

H14943.SUB



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UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 FOR THE  
TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

Commission file number 0-29370

ULTRA PETROLEUM CORP.  
(Exact name of registrant as specified in its charter)

Yukon Territory, Canada  
(State or other jurisdiction of  
incorporation or organization)

N/A  
(I.R.S. employer  
identification number)

363 North Sam Houston Parkway, Suite 1200, Houston, Texas  
(Address of principal executive offices)

77060  
(Zip code)

(281) 876-0120  
(Registrant's telephone number,  
including area code)

Indicate by check mark whether the registrant (1) has filed all reports required  
to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during  
the preceding 12 months (or for such shorter period that the registrant was  
required to file such reports), and (2) has been subject to such filing  
requirements for the past 90 days.

YES  NO

Indicate by check mark whether the registrant is an accelerated filer (as  
defined in Rule 12b-2 of the Exchange Act)

YES  NO

The number of common shares, without par value, of Ultra Petroleum Corp.,  
outstanding as of April 28, 2004 was 74,953,768.



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PART 1 - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

(Expressed in U.S. Dollars)

ULTRA PETROLEUM CORP.  
 CONSOLIDATED STATEMENTS OF INCOME  
 (Unaudited)

<TABLE>  
 <CAPTION>

For the Three Months Ended  
 March 31,

	2004	2003
	<C>	<C>
Revenues:		
Natural gas sales	\$ 46,077,223	\$ 23,122,589
Oil sales	2,541,550	1,548,506
	-----	-----
	48,618,773	24,671,095
Expenses:		
Production expenses and taxes	9,724,897	5,201,744
Depletion and depreciation	5,480,720	3,605,846
General and administrative	1,554,039	1,237,703
General and administrative - stock compensation	100,023	612,500
	-----	-----
	16,859,679	10,657,793
Operating income	31,759,094	14,013,302
Other income:		
Interest expense	(1,100,170)	(653,600)
Interest income	12,734	8,578
	-----	-----
	(1,087,436)	(645,022)
Income for the period, before income tax provision	30,671,658	13,368,280
Income tax provision - deferred	10,888,440	5,146,788
	-----	-----
Net income for the period	19,783,218	8,221,492
Retained earnings, beginning of period	56,138,516	10,815,877
	-----	-----
Retained earnings, end of period	\$ 75,921,734	\$ 19,037,369
	=====	=====
Income per common share - basic	\$ 0.26	\$ 0.11
	=====	=====
Income per common share - diluted	\$ 0.25	\$ 0.11
	=====	=====
Weighted average common shares outstanding - basic	74,757,345	74,056,840
	=====	=====
Weighted average common shares outstanding - diluted	79,749,833	77,950,668
	=====	=====

</TABLE>

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ULTRA PETROLEUM CORP.  
 CONSOLIDATED STATEMENTS OF CASH FLOWS  
 (Unaudited)

(Expressed in U.S. Dollars)

<TABLE>  
 <CAPTION>

	Three Months Ended March 31,	
	2004	2003
	-----	-----
<S>	<C>	<C>
Cash provided by (used in):		
Operating activities:		
Net income for the period	\$ 19,783,218	\$ 8,221,492
Add (deduct)		
Items not involving cash:		
Depletion and depreciation	5,480,720	3,605,846
Deferred income taxes	10,888,440	5,146,788
Stock compensation	100,023	612,500
Net changes in non-cash working capital:		
Restricted cash	(314)	(362)
Accounts receivable	618,011	(2,568,487)
Inventory	1,127,989	--
Prepaid expenses and other current assets	1,253,614	(344,307)
Accounts payable and accrued liabilities	(16,106,026)	(727,500)
Other long-term obligations	3,716,429	132,122
	-----	-----
	26,862,104	14,078,092
Investing activities:		
Oil and gas property expenditures	(34,988,848)	(9,115,658)
Change in capital cost accrual	(7,077,620)	(661,733)
Purchase of capital assets	(109,644)	(31,137)
	-----	-----
	(42,176,112)	(9,808,528)
Financing activities:		
Borrowings on long-term debt, gross	24,000,000	1,000,000
Payments on long-term debt, gross	(9,000,000)	(5,000,000)
Proceeds from exercise of options	403,406	146,140
	-----	-----
	15,403,406	(3,853,860)
Increase in cash during the period	89,398	415,704
Cash and cash equivalents, beginning of period	1,834,112	1,417,711
	-----	-----
Cash and cash equivalents, end of period	\$ 1,923,510	\$ 1,833,415
	=====	=====

</TABLE>



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ULTRA PETROLEUM CORP.  
 CONSOLIDATED BALANCE SHEETS  
 (Unaudited)

(Expressed in U.S. Dollars)

<TABLE>  
 <CAPTION>

	March 31, 2004	December 31, 2003
	-----	-----
<S>	<C>	<C>
Assets		
Current assets		
Cash and cash equivalents	\$ 1,923,510	\$ 1,834,112
Restricted cash	210,983	210,669
Accounts receivable	18,730,850	19,348,861
Inventory	12,461,281	13,589,270
Prepaid expenses and other current assets	458,123	1,711,737
	-----	-----
	33,784,747	36,694,649
Oil and gas properties, using the full cost method of accounting	337,577,845	307,863,722
Capital assets	1,165,930	1,212,006
	-----	-----
Total assets	\$ 372,528,522	\$ 345,770,377
	=====	=====
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 16,275,648	\$ 28,134,391
Capital cost accrual	23,539,292	30,616,912
Long-term debt	114,000,000	99,000,000
Deferred income taxes	43,005,726	33,446,131
Other long-term obligations	8,836,642	5,120,213
Shareholders' equity		
Share capital	97,901,902	97,448,221
Treasury stock	(1,193,650)	(1,193,650)
Other comprehensive loss - fair value of derivative instruments	(5,758,772)	(2,940,357)
Retained earnings	75,921,734	56,138,516
	-----	-----
	166,871,214	149,452,730
Total liabilities and shareholders' equity	\$ 372,528,522	\$ 345,770,377
	=====	=====

</TABLE>



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ULTRA PETROLEUM CORP.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All dollar amounts in this Quarterly Report on Form 10-Q are expressed in U.S. dollars unless otherwise noted)

DESCRIPTION OF THE BUSINESS:

Ultra Petroleum Corp. (the "Company") is an independent oil and gas company engaged in the acquisition, exploration, development, and production of oil and gas properties. The Company was incorporated under the laws of British Columbia, Canada. On March 1, 2000, the Company was continued under the laws of the Yukon Territory, Canada. The Company's principal business activities are in the Green River Basin of Southwest Wyoming and Bohai Bay, China.

1. SIGNIFICANT ACCOUNTING POLICIES:

The accompanying financial statements, other than the balance sheet data as of December 31, 2003, are unaudited and were prepared from the Company's records. Balance sheet data as of December 31, 2003 was derived from the Company's audited financial statements, but do not include all disclosures required by U.S. generally accepted accounting principles. The Company's management believes that these financial statements include all adjustments necessary for a fair presentation of the Company's financial position and results of operations. All adjustments are of a normal and recurring nature unless specifically noted. The Company prepared these statements on a basis consistent with the Company's annual audited statements and Regulation S-X. Regulation S-X allows the Company to omit some of the footnote and policy disclosures required by generally accepted accounting principles and normally included in annual reports on Form 10-K. You should read these interim financial statements together with the financial statements, summary of significant accounting policies and notes to the Company's most recent annual report on Form 10-K.

(a) Basis of presentation and principles of consolidation:

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries UP Energy Corporation, Ultra Resources, Inc., and Sino-American Energy Corporation. The Company presents its financial statements in accordance with accounting principles generally accepted in the United States ("US GAAP"). All material inter-company transactions and balances have been eliminated upon consolidation.

(b) Accounting principles:

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States.

(c) Cash and cash equivalents:

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(d) Restricted cash:

Restricted cash represents cash received by the Company from production sold where the final division of ownership of the production is unknown or in dispute. Wyoming law requires that these funds be held in a federally insured bank in Wyoming.

(e) Capital assets:

Capital assets are recorded at cost and depreciated using the declining-balance method based on a seven-year useful life.

(f) Oil and gas properties:

The Company uses the full cost method of accounting for oil and gas operations whereby all costs associated with the exploration for and development of oil and gas reserves are capitalized to the Company's cost centers. Such costs include land acquisition costs, geological and geophysical expenses, carrying charges on non-producing properties, costs of drilling both productive and non-productive wells and overhead charges directly related to acquisition, exploration and development activities. The Company conducts operations in both the United States and China. Separate cost centers are maintained for each country in which the Company has operations.

The capitalized costs, together with the costs of production equipment, are depleted using the units-of-production method based on the proven reserves as determined by independent petroleum engineers. Oil and gas reserves and production are converted into equivalent units based upon relative energy content.

Costs of acquiring and evaluating unproved properties are initially excluded from the costs subject to depletion. These unproved properties are assessed periodically to ascertain whether impairment has occurred. When proved reserves are assigned or the property is considered to be impaired, the cost of the property or the amount of the impairment is added to the costs subject to depletion.

The total capitalized cost of oil and gas properties less accumulated depletion is limited to an amount equal to the estimated future net cash flows from proved reserves, discounted at 10%, using year-end prices, plus the cost (net of impairment) of unproved properties as adjusted for related tax effects (the "full cost ceiling test limitation").

Proceeds from the sale of oil and gas properties are applied against capitalized

costs, with no gain or loss recognized, unless such a sale would significantly alter the rate of depletion.

Substantially all of the Company's exploration, development and production activities are conducted jointly with others and, accordingly, these financial statements reflect only the Company's proportionate interest in such activities.

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(g) Derivative transactions:

The Company has entered into commodity price risk management transactions to manage its exposure to gas price volatility. These transactions are in the form of price swaps with a financial institution or other credit worthy counter parties. These transactions have been designated by the Company as cash flow hedges. As such, unrealized gains and losses related to the change in fair market value of the derivative contracts are recorded in other comprehensive income in the balance sheet. The Company also enters into forward sales of physical gas volumes to credit worthy purchasers which are not reflected on the balance sheet.

(h) Income taxes:

The Company uses the asset and liability method of accounting for income taxes under which deferred tax assets and liabilities are recognized for the future tax consequences. Accordingly, deferred tax liabilities and assets are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities, using the enacted tax rates in effect for the year in which the differences are expected to reverse.

(i) Earnings per share:

Basic earnings per share is computed by dividing net earnings attributable to common stock by the weighted average number of common shares outstanding during each period. Diluted earnings per share is computed by adjusting the average number of common shares outstanding for the dilutive effect, if any, of stock options. The Company uses the treasury stock method to determine the dilutive effect.

The following table provides a reconciliation of the components of basic and diluted net income per common share:

<TABLE>  
 <CAPTION>

	Three Months Ended	
	March 31, 2004	March 31, 2003
<S>	<C>	<C>
Net income	\$19,783,218 =====	\$ 8,221,492 =====
Weighted average common shares outstanding during the period	74,757,345	74,056,840
Effect of dilutive instruments	4,992,488 -----	3,893,828 -----
Weighted average common shares outstanding during the period including the effects of dilutive instruments	79,749,833 =====	77,950,668 =====
Basic earnings per share	\$ 0.26 =====	\$ 0.11 =====
Diluted earnings per share	\$ 0.25 =====	\$ 0.11 =====

</TABLE>

(j) Use of estimates:

Preparation of consolidated financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(k) Reclassifications:

Certain amounts in the financial statements of the prior years have been reclassified to conform to the current years' financial statement presentation.

(l) Accounting for stock-based compensation:

Statement of Financial Accounting Standards No. 123, "Accounting for Stock - Based Compensation" (SFAS No. 123), defines a fair value method of accounting for employee stock options and similar equity instruments. SFAS No. 123 allows for the continued measurement of compensation cost for such plans using the intrinsic value based method prescribed by APB Opinion No. 25, "Accounting for Stock Issued to Employees" (APB No. 25), provided that pro forma results of operations are disclosed for those options granted. The Company accounts for stock options granted to employees and directors of the Company under the intrinsic value method. Had the Company reported compensation costs as determined by the fair value method of accounting for option grants to employees and directors, net income (loss) and net income (loss) per common share would approximate the following pro forma amounts:

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<TABLE>  
 <CAPTION>

	Three Months Ended	
	March 31, 2004	March 31, 2003
<S>	<C>	<C>
Net income:		
As reported	\$ 19,783,218	\$ 8,221,492
Pro forma	\$ 18,918,447	\$ 8,221,492
Basic earnings per share:		
As reported	\$ 0.26	\$ 0.11
Pro forma	\$ 0.25	\$ 0.11
Diluted earnings per share:		
As reported	\$ 0.25	\$ 0.11
Pro forma	\$ 0.24	\$ 0.11

</TABLE>

For purposes of pro forma disclosures, the estimated fair value of options is amortized to expense over the options' vesting period. The weighted-average fair value of each option granted is estimated on the date of grant using the Black Scholes option pricing model with an assumed expected volatility of 25% at March 31, 2004 and 2003. All options have expected lives of ten years.

2. OIL AND GAS PROPERTIES:

<TABLE>  
 <CAPTION>

	March 31, 2004	December 31, 2003
<S>	<C>	<C>
Developed Properties:		
Acquisition, equipment, exploration, drilling and environmental costs	\$ 278,980,848	\$ 249,784,562
Less accumulated depletion, depreciation and amortization	(43,820,605)	(38,495,605)
	235,160,243	211,288,957
Unproven Properties:		
China	86,167,073	80,970,244
Acquisition and exploration costs US	16,250,529	15,604,521
	\$ 337,577,845	\$ 307,863,722

</TABLE>

3. LONG-TERM DEBT:

<TABLE>  
 <CAPTION>

	March 31, 2004	December 31, 2003
<S>	<C>	<C>
Bank indebtedness	\$114,000,000	\$ 99,000,000
Other long-term obligations	8,836,642	5,120,213
	\$122,836,642	\$104,120,213

</TABLE>

The Company (through its subsidiary) participates in a long-term credit facility with a group of banks led by Bank One N.A. The agreement specifies an aggregate borrowing base of \$200 million which was determined at December 12, 2003. At March 31, 2004, the Company had \$114 million outstanding and \$86 million unused and available on the credit facility.

The credit facility matures on March 1, 2006 and bears interest at either the bank's prime rate plus a margin of one-half of one percent (0.50%) to one and one-quarter percent (1.25%) based on the percentage of available credit drawn or at LIBOR plus a margin of one and one-half percent (1.5%) to two and one-quarter percent (2.25%) based on the percentage of available credit drawn. An average annual commitment fee of 0.375% is charged quarterly for any unused portion of the credit line.

The borrowing base is subject to periodic (at least semi-annual) review and re-determination by the bank and may be decreased or increased depending on a number of factors including the Company's proved reserves and the bank's forecast of future oil and gas prices. If the borrowing base is reduced to an amount less than the balance outstanding, the Company has sixty days from date of notice to pay the difference. Additionally, the Company is subject to quarterly reviews of compliance with the covenants under the bank facility including minimum coverage ratios relating to interest, working capital and advances to Sino-American Energy Corporation. In the event of a default under the covenants, the Company may not be able to access funds otherwise available under the facility. As of March 31, 2004, the Company was in compliance with the covenants and required ratios of the bank facility.

The Company has secured this debt by a majority of its proved domestic oil and gas properties.

4. DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES:

In September 2003, the AcSB released revised transitional provisions for Stock-Based Compensation and Other Stock-Based Payments, Section 3870, to provide the same alternative methods of transition as is provided in the US for voluntary adoption of the fair value based method of accounting. These provisions permit either retroactive (with or without restatement) or prospective application of the recognition provisions to awards not previously accounted for at fair value. Prospective application is only available to enterprises that elect to apply the fair value based method of accounting to that type of award for fiscal years beginning before January 1, 2004.

The AcSB has also amended Section 3870 to require that all transactions whereby goods and services are received in exchange for stock-based compensation and other payments result in expenses that should be recognized in financial statements, and that this requirement would be applicable for financial periods beginning on or after January 1, 2004. Section 3870 requires that share-based transactions should be measured on a fair value basis.

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As described in Note 1, had the Company expensed the fair value of options vested during the period, net income would have been reported as \$18,918,447.

Recorded in other comprehensive income in the equity section of the Company's balance sheet is an offset of \$5,758,772 to a liability that measures a future effect of the fixed price to index price swap agreements that the Company currently has in place. The Company has recorded this in compliance with FASB No. 133 which addresses accounting impacts of derivative instruments.

The AcSB issued a new Accounting Guideline ("Guideline"), AcG-13, Hedging Relationships, in December 2001 in connection with amendments to CICA Handbook Section 1650, Foreign Currency Translation. The Guideline is applicable to hedging relationships in effect in fiscal years beginning on or after July 1, 2003 (the AcSB changed the original effective date of January 1, 2002 in its December 2001 meeting, and further deferred the effective date in its September 2002 meeting). The Guideline is not applicable to prior periods, but requires the discontinuance of hedge accounting for hedging relationships established in prior periods that do not meet the conditions for hedge accounting at the date it is first applied.

The Guideline supplements some of the requirements on accounting for hedges of foreign currency items in Section 1650, but is equally applicable to accounting for hedges of other types of risk exposure. The Guideline deals with the identification, documentation, designation and effectiveness of hedges and also the discontinuance of hedge accounting, but does not specify hedge accounting methods.

The Guideline is intended to improve the quality and consistency of hedge accounting under Canadian GAAP. The Guideline incorporates certain features of the U.S. hedge accounting standards as requirements. The AcSB has attempted to avoid creating any additional GAAP differences, i.e., requirements that prevent an entity from adopting a U.S. requirement. However, Canadian hedge accounting remains inconsistent with U.S. GAAP in some fundamental ways.

#### 5. RECENT ACCOUNTING PRONOUNCEMENTS:

In January 2003, the Company adopted SFAS No. 143, Accounting for Asset Retirement Obligations ("SFAS No. 143"). SFAS No. 143 requires the Company to record the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The Company adopted SFAS No. 143 on January 1, 2003. Currently, the Company has deemed the impact of SFAS No. 143 to not be material.

#### ITEM 2 - MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of the financial condition and operating results of the Company should be read in conjunction with the consolidated financial statements and related notes of the Company. Except as otherwise indicated all amounts are expressed in U.S. dollars. We operate in one segment, natural gas and oil exploration and development with two geographical segments; the United States and China.

The Company currently generates its revenue, earnings and cash from the production and sales of natural gas and oil from its property in southwestern Wyoming. The price of natural gas in the southwest Wyoming region is a critical factor to the Company's business. The price of gas in southwest Wyoming historically has been volatile. The average annual realizations for the period 2001-2003 have ranged from \$2.33 to \$4.16 per Mcf. This volatility could be very detrimental to the Company's financial performance. The Company seeks to limit the impact of this volatility on its results by entering into derivative and forward sales contracts for gas in southwest Wyoming. The average realization for the Company's gas during the first quarter of 2004 was \$4.95 per Mcf, basis Opal, Wyoming, including the effect of hedges. The Company continued participating in the development of the first two fields of the nine fields discovered on its oil properties offshore Bohai Bay, China which are expected to begin production in late 2004. At that time, the price of oil in east Asia would become critical to the Company.

The Company has grown its natural gas and oil production significantly over the past three years and management believes it has the ability to continue growing production by drilling already identified locations on its leases in Wyoming and by bringing into production the already discovered oilfields in China. The Company delivered 54% production growth on an Mcfe basis during the quarter ended March 31, 2004 as compared to the same quarter in 2003. Management expects to deliver additional production growth during the balance of 2004 to reach the anticipated 45% growth in annual production to 42 Bcfe, which is expected to be achieved by drilling and bringing into production additional wells in Wyoming.

The Company uses the full cost method of accounting for oil and gas operations whereby all costs associated with the exploration for and development of oil and gas reserves are capitalized to the Company's cost centers. Such costs include land acquisition costs, geological and geophysical expenses, carrying charges on non-producing properties, costs of drilling both productive and non-productive wells and overhead charges directly related to acquisition, exploration and development activities. The Company conducts operations in both the United States and China. Separate cost centers are maintained for each country in which the Company has operations. Substantially all of the oil and gas activities are conducted jointly with others and, accordingly, the amounts reflect only the Company's proportionate interest in such activities. Inflation has not had a material impact on the Company's results of operations and is not expected to have a material impact on the Company's results of operations in the future.

#### RESULTS OF OPERATIONS

QUARTER ENDED MARCH 31, 2004 VS. QUARTER ENDED MARCH 31, 2003

During the quarter, production increased 54% on an equivalent basis to 9.7 Bcfe from 6.3 Bcfe for the same quarter in 2003 primarily because of the additional wells drilled and completed during 2003 and to a lesser extent the wells drilled and completed during the quarter. Average realized price for natural gas increased 29% to \$4.95 per Mcf resulting in a 97% increase in revenues to \$48.6 million.

Production costs increased 87% to \$9.7 million primarily due to the increase in production taxes which accounted for 66% of the increase. Production taxes are calculated as a percentage of revenue, which percentage increased slightly to 11.7% from 10.8% in the same quarter last year, due primarily to the phasing out of certain tax benefits. On a unit of production basis, production costs increased 21% to \$1.00 per Mcfe again attributable almost wholly to the increase in production taxes arising from higher revenues.

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DD&A increased in line with the increase in production while general and administrative and stock compensation costs decreased 11% on lower stock compensation costs associated with contractual payouts decreasing as compared to the same quarter in 2003.

Net income before income taxes increased 129% to \$30.7 million and income tax provision-deferred increased by 112% to \$10.9 million at a rate of 35.5%. Net income increased 141% to \$19.8 million or \$0.25 per diluted share.

The discussion and analysis of the Company's financial condition and results of operations is based upon consolidated financial statements, which have been prepared in accordance with U.S. GAAP. In addition, application of generally accepted accounting principles requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the revenues and expenses reported during the period. Changes in these estimates, judgments and assumptions will occur as a result of future events, and, accordingly, actual results could differ from amounts estimated.

#### LIQUIDITY AND CAPITAL RESOURCES

During the three month period ended March 31, 2004, the Company relied on cash provided by operations along with borrowings under its credit facility to finance its capital expenditures. The Company participated in the drilling of 9 wells in Wyoming and continued to participate in the development process in the China blocks including the ongoing batch drilling program for the development wells. For the three-month period ended March 31, 2004 net capital expenditures were \$35 million. At March 31, 2004, the Company reported a cash position of \$1.9 million compared to \$1.8 million at March 31, 2003. Working capital deficit at March 31, 2004 was \$(6.0) million as compared to \$(2.4) million at March 31, 2003. As of March 31, 2004, the Company had incurred bank indebtedness of \$114.0 million and other long-term obligations of \$8.8 million comprised of items payable in more than one year, primarily related to production taxes.

The Company's positive cash provided by operating activities, along with the availability under the senior credit facility, are projected to be sufficient to fund the Company's budgeted capital expenditures for 2004, which are currently projected to be \$190.0 million. Of the \$190.0 million budget, the Company plans to spend approximately \$162.0 million of its 2004 budget in Wyoming and approximately \$25.0 million in China with the balance allocated to evaluating other areas. Of the \$162.0 million for Wyoming, the Company plans to drill or participate in an estimated 80 gross wells in 2004, of which approximately 40% will be for exploration wells and the remaining will be for development wells. Of the \$25.0 million budgeted for China, approximately 12% will be for exploratory/appraisal activity and the balance will be for development activity. The Company currently has no budget for acquisitions in 2004.

As of December 12, 2003, the revolving senior credit facility provides for a \$250.0 million revolving credit line with a current borrowing base of \$200.0 million. The credit facility matures on March 1, 2006, and bears interest at either Bank One's prime rate plus a margin of one-half of one percent (0.50%) to one and one-quarter percent (1.25%) based on the percentage of available credit drawn or at LIBOR plus a margin of one and one-half percent (1.50%) to two and one-quarter percent (2.25%) based on the percentage of available credit drawn. An average annual commitment fee of 0.375% is charged quarterly for any unused portion of the credit line. The borrowing base is subject to periodic (at least semi-annual) review and re-determination by the banks and may be increased or decreased depending on a number of factors including the Company's proved reserves and the bank's forecast of future oil and gas prices. Additionally, the Company is subject to quarterly reviews of compliance with the covenants under the bank facility including minimum coverage ratios relating to interest, working capital and advances to Sino-American Energy Corporation. In the event of a default under the covenants, the Company may not be able to access funds otherwise available under the facility and may, in certain circumstances including reduction in borrowing base, be required to repay the credit facilities. The notes are collateralized by a majority of the Company's proved domestic oil and gas properties. At March 31, 2004, the Company had \$114.0 million of outstanding borrowings under this credit facility, with a current average interest rate of approximately 3%. The Company was in compliance with all loan covenants at March 31, 2004. The Company is currently finalizing amendments to the Credit Facility in association with the banks' review of the Borrowing Base. The Company believes that the amendments will provide for a two-year extension of the credit and in improved terms and costs of borrowing as well as an increased borrowing base of \$315 million.

During the three-months ended March 31, 2004, net cash provided by operating activities was \$26.9 million as compared to \$14.0 million for the three-months ended March 31, 2003. The increase in cash provided by operating activities was attributable to the increase in earnings.

During the three-months ended March 31, 2004, cash used in investing activities was \$42.2 million as compared to \$9.8 million for the three-months ended March 31, 2003. The change is primarily attributable to increased activity for drilling and completion activity in Wyoming and China.

During the three-months ended March 31, 2004, cash provided by (used in) financing activities was \$15.4 million as compared to \$(3.9) million for the three-months ended March 31, 2003. The change is primarily attributable to increased borrowings under the senior credit facility.

#### CAUTIONARY STATEMENT PURSUANT TO SAFE HARBOR PROVISION OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This report contains or incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934 and the Private Securities

Litigation Reform Act of 1995. All statements other than statements of historical facts included in this document, including without limitation, statements in Management's Discussion and Analysis of Financial Condition and Results of Operations regarding our financial position, estimated quantities and net present values of reserves, business strategy, plans and objectives of the Company's management for future operations, covenant compliance and those statements preceded by, followed by or that otherwise include the words "believe", "expects", "anticipates", "intends", "estimates", "projects", "target", "goal", "plans", "objective", "should", or similar expressions or variations on such expressions are forward-looking statements. The Company can give no assurances that the assumptions upon which such forward-looking statements are based will prove to be correct nor can the Company assure adequate funding will be available to execute the Company's planned future capital program.

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Other risks and uncertainties include, but are not limited to, fluctuations in the price the Company receives for oil and gas production, reductions in the quantity of oil and gas sold due to increased industry-wide demand and/or curtailments in production from specific properties due to mechanical, marketing or other problems, operating and capital expenditures that are either significantly higher or lower than anticipated because the actual cost of identified projects varied from original estimates and/or from the number of exploration and development opportunities being greater or fewer than currently anticipated and increased financing costs due to a significant increase in interest rates. See the Company's annual report on Form 10-K for the year ended December 31, 2003 for additional risks related to the Company's business.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's major market risk exposure is in the pricing applicable to its gas and oil production. Realized pricing is primarily driven by the prevailing price for crude oil and spot prices applicable to the Company's U.S. natural gas production. Historically, prices received for gas production have been volatile and unpredictable. Pricing volatility is expected to continue. Gas price realizations averaged \$4.95 per Mcf during the three months ended March 31, 2004. This average price includes the effects of hedging and gas balancing between working interest owners.

The Company periodically enters into commodity derivative contracts and fixed-price physical contracts to manage its exposure to oil and natural gas price volatility. The Company primarily utilizes price swaps, which are generally placed with major financial institutions or with counter-parties of high credit quality that it believes are minimal credit risks. The oil and natural gas reference prices of these commodity derivatives contracts are based upon crude oil and natural gas futures, which have a high degree of historical correlation with actual prices the Company receives. Under SFAS No. 133 all derivative instruments are recorded on the balance sheet at fair value. Changes in the derivative's fair value are recognized currently in earnings unless specific hedge accounting criteria are met. For qualifying cash flow hedges, the gain or loss on the derivative is deferred in accumulated other comprehensive income (loss) to the extent the hedge is effective. For qualifying fair value hedges, the gain or loss on the derivative is offset by related results of the hedged item in the income statement. Gains and losses on hedging instruments included in accumulated other comprehensive income (loss) are reclassified to oil and natural gas sales revenue in the period that the related production is delivered. Derivative contracts that do not qualify for hedge accounting treatment are recorded as derivative assets and liabilities at market value in the consolidated balance sheet, and the associated unrealized gains and losses are recorded as current expense or income in the consolidated statement of operations. The Company currently does not have any derivative contracts in place that do not qualify as a cash flow hedge.

During the first three months of 2004, the total impact of the Company's hedges was a reduction in gas revenues of \$1,383,300. The Company does not currently hedge its oil production.

At March 31, 2004, the Company had the following open derivative contracts to manage price risk on a portion of its natural gas production whereby the Company receives the fixed price and pays the variable price (all prices southwest Wyoming basis). (The Company's gas contains approximately 1.06 MMBtu per Mcf upon delivery at the sales point.)

<TABLE>  
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Type	Contract Period	Volume- MMBTU / day	Average Price / MMbtu
<S>	<C>	<C>	<C>
Swap	Calendar 2004	20,000	\$ 4.09
Swap	April-Oct 2004	5,000	\$ 4.76
Swap	Calendar 2005	5,000	\$ 4.50
Swap	Calendar 2006	5,000	\$ 4.20

</TABLE>

The Company also utilizes fixed price forward gas sales at southwest Wyoming delivery points to hedge its commodity exposure. In addition to the derivative contracts discussed above, the Company had the following physical delivery contracts in place on behalf of its interest and those of other parties at March 31, 2004. (The Company's approximate average net interest in physical gas sales is 80%.)

<TABLE>  
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Contract Period	Volume - MMBTU / day	Average Price / MMBtu
<S>	<C>	<C>
April-Oct 2004	20,000	\$ 4.68
Calendar 2004	30,000	\$ 4.22
Calendar 2005	35,000	\$ 4.17
Calendar 2006	10,000	\$ 4.00

</TABLE>

The above contracts represent approximately 50% of the Company's currently forecasted gas production for calendar 2004, 24% for calendar 2005 and 7% for calendar 2006.

ITEM 4 - CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures. The Company's management,

including the Company's principal executive officer and principal financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15(d)-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, the Company's principal executive officer and principal financial officer have concluded that the disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q.

(b) Changes in Internal Controls. There were no changes in the Company's internal control over financial reporting that occurred during the Company's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.



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PART 2 - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is currently involved in various routine disputes and allegations incidental to its business operations. While it is not possible to determine the ultimate disposition of these matters, the Company believes that the resolution of all such pending or threatened litigation is not likely to have a material adverse effect on the Company's financial position, or results of operations.

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF THE SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act

31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act

32.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

32.2 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act

(b) Reports on Form 8-K

The Company filed a current report on Form 8-K dated March 25, 2004 disclosing the voluntary delisting from the Toronto Stock Exchange ("TSX") effective March 31, 2004.

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 thereunto duly authorized.

ULTRA PETROLEUM CORP.

Date April 30, 2004

By: /s/ Michael D. Watford  
Name: Michael D. Watford  
Title: Chief Executive Officer

By: /s/ F. Fox Benton III  
Name: F. Fox Benton III  
Title: Chief Executive Officer



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INDEX TO EXHIBITS

- 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act
  - 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act
  - 32.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act
  - 32.2 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act
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Exhibit 31.1

CERTIFICATION

I, Michael D. Watford, Chief Executive Officer and President of Ultra Petroleum Corp. certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ultra Petroleum Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 30, 2004

By: /s/ Michael D. Watford

-----  
Michael D. Watford  
Chairman, CEO and President

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Exhibit 31.2

CERTIFICATION

I, F. Fox Benton III, Chief Financial Officer of Ultra Petroleum Corp. certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ultra Petroleum Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 30, 2004

By: F. Fox Benton III  
-----  
F. Fox Benton III  
CFO

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Exhibit 32.1

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ultra Petroleum Corp. (the "Company") on Form 10-Q for the period ended March 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael D. Watford, Chairman, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2004

By: /s/ Michael D. Watford

-----  
Michael D. Watford  
Chairman, Chief Executive Officer  
and President

This certification is being furnished solely for purposes of compliance with 18 U.S.C. Section 1350 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.

A signed original of this written statement required by Section 906 has been provided to Ultra Petroleum Corp. and will be retained by Ultra Petroleum Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

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Exhibit 32.2

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ultra Petroleum Corp. (the "Company") on Form 10-Q for the period ended March 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, F. Fox Benton III, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2004

By: F. Fox Benton III

-----  
F. Fox Benton  
Chief Financial Officer

This certification is being furnished solely for purposes of compliance with 18 U.S.C. Section 1350 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.

A signed original of this written statement required by Section 906 has been provided to Ultra Petroleum Corp. and will be retained by Ultra Petroleum Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

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