UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from__________ to __________

Commission File Number: 001-38035

ProPetro Holding Corp.

(Exact name of registrant as specified in its charter)

Delaware	**26-3685382**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

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

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

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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of the registrant's common shares, par value $0.001 per share, outstanding at July 25, 2025, was 103,967,520.

PROPETRO HOLDING CORP.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Form 10-Q") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Form 10-Q are forward-looking statements. Forward-looking statements are all statements other than statements of historical fact, and given our expectations or forecasts of future events as of the effective date of this Form 10-Q. Words such as "may," "could," "plan," "project," "budget," "predict," "target," "seek," "objective," "believe," "expect," "anticipate," "intend," "estimate," "will," "should," "continue" and similar expressions are generally used to identify forward-looking statements. These statements include, but are not limited to statements about our business strategy, industry, future profitability, future capital expenditures, fleet conversion strategy, new power generation business and share repurchase program. Such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those implied or projected by the forward-looking statements. Factors that could cause our actual results to differ materially from those contemplated by such forward-looking statements include:

- changes in general economic and geopolitical conditions, including as a result of regulatory changes by the current presidential administration, higher interest rates, the rate of inflation, a potential economic recession and potential changes in United States' trade policy, including the imposition of tariffs and the resulting consequences;
- central bank policy actions and associated liquidity risks and other factors;
- the severity and duration of any world events and armed conflict, including the Russian-Ukraine war, conflicts in the Israel-Gaza region and continued hostilities in the Middle East, including those between Israel, Iran and the United States, and associated repercussions to supply and demand for oil and gas and the economy generally;
- the actions taken by the members of the Organization of the Petroleum Exporting Countries ("OPEC") and Russia (together with OPEC and other allied producing countries, "OPEC+") with respect to oil production levels and announcements of potential changes in such levels, including the ability of the OPEC+ countries to agree on and comply with supply limitations;
- governmental actions, such as executive orders or new regulations, including climate-related regulations, that may negatively impact the future production of oil and natural gas in the United States and may adversely affect our future operations;
- the level of production and resulting market prices for crude oil, natural gas and other hydrocarbons;
- the effects of existing and future laws and governmental regulations (or the interpretation thereof) on us, our suppliers and our customers;
- cost increases and supply chain constraints related to our services, including any delays and/or supply chain disruptions due to increased hostilities in the Middle East or increased tariffs;
- competitive conditions in our industry;
- our ability to attract and retain employees;
- changes in the long-term supply of, and demand for, oil and natural gas;
- actions taken by our customers, suppliers, competitors and third-party operators and the possible loss of customers or work to our competitors;
- technological changes, including lower emissions energy service equipment and similar advancements;
- changes in the availability and cost of capital;
- our ability to successfully implement our business plan, including execution of potential mergers and acquisitions;
- large or multiple customer defaults, including defaults resulting from actual or potential insolvencies;
- the effects of consolidation on our customers or competitors;
- the price and availability of debt and equity financing (including higher interest rates) for us and our customers;
- our ability to complete growth projects on time and on budget;
- increases in tax rates or types of taxes enacted that specifically impact exploration and production ("E&P") and related operations resulting in changes in the amount of taxes owed by us;

- regulatory and related policy actions intended by federal, state and/or local governments to reduce fossil fuel use and associated carbon emissions, or to drive the substitution of renewable forms of energy for oil and gas, that may over time reduce demand for oil and gas and therefore the demand for our services;
- new or expanded regulations that materially limit our customers' access to federal and state lands for oil and gas development, thereby reducing demand for our services in the affected areas;
- growing demand for electric vehicles that result in reduced demand for gasoline and therefore the demand for our services;
- our ability to successfully implement technological developments and enhancements, including our new Tier IV Dynamic Gas Blending ("DGB") dual-fuel andFORCE® electric-powered hydraulic fracturing equipment, power generation equipment, and other lower-emissions equipment we may acquire or that may be sought by our customers;
- our ability to successfully launch and grow our new power generation business;
- the development of alternative power generation technologies or increased grid capacity that could reduce the demand for our services;
- the projected timing, purchase price and number of shares purchased under our share repurchase program, the sources of funds under the share repurchase program and the impacts of the share repurchase program;
- operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control, such as fires, which risks may be self-insured, or may not be fully covered under our insurance programs;
- exposure to cyber-security events which could cause operational disruptions or reputational harm;
- acts of terrorism, war or political or civil unrest in the United States or elsewhere; and
- the effects of current and future litigation.

Whether actual results and developments will conform with our expectations and predictions contained in forward-looking statements is subject to a number of risks and uncertainties which could cause actual results to differ materially from such expectations and predictions, including, without limitation, in addition to those specified in the text surrounding such statements, the risks described under Part II, Item 1A, "Risk Factors" in this Form 10-Q and elsewhere throughout this report, the risks described under Part I, Item 1A, "Risk Factors" in our Form 10-K for the year ended December 31, 2024 (the "Form 10-K"), filed with the U.S. Securities and Exchange Commission (the "SEC") and elsewhere throughout that report, and other risks, many of which are beyond our control.

Readers are cautioned not to place undue reliance on our forward-looking statements, which are made as of the date of this Form 10-Q. We do not undertake, and expressly disclaim, any duty to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. Investors are also advised to carefully review and consider the various risks and other disclosures discussed in our SEC reports, including the risk factors described in the Form 10-K.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

	June 30, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 74,840	$ 50,443
Accounts receivable - net of allowance for credit losses of $0 and $0, respectively	210,725	195,994
Inventories	16,382	16,162
Prepaid expenses	11,528	17,719
Short-term investment, net	8,163	7,849
Other current assets	5,825	4,054
Total current assets	327,463	292,221
PROPERTY AND EQUIPMENT - net of accumulated depreciation	698,995	688,225
OPERATING LEASE RIGHT-OF-USE ASSETS	108,891	132,294
FINANCE LEASE RIGHT-OF-USE ASSETS	19,755	30,713
OTHER NONCURRENT ASSETS:		
Goodwill	920	920
Intangible assets - net of amortization	60,202	64,905
Other noncurrent assets	12,921	14,367
Total other noncurrent assets	74,043	80,192
TOTAL ASSETS	$ 1,229,147	$ 1,223,645
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 110,153	$ 92,963
Accrued and other current liabilities	56,395	70,923
Interim debt - net of debt issuance costs	2,114	—
Current maturities of long-term debt - net of debt issuance costs	3,757	—
Operating lease liabilities	39,717	39,063
Finance lease liabilities	18,914	19,317
Total current liabilities	231,050	222,266
DEFERRED INCOME TAXES	63,300	59,770
LONG-TERM DEBT - net of debt issuance costs and current maturities	57,614	45,000
NONCURRENT OPERATING LEASE LIABILITIES	42,501	58,849
NONCURRENT FINANCE LEASE LIABILITIES	2,809	13,187
OTHER LONG-TERM LIABILITIES	7,900	8,300
Total liabilities	405,174	407,372
COMMITMENTS AND CONTINGENCIES (Note 13)		
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, 103,967,520 and 102,994,958 shares issued, respectively	104	103
Additional paid-in capital	890,247	884,995
Accumulated deficit	(66,378)	(68,825)
Total shareholders' equity	823,973	816,273
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,229,147	$ 1,223,645

See notes to condensed consolidated financial statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
REVENUE - Service revenue	$ 326,151	$ 357,021	$ 685,567	$ 762,864
COSTS AND EXPENSES				
Cost of services (exclusive of depreciation and amortization)	253,173	265,845	517,029	554,486
General and administrative expenses (inclusive of stock-based compensation)	28,490	30,910	56,122	59,136
Depreciation and amortization	43,309	60,405	91,990	119,065
Loss on disposal of assets	4,346	394	14,092	398
Total costs and expenses	329,318	357,554	679,233	733,085
OPERATING (LOSS) INCOME	(3,167)	(533)	6,334	29,779
OTHER (EXPENSE) INCOME:				
Interest expense	(1,811)	(1,965)	(3,541)	(3,994)
Other income, net	195	2,403	3,138	3,809
Total other (expense) income, net	(1,616)	438	(403)	(185)
(LOSS) INCOME BEFORE INCOME TAXES	(4,783)	(95)	5,931	29,594
INCOME TAX EXPENSE	(2,372)	(3,565)	(3,484)	(13,324)
NET (LOSS) INCOME	$ (7,155)	$ (3,660)	$ 2,447	$ 16,270
NET (LOSS) INCOME PER COMMON SHARE:				
Basic	$ (0.07)	$ (0.03)	$ 0.02	$ 0.15
Diluted	$ (0.07)	$ (0.03)	$ 0.02	$ 0.15
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	103,900	106,303	103,611	107,421
Diluted	103,900	106,303	104,920	108,123

See notes to condensed consolidated financial statements.

PROPETRO HOLDING CORP.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Six Months Ended June 30, 2025				
	Common Stock				
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Total
BALANCE - January 1, 2025	102,995	$ 103	$ 884,995	$ (68,825)	$ 816,273
Stock-based compensation cost	—	—	3,337	—	3,337
Issuance of equity awards, net	789	1	(1)	—	—
Tax withholdings paid for net settlement of equity awards	—	—	(2,723)	—	(2,723)
Net income	—	—	—	9,602	9,602
BALANCE - March 31, 2025	103,784	$ 104	$ 885,608	$ (59,223)	$ 826,489
Stock-based compensation cost	—	—	4,733	—	4,733
Issuance of equity awards, net	184	—	—	—	—
Tax withholdings paid for net settlement of equity awards	—	—	(94)	—	(94)
Net loss	—	—	—	(7,155)	(7,155)
BALANCE - June 30, 2025	103,968	$ 104	$ 890,247	$ (66,378)	$ 823,973

	Six Months Ended June 30, 2024				
	Common Stock				
	Shares	Amount	Additional Paid-In Capital	Retained Earnings	Total
BALANCE - January 1, 2024	109,483	$ 109	$ 929,249	$ 69,034	$ 998,392
Stock-based compensation cost	—	—	3,742	—	3,742
Issuance of equity awards, net	376	1	(1)	—	—
Tax withholdings paid for net settlement of equity awards	—	—	(1,209)	—	(1,209)
Share repurchases	(2,968)	(3)	(22,505)	—	(22,508)
Excise tax on share repurchases	—	—	(193)	—	(193)
Net income	—	—	—	19,930	19,930
BALANCE - March 31, 2024	106,891	$ 107	$ 909,083	$ 88,964	$ 998,154
Stock-based compensation cost	—	—	4,618	—	4,618
Issuance of equity awards, net	168	—	—	—	—
Tax withholdings paid for net settlement of equity awards	—	—	(61)	—	(61)
Share repurchases	(2,535)	(2)	(22,986)	—	(22,988)
Excise tax on share repurchases	—	—	(215)	—	(215)
Net loss	—	—	—	(3,660)	(3,660)
BALANCE - June 30, 2024	104,524	$ 105	$ 890,439	$ 85,304	$ 975,848

See notes to condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 2,447	$ 16,270
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	91,990	119,065
Deferred income tax expense	3,531	10,357
Amortization of deferred debt issuance costs	216	217
Stock-based compensation	8,070	8,360
Loss on disposal of assets	14,092	398
Unrealized gain on short-term investment	(314)	(52)
Business acquisition contingent consideration adjustments	(400)	—
Changes in operating assets and liabilities:		
Accounts receivable	(14,731)	26,641
Other current assets	(1,903)	(568)
Inventories	(220)	(1,036)
Prepaid expenses	6,191	2,797
Accounts payable	2,461	(5,254)
Accrued and other current liabilities	(2,527)	2,568
Net cash provided by operating activities	108,903	179,763
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(78,044)	(71,805)
Business acquisition, net of cash acquired	—	(21,038)
Proceeds from sale of assets	8,676	1,920
Proceeds from note receivable from sale of business	844	—
Net cash used in investing activities	(68,524)	(90,923)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments of finance lease obligations	(9,231)	(8,542)
Repayments of insurance financing	(2,979)	—
Payment of debt issuance costs	(425)	—
Tax withholdings paid for net settlement of equity awards	(2,816)	(1,270)
Share repurchases	—	(45,496)
Payment of excise tax on share repurchases	(531)	—
Net cash used in financing activities	(15,982)	(55,308)
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,397	33,532
CASH AND CASH EQUIVALENTS - Beginning of period	50,443	33,354
CASH AND CASH EQUIVALENTS - End of period	$ 74,840	$ 66,886
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Capital expenditures included in accounts payable and accrued liabilities	$ 29,136	$ 21,588
Equipment purchases financed and corresponding issuances of loans	$ 18,910	$ —
Leasehold improvements financed by operating lease landlord	$ 350	$ —
Business acquisition deferred cash consideration included in other current liabilities	$ —	$ 4,201
Business acquisition contingent consideration included in other long-term liabilities	$ —	$ 10,900

See notes to condensed consolidated financial statements.

Note 1 - Basis of Presentation

The accompanying condensed consolidated financial statements of ProPetro Holding Corp. and its subsidiaries (the "Company," "we," "us" or "our") have been prepared in accordance with the requirements of the U.S. Securities and Exchange Commission ("SEC") for interim financial information and do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("GAAP") for annual financial statements. Those adjustments (which consisted of normal recurring accruals) that are, in the opinion of management, necessary for a fair presentation of the results of the interim periods have been made. Results of operations for such interim periods are not necessarily indicative of the results of operations for a full year due to changes in market conditions and other factors. The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2024, included in our Form 10-K filed with the SEC (our "Form 10-K").

Revenue Recognition

The Company's services are sold based upon contracts with customers. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Hydraulic fracturing is an oil well completion technique, which is part of the overall well completion process. It is a well-stimulation technique intended to optimize hydrocarbon flow paths during the completion phase of shale wellbores. The process involves the injection of water, sand and chemicals under high pressure into shale formations. Our hydraulic fracturing contracts with our customers have one performance obligation, which is the contracted total stages, satisfied over time. We recognize revenue over time using a progress output, unit-of-work performed method, which is based on the agreed fixed transaction price and actual stages completed. We believe that recognizing revenue based on actual stages completed accurately depicts how our hydraulic fracturing services are transferred to our customers over time.

Acidizing, which is part of our hydraulic fracturing operating segment, involves a well-stimulation technique where acid or similar chemicals are injected under pressure into formations to form or expand fissures. Our acidizing contracts have one performance obligation, satisfied at a point-in-time, upon completion of the contracted service or sale of the acid or chemical when control is transferred to the customer. Jobs for these services are typically short term in nature, with most jobs completed in less than a day. We recognize acidizing revenue at a point-in-time, upon completion of the performance obligation.

Wet sand solutions, which is part of our hydraulic fracturing operating segment, involve providing onsite storage and handling of wet sand used in the completion phase of shale wellbores. We recognize revenue from the sale of wet sand, location services and transportation services over time using a progress output, unit-of-work performed method, which is based on the agreed fixed transaction price, fixed units per stage and actual stages completed.

Our cementing services use pressure pumping equipment to deliver a slurry of liquid cement that is pumped down a well between the casing and the borehole. Our cementing contracts have one performance obligation, satisfied at a point-in-time, upon completion of the contracted service when control is transferred to the customer. Jobs for these services are typically short term in nature, with most jobs completed in less than a day. We recognize cementing revenue at a point-in-time, upon completion of the performance obligation.

Wireline services (including pumpdown) are oil well completion techniques, which are part of the well completion process. Our wireline services utilize equipment with a drum of wireline to deploy perforating guns in the well to perforate the casing, cement, and formation. Once the well is perforated, the well can be fractured. Pumpdown utilizes pressure pumping equipment to pump water into the well to deploy perforating guns attached to wireline through the lateral section of a well. Our wireline contracts with our customers have one performance obligation, which is the contracted total stages, satisfied over time. We recognize revenue over time using a progress output, unit-of-work performed method, which is based on the agreed fixed transaction price and actual stages completed. We believe that recognizing revenue based on actual stages completed accurately depicts how our wireline services are transferred to our customers over time. In addition, certain of our wireline equipment is entitled to daily equipment charges while the equipment is on the customer's locations. The Company recognizes revenue related to daily equipment charges on a daily basis as the performance obligations are met.

The transaction price for each performance obligation for all our completion services is fixed per our contracts with our customers.

Note 1 - Basis of Presentation (Continued)

The Company assesses customers' ability and intention to pay, which is based on a variety of factors including historical payment experience and financial condition. Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 30 to 60 days.

Accounts Receivable

Accounts receivable are stated at the amount billed and billable to customers.At June 30, 2025, December 31, 2024, June 30, 2024 and December 31, 2023, amounts billed to customers (net of allowance for credit losses) included as part of our accounts receivable was $153.5 million, $148.8 million, $163.0 million and $181.6 million, respectively. At June 30, 2025, December 31, 2024, June 30, 2024 and December 31, 2023, accrued revenue (unbilled receivable) included as part of our accounts receivable was $57.2 million, $47.2 million, $57.9 million and $55.4 million, respectively. At June 30, 2025, the transaction price allocated to the remaining performance obligation for our partially completed hydraulic fracturing and wireline operations was $24.7 million, which is expected to be completed and recognized as revenue withinone month following the current period balance sheet date. At December 31, 2024, the transaction price allocated to the remaining performance obligation for our then partially completed hydraulic fracturing and wireline operations was $38.7 million, which was recorded as part of revenues withinone month following December 31, 2024. At June 30, 2024, the transaction price allocated to the remaining performance obligation for our partially completed hydraulic fracturing and wireline operations was $27.1 million, which was recorded as part of revenue within one month following June 30, 2024. At December 31, 2023, the transaction price allocated to the remaining performance obligation for our then partially completed hydraulic fracturing and wireline operations was $33.8 million, which was recorded as part of revenues withinone month following December 31, 2023.

Allowance for Credit Losses

As of June 30, 2025, the Company hadno allowance for credit losses. Our allowance for credit losses is based on the evaluation of both our historic collection experience and the economic outlook for the oil and gas industry. We evaluated the historic loss experience on our accounts receivable and also separately considered customers with receivable balances that may be negatively impacted by current or future economic developments and market conditions. While the Company has not experienced significant credit losses in the past and has not yet seen material adverse changes to the payment patterns of its customers, the Company cannot predict with any certainty the degree to which the impacts of depressed economic activities, including the potential impact of periodically adjusted borrowing base limits, level of hedged production, or unforeseen well shut-downs may affect the ability of its customers to timely pay receivables when due. Accordingly, in future periods, the Company may revise its estimates of expected credit losses.

The table below shows a summary of allowance for credit losses:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Beginning balance	$ —	$ 236	$ —	$ 236
Provision for credit losses during the period	—	—	—	—
Write-off during the period	—	—	—	—
Ending balance	$ —	$ 236	$ —	$ 236

Note 1 - Basis of Presentation (Continued)

Contract Assets and Liabilities

We do not have any significant contract asset balances other than amounts billed to customers and accrued revenue discussed in the Accounts Receivable section above. Contract liabilities include cash advances from a customer in connection with our contract with the customer to provide FORCE® electric-powered hydraulic fracturing equipment and services. These cash advances from the customer will be credited towards the customer's invoice as our revenue performance obligations are met over the contract period. The cash advances received represent contract liabilities in connection with the performance of certain completion services. The cash advance (contract liability) balances, which are included in accrued and other current liabilities in our condensed consolidated balance sheets, were $8.3 million, $11.8 million, $16.3 million and $19.2 million as of June 30, 2025, December 31, 2024, June 30, 2024 and December 31, 2023, respectively. During the three months ended June 30, 2025, and 2024, we recognized revenue of $1.4 million and $1.6 million, respectively, from the cash advance amount outstanding at the beginning of the period. During the six months ended June 30, 2025 and 2024, we recognized revenue of $3.1 million and $3.3 million, respectively, from the cash advance amount outstanding at the beginning of the period.

Change in Accounting Estimates

The Company plans to phase out its Tier II diesel-only hydraulic fracturing pumping units and associated conventional assets ("Tier II Units") earlier than the original weighted average remaining useful life of this asset group in response to decreasing customer demand for and related pricing pressures on this asset group. Accordingly we shortened the remaining useful lives of those Tier II Units that currently have useful lives beyond 2027 to no longer than the end of 2027 to align with management's use and expected economic life. This change was made effective October 1, 2024. The net effect of this change was a $0.9 million increase in net loss, or $0.01 per basic and diluted share for the three months ended June 30, 2025 and a $1.6 million decrease in net income, or $0.02 per basic and $0.01 per diluted share for the six months ended June 30, 2025.

Reclassification of Prior Period Presentation

Certain reclassifications have been made to prior period segment information to conform to the current period presentation. These reclassifications had no effect on our balance sheet, operating and net income (loss) or cash flows from operating, investing and financing activities. The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amount of $2.9 million and $9.3 million from loss on disposal of assets to depreciation for the three and six months ended June 30, 2024.

Note 1 - Basis of Presentation (Continued)

Depreciation and Amortization

Depreciation and amortization comprised the following:

(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Depreciation and amortization related to cost of services	$ 40,926	$ 58,675	$ 87,223	$ 115,877
Depreciation and amortization related to general and administrative expenses	2,383	1,730	4,767	3,188
Total depreciation and amortization	$ 43,309	$ 60,405	$ 91,990	$ 119,065

Income Taxes

Total income tax expense was $2.4 million resulting in an effective tax rate of (49.6)% for the three months ended June 30, 2025, as compared to income tax expense of $3.6 million for the three months ended June 30, 2024. The change in income tax expense recorded during the three months ended June 30, 2025, compared to the three months ended June 30, 2024, is primarily attributable to the difference in the impact of nondeductible expenses, state taxes, and valuation allowances on the pre-tax loss for 2025, as compared to the near break-even loss in 2024. Total income tax expense was $3.5 million resulting in an effective tax rate of 58.7% for the six months ended June 30, 2025, as compared to income tax expense of $13.3 million or an effective tax rate of 45.0% for the six months ended June 30, 2024. The change in income tax expense recorded during the six months ended June 30, 2025, compared to the six months ended June 30, 2024, is primarily attributable to the difference in the impact of nondeductible expenses, state taxes, and valuation allowances on the pre-tax income for 2025, as compared to 2024.

On July 4, 2025, "An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14", commonly referred to as the One Big Beautiful Bill Act (“OBBBA”), was enacted into law in the United States. The OBBBA contains several changes to corporate taxation including modifications to capitalization of research and development expenses, limitations on deductions for interest expense and accelerated fixed asset depreciation. The Company is still in the process of evaluating the OBBBA and an estimate of the financial impact cannot be made at this time.

Note 2 - Recently Issued Accounting Standards

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. This ASU incorporates certain SEC disclosure requirements into the FASB Accounting Standards Codification (“Codification” or "ASC"). The amendments in the ASU represent changes to clarify or improve disclosure and presentation requirements of a variety of Codification topics, allow users to more easily compare entities subject to the SEC’s existing disclosures with those entities that were not previously subject to the requirements, and align the requirements in the Codification with the SEC’s regulations. ASU 2023-06 will become effective for each amendment on the effective date of the SEC's corresponding disclosure rule changes. We do not expect ASU No. 2023-06 to have a material impact on our condensed consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disaggregation of certain components included in the Company’s effective tax rate and income taxes paid disclosures. The guidance is effective for annual periods beginning after December 15, 2024. We are currently assessing the impact of ASU No. 2023-09 on our condensed consolidated financial statements but do not expect it will have a material impact.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement: Reporting Comprehensive Income: Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires public business entities to disclose, in the notes to financial statements, additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. In January 2025, the FASB issued ASU No. 2025-01, *Clarifying the Effective Date*, which revised the effective date of ASU No. 2024-03 for interim periods. The guidance is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. We are currently assessing the impact of ASU 2024-03 and ASU 2025-01 on our condensed consolidated financial statements.

Note 3 - AquaProp Acquisition

On May 31, 2024, the Company completed the acquisition of all of the outstanding equity interests in Aqua Prop, LLC (“AquaProp”). AquaProp is an energy service company based in Midland, Texas that provides wet sand solutions for hydraulic fracturing sand requirements at oil well sites. As a result of the acquisition, the Company expanded its operations into the wet sand service business unit.

The following table summarizes the consideration transferred to AquaProp at the acquisition date:

(in thousands)		
Fair value of purchase consideration:		
Cash	$	21,216
Deferred cash consideration		3,664
Contingent consideration		10,900
Total consideration	$	35,780

Cash consideration includes $13.7 million paid to the seller, $7.2 million paid to settle the seller’s outstanding debt, and $0.3 million paid for the seller’s transaction expenses.

Included in the deferred cash consideration is a liability incurred to the seller of $1.8 million. In the purchase agreement as a post-closing transaction, AquaProp's seller agreed to purchase and then sell to the Company, and the Company agreed to purchase from the seller, two additional equipment spreads within 90 days of the closing at a purchase price equal to cost plus a 50% premium. The post-closing transaction was determined to be a transaction separate from the business combination, but the premium was determined to represent consideration transferred in the business combination as the above market terms of the arrangement would not have been agreed upon absent the business combination. Accordingly, the liability incurred to the seller was recognized as consideration in the business combination as cash was not paid at closing. The post-closing transaction for the Company’s purchase of the additional equipment occurred in July 2024 and the purchases were accounted for as additions to property and equipment in our condensed consolidated balance sheet and capital expenditures in our condensed consolidated statement of cash flows.

Also in the purchase agreement as an additional post-closing transaction, the seller agreed to purchase and then deliver to the Company up to five more additional equipment spreads at the request of the Company within a 30-month period following the delivery of the first additional spread at a purchase price equal to the lower of $4.8 million or cost. The additional post-closing transaction was determined to be a transaction separate from the business combination, and no portion of the transaction was determined to represent consideration transferred in the business combination as the terms were at market. The additional post-closing transaction for the Company’s purchase of the additional equipment will be accounted for as additions to property and equipment in our condensed consolidated balance sheet and capital expenditures in our condensed consolidated statement of cash flows.

The acquisition of AquaProp also included a contingent consideration arrangement that requires additional consideration to be paid by the Company to the seller based on the amount of wet sand delivered during a 30-month period following the delivery of the first additional spread, attributable to the five additional equipment spreads described above. Amounts are payable under the earnout arrangement if the Company reaches certain delivery thresholds (in tons) of wet sand using the specific equipment provided by the seller or by other parties. As of June 30, 2025, the delivery of the first additional spread has not yet occurred. The range of the undiscounted amounts the Company could be obligated to pay under the contingent consideration agreement is between $0 and $12.5 million. The fair value of the contingent consideration for the business combination recognized at the acquisition date of $10.9 million was estimated by applying the probability-weighted expected return method for the different scenarios that may occur based on the amount of additional equipment delivered by the seller, at the request of the Company, and the amount of wet sand expected to be delivered by such equipment. The fair value measurement of the contingent consideration is based on significant inputs not observable in the market, and thus represent Level 3 measurements. The contingent consideration payable will be adjusted to estimated fair value at the end of each subsequent reporting period until the contingencies are resolved and consideration payments are made. The estimated fair value of the contingent consideration payable was $7.9 million at June 30, 2025, resulting in a $0.4 million decrease from December 31, 2024. The decrease in the estimated fair value of the contingent consideration payable was primarily driven by updated projections regarding the probability of different scenarios and the amount and timing of additional equipment to be delivered by the seller under those

Note 3 - AquaProp Acquisition (Continued)

scenarios. The decrease in the estimated contingent consideration payable is included in general and administrative expenses in our condensed consolidated statements of operations for the three months ended June 30, 2025.

The following table summarizes the recognized preliminary amounts of identified assets, and liabilities assumed at the acquisition date:

(in thousands)		
Recognized amounts of assets acquired and liabilities assumed:		
Cash	$	178
Accounts receivable		10,551
Property and equipment		13,468
Intangible assets:		
Trade name (1)		1,300
Customer relationships (2)		18,600
Favorable contracts (3)		2,210
Accounts payable		(1,423)
Factored receivables		(10,024)
Total net assets acquired		34,860
Goodwill		920
Total consideration	$	35,780

(1) Definite-lived intangible asset with an amortization period of fifteen years.

(2) Definite-lived intangible asset with an amortization period of six years.

(3) Definite-lived intangible asset consisting of $ 0.3 million with an amortization period of thirty months and $ 1.9 million with an amortization period of five years.

The goodwill is attributable to the acquired workforce and significant synergies. Goodwill is assigned100% to the hydraulic fracturing operating segment of the Company. The goodwill recognized is deductible for income tax purposes.

Note 4 - Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches and establishes a hierarchy for inputs used in measuring fair value that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used, when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions other market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 — Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these instruments does not entail a significant degree of judgment.

Level 2 — Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Note 4 - Fair Value Measurements (Continued)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The fair values of cash, cash equivalents and restricted cash, accounts receivable, accounts payable, accrued and other current liabilities, and long-term debt are estimated to be approximately equivalent to carrying amounts as of June 30, 2025 and December 31, 2024 and have been excluded from the table below.

Assets measured at fair value on a recurring basis are set forth below:

(in thousands)

		Estimated fair value measurements			
	Balance	**Quoted prices in active market (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant other unobservable inputs (Level 3)**	**Total gains (losses)**
June 30, 2025:					
Short-term investment	$ 8,163	$ 8,163	$ —	$ —	$ 314
Business acquisition contingent consideration payable	$ 7,900	$ —	$ —	$ 7,900	$ 400
December 31, 2024:					
Short-term investment	$ 7,849	$ 7,849	$ —	$ —	$ 105
Business acquisition contingent consideration payable	$ 8,300	$ —	$ —	$ 8,300	$ 2,600

Short-term investment— On September 1, 2022, the Company received 2.6 million common shares of STEP Energy Services Ltd. ("STEP") with an estimated fair value of $11.8 million as part of the consideration for the sale of our coiled tubing assets to STEP. The shares were treated as an investment in equity securities measured at fair value using Level 1 inputs based on observable prices on the Toronto Stock Exchange and are shown under current assets in our condensed consolidated balance sheets. As of June 30, 2025, the fair value of the short-term investment was estimated at $8.2 million. The fluctuation in stock price resulted in an unrealized gain of $0.1 million and $0.3 million for the three and six months ended June 30, 2025, respectively. The fluctuation in stock price resulted in an unrealized gain of $0.7 million and $0.1 million for the three and six months ended June 30, 2024. Included in the unrealized gain for the three and six months ended June 30, 2025 was a gain of $0.4 million and $0.4 million respectively, resulting from non-cash foreign currency translation. There was no unrealized gain or loss resulting from non-cash foreign currency translation during the three months ended June 30, 2024. Included in the unrealized gain for the six months ended June 30, 2024 was a loss of $0.2 million resulting from non-cash foreign currency translation. The unrealized gain and loss resulting from stock price fluctuation and the unrealized loss resulting from non-cash foreign currency translation are included in other income (expense) in our condensed consolidated statements of operations. The Company is restricted from selling, transferring or assigning more than 0.9 million shares in any one calendar month.

Business acquisition contingent consideration payable— On May 31, 2024, the Company completed the acquisition of all of the outstanding equity interests in AquaProp in exchange for $13.7 million of cash, $3.7 million of deferred cash consideration payable to AquaProp's seller by May 31, 2025, the payoff of $7.2 million of assumed debt, the payment of $0.3 million of certain transaction costs and estimated contingent consideration of $10.9 million. The contingent consideration payable was measured at fair value using Level 3 inputs based on the probability-weighted expected return method and is shown under other long-term liabilities in our condensed consolidated balance sheets. The fair value of the contingent consideration payable is remeasured at the end of each reporting period using the probability-weighted expected return method. As of June 30, 2025, the estimated fair value of the contingent consideration payable was $7.9 million resulting in a $0.4 million decrease from December 31, 2024. The decrease in the estimated fair value of the contingent consideration payable was primarily driven by updated projections regarding the probability of different scenarios and the amount and timing of additional equipment to be delivered by the seller under those scenarios. Increases or decreases in any valuation inputs in isolation may result in a significantly lower or higher fair value measurement in the future.

The following table presents a reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3):

Note 4 - Fair Value Measurements (Continued)

(in thousands)

	June 30, 2025	December 31, 2024
Business acquisition contingent consideration payable - opening balance	$ 8,300	$ —
Addition	—	10,900
Decrease in estimated fair value (1)	(400)	(2,600)
Business acquisition contingent consideration payable - closing balance	$ 7,900	$ 8,300

(1) The decrease in the estimated fair value of the business acquisition contingent consideration payable is included in general and administrative expenses in our condensed consolidated statements of operations for the three months ended June 30, 2025 and the year ended December 31, 2024 .

Assets Measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis. These items are not measured at fair value on an ongoing basis but may be subject to fair value adjustments in certain circumstances. These assets and liabilities include those recognized in the AquaProp Acquisition, which are required to be measured at fair value on the acquisition date according to the FASB ASC Topic 805, *Business Combinations.*

Whenever events or circumstances indicate that the carrying value of long-lived assets may not be recoverable, the Company reviews the carrying values of long-lived assets, such as property and equipment and other assets to determine if they are recoverable. If any long-lived assets are determined to be unrecoverable, an impairment expense is recorded in the period. No impairment of property and equipment was recorded during the three months ended June 30, 2025 and 2024.

There were no additions to goodwill during the three and six months ended June 30, 2025. During the three and six months ended June 30, 2024, the Company added $3.1 million of goodwill to our hydraulic fracturing operating segment related to the AquaProp Acquisition. The Company subsequently made a measurement period adjustment to recognize favorable contracts as intangible assets of $2.2 million and decrease goodwill by $2.2 million. The hydraulic fracturing operating segment (which is also considered a reporting unit) is the only segment with goodwill at June 30, 2025 and December 31, 2024. There were no goodwill impairment losses during the three and six months ended June 30, 2025 and 2024, respectively. We conducted our annual impairment test of goodwill in accordance with ASC 350, *Intangibles—Goodwill and Other,* as of December 31, 2024 and determined that the goodwill in our wireline operating segment and reporting unit with a carrying value of $23.6 million was fully impaired.

There were no assets or liabilities subject to nonrecurring fair value measurements during the three months ended June 30, 2025 or 2024.

Note 5 - Intangible Assets

Intangible assets consist of customer relationships, trademark/trade names, and favorable contracts. Trademark/trade names are amortized on a straight-line basis over useful lives of ten and fifteen years. Customer relationships are amortized on a straight-line basis over useful lives of six and ten years. Favorable contracts are amortized on a straight-line basis over useful lives of thirty months and five years. Internally developed software will be amortized on a straight-line basis over a useful life of twenty-nine months. Amortization expense included in net income for the three and six months ended June 30, 2025 was $2.4 million and $4.8 million, respectively. Amortization expense included in net income for the three and six months ended June 30, 2024 was $1.8 million and $3.2 million, respectively. The Company's intangible assets subject to amortization consisted of the following:

(in thousands)

	June 30, 2025	December 31, 2024
Intangible assets acquired:		
Trademark/trade names	$ 12,100	$ 12,100
Customer relationships	65,100	65,100
Favorable contracts	2,210	2,210
Internally developed software	81	60
Total intangible assets acquired	79,491	79,470
Accumulated amortization:		
Trademark/trade name	(2,974)	(2,390)
Customer relationships	(15,758)	(11,883)
Favorable contracts	(542)	(292)
Internally developed software	(15)	—
Total accumulated amortization	(19,289)	(14,565)
Intangible assets — net	$ 60,202	$ 64,905

Estimated remaining amortization expense for each of the subsequent fiscal years is expected to be as follows:

(in thousands)

Year	Estimated future amortization expense
Remainder of 2025	$ 4,725
2026	9,441
2027	9,315
2028	9,301
2029	9,077
2030 and beyond	18,343
Total	$ 60,202

The average amortization period for our remaining intangible assets is approximately6.8 years.

Note 6 - Interim and Long-Term Debt

Asset-Based Loan Credit Facility

The Company is party to an amended and restated revolving credit facility (as may be amended, "ABL Credit Facility") that provides for borrowing capacity of up to $225.0 million (subject to the Borrowing Base (as defined below) limit), and matures on June 2, 2028. The ABL Credit Facility has a borrowing base of the sum of 85% to 90% of monthly eligible accounts receivable and 80% of eligible unbilled accounts (up to a maximum of 25% of the borrowing base), in each case, depending on the credit ratings of our accounts receivable counterparties, less customary reserves (the "Borrowing Base"), as redetermined monthly. The Borrowing Base as of June 30, 2025, was approximately $156.9 million. The ABL Credit Facility includes a springing fixed charge coverage ratio that applies when excess availability is less than the greater of (i) 10% of the lesser of the facility size or the Borrowing Base or (ii) $15.0 million. Under the ABL Credit Facility we are required to comply, subject to certain exceptions and materiality qualifiers, with certain customary affirmative and negative covenants, including, but not limited to, covenants pertaining to our ability to incur liens or indebtedness, changes in the nature of our business, mergers and other fundamental changes, disposal of assets, investments and restricted payments, amendments to our organizational documents or accounting policies, prepayments of certain debt, dividends, transactions with affiliates, and certain other activities. Borrowings under the ABL Credit Facility are secured by a first priority lien and security interest in substantially all assets of the Company.

Borrowings under the ABL Credit Facility accrue interest based on a three-tier pricing grid tied to availability, and we may elect for loans to be based on either the Secured Overnight Financing Rate ("SOFR") or the base rate, plus the applicable margin, which ranges from 1.75% to 2.25% for SOFR loans and 0.75% to 1.25% for base rate loans. For the six months ended June 30, 2025, the weighted average interest rate on our outstanding borrowings under the ABL Credit Facility was 6.47%.

The loan origination costs relating to the ABL Credit Facility are classified as an asset in the condensed consolidated balance sheets. As of June 30, 2025 and December 31, 2024, we had borrowings outstanding under our ABL Credit Facility of $45.0 million and $45.0 million, respectively. After borrowings outstanding and letters of credit of approximately $8.6 million under the ABL Credit Facility, we had approximately $103.3 million available for borrowing under our ABL Credit Facility as of June 30, 2025.

Equipment Financing Arrangement

On April 2, 2025, we entered into a financing arrangement (the “PROPWR Equipment Loan Agreement”) to support the purchase of certain mobile natural gas-fueled power generation equipment, including turbine generator sets along with auxiliary equipment, for our PROPWR business line, under which the lender (an affiliate of the equipment manufacturer) will fund progress payments beyond the initial down payment on the equipment for a maximum total amount of $103.7 million and provide us interim loans in connection with each progress payment made on our behalf. Such interim loans will accrue interest at a floating rate per annum based on SOFR, plus a 3.85% margin, plus any increase or minus any decrease in the Bloomberg Industrial Single A Total Return Index since November 15, 2024. Such interim loans will be combined and converted to a term loan for each unit of equipment after the final progress payment is funded for such unit. Interest on interim loans is payable on a monthly basis until conversion to term loans. Each term loan will accrue interest at a fixed rate per annum based on the three-year U.S Treasury rate as of the date of conversion of interim loans to the term loan for each unit of equipment, plus a 3.70% margin, plus any increase or minus any decrease in the Bloomberg Industrial Single A Total Return Index since November 15, 2024 and will be payable in equal monthly installments over a period not to exceed five years. Each loan will be secured on a first lien basis by equipment collateral and support documents, casualty proceeds and other proceeds or products related thereto, and any proceeds from the equipment loan must be used for payment or reimbursement for the equipment subject to such loan. Each loan will be fully and unconditionally guaranteed by the guarantors set forth in the PROPWR Equipment Loan Agreement. For the six months ended June 30, 2025, the weighted average interest rate on our interim loans and term loans was 7.88% and 7.66%, respectively.

The debt issuance costs relating to our interim and term loans are presented as a deduction from the carrying amount of the loans in the condensed consolidated balance sheets. As of June 30, 2025, we had interim loans outstanding of $2.1 million and term loans outstanding of $16.8 million. Interim loans, net of debt issuance costs, are presented as interim debt within current liabilities in our condensed consolidated balance sheet as of June 30, 2025. Current maturities of term loans, net of debt issuance costs, are presented as current maturities of long term debt within current liabilities and long-term portion of term loans, net of debt issuance costs, is presented in long-term debt, respectively, in our condensed consolidated balance sheet as of June 30, 2025. The financed payments from the lender (an affiliate of the equipment manufacturer) are presented as non-cash

Note 6 - Interim and Long-Term Debt (Continued)

investing and financing activities within the "Supplemental Disclosure of Non-Cash Investing and Financing Activities" section of our condensed consolidated statements of cash flows.

The fair values of the ABL Credit Facility, the interim loans and the term loans approximate their carrying values.

Total debt consisted of the following:

(in thousands)

	June 30, 2025	December 31, 2024
ABL Credit Facility	$ 45,000	$ 45,000
Equipment financing interim loans	2,135	—
Equipment financing term loans	16,775	—
Total debt	63,910	45,000
Less: debt issuance costs, net of amortization	(425)	—
Total debt, net of debt issuance costs	63,485	45,000
Less: interim debt (current), net of debt issuance costs	(2,114)	—
Less: current maturities of long-term debt, net of debt issuance costs	(3,757)	—
Total long-term debt, net of debt issuance costs	$ 57,614	$ 45,000

Maturities of total debt (minimum annual principal payments required) as of June 30, 2025 are as follows:

(in thousands)

Year	ABL Credit Facility	Equipment Financing Interim Loans	Equipment Financing Term Loans
Remainder of 2025	$ —	$ —	$ 1,541
2026	—	2,135	4,684
2027	—	—	4,790
2028	45,000	—	2,189
2029	—	—	2,363
2030	—	—	1,208
Total	$ 45,000	$ 2,135	$ 16,775

In July 2025, $9.2 million of additional interim loans were incurred and converted to term loans (long-term debt) related to final progress payments on certain equipment.

Note 7 - Reportable Segment Information

The Company currently has four operating segments for which discrete financial information is readily available: hydraulic fracturing (inclusive of acidizing and wet sand solutions), wireline, cementing and power generation services which had not begun any revenue-generating activities through June 30, 2025. These operating segments represent how the CODM evaluates performance and allocates resources. Our CODM is a group comprised of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Commercial Officer.

Note 7 - Reportable Segment Information (Continued)

Our Hydraulic Fracturing, Wireline and Cementing operating segments meet the criteria of a reportable segment. Prior to the fourth quarter of fiscal year 2024, our cementing segment did not meet the quantitative thresholds for a reportable segment and was shown in the "All Other" category. Effective as of the fourth quarter of 2024, cementing is shown as a reportable segment since it meets the criteria of a reportable segment per ASC 280—*Segment Reporting*. Our power generation services segment does not meet the reportable segment criteria and is included within the “All Other” category. Additionally, our corporate administrative activities do not involve business activities from which it may earn revenues and its results are not regularly reviewed by the Company’s CODM when making key operating and resource decisions. As a result, corporate administrative expenses and intersegment revenue have been included under "Reconciling Items." Prior period segment information has been revised to conform to our current presentation.

The Company manages and assesses the performance of the reportable segment by its Adjusted EBITDA (earnings before interest expense, income taxes, depreciation and amortization, stock-based compensation expense, other income or expense, gain or loss on disposal of assets and other unusual or nonrecurring expenses or income such as impairment charges, retention bonuses, severance, costs related to asset acquisitions, insurance recoveries, one-time professional fees and legal settlements).

The following tables set forth certain financial information with respect to the Company’s reportable segments; intersegment revenues and cost of services are shown under "Reconciling Items" (in thousands):

	Three Months Ended June 30, 2025					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 245,741	$ 47,995	$ 32,443	$ —	$ (28)	$ 326,151
Cost of service - labor	$ 52,814	$ 13,400	$ 7,970	$ 136	$ —	$ 74,320
Cost of service - expendables	$ 34,094	$ 14,606	$ 15,289	$ —	$ (28)	$ 63,961
Cost of service - other direct costs	$ 101,852	$ 9,364	$ 3,273	$ 403	$ —	$ 114,892
General and administrative expenses excluding nonrecurring and non cash items for reportable segments	$ 4,998	$ 2,770	$ 1,260	$ 1,692	$ —	$ 10,720
Adjusted EBITDA for reportable segments	$ 51,983	$ 7,855	$ 4,651	$ (2,231)	$ —	$ 62,258
Depreciation and amortization	$ 35,634	$ 5,608	$ 2,030	$ 17	$ 20	$ 43,309
Capital expenditures incurred	$ 25,064	$ 2,331	$ 3,083	$ 42,614	$ —	$ 73,092
Goodwill June 30, 2025	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets June 30, 2025	$ 886,013	$ 157,957	$ 70,078	$ 61,525	$ 53,574	$ 1,229,147

	Three Months Ended June 30, 2024					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 271,628	$ 49,202	$ 36,277	$ —	$ (86)	$ 357,021
Cost of service - labor	$ 57,847	$ 13,109	$ 9,503	$ —	$ —	$ 80,459
Cost of service - expendables	$ 30,320	$ 13,641	$ 15,029	$ —	$ (86)	$ 58,904
Cost of service - other direct costs	$ 114,256	$ 8,643	$ 3,583	$ —	$ —	$ 126,482
General and administrative expenses excluding nonrecurring and non cash items for reportable segments	$ 5,496	$ 3,102	$ 1,579	$ —	$ —	$ 10,177
Adjusted EBITDA for reportable segments	$ 63,709	$ 10,707	$ 6,583	$ —	$ —	$ 80,999
Depreciation and amortization [1]	$ 52,965	$ 5,129	$ 2,279	$ —	$ 32	$ 60,405
Capital expenditures incurred	$ 25,631	$ 1,943	$ 4,376	$ —	$ —	$ 31,950
Goodwill December 31, 2024	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets December 31, 2024	$ 961,485	$ 156,349	$ 73,935	$ —	$ 31,876	$ 1,223,645

Note 7 - Reportable Segment Information (Continued)

	Six Months Ended June 30, 2025					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 515,140	$ 101,437	$ 69,076	$ —	$ (86)	$ 685,567
Cost of service - labor	$ 107,753	$ 27,416	$ 16,004	$ 136	$ —	$ 151,309
Cost of service - expendables	$ 78,249	$ 30,814	$ 31,754	$ —	$ (86)	$ 140,731
Cost of service - other direct costs	$ 199,011	$ 19,433	$ 6,142	$ 403	$ —	$ 224,989
General and administrative expenses excluding nonrecurring and non cash items for reportable segments	$ 9,803	$ 5,446	$ 2,460	$ 2,402	$ —	$ 20,111
Adjusted EBITDA for reportable segments	$ 120,323	$ 18,328	$ 12,717	$ (2,941)	$ —	$ 148,427
Depreciation and amortization	$ 76,935	$ 11,035	$ 3,960	$ 17	$ 43	$ 91,990
Capital expenditures incurred	$ 41,402	$ 4,515	$ 4,914	$ 60,914	$ —	$ 111,745
Goodwill June 30, 2025	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets June 30, 2025	$ 886,013	$ 157,957	$ 70,078	$ 61,525	$ 53,574	$ 1,229,147

	Six Months Ended June 30, 2024					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 580,928	$ 110,007	$ 72,015	$ —	$ (86)	$ 762,864
Cost of service - labor	$ 118,778	$ 27,945	$ 18,627	$ —	$ —	$ 165,350
Cost of service - expendables	$ 76,682	$ 29,808	$ 31,347	$ —	$ (86)	$ 137,751
Cost of service - other direct costs	$ 224,986	$ 18,793	$ 7,606	$ —	$ —	$ 251,385
General and administrative expenses excluding nonrecurring and non cash items for reportable segments	$ 10,653	$ 5,968	$ 2,992	$ —	$ —	$ 19,613
Adjusted EBITDA for reportable segments	$ 149,828	$ 27,493	$ 11,444	$ —	$ —	$ 188,765
Depreciation and amortization (1)	$ 104,406	$ 10,044	$ 4,557	$ —	$ 58	$ 119,065
Capital expenditures incurred	$ 61,619	$ 4,329	$ 5,842	$ —	$ —	$ 71,790
Goodwill December 31, 2024	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets December 31, 2024	$ 961,485	$ 156,349	$ 73,935	$ —	$ 31,876	$ 1,223,645

(1) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amounts of $2.9 million and $9.3 million from loss on disposal of assets to depreciation for the three and six months ended June 30, 2024, respectively.

Note 7 - Reportable Segment Information (Continued)

A reconciliation from reportable segment level financial information to the condensed consolidated statement of operations is provided in the table below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Service Revenue				
Hydraulic Fracturing	$ 245,741	$ 271,628	$ 515,140	$ 580,928
Wireline	47,995	49,202	101,437	110,007
Cementing	32,443	36,277	69,076	72,015
All Other	—	—	—	—
Total service revenue for reportable segments	326,179	357,107	685,653	762,950
Elimination of intersegment service revenue	(28)	(86)	(86)	(86)
Total consolidated service revenue	$ 326,151	$ 357,021	$ 685,567	$ 762,864
Cost of Services				
Hydraulic Fracturing - labor	$ 52,814	$ 57,847	$ 107,753	$ 118,778
Hydraulic Fracturing - expendables	34,094	30,320	78,249	76,682
Hydraulic Fracturing - other direct costs	101,852	114,256	199,011	224,986
Wireline - labor	13,400	13,109	27,416	27,945
Wireline - expendables	14,606	13,641	30,814	29,808
Wireline - other direct costs	9,364	8,643	19,433	18,793
Cementing - labor	7,970	9,503	16,004	18,627
Cementing - expendables	15,289	15,029	31,754	31,347
Cementing - other direct costs	3,273	3,583	6,142	7,606
All Other - labor	136	—	136	—
All Other - expendables	—	—	—	—
All Other - other direct costs	403	—	403	—
Total cost of services for reportable segments	253,201	265,931	517,115	554,572
Elimination of intersegment cost of services	(28)	(86)	(86)	(86)
Total consolidated cost of services	$ 253,173	$ 265,845	$ 517,029	$ 554,486
General and Administrative Expenses				
Hydraulic Fracturing	$ 4,998	$ 5,496	$ 9,803	$ 10,653
Wireline	2,770	3,102	5,446	5,968
Cementing	1,260	1,579	2,460	2,992
All Other	1,692	—	2,402	—
Total general and administrative expenses excluding nonrecurring and noncash items for reportable segments	10,720	10,177	20,111	19,613
Unallocated corporate administrative expenses	12,651	14,937	26,134	29,309
Stock-based compensation	4,733	4,618	8,070	8,360
Business acquisition contingent consideration adjustments	(100)	—	(400)	—
Other general and administrative expense	159	1,113	165	1,171
Retention bonus and severance expense	327	65	2,042	683
Total consolidated general and administrative expenses	$ 28,490	$ 30,910	$ 56,122	$ 59,136

Note 7 - Reportable Segment Information (Continued)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Adjusted EBITDA				
Hydraulic Fracturing	$ 51,983	$ 63,709	$ 120,323	$ 149,828
Wireline	7,855	10,707	18,328	27,493
Cementing	4,651	6,583	12,717	11,444
All Other	(2,231)	—	(2,941)	—
Total Adjusted EBITDA for reportable segments	62,258	80,999	148,427	188,765
Unallocated corporate administrative expenses	(12,651)	(14,937)	(26,134)	(29,309)
Depreciation and amortization (1)	(43,309)	(60,405)	(91,990)	(119,065)
Interest expense	(1,811)	(1,965)	(3,541)	(3,994)
Income tax expense	(2,372)	(3,565)	(3,484)	(13,324)
Loss on disposal of assets (1)	(4,346)	(394)	(14,092)	(398)
Stock-based compensation	(4,733)	(4,618)	(8,070)	(8,360)
Business acquisition contingent consideration adjustments	100	—	400	—
Other income, net (2)	195	2,403	3,138	3,809
Other general and administrative expense, net	(159)	(1,113)	(165)	(1,171)
Retention bonus and severance expense	(327)	(65)	(2,042)	(683)
Net (loss) income	$ (7,155)	$ (3,660)	$ 2,447	$ 16,270

	June 30, 2025	December 31, 2024
Assets		
Hydraulic Fracturing	$ 886,013	$ 961,485
Wireline	157,957	156,349
Cementing	70,078	73,935
All Other	61,525	—
Total assets for reportable segments	1,175,573	1,191,769
Unallocated corporate assets	53,574	31,876
Total assets	$ 1,229,147	$ 1,223,645

(1) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amount of $2.9 million and $ 9.3 million from loss on disposal of assets to depreciation for the three and six months ended June 30, 2024, respectively.

(2) Other income for the three months ended June 30, 2024 is primarily comprised of tax refunds of $ 1.7 million and a $ 0.7 million unrealized gain on short-term investment. Other income for the six months ended June 30, 2025 is primarily comprised of adjustments to workers' compensation and general liability insurance premiums of $1.0 million, tax refunds (net of advisory fees) totaling $0.4 million, interest income from note receivable from sale of business of $0.6 million, a $ 0.3 million unrealized gain on short-term investment and $ 0.8 million of other income. Other income for the six months ended June 30, 2024 is primarily comprised of insurance reimbursements of $2.0 million, tax refunds of $ 1.7 million and a $ 0.1 million unrealized gain on short-term investment .

Note 8 - Net (Loss) Income Per Share

Basic net income per common share is computed by dividing the net income relevant to the common stockholders by the weighted average number of common shares outstanding during the period. Diluted net income per common share uses the same net income divided by the sum of the weighted average number of shares of common stock outstanding during the period, plus dilutive effects of options, performance share units ("PSUs") and restricted stock units ("RSUs") outstanding during the period calculated using the treasury method and the potential dilutive effects of preferred stocks (if any) calculated using the if-converted method.

The table below shows the calculations for the three and six months ended June 30, 2025 and 2024 (in thousands, except for per share data):

Note 8 - Net (Loss) Income Per Share (Continued)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator (both basic and diluted)				
Net (loss) income relevant to common stockholders	$ (7,155)	$ (3,660)	$ 2,447	$ 16,270
Denominator				
Denominator for basic income per share	103,900	106,303	103,611	107,421
Dilutive effect of stock options	—	—	—	—
Dilutive effect of performance share units	—	—	417	33
Dilutive effect of restricted stock units	—	—	892	669
Denominator for diluted income per share	103,900	106,303	104,920	108,123
Basic (loss) income per common share	$ (0.07)	$ (0.03)	$ 0.02	$ 0.15
Diluted (loss) income per common share	$ (0.07)	$ (0.03)	$ 0.02	$ 0.15

As shown in the table below, the following stock options, RSUs and PSUs have not been included in the calculation of diluted income per common share for the three and six months ended June 30, 2025 and 2024 because they will be anti-dilutive to the calculation of diluted net income per common share:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Stock options	167	179	169	179
Restricted stock units	3,243	3,313	222	6
Performance share units	1,439	1,381	353	438
Total	4,849	4,873	744	623

Note 9 - Share Repurchase Program

In May 2025, the Company's board of directors (the "Board") approved a further extension of the share repurchase program previously authorized on May 17, 2023. As so extended, the program permits the repurchase of up to $200 million of the Company's common stock through December 31, 2026. The shares may be repurchased from time to time in open market transactions, block trades, accelerated share repurchases, privately negotiated transactions, derivative transactions or otherwise, certain of which may be made pursuant to a trading plan meeting the requirements of Rule 10b5-1 under the Exchange Act, in compliance with applicable state and federal securities laws. The timing, as well as the number and value of shares repurchased under the program, will be determined by the Company at its discretion and will depend on a variety of factors, including management's assessment of the intrinsic value of the Company's common stock, the market price of the Company's common stock, general market and economic conditions, available liquidity, compliance with the Company's debt and other agreements, applicable legal requirements, and other considerations. The Company is not obligated to purchase any shares under the repurchase program, and the program may be suspended, modified, or discontinued at any time without prior notice. The Company expects to fund the repurchases using cash on hand and expected free cash flow to be generated through December 2026. The 1% U.S. federal excise tax on certain repurchases of stock by publicly traded U.S. corporations applies to our share repurchase program.

All shares of common stock repurchased under the share repurchase program are canceled and retired upon repurchase. The Company accounts for the purchase price of repurchased shares of common stock in excess of par value ($0.001 per share of common stock) as a reduction of additional-paid-in capital, and will continue to do so until additional paid-in-capital is reduced to zero. Thereafter, any excess purchase price will be recorded as a reduction of retained earnings. During the three and six months ended June 30, 2025, the Company made no share repurchases under the share repurchase program and had no accruals

Note 9 - Share Repurchase Program (Continued)

for the share repurchase excise tax as of June 30, 2025. As of June 30, 2025, $89.2 million remained authorized for future repurchases of common stock under the share repurchase program.

Note 10 - Stock-Based Compensation

Stock Options

There were no new stock option grants during the six months ended June 30, 2025. As of June 30, 2025, here was no aggregate intrinsic value for our outstanding or exercisable stock options because the closing stock price as of June 30, 2025 was below the cost to exercise these options. No stock options were exercised during the six months ended June 30, 2025. The weighted average remaining contractual term for the outstanding and exercisable stock options as of June 30, 2025 was approximately 1.7 years.

A summary of the stock option activity for the six months ended June 30, 2025 is presented below (in thousands, except for weighted average price):

	Number of Shares	Weighted Average Exercise Price
Outstanding at January 1, 2025	179	$ 14.00
Granted	—	$ —
Exercised	—	$ —
Forfeited	—	$ —
Expired	(12)	$ 14.00
Outstanding at June 30, 2025	167	$ 14.00
Exercisable at June 30, 2025	167	$ 14.00

Restricted Stock Units

On May 11, 2023, the Company's stockholders approved the Second Amended and Restated ProPetro Holding Corp. 2020 Long Term Incentive Plan (the "A&R 2020 Incentive Plan"), which had been previously approved by the Board and replaced the ProPetro Holding Corp. 2020 Long Term Incentive Plan.

During the six months ended June 30, 2025, we granted 1,522,175 RSUs to employees, officers and directors pursuant to the A&R 2020 Incentive Plan, which generally vest ratably over a three-year vesting period in the case of awards to employees and officers, and generally vest in full after one year, in the case of awards to directors. RSUs are subject to restrictions on transfer and are generally subject to a risk of forfeiture if the award recipient ceases to be an employee or director of the Company prior to vesting of the award. Each RSU represents the right to receive one share of common stock. The grant date fair value of the RSUs is based on the closing share price of our common stock on the date of grant. As of June 30, 2025, the total unrecognized compensation expense for all RSUs was approximately $18.8 million, and is expected to be recognized over a weighted average period of approximately 1.8 years.

The following table summarizes RSUs activity during the six months ended June 30, 2025 (in thousands, except for fair value):

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2025	3,001	$ 8.54
Granted	1,522	$ 7.24
Vested	(1,088)	$ 8.80
Forfeited	(192)	$ 7.81
Canceled	—	$ —
Outstanding at June 30, 2025	3,243	$ 7.89

Note 10 - Stock-Based Compensation (Continued)

Performance Share Units

During the six months ended June 30, 2025, we granted 536,774 PSUs to certain key employees and officers as new awards under the A&R 2020 Incentive Plan. Each PSU earned represents the right to receive either one share of common stock or, as determined by the A&R 2020 Incentive Plan administrator in its sole discretion, a cash amount equal to fair market value of one share of common stock or amount of cash on the day immediately preceding the settlement date. The actual number of shares of common stock that may be issued under the PSUs ranges from 0% up to a maximum of 200% of the target number of PSUs granted to the participant, based on our total shareholder return ("TSR") relative to a designated peer group, generally at the end of a three year period. In addition to the TSR conditions, vesting of the PSUs is generally subject to the recipient's continued employment through the end of the applicable performance period. Compensation expense is recorded ratably over the corresponding requisite service period. The grant date fair value of PSUs is determined using a Monte Carlo simulation. Grant recipients do not have any shareholder rights until performance relative to the peer group has been determined following the completion of the performance period and shares have been issued.

The following table summarizes information about PSUs activity during the six months ended June 30, 2025 (in thousands, except for weighted average fair value):

Period Granted	Target Shares Outstanding at January 1, 2025	Target Shares Granted	Target Shares Vested	Target Shares Forfeited	Target Shares Outstanding at June 30, 2025
2022	301	—	(220)	(81)	—
2023	431	—	—	(61)	370
2024	633	—	—	(101)	532
2025	—	537	—	—	537
Total	1,365	537	(220)	(243)	1,439
Weighted Average Fair Value Per Share	$ 12.77	$ 9.87	$ 19.99	$ 13.71	$ 10.42

The total stock-based compensation expense for the six months ended June 30, 2025 and 2024 for all stock awards was $8.1 million and $8.4 million, respectively, and the associated tax benefit related thereto was $1.7 million and $1.8 million, respectively. The total unrecognized stock-based compensation expense as of June 30, 2025 was approximately $26.7 million, and is expected to be recognized over a weighted average period of approximately 1.7 years.

Note 11 - Related-Party Transactions

Operations and Maintenance Yards

The Company rented three yards from an entity in which a director of the Company has an equity interest, and the total annual rent expense for each of the three yards was approximately $0.03 million, $0.1 million and $0.1 million, respectively. These leases were terminated in July 2025.

ExxonMobil and Pioneer

On December 31, 2018, we consummated the purchase of certain pressure pumping assets and real property from Pioneer Natural Resources USA, Inc. ("Pioneer") and Pioneer Pumping Services (the "Pioneer Pressure Pumping Acquisition"). In connection with the Pioneer Pressure Pumping Acquisition, Pioneer received 16.6 million shares of our common stock and approximately $110.0 million in cash. In May 2024, Pioneer merged with and into a wholly owned subsidiary of Exxon Mobil Corporation ("ExxonMobil") after which ExxonMobil became the owner of these shares. The Company currently provides pressure pumping, wireline and other services to ExxonMobil and previously provided such services to Pioneer.

On April 22, 2024, we entered into a sub-agreement for Hydraulic Fracturing Services with XTO Energy Inc. ("XTO"), a wholly owned subsidiary of ExxonMobil, where we will provide hydraulic fracturing, wireline and pumpdown services with two committed FORCE® electric-powered hydraulic fracturing fleets with the option to add a third FORCE® fleet (also with wireline and pumpdown services) for a period of three years or for contracted hours, whichever occurs last with respect to each fleet, subject to certain termination and release rights.

Note 11 - Related-Party Transactions (Continued)

Revenue from services provided to ExxonMobil (including Pioneer and XTO) subsequent to Pioneer's merger with ExxonMobil accounted for $71.2 million and $144.2 million for the three and six months ended June 30, 2025. Revenue from services provided to ExxonMobil (including Pioneer and XTO) subsequent to Pioneer's merger with ExxonMobil accounted for $42.5 million and $42.5 million for the three and six months ended June 30, 2024. Revenue from services provided to Pioneer prior to its merger with ExxonMobil accounted for approximately $1.8 million and $6.8 million of our total revenue during the three and six months ended June 30, 2024.

As of June 30, 2025, the total accounts receivable due from ExxonMobil (including Pioneer and XTO), including estimated unbilled receivables for services we provided, amounted to approximately $59.2 million and the amount due to ExxonMobil (including Pioneer and XTO) was $0. As of December 31, 2024, the total accounts receivable due from ExxonMobil (including Pioneer and XTO), including estimated unbilled receivables for services we provided, amounted to $70.8 million and the amount due to ExxonMobil (including Pioneer and XTO) was $0.

Big 4 and Former Employee

On November 1, 2024, we sold our cementing business located in Vernal, Utah, to Big 4 Services LLC ("Big 4") which is solely owned by a former employee as part of a strategic repositioning. We received a promissory note for $13.0 million as consideration. The note receivable is secured by substantially all assets of Big 4 and the former employee's ownership interests in and distributions from Big 4. The note receivable is to be paid to the Company in quarterly installments with interest of 10% per annum from March 31, 2025 to December 31, 2029. The note receivable is considered subordinated financial support to Big 4 and represents a variable interest to the Company in Big 4. See "Note 14. Variable Interest Entity" for the carrying value of the note receivable as of June 30, 2025. We recorded interest income of $0.3 million and $0.6 million for the three and six months ended June 30, 2025, respectively, which is included in our condensed consolidated statement of operations under other income (expense). Cash inflows from collections on the note receivable are included in our condensed consolidated statement of cash flows under cash flows from investing activities. The former employee was part of our cementing operations until November 1, 2024, and is no longer affiliated with the Company.

Note 12 - Leases

Operating Leases

Description of Leases

We have operating leases for five FORCE® electric-powered hydraulic fracturing equipment fleets (the "Electric Fleet Leases"), facilities and office spaces. The terms and conditions of these leases vary by the type of the underlying asset. We did not account for land separately from buildings under our leases of facilities because we concluded that the accounting effect was insignificant. Our operating leases do not include residual value guarantees, covenants or financial restrictions. Further, our operating leases do not contain variability in payments resulting from either an index change or rate change. We assumed two leases for facilities as part of our acquisition of Silvertip Completion Services Operating, LLC on November 1, 2022. Our operating leases have remaining lease terms of approximately 0.3 years to 5.0 years as of June 30, 2025. Our operating leases have renewal options ranging from none to three renewal options of up to one year each at the end of their current contractual lease periods. Further, our Electric Fleet Leases have options to purchase the underlying equipment at the end of their initial term of approximately three years or at the end of each renewal period. However, in management's judgment the exercise of neither the renewal options nor the purchase options are reasonably assured for any lease. In addition to fixed rent payments, the Electric Fleet Leases contain variable payments based on equipment usage. The right-of-use assets and liabilities related to the Electric Fleet Leases are included in our Hydraulic Fracturing reportable segment, related to leases for facilities are included in our Hydraulic Fracturing and Wireline reportable segments, and related to office spaces are included in our Wireline reportable segment, the All Other category and our corporate administrative function.

Our total operating lease right-of-use assets were as follows:

(in thousands)	June 30, 2025	December 31, 2024
Operating lease right-of-use assets - cost	$ 185,752	$ 182,130
Operating lease right-of-use assets - accumulated amortization	(76,861)	(49,836)
Operating lease right-of-use assets - net	$ 108,891	$ 132,294

Finance Leases

Note 12 - Leases (Continued)

Description of Lease

We have a three-year equipment lease contract (the "Power Equipment Lease") for certain power generation equipment. In addition to the contractual lease period, the contract includes an optional renewal for one year, and in management's judgment the exercise of the renewal option is not reasonably assured. The contract does not include a residual value guarantee, covenants or financial restrictions. Further, the Power Equipment Lease does not contain variability in payments resulting from either an index change or rate change. The right-of-use assets and liabilities under this contract are included in our Hydraulic Fracturing reportable segment.

We accounted for the Power Equipment Lease as a finance lease. This conclusion resulted from the existence of the right to control the use of the assets throughout the lease term, the present value of lease payments being equal to or in excess of substantially all of the fair value of the underlying assets and the lease term being the major part of the remaining economic life of the underlying assets.

Our total finance lease right-of-use assets were as follows:

(in thousands)	June 30, 2025	December 31, 2024
Finance lease right-of-use assets - cost	$ 53,292	$ 54,842
Finance lease right-of-use assets - accumulated amortization	(33,537)	(24,129)
Finance lease right-of-use assets - net	$ 19,755	$ 30,713

Lease Costs

The components of lease costs are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2025	2024	2025	2024
Operating lease cost	$ 15,139	$ 11,925	$ 30,869	$ 20,961
Finance lease cost:				
Amortization of right-of-use assets	4,559	4,742	9,408	9,268
Interest on lease liabilities	442	754	966	1,568
Total finance lease cost	5,001	5,496	10,374	10,836
Variable lease cost	1,124	791	2,028	1,419
Short-term lease cost	149	244	387	443

Short-Term Leases

We elected the practical expedient option, consistent with ASC 842, to exclude leases with an initial term of twelve months or less ("short-term lease") from our balance sheet and continue to record short-term leases as a period expense.

Initial Direct Costs

We elected to analogize to the measurement guidance of ASC 360 to capitalize costs incurred to place a leased asset into its intended use and to present such capitalized costs as part of the related lease right-of-use asset cost as initial direct costs. The Company incurred initial direct costs of approximately $0.8 million and $0.8 million during the three and six months ended June 30, 2025, respectively, to place the leased equipment into its intended use, which are included in the right-of-use assets

Note 12 - Leases (Continued)

cost related to our Electric Fleet Leases. The Company incurred initial direct costs of approximately $13.8 million and $19.9 million during the three and six months ended June 30, 2024, respectively.

Supplemental Cash Flow Information

Supplemental cash flow information related to leases are as follows:

	Six Months Ended June 30,	
(in thousands)	**2025**	**2024**
Cash paid for amounts included in the measurements of lease liabilities:		
Operating cash flows from operating leases	$ 22,664	$ 14,699
Operating cash flows from finance lease	966	1,568
Financing cash flows from finance lease	9,231	8,542
Noncash lease obligations arising from obtaining right-of-use assets related to:		
Operating leases [1]	11,631	45,175
Finance lease	—	223

(1) During the six months ended June 30, 2025 and 2024, we recorded noncash operating lease obligations arising from obtaining right-of-use assets related to the receipt of equipment under the Electric Fleet Leases. During the six months ended June 30, 2025, we also recorded noncash operating lease obligations arising from obtaining right-of-use assets related to an office lease for our power generation services segment which is included in our All Other category.

Lease Terms and Discount Rates

Lease terms and discount rates are as follows:

	June 30, 2025	December 31, 2024
Weighted average remaining lease term:		
Operating leases	2.1 years	2.4 years
Finance leases	1.2 years	1.6 years
Weighted average discount rate:		
Operating leases	6.8 %	7.0 %
Finance leases	7.3 %	7.3 %

The discount rates used for our operating and finance leases are determined based on the weighted average annual interest rate on our ABL Credit Facility effective at the time of inception or modification of each lease.

Maturity Analysis of Lease Liabilities

The maturity analysis of liabilities and reconciliation to undiscounted and discounted remaining future lease payments for our leases as of June 30, 2025 are as follows:

(in thousands)	**Operating Leases**	**Finance Leases**
Remainder of 2025	$ 22,098	$ 9,937
2026	43,580	12,767
2027	19,682	—
2028	2,827	—
2029	186	—
2030	95	—
Total undiscounted future lease payments	88,468	22,704
Less: amount representing interest	(6,250)	(981)
Present value of future lease payments (lease obligation)	$ 82,218	$ 21,723

Note 13 - Commitments and Contingencies

Commitments

We entered into certain commitments for fixed assets, consumables and services incidental to the ordinary conduct of our business, generally for quantities required for our operations and at competitive market prices. These commitments are designed to assure sources of supply and are not expected to be in excess of normal requirements. We entered into a contractual arrangement with an equipment manufacturer to purchase mobile natural gas-fueled power generation equipment, including turbine generator sets along with auxiliary equipment, for our PROPWR business line, with a total remaining commitment (after our initial down payment and financed payments) of $84.8 million, which will be financed. Under this arrangement, we have incurred interim loans and term loans with outstanding amounts of $2.1 million and $16.8 million, respectively, as of June 30, 2025, related to funding for equipment under construction and equipment received. See "Note 6. Interim and Long-Term Debt." We expect to receive the remaining equipment from the third quarter of 2025 through early 2026. We also entered into contractual arrangements with other equipment manufacturers to purchase additional power generation and auxiliary equipment for our PROPWR business line, with a total remaining commitment of approximately $96.8 million. We have received certain units of this equipment and expect to receive the remaining units from the third quarter of 2025 through the second quarter of 2026. The power generation equipment from these contractual arrangements including equipment received represent a total capacity of approximately 220 megawatts.

We entered into the Electric Fleet Leases, which contain options to extend the leases or purchase the equipment at the end of each lease or at the end of each subsequent renewal period. As of June 30, 2025, all five of the Electric Fleet Leases commenced when the Company took possession of all equipment associated with its first four FORCE® electric-powered hydraulic fracturing fleets and some of the equipment associated with its fifth fleet under these leases. Lease payments pertaining to the remaining equipment associated with the fifth Electric Fleet Lease are expected to commence when the Company takes possession of the remaining associated equipment. We currently expect to receive majority of the remaining equipment associated with the fifth fleet in the second half of 2025. The total estimated contractual commitment in connection with the Electric Fleet Leases excluding the cost associated with the option to purchase the equipment at the end of each lease is approximately $93.4 million. We also entered into the Power Equipment Lease. The total estimated contractual commitment in connection with the Power Equipment Lease is approximately $22.7 million.

The Company enters into purchase agreements with its sand suppliers (the "Sand Suppliers") to secure supply of sand as part of its normal course of business. The agreements with the Sand Suppliers require that the Company purchase a minimum volume of sand, based primarily on a certain percentage of our sand requirements from our customers or in certain situations based on predetermined fixed minimum volumes, otherwise certain penalties (shortfall fees) may be charged. The shortfall fee represents liquidated damages and is either a fixed percentage of the purchase price for the minimum volumes or a fixed price per ton of unpurchased volumes. Our agreements with the Sand Suppliers expire on December 31, 2025. Our sand agreement with one of our Sand Suppliers has a remaining take-or-pay commitment of $0.3 million. During the six months ended June 30, 2025 and 2024, no shortfall fee was recorded.

As of June 30, 2025, the Company had issued letters of credit of approximately $8.6 million under the ABL Credit Facility in connection with the Company's casualty insurance policy. Such letters of credit reduce the amount available to borrow under the ABL Credit Facility.

Contingent Liabilities

Legal Matters

We have been named in various claims, lawsuits or threatened actions in the ordinary course of our business. We intend to defend these matters vigorously; however, litigation is inherently unpredictable, and the ultimate outcome or effect of any claim, lawsuit or action cannot be predicted with certainty. As a result, there can be no assurance as to the ultimate outcome of any litigation matter. Any claims against us, whether meritorious or not, could cause us to incur significant costs and expenses and require significant amounts of management and operational time and resources. With respect to each matter or exposure, we have made an assessment, in accordance with GAAP, of the probability that the resolution of the matter would ultimately result in a loss. When we determine that an unfavorable resolution of a matter is probable and such amount of loss can be estimated, we record a liability at the time that both of these criteria are met. Our management believes that we have recorded adequate accruals for any liabilities that may reasonably be expected to result from these matters. In the opinion of our

Note 13 - Commitments and Contingencies (Continued)

management, no pending or known threatened claims, actions or proceedings against us are expected to have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Environmental and Equipment Insurance

The Company is subject to various federal, state and local environmental laws and regulations that establish standards and requirements for protection of the environment. The Company cannot predict the future impact of such standards and requirements, which are subject to change and can have retroactive effectiveness. The Company continues to monitor the status of these laws and regulations. Currently, the Company has not been fined, cited or notified of any environmental violations that would have a material adverse effect upon its financial position, liquidity or capital resources. However, management does recognize that by the very nature of the Company's business, material costs could be incurred in the near term to maintain compliance. The amount of such future expenditures is not determinable due to several factors, including the unknown magnitude of possible regulation or liabilities, the unknown timing and extent of the corrective actions which may be required, the determination of the Company's liability in proportion to other responsible parties and the extent to which such expenditures are recoverable from insurance or indemnification.

The Company is self-insured up to $10 million per occurrence for certain losses arising from or attributable to fire and/or explosion at the wellsites that do not have qualified fire suppression measures. No accrual was recorded in our financial statements in connection with this self-insurance strategy because the occurrence of fire and/or explosion cannot be reasonably estimated.

Regulatory Audits

In 2020, the Texas Comptroller of Public Accounts (the "Comptroller") commenced a routine audit of the Company's motor vehicle and other related fuel taxes for the periods of July 2015 through December 2020. As of June 30, 2025, the audit was substantially complete and the Company accrued for an estimated settlement expense of $6.0 million.

In May 2022, the Company received a notification from the Comptroller that it will commence a routine audit of the Company's gross receipt taxes, which will routinely cover covers up to a four-year period. As of June 30, 2025, the audit was nearing completion and the Company accrued for an estimated settlement expense of $0.8 million.

Note 14 - Variable Interest Entity

A variable interest entity ("VIE") is an entity with any of the following characteristics: (i) the entity does not have enough equity to finance its activities without additional financial support, (ii) the equity holders, as a group, lack the characteristics of a controlling financial interest or (iii) the entity is structured with non-substantive voting rights. Consolidation of a VIE is required for the party deemed to be the primary beneficiary, if any. The primary beneficiary is the party who has both (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

On November 1, 2024, we sold our cementing business located in Vernal, Utah, to Big 4, which is solely owned by a former employee, as part of a strategic repositioning. We received a promissory note for $13.0 million as consideration. The note receivable is secured by substantially all assets of Big 4 and the former employee’s ownership interests in and distributions from the entity. The note receivable is to be paid to the Company in quarterly installments with interest of 10% per annum from March 31, 2025 to December 31, 2029. We evaluated our note receivable from Big 4 for VIE considerations in accordance with ASC 810—*Consolidation*. The Company holds a variable interest in Big 4 and Big 4 is a VIE due to its lack of sufficient equity to finance its operations without additional subordinated financial support. The note receivable from Big 4 is considered subordinated financial support from the Company and represents a variable interest to the Company in Big 4. Assets and liabilities related to the Company’s variable interest in Big 4 included in the Company’s condensed consolidated balance sheets are limited to the unpaid balance of the note receivable and any accrued interest. The Company’s maximum exposure to loss as a result of its involvement with Big 4 is also limited to the unpaid balance of the note receivable and any accrued interest. The consolidation of Big 4 is not required as the Company is not the primary beneficiary of this VIE as we do not have the power to direct the activities that most significantly impact Big 4’s economic performance. We consider such activities to include performing customer contract obligations, maintaining and establishing customer relationships, and managing costs, among other operational activities. We do not have any control over such activities. Such power is held by Big 4’s sole owner. We account for the note receivable (our variable interest) at amortized cost. At June 30, 2025 and December 31, 2024, the carrying value of the note receivable including interest was $12.2 million and $13.2 million, respectively. Of the carrying value of the note receivable at June 30, 2025 and December 31, 2024, the amount collectible in one year was $2.3 million and $2.1 million, respectively, which is included in our condensed consolidated balance sheets under other current assets. The amount collectible beyond one year as of June 30, 2025 and December 31, 2024 was $9.9 million and $11.1 million, respectively, and is included in our condensed consolidated balance sheets under other non-current assets.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The financial information, discussion and analysis that follow should be read in conjunction with our consolidated financial statements and the related notes included in our Form 10-K as well as the financial and other information included therein.

Unless otherwise indicated, references in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to the "Company," "we," "our," "us" or like terms refer to ProPetro Holding Corp. and its subsidiaries.

Overview

We are a leading integrated energy service company, located in Midland, Texas, focused on providing innovative hydraulic fracturing, wireline and other complementary energy and power generation services to leading upstream oil and gas companies engaged in the exploration and production ("E&P") of North American oil and natural gas resources. Our operations are primarily focused in the Permian Basin, where we have cultivated longstanding customer relationships with some of the region's most active and well-capitalized E&P companies. The Permian Basin is widely regarded as one of the most prolific oil-producing areas in the United States, and we believe we are one of the leading providers of completion services in the region.

Our operating segments comprise hydraulic fracturing, wireline, cementing and power generation services. Our completion services include hydraulic fracturing, wireline and cementing operations. Our hydraulic fracturing operations account for approximately 75.3% of our total revenues and operations as of June 30, 2025. Our total available hydraulic horsepower ("HHP") as of June 30, 2025, was 1,307,000 HHP, which was comprised of 440,000 HHP of our Tier IV DGB dual-fuel equipment, 312,000 HHP of FORCE® electric-powered equipment and 555,000 HHP of conventional Tier II equipment. Our hydraulic fracturing fleets range from approximately 50,000 to 80,000 HHP depending on the job design and customer demand at the wellsite. Our equipment has been designed to handle the operating conditions commonly encountered in the Permian Basin and the region's increasingly high-intensity well completions (including simultaneous hydraulic fracturing ("Simul-Frac"), which involves fracturing multiple wellbores at the same time), which are characterized by longer horizontal wellbores, more stages per lateral and increasing amounts of proppant per well. With the industry transition to lower emissions equipment and Simul-Frac, in addition to several other changes to our customers' job designs, we believe that our available fleet capacity could decline if we decide to reconfigure our fleets to increase active HHP and backup HHP at wellsites. In 2021, we began to transition our fleet from traditional equipment to Tier IV DGB dual-fuel equipment. In 2022, we entered into three-year electric fleet leases for four FORCE® electric-powered hydraulic fracturing fleets with 60,000 HHP per fleet (the "Electric Fleet Leases") and in 2024, we entered into an additional three-year lease for a fifth FORCE® electric-powered hydraulic fracturing fleet with 72,000 HHP. As of June 30, 2025, we have received 312,000 HHP of FORCE® electric-powered equipment representing four fleets and a portion of the fifth fleet. We currently expect to receive the remaining equipment associated with the fifth fleet in the second half of 2025. We currently have 26 wireline units and 30 cementing units.

In the fourth quarter of fiscal year 2024, we formed a new subsidiary, ProPetro Energy Solutions, LLC, ("PROPWR") to provide power generation services to oil and gas producers and non-oil and gas applications such as general industrial projects and data centers. This subsidiary has started purchasing equipment, but it has not yet begun revenue-generating activities. In April 2025, we entered into a financing arrangement to purchase additional mobile natural gas-fueled power generation equipment.

On November 1, 2024, we sold our cementing business located in Vernal, Utah, to a business owned by a former employee as part of a strategic repositioning. We received a promissory note for $13.0 million as consideration. The note receivable is secured by substantially all assets of the former employee's business and the former employee's ownership interests in and distributions from the business. The note receivable is to be paid to the Company in quarterly installments with interest of 10% per annum from March 31, 2025, to December 31, 2029. We recorded a gain on disposal of $8.2 million related to the sale of the business. The former employee was part of our cementing operations until November 1, 2024, and is no longer affiliated with the Company.

On May 31, 2024, we consummated the acquisition of all of the outstanding equity interests in Aqua Prop, LLC ("AquaProp"), which provides wet sand solutions for hydraulic fracturing sand requirements at oil well sites (the "AquaProp Acquisition"). The consideration for the AquaProp Acquisition includes $13.7 million of cash paid to the seller, $3.7 million of deferred cash consideration which was paid to the seller in May 2025, the payoff of $7.2 million of the seller's outstanding debt, the payment of $0.3 million of certain transaction costs and estimated contingent consideration of $10.9 million. As a result of the AquaProp Acquisition, we expanded our business to include wet sand services.

Our competitors include many large and small energy service companies, including Halliburton Company, Liberty Energy Inc., Patterson-UTI Energy Inc., ProFrac Holding Corp., Solaris Energy Infrastructure, Inc., RPC, Inc., and a number of private and locally-oriented businesses. The markets in which we operate are highly competitive. To be successful, an energy services company must provide services that meet the specific needs of oil and natural gas E&P companies at competitive prices.

Competitive factors impacting sales of our services are price, reputation, technical expertise, emissions profile, service and equipment design and quality, and health and safety standards. Although we believe our customers consider all of these factors, we believe price is a key factor in an E&P company's criteria in choosing a service provider. However, we have recently observed the energy industry and our customers shift to lower emissions equipment, which we believe will be an increasingly important factor in an E&P company's selection of a service provider. The transition to lower emissions equipment has been challenging for companies in the service industry because of the capital requirements, lack of large scale deployment of certain new technology such as electric-powered equipment, and the pricing for our services and expected return on invested capital. While we seek to price our services competitively, we believe many of our customers elect to work with us based on our operational efficiencies, productivity, equipment portfolio and quality, reliability, ability to manage multifaceted logistics challenges, commitment to safety and the ability of our people to handle the most complex Permian Basin well completions and power generation challenges.

We believe that our substantial market presence in the Permian Basin positions us well to capitalize on drilling and completion activity and power demand in the region. Our operational focus has been in the Permian Basin's Midland sub-basin, where our customers have operated. However, we have increased our operations in the Delaware sub-basin and are well-positioned to support further increases to our activity in this area in response to demand from our customers. Over time, we expect the Permian Basin's Midland and Delaware sub-basins to continue to command a disproportionate share of future North American E&P spending.

Additionally, we believe the significant natural gas production in the Permian Basin will become a natural market for power-intensive businesses including data centers and other industrial businesses seeking alternative solutions for reliable and available electricity requirements which are not dependent on grid or public utility limitations.

Our Hydraulic Fracturing, Wireline and Cementing operating segments meet the criteria of a reportable segment. Prior to the fourth quarter of 2024, our cementing segment did not meet the quantitative thresholds for a reportable segment and was shown in the "All Other" category. Effective as of the fourth quarter of 2024, cementing is shown as a reportable segment since it meets the criteria of a reportable segment. Our power generation services segment does not meet the reportable segment criteria and is included within the “All Other” category. Additionally, our corporate administrative activities do not involve business activities from which we may earn revenues and its results are not regularly reviewed by the Company’s CODM when making key operating and resource decisions. As a result, corporate administrative expenses and intersegment revenue have been included under "Reconciling Items." Prior period segment information has been revised to conform to our current presentation. For additional financial information on our reportable segments presentation, see "Note 7 - Reportable Segment Information."

Pioneer Pressure Pumping Acquisition

On December 31, 2018, we consummated the purchase of certain pressure pumping assets and real property from Pioneer Natural Resources USA, Inc. ("Pioneer") and Pioneer Pumping Services (the "Pioneer Pressure Pumping Acquisition") in exchange for 16.6 million shares of our common stock and $110.0 million in cash. In May 2024, Pioneer merged with and into a wholly owned subsidiary of Exxon Mobil Corporation ("ExxonMobil") after which ExxonMobil became the owner of these shares. The Company currently provides pressure pumping, wireline and other services to ExxonMobil and previously provided such services to Pioneer.

On April 22, 2024, we entered into a sub-agreement for Hydraulic Fracturing Services with XTO Energy Inc., a wholly owned subsidiary of ExxonMobil, under which we provide hydraulic fracturing, wireline and pumpdown services with two committed FORCE® electric-powered hydraulic fracturing fleets with the option to add a third FORCE® fleet (also with wireline and pumpdown services) for a period of three years or for contracted hours, whichever occurs last with respect to each fleet, subject to certain termination and release rights.

Commodity Price and Other Economic Conditions

The oil and gas industry has traditionally been volatile and is characterized by a combination of long-term, short-term and cyclical trends, including domestic and international supply and demand for oil and gas, current and expected future prices for oil and gas and the perceived stability and sustainability of those prices, and capital investments of E&P companies toward their development and production of oil and gas reserves. The oil and gas industry is also impacted by general domestic and international economic conditions such as supply chain disruptions and inflation, war and political instability in oil producing countries, government regulations (both in the United States and internationally), levels of consumer demand, adverse weather conditions, and other factors that are beyond our control.

The geopolitical and macroeconomic consequences of military action in the Middle East, the Russian invasion of Ukraine, including the associated sanctions, and actions by OPEC+ have contributed to volatility in supply and demand dynamics for crude oil and associated volatility in crude oil pricing in recent years. More recently, the West Texas Intermediate ("WTI") average crude oil price declined to approximately $63 per barrel in April 2025 before rebounding to approximately $68 per barrel in June 2025 in response to tariff policies implemented by the U.S. government, an anticipated increase in global supply of crude oil and concerns of a potential global recession resulting from high inflation, interest rates, impacts of tariff policies on supply chains and increased costs as whole. Additionally, we have recently experienced a decrease in the rig count to 304 at the end of 2024 and a further decrease to 265 at the beginning of July 2025, which resulted in a reduction in the demand for completion services and pressure on pricing of our services.

Sustained levels of high inflation have likewise caused the U.S. Federal Reserve and other central banks to increase interest rates, and to the extent elevated inflation remains, we may experience further cost increases for our operations, including interest rates, labor costs and equipment. We cannot predict any future trends in the rate of inflation and crude oil prices. A significant increase in or continued high levels of inflation, to the extent we are unable to timely pass-through the cost increases to our customers, further declines in crude oil prices, or changes in U.S trade policy, including the imposition of tariffs and the resulting consequences, would negatively impact our business, financial condition and results of operations.

Government regulations and investors are demanding the oil and gas industry, including upstream and energy service companies, transition to a lower emissions operating environment. As a result, we are working with our customers and equipment manufacturers to transition our equipment to a lower emissions profile. Currently, a number of lower emission solutions for pumping equipment, including Tier IV DGB dual-fuel, FORCE® electric, direct drive gas turbine and other technologies have been developed, and we expect additional lower emission solutions will be developed in the future. We are continually evaluating these technologies and other investment and acquisition opportunities that would support our existing and new customer relationships. The transition to lower emissions equipment is quickly evolving and has been and will be capital intensive. Over time, we plan to replace our conventional Tier II diesel-only equipment with lower emissions equipment. We have transitioned our hydraulic fracturing equipment portfolio from approximately 60% lower emissions equipment in 2023, 70% in 2024, and approximately 75% as of June 30, 2025. To the extent any of our customers have certain expectations or requirements with respect to emissions reductions from their contractors, if we are unable to continue to quickly transition to lower emissions equipment, the demand for our services could be adversely impacted.

If the Permian Basin rig count and market conditions improve, including improved pricing for our services and labor availability, and we are able to meet our customers' lower emissions equipment demands, we believe our operational and financial results will also improve. If the rig count or market conditions do not improve or decline in the future, and we are unable to increase our pricing or pass-through future cost increases to our customers, there could be a material adverse impact on our business, results of operations, and cash flows.

Our results of operations have historically reflected seasonal tendencies, typically in the fourth quarter, relating to the holiday season, inclement winter weather and exhaustion of our customers' annual budgets. As a result, we typically experience declines in our operating and financial results in November and December, even in a stable commodity price and operations environment.

How We Evaluate Our Operations

Our management uses Adjusted EBITDA or Adjusted EBITDA margin to evaluate and analyze the performance of our various operating segments.

Adjusted EBITDA and Adjusted EBITDA Margin

We view Adjusted EBITDA and Adjusted EBITDA margin as important indicators of performance. We define EBITDA as our earnings, before (i) interest expense, (ii) income taxes and (iii) depreciation and amortization. We define Adjusted EBITDA as EBITDA, plus (i) loss/(gain) on disposal of assets, (ii) stock-based compensation, (iii) other expense/(income), (iv) other unusual or nonrecurring (income)/expenses such as impairment expenses, costs related to asset acquisitions, insurance recoveries, one-time professional fees and legal settlements and (v) retention bonuses and severance. Adjusted EBITDA margin reflects our Adjusted EBITDA as a percentage of our revenues.

Adjusted EBITDA and Adjusted EBITDA margin are supplemental measures utilized by our management and other users of our financial statements such as investors, commercial banks, and research analysts, to assess our financial performance because it allows us and other users to compare our operating performance on a consistent basis across periods by removing the effects of our capital structure (such as varying levels of interest expense), asset base (such as depreciation and amortization), nonrecurring (income)/expenses and items outside the control of our management team (such as income taxes). Adjusted EBITDA and Adjusted EBITDA margin have limitations as analytical tools and should not be considered as an alternative to net income/(loss), operating income/(loss), cash flow from operating activities or any other measure of financial performance presented in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Note Regarding Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA margin are not financial measures presented in accordance with GAAP ("non-GAAP"), except when specifically required to be disclosed by GAAP in the financial statements. We believe that the presentation of Adjusted EBITDA and Adjusted EBITDA margin provide useful information to investors in assessing our financial condition and results of operations because it allows them to compare our operating performance on a consistent basis across periods by removing the effects of our capital structure, asset base, nonrecurring expenses (income) and items outside the control of the Company. Net income (loss) is the GAAP measure most directly comparable to Adjusted EBITDA. Adjusted EBITDA and Adjusted EBITDA margin should not be considered as alternatives to the most directly comparable GAAP financial measure. Each of these non-GAAP financial measures has 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 Adjusted EBITDA margin in isolation or as a substitute for an analysis of our results as reported under GAAP. Because Adjusted EBITDA and Adjusted EBITDA margin 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.

The following tables set forth certain financial information with respect to the Company’s reportable segments; intersegment revenues are shown under "Reconciling Items" (in thousands):

	Three Months Ended June 30, 2025					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 245,741	$ 47,995	$ 32,443	$ —	$ (28)	$ 326,151
Adjusted EBITDA	$ 51,983	$ 7,855	$ 4,651	$ (2,231)	$ (12,651)	$ 49,607
Depreciation and amortization	$ 35,634	$ 5,608	$ 2,030	$ 17	$ 20	$ 43,309
Operating lease expense on FORCE® fleets (1)	$ 14,462	$ —	$ —	$ —	$ —	$ 14,462
Capital expenditures incurred	$ 25,064	$ 2,331	$ 3,083	$ 42,614	$ —	$ 73,092
Goodwill June 30, 2025	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets June 30, 2025	$ 886,013	$ 157,957	$ 70,078	$ 61,525	$ 53,574	$ 1,229,147

	Three Months Ended June 30, 2024					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 271,628	$ 49,202	$ 36,277	$ —	$ (86)	$ 357,021
Adjusted EBITDA	$ 63,709	$ 10,707	$ 6,583	$ —	$ (14,937)	$ 66,062
Depreciation and amortization (2)	$ 52,965	$ 5,129	$ 2,279	$ —	$ 32	$ 60,405
Operating lease expense on FORCE® fleets (1)	$ 11,533	$ —	$ —	$ —	$ —	$ 11,533
Capital expenditures incurred	$ 25,631	$ 1,943	$ 4,376	$ —	$ —	$ 31,950
Goodwill December 31, 2024	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets December 31, 2024	$ 961,485	$ 156,349	$ 73,935	$ —	$ 31,876	$ 1,223,645

	Six Months Ended June 30, 2025					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 515,140	$ 101,437	$ 69,076	$ —	$ (86)	$ 685,567
Adjusted EBITDA	$ 120,323	$ 18,328	$ 12,717	$ (2,941)	$ (26,134)	$ 122,293
Depreciation and amortization	$ 76,935	$ 11,035	$ 3,960	$ 17	$ 43	$ 91,990
Operating lease expense on FORCE® fleets (1)	$ 29,801	$ —	$ —	$ —	$ —	$ 29,801
Capital expenditures incurred	$ 41,402	$ 4,515	$ 4,914	$ 60,914	$ —	$ 111,745
Goodwill June 30, 2025	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets June 30, 2025	$ 886,013	$ 157,957	$ 70,078	$ 61,525	$ 53,574	$ 1,229,147

	Six Months Ended June 30, 2024					
	Hydraulic Fracturing	Wireline	Cementing	All Other	Reconciling Items	Total
Service revenue	$ 580,928	$ 110,007	$ 72,015	$ —	$ (86)	$ 762,864
Adjusted EBITDA	$ 149,828	$ 27,493	$ 11,444	$ —	$ (29,309)	$ 159,456
Depreciation and amortization (2)	$ 104,406	$ 10,044	$ 4,557	$ —	$ 58	$ 119,065
Operating lease expense on FORCE® fleets (1)	$ 20,126	$ —	$ —	$ —	$ —	$ 20,126
Capital expenditures incurred	$ 61,619	$ 4,329	$ 5,842	$ —	$ —	$ 71,790
Goodwill December 31, 2024	$ 920	$ —	$ —	$ —	$ —	$ 920
Total assets December 31, 2024	$ 961,485	$ 156,349	$ 73,935	$ —	$ 31,876	$ 1,223,645

(1) Represents amortization of right-of-use assets and interest expense on lease liabilities related to operating leases on our FORCE ® electric-powered hydraulic fracturing fleets. This cost is recorded within cost of services in our condensed consolidated statements of operations and is included in Adjusted EBITDA.

(2) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amounts of $2.9 million and $9.3 million from loss on disposal of assets to depreciation for the three and six months ended June 30, 2024, respectively.

A reconciliation of net income to Adjusted EBITDA is provided in the table below (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net (loss) income	$ (7,155)	$ (3,660)	$ 2,447	$ 16,270
Depreciation and amortization (1)	43,309	60,405	91,990	119,065
Interest expense	1,811	1,965	3,541	3,994
Income tax expense	2,372	3,565	3,484	13,324
Loss on disposal of assets (1)	4,346	394	14,092	398
Stock-based compensation	4,733	4,618	8,070	8,360
Business acquisition contingent consideration adjustments	(100)	—	(400)	—
Other income, net (2)	(195)	(2,403)	(3,138)	(3,809)
Other general and administrative expense, net	159	1,113	165	1,171
Retention bonus and severance expense	327	65	2,042	683
Adjusted EBITDA	$ 49,607	$ 66,062	$ 122,293	$ 159,456

(1) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amounts of $2.9 million and $9.3 million from loss on disposal of assets to depreciation for the three and six months ended June 30, 2024, respectively.

(2) Other income for the three months ended June 30, 2024 is primarily comprised of tax refunds of $1.7 million and a $0.7 million unrealized gain on short-term investment. Other income for the six months ended June 30, 2025 is primarily comprised of adjustments to workers' compensation and general liability insurance premiums of $1.0 million, tax refunds (net of advisory fees) totaling $0.4 million, interest income from note receivable from sale of business of $0.6 million, a $0.3 million unrealized gain on short-term investment and $0.8 million of other income. Other income for the six months ended June 30, 2024 is primarily comprised of insurance reimbursements of $2.0 million, tax refunds of $1.7 million and a $0.1 million unrealized gain on short-term investment.

Results of Operations

As of June 30, 2025, we conducted our business through four operating segments: hydraulic fracturing, wireline, cementing, and power generation services (started in the fourth quarter of fiscal year 2024 and has not begun any revenue-generating activities yet). Our power generation services operating segment is shown in the "All Other" category for segment reporting purposes.

On May 31, 2024, we completed the acquisition of all of the outstanding equity interests in AquaProp in exchange for $13.7 million of cash, $3.7 million of deferred cash consideration payable to AquaProp's seller by May 31, 2025, the payoff of $7.2 million of assumed debt, the payment of $0.3 million of certain transaction costs, and estimated contingent consideration of $10.9 million. As a result of the acquisition, we expanded our operations into the wet sand service business unit. The Company's results include the impact of AquaProp's operations for the full three and six months ended June 30, 2025 compared to only 31 days of activity during the three and six months ended June 30, 2024 because we acquired AquaProp in May 2024. Accordingly, the full impact of the results of AquaProp may affect the comparability of our 2025 results when compared to prior period. AquaProp's operations, which are included in the Hydraulic Fracturing reportable segment, resulted in a $17.4 million and a $38.8 million increase in revenues for the three and six months ended June 30, 2025, respectively, and a $16.3 million and a $36.7 million increase in cost of services for the three and six months ended June 30, 2025, respectively.

The following table sets forth the results of operations for the periods presented:

(in thousands, except for percentages)	Three Months Ended June 30,		Change Increase (Decrease)	
	2025	2024	$	%
Revenue				
Hydraulic Fracturing	$ 245,741	$ 271,628	$ (25,887)	(9.5)%
Wireline	47,995	49,202	(1,207)	(2.5)%
Cementing	32,443	36,277	(3,834)	(10.6)%
All Other (1)	—	—	—	— %
Elimination of intersegment service revenue	(28)	(86)	58	67.4 %
Total revenue	326,151	357,021	(30,870)	(8.6)%
Cost of services (2)				
Hydraulic Fracturing	188,759	202,423	(13,664)	(6.8)%
Wireline	37,371	35,394	1,977	5.6 %
Cementing	26,532	28,114	(1,582)	(5.6)%
All Other (1)	539	—	539	100.0 %
Elimination of intersegment cost of services	(28)	(86)	58	67.4 %
Total cost of services	253,173	265,845	(12,672)	(4.8)%
General and administrative expense (3)	28,490	30,910	(2,420)	(7.8)%
Depreciation and amortization (4)	43,309	60,405	(17,096)	(28.3)%
Loss on disposal of assets (4)	4,346	394	3,952	1,003.0 %
Interest expense	1,811	1,965	(154)	(7.8)%
Other income, net	(195)	(2,403)	2,208	91.9 %
Income tax expense	2,372	3,565	(1,193)	(33.5)%
Net loss	$ (7,155)	$ (3,660)	$ (3,495)	(95.5)%
Adjusted EBITDA (5)	$ 49,607	$ 66,062	$ (16,455)	(24.9)%
Adjusted EBITDA Margin (5)	15.2 %	18.5 %	(3.3)%	(17.8)%
Hydraulic Fracturing segment results of operations:				
Revenue	$ 245,741	$ 271,628	$ (25,887)	(9.5)%
Cost of services	$ 188,759	$ 202,423	$ (13,664)	(6.8)%
Adjusted EBITDA (6)	$ 51,983	$ 63,709	$ (11,726)	(18.4)%
Adjusted EBITDA Margin (6)	21.2 %	23.5 %	(2.3)%	(9.8)%

(1) Represents our power generation services business.

(2) Exclusive of depreciation and amortization.

(3) Inclusive of stock-based compensation.

(4) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amount of $2.9 million from loss on disposal of assets to depreciation for the three months ended June 30, 2024.

(5) For definitions of the non-GAAP financial measures of Adjusted EBITDA and Adjusted EBITDA margin and reconciliation of Adjusted EBITDA to our most directly comparable financial measures calculated in accordance with GAAP, please read "How We Evaluate Our Operations."

(6) The non-GAAP financial measure of Adjusted EBITDA margin for the Hydraulic Fracturing segment is calculated by taking Adjusted EBITDA for the Hydraulic Fracturing segment as a percentage of our revenue for the Hydraulic Fracturing segment.

Three Months Ended June 30, 2025 Compared to the Three Months Ended June 30, 2024

Revenues. Revenues decreased 8.6%, or $30.9 million, to $326.2 million during the three months ended June 30, 2025, as compared to $357.0 million during the three months ended June 30, 2024. Revenue by reportable segment was as follows:

Hydraulic Fracturing. Our hydraulic fracturing segment revenues decreased 9.5%, or $25.9 million, for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024. The decrease was primarily attributable to decreased customer pricing, decreased activity and weather related interruptions, partially offset by the addition of AquaProp's operations in May 2024, which resulted in a $17.4 million increase in revenues during the three months ended June 30, 2025 due to the impact of AquaProp's operations for the full three months ended June 30, 2025 compared to only 31 days of activity during the three months ended June 30, 2024. We operated approximately 13 to 14 active hydraulic fracturing fleets during thethree months ended June 30, 2025, compared to approximately 14active hydraulic fracturing fleets during the three months ended June 30, 2024. Intersegment revenues, consisting of revenues derived from our wireline segment, totaled $28 thousand and $0.1 million for the three months ended June 30, 2025 and 2024, respectively.

Wireline. Our wireline segment revenues decreased 2.5% or $1.2 million for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024. The decrease was primarily attributable to decreased customer activity and customer pricing.

Cementing. Our cementing segment revenue decreased 10.6%, or $3.8 million for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024. The decrease was primarily attributable to the sale of our cementing business located in Vernal, Utah in November 2024 which contributed $4.9 million in revenues during the three months ended June 30, 2024.

Cost of Services. Cost of services decreased 4.8%, or $12.7 million, to $253.2 million for the three months ended June 30, 2025, as compared to $265.8 million during the three months ended June 30, 2024. Cost of services by reportable segment was as follows:

Hydraulic Fracturing. Cost of services in our hydraulic fracturing segment decreased $13.7 million for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024. As a percentage of hydraulic fracturing segment revenues, hydraulic fracturing cost of services was 76.8% for the three months ended June 30, 2025, as compared to 74.5% for the three months ended June 30, 2024 driven by customer price decreases and the impact of general cost inflation. The decrease in cost of services was partially offset by the addition of AquaProp's operations in May 2024, which resulted in a $16.3 million increase in cost of services during the three months ended June 30, 2025.

Wireline. Our wireline segment cost of services increased $2.0 million for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024 due to the impact of general cost inflation. Intersegment cost of services, consisting of cost of services incurred to our hydraulic fracturing segment, totaled $28 thousand and $0.1 million for the three months ended June 30, 2025 and 2024, respectively.

Cementing. Our cementing cost of services decreased 5.6%, or $1.6 million for the three months ended June 30, 2025, as compared to the three months ended June 30, 2024. The decrease was primarily attributable to the sale of our cementing business located in Vernal, Utah in November 2024.

General and Administrative Expenses. General and administrative expenses decreased 7.8%, or $2.4 million, to $28.5 million for the three months ended June 30, 2025, as compared to $30.9 million for the three months ended June 30, 2024. The net decrease was primarily attributable to a $1.6 million decrease in professional fees and a $1.1 million decrease in transaction expenses, partially offset by a $0.3 million net increase in other general and administrative expenses.

Excluding nonrecurring and non-cash items (i.e., stock-based compensation of $4.7 million, retention bonuses and severance expenses of $0.3 million and legal settlements of $0.2 million, partially offset by business acquisition contingent consideration adjustments of $0.1 million), general and administrative expenses were $23.4 million during the three months ended June 30, 2025, as compared to $25.1 million during the three months ended June 30, 2024.

Depreciation and Amortization. Depreciation and amortization decreased 28.3%, or $17.1 million, to $43.3 million for the three months ended June 30, 2025, as compared to $60.4 million for the three months ended June 30, 2024. The decrease was primarily attributable to assets fully depreciating and a reduction in the cost basis of Tier II diesel-only hydraulic fracturing pumping units and associated conventional assets impaired in the third quarter of 2024, partially offset by the addition of AquaProp's operations in May 2024 which resulted in a $1.2 million increase in depreciation and amortization.

Loss on Disposal of Assets. Loss on disposal of assets increased by $3.9 million, to $4.3 million for the three months ended June 30, 2025, as compared to $0.4 million for the three months ended June 30, 2024. The increase was primarily attributable to losses incurred during the three months ended June 30, 2025 from the sale of certain Tier II hydraulic fracturing equipment.

Interest Expense. Interest expense decreased to $1.8 million for the three months ended June 30, 2025, as compared to $2.0 million for the three months ended June 30, 2024.

Other Income. Other income was approximately $0.2 million for the three months ended June 30, 2025, compared to other income of $2.4 million for the three months ended June 30, 2024. Other income for the three months ended June 30, 2024 is primarily comprised of tax refunds of $1.7 million and a $0.7 million unrealized gain on short-term investment.

Income Taxes. Total income tax expense was $2.4 million resulting in an effective tax rate of (49.6)% for the three months ended June 30, 2025, as compared to income tax expense of $3.6 million for the three months ended June 30, 2024. The change in income tax expense recorded during the three months ended June 30, 2025, compared to the three months ended June 30, 2024, is primarily attributable to the difference in the impact of nondeductible expenses, state taxes, and valuation allowances on the pre-tax loss for 2025, as compared to the near break-even loss in 2024.

The following table sets forth the results of operations for the periods presented:

(in thousands, except for percentages)	Six Months Ended June 30,		Change Increase (Decrease)	
	2025	2024	$	%
Revenue				
Hydraulic Fracturing	$ 515,140	$ 580,928	$ (65,788)	(11.3)%
Wireline	101,437	110,007	(8,570)	(7.8)%
Cementing	69,076	72,015	(2,939)	(4.1)%
All Other (1)	—	—	—	— %
Elimination of intersegment service revenue	(86)	(86)	—	— %
Total revenue	685,567	762,864	(77,297)	(10.1)%
Cost of services (2)				
Hydraulic Fracturing	385,013	420,446	(35,433)	(8.4)%
Wireline	77,663	76,546	1,117	1.5 %
Cementing	53,900	57,580	(3,680)	(6.4)%
All Other (1)	539	—	539	100.0 %
Elimination of intersegment cost of services	(86)	(86)	—	— %
Total cost of services	517,029	554,486	(37,457)	(6.8)%
General and administrative expense (3)	56,122	59,136	(3,014)	(5.1)%
Depreciation and amortization (4)	91,990	119,065	(27,075)	(22.7)%
Loss on disposal of assets (4)	14,092	398	13,694	3,440.7 %
Interest expense	3,541	3,994	(453)	(11.3)%
Other income, net	(3,138)	(3,809)	671	17.6 %
Income tax expense	3,484	13,324	(9,840)	(73.9)%
Net income	$ 2,447	$ 16,270	$ (13,823)	(85.0)%
Adjusted EBITDA (5)	$ 122,293	$ 159,456	$ (37,163)	(23.3)%
Adjusted EBITDA Margin (5)	17.8 %	20.9 %	(3.1)%	(14.8)%
Hydraulic Fracturing segment results of operations:				
Revenue	$ 515,140	$ 580,928	$ (65,788)	(11.3)%
Cost of services	$ 385,013	$ 420,446	$ (35,433)	(8.4)%
Adjusted EBITDA (6)	$ 120,323	$ 149,828	$ (29,505)	(19.7)%
Adjusted EBITDA Margin (6)	23.4 %	25.8 %	(2.4)%	(9.3)%

(1) Represents our power generation services business.

(2) Exclusive of depreciation and amortization.

(3) Inclusive of stock-based compensation.

(4) The write-offs of remaining book value of prematurely failed power ends and other components are recorded as depreciation in 2025. In order to conform to current period presentation, we have reclassified the corresponding amount of $9.3 million from loss on disposal of assets to depreciation for the six months ended June 30, 2024

(5) For definitions of the non-GAAP financial measures of Adjusted EBITDA and Adjusted EBITDA margin and reconciliation of Adjusted EBITDA to our most directly comparable financial measures calculated in accordance with GAAP, please read "How We Evaluate Our Operations."

(6) The non-GAAP financial measure of Adjusted EBITDA margin for the Hydraulic Fracturing segment is calculated by taking Adjusted EBITDA for the Hydraulic Fracturing segment as a percentage of our revenue for the Hydraulic Fracturing segment.

Six Months Ended June 30, 2025 Compared to the Six Months Ended June 30, 2024

Revenues. Revenues decreased 10.1%, or $77.3 million, to $685.6 million during the six months ended June 30, 2025, as compared to $762.9 million during the six months ended June 30, 2024. Revenue by reportable segment was as follows:

Hydraulic Fracturing. Our hydraulic fracturing segment revenues decreased 11.3%, or $65.8 million, for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. The decrease was primarily attributable to decreased customer pricing, partially offset by the addition of AquaProp's operations in May 2024, which resulted in a $38.8 million increase in revenues during the six months ended June 30, 2025 due to the impact of AquaProp's operations for the full six months ended June 30, 2025 compared to only 31 days of activity during the six months ended June 30, 2024. We operated approximately 14 active hydraulic fracturing fleets during the six months ended June 30, 2025 and 2024, respectively. Intersegment revenues, consisting of revenues derived from our wireline segment, totaled $0.1 million and $0.1 million for the six months ended June 30, 2025 and 2024, respectively.

Wireline. Our wireline segment revenues decreased 7.8% or $8.6 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. The decrease was primarily attributable to decreased customer activity and customer pricing.

Cementing. Our cementing segment revenue decreased 4.1%, or $2.9 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. The decrease was primarily attributable to the sale of our cementing business located in Vernal, Utah in November 2024 which contributed $12.0 million in revenues during the six months ended June 30, 2024, partially offset by increases resulting from synergies gained with customers after the acquisition of Par Five Energy Services LLC.

Cost of Services. Cost of services decreased 6.8%, or $37.5 million, to $517.0 million for the six months ended June 30, 2025, as compared to $554.5 million during the six months ended June 30, 2024. Cost of services by reportable segment was as follows:

Hydraulic Fracturing. Cost of services in our hydraulic fracturing segment decreased $35.4 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. As a percentage of hydraulic fracturing segment revenues, hydraulic fracturing cost of services was 74.7% for the six months ended June 30, 2025, as compared to 72.4% for the six months ended June 30, 2024 driven by customer price decreases and the impact of general cost inflation. The decrease in cost of services was partially offset by the addition of AquaProp's operations in May 2024, which resulted in a $36.7 million increase in cost of services during the six months ended June 30, 2024.

Wireline. Our wireline segment cost of services increased $1.1 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024 due to the impact of general cost inflation. Intersegment cost of services, consisting of cost of services incurred to our hydraulic fracturing segment, totaled $0.1 million and $0.1 million for the six months ended June 30, 2025 and 2024, respectively.

Cementing. Our cementing cost of services decreased 6.4%, or $3.7 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024. The decrease was primarily attributable to the sale of our cementing business located in Vernal, Utah in November 2024.

General and Administrative Expenses. General and administrative expenses decreased 5.1%, or $3.0 million, to $56.1 million for the six months ended June 30, 2025, as compared to $59.1 million for the six months ended June 30, 2024. The net decrease was primarily attributable to (i) a $2.6 million decrease in professional fees, (ii) a $1.1 million decrease in transaction expenses and (iii) a $0.7 million net decrease in other general and administrative expenses, partially offset by a $1.4 million increase in severance expense.

Excluding nonrecurring and non-cash items (i.e., stock-based compensation of $8.1 million, retention bonuses and severance expenses of $2.0 million and legal settlements of $0.2 million, partially offset by business acquisition contingent consideration adjustments of $0.4 million), general and administrative expenses were $46.2 million during the six months ended June 30, 2025, as compared to $48.9 million during the six months ended June 30, 2024.

Depreciation and Amortization. Depreciation and amortization decreased 22.7%, or $27.1 million, to $92.0 million for the six months ended June 30, 2025, as compared to $119.1 million for the six months ended June 30, 2024. The decrease was primarily attributable to assets fully depreciating and a reduction in the cost basis of Tier II diesel-only hydraulic fracturing pumping units and associated conventional assets impaired in the third quarter of 2024, partially offset by the addition of AquaProp's operations in May 2024 which resulted in a $2.7 million increase in depreciation and amortization.

Loss on Disposal of Assets. Loss on disposal of assets increased by $13.7 million, to $14.1 million for the six months ended June 30, 2025, as compared to $0.4 million for the six months ended June 30, 2024. The increase was primarily attributable to losses incurred during the six months ended June 30, 2025 from the sale of certain Tier II hydraulic fracturing equipment.

Interest Expense. Interest expense decreased to $3.5 million for the six months ended June 30, 2025, as compared to $4.0 million for the six months ended June 30, 2024. The decrease was primarily attributable to lower interest rates on outstanding borrowings under our revolving credit facility (the revolving credit facility, as may be amended, the "ABL Credit Facility") during the six months ended June 30, 2025 and a reduction in our finance lease obligation as a result of a payments.

Other Income. Other income was approximately $3.1 million for the six months ended June 30, 2025, compared to other income of $3.8 million for the six months ended June 30, 2024. Other income for the six months ended June 30, 2025 is primarily comprised of adjustments to workers' compensation and general liability insurance premiums of $1.0 million, tax refunds (net of advisory fees) totaling $0.4 million, interest income from note receivable from sale of business of $0.6 million, a $0.3 million unrealized gain on short-term investment and $0.8 million of other income. Other income for the six months ended June 30, 2024 is primarily comprised of insurance reimbursements of $2.0 million, tax refunds of $1.7 million and a $0.1 million unrealized gain on short-term investment.

Income Taxes. Total income tax expense was $3.5 million resulting in an effective tax rate of 58.7% for the six months ended June 30, 2025, as compared to income tax expense of $13.3 million or an effective tax rate of 45.0% for the six months ended June 30, 2024. The change in income tax expense recorded during the six months ended June 30, 2025, compared to the six months ended June 30, 2024, is primarily attributable to the difference in the impact of nondeductible expenses, state taxes, and valuation allowances on the pre-tax income for 2025, as compared to 2024.

Liquidity and Capital Resources

Our liquidity is currently provided by (i) existing cash balances, (ii) operating cash flows and (iii) borrowings under our ABL Credit Facility (as defined below). See "Credit Facility and Other Financing Arrangements" below. In addition, on April 2, 2025, we entered into a financing arrangement (the "PROPWR Equipment Loan Agreement") to support the purchase of certain mobile natural gas-fueled power generation equipment, including turbine generator sets along with auxiliary equipment, for our PROPWR business line. Our cash is primarily used to fund our operations, support growth opportunities, fund share repurchases under our share repurchase program and satisfy existing and future debt repayments. Our Borrowing Base (as defined below), under our ABL Credit Facility, as redetermined monthly, is tied to the sum of 85% to 90% of monthly eligible accounts receivable and 80% of eligible unbilled accounts (up to a maximum of 25% of the Borrowing Base), in each case, depending on the credit ratings of our accounts receivable counterparties, less customary reserves (the "Borrowing Base"). Changes to our operational activity levels and our customers' credit ratings have an impact on our total eligible accounts receivable, which could result in significant changes to our Borrowing Base and therefore, our availability under our ABL Credit Facility.

We received advance payments from a customer for our services, and the amount outstanding in connection with the advance payments as of June 30, 2025 was $8.3 million, which does not include any restricted cash.

As of June 30, 2025, our borrowings under our ABL Credit Facility were $45.0 million and our total liquidity was approximately $178.1 million, consisting of cash and cash equivalents of $74.8 million and $103.3 million of availability under our ABL Credit Facility.

In May 2025, the Company's board of directors (the "Board") approved a further extension of the share repurchase program previously authorized on May 17, 2023. As so extended, the program permits the repurchase of up to $200 million of the Company's common stock through December 31, 2026. The shares may be repurchased from time to time in open market transactions, block trades, accelerated share repurchases, privately negotiated transactions, derivative transactions or otherwise, certain of which may be made pursuant to a trading plan meeting the requirements of Rule 10b5-1 under the Exchange Act, as amended, in compliance with applicable state and federal securities laws. The timing, as well as the number and value of shares repurchased under the program, will be determined by the Company at its discretion and will depend on a variety of factors, including management's assessment of the intrinsic value of the Company's common stock, the market price of the Company's common stock, general market and economic conditions, available liquidity, compliance with the Company's debt and other agreements, applicable legal requirements, and other considerations. The Company is not obligated to purchase any shares under the share repurchase program, and the program may be suspended, modified, or discontinued at any time without prior notice. The Company expects to fund the repurchases using cash on hand and expected free cash flow to be generated through December 2026. During the three and six months ended June 30, 2025, the Company made no share repurchases under the share repurchase program. As of June 30, 2025, $89.2 million remained authorized for future repurchases of common stock under the share repurchase program.

There can be no assurance that our operations and other capital resources will provide cash in sufficient amounts to maintain planned or future levels of capital expenditures and to continue with our share repurchases under our share repurchase program or fund future business acquisitions. Future cash flows are subject to a number of variables, and are highly dependent on the drilling, completion, and production activity by our customers and the demand for our power generation services, which in turn is highly dependent on oil and natural gas prices. Depending upon market conditions and other factors, we may issue equity and debt securities or take other actions necessary to fund our business, strategy or meet our future long-term liquidity requirements.

Capital Requirements, Future Sources and Use of Cash and Contractual Obligations

Capital expenditures incurred were $73.1 million during the three months ended June 30, 2025, as compared to $32.0 million during the three months ended June 30, 2024. The significant portion of our total capital expenditures incurred during the three months ended June 30, 2025 were for our PROPWR business line including $18.9 million of financed equipment purchases for this business and maintenance capital expenditures.

Our future material use of cash will be to fund our capital expenditures and to repay debt. We may also use material amounts of cash to repurchase shares under our share repurchase program. Capital expenditures for 2025 are projected to be primarily related to capital expenditures to extend the useful life of our existing completion services assets, costs to convert some existing equipment to lower emissions equipment, purchase power generation equipment, strategic purchases and other ancillary equipment purchases, subject to market conditions and customer demand. Our future capital expenditures depend on our projected operational activity, emission requirements, planned conversions to lower emissions equipment and demand for our power generation services, among other factors, which could vary significantly throughout the year. Based on our current plan and projected activity levels for 2025, we expect our capital expenditures to range between approximately $270 million to $310 million which includes approximately $100 million to $140 million for our completion services business and approximately $170 million for our PROPWR business. We entered into a contractual arrangement with an equipment manufacturer to purchase mobile natural gas-fueled power generation equipment, including turbine generator sets along with auxiliary equipment, for our PROPWR business line, with a total cost of $122.0 million. The total remaining commitment (after initial down payment and financed payments) under this arrangement as of June 30, 2025 was $84.8 million, which will be financed. Under this arrangement, we have incurred interim loans and term loans with outstanding amounts of $2.1 million and $16.8 million, respectively, as of June 30, 2025, related to funding for equipment under construction and equipment received. See "Note 6. Interim and Long-Term Debt." The financed payments from the lender (an affiliate of the equipment manufacturer) are presented as non-cash investing and financing activities within the "Supplemental Disclosure of Non-Cash Investing and Financing Activities" section of our condensed consolidated statements of cash flows. We expect to receive the remaining equipment under this arrangement from the third quarter of 2025 through early 2026. We also entered into contractual arrangements with other equipment manufacturers to purchase additional power generation and auxiliary equipment for our PROPWR business line, with a total remaining commitment of approximately $96.8 millioı. We have received certain units of this equipment and expect to receive this equipment from the third quarter of 2025 through the second quarter of 2026. We could incur significant additional capital expenditures if our projected activity levels increase during the course of the year, inflation and supply chain tightness continue to adversely impact our operations or we invest in new or different lower emissions equipment. The Company will continue to evaluate the emissions profile of its equipment over the coming years and may, depending on market conditions, convert or retire additional conventional Tier II equipment in favor of lower emissions equipment. The Company’s decisions regarding the retirement or conversion of equipment or the addition of lower emissions equipment will be subject to a number of factors, including (among other factors) the availability of equipment, including parts and major components, supply chain disruptions, prevailing and expected commodity prices, customer demand and requirements and the Company’s evaluation of projected returns on conversion or other capital expenditures. Depending on the impacts of these factors, the Company may decide to retain conventional equipment for a longer period of time or accelerate the retirement, replacement or conversion of that equipment.

We anticipate our capital expenditures will be funded by existing cash, cash flows from operations, the PROPWR Equipment Loan Agreement and if needed, borrowings under our ABL Credit Facility. Our cash flows from operations will be generated from services we provide to our customers.

We entered into a sand purchase agreement with a supplier that will expire on December 31, 2025 with a remaining take-or-pay commitment of a**p**roximately $0.3 million. We also entered into three-year electric fleet leases for five FORCE® electric-powered hydraulic fracturing fleets (the "Electric Fleet Leases"), which contain options to extend the leases or purchase the equipment at the end of each lease or at the end of each subsequent renewal period. As of June 30, 2025, all five of the Electric Fleet Leases commenced when the Company took possession of all equipment associated with its first four FORCE® electric-powered hydraulic fracturing fleets and some of the equipment associated with its fifth fleet under these leases. We currently expect to receive the remaining equipment associated with the fifth fleet in the second half of 2025. The total estimated contractual commitment in connection with the Electric Fleet Leases excluding the cost associated with the option to purchase the equipment at the end of each lease is approximately $93.4 million. We also entered into a three year lease (the "Power Equipment Lease") for certain power generation equipment. The total estimated contractual commitment in connection with the Power Equipment Lease is approximately $22.7 million.

In the normal course of business, we enter into various contractual obligations and incur expenses in connection with routine growth, conversion and maintenance capital expenditures that impact our future liquidity. There were no other known future material contractual obligations as of June 30, 2025.

Cash and Cash Flows

The following table sets forth the historical cash flows for the six months ended June 30, 2025, and 2024:

(in thousands)

	Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	$ 108,903	$ 179,763
Net cash used in investing activities	$ (68,524)	$ (90,923)
Net cash used in financing activities	$ (15,982)	$ (55,308)

Operating Activities

Net cash provided by operating activities was $108.9 million for the six months ended June 30, 2025, compared to $179.8 million for the six months ended June 30, 2024. The net decrease of approximately $70.8 million was primarily due to lower net income adjusted for noncash expenses and the timing of our receivable collections from our customers and payments to our vendors.

Investing Activities

Net cash used in investing activities decreased to $68.5 million for the six months ended June 30, 2025, from $90.9 million for the six months ended June 30, 2024. The decrease was primarily attributable to a $6.2 million increase in capital expenditures, partially offset by the acquisition of AquaProp which resulted in a $21.0 million net cash outflow for the six months ended June 30, 2024, a $6.8 million increase in proceeds from the sale of assets and a $0.8 million increase in proceeds from note receivable from sale of business.

The following table shows reconciles our capital expenditures paid to capital expenditures incurred for the periods indicated:

(in thousands)

	Six Months Ended June 30,	
	2025	2024
Capital expenditures paid [(1)]	$ 78,044	$ 71,805
Less: Capital expenditures included in accounts payable and accrued liabilities - beginning of period	(14,695)	(21,603)
Add: Capital expenditures included in accounts payable and accrued liabilities - end of period	29,136	21,588
Add: Capital expenditures related to financed equipment purchases - end of period	18,910	—
Add: Capital expenditures financed by operating lease landlord - end of period	350	—
Capital expenditures incurred [(1)]	$ 111,745	$ 71,790

(1) This table reconciles cash basis capital expenditures reported in the Company's condensed consolidated statements of cash flows to accrual basis capital expenditures reported in "Note 7. - Reportable Segment Information" and below.

The following table summarizes our capital expenditures incurred by reportable segment for the periods indicated:

(in thousands)

	Six Months Ended June 30,	
	2025	2024
Reportable Segments:		
Hydraulic Fracturing	$ 41,402	$ 61,619
Wireline	4,515	4,329
Cementing	4,914	5,842
All Other [(1)]	60,914	—
Total capital expenditures incurred	$ 111,745	$ 71,790

(1) Represents our power generation services business.

Cash Flows From Financing Activities

Net cash used in financing activities decreased to $16.0 million for the six months ended June 30, 2025, from $55.3 million for the six months ended June 30, 2024. The net decrease was primarily driven by a $45.5 million decrease in share repurchases, partially offset by a $3.0 million increase in repayments of insurance financing, a $1.6 million increase in tax withholdings paid for net settlement of equity awards, a $0.7 million increase in payments of finance lease obligation, a $0.5 million increase in payment of excise tax on share repurchases and a $0.4 million increase in payment of debt issuance costs.

Credit Facility and Other Financing Arrangements

The Company is party to the ABL Credit Facility that provides for borrowing capacity of up to$225.0 million (subject to the Borrowing Base limit), and matures on June 2, 2028.

The Borrowing Base as of June 30, 2025, was approximately $156.9 million. The ABL Credit Facility includes a springing fixed charge coverage ratio that applies when excess availability is less than the greater of (i) 10% of the lesser of the facility size or the Borrowing Base or (ii) $15.0 million. Under the ABL Credit Facility we are required to comply, subject to certain exceptions and materiality qualifiers, with certain customary affirmative and negative covenants, including, but not limited to, covenants pertaining to our ability to incur liens, indebtedness, changes in the nature of our business, mergers and other fundamental changes, disposal of assets, investments and restricted payments, amendments to our organizational documents or accounting policies, prepayments of certain debt, dividends, transactions with affiliates, and certain other activities. Borrowings under the ABL Credit Facility are secured by a first priority lien and security interest in substantially all assets of the Company.

Borrowings under the ABL Credit Facility accrue interest based on a three-tier pricing grid tied to availability, and we may elect for loans to be based on either the Secured Overnight Financing Rate ("SOFR") or the base rate, plus the applicable margin, which ranges from 1.75% to 2.25% for SOFR loans and 0.75% to 1.25% for base rate loans.

Effective April 2, 2025, PROPWR entered into a contractual arrangement with an equipment manufacturer to purchase mobile natural gas-fueled power generation equipment for our PROPWR business line, with a total cost of approximately $122.0 million. The total remaining commitment (after initial down payment and financed payments) under this arrangement as of June 30, 2025 was approximately $84.8 million, which will be financed. Under this arrangement, we have incurred interim loans and term loans with outstanding amounts of $2.1 million and $16.8 million, respectively, as of June 30, 2025, related to funding for equipment under construction and equipment received. See "Note 6. Interim and Long-Term Debt." We expect to receive the remaining equipment under this arrangement from the third quarter of 2025 through early 2026. We also entered into contractual arrangements with other equipment manufacturers to purchase additional power generation and auxiliary equipment for our PROPWR business line, with a total remaining commitment of approximately $96.8 million as of June 30, 2025. We have received certain units of this equipment and expect to receive the remaining equipment from the third quarter of 2025 through the second quarter of 2026.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as of June 30, 2025.

Critical Accounting Policies and Estimates

There have been no material changes during the six months ended June 30, 2025 to the methodology applied by our management for critical accounting policies previously disclosed in our Form 10-K. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates" in our Form 10-K for a discussion of our critical accounting policies and estimates.

Recently Issued Accounting Standards

Disclosure concerning recently issued accounting standards is incorporated by reference to Note 2 of our Condensed Consolidated Financial Statements (Unaudited) contained in this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of June 30, 2025, there have been no material changes in market risk from the information provided in "Management’s Discussion and Analysis of Financial Condition and Results of Operations" or "Quantitative and Qualitative Disclosures of Market Risk" in our Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that the information required to be disclosed by us in our reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rule 13a-15(b) under the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Form 10-Q. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. Legal Proceedings

See "Note 13 – Commitments and Contingencies" in the Notes to Condensed Consolidated Financial Statements for further information.

ITEM 1A. Risk Factors

Except as set forth below, there have been no material changes to the risk factors disclosed in Part I, Item 1A. of our Form 10-K.

Changes in U.S. trade policy and the impact of tariffs and other trade measures may have a material adverse effect on our business and results of operations.

Our business and results of operations may be adversely affected by uncertainty and changes in U.S. trade policies, including tariffs, trade agreements or other trade restrictions imposed by the United States or other governments. For example, on March 12, 2025, the U.S. government imposed a 25% tariff on steel imports, and on April 2, 2025, the U.S. government announced a 10% tariff on product imports from almost all foreign countries and individualized higher tariffs on certain other countries. Additionally, tariffs have been placed on the import of certain materials. Several tariff announcements have been followed by announcements of limited exemptions and temporary pauses. These actions are unprecedented, have caused substantial uncertainty and volatility in financial markets and may result in retaliatory measures on U.S. goods.

Any imposition of or increase in tariffs on imports of steel or other materials, as well as corresponding price increases for such materials available domestically, could increase our material input costs and our costs to maintain our assets. It remains unclear to what extent, upon which countries, and upon which terms, tariffs may be levied. There remains uncertainty regarding the full scope of tariffs, if the tariffs will be increased, decreased or eliminated altogether, and to the extent that we are unable to pass all or any such cost increases on to our customers, such cost increases could adversely affect our returns on investment.

The imposition of further tariffs by the United States on a broader range of imports, or further retaliatory trade measures taken in response to additional tariffs or uncertainty regarding such potential impacts, could increase costs in our supply chain or reduce demand of our customers' products, either of which could adversely affect our results of operations. The ultimate impact of these trade measures on our business operations and financial results is uncertain and may be affected by various factors, including whether and when such trade measures are implemented, the timing when such measures may become effective, and the amount, scope, or nature of such trade measures, and our ability to execute strategies to mitigate any negative impacts.

ITEM 2. Unregistered Sales or Purchases of Equity Securities and Use of Proceeds

Share Repurchase Program

The following sets forth information with respect to our repurchases of shares of common stock during the three months ended June 30, 2025:

Period	Total number of shares purchased	Average price paid per share (2)	Total number of shares purchased as part of publicly announced plans or programs (1)	Approximate dollar value of shares that may yet be purchased under the plans or programs (1)
April 1, 2025 to April 30, 2025	—	$ —	—	$ 89,152,858
May 1, 2025 to May 31, 2025	—	$ —	—	$ 89,152,858
June 1, 2025 to June 30, 2025	—	$ —	—	$ 89,152,858
Total	—	$ —	—	$ 89,152,858

(1) In May 2025, the Board approved a further extension of the share repurchase program previously authorized on May 17, 2023. As so extended, the program permits the repurchase of up to $200 million of the Company's common stock through to December 31, 2026. The shares may be repurchased from time to time in open market transactions, block trades, accelerated share repurchases, privately negotiated transactions, derivative transactions or otherwise, certain of which may be made pursuant to a trading plan meeting the requirements of Rule 10b5-1 under the Exchange Act, as amended, in compliance with applicable state and federal securities laws.

(2) The average price paid per share includes commissions.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

During the three months ended June 30, 2025, no director or officer of the Companyadopted, modified or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" within the meaning of Item 408 of Regulation S-K.

ITEM 6. Exhibits

The exhibits required to be filed or furnished by Item 601 of Regulation S-K are listed below.

3.1	Amended and Restated Certificate of Incorporation of ProPetro Holding Corp. dated as of June 19, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated June 19, 2019).
3.2	Amended and Restated Bylaws of ProPetro Holding Corp. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, dated June 19, 2019).
3.3	Certificate of Designations of Series B Junior Participating Preferred Stock of ProPetro Holding Corp. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated April 14, 2020).
10.1#	Second Amended and Restated ProPetro Holding Corp. 2020 Long Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K, dated May 27, 2025).
10.2*#	Form of ProPetro Holding Corp. Second Amended and Restated 2020 Long Term Incentive Plan Restricted Stock Unit Grant Notice and Restricted Stock Unit Agreement (Directors).
10.3+	Master Loan and Security Agreement, dated April 2, 2025, by and among ProPetro Energy Solutions, LLC, Caterpillar Financial Services Corporation, the Company and ProPetro Services, Inc. (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K, dated April 8, 2025).
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Exchange Act Rules, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

*	Filed herewith.
**	Furnished herewith.
#	Compensatory plan, contract or arrangement.
+	Certain portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the Securities and Exchange Commission upon its request.

SIGNATURES

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

Date:	July 31, 2025	By:	/s/ Samuel D. Sledge
			Samuel D. Sledge Chief Executive Officer and Director (Principal Executive Officer)
		By:	/s/ Celina A. Davila
			Celina A. Davila Chief Accounting Officer (Principal Financial and Accounting Officer)

Form for Directors

PROPETRO HOLDING CORP. SECOND AMENDED AND RESTATED 2020 LONG TERM INCENTIVE PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Pursuant to the terms and conditions of the Second Amended and Restated ProPetro Holding Corp. 2020 Long Term Incentive Plan, as amended from time to time (the "Plan"), ProPetro Holding Corp. (the "Company") hereby grants to the individual listed below ("you" or "Director") the number of Restricted Stock Units (the "RSUs") set forth below. This award of RSUs (this "Award") is subject to the terms and conditions set forth herein and in the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, each of which is incorporated herein by reference. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Director:	[__]
Date of Grant:	[__]
Total Number of RSUs:	[__]
Vesting Schedule:	Subject to the terms of the Agreement, the RSUs shall vest in full on the earlier of (i) the day immediately preceding the date of the 2026 Annual Meeting and (ii) the first anniversary of the date of grant.

Electronic Signature:

The Grant Notice may be executed by Director and the Company by means of electronic or digital signatures, which shall have the same force and effect as manual signatures. By Director's electronic or digital signature, Director: (i) agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement; (ii) acknowledges that he or she has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement; (iii) hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan, this Grant Notice or the Agreement; and (iv) represents that his or her spouse, civil union partner or registered domestic partner (to the extent applicable) has reviewed and consented to the terms and conditions of this Grant Notice, the Plan and the Agreement. Director will indemnify and hold harmless the Company and its affiliates, successors and assigns, from and against any and all claims, liabilities, obligations, damages, losses, costs and expenses whatsoever (including reasonable attorney's fees and disbursements) arising out of or resulting from any and all claims, liabilities, obligations, damages, losses, costs and expenses, claimed or demanded by any current or former spouse, civil union partner or registered domestic partner of Director and arising of or resulting from this Grant Notice, the Plan, the Agreement or any grants awarded thereunder.

EXHIBIT A

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement") is made as of the Date of Grant set forth in the Grant Notice to which this Agreement is attached (the "Date of Grant") by and between ProPetro Holding Corp., a Delaware corporation (the "Company"), and [___] ("Director"). Capitalized terms used but not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1. **Award**. In consideration of Director's past and/or continued service to the Company or an Affiliate and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, effective as of the Date of Grant, the Company hereby grants to Director the number of RSUs set forth in the Grant Notice on the terms and conditions set forth in the Grant Notice, this Agreement and the Plan, which is incorporated herein by reference as a part of this Agreement. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. To the extent vested, each RSU represents the right to receive one share of Stock or, at the option of the Company, an amount of cash as set forth in Section 3, in either case, at the times and subject to the terms and conditions set forth in the Grant Notice, this Agreement and the Plan. Unless and until the RSUs have become vested in the manner set forth in the Grant Notice, Director will have no right to receive any Stock or other payments in respect of the RSUs. Prior to settlement of this Award, the RSUs and this Award represent an unsecured obligation of the Company, payable only from the general assets of the Company.

2. **Vesting of RSUs**.

(a) Except as otherwise set forth in this Section 2, the RSUs shall vest in accordance with the vesting schedule set forth in the Grant Notice. Unless and until the RSUs have vested in accordance with such vesting schedule, Director will have no right to receive any dividends or other distribution with respect to the RSUs. In the event of the termination of Director's service relationship with the Company or an Affiliate prior to the vesting of all of the RSUs (but after giving effect to any accelerated vesting pursuant to this Section 2), any unvested RSUs (and all rights arising from such RSUs and from being a holder thereof) will terminate automatically without any further action by the Company and will be forfeited without further notice and at no cost to the Company.

(b) Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, the RSUs shall immediately become fully vested upon (i) the consummation of a Change in Control and (ii) the termination of Director's service to the Company or an Affiliate by reason of Director's death or Disability.

(c) As used herein, (i) the term "Disability" shall mean Director's inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment.

3. **Settlement of RSUs**. As soon as administratively practicable following the vesting of RSUs pursuant to Section 2, but in no event later than 60 days after such vesting date, the Company shall deliver to Director (or Director's permitted transferee, if applicable) a number of

shares of Stock equal to the number of RSUs subject to this Award that become vested on the applicable vesting date, including any RSUs received pursuant to Section 4, or, at the discretion of the Committee, an amount of cash equal to the product of (i) the Fair Market Value of one share of Stock on the day immediately preceding the applicable distribution or payment date and (ii) the number of shares of Stock subject to Director's RSUs, including any RSUs received pursuant to Section 4. Any fractional RSU that becomes vested hereunder shall be rounded down at the time shares of Stock are issued in settlement of such RSU. No fractional shares of Stock, nor the cash value of any fractional shares of Stock, will be issuable or payable to Director pursuant to this Agreement. All shares of Stock issued hereunder shall be delivered either by delivering one or more certificates for such shares to Director or by entering such shares in book-entry form, as determined by the Committee in its sole discretion. The value of shares of Stock shall not bear any interest owing to the passage of time. Neither this Section 3 nor any action taken pursuant to or in accordance with this Agreement shall be construed to create a trust or a funded or secured obligation of any kind.

4. **Dividend Equivalent Rights**. Each RSU subject to this Award is hereby granted in tandem with a corresponding Dividend Equivalent, which Dividend Equivalent shall remain outstanding from the Date of Grant until the earlier of the settlement or forfeiture of the RSU to which it corresponds. Each Dividend Equivalent shall entitle Director to receive payments, subject to and in accordance with this Agreement, in an amount equal to any ordinary cash dividends paid by the Company in respect of the shares of Stock underlying the RSU to which such Dividend Equivalent relates. All such payments shall be credited to Director and be deemed to be reinvested in additional RSUs as of the date of payment of any such ordinary cash dividend based on the Fair Market Value of one share of Stock on such date. Each additional RSU which results from such deemed reinvestment of Dividend Equivalents granted hereunder shall be subject to the same vesting, distribution or payment, adjustment and other provisions which apply to the underlying RSU to which such additional RSU relates.

5. **Rights as Stockholder**. Neither Director nor any person claiming under or through Director shall have any of the rights or privileges of a holder of shares of Stock in respect of any shares that may become deliverable hereunder unless and until certificates representing such shares have been issued or recorded in book entry form on the records of the Company or its transfer agents or registrars, and delivered in certificate or book entry form to Director or any person claiming under or through Director.

6. **Non-Transferability**. During the lifetime of Director, the RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the shares of Stock underlying the RSUs have been issued, and all restrictions applicable to such shares have lapsed. Neither the RSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of Director or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

7. **Compliance with Securities Law**. Notwithstanding any provision of this Agreement to the contrary, the issuance of shares of Stock hereunder will be subject to compliance with all applicable requirements of applicable law with respect to such securities and with the requirements of any stock exchange or market system upon which the Stock may then be listed. No shares of Stock will be issued hereunder if such issuance would constitute a violation of any applicable law or regulation or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, shares of Stock will not be issued hereunder unless (a) a registration statement under the Securities Act is in effect at the time of such issuance with respect to the shares to be issued or (b) in the opinion of legal counsel to the Company, the shares to be issued are permitted to be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary for the lawful issuance and sale of any shares of Stock hereunder will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance of Stock hereunder, the Company may require Director to satisfy any requirements that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

8. **Legends**. If a stock certificate is issued with respect to shares of Stock delivered hereunder, such certificate shall bear such legend or legends as the Committee deems appropriate in order to reflect the restrictions set forth in this Agreement and to ensure compliance with the terms and provisions of this Agreement, the rules, regulations and other requirements of the SEC, any applicable laws or the requirements of any stock exchange on which the Stock is then listed. If the shares of Stock issued hereunder are held in book-entry form, then such entry will reflect that the shares are subject to the restrictions set forth in this Agreement.

9. **Execution of Receipts and Releases**. Any payment of cash or any issuance or transfer of shares of Stock or other property to Director or Director's legal representative, heir, legatee or distributee, in accordance with this Agreement shall be in full satisfaction of all claims of such person hereunder. As a condition precedent to such payment or issuance, the Company may require Director or Director's legal representative, heir, legatee or distributee to execute (and not revoke within any time provided to do so) a release and receipt therefor in such form as it shall determine appropriate; provided, however, that any review period under such release will not modify the date of settlement with respect to vested RSUs.

10. **No Right to Continued Service or Awards**.

(a) For purposes of this Agreement, Director shall be considered to be providing services to the Company as long as Director remains a Director of the Company or any Affiliate, or a Director of a corporation or other entity (or a parent or subsidiary of such corporation or other entity) assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is specifically provided that Director shall be considered to have terminated his or her service relationship with the Company at the time of the termination of the "Affiliate" status of the entity or other organization to which Director provides services. Nothing in the adoption of the Plan, nor the award of the RSUs thereunder pursuant to the Grant Notice and this Agreement, shall confer upon Director the right to a continued service relationship with the

Company or any such Affiliate, or any other entity, or affect in any way the right of the Company or any such Affiliate, or any other entity to terminate such service relationship at any time.

(b) The grant of the RSUs is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future plans will be at the sole discretion of the Company.

11. **Notices**. Any notices or other communications provided for in this Agreement shall be sufficient if in writing. In the case of Director, such notices or communications shall be effectively delivered if hand delivered to Director at Director's principal residence or if sent by registered or certified mail to Director at the last address Director has filed with the Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by registered or certified mail to the Company at its principal executive offices.

12. **Agreement to Furnish Information**. Director agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

13. **Entire Agreement; Amendment**. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the RSUs granted hereby. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that materially reduces the rights of Director shall be effective only if it is in writing and signed by both Director and an authorized officer of the Company.

14. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles thereof.

15. **Successors and Assigns**. The Company may assign any of its rights under this Agreement without Director's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon Director and Director's beneficiaries, executors, administrators and the person(s) to whom the RSUs may be transferred by will or the laws of descent or distribution.

16. **Clawback**. Notwithstanding any provision in this Agreement, the Grant Notice or the Plan to the contrary, to the extent required by (a) applicable law, including, without limitation, the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any SEC rule or any applicable securities exchange listing standards and/or (b) any policy that may be adopted or amended by the Board from time to time, all shares of Stock issued hereunder shall be subject to forfeiture, repurchase, recoupment and/or cancellation to the extent necessary to comply with such law(s) and/or policy.

17. **Counterparts**. The Grant Notice may be executed in one or more counterparts, including by way of any electronic or digital signature, subject to applicable law, each of which shall be deemed an original and all of which together shall constitute one instrument.

18. **Severability**. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

19. **Nonqualified Deferred Compensation Rules**. None of the RSUs, Dividend Equivalents or any amounts payable pursuant to this Agreement are intended to constitute or provide for a deferral of compensation that is subject to the Nonqualified Deferred Compensation Rules. Nevertheless, to the extent that the Committee determines that the RSUs or Dividend Equivalents may not be exempt from the Nonqualified Deferred Compensation Rules, then, if Director is deemed to be a "specified employee" within the meaning of the Nonqualified Deferred Compensation Rules, as determined by the Committee, at a time when Director becomes eligible for settlement of the RSUs upon his "separation from service" within the meaning of the Nonqualified Deferred Compensation Rules, then to the extent necessary to prevent any accelerated or additional tax under the Nonqualified Deferred Compensation Rules, such settlement will be delayed until the earlier of: (a) the date that is six months following Director's separation from service and (b) Director's death. Notwithstanding the foregoing, the Company makes no representations that the payments provided under this Agreement are exempt from or compliant with the Nonqualified Deferred Compensation Rules and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Director on account of non-compliance with the Nonqualified Deferred Compensation Rules.

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Exhibit 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Samuel D. Sledge, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ProPetro Holding Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 31, 2025

/s/ Samuel D. Sledge

Samuel D. Sledge
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF ACCOUNTING OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Celina A. Davila, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ProPetro Holding Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 31, 2025

/s/ Celina A. Davila

Celina A. Davila
Chief Accounting Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of ProPetro Holding Corp. (the "Company"), for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Samuel D. Sledge, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2025

/s/ Samuel D. Sledge
Samuel D. Sledge
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF ACCOUNTING OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of ProPetro Holding Corp. (the "Company"), for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Celina A. Davila, Chief Accounting Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2025

/s/ Celina A. Davila
Celina A. Davila
Chief Accounting Officer
(Principal Financial and Accounting Officer)