



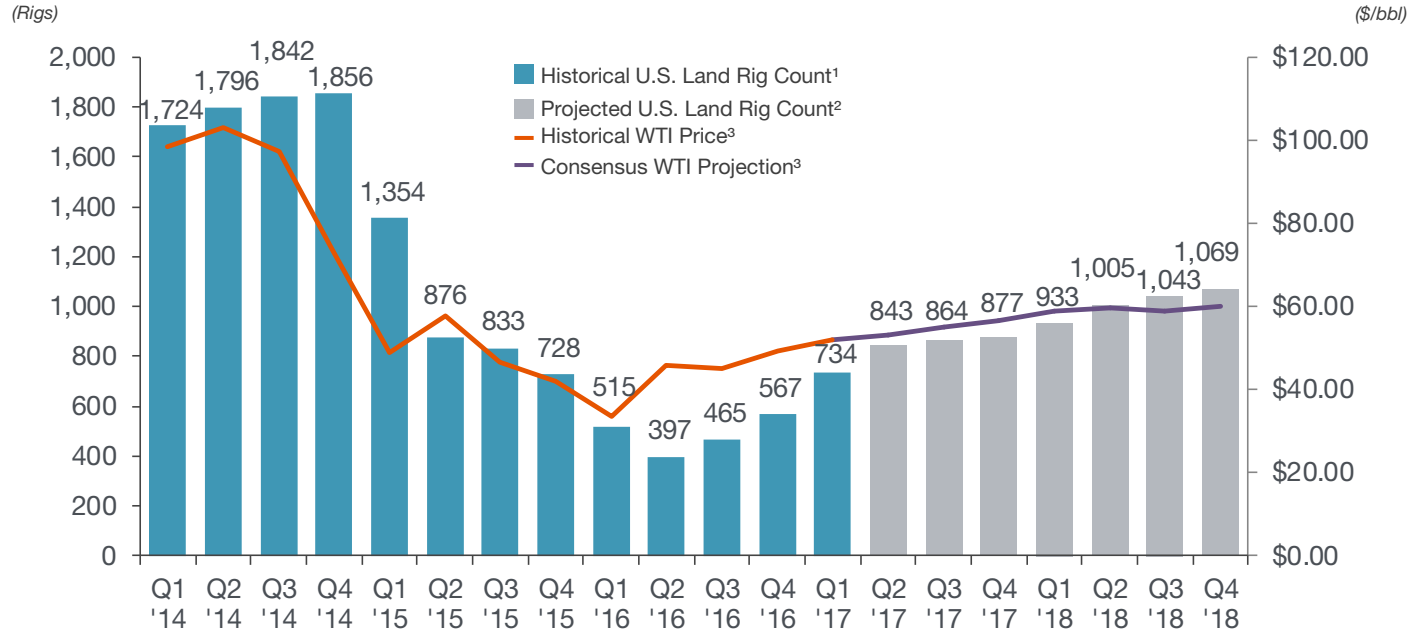
Investing in Oilfield Services and Equipment Discussion

May 17, 2017

SIMMONS & COMPANY
INTERNATIONAL
ENERGY SPECIALISTS OF PIPER JAFFRAY®

U.S. Commodity Outlook Shows Continued Recovery

Historical and Projected WTI Price and U.S. Land Rig Count



¹ Source: Baker Hughes. As of May 12, 2017.

² Source: Spears and Associates. As of April 2017.

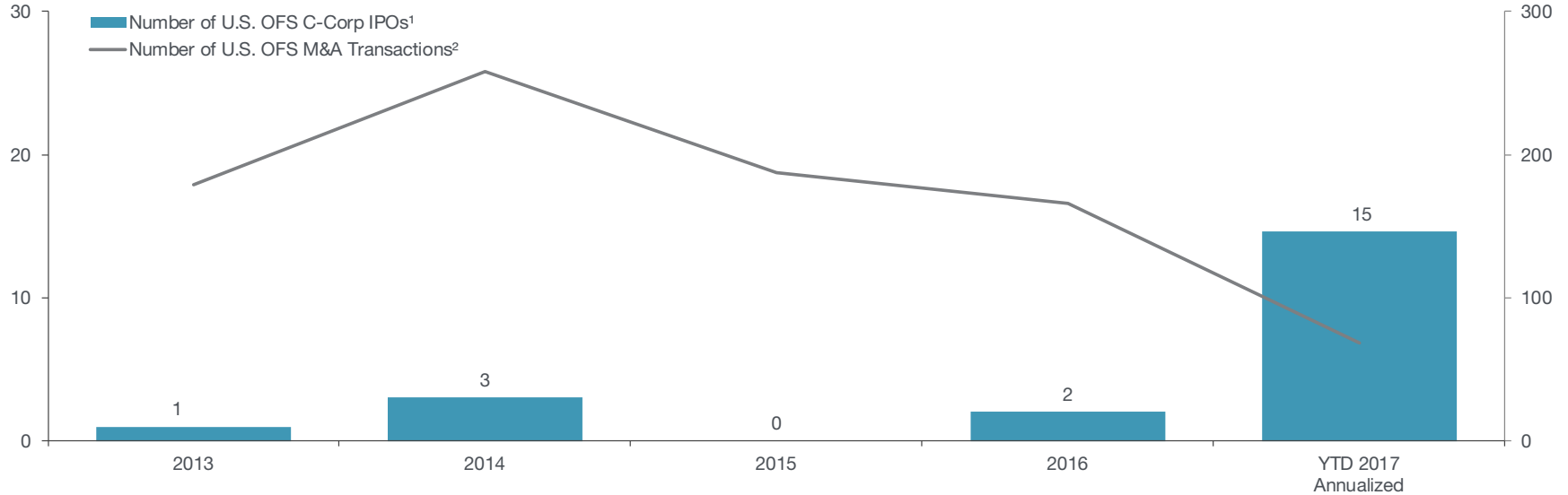
³ Source: Bloomberg. As of May 15, 2017.

OFS IPO Versus M&A Market

U.S. OFS IPO and M&A Activity

(Number of U.S. OFS C-Corp IPOs)

(Number of U.S. OFS M&A Transactions)



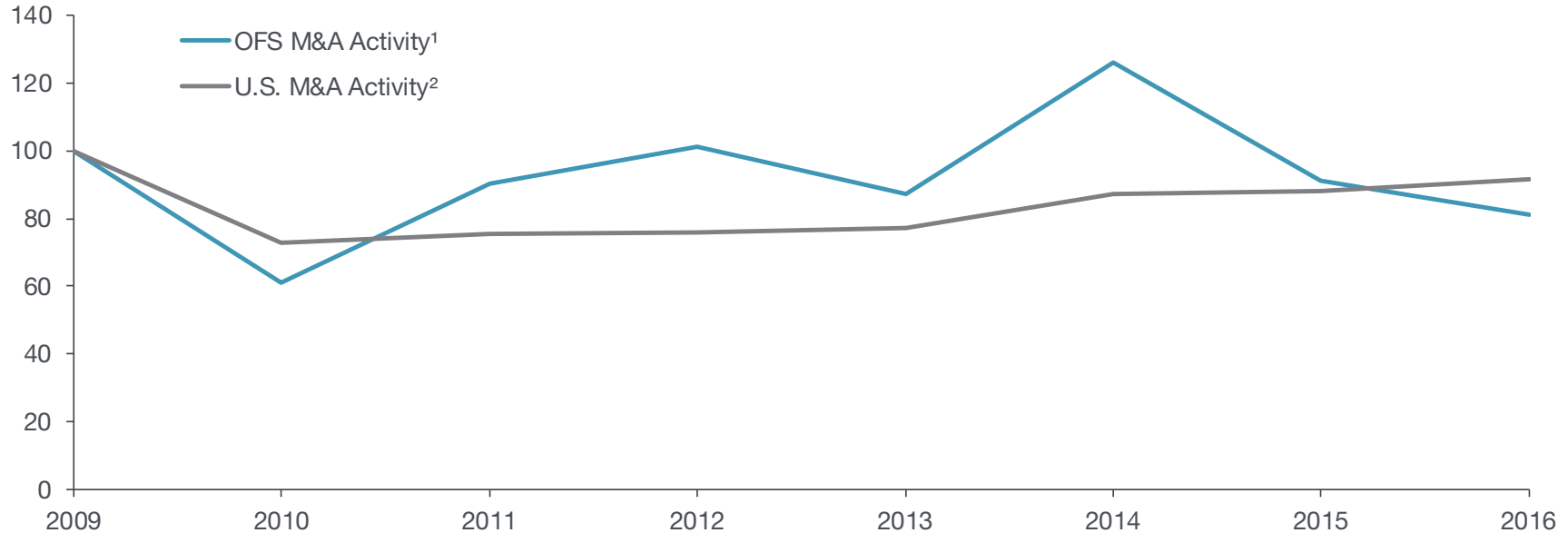
¹ Source: Simmons, Capital IQ, Bloomberg and Dealogic. As of May 15, 2017.

² Includes deals where target is a U.S. company.

OFS M&A Activity Has Been More Volatile Than Overall U.S. Since 2009

U.S. OFS and Overall M&A Activity Since 2009

(Indexed to 100 as of 2009)



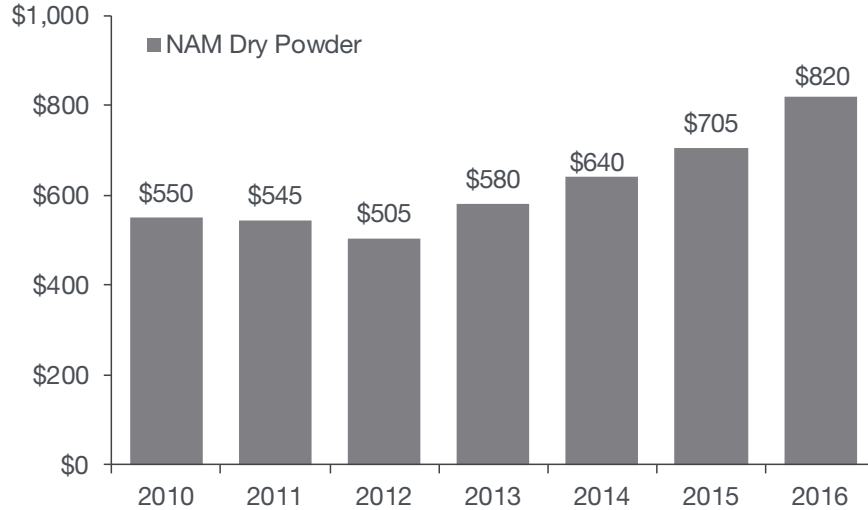
¹ Source: Simmons internal database. Includes deals where target is a U.S. company.

² Source: Institute for Merger, Acquisitions and Alliance (IMAA). Figures represent announced transactions.

Abundance of Dry Powder Remains To Invest In OFS Space

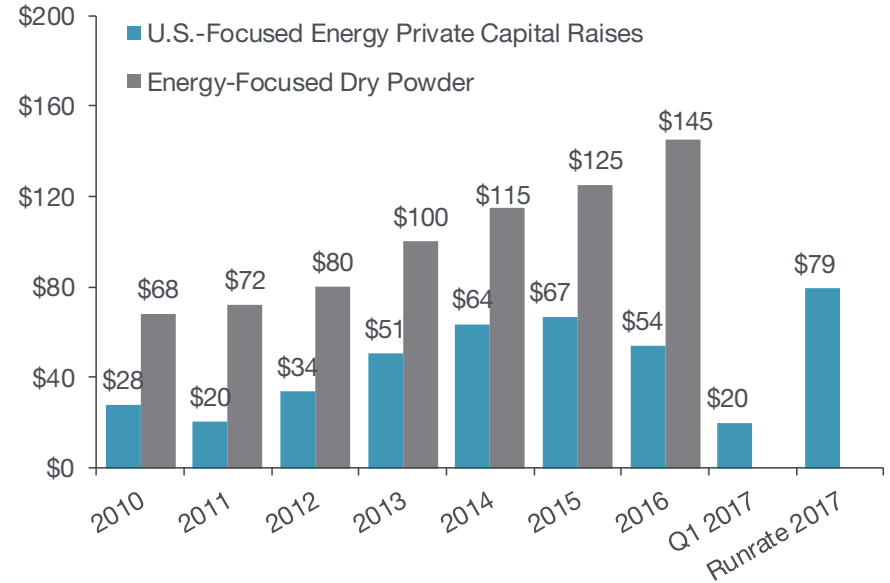
NAM Dry Powder¹

(Dollars in billions)











Energy Private Capital Raises and Dry Powder¹

(Dollars in billions)



¹ Source: Preqin.

Eight OFS IPOs Have Priced Since Downturn¹

							
Pre-IPO Net Debt:	Pre-IPO Net Debt²:	Pre-IPO Net Debt:	Pre-IPO Net Debt:	Pre-IPO Net Debt:	Pre-IPO Net Debt:	Pre-IPO Net Debt:	Pre-IPO Net Debt:
\$81.4 million	\$94.2 million	\$235.3 million	\$45.8 million	\$11.0 million	\$70.9 million	\$(0.4) million	\$2,556.0 million
2016A EBITDA:	2016A EBITDA:	2016A EBITDA:	2016A EBITDA:	2016A EBITDA:	2016A EBITDA:	2016A EBITDA:	2016A EBITDA:
\$41.2 million	\$28.3 million	\$0.4 million	\$7.5 million	\$16.6 million	\$8.9 million	\$6.8 million	\$337.2 million
Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:	Share Price Performance Since IPO:
28%	21%	(24)%	(7)%	9%	24%	(2)%	10%

¹ Source: Capital IQ. As of May 15, 2017. EBITDA excludes share-based compensation.

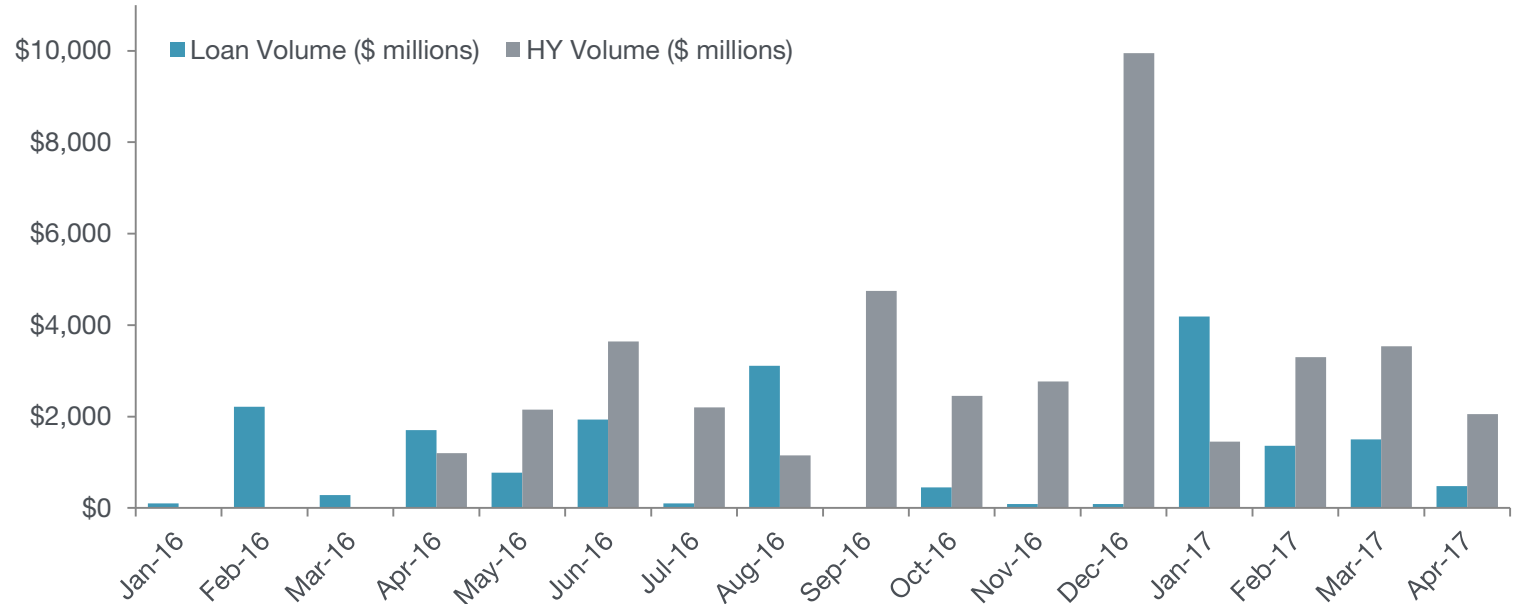
² Includes redeemable Series A Preferred Stock.

Review of Recent M&A Activity

 <p>MAMMOTH ENERGY SERVICES LTD.</p> <p>has announced the acquisition of</p>  <p>Pending</p>	 <p>WELL SERVICE LTD.</p> <p>has announced the acquisition of</p>  <p>Pending</p>	<p>Schlumberger</p> <p>has announced a Joint Venture with</p>  <p>Pending</p>	 <p>SOLSTAD OFFSHORE</p> <p>has agreed to acquire</p>   <p>Pending</p>	 <p>BUCKTHORN PARTNERS LLP</p> <p>has acquired</p>  <p>May 2017</p>	 <p>SHELF DRILLING</p> <p>has announced the acquisition of</p> <p>Three Jackup Drilling Rigs from</p>  <p>May 2017</p>	 <p>PRO</p> <p>has announced the acquisition of</p>  <p>April 2017</p>	 <p>PATTERSON-UTI ENERGY INC.</p> <p>has agreed to acquire</p>  <p>April 2017</p>
 <p>KMG</p> <p>has acquired</p>  <p>(Arsenal Capotal Partners) April 2017</p>	 <p>EMERGE ENERGY SERVICES</p> <p>has acquired</p>  <p>April 2017</p>	<p>Schlumberger</p> <p>has acquired</p> <p><i>Private Regional Sand Produced and Affiliated Proppanted Logistics Companies</i></p> <p>have raised minority interest equity capital</p> <p>March 2017</p>	 <p>Voraxial by EVX</p> <p>March 2017</p>	 <p>ROCKWATER ENERGY SOLUTIONS</p> <p>has acquired</p>  <p>March 2017</p>	<p><i>Permian Basin Sand</i></p> <p>has been acquired by</p>  <p>March 2017</p>	 <p>SELECT ENERGY SERVICES</p> <p>has acquired</p> <p><i>GRR Entities</i></p> <p>March 2017</p>	 <p>BRENNTAG</p> <p>has acquired the Pipeline and Chemicals division of</p>  <p>February 2017</p>
<p>SCF PARTNERS</p> <p>has acquired majority interest in</p>  <p>February 2017</p>	<p>PELICAN ENERGY PARTNERS</p> <p>has made an equity investment in</p>  <p>January 2017</p>	 <p>NOV</p> <p>has acquired Directional Drilling & LWD Technology from</p>  <p>C&J Energy Services</p> <p>January 2017</p>	 <p>OIL STATES INTERNATIONAL, INC.</p> <p>has acquired the Equipment and Response business of</p>  <p>January 2017</p>	 <p>FYXURUM ENERGY TECHNOLOGIES</p> <p>has acquired</p>  <p>January 2017</p>	 <p>ALLIED GROUP</p> <p>has acquired</p>  <p>October 2016</p>	 <p>BLACKHAWK SPECIALTY TOOLS</p> <p>has been acquired by</p>  <p>October 2016</p>	 <p>IGP</p> <p>has been acquired by</p> <p><i>SPL Holdings</i></p> <p>September 2016</p>

OFS High Yield Activity Is Making A Comeback

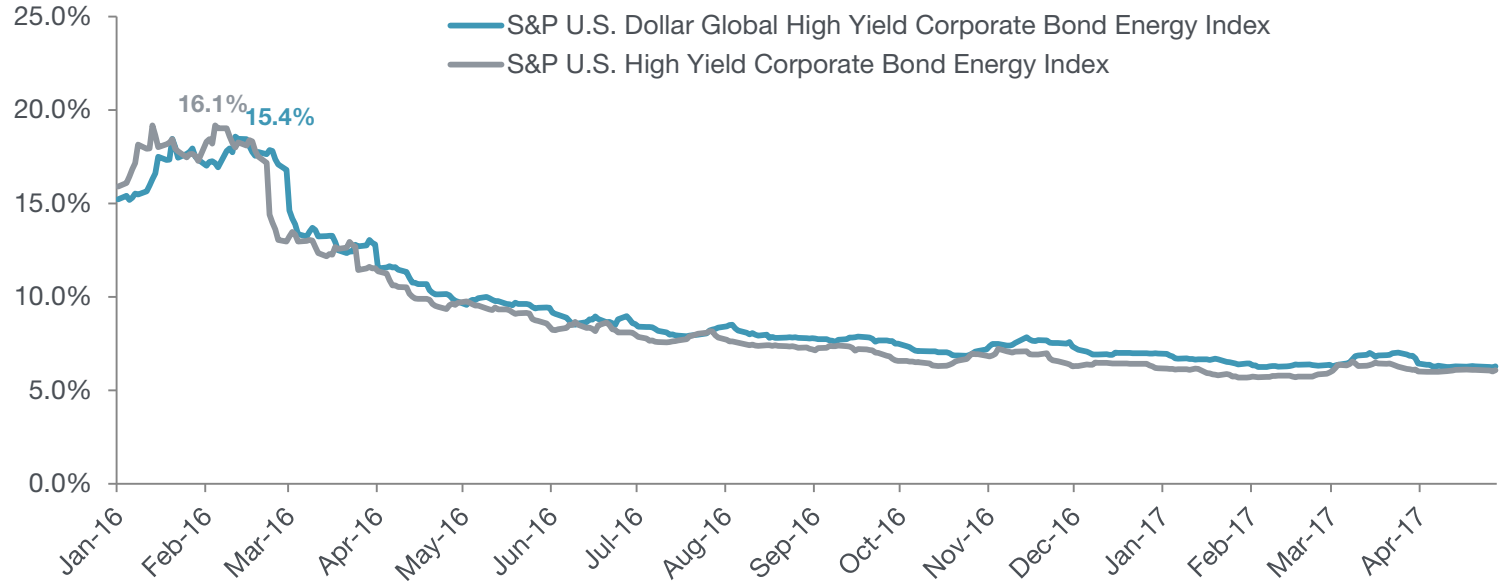
Oil & Gas High Yield vs. Loan Volume Since January 2016



Source: LCD and Bloomberg.

Energy High Yield Markets Have Returned To Parity With Overall U.S.

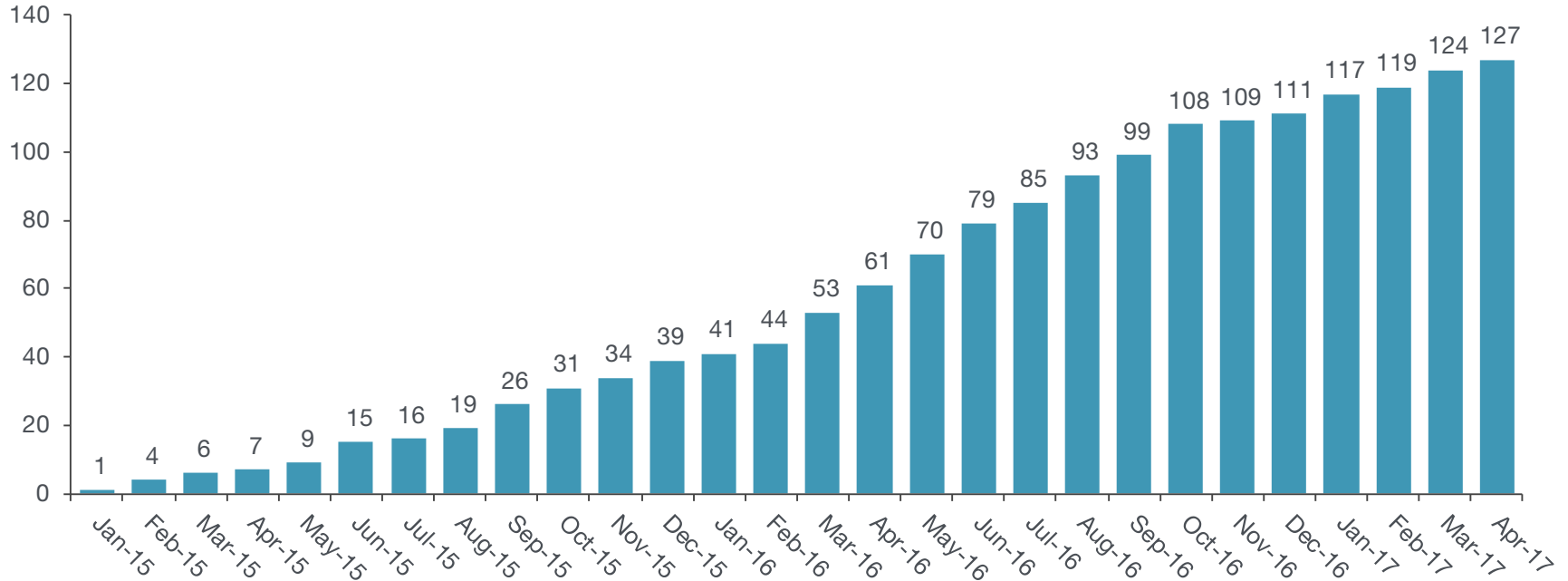
Energy High Yield Index – Yield To Worst Since January 2016



Source: LCD and Bloomberg.

Pace Of Oilfield Services Bankruptcies Has Slowed In Recent Months

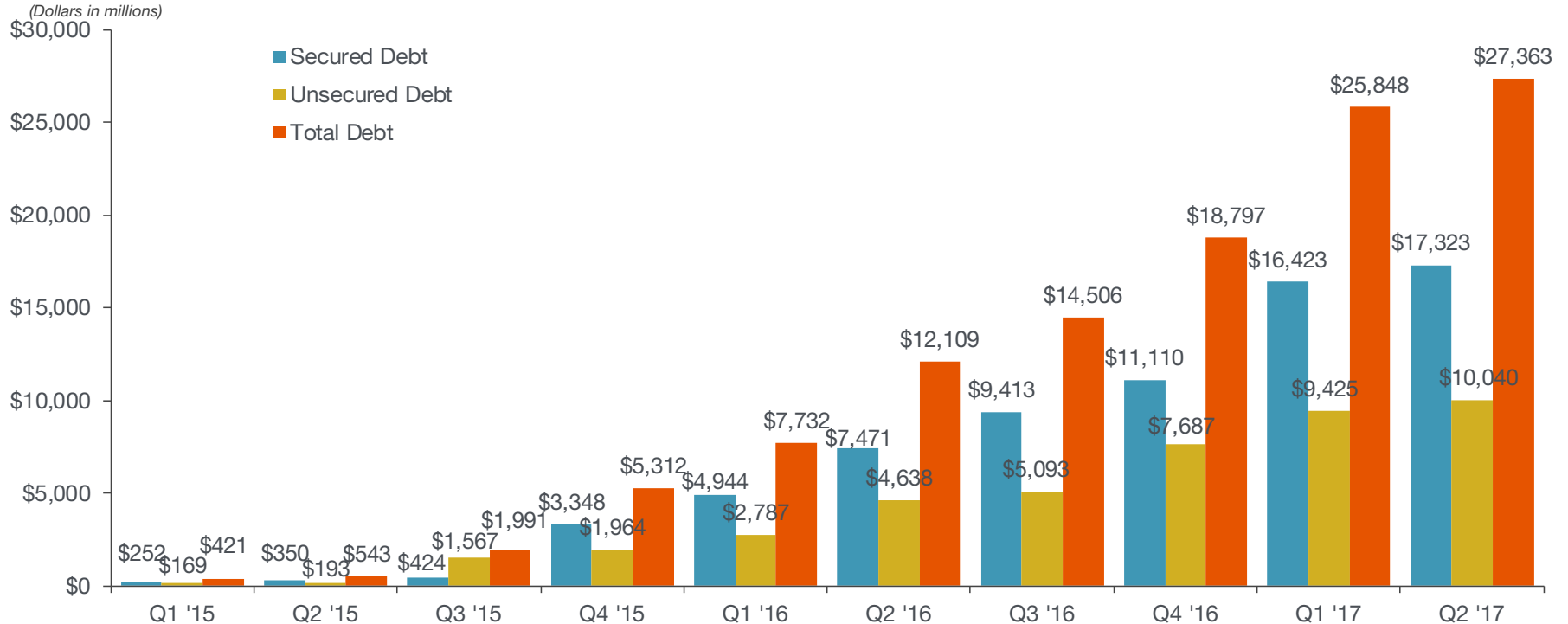
2015-2017 Cumulative North American Oilfield Services Bankruptcy Filings¹



¹ Source: Haynes and Boone. As of May 2017.

Total OFS Bankruptcy Debt Exceeds \$27 Billion

2015-2017 Cumulative North American Oilfield Services Bankruptcy Debt¹



¹ Source: Haynes and Boone. As of May 2017.

Previously Bankrupt OFS Companies Are Relisting



Post Chapter 11

Post Chapter 11

Post Chapter 11

Chapter 11

Chapter 11

- 1/6 – Emerged from bankruptcy
- Eliminated \$1.4B in debt through Chapter 11
- Raised \$200 million through rights offering to retire debtor-in-possession financing
- 3/6 – Resumed trading on the NYSE

- 12/23 – Emerged from bankruptcy
- Raised \$125 million of new capital and debt level reduced by \$775 million
- 12/27 - Resumed trading on the NYSE

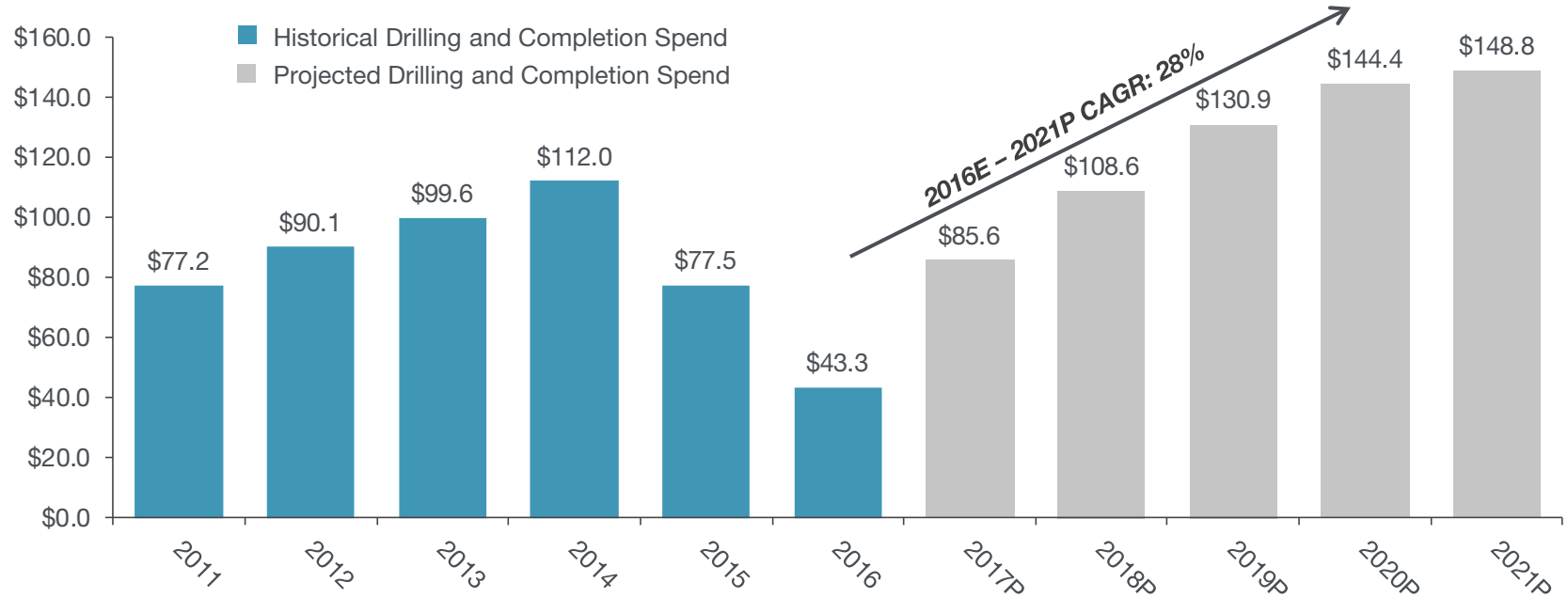
- 12/15 – Emerged from bankruptcy
- Approximately \$694 million of debt was eliminated through Chapter 11
- \$250 million of debt remains on the balance sheet
- 12/16 – Resumed trading on the NYSE

- 1/22 – Commenced voluntary reorganization under Chapter 11
- Anticipate exchanging \$280 million of debt for equity
- 3/29 – Court approval of Chapter 11 plan
- 4/13 – Chapter 11 effective date

- 3/11 – Entered into restructuring support agreement with senior notes holders
- 5/1 – Filed Chapter 11 petition for reorganization

E&P Capital Spending Budgets Are Expanding

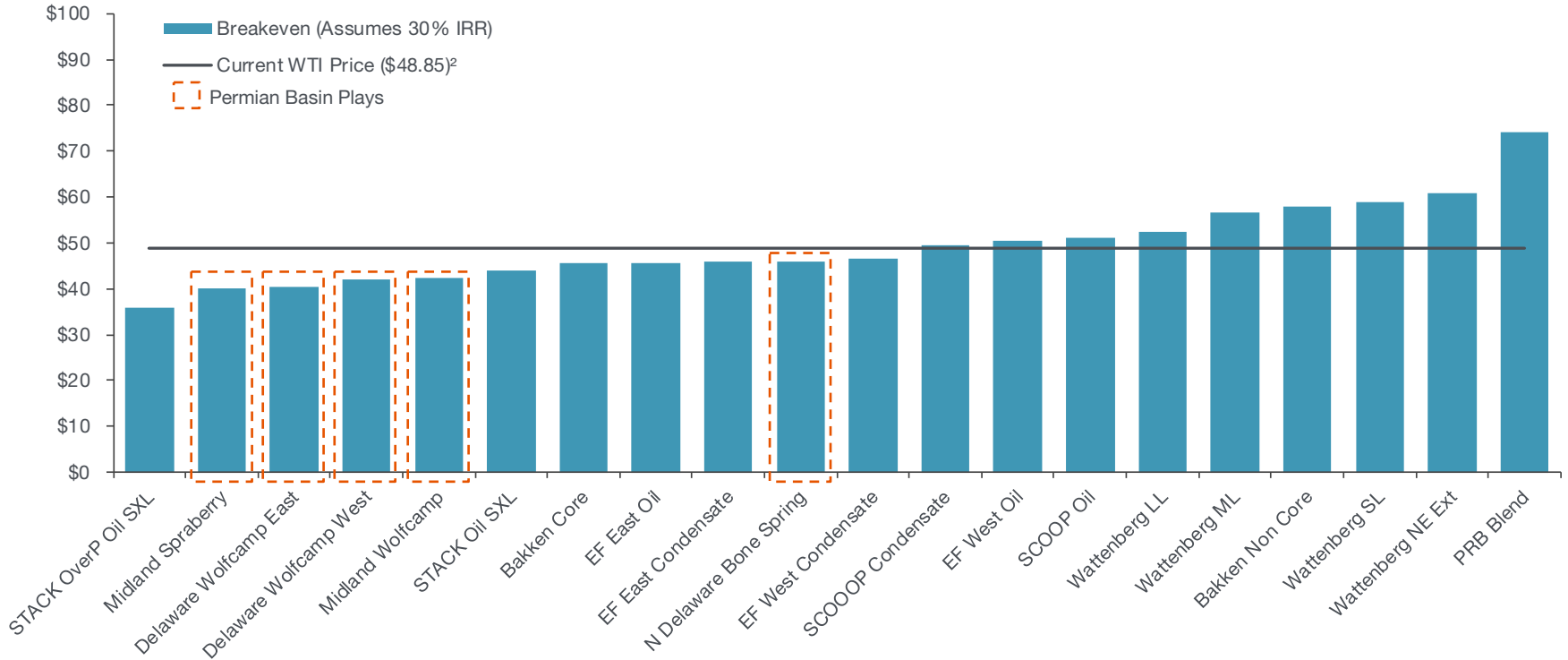
Historical and Projected U.S. Drilling and Completion Spending¹



¹ Source: Spears and Associates.

WTI Breakeven By Oil Play¹

(Dollar amounts in millions)



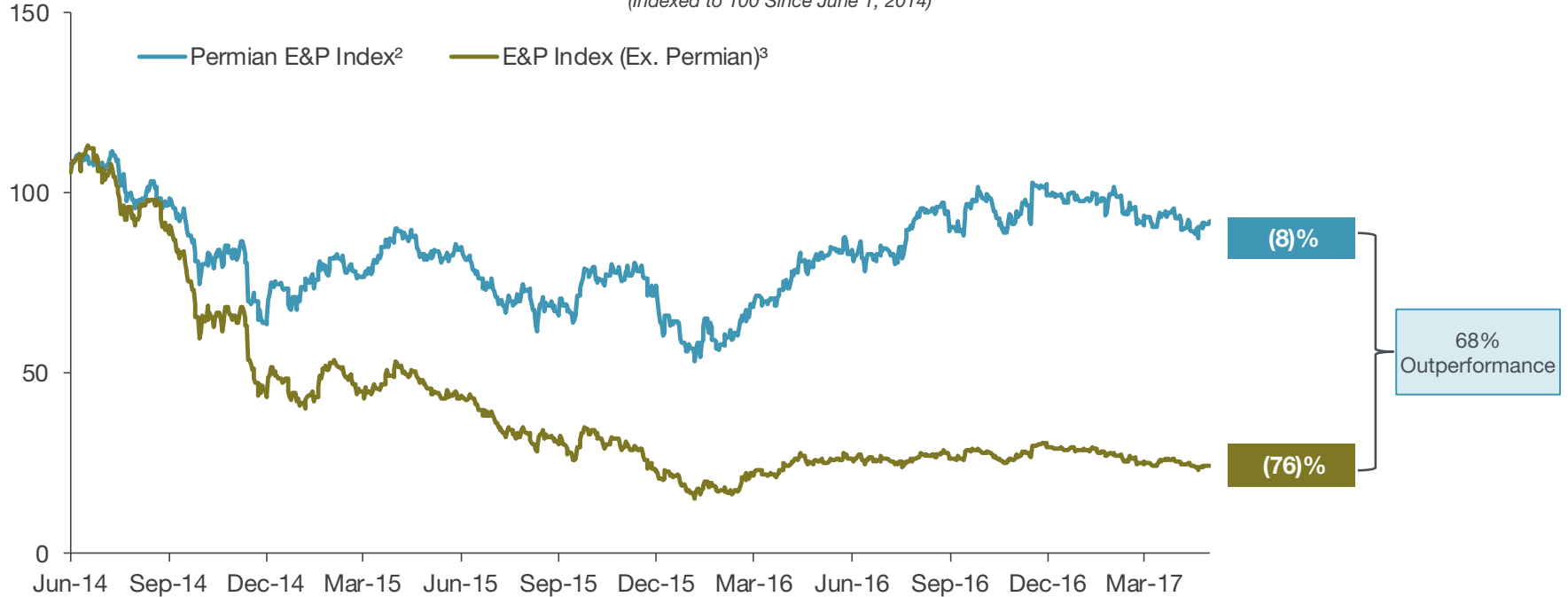
¹ Source: Simmons Research.

² Source: Bloomberg. As of May 15, 2017.

Permian E&P Has Outperformed Non-Permian E&P During Downturn

Indexed Performance Since June 1, 2014¹

(Indexed to 100 Since June 1, 2014)



¹ Source: Capital IQ. As of May 15, 2017.

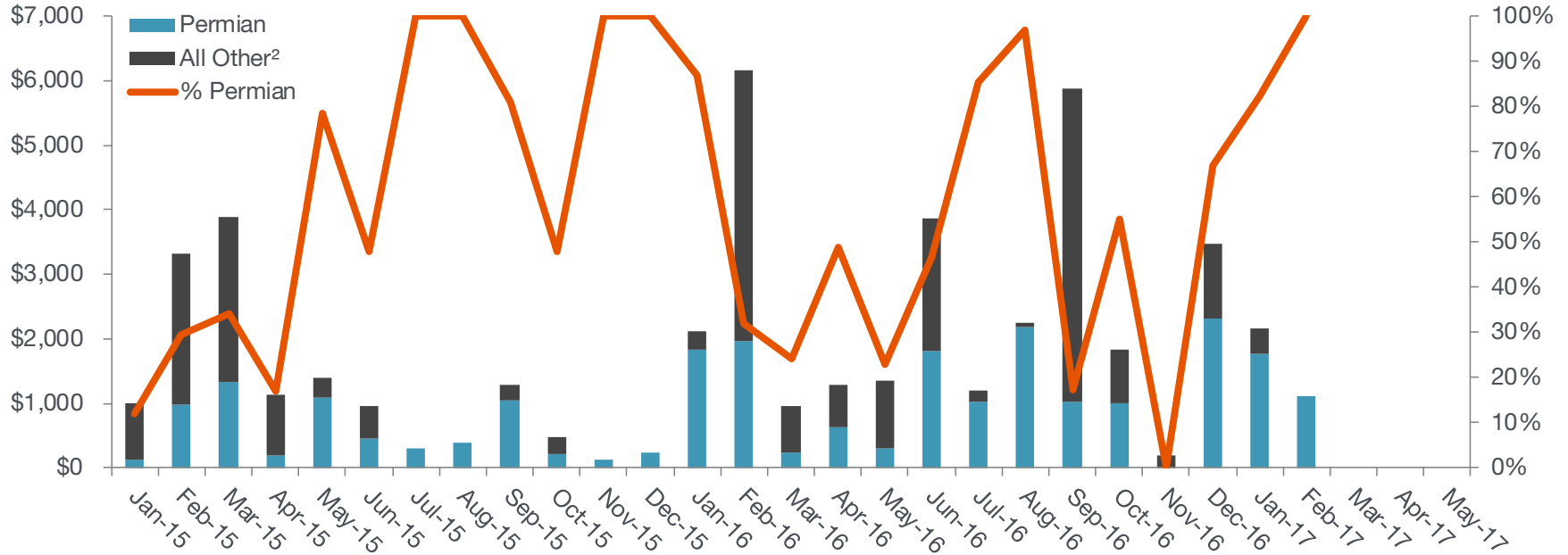
² Includes: Approach Resources, Concho Resources, Callon Petroleum, Diamondback, Energen, Laredo Petroleum, Parsley Energy, Pioneer Natural Resources, RSP Permian and Cimarex.

³ Includes U.S. E&P operators excluding those included in Permian E&P index.

Permian Basin Has Dominated E&P Capital Raising

Public Equity Capital Raised By Area¹

(Dollar amounts in millions)



¹ Source: Capital IQ. As of May 15, 2017.

² Includes DJ Basin, Appalachia, Eagle Ford, Bakken, Diversified, Mid-Con, MLP.

SIMMONS & COMPANY
— INTERNATIONAL —
ENERGY SPECIALISTS OF PIPER JAFFRAY®

Locations:

Houston | Aberdeen | London

**For information on other Piper Jaffray locations,
visit piperjaffray.com**

SIMMONS & COMPANY
— INTERNATIONAL —
ENERGY SPECIALISTS OF PIPER JAFFRAY®

Piper Jaffray Companies (NYSE: PJC) is a leading investment bank and asset management firm. Securities brokerage and investment banking services are offered in the U.S. through Piper Jaffray & Co., member SIPC and FINRA; in Europe through Piper Jaffray Ltd. and Simmons & Company International Limited, authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Jaffray Hong Kong Limited, authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through five separate investment advisory affiliates—U.S. Securities and Exchange Commission (SEC) registered Advisory Research, Inc.; Piper Jaffray Investment Management LLC, PJC Capital Partners LLC and Piper Jaffray & Co.; and Guernsey-based Parallel General Partners Limited, authorized and regulated by the Guernsey Financial Services Commission.