

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): May 8, 2018

ProPetro Holding Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38035
(Commission
File Number)

26-3685382
(IRS Employer
Identification No.)

1706 S. Midkiff, Bldg. B
Midland, TX
(Address of principal executive offices)

79701
(Zip Code)

(432) 688-0012
(Registrant's telephone number, including area code)
(Not applicable)
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) of Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 8, 2018, ProPetro Holding Corp. issued a press release announcing operating results and developments for the quarter ended March 31, 2018. A copy of the press release is furnished as Exhibit 99.1 hereto. The information furnished with this report, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.****Exhibit
Number****Description of Exhibit**

99.1 Press Release dated May 8, 2018.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 8, 2018

PROPETRO HOLDING CORP.

/s/ Mark Howell

Mark Howell
General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description of Exhibit
99.1	Press Release dated May 8, 2018.

ProPetro Reports First Quarter 2018 Results

**-- Deployed Two New-Build Frac Fleets and Enhanced Legacy Fleets During the Period --
-- Recently Commenced Operations of Additional New-Build Frac Fleet --**

MIDLAND, TX, May 8, 2018 (Businesswire) - ProPetro Holding Corp. ("ProPetro" or "the Company") (NYSE: PUMP) today announced financial and operational results for the first quarter of 2018.

First Quarter 2018 and Recent Highlights

- Total revenue for the quarter increased approximately 23% to \$385.2 million, compared to \$313.7 million for the fourth quarter of 2017.
- Net income for the quarter was \$36.7 million, or \$0.42 per diluted share, as compared to \$10.1 million, or \$0.12 per diluted share, for the fourth quarter of 2017.
- Adjusted EBITDA for the quarter was \$76.7 million, up 79% from \$42.8 million for the fourth quarter of 2017.
- Frac fleet remained fully utilized, including deployment of two new-build fleets, and an additional 35,000 hydraulic horsepower ("HHP") HHP into the legacy fleet. Period ending capacity was 815,000 HHP, or 18 fleets - more than a 18% increase as compared to 690,000 HHP at the end of the fourth quarter of 2017.
- In April took delivery and immediately commenced operations of an additional new-build frac fleet bringing total deployed capacity to 860,000 HHP, or 19 fleets.
- As previously announced, the Company plans to deploy one additional new-build fleet in the fourth quarter of 2018. This addition will increase total frac fleet capacity to 905,000 HHP, or 20 fleets.

Adjusted EBITDA is a Non-GAAP financial measure and is described and reconciled to net income (loss) in the table under "Non-GAAP Financial Measures."

Dale Redman, Chief Executive Officer, commented, "I am pleased to report that our business is off to a great start in 2018. Through our best in class operations team and close collaboration with our customers, we avoided many of the headwinds that our sector faced in the first quarter. We are especially encouraged by the continued strength in activity in the Permian Basin and strong demand for our fully utilized frac fleet. We will continue to focus on executing at the wellsite to provide our customers with unmatched service as we help them harvest their respective resources in the most active onshore basin in the U.S."

First Quarter 2018 Financial Summary

Revenue for the first quarter of 2018 was \$385.2 million, or almost 23% higher than \$313.7 million for the fourth quarter of 2017. The increase was primarily attributable to increased fleet size as well as fewer seasonal down days than the prior quarter, leading to improved profitability for the Company's pressure pumping and other services. During the first quarter of 2018, 97.4% of total revenue was associated with pressure pumping services, which was similar to the fourth quarter of 2017.

Costs of services excluding depreciation and amortization for the first quarter of 2018 increased to \$298.1 million from \$262.0 million during the fourth quarter of 2017 primarily due to higher activity levels and fleet size, coupled with an associated increase in headcount. As a percentage of pressure pumping segment revenues, pressure pumping costs of services decreased to 77% from 83% for the fourth quarter of 2017 due to improved pricing and operating leverage as activity increased without a significant corresponding increase in costs.

General and administrative expense was \$11.9 million as compared to \$10.3 million in the fourth quarter of 2017. The increase was primarily attributable to higher property taxes, insurance expense and professional fees. General and administrative expense, exclusive of stock-based compensation, was \$11.2 million or 2.9% of revenue for the first quarter of 2018.

Net income for the first quarter of 2018 totaled \$36.7 million, or \$0.42 per diluted share, versus \$10.1 million, or \$0.12 per diluted share, for the fourth quarter of 2017.

Adjusted EBITDA increased approximately 79% to \$76.7 million for the first quarter of 2018 from \$42.8 million in the previous quarter. Adjusted EBITDA margin for the first quarter of 2018 was approximately 20%, as compared to approximately 14% for the fourth quarter of 2017.

Operational Highlights and Fleet Expansion

Active HHP deployed during the quarter averaged 752,000, or 17.4 fleets, and active HHP at quarter end was 815,000, or 18 fleets. The Company also enhanced its legacy fleets with an additional 35,000 HHP, all of which was deployed by the end of the first quarter, bringing average pressure pumping capacity to approximately 45,000 HHP per fleet. An additional new-build 45,000 HHP fleet commenced operations in April with a dedicated customer bringing active horsepower to date to 860,000, or 19 fleets. As previously announced, to support strong demand for pressure pumping services, ProPetro plans to expand its fracturing capacity by an additional 45,000 HHP, or one fleet, in the fourth quarter of 2018, bringing expected 2018 year-end capacity to 905,000 HHP, or 20 fleets.

Also, as previously announced, the Company recently deployed one new build coiled tubing unit and one new build cementing unit, both of which will operate under long-term dedicated agreements. This brings total coiled tubing capacity to three units and total cementing capacity to 16 units. To support growing demand, ProPetro plans to further expand its cementing fleet capacity with two additional new-build units that are targeted to commence operations later this year.

Liquidity and Capital Spending

As of March 31, 2018, total cash was \$46.4 million and total debt was \$117.3 million. Total liquidity at the end of the first quarter of 2018 was \$146.4 million, including cash and \$100 million of capacity under the Company's \$200 million revolving credit facility.

Capital expenditures incurred during the first quarter of 2018 were \$80.0 million, which reflects spending on ProPetro's growth initiatives as well as maintenance capital.

Outlook

Mr. Redman concluded, "The outlook for E&P activity in the Permian remains strong and the need for efficient pressure pumping services is growing. Our leading position in the basin provides us with unique visibility, and we are responding to our customer's long-term needs through further targeted expansion of our fleet capacity and driving increased efficiencies at the wellsite. As in the past, our workforce and customer relationships will remain our top focus as we continue to differentiate our brand and service offerings, which will drive further value for our customers, supply chain partners and shareholders."

Conference Call Information

The Company will host a conference call at 8:00 AM Central Time on Wednesday, May 9, 2018 to discuss financial and operating results for the first quarter of 2018 and recent developments. This call will also be webcast, along with a presentation slide deck on ProPetro's website at www.propetroservices.com. The slide deck will be published on the website the morning of the call.

To access the conference call, U.S. callers may dial toll free 1-877-317-6799 and international callers may dial 1-412-317-6799. Please call ten minutes ahead of the scheduled start time to ensure a proper connection. A replay of the conference call will be available for one week following the call and can be accessed by dialing 1-877-344-7529 for U.S. callers and 1-412-317-0088 for international callers. The access code for the replay is 10116670.

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About ProPetro

ProPetro Holding Corp. is a Midland, Texas-based oilfield services company providing pressure pumping and other complementary services to leading upstream oil and gas companies engaged in the exploration and production of North American unconventional oil and natural gas resources.

Forward-Looking Statements

The information above includes forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. These forward-looking statements are subject to certain risks, uncertainties and assumptions identified above or as disclosed from time to time in the Company's filings with the Securities and Exchange Commission. As a result of these factors, actual results may differ materially from those indicated or implied by such forward-looking statements.

Contact: ProPetro Holding Corp

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PROPETRO HOLDING CORP. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		
	March 31	December 31	March 31
	2018	2017	2017
REVENUE - Service revenue	\$ 385,219	\$ 313,712	\$ 171,931
COSTS AND EXPENSES			
Cost of services (exclusive of depreciation and amortization)	298,122	262,048	149,565
General and administrative (inclusive of stock-based compensation)	11,944	10,335	19,859
Depreciation and amortization	18,936	17,026	11,151
Loss on disposal of assets	7,665	10,115	10,442
Total costs and expenses	336,667	299,524	191,017
OPERATING INCOME (LOSS)	48,552	14,188	(19,086)
OTHER INCOME (EXPENSE):			
Interest expense	(1,261)	(878)	(5,175)
Other expense	(230)	(232)	26
Total other income (expense)	(1,491)	(1,110)	(5,149)
INCOME (LOSS) BEFORE INCOME TAXES	47,061	13,078	(24,235)
INCOME TAX (EXPENSE)/BENEFIT	(10,353)	(3,000)	(116)
NET INCOME (LOSS)	<u>\$ 36,708</u>	<u>\$ 10,078</u>	<u>\$ (24,351)</u>
NET INCOME (LOSS) PER COMMON SHARE:			
Basic	<u>\$ 0.44</u>	<u>\$ 0.12</u>	<u>\$ (0.43)</u>
Diluted	<u>\$ 0.42</u>	<u>\$ 0.12</u>	<u>\$ (0.43)</u>
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:			
Basic	<u>83,081</u>	<u>83,040</u>	<u>55,996</u>
Diluted	<u>86,848</u>	<u>86,818</u>	<u>55,996</u>

PROPETRO HOLDING CORP. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)
(Unaudited)

	<u>March 31, 2018</u>	<u>December 31, 2017</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 46,413	\$ 23,949
Accounts receivable - net of allowance for doubtful accounts of \$457 and \$443, respectively	253,117	199,656
Inventories	7,512	6,184
Prepaid expenses	5,707	5,123
Other current assets	1,086	748
Total current assets	<u>313,835</u>	<u>235,660</u>
PROPERTY AND EQUIPMENT - Net of accumulated depreciation	524,154	470,910
OTHER NONCURRENT ASSETS:		
Goodwill	9,425	9,425
Intangible assets - net of amortization	229	301
Deferred revenue rebate - net of amortization	154	615
Other noncurrent assets	2,550	2,121
Total other noncurrent assets	<u>12,358</u>	<u>12,462</u>
TOTAL ASSETS	<u>\$ 850,347</u>	<u>\$ 719,032</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 254,707	\$ 211,149
Accrued liabilities	11,983	16,607
Current portion of long-term debt	15,032	15,764
Accrued interest payable	544	76
Total current liabilities	<u>282,266</u>	<u>243,596</u>
DEFERRED INCOME TAXES	14,935	4,881
LONG-TERM DEBT	102,301	57,178
OTHER LONG-TERM LIABILITIES	127	125
Total liabilities	<u>399,629</u>	<u>305,780</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, \$0.001 par value, 200,000,000 shares authorized, 83,412,189 and 83,039,854 shares issued, respectively	83	83
Additional paid-in capital	608,224	607,466
Accumulated deficit	(157,589)	(194,297)
Total shareholders' equity	<u>450,718</u>	<u>413,252</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 850,347</u>	<u>\$ 719,032</u>

PROPETRO HOLDING CORP. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Three Months Ended March 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 36,708	\$ (24,351)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	18,936	11,151
Deferred income tax benefit	10,054	55
Amortization of deferred revenue rebate	462	462
Amortization of deferred debt issuance costs	89	3,158
Stock-based compensation	758	7,369
Loss on disposal of fixed assets	7,529	10,442
Gain on interest rate swap	-	(138)
Changes in operating assets and liabilities:		
Accounts receivable	(53,461)	5,313
Other current assets	(338)	468
Inventories	(1,327)	(441)
Prepaid expenses	(742)	670
Accounts payable	38,750	(14,884)
Accrued liabilities	(3,252)	(2,560)
Accrued interest	468	(108)
Net cash provided by (used in) operating activities	<u>54,634</u>	<u>(3,394)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(75,148)	(50,910)
Proceeds from sale of assets	317	452
Net cash used in investing activities	<u>(74,831)</u>	<u>(50,458)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	46,735	-
Repayments of borrowings	(2,343)	(161,669)
Repayments of insurance financing	(1,371)	(1,236)
Payment of debt issuance costs	(360)	(1,615)
Proceeds from IPO	-	185,500
Payment of deferred IPO costs	-	(15,099)
Net cash provided by financing activities	<u>42,661</u>	<u>5,881</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>22,464</u>	<u>(47,971)</u>
CASH AND CASH EQUIVALENTS — Beginning of year	23,949	133,596
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 46,413</u>	<u>\$ 85,625</u>

Reportable Segment Information

(\$ in thousands)	Three Months Ended					
	March 31, 2018			December 31, 2017		
	Pressure Pumping	All Other	Total	Pressure Pumping	All Other	Total
Service revenue	\$ 375,045	\$ 10,174	\$ 385,219	\$ 305,685	\$ 8,027	\$ 313,712
Adjusted EBITDA	\$ 79,063	\$ (2,319)	\$ 76,744	\$ 46,826	\$ (4,036)	\$ 42,790
Depreciation and amortization	\$ 17,763	\$ 1,173	\$ 18,936	\$ 15,927	\$ 1,099	\$ 17,026
Capital expenditures	\$ 77,435	\$ 2,519	\$ 79,954	\$ 97,310	\$ 1,662	\$ 98,972

Non-GAAP Financial Measures

Adjusted EBITDA is not a financial measure presented in accordance with GAAP. We believe that the presentation of this non-GAAP financial measure provides useful information to investors in assessing our financial condition and results of operations. Net income is the GAAP measure most directly comparable to Adjusted EBITDA. Non-GAAP financial measures should not be considered as alternatives to the most directly comparable GAAP financial measure. Non-GAAP financial measures have important limitations as analytical tools because they exclude some, but not all, items that affect the most directly comparable GAAP financial measures. You should not consider Adjusted EBITDA in isolation or as a substitute for an analysis of our results as reported under GAAP. Because Adjusted EBITDA may be defined differently by other companies in our industry, our definitions of this non-GAAP financial measure may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

Reconciliation of net income (loss) to adjusted EBITDA:

(\$ in thousands)	Three Months Ended					
	March 31, 2018			December 31, 2017		
	Pressure Pumping	All Other	Total	Pressure Pumping	All Other	Total
Net income (loss)	\$ 52,934	\$ (16,226)	\$ 36,708	\$ 20,330	\$ (10,252)	\$ 10,078
Depreciation and amortization	17,763	1,173	18,936	15,927	1,099	17,026
Interest expense	-	1,261	1,261	-	878	878
Income tax expense	-	10,353	10,353	-	3,000	3,000
Loss on disposal of assets	7,828	(163)	7,665	10,117	-	10,117
Stock-based compensation	-	758	758	-	759	759
Other expense and legal settlement	-	231	231	-	233	233
Deferred IPO bonus expense	538	294	832	452	247	699
Adjusted EBITDA	\$ 79,063	\$ (2,319)	\$ 76,744	\$ 46,826	\$ (4,036)	\$ 42,790