

September 24, 2018



# Basic Energy Services Declines Key Energy Services, Inc.'s Unsolicited Proposal

FORT WORTH, Texas, Sept. 24, 2018 /PRNewswire/ -- Basic Energy Services, Inc. (NYSE: BAS) ("Basic" or the "Company") today announced that its Board of Directors has unanimously declined an unsolicited proposal from Key Energy Services, Inc. (NYSE: KEG) ("Key") to combine with Key in a stock-for-stock transaction.

After a careful review, conducted in consultation with its advisors, the Company's Board of Directors unanimously concluded that the proposal is not in the best interests of Basic and its stockholders.

Below is the text of a letter that was sent today by Tim Day, Chairman of the Board of Basic, to Robert J. Saltiel, President and Chief Executive Officer of Key.

September 24, 2018

Mr. Robert J. Saltiel  
President and Chief Executive Officer  
1301 McKinney  
Suite 1800  
Houston, Texas 77010

Dear Mr. Saltiel:

This letter is in response to your letters dated September 20, 2018 and September 23, 2018 indicating Key Energy Services' interest in combining with the company. I have shared the correspondence with the company's board, and the board has discussed it. The company will continue to pursue its independent strategy to maximize stockholder value and is not interested in pursuing the proposed transaction.

Sincerely,

Timothy Day  
Chairman, Basic Energy Services, Inc.

## About Basic Energy Services

Basic Energy Services provides well site services essential to maintaining production from the oil and gas wells within its operating area. The Company employs more than 4,100 employees in more than 100 service points throughout the major oil and gas producing regions in Texas, Louisiana, Oklahoma, New Mexico, Arkansas, Kansas, and the Rocky Mountain and Appalachian regions. Additional information on Basic Energy Services is

available on the Company's website at [www.basicenergyservices.com](http://www.basicenergyservices.com).

### **Safe Harbor Statement**

Statements made in this press release and in the presentation, may include forward-looking statements and projections made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Basic has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release and the presentation, including our ability to successfully execute, manage and integrate acquisitions, reductions in our customers' capital budgets, our own capital budget, limitations on the availability of capital or higher costs of capital, and lower commodity prices. 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 assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by Basic, whether as a result of new information, future events, or otherwise.

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