

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): April 4, 2017

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.)

8200 South Unit Drive, Tulsa, Oklahoma
(Address of principal executive offices)

74132
(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))
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Section 1 - Registrant's Business and Operations.

Item 1.01. Entry into a Material Definitive Agreement.

On April 4, 2017, the Company entered into a Distribution Agreement (Agreement) with Raymond James & Associates, Inc. as the Sales Agent. Under the Agreement the Company may, from time to time, offer, issue, and sell shares of the Company's common stock, having an aggregate offering price of up to \$100 million (Shares).

Sales of the Shares, if any, may be made under ordinary brokers' transactions on the NYSE through at-the-market offerings or as otherwise agreed by the Company and the Sales Agent. Under the Agreement, the Company may also sell Shares to the Sales Agent as principal for its own account at a price to be agreed between the Company and the Sales Agent. Neither the Company nor the Sales Agent is required to sell any specific number or dollar amount of Shares.

The Agreement provides that the Sales Agent will be entitled to compensation of 2.0% of the gross sales price of the Shares it sells.

The Company made certain customary representations, warranties, and covenants in the Agreement, and also agreed to indemnify the Sales Agent against certain liabilities, including liabilities under the Securities Act of 1933, as amended (Securities Act). The Agreement will terminate on the earliest to occur of (1) the date that the maximum shares have been sold and (2) the twelve-month anniversary of the date of the Agreement. The Agreement may also be terminated by either the Company or the Sales Agent by written notice, subject to the terms and conditions under the Agreement.

The Shares will be issued under the Company's shelf registration statement on Form S-3 (Registration No. 333- 202956), as amended and supplemented occasionally, and which became effective on March 25, 2016, including the base prospectus contained in the registration statement, as supplemented by the prospectus supplement filed with the Securities and Exchange Commission under Rule 424(b) under the Securities Act on April 4, 2017.

The above description of the Agreement is not meant to be complete and is qualified in its entirety by reference to the complete text of the Agreement, which is filed as Exhibit 1.1 to this report and incorporated in this report by reference.

The legal opinion relating to the Shares is included as Exhibit 5.1 to this report.

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.

On March 31, 2017, Mr. Frank Young, age 47, was appointed as the Executive Vice President of Unit Petroleum Company (UPC), a wholly-owned subsidiary of the Company.

Under his new position, Mr. Young will be paid a salary of \$410,000 per year and participate in employee benefits on terms similar to other executive officers, including eligibility for annual bonuses and equity incentives. Mr. Young will also receive a restricted stock unit award of 35,000 units under the Company's Second Amended and Restated Unit Corporation Stock and Incentive Compensation Plan and an award agreement. Forty percent of the restricted stock units will vest in equal installments over three years beginning March 9, 2018, and vesting of the remaining restricted stock units is contingent on meeting certain performance goals.

Section 8 - Other Events.

Item 8.01. Other Events.

On April 4, 2017, the Company issued a press release announcing that UPC completed its acquisition of certain oil and natural gas assets from an undisclosed seller. That acquisition includes approximately 8,300 net acres primarily in Grady and Caddo Counties in western Oklahoma. The purchase price was approximately \$57 million in cash plus 180 net acres in McClain County, Oklahoma, subject to certain possible adjustments. The effective date of this acquisition is January 1, 2017.

The information included in this item and in exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), or incorporated by reference in any filing under the Securities Act, or the Exchange Act, except as expressly set forth by specific reference in the filing.

The press release furnished as an exhibit to this report contains forward-looking statements within the meaning of the Securities Act and the Exchange Act. Those forward-looking statements are subject to certain risks and uncertainties, as disclosed by the Company occasionally in its filings with the Securities and Exchange Commission. Because of these risks, the Company's actual results may differ materially from those indicated or implied by the forward-looking statements. Except as required by law, we disclaim any obligation to publicly update or revise forward looking statements after the date of this report to conform them to actual results.

Section 9 - Financial Statements and Exhibits.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 1.1 Distribution Agreement, dated as of April 4, 2017, between the Company and Raymond James & Associates, Inc.
- 5.1 Opinion of Gable & Gotwals, A Professional Corporation
- 23.1 Consent of Gable & Gotwals, A Professional Corporation (included as part of Exhibit 5.1)
- 99.1 Unit Corporation press release dated April 4, 2017

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.

Unit Corporation

Date: April 4, 2017

By: /s/ Mark E. Schell
Mark E. Schell
Senior Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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DISTRIBUTION AGREEMENT

April 4, 2017

Raymond James & Associates, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Attention: Jeff Fordham

Ladies and Gentlemen:

Unit Corporation, a Delaware corporation (the "**Company**"), confirms its agreement with Raymond James & Associates, Inc., as agent and/or principal under any Terms Agreement (as defined in Section 1(a) below) ("**you**," the "**Agent**" or "**Raymond James**"), with respect to the issuance and sale from time to time by the Company, in the manner and subject to the terms and conditions described below in this agreement (this "**Agreement**"), of common stock, \$0.20 par value per share (the "**Common Stock**") of the Company, having an aggregate Gross Sales Price (as defined in Section 2(b)) of up to \$100,000,000 (the "**Maximum Amount**"). Such shares are hereinafter collectively referred to as the "**Shares**." The Shares are described in the Prospectus referred to below.

The Company has filed with the Securities and Exchange Commission (the "**Commission**") a registration statement on Form S-3 (No. 333- 202956), as amended and supplemented from time to time, and which became effective on March 25, 2016 (the "**registration statement**"), for the registration of the Shares and other securities of the Company under the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder (collectively, the "**Act**"); and such registration statement sets forth the terms of the offering, sale and plan of distribution of the Shares and contains additional information concerning the Company and its business. Except where the context otherwise requires, "**Registration Statement**," as used herein, means the registration statement, as amended at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Agent, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein and (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Act, to be part of the registration statement at the effective time.

Except where the context otherwise requires, as used herein: "**Basic Prospectus**" means the prospectus filed as part of each Registration Statement, together with any amendments or supplements thereto as of the date of this Agreement; "**Prospectus Supplement**" means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Act on or before the second business day after the date hereof (or such earlier time as may be required under the Act), in the form furnished by the Company to Raymond James in connection with the offering of the Shares; "**Prospectus**" means the Prospectus Supplement (and any additional prospectus supplement prepared in accordance with the provision of Section 4(e) of this Agreement and filed in accordance with the provisions of Rule 424(b)) together with the Basic Prospectus attached to or used with the Prospectus

Supplement; **"Permitted Free Writing Prospectuses"** means the documents listed on Exhibit C attached hereto and any other **"issuer free writing prospectus"** (as defined in Rule 433 of the Act) that relates to the Shares, and which the Company and Raymond James reasonably agree from time to time is a Permitted Free Writing Prospectus. Any reference herein to the registration statement, the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the documents incorporated by reference, or deemed to be incorporated by reference, therein (the **"Incorporated Documents"**), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the **"Exchange Act"**) on or after the initial effective date of the Registration Statement, or the date of the Basic Prospectus, the Prospectus Supplement, the Prospectus or such Permitted Free Writing Prospectus, as the case may be, and deemed to be incorporated therein by reference. References in this Agreement to financial statements or other information that is "contained," "included," "described," "set forth" or "provided" in the Registration Statement, the Basic Prospectus, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus and any similar references shall, unless stated otherwise, include any information incorporated or deemed to be incorporated by reference therein.

The Company and Raymond James agree as follows:

1. Issuance and Sale.

- (a) Upon the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein and provided the Company provides the Agent with any due diligence materials and information reasonably requested by the Agent and necessary for the Agent to satisfy its due diligence obligations, on any Exchange Business Day (as defined below) selected by the Company, the Company and the Agent shall enter into an agreement in accordance with Section 2 hereof regarding the number of Shares to be placed by the Agent, as agent, and the manner in which and other terms upon which such placement is to occur (each such transaction being referred to as an **"Agency Transaction"**). The Company may also offer to sell the Shares directly to the Agent, as principal, in which event such parties shall enter into a separate agreement (each, a **"Terms Agreement"**) in substantially the form of Exhibit A hereto, relating to such sale in accordance with Section 2(f) through 2(g) of this Agreement (each such transaction being referred to as a **"Principal Transaction"**). As used herein, (i) the **"Term"** shall be the period commencing on the date hereof and ending on the earlier of (x) April 4, 2018, (y) the date on which the aggregate Gross Sales Price of Shares issued and sold pursuant to this Agreement and any Terms Agreements is equal to the Maximum Amount and (z) any termination of this Agreement pursuant to Section 8, (ii) an **"Exchange Business Day"** means any day during the Term that is a trading day for the Exchange other than a day on which trading on the

Exchange is scheduled to close prior to its regular weekday closing time, and (iii) "**Exchange**" means the New York Stock Exchange ("**NYSE**").

- (b) Subject to the terms and conditions set forth below, the Company appoints the Agent as agent in connection with the offer and sale of Shares in any Agency Transactions entered into hereunder. The Agent will use commercially reasonable efforts, consistent with its normal trading and sales practices, to sell such Shares in accordance with the terms and subject to the conditions hereof and of the applicable Transaction Acceptance (as defined below). Neither the Company nor the Agent shall have any obligation to enter into an Agency Transaction. The Company shall be obligated to issue and sell through the Agent, and the Agent shall be obligated to use commercially reasonable efforts, consistent with its normal trading and sales practices and as provided herein and in the applicable Transaction Acceptance, to place Shares only if and when the Company makes a Transaction Proposal (as defined below) to the Agent related to such an Agency Transaction and a Transaction Acceptance related to such Agency Transaction has been delivered to the Company by the Agent as provided in Section 2 below.
- (c) The Agent, as agent in any Agency Transaction, hereby covenants and agrees, not to make any sales of the Shares on behalf of the Company pursuant to this Agreement other than (A) by means of ordinary brokers' transactions between members of the Exchange that qualify for delivery of a Prospectus in accordance with Rule 153 under the Act and meet the definition of an "at the market offering" under Rule 415(a)(4) under the Act (such transactions are hereinafter referred to as "**At the Market Offerings**") and (B) such other sales of the Shares on behalf of the Company in its capacity as agent of the Company as shall be agreed by the Company and the Agent in writing.
- (d) If Shares are to be sold in an Agency Transaction in an At the Market Offering, the Agent will confirm in writing to the Company the number of Shares sold on any Exchange Business Day and the related Gross Sales Price and Net Sales Price (as each of such terms is defined in Section 2(b) below) promptly following the close of trading on any Exchange Business Day, but in no event later than the opening of trading on the immediately following Exchange Business Day.
- (e) If the Company shall default on its obligation to deliver Shares to the Agent pursuant to the terms of any Agency Transaction or Terms Agreement, other than as the result of bad faith or willful misconduct of the Agent, the Company shall (i) indemnify and hold harmless the Agent and its successors and assigns from and against any and all losses, claims, damages, liabilities and expenses arising from or as a result of such default by the Company and (ii) notwithstanding any such default, pay to the Agent the commission to which it would otherwise be entitled in connection with such sale in accordance with Section 2(b) below.
- (f) The Company acknowledges and agrees that (i) there can be no assurance that the Agent will be successful in selling the Shares, (ii) the Agent shall not incur any

liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Agent to use commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares in accordance with the terms of this Agreement and the applicable Transaction Acceptance, and (iii) Agent shall not be under any obligation to purchase Shares on a principal basis pursuant to this Agreement, except as may otherwise be specifically agreed by the Agent and the Company in a Terms Agreement.

2. Transaction Acceptances and Terms Agreements.

- (a) The Company may, from time to time during the Term, propose to the Agent that they enter into an Agency Transaction to be executed on a specified Exchange Business Day or over a specified period of Exchange Business Days, which proposal shall be made to the Agent by telephone or by email and shall set forth the information specified below (each, a "**Transaction Proposal**"). If the Agent agrees to the terms of such proposed Agency Transaction or if the Company and Agent mutually agree to modified terms for such proposed Agency Transaction, then the Agent shall promptly deliver to the Company by email a notice (each, a "**Transaction Acceptance**") confirming the terms of such proposed Agency Transaction as set forth in such Transaction Proposal or setting forth the modified terms for such proposed Agency Transaction as agreed by the Company and the Agent, as the case may be, whereupon such Agency Transaction shall become a binding agreement between the Company and the Agent. Each Transaction Proposal shall specify:
- (i) the Exchange Business Day(s) on which the Shares subject to such Agency Transaction are intended to be sold (each, a "**Purchase Date**");
 - (ii) the maximum number of Shares to be sold by the Agent (the "**Specified Number of Shares**") on, or over the course of, such Purchase Date(s);
 - (iii) the lowest price, if any, at which the Company is willing to sell Shares on each such Purchase Date or a formula pursuant to which such lowest price shall be determined (each, a "**Floor Price**"); and
 - (iv) the Agent's discount or commission, which shall not be more than 2.0% of the Gross Sales Price.

A Transaction Proposal shall not set forth a Specified Number of Shares that, when added to the aggregate number or aggregate Gross Sales Price of Shares previously purchased and to be purchased pursuant to pending Transaction Acceptances (if any) hereunder and any Terms Agreements, results or could result in a total number of shares that exceeds the Maximum Amount nor shall it set forth a Floor Price which is lower than the minimum price authorized from time to time by the Company's board of directors or, if permitted by applicable law and the Company's charter and bylaws, a duly authorized committee thereof. The

Company shall have responsibility for maintaining records with respect to the aggregate number and aggregate Gross Sales Price of Shares sold and for otherwise monitoring the availability of Shares for sale under the Registration Statement and for insuring that the aggregate number and aggregate Gross Sales Price of Shares offered and sold does not exceed, and the price at which any Shares are offered or sold is not lower than, the aggregate number and aggregate Gross Sales Price of Shares and the minimum price authorized from time to time by the Company's board of directors or, if permitted by applicable law and the Company's charter and bylaws, a duly authorized committee thereof. In the event that more than one Transaction Acceptance with respect to any Purchase Date(s) is delivered by the Agent to the Company, the latest Transaction Acceptance shall govern any sales of Shares for the relevant Purchase Date(s), except to the extent of any action occurring pursuant to a prior Transaction Acceptance and prior to the delivery to the Company of the latest Transaction Acceptance. The Company or the Agent may, upon notice to the other such party by telephone (confirmed promptly by e-mail), suspend or terminate the offering of the Shares pursuant to Agency Transactions for any reason; *provided, however*, that such suspension or termination shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice or their respective obligations under any Terms Agreement. Notwithstanding the foregoing, if the terms of any Agency Transaction contemplate that Shares shall be sold on more than one Purchase Date, then the Company and the Agent shall mutually agree to such additional terms and conditions as they deem reasonably necessary in respect of such multiple Purchase Dates, and such additional terms and conditions shall be set forth in or confirmed by, as the case may be, the relevant Transaction Acceptance and be binding to the same extent as any other terms contained therein. During the term of any such suspension, the Company shall not be obligated to deliver (or cause to be delivered) any of the documents referred to in Sections 6(b) through 6(d) hereof, be deemed to affirm any of the representations or warranties in this Agreement pursuant to Section 3 or 6(a) hereof, or be obligated to conduct any due diligence session referred to in Section 6(f) hereof until the termination of the suspension and the recommencement of the offering of the Shares pursuant to this Agreement.

- (b) The Purchase Date(s) in respect of the Shares deliverable pursuant to any Transaction Acceptance shall be set forth in or confirmed by, as the case may be, the applicable Transaction Acceptance. Except as otherwise agreed between the Company and the Agent, the Agent's commission for any Shares sold through the Agent pursuant to this Agreement shall be a percentage equal to 2.0% of the actual sales price of such Shares (the "**Gross Sales Price**"), which commission shall be as set forth in or confirmed by, as the case may be, the applicable Transaction Acceptance; *provided, however*, that such commission shall not apply when Agent acts as principal, in which case such commission or a discount shall be set forth in the applicable Terms Agreement. The Gross Sales Price less the Agent's commission and after deduction for any transaction fees, transaction taxes or similar taxes or fees imposed by any governmental, regulatory or self-

regulatory organization in respect of the sale of the applicable Shares is referred to herein at the "**Net Sales Price.**"

- (c) Payment of the Net Sales Price for Shares sold by the Company on any Purchase Date pursuant to a Transaction Acceptance shall be made to the Company by wire transfer of immediately available funds to the account of the Company (which the Company shall provide to the Agent at least one Exchange Business Day prior to the applicable Agency Settlement Date (as defined below)) against delivery of such Shares to the Agent's account, or an account of the Agent's designee, at The Depository Trust Company through its Deposit and Withdrawal at Custodian System ("**DWAC**") or by such other means of delivery as may be agreed to by the Company and the Agent. Such payment and delivery shall be made at or about 10:00 a.m. (New York City time) on the third Exchange Business Day (or such other day as may, from time to time, become standard industry practice for settlement of such a securities issuance or as agreed to by the Company and the Agent) following each Purchase Date (each, an "**Agency Settlement Date**").
- (d) If, as provided in the related Transaction Proposal, a Floor Price has been set by the Company with respect to a Purchase Date, and the Agent thereafter determines and notifies the Company that the Gross Sales Price for such Agency Transaction would not be at least equal to such Floor Price, then the Company shall not be obligated to issue and sell through the Agent, and the Agent shall not be obligated to place, the Shares proposed to be sold pursuant to such Agency Transaction on such Purchase Date, unless the Company and the Agent otherwise agree in writing.
- (e) If either the Company or the Agent has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to the Shares, it shall promptly notify the other party and sales of the Shares under this Agreement, any Transaction Acceptance or any Terms Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party. On or prior to the delivery of a prospectus that is required (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with the offering or sale of the Shares, the Company and Agent shall calculate the average daily trading volume (as defined under "**ADTV**" by Rule 100 of Regulation M under the Exchange Act) of the Common Stock based on market data provided by Bloomberg L.P. or such other sources as agreed upon by the Company and the Agent.
- (f)
 - (i) If the Company wishes to issue and sell the Shares pursuant to this Agreement but other than as set forth in Section 2(a) of this Agreement, it will notify the Agent of the proposed terms of the Principal Transaction. If the Agent, acting as principal, wishes to accept such proposed terms (which it may decline to do for any reason in its sole discretion) or,

following discussions with the Company, wishes to accept amended terms, the Company and the Agent shall enter into a Terms Agreement setting forth the terms of such Principal Transaction.

- (ii) The terms set forth in a Terms Agreement shall not be binding on the Company or Agent unless and until the Company and the Agent have each executed and delivered such Terms Agreement accepting all of the terms of such Terms Agreement. In the event of a conflict between the terms of this Agreement and the terms of a Terms Agreement, the terms of such Terms Agreement shall control.
- (g) Each sale of the Shares to the Agent in a Principal Transaction shall be made in accordance with the terms of this Agreement and a Terms Agreement, which shall provide for the sale of such Shares to, and the purchase thereof by, the Agent. A Terms Agreement may also specify certain provisions relating to the reoffering of such Shares by the Agent. The commitment of Agent to purchase the Shares pursuant to any Terms Agreement shall be deemed to have been made on the basis of the representations, warranties and agreements of the Company contained, and shall be subject to the terms and conditions set forth, in this Agreement and such Terms Agreement. Any such Terms Agreement shall specify the number of the Shares to be purchased by the Agent pursuant thereto, the price to be paid to the Company for such Shares, any provisions relating to rights of, and default by, Agent, if any, acting together with the Agent in the reoffering of the Shares, and the time and date (each such time and date being referred to herein as a "**Principal Settlement Date**"; and, together with any Agency Settlement Date, a "**Settlement Date**") and place of delivery of and payment for such Shares.
- (h) Notwithstanding any other provision of this Agreement, the Company shall not offer, sell or deliver, or request the offer or sale, of any Shares pursuant to this Agreement (whether in an Agency Transaction or a Principal Transaction) and, by notice to the Agent given by telephone (confirmed promptly by email), shall cancel any instructions for the offer or sale of any Shares, and the Agent shall not be obligated to offer or sell any Shares (i) during any period in which the Company is, or reasonably could be deemed to be, in possession of material non-public information or (ii) at any time from and including the date on which the Company shall issue a press release containing, or shall otherwise publicly announce, its earnings, revenues or other results of operations (an "**Earnings Announcement**") through and including the time that is 24 hours after the time that the Company files a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K that includes consolidated financial statements as of and for the same period or periods, as the case may be, covered by such Earnings Announcement.
- (i) Anything in this Agreement to the contrary notwithstanding, the Company shall not authorize the issuance and sale of, and the Agent, as sales agent, shall not be obligated to use commercially reasonable efforts, consistent with its normal trading and sales practices, to sell, any Shares at a price lower than the minimum

price, or in a number or with an aggregate gross or net sales price in excess of the number or aggregate gross or net sales price, as the case may be, authorized from time to time to be issued and sold under this Agreement and any Terms Agreement, in each case by the Company's board of directors or, if permitted by applicable law and the Company's charter and bylaws, a duly authorized committee thereof, or in a number in excess of the number of Shares approved for listing on the Exchange, or in excess of the number or amount of Shares available for issuance on the Registration Statement or as to which the Company has paid the applicable registration fee, it being understood and agreed by the parties hereto that compliance with any such limitations shall be the sole responsibility of the Company.

3. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, the Agent, on and as of (i) the date hereof, (ii) each date on which the Company receives a Transaction Acceptance (the "**Time of Acceptance**"), (iii) each date on which the Company executes and delivers a Terms Agreement, (iv) each Time of Sale (as defined in Section 3(a)), (v) each Settlement Date and (vi) each Bring-Down Delivery Date (as defined in Section 6(b)) (each such date listed in (i) through (vi), a "**Representation Date**"), as follows:

- (a) Registration Statement; Prospectus; and any Permitted Free Writing Prospectus. The Registration Statement complied when it became effective, complies as of the date hereof and, as amended or supplemented, at the time of purchase, each additional time of purchase, if any, and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the applicable requirements of the Act; the conditions to the use of Form S-3 in connection with the offering and sale of the Shares as contemplated hereby have been satisfied; the Registration Statement meets, and the offering and sale of the Shares as contemplated hereby complies with, the applicable requirements of Rule 415 under the Act (including, without limitation, and if relevant, Rule 415(a)(5)); the Registration Statement did not, as of the time of its effectiveness, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; the Prospectus complied or will comply, at the time it was or will be filed with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, at the time of purchase, each additional time of purchase, if any, and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, will comply, in all material respects, with the applicable requirements of the Act; at no time during the period that begins on the earlier of the date of such Basic Prospectus, and the date such Basic Prospectus was filed with the Commission, and ends at the time of purchase did or will any Basic Prospectus, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they

were made, not misleading, and at no time during such period did or will any Basic Prospectus, as then amended or supplemented, together with any combination of one or more of the then issued Permitted Free Writing Prospectuses, if any, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; the Prospectus Supplement will comply, as of the date that it is filed with the Commission, the date of the Prospectus Supplement, the time of purchase, each additional time of purchase, if any, and at all times during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, in all material respects, with the applicable requirements of the Act (in the case of the Prospectus, including, without limitation, Section 10(a) of the Act); at no time during the period that begins on the earlier of the date of the Prospectus Supplement, and the date the Prospectus Supplement is filed with the Commission, and ends at the later of the time of purchase, the latest additional time of purchase, if any, and the end of the period during which a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with any sale of Shares, did or will any Prospectus Supplement, as then amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and at no time during the period that begins on the date of such Permitted Free Writing Prospectus, and ends at the time of purchase did or will any Permitted Free Writing Prospectus include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representation or warranty with respect to any statement contained or omitted in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus in reliance upon and in conformity with information concerning Raymond James, and furnished in writing by or on behalf of Raymond James expressly for use in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus. As used herein, "**Time of Sale**" means (i) with respect to each offering of Shares pursuant to this Agreement, the time of the Agent's initial entry into contracts with investors for the sale of such Shares and (ii) with respect to each offering of Shares pursuant to any relevant Terms Agreement, the time of sale of such Shares (any such information provided in a Terms Agreement or Transaction Acceptance at the Time of Sale, the "**Time of Sale Information**").

- (b) Proper Use of Prospectus and Any Permitted Free Writing Prospectus. Prior to the execution of this Agreement, the Company has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" (within the meaning of the Act) or used any "prospectus" (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case other than the Prospectus and the Permitted Free Writing Prospectuses, if any; the Company has not, directly or

indirectly, prepared, used or referred to any Permitted Free Writing Prospectus except in compliance with Rules 164 and 433 under the Act; assuming that such Permitted Free Writing Prospectus is so sent or given after the Registration Statement was filed with the Commission (and after such Permitted Free Writing Prospectus was, if required pursuant to Rule 433(d) under the Act, filed with the Commission), the sending or giving, by Raymond James, of any Permitted Free Writing Prospectus will satisfy the provisions of Rule 164 or Rule 433 (without reliance on subsections (b), (c) and (d) of Rule 164); the conditions set forth in one or more of subclauses (i) through (iv), inclusive, of Rule 433(b)(1) under the Act are satisfied, and the registration statement relating to the offering of the Shares contemplated hereby, as initially filed with the Commission, includes a prospectus that, other than by reason of Rule 433 or Rule 431 under the Act, satisfies the requirements of Section 10 of the Act; neither the Company nor Raymond James is disqualified, by reason of subsection (f) or (g) of Rule 164 under the Act, from using, in connection with the offer and sale of the Shares, "free writing prospectuses" (as defined in Rule 405 under the Act) pursuant to Rules 164 and 433 under the Act; the Company is not an "ineligible issuer" (as defined in Rule 405 under the Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Act with respect to the offering of the Shares contemplated by the Registration Statement.

- (c) Incorporated Documents. The Incorporated Documents, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the applicable requirements of the Act or the Exchange Act, as applicable, and none of such documents, when they became effective or were filed with the Commission, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- (d) No Stop Order. The Commission has not issued any order preventing or suspending the use of the Prospectus or suspending the effectiveness of the Registration Statement, and no proceeding for such purpose has been instituted or, to the knowledge of the Company, threatened by the Commission. The Commission has not notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto.
- (e) Ineligible Issuer. The Company was not, at the time of initial filing of the Registration Statement, and at the earliest time thereafter that the Company or any other offering participant made a bona fide offer (within the meaning of

Rule 164(h)(2) under the Act) of the Shares, and is not on the date hereof, an "ineligible issuer" (as defined in Rule 405 under the Act).

- (f) Forward-Looking and Supporting Information. Each of the statements made by the Company in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus (and any supplements thereto) within the coverage of Rule 175(b) under the Act was made with a reasonable basis and in good faith.
- (g) Formation and Qualification of the Company and its Significant Subsidiaries. Each of the Company and its subsidiaries listed on Schedule I (each a "**Significant Subsidiary**" or "**subsidiary**" and, collectively, the "**Significant Subsidiaries**" or "**subsidiaries**"), being all of the Company's "significant subsidiaries" (as defined in Rule 405 under the Act), has been duly organized, is validly existing and in good standing as a corporation or other business entity under the laws of its jurisdiction of organization (as set forth on Schedule I), and is duly qualified to do business and in good standing as a foreign corporation or other business entity in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, except where the failure to be so qualified or in good standing could not, in the aggregate, (i) reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, stockholders' equity, partners' capital or members' equity, properties, management, business, prospects or net worth of the Company and all of its subsidiaries (whether Significant Subsidiaries or not), taken as a whole (a "**Material Adverse Effect**"); or (ii) subject the stockholders of the Company to any material liability or disability. Each of the Company and its Significant Subsidiaries has all corporate or limited liability company power and authority, as the case may be, necessary to own or lease its properties and to conduct the business in which it is engaged.
- (h) Capitalization and Validly Issued Shares. As of the date hereof, the Company has an authorized capitalization as set forth or incorporated in the Prospectus, and all of the issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued, are fully paid and non-assessable, conform to the description thereof contained in the Prospectus and were issued in compliance with federal and state securities laws and not in violation of any preemptive right, resale right, right of first refusal or similar right. All of the issued and outstanding shares of capital stock or other ownership interest of each Significant Subsidiary of the Company have been duly authorized and validly issued, are fully paid (in the case of any Significant Subsidiary that is a limited liability company, to the extent required by such Significant Subsidiary's limited liability company agreement) and non-assessable (in the case of any Significant Subsidiary that is a limited liability company, except as such non-assessability may be affected by Sections 2030, 2031 and 2040 of the Oklahoma Limited Liability Company Act) and are wholly or partially owned directly or indirectly by the Company, free and clear of all liens, encumbrances, security interests, equities, charges or claims ("**Liens**"), except for Liens (i) arising in connection with the Senior Credit Agreement dated as of September 13, 2011, among the Company, the Significant

Subsidiaries, Superior Pipeline Texas, L.L.C. and Superior Appalachian Pipeline, L.L.C., as Borrowers, and BOKF, NA (dba Bank of Oklahoma) (serving as administrative agent) and the other Lenders from time to time a party thereto, as it has been amended, including most recently by the Third Amendment to Senior Credit Agreement, dated as of April 8, 2016, among the Company, the Significant Subsidiaries, Superior Pipeline Texas, L.L.C. and Superior Appalachian Pipeline, L.L.C., as Borrowers, and BOKF, NA (dba Bank of Oklahoma) (serving as administrative agent); and the Lenders, and as it may be further amended from time to time (as so amended, the "**Unit Credit Agreement**"); or (ii) as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

- (i) Valid Issuance of Shares to be Issued. The Shares to be issued and sold by the Company hereunder have been duly authorized and, upon payment and delivery in accordance with this Agreement, will be validly issued, fully paid and non-assessable; will conform to the descriptions thereof contained in the Registration Statement and the Prospectus; will be issued in compliance with federal and state securities laws; and will be free of statutory and contractual preemptive rights, rights of first refusal and similar rights.
- (j) No Options, Preemptive Rights, Registration Rights or Other Rights. Except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, or as provided for in the charter or bylaws (or similar organizational documents) of the Company, there are no options, warrants, preemptive rights, rights of first refusal or other rights to subscribe for or to purchase, nor any restriction upon the voting or transfer of, any equity securities of the Company. Neither the filing of the Registration Statement nor the offering or sale of the Shares as contemplated by this Agreement gives rise to any rights for or relating to the registration of any securities of the Company.
- (k) Authorization, Execution and Delivery of this Agreement. The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company.
- (l) No Conflicts. None of (i) the offering, issuance or sale of the Shares as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, (ii) the execution, delivery and performance of this Agreement by the Company, (iii) the consummation of the transactions contemplated by this Agreement by the Company or (iv) the application of the proceeds from the sale of the Shares as described under "Use of Proceeds" in the Prospectus (A) conflicts with or will conflict with or constitutes or will constitute a violation of the provisions of the charter or bylaws (or similar organizational documents) of the Company or any of its Significant Subsidiaries; (B) conflicts or will conflict with, or constitutes or will constitute a breach or violation of, or a change of control or default (or an event that, with notice or lapse of time or both, would constitute such an event) under, the Unit Credit Agreement or any indenture, mortgage, deed

of trust, license, loan agreement, lease or other agreement or instrument to which the Company or any of its subsidiaries are a party or by which any of them or any of their respective properties may be bound; (C) violates or will violate any statute, law, regulation, ruling or any order, judgment, decree or injunction of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets in a proceeding to which any of them or their property is a party or is bound; or (D) results or will result in the creation or imposition of any Lien (other than Liens arising under or in connection with the Unit Credit Agreement) upon any property or assets of the Company or any of its subsidiaries, except in the case of clauses (B), (C) and (D) for any such conflicts, violations, breaches, changes of control, defaults or Liens that, individually or in the aggregate, have not materially impaired or are not reasonably expected to materially impair the ability of the Company to consummate the transactions provided for in this Agreement.

- (m) No Consents. No consent, approval, authorization, order, registration, filing or qualification ("**consent**") of or with any court, governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets is required in connection with (i) the offering, issuance or sale of the Shares as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus; (ii) the execution, delivery and performance of this Agreement by the Company; (iii) the consummation by the Company of the transactions contemplated by this Agreement; or (iv) the application of the proceeds from the sale of the Shares as described under "Use of Proceeds" in the Prospectus, except for (A) registration of the Shares under the Act and the rules and regulations of the NYSE, (B) consents required under the Exchange Act, applicable state securities or "Blue Sky" laws and the rules of FINRA in connection with the purchase and sale of the Shares by Raymond James and (C) consents the absence or omission of which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.
- (n) No Defaults. Neither the Company nor any of its subsidiaries is in (i) violation of its charter or bylaws (or similar organizational documents), (ii) violation of any law, statute, ordinance, administrative or governmental rule or regulation applicable to it or of any order, judgment, decree or injunction of any court or governmental agency or body having jurisdiction over it or any of its properties or (iii) breach, default (or an event that, with notice or lapse of time or both, would constitute such an event) or violation in the performance of any obligation, agreement, covenant or condition contained in any bond, debenture, note or any other evidence of indebtedness or in any agreement, indenture, lease or other instrument to which it is a party or by which it or any of its properties may be bound, except in the cases of clauses (ii) and (iii) for any such breaches, defaults and violations that, individually or in the aggregate, would not reasonably be expected to materially impair the ability the Company to consummate the transactions provided for in this Agreement.

- (o) Financial Statements. The financial statements (including the related notes and supporting schedules) included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus present fairly in all material respects the financial condition, results of operations and cash flows of the entities purported to be shown thereby, at the dates and for the periods indicated, comply as to form in all material respects with the applicable accounting requirements of the Act and have been prepared in conformity with accounting principles generally accepted in the United States applied on a consistent basis throughout the periods indicated, except to the extent disclosed therein. The other financial information of the Company, including non-GAAP financial measures, if any, contained in the Prospectus or any Permitted Free Writing Prospectus has been derived from the accounting records of the Company and its subsidiaries, and fairly presents in all material respects the information purported to be shown thereby.
- (p) Independent Registered Public Accounting Firm. To the Company's knowledge, PricewaterhouseCoopers LLP, whose reports are incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, is an independent registered public accounting firm with respect to the Company, as required by the Act and the Public Company Accounting Oversight Board.
- (q) Books and Records. The Company and each of its subsidiaries maintain a system of internal control over financial reporting (as such term is defined under Rule 13a-15(f) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed by, or under the supervision of, the Company's principal executive and principal financial officers, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States. The Company and each of its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorizations; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals; and appropriate action is taken with respect to any differences; and (v) interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus fairly present the information called for in all material respects and have been prepared in accordance with the Commission's rules and guidelines applicable thereto. As of the date of the most recent balance sheet of the Company and its consolidated subsidiaries (whether Significant Subsidiaries or not) reviewed or audited by PricewaterhouseCoopers LLP and reviewed by the audit committee of the board of directors of the Company (the "**Audit Committee**"), there were no material weaknesses in the Company's or any of its subsidiaries' internal controls.

- (r) Disclosure Controls and Procedures. (i) The Company has established and maintain disclosure controls and procedures (as such term is defined under Rule 13a-15(e) of the Exchange Act), (ii) such disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company in the reports to be filed or submitted under the Exchange Act is accumulated and communicated to management of the Company, including their respective principal executive officers and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure to be made, and (iii) such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established to the extent required by Rule 13a-15 of the Exchange Act.
- (s) No Changes in Internal Controls. Since the date of the most recent balance sheet of the Company and its consolidated subsidiaries reviewed or audited by PricewaterhouseCoopers LLP and reviewed by the Audit Committee, (i) the Company has not been advised of or become aware of (A) any material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the ability of the Company or any of its consolidated subsidiaries to record, process, summarize and report financial information; or (B) any fraud, whether or not material, that involves management or other employees of the Company or any of its subsidiaries who have a significant role in the Company's or any of its consolidated subsidiaries' internal control over financial reporting, and (ii) there have been no changes in the Company's or any of its consolidated subsidiaries' internal control over financial reporting that have materially affected or are reasonably likely to materially affect the Company's or any of its consolidated subsidiaries' internal controls over financial reporting, including any corrective actions with regard to material weaknesses.
- (t) Critical Accounting Policies. The section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates" incorporated by reference into the Registration Statement, Prospectus and any Permitted Free Writing Prospectus accurately and fully describes (i) the accounting policies that the Company believes are the most important in the portrayal of the Company's financial condition and results of operations and that require management's most difficult, subjective or complex judgments ("**Critical Accounting Policies**"); (ii) the judgments and uncertainties affecting the application of Critical Accounting Policies; and (iii) the likelihood that materially different amounts would be reported under different conditions or using different assumptions and an explanation thereof.
- (u) Sarbanes-Oxley Act of 2002. There is and has been no failure on the part of the Company or, to the knowledge of the Company, the Company's directors or officers, in their capacities as such, to comply in all material respects with any provision of the Sarbanes-Oxley Act of 2002 or the rules and regulations promulgated in connection therewith or the rules of the NYSE, in each case that are effective and applicable to the Company.

- (v) No Material Changes. Except as (y) described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, or (z) could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, since the date of the latest audited financial statements included in the Prospectus, (i) neither the Company nor any of its subsidiaries has (A) sustained any material loss or material interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, (B) issued or granted any securities, (C) incurred any material liability or obligation, direct or contingent, other than liabilities and obligations that were incurred in the ordinary course of business, (D) entered into any material transaction not in the ordinary course of business or (E) other than dividends or distributions paid in the ordinary course, declared or paid any dividend or distribution on its equity interests, and (ii) there has not been (A) any material change in the equity interests, as applicable, or long-term debt of the Company or any of its subsidiaries (other than changes occurring in the ordinary course of business pursuant to the Unit Credit Agreement) or (B) any adverse change, or any development involving a prospective adverse change, in or affecting the condition (financial or otherwise), results of operations, stockholders' equity, partners' capital or members' equity, properties, management, business or prospects of the Company and its subsidiaries taken as a whole.
- (w) Title to Properties. The Company and each of its subsidiaries, directly or indirectly, have good and marketable title to all real property and good title to all personal property described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as being owned by it, in each case free and clear of all Liens (other than Liens arising under or in connection with the Unit Credit Agreement) except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and except for any defects, failure in title or Liens that could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. All real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases, with such exceptions as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus or such as would not reasonably be expected to have, individually or in the aggregate, have a Material Adverse Effect.
- (x) Rights of Way. The Company and each of its subsidiaries, directly or indirectly, have such consents, easements, rights-of-way, permits or licenses from each person (collectively, "**rights-of-way**") as are necessary to conduct their businesses in the manner described, subject to the limitations described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, if any, except for such rights-of-way that, if not obtained, could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; the Company and each of its subsidiaries have fulfilled and performed, in all material respects, their obligations with respect to such rights-of-way; and no event has occurred that allows, or after notice or lapse of time would allow, revocation or

termination thereof or would result in any impairment of the rights of the holder of any such rights-of-way, except for such non-fulfilment, non-performance revocations, terminations or impairments that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

- (y) Permits. Except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, the Company and each of its subsidiaries, directly or indirectly, have such permits, licenses, patents, franchises, certificates of need and other approvals or authorizations of governmental or regulatory authorities ("**Permits**") as are necessary under applicable law to own its properties and conduct their businesses in the manner described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, except for any failures to have a Permit that could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company and each of its subsidiaries have fulfilled and performed all of its obligations with respect to the Permits, and no event has occurred that allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other impairment of the rights of the holder or any such Permits, except for any non-fulfilment, non-performance, revocations, terminations or impairments that could not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such Permits or has any reason to believe that any such Permits will not be renewed in the ordinary course, that, if revoked, modified, or failed to be renewed, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.
- (z) Intellectual Property. To the knowledge of the Company, the Company and each of its subsidiaries (i) own or possess adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, know-how, software, systems and technology (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their businesses and (ii) have no reason to believe that the conduct of their businesses conflicts with, and have not received any notice of any claim of conflict with, any such rights of others, except for such non-ownership, non-possession or conflict that could not reasonably be expected to have a Material Adverse Effect.
- (aa) Legal Proceedings. Except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property or assets of the Company or any of its subsidiaries is the subject that would, in the aggregate, reasonably be expected to have a Material Adverse Effect or to materially impair the ability of the Company to consummate the transactions provided for in this Agreement, and to the Company's knowledge, no such proceedings are threatened by governmental authorities or others.

- (bb) Contracts to be Described or Filed. There are no contracts or other documents required by the Act to be described in the Registration Statement or the Prospectus or filed as exhibits to the Registration Statement, that are not described and filed as required. Neither the Company nor any of its subsidiaries has knowledge that any other party to any such contract or other document has any intention not to render full performance as contemplated by the terms thereof.
- (cc) [Reserved].
- (dd) Insurance. The Company and each of its Significant Subsidiaries maintain, or are entitled to the benefits of, insurance covering their properties, operations, personnel and businesses against such losses and risks as the Company has determined is reasonably adequate to protect them and their businesses. All such policies of insurance of the Company and its Significant Subsidiaries are in full force and effect, and the Company and each of its Significant Subsidiaries are in compliance with the terms of such policies in all material respects, neither the Company nor any of its Significant Subsidiaries has received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance, there are no claims by the Company or any of its Significant Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause, and neither the Company nor any such Significant Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that could not reasonably be expected to have a Material Adverse Effect.
- (ee) Certain Relationships and Related Party Transactions. To the knowledge of the Company, no relationship, direct or indirect, exists between or among the Company, on the one hand, and any "affiliate," equity holder, director, manager, officer, customer or supplier of the Company, on the other hand, that is required by the Act to be disclosed in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus that is not so disclosed. To the knowledge of the Company, there are no outstanding personal loans, advances (except normal advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any of its subsidiaries to or for the benefit of any of the executive officers, directors or managers of the Company or any of its subsidiaries or their respective family members.
- (ff) No Labor Dispute. No labor disturbance by or dispute with the employees of the Company or any of its Significant Subsidiaries exists or, to the knowledge of the Company, is imminent or threatened that could reasonably be expected to have a Material Adverse Effect.
- (gg) Environmental Compliance. Except as could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (i) the Company and

each of its subsidiaries are in compliance with all laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any governmental authority, including without limitation any international, foreign, national, state, provincial, regional or local authority, relating to pollution, the protection of human health or safety, the environment, or natural resources, or to use, handling, storage, manufacturing, transportation, treatment, discharge, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**") applicable to such entity, which compliance includes, without limitation, obtaining, maintaining and complying with all permits and authorizations and approvals required by Environmental Laws to conduct their respective businesses, and (ii) neither the Company nor any of its subsidiaries has received notice or otherwise has knowledge of any actual or alleged violation of Environmental Laws, or of any actual or potential liability for or other obligation concerning the presence, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants. Except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, there are no proceedings that are pending, or known to be contemplated, against the Company or any of its subsidiaries under Environmental Laws in which a governmental authority is also a party that could reasonably be expected to have a Material Adverse Effect.

- (hh) **Tax Returns.** The Company and each of its subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through the date hereof (which returns are complete and correct in all material respects), subject to permitted extensions, and have timely paid all taxes required to be paid by them and any other assessments, fines or penalties levied against any of them, to the extent any of the foregoing are due and payable, except for (i) those failures to file or pay that could not reasonably be expected to have a Material Adverse Effect or (ii) any such tax payment, assessment, penalty or fine that is currently being contested in good faith by appropriate proceedings.
- (ii) **ERISA.** (i) Each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Security Act of 1974, as amended ("**ERISA**")) for which the Company or any member of its "**Controlled Group**" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the "**Code**")) would have any liability (each a "**Plan**") has been maintained in material compliance with its terms and with the requirements of all applicable statutes, rules and regulations including ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan excluding transactions effected under a statutory or administrative exemption; (iii) with respect to each Plan subject to Title IV of ERISA (A) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur, excluding any reportable event for which a waiver could apply, (B) no "accumulated funding deficiency" (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred or is reasonably expected to

occur that will, individually or in the aggregate, have a Material Adverse Effect and (C) neither the Company nor any member of its Controlled Group has incurred, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan," within the meaning of Section 4001(c)(3) of ERISA) that will, individually or in the aggregate, have a Material Adverse Effect; and (iv) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred, to the knowledge of the Company or any member of its Controlled Group, whether by action or by failure to act, which would cause the loss of such qualification, except for any such actions or failures to act that could not, individually or in the aggregate, have a Material Adverse Effect.

- (jj) Statistical and Market-Related Data. The statistical and market-related data included or incorporated by reference in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus is based on or derived from sources that the Company believes to be reliable in all material respects.
- (kk) Investment Company. Neither the Company nor any of its subsidiaries is and, as of each applicable Representation Date, Applicable Time and Settlement Date, after giving effect to the offer and sale of the Shares and the application of the proceeds therefrom as described under "Use of Proceeds" in the Prospectus, none of them will be (i) an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, and the rules and regulations of the Commission thereunder, or (ii) a "business development company" (as defined in Section 2(a)(48) of the Investment Company Act).
- (ll) [Reserved].
- (mm) No Brokers. Except as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or Raymond James for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.
- (nn) Other Sales. The Company has not sold or issued any securities that would be integrated with the offering of the Shares contemplated by this Agreement under the Act, the Rules and Regulations or the interpretations thereof by the Commission.
- (oo) Stabilization. The Company and its affiliates have not taken, directly or indirectly, any action that has constituted, or that was designed to or could reasonably be expected to cause or result in, the stabilization or manipulation of the price of any security of the Company in connection with the offering of the Shares.

- (pp) NYSE Listing of Common Stock. The Shares shall have been approved for listing, subject to official notice of issuance and evidence of satisfactory distribution, on the NYSE.
- (qq) Distribution of Offering Materials. The Company has not distributed and will not distribute any offering material in connection with the offering and sale of the Shares other than the Prospectus and any press release or other announcement permitted by Rule 134 on behalf of the Company.
- (rr) No Employment Law Violations. Neither the Company nor any of its subsidiaries is in violation of or has received notice of any violation with respect to any federal or state law relating to discrimination in the hiring, promotion or pay of employees, nor any applicable federal or state wage and hour laws, nor any state law precluding the denial of credit due to the neighborhood in which a property is situated, the violation of any of which could reasonably be expected to have a Material Adverse Effect.
- (ss) No Unlawful Payments. Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer or employee of the Company or any of its subsidiaries nor, to the knowledge of the Company, any agent, affiliate or other person acting at the direction of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that has resulted or would result in (i) the use of any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) the making or taking of an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) a violation by any such person of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption laws; or (iv) the making, offering, requesting or taking of, or the agreement to take, an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce, policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.
- (tt) Compliance with Money Laundering Laws. The operations of the Company and its subsidiaries are and have been conducted at all times, in material compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as

amended, the applicable money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company or any of its subsidiaries is, threatened.

- (uu) No Conflicts with Sanctions Laws. Neither the Company nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of the Company, any agent, employee or affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U. S. Government (including, without limitation, the Office of Foreign Assets Control of the U. S. Treasury Department or the U. S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Cuba, Burma (Myanmar), Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"), and the Company will not directly or indirectly use any of the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity: (i) to fund or facilitate any activities of, or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Sanctions, (ii) to fund or facilitate any activities of or any business in, any Sanctioned Country or (iii) in any other manner that could result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of any Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of any Sanctions or with any Sanctioned Country.
- (vv) Distribution Restrictions. None of the Company's subsidiaries is currently prohibited, directly or indirectly, from paying any dividends or distributions to the Company, from making any other distribution on such subsidiary's equity interests, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except (i) under the Unit Credit Agreement, (ii) the Indenture dated as of May 18, 2011, between the Company and Wilmington Trust, National Association (successor to Wilmington Trust FSB), as Trustee, as supplemented, and (ii) for such prohibitions mandated by the laws of each such subsidiary's state of formation and applicable organizational documents.

- (ww) Actively Traded Security. The Common Stock is an "actively traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.
- (xx) Proprietary Trading by Raymond James. The Company acknowledges and agrees that Raymond James has informed the Company that Raymond James may, to the extent permitted under the Act and the Exchange Act, purchase and sell Common Stock for its own account while this Agreement is in effect, and shall be under no obligation to purchase Shares on a principal basis under this Agreement, except as otherwise agreed by Raymond James pursuant to a Transaction Acceptance; provided that no purchase or sales by Raymond James for its own account shall take place while a Transaction Acceptance is in effect (except (i) as agreed by the Company and Raymond James in the Transaction Acceptance or (ii) to the extent Raymond James may engage in sales of Shares purchased or deemed purchased from the Company as a "riskless principal" or in a similar capacity).
- (yy) Other Sales Agency Agreements. The Company is not a party to any other ongoing sales agency agreements or other similar arrangements with any agent or any other representative in respect of at the market offerings of the Common Stock in accordance with Rule 415(a)(4) of the Act.
- (zz) Reserve Engineers. To the Company's knowledge, Ryder Scott Company, L.P. ("**Ryder Scott**"), whose report dated January 26, 2017 (the "**Reserve Report**") is referenced in the Registration Statement and Prospectus, was as of the date of such report, and is, as of the date hereof, an independent reserve engineer with respect to the Company. No information has come to the attention of the Company or to Ryder Scott that could reasonably be expected to cause Ryder Scott to withdraw its Reserve Report.
- (aaa) Information Underlying Reserve Report. The information underlying the estimates of the Company's proved reserves that was supplied to Ryder Scott for the purposes of preparing the Reserve Report and estimates of the proved reserves of the Company disclosed in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, including production, costs of operation and, to the knowledge of the Company, future operations and sales of production, was true and correct in all material respects on the dates such information was provided, and such information was supplied and was prepared in accordance with customary industry practices, and the estimates of such reserves and standardized measure thereof as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and future net cash flow reflected in the Reserve Report referenced therein have been prepared in a manner that complies with the applicable requirements of the Act. Other than normal production of the reserves, product price fluctuations and fluctuations of demand for such products, and except as disclosed in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, the Company is not aware of any facts or circumstances that would result in a materially adverse change in the reserves in the aggregate, or the aggregate present value of the future net cash

flows therefrom as described in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus and as reflected in the Reserve Report.

- (bbb) Political Contributions. None of the Company or its subsidiaries (but excluding in all cases, the Unit Corporation Political Action Committee), nor, to the knowledge of the Company, any officer, trustee or director purporting to act on behalf of any of the Company or its subsidiaries, has at any time, in violation of applicable law: (i) made any contributions to any candidate for political office, or failed to disclose fully any such contributions; (ii) made any payment of funds to, or received or retained any funds from, any state, federal or foreign governmental officer or official, or other person charged with similar public or quasi-public duties; or (iii) engaged in any transactions, maintained any bank accounts or used any corporate funds except for transactions, bank accounts and funds, which have been and are reflected in the normally maintained books and records of the Company or its Subsidiaries.
- (ccc) Lending Relationship. Except as disclosed in the Prospectus, none of the Company or its Subsidiaries (i) have any material lending or, to the knowledge of the Company, other material relationship with any bank or lending entity identified to the Company as an affiliate of Raymond James or (ii) intend to use any of the proceeds of any transaction hereunder to repay any outstanding debt owed to any such affiliate of Raymond James.

Any certificate signed by any officer of the Company or any Subsidiary delivered to Raymond James or to counsel for Raymond James pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to Raymond James as to the matters covered thereby.

4. Certain Covenants of the Company. The Company hereby agrees with Raymond James:

- (a) The Company will use commercially reasonable efforts to cause the Registration Statement and any amendments thereto to become effective, if it has not already become effective, and will advise you promptly and, if requested by you, will confirm such advice in writing (i) when the Registration Statement has become effective and the time and date of any filing of any post-effective Registration Statement or any amendment or supplement to the Prospectus and the time and date that any post-effective amendment to the Registration Statement becomes effective, (ii) if Rule 430A under the Act is employed, when the Prospectus has been timely filed pursuant to Rule 424(b) under the Act, (iii) of the receipt of any comments of the Commission, or any request by the Commission for amendments or supplements to the Registration Statement, the Prospectus or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of the suspension of qualification of the Shares for offering or sale in any jurisdiction or the initiation of any proceeding for such purposes and (v) within the period of time referred to in Section 4(g) hereof, of any change in the Company's condition (financial or other), business, prospects, properties, net worth or results of operations, or of any

event that comes to the attention of the Company, in each case, that makes any statement made in the Registration Statement or the Prospectus (as then amended or supplemented) untrue in any material respect or that requires the making of any additions thereto or changes therein in order to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading in any material respect, or of the necessity to amend or supplement the Prospectus (as then amended or supplemented) to comply with the Act or any other law. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, the Company will use commercially reasonable efforts to obtain the withdrawal or lifting of such order at the earliest practicable time. The Company will provide the Agent with copies of the form of Prospectus, in such number as the Agent may reasonably request, and file with the Commission such Prospectus in accordance with Rule 424(b) under the Act before the close of business on the first business day immediately following the date hereof.

- (b) The Company will promptly file with the Commission any amendment or supplement to the Registration Statement or the Prospectus that may, in the judgment of the Company or its representatives be required by the Act or requested by the Commission.
- (c) The Company will furnish a copy of any amendment or supplement to the Registration Statement or to the Prospectus or any Issuer Free Writing Prospectus to you and counsel for the Agent for review prior to filing and will not file any such proposed amendment or supplement to which the Agent reasonably objects, unless (i) in the judgment of counsel to the Company, such filing is required by applicable law or (ii) it is advisable in furtherance of a Commission request.
- (d) The Company will not make any offer relating to the Common Stock that would constitute an Issuer Free Writing Prospectus without your prior consent, which will not be unreasonably withheld.
- (e) The Company will retain in accordance with the Act all Issuer Free Writing Prospectuses not required to be filed pursuant to the Act; and if at any time after the date hereof any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify you and, upon your request, to file such document and to prepare and furnish without charge to the Agent as many copies as Agent may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance;

- (f) Prior to the execution and delivery of this Agreement, the Company has delivered or will deliver to you, without charge, in such quantities as you have requested or may hereafter reasonably request, copies of each form of the Prospectus. Consistent with the provisions of Section 4(h) hereof, the Company consents to the use, in accordance with the provisions of the Act and with the securities or Blue Sky laws of the jurisdictions in which the Shares are offered by the Agent, prior to the date of the Prospectus so furnished by the Company.
- (g) As soon after the execution and delivery of this Agreement as is practicable and thereafter from time to time until later of (i) the completion of the distribution of the Shares pursuant to the offering contemplated by the Registration Statement or (ii) the expiration of prospectus delivery requirements with respect to the Shares under Section 4(3) of the Act and Rule 174 (the "**Prospectus Delivery Period**"), and for so long a period as you may request for the distribution of the Shares, the Company will deliver to the Agent, without charge, as many copies of the Prospectus and the Time of Sale Information (and of any amendment or supplement thereto) as they may reasonably request. The Company consents to the use of the Prospectus and the Time of Sale Information (and of any amendment or supplement thereto) in accordance with the provisions of the Act and with the securities or Blue Sky laws of the jurisdictions in which the Shares are offered by the Agent both in connection with the offering and sale of the Shares and for such period of time thereafter as the Prospectus is required by the Act to be delivered in connection with sales by the Agent. If at any time during the Prospectus Delivery Period, any event shall occur that in the judgment of the Company or in the opinion of counsel for the Agent is required to be set forth in the Prospectus (as then amended or supplemented) or should be set forth therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to supplement or amend the Prospectus to comply with the Act or any other law, the Company will forthwith prepare and, subject to Section 5 hereof, file with the Commission and use commercially reasonable efforts to cause to become effective as promptly as possible an appropriate supplement or amendment thereto, and will furnish to the Agent, without charge, a reasonable number of copies thereof.
- (h) The Company will cooperate with the Agent and counsel for the Agent in connection with the registration or qualification of the Shares for offering and sale by the Agent under the securities or Blue Sky laws of such jurisdictions as Agent may reasonably designate and will file such consents to service of process or other documents as may be reasonably necessary in order to effect and maintain such registration or qualification for so long as required to complete the distribution of the Shares; provided that in no event shall the Company be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to general service of process in suits, other than those arising out of the offering or sale of the Shares, as contemplated by this Agreement and the Prospectus, in any jurisdiction where it is not now so subject. In the event that the qualification of the Shares in any jurisdiction is suspended, the Company shall so advise you promptly in writing.

The Company will use commercially reasonable efforts to qualify or register its Common Stock for sale in non-issuer transactions under (or obtain exemptions from the application of) the Blue Sky laws of each state where necessary to permit market making transactions and secondary trading as Agent may reasonably designate and will comply with such Blue Sky laws and will continue such qualifications, registrations and exemptions in effect during the Term of this Agreement.

- (i) To generally make available to its shareholders as soon as practicable an earning statement in form complying with the provisions of Section 11(a) under the Act and Rule 158 under the Act, Raymond James and the Company acknowledge and agree that the Company's ordinary, timely-filed periodic filings with the Commission pursuant to the Exchange Act may be used to satisfy this obligation to the extent consistent with the requirements set forth herein.
- (j) During the Term of this Agreement, the Company will furnish or make available (which may be satisfied by EDGAR filings or the Company's website postings) to you, upon your reasonable request, (i) as soon as available, a copy of each proxy statement, quarterly or annual report or other report of the Company mailed to stockholders or filed with the Commission, the Financial Industry Regulatory Authority, Inc. ("**FINRA**") or NYSE or any national securities exchange and (ii) from time to time such other information concerning the Company as you may reasonably request.
- (k) [Reserved].
- (l) The Company will apply the net proceeds from the sale of the Shares to be sold by it hereunder in accordance in all material respects with the statements under the caption "Use of Proceeds" in the Prospectus.
- (m) Prior to any Settlement Date, the Company will furnish to you, as promptly as possible, copies of any available unaudited quarterly interim consolidated financial statements of the Company and its subsidiaries for any quarterly period subsequent to the periods covered by the financial statements appearing in the Prospectus.
- (n) [Reserved].
- (o) The Company will comply with all provisions of any undertakings contained in the Registration Statement.
- (p) The Company will not at any time, directly or indirectly, take any action designed, or which might reasonably be expected to cause or result in, or which will constitute, stabilization or manipulation of the price of the shares of Common Stock to facilitate the sale or resale of any of the Shares.

- (q) The Company will timely file with NYSE all documents and notices required by the NYSE of companies that have or will issue securities that are traded on the NYSE.
- (r) The Company shall engage and maintain, at its expense, a transfer agent and, if necessary under the jurisdiction of its incorporation or the rules of any national securities exchange on which the Common Stock is listed, a registrar (which, if permitted by applicable laws and rules may be the same entity as the transfer agent) for the Common Stock.
- (s) Except as otherwise agreed between the Company and Raymond James, to pay the costs and expenses relating to the following matters: (i) the preparation, printing or reproduction and filing with the Commission of the Registration Statement (including financial statements and exhibits thereto), the Prospectus and each amendment or supplement; (ii) the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of the Registration Statement and the Prospectus, and all amendments or supplements as may, in each case, be reasonably requested for use in connection with the offering and sale of the Shares; (iii) the preparation, printing, authentication and delivery of certificates for the Shares, including any stamp or transfer taxes in connection with the sale of the Shares; (iv) the printing (or reproduction) and delivery of this Agreement, any Blue Sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Shares; (v) any registration or qualification of the Shares for offer and sale under the securities or Blue Sky laws of the several states (including filing fees) described in Section 4(h); (vi) any filings required to be made with FINRA (including filing fees); and (vii) the fees and expenses of the Company's accountants and the fees and expenses of counsel for the Company; Raymond James will pay all of its own out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including its attorney fees.
- (t) If any Agency Transactions or Principal Transactions are pending, the Company will not, without (A) giving the Agent at least two Exchange Business Days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale and (B) the Agent suspending activity under this program for such period of time as requested by the Company or deemed appropriate by the Agent in light of the proposed sale, (i) offer, pledge, publicly announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable, redeemable or exchangeable for Common Stock (other than pursuant to a shelf registration statement under Rule 415 of the Act, a registration statement on Form S-8 or Form S-4, in connection with any long-term incentive plan, any employee plan or Common Stock ownership plan of the Company) or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic

consequences of ownership of Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of shares of Common Stock or other securities, in cash or otherwise.

- (u) If immediately prior to the third anniversary (the "**Renewal Deadline**") of the initial effective date of the Registration Statement, the aggregate Gross Sales Price of Shares sold by the Company is less than the Maximum Amount and this Agreement has not expired or been terminated, the Company will, prior to the Renewal Deadline, file, if it has not already done so and is eligible to do so, a new shelf registration statement relating to the Shares, in a form satisfactory to the Agent and will use commercially reasonable efforts to cause such registration statement to be declared effective within 60 days after the Renewal Deadline. The Company will take all other actions reasonably necessary or appropriate to permit the issuance and sale of the Shares to continue as contemplated in the expired registration statement relating to the Shares. References herein to the Registration Statement shall include such new shelf registration statement or such new shelf registration statement, as the case may be.

5. Execution of Agreement. The Agent's obligations under this Agreement shall be subject to the satisfaction of the following conditions in connection with and on the date of the execution of this Agreement:

- (a) the Company shall have delivered to the Agent:
 - (i) an officers' certificate signed by two of its executive officers certifying as to the matters set forth in Exhibit B hereto;
 - (ii) an opinion of Gable & Gotwals, A Professional Corporation, special counsel to the Company, dated the date of this Agreement and addressed to Raymond James, in a form reasonably satisfactory to Raymond James and its counsel;
 - (iii) a negative assurance statement of Gable & Gotwals, A Professional Corporation, special counsel to the Company, dated the date of this Agreement and addressed to Raymond James, in a form reasonably satisfactory to Raymond James and its counsel
 - (iv) a "comfort" letter of PricewaterhouseCoopers LLP, dated the date of this Agreement and addressed to Raymond James, in a form reasonably satisfactory to Raymond James and its counsel;
 - (v) a reserve engineer letter from Ryder Scott, dated the date of this Agreement and addressed to Raymond James, in a form reasonably satisfactory to Raymond James and its counsel;
 - (vi) evidence reasonably satisfactory to Raymond James and its counsel that the Registration Statement remains effective;

- (vii) evidence reasonably satisfactory to Raymond James and its counsel that the Shares have been approved for listing on the Exchange, subject only to notice of issuance and evidence of satisfactory distribution at or before the time of purchase on the relevant Purchase Date;
 - (viii) resolutions duly adopted by the Board of Directors of the Company, and certified by an officer of the Company, authorizing the Company's execution of this Agreement and the consummation by the Company of the transactions contemplated hereby, including the issuance and sale of the Shares; and
 - (ix) such other documents as the Agent shall reasonably request.
- (b) Raymond James shall have received from Morrison & Foerster LLP: (i) a favorable opinion; and (ii) a letter with respect to Rule 10b-5 of the Exchange Act, in a form reasonably satisfactory to Raymond James.

6. Additional Covenants of the Company. The Company further covenants and agrees with the Agent as follows:

- (a) Each Transaction Proposal made by the Company that is accepted by Agent by means of a Transaction Acceptance and each execution and delivery by the Company of a Terms Agreement shall be deemed to be (i) an affirmation that the representations, warranties and agreements of the Company herein contained and contained in any certificate delivered to the Agent pursuant hereto are true and correct at such Time of Acceptance or the date of such Terms Agreement, as the case may be, and (ii) an undertaking that such representations, warranties and agreements will be true and correct on any applicable Time of Sale and Settlement Date, as though made at and as of each such time (it being understood that such representations, warranties and agreements shall relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the time of such Transaction Acceptance or Terms Agreement, as the case may be).
- (b) Each time that (i) the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus shall be amended or supplemented (including, except as noted in the proviso at the end of this Section 6(b), by the filing of any Incorporated Document), (ii) there is a Principal Settlement Date pursuant to a Terms Agreement, or (iii) the Agent shall reasonably request, *provided* that the Agent shall not make such a request during periods that there is no proposed Agency Transaction pursuant to a delivery of a Transaction Proposal (each date referred to clauses (i), (ii) and (iii) above, a "**Bring-Down Delivery Date**"), the Company shall, unless the Agent agrees otherwise, furnish or cause to be furnished to the Agent certificates, dated as of such Bring-Down Delivery Date and delivered within three Exchange Business Days after the applicable Bring-Down Delivery Date or, in the case of a Bring-Down Delivery Date resulting from a Principal Settlement Date, delivered on such Principal Settlement Date, of

the same tenor as the certificates referred to in Sections 5(a)(i) hereof, modified as necessary to relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the time of delivery of such certificates, or, in lieu of such certificates, certificates to the effect that the statements contained in the certificates referred to in Sections 5(a)(i) hereof furnished to the Agent are true and correct as of such Bring-Down Delivery Date as though made at and as of such date (except that such statements shall be deemed to relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the time of delivery of such certificate); *provided, however*, that the filing of a Current Report on Form 8-K will not constitute a Bring-Down Delivery Date under clause (i) above unless such Current Report on Form 8-K contains capsule financial information, historical or pro forma financial statements, supporting schedules or other financial data, including any Current Report on Form 8-K or part thereof under Item 2.02 that is considered "filed" under the Exchange Act but, for the avoidance of doubt, excluding any Current Report on Form 8-K or any part thereof under Item 2.02 or 7.01 that is "furnished"; and *provided, further*, that any Current Report on Form 8-K or amendment thereto filed in connection with any acquisition announced prior to the date hereof will not constitute a Bring-Down Delivery Date; and *provided, further*, that an amendment or supplement to the Registration Statement or the Prospectus relating to the offering of other securities pursuant to the Registration Statement will not constitute a Bring-Down Delivery Date.

- (c) On each Bring-Down Delivery Date, the Company shall, unless the Agent agrees otherwise, cause to be furnished to the Agent the written opinion of counsel to the Company and negative assurance letter of counsel to the Company, each dated as of the applicable Bring-Down Delivery Date and delivered within three Exchange Business Days after the applicable Bring-Down Delivery Date or, in the case of a Bring-Down Delivery Date resulting from a Principal Settlement Date, dated and delivered on such Principal Settlement Date, of the same tenor as the opinion and letter referred to in Sections 5(a)(ii) and (iii) hereof, but modified as necessary to relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the time of delivery of such opinion and letter, or, in lieu of such opinion and letter, such counsel shall furnish the Agent with a letter substantially to the effect that the Agent may rely on the opinion and letter of such counsel referred to in Sections 5(a)(ii) and (iii), furnished to the Agent, to the same extent as though they were dated the date of such letter authorizing reliance (except that statements in such last opinion and letter of such counsel shall be deemed to relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the time of delivery of such letters authorizing reliance).
- (d) On each Bring-Down Delivery Date, the Company shall, unless the Agent agrees otherwise, cause PricewaterhouseCoopers LLP to furnish to the Agent a "comfort" letter, dated as of the applicable Bring-Down Delivery Date and delivered within three Exchange Business Days after the applicable Bring-Down

Delivery Date or, in the case of a Bring-Down Delivery Date resulting from a Principal Settlement Date, delivered on such Principal Settlement Date, of the same tenor as the letter referred to in Section 5(a)(iv) hereof, but modified to relate to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus as amended and supplemented to the date of such letter, and, if the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus shall include or incorporate by reference the financial statements of any entity or business (other than the consolidated financial statements of the Company and its subsidiaries (whether Significant Subsidiaries or not)), the Company shall, if requested by the Agent, cause a firm of independent public accountants to furnish to the Agent a "comfort" letter, dated as of the applicable Bring-Down Delivery Date and delivered as promptly as practicable after the applicable Bring-Down Delivery Date or, in the case of a Bring-Down Delivery Date resulting from a Principal Settlement Date, delivered on such Principal Settlement Date, addressing such matters as the Agent may reasonably request.

- (e) (i) No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Act shall be pending before or, to the knowledge of the Company, threatened by the Commission; the Prospectus and each Permitted Free Writing Prospectus shall have been timely filed with the Commission under the Act (in the case of a Permitted Free Writing Prospectus, to the extent required by Rule 433 under the Act); and all requests by the Commission for additional information shall have been complied with to the satisfaction of the Agent and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes, shall have occurred and be in effect; in each case as of the time the Company delivers a Transaction Proposal to the Agent; and (ii) the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus shall not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading at the time the Company delivers a Transaction Proposal to the Agent.
- (f) The Company shall reasonably cooperate with any reasonable due diligence review requested by the Agent or its counsel from time to time in connection with the transactions contemplated hereby or any Terms Agreement, including, without limitation, (i) at the commencement of each intended Purchase Date and any Time of Sale or Settlement Date, providing information and making available appropriate documents and appropriate corporate officers of the Company and, upon reasonable request, representatives of Ryder Scott (and, if the Registration Statement, the Prospectus or any Permitted Free-Writing Prospectus shall include or incorporate by reference the financial statements of any entity or business (other than the consolidated financial statements of the Company and its subsidiaries (whether Significant Subsidiaries or not)), representatives of the independent public accountants that audited or reviewed such financial statements) for an update on diligence matters with representatives of the Agent

and (ii) at each Bring-Down Delivery Date and otherwise as the Agent may reasonably request, providing information and making available documents and appropriate corporate officers of the Company and representatives of Ryder Scott (and, if the Registration Statement, the Prospectus or any Permitted Free-Writing Prospectus shall include or incorporate by reference the financial statements of any entity or business (other than the consolidated financial statements of the Company and its subsidiaries (whether Significant Subsidiaries or not)), representatives of the independent public accountants that audited or reviewed such financial statements) for one or more due diligence sessions with representatives of the Agent and their counsel.

- (g) The Company shall disclose, in its quarterly reports on Form 10-Q and in its annual report on Form 10-K to be filed by the Company with the Commission from time to time, the number of the Shares sold through the Agent under this Agreement and any Terms Agreement, and the gross and net proceeds to the Company from the sale of the Shares and the compensation paid by the Company with respect to sales of the Shares pursuant to this Agreement during the relevant quarter or, in the case of an Annual Report on Form 10-K, during the fiscal year covered by such Annual Report and the fourth quarter of such fiscal year.

All opinions, letters and other documents referred to in Sections 6(b) through (d) above shall be reasonably satisfactory in form and substance to the Agent. The Agent will provide the Company with such notice (which may be oral, and in such case, will be confirmed via e-mail as soon as reasonably practicable thereafter) as is reasonably practicable under the circumstances when requesting an opinion, letter or other document referred to in Sections 6(b) through (d) above.

7. Conditions of the Agent's Obligation. The Agent's obligation to solicit purchases on an agency basis for the Shares or otherwise take any action pursuant to a Transaction Acceptance and to purchase the Shares pursuant to any Terms Agreement shall be subject to the satisfaction of the following conditions:

- (a) At the Time of Acceptance, at the time of the commencement of trading on the Exchange on the Purchase Date(s) and at the relevant Time of Sale and Agency Settlement Date, or with respect to a Principal Transaction pursuant to a Terms Agreement, at the time of execution and delivery of the Terms Agreement by the Company and at the relevant Time of Sale and Principal Settlement Date:
 - (i) The representations, warranties and agreements on the part of the Company herein contained or contained in any certificate of an officer or officers, general partner, managing member or other authorized representative of the Company or any subsidiary of the Company delivered pursuant to the provisions hereof shall be true and correct in all respects.

- (ii) The Company shall have performed and observed its covenants and other obligations hereunder and/or under any Terms Agreement, as the case may be, in all material respects.
- (iii) In the case of an Agency Transaction, from the Time of Acceptance until the Agency Settlement Date, or, in the case of a Principal Transaction pursuant to a Terms Agreement, from the time of execution and delivery of the Terms Agreement by the Company until the Principal Settlement Date, trading in the Common Stock on the Exchange shall not have been suspended.
- (iv) From the date of this Agreement, no event or condition of a type described in Section 3(v) hereof shall have occurred or shall exist, which event or condition is not described in a Permitted Free Writing Prospectus (excluding any amendment or supplement thereto) or the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the reasonable judgment of the Agent makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the applicable Settlement Date on the terms and in the manner contemplated by this Agreement, any Terms Agreement, any Permitted Free Writing Prospectus and the Prospectus.
- (v) Subsequent to the relevant Time of Acceptance or, in the case of a Principal Transaction, subsequent to execution of the applicable Terms Agreement, (A) no downgrading shall have occurred in the rating accorded any debt securities or preferred equity securities of or guaranteed by the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" as such term is defined by the Commission for purposes of Section 3(a)(62) of the Exchange Act and (B) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of any debt securities or preferred equity securities of or guaranteed by the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading) in each case that has not been described in any Permitted Free Writing Prospectus issued prior to any related Time of Sale.
- (vi) The Shares to be issued pursuant to the Transaction Acceptance or pursuant to a Terms Agreement, as applicable, shall have been approved for listing on the Exchange, subject only to notice of issuance and evidence of satisfactory distribution.
- (vii) (A) No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the relevant Settlement Date, prevent the issuance or sale of the Shares and (B) no injunction or order of any federal, state or foreign court shall have been

issued that would, as of the relevant Settlement Date, prevent the issuance or sale of the Shares.

- (viii) (A) No order suspending the effectiveness of the Registration Statement shall be in effect, no proceeding for such purpose or pursuant to Section 8A of the Act shall be pending before or to the knowledge of the Company threatened by the Commission and no notice of objection of the Commission to the use of the Registration Statement pursuant to Rule 401(g)(2) under the Act shall have been received by the Company; (B) the Prospectus and each Permitted Free Writing Prospectus shall have been timely filed with the Commission under the Act (in the case of any Permitted Free Writing Prospectus, to the extent required by Rule 433 under the Act); (C) all requests by the Commission for additional information shall have been complied with to the satisfaction of the Agent; and (D) no suspension of the qualification of the Shares for offering or sale in any jurisdiction, and no initiation or threatening of any proceedings for any of such purposes, shall have occurred and be in effect. The Registration Statement, the Prospectus or any Permitted Free Writing Prospectus shall not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading at the time the Company delivers a Transaction Proposal to the Agent or the Company and the Agent execute a Terms Agreement, as the case may be.
- (ix) No amendment or supplement to the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus shall have been filed to which the Agent shall have reasonably objected in writing.
- (b) Within three Exchange Business Days after the applicable Bring-Down Delivery Date or, in the case of a Bring-Down Delivery Date resulting from a Principal Settlement Date, on such Principal Settlement Date, the Agent shall have received the officer's certificates, opinions and negative assurance letters of counsel, as applicable, and "comfort" letters and other documents provided for under Sections 6(b) through (d), inclusive. For purposes of clarity and without limitation to any other provision of this Section 7 or elsewhere in this Agreement, the parties hereto agree that the Agent's obligations, if any, to solicit purchases of Shares on an agency basis or otherwise take any action pursuant to a Transaction Acceptance shall, unless otherwise agreed in writing by the Agent, be suspended during the period from and including a Bring-Down Delivery Date through and including the time that the Agent shall have received the documents described in the preceding sentence.

8. Termination.

- (a)

- (i) The Company may terminate this Agreement in its sole discretion at any time upon prior written notice to the Agent. Any such termination shall be without liability of any party to any other party, except that (A) with respect to any pending sale, the obligations of the Company, including in respect of compensation of the Agent, shall remain in full force and effect notwithstanding such termination; and (B) the provisions of Sections 3, 4 (except that if no Shares have been previously sold hereunder or under any Terms Agreement, only Section 4(s)), 9, 13, 14 and 16 of this Agreement shall remain in full force and effect notwithstanding such termination.
- (ii) In the case of any sale by the Company pursuant to a Terms Agreement, the obligations of the Company pursuant to such Terms Agreement and this Agreement may not be terminated by the Company without the prior written consent of the Agent.

(b)

- (i) Agent may terminate its own obligations under the provisions of this Agreement relating to the solicitation of offers to purchase Shares in its sole discretion at any time upon giving prior written notice to the Company. Any such termination shall be without liability of any party to any other party, except that the provisions of Sections 3, 4 (except that if no Shares have been previously sold hereunder or under any Terms Agreement, only Section 4(s)), 9, 14 and 16 of this Agreement shall remain in full force and effect notwithstanding such termination.
- (ii) In the case of any purchase by Agent pursuant to a Terms Agreement, the obligations of the Agent pursuant to such Terms Agreement shall be subject to termination by the Agent at any time prior to or at the Principal Settlement Date if (A) since the time of execution of the Terms Agreement or the respective dates as of which information is given in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, (i) trading generally shall have been suspended or materially limited on or by the NYSE; (ii) trading of any securities issued by the Company shall have been suspended on any exchange or in any over-the counter market, (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York state authorities, (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, solely in the case of events and conditions described in this clause (iv), in the Agent's judgment, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the terms and in the manner contemplated in the Prospectus or such Terms Agreement. If the Agent elects to terminate its obligations pursuant to this Section 8(b)(ii), the Company shall be notified promptly in writing.

- (c) This Agreement shall remain in full force and effect until the earliest of (A) termination of the Agreement pursuant to Section 8(a) or 8(b) above or otherwise by mutual written agreement of the parties, (B) such date that the Maximum Amount of Shares has been sold in accordance with the terms of this Agreement and any Terms Agreements and (C) the twelve month anniversary of the date of this Agreement, in each case except that the provisions of Section 3, 4 (except that if no Shares have been previously sold hereunder or under any Terms Agreement, only Section 4(s)), 9, 13, 14 and 16 of this Agreement shall remain in full force and effect notwithstanding such termination.
- (d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that, notwithstanding the foregoing, such termination shall not be effective until the close of business on the date of receipt of such notice by the Agent or the Company, as the case may be, or such later date as may be required pursuant to Section 8(a) or (b). If such termination shall occur prior to the Settlement Date for any sale of Shares, such sale shall settle in accordance with the provisions of Section 2 hereof.

9. Indemnity and Contribution.

- (a) The Company agrees to indemnify and hold harmless the Agent, its affiliates, directors and officers and each person, if any, who controls the Agent within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable out of pocket legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), or any Permitted Free Writing Prospectus (or any amendment or supplement thereto), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to the Agent furnished to the Company in writing by the Agent expressly for use therein, it being understood and agreed that the only such information furnished by the Agent consists of the information described as such in subsection (b) below.
- (b) The Agent agrees to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20

of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to the Agent furnished to the Company in writing by the Agent expressly for use in the Registration Statement (or any amendment thereto), the Prospectus (or any amendment or supplement thereto), any Permitted Free Writing Prospectus (or any amendment or supplement thereto), it being understood and agreed upon that only such information furnished by Raymond James as of the date of this Agreement consists of the information in the Prospectus as specified in Exhibit E hereto.

- (c) If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either Section 9(a) or 9(b) above, such person (the "**Indemnified Person**") shall promptly notify the person against whom such indemnification may be sought (the "**Indemnifying Person**") in writing; *provided* that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and *provided, further*, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 9 that the Indemnifying Person may designate in such proceeding and shall pay the fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed in writing to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) included both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel (to the extent the Indemnified Party previously consented to use of counsel of the Indemnifying Party in the manner set forth above) would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm (in addition to any local counsel) for (A) the Agent

and its affiliates and their directors and officers and their control persons, if any, or (B) the Company and its directors, their officers who signed the Registration Statement and their control persons, if any, as the case may be, and that all such reasonable fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for the Agent and their affiliates, directors and officers and their control persons, if any, shall be designated in writing by the Agent, and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and its control persons, if any, shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification is or could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested an Indemnifying Person to reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this Section 9(c), the Indemnifying Person agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such Indemnifying Person of the aforesaid request, (ii) such Indemnifying Person shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement, unless such failure to reimburse the Indemnified Person is based on a dispute with a good faith basis as to the obligation of the Indemnifying Person arising under this Section 9 to indemnify the Indemnified Person and the Indemnifying Person shall have notified the Indemnified Person of such good faith dispute prior to the date of such settlement.

- (d) If the indemnification provided for in Sections 9(a) and 9(b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such Sections, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Agent, on the other, from the offering of the Shares pursuant to this Agreement and any Terms Agreements or (ii) if the allocation provided by clause (i) is not

permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Agent, on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Agent, on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Shares pursuant to this Agreement and any Terms Agreements and the total discounts and commissions received by the Agent in connection therewith bear to the aggregate Gross Sales Price of such Shares. The relative fault of the Company, on the one hand, and the Agent, on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or by the Agent, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

- (e) The Company and the Agent agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 9(d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in Section 9(d) above shall be deemed to include, subject to the limitations set forth above, any reasonable legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 9, in no event shall the Agent be required to contribute any amount in excess of the amount by which the total discounts and commissions received by the Agent with respect to the offering of the Shares pursuant to this Agreement and any Terms Agreements exceeds the amount of any damages that the Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.
- (f) The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

10. Notices. All notices and other communications under this Agreement and any Terms Agreement shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of communication to Raymond James & Associates, Inc., 880 Carllion Parkway, St. Petersburg, Florida 33716 to the attention of John Critchlow (fax no. (727) 567 8274, email: john.critchlow@raymondjames.com, and with copy for informational purposes to Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019, Attn: Anna T. Pinedo, esq., fax no. (212) 468-7900, email apinedo@mofo.com, and

if to the Company, 8200 South Unit Drive, Tulsa, Oklahoma 74132, to the attention of Mark E. Schell (fax no. (918) 496-6302, email: mark.schell@unitcorp.com, and with copy for informational purposes to GableGotwals, 1100 ONEOK Plaza, 100 W. Fifth Street, Tulsa, Oklahoma 74103, to the attention of Brandon Watson (fax no. (918) 595-4990, email: bwatson@gablelaw.com).

11. No Fiduciary Relationship. The Company acknowledges and agrees that Agent is acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Shares contemplated hereby and any Terms Agreements (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, the Agent is not advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and Agent shall not have any responsibility or liability to the Company with respect thereto. Any review by the Agent of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Agent and shall not be on behalf of the Company.

12. Adjustments for Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement, any Transaction Proposal and any Transaction Acceptance shall be adjusted to take into account any stock split effected with respect to the Shares.

13. Governing Law; Construction.

- (a) This Agreement, any Terms Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement or any Terms Agreement, directly or indirectly, shall be governed by, and construed in accordance with, the laws of the State of New York.
- (b) The Section headings in this Agreement and any Terms Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement or any Terms Agreement.

14. Persons Entitled to Benefit of Agreement. This Agreement and any Terms Agreement shall inure to the benefit of and be binding upon the parties hereto and thereto, respectively, and their respective successors and the officers, directors, affiliates and controlling persons referred to in Section 9 hereof. Nothing in this Agreement or any Terms Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any such Terms Agreement or any provision contained herein or therein. No purchaser of Shares from or through the Agent shall be deemed to be a successor merely by reason of purchase.

15. Counterparts. This Agreement and any Terms Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

16. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Agent contained in this Agreement or any Terms Agreement or made by or on behalf of the Company or the Agent pursuant to this Agreement or any Terms Agreement or any certificate delivered pursuant hereto or thereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any Terms Agreement or any investigation made by or on behalf of the Company or the Agent.
17. Certain Defined Terms. For purposes of this Agreement, except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under Act; the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; and the term "subsidiary" has the meaning set forth in Section 3(g).
18. Amendments or Waivers. No amendment or waiver of any provision of this Agreement or any Terms Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto or thereto as the case may be.
19. Raymond James as Market Maker. Raymond James and one or more of its affiliates may make markets in the Common Stock or other securities of the Company, in connection with which they may buy and sell, as agent or principal, for long or short account, shares of Common Stock or other securities of the Company, at the same time that Raymond James is acting as agent pursuant to this Agreement; provided that Raymond James acknowledges and agrees that any such transactions are not being, and shall not be deemed to have been, undertaken at the request or direction of, or for the account of, the Company, and that the Company has and shall have no control over any decision by Raymond James and its affiliates to enter into any such transactions.
20. Submission to Jurisdiction. Except as set forth herein, no claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have nonexclusive jurisdiction over the adjudication of such matters, and the Company consents to the jurisdiction of such courts and personal service with respect thereto. Each of Raymond James and the Company, on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates, waives any right it may have to trial by jury in any action, proceeding or counterclaim, whether based upon contract, tort or otherwise, in any way arising out of or relating to this Agreement. Each of Raymond James and the Company agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon either Raymond James or the Company and may be enforced in any other courts in the jurisdiction of which the Company is or may be subject, by suit upon such judgment.
21. Headings. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[Signature Page Follows]

If the foregoing correctly sets forth the understanding among the Company and Raymond James, please so indicate in the space provided below for the purpose, whereupon this letter and your acceptance shall constitute a binding agreement between the Company and Raymond James.

Very truly yours,

UNIT CORPORATION

By: /s/ Mark Schell

Mark Schell

Senior Vice President and General Counsel

Accepted and agreed to as of the
date first above written:

RAYMOND JAMES & ASSOCIATES, INC.

By: /s/ Jeffrey Fordham

Jeffrey Fordham

Managing Director

Signature Page to Distribution Agreement

Significant Subsidiaries of the Company

Significant Subsidiary	State of Incorporation or Formation	Percentage Owned
1. Unit Drilling Company	Oklahoma	100%
2. Unit Petroleum Company	Oklahoma	100%
3. Superior Pipeline Company, L.L.C.	Oklahoma	100%

TERMS AGREEMENT

[Company]

_____, 201__

Raymond James & Associates, Inc.
880 Carillon Parkway
St. Petersburg, Florida 33716

Dear Sirs:

Unit Corporation, a Delaware corporation (the "**Company**"), proposes, subject to the terms and conditions stated herein and in the Distribution Agreement dated April 4, 2017 (the "**Distribution Agreement**") among the Company and Raymond James & Associates, Inc. (the "**Agent**"), to issue and sell to the Agent the securities specified in the Schedule hereto (the "**Purchased Securities**"). Unless otherwise defined below, terms defined in the Distribution Agreement shall have the same meanings when used herein.

Each of the provisions of the Distribution Agreement not specifically related to the solicitation by the Agent, as agent of the Company, of offers to purchase securities is incorporated herein by reference in its entirety, and shall be deemed to be part of this Terms Agreement to the same extent as if such provisions had been set forth in full herein. Each of the representations, warranties and agreements set forth therein shall be deemed to have been made as of the date of this Terms Agreement and the Settlement Date set forth in the Schedule hereto.

An amendment to the Registration Statement or a supplement to the Prospectus, as the case may be, relating to the Purchased Securities, in the form heretofore delivered to the Agent, is now proposed to be filed with the Securities and Exchange Commission.

Subject to the terms and conditions set forth herein and in the Distribution Agreement which are incorporated herein by reference, the Company agrees to issue and sell to the Agent, and the latter agrees to purchase from the Company, the Purchased Securities at the time and place and at the purchase price set forth in the Schedule hereto.

Notwithstanding any provision of the Distribution Agreement or this Terms Agreement to the contrary, the Company consents to the Agent trading in the Common Stock for Agent's own account and for the account of its clients at the same time as sales of the Purchased Securities occur pursuant to this Terms Agreement.

[Signature Page Follows]

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, whereupon this Terms Agreement, including those provisions of the Distribution Agreement incorporated herein by reference, shall constitute a binding agreement between the Agent and the Company.

UNIT CORPORATION

By: _____
Name:
Title:

ACCEPTED as of the date
first above written

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name:
Title:

Schedule to Terms Agreement

Title of Purchased Securities:

Common Stock, par value \$0.20 per share

Number of Shares of Purchased Securities:

[•] shares

Initial Price to Public:

\$[•] per share

Purchase Price Payable by the Agent:

\$[•] per share

Method of and Specified Funds for Payment of Purchase Price:

[By wire transfer to a bank account specified by the Company in same day funds.]

Method of Delivery:

[To the Agent's account, or the account of the Agent's designee, at The Depository Trust Company via DWAC in return for payment of the purchase price.]

Settlement Date:

[•], 20[•]

Closing Location:

[•]

Documents to be Delivered:

The following documents referred to in the Distribution Agreement shall be delivered on the Settlement Date as a condition to the closing for the Purchased Securities (which documents shall be dated on or as of the Settlement Date and shall be appropriately updated to cover any Permitted Free Writing Prospectuses and any amendments or supplements to the Registration Statement, the Prospectus, any Permitted Free Writing Prospectuses and any documents incorporated by reference therein):

- (1) the officer's certificate referred to in Section 5(a)(i);
- (2) the opinion and negative assurance letter referred to in Sections 5(a)(ii) and 5(a)(iii);
- (3) the "comfort" letter referred to in Section 5(a)(iv);
- (4) the opinion and negative assurance letter referred to in Section 5(b); and
- (5) such other documents as the Agent shall reasonably request.

Time of sale: [•] [a.m./p.m.] (New York City time) on [•],[•]

Time of sale information:

- The number of shares of Purchased Securities set forth above
 - The initial price to public set forth above
 - **[Other]**
-

Officers' Certificate

1. The representations and warranties of the Company in the Agreement are true and correct in all material respects as of the date hereof as though made on and as of this date;
 2. The Company has performed all obligations and satisfied all conditions on its part to be performed or satisfied pursuant to the Agreement at or prior to the date hereof;
 3. Except as otherwise disclosed in writing to Raymond James by the Company, subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus, as amended or supplemented from time to time, the Company has filed all material reports required by the Act and the Exchange Act (for the avoidance of doubt, the failure of the Company to file a report required under Section 16 of the Exchange Act shall not be considered a failure by the Company hereunder to file a material report).
-

Permitted Free Writing Prospectus

1. None.
-

Company Wire Transfer Information

ABA/Routing #:
Swift #:
Beneficiary Bank:
Beneficiary Account #:
Beneficiary:

Information Supplied by Agent

The Company will pay Raymond James a commission equal to 2.0% of the gross sales price of any such shares sold through it as agent, or purchased by it as principal, as set forth in this Agreement. The remaining sales proceeds, after deducting any transaction fees imposed by any governmental or self-regulatory organization in connection with the sales, will equal the net proceeds for the sale of the shares.



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April 4, 2017

Unit Corporation
8200 South Unit Drive
Tulsa, Oklahoma 74132

Ladies and Gentlemen:

We have acted as special counsel to Unit Corporation, a Delaware corporation (the "Company"), in connection with the proposed issuance and sale from time to time by the Company of its common stock, \$0.20 par value per share, in an amount having an aggregate offering price of up to \$100,000,000 (the "Shares") pursuant to the distribution agreement dated April 4, 2017 (the "Distribution Agreement") between the Company and Raymond James & Associates, Inc. (the "Agent"). The Shares are to be issued pursuant to the Registration Statement on Form S-3 under the Securities Act of 1933, as amended (the "Act"), initially filed with the U.S. Securities and Exchange Commission (the "Commission") on March 24, 2015, as amended by the Post-Effective Amendment No. 1 filed February 2, 2016 and by the Post-Effective Amendment No. 2 filed March 3, 2016, as declared effective by the Commission on March 25, 2016 (as so amended, the "Registration Statement"), the base prospectus included in the Registration Statement (the "Base Prospectus"), and the prospectus supplement to be filed with the Commission pursuant to Rule 424(b) of the rules and regulations of the Act (the "Prospectus Supplement" and together with the Base Prospectus, the "Prospectus"). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or the Prospectus, other than as expressly stated herein with respect to the issuance of the Shares.

As such counsel, we have examined originals or copies of the Distribution Agreement, the Registration Statement, the Prospectus, the Company's Restated Certificate of Incorporation, as amended, the Company's By-laws, as amended and restated, and other records, documents, certificates, memoranda and instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters.

In rendering the opinion expressed below, we have assumed without verification the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents supplied to us as originals, the conformity to the originals of all documents supplied to us as copies and the authenticity of the originals of such copies. We have also assumed that all Shares will be issued and sold in the manner stated in the Registration Statement and the Prospectus.

Based upon the foregoing, and subject to the limitations and assumptions set forth herein, we are of the opinion that the Shares, when issued and delivered against payment therefor in accordance with the terms of the Distribution Agreement, will be validly issued, fully paid and non-assessable.

We express no opinion other than as to the Delaware General Corporation Law, as amended, and we express no opinion as to the effect of the laws of any other jurisdiction.

We consent to your filing this opinion as an exhibit to the Company's Current Report on Form 8-K being filed on the date hereof and incorporated by reference into the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder. This opinion is expressed as of the date hereof, and we disclaim any undertaking to advise you of any subsequent changes of the facts stated or assumed herein or any subsequent changes in applicable law.

Yours very truly,

/s/ GableGotwals

Contact: Michael D. Earl
Vice President, Investor Relations
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For Immediate Release...
April 4, 2017

Unit Corporation Announces Agreements to Acquire Oil & Gas Assets in Its Hoxbar Core Area in Western Oklahoma and to Sell Common Stock through an At-the-Market Offering

Tulsa, Oklahoma . . . Unit Corporation (NYSE - UNT) (the "Company") announced today that its wholly owned subsidiary, Unit Petroleum Company ("Unit Petroleum"), has acquired from an undisclosed seller certain oil and natural gas assets primarily in Grady and Caddo Counties in western Oklahoma. The purchase price is approximately \$57 million in cash plus 180 net acres in McClain County, Oklahoma, subject to possible adjustments.

The effective date of this acquisition is January 1, 2017. The acquisition adds approximately 8,300 net acres to Unit Petroleum's Hoxbar core area in southwestern Oklahoma as well as 47 Proved Developed Producing wells of which 23 are operated by the seller and 20 by Unit. As of the effective date, the estimated proved reserves of the properties totaled 3.2 million barrels of oil equivalent (MMBoe). The estimated average daily net production was approximately 1,367 barrels of oil equivalent (Boe) (73% liquids). The acreage is complementary to Unit's Hoxbar core area with a large overlap with Unit's existing operations. This acquisition provides the company with significant future resource potential, including 65 gross potential horizontal drilling locations of which 13 are new locations. The remaining locations are already included in Unit's planned development but this acquisition will increase Unit's working interests in those locations. Of the acreage acquired, approximately 71% is held by production. Unit will also obtain a small gathering system.

Unit's core Hoxbar acreage position lies adjacent to the Norge Marchand Waterflood Unit. Unit's Marchand wells have an average estimated ultimate recovery of over 500 MBoe and have proven to be economic even in a low commodity price environment. This acquisition provides operational control to key areas of the Marchand zone of the Hoxbar reservoir for secondary recovery efforts, which has the potential to significantly increase the production from the existing wells. It is anticipated that the initial secondary recovery phase will increase the reserve potential from the Marchand interval by at least 500 MBoe per well.

"We are pleased to announce this strategic acquisition," commented Larry D. Pinkston, Unit's President and Chief Executive Officer. "This is an important growth step for Unit and represents an advantageous addition in one of our core areas that we have

been working to expand. For our upstream business segment, it will increase our Hoxbar total core area position to approximately 28,000 net acres and increase our working interest in many sections. We plan to pick up a rig in the second quarter to continue developing the area. Coupled with the waterflood potential, we believe the value of this core holding will be significantly enhanced.”

On April 4, 2017, the Company entered into a Distribution Agreement ("Distribution Agreement") with Raymond James & Associates, Inc., as the Agent, under which the Company may occasionally offer, issue, and sell to the public, through the Agent, shares of the Company's common stock (the "Shares") up to an aggregate offering price of \$100,000,000. The Agent will be entitled to compensation for its services of 2.0% of the gross sales price of Shares sold. The Company has no obligation to sell the Shares, and may suspend solicitation and offers under the Distribution Agreement.

The sales of the Shares will be made with ordinary brokers' transactions at market prices prevailing during the sale, or at negotiated prices. Actual sales will depend on many factors to be determined by the Company.

The Company intends to use any net proceeds from the offering to fund (or offset costs of) acquisitions, future capital expenditures, repay amounts outstanding under its revolving credit facility, and general corporate purposes.

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>.

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 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 the possibility that the ultimate quantity and value of the estimated oil and natural gas reserves associated with the acquisition actually differ from those contained in this release, the estimates used in the valuation of the acquisition, including prices used in calculating reserve values, may vary significantly from actual results, the current productive capabilities of the oil and natural gas wells included in the acquisition varies from that disclosed, and that the acquisition described in this release may not close. Forward looking statements also include the impact that the decline in wells being drilled will have on production and drilling rig utilization, productive capabilities of the Company's wells, future demand for oil and natural gas, future drilling rig utilization and dayrates, projected growth of the Company's oil and natural gas production, and anticipated gas gathering and processing rates and throughput volumes, the prospective capabilities of the reserves associated with the Company's inventory of future drilling sites, anticipated oil and natural gas prices, the number of wells to be drilled by the Company's oil and natural gas segment, development, operational, implementation and opportunity risks, possibility of future growth opportunities, and other factors described occasionally in the Company's publicly available SEC reports. The Company assumes no obligation to update publicly such forward-looking statements, whether because of new information, future events or otherwise.