

BASIC ENERGY SERVICES INC

Form 425

April 23, 2008

**Filed by Grey Wolf, Inc.
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Pursuant to Rule 425 under the Securities Act of 1933
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under the Securities Exchange Act of 1934**

**Subject Company: Basic Energy Services, Inc.
Commission File No. 1-32693
Subject Company: Horsepower Holdings, Inc.**

Press Release

Contact:

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Executive Vice President & Chief Financial Officer

Amex Symbol: GW

FOR IMMEDIATE RELEASE: HOUSTON, TEXAS APRIL 23, 2008, GREY WOLF, INC. CANCELS SCHEDULED ANNUAL MEETING OF SHAREHOLDERS

Houston, Texas, April 23, 2008 Grey Wolf, Inc. (Grey Wolf or the Company) (AMEX-GW), announced that, as a result of its pending merger with Basic Energy Services, Inc. (Basic Energy Services) and in anticipation of a special meeting of stockholders relating to the merger, the Annual Meeting of Shareholders, previously scheduled for May 13, 2008, has been cancelled. The date of the special meeting of stockholders relating to the merger has not yet been set. The company will announce the date, time and place of the special meeting once a final determination has been made. Grey Wolf, Inc., headquartered in Houston, Texas, is a leading provider of contract oil and gas land drilling services in the best natural gas producing regions in the United States. The Company is also a leader in onshore turnkey drilling services.

Forward Looking Statements and Additional Information

The Company may make statements herein that are forward-looking statements as defined by the Securities and Exchange Commission (the SEC). All statements, other than statements of historical fact, included herein that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including required approvals by stockholders and regulatory agencies, the possibility that the anticipated benefits from the proposed mergers cannot be fully realized, the possibility that costs or difficulties related to integration of the two companies will be greater than expected, the impact of competition and other risk factors included in the reports filed with the SEC by Grey Wolf and Basic Energy Services. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Except as required by law, the Company does not intend to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

In connection with the proposed mergers, a registration statement of Horsepower Holdings, Inc. (Holdings), which will include proxy statements of Basic Energy Services and Grey Wolf and other materials, will be filed with the Securities and Exchange Commission. **INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS AND THESE OTHER MATERIALS REGARDING THE PROPOSED TRANSACTION WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT BASIC ENERGY SERVICES, GREY WOLF, HOLDINGS AND THE PROPOSED TRANSACTION.** Investors and security holders may obtain a free copy of the registration statement and the proxy statement/prospectus when they are available and other documents containing information about Basic Energy Services and Grey Wolf, without charge, at the SEC's web site at www.sec.gov, Basic Energy Services' web site at www.basicenergyservices.com, and Grey Wolf's web site at www.gwdrilling.com. Copies of the registration statement and the proxy statement/prospectus and the SEC filings that will be incorporated by reference therein may also be obtained for free by directing a request to either Investor Relations, Basic Energy Services, Inc., (432) 620-5510 or to Investor Relations, Grey Wolf, Inc., (713) 435-6100.

Participants in the Solicitation

Basic Energy Services and Grey Wolf and their respective directors, officers and certain other members of management may be deemed to be participants in the solicitation of proxies from their respective stockholders in respect of the mergers. Information about these persons can be found in Grey Wolf's proxy statement relating to its 2008 annual meetings of shareholders as filed with the SEC on April 8, 2008. Information concerning beneficial ownership of Basic Energy Services stock by its directors and certain of its executive officers is included in its proxy statement dated April 5, 2007 and subsequent statements of changes in beneficial ownership on file with the SEC. Additional information about the interests of such persons in the solicitation of proxies in respect of the mergers will be included in the registration statement and the joint proxy statement/prospectus to be filed with the SEC in connection with the proposed transaction.

Page 2 of 2

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