PATTERSON-UTI ENERGY INC.







Bank of America Merrill Lynch

2017 Global Energy Conference

November 16-17, 2017

Forward-Looking Statements

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

The Red Circular Rig Logo, the Universal Logo, and the terms PATTERSON UTI, and APEX are registered trademarks of Patterson–UTI Energy, Inc.

Investor Relations Contact:

Mike Drickamer
Vice President, Investor Relations

10713 West Sam Houston Parkway North
Suite 800
Houston, TX 77064

Office: 281-765-7170
Fax: 281-765-7175
Email: mike.drickamer@patenergy.com

Who We Are: An Oilfield Services Leader

DRILLING

High quality fleet of land drilling rigs, including **198 APEX® class rigs**

Leader in walking rig technology for pad drilling applications

Large footprint with super-spec rigs across North American drilling markets

PRESSURE PUMPING

High quality fleet of 1.5 million horsepower of pressure pumping equipment

Strong reputation for regional knowledge and efficient operations

Scale helps to drive efficiencies

DIRECTIONAL

Founded in 1980, MS Directional **offers a comprehensive suite of directional drilling services** including directional drilling, downhole performance motors, directional surveying, measurement while drilling ("MWD"), and wireline steering tools.

RENTALS

Leading position in underbalanced drilling air compression equipment with 18 active spreads in the Northeast United States

Surface equipment support packages including fit-for-purpose drilling mud storage systems, acid tanks and wellsite containment

TECHNOLOGY

Designs, manufactures and services high-spec rig components and pipe handling equipment that **provide efficiency, safety and serviceability**

Components of Revenue*

51%	39%	6%	4%
PRESSURE PUMPING	CONTRACT DRILLING	DIRECTIONAL DRILLING	OTHER

Patterson-UTI projected revenue for the three months ended December 31, 2017. Projected revenues for Directional Drilling include 81 days of contribution following the acquisition of MS Energy on October 11, 2017.

Comprehensive Oilfield Services and Solutions

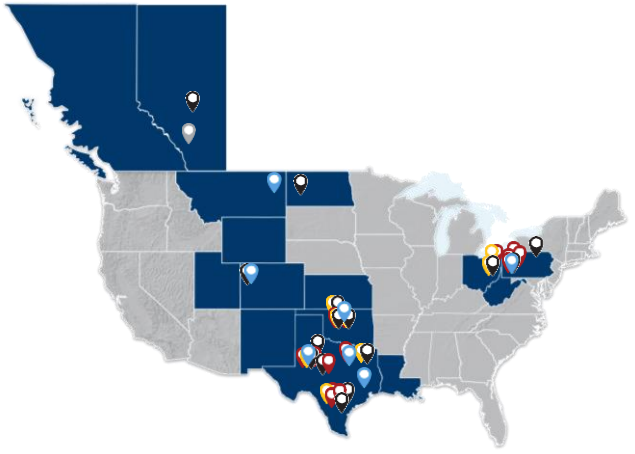






- Contract Drilling
- Hydraulic Fracturing
- Directional Drilling
- Cementing
- Acidizing
- Nitrogen Service
- Air Drilling
- Drilling Motor Rentals
- Water Transfer
- Drilling Top Drives
- Well Surveying
- Rental Equipment

Broad Footprint in Oilfield Services



PATTERSON-UTI OPERATING AREAS
GREAT PLAINS OILFIELD RENTAL FIELD OFFICES
UNIVERSAL PRESSURE PUMPING FIELD OFFICES
MS DIRECTIONAL FIELD OFFICES
WARRIOR TOP DRIVE FACILITY
PATTERSON-UTI DRILLING FIELD OFFICES AND YARDS

Active Rig Count

161

By Region
As of November 13, 2017

WEST TEXAS / 45
APPALACHIA / 28
MID-CONTINENT / 29
SOUTH TEXAS / 18
EAST TEXAS / 18
ROCKIES / 13
NORTH DAKOTA / 8
CANADA / 2

Active Horsepower

1.2 MM

By Region
As of October 26, 2017

TEXAS / 695k HP
APPALACHIA / 320k HP
MID-CONTINENT / 190k HP

Why Invest in Patterson-UTI Energy?

Patterson-UTI is a Leader:

Efficiency
- Efficiency improves well economics
- Patterson-UTI has the scale, processes, people and equipment necessary for efficient operations

Technology
- Technology helps to improve efficiency
- Patterson-UTI is a technology leader in oilfield services

U.S. Oilfield Services Scale
- Scale helps to improve efficiency
- Patterson-UTI is the only company with market leading positions in the United States in contract drilling, pressure pumping and directional drilling

Financially Flexible
- Strong Balance Sheet
- Scalable business structure



Patterson-UTI: A Leader in Oilfield Services Efficiency

Efficiency improves well economics.

People

Crews receive extensive onboarding and ongoing training to ensure competency and refine operating and safety procedures.

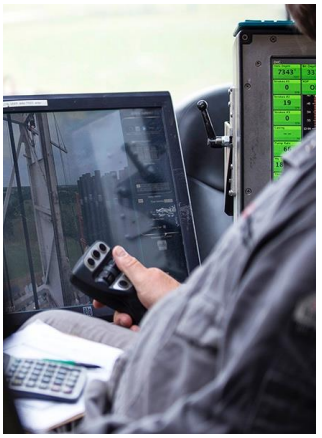
Processes

Patterson-UTI utilizes industry leading management systems and field audit processes to maximize reliability and provide continuous learning and feedback process.

Innovation

Patterson-UTI is a leader in the super-spec rig market.

Super-spec rigs, modern pressure pumping fleets and comprehensive directional drilling provide critical path services for E&P companies.



People: Personnel Development



Working incident free is not just a priority to us
— it's our way of life.

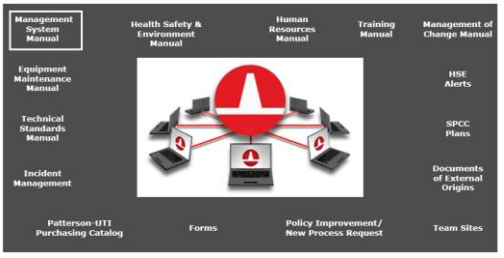
Operational excellence is our minimum standard
— excellence is our way of life.

Development of our people is a core value
— continuous learning is our way of life.



Process: Management System

- Management System allows for continuous updates on Policies & Priorities
- Comprehensive Rig and Frac Fleet audits ensure uptime, preventative maintenance, continuous improvement.
- Incident Management System allow data for Reporting and tracking to completion of Incidents and Management of Change (MOC).



Patterson-UTI Drilling Comprehensive Rig Inspection

Item #	Condition	Crew Inspection SAT	Crew Inspection UNS	Crew Inspection N/A	Supervisor Corrected by Completed Date	Supervisor SAT	Supervisor UNS	Supervisor N/A	Audit Team SAT	Audit Team UNS	Audit Team N/A	Comments
	SECTION 17 - GENERATORS, SCR'S, AC DRIVE HOUSE, VFD HOUSE & ELECTRICAL SYSTEMS											
1	"Hearing Protection Required", "NO Water Hose", and "High Voltage" warning signs posted at each entrance and visible, water hoses kept away from Gen/SCR house											
2	Hearing protection available and not stored in high noise areas (i.e. Gen house)											
3	"Danger-Lockout Required" sign posted at lug connection point between each generator and SCR house											
4	All moving parts guarded and secured with bolts; including pulleys, belts, fans, etc.											
5	Generator/SCR house grounded where required with current OHM reading of 25 Ohms or less											
6	Generator house ventilation doors pinned when open and closed											
7	Exhaust guarded or insulated and free of leaks											
8	All gauges functional on generators and panels with no alarms present											
9	Battery boxes in place with insulated covers or battery terminal boots utilized with dielectric matting present under the battery											

Innovative Rig Designs: APEX-XK®



Drawworks on rig floor allows more clearance under rig for walking

Blowout Preventer remains upright in substructure while walking

Able to walk x/y with full set-back of pipe in mast

Advanced environmental spill control integrated into drilling floor

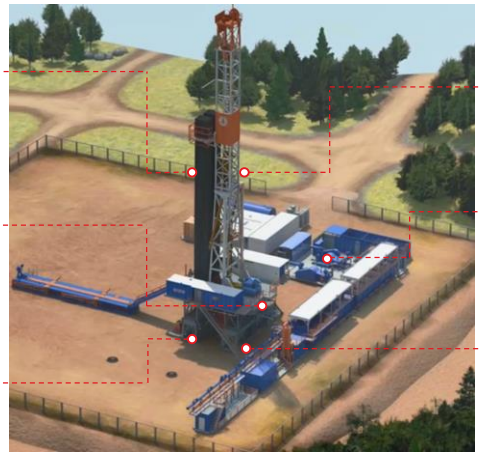
Walking system integrated into substructure

Innovative Rig Designs: APEX-XC™

Enhanced setback capacity for efficiently drilling longer laterals

HPU, accumulator and walking system integrated in substructure for efficient rig moves and rig walks

Increased clearance for walking over and around wellheads on a pad



Standard with higher-torque top drive

Increased mud pump horsepower

Integrated walking system with auto-walk and auto-steering functionality

Innovative Rig Upgrades:

- Significantly upgrading seven APEX 1000® rigs to APEX-XK® rigs. The first four upgrades have been completed and delivered to the field, and the remaining three are all under contract and are expected to go to work over the next few months.
- Upgrading two APEX® rigs to APEX-PK™ with a box-on-box substructure and integrated walking system for enhanced performance on multi-well pads.
- Upgraded rigs will have substantially all of the capabilities of a newbuild, but at a much lower upgrade cost than a newbuild.



Innovative Rig Technology: Warrior 500 Ton AC Top Drive

HIGH PERFORMANCE
- 50,000 ft-lbs continuous torque rating

REDUNDANT POWER DELIVERY
- Four independent power pathways from the AC bus to the top drive quill
- No single-point sources of failure from generator to drill pipe

REVOLUTIONARY POWER TRANSMISSION
- No gear case
- No power transmission lubrication

SERVICEABILITY
- Most major modules are interchangeable without specialized technicians
- Comprehensive advanced diagnostics

SAFETY AND EFFICIENCY
- Comprehensive feedback of pipe-handler functions
- Enhanced user interface and top drive control functions

OPTIONAL INTEGRATED CASING DRIVE
- Casing Running Tool not required



Innovative Pressure Pumping Technology: Bi-Fuel

Engines can burn a fuel mix comprised of up to 70% natural gas

Reduces operating costs by lowering fuel costs

Comparable torque and horsepower to an all diesel engine

Good for environmental sustainability

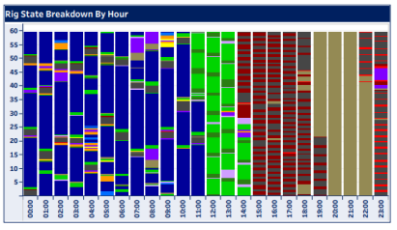


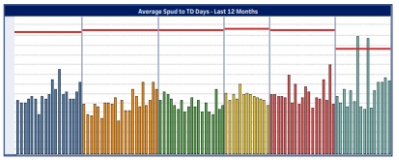
Innovative: Performance Data Analytics



PTEN+







Real-time innovative data analysis system collects and analyzes data across region, pad and rigs for performance by formation, section, crew, etc.

Ability to **analyze equipment and maintenance data** across rigs and vendors to benchmark performance and maximize reliability

Provide comprehensive performance reports that can be shared across the Company to foster a best-in-class **culture focused on technology and operational excellence**

Innovative: Centralized Logistics Center

Efficient procurement and logistics of sand and chemicals is important to being successful in hydraulic fracturing.

Centralized logistics center includes:

- 24/7 dispatch personnel
- central scheduling and tracking software
- smart phone apps in the field

Currently operational in Texas
Expanding to Mid-Con and Appalachia

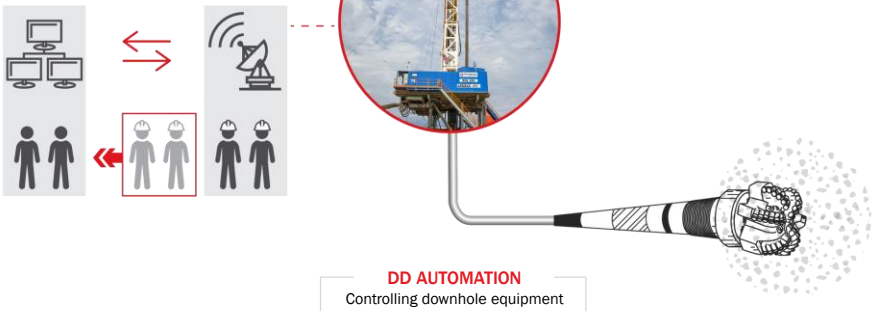




Innovative: Automation and Remote Operations

REMOTE OPERATIONS
Remote operations allow a specialist to execute multiple wells at one time

RIG AUTOMATION
Consistent, automated processes at the wellsite limit safety risks, reduce well costs, streamline logistics and increase margins



DD AUTOMATION
Controlling downhole equipment with software closed-loop automation enhances quality and efficiency

Strong Financial Position

Substantial Liquidity

- $38 million cash as of September 30, 2017
- $500 million revolver through March 2019 of which $255 million was available as of October 30, 2017

16.4% Net Debt/Total Capital at September 30, 2017

- $300 million term loan matures October 2020
- $300 million term loan matures June 2022

No term debt maturities until October 2020

Why Invest in Patterson-UTI Energy?

Patterson-UTI is a Leader:

- **Efficiency**
  - Efficiency improves well economics
  - Patterson-UTI has the scale, processes, people and equipment necessary for efficient operations
- **Technology**
  - Technology helps to improve efficiency
  - Patterson-UTI is a technology leader in oilfield services
- **U.S. Oilfield Services Scale**
  - Scale helps to improve efficiency
  - Patterson-UTI is the only company with market leading positions in the United States in contract drilling, pressure pumping and directional drilling
- **Financially Flexible**
  - Strong Balance Sheet
  - Scalable business structure



PATTERSON-UTI ENERGY INC.



PATTERSON-UTI ENERGY INC.

Additional References



APEX® Class Rigs

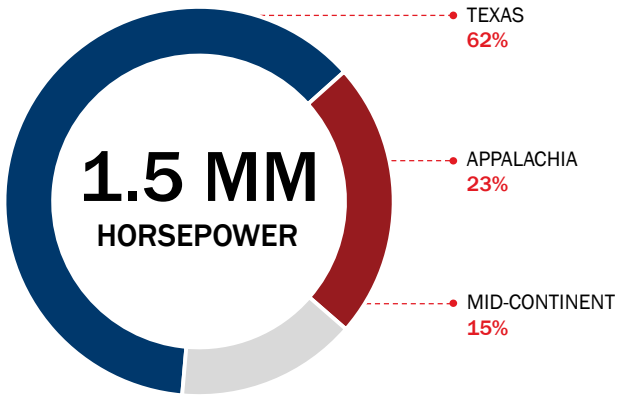
198

APEX SERIES®

APEX-XK 1500®	61
APEX 300-Series®	53
APEX 1500®	47
APEX PK™	28
APEX 1000®*	7
Other AC	2

*Three to be converted to APEX-XK.

Modern Pressure Pumping Equipment



Hydraulic fracturing horsepower location as of October 26, 2017

Non-U.S. GAAP Financial Measures

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	(unaudited, dollars in thousands)			
Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)(1):				
Net loss	$ (33,769)	$ (84,143)	$ (189,492)	$ (240,512)
Income tax benefit	(13,652)	(49,428)	(106,953)	(133,885)
Net interest expense	9,483	10,181	25,780	31,449
Depreciation, depletion, amortization and impairment	196,642	163,464	572,187	511,209
Adjusted EBITDA	$ 158,704	$ 40,074	$ 301,522	$ 168,261
Total Revenue	$ 684,989	$ 206,133	$ 1,569,350	$ 668,979
Adjusted EBITDA margin	23.2%	19.4%	19.2%	25.2%
Adjusted EBITDA by operating segment:				
Contract drilling	$ 113,206	$ 47,866	$ 250,111	$ 183,822
Pressure pumping	68,115	(1,982)	139,915	5,004
Other	3,018	2,084	6,796	6,130
Corporate	(25,635)	(7,894)	(95,300)	(26,695)
Consolidated Adjusted EBITDA	$ 158,704	$ 40,074	$ 301,522	$ 168,261

(1) Adjusted EBITDA is a supplemental financial measure not defined by United States generally accepted accounting principles, or U.S. GAAP. We define Adjusted EBITDA as net income (loss) plus net interest expense, income tax expense (benefit) and depreciation, depletion, amortization and impairment expense (including impairment of goodwill). We present Adjusted EBITDA because we believe it provides to both management and investors additional information with respect to both the performance of our fundamental business activities and our ability to meet our capital expenditures and working capital requirements. Adjusted EBITDA should not be construed as an alternative to the U.S. GAAP measure of net income (loss).

PATTERSON-UTI
ENERGY INC.



Notes

