

Report on Waivers of Conflicts of Interest provision of the Code of Business Conduct and Ethics

On October 13, 2020, the board of directors waived the conflict of interest requirements under Section 2 of the Code of Business Conduct and Ethics as it applied to certain limited business activities of two of our board members. The first waiver concerned Mr. Philip Smith's ownership of an 8% interest in gas marketing company Conexus Energy, LLC, which is not currently conducting business with the company or its subsidiaries, but which has done so in the past, and may again. The board also waived conflict of interest requirements that might apply during Mr. Bob Anderson's direct or indirect oversight of Kaiser Francis Oil Company and Cactus Drilling Company, which are subsidiaries of his employer GBK Corporation. Both of those companies compete in the same respective businesses as the company's subsidiaries Unit Petroleum Company and Unit Drilling Company. The board also waived any potential conflict that could be considered to exist by way of Mr. Anderson's relationship with George Kaiser, who is primary owner of Mr. Anderson's employer, GBK Corporation, and the majority interest owner of Bank of Oklahoma, our primary lender. Both directors were added to our board post-bankruptcy and offer expertise essential to the company at this time. Mr. Smith and Mr. Anderson agreed to abstain from any decisions that the competing companies may take that involve business with or relevant to any of the company's subsidiaries. The board believes that it can manage these potential conflicts of interest breaching none of the duties it owes to the company.