

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|-----------------------------------|---|-----------------------------|
| 1 Issuer's name | | 2 Issuer's employer identification number (EIN) | |
| C&J ENERGY SERVICES, INC. | | 81-4808566 | |
| 3 Name of contact for additional information | 4 Telephone No. of contact | 5 Email address of contact | |
| JOHN YAU | 281-929-0370 | JOHN.YAU@NEXTIEROFS.COM | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact | | 7 City, town, or post office, state, and ZIP code of contact | |
| 3990 ROGERDALE ROAD | | HOUSTON | |
| 8 Date of action | | 9 Classification and description | |
| OCTOBER 30, 2019 | | COMMON STOCK | |
| 10 CUSIP number | 11 Serial number(s) | 12 Ticker symbol | 13 Account number(s) |
| 12674R100 | N/A | CJ | N/A |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

On October 4, 2019 C&J Energy Services, Inc. ('C&J Energy') declared a cash distribution to its Common Stock shareholders on the date of record, as follows:

Date of Record: October 18, 2019

Amount: \$1.00 per share

Date Paid: October 30, 2019

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

Distributions paid in excess of the current and accumulated earnings and profits of a corporation reduce the tax basis of the shares of the corporation held by the recipient shareholder pursuant to Internal Revenue Code Sections 301(c)(2) and 316(a). On October 30, 2019 C&J Energy paid a cash distribution to its shareholders of record as of October 18, 2019 in the amount of \$1.00 per share. C&J Energy determined through reasonable analysis that it had no current or accumulated earnings and profits at the time of the distribution or as of its relevant tax year end upon which current earnings and profits is measured. Therefore the distribution is a non-taxable return of capital and has the effect of reducing the shareholder's tax basis in each share of stock by the full amount of the \$1.00 per share paid.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

C&J Energy performed a calculation to determine its current earnings and profits as of the last day of its 2019 tax year, as well as a calculation of its accumulated earnings and profits using available information and reasonable assumptions. C&J Energy determined that both current and accumulated earnings and profits were \$0 or negative as of the relevant measuring date. Therefore, the entire amount of distribution equal to \$1.00 per share is a non-taxable return of capital and reduces the shareholder's tax basis in each share of stock by the full amount of the \$1.00 per share distribution.

