

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

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 8, 2018**

**Basic Energy Services, Inc.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-32693**  
(Commission  
File Number)

**54-2091194**  
(I.R.S. Employer  
Identification No.)

**801 Cherry Street, Suite 2100**  
**Fort Worth, Texas**  
(Address of principal executive offices)

**76102**  
(Zip Code)

Registrant's telephone number, including area code: **(817) 334-4100**

**Not Applicable**  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On February 8, 2018, the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Basic Energy Services, Inc. (the “Company” or “Basic”) approved base salaries for 2018, certified cash bonuses for 2017, approved grants of performance-based restricted stock unit awards with respect to up to 305,438 shares of the Company’s common stock (the “PB Awards”), and approved grants of time-based restricted stock unit awards with respect to 203,625 shares of the Company’s common stock (the “TB Awards”, and together with the PB Awards, the “2018 Awards”), to Basic’s executive officers, including its named executive officers, under the Basic Energy Services, Inc. Management Incentive Plan (the “MIP”), based upon management’s recommendation and the respective executive officer’s performance.

*2018 Base Salaries and 2017 Cash Bonuses*

The approved base salaries for 2018 and the 2017 cash bonus amounts for each of these executive officers are set forth in the table below:

	<b>2018 Base Salary</b>	<b>2017 Cash Bonus (1)</b>
T.M. “Roe” Patterson <i>President, Chief Executive Officer and Director</i>	\$700,000	\$630,000
Alan Krenek <i>Senior Vice President, Chief Financial Officer, Treasurer and Secretary</i>	\$415,000	\$311,250
James F. Newman <i>Senior Vice President, Region Operations</i>	\$415,000	\$311,250
William T. Dame <i>Vice President, Pumping Services</i>	\$340,000	\$255,000
Eric Lannen <i>Vice President, Human Resources</i>	\$293,550	\$153,527

(1) The 2017 cash bonuses were based on certain performance metrics that were previously recommended by the Committee and unanimously approved by the Board of Directors of the Company on February 22, 2017. The Committee certified the results of those certain performance metrics on February 8, 2018.

*PB Awards*

Pursuant to the PB Award agreements, the PB Awards are to be earned based upon Basic’s total shareholder return (“TSR”) relative to the TSR of a peer group of energy services companies measured over the Performance Period (defined as the 2018 and 2019 calendar years), with Basic’s ranking in TSR performance being compared to the ranking in TSR performance of the members of the Peer Group (as defined below, and together with Basic, the “Combined Group”). The Combined Group will be ranked from best performing to worst performing with regard to each company’s respective TSR performance over the Performance Period, with the Combined Group company ranked 1st being the company with the highest TSR when compared to the other Combined Group companies and the Combined Group company ranked 11th being the company with the lowest TSR when compared to the other Combined Group companies, with rankings 2 through 10 being determined in descending order based upon the corresponding descent in TSR performance for companies in the Combined Group from 2nd highest to 10th highest.

Based on Basic's TSR performance, each grantee may earn the PB Awards as follows:

Combined Group Company Rank Based on TSR Performance	Percentage of PB Awards Earned
1st	150.0%
2nd	140.0%
3rd	130.0%
4th	120.0%
5th	100.0%
6th	80.0%
7th	60.0%
8th	40.0%
9th	20.0%
10th	10.0%
11th	0.0%

"Peer Group" means each of the following companies: (1) C&J Energy Services, Inc.; (2) Keane Group, Inc.; (3) Key Energy Services, Inc.; (4) Mammoth Energy Services, Inc.; (5) Pioneer Energy Services Corp.; (6) Propetro Holding Corp.; (7) Ranger Energy Services, Inc.; (8) RPC, Inc.; (9) Select Energy Services, Inc.; and (10) Superior Energy Services, Inc.; *provided*, in the event any such company ceases to exist, ceases to file public reports timely with the U.S. Securities and Exchange Commission with respect to the Performance Period or merges or combines with any other entity that, in the determination of the Committee makes such combined company not comparable for use as part of the Peer Group, the Committee in its sole discretion may continue to include or exclude such company in the Peer Group, but in no event may substitute any other company in its place as part of the Peer Group.

Once earned, the PB Awards will vest in one-half increments and will begin when the Committee certifies the specified adjustments in the award agreements and will begin to vest no later than 45 days after the Performance Period (the "Determination Date"). The PB Awards will vest with half of the PB Awards vesting on the Determination Date and the remaining half vesting one year following the Determination Date. All unvested PB Awards will be forfeited by the grantee (a) if the grantee's employment with Basic is terminated by Basic for "Cause" before the PB Awards are vested or (b) if the grantee terminates his employment with Basic before the PB Awards are vested for any reason other than (i) "Good Reason" or (ii) the death or "Disability" of the grantee, as such terms are defined in the award agreement. The grantee will vest in all rights to the PB Awards on the earliest of (i) the dates set forth above; (ii) termination by Basic without Cause; (iii) the death or "Disability" of the grantee; (iv) resignation for "Good Reason"; or (v) a Change of Control (as defined in the award agreements).

Following the vesting of the PB Awards, the Company will deliver to the grantee the number of shares of common stock, par value \$.01, of Basic (the "Shares") equal to the aggregate number of PB Awards that vest as of such date. The Company, however, in its sole discretion, will have the option to settle the PB Awards in cash, subject to applicable withholding taxes. Each PB Award has dividend equivalent rights, which dividend equivalent rights may be accumulated and deemed reinvested in additional PB Awards or may be accumulated in cash, as determined by the Committee in its discretion.

The foregoing description of the PB Awards in this Item 5.02 is qualified in its entirety by reference to the full text of the Form of Performance-Based Restricted Stock Unit Award Agreement, which is filed as Exhibits 10.1 hereto and is incorporated herein by reference.

#### *TB Awards*

Pursuant to the TB Award agreements, the TB Awards will vest annually in three equal installments, with one-third vesting on the first anniversary of the grant date, one-third vesting on the second anniversary of the grant date and one-third vesting on the third anniversary of the grant date.

Once earned, the TB Awards will be forfeited by the grantee (a) if the grantee's employment with Basic is terminated by Basic, unless without cause, before the TB Awards are vested or (b) if the grantee terminates his employment with Basic before the TB Awards are vested for any reason other than (i) "Good Reason" or (ii) the death or "Disability" of the grantee, as such terms are defined in the award agreement. The grantee will vest in all rights to the TB Awards on the earliest of (i) the dates set forth above; (ii) termination by Basic without Cause; (iii) the death or Disability of the grantee; or (iv) resignation for Good Reason.

Following the vesting date of the TB Awards, the Company will deliver to the grantee the number of Shares equal to the aggregate number of TB Awards that vest as of such date. The Company, however, in its sole discretion will have the option to settle the TB Awards in cash, subject to applicable withholding taxes. Each TB Award has dividend equivalent rights, which dividend equivalent rights may be accumulated and deemed reinvested in additional TB Awards or may be accumulated in cash, as determined by the Committee in its discretion.

The foregoing description of the TB Awards in this Item 5.02 is qualified in its entirety by reference to the full text of the Form of Time-Based Restricted Stock Unit Award Agreement, which was filed as Exhibit 10.9 to the current report on Form 8-K filed on December 27, 2016 and is incorporated herein by reference.

The number of 2018 Awards issuable to each of Basic's named executive officers under the applicable award agreement is set forth in the table below and assumes that each named executive officer earns 100% of the PB Awards:

	TB Award	PB Award (at target)
T.M. "Roe" Patterson <i>President, Chief Executive Officer and Director</i>	44,615	44,615
Alan Krenek <i>Senior Vice President, Chief Financial Officer, Treasurer and Secretary</i>	15,962	15,962
James F. Newman <i>Senior Vice President, Region Operations</i>	15,962	15,962
William T. Dame <i>Vice President, Pumping Services</i>	11,209	11,209
Eric Lannen <i>Vice President, Human Resources</i>	9,677	9,677

**Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibits.
  - 10.1 [Form of Performance-Based Restricted Stock Unit Award Agreement.](#)
  - 10.2 [Form of Time-Based Restricted Stock Unit Award Agreement \(Incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K \(SEC File No. 001-32693\), filed on December 27, 2016\).](#)

**SIGNATURES**

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

Basic Energy Services, Inc.

Date: February 14, 2018

By: /s/ Alan Krenek  
Alan Krenek  
Senior Vice President, Chief Financial Officer,  
Treasurer and Secretary

**BASIC ENERGY SERVICES, INC.**  
**Management Incentive Plan**

**Performance-Based Restricted Stock Unit Award Agreement**

**Participant: <<First Name>> <<Last Name>>**

This Performance-Based Restricted Stock Unit Award Agreement (this “*Agreement*”) is made by and between Basic Energy Services, Inc., a Delaware corporation (the “*Company*”), and [•] (the “*Participant*”), effective as of [•] (the “*Date of Grant*”).

**RECITALS**

**WHEREAS**, the Company has adopted the Basic Energy Services, Inc. Management Incentive Plan (as the same may be amended from time to time, the “*Plan*”), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to those terms in the Plan; and

**WHEREAS**, the Committee has authorized and approved the grant of an Award to the Participant that will provide the Participant the opportunity to receive shares of Common Stock or cash upon the settlement of stock units on the terms and conditions set forth in the Plan and this Agreement (“*Restricted Stock Units*”).

**NOW THEREFORE**, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of Restricted Stock Unit Award.

The Company hereby grants to the Participant [•] Restricted Stock Units (the “*Subject Restricted Stock Units*”), on the terms and conditions set forth in the Plan and this Agreement, subject to adjustment as set forth in the Plan.

2. Performance-Based Vesting of Subject Restricted Stock Units.

(a) To determine the actual number of Restricted Stock Units earned by the Participant (the “*Earned Restricted Stock Units*”), the Peer Group and the Company (the “*Combined Group*”) will be ranked from best performing to worst performing with regard to each company’s respective TSR (“*Target Shareholder Return*”) Performance Metric where the Combined Group company ranked 1st shall be the one with the highest TSR Performance Metric when compared to all other Combined Group companies, the Combined Group company ranked 2nd shall be the one with the second highest TSR Performance Metric when compared to all other Combined Group companies, and so forth. The Combined Group company ranked 11th (or last) shall be the one with the lowest TSR Performance Metric when compared to all other Combined Group companies. The Earned Restricted Stock Units shall equal a percentage of Subject Restricted Stock Units based on the ranking of the Company’s TSR Performance Metric among the TSR Performance Metrics of the Combined Group as set forth below:

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Combined Group Company Rank Based on TSR Performance Metric	Percentage of Subject Restricted Stock Units Earned
1st	150%
2nd	140%
3rd	130%
4th	120%
5th	100%
6th	80%
7th	60%
8th	40%
9th	20%
10th	10%
11th	0%

For example, if the Company's TSR Performance Metric were to be ranked 5th in the Combined Group, the number of Earned Restricted Stock Units earned by the Participant would be 100% of the Subject Restricted Stock Units.

- (b) **Definitions.** This Section 2(b) sets forth meanings for certain of the capitalized terms used in Section 2.
- (i) "*Peer Group*" means each of the following companies: (1) C&J Energy Services, Inc.; (2) Keane Group, Inc.; (3) Key Energy Services, Inc.; (4) Mammoth Energy Services, Inc.; (5) Pioneer Energy Services Corp.; (6) Propetro Holding Corp.; (7) Ranger Energy Services, Inc.; (8) RPC, Inc.; (9) Select Energy Services, Inc.; and (10) Superior Energy Services, Inc.; *provided*, in the event any such company ceases to exist, ceases to file public reports timely with the U.S. Securities and Exchange Commission with respect to the Performance Period or merges or combines with any other entity that, in the determination of the Committee makes such combined company not comparable for use as part of the Peer Group, the Committee in its sole discretion may continue to include or exclude such company in the Peer Group, but in no event may substitute any other company in its place as part of the Peer Group.
  - (ii) "*Performance Period*" means the 2018 and 2019 calendar years.
  - (iii) "*TSR Performance Metric*" means as defined and calculated as follows, where "Beginning Price" is the average closing price on the principal exchange on which such stock is traded for the last 20 trading days immediately preceding the start of the Performance Period, and "Ending Price" is the average closing price on the principal exchange on which such stock is traded for the last 20 trading days of the Performance Period, in each case as applied to the applicable equity security:

$$\text{TSR} = \frac{(\text{Ending Price} - \text{Beginning Price} + \text{cash dividends (if any) per share paid}^*)}{\text{Beginning Price}}$$

\*Stock dividends paid in securities rather than cash in which there is a distribution of less than 25 percent of the outstanding shares (as calculated prior to the distribution) shall be treated as cash for purposes of this calculation.

- (c) Timing of Adjustment Determination. The adjustments specified in Section 2(a) will be certified by the Committee no later than forty-five (45) days after the completion of the Performance Period (such date of certification by the Committee, the "*Determination Date*").

3. Time-Based Vesting of Subject Restricted Stock Units.

In addition to the vesting schedule set forth in Section 2, and subject to the terms and conditions set forth in the Plan and this Agreement, and the Participant's continued Service through each applicable vesting date, the Subject Restricted Stock Units shall also be subject to the following time-based vesting conditions:

- (a) 50.0% of the Subject Restricted Stock Units shall vest on the Determination Date, and  
(b) the remaining 50.0% of the Subject Restricted Stock Units shall vest one year after the Determination Date.

4. Conditions That Could Accelerate Vesting.

- (a) Termination without Cause; Resignation for Good Reason. If the Participant's Service is terminated by the Company without Cause or the Participant resigns from Service for Good Reason (as defined below), any portion of the then unvested time-based Subject Restricted Stock Units that would have vested in accordance with Section 3 above had the Participant continued his or her Service during the 12 months following such termination or resignation shall vest on such termination or resignation date. For purposes of this Agreement, "*Good Reason*" shall have the meaning ascribed to such term in the Participant's employment agreement with the Company as in effect on the Date of Grant or if the Participant is not subject to an employment agreement or "*Good Reason*" is not defined therein, then "*Good Reason*" shall mean (i) a material reduction in the Participant's base salary and annual target bonus opportunity (excluding Awards under the Plan or other stock-based compensation) paid by the Company immediately prior to the material reduction thereof giving rise to Good Reason; (ii) a material reduction in benefits comparable in the aggregate to those enjoyed by the Participant under the Company's retirement, life insurance, medical, dental, health, accident and disability plans in which the Participant was participating immediately prior to the material reduction thereof giving rise to Good Reason; (iii) a relocation of more than fifty (50) miles of the Participant's principal office with the Company or its successor; or (iv) a material diminution in the Participant's title, authority or duties. Notwithstanding the foregoing definition of "*Good Reason*," the Participant cannot terminate his or her Service hereunder for Good Reason unless he or she (i) first notifies the Board or the Committee in writing of the event (or events) which the Participant believes

constitutes a Good Reason event within 120 days from the date of such event, and (ii) provides the Company with at least 30 days to cure such Good Reason event and the Company fails to cure within such period.

- (b) Disability; Death. Upon the Participant's Disability or death prior to the completion of the Performance Period, and subject to the Participant's continued Service through such date, the Subject Restricted Stock Units shall fully vest as though the Company's TSR Performance Metric ranked 5th within the Peer Group. Upon the Participant's Disability or death following the completion of the Performance Period, subject to the Participant's continued Service through such date, all unvested Earned Restricted Stock Units (calculated in accordance with Section 2) shall fully vest upon such Disability or Death.
- (c) Change of Control. Any unvested portion of the Subject Restricted Stock Units shall fully vest upon a Change of Control, subject to continued Service through such date.
- (d) Forfeiture. Any unvested Restricted Stock Units will be forfeited immediately, automatically and without consideration upon a termination of the Participant's Service for any reason (other than as set forth in Section 4(a), (b) and (c) above).

5. Dividend Equivalent Rights.

Each Restricted Stock Unit is granted together with dividend equivalent rights, which dividend equivalent rights may be accumulated and deemed reinvested in additional Restricted Stock Units or may be accumulated in cash, as determined by the Committee in its discretion. Any payments made pursuant to dividend equivalent rights will be paid on the date of settlement as set forth in Section 5 below.

6. Payment

- (a) Settlement. Promptly following the vesting date of the Subject Restricted Stock Units (but no later than 30 days following such vesting date), the Company shall deliver to the Participant (or Participant's legal representatives of the estate of Participant) a number of shares of Common Stock equal to the aggregate number of Subject Restricted Stock Units that vest as of such date. No fractional shares of Common Stock shall be delivered; the Company shall pay cash in respect of any fractional shares of Common Stock. The Company may deliver such shares either through book entry accounts held by, or in the name of, the Participant or cause to be issued a certificate or certificates representing the number of shares of Common Stock to be issued in respect of the Subject Restricted Stock Units, registered in the name of the Participant. The Company, in its sole discretion, has the option to settle the Subject Restricted Stock Units in cash (subject to applicable withholding taxes).
- (b) Withholding Requirements. The Company shall have the power and the right to deduct or withhold automatically from any shares of Common Stock deliverable under this Agreement, or to require the Participant or the Participant's representative to remit to the Company, the amount necessary to satisfy federal, state and local taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement. If the Subject Restricted Stock Units are settled in shares of Common Stock, all or a portion of the applicable withholding taxes may be paid by reducing the number of shares of Common Stock otherwise deliverable upon such settlement by the number of shares of Common Stock having an aggregate

Fair Market Value equal to the applicable withholding taxes (or a portion thereof). If the Subject Restricted Stock Units are settled in cash, the Company shall deduct or withhold automatically from the cash deliverable to the Participant under this Agreement, or require the Participant or the Participant's representative to remit to the Company, in each case, the applicable withholding taxes.

7. Adjustment of Shares of Common Stock.

In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.4 of the Plan, the Subject Restricted Stock Units may be adjusted in accordance with Section 4.4 of the Plan.

8. [Restrictive Covenant.]

(a) Non-Competition. In consideration of the Subject Restricted Stock Units granted hereunder and other consideration payable to the Participant from time to time by the Company and its affiliates, the Participant hereby agrees that during his or her employment with the Company and (i) for a period of two (2) years following the date of the Participant's termination of employment for any reason other than (A) by the Participant for Good Reason or (B) by the Company other than for Cause, or (ii) for a period of six (6) months following the such date of termination (A) by the Participant for Good Reason or (B) by the Company for a reason other than Cause, unless such termination is within 12 months following a Change of Control (in which case the following restrictions shall not apply), the Participant will not, directly or indirectly (as a principal, agent, owner, employee, consultant or otherwise), in any county in the United States, or otherwise within one hundred fifty (150) miles of where the Company or any of its Subsidiaries or affiliates are conducting any business as of the date of termination (or have conducted any business twelve (12) months prior to such date of termination) (the "*Territory*"):

- (i) engage in any business competitive with the business conducted by the Company or its affiliates or Subsidiaries;
- (ii) render advice or services to, or otherwise assist, any other person, association, or entity who is engaged, directly or indirectly, in any business competitive with the business conducted by the Company or its affiliates or Subsidiaries; or
- (iii) solicit business, or attempt to solicit business within the Territory, in products or services competitive with any products or services sold (or offered for sale) by the Company or any affiliate, from the Company's or affiliate's customers or prospective customers, or those individuals or entities with whom the Company or affiliate did any business during the two-year period ending on the Participant's termination date;

*provided, however,* the foregoing and this Section 8 shall not prohibit or be construed to prohibit the Participant from owning less than 2% of any class of stock or other securities which are publicly traded on a national securities exchange or in a recognized over-the-counter market even if such entity or its affiliates are engaged in competition with the Company or a Subsidiary or affiliate of the Company.

- (b) Remedies. The Participant acknowledges that the restrictions contained herein, in view of the nature of the Company's business, are reasonable and necessary to protect the Company's legitimate business interests, and that any violation of this Agreement would result in irreparable injury to the Company. In the event of a breach or a threatened breach by the Participant of this Section 8, the Company shall be entitled to a temporary restraining order and injunctive relief restraining the Participant from the commission of any breach, and to recover the Company's attorneys' fees, costs and expenses related to the breach or threatened breach. Nothing contained in this Agreement shall be construed as prohibiting the Company from pursuing any other remedies available to it for any such breach or threatened breach, including, without limitation, the recovery of money damages, attorneys' fees, and costs. The covenant herein shall each be construed as independent of any other provisions in this Agreement, and the existence of any claim or cause of action by the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of such covenants and agreements.
- (c) Interpretation. If any restriction set forth in this Section 8 is found by any court of competent jurisdiction to be invalid, illegal, or unenforceable, it shall be modified to the minimum extent necessary to render the modified restriction valid, legal and enforceable. The parties intend that the non-competition provision contained herein shall be deemed to be a series of separate covenants, one for each and every county of each and every state of the United States of America and each and every political subdivision of each and every country outside the United States of America where this provision is intended to be effective.

9. Miscellaneous Provisions

- (a) Securities Laws Requirements. No shares of Common Stock will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the shares of Common Stock may be listed, have been fully met. As a condition precedent to the issuance of shares of Common Stock pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any shares of Common Stock issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue sky or other securities laws applicable to those shares of Common Stock.
- (b) Rights of a Shareholder of the Company. Prior to settlement of the Subject Restricted Stock Units in shares of Common Stock, neither the Participant nor the Participant's representative will have any rights as a shareholder of the Company with respect to any shares of Common Stock underlying the Restricted Stock Units.

- (c) Transfer Restrictions. The shares of Common Stock delivered hereunder will be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with, or policy of, the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.
- (d) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without Cause.
- (e) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in writing addressed to the Company at its principal executive office and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's Vice President of Human Resources and will be deemed effective upon actual receipt. Any notification required by the terms of this Agreement will be given by the Company (x) in writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work fax number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of such transmission.
- (f) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties hereto with regard to the subject matter of this Agreement. This Agreement and the Plan supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter of this Agreement.
- (g) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.
- (h) Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries, and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

- (i) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.
- (j) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.
- (k) Choice of Law; Jurisdiction. This Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.
- (l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.
- (m) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to any Awards granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company, if applicable. Such on-line or electronic system shall satisfy notification requirements discussed in Section 9(e).
- (n) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the Subject Restricted Stock Units subject to all of the terms and conditions of the Plan and this Agreement. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail.

*[Signature page follows.]*

IN WITNESS WHEREOF, the Company and the Participant have executed this Restricted Stock Unit Award Agreement as of the dates set forth below.

**PARTICIPANT**                      **BASIC ENERGY SERVICES, INC.**

Signature: \_\_\_\_\_ By: \_\_\_\_\_

Print Name: \_\_\_\_\_ Its: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

*[Signature Page – Performance Based Restricted Stock Unit Award Agreement]*