

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 15, 2020



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
(IRS. Employer
Identification No.)

8200 South Unit Drive, - Tulsa, - Oklahoma - 74132 - US -
(Address of principal executive offices) (Zip Code) (Country)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock

Trading Symbol(s)
UNT

Name of each exchange on which registered
NYSE

Item 1.01. Entry into a Material Definitive Agreement.

On March 11, 2020, Unit Corporation (the "Company") and certain of its subsidiaries (the Company and such subsidiaries, collectively, the "Borrowers") entered into a Standstill and Amendment Agreement (the "Standstill Agreement") in respect of that certain Senior Credit Agreement, dated as of September 13, 2011 (as amended, supplemented or otherwise modified, the "Credit Agreement") with the lenders party thereto (collectively, the "Lenders") and BOKF, NA dba Bank of Oklahoma, as administrative agent for the Lenders (the "Administrative Agent").

On April 15, 2020, the Borrowers entered into a First Amendment to Standstill and Amendment Agreement (the "Amendment") with the Lenders and Administrative Agent that extends the Standstill Period under the Standstill Agreement until the earlier of: (i) the receipt by any Credit Party from the Administrative Agent of notice of the occurrence of any Termination Event and (ii) 3:00 p.m. Central time on April 17, 2020. "Termination Event" is defined in the Standstill Agreement to include the occurrence of any one or more of the following: (i) any representation or warranty made or deemed to have been made by any Credit Party under the Standstill Agreement being false, misleading or erroneous in any material respect when made or deemed to have been made, (ii) any Credit Party failing to perform, observe or comply with any covenant, agreement or term contained in the Standstill Agreement or (iii) any Default which is not cured within five (5) business days or Event of Default occurring under the Credit Agreement or any of the other Loan Documents.

The foregoing description of the Amendment and the Standstill Agreement does not purport to be complete and is subject to, and qualified by reference to, the Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference, and the Standstill Agreement, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on March 16, 2020 and is incorporated herein by reference. Capitalized terms used but not defined herein have the meanings given to them in the Amendment, Standstill Agreement or the Credit Agreement, as applicable.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- | | |
|------|---|
| 10.1 | <u>First Amendment to Standstill and Amendment Agreement, dated as of April 15, 2020, by and among Unit Corporation, Unit Drilling Company, Unit Petroleum Company, the lenders party thereto and BOKF, NA dba Bank of Oklahoma, as administrative agent for the lenders.</u> |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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 16, 2020

By: /s/ Mark E. Schell
Mark E. Schell
Senior Vice President, Secretary & General Counsel

FIRST AMENDMENT TO STANDSTILL AND AMENDMENT AGREEMENT

THIS FIRST AMENDMENT TO STANDSTILL AND AMENDMENT AGREEMENT (this "**First Amendment**") is made and entered into effective as of April 15, 2020, by and among UNIT CORPORATION, a Delaware corporation ("**Unit**"), UNIT DRILLING COMPANY, an Oklahoma corporation ("**Unit Drilling**"), UNIT PETROLEUM COMPANY, an Oklahoma corporation ("**Unit Petroleum**") (Unit, Unit Drilling and Unit Petroleum, together with each of their respective successors and permitted assigns, is each, individually, called a "**Borrower**", and, collectively, jointly and severally, the "**Borrowers**"), and BOKF, NA dba Bank of Oklahoma, as administrative agent for the Lenders (the "**Administrative Agent**"), on behalf of the Required Lenders (as defined in the Existing Credit Agreement (as defined below)) party to the Existing Credit Agreement (each, individually a "**Lender**" and, collectively, the "**Lenders**").

RECITALS

A. The Borrowers, the Lenders and the Administrative Agent heretofore entered into: (i) that certain Standstill and Amendment Agreement dated March 11, 2020 (the "**Existing Standstill Agreement**"); and (ii) that certain Senior Credit Agreement dated as of September 13, 2011, as amended by the First Amendment and Consent to Senior Credit Agreement dated as of September 5, 2012, the Second Amendment and Consent to Senior Credit Agreement dated as of April 10, 2015, the Third Amendment to Senior Credit Agreement dated as of April 8, 2016, the Fourth Amendment to Senior Credit Agreement dated as of April 2, 2018, the Fifth Amendment to Senior Credit Agreement dated October 18, 2018, and the Existing Standstill Agreement (and as the same has been further amended, modified or supplemented prior to the date hereof, collectively, the "**Existing Credit Agreement**"; the Existing Credit Agreement, as amended by this First Amendment, collectively, the "**Credit Agreement**").

B. The Borrowers, the Required Lenders and the Administrative Agent desire to amend the Existing Standstill Agreement, as and to the extent expressly provided for in this First Amendment.

C. Each of the Credit Parties will receive substantial and valuable consideration and economic benefits from the agreements being made by Administrative Agent and the Lenders hereunder, upon the terms and conditions set forth in this First Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals, the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENTS

1. Recitals; Capitalized Terms. The recitals set forth above are incorporated herein with the same force and effect as if set forth at length herein below. The term "**Standstill Agreement**" as used in this First Amendment (and the term "this Agreement" as set forth within the Existing Standstill Agreement), shall hereafter mean the Existing Standstill Agreement, as amended by this First Amendment. The term "**Credit Agreement**" as used in this First Amendment (and the term "this Agreement" as set forth within the Existing Credit Agreement), shall hereafter mean the Existing Credit Agreement, as amended by this First Amendment. Unless otherwise expressly defined herein, all capitalized terms used herein shall have the respective meanings ascribed to such terms pursuant to the

Existing Credit Agreement, including, without limitation, and as applicable, pursuant to the Existing Standstill Agreement.

2. Certain Amended and Modified Definitions. The following capitalized terms (as heretofore set forth within the Existing Standstill Agreement), for the purposes of both the Standstill Agreement and the Credit Agreement, shall have the following amended and modified meanings, and Section 1.2 of the Existing Standstill Agreement is hereby amended and modified, accordingly as follows:

"**Standstill Agreement**" shall mean that certain Standstill and Amendment Agreement dated March 11, 2020 among the Credit Parties, Administrative Agent and the Lenders party thereto, as amended by that certain First Amendment to Standstill and Amendment Agreement dated April 15, 2020 among the Credit Parties, Administrative Agent and the Lenders party thereto (as the same may be amended, modified, replaced, amended and restated and supplemented from time to time).

"**Standstill Period**" shall mean the period commencing on the Standstill Effective Date and continuing until the earlier of: (i) the receipt by any Credit Party from the Administrative Agent of notice of the occurrence of any Termination Event, and (ii) 3:00 p.m. Central time on April 17, 2020.

3. General Release. IN CONSIDERATION OF, *INTER ALIA*, THE ADMINISTRATIVE AGENT'S AND THE LENDERS' AGREEMENTS AND CONSIDERATION AS SET FORTH IN THE STANDSTILL AGREEMENT (AS AMENDED HEREBY), INCLUDING, WITHOUT LIMITATION, ADMINISTRATIVE AGENT'S AND THE LENDERS' AGREEMENTS TO MODIFY THE CREDIT AGREEMENT (AS AMENDED HEREBY) AS DESCRIBED IN THE STANDSTILL AGREEMENT (AS AMENDED HEREBY), EACH CREDIT PARTY HEREBY, FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS, FULLY AND WITHOUT RESERVE, RELEASES AND FOREVER DISCHARGES EACH OF THE ADMINISTRATIVE AGENT, THE LENDERS, CO-SYNDICATION AGENTS, LC ISSUER, AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, TRUSTEES, ATTORNEYS, AGENTS, ADVISORS (INCLUDING ATTORNEYS, ACCOUNTANTS AND EXPERTS) AND AFFILIATES (COLLECTIVELY THE "RELEASED PARTIES" AND INDIVIDUALLY A "RELEASED PARTY") FROM ANY AND ALL ACTIONS, CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, EXECUTIONS, SUITS, DEBTS, LIABILITIES, COSTS, DAMAGES, EXPENSES OR OTHER OBLIGATIONS OF ANY KIND AND NATURE WHATSOEVER, KNOWN OR UNKNOWN, DIRECT AND/OR INDIRECT, AT LAW OR IN EQUITY, WHETHER NOW EXISTING OR HEREAFTER ASSERTED (INCLUDING, WITHOUT LIMITATION, ANY OFFSETS, REDUCTIONS, REBATEMENT, CLAIMS OF USURY OR CLAIMS WITH RESPECT TO THE NEGLIGENCE OF ANY RELEASED PARTY), FOR OR BECAUSE OF ANY MATTERS OR THINGS OCCURRING, EXISTING OR ACTIONS DONE, OMITTED TO BE DONE, OR SUFFERED TO BE DONE BY ANY OF THE RELEASED PARTIES, IN EACH CASE, ON OR PRIOR TO THE EFFECTIVE DATE OF THIS FIRST AMENDMENT, AND ARE IN ANY WAY DIRECTLY OR INDIRECTLY ARISING OUT OF OR IN ANY WAY CONNECTED TO ANY OF THE STANDSTILL AGREEMENT (AS AMENDED HEREBY), THE CREDIT AGREEMENT (AS

AMENDED HEREBY), ANY OTHER LOAN DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (COLLECTIVELY, THE "RELEASED MATTERS"). THE BORROWERS, BY EXECUTION HEREOF, ON BEHALF OF THEMSELVES AND ON BEHALF OF EACH OTHER CREDIT PARTY, EACH HEREBY ACKNOWLEDGES AND AGREES THAT THE AGREEMENTS IN THIS SECTION 3 ARE INTENDED TO COVER AND BE IN FULL SATISFACTION FOR ALL OR ANY ALLEGED INJURIES OR DAMAGES ARISING IN CONNECTION WITH THE RELEASED MATTERS. THE PROVISIONS OF THIS SECTION 3 SHALL SURVIVE THE TERMINATION OF THE STANDSTILL AGREEMENT (AS AMENDED HEREBY), THE CREDIT AGREEMENT (AS AMENDED HEREBY), AND THE OTHER LOAN DOCUMENTS.

4. Miscellaneous:

A. No Waiver. Notwithstanding any of the foregoing, the standstill granted by the Administrative Agent and the Lenders pursuant to the Standstill Agreement (as amended hereby) shall not constitute and shall not be deemed to constitute a waiver or release of (x) any Default, Event of Default, or occurrence of any Material Adverse Event, or (y) any other fact, event or occurrence under the Credit Agreement or any other Loan Document (whether now or hereafter existing, and whether or not now or hereafter known by Administrative Agent or any Lender to be existing). Administrative Agent and the Lenders hereby expressly reserve and preserve all of their respective rights and remedies (whether pursuant to the Credit Agreement or any other Loan Document, the UCC, at law, in equity or otherwise) respecting any and/or all such Defaults, Events of Default and/or other facts, events, occurrences and other matters, subject only to the applicable terms and conditions of the Standstill Agreement (as amended hereby).

B. Conflict; Ratification. To the extent of any conflict or inconsistency between the terms and conditions of this First Amendment, and the terms and conditions of the Existing Standstill Agreement or the terms and conditions of the Existing Credit Agreement, the terms and conditions of this First Amendment shall govern and control. Except to the extent otherwise expressly modified hereby, the terms and conditions of both the Existing Standstill Agreement and the Existing Credit Agreement shall remain unchanged and of full force and effect and are hereby ratified by the undersigned parties.

C. Counterparts. This First Amendment may be executed in any number of counterparts; each such counterpart hereof shall be deemed to be an original, but all such counterparts together shall constitute but one agreement. Signatures to this First Amendment transmitted by facsimile or by e-mail in .pdf or .tif format shall be valid and effective as an original to bind the party so signing for all intents and purposes hereunder.

D. Interpretation; Governing Law. The section headings set forth in this First Amendment are for convenience of reference only, and do not define, limit or construe the contents of such sections. THIS FIRST AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS (BUT NOT THE RULES GOVERNING CONFLICTS OF LAWS) OF THE STATE OF OKLAHOMA AND SHALL BE PERFORMABLE IN TULSA COUNTY, OKLAHOMA. The provisions of (i) Article 17 of the Existing Credit Agreement, and (ii) Article 7 of the Existing Standstill Agreement, respectively, shall apply to this First Amendment, *mutatis mutandis*.

[SIGNATURES FOLLOW ON THE NEXT PAGES]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

BORROWERS:

UNIT CORPORATION, a Delaware corporation,
UNIT PETROLEUM COMPANY, an Oklahoma corporation,
UNIT DRILLING COMPANY, an Oklahoma corporation,

By: /s/ Mark E. Schell

Mark E. Schell, as Senior Vice President, Secretary & General Counsel of each of
UNIT CORPORATION,
UNIT PETROLEUM COMPANY, and
UNIT DRILLING COMPANY

8200 South Unit Drive
Tulsa, Oklahoma 74132-5300
Attention: Mark Schell
Telephone: (918) 493-7700
Facsimile: (918) 493-7711

Signature Page to First Amendment to Standstill Agreement

BOKF, NA dba Bank of Oklahoma, as LC Issuer, as Administrative Agent, and as a Lender, on behalf of the Required Lenders

By: /s/ Matt Chase
Matt Chase
Senior Vice President

101 East Second Street
Bank of Oklahoma Tower - 8th floor/Energy Department One Williams Center
Tulsa, Oklahoma 74172
Telephone: (918) 588-6641
Facsimile: (918) 588-6880

Signature Page to First Amendment to Standstill Agreement

