

## Unit Corporation Restructuring Vendor Frequently Asked Questions (“FAQs”)

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### 1. What was announced?

- Today we announced that Unit Corporation (“Unit,” the “Company” or “we”) entered into a Restructuring Support Agreement (“RSA”) with certain of the Company’s senior lenders and bondholders.
- The restructuring transactions contemplated by the RSA will significantly reduce Unit’s debt by more than \$650 million and provide Unit with enhanced financial flexibility.
- To implement the agreement, the Company has voluntarily filed for relief under Chapter 11 of the U.S. Bankruptcy Code in the Southern District of Texas, Houston Division.
- This agreement and the court-supervised process will enable Unit to restructure its balance sheet while continuing operations in the ordinary course.

### 2. Why did Unit Corporation take this action?

- Our industry continues to operate in a difficult commodity price environment, worsened with the COVID-19 pandemic. Over the past several months, we have responded proactively to the challenging market environment by reducing expenses and focusing on operating efficiently.
- We have also been working with our key financial stakeholders on a comprehensive solution to deleverage our balance sheet and strengthen our financial position.
- The actions we are announcing today represent the next step in our efforts to strengthen the Company’s balance sheet and position it for long-term success.
- We believe that entering into the RSA and implementing this financial restructuring through a court-supervised process is the best course of action for Unit and all of our stakeholders.
- We are confident that we are taking the right steps to provide a solid foundation for the Company to thrive in today’s low-price environment and beyond.

### 3. How will the restructuring process affect day-to-day operations?

- This is a financial restructuring, and our operations will continue in the ordinary course throughout this court-supervised process.
- We expect to meet our go-forward obligations to vendors, and we expect to pay go-forward vendor, royalty, working interests, and surety obligations according to our current contracts and consistent with applicable court orders.
- We believe Unit has sufficient liquidity, including cash on hand, a debtor-in-possession loan and funds generated from ongoing operations, to continue its operations and support the business in the ordinary course during the financial restructuring process.
- To minimize the impact of reduced capital spending, we will continue to focus our operations on low-risk, high-return projects.

### 4. Do you have sufficient liquidity to meet your business obligations?

- We believe Unit has sufficient liquidity, including cash on hand, a debtor-in-possession loan and funds generated from ongoing operations, to continue its operations and support the business in the ordinary course during the financial restructuring process.
- We expect to meet our go-forward obligations to vendors.

### 5. Will vendors be paid for goods or services provided after the May 22 Chapter 11 case filing date?

- Yes. We intend to pay vendors in full for all goods and services received on or after the Chapter 11 case filing date of May 22, 2020.
- Invoices for goods and services provided after the Chapter 11 case filing date should be submitted through the typical accounts payable channels and payments will be processed in accordance with contract terms, if applicable.
- We value the important relationships that we have developed with our vendors and we intend to work closely with our vendors throughout this process and in the future.

**6. Will vendors be paid for goods and services delivered prior to the Chapter 11 case filing on May 22, 2020?**

- Under U.S. bankruptcy law, unpaid debts for goods and services provided to Unit prior to the Chapter 11 case filing date of May 22, 2020, also known as “prepetition claims,” generally cannot be paid without specific Bankruptcy Court approval.
- Any claims will be addressed as part of the court-process moving forward. If you believe you have a prepetition claim or an administrative claim for goods and services provided to Unit, you may need to file a proof of claim with the Bankruptcy Court in a timely manner to be eligible for payment on your claim. Information about the claims process will be made available at a later date.

**7. Will Unit Corporation continue to order goods and services from its vendors? Why should I sell you goods and services now?**

- Yes, Unit’s operations will continue in the ordinary course throughout this court-supervised process and your cooperation and continued supply of goods and services will allow us to maintain our production.
- We will continue to order and pay for post-petition goods and services to meet our ongoing business needs.
- We value the important relationship we have developed with our vendors and we will continue to work closely with our vendors throughout this financial restructuring process and into the future.

**8. How do I file a proof of claim?**

- Unit’s claims agent, Prime Clerk, will be providing the appropriate forms once a deadline for filing claims has been set. Proof of claim forms and other information about the claims process will be available at the following website <https://cases.primeclerk.com/UnitCorporation>.

**9. What is the expected timeline for Unit’s Chapter 11 process?**

- We anticipate the Chapter 11 cases to move on a relatively quick and efficient timeline.
- We intend to move through this court-supervised process supported by our critical financial stakeholders quickly and efficiently.
- We are confident that we are taking the right steps to create a solid foundation for a successful future.

**10. How can I get updates and additional information?**

- We will continue to keep you informed of new information as we move through this financial restructuring process.
- Our claims agent has set up a website that includes free access to court documents and other information on the Bankruptcy Court process at <https://cases.primeclerk.com/UnitCorporation>.

- Our claims agent also established a toll-free information hotline at (877) 720-6581 (Toll-Free), or (646) 979-4412 (Local), to address specific questions and concerns.