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ENERGY SERVICES CORP.

PETERS & CO LIMITED 2015 ENERGY CONFERENCE

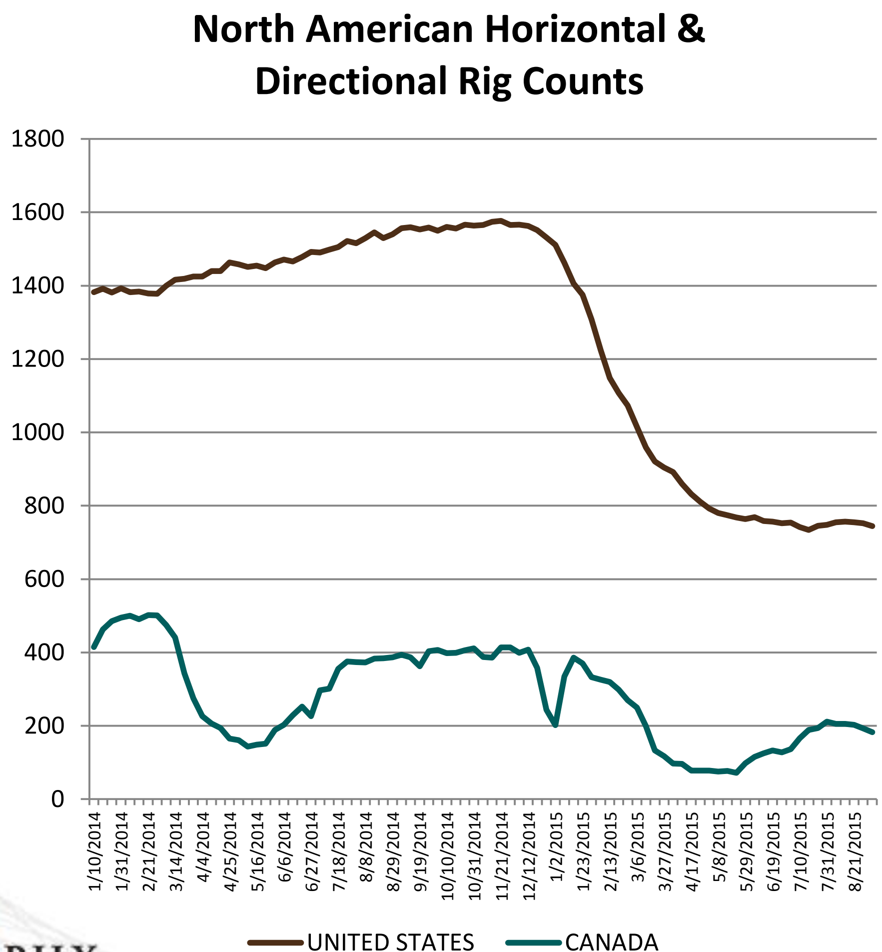
SEPTEMBER 15, 2015

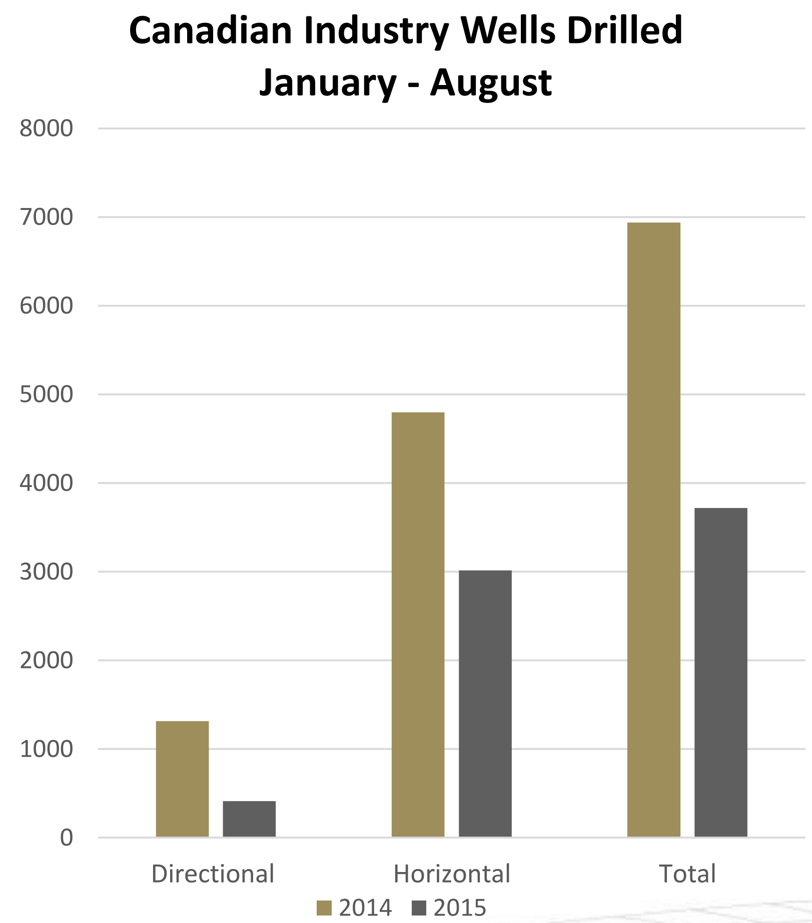
Forward-Looking Statements

Some matters discussed in this presentation may be considered to be forward- looking statements. Such statements include declarations regarding management's intent, belief or current expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties. Actual results could differ materially from those indicated by such forward-looking statements. Such risks and uncertainties include: the possible unavailability of financing, risks related to the uncertainty inherent in the oil and gas horizontal and directional services industry, the impact of energy price fluctuations, the seasonal nature of business, the dependence on third party suppliers and contractors, changes in government regulation, the impact of competition, the successful commercialization of certain technologies, the dependence upon competent employees including senior management, and fluctuations in currency exchange rates and interest rates.

Industry Conditions

Lower commodity prices and price volatility are resulting in a significant decline in drilling activity





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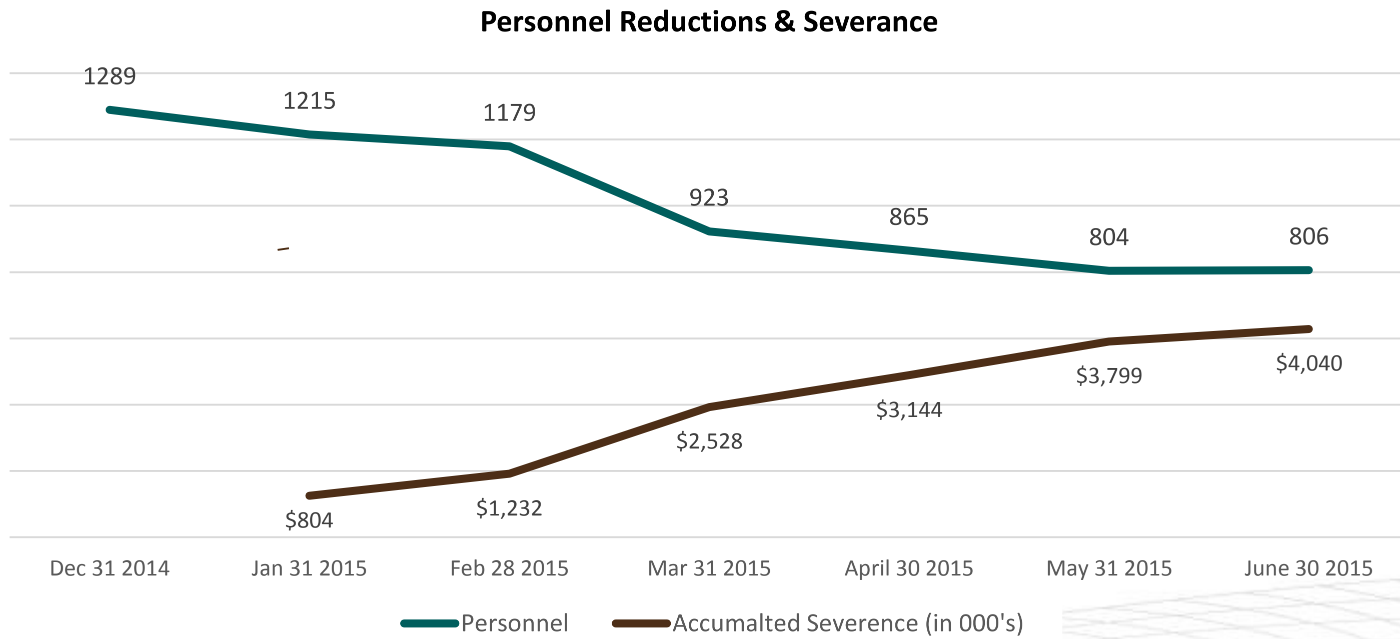
Industry Outlook

- 2016 E&P capital drilling budget could be lower than 2015
- August sub $50/bbl WTI oil price has set the new trend
- Recovery is likely to take longer than initially anticipated
  - Meaningful reduction to storage and production levels will take time
  - OPEC needs to tire of selling undervalued oil ($40/bbl)

Impact on PHX

Focus on preserving balance sheet by aggressively managing cost structure

- Field labour costs per well are currently 50% lower than in 2014
- Consolidation of US operations
- Company-wide compensation reductions 5-20%
- Reduced personnel
- Minimal capital expenditures
- Reduced annual dividend from $0.84/share to $0.04/share



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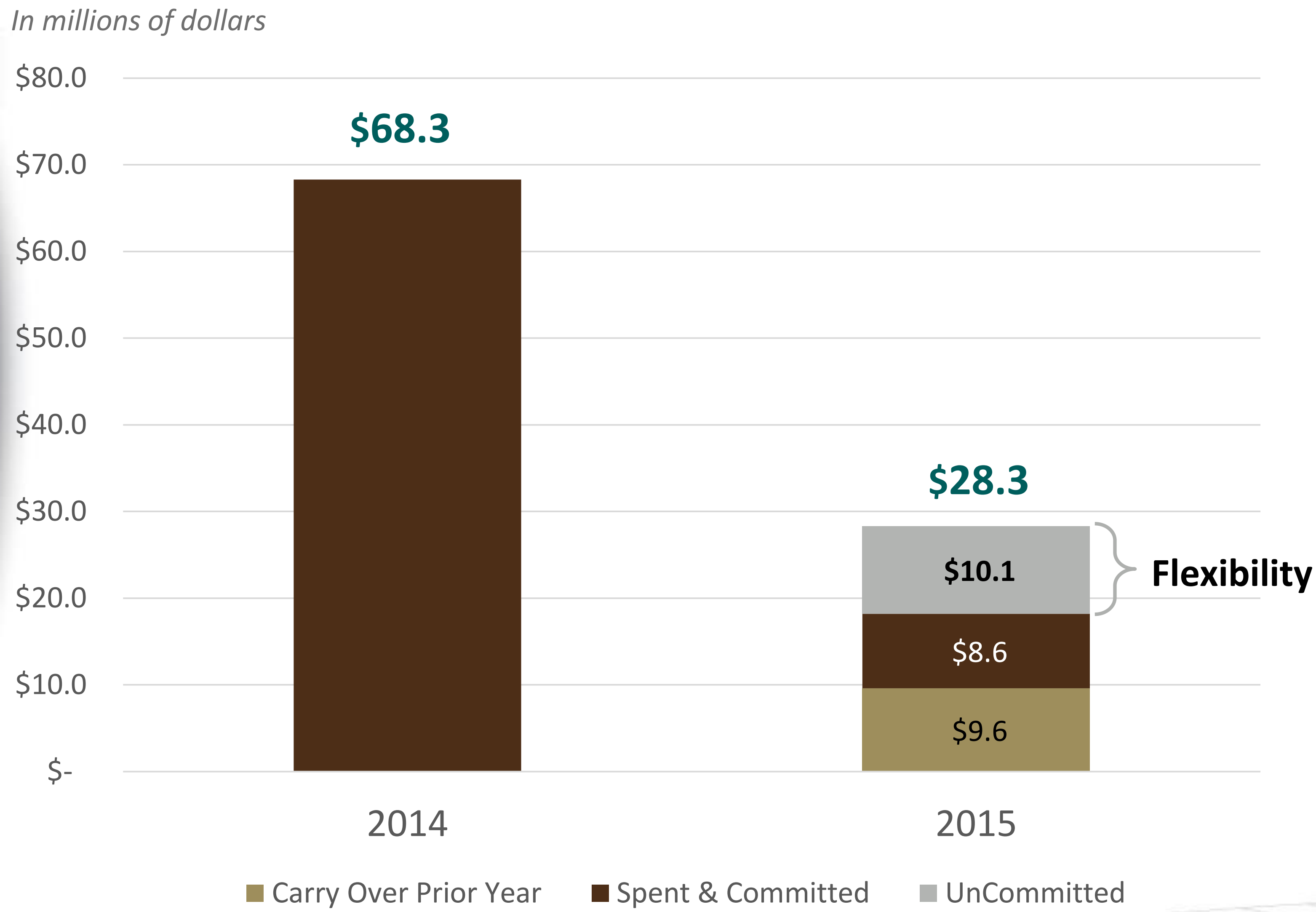
2014 & H1 2015 Capital Expenditures



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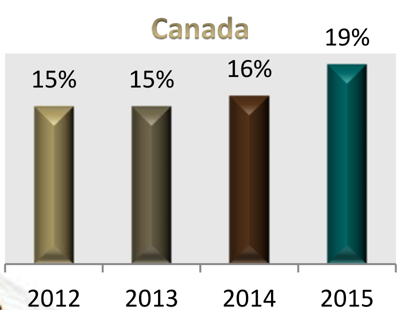
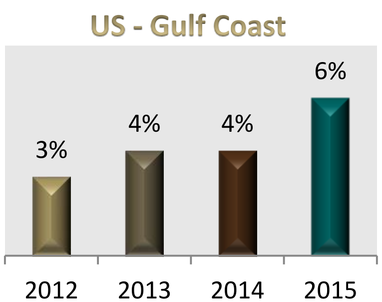
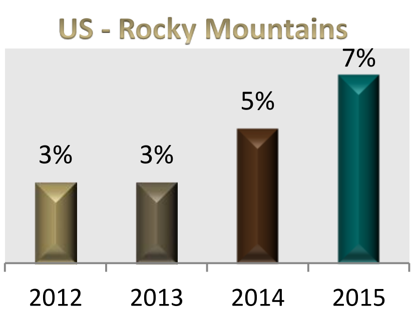
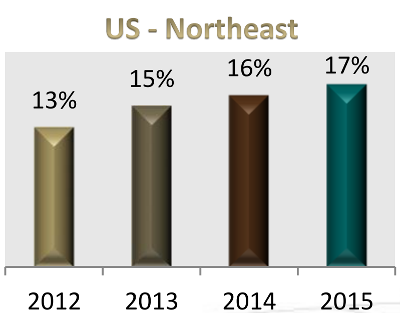
Good News

- It can’t last forever
  - Equilibrium will return as the projected increase in global demand for oil outpaces a lower supply curve
- Natural selection
  - Only the companies that adapt to the new market conditions will prevail
  - Consolidation of service companies will further eliminate some competition
- Activity in Russia increased 6% from H1 2014 to H1 2015
- Currently PHX Energy is maintaining market share in all North American regions









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Factors for Oilfield Service Health

- A realistic stable commodity price
- Supply and demand must find a balance
- Limit access to cheap capital for a less competitive environment in the future
- Political environment that is conducive to stable long term investment
- Market segment needs to develop innovative service offerings and technologies that allow E&P operators to drill at lower commodity prices
- Maintain balance sheet health and adjust cost structure to be lean and disciplined

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Summary

- PHX Energy will position itself with a cost structure that it believes can be sustained in this weaker period
- Prudent balance sheet management will be our main focus
- We have to be the leanest, most efficient service provider in our sector

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