



Investor Presentation

May 2024

Forward Looking Statements & Disclosures



This material and any oral statements made in connection with this material include "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. Statements made which provide the Company's or management's intentions, beliefs, expectations or predictions for the future are forward-looking statements and are inherently uncertain. The opinions, forecasts, projections or other statements other than statements of historical fact, including, without limitation, plans and objectives of management of the Company are forward-looking statements. It is important to note that actual results could differ materially from those discussed in such forward-looking statements. Important factors that could cause actual results to differ materially include the risk factors and other cautionary statements contained from time to time in the Company's SEC filings, which may be obtained by contacting the Company or the SEC. These filings are also available through the Company's web site at <http://www.patenergy.com> or through the SEC's Electronic Data Gathering and Analysis Retrieval System (EDGAR) at <http://www.sec.gov>. We undertake no obligation to publicly update or revise any forward-looking statement.

Reconciliation of Non-GAAP Financial Measures

Statements made in this presentation include non-U.S. GAAP financial measures. The required reconciliations to U.S. GAAP financial measures are included on our website and/or at the end of this presentation.



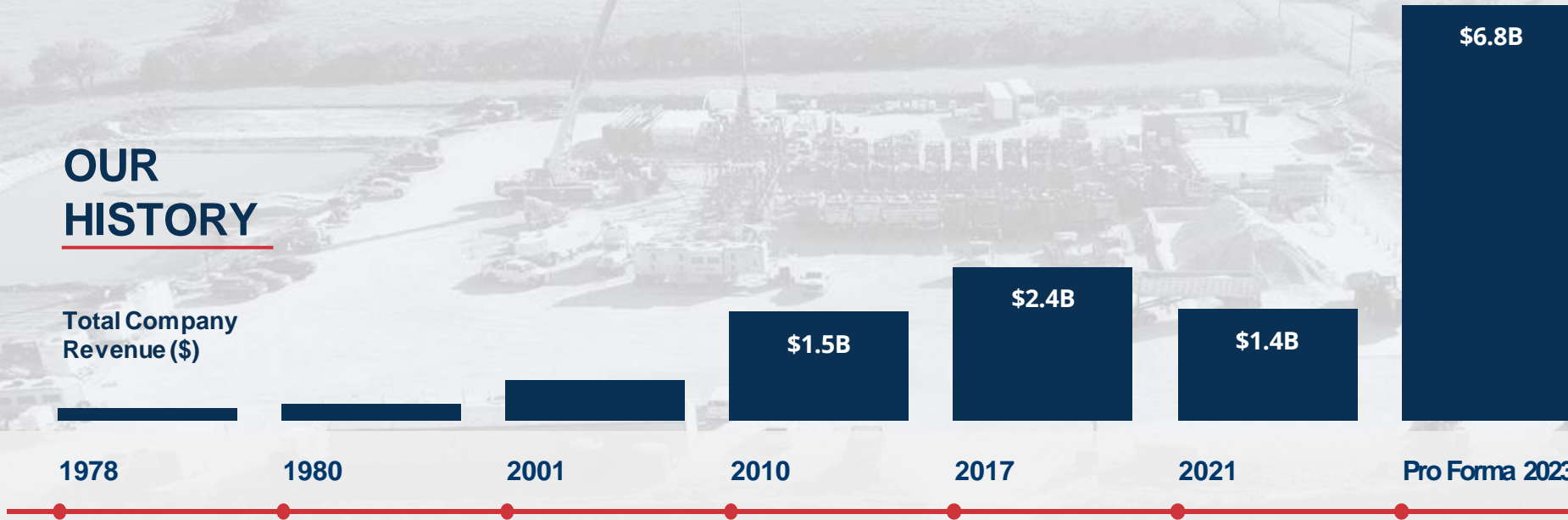
Who We Are

Building a Diversified Oilfield Services Leader



OUR HISTORY

Total Company Revenue (\$)



1978

1980

2001

2010

2017

2021

Pro Forma 2023

Patterson Drilling formed

First frac job for Universal Pressure Pumping

Patterson Energy and UTI Energy merge

PTEN acquires Key Energy Services' pressure pumping assets

PTEN acquires Seventy Seven Energy

PTEN acquires Pioneer Energy with operations in U.S. and Colombia

PTEN merges with NexTier Completion Solutions to create an industry leading drilling and completions services provider

PTEN acquires Ulterra Drilling Technologies to establish a leading position of PDC bits and broaden its international footprint

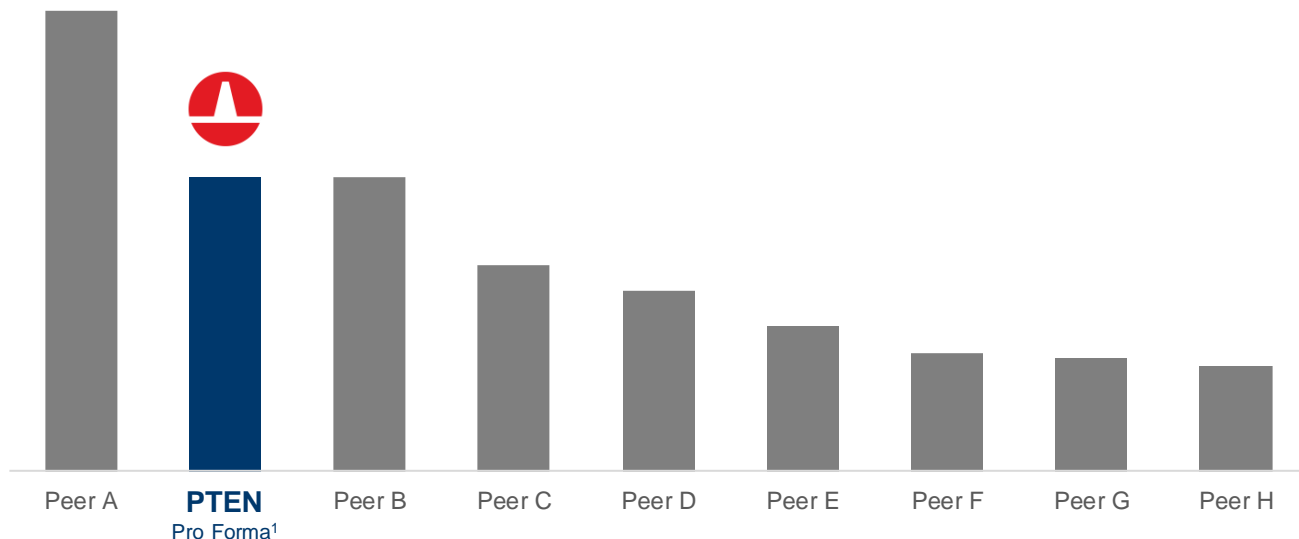
**Pro Forma 2023 revenue includes reported pro forma results for the combined companies for the 12 months ended December 31, 2023*



A Leader in North America...

2023 North America Revenue

(\$ Billions)



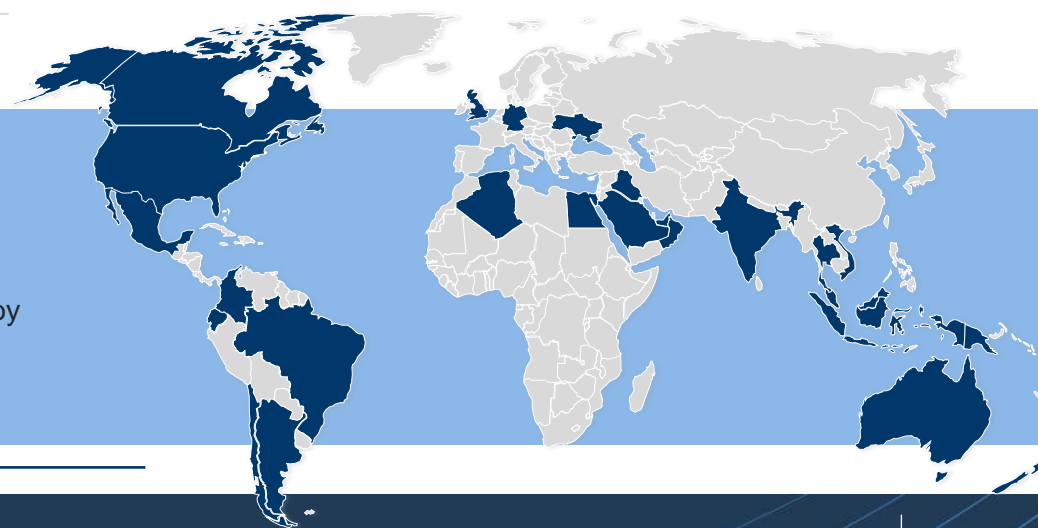
Patterson-UTI at a Glance

Corporate HQ	Founded	Employees
Houston	1978	10,600
Enterprise Value ²	Market Cap ²	
\$5.7 B	\$4.5 B	

With a diverse global footprint...

over
30
countries

Active Markets
International markets primarily represented by drilling product sales



¹Peer Group includes ACDC, BKR, CHX, HAL, HP, LBRT, NOV, SLB, as reported in SEC filings

²Bloomberg as of May 17, 2024

Patterson-UTI | Service and Product Lines

Integrated to Build a Sustained Operating Advantage

Drilling Services



APEX® Drilling Fleet



Directional Drilling



Wellbore Navigation



Electronics Manufacturing



Drilling Technology

131

Tier 1
Super-Spec
Drilling Rigs¹

Completion Services



Hydraulic Fracturing



Wireline Operations



Natural Gas Fueling



Oilfield Logistics



Cementing

3.3

Million Hydraulic
Horsepower¹

Drilling Products



Torque Control Bits



High-Flow Rate Bits



Vibration-Dampening Bits



High Efficiency Bits



Downhole Tools

30+%

Drilling Products
Revenue from Non-
U.S.²

Other business includes Patterson Petroleum and Great Plains Oilfield Rental. ¹Reflects deployed and idle equipment capacity as of March 31, 2024.

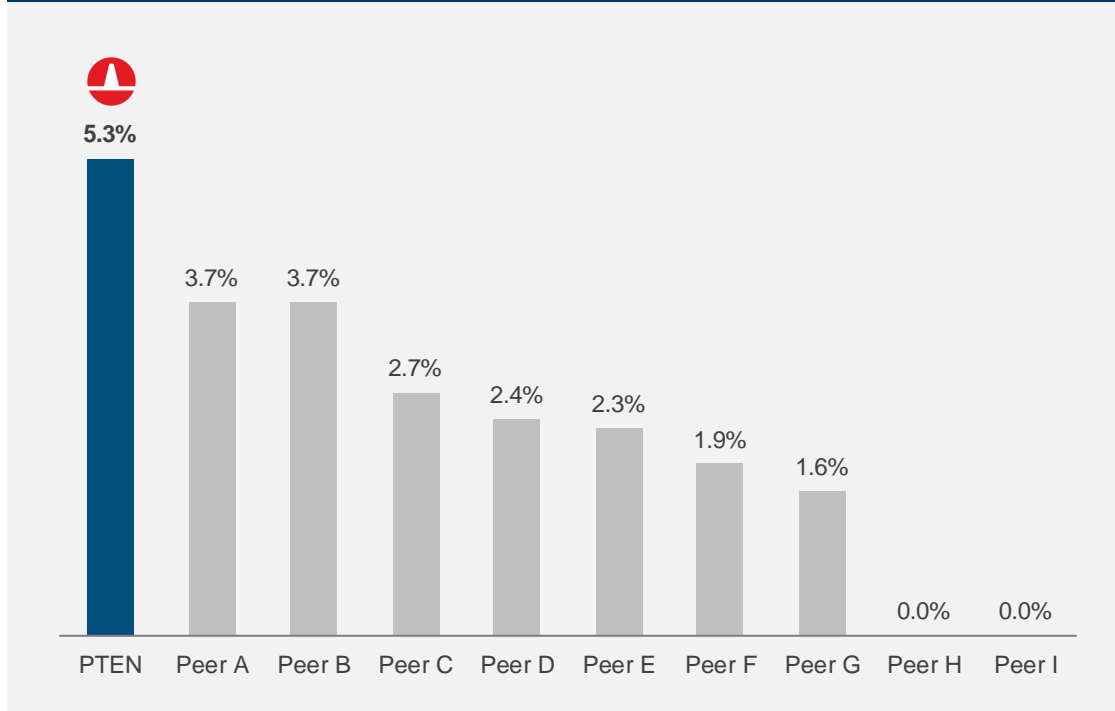
²Drilling Products revenue from reported non-U.S. operations from close of Ulterra acquisition through March 31, 2024.

Peer Leading Combination of Shareholder Returns and De-Leveraging

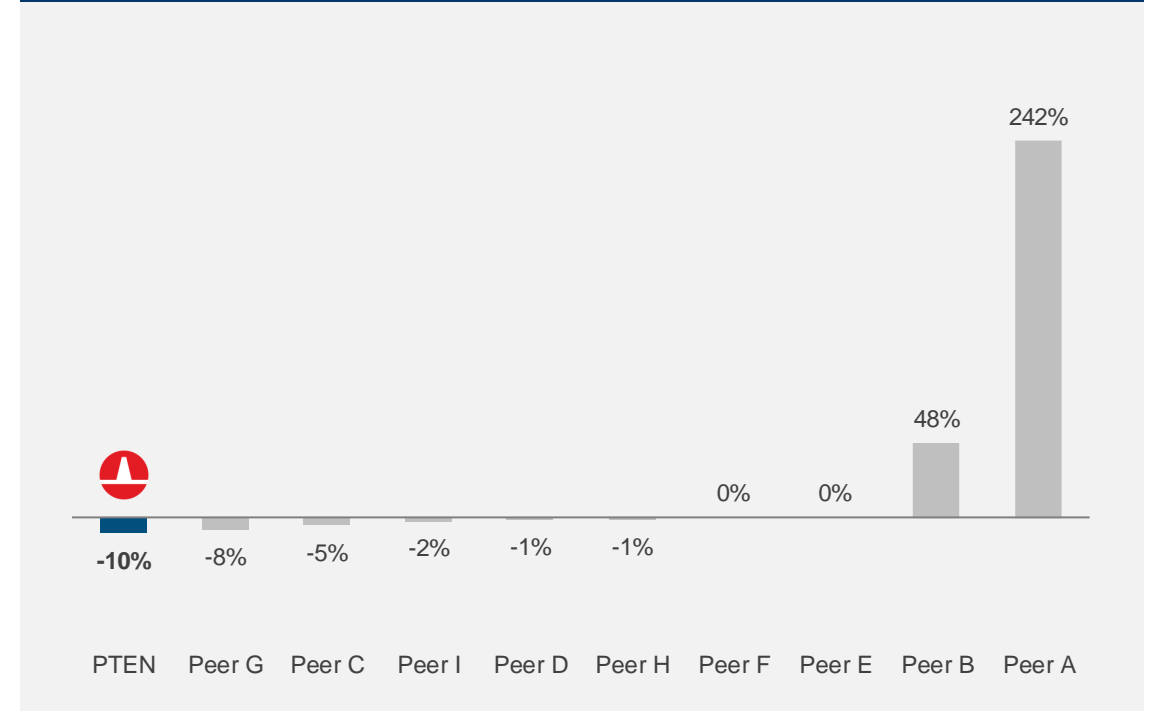
Since 9/30/2023 – Just after the close of the NexTier merger and Ultrerra acquisition

Shareholder Returns as a % of Current Market Cap

Includes Dividends and Share Repurchases



% Change in Net Debt, Capital Leases, and Operating Leases



¹Peer group includes OFS comps Baker Hughes, Halliburton, Helmerich & Payne, Liberty Energy, Nabors Industries, Precision Drilling, Profrac, ProPetro, SLB, Peer data sourced from company SEC filings, Market Cap data sourced from Bloomberg as of 5/17/2024

Key Takeaways



U.S. onshore activity should remain relatively steady through year-end

Oil activity could improve slightly starting in Q3; natural gas activity expected to improve in 2025



Strong Fundamentals for Our Differentiated Service Equipment

Utilization remains high for equipment and services that improve efficiency and/or lower costs at the wellsite



Predictable Capital Allocation Strategy

Invest organically to expand our core competencies; plan to return at least \$400 million to shareholders in 2024



Improving FCF Conversion Profile

Industry structure is allowing us to improve our FCF conversion; expect at least 40% in 2024



Strong Capital Structure

Investment Grade credit rating at all 3 major rating agencies





Operational Excellence
Efficiency Amplified by Integration

Drilling & Completions: Industry Fundamentals

Improved industry fundamentals compared to prior cycles



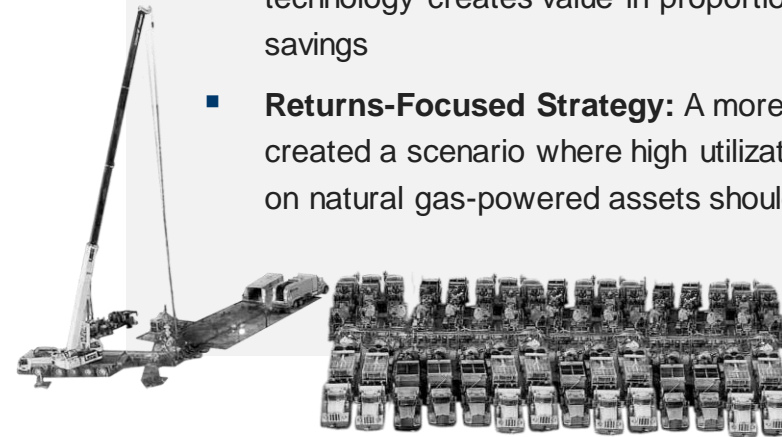
Drilling Industry Fundamentals

- **Industry Bifurcation:** Top drilling contractors make up a substantial portion of the active super-spec rigs
- **Equipment Differentiation:** Tier 1 rig technologies enable maximum pad site efficiency and add value to the drilling process
- **Returns-Focused Strategy:** Providers reaching upgrade cycle maturity are best positioned to generate strong financial returns and return cash to shareholders



Frac Industry Fundamentals

- **Industry Bifurcation:** Top completion service providers make up a large portion of the Frac industry and of the natural gas-enabled equipment
- **Equipment Differentiation:** Natural gas-enabled fleet technology creates value in proportion to their fuel costs savings
- **Returns-Focused Strategy:** A more disciplined industry has created a scenario where high utilization and strong returns on natural gas-powered assets should last several years



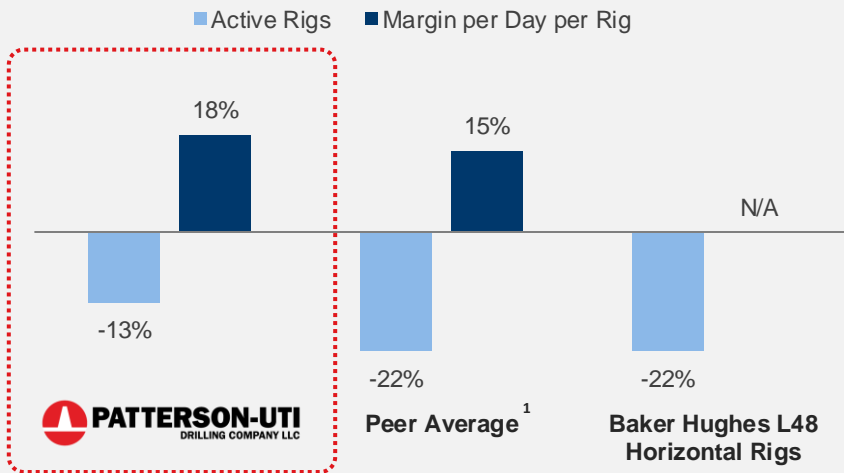
Greater Lateral Footage: Drilling Services and Products

OUR STRATEGY IS DELIVERING ULTIMATE OPERATING OUTPERFORMANCE



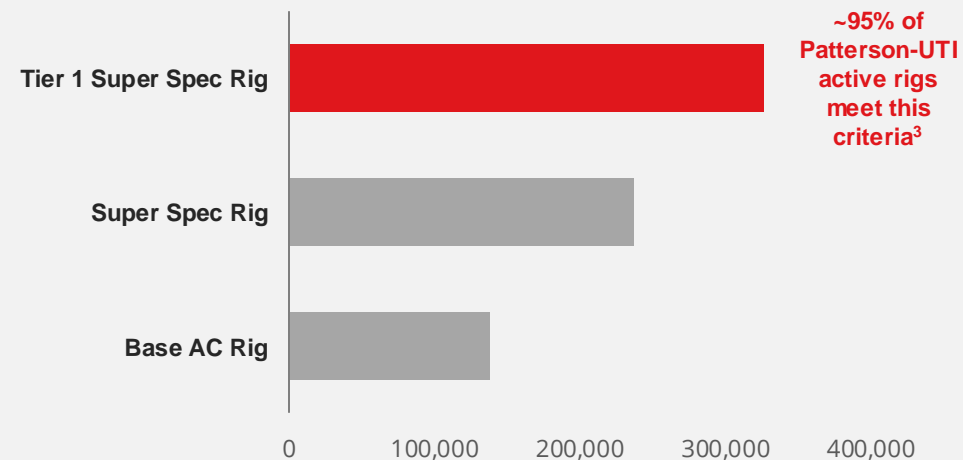
Year-Over-Year Change

2Q24E vs. 4Q22 Actual for Active Rigs and Margin per Day per Rig



Annualized Lateral Footage Drilled by Rig Type²

Company Estimates for a Representative Midland Basin Drilling Scenario



Drilling
Products &
Services:



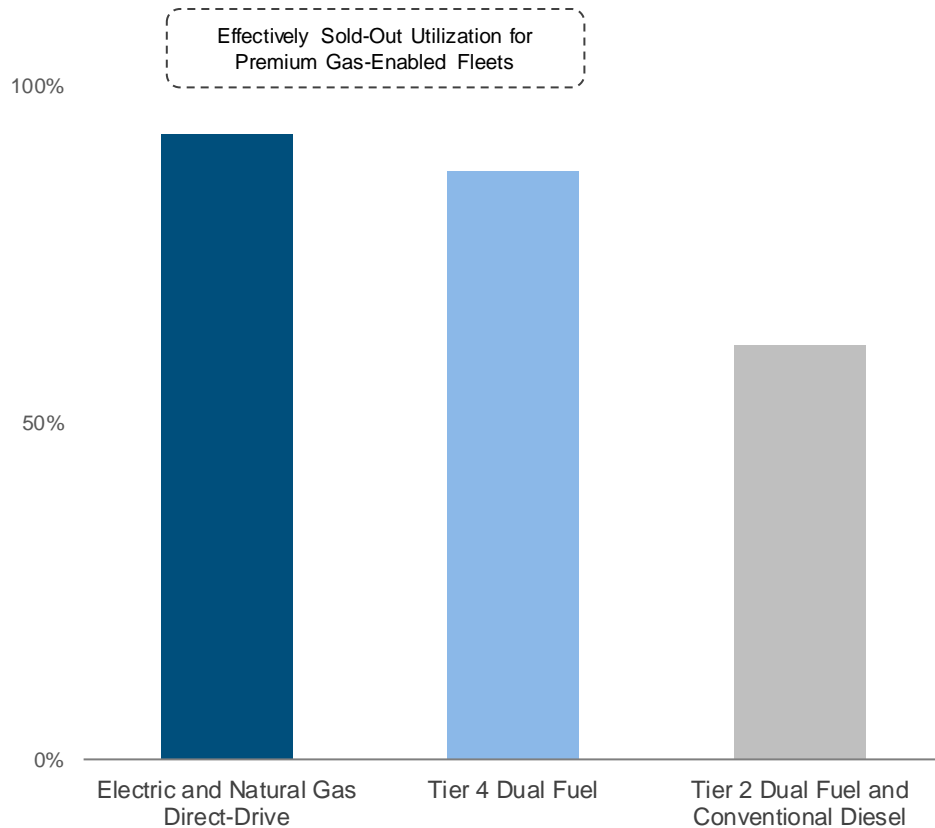
¹Peer Group Includes: PTEN U.S. Contract Drilling, H&P North America Solutions, Nabors Industries Lower 48, Precision US Contract Drilling. 2Q24E includes Patterson-UTI guidance as of 05/01/2024 and most recent peer guidance where available, Bloomberg consensus as of 05/08/2024 where no peer guidance was available. ²Super Spec is defined as ≥1,500 HP, AC-powered, with ≥750,000-pound hookload, 7,500-psi system, and is pad-capable. Tier-1 Super Spec rigs include these features plus a third mud pump and raised drawworks that provide extra clearance under the rig floor. ³Percentage of Patterson-UTI active rigs in L48 meeting Tier 1 Super Spec criteria as of May 2024

Industry Fundamentals: Completion Services

Premium natural gas-powered assets effectively sold out

Industry Fleet Utilization Rate by Equipment Type¹

Active Industry Fleets, U.S. Land, 2Q2024 Estimate



Next-generation natural gas-powered assets remain effectively sold out

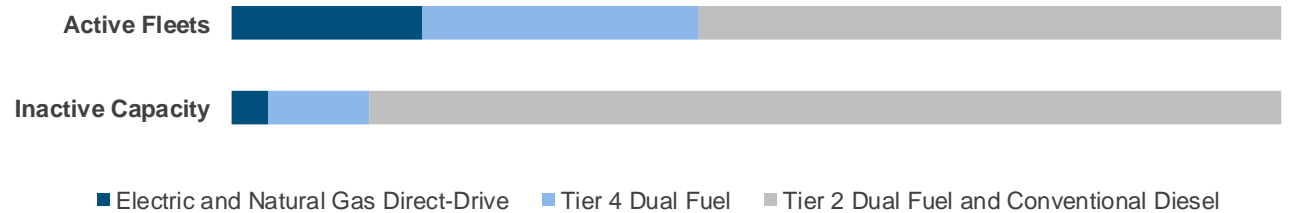
- There is very little capacity to increase activity of premium natural gas-powered assets, with high utilization and limited new supply likely
- Given current commodity prices, there is a wide cost advantage to using natural gas to power frac fleets
- Electric and Tier 4 natural gas-powered assets make up less than half of current industry activity

Current idle capacity is essentially all diesel and less efficient dual fuel

- ~85% of idle capacity is older diesel and less efficient dual fuel assets with finite remaining useful life
- Reactivating diesel fleets would require significant operating and capital costs
- For NextTier, the required return on investment for an older diesel asset is very high given the assumption that the remaining life is short

Industry Fleet Capacity Split by Equipment Type¹

U.S. Land, 2Q2024 Estimate



¹NexTier Estimates



Capital Allocation Framework

Capital Allocation Framework

Maximize Shareholder Value and Financial Returns



Allocation Strategy



Repeatable Shareholder Return Program

Target return of at least 50% of Free Cash Flow annually to shareholders¹ through dividends and repurchases; expect to return more than 50% in 2024



Strategic Allocation

Target strong return on capital, increase shareholder return program, and/or further strengthen balance sheet, option to participate in strategic M&A

Target Sustained Free Cash Flow

Winning Foundation



Strong Balance Sheet

Maintain Investment Grade Ratings; Low Leverage and Strong Liquidity



Organic Investing Strategy Targets 40+% FCF Conversion

Invest to protect and extend our operational advantage, Capex can be scaled in proportion to match opportunity set

¹For purposes of the shareholder return target, the Company defines free cash flow as net cash provided by operating activities less capital expenditures. The shareholder return target, including the amount and timing of any dividend payments and/or share repurchases are subject to the discretion of the Company's Board of Directors and will depend upon business conditions, results of operations, financial condition, terms of the Company's debt agreements and other factors.

Investment Grade Capital Structure

Financially Positioned for Through-Cycle Resilience

LOW LEVERAGE

<1 X

Net Debt as of 3/31/2024 to
Q1 Annualized adjusted EBITDA

CASH BALANCE

\$170 M

Cash Position as of 3/31/2024

TOTAL LIQUIDITY

\$718 M

Includes cash and revolver as of
3/31/2024

INTEREST COVERAGE

>20 X

Q1 adjusted EBITDA to Interest
Expense

NEAREST
SENIOR NOTE MATURITY

2028

CREDIT RATING

**Investment
Grade**

Moody's, S&P, and Fitch



Deliver a Repeatable Shareholder Return Program



\$945 MILLION SHARE BUYBACK AUTHORIZATION¹

Patterson-UTI targets returning **at least 50%** of its Free Cash Flow to shareholders **annually through the cycle**



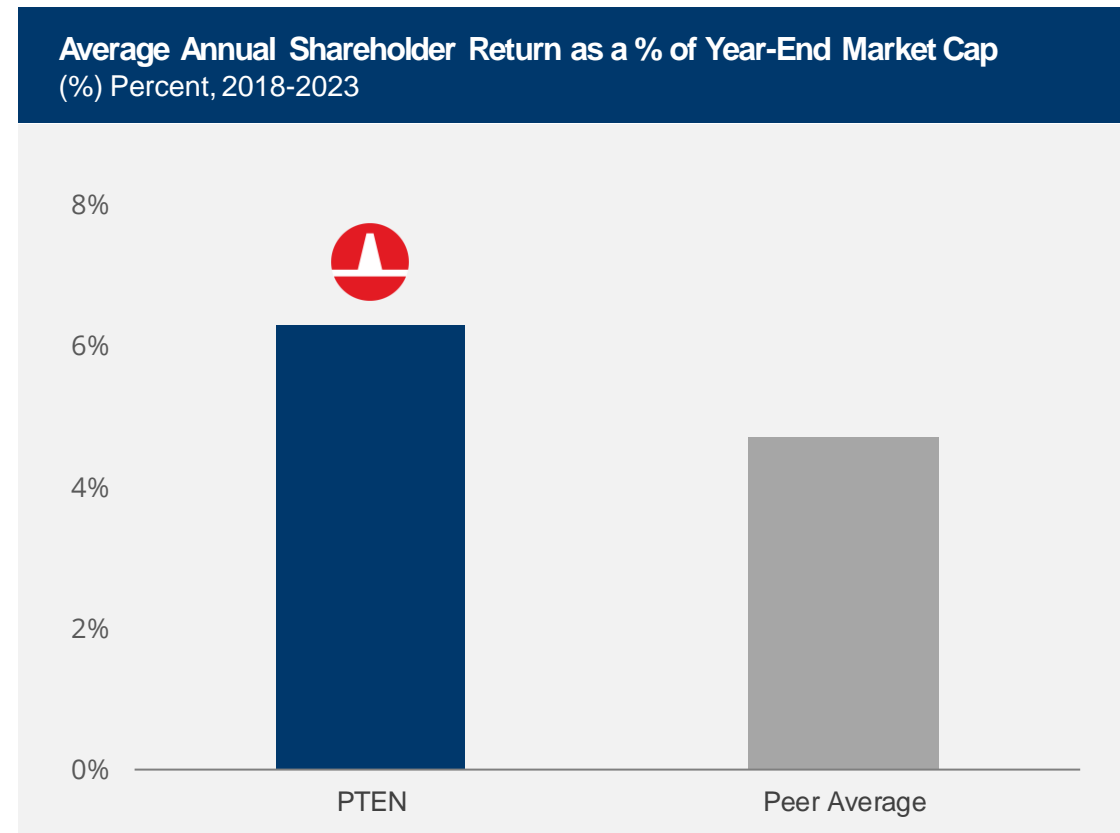
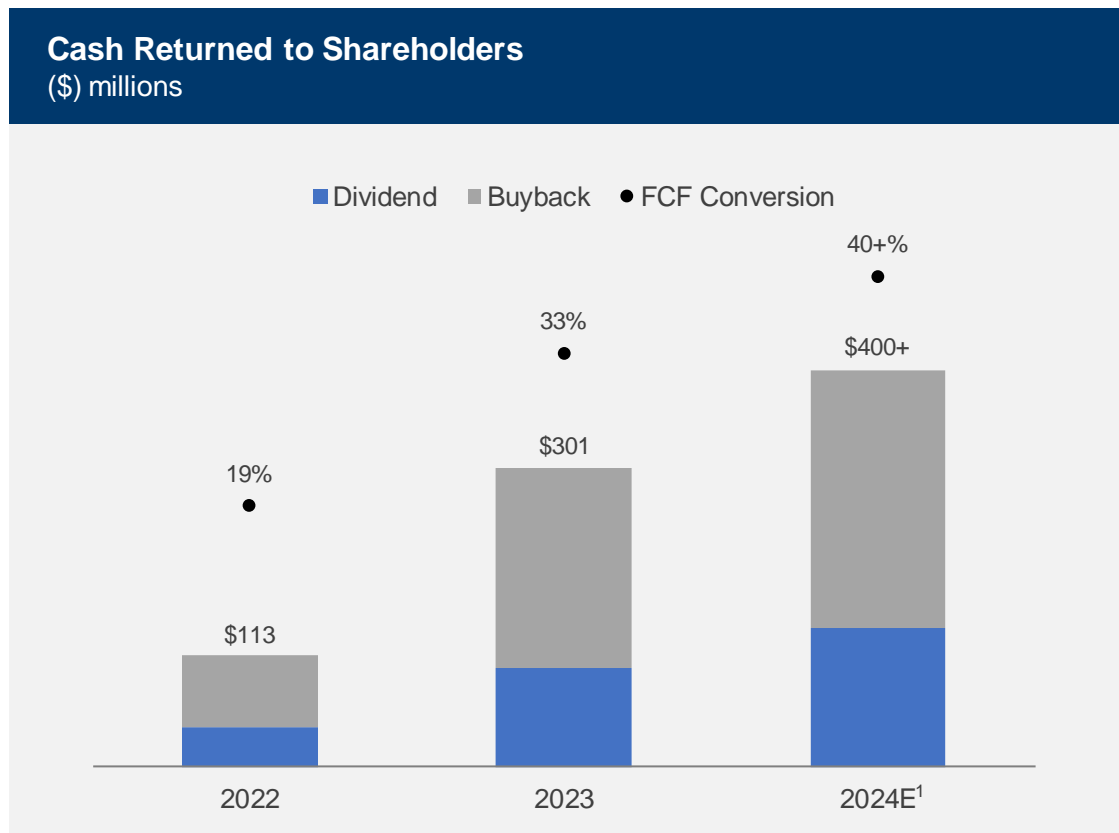
- For 2024 we expect to exceed our shareholder return target of 50% of our free cash flow – expect to return at least \$400 million to shareholders this year
- Board of Directors has approved an **\$0.08 per share quarterly dividend** for seven consecutive quarters
- We plan to **remain flexible** with our method of distribution over time to maximize shareholder value

¹As of March 31, 2024; Share Buyback Authorization was approved by the Board of Directors in February 2024; there is no expiration date associated with the buyback program

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Track-Record of Shareholder Returns

PTEN shareholder return expected to grow again in 2024



¹2024E assumes dividend continues at \$0.08 per share per quarter through year end 2024.

Peer group includes HP, BKR, SLB, HAL, LBRT

A strong track record of shareholder returns

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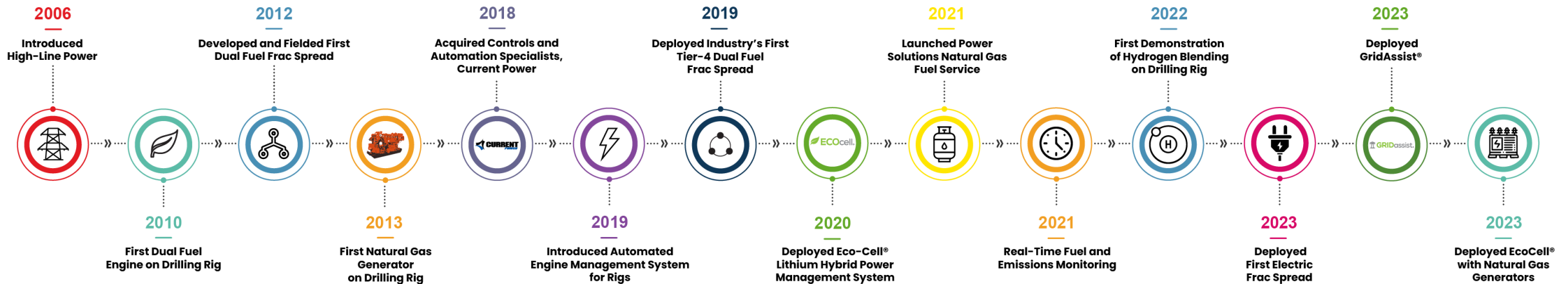
Delivering Value

Sustainability as a Strategy

Patterson-UTI has demonstrated a resilient commitment to long-term sustainability



Our Timeline of Innovation in Sustainability



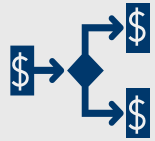
Our Vision: *To safely and responsibly help provide the world with oil and gas for the products that make peoples' lives better in a sustainable and profitable manner*



Find out more in our Sustainability Report at: <https://esg.patenergy.com/>

The bottom line...

Why invest in Patterson-UTI?



Well Defined Capital Allocation Strategy

Strong capital structure and disciplined investing strategy with focus on 40+% FCF conversion; commitment to return at least 50% of free cash flow to investors annually



Leader among multiple U.S. shale products and services

Positioned to benefit from a steady U.S. shale environment with larger, more disciplined customers that are looking to use technology to improve efficiency



High utilization for our differentiated equipment

Large OFS companies with high-quality equipment and strong performance should continue to see high utilization and high returns

