



General FAQs

GENERAL

1. What did Whiting announce?

- Whiting Petroleum Corporation has announced an important step forward in our efforts to position our business for long-term success. As part of these ongoing efforts, we voluntarily filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code. The Company intends to use this process to implement a dynamic capital planning process to protect our cash flows and provide financial flexibility for the future as we stabilize operations in this challenging environment.
- During this time, we will continue to work diligently with our advisors and creditors on a plan that allows us to invest in our assets and generate long-term value for our stakeholders. Day to day operations should continue as normal throughout the court-supervised process.
- The Company has also reached an agreement in principle with certain holders (the "Supporting Noteholders") of its 1.25% convertible senior notes due 2020, 5.750% senior notes due 2021, 6.250% senior notes due 2023, and 6.625% senior notes due 2026 (collectively, the "Notes") regarding a term sheet (the "Term Sheet") that contemplates a comprehensive restructuring. The proposed financial restructuring, the terms of which will be set forth in a forthcoming restructuring support agreement between the Company and the Supporting Noteholders, would significantly reduce the Company's debt and establish a more sustainable capital structure pursuant to a consensual chapter 11 plan of reorganization (the "Plan") that would be supported by the Supporting Noteholders on the terms of such restructuring support agreement.
 - The Plan will provide for, among other things: (1) significant de-leveraging of the Company's capital structure by over \$2.2 billion through the exchange of all of the Notes for 97% of the new equity of the reorganized Company to be issued pursuant to the Plan; (2) payment in full in cash and/or refinancing of the Company's revolving credit facility; (3) the payment in full in cash of all other secured creditors, tax and other priority claimants, and employees; and (4) the Company's existing equity holders receiving 3% of the new equity of the reorganized Company and warrants (as described in the Term Sheet). Consummation of the Plan will be subject to confirmation by the Bankruptcy Court in addition to other conditions to be set forth in the Plan and related transaction documents.

2. What is Chapter 11?

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to reorganize their finances while continuing to operate their businesses.
- The Chapter 11 filing triggers an automatic "stay" which prevents anyone from collecting debts, such as loan payments to creditors and noteholders, owed by the Company as of the filing date while the Company comes up with a strategy to improve its capital position.
- The Chapter 11 filing does not change the regular work schedules of our operations and we will continue to operate in the ordinary course while we work through this process with our creditors.
- The Company has already filed a variety of customary motions with the Court that will allow us to smoothly transition into the Chapter 11, including an Employee motion requesting that wages and salaries and benefits be paid and honored in the ordinary course of business.
- We will also continue to fulfill commitments to our business partners and suppliers in the normal course for goods or services provided on or after the filing date.



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3. Why did Whiting take this action?

- Like many other exploration and production companies, Whiting's financial position has been significantly impacted by the COVID-19 pandemic and sustained downturn in oil and gas prices.
- Over the last several months, we have discussed the potential go-forward options for Whiting and the steps we might need to take to strengthen the balance sheet and improve our overall cost structure in the current market environment.
- The actions we intend to take will reduce our debt and enable us to devote even more of our resources to competing in today's market.
- We are confident in our future and believe that we will emerge as a stronger company.

4. Is Whiting going out of business?

- No. We are taking the appropriate steps to ensure that we continue operating our business and that our employees remain unaffected to the largest extent possible. We remain focused on working safely and productively to maximize the value of our high-quality assets.
- At Whiting, we are confident in our future and believe that we will emerge as a stronger company.
- We have sufficient liquidity to run our business.

5. How long will the restructuring process take?

- Whiting intends to move through the chapter 11 process with the support of key financial stakeholders as quickly and efficiently as possible; and we plan to keep you updated in a timely manner on our progress.
- The Company has entered into an agreement in principle with certain noteholders regarding a consensual chapter 11 plan that the Supporting Noteholders have agreed to support.
 - Consummation of the chapter 11 plan will be subject to confirmation by the Court. The Plan is expected to be filed within 14 days of the bankruptcy filing date and confirmation of the plan can take up to 4-6 months, if necessary.
- Important milestones and other information will be provided as we learn more.

6. How will the expected court-supervised restructuring process affect day-to-day operations?

- We are taking the appropriate steps to ensure that we continue operating our business with minimal interruption to you to the largest extent possible.
- We have requested the Court provide the Company the ability to continue payment of wages and benefits in the ordinary course without interruption. Once we receive the Court order granting this relief, employees and contractors will continue to receive wages, salaries and benefits in the same manner as you always have.
- The Chapter 11 will be managed separately from our regular operations, and most of you will see no change to your usual roles or routines during this time.
- Importantly, Whiting has assembled a high-quality asset base and has a substantial amount of cash on hand, which will allow the Company to operate in the normal course and maintain productive commercial relationships with its business partners and midstream counterparties.
- As we move forward, we ask that all employees continue to concentrate on their normal responsibilities and on operating safely and responsibly.



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7. Does Whiting have the liquidity to continue operating throughout this process? How do you know this will be enough?

- Yes, we have sufficient liquidity to run our business.
- Consistent with other companies across a variety of industries, we drew down cash on our revolver to maintain our liquidity. This cash on hand allows us to continue our daily business and satisfy obligations with minimal interruption if the external environment worsens.
- The financing we secured, and cash generated from the Company's ongoing operations will be used to maximize the value of our asset base and meet our obligations during the court-supervised process.

8. Will there be layoffs? Facility closings?

- We are operating as normal. Decisions regarding headcount and facilities will continue to be made based on the needs of the business.

9. Whiting has sold a number of assets over the past few years. Will there be more of this?

- The majority of assets we sold were non-core or non-operated.
- The actions we are now taking will significantly reduce our debt and enable us to devote even more of our resources to maximize the value of our assets.

10. Who is going to own the company after the Chapter 11 process?

- The current agreement in principle between the Company and the Supporting Noteholders contemplates a 97% ownership interest in the new equity by the Supporting Noteholders and the remaining 3% to be owned by the old equity.
- Consummation of the Plan will be subject to confirmation by the Bankruptcy Court in addition to other conditions to be set forth in the Plan and related transaction documents.

11. Did the Court approve the Company's requests for First Day Motion relief?

- Yes, the Court approved all of the Company's requests for First Day Motion Relief and in some instances even approved the requests on a final basis with no need for a second or follow up hearing.
- Importantly the Judge approved both the Royalty Motion and the Lienholder Motion on a final basis.
- He also approved the Wages Motion in full to allow the Company to honor all employee salary, vacation and benefits programs in the ordinary course.

12. Will the Company have to go back to Court to receive additional relief for these motions?

Most of the operational motions were granted on a final basis. The Employee Motion was granted on an interim basis which is common.