



# Unit Corporation Reports First Quarter Results

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TULSA, Okla. - On May 8, 2025, Unit Corporation (OTCQX: UNTC) (Company) filed unaudited condensed consolidated financial statements for the three months ended March 31, 2025 with OTC Markets Group Inc. (OTC). The Company's current, quarterly and annual reports may be accessed on the OTC's website at <https://www.otcm Markets.com/stock/UNTC/disclosure>, as well as the Company's website at <https://unitcorp.com/investor-relations/otc-sec-filings/>.

## First Quarter Results

Net income for the three months ended March 31, 2025 was \$17.9 million, or \$1.80 per diluted share, compared to \$16.1 million, or \$1.61 per diluted share, for the three months ended March 31, 2024. Total revenues for the three months ended March 31, 2025 were \$63.5 million, compared to \$67.2 million for the three months ended March 31, 2024.

Phil Frohlich, the Company's Chief Executive Officer, commented, "While the current environment contains its share of economic uncertainties and challenges, I'm encouraged by our current drilling activities and the results from recently completed wells. Additionally, our recent natural gas hedges are helping to stabilize cash flows amid price fluctuations. With a solid balance sheet and strong operational performance, we remain well-positioned to execute our long-term strategy of delivering value to our shareholders."

Operational highlights for the oil and natural gas and contract drilling segments during the three months ended March 31, 2025 and 2024 include:

|   | Three Months Ended March 31, |          |          |
|---|------------------------------|----------|----------|
|   | 2025                         | 2024     | % Change |
| <b>Oil and Natural Gas:</b>                       |                              |          |          |
| Avg. oil price (\$/Bbl)                           | \$69.90                      | \$75.28  | (7)%     |
| Avg. oil price excl. derivatives (\$/Bbl)         | \$69.90                      | \$75.28  | (7)%     |
| Avg. NGLs price (\$/Bbl)                          | \$23.03                      | \$20.74  | 11%      |
| Avg. NGLs price excl. derivatives (\$/Bbl)        | \$23.03                      | \$20.74  | 11%      |
| Avg. natural gas price (\$/Mcf)                   | \$2.94                       | \$1.79   | 64%      |
| Avg. natural gas price excl. derivatives (\$/Mcf) | \$3.09                       | \$1.79   | 73%      |
| Oil production (MBbbls)                           | 190                          | 187      | 2%       |
| NGL production (MBbbls)                           | 236                          | 298      | (21)%    |
| Natural gas production (MMcf)                     | 3,089                        | 3,501    | (12)%    |
| Total production (MBOE)                           | 941                          | 1,069    | (12)%    |
| <b>Contract Drilling:</b>                         |                              |          |          |
| Total rigs available (end of the period)          | 14                           | 14       | -%       |
| Average number of drilling rigs in use            | 12.7                         | 13.7     | (7)%     |
| Average dayrate on daywork contracts (\$/day)     | \$29,355                     | \$30,891 | (5)%     |

## Derivatives

The following non-designated commodity hedges were outstanding as of March 31, 2025:

| Remaining Term  | Commodity                | Hedged Volume    | Weighted Average Fixed Price for Swaps | Hedged Market     |
|-----------------|--------------------------|------------------|--|-------------------|
| Apr'25 - Dec'25 | Natural gas - basis swap | 10,000 MMBtu/day | \$(0.30)                               | IF - PEPL - TX-OK |
|                 | Floating to fixed        |                  |  |                   |
| Apr'25 - Dec'25 | Natural gas - basis swap | 7,500 MMBtu/day  | \$(0.25)                               | IF - PEPL - TX-OK |
|                 | Floating to fixed        |                  |  |                   |
| Apr'25 - Dec'25 | Natural gas - basis swap | 5,000 MMBtu/day  | \$(0.25)                               | IF - PEPL - TX-OK |
|                 | Floating to fixed        |                  |  |                   |
| Apr'25 - Dec'25 | Natural gas - swap       | 15,000 MMBtu/day | \$4.69                                 | IF - NYMEX (HH)   |
|                 | Floating to fixed        |                  |  |                   |
| Jan'26 - Dec'26 | Natural gas - swap       | 5,000 MMBtu/day  | \$4.22                                 | IF - NYMEX (HH)   |
|                 | Floating to fixed        |                  |  |                   |

## Common Stock Dividends

The table below presents information about the dividends paid during the periods indicated:

|               | Type      | Dividend per share | Total Amount | Record Date    | Payment Date   |
|---------------|-----------|--------------------|--------------|----------------|----------------|
| <b>2024</b>   |           |                    |              |                |                |
| First quarter | Quarterly | \$ 1.25            | \$ 12,269    | March 18, 2024 | March 28, 2024 |
| <b>2025</b>   |           |                    |              |                |                |
| First quarter | Quarterly | \$ 1.25            | \$ 12,317    | March 18, 2025 | March 28, 2025 |

The declaration and payment of any future dividend, whether fixed, special, or variable, are at the sole discretion of the Company's Board of Directors. This decision will depend upon several factors, including the Company's financial position, results of operations, cash flows, capital requirements, business conditions, future expectations, legal requirements, and other relevant factors at the time of consideration. Future dividends are expected to be funded by cash on the Company's balance sheet.

## About Unit Corporation

Unit Corporation is a Tulsa-based, publicly held energy company engaged through its wholly-owned subsidiaries in oil and gas production and contract drilling. For more information about Unit Corporation, visit its website at <https://www.unitcorp.com>.

## Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act. All statements, other than statements of historical facts, included in this release that address activities, events, or developments that the Company expects, believes, or anticipates will or may occur are forward-looking statements. Several risks and uncertainties could cause actual results to differ materially from these statements, including changes in commodity prices, the productive capabilities of the Company's wells, future demand for oil and natural gas, future drilling rig utilization and dayrates, projected rate of the Company's oil and natural gas production, the amount available to the Company for borrowings, its anticipated borrowing needs under its credit agreement, the number of wells to be drilled by the Company's oil and natural gas segment, the potential productive capability of its prospective plays, and other factors described occasionally in the Company's publicly available OTC reports. The Company assumes no obligation to update publicly such forward-looking statements, whether because of new information, future events, or otherwise.

### Unit Corporation Selected Financial Highlights

|   | Three Months Ended March 31,            |           |
|---|---|-----------|
|   | 2025                                    | 2024      |
|   | (In thousands except per share amounts) |           |
| Revenues:                                 |   |           |
| Oil and natural gas                       | \$ 28,387                               | \$ 26,572 |
| Contract drilling                         | 35,085                                  | 40,632    |
| Total revenues                            | 63,472                                  | 67,204    |
| Expenses:                                 |   |           |
| Operating costs:                          |   |           |
| Oil and natural gas                       | 10,063                                  | 11,979    |
| Contract drilling                         | 24,531                                  | 25,725    |
| Total operating costs                     | 34,594                                  | 37,704    |
| Depreciation, depletion, and amortization | 4,136                                   | 3,901     |
| General and administrative                | 5,296                                   | 4,978     |
| (Gain) loss on disposition of assets      | (84)                                    | 65        |
| Total operating expenses                  | 43,942                                  | 46,648    |
| Income from operations                    | 19,530                                  | 20,556    |
| Other income (expense):                   |   |           |
| Interest income                           | 547                                     | 954       |
| Interest expense                          | (10)                                    | (30)      |
| Gain on derivatives, net                  | 2,302                                   | -         |
| Reorganization items, net                 | -                                       | (22)      |
| Other, net                                | 95                                      | (377)     |
| Total other income (expense)              | 2,934                                   | 525       |
| Income before income taxes                | 22,464                                  | 21,081    |
| Income tax expense, net:                  |   |           |
| Current                                   | 138                                     | 75        |
| Deferred                                  | 4,390                                   | 4,902     |
| Total income tax expense, net             | 4,528                                   | 4,977     |
| Net income                                | \$ 17,936                               | \$ 16,104 |
| Net income per common share:              |   |           |
| Basic                                     | \$ 1.81                                 | \$ 1.64   |
| Diluted                                   | \$ 1.80                                 | \$ 1.61   |

### Unit Corporation Selected Financial Highlights - Continued

|                             | March 31,<br>2025 | December 31,<br>2024 |
|-----------------------------|-------------------|----------------------|
|                             | (In thousands)    |                      |
| <b>Balance Sheet Data:</b>  |                   |                      |
| Cash and cash equivalents   | \$ 49,676         | \$ 48,884            |
| Current assets              | \$ 90,871         | \$ 90,250            |
| Total assets                | \$ 291,608        | \$ 289,243           |
| Current liabilities         | \$ 30,520         | \$ 32,468            |
| Long-term debt              | \$ -              | \$ -                 |
| Other long-term liabilities | \$ 22,976         | \$ 22,665            |
| Total shareholders' equity  | \$ 237,049        | \$ 232,521           |

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