

**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): November 1, 2023

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.)

303 W. Wall Street, Suite 102, Midland, Texas 79701
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (432) 688-0012

Former address: 1706 South Midkiff, Midland, Texas 79701
(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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	PUMP	New York Stock Exchange

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

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 November 1, 2023, ProPetro Holding Corp. (the “Company”) issued a press release announcing its results for the quarter ended September 30, 2023. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

On November 1, 2023, the Company posted an investor presentation to its website pertaining to the financial and operational results for the quarter ended September 30, 2023 and the commentary discussing financial and operating results for the third quarter 2023. The presentation and the commentary are posted on the Company's website at ir.propetroservices.com/presentations and attached hereto as Exhibit 99.2 and Exhibit 99.3, respectively.

The information furnished with this report, including Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3, shall not be deemed to be “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 to be 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 announcing third quarter 2023 results, dated November 1, 2023.
99.2	Investor presentation, dated November 1, 2023.
99.3	Commentary discussing financial and operating results for the third quarter 2023.
104	Cover Page Interactive Data File. The cover page XBRL tags are embedded within the inline XBRL document (contained in Exhibit 101).

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: November 1, 2023

PROPETRO HOLDING CORP.

/s/ David S. Schorlemer

David S. Schorlemer
Chief Financial Officer

ProPetro Reports Financial Results for the Third Quarter of 2023

MIDLAND, Texas, November 1, 2023, (Business Wire) – ProPetro Holding Corp. ("ProPetro" or "the Company") (NYSE: PUMP) today announced financial and operational results for the third quarter of 2023.

Third Quarter 2023 Results and Highlights

- Total revenue of \$424 million.
- Net Income was \$35 million (\$0.31 per diluted share), a 5th consecutive quarter of net income.
- Adjusted EBITDA⁽¹⁾ of \$108 million, or 25% of revenue.
- Capital expenditures of \$59 million.
- Published our first **ProPetro ProEnergy ProPeople Sustainability Report** for 2023.
- Successfully commissioned our first **FORCESM** electric-powered hydraulic fracturing fleet.
- Effective frac fleet utilization was 15.5 fleets compared to 15.9 fleets in the prior quarter.
- Repurchased and retired 1.9 million shares during the quarter with total repurchases of 4.2 million shares representing approximately 4% of outstanding shares since plan inception in May 2023.
- Net cash provided by operating activities was approximately \$118 million with Free Cash Flow⁽²⁾ of approximately \$27 million.

(1) *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."*

(2) *Free Cash Flow is a non-GAAP financial measure and is described and reconciled to cash from operating activities in the table under "Non-GAAP Financial Measures."*

Management Comments

Sam Sledge, Chief Executive Officer, commented, "We are pleased to build on our momentum with yet another quarter of strong financial results. Thanks to solid execution by the ProPetro team, we continue to execute on our strategic priorities. We are excited to have deployed our new and innovative **FORCESM** electric-powered hydraulic fracturing fleet offering. The hard work and dedication of the ProPetro team and our partners and customers were critical in making this a success. The **FORCESM** electric-powered fleets along with our Tier IV DGB dual-fuel fleets are part of our strategy to transition our equipment to more desirable assets delivering premium value to our customers while lowering emissions through industry-leading natural gas substitution. This first **FORCESM** fleet deployment was a major milestone for the Company and I cannot be more pleased with how our team has rallied to optimize this deployment and begin preparation for our next **FORCESM** deployment later this month."

Mr. Sledge continued, "Financial performance remained strong during the third quarter despite some market pressures. We believe our financial results were more durable due to our bifurcated premium completion services coupled with our next-generation equipment, located primarily in the prolific and resilient Permian Basin. Our investments in new technologies, optimizing our business, and commitment to a disciplined pricing and asset deployment strategy resulted in another quarter of strong net income. Our team is excited to continue to deliver our differentiated services to our customers and we expect our strategy to continue to generate improved financial returns for all our stakeholders."

David Schorlemer, Chief Financial Officer, said, "The third quarter was an example of the resilient business we're building at ProPetro. We are focused on our strategy that is ideally-suited for the continued

industrialization of the oilfield. The Company produced strong Free Cash Flow within the quarter. As we've communicated over the last several quarters, our strategy, our investments, the disciplined approach, and opportunistic investments were designed to create opportunities to share value with shareholders. By the end of this year, we will have invested nearly \$1 billion over the past two years in transitioning our fleet and bringing state-of-the-art technologies and completion services to ProPetro, while maintaining a strong balance sheet and healthy liquidity. We believe our prudent strategic actions are creating meaningful, long-term value and position us to deliver for our customers and shareholders through the market cycle. Accordingly, we have now retired approximately 4% of our outstanding shares since the initial share repurchase authorization in May of 2023. With a strong balance sheet and clear line of sight to continued free cash flow generation, we are well-positioned to deliver improved shareholder value creation."

Third Quarter 2023 Financial Summary

Revenue was \$424 million, compared to \$435 million for the second quarter of 2023. The 2.6% decrease in revenue was attributable to slightly decreased utilization, pricing impacts, and job mix in our hydraulic fracturing and wireline businesses with our cementing business recording record revenues during the quarter.

Cost of services, excluding depreciation and amortization of approximately \$52 million relating to cost of services, decreased to \$292 million from \$298 million during the second quarter of 2023. The 1.8% decrease was attributable to the decreased operational activity levels across our hydraulic fracturing and wireline operating segments.

General and administrative expense of \$29 million was unchanged from \$29 million in the second quarter of 2023. G&A expense excluding nonrecurring and noncash items (stock-based compensation and other items) of \$5 million, was \$24 million, or 5.6% of revenue.

Net income totaled \$35 million, or \$0.31 per diluted share, compared to net income of \$39 million, or \$0.34 per diluted share, for the second quarter of 2023.

Adjusted EBITDA decreased to \$108 million from \$113 million for the second quarter of 2023. The decrease in Adjusted EBITDA was primarily attributable to slightly lower activity and pricing during the quarter.

Net cash provided by operating activities was \$118 million as compared to \$114 million in the prior quarter. Free Cash Flow was approximately \$27 million as compared to Free Cash Flow of approximately \$6 million in the prior quarter.

Share Repurchase Program

In May 2023, the Company announced a \$100 million share repurchase program. During the quarter, the Company repurchased and retired 1.9 million shares for \$19 million. Since inception, the Company has acquired and retired 4.2 million shares representing approximately 4% of its outstanding shares as of the date of plan inception.

Liquidity and Capital Spending

As of September 30, 2023, total cash was \$54 million and our borrowings under the ABL Credit Facility were \$45 million. Total liquidity at the end of the third quarter of 2023 was \$180 million including cash and \$126 million of available capacity under the ABL Credit Facility.

Capital expenditures incurred during the third quarter of 2023 were \$59 million, the majority of which related to maintenance capital expenditures and the last deliveries of the Company's Tier IV DGB dual-fuel conversions. Net cash used in investing activities during the third quarter of 2023 was \$91 million.

Guidance

The Company expects full-year 2023 incurred capital expenditures to be slightly above \$300 million as compared to \$365 million of incurred capital expenditures in 2022. Frac fleet effective utilization is expected to be between 13 to 14 fleets during the fourth quarter.

Outlook

Mr. Sledge added, "Looking ahead, we are on track to deploy our second **FORCE**SM electric frac fleet in 2023, with deployment of our third and fourth fleets planned for the first half of 2024. We believe that electric equipment will play a significant role in the future of ProPetro and are pleased to see strong demand for our **FORCE**SM electric frac fleets. Additionally, with our strong balance sheet, we continue to make excellent progress on our strategic initiatives, and we will continue to seek value-accretive acquisition opportunities to further enhance our cash flow profile. We will do all of this in a disciplined and opportunistic manner, prioritizing only high-return prospects that will enhance free cash flow and create incremental shareholder value."

Mr. Sledge concluded, "As we approach the end of 2023, we continue to deliver for our customers and advance our strategy to enhance value for our company and shareholders. Despite the recent market slowdown, demand for our next generation offerings has not waned. Our strategy is designed to generate durable returns in the current market environment and through the cycle. As our dedicated blue-chip customers seek reliable completion services at competitive costs, ProPetro is uniquely positioned to provide quality service, a young, next generation equipment offering and operational density in the Permian. This differentiation continues to insulate ProPetro from some of the market inconsistency seen in other basins and in the spot market. As we continue to optimize our operations and industrialize our business, modernize our fleet, and seek opportunistic transactions in line with our commitment to disciplined capital deployment, we are confident in ProPetro's ability to generate enhanced shareholder returns for years to come."

Conference Call Information

The Company will host a conference call at 8:00 AM Central Time on Wednesday, November 1, 2023, to discuss financial and operating results for the third quarter of 2023. The call will also be webcast on ProPetro's website at www.propetroservices.com. To access the conference call, U.S. callers may dial toll free 1-844-340-9046 and international callers may dial 1-412-858-5205. 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 toll free by dialing 1-877-344-7529 for U.S. callers, 1-855-669-9658 for Canadian callers, as well as 1-412-317-0088 for international callers. The access code for the replay is 9513361. The Company also posted the scripted remarks on its website.

About ProPetro

ProPetro Holding Corp. is a Midland, Texas-based provider of premium completion services to leading upstream oil and gas companies engaged in the exploration and production of North American unconventional oil and natural gas resources. We help bring reliable energy to the world. For more information visit www.propetroservices.com.

Forward-Looking Statements

Except for historical information contained herein, the statements and information in this news release and discussion in the scripted remarks described above are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words “may,” “could,” “plan,” “project,” “budget,” “predict,” “pursue,” “target,” “seek,” “objective,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” and other expressions that are predictions of, or indicate, future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include, among other matters, statements about the supply of and demand for hydrocarbons, our business strategy, industry, future profitability, expected fleet utilization, sustainability efforts, the future performance of newly improved technology, expected capital expenditures, the impact of such expenditures on our performance and capital programs, our fleet conversion strategy and our share repurchase program. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable.

Although forward-looking statements reflect our good faith beliefs at the time they are made, forward-looking statements are subject to a number of risks and uncertainties that may cause actual events and results to differ materially from the forward-looking statements. Such risks and uncertainties include the volatility of oil prices, the global macroeconomic uncertainty related to the conflict in the Israel-Gaza region and the Russia-Ukraine war, general economic conditions, including the impact of continued inflation, central bank policy actions, bank failures, and the risk of a global recession, and other factors described in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, particularly the “Risk Factors” sections of such filings, and other filings with the Securities and Exchange Commission (the “SEC”). In addition, the Company may be subject to currently unforeseen risks that may have a materially adverse impact on it, including matters related to shareholder litigation. Accordingly, no assurances can be given that the actual events and results will not be materially different than the anticipated results described in the forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements and are urged to carefully review and consider the various disclosures made in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings made with the SEC from time to time that disclose risks and uncertainties that may affect the Company's business. The forward-looking statements in this news release are made as of the date of this news release. ProPetro does not undertake, and expressly disclaims, any duty to publicly update these statements, whether as a result of new information, new developments or otherwise, except to the extent that disclosure is required by law.

Investor Contacts:

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PROPETRO HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended		
	September 30, 2023	June 30, 2023	September 30, 2022
REVENUE - Service revenue	\$ 423,804	\$ 435,249	\$ 333,014
COSTS AND EXPENSES			
Cost of services (exclusive of depreciation and amortization)	292,490	297,791	224,118
General and administrative (inclusive of stock-based compensation)	28,597	29,021	28,190
Depreciation and amortization	53,769	52,889	41,600
Loss on disposal of assets	4,265	3,065	25,453
Total costs and expenses	379,121	382,766	319,361
OPERATING INCOME	44,683	52,483	13,653
OTHER (EXPENSE) INCOME:			
Interest expense	(1,169)	(1,180)	(237)
Other income (expense)	1,883	72	(616)
Total other (expense) income	714	(1,108)	(853)
INCOME BEFORE INCOME TAXES	45,397	51,375	12,800
INCOME TAX EXPENSE	(10,644)	(12,118)	(2,768)
NET INCOME	\$ 34,753	\$ 39,257	\$ 10,032
NET INCOME PER COMMON SHARE:			
Basic	\$ 0.31	\$ 0.34	\$ 0.10
Diluted	\$ 0.31	\$ 0.34	\$ 0.10
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:			
Basic	112,286	114,737	104,372
Diluted	112,698	114,796	105,070

NOTE: Certain reclassifications to loss on disposal of assets and depreciation and amortization have been made to the statement of operations and the statement of cash flows for the periods prior to 2023 to conform to the current period presentation. Adjusted EBITDA in the periods prior to 2023 does not include the impact of expensing fluid ends.

PROPETRO HOLDING CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)
(Unaudited)

	September 30, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS:		
Cash, cash equivalents and restricted cash	\$ 54,330	\$ 88,862
Accounts receivable - net of allowance for credit losses of \$202 and \$419, respectively	260,757	215,925
Inventories	15,887	5,034
Prepaid expenses	8,753	8,643
Short-term investment, net	8,163	10,283
Other current assets	2,109	38
Total current assets	349,999	328,785
PROPERTY AND EQUIPMENT - net of accumulated depreciation	991,593	922,735
OPERATING LEASE RIGHT-OF-USE ASSETS	26,447	3,147
FINANCE LEASE RIGHT-OF-USE ASSETS	26,268	—
OTHER NONCURRENT ASSETS:		
Goodwill	23,624	23,624
Intangible assets - net of amortization	52,047	56,345
Other noncurrent assets	2,244	1,150
Total other noncurrent assets	77,915	81,119
TOTAL ASSETS	\$ 1,472,222	\$ 1,335,786
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 194,569	\$ 234,299
Accrued and other current liabilities	65,305	49,027
Operating lease liabilities	5,449	854
Finance lease liabilities	8,498	—
Total current liabilities	273,821	284,180
DEFERRED INCOME TAXES	94,018	65,265
LONG-TERM DEBT	45,000	30,000
NONCURRENT OPERATING LEASE LIABILITIES	14,199	2,308
NONCURRENT FINANCE LEASE LIABILITIES	17,857	—
Total liabilities	444,895	381,753
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Preferred stock, \$0.001 par value, 30,000,000 shares authorized, none issued, respectively	—	—
Common stock, \$0.001 par value, 200,000,000 shares authorized, 111,091,503 and 114,515,008 shares issued, respectively	111	114
Additional paid-in capital	941,073	970,519
Retained earnings (accumulated deficit)	86,143	(16,600)
Total shareholders' equity	1,027,327	954,033
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 1,472,222	\$ 1,335,786

PROPETRO HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 102,743	\$ (11,012)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	157,456	120,573
Impairment expense	—	57,454
Deferred income tax expense	28,753	(1,926)
Amortization of deferred debt issuance costs	250	720
Stock-based compensation	10,604	18,128
Loss on disposal of assets	29,410	48,401
Unrealized loss on short-term investment	2,120	3,349
Non cash income from settlement with equipment manufacturer	—	(2,668)
Changes in operating assets and liabilities:		
Accounts receivable	(44,832)	(82,374)
Other current assets	(2,584)	(29,647)
Inventories	(4,520)	6
Prepaid expenses	(275)	2,847
Accounts payable	9,584	7,117
Accrued and other current liabilities	16,004	43,983
Accrued interest	358	—
Net cash provided by operating activities	<u>305,071</u>	<u>174,951</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(320,747)	(247,164)
Proceeds from sale of assets	7,976	7,207
Net cash used in investing activities	<u>(312,771)</u>	<u>(239,957)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	30,000	—
Repayments of borrowings	(15,000)	—
Payments on finance lease obligations	(889)	—
Payment of debt issuance costs	(1,179)	(824)
Proceeds from exercise of equity awards	—	963
Tax withholdings paid for net settlement of equity awards	(3,506)	(3,843)
Share repurchases	(36,258)	—
Net cash used in financing activities	<u>(26,832)</u>	<u>(3,704)</u>
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(34,532)	(68,710)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - Beginning of period	88,862	111,918
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - End of period	<u>\$ 54,330</u>	<u>\$ 43,208</u>

Reportable Segment Information

(in thousands)	Three Months Ended					
	September 30, 2023			June 30, 2023		
	Completion Services	All Other	Total	Completion Services	All Other	Total
Service revenue	\$ 423,804	\$ —	\$423,804	\$ 435,249	\$ —	\$435,249
Adjusted EBITDA	\$ 107,714	\$ —	\$107,714	\$ 112,813	\$ —	\$112,813
Depreciation and amortization	\$ 53,769	\$ —	\$ 53,769	\$ 52,889	\$ —	\$ 52,889
Capital expenditures	\$ 59,081	\$ —	\$ 59,081	\$ 115,233	\$ —	\$115,233

Non-GAAP Financial Measures

Adjusted EBITDA and Free Cash Flow are not financial measures presented in accordance with GAAP. We define EBITDA as net income (loss) plus (i) depreciation and amortization, (ii) interest expense and (iii) income tax expense (benefit). We define Adjusted EBITDA as EBITDA plus (i) loss (gain) on disposal of assets, (ii) stock-based compensation, (iii) other expense (income), (iv) other general and administrative expense (net) and (v) retention bonus and severance expense. We define Free Cash Flow as net cash provided by operating activities less net cash used in investing activities.

We believe that the presentation of these non-GAAP financial measures provide useful information to investors in assessing our financial condition and results of operations. Net income (loss) is the GAAP measure most directly comparable to Adjusted EBITDA, and net cash from operating activities is the GAAP measure most directly comparable to Free Cash Flow. Non-GAAP financial measures should not be considered as alternatives to the most directly comparable GAAP financial measures. 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 or Free Cash Flow in isolation or as a substitute for an analysis of our results as reported under GAAP. Because Adjusted EBITDA and Free Cash Flow may be defined differently by other companies in our industry, our definitions of these non-GAAP financial measures 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					
	September 30, 2023			June 30, 2023		
	Completion Services	All Other	Total	Completion Services	All Other	Total
Net income	\$ 34,753	\$ —	\$ 34,753	\$ 39,257	\$ —	\$ 39,257
Depreciation and amortization	53,769	—	53,769	52,889	—	52,889
Interest expense	1,169	—	1,169	1,180	—	1,180
Income tax expense	10,644	—	10,644	12,118	—	12,118
Loss on disposal of assets	4,265	—	4,265	3,065	—	3,065
Stock-based compensation	3,310	—	3,310	3,758	—	3,758
Other income ⁽¹⁾	(1,883)	—	(1,883)	(72)	—	(72)
Other general and administrative expense, (net) ⁽²⁾	450	—	450	263	—	263
Retention bonus and severance expense	1,237	—	1,237	355	—	355
Adjusted EBITDA	\$ 107,714	\$ —	\$107,714	\$ 112,813	\$ —	\$112,813

(1) Includes unrealized gain on short-term investment of \$1.8 million and unrealized loss on short-term investment of \$0.1 million for the three months ended September 30, 2023 and June 30, 2023, respectively.

(2) Other general and administrative expense, (net of reimbursement from insurance carriers) primarily relates to nonrecurring professional fees paid to external consultants in connection with the Company's audit committee review, SEC investigation, shareholder litigation, legal settlement to a vendor and other legal matters, net of insurance recoveries. During the three months ended September 30, 2023 and June 30, 2023, we received approximately \$0.1 million and \$0, respectively, from our insurance carriers in connection with the SEC investigation and shareholder litigation.

Reconciliation of Cash from Operating Activities to Free Cash Flow

(in thousands)	Three Months Ended	
	September 30, 2023	June 30, 2023
Cash from Operating Activities	\$ 118,057	\$ 113,954
Cash used in Investing Activities	(91,040)	(107,981)
Free Cash Flow	\$ 27,017	\$ 5,973

PROPETRO[®]

EXHIBIT 99.2

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**Investor Presentation
Third Quarter 2023**

November 1, 2023



Except for historical information contained herein, the statements and information in this presentation, including the oral statements made in connection herewith, are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words “may,” “could,” “plan,” “project,” “budget,” “predict,” “pursue,” “target,” “seek,” “objective,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” and other expressions that are predictions of, or indicate, future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include, among other matters, statements about the supply of and demand for hydrocarbons, our business strategy, industry, projected financial results and future financial performance, expected fleet utilization, sustainability efforts, the future performance of newly improved technology, expected capital expenditures, the impact of such expenditures on our performance and capital programs, our fleet conversion strategy, and our share repurchase program, the projected timing, purchase price and number of shares purchased under such program, the sources of funds under the repurchase program and the impacts of the repurchase program. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable.

Although forward-looking statements reflect our good faith beliefs at the time they are made, forward-looking statements are subject to a number of risks and uncertainties that may cause actual events and results to differ materially from the forward-looking statements. These risks and uncertainties include the timing and amount of any repurchases made pursuant to the share repurchase program. Factors that could cause actual results to differ materially from those in the forward-looking statements include the volatility of and recent declines in oil prices, the operational disruption and market volatility resulting from the global macroeconomic uncertainty related to the conflict in the Israel-Gaza region and the Russia-Ukraine war, general economic conditions, including impact of continued inflation, central bank policy actions, bank failures and the risk of a global recession and other factors described in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, particularly the “Risk Factors” sections of such filings, and other filings with the Securities and Exchange Commission (the “SEC”). In addition, we may be subject to currently unforeseen risks that may have a materially adverse impact on us, including matters related to shareholder litigation.

Accordingly, no assurances can be given that the actual events and results will not be materially different from the anticipated results described in the forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements and are urged to carefully review and consider the various disclosures made in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings made with the SEC from time to time that disclose risks and uncertainties that may affect our business. The forward-looking statements in this presentation are made as of the date of this presentation. We do not undertake, and expressly disclaim, any duty to publicly update these statements, whether as a result of new information, new developments, or otherwise, except to the extent that disclosure is required by law.

This presentation contains certain measures that are not determined in accordance with GAAP. For a definition of these measures and a reconciliation to the most directly comparable GAAP measure on a historical basis, please see the reconciliation on slide 3.

This presentation references "Adjusted EBITDA" and "Free Cash Flow," which are non-GAAP financial measures. We define EBITDA as net income plus (i) depreciation and amortization, (ii) interest expense and (iii) income tax expense (benefit). We define Adjusted EBITDA as EBITDA, plus (i) loss/(gain) on disposal of assets, (ii) stock-based compensation, (iii) other expense (income), (iv) other general and administrative expense (net) and (v) retention bonus and severance expense. Free cash flow (FCF) is defined as net cash provided by operating activities minus net cash used in investing activities. These non-GAAP financial measures are not intended to be an alternative to any measure calculated in accordance with GAAP. We believe the presentation of Adjusted EBITDA and Free Cash Flow provide useful information to investors in assessing our financial condition and the results of operations. Net income is the GAAP measure most directly comparable to Adjusted EBITDA. Net cash provided by operating activities is the GAAP measure most directly comparable to Free Cash Flow. 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 these non-GAAP financial measures in isolation or as a substitute for an analysis of our results as reported under GAAP. Further, Adjusted EBITDA and Free Cash Flow may be defined differently by other companies in our industry, and our definitions of Adjusted EBITDA and Free Cash Flow may not be comparable to similarly titled measures of other companies, thereby diminishing their utility. Adjusted EBITDA in the periods prior to 2023 does not include the impact of expensing fluid ends.

	Three Months Ended			Three Months Ended	
	September 30, 2023	June 30, 2023		September 30, 2023	June 30, 2023
<i>(in thousands)</i>			<i>(in thousands)</i>		
Net income	\$34,753	\$39,257	Net Cash provided by Operating Activities	\$118,057	\$113,954
Depreciation and amortization	53,769	52,889	Net Cash used in Investing Activities	(91,040)	(107,981)
Interest expense	1,169	1,180	Free Cash Flow	\$27,017	\$5,973
Income tax expense	10,644	12,118			
Loss on disposal of assets	4,265	3,065			
Stock-based compensation	3,310	3,758			
Other income	(1,883)	(72)			
Other general and administrative expenses (net)	450	263			
Retention bonus and severance expense	1,237	355			
Adjusted EBITDA	\$107,714	\$112,813			

Company Snapshot

Premium oilfield services leader in the Permian Basin providing complementary completions services in Hydraulic Fracturing, Cementing, and Wireline to leading upstream oil and gas producers



NYSE

PUMP

3Q 2023 Revenue

\$424 million

3Q 2023 Net Income

\$35 million

3Q 2023 Adjusted EBITDA⁽¹⁾

\$108 million

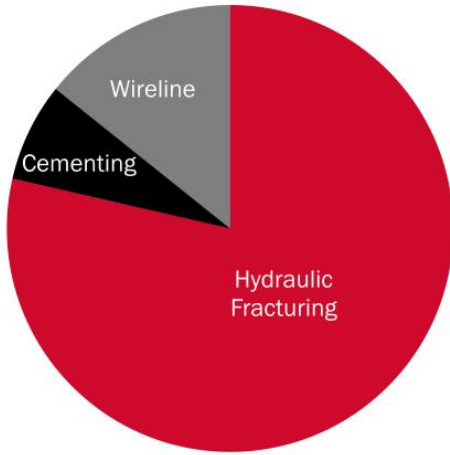
Headquartered in

Midland, Texas

(1) Adjusted EBITDA is a non-GAAP financial measure; see the reconciliation to Net Income on the "Non-GAAP Reconciliations" slide.

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2023e REVENUE MIX BY SERVICE LINE



NOTE: "e" indicates management estimate.

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Recent Highlights & Our Strategy

EXHIBIT 99.2

- ✓ Repurchased and retired 4.2 million shares since May 2023 representing approximately 4% of outstanding shares
- ✓ Published our first **ProPetro ProEnergy ProPeople Sustainability Report** for 2023
- ✓ Successful **FORCESM** electric frac fleet commissioning in August
- ✓ Cementing record performance with the highest revenue and EBITDA in company history
- ✓ Silvertip acquisition producing 80% EBITDA to FCF conversion YTD
- ✓ Fifth consecutive quarter of Net Income
- ✓ Strong quarterly FCF⁽¹⁾ of \$27 million

(1) FCF cash flow is a non-GAAP financial measure; see the reconciliation to Net Cash provided by Operating Activities on the "Non-GAAP Reconciliations" slide.



Optimize operations and industrialize our business



Pursue a more capital-light asset profile and next-generation fleet



Develop and integrate innovative technologies



Pursue opportunistic strategic transactions to accelerate value creation and distribution



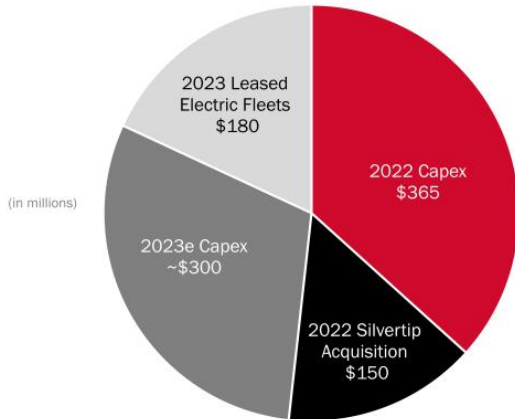
Maintain a strong balance sheet



Generate robust earnings, increasing free cash flow, and build towards enhanced shareholder returns and value distribution

NEARLY \$1 BILLION IN INVESTMENT IN 2022 THROUGH YE 2023

- Expected to transition 65% of our frac fleet to Next-Generation Tier IV DGB dual-fuel and FORCESM electric by first half of 2024 to create the youngest and most desirable fleet in the industry
- Acquired high cash flow conversion business in 2022
- Executing strategy while maintaining a strong balance sheet, healthy liquidity, and executing share repurchases



NOTE: Capex represents 2022 actual incurred and 2023e incurred guidance; 2022 Silvertip Acquisition price at the time of the announcement; 2023 Leased Electric Fleets represents management estimate of equipment cost; "e" represents management estimate.

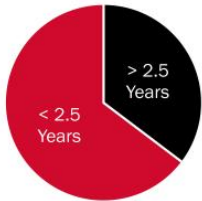
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TRANSFORMATION OF OUR FLEET

- Since the start of 2022, we have transitioned over 45% of our frac fleet to Tier IV DGB dual-fuel that displaces up to ~70% of diesel with cleaner-burning natural gas (substitution)
- Bringing youth to our fleet through our 2022 through 2023 investment cycle

Fleet Age (1H24e)



- Using natural gas to power frac fleets can result in annualized savings of \$10 million to \$20+ million due to the diesel/natural gas cost differences
- Customers are willing to pay a premium for fuel savings and lower emissions

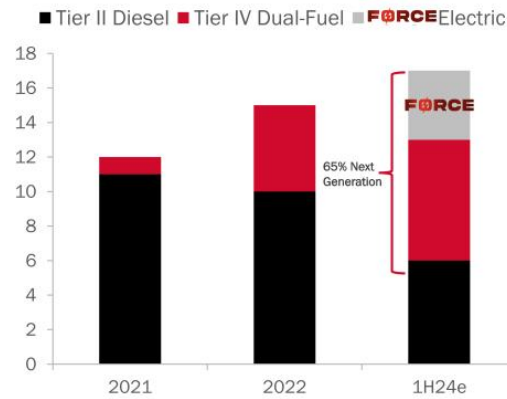
NOTE: "e" indicates management estimate.

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DUAL-FUEL AND ELECTRIC FLEETS

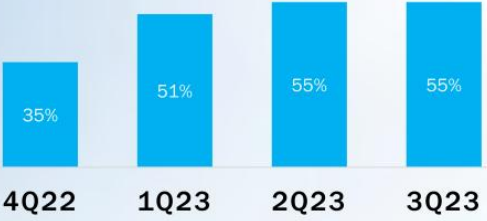
- 7 Tier IV DGB dual-fuel (all currently active)
- Two FORCESM electric-powered frac fleet deployments in 2H23 with two additional fleet deployments expected in 1H24
- Capital-light electric fleet lease program minimizes capital requirements

Fleet Configuration



FORCE

Tier IV DGB Natural Gas Substitution Rates ⁽¹⁾



- Using more natural gas to reduce costs and lower emissions for our customers
- 6.6 million gallons of diesel displaced in 3Q23 vs. 6.1 million gallons in 2Q23
- Fleets utilizing CNG are regularly delivering 60-70% substitution rates
- 7 Tier IV DGB dual-fuel fleets

(1) Represents the substitution rate of gallons of diesel displaced in the ProPetro fleet. Calculated as (natural gas consumption * 7.8) / (diesel displaced + diesel consumed).



FORCESM electric-powered and dual-fuel equipment on location

EXHIBIT 99.2
FORCE



- Higher Equipment Reliability
- Power Source Agnostic
- Less Sound Pollution
- Lower Emissions
- Smaller Footprint
- Lower Fuel Costs

SILVERTIP COMPLETION SERVICES



Provider of wireline perforating and pumpdown services in the Permian Basin



Headquarters
Midland, TX



~320
employees

Wireline Services

- Owns and operates 24 wireline units, all of which have been recently refurbished

Pumpdown Services

- Owns and operates 16 pumpdown spreads

Note: Adjusted EBITDA is a non-GAAP financial measure. The Company is unable to provide a reconciliation of the forward-looking non-GAAP financial measure, Adjusted EBITDA, to its most directly comparable GAAP financial measure, net income, as the information necessary for a quantitative reconciliation is not available to the Company without unreasonable efforts due to the inherent difficulty and impracticability of predicting certain amounts required by GAAP with a reasonable degree of accuracy.

(1) Inclusive of \$30 million cash plus equity (deducting assumed debt and other transaction fees and adjustments) divided by the volume-weighted average share price for the 15-day period ending October 27, 2022.

(2) Management forecast. Such data is illustrative and should not be relied upon as an indication of future financial performance or the operating results.

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Purchase Price ⁽¹⁾
\$150 million

2023 Estimated
Adjusted EBITDA ⁽²⁾
\$60-70 million

Equity Consideration ⁽¹⁾
**10.1 million
Shares of PUMP**

Adjusted EBITDA-to-Cash
Flow Conversion Rate ⁽²⁾
~80%

-  **Highly Complementary Completions Service Offering**
-  **Substantial Free Cash Flow Generation**
-  **Reduces Future Capital Spending**
-  **Complementary Cultures, Operating Philosophy & Geographic Focus**
-  **Horizontal Integration and Service Diversification**

Recent Financial Highlights

(in millions
except %'s and
fleet counts)**TOTAL
REVENUE****EFFECTIVE
UTILIZATION
Frac Fleets****NET
INCOME****ADJUSTED
EBITDA⁽¹⁾****TOTAL
LIQUIDITY⁽²⁾**

3Q23	\$424	15.5	\$35	\$108	\$180
-------------	--------------	-------------	-------------	--------------	--------------

2Q23	\$435	15.9	\$39	\$113	\$170
-------------	--------------	-------------	-------------	--------------	--------------

	(3%)	(3%)	(10%)	(5%)	+6%
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Delivering Strong Results

3Q23 showcased the resilience of our business. Despite being affected by an idled fleet and industry contraction, ProPetro generated consistent revenue and utilization and strong profitability.

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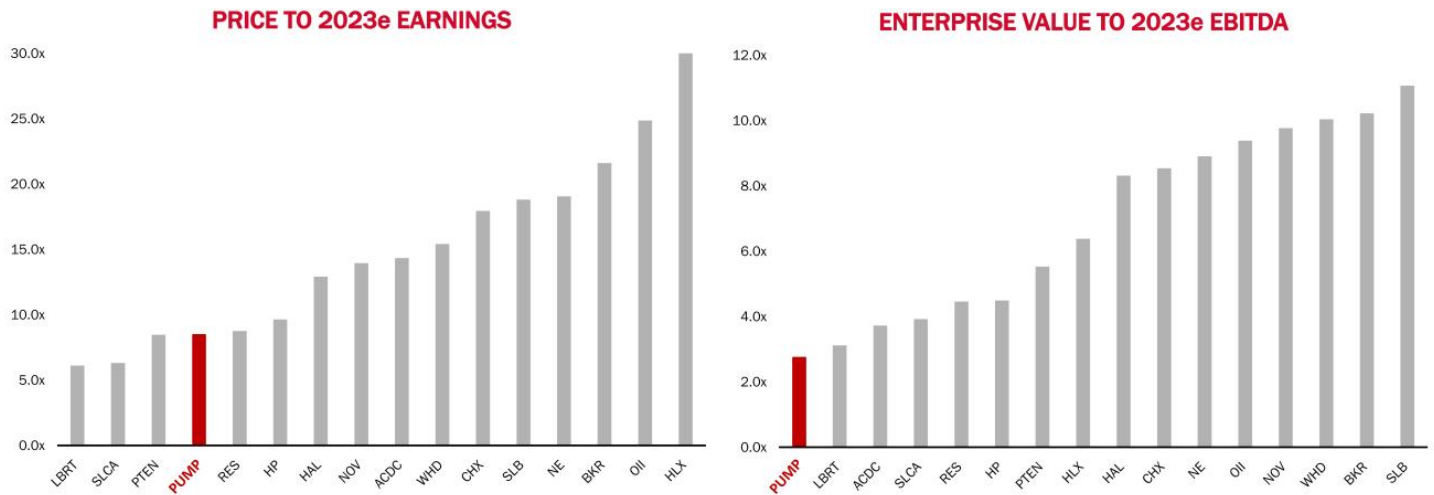
(1) Adjusted EBITDA is a non-GAAP financial measure; please see the reconciliation to Net Income on the "Non-GAAP Reconciliations" slide.
(2) Inclusive of cash and available capacity under ABL Credit Facility as of the end of the quarter.

\$100 MILLION SHARE REPURCHASE PROGRAM

- Authorization represented ~13% of our market capitalization on the date of announcement
- Repurchase highlights:
 - Retired 1.9 million shares or 2% of shares outstanding⁽¹⁾ for \$19 million in 3Q23
 - Retired 4.2 million shares or approximately 4% of shares outstanding⁽¹⁾ for \$36 million from program inception through the end of the third quarter
- Share price has increased by approximately 50% since the repurchase announcement⁽²⁾
- Provides support for potential strategic transactions that may utilize equity as consideration
- Reinforces management view of expected free cash flow generation and long-term value proposition

⁽¹⁾ As of the date of program authorization on May 17, 2023.
⁽²⁾ PUMP share price as of October 31, 2023.

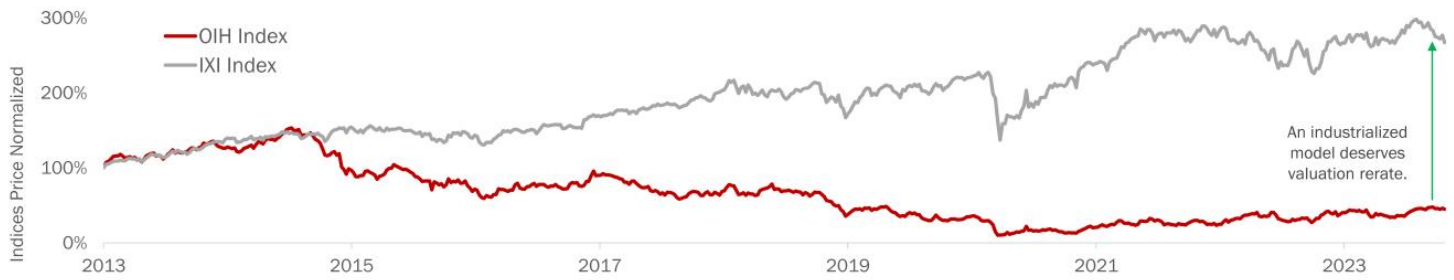




NOTE: Bloomberg, October 31, 2023

ProPetro as well as our direct peers in the pressure pumping space continue to be valued at a discount relative to other oilfield service companies.

OIL SERVICES INDEX (OIH) VS. INDUSTRIAL SECTOR INDEX (IXI)



Dislocation of OFS Stocks

- × Excess and undisciplined capital availability and resulting overbuild
- × History of capital destruction under obsolete EBITDA growth model
- × Bias against hydrocarbons
- × Amplitude of industry cycles
- × Resulting flight of capital and investors

Reason for Multiple Rerate for OFS Stocks

- ✓ Improved capital discipline and industry consolidation
- ✓ Increasing deployment of industrial technologies and processes and emerging contracting environment
- ✓ Greater / improved focus on cash flow generation (FCFPS)
- ✓ Shortage of equipment / attrition
- ✓ Low-growth / sustainable operating model

PRE-COVID PANDEMIC INDUSTRY DYNAMICS



Booming global economy



Higher relative refining capacity



Limited shareholder and corporate pressure for Environmental and other ESG-related causes



Robust capital markets and associated capital access



CURRENT INDUSTRY DYNAMICS

Oil supply is expected to remain suppressed due to insufficient capital spending, refining capacity constraints, and ongoing geo-political conflicts

Energy demand has rebounded from pandemic-related impacts, although not fully in certain areas of the globe (e.g., China)

Strong balance sheets and capital discipline are the new normal for oil and gas production and service companies

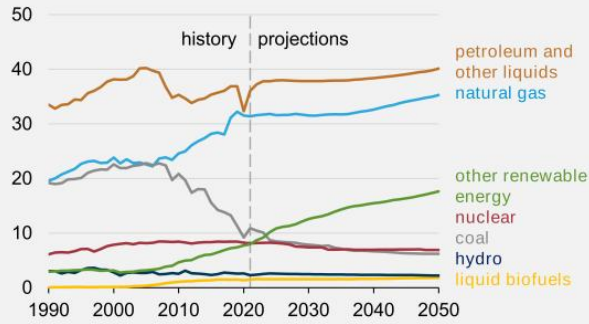
Capital markets largely avoiding oil and gas as private equity groups are chasing “transition energy” and debt markets are effectively closed

The hydrocarbon industry is here to stay even though the use of alternative energy is increasing, hydrocarbons have proven their critical value to global prosperity and energy security

ProPetro is well-positioned to take advantage of the long-term industry dynamics through improved fundamentals, access to the attractive Permian Basin, consistent execution, and capital discipline.

A bullish demand outlook coupled with constrained supply availability reinforces our belief that we are in a long-term up-cycle that supports incremental margins and sustainable cash flow generation for completion services. There is vast potential in the Permian Basin, and industry experts firmly believe the region has not yet reached peak production as future increases will help offset outside area declines.

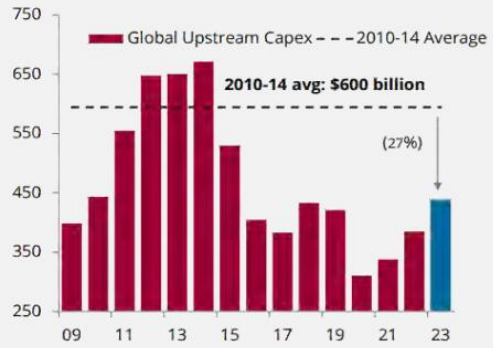
ENERGY CONSUMPTION BY FUEL
(quadrillion British thermal units)



“Petroleum and natural gas are the most-used fuels in the United States through 2050” – EIA

Source: EIA, March 3, 2022.

GLOBAL E&P SPENDING
(\$ billion)



Upstream E&P spending continues to lag demand and is 27% below average spend from 2010–14 as producers have retreated.

Source: Energy Aspects, May 2023.

THE PERMIAN BASIN STANDS ALONE AS THE RESILIENT PACESETTER OF U.S. PRODUCTION

Despite relatively flat total U.S. production growth expectations over the next several years and anticipated near-term market volatility, the Permian Basin stands to see production increases and be the sole source of growth across the country.

ProPetro is strategically located in and levered to the Permian Basin with ~98% of our revenue coming from this region, providing a more sustainable and resilient demand for our services.

U.S. CRUDE PRODUCTION FORECAST (MB/D)



Source: Energy Aspects, May 2023

~60 billion
barrels of oil equivalent⁽¹⁾

~86,000
sq miles

(1) Rystad Energy, September 2022.



Customer focused;
Team driven

Dedicated and efficient customer base harnessing the potential of the resource-rich Permian Basin

Transitioning to a young, efficient, more capital-light fleet powered by natural gas and electricity

Relied upon by premier customers with proven results year-after-year

Disciplined capital allocation and asset deployment strategy

Reducing emissions and investing in longer-lived assets

Diversified customer base including the largest Permian operators



COMPLETION-RELATED SERVICES

Consistent with ProPetro's Hydraulic Fracturing, Cementing, and Wireline services



HYDRAULIC FRACTURING

ProPetro's premier service line delivering industry-leading performance



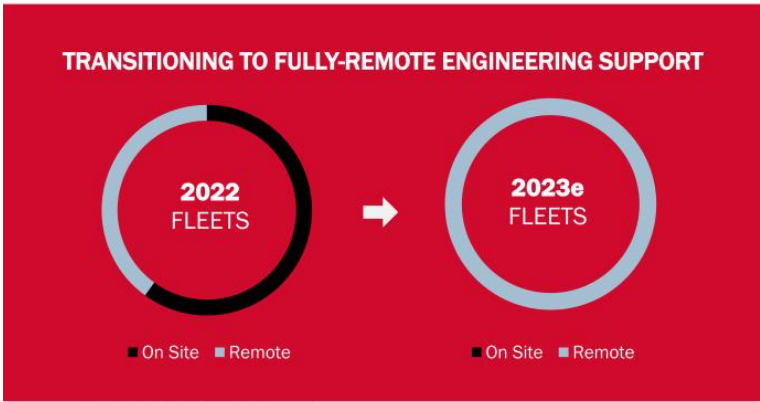
SPECIAL APPLICATIONS

Customized treatments and complex jobs for customers that put their trust in ProPetro for reliable completions services

Source: EnergyPoint Research Inc.
<https://www.propetroservices.com/our-services>




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Source: management estimates; "e" estimate at year end.

RECENTLY DEVELOPED TACTICAL OPERATIONS CENTER

-  Reduce maintenance capex
-  Increase capital and logistical efficiency
-  Reduce equipment in rotation

EVOLVING OPERATIONS AND ADAPTING TECHNOLOGIES TO:



Reduce on-site headcount

Drive best-practices across fleets

Enhance safety protocols

Improve efficiency

Increase long-term profitability

Increase sustainability of operations



OPTIMIZED OPERATIONS AND FLEET TRANSITION

Innovation

- Strategic investments in dual-fuel and electric-powered fleets, remote engineering operations, logistics, and maintenance systems

Get the job done efficiently

- Minimizing idle time, spills, and avoiding duplicative work

Optimizing fuel consumption

- Integrating cleaner-burning natural gas
- Investing in Tier IV DGB dual-fuel and our FORCESM electric-powered equipment to displace diesel

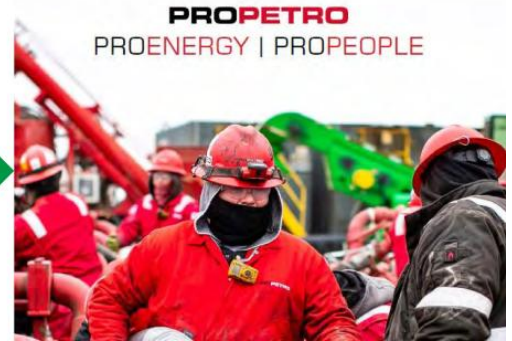
COMMITTED TO AN ACCIDENT-FREE WORKPLACE

- Strong training and development culture
- Dedicated heavy haul driving team to reduce hazards on the roads in our community
- Recognized with safety awards and leadership in the Permian Basin

FOCUSED ON OUR TEAM

- Education and tuition reimbursement to engage and advance our employees
- ProPetro employees created the Positive United Morale Partners (the P.U.M.P. Committee) to drive community engagement for those in need

We recently published our ProPetro ProEnergy ProPeople Sustainability Report



OPTIMIZE OPERATIONS

Enhancing operational efficiency by focusing resources on the most relevant technologies, tools, and best practices

FLEET TRANSITION

With robust industry fundamentals, transitioning our fleet to natural gas-burning and electric offerings, which command higher relative pricing

DISCIPLINED GROWTH

Prudently assessing value-enhancing investment opportunities to make ProPetro stronger — including opportunities to enhance scale, expand margins, and accelerate free cash flow

Designed to improve free cash flow and value-distribution...



...while maintaining a strong balance sheet.



Operating with a disciplined capital allocation and asset deployment strategy and optimizing our business with a strong balance sheet mitigates potential industry volatility



Bifurcation in favor of ProPetro due to \$1 billion in investments in 2022-2023 in new operational technologies with financially strong and industry-leading counter-parties



Discounted valuation multiple relative to peers suggests a potential for normalization to the mean or beyond with the execution of a compelling business strategy



Premium completion services company with one of the most efficient and productive systems in the industry focused in the prolific Permian Basin



Consistently outperforms the competition – the reliable choice for the most selective customers – ProPetro is the “gold standard” and our customers value our assets and efficiencies that accelerate their production



Investments in electric-powered hydraulic fracturing technology and other innovative equipment to drive industry-leading profitability and flexibility through industry cycles

Company Management



SAM SLEDGE
Chief Executive Officer & Director



ADAM MUÑOZ
President and Chief Operating Officer



DAVID SCHORLEMER
Chief Financial Officer



JODY MITCHELL
General Counsel

Board of Directors



PHILLIP A. GOBE
Chairman of the Board



MICHELE VION
Independent Director,
Compensation Committee Chair



G. LARRY LAWRENCE
Independent Director



MARY RICCIARDELLO
Independent Director



ANTHONY BEST
Lead Independent Director,
Audit Committee Chair



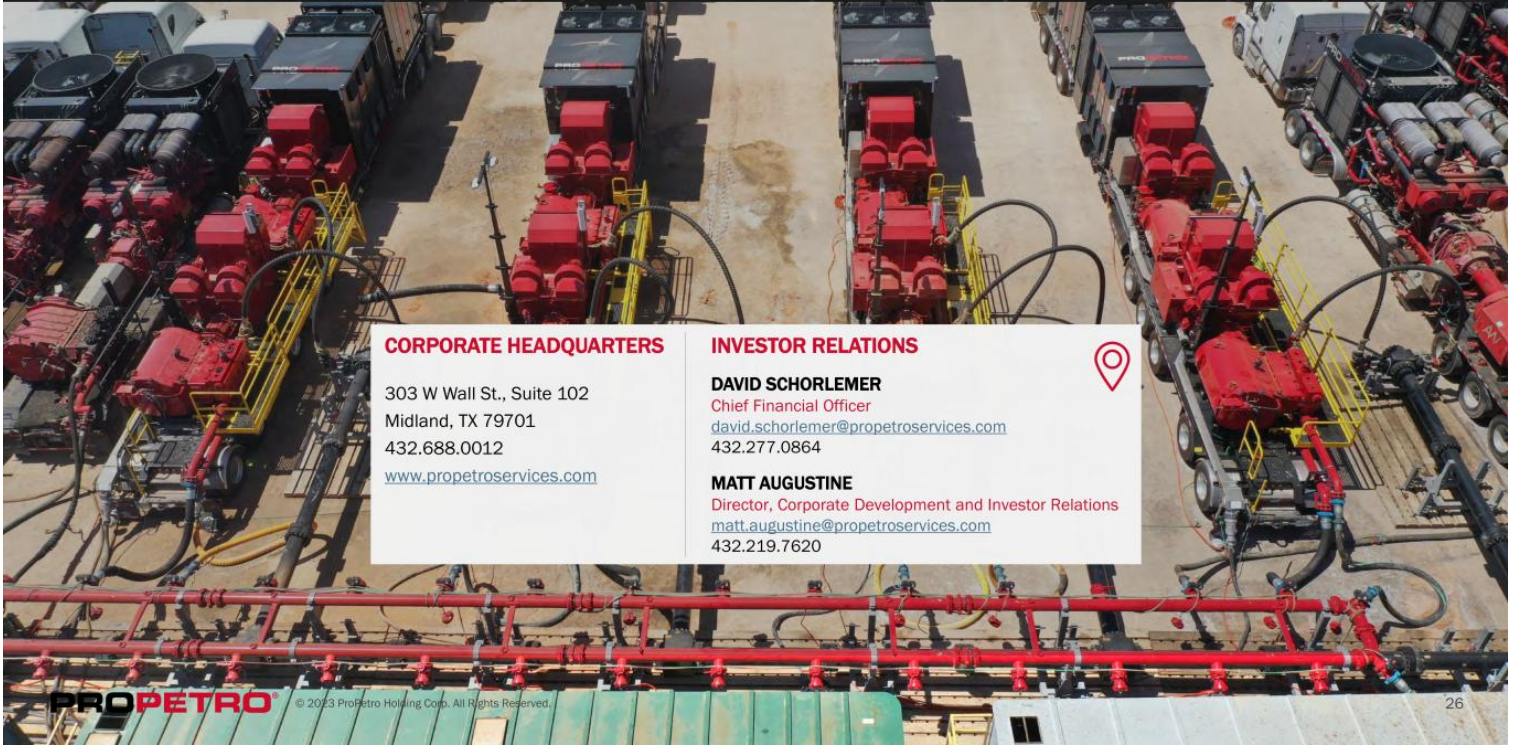
JACK B. MOORE
Independent Director,
Nominating & Corporate
Governance Committee Chair



SPENCER D. ARMOUR III
Independent Director



MARK BERG
Director



CORPORATE HEADQUARTERS	INVESTOR RELATIONS
303 W Wall St., Suite 102 Midland, TX 79701 432.688.0012 www.propetroservices.com	 DAVID SCHORLEMER Chief Financial Officer david.schorlemer@propetroservices.com 432.277.0864 MATT AUGUSTINE Director, Corporate Development and Investor Relations matt.augustine@propetroservices.com 432.219.7620

Third Quarter 2023 Earnings Call Scripted Remarks

November 1, 2023, 8:00 am CT

Operator Opening:

Good day, and welcome to the ProPetro Holding Corp Third Quarter 2023 Conference Call. Please note, this event is being recorded. I would now like to turn the call over to Matt Augustine, Director of Corporate Development and Investor Relations for ProPetro Holding Corp. Please go ahead.

Matt Augustine - Director of Corporate Development and Investor Relations:

Thank you and good morning. We appreciate your participation in today's call. With me today is Chief Executive Officer, Sam Sledge; Chief Financial Officer, David Schorlemer; and President & Chief Operating Officer, Adam Munoz.

This morning, we released our earnings results for the third quarter of 2023. Please note that any comments we make on today's call regarding projections or our expectations for future events are forward-looking statements covered by the Private Securities Litigation Reform Act. Forward-looking statements are subject to several risks and uncertainties, many of which are beyond our control. These risks and uncertainties can cause actual results to differ materially from our current expectations. We advise listeners to review our earnings release and risk factors discussed in our filings with the SEC.

Also, during today's call we will reference certain non-GAAP financial measures. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are included in our earnings release. Finally, after our prepared remarks, we will hold a question-and-answer session.

With that, I would like to turn the call over to Sam.

Sam Sledge - Chief Executive Officer:

Thanks, Matt and good morning, everyone.

Building on our strong momentum, ProPetro is pleased to report another solid quarter as we continued to execute on our strategy. We have been squarely focused on generating robust earnings, increasing free cash flow, and building towards enhanced shareholder returns and value distribution. I'm glad to report that in the third quarter we achieved a decrease in our CapEx spend coupled with continuing strong profitability and activity that resulted in much improved

Third Quarter 2023 Earnings Call Scripted Remarks

November 1, 2023, 8:00 am CT

free cash flow. Importantly, we expect these trends will continue as supported by three primary factors.

First is our ongoing transition from legacy equipment to next generation assets. Over the past two years we have made significant progress transitioning our hydraulic fracturing assets to more efficient and lower-emissions equipment and we expect our total investment to reach nearly one billion dollars by the end of the year as we bring additional state of the art technologies and services to ProPetro. With these investments largely behind us, we are poised to begin fully realizing the benefits of our fleet transformation going forward.

In the third quarter we took delivery and deployed our first electric fleet as part of our **FORCE**SM offering. We now have 7 Tier IV DGB dual-fuel fleets and one **FORCE**SM electric fleet operating, and the demand for our next generation services remains strong.

We've already seen fantastic results in the first two months that our first electric fleet has been in the field with high efficiencies and strong customer satisfaction. We expect to begin to take delivery and deploy our second **FORCE**SM electric fleet over the next month, with the following two electric fleets expected to be delivered and deployed in the first half of 2024. This is a clear testament to the differentiated demand that this equipment garners.

The second area that's supporting our results is our Silvertip Wireline business. As you know we made our first entry into wireline services through our acquisition of Silvertip in November 2022, and it continues to be a strong tailwind for our earnings power and free cash flow leverage. We're thrilled with the success of this acquisition and will continue to evaluate and pursue strategic transactions to accelerate value creation as part of our balanced approach to capital allocation. On that same note, we've also recently executed a non-binding letter of intent for a small bolt-on acquisition that helps us expand our cementing business. We expect to close that transaction before year-end and are excited to add additional scale in this operating segment.

Another core element of our capital allocation philosophy is our share repurchase program, which is the area of focus aligned with our strategy to create value for our shareholders. We continue to execute on the \$100 million program that our Board authorized in May. Our strong earnings results thus far in 2023 demonstrate the significant value of our strategy and our ability to execute. Despite the recent headwinds, which I will cover in more detail in a moment, we remain confident in the Company's current and future financial and operational performance, and we believe that our stock presents a unique, high-return investment opportunity due to the

Third Quarter 2023 Earnings Call Scripted Remarks

November 1, 2023, 8:00 am CT

substantial discrepancy between our equity value and our financial results. David will give more specifics on the repurchase program soon.

As I've mentioned previously, we sidelined one fleet during the third quarter to avoid running it at sub-economic levels. We strongly believe in this disciplined approach and are committed to only running fleets that earn a full cycle cash-on-cash return.

Despite running one fewer fleet, we were able to achieve an effective utilization of 15.5 fleets as compared to 15.9 last quarter. This strong utilization is a testament to our highly-desirable equipment, industry-leading field performance, dedicated fleet strategy, and the hard work and dedication of our team. This high level of service we provide everyday is what our customers have come to expect.

I'd now like to move on to address ProPetro's longer-term opportunities. We remain bullish on North American onshore service potential over the next several years. We believe we are still in the early stages of a sustainable up-cycle that will be supported by the industrialization of the North American oil and gas industry. Looking ahead, we are confident in our Company's ability to continue to advance our strategy and encourage our shareholders to focus on the long-term value creation potential of the business.

David will talk more about our guidance in a moment, but I would like to comment that we expect our fourth quarter to be challenged by normal seasonality, holidays, and budget exhaustion. It is important to note that we believe budget exhaustion this year is more correlated to the increased efficiencies that service providers such as ourselves provide to our customers. We are proactively working with our customers to mitigate the impact, but anticipate a modest decline. As it pertains to 2024, we believe the first half of the year will be an improvement over the second half of 2023 as a result of normalization of oil prices and more rigs coming back online into the first half of 2024.

On a broader note, we believe the upstream E&P industry is in a slow-to-no growth environment where the appetite for capacity expansion throughout the hydrocarbon value chain is low. However, we think this benefits sophisticated service providers, like ProPetro, and we are confident we have the right strategy in place to continue creating value for both our customers and our shareholders.

Moreover, the recent transactions in the E&P space reinforce that our disciplined approach to capital deployment is the right strategy for ProPetro. We offer outstanding service quality, next

Third Quarter 2023 Earnings Call Scripted Remarks

November 1, 2023, 8:00 am CT

generation equipment, and we have a terrific customer portfolio and advantaged operational density in the Permian, all of which insulates us from some of the market volatility outside the Permian and in the spot market. Our goal in this regard is to deliver the most value-enhancing services at the lowest risk to the E&P space consolidators. Our fleet conversion and service-line expansion with Silvertip is an illustration of that value-enhancing strategy.

Lastly, one of our top priorities in positioning the Company for long-term success is maintaining a strong balance sheet. This will enable ProPetro to achieve its goal to remain resilient through market conditions while also allowing the Company to be opportunistic on value accretive M&A transactions that will further accelerate free cash flow generation, as well as shareholder returns.

Now I'll turn the call over to David to discuss our third quarter financial results. David.

David Schorlemer - Chief Financial Officer:

Thanks, Sam and good morning, everyone.

Just like last quarter, we have some great news to discuss today regarding our financial performance and progress in our strategic initiatives. The third quarter represented ProPetro's fifth consecutive quarter of net income. We also achieved a breakout quarter in terms of our free cash flow generation as noted in our earnings release of \$27 million which we believe to be strong and sustainable going forward. Adj. EBITDA less incurred CapEx is \$49 million this quarter compared to \$(2) million last quarter so the cadence and significance of cash flow is progressing as we had expected.

As part of our commitment to shareholder returns, we also retired approximately 1.9 million shares during the third quarter for \$19 million in repurchases. We are pleased that our share price has increased by approximately 50% since the inception of the repurchase program. It's clear that investors are beginning to appreciate the longevity of this cycle and the value proposition we have created through the dramatic reconfiguration of ProPetro. On top of the share repurchases, we also paid down \$15 million of our ABL during the quarter.

Moving on to our third quarter financial results. The Company generated \$424 million of revenue, net income of \$35 million and Adjusted EBITDA of \$108 million. Notably, we generated these strong results despite lower activity in our hydraulic fracturing and wireline businesses. Of note, our cementing business recorded record revenues and profitability during the quarter.

Third Quarter 2023 Earnings Call Scripted Remarks

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As Sam mentioned, our effective frac fleet utilization of 15.5 fleets exceeded our guidance of 14 to 15 fleets. Consistent with our disciplined asset deployment strategy and the fourth quarter headwinds, our fourth quarter 2023 guidance for frac fleet utilization is 13 to 14 fleets.

Moving on to more details of our capital structure. We reported \$59 million of incurred CapEx in the third quarter, which we believe has begun to normalize. Further, we expect our incurred CapEx for the full year to be slightly above \$300 million, reduced from \$365 million in 2022, and we expect capital spending to step down further in 2024.

Our balance sheet and liquidity position remain strong to support the execution of our strategy. As of quarter end, total cash was \$54 million and our borrowings under the ABL Credit Facility were \$45 million with Total Liquidity of \$180 million. With the continued decline in capital spend, we expect liquidity to continue to improve into 2024, thereby enabling greater allocations to our capital returns strategy including M&A as Sam mentioned earlier where our Silvertip acquisition is generating an 80% EBITDA to free cash flow conversion ratio. This strategy and subsequent investments in our business are beginning to drive more durable performance and stronger returns.

Returning to our share repurchase program for a moment, we have taken an aggressive approach to opportunistically repurchasing shares and it has been a huge success. Since the inception of the share repurchase program, we have retired approximately 4.2 million shares, which equates to nearly 4% of shares outstanding as of the inception of the program in May of 2023, returning approximately \$36 million to shareholders. It's important to note that, in addition to our share repurchases, our liquidity position remains strong, we have simultaneously invested in our business and paid down debt, and we have enhanced our ability to be opportunistic in the M&A market. We believe that ProPetro trades at a discount relative to its intrinsic value, and we remain committed to what we believe is an excellent investment opportunity through the share repurchase program.

Additionally, as I have noted over the last few quarters, the Company's balance sheet remains strong and we remain committed to disciplined capital deployment for the long-term. This strategy has enabled us to develop and install our capital-light long-term lease agreement for our **FORCE**SM electric-powered frac fleets. This lease agreement reduces our capital requirements and improves our operating cost profile while enabling ProPetro to accelerate the transformation of our frac fleets to emissions-friendly assets that are in high demand in the

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market. Our capital-light long-term lease agreement and our proven M&A architecture will strengthen ProPetro's strategic capabilities and accelerate our free cash flow performance.

Lastly, and as Sam touched on, we do believe we are in a low-to-no growth industrializing environment with customers that are disciplined in their capital spending. Our strategy is designed for the current market environment, and we are confident ProPetro will continue to deliver for our customers and shareholders through all phases of the market cycle.

I will now turn the call back to Sam for some closing remarks.

Sam Sledge - Chief Executive Officer:

Thank you, David.

Before we turn it over to Q&A, I'd like to summarize ProPetro's value proposition and why we remain as confident as ever in our strategy and our long-term future. We are proud of the unmatched bifurcation that we offer, including having two thirds of our fleet equipped with next-generation capabilities by the end of the first half of 2024, and we expect continued strong demand for both our new and legacy assets, as well as our other services, moving forward.

It is important to note that we believe our commercial architecture is best-in-class. Our sophisticated pricing model supports our asset deployment decisions, and accordingly, we will not sacrifice our fleet at the expense of pricing concessions. We believe this mindset and commitment positions ProPetro for strong performance in 2024 and beyond.

Given recent E&P consolidation, we believe there are great opportunities ahead for ProPetro to be the service provider of choice for large-cap consolidators. ProPetro is in an ideal position to combine service integration with the deployment of industrial technologies, like our **FORCE**SM electric offering, and we are working to enhance our partnerships with the large Permian producers.

To summarize, our key priorities are optimizing our operations and industrializing our business to unlock free cash flow, continuing to transition our fleet in a capital light way and pursuing opportunistic value accretive transactions while returning capital to shareholders. We believe if we continue to execute on our priorities ProPetro will continue to build on its momentum and generate enhanced value for shareholders.

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We also recently published our first inaugural **ProPetro ProEnergy ProPeople Sustainability Report**. This report tells the story of our approach to operating in a sustainable way by embracing our ProEnergy and ProPeople perspectives. Our desire to be a part of improving human flourishing in our world requires our best efforts at ProPetro to help our customers produce hydrocarbons safely, efficiently, and in an environmentally-responsible way and we will continue to execute our strategy to that end. I would encourage everyone to download the report from our website at propetroservices.com.

I'd like to close by thanking the entire ProPetro team for their outstanding and safe performance this quarter and enabling our management team to move forward confidently with this strategy. It's due to their hard work and dedication that we're taking important strides forward for the benefit of our customers, ProPetro, and the environment through the integral role we play in the success of the Permian Basin and the overall energy system.

With that, operator we can now open the line for questions.

Closing Remarks by Sam Sledge - Chief Executive Officer:

Thank you for joining us on today's call. We hope you join us for our next quarterly earnings call. Have a great day.

End of Call

Forward-Looking Statements:

Except for historical information contained herein, the statements and information in these scripted remarks and the information in the news release describing our earnings results as described above are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words "may," "could," "plan," "project," "budget," "predict," "pursue," "target," "seek," "objective," "believe," "expect," "anticipate," "intend," "estimate," and other expressions that are predictions of, or indicate, future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include, among other matters, statements about the supply of and demand for hydrocarbons, our business strategy, industry, future profitability, expected fleet utilization, sustainability efforts, the future performance of newly improved technology, expected capital expenditures, the impact of such expenditures on our

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performance and capital programs, our fleet conversion strategy and share repurchase program. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable.

Although forward-looking statements reflect our good faith beliefs at the time they are made, forward-looking statements are subject to a number of risks and uncertainties that may cause actual events and results to differ materially from the forward-looking statements. Such risks and uncertainties include the volatility of oil prices, the operational disruption and market volatility resulting from the COVID-19 pandemic, the global macroeconomic uncertainty related to the conflict in the Israel-Gaza region and the Russia-Ukraine war, general economic conditions, including the impact of continued inflation, central bank policy actions, bank failures, and the risk of a global recession, and other factors described in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, particularly the "Risk Factors" sections of such filings, and other filings with the Securities and Exchange Commission (the "SEC"). In addition, the Company may be subject to currently unforeseen risks that may have a materially adverse impact on it, including matters related to shareholder litigation. Accordingly, no assurances can be given that the actual events and results will not be materially different than the anticipated results described in the forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements and are urged to carefully review and consider the various disclosures made in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings made with the SEC from time to time that disclose risks and uncertainties that may affect the Company's business. The forward-looking statements in these scripted remarks are made as of the date hereof. ProPetro does not undertake, and expressly disclaims, any duty to publicly update these statements, whether as a result of new information, new developments or otherwise, except to the extent that disclosure is required by law.

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