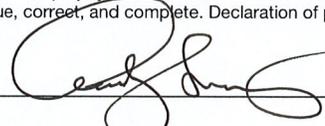


Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attached.

18 Can any resulting loss be recognized? ▶ See attached.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached.

Sign Here
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.
Signature ▶  Date ▶ 11/12/21
Print your name ▶ C. Andrew Smith Title ▶ Executive Vice President and CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

Attachment to Form 8937, Part II

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"), and includes a general summary regarding the application of certain US federal income tax laws and regulations related to the effects of the Transaction (as defined below) on the tax basis of shares of common stock of Patterson-UTI Energy, Inc. ("Patterson") received in the redemption of senior notes of Pioneer Energy Services Corp. ("Pioneer"). The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular categories of shareholders.

Neither Patterson nor Pioneer provides tax advice to its shareholders or noteholders. Shareholders and noteholders are encouraged to consult their own tax advisors regarding the particular consequences of the Transaction to them (including the applicability and effect of all US federal, state and local tax laws and non-US tax laws) and should carefully read the joint proxy statement/prospectus, which is part of a Registration Statement on Form S-4 that Patterson filed on August 3, 2021, with the Securities and Exchange Commission, noting especially the discussion under the heading "Material U.S. Federal Income Tax Consequences." The information provided herein is subject to such discussion in all respects. The Registration Statement may be accessed at www.sec.gov.

As described in more detail below, as part of the Transaction (as defined below) the Senior Secured Floating Rate Notes due 2025 of Pioneer (the "Pioneer Senior Notes") were redeemed at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to, but excluding the closing date (the "Debt Redemption").

The Debt Redemption is part of a larger transaction pursuant to which, on October 1, 2021, as more fully described below, each issued and outstanding share of Pioneer common stock ("Pioneer Shares") was exchanged for 1.8692 shares of Patterson common stock ("Patterson Shares"). Pursuant to the Merger Agreement (defined below), fractional shares were cancelled based on a value of \$9.44 per share, which is the closing sales price of one share of Patterson common stock as reported on The NASDAQ Global Select Market on October 1, 2021.

Any holders of Pioneer Shares or Pioneer's 5.00% Convertible Senior Unsecured PIK Notes Due 2025 (the "Convertible Notes") that received Patterson Shares in the Transaction are encouraged to consult the separate IRS Forms 8937 posted by Patterson with respect to the Transaction for information regarding the effect on basis of such shares or notes.

Line 14

On October 1, 2021, Patterson completed the acquisition of Pioneer pursuant to the Agreement and Plan of Merger among Patterson, Crescent Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of Patterson ("Merger Sub Inc."), Crescent Ranch Second Merger Sub LLC, a Delaware limited liability company and a wholly-owned subsidiary of Patterson treated as an entity disregarded from its owner for federal income tax purposes ("Merger Sub LLC"), and Pioneer dated July 5, 2021 (the "Merger Agreement"), through a double merger in which Merger Sub Inc. first merged with and into Pioneer (the first merger) with Pioneer as the survivor of the first merger, followed immediately by the merger (the second merger) of Pioneer with and into Merger Sub LLC with Merger Sub LLC as the survivor of the

second merger. The first merger and the second merger, along with the accelerated mandatory conversion of the Convertible Notes (the “Debt Conversion”) were intended to be integrated steps in a single transaction (the “Transaction”).

In the Transaction, each issued and outstanding Pioneer Share was exchanged for 1.8692 Patterson Shares. Pursuant to the Merger Agreement, fractional shares were cancelled based on a value of \$9.44 per share, which is the closing sales price of one share of Patterson common stock as reported on The NASDAQ Global Select Market on October 1, 2021.

As part of the Transaction, the Pioneer Senior Notes were redeemed at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to, but excluding closing date. In accordance with the merger agreement and the third supplemental indenture dated August 25, 2021, to the Pioneer senior notes indenture dated May 29, 2020, entered into in connection with the mergers, the redemption price was paid in a combination of cash and Patterson Shares.

Patterson intends to treat (i) the Pioneer Senior Notes as securities for US federal income tax purposes and (ii) the Debt Redemption as an exchange of securities in pursuance of the plan of reorganization (within the meaning of the Code and applicable Treasury Regulations) of which the Transaction is a part, and the following descriptions assume the Debt Redemption so qualifies.

Line 15

The Transaction and Debt Redemption are intended to qualify as a reorganization under section 368(a) of the Code. Accordingly, a holder of Pioneer Senior Notes that exchanged such notes for Patterson Shares and cash pursuant to the Debt Redemption generally will recognize gain, but not loss, in an amount equal to the lesser of (i) the excess of the amount realized by the holder on the Debt Redemption over the holder’s adjusted tax basis in the Pioneer Senior Notes exchanged and (ii) the amount of cash received in the Debt Redemption (excluding any cash received in lieu of fractional Patterson Shares not delivered, which is discussed below, and any portion of any cash received in the Debt Redemption that is attributable to accrued interest on such Pioneer Notes). The amount realized by a holder in the Debt Redemption generally is the sum of the amount of cash received in the Debt Redemption (excluding any cash received in lieu of fractional Patterson Shares not delivered, which is discussed below, and any portion of any cash received in the Debt Redemption that is attributable to accrued interest on such Pioneer Notes).

If a holder acquired various Pioneer Senior Notes at different times or at different prices, such holder should consult its own tax advisor.

A holder’s initial aggregate tax basis in the Patterson Shares received by such holder will be equal to the aggregate adjusted tax basis of the Pioneer Senior Notes surrendered therefor, reduced by the amount of cash received by the holder (excluding any cash received in lieu of fractional Patterson Shares not delivered, which is discussed below, and any portion of any cash received in the Debt Redemption that is attributable to accrued interest on such Pioneer Senior Notes) and increased by the amount of gain, if any, recognized by the holder in the Debt Redemption.

Each holder that receives cash in lieu of fractional Patterson Shares will be treated as having received the fractional Patterson Shares pursuant to the Debt Redemption and then as having exchanged the fractional Patterson Shares for cash. Accordingly, each such holder generally will recognize gain or loss

equal to the difference between (i) the amount of cash received and (ii) the portion of the basis of such holder's Pioneer Senior Notes allocable to such fractional Patterson Shares.

Line 16

The aggregate tax basis of the Patterson Shares received by a holder will be equal to the aggregate adjusted tax basis of the Pioneer Senior Notes surrendered therefor, reduced by the amount of cash received by the holder (excluding any cash received in lieu of fractional Patterson Shares not delivered and any portion of any cash received in the Debt Redemption that is attributable to accrued interest on such Pioneer Senior Notes) and increased by the amount of gain, if any, recognized by such holder on the Debt Redemption.

Line 17

Sections 354, 356, 358, 368, 1001 and 1012 of the Code

Line 18

Holders of Pioneer Senior Notes generally may not recognize any loss for US federal income tax purposes as a result of the Debt Redemption except with respect to cash, if any, received in lieu of fractional Patterson Shares.

Line 19

The Debt Redemption occurred in connection with the consummation of the second merger which occurred on October 1, 2021. For a holder of the Pioneer Senior Notes whose taxable year is the calendar year, the reportable tax year is 2021.