significantly altered the total mix of information available.

Material information may be good or bad news. Chances are, if a person learns something that leads that person to want to buy or sell securities, the information will be considered material.

Examples of non-public information that might be deemed material include, but are not limited to:

- annual or quarterly financial results for the entire company or a material business segment of the company (or even monthly results under certain circumstances, including in particular when they would indicate a material departure from market expectations);
- negotiations and agreements regarding acquisitions, divestitures, business combinations or tender offers;
- the institution of, or developments in, significant pending, threatened or actual litigation, investigations, or regulatory actions and proceedings, or strategies with respect to the foregoing;
- internal earnings or other financial estimates or forecasts, especially if significantly different from “street” estimates, and other confidential financial information; and

- Significant operational information, including results of business activity, changes in price, customers, suppliers, or contracts or changes in management, directors, or auditors.

A more comprehensive list of examples of information that might be deemed “material” is included in the Insider Trading Policy.

Watch out for:

Requests by friends or family for information about Patterson-UTI or about companies with which we conduct business. Even casual conversations could be viewed as illegal “tipping” of inside information.

Tipping - Be very careful with any material non-public information and make sure you do not share it with anyone, either on purpose or by accident. Giving this information to anyone else who might use it to make an investment decision is considered “tipping” and is against the law regardless of whether you benefit from the outcome of their trading.

QUESTION & ANSWER

Q: At a recent conference I met a competitor who shares my territory. He suggested that we divide the territory in half and not sell to customers in the other person’s section. This will make my work easier and almost guarantee increased sales for the Company. Is there anything wrong with this idea?

A: Yes, what the competitor is suggesting is illegal. We cannot divide sales opportunities with customers or geographical selling areas between us and our competition.

ANTITRUST AND FAIR COMPETITION

We believe in free and open competition and never engage in improper practices that may limit competition. We never look to gain competitive advantages through unethical or illegal business practices.

Antitrust laws are complex and compliance requirements can vary depending on the circumstances. Employees whose role exposes them to antitrust issues should make sure they are familiar with our Antitrust Compliance Policy and should never hesitate to contact the Legal Department with questions or concerns.

The following activities are examples of red flags and should be avoided and if detected, reported to the Legal Department:

- Sharing competitively sensitive information with a competitor. This can include information about past, present or future costs or prices, pricing policies, bids, discounts, terms or conditions of service, customers, territorial markets or product or service plans.
- Providing unauthorized information to analysts, data aggregators or market intelligence firms.
- Agreeing with a competitor to fix prices or agreeing with a competitor not to bid.
- Providing a product or service to a customer on the condition that the customer purchase another Patterson-UTI product or service.
- Agreeing with a competitor to boycott a supplier or customer.

Contact or communications of any kind with competitors raises special concerns and may create the wrong impression. Antitrust laws apply not only to formal agreements, but also to informal agreements, unspoken agreements and conspiracies. Be careful when communicating with competitors to not even create an impression of acting “in restraint of trade” or competition.

TRADE SHOW ACTIVITY/ MEETINGS WITH COMPETITORS

Antitrust laws provide no immunity for trade associations. If a conversation or agreement is unlawful in private, it is still unlawful if carried out by a trade association or at a meeting. If you are at a trade association or similar meeting, and anyone engages in any anticompetitive conversation:

1. Object immediately, noticeably and unequivocally.
2. LEAVE in a noticeable and obvious manner if improper discussions continue after your objections.
3. Report the incident to the Legal Department.

Prohibited practices:

- **Collusion** — when companies secretly communicate or agree on how they will compete. This could include agreements or exchanges of information on pricing, terms, wages, or allocations of markets.
- **Bid-Rigging** — when competitors or service providers manipulate bidding so that fair competition is limited. This may include comparing bids, agreeing to refrain from bidding or knowingly submitting noncompetitive bids.
- **Tying** — when a company with market power forces customers to agree to services or products that they do not want or need.
- **Predatory Pricing** — when a company with market power sells a service below cost so as to eliminate or harm a competitor, intending to recover the loss of revenue later by raising prices after the competitor has been eliminated or harmed.

To learn more:

See also the Antitrust Compliance Policy COR-108

ANTICORRUPTION AND BRIBERY

It is Patterson-UTI’s policy that we do not pay bribes or kickbacks at any time or for any reason, nor do we tolerate bribery or corruption by anyone working on our behalf. The United States Foreign Corrupt Practices Act (“FCPA”) prohibits the bribery of foreign government officials, but our Company policy is broader and prohibits the bribery or corruption of any person, whether that person is a government official or private individual. Other global anticorruption laws, such as the UK Bribery Act, and any laws enacted pursuant to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions also prohibit bribery regardless of whether an individual is a private citizen or a government official.

Our Global Anticorruption Policy sets forth our responsibilities and procedures in connection with bribery prevention and anticorruption, especially when working internationally.

QUESTION & ANSWER

Q: We're opening a new facility and are having a ribbon-cutting ceremony. We want to invite the mayor and some city councilors. Would that be a problem?

A: You must get approval from the General Counsel before inviting an elected official or other governmental officer to attend a Company event. If the invitee is in the midst of a reelection campaign, the Company event could be viewed as support for the campaign. Any food, drink, or transportation provided to the invitee could be considered a gift. In either case, there would be limits and reporting obligations.



KEY DEFINITIONS

Bribery means any corrupt authorization, offer, promise, or giving of anything of value (money or otherwise), whether offered directly or through a third person or company, to influence any act or decision of that person as part of his or her official duties or responsibilities, or in order to obtain or retain business, or to get any other kind of "improper advantage."

Anything of Value includes cash, but also things of nominal or uncertain value, including a job opportunity for a family member, a gift, a scholarship for a dependent child, a low interest loan, or an agreement to use a vendor owned by a relative.

Government Official can include any (1) officer, employee or person acting in an official capacity on behalf of a government or political party; (2) a candidate for government political office; (3) an officer or employee of a government state-owned company (such as an employee of a state-owned oil company); (4) uncompensated honorary officials who have actual influence in the award of business; (5) members of royal families; (6) any entity hired to review or accept bids for a government agency; (7) an officer or employee of a public international organization, like the Red Cross or the World Bank; and (8) spouses and other immediate family members of any of the persons listed above.

It is especially important that we carefully monitor third parties acting on our behalf. We must always be sure to perform due diligence and know our business partners, and all those through whom we conduct our business. We

must know who they are and what they are doing on our behalf. Third parties must understand that they are required to operate in strict compliance with our standards and to maintain accurate records of all transactions.

Hiring an intermediary on behalf of the Company, such as a freight forwarder, customs broker, visa broker, lawyer, country sponsor, or any other "go-between" that operates outside the United States requires adequate due diligence to ensure the integrity of the Company's business relationships. The due diligence process is set forth in the International Due Diligence Policy (COR-105) and must be completed in consultation with the Legal Department prior to retaining the services of the intermediary.

Make sure you:

- Never give anything of value inconsistent with local laws and regulations to any governmental official. If you are not sure what the local laws are, the safest course of action is to not give anything of value.
- Understand the standards set forth under anti-bribery laws which apply to your role at Patterson-UTI.
- Accurately and completely record all payments to third parties.
- Take opportunities to communicate our commitment to anticorruption compliance to our intermediaries, vendors, and service providers.

When to contact the Legal Department:

- If you have questions or concerns relating to anticorruption, bribery, or the Global Anticorruption Policy.
- If you receive a request for or an offer of an improper payment, or you have reason to believe someone else has.
- If you have concerns about the ethics and integrity of a third party or become aware of conduct inconsistent with the Global Anticorruption Policy.
- Prior to engaging a third party acting on our behalf outside of the United States.

In such cases, contact the General Counsel or use the SHARP Hotline.

To learn more:

See also the Global Anticorruption Policy COR-10
See also the International Due Diligence Policy COR-105

GLOBAL TRADE

We honor the trade, import and export control laws of all countries in which we operate. We expect our business partners and suppliers to do the same.

There are many laws controlling purchases, sales, imports, and exports by companies and their representatives that we must follow. These laws focus on, among other things, the classification of products being shipped and services being provided. For example, we cannot ship certain items outside of the United States without a license issued by the U.S. Department of State or U.S. Department of Commerce.

Export control laws are generally very complicated. For example, there may be prohibitions on sharing technology with a foreign citizen who is not a permanent resident of the United States, even if they are in the United States at the time.

Other laws and regulations, such as those promulgated by the U.S. Treasury Department's Office of Foreign Assets Control, limit trade with specific people, groups, and countries. The list of prohibited counterparties changes often.

For example, it is currently generally illegal for U.S. companies and their subsidiaries to buy or sell anything with anyone in Iran, or with their government employees anywhere in the world. We also cannot ask someone else to trade with listed people, companies, or countries for us.

Trade requirements often change and laws in certain regions may conflict. If you conduct business with or export to a non-US company, person, or country and you are unsure of the relevant legal requirements, please consult with the Legal Department.

Make sure you:

- Obtain all necessary licenses before the export or re-export of products, services or technology.
- Report complete, accurate, and detailed information regarding every imported product, including its places of manufacture and its full cost.

Watch out for:

- Transferring technical data and technology to someone in another country, such as through e-mail, conversations, meetings and database access. This restriction applies to sharing information with coworkers, as well as non-employees.
- Transporting Company assets that contain certain technology, such as a computer an associate takes on a business trip to another country.

ANTI-BOYCOTT REGULATIONS

Patterson-UTI is subject to the anti-boycott provisions of U.S. law that require us to refuse to participate in foreign boycotts that the United States does not sanction.

A boycott could include any request for a representation about the ownership, nationality, or transactions of anyone doing business with Patterson-UTI. Requests might be included in a contract, RFP, letter of credit, or any other document, and employees are required to report any such requests to the Legal Department.

Patterson-UTI and its employees will not participate in boycotts. Further, we will promptly report any request to join in, support or furnish information concerning a non-U.S.-sanctioned boycott.

QUESTION & ANSWER

Q: A business partner sent us a new sales contract that includes a request for a certificate of origin that says the goods are "not of Israeli origin, do not contain any Israeli material, and are not shipped from any Israeli port." We would not be making the parts in Israel or shipping it through any Israeli ports, so we could make the required certification. Would that be alright?

A: No, regardless of whether the sale has anything to do with Israel or not, what the business partner has asked for is a boycott of Israeli goods. When Patterson-UTI employees are asked not to do business with a specific country or company, this request must be reported to the Legal Department, and the negotiations should not be continued until the Legal Department responds.



ANTI-MONEY LAUNDERING

Money laundering is a global problem with far-reaching and serious consequences. It is defined as taking money (or assets) obtained through criminal activity and converting it into assets that appear legitimate or facilitating a transaction in furtherance of this purpose. Involvement in and exposure to such activities undermines our integrity, damages our reputation, and can expose Patterson-UTI and its employees to severe civil or criminal penalties. Report any

suspicious financial transactions and activities to the Legal Department and if required, also report to appropriate government agencies.

When in doubt or if any cases of irregular payments or money laundering are observed, report the matter to the Legal Department or the General Counsel.

To learn more:

See also the Preventing Money Laundering Policy COR-160

QUESTION & ANSWER

Q: My work at Patterson-UTI requires regular interaction with U.S. customs officials. As part of my job, I am routinely asked to provide the U.S. Customs Service with information about our imports and exports. Do I really need to contact the Legal Department prior to each and every submission of information to the government?

A: The right approach here would be to discuss with the Legal Department the types of requests your department routinely receives from U.S. Customs. These routine requests, once understood by the Legal Department, could be handled without any legal review according to a prearranged procedure. Extraordinary requests would still require Legal Department review to ensure that you are responding accurately, fully and in accordance with the law.



CONTACT INFORMATION

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