BASIC ENERGY SERVICES

OUR LIFE'S WORK IS THE LIFE OF THE WELL™

1Q 2019 Earnings Call

May 10, 2019

Forward-Looking Statements

This presentation contains forward-looking statements. Basic has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of its business. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, among other things, the risk factors discussed in this presentation and other factors, most of which are beyond Basic's control.

The words "believe," "may," "estimate," "continue," "anticipate," "intend," "plan," "expect" and similar expressions are intended to identify forward-looking statements. All statements other than statements of current or historical fact contained in this presentation are forward-looking statements.

Although Basic believes that the forward-looking statements contained in this presentation are based upon reasonable assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

Additional important risk factors that could cause actual results to differ materially from expectations are disclosed in Item 1A of Basic's Form 10-K for the year ended December 31, 2018 and subsequent Form 10-Q's filed with the SEC. While Basic makes these statements and projections in good faith, neither Basic nor its management can guarantee that the transactions will be consummated or that anticipated future results will be achieved. Basic's forward-looking statements speak only as of the date of this presentation. Unless otherwise required by law, Basic undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Important factors that may affect Basic's expectations, estimates or projections include:

- A decline in or substantial volatility of oil and gas prices, and any related changes in expenditures by its customers
- The effects of future acquisitions on its business
- Changes in customer requirements in markets or industries it serves
- Competition within its industry
- General economic and market conditions
- Its access to current or future financing arrangements
- Its ability to replace or add workers at economic rates
- Environmental and other governmental regulations

Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures. A reconciliation of each such measure to the most comparable GAAP measure is presented in the Appendix hereto. We use "EBITDA" and "Adjusted EBITDA" non-GAAP financial measures, for internal reporting and providing guidance on future results. These measures are not measures of financial performance under GAAP. We strongly advise investors to review our financial statements and publicly filed reports in their entirety and not rely on any single financial measure. See the Appendix for a reconciliation of these measures to GAAP.

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1Q 2019 Financial Recap

(in millions, except per share data)	Three Months Ended		
	3/31/19	12/31/18	3/31/18
Revenue			
Well Servicing	$60.5	$58.8	$57.0
Water Logistics	55.6	55.6	56.5
Other Services	4.3	7.1	3.6
Completion & Remedial	76.8	108.9	117.6
	$197.2	$230.4	$234.7
Gross Profit			
Well Servicing	13.3	11.3	10.4
Water Logistics	18.3	16.3	15.6
Other Services	0.3	0.8	(0.6)
Completion & Remedial	13.4	23.1	27.9
	$45.4	$51.6	$53.3
Net Loss	($27.5)	($46.7)	($30.5)
Diluted Loss per Share	($1.02)	($1.76)	($1.16)
Adjusted EBITDA	$14.4	$21.8	$23.3

1Q 2019 Operational Highlights

- As anticipated for Q1, completion activity slowed, which contributed to the build-up of drilled but uncompleted wells.
  - Well Servicing and Water Logistics posted combined direct margins of $31.6 million, up $3.9 million sequentially on a $1.8 million increase in revenue.
  - Q1 direct margin grew sequentially by 100 bps to 23%, and Q1 Adjusted EBITDA was $14.4 million
- Q1 Well Servicing segment margins expanded to 22% due to better productivity and a lower cost structure
  - Rig hours up 3% to 165,000, average utilization rate up in Q1 to 74%
  - Average of 21 24-hour rig packages working, down from 23 in 4Q18
  - Weather and holidays negatively impacted revenues by approximately $3.4 million
- Q1 Water Logistics segment margins expanded to 33% with further reductions in fluid services trucks to 818, down 2% sequentially
  - Water Logistics segment revenue was flat sequentially at $55.6 million, as higher margin pipeline volumes continue to replace trucked volumes
  - Pipeline volumes represented 32% of total disposal volumes of 9.7 million in Q1
  - Permian Basin saw 58% of total water disposal volumes via pipe
  - Weather negatively impacted revenues by $1.6 million
- Revenues in Completion & Remedial Services declined sharply as completion activity slowed in Q1, with segment margins declining 380 bps sequentially to 17%

Operational Update

	1Q19	4Q18	3Q18
Well servicing rig hours	165,000	159,600	180,300
Well servicing utilization rate (average)	74%	72%	82%
Number of well servicing rigs (end of period)	310	310	310
Revenue per rig hour (excluding manufacturing)	$367	$368	$357
Fluid services truck hours	424,100	438,500	448,200
Number of fluid service trucks (average)	818	837	870
Total Disposal Water Volumes (in thousands)	9,669	9,880	9,219
Pipeline Water Volumes (in thousands)	3,050	3,221	2,526
Total pressure pumping HHP (end of period)	489,000	513,000	516,500
Active frac HHP (end of period)	360,800	386,000	386,000
Coiled tubing units (end of period)	17	17	18
Rental and fishing tool stores	15	16	16

Notes:

HHP is hydraulic horsepower.

CapEx and Liquidity

- Capital expenditures (including capital leases) for 1Q19 totaled $24 million
  - Maintenance/sustaining expenditures and other were $16.3 million
  - Expansion projects totaled $7.7 million
- Currently anticipate 2019 capital expenditures to be approximately $69 million, down from previous guidance of approximately $94 million
- Total liquidity was $130 million at March 31, 2019:
  - Cash and cash equivalents of $63.8 million
  - ABL availability of $66.2 million
- With fewer trucks needed due to focus on pipeline volumes, the Company continues to de-lever, with total finance lease liabilities declining from $61 million at 12/31/18 to $56 million as of 3/31/19
  - Expect to reduce capital leases by a total of $13 million in 2019

Well Services

Operational Highlights

- Rigs working with 24-hour packages averaged 21 in 1Q, down slightly from Q4 due to lower completion activity
- Rig hours up 3% with strong utilization at 74%
- Rig rates continue to show strength, with revenue per rig hour at $367, essentially even with Q4
- Rig count was 310 at March 31, 2019, consistent with 310 at December 31, 2018
- Segment margin grew to 22% in Q1 from 19% in Q4

Segment Outlook

- Our relocated equipment via our realignment effort is resulting in more stable utilization, despite continued seasonality and weather
- Completion and 24-hour work remains solid, with customers more committed to the stable returns of production maintenance work

Segment Revenue Breakdown

	1Q19	4Q18	3Q18
Rig Hours (000s)	165.0	159.6	180.3
Utilization	74%	72%	82%
Revenue/Hour*	$367	$368	$357
Segment Margin	22%	19%	21%

* Excluding manufacturing.

Water Logistics

Operational Highlights

- Q1 margins improved to 33%, as the shift of volumes of water disposal via pipeline continues
- Approximately 32% of SWD volumes were fed by pipeline during the quarter, relatively flat from Q4
- Permian Basin pipeline disposal volumes held at 58% of total water volumes, even with Q4 and up from 33% in the first quarter of 2018

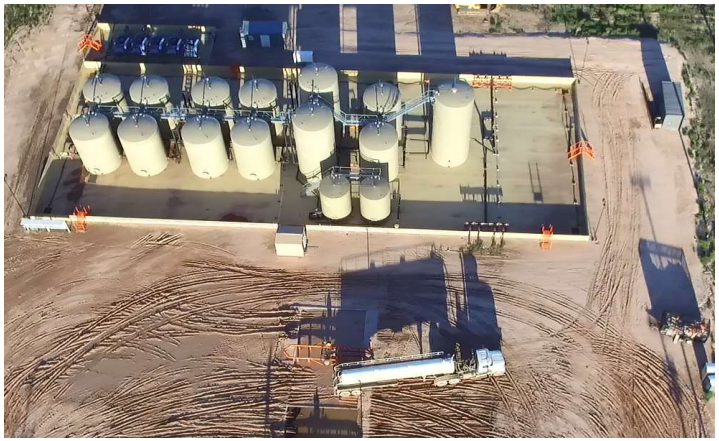
Segment Outlook

- Move towards higher-margin pipeline input of water to SWDs continues, surpassing target of 30% of total fluid disposal by year end
- Number of fluid service trucks likely to continue to decrease as focus on pipeline volumes strengthens
- Move away from trucks will result in a de-levering as capital leases roll off, down to $56 million as of 3/31/19 compared to $61 million as of 12/31/18, and expected to drop by a total of $13 million in 2019

Segment Revenue Breakdown

	1Q19	4Q18	3Q18
Trucks (Avg.)	818	837	870
Disposal Wells[1]	83	83	85
Segment Margin	33%	29%	28%

[1]Disposal Well Count is 86 as of May 9, 2019.



Completion and Remedial Services

Operational Highlights

- Margin declined to 17% at 1Q19 compared to 21% at 4Q18 on lower revenue, largely from lower frac activity, weather and holidays, as well as lower sand sales due to self-sourcing
- We have stacked three frac spreads since the beginning of 4Q18 and will continue to monitor market conditions

Segment Outlook

- We are forecasting a slow recovery for frac and other pumping revenue in Q2 and second half of 2019
- Segment maintenance capex should drop to 6%-7% of revenue due to lower activity as well as lower relative pressure jobs typical of the SCOOP/STACK and Mid-Continent

Segment Revenue Breakdown

	1Q19	4Q18	3Q18
Pumping	56%	66%	63%
Coiled Tubing	16%	15%	15%
Rental Tools	27%	18%	20%
Other	1%	1%	2%

2Q19 Outlook

- We expect the second quarter total revenue to be up sequentially, in the low- to mid-single digit range from first quarter
  - Well Services and Water Logistics should see a sequential increase in revenue of low- to mid-single digits during Q2; pricing to remain steady to increasing slightly toward the latter part of the quarter
    - The 24-hour rig package count to remain stable with 1Q levels
  - Completion and Remedial Services should see a sequential improvement in revenues of mid- to high-single digit increases
- We expect 2019 EBITDA of $70 to $75 million, or adjusted EBITDA of $84 to $89 million excluding $14 million of non-cash stock comp expense
  - In 2019, Well Service and Water Logistics segments should see typical incremental margins or stronger
  - Completion and Remedial should see a return of better margins on the improving revenue expectations during 2Q19, with frac spreads able to be reactivated on short notice at minimal expense
- We are forecasting a year-end cash balance of $60 to $65 million, with total liquidity of $135 to $140 million.
  - Growth capex spend is leveraged to 1H19, with incremental RAFT revenue expected in 2H19
  - 2/3 of growth capex going to longer-lived water assets that should begin to see midstream-type payback in 2020 and beyond

Non-GAAP Reconciliation

(in millions)	Three Months Ended		
	3/31/19	12/31/18	3/31/18
Net Loss	($27.5)	($46.7)	($30.5)
Adjustments			
Income Tax Provision (Benefit)	(1.9)	0.0	(0.1)
Loss on Extinguishment of Debt	0.0	26.4	0.0
Interest Expense	10.5	10.7	11.3
Depreciation & Amortization	27.5	32.3	30.2
EBITDA	**$8.7**	**$22.7**	**$10.9**
Adjustments:			
(Gain) Loss on Sale of Assets	1.5	(6.5)	1.8
Non-cash Stock Compensation	3.3	5.0	6.8
Professional Fees	0.9	0.0	0.0
Costs for Withdrawn Bond Offering	0.0	0.0	1.8
Executive Bonus	0.0	0.0	1.6
Impairment Expense	0.0	0.2	0.0
Strategic Consulting and Realignment	0.0	0.3	0.5
Adjusted EBITDA	**$14.4**	**$21.8**	**$23.3**

This presentation contains references to the non-GAAP financial measure of earnings (net income) before interest, taxes, depreciation and amortization, or "EBITDA." This presentation also contains references to the non-GAAP financial measure of earnings (net income) before interest, taxes, depreciation, amortization, loss on extinguishment of debt or costs for withdrawn bond offering, non-cash stock compensation, certain professional fees, due diligence for M&A activities, strategic consulting and realignment, certain executive bonus', impairment expenses and the gain or loss on disposal of assets or "Adjusted EBITDA." EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP.

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