Three new state-of-the-art drilling rigs currently under construction in Houston further demonstrate the Company’s commitment to providing the best-available product to clients and a work environment that helps keep employees on the job.

“What we are seeing in the market is an increase in the hydraulic requirements for drilling a well as clients drill deeper and extend further out horizontally,” says Don Lacombe, Senior Vice President, Sales and Marketing. “With these types of rigs we can meet their needs as well as deliver improved drilling times.”

To get the job done, the new rigs deliver fluids with a 7,500-psi circulating system and a pair of 2,000-horsepower mud pumps. They also have improved walking systems that make moving from one pad to the next both more efficient and safer.

“These are the things our clients are asking for these days, and that’s what we've provided in our last eight new-build rigs,” Don says. “Our goal going forward is to have these capabilities as standard equipment on all new rigs.”

Drilling Services Rig #80 will be delivered to the Eagle Ford region in South Texas in March or April 2015. Rig #81 and Rig #82 are scheduled to arrive in the Permian Basin of West Texas next June and July, respectively.

The “billboard effect”

Beyond the new rigs’ capabilities, Don says they are part of what he calls the “billboard effect” – Pioneer’s growing image as a trusted partner for clients and an attractive place to work for employees.

“Operators have a choice of using anybody out there in the marketplace,” he says. “By bringing in new equipment that improves performance while keeping crews safer and offering a better working environment, I believe we are delivering a product that is far superior to what else is available.”

He credits the entire Company for creating what he sees as a culture for long-term success. “We will meet the energy needs of the public and support our operators by providing the equipment and people that will work with them as a team and optimize their performance.”

Pioneer recently launched its “Idea Box” website to give every employee an opportunity to submit their ideas for making improvements that can boost the Company’s operational and financial performance.

Located at www.pioneeres.com/ideas, the Idea Box provides a simple form that can be filled out and submitted in minutes. Every idea submitted receives confirmation of receipt and a thank you as it is routed internally to appropriate senior management for review. A link to the website is also posted on the Pioneer intranet.

“We are always looking for ways to become more operationally efficient and encourage any person in the Company to share their ideas,” says President and Chief Executive Officer Stacy Locke. “Our employees in the field and in the office have a great perspective on ways we may be able to do things better.”

Examples of suggestions can be anything that leads to cost savings, a redesign or replacement of equipment or changing a process. “If someone sees a way to improve the way we operate, we want to hear about it,” says Stacy.

‘Idea Box’ gives employees direct channel to improve Pioneer
Broad-based improvement has
Company on track for
revenue milestone

After a relatively soft 2013 in all business lines except Well Servicing, 2014 is shaping up to be a much better year. Revenues through the first six months of the year have us on track to exceed $1 billion in revenues for the first time in the Company’s history. Both Wireline Services and Well Servicing have had record sales so far this year.

In order to capitalize on improved market conditions, we have accelerated our growth plans for 2014 and 2015. In Well Servicing, we will add nine new rigs this year and have ordered 16 additional rigs for 2015 delivery. At the end of 2015, we will have a total of 134 rigs. The performance of the Well Servicing team has been stellar and they continue to lead the entire well-servicing industry in utilization, average hourly charges and safety.

In Wireline, we will add six units in 2014 and have ordered eight units for 2015 delivery. We believe we are one of the top Wireline providers in the U.S. and maintain leading market share positions in a number of key markets across the U.S. Wireline Services continues to be Pioneer’s largest production services business.

In our Coiled Tubing business we are making a remarkable turnaround. We have focused our operations in two key markets: the Eagle Ford Shale in Texas and onshore/offshore Louisiana. We broadened our product lines onshore to include sub 2” coil and 2 3/8” coil in addition to our existing 2” coil business. The outlook for Coiled Tubing is much improved.

In our land drilling business we are starting again to build state-of-the-art 1,500 horsepower AC-powered walking rigs. Pioneer’s rigs are some of the top performing land rigs in the U.S. Two of the three drilling rigs currently under construction will go to the Permian Basin next year and the other rig will go to the Eagle Ford Shale. All three rigs are backed by three-year term contracts once they begin operating in the second quarter of 2015.

We have a list to be thankful for during times like this, but we can never forget that day-in and day-out performance is what makes us good and separates us from the competition.

Sincerely,

Wm. Stacy Locke
President and Chief Executive Officer

Better with age: Crew’s efforts keep
Rig #54 on top

Drilling Services Rig #54 has moved from Utah to Colorado to serve a new client, but if history is any guide they can count on a stellar performance from both the rig and its crew.

As a mechanical rig that lacks some of the technological and efficiency advances of its AC- and SCR-powered cousins, Rig #54 consistently set drilling records in Utah for the previous client, who had worked with the rig since it was built in 2005.

"The rig set numerous drilling records ever since it has been deployed," says Rig Manager Neil McFadden who has worked on Rig #54 since April 2010. "We may not have the latest technology but it’s a tough rig to beat and runs extremely well for an older model." Pioneer President and Chief Executive Officer Stacy Locke says: "Rig #54 has been an enigma it has consistently outperformed the latest technology AC and SCR rigs that it competed against year-in and year-out. This rig is a perfect example that at the core of every top-performing rig is a great crew."

Credit to the crew
Neil, who shares rig manager duties with Ryan Winters, says it’s the four six-person crews that keep everything working smoothly.

“Everyone really stays on top of the maintenance,” he says. “We pay close attention to it and it’s paid off because our previous client was very pleased with the rig’s performance and gave us a lot of positive feedback.

One key to success was that the crews mostly stayed intact and worked together. After a fairly large turnover late last year the senior crew members took the initiative to get the new hires on board and up to speed quickly. ‘I’m sure we’ll do justice with the new guys and have success for this client,” Neil says.

A winning team
Congratulations to the Drilling Services Rig #54 crew for their dedication and commitment that keeps their rig at peak performance. In addition to Neil and Ryan, the crew members include:

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Now online job application system to streamline, simplify process

Potential employees are about to have a better way to launch their Pioneer careers, thanks to a new online job application system that lets them select the service line, position and locations they would like to apply for.

Our new online system will allow applicants to apply and broadcast the capabilities of Pioneer to seek qualified candidates.

Initial focus on field jobs
With a scheduled go-live date of September 1, the new system will first highlight field positions by business unit with greater visibility given to the description of the position and job requirements. It also offers:

• The ability to apply for a position using a mobile device or tablet.
• A reporting tool to aid hiring managers and recruiters to better focus recruiting efforts.

Once the application process is completed, all of the application materials are sent to each location selected by the candidate. The local hiring managers will receive the information electronically so they can always be aware of who is available to work at a specific location.

Jody says: “The applicants will receive an automated response that confirms the positions they applied for, thanks for their interest in Pioneer and provides contact information so they can follow up in the future.”

Check out the new application system by visiting the Careers section of the Pioneer website (www.pioneers.com) and let interested people know it’s easier than ever to apply for a job with us.
The benefits enrollment period for 2015 will be starting soon, and all employees are encouraged to use Workday, Pioneer’s internet-based human resources system, to see what their current benefits selections are and make any changes for the new year.

“This is the second year that benefits selection can be made on Workday and after a successful first year we’re hoping more people will take advantage of it,” says Human Resources Manager Greg Lakey. “I would like to encourage everyone to at least go online to confirm the benefits that they currently have.” Greg stresses that with Workday there are no paper forms to fill out and it eliminates the risk of processing or faxing errors while creating an electronic record of the employee’s selections. “Workday also calculates the cost of the supplemental programs such as life insurance and disability, so employees can quickly make an informed decision if they want to enroll in the benefit.”

Getting started
To access Workday on your computer, go to https://wd5.myworkday.com/pes or the IT Support Helpdesk at 210-870-2200 or Support@pioneers.com.

Benefits open enrollment available online with Workday

You can also download the Workday app from the App Store to use on your smartphone or tablet; however, the app does not yet provide visibility to your benefits. To view benefits and complete open enrollment you will need to use a computer. To get your user name and password, please reach out to your local HR representative or contact the IT Support Helpdesk at 210-870-2200 or Support@pioneers.com.

Look for enrollment packages to begin arriving in the mail around November 1. The packet will provide further communications about benefits open enrollment. All benefit election changes will need to be made by November 17. All benefit changes made during open enrollment will be effective January 1, 2015.

New Training and Technology Center open for business

Pioneer opened the doors to its first in-house training and technology center in July with a class of Wireline Services engineers in training who came from around the country to advance their careers.

The new five-acre facility, located just east of San Antonio, will eventually provide training for Pioneer services across all business lines. “This is all new for Pioneer and will help standardize training throughout the Company as well as provide the type of hands-on, one-to-one instruction that is hard to come by in our industry,” says Wireline’s Bill Bouziden.

Class sizes will average between 6-10 trainees, with new courses starting about every week. Gary Fisher, Wireline 6-10 training manager, says, “We’ve reached a status and this training facility is another step toward industry leadership.”

“Setting and reaching goals
• Problem solving
• Group facilitation
• Team building
• Project management
• Sales and new business development
• Networking with local businesses

Training areas include:
• Public speaking
• Setting and reaching goals
• Project management
• Sales and new business development
• Group facilitation
• Networking with local businesses
• Problem solving
• Team building

The facility also serves as the corporate office for Wireline and in the future will add accommodations so trainees can stay onsite and experience more real-life training situations. “We’ve reached a status that not many wireline companies reach and this training facility is another step toward industry leadership,” Enrique says.

Filling up fast
Employees enroll on a first-come, first-served basis, and the early Wireline classes met with strong demand. The classroom features key components of a wireline truck, which are hooked up to the building so wireline is able to be run into the test hole and viewed from inside.

“It is a very scalable facility so it will be easy to build out for training purposes,” Bill says. “We plan to focus on Wireline for the first year or so to get things running smoothly before we begin adding other Pioneer business lines.”

The facility also serves as the corporate office for Wireline and in the future will add accommodations so trainees can stay onsite and experience more real-life training situations. “We’ve reached a status that not many wireline companies reach and this training facility is another step toward industry leadership,” Enrique says.

Pioneer joins United Way’s Loaned Executive program

The annual United Way fund-raising campaign relies on volunteers from local companies to support the effort, and Pioneer is stepping up this year to participate in the Loaned Executive program in San Antonio.

Corporate Marketing Director Leanna Khrystyuk is representing Pioneer in the program, which runs from July 28 to November 24. “I’m excited to become part of the campaign and be able to demonstrate that Pioneer is committed to supporting worthy causes like the United Way in all of the communities where we live and work,” she says.

Loaned executives go through a rigorous training program before joining the United Way campaign.

Training areas include:
• Public speaking
• Setting and reaching goals
• Project management
• Sales and new business development
• Group facilitation
• Networking with local businesses
• Problem solving
• Team building
# Donation supports horseback riding therapy

Pioneer saddled up as a Silver Horseshoe sponsor of the recent RED Arena Round-Up, an annual rodeo that helps children with physical, mental or medical challenges make progress through horseback riding.

**Horseback riding therapy at work.**

RED Arena is a non-profit organization located in Dripping Springs, Texas, just outside of Austin, that is dedicated to empowering both children and adults with disabilities through equine-assisted activities. Pioneer IT Manager Kim Greene served as a committee chair for this year’s event.

“ать, we increased our purchasing power with the remaining suppliers and were able to offer the discount programs.”

Currently available discount plans include:

- **AT&T**: Save up to 18% on qualifying services. Learn more at att.com/wireless/pioneer and use the access number 49016981. Or you can visit an AT&T store with proof of eligibility, such as a pay stub or employee badge.

- **Dell**: Member Purchase Program offers reduced prices on Windows PCs and tablets with up to 35% off on select models. Go to www.dell.com/mpp/pioneerag or call 888-243-9964 and use Member ID 05134805540. You can also join Dell Advantage at http://www.dell.com/mpp/pioneerag/advantage and receive 5% rewards paid on a Dell gift card and free second business day shipping.

- **Ford**: The Partner Recognition Program offers savings on purchases or leases of eligible Ford or Lincoln vehicles. Get started by visiting www.fordpartner.com and use Pioneer’s partner code NY639.

- **Enterprise and National**: Car rental discounts are available at www.enterprise.com (800-261-7339) or www.nationalcar.com (877-222-0598). Use the Pioneer account code Z252526 when booking online, by phone or in person.

- **Wyndham Hotels**: Discounts are available across the Wyndham network, which includes Days Inn, Super 8, Ramada and many more. Book online at www.wyndhamhotels.com and enter corporate code 100001386. Or call 800-407-9892.

- **Verizon Wireless**: Discounts of up to 18% on monthly calling or data plans, phones and accessories. Go to www.verizonwireless.com/discounts and be validated either by work email address, pay stub or other proof of employer affiliation.

**New employee programs offer discounts, services**

Over the past year, Pioneer has been working with its suppliers and vendors to launch a variety of discount programs that let employees save money on car and truck purchases, hotels, car rentals, electronics and wireless services.

These new retail programs combine with the existing Employee Assistance Program to offer Pioneer employees a full range of valuable opportunities to support or improve their lifestyle. Following are brief descriptions of what's available and how to put them to work for you.

**Employee Discounts**

“As Pioneer has grown over the past 10 years, we accumulated a large number of suppliers that needed to be reduced to make us more efficient,” says Purchasing Manager Michael McCray. “By consolidating, we increased our purchasing power with the remaining suppliers and were able to offer the discount programs.”

Currently available discount plans include:

- **AT&T**: Save up to 18% on qualifying services. Learn more at att.com/wireless/pioneer and use the access number 49016981. Or you can visit an AT&T store with proof of eligibility, such as a pay stub or employee badge.

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- **General Motors**: The GM Supplier Discount offers savings on eligible Chevrolet, Buick, GMC and Cadillac vehicles. Visit www.gmsupplierdiscount.com and use the Partner code 4239863. Select “Build, Price & Find Your Vehicle” to make your choice – the price you pay will be listed below the manufacturer’s suggested retail price.

- **Verizon Wireless**: Discounts of up to 18% on monthly calling or data plans, phones and accessories. Go to www.verizonwireless.com/discounts and be validated either by work email address, pay stub or other proof of employer affiliation.

**Wyndham Hotels**: Discounts are available across the Wyndham network, which includes Days Inn, Super 8, Ramada and many more. Book online at www.wyndhamhotels.com and enter corporate code 100001386. Or call 800-407-9892.

**Employee Assistance Program**

“The EAP is provided by Cigna and is there for employees when life throws them a curveball,” says Human Resources Manager Greg Lakey. “It’s completely confidential and is available 24/7 over the phone or online. Face-to-face meetings with counselors are also an option.”

Some of the services offered include:

- Legal consultations
- Parenting advice
- Senior care
- Child care
- Pet care
- Temporary back-up care

Cigna also offers a Healthy Rewards program for discounts on health and wellness–related services and products. To access all of Cigna’s services, go to www.cigna.com/rewards and enter the user name ‘Rewards’ and the password ‘savings’. Or you can call 800-258-5310.

**Questions or comments should be directed to newsletter@pioneeres.com. A Spanish version is available upon request.**

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**Pioneer Spirit Summer/Fall 2014**

**Calvin Young retires after 25 years**

Well Servicing celebrated the career and retirement of Calvin Young with a party in Bryan, Texas in late June.

Calvin, who started his oilfield career in 1989, arrived at Pioneer after an acquisition in 2008. His service to the Company included driving winch trucks and maintaining rig equipment.

“Calvin will be remembered as a hard worker who we could depend on to take care of business,” says Mike Miller, Well Servicing General Manager. “He is also a role model off the job, raising two daughters on his own.”

“We’ll miss hearing ‘I’m here boss!’ in the mornings but wish him nothing but the best in his retirement.”

Calvin Young relaxing in his new recliner.