

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): October 21, 2008

Unit Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-9260
(Commission File Number)

73-1283193
(I.R.S. Employer
Identification No.)

7130 South Lewis, Suite 1000, Tulsa, Oklahoma
(Address of principal executive offices)

74136
(Zip Code)

Registrant's telephone number, including area code: **(918) 493-7700**

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))

Section 5 – Corporate Governance and Management.

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

(d) On October 20, 2008, Unit Corporation (the “Company”) announced that Mr. Don Cook, a member of the Board of Directors (the “Board”), passed away on October 18, 2008. To fill the class III vacancy on the Board created by Mr. Cook’s death, on October 21, 2008, the Board, upon the recommendation of the Nominating and Corporate Governance Committee, elected Mr. Steven B. Hildebrand to serve as an independent director of the Company and as a member of the Audit Committee, for a term expiring in 2011. The Board also designated Mr. Hildebrand as an Audit Committee financial expert. Mr. Hildebrand retired in March 2008 from a twenty-one year tenure at Dollar Thrifty Automotive Group (NYSE: DTG), where he spent his last ten years as Executive Vice President and Chief Financial Officer. Before joining Dollar Thrifty, Mr. Hildebrand served in several positions for Franklin Supply Company from 1980 to 1987, including Controller and Vice President of Finance. From 1976 to 1980, Mr. Hildebrand was an Audit Supervisor for the public accounting firm Coopers & Lybrand. There is no arrangement or understanding between Mr. Hildebrand and any other person under which Mr. Hildebrand was appointed as a director of the Company or a member of the Audit Committee. For service as a non-management director, Mr. Hildebrand will receive cash compensation as described in the Company’s proxy statement for its 2008 annual stockholders meeting, which was filed with the Securities and Exchange Commission on March 14, 2008, such compensation to be prorated for the portion of the year in which he serves as a director. Mr. Hildebrand will also receive 3,500 shares of the Company’s common stock on the first business day following each annual stockholder meeting in accordance with the Unit Corporation 2000 Non-Employee Directors’ Stock Option Plan, as amended and restated on August 25, 2004.

(e) On October 21, 2008, the Board adopted and approved the Unit Corporation Annual Bonus Performance Plan (the “Plan”). The Plan permits the grant of performance-based cash awards to certain employees selected by the Compensation Committee, including the Company’s executive officers, who meet certain annual performance objectives as defined by the Compensation Committee. No awards under the Plan will be designated for the 2008 fiscal year. A copy of the Plan is attached to this report as Exhibit 10.1 and is incorporated by reference herein.

At the same meeting, the Board also amended the Separation Benefit Plan of Unit Corporation and Participating Subsidiaries, as amended effective October 21, 2008 (the “Separation Plan”). The Separation Plan allows eligible employees, including the Company’s executive officers, whose employment with the Company is involuntarily terminated or, in the case of an employee who has completed 20 years of service, voluntarily or involuntarily terminated, to receive benefits equivalent to 4 weeks salary for every whole year of service completed with the Company up to a maximum of 104 weeks. The amendment prohibits an employee from competing against or causing injury to the Company while receiving benefits under the Separation Plan. A copy of the Separation Plan is attached to this report as Exhibit 10.2 and is incorporated by reference herein.

Section 7 – Regulation FD

Item 7.01. Regulation FD Disclosure.

On October 20, 2008, the Company issued a press release announcing the death of Mr. Don Cook, a member of the Company’s Board. A copy of the press release is attached to this report as Exhibit 99.1 and is incorporated by reference herein.

On October 23, 2008, the Company issued a press release announcing the appointment of Mr. Steven B. Hildebrand to the Company’s Board. A copy of the press release is attached to this report as Exhibit 99.2 and is incorporated by reference herein.

Section 8 – Other Events

Item 8.01. Other Events.

At a meeting of the Company’s Audit Committee on October 17, 2008, Mr. J. Michael Adcock was appointed as a member of the Audit Committee, and existing committee member Gary R. Christopher was designated as an audit committee financial expert.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

Not Applicable.

(b) Pro Forma Financial Information.

Not Applicable.

(c) Shell Company Transactions.

Not Applicable

(d) Exhibits.

Exhibit No.	Description
10.1	Unit Corporation Annual Bonus Performance Plan
10.2	Separation Benefit Plan of Unit Corporation and Participating Subsidiaries, as amended effective October 21, 2008
99.1	Press Release announcing the death of Mr. Don Cook dated October 20, 2008
99.2	Press Release announcing the appointment of Mr. Steven B. Hildebrand to the Company’s Board dated October 23, 2008

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.

Date: October 23, 2008

Unit Corporation
By: /s/ Mark E. Schell
Name: Mark E. Schell
Title: Senior Vice President and General Counsel

EXHIBIT INDEX

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**UNIT CORPORATION
ANNUAL BONUS PERFORMANCE PLAN**

(Effective October 21, 2008)

I. Purpose.

The purpose of this Annual Bonus Performance Plan (this "Plan") is to enhance the ability of Unit Corporation (the "Company") and its Operating Segments to attract, motivate, reward and retain key Employees, to strengthen their commitment to the success of the Company and to align their interests with those of the Company's shareholders by providing compensation to these designated key Employees based on the achievement of Performance Objectives. To this end, the Plan provides a means of rewarding Participants based on the performance of the Company, its Operating Segments, and the individual.

II. Administration.

This Plan shall be administered by the Compensation Committee of the Board or such other committee appointed by the Board from time to time to administer the Plan and to perform the functions set forth in this Plan ("Committee"). The Committee shall have full authority to establish the rules and regulations relating to this Plan, and

- to interpret this Plan and those rules and regulations,
- to determine the Performance Objectives,
- to establish the available bonus pool,
- to decide the facts in any case arising under this Plan,
- to determine the Participants in this Plan, the Award opportunities for the Participants and whether the Award opportunities shall be based on the Performance Objectives of the Company, the Performance Objectives of one or more Operating Segments, the Performance Objectives of the individual or a combination thereof, and
- to make all other determinations and to take all other actions necessary or appropriate for the proper administration of this Plan, including the delegation of that authority or power, where appropriate.

The Committee's administration of this Plan, including all rules and regulations, interpretations, selections, determinations, approvals, decisions, delegations, amendments, terminations and other actions, shall be final and binding on all persons, including the Company, its stockholders and the Participants and their beneficiaries.

III. Eligible Employees.

Participation shall be limited to those Employees selected by the Committee to participate in the Plan for each Performance Period.

IV. Establishment of Awards.

Before (or as soon thereafter as reasonably possible) the commencement of each Performance Period, the Committee shall establish for that Performance Period the Performance Objectives of the Company and/or Operating Segments, the Participants and the total bonus pool. The total bonus pool available for the Performance Period shall be increased by the target bonus attributable to individual Performance Objectives for any Participant who is provided an Award after that pool has been established. The Committee shall determine (i) the Employees who shall be Participants during each Performance Period, (ii) whether Awards for each Participant shall be based on the achievement of Performance Objectives of the Company, the Performance Objective of one or more Operating Segments, the Performance Objectives of the individual or on a combination of the achievement of these Performance Objectives, and (iii) the Award opportunities for each Participant, including the extent to which

Awards will be payable for actual performance between each level of the Performance Objectives. In no event may the aggregate target Awards based on individual Performance Objectives or the aggregate bonuses actually payable based on such individual Performance Objectives exceed the total bonus pool available for a Performance Period. The Company shall notify each Participant of the applicable Performance Objectives for that Participant and his or her corresponding Award opportunities for each Performance Period.

V. Payment of Awards.

Awards under this Plan shall be payable as follows:

- i. Except to the extent otherwise determined by the Committee, any Award shall be paid to a Participant under this Plan only in accordance with the terms of this Plan and only on the attainment of the Performance Objectives established, adjusted and applied by the Committee for that Participant as provided in this Plan. The Committee shall be the sole and exclusive arbiter of the extent, if any, to which the Performance Objectives have been attained, and the amount of the Award, if any, that is payable to each Participant.
- ii. Before March 15 of the calendar year following the calendar year in which the Performance Period ends, the Committee shall determine the amount of the Award, if any, payable to each Participant. After the Committee has determined the amount of the annual Award that may be payable to each Participant, the Award shall be paid to each Participant no later than March 15th of the calendar year following the calendar year in which the Performance Period ends provided that the Participant is employed with the Company or one of its Operating Segments on the date that the Award is paid. Notwithstanding the foregoing, the payment of an Award may be deferred under the terms of the Unit Corporation Executive Nonqualified Excess Plan.
- iii. Awards shall be paid in cash.
- iv. This Plan is intended not to be subject to Section 409A of the Code, together with any related regulations and guidance promulgated thereunder (“Section 409A”), and will be interpreted in a manner consistent with that. Despite anything else in this Plan to the contrary, if at the time of a Participant’s termination of employment the Participant is a “specified employee” within the meaning of Section 409A (as determined in accordance with the methodology established by the Company as in effect on the date of termination) (a “Specified Employee”), and the amounts payable under this Plan are determined to be subject to Section 409A, then the Company shall defer making paying of such payments or benefits under this Plan (without any reduction in such payments or benefits ultimately paid or provided to the Participant) until the date that is the first business day after the date that is six months following the Participant’s “separation from service” within the meaning of Section 409A of the Code (the “Delayed Payment Date”); *provided, however*, that if the Participant dies following the date of termination but before the Delayed Payment Date, such amounts shall be paid to the personal representative of the Participant’s estate within 30 days following the Participant’s death.

VI. Termination of Employment.

Except as otherwise provided in Section X, an Award for a Performance Period shall be payable to any Participant only if he or she is employed by the Company or one of its Operating Segments on the payment date for Awards payable in respect of that Performance Period, unless the Participant’s employment was terminated before the payment date because of his or her (i) death, (ii) Disability or (iii) retirement after attaining age 63, in which event the Participant will be entitled to a pro-rata portion (which shall be calculated based on the ratio of the number of calendar days worked in the Performance Period to the total number of calendar days in the Performance Period) of the Award otherwise payable in respect of that Performance Period.

VII. Adjustments.

The Committee may, at the time Performance Objectives are determined for a Performance Period, or at any time before the final determination of Awards in respect of that Performance Period, provide for the manner in which performance will be measured against the Performance Objectives or may adjust the Performance Objectives to reflect the impact of specified corporate transactions (such as a stock split or stock dividend), special charges, accounting or tax law changes and other extraordinary or nonrecurring events.

VIII. Designation of Beneficiary.

In the event of a Participant's death before full payment of any Award under this Plan, unless that Participant shall have designated a beneficiary or beneficiaries in accordance with this Section, payment of any Award due under this Plan shall be made to the Participant's estate. A beneficiary designation under this Plan, or revocation of a prior beneficiary designation, will be effective only if it is made in writing on a form provided by the Company, signed by the Participant and received by the Benefits Department of the Company. If a beneficiary has been designated under this Plan and that beneficiary dies before receiving any payment of an Award or if that designation shall for any reason be illegal or ineffective, Awards payable under this Plan shall be paid to the Participant's estate.

IX. Amendment or Termination.

The Board may modify, amend or terminate this Plan at any time in its sole discretion and from time to time and subject to the rights under any other agreement the Employee may have with the Company, no Employee has any right to payment under the terms of this Plan until an Award is actually paid to the Employee; provided, however, that this Plan may not be amended or terminated through and including the calendar year in which a Company Change in Control occurs (i) at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Company Change in Control or (ii) otherwise in connection with, or in anticipation of, a Company Change in Control which has been threatened or proposed, in either case provided a Company Change in Control shall actually have occurred.

X. Company Change in Control.

Despite any provision in this Plan to the contrary, on the occurrence of a Company Change in Control, the following provisions shall apply:

- i. The minimum Award payable to each Participant in respect of the Performance Period in which the Company Change in Control occurs shall be the greatest of:
 - (A) the Award or other annual bonus paid or payable to the Participant in respect of the Performance Period before the year in which the Company Change in Control occurs;
 - (B) the Award amount that would be payable to the Participant assuming that the Company achieved the target level of the Performance Objectives for the Performance Period; and
 - (C) the Award amount that would be payable to the Participant based on the Company's actual performance and achievement of applicable Performance Objectives for the Performance Period through the date of the Change in Control.
- ii. Despite anything to the contrary contained in this Plan, in the event that following the date of a Company Change in Control and before the payment date for Awards payable in respect of the Performance Period in which the Company Change in Control occurs a Participant's employment is terminated by the Company and/or its Operating Segments without Cause or by the Participant for Good Reason, that Participant shall be entitled to receive, within 30 days following the date of termination, the Award otherwise payable under the terms of this Plan in respect of that Performance Period as if he or she had remained in the employ of the Company (or the Operating Segment, as applicable) through the payment date for Awards payable in respect of the Performance Period; provided that, if the Participant is entitled to an Award with respect to the Performance Period under a Key Employee Change of Control

Contract with the Company, then that Participant shall receive, within 30 days following the Participant's "separation from service" within the meaning of Section 409A of the Code, the greater of (A) the amount determined in accordance with this Section X.ii and (B) the amount determined under Section 6(a)(i)(A)(5) of such Key Employee Change of Control Contract (or such other provision of such contract that provides for the payment of a pro-rata portion of the "Highest Annual Bonus" (as defined in the Key Employee Change of Control Contract)). Notwithstanding the foregoing, in the event that the Participant is a Specified Employee and the Company determines that the Award is subject to Section 409A of the Code, the Award shall instead be paid on the Delayed Payment Date; *provided, however*, that if the Participant dies following the date of termination but before the Delayed Payment Date, such amounts shall be paid to the personal representative of the Participant's estate within 30 days following the Participant's death.

- iii. If a Participant's employment is terminated by the Company and/or its Operating Segments without Cause before the date of a Company Change in Control but the Participant reasonably demonstrates that the termination (A) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a Company Change in Control or (B) otherwise arose in connection with, or in anticipation of, a Company Change in Control which has been threatened or proposed, the termination shall be deemed to have occurred after a Company Change in Control for purposes of this Agreement.

XI. Miscellaneous Provisions.

- i. Neither the establishment of this Plan, nor any action taken under this Plan, shall be construed as giving any Employee or any Participant any right to be retained in the employ of the Company or any of its Operating Segments.
- ii. A Participant's rights and interests under this Plan may not be assigned or transferred, except as provided in Section IX, and any attempted assignment or transfer shall be null and void and shall extinguish, in the Committee's sole discretion, the Company's obligation under this Plan to pay Awards with respect to that Participant.
- iii. This Plan shall be unfunded. The Company shall not be required to establish any special or separate fund, or to make any other segregation of assets, to assure payment of Awards. No Participant or any other person shall have any right to or interest in any fund or specific asset or assets of the Company by virtue of this Plan or by reason of any Award that has been made to him or her, but has not yet been paid.
- iv. The Company shall have the right to deduct from Awards paid any taxes or other amounts required by law to be withheld.
- v. Nothing contained in this Plan shall limit or affect in any manner or degree the normal and usual powers of management, exercised by the officers and the Board or committees thereof, to change the duties or the character of employment of any Employee of the Company or any of its Operating Segments or to remove the individual from the employment of the Company or any of its Operating Segments at any time, all of which rights and powers are expressly reserved.
- vi. To the extent not preempted by federal law, this Plan shall be determined in accordance with the laws of the State of Delaware.
- vii. No member of the Committee or of the Board and no Employee or representative of the Company or any of its Operating Segments shall be liable for any action or determination made in good faith by the Committee or the Board or by any such Employee or representative with respect to this Plan or any Award. No Employee or representative of the Company and no member of the Board or of the Committee shall be subject to any liability with respect to duties under this Plan, unless such person acts fraudulently or in bad faith. To the maximum extent permitted by law, the Company shall indemnify each member of the Board, each member of the Committee, and any Employee or representative of the Company or any of its

Operating Segments who was or is a party, or is threatened to be made a party, to any threatened, pending or completed proceeding, whether civil, criminal, administrative or investigative, brought with respect to this Plan or with respect to that person's conduct (actual or alleged) in connection with this Plan.

- viii. This Plan document, together with any Awards established by the Committee under this Plan, contain all of the terms and provisions of and all conditions applicable to this Plan, and supersedes any previous discussions, communications, understandings or agreements, written or oral, between the Company and any Participant with respect to this Plan as well as all prior actions that may have been taken by the Board of Directors or the Committee relating to this Plan.

XII. Definitions.

- i. "Award" shall mean the cash incentive award earned by a Participant under this Plan for any Performance Period.
- ii. "Base Salary" shall mean the Participant's annual base salary actually paid by the Company and/or any of its Operating Segments and received by the Participant during the applicable Performance Period. Annual base salary does not include (a) Awards under this Plan, (b) long-term incentive awards, (c) signing bonuses or any similar bonuses, (d) imputed income from such programs as executive life insurance, or (e) nonrecurring earnings such as moving expenses, and is based on salary earnings before reductions for such items as contributions under Sections 125 or 401(k) of the Code or under any nonqualified deferred compensation plan or agreement.
- iii. "Board" shall mean the Board of Directors of the Company.
- iv. "Cause" shall mean:
- (A) the willful and continued failure of the Participant to perform substantially the Participant's duties as then in effect (other than any such failure resulting from incapacity due to physical or mental illness or following the Participant's delivery of a Notice of Termination for Good Reason), after a written demand for substantial performance is delivered to the Participant by the Board or the Chief Executive Officer of the Company which specifically identifies the manner in which the Board or the Chief Executive Officer of the Company believes that the Participant has not substantially performed the Participant's duties, or
 - (B) the willful engaging by the Participant in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company.

For purposes of this Section XII.iv, no act or failure to act, on the part of the Participant, shall be considered "willful" unless it is done, or omitted to be done, by the Participant in bad faith or without reasonable belief that the Participant's action or omission was in the best interests of the Company. Any act, or failure to act, based on (A) authority given under a resolution duly adopted by the Board, or if the Company is not the ultimate parent corporation of the affiliated companies and is not publicly-traded, the board of directors of the ultimate parent of the Company (the "Applicable Board") or (B) the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Participant in good faith and in the best interests of the Company. The cessation of employment of the Participant shall not be deemed to be for Cause unless and until there shall have been delivered to the Participant a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Applicable Board (excluding the Participant, if the Participant is a member of the Applicable Board) at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Participant and the Participant is given an opportunity, together with counsel for the Participant, to be heard before the Applicable Board), finding that, in the good faith opinion of the Applicable Board, the Participant is guilty of the conduct described in clauses (A) or (B) of this Section XII.iv, and specifying the particulars thereof in detail.

- v. “Company Change in Control” shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied:

(A) Any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 15% or more of either (x) the then outstanding shares of common stock of the Company (the “Outstanding Company Common Stock”) or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that for purposes of this subsection (A), the following acquisitions shall not constitute a Change of Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any company controlled by, controlling or under common control with the Company (each, an “Affiliated Company”) or (iv) any acquisition pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (C) of this definition; *provided*, that if the Board of Directors of the Company determines in good faith that a Person became the beneficial owner of 15% or more of the Outstanding Company Common Stock inadvertently (including, without limitation, because (x) such Person was unaware that it beneficially owned a percentage of Outstanding Company Common Stock that would cause a Change of Control or (y) such Person was aware of the extent of its beneficial ownership of Outstanding Company Common Stock but had no actual knowledge of the consequences of such beneficial ownership under this Plan) and without any intention of changing or influencing control of the Company, then the beneficial ownership of Outstanding Company Common Stock by that Person shall not be deemed to be or to have become a Change of Control for any purposes of this Plan unless and until such Person shall have failed to divest itself, as soon as practicable (as determined, in good faith, by the Board of Directors of the Company), of beneficial ownership of a sufficient number of Outstanding Company Common Stock so that such Person's beneficial ownership of Outstanding Company Common Stock would no longer otherwise qualify as a Change of Control;

(B) Individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(C) Consummation by the Company of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a “Business Combination”), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the then outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent governing body), as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any corporation resulting from such Business Combination

or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 15% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(D) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

- vi. “Code” shall mean the Internal Revenue Code of 1986, as amended.
- vii. “Disability” shall mean [(A) with respect to a Participant party to a Key Employee Change of Control Contract [or other employment agreement], “Disability” as defined in such Key Employee Change of Control Contract [or other employment agreement], or (B) in all other cases, “Disability” will be deemed to have occurred if the Participant is eligible to receive benefits under the Company’s long-term disability plan for a period of three (3) months or more.
- viii. “Employee” shall mean any employee of the Company or any of its Operating Segments.
- ix. “Good Reason” shall mean (A) with respect to a Participant party to a Key Employee Change of Control Contract [or other employment agreement], “Good Reason” (or words of similar meaning) as defined in Contract [or employment agreement], or (B) in all other cases, the occurrence after a Company Change in Control of any of the following events or conditions without the Participant’s express written consent:
 - (A) a material adverse change in the Participant’s status, title, position or responsibilities (including reporting responsibilities) which, in the Participant’s reasonable judgment, or the assignment to the Participant of any duties or responsibilities which, in the Participant’s reasonable judgment, are materially and adversely inconsistent with such status, title, position or responsibilities;
 - (B) a material reduction by the Company in the Participant’s Base Salary as in effect immediately prior to the Change in Control or as the same may be increased from time to time;
 - (C) the Company’s requiring the Participant to be based at any place outside a 30-mile radius from the Participant’s business office location immediately before the Company Change in Control, except for reasonably required travel on Company business which is not materially greater than such travel requirements before the Change in Control;
 - (D) the material failure by the Company to continue to provide the Participant with compensation and benefits substantially similar (in terms of benefit levels and/or reward opportunities) to those provided for under the Participant’s Employment Agreement, if applicable, and those provided to him or her under any of the employee benefit plans in which the Participant becomes a participant, or the taking of any action by the Company which would directly or indirectly materially reduce any of such benefits or deprive the Participant of any material fringe benefit enjoyed by him or her at the time of the Company Change in Control; and
 - (E) any material breach by the Company of any provision of the Participant’s employment agreement with the Company, if any.

In order to invoke a termination for Good Reason, the Participant shall provide written notice to the Company of the existence of one or more of the conditions described in clauses (A) through (E) within 90 days following the Participant’s knowledge of the initial existence of such condition or conditions, specifying in reasonable detail the conditions constituting Good Reason, and the Company shall have 30 days following receipt of such written notice (the “Cure Period”) during

which it may remedy the condition. In the event that the Company fails to remedy the condition constituting Good Reason during the applicable Cure Period, the Participant's "separation from service" (within the meaning of Section 409A of the Code) must occur, if at all, within two years following such Cure Period in order for such termination as a result of such condition to constitute a termination for Good Reason.

- x. "Operating Segment", for any Performance Period, shall mean a division or, subsidiary (directly or indirectly owned) of the Company.
- xi. "Participant", for any Performance Period, shall mean an Employee selected by the Committee to participate in this Plan for that Performance Period.
- xii. "Performance Objectives", for any Performance Period, shall mean:

(A) For the Company and/or Operating Segment(s) - one or more financial or operational performance objectives of the Company and/or Operating Unit(s) established by the Committee in accordance with Section IV, which may include threshold Performance Objectives, target Performance Objectives and maximum Award Performance Objectives. In addition to any other that may be deemed appropriate by the Committee, Performance Objectives may be expressed in terms of:

- Net earnings or net income (before or after taxes);
- Earnings per share;
- Net operating profit;
- Operating earnings;
- Operating earnings per share;
- Return measures (including, but not limited to, return on assets, capital, equity, or sales);
- Cash flow (including, but not limited to, operating cash flow, free cash flow, and cash flow return on capital);
- Earnings before or after taxes, interest, depreciation, and/or amortization and including/excluding capital gains and losses;
- Gross or operating margins;
- Share price (including, but not limited to, growth measures and total shareholder return);
- Margins;
- Operating efficiency;
- Customer satisfaction;
- Employee satisfaction;
- Working capital targets;
- Revenue growth;
- Growth of Assets; and
- Safety goals;

or any combination thereof. Any of these Performance Objectives may be expressed as an objective before specified items. Performance Objectives may be expressed as a combination of Company and/or Operating Unit(s)

Performance Objectives and may be absolute or relative (to prior performance or to the performance of one or more other entities or external indices) and may be expressed in terms of a progression within a specified range.

(B) For the individual – performance ratings, as determined by the Committee in its annual performance review process for the applicable Performance Period.

"Performance Period" shall be the period beginning January 1st and ending December 31st of each calendar year unless a shorter or different period is otherwise determined by the Committee.

Exhibit 10.2

**SEPARATION BENEFIT PLAN OF
UNIT CORPORATION AND PARTICIPATING SUBSIDIARIES**

**as amended
effective
October 21, 2008**

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**SEPARATION BENEFIT PLAN
OF UNIT CORPORATION AND
PARTICIPATING SUBSIDIARIES**

Introduction

The purpose of this Plan is to provide financial assistance to Eligible Employees whose employment has terminated under certain conditions, in consideration of the waiver and release by such employees of any claims arising or alleged to arise from their employment or the termination of employment. No employee is entitled to any payment under this Plan except in exchange for and upon the Employing Company's receipt of a written waiver and release given in accordance with the provisions of this Plan.

**ARTICLE I.
SCOPE**

Section 1.1 Name

This Plan shall be known as the Separation Benefit Plan of Unit Corporation and Participating Subsidiaries. The Plan is an "employee benefit plan" governed by the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §§1001-1461 ("ERISA").

Section 1.2 Plan Year

The Plan Year is the calendar year.

**ARTICLE II.
DEFINITIONS**

- 2.1 "Compensation Committee" means the Committee established and appointed by the Board of Directors or by a committee of the Board of Directors.
- 2.2 "Base Salary" means the regular basic cash remuneration before deductions for taxes and other items withheld, and without regard to any salary reduction pursuant to any plans maintained by an Employing Company under Section 401 (k) or 125 of the Code, payable to an Employee for services rendered to an Employing Company, but not including pay for Bonuses, incentive compensation, special pay, awards or commissions.
- 2.3 "Beneficiary" means the person designated by an Eligible Employee in a written instrument filed with an Employing Company to receive benefits under this Plan.
- 2.4 "Board of Directors" means the board of directors of the Company.
- 2.5 "Bonus" means any annual incentive compensation paid to an Employee over and above Base Salary earned and paid in cash or otherwise.
- 2.6 "Change in Control" of the Company shall be deemed to have occurred as of the first day that any one or more of the following conditions shall have been satisfied:

(i) On the close of business on the tenth day following the time the Company learns of the acquisition by any individual entity or group (a “Person”), including any “person” within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, of beneficial ownership within the meaning of Rule 13d 3 promulgated under the Exchange Act, of 15% or more of either (i) the then outstanding shares of Common Stock of the Company (the “Outstanding Company Common Stock”) or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of Directors (the “Outstanding Company Voting Securities”); excluding, however, the following: (A) any acquisition directly from the Company (excluding any acquisition resulting from the exercise of an exercise, conversion or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from the Company); (B) any acquisition by the Company; (C) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; (D) any acquisition by any corporation pursuant to a transaction with complies with clauses (i), (ii) and (iii) of subsection (iii) of this definition and (E) if the Board of Directors of the Company determines in good faith that a Person became the beneficial owner of 15% or more of the Outstanding Company Common Stock inadvertently (including, without limitation, because (A) such Person was unaware that it beneficially owned a percentage of Outstanding Company Common Stock that would cause a Change of Control or (B) such Person was aware of the extent of its beneficial ownership of Outstanding Company Common Stock but had no actual knowledge of the consequences of such beneficial ownership under this Plan) and without any intention of changing or influencing control of the Company, then the beneficial ownership of Outstanding Company Common Stock by that Person shall not be deemed to be or to have become a Change of Control for any purposes of this Plan unless and until such Person shall have failed to divest itself, as soon as practicable (as determined, in good faith, by the Board of Directors of the Company), of beneficial ownership of a sufficient number of Outstanding Company Common Stock so that such Person’s beneficial ownership of Outstanding Company Common Stock would no longer otherwise qualify as a Change of Control;

(ii) individuals who, as of the date hereof, constitute the Board of Directors (the “Incumbent Board”) cease for any reason to constitute at least a majority of such Board; provided that any individual who becomes a Director of the Company subsequent to the date hereof whose election, or nomination for election by the Company’s stockholders, was approved by the vote of at least a majority of the Directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided further, that any individual who was initially elected as a Director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange act, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board;

(iii) approval by the stockholders of the company of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a “Corporate Transaction”); excluding, however, a Corporate Transaction Pursuant to which (i) all or substantially all of the individuals or entities who are the

beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 70% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of Directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than: the Company; the corporation resulting from such Corporate Transaction; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, 25% or more of the Outstanding Company Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, 25% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of Directors and (iii) individuals who were members of the Incumbent Board will constitute a majority of the members of the Board of Directors of the corporation resulting from such Corporate Transaction; or

(iv) approval by the stockholders of the Company of a plan of complete liquidation or dissolution of the Company.

2.7 "Change of Control Contract" means a Unit Corporation Key Employee Change of Control Contract entered into between Unit Corporation and the individual identified in such agreement as "Executive".

2.8 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Company" means Unit Corporation, the sponsor of this Plan.

2.10 "Comparable Position" means a job with an Employing Company or successor company at the same or higher Base Salary as an Employee's current job and at a work location within reasonable commuting distance from an Employee's home, as determined by such Employee's Employing Company.

2.11 "Completed Year of Service" means the period of time beginning with an Employee's date of hire or the anniversary of such date of hire and ending twelve months thereafter.

2.12 "Discharge for Cause" means termination of the Employee's employment by the Employing Company due to:

(i) the consistent failure of the Employee to perform the Employee's prescribed duties to the Employing Company (other than any such failure resulting from the Employee's incapacity due to physical or mental illness);

(ii) the commission by the Employee of a wrongful act that caused or was reasonably likely to cause damage to the Employing Company;

(iii) an act of gross negligence, fraud, unfair competition, dishonesty or misrepresentation in the performance of the Employee's duties on behalf of the Employing Company;

(iv) the conviction of or the entry of a plea of nolo contendere by the Employee to any felony or the conviction of or the entry of a plea of nolo contendere to any offense involving dishonesty, breach of trust or moral turpitude; or

(v) a breach of an Employee's fiduciary duty involving personal profit.

2.13 "Eligible Employee" means an Employee who is determined to be eligible to participate in this Plan and receive benefits under Article Three

2.14 "Employee" "Employee" means a person who is

(i) a regular full-time salaried employee of the Employing Company principally employed in the continental United States, Alaska or Hawaii;

(ii) employed by an Employing Company for work on a regular full-time salaried schedule of at least 40 hours per week for an indefinite period; or

(iii) a regular employee who has been demoted or transferred from a full-time salaried position to an hourly position and who, in the discretion of Employing Company is deemed to retain his or her eligibility to participate in the Plan.

(b) "Employee" does not, under any circumstance, mean a person who is

(i) an employee whose compensation is determined on an hourly basis or who holds a position with the Employing Company that is generally characterized as an "hourly" position, except were a specific employee is, after demotion, deemed to be eligible to participate in the Plan under paragraph (a)(iii), above;

(ii) an employee who is classified by the Employing Company as a temporary employee;

(iii) an employee who is a member of a bargaining unit unless the employee's union has bargained this Plan pursuant to a current collective bargaining agreement between the Employing Company and the union or the employee's union bargains this Plan pursuant to the bargaining obligations mandated by the National Labor Relations Act;

(iv) an employee retained by the Employing Company under a written contract, other than a Change of Control Contract; or

(v) any worker who is retained by the Company or Employing Company as a “independent contractor,” “leased employee,” or “temporary employee” but who is reclassified as an “employee” of the Company or Employing Company by a state or federal agency or court of competent jurisdiction.

2.15 “Employing Company” means the Company or any subsidiary of the Company electing to participate in this Plan under the provisions of Section 7.1.

2.16 “ERISA” means the Employee Retirement Income Security Act of 1974, as from time to time amended, and all regulations and rulings issued thereunder by governmental administrative bodies.

2.17 “Human Resources Director” means the Human Resources Director of the Company.

2.18 “Plan” means the Separation Benefit Plan of Unit Corporation and Participating Subsidiaries Plan, as set forth herein and as hereafter amended from time to time.

2.19 “Separation Benefit” means the benefit provided for under this Plan as determined under Article Three.

2.20 “Separation Period” means the period of time over which an Employee receives Separation Benefits under the Plan in semimonthly or other installment payments.

2.21 “Termination of Employment” means an Employee’s separation from the service of an Employing Company determined by the Employing Company, provided that a Termination of Employment does not include any separation from service resulting from:

(i) Discharge for Cause,

(ii) court decree or government action or recommendation having an effect on an Employing Company operations or manpower involving rationing or price control or any other similar type cause beyond the control of an Employing Company,

(iii) prior to a Change in Control, an offer to the Employee of a position with an Employing Company, or affiliate, regardless whether the position offered provides comparable wages and benefits to the position formerly held by the Employee,

(iv) termination pursuant to which an Employee accepts any benefits under an incentive retirement plan or other severance or separation plan,

(v) termination of an Employee who has a written employment contract which contains severance provisions, or

(vi) failure of an Employee to report to work as required by his or her Employing Company.

Temporary work cessations due to strikes, lockouts or similar reasons shall not be considered a Termination of Employment. An Employee’s separation from service in

connection with the divestiture of any business of an Employing Company shall not constitute a Termination of Employment if the Employee is offered a Comparable Position by the purchaser or successor of such business, an affiliate thereof, or an affiliate of an Employing Company. A separation from service by an Employee who is offered a Comparable Position arranged for or secured by an Employing Company does not constitute a Termination of Employment.

Notwithstanding anything in this Section 2.21 to the contrary, a Termination of Employment shall be deemed to include any termination pursuant to which an Employee is entitled to receive benefits under the terms of a Change of Control Contract.

A Termination of Employment shall be effective on the date specified by the Employing Company (the "Termination Date").

- 2.22 "Years of Service" means the sum of the number of continuous Completed Years of Service as an Employee of an Employing Company during the period of employment beginning with the Employee's most recent hire date and ending with the Employee's most recent termination date. Provided, in the event an Employee was a member of the Board of Directors of an Employing Company prior to (or after) the adoption of the August 21, 2007 Amendment to the Plan, such Employee shall be credited with the period of time beginning with his date of hire with an Employing Company, and the provisions in Section 2.14(b)(vi) of any prior version of the Plan shall be disregarded.

ARTICLE III. BENEFITS

Section 3.1 Eligibility

Each Employee who has at least one active Year of Service with an Employing Company immediately preceding the date of his or her Termination of Employment, who complies with all administrative requirements of this Plan, including the provisions of Article Five, and who works through his/her Termination Date and who is not engaged in a strike or lockout as of the Termination Date, is eligible to participate in this Plan and, subject to all the terms of the Plan, receive benefits as provided in this Article Three. An Employee is ineligible to participate in this Plan if such Employee fails to satisfy any of the requirements of this Plan including, but not limited to, failure to establish that his or her termination meet the requirements for a Termination of Employment.

Section 3.2 Separation Benefit

A Separation Benefit shall be provided for Eligible Employees under the provisions of this Article Three.

Section 3.3 Separation Benefit Amount

The Separation Benefit payable to an Eligible Employee under the Plan shall be based, in part, on his/her Years of Service with the Company, or Employing Company. The formula for determining an Employee's Separation Benefit payment shall be calculated by dividing the

Employee’s average Base Salary for the one year period ending immediately prior to the date of Termination of Employment by 52 to calculate the weekly separation benefit (the “Weekly Separation Benefit”). The amount of the Separation Benefit payable to the Eligible Employee shall then be determined in accordance with the following applicable provision:

3.3.1 Involuntary separation - In the event the Termination of Employment is the result of an Employing Company terminating the employment of the Eligible Employee, the Separation Benefit shall be determined according to the following schedule:

**Involuntary Separation
Schedule of Separation Benefits**

Years of Service	Number of Weekly Separation Benefit Payments	Years of Service	Number of Weekly Separation Benefit Payments
1	4	14	56
2	8	15	60
3	12	16	64
4	16	17	68
5	20	18	72
6	24	19	76
7	28	20	80
8	32	21	84
9	36	22	88
10	40	23	92
11	44	24	96
12	48	25	100
13	52	26 or more	104

3.3.2 Voluntary separation or death of the Eligible Employee - In the event the Termination of Employment is the result of the Eligible Employee’s own action (such as by way of example and not limitation, quitting, resignation or retirement) or is as a result of the Eligible Employee’s death, the Separation Benefit shall be determined according to the following Schedule:

**Voluntary Separation
Schedule of Separation Benefits**

Years of Service	Number of Weekly Separation Benefit Payments
1-19	0
20	80
21	84
22	88
23	92
24	96
25	100
26 or more	104

Under certain exceptional circumstances the Compensation Committee may, in its sole and absolute discretion, choose to treat a voluntary separation as an involuntary separation and allow an Eligible Employee to receive Separation Benefits in accordance with the schedule set forth in Section 3.3.1.

Section 3.4 Separation Benefit Limitation

Notwithstanding anything in the Plan to the contrary, the Separation Benefit payable to any Eligible Employee under this Plan shall never exceed the lesser of (i) 104 Weekly Separation Benefit payments; or (ii) the amount permitted under ERISA to maintain this Plan as a welfare benefit plan. The benefits payable under this Plan shall be inclusive of and offset by any other severance or termination payments (other than those made pursuant to a Change of Control Contract) made by an Employing Company, including, but not limited to, any amounts paid pursuant to federal, state, local or foreign government worker notification (e.g., Worker Adjustment and Retraining Notification Act) or office closing requirements.

Section 3.5 Withholding Tax

The Employing Company shall deduct from the amount of any Separation Benefits payable under the Plan, any amount required to be withheld by the Employing Company by reason of any law or regulation, for the payment of taxes or otherwise to any federal, state, local or foreign government. In determining the amount of any applicable tax, the Employing Company shall be entitled to rely on the number of personal exemptions on the official form(s) filed by the Employee with the Employing Company for purposes of income tax withholding on regular wages.

Section 3.6 Reemployment of an Eligible Employee

Entitlement to the unpaid balance of any Separation Benefit amount due an Eligible Employee under this Plan shall be revoked immediately upon reemployment of the person as an Employee of an Employing Company. Such unpaid balance shall not be payable in any future period.

However, if the person's re-employment is subsequently terminated and he or she then becomes entitled to a Separation Benefit under this Plan, Years of Service for the period of re-employment shall be added to that portion of his or her prior service represented by the unpaid balance or the revoked entitlement for the prior Separation Benefit.

Section 3.7 Integration with Disability Benefits

The Separation Benefit payable to an Eligible Employee with respect to any Separation Period shall be reduced (but not below zero) by the amount of any disability benefit payable from any disability plan or program sponsored or contributed to by an employing Company. The amount of any such reduction shall not be paid to the Eligible Employee in any future period.

Section 3.8 Plan Benefit Offset

The amount of any severance or separation type payment that an Employing Company is or was obligated to pay to an Eligible Employee under any law, decree, court award, contract, program or other arrangement because of the Eligible Employee's separation from service from an Employing Company shall reduce the amount of Separation Benefit otherwise payable under this Plan. Notwithstanding the immediately preceding sentence, the terms of this Section 3.8 shall not be applicable to any benefits paid under a Change of Control Contract.

Section 3.9 Recoupment

An Employing Company may deduct from the Separation Benefit any amount owing to an Employing Company from

- (a) the Eligible Employee, or
- (b) the executor or administrator of the Eligible Employee's estate.

Section 3.10 Completion of Twenty Years of Service

Any Eligible Employee who shall complete Twenty Years of Service prior to the termination of this Plan shall be vested in his/her Separation Benefit notwithstanding the subsequent termination of this Plan prior to such Employee's Termination of Employment. Any Separation Benefit deemed to have vested pursuant to this section shall be payable upon such Employee's Termination of Employment with the Employing Company and shall be paid in accordance with the greater of (1) the Plan provisions in effect immediately prior to the termination of this Plan, and (2) the Plan provisions in effect on the date the Employee completed Twenty Years of Service.

Section 3.11 Change in Control

Unless otherwise provided in writing by the Board of Directors prior to a Change in Control of the Company, all Eligible Employees shall be vested in his/her Separation Benefit as of the date of the Change in Control based on such Eligible Employee's then Years of Service as determined by reference to the schedule set forth in Section 3.3.1 of this Plan. Any Separation Benefit deemed to have vested pursuant to this section shall be payable upon the Eligible Employee's Termination of Employment with the Employing Company and shall be paid in accordance with the Plan provisions in effect immediately prior to the Change in Control.

ARTICLE IV. METHOD OF PAYMENT

Section 4.1 Separation Benefit Payment

Separation Benefit payments shall, unless otherwise determined by the Compensation Committee, be paid in the same manner as wages were paid to the Employee.

Section 4.2 Protection of Business

4.2.1 Any Eligible Employee who receives Separation Benefits under Section 3.3 of this Plan agrees that, in consideration of the Separation Benefits, the Employee will not, in any capacity, directly or indirectly, and on his or her own behalf or on behalf of any other person or entity, during the period of time he or she is receiving such Separation Benefits, either (a) solicit or attempt to induce any current customer of the Employing Company to cease doing business with the Employing Company; (b) solicit or attempt to induce any employee of the Employing Company to sever the employment relationship; (c) compete against the Employing Company; (d) injure the Employing Company and the Company, in their business activities or its reputation; or (e) act as an employee, independent contractor, or service provider of a person or entity that is a competitor of the Employing Company or injures the Employing Company or the Company, its business activities or its reputation (collectively, the "Protection of Business Requirements"). The Compensation Committee in its sole discretion shall decide whether any Eligible Employee is in violation of this provision.

4.2.2 Except as provided in the next paragraph and/or the Separation Agreement, in the event the Eligible Employee violates the Protection of Business Requirements of this Section (or the like provisions of his or her Separation Agreement), the Eligible Employee shall not be entitled to any further payments of Separation Benefits under this Plan and shall be obligated to repay the Employing Company all monies previously received as Separation Benefits from the date of the violation forward.

4.2.3 In the event of a Change in Control, Employee's obligations under this Section shall expire and be canceled, and Employee shall be entitled to Separation Benefits under this Plan in accordance with its terms even if he or she engages in conduct that would otherwise violate the Protection of Business Requirements in this Section.

4.2.4 The Plan shall maintain records for each Eligible Employee that is eligible for Separation Benefits and for each Eligible Employee that actually receives Separation Benefits (including relevant dates, claim records, appeal records, payment amounts, etc.);

4.2.5 The Plan shall pay benefits to Eligible Employees on a regular basis. The Plan shall process and pay Separation Benefits on a regular basis, and adjudicate claims for denied or terminated Separation Benefits.

4.2.6 The Compensation Committee shall have the ultimate ongoing administrative duty to monitor and investigate the activities of Eligible Employees to ensure they are in compliance with the Protection of Business Requirements. As set forth herein, the Compensation Committee shall have discretion to determine on an ongoing basis regarding whether each Eligible Employee receiving Separation Benefits remains in compliance with the Plan's Protection of Business Requirements during the period the Eligible Employee is receiving separation benefits.

4.2.7 The Compensation Committee shall have full and sole discretion to determine eligibility for Separation Benefits and to construe the terms of the Plan.

4.2.8 By accepting Separation Benefits, an Eligible Employee certifies that he/she is in compliance with the Protection of Business Requirements. Eligible employees must notify the Plan, through the Human Resources Director, of any change of employer, employment status, or job status or responsibilities, while eligible for Separation Benefits. Additionally, Eligible Employees receiving benefits must complete and submit on request to the Plan a form certifying that they are in compliance with the Protection of Business Requirements. The Human Resources Director shall review such forms and make preliminary decisions whether the Eligible Employee is in compliance with the Protection of Business Requirements;

4.2.9 As a condition to receiving Separation Benefits or coverage, Eligible Employees and their employers must fully cooperate with any inquiry or investigation by the Plan concerning the Protection of Business Requirements. If the Eligible Employee or employer fails to fully cooperate with any such inquiry or investigation, the Eligible Employee shall be deemed to have been in violation of the Protection of Business Requirements, and shall be deemed to have forfeit any further benefits under the Plan and shall be obligated to repay the Employing Company all monies previously received as Separation Benefits;

4.2.10 The Company shall maintain a projection of the amount of money that will be required for the Company to fulfill its unfunded obligation under the Plan to make payments to various Eligible Employees at different times;

Section 4.3 Death

(a) *Termination of Employment as a result of death of Eligible Employee* - In the event that the Eligible Employee's Termination of Employment is as a result of the Employee's death, the Separation Benefit shall be paid to the Eligible Employee's Beneficiary in accordance with the provisions of Section 3.3.2, above.

Payments shall be made to the Eligible Employee's Beneficiary, notwithstanding the Eligible Employee's failure to meet the waiver and release conditions of Article Five of the Plan.

(b) *Death of the Eligible Employee Subsequent to Termination of Employment*

- In the event that an Eligible Employee's death occurs subsequent to the date of Termination of Employment, and before receipt of any or all of the benefits to which the Eligible Employee was entitled under this Plan, then the Compensation Committee may, in its sole and absolute discretion, pay a computed lump sum value of the unpaid balance of the Eligible Employee's Separation Benefit to the Eligible Employee's Beneficiary, and if there is no designated, living Beneficiary, the computed lump sum value described above may be paid to the executor or administrator of the Eligible Employee's estate. For purposes of calculating the computed lump sum value as provided herein, the Compensation Committee may discount the present value of the future Separation Benefit payments using a commercially reasonable discount rate.

**ARTICLE V.
WAIVER AND RELEASE OF CLAIMS**

Except as provided in Section 4.3(a), above, it is a condition of this Plan that no Separation Benefit shall be paid to or for any Employee except upon due execution and delivery to the Employing Company by that Employee of a Separation Agreement in substantially the form attached to this Plan as Attachment "A" or "B" or such other form as may be designated as the required Separation Agreement from time to time, in the discretion of the Employing Company, by which the Employee waives and releases the Company, its subsidiaries and their officers, directors, agents, employees and affiliates from all claims arising or alleged to arise out of his or her employment or the termination of employment including, but not limited to the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, as amended, and all other state and federal laws governing the Employee's employment. Said waiver and release as provided in the Separation Agreement being given in exchange for and in consideration of payment of the Separation Benefit, to which the Employee would not otherwise be entitled. The determination whether the Employee shall be required to execute a Separation Agreement in the form shown by Attachment "A," "B" or otherwise shall be within the sole discretion of the Employing Company.

In connection with the execution of the Separation Agreement, the following procedures shall be followed (except as modified from time to time, in the discretion of the Employing Company): the Employee shall be advised in writing, by receiving the written text of the Separation Agreement so stating, to consult a lawyer before signing the Separation Agreement; the Employee shall be given either twenty-one (21) days (when form shown by Attachment "A" is used), or forty-five (45) days (when form shown by Attachment "B" is used) to consider the Separation Agreement before signing; after signing, the Employee shall have seven (7) days in which to revoke the Separation Agreement; and the Separation Agreement shall not take effect until the seven (7) day revocation period has passed.

In addition, where the form shown by Attachment "B" is used, the Employee shall be given: a written statement identifying for the Employee the class, unit or group of persons eligible to participate in the Plan and any time limits for eligibility under the Plan; and the job titles and ages of all persons eligible or selected for separation under the Plan in the same job

classification or organizational unit, and the ages of all persons not eligible or selected for separation under the Plan.

ARTICLE VI. FUNDING

This Plan is an unfunded employee welfare benefit plan under ERISA established by the Company. Benefits payable to Eligible Employees shall be paid out of the general assets of the Employing Company. The Employing Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the payment of any Separation Benefits under the Plan.

ARTICLE VII. OPERATION

Section 7.1 Employing Company Participation

Any subsidiary of the Company may participate as an Employing Company in the Plan upon the following conditions:

(a) Such subsidiary shall make, execute and deliver such instruments as the Company shall deem necessary or desirable;

(b) Such subsidiary may withdraw from participation as an Employing Company upon notice to the Company in which event such subsidiary may continue the provisions of this Plan as its own plan, and may thereafter, with respect thereto, exercise all of the rights and powers theretofore reserved to the Company; and

(c) Any modification or amendment of the Plan made or adopted by the Company shall be deemed to have been accepted by each Employing Company.

Section 7.2 Status of Subsidiaries

The authority of each subsidiary to act independently and in accordance with its own best judgment shall not be prejudiced or diminished by its participation in this Plan and at the same time the several Employing Company may act collectively in respect of general administration of this Plan in order to secure administrative economies and maximum uniformity.

Section 7.3 Termination by an Employing Company

Any Employing Company other than the Company may withdraw from participation in the Plan at any time by delivering to the Compensation Committee written notification to that effect signed by such Employing Company's chief executive officer or his delegate. Withdrawal by any Employing Company pursuant to this paragraph or complete discontinuance of Separation Benefits under the Plan by any Employing Company other than the Company, shall constitute termination of the Plan with respect to such Employing Company, but such actions shall not affect any Separation Benefit that has become payable to an Eligible Employee, and

such benefit shall continue to be paid in accordance with the Plan provisions in effect on the Termination of Employment.

ARTICLE VIII. ADMINISTRATION

Section 8.1 Named Fiduciary

This Plan shall be administered by the Company acting through the Compensation Committee or such other person as may be designated by the Company from time to time. The Compensation Committee shall be the “Administrator” of the Plan and shall be, in its capacity as Administrator, a “Named Fiduciary,” as such terms are defined or used in ERISA.

Section 8.2 Fiduciary Responsibilities

The named fiduciary shall fulfill the duties and requirements of such a fiduciary under ERISA and is the Plan’s agent for service of legal process. The named fiduciary may designate other persons to carry out such fiduciary responsibilities and may cancel such a designation. A person may serve in more than one fiduciary or administrative capacity with respect to this Plan. The named fiduciary shall periodically review the performance of the fiduciary responsibilities by each designated person.

Section 8.3 Specific Fiduciary Responsibilities

The Compensation Committee shall be responsible for the general administration and interpretation of the Plan and the proper execution of its provisions and shall have full discretion to carry out its duties. In addition to any powers of the Compensation Committee specified elsewhere in this Plan, the Compensation Committee shall have all discretionary powers necessary to discharge its duties under this Plan, including, but not limited to, the following discretionary powers and duties:

8.3.1 To interpret or construe the terms of the Plan, including eligibility to participate, and resolve ambiguities, inconsistencies and omissions;

8.3.2 To make and enforce such rules and regulations and prescribe the use of such forms as it deems necessary or appropriate for the efficient administration of the Plan;

8.3.3 To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan; and

8.3.4 To determine eligibility for benefits under the Plan.

Section 8.4 Allocations and Delegations of Responsibility

The Board of Directors and the Compensation Committee respectively shall have the authority to delegate, from time to time, all or any part of its responsibilities under this Plan to such person or persons as it may deem advisable and in the same manner to revoke any such

delegation of responsibility. Any action of the delegate in the exercise of such delegated responsibilities shall have the same force and effect for all purposes hereunder as if such action had been taken by the Board of Directors or the Compensation Committee. The Company, the Board of Directors and the Compensation Committee shall not be liable for any acts or omissions of any such delegate. The delegate shall report periodically to the Board of Directors or the Compensation Committee, as applicable, concerning the discharge of the delegated responsibilities.

The Board of Directors and the Compensation Committee respectively shall have the authority to allocate, from time to time, all or any part of its responsibilities under this Plan to one or more of its members as it may deem advisable, and in the same manner to remove such allocation of responsibilities. Any action of the member to whom responsibilities are allocated in the exercise of such allocated responsibilities shall have the same force and effect for all purposes hereunder as if such action had been taken by the Board of Directors or the Compensation Committee. The Company, the Board of Directors and the Compensation Committee shall not be liable for any acts or omissions of such member. The member to whom responsibilities have been allocated shall report periodically to the Board of Directors or the Compensation Committee, as applicable, concerning the discharge of the allocated responsibilities.

Section 8.5 Advisors

The named fiduciary or any person designated by the named fiduciary to carry out fiduciary responsibilities may employ one or more persons to render advice with respect to any responsibility imposed by this Plan.

Section 8.6 Plan Determination

The determination of the Compensation Committee as to any question involving the general administration and interpretation or construction of the Plan shall be within its sole discretion and shall be final, conclusive and binding on all persons, except as otherwise provided herein or by law.

Section 8.7 Claims Review Procedure

Consistent with the requirements of ERISA and the regulations thereunder as promulgated by the Secretary of Labor from time to time, the following claims review procedure shall be followed with respect to the denial of Separation Benefits to any Employee:

8.7.1 Within thirty (30) days from the date of an Employee's Termination of Employment, the Employing Company shall furnish such Employee with an agreement and release offering Separation Benefits under the Plan or notice of such Employee's ineligibility for or denial of Separation Benefits, either in whole or in part. Such notice from the Employing Company will be in writing and sent to the Employee or the legal representatives of his estate stating the reasons for such ineligibility or denial and, if applicable, a description of additional information that might cause a reconsideration by the Compensation Committee or its delegate of the decision and an explanation for the Plan's claims review procedure. In the event such notice is not furnished within thirty

(30) days, any claim for Separation Benefits shall be deemed denied and the Employee shall be permitted to proceed to Section 8.7.2 below.

8.7.2 Each Employee may submit a claim for benefits to the Compensation Committee (or to such other person as may be designated by the Compensation Committee) in writing in such form as is permitted by the Compensation Committee. An Employee shall have no right to seek review of a denial of benefits, or to bring any action in any court to enforce a claim for benefits prior to his filing a claim for benefits and exhausting his rights to review under this section.

When claim for benefits has been filed properly, such claim for benefits shall be evaluated and the Employee shall be notified of the approval or the denial within ninety (90) days after the receipt of such claim unless special circumstances require an extension of time for processing the claim. If such an extension of time for processing is required, written notice of the extension shall be furnished to the Employee prior to the termination of the initial ninety (90) day period which shall specify the special circumstances requiring an extension and the date by which a final decision shall be reached (which date shall not be later than one hundred and eighty (180) days after the date on which the claim was filed). The Employee shall be given a written notice in which the Employee shall be advised as to whether the claim is granted or denied, in whole or in part. If a claim is denied by the Compensation Committee, in whole or in part, the Employee shall be given written notice which shall contain (1) the specific reasons for the denial, (2) references to pertinent Plan provisions upon which the denial is based, (3) a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary, and (4) the Employee's rights to seek review of the denial.

8.7.3 If a claim is denied, in whole or in part, the Employee shall have the right to request that the Compensation Committee review the denial, provided that the Employee files a written request for review with the Compensation Committee within sixty (60) days after the date on which the Employee received written notification of the denial. The Employee (or his duly authorized representative) may review pertinent documents and submit issues and comments in writing to the Compensation Committee. Within a reasonable period, which shall not be later than sixty (60) days after a request for review is received the review shall be made and the Employee shall be advised in writing of the decision on review, unless special circumstances require an extension of time for processing the review, in which case the Employee shall be given a written notification within such initial sixty (60) day period specifying the reasons for the extension and when such review shall be completed (provided that such review shall be completed within one hundred and twenty (120) days after the date on which the request for review was filed). The decision on review shall be forwarded to the Employee in writing and shall include specific reasons for the decision and references to Plan provisions upon which the decision is based. A decision on review shall be final and binding on all persons.

8.7.4 If an Employee fails to file a request for review in accordance with the procedures herein outlined, such Employee shall have no rights to review and shall have

no right to bring action in any court and the denial of the claim shall become final and binding on all Persons for all purposes.

8.7.5 The determinations whether any person qualifies as an Eligible Employee under the Plan; and whether to grant or deny any claim for benefits under this Plan shall be made by the Compensation Committee, in its sole and absolute discretion, and all such determinations shall be conclusive and binding on all persons to the maximum extent permitted by law.

Section 8.8 Modification and Termination

Benefits under this Plan are not vested and may be changed, modified or terminated at any time, either individually or on a Plan wide basis. The Company may at any time, without notice or consent of any person, terminate or modify this Plan in whole or in part, and such termination or modification shall apply to existing as well as to future employees. However, such actions shall not affect any Separation Benefit that has become payable to an Eligible Employee as a result of that Employee's Termination of Employment before this amendment date, and that benefit shall continue to be paid in accordance with the Plan provisions in effect on the date of the that Employee's Termination of Employment.

Section 8.9 Indemnification

To the extent permitted by law, the Company shall indemnify and hold harmless the members of the Board of Directors, the Compensation Committee members, and any employee to whom any fiduciary responsibility with respect to this Plan is allocated or delegated to, and against any and all liabilities, costs and expenses incurred by any such person as a result of any act, or omission to act, in connection with the performance of his/her duties, responsibilities and obligations under this Plan, ERISA and other applicable law, other than such liabilities, costs and expenses as may result from the gross negligence or willful misconduct of any such person. The foregoing right of indemnification shall be in addition to any other right to which any such person may be entitled as a matter of law or otherwise. The Company may obtain, pay for and keep current a policy or policies of insurance, insuring the members of the Board of Directors, the Compensation Committee members and any other employees who have any fiduciary responsibility with respect to this Plan from and against any and all liabilities, costs and expenses incurred by any such person as a result of any act, or omission, in connection with the performance of his/her duties, responsibilities and obligations under this Plan and under ERISA.

Section 8.10 Successful Defense

A person who has been wholly successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding or claim or demand of the character described in Section 8.9 above shall be entitled to indemnification as authorized in such Section 8.9.

Section 8.11 Unsuccessful Defense

Except as provided in Section 8.10 above, any indemnification under Section 8.9 above, unless ordered by a court of competent jurisdiction, shall be made by the Company only if authorized in the specific case:

8.11.1 By the Board of Directors acting by a quorum consisting of directors who are not parties to such action, proceeding, claim or demand, upon a finding that the member of the Compensation Committee has met the standard of conduct set forth in Section 8.9 above; or

8.11.2 If a quorum under Section 8.11.1 above is not obtainable with due diligence the Board of Directors upon the opinion in writing of independent legal counsel (who may be counsel to any Employing Company) that indemnification is proper in the circumstances because the standard of conduct set forth in Section 8.9 above has been met by such member of the Compensation Committee.

Section 8.12 Advance Payments

Expenses incurred in defending a civil or criminal action or proceeding or claim or demand may be paid by the Company or Employing Company, as applicable, in advance of the final disposition of such action or proceeding, claim or demand, if authorized in the manner specified in Section 8.11 above, except that, in view of the obligation of repayment set forth in Section 8.13 below, there need be no finding or opinion that the required standard of conduct has been met.

Section 8.13 Repayment of Advance Payments

All expenses incurred, in defending a civil or criminal action or proceeding, claim or demand, which are advanced by the Company or Employing Company, as applicable, under Section 8.12 above shall be repaid in case the person receiving such advance is ultimately found, under the procedures set forth in this Article Eight, not to be entitled to the extent the expenses so advanced by the Company exceed the indemnification to which he or she is entitled.

Section 8.14 Right of Indemnification

Notwithstanding the failure of the Company or Employing Company, as applicable, to provide indemnification in the manner set forth in Section 8.11 and 8.12 above, and despite any contrary resolution of the Board of Directors or of the shareholders in the specific case, if the member of the Compensation Committee has met the standard of conduct set forth in Section 8.9 above, the person made or threatened to be made a party to the action or proceeding or against whom the claim or demand has been made, shall have the legal right to indemnification from the Company or Employing Company, as applicable, as a matter of contract by virtue of this Plan, it being the intention that each such person shall have the right to enforce such right of indemnification against the Company or Employing Company, as applicable, in any court of competent jurisdiction.

**ARTICLE IX.
EFFECTIVE DATE**

This Plan shall be effective (as it may be amended and restated) on and after December 14, 2004.

**ARTICLE X.
MISCELLANEOUS**

Section 10.1 Assignment

An Employee's right to benefits under this Plan shall not be assigned, transferred, pledged, encumbered in any way or subject to attachment or garnishment, and any attempted assignment, transfer, pledge, encumbrance, attachment, garnishment or other disposition of such benefits shall be null and void and without effect.

Section 10.2 Governing Law

The Plan shall be construed and administered in accordance with ERISA and with the laws of the State Oklahoma, to the extent such State laws are not preempted by ERISA. If any part of the Plan is held by a court of competent jurisdiction to be void or voidable, such holding shall not apply to render void or voidable the provisions of the Plan not encompassed in the court's holding. Where necessary to maintain the Plan's validity, a court of competent jurisdiction may modify the terms of this Plan to the extent necessary to effectuate its purposes as demonstrated by the terms and conditions stated herein.

Section 10.3 Employing Company Records

The records of the Employing Company with regard to any person's Eligible Employee status, Beneficiary status, employment history, Years of Service and all other relevant matters shall be conclusive for purposes of administration of the Plan.

Section 10.4 Employment Non-Contractual

This Plan is not intended to and does not create a contract of employment, express or implied, and an Employing Company may terminate the employment of any employee with or without cause as freely and with the same effect as if this Plan did not exist. Nothing contained in the Plan shall be deemed to qualify, limit or alter in any manner the Employing Company's sole and complete authority and discretion to establish, regulate, determine or modify at all time, the terms and conditions of employment, including, but not limited to, levels of employment, hours of work, the extent of hiring and employment termination, when and where work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be maintained or carried on, in the same manner and to the same extent as if this Plan were not in existence.

Section 10.5 Taxes

Neither an Employing Company nor any fiduciary of this Plan shall be liable for any taxes incurred by an Eligible Employee or Beneficiary for Separation Benefit payments made pursuant to this Plan.

Section 10.6 Binding Effect

This Plan shall be binding on the Company, any Employing Company and their successors and assigns, and the Employee, Employee's heirs, executors, administrators and legal representatives. As used in this Plan, the term "successor" shall include any person, firm, corporation or other business entity which at any time, whether by merger, purchase or otherwise, acquires all or substantially all of the assets or business of the Company or any Employing Company.

Section 10.7 Entire Agreement

This Plan constitutes the entire understanding between the parties hereto and may be modified only in accordance with the terms of this Plan.

Section 10.8 Decisions and Appeals

10.8.1 Manner and Content of Benefit Determination

The Human Resources Director shall provide a Eligible Employee with written or electronic notification of any adverse benefit determination. The notification shall set forth, in a manner calculated to be understood by the Eligible Employee the following:

- (a) the specific reason(s) for the adverse determination;
- (b) references to the specific plan provisions upon which the determination is based;
- (c) a description of any additional material or information necessary for the Eligible Employee to perfect the claim and an explanation of why such material or information is necessary;
- (d) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Eligible Employee's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review;
- (e) if the Plan utilizes a specific internal rule, guideline, protocol, or other similar criterion in making the determination, either the specific rule, guideline, protocol or other similar criterion; or a statement that such a rule, guideline, protocol or other similar criterion was relied upon and that a copy of such rule, guideline, protocol or similar criterion will be provided free of charge to the Eligible Employee upon request;

10.8.2 Appeal of Denied Claim and Review Procedure

(a) If an Eligible Employee does not agree with the reason for the denial or termination of Separation Benefits (including a denial or termination of benefits based on a determination of an Eligible Employee's eligibility to participate in the Plan), he/she may file a written appeal within 180 days after the receipt of the original claim determination. The request

should state the basis for the disagreement along with any data, questions, or comments he/she thinks are appropriate, and should be sent to the office of the Human Resources director.

(b) The Compensation Committee shall conduct a full and fair review of the determination. The review shall not defer to the initial determination, and it shall take into account all comments, documents, records and other information submitted by the Eligible Employee without regard to whether such information was previously submitted or considered in the initial determination.

10.8.3 Manner and Content of Notification of Benefit Determination on Review

Within 60 days (or longer if special circumstances require), the Compensation Committee shall provide an Eligible Employee with written or electronic notification of any adverse benefit determination on review. The notification shall set forth, in a manner calculated to be understood by the Eligible Employee the following:

- (a) the specific reason(s) for the adverse determination on review;
- (b) reference to the specific plan provisions upon which the review is based;
- (c) a statement that the Eligible Employee is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to his claim for benefits;
- (d) a statement describing any voluntary appeal procedures offered by the Plan and the Eligible Employee's right to obtain the information about such procedures, and a statement of the Eligible Employee's right to bring an action under section 502(a) of ERISA;
- (e) if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination on review, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination on review and that a copy of the rule, guideline, protocol, or other similar criterion will be provided free of charge to the Eligible Employee upon request;
- (f) the following statement: "Other voluntary alternative dispute resolution methods, such as mediation, may be available. You may seek additional information by contacting your local U.S. Department of Labor office and your State insurance regulatory agency."

SEPARATION AGREEMENT “A”

[Name of Employing Company] (“Unit”) and (“Employee”) hereby agree as follows:

Employee’s employment will end on , 20__.

In consideration for Employee’s agreement to the terms and conditions of this Separation Agreement (“Agreement”), Unit will pay to Employee a Separation Benefit of \$ in accordance with and subject to the terms of the Separation Benefit Plan of Unit Corporation and Participating Subsidiaries (the “Plan”).

Employee knows that state and federal laws, including the Age Discrimination in Employment Act and Title VII of the Civil Rights Act of 1964, as amended, prohibit employment discrimination based on age, sex, race, color, national origin, religion, handicap, disability, or veteran status, and that these laws are enforced through the United States Equal Employment Opportunity Commission (“EEOC”), United States Department of Labor, and State Human Rights Agencies.

EMPLOYEE IS ADVISED TO CONSULT AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT.

EMPLOYEE HAS TWENTY ONE DAYS AFTER RECEIVING THIS AGREEMENT TO CONSIDER WHETHER TO SIGN THIS AGREEMENT.

AFTER SIGNING THIS AGREEMENT, EMPLOYEE HAS ANOTHER SEVEN (7n DAYS IN WHICH TO REVOKE CONSENT TO THIS AGREEMENT. THIS AGREEMENT DOES NOT TAKE EFFECT UNTIL THOSE SEVEN DAYS HAVE PASSED.

In exchange for receipt of the Separation Benefit described above, to which Employee acknowledges he or she is not otherwise entitled, Employee forever releases and discharges Unit Corporation and its subsidiaries, their officers, directors, agents, employees, and affiliates from all claims, liabilities, and lawsuits arising out of Employee’s employment or the termination of that employment, and agrees not to assert any such claim, liability or lawsuit. Employee agrees that this release and discharge includes any claim under the Age Discrimination in Employment Act and Title VII of the Civil Rights Act of 1964, as amended, and any claim under other federal, state or local statute or regulation relating to employment discrimination or employee benefits. Employee agrees that this release and discharge includes any claim under any other statute, regulation or common law rule relating to Employee’s employment or termination of employment. This Agreement does not have any effect with respect to acts or events occurring after the date upon which Employee signs the Agreement. This Agreement does not limit any benefits to which Employee is entitled under any retirement plans, if any.

As further consideration for the payment of the Separation Benefit described above, Employee agrees that Employee will not, in any capacity directly or indirectly and on his or her own behalf or on behalf of any other person or entity, during the period of time he or she is receiving such Separation Benefits, either (a) solicit or attempt to induce any current customer of the Company to cease doing business with the Company or (b) solicit or attempt to induce any

employee of the Company to sever the employment relationship (collectively, the “Protection of Business Requirements”).

Except as provided in the next paragraph, in the event Employee violates the Protection of Business Requirements hereof, Employee shall not be entitled to any further payments of Separation Benefits under the Plan or this Agreement and shall be obligated to repay Unit all Separation Benefit payments previously received under the Plan and this Agreement.

In the event of a Change in Control of Unit Corporation (as defined in the Plan), Employee’s obligations regarding the Protection of Business Requirements under this Agreement shall expire and be canceled, and Employee shall be entitled to Separation Benefits provided under the Plan in accordance with the terms of the Plan, notwithstanding whether Employee thereafter engages in conduct that would otherwise violate the Protection of Business Requirements as described in this Agreement.

Employee has carefully read and fully understands all the provisions of this Agreement. This is the entire Agreement between the parties and is legally binding and enforceable. Employee agrees that he or she has not relied upon any representation or statement, written or oral, not set forth in this Agreement when signing this Agreement.

This Agreement shall be governed and interpreted under federal law and the laws of the State of Oklahoma, notwithstanding such State’s choice of law provisions. If any part of this Agreement is held by a court of competent jurisdiction to be void or voidable, such holding shall not apply to render void or voidable the provisions of this Agreement not encompassed in the court’s holding. Where necessary to maintain this Agreement’s validity, a court of competent jurisdiction may modify the terms of this Agreement to the extent necessary to effectuate its purposes as demonstrated by the terms and conditions stated herein.

Employee agrees that he or she has carefully read and fully understands all the provision of this Agreement. This is the entire Agreement between the parties, and it is legally binding and enforceable. Employee agrees that he or she has not relied upon any representation or statement, written or oral, not set forth in this Agreement when signing this Agreement.

Employee knowingly and voluntarily signs this Agreement.

1. Employee acknowledges receipt of this Agreement on this day of , 20__;
_____(Employee)
2. Employee acknowledges signing and, in signing, consenting to this Agreement on this _____ day of _____, 20__;
_____(Employee)
3. Employee acknowledges that the seven (7) day revocation period shall end, and this agreement shall be effective and enforceable as of the day of , 20__;
_____(Employee)

(Name of Employing Company)

By: _____

Title: _____

Date: _____

SEPARATION AGREEMENT "B"

[Name of Employing Company] ("Unit") and ("Employee") hereby agree as follows:

Employee's employment will end on , 20__.

In consideration for Employee's agreement to the terms and conditions of this Separation Agreement ("Agreement"), Unit will pay to Employee a Separation Benefit of \$, in accordance with, and subject to the terms of the Separation Benefit Plan of Unit Corporation and Participating Subsidiaries (the "Plan"). Employee agrees to comply with all terms of the Plan.

Employee knows that state and federal laws, including the Age Discrimination in Employment Act and Title VII of the Civil Rights Act of 1964, as amended, prohibit employment discrimination based upon age, sex, race, color, national origin, religion, handicap, disability, or veteran status, and that these laws are enforced through the United States Equal Employment Opportunity Commission ("EEOC"), United States Department of Labor, State Human Rights Agencies and courts of competent jurisdiction.

EMPLOYEE IS ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO SIGNING THIS AGREEMENT.

EMPLOYEE HAS FORTY FIVE (45) DAYS AFTER RECEIVING THIS AGREEMENT, AND THE WRITTEN STATEMENT PROVIDED WITH THIS AGREEMENT, TO CONSIDER WHETHER TO SIGN THIS AGREEMENT.

AFTER SIGNING THIS AGREEMENT, EMPLOYEE HAS ANOTHER SEVEN (7) DAYS IN WHICH TO REVOKE CONSENT TO THIS AGREEMENT. THIS AGREEMENT DOES NOT TAKE EFFECT UNTIL THOSE SEVEN (7) DAYS HAVE PASSED.

EMPLOYEE ACKNOWLEDGES THAT, ALONG WITH THIS AGREEMENT, HE OR SHE HAS BEEN GIVEN A WRITTEN STATEMENT: (A) WHICH DESCRIBES THE CLASS, UNIT, OR GROUP OF INDIVIDUALS COVERED BY THE PLAN, ELIGIBILITY FACTORS UNDER THE PLAN, AND ANY TIME LIMITS APPLICABLE TO THE PLAN; AND (B) THE JOB TITLES AND AGES OF ALL INDIVIDUALS ELIGIBLE OR SELECTED FOR TERMINATION UNDER THE PLAN WITH THIS EMPLOYEE, AND THE AGES AND JOB TITLES OF ALL INDIVIDUALS IN THE SAME JOB CLASSIFICATION OR TITLE AS THOSE EMPLOYEES ELIGIBLE OR SELECTED FOR TERMINATION UNDER THE PLAN WHO ARE NOT ELIGIBLE OR SELECTED FOR TERMINATION.

In exchange for receipt of the Separation Benefit described above, to which Employee acknowledges he or she is not otherwise entitled, Employee forever releases and discharges Unit Corporation and its subsidiaries, their officers, directors, agents, employees, and affiliates from all claims, liabilities, and lawsuits arising out of Employee's employment or the termination of that employment, and agrees not to assert any such claim, liability or lawsuit. Employee agrees that this release and discharge includes any claim under the Age Discrimination in Employment Act and Title VII of the Civil Rights Act of 1964, as amended, and any claim under other federal, state or local statute or regulation relating to employment discrimination or employee benefits. Employee agrees that this release and discharge includes any claim under any other

statute, regulation or common law rule relating to Employee's employment or termination of employment. This Agreement does not have any effect with respect to acts or events occurring after the date upon which Employee signs the Agreement. This Agreement does not limit any benefits to which Employee is entitled under any retirement plans, if any.

Employee agrees that he or she has carefully read and fully understands all the provision of this Agreement. This is the entire Agreement between the parties, and it is legally binding and enforceable. Employee agrees that he or she has not relied upon any representation or statement, written or oral, not set forth in this Agreement when signing this Agreement.

The Plan shall be construed and administered in accordance with ERISA and other federal laws, and with the laws of the State Oklahoma to the extent such State laws are not preempted by ERISA. If any part of this Agreement is held by a court of competent jurisdiction to be void or voidable, such holding shall not apply to render void or voidable the provisions of this Agreement not encompassed in the court's holding. Where necessary to maintain this Agreement's validity, a court of competent jurisdiction may modify the terms of this Agreement to the extent necessary to effectuate its purposes as demonstrated by the terms and conditions stated herein.

Employee knowingly and voluntarily signs this Agreement.

1. Employee acknowledges receipt of this Agreement on this day of , 20__;
_____(Employee)
2. Employee acknowledges signing and, in signing, consenting to this Agreement on this _____ day of _____, 20__;
_____(Employee)
3. Employee acknowledges that the seven (7) day revocation period shall end, and this agreement shall be effective and enforceable as of the _____ day of , 20__;
_____(Employee)

(Name of Employing Company)

By: _____

Title: _____

Date: _____

news

UNIT CORPORATION

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Telephone 918 493-7700, Fax 918 493-7711

Contact: Larry Pinkston
President & Chief Executive Officer
(918) 493-7700

*For Immediate Release...
October 20, 2008*

UNIT CORPORATION ANNOUNCES PASSING OF LONG-TIME DIRECTOR

Tulsa, Oklahoma . . . Unit Corporation (NYSE – UNT) announced today that one of its directors, Don Cook, passed away Saturday, October 18, 2008. Mr. Cook served as a director and Audit Committee Chairman since the company’s inception in 1963. He was a partner in the accounting firm of Finley & Cook in Shawnee, Oklahoma from 1950 until 1987 when he retired.

Larry Pinkston, Unit’s President & Chief Executive Officer, said: “Don Cook has been an integral part of the Unit family since 1963 when King Kirchner and Don Bodard founded the company. His financial expertise and unfailing support of the company had a profound impact on Unit and all of us who were fortunate enough to have known him. He will be greatly missed.”

Unit Corporation is a Tulsa-based, publicly held energy company engaged through its subsidiaries in oil and natural gas exploration, production, contract drilling and natural gas gathering and processing. Unit’s Common Stock is listed on the New York Stock Exchange under the symbol UNT. For more information about Unit Corporation, visit its website at <http://www.unitcorp.com>.

news

UNIT CORPORATION

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Telephone 918 493-7700, Fax 918 493-7711

Contact: Larry Pinkston
President & Chief Executive Officer
(918) 493-7700

*For Immediate Release...
October 23, 2008*

UNIT CORPORATION ANNOUNCES ELECTION OF DIRECTOR

Tulsa, Oklahoma . . . Unit Corporation (NYSE – UNT) announced today that its Board of Directors (the “Board”), upon the recommendation of the Nominating and Corporate Governance Committee, elected Mr. Steven B. Hildebrand to serve as a class III director of the Company and as a member of the Audit Committee, for a term expiring in 2011. The Board also designated Mr. Hildebrand as an Audit Committee financial expert. Mr. Hildebrand retired in March 2008 from a twenty-one year tenure at Dollar Thrifty Automotive Group (NYSE: DTG), where he spent his last ten years as Executive Vice President and Chief Financial Officer. Before joining Dollar Thrifty, Mr. Hildebrand served in several positions for Franklin Supply Company from 1980 to 1987, including Controller and Vice President of Finance. From 1976 to 1980, Mr. Hildebrand was an Audit Supervisor for the public accounting firm Coopers & Lybrand. Mr. Hildebrand is filling the vacancy left on the Board due to the recent passing of Mr. Don Cook.

Larry Pinkston, Unit’s President & Chief Executive Officer, said: “Mr. Hildebrand’s experience and expertise will be a significant asset to Unit. We are pleased that he has joined our Board and look forward to his contributions to the Company.”

Unit Corporation is a Tulsa-based, publicly held energy company engaged through its subsidiaries in oil and natural gas exploration, production, contract drilling and natural gas gathering and processing. Unit’s Common Stock is listed on the New York Stock Exchange under the symbol UNT. For more information about Unit Corporation, visit its website at <http://www.unitcorp.com>.