NEW NAME REINFORCES SERVICE EXPANSION

It’s official. Pioneer’s name has caught up with the Company’s business. Pioneer Drilling is now Pioneer Energy Services.

The addition of production services, most recently the acquisition of coiled tubing services provider Go Col late last year, put the Company’s name out of sync with what we do. In the first quarter of 2012, production services contributed 46% of revenue and 53% of operating margin.

As part of the corporate name change, individual service company names – Pioneer Drilling Services, Pioneer Well Services, Pioneer Wireline Services, Pioneer Fishing and Rental Services, and Go Col – are being discontinued for marketing and general use. These business units will simply be called Drilling Services, Well Servicing, Wireline Services, Fishing and Rental Services, and Coiled Tubing Services.

To promote the new Company name and reinforce Pioneer’s expanded services, clients will receive a series of communications, including personal visits, a brochure, letters and emails. The Pioneer website has been updated. New data sheets and other sales materials are being created, and advertising will run in trade journals later in the year.

Building the Pioneer Brand

A new logo, Company colors and updated design approach accompany the name change. Uniforms, hard hats and building signs will soon reflect the new look.

“The new name, logo and updated design help communicate who we are and how we’re changing,” says Olena (Leanna) Khrystyuk, Director of Corporate Marketing. “We’re also updating how we describe the Company. Pioneer has unique advantages that are important to clients. We need to emphasize those advantages with the right words and photographs in our promotional materials.”

Revised Mission and Core Values

In a related project, Pioneer reviewed and revised the Company’s vision and core values (on page 2). The updated wording of both emphasizes Pioneer’s safety commitment and LiveSafe culture.

“The vision and values reflect who Pioneer is and what we believe in as a Company,” said Stacy Locke, President and CEO. “They provide a foundation for everything we do, from hiring and financial decisions to safety decisions on the jobsite.”

“Our new branding emphasis fits well with our vision and core values,” says Leanna. “The way Pioneer people treat clients and each other is something that sets us apart from the competition. Our vision and core values foster that difference.”

NEW NAME, NEW GEAR

New business cards and equipment and hard hat decals will be distributed by late July.

New building and office signs will go up at the end of July.
**Successful Start to Exaro Energy Drilling Campaign**

Drilling of seven wells for Exaro Energy LLC at the Sun Lyda field in South Texas is off to a strong start. The proof: three record-length wells, a record number of days since a non-recordable accident, and cost savings for the client of more than $1.2 million.

After drilling wells ranging from 8,000 to 9,440 feet, the South Texas Division Drilling Rig #1 team received high praise from Exaro Energy Drilling Superintendent Arvid Mosnes. Here’s what he had to say:

“Pioneer Drilling Rig #1 has operated really well. It’s a fast-moving and very functional rig with minimum downtime, and it’s practically tailored for drilling 10,000-foot wells but can also go deeper depending on well design.

“It’s been a tremendous experience to kick off this project on behalf of Exaro Energy with such a finely tuned and hardworking team as the crews on Drilling Rig #1 and seeing each well coming in well under budget and ahead of schedule.”

**OuR VISION and CORe VAlueS**

**Vision**

Pioneer Energy Services: A company whose culture of dignity and respect for all people enables us to visualize and commit to living and working in an environment that is fulfilling and free of incident or injury.

**Values**

Integrity: We employ the highest ethical standards, demonstrating honesty and integrity in every aspect of our business.

Safety: We keep our people and the public safe.

Service Excellence: We hold ourselves accountable to provide the best service possible.

Environmental Stewardship: We protect and preserve the environment we work in.
COLOMBIA EARN TOP RIG HONORS, ISO CERTIFICATIONS

“These achievements are the result of the commitment made five years ago to focus on outstanding service and excellence in all phases of the operation.”

Drilling Services’ Colombia Division Vice President/General Manager Jose “Pepe” Portero

Pioneer’s operations in Colombia continue to advance after a strong 2011. Last year our Drilling Rig #21 and Drilling Rig #51 were recognized as the first- and second-best drilling rigs working for Ecopetrol, and the business received several certifications from the International Organization for Standardization (ISO).

“The Drilling Rig #21 team helped Ecopetrol improve key performance indicators,” says Drilling Services’ Colombia Division Vice President/General Manager Jose “Pepe” Portero. Ecopetrol is Colombia’s largest integrated oil and gas company. “The Drilling Rig #51 crew also excelled. Their hard work and performance was unmatched on a national level.”

The ISO certifications – 9001, 14001 and 18000 – were awarded after a series of thorough and complex audits. The certifications cover several areas:

• Quality management systems
• Environmental management systems
• Safety and occupational health
• Information technology

“This recognition allows us to continue being part of a select group of companies in the oil industry,” Pepe says. “It also confirms that our work complies with Colombia’s high standards. We are looking forward to receiving our next certification, ISO 26000, which covers social responsibility.”

These achievements, Pepe says, are the result of the commitment made five years ago to focus on outstanding service and excellence in all phases of the operation. “We have been building excellence step-by-step,” he says. “We want our operators to receive the best drilling service in the country.”

The way to excellence is long and still needs everyone’s efforts to make sure we are successful,” Pepe says. “For this reason I want to say thanks to everyone for their support and loyalty to the Company.”

The phenomenal growth of the Well Servicing business unit was front and center at this year’s Offshore Technology Conference (OTC) in Houston, as Pioneer’s 100th well servicing rig was on full display for nearly 90,000 attendees.

“There are very few well servicing companies that have grown to 100 rigs as quickly as we have,” says Well Servicing Business Manager Daniel Hindes. In 2004 the Company started with just five rigs.

Today Pioneer is the sixth-largest well servicing company in the U.S.

The rig at OTC carried a sticker noting Well Servicing’s recognition by the Association of Energy Service Companies (AESC) as a gold medal safety award winner for 2011-2012 AESC President Angela Smith.

The ISO certifications – 9001, 14001 and 18000 – were awarded after a series of thorough and complex audits. The certifications cover several areas:

• Quality management systems
• Environmental management systems
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• Information technology

Well Servicing celebrated the arrival of its 100th rig by putting it on display at the Offshore Technology Conference in Houston. From left to right are Well Servicing Vice President Joe Freeman and District Managers James Bomar and Mike Miller.

The daily 7 a.m. check-in meeting at Drilling Services’ West Texas Division office in Midland has a new component, and the conversation they’ve started is helping keep everybody safe.

“During our check-in meeting, we set the agenda for the day,” says Veteran Roger Diez. “If there is an issue, we look out for that individual throughout the day to make sure they don’t hurt themselves or endanger others.”

Overcoming Reluctance

The discussions began more than six months ago during training meetings for the LiveSafe safety program. Roger credits Superintendent Waylon Collins for making them part of the office’s daily routine. “Since we started it here at the office, we now have several rigs doing it too,” he says.

Roger notes that in the beginning people were reluctant to open up about personal issues, but the comfort level improved over time. “It’s become easier to share, and as a result we’ve helped each other get through some troubling times and stay safe on the job,” he says.

The talks have also brought the group closer together. Roger says, “This will help us in the long run because if you care about somebody you don’t want to see them get hurt.”

WELL SERVICING HITS 100-RIG MILESTONE, EARNS SAFETY AWARD

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STAYING SAFE THIS SUMMER

Texting while driving is as dangerous as driving drunk, studies show.

Every season has its safety challenges. In summer, driving and weather pose some of the greatest risks. But with a few preparations and precautions, everyone can work and play safely this summer.

On the Road

Summer driving can mean more vehicles on the road due to vacation travel and greater stresses on your engine and cooling system. According to insurance companies and automotive groups, best practices for safe driving include:

• Keep a safe distance – use the “two-second” rule.
• Seat belts save lives – about 17,000 per year in the U.S.
• Eliminate distractions – turn off electronic devices.
• Make full stops at every stop sign.
• Take breaks during long drives (15 minutes every two hours is recommended).
• Slow down in storms to avoid hydroplaning.
• Check all fluids, tires, wipers, battery, hoses, lights and brakes and replace as needed.

Weather Warnings

Thunderstorms, tornadoes, heat and humidity can turn a typical summer day lethal with stresses on your engine and cooling system. According to insurance companies and automotive groups, best practices for safe driving include:

Recognize that if you hear thunder, you can be struck by lightning.

Avoid tall trees, poles or metal fences if you are unable to find shelter.

Stay informed – know the forecast and be alert to changing conditions.

Don’t start anything that can’t be stopped if storms threaten.

Keep hydrated and learn the symptoms of heat-related illnesses.

Keep a safe distance – use the “two-second” rule.

Eliminate distractions – turn off electronic devices.

Avoid tail lights, poles or metal fences if you are unable to find shelter.

Lie flat in a ditch or other low-lying area if you cannot get inside.

COMMUNITY COMES TOGETHER AFTER TORNADO

Gennifer Martin knows about the power of tornadoes. She also knows about the power of a community to clean up and recover. Gennifer, the office manager at the Fishing and Rental Services facility in Woodward, Okla., had a front-row seat to the terrifying tornado that hit the town on Sunday, April 15, killing six people and destroying more than 200 homes and businesses. She also witnessed the strength of the community’s spirit as clean-up efforts began the next morning.

Gennifer’s biggest scare was that it was prom night and she couldn’t reach her daughter Isabella. “We were already in our neighbor’s cellar and the phones were not working,” she says. “The twister had already touched down when we heard a banging on the cellar door and it was Isabella in her prom dress.”

With her family and property safe, Gennifer joined the massive clean-up effort that brought people from all over the region to northwest Oklahoma. Cleaning up at a friend’s house, Gennifer and other volunteers welcomed Oklahoma Governor Mary Fallin, who was touring the area.

“The governor spoke with all of us, asked about our concerns and gave each of us her card so we could call her directly,” Gennifer says. A photo of the meeting was featured in the Daily Oklahoman newspaper.

Gennifer adds that everyone from the office volunteered to assist in the recovery. “We are a close-knit community, and the willingness to get involved and help other people is really strong,” she says.

WIRELINE SERVICES WELCOMES TWO NEW FACILITIES

Strong demand for wireline services in both the North and South regions has prompted the Company to move into new facilities in Williston, North Dakota and Laredo, Texas. Each recently held grand opening events to showcase their industry-leading capabilities.

Building in a Boom Town

In Williston, the 25,000-square-foot building and 15-acre tract support nine cased-hole units and one open-hole unit. Typically, 60 to 65 people work at the facility.

“Business has been really good, with horizontal drilling just taking off in the last two years,” says Williston District Manager Greg Paluck. “It’s surprising how many more people are working at our facility.”

“Two new facilities will help support our rapid growth in the region, says Gulf Coast Sales Manager Larry Tidwell. “Williston’s rapid population growth from the oil and gas boom means waiting in line for key services. Greg says: “We’ve been using our previous facility to its full capacity as we transition, and we should be fully staffed by mid-July,” he says.

Improved Presentation

In Laredo, Wireline Services’ new home for about 35 employees is a build-to-suit facility in an industrial park. It offers more bays, more offices and more room to grow than the previous location.

“We’ve had several clients and potential clients come through and they’ve been impressed with Pioneer’s presentation,” says Laredo District Manager Eddie Sanchez. The new facility will help support our rapid growth in the region, says Gulf Coast Sales Manager Larry Tidwell. “We moved into Laredo in 2010 and after just two years it has become a very sizeable business.”

MEET THE EXPANDED PIONEER SPIRIT

Drilling Services
Adrian Acosta
Carl L. Brown
Felicia Beddington
Chantell Carlson
Tony Cueva
Barbara Harper
Elizabeth Hughes
Joyce Jones
Joh Martinez
Barbara Mendoza
Nathan Poche
Michael Potts
Ericka Rodriguez
Paul Snelling
Charlie Walsh
Coiled Tubing Services
Julie Aucson
Jill Bruzard
Bryan Clark
Mark Danette
Well Servicing
George Aguilar
Kirk Cammody
Harby Daughnet
Stanley Fields Jr.
Kristal Franke
Daniel Hinojas
Mary Kay Wood
Claudia Minter
Sara Parlor
Jaei Skalnas
Donna Smith
Sheila Wall
Wireline Services
Brett Becker
Kathy Bloom
Randy Conley
Julie Copser
Patricia Daniel
Connie Elsenpeter
Charlotte Feltos
Danny Hazel
David Kall
Amy King
Marcia Konver
Mike Mesner
Oscar Montalvo
Monte Schmidt
Monica Schroder
Karen Segovia
Susun Thomas
Larry Tidwell
Crystal Tyler

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