
**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 and Exchange Act of 1934

Date of Report (Date of earliest event Reported): May 10, 2018 (May 10, 2018)

ULTRA PETROLEUM CORP.

(Exact name of registrant as specified in its charter)

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

**400 North Sam Houston Parkway East,
Suite 1200, Houston, Texas**
(Address of principal executive offices)

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

77060
(Zip code)

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

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 Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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.

Item 2.02. Results of Operations and Financial Condition.

On May 10, 2018, Ultra Petroleum Corp. (the “Company”) issued a press release reporting the Company’s financial and operating results for the quarter ended March 31, 2018. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in this Item 2.02 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

On May 10, 2018, the Company issued a press release, announcing, among other things, its updated 2018 guidance. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On May 10, 2018, the Company posted to its website a presentation entitled “1Q18 Earnings Conference Call.” The presentation includes, among other things, year-to-date highlights, first quarter results, an update to the hedging program, and an update to the 2018 capital plan and guidance. The presentation may be accessed by going to the Company’s website <http://www.ultrapetroleum.com> and selecting “Investors” and “Events & Presentations”.

The information contained in this Item 7.01 shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Cautionary Note Regarding Forward-Looking Statements

This Current Report on Form 8-K, including the exhibit hereto, include “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Any statement, including any opinions, forecasts, projections or other statements, other than statements of historical fact, are or may be forward-looking statements. Although the Company believes the expectations reflected in any forward-looking statements herein are reasonable, the Company can give no assurance that such expectations will prove to have been correct and actual results may differ materially from those projected or reflected in such statements. Certain risks and uncertainties inherent in the Company’s business as well as risks and uncertainties related to its operational and financial results are set forth in its filings with the Securities and Exchange Commission (“SEC”), particularly in the section entitled “Risk Factors” included in the Company’s most recent Annual Report on Form 10-K for the most recent fiscal year, its most recent Quarterly Reports on Form 10-Q, and from time to time in other filings made by the Company with the SEC. Some of these risks and uncertainties include, but are not limited to, increased competition, the timing and extent of changes in prices for oil and gas, particularly in the areas where the Company owns properties, conducts operations, and markets its production, as well as the timing and extent of the Company’s success in discovering, developing, producing and estimating oil and gas reserves, weather and government regulation, and the availability of oil field services, personnel and equipment. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Current Report on Form 8-K. All forward-looking statements in this Current Report on Form 8-K are qualified in their entirety by these cautionary statements. Except as required by law, the Company undertakes no obligation and does not intend to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Press Release dated May 10, 2018. |

SIGNATURE

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.

ULTRA PETROLEUM CORP.

Date: May 10, 2018

By: /s/ Sandi Kraemer
Sandi Kraemer
Assistant Corporate Secretary



Ultra Petroleum Corp.

NEWS RELEASE

FOR IMMEDIATE RELEASE

ULTRA PETROLEUM ANNOUNCES FIRST QUARTER 2018 RESULTS, PROVIDES UPDATE ON HORIZONTAL PROGRAM & DEVELOPMENT PLAN

Ultra Petroleum Raises Production Guidance; Reaffirms Capex Guidance

HOUSTON, Texas – May 10, 2018 – Ultra Petroleum Corp. (NASDAQ: UPL) announces financial and operating results for the quarter ended March 31, 2018.

Financial and Operating Highlights:

- First quarter production of 72.3 Bcfe increased 13% compared to first quarter 2017, beating mid-point of guidance,
- Reduced operated rig fleet from 7 rigs to 4; all of which are equipped for horizontal development,
- Accelerated horizontal well activity while decreasing well costs; now targeting 25-30 horizontal wells for 2018:
 - WB 9-23 A-2H online in Feb: IP= 54.5 MMcfe/d (873 Bopd, 10% oil)
 - WB 9-23 A-3H online in Apr: IP= 11.7 MMcfe/d (146 Bopd, 7% oil)
 - WB 8-25 A-1H online in Apr: IP= 28.5 MMcfe/d (441 Bopd, 9% oil)
 - 3-well Average IP: IP= 31.6 MMcfe/d(47% greater than budget case)
 - 3-well Average cost: \$8.6 million (4% below budget case)
 - 5 additional horizontal wells currently completing or in flowback
- Vertical IP rates increasing: first quarter 2018 average IP = 7.7 MMcfe/d,
- Continued to increase hedges for 2018 and 2019:
 - 2Q – 4Q 2018:197.3 Bcf (HH); 117.9 Bcf (Basis); 1.8 MMBbls (Oil)
 - Calendar 2019:125.5 Bcf (HH); 51.9 Bcf (Basis); 1.5 MMBbls (Oil)
- Completed semi-annual borrowing base redetermination under the revolving credit facility with the borrowing base reaffirmed at \$1.4 billion,
- Obtained covenant amendment from lenders that increases the maximum net leverage ratio from 4.0x to 4.5x, and
- Additional financial and operating highlights can be found in the new investor presentation posted at www.ultrapetroleum.com.

First Quarter 2018 Financial Results

During the first quarter of 2018, total revenues increased 2% to \$225.4 million as compared to \$221.0 million during the first quarter of 2017. The Company's production of natural gas and oil was 72.3 billion cubic feet equivalent (Bcfe), an increase of 13% over the first quarter of 2017, with 68.2 billion cubic feet (Bcf) of natural gas and 677.8 thousand barrels (MBbls) of oil and condensate.

During the first quarter of 2018, Ultra Petroleum's average realized natural gas price was \$2.68 per thousand cubic feet (Mcf), which includes realized gains on commodity hedges. Excluding the realized gains from commodity derivatives, the Company's average price for natural gas was \$2.66 per Mcf, compared to \$3.15 per Mcf for the first quarter of 2017. The Company's average realized oil and condensate price was \$60.36 per barrel (Bbl), which includes realized gains on commodity hedges, for the quarter ended March 31, 2018. Excluding the realized gains from oil commodity derivatives, the Company's average price for oil was \$60.90 per Bbl as compared to \$47.29 per Bbl for the same period in 2017.

Ultra Petroleum's reported net income was \$47.5 million, or \$0.24 per diluted share. Ultra reported adjusted net income⁽²⁾ of \$55.3 million, or \$0.28 per diluted share for the quarter ended March 31, 2018.

Pinedale Horizontal Program

| | WB 9-23 A-1H | WB 9-23 A-2H | WB 8-25 A-1H | WB 9-23 A-3H |
|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Lateral Length | 10,400' | 11,000' | 9,900' | 10,900' |
| Lateral Net to Gross | 78% | 82% | 54% | 47% |
| Lateral Net Sand | 8,112' | 9,020' | 5,346' | 5,123' |
| Completion Stages | 49 | 49 | 35 | 33 |
| DC&E costs, \$millions | \$ 10.0 | \$ 9.0 | \$ 8.3 | \$ 8.4 |
| 1st Production Month | Nov 17 | Feb 18 | Apr 18 | Apr 18 |
| IP 24-hour Mmcfe/d | 51 | 54.5 | 28.5 | 11.7 |
| Initial Oil Rate, Bopd | 705 | 873 | 441 | 146 |
| % oil | 8% | 10% | 9% | 7% |

"Based on encouraging early results, we have significantly ramped up horizontal well development and now plan to drill 25-30 horizontal wells this year while maintaining our \$400 million capital expenditure guidance. We believe, on average, the horizontal program can provide strong economic returns at, or even materially below, current strip pricing," said Brad Johnson, Interim Chief Executive Officer.

Pinedale Vertical Program

During the first quarter, the Company and its partners brought online 48 gross (35.9 net) vertical wells in Pinedale. The average initial production (IP) rate for new operated vertical wells brought online in the first quarter of 2018 was 7.7 million cubic feet equivalent (MMcfe) per day.

Unless pricing improves, the Company plans to devote a significant amount of its remaining capital spending for 2018 to drilling horizontal wells, which provide superior economic returns to vertical wells.

“As we transition our Pinedale field development from the legacy vertical well program to our new best-in-class horizontal well opportunity, the reaffirmation of our borrowing base and leverage covenant amendment provides the flexibility to manage the business in a disciplined fashion while maintaining compliance with all debt covenants. With liquidity in excess of \$400 million, cash flow positive assets and an inside maturity nearly four years away, Ultra is well positioned to continue executing its long-term business plan to maximize shareholder value,” added Brad Johnson.

Hedging Activity

Ultra Petroleum has continued to increase its hedging position since its last update provided on February 28, 2018. The purpose of these hedges is to provide a more certain and visible cash flow stream to ensure compliance with debt covenants if gas pricing were to materially weaken from current strip pricing over the next two years. The table below provides a summary of the hedges in place as of May 8, 2018:

| NYMEX | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Natural Gas Swaps: | | | | | | | |
| Volume (MMBtu/d) | 770,000 | 770,000 | 763,370 | 820,000 | 220,000 | 220,000 | 220,000 |
| \$/MMBtu | \$ 2.88 | \$ 2.88 | \$ 2.90 | \$ 2.94 | \$ 2.79 | \$ 2.79 | \$ 2.79 |
| Oil Swaps: | | | | | | | |
| Volume (Bbl/d) | 6,467 | 6,500 | 6,500 | 6,000 | 6,000 | 4,000 | 3,000 |
| \$/Bbl | \$ 60.59 | \$ 60.61 | \$ 60.45 | \$ 58.46 | \$ 59.16 | \$ 58.59 | \$ 59.23 |
| Basis Swap Contracts: | | | | | | | |
| NW Rockies basis swap volume (MMBtu/d) ^(a) - financial | 353,846 | 400,000 | 304,348 | 270,000 | 120,000 | 120,000 | 120,000 |
| NW Rockies basis swap volume (MMBtu/d) ^(a) - physical | 170,000 | 170,000 | 57,283 | — | — | — | — |
| Price differential (\$/MMBtu) | \$ (0.67) | \$ (0.68) | \$ (0.70) | \$ (0.73) | \$ (0.77) | \$ (0.77) | \$ (0.77) |

(a) Represents swap contracts that fix the basis differentials for gas sold at or near Opal, Wyoming and the value of natural gas established on the last trading day of the month by the NYMEX for natural gas swaps for the respective period.

2018 Guidance

In 2018, the Company is focused on capital efficiency, cash flow visibility, and accelerating the horizontal program, while producing free cash flow.

Production: Ultra is increasing its 2018 annual production guidance to 285-295 Bcfe. In the second quarter, the average daily production rate is expected to range between 780-800 MMcf/d, and includes production of 1.1 Bcfe from the Utah assets. With less capital allocated to vertical drilling than originally planned, second quarter volumes are forecasted to decline slightly, with production from horizontal wells providing growth later in the year.

Expenses: The following table presents the Company's expected per unit of production expenses for the second quarter of 2018. Production tax guidance assumes a \$2.75 per MMBtu Henry Hub natural gas price and a \$68.00 per Bbl NYMEX crude oil price:

| Costs Per Mcfe | 2Q 2018 | |
|---------------------------------|---------|-------------|
| Lease operating expenses | \$ | 0.30 – 0.34 |
| Facility lease expense | \$ | 0.08 – 0.09 |
| Production taxes | \$ | 0.27 – 0.29 |
| Gathering fees, net | \$ | 0.27 – 0.32 |
| Transportation charges | \$ | 0.00 – 0.00 |
| Depletion and depreciation | \$ | 0.67 – 0.70 |
| General and administrative-cash | \$ | 0.01 – 0.03 |
| Interest expense | \$ | 0.51 – 0.53 |
| Total costs per Mcfe | \$ | 2.11 – 2.30 |

Income Tax: The Company does not expect any tax expense during 2018.

Headquarters to be Relocated to Englewood, Colorado

Later this year, the Company plans to relocate its headquarters from Houston, Texas to Englewood, Colorado with an expected effective date of and closure of the Houston office as of September 30, 2018. “Our office in the Denver area has long served as the hub for our operations, with over 65 employees. Consolidating our Houston and Denver activities into one office provides enhanced focus and cost savings as we pursue increased shareholder value,” said Brad Johnson.

“On behalf of the Board of Directors, we want to thank all of our Houston-based employees for their many contributions to Ultra. Garland Shaw, our Chief Financial Officer, and Garrett Smith, our General Counsel, will not be relocating to Colorado, but we expect them to remain with the Company in the coming months to help manage this transition as we embark on a search for a new CFO and a new General Counsel,” said Evan Lederman, Chairman of the Board.

Conference Call Webcast Scheduled for May 10, 2018

Ultra Petroleum’s first quarter 2018 results conference call will be available via webcast at 11:00 a.m. Eastern Daylight Time (10:00 a.m. Central Daylight Time) Thursday, May 10, 2018. To listen to this webcast, log on to www.ultrapetroleum.com and follow the link to the webcast. The webcast replay will be archived on Ultra Petroleum’s website.

Upcoming Conference Schedule

Barclays High Yield Bond and Syndicated Loan Conference
May 21 – May 23, 2018, Colorado Springs, CO

BAML 2018 Credit Conference
June 6 – June 7, 2018, New York, NY

2018 Stifel Cross Sector Insight Conference
June 11 – June 13, 2018, Boston, MA

JP Morgan Energy Equity Investor Conference
June 18 – June 20, 2018, New York, NY

Financial tables to follow.

Ultra Petroleum Corp.
Consolidated Statements of Operations (unaudited)
All amounts expressed in US\$000's, except per unit data

| | For the Three Months Ended March 31, | |
|---|---|--------------------|
| | 2018 | 2017 |
| Volumes: | | |
| Natural gas (Mcf) | 68,233,865 | 59,989,420 |
| Oil and condensate (Bbls) | 677,843 | 662,897 |
| Mcf - Total | <u>72,300,923</u> | <u>63,966,802</u> |
| Revenues: | | |
| Natural gas sales | \$ 181,462 | \$ 188,851 |
| Oil sales | 41,284 | 31,348 |
| Other revenue | 2,628 | 759 |
| Total operating revenues | <u>225,374</u> | <u>220,958</u> |
| Expenses: | | |
| Lease operating expenses | 21,764 | 23,136 |
| Facility lease expense | 6,156 | 5,226 |
| Production taxes | 23,270 | 22,132 |
| Gathering fees | 23,055 | 20,929 |
| Total lease operating costs | <u>74,245</u> | <u>71,423</u> |
| Depletion and depreciation | 50,540 | 31,753 |
| General and administrative | 12,688 | 1,051 |
| Total operating expenses | <u>137,473</u> | <u>104,227</u> |
| Other (expense) income, net | (245) | (147) |
| Contract settlement expense | — | (52,707) |
| Interest expense | (35,837) | (85,447) |
| Deferred gain on sale of liquids gathering system | 2,638 | 2,638 |
| Realized gain on commodity derivatives | 1,076 | — |
| Unrealized loss on commodity derivatives | (7,606) | (13,218) |
| Total other (expense) income, net | <u>(39,974)</u> | <u>(148,881)</u> |
| Reorganization items, net | — | (57,546) |
| Income (loss) before income taxes | 47,927 | (89,696) |
| Income tax provision | 434 | 2 |
| Net income (loss) | \$ 47,493 | \$ (89,698) |
| Adjusted Net Income Reconciliation: | | |
| Net income (loss) | \$ 47,493 | \$ (89,698) |
| Reorganization items, net | — | 57,546 |
| Postpetition interest expense | — | 85,338 |
| Contract settlement expense | — | 52,707 |
| Unrealized loss on commodity derivatives | 7,606 | 13,218 |
| Other | 213 | 203 |
| Adjusted net income (2) | \$ 55,312 | \$ 119,314 |
| Operating cash flow (1) (7)(8) <i>(see non-GAAP reconciliation)</i> | \$ 112,024 | \$ 149,280 |
| Adjusted EBITDA (5) <i>(see non-GAAP reconciliation)</i> | \$ 148,295 | \$ 149,390 |
| Weighted average shares (000's) (9) | | |
| Basic | 196,550 | 80,018 |
| Diluted | 196,550 | 80,018 |
| Earnings (loss) per share | | |
| Net income (loss) - basic | \$ 0.24 | \$ (1.12) |
| Net income (loss)- diluted | \$ 0.24 | \$ (1.12) |

Adjusted earnings per share (2) (9)

| | | | | |
|-------------------------------|----|------|----|------|
| Adjusted net income - basic | \$ | 0.28 | \$ | 1.49 |
| Adjusted net income - diluted | \$ | 0.28 | \$ | 1.49 |

Realized Prices

| | | | | |
|--|----|-------|----|-------|
| Natural gas (\$/Mcf), excluding realized gain on commodity derivatives | \$ | 2.66 | \$ | 3.15 |
| Natural gas (\$/Mcf), including realized gain on commodity derivatives | \$ | 2.68 | \$ | 3.15 |
| Oil liquids (\$/Bbl), excluding realized gain on commodity derivatives | \$ | 60.90 | \$ | 47.29 |
| Oil liquids (\$/Bbl), including realized gain on commodity derivatives | \$ | 60.36 | \$ | 47.29 |

Costs Per Mcfe

| | | | | |
|------------------------------------|----|------|----|------|
| Lease operating expenses | \$ | 0.30 | \$ | 0.36 |
| Facility lease expense | \$ | 0.09 | \$ | 0.08 |
| Production taxes | \$ | 0.32 | \$ | 0.35 |
| Gathering fees (net) | \$ | 0.28 | \$ | 0.33 |
| Depletion and depreciation | \$ | 0.70 | \$ | 0.50 |
| General and administrative - total | \$ | 0.18 | \$ | 0.02 |
| Interest expense (7) | \$ | 0.50 | \$ | — |
| | \$ | 2.37 | \$ | 1.64 |

Adjusted Margins

| | | |
|---|-----|-----|
| Adjusted Net Income Margin (3) | 25% | 54% |
| Adjusted Operating Cash Flow Margin (4)(7)(8) | 50% | 68% |
| Adjusted EBITDA Margin (6) | 66% | 68% |

Ultra Petroleum Corp.
Supplemental Balance Sheet Data
All amounts expressed in US\$000's

| | As of | |
|---|----------------------------------|----------------------|
| | March 31, 2018 (Unaudited) | December 31, 2017 |
| Cash and cash equivalents | \$ 17,782 | \$ 16,631 |
| Outstanding debt | | |
| Term Loan, secured due 2024 | 975,000 | 975,000 |
| 6.875% Senior Notes, unsecured due 2022 | 700,000 | 700,000 |
| 7.125% Senior Notes, unsecured due 2025 | 500,000 | 500,000 |
| Credit Agreement | — | — |
| Long-term debt | \$ 2,175,000 | \$ 2,175,000 |
| Less: Deferred financing costs | (56,485) | (58,789) |
| Total long-term debt | \$ 2,118,515 | \$ 2,116,211 |

Reconciliation of Operating Cash Flow and Net Cash Provided by Operating Activities (unaudited)*All amounts expressed in US\$000's*

The following table reconciles net cash provided by operating activities with operating cash flow as derived from the Company's financial information.

| | For the Three Months Ended March 31, | |
|--|---|-------------------|
| | 2018 | 2017 |
| Net cash provided by operating activities | \$ 151,996 | \$ 171,434 |
| Net changes in operating assets and liabilities and other non-cash or non-recurring items (7)(8) | (39,972) | (22,154) |
| Operating Cash Flow (1) | \$ 112,024 | \$ 149,280 |

Reconciliation of Earnings before Interest, Taxes, Depletion and Amortization (unaudited)**All amounts expressed in US\$000's**

The following table reconciles net income (loss) as derived from the Company's financial information with earnings before interest, taxes, depletion, and amortization and certain other non-recurring or non-cash charges (Adjusted EBITDA)(5):

| | For the Three Months Ended | |
|---|----------------------------|--------------------|
| | March 31, | |
| | 2018 | 2017 |
| Net income (loss) | \$ 47,493 | \$ (89,698) |
| Interest expense | 35,837 | 85,447 |
| Depletion and depreciation | 50,540 | 31,753 |
| Reorganization items, net | — | 57,546 |
| Contract settlement expense | — | 52,707 |
| Unrealized loss on commodity derivatives | 7,606 | 13,218 |
| Deferred gain on sale of liquids gathering system | (2,638) | (2,638) |
| Stock compensation expense | 8,810 | 851 |
| Taxes | 434 | 2 |
| Other | 213 | 202 |
| Adjusted EBITDA (5) | \$ 148,295 | \$ 149,390 |

The Company reports its financial results in accordance with accounting principles generally accepted in the United States of America ("GAAP"). However, management believes certain non-GAAP performance measures may provide users of this financial information with additional meaningful comparisons between current results and the results of the Company's peers and of prior periods.

Management presents the following measures because (i) they are consistent with the manner in which the Company's performance is measured relative to the performance of its peers, (ii) these measures are more comparable to earnings estimates provided by securities analysts, and (iii) charges or amounts excluded cannot be reasonably estimated and guidance provided by the Company excludes information regarding these types of items. These adjusted amounts are not a measure of financial performance under GAAP.

(1) Operating Cash Flow is defined as Net cash provided by operating activities before changes in operating assets and liabilities and other non-cash items. Management believes that the non-GAAP measure of operating cash flow is useful as an indicator of an oil and gas exploration and production Company's ability to internally fund exploration and development activities and to service or incur additional debt. The Company has also included this information because changes in operating assets and liabilities relate to the timing of cash receipts and disbursements which the Company may not control and may not relate to the period in which the operating activities occurred. Operating cash flow should not be considered in isolation or as a substitute for net cash provided by operating activities prepared in accordance with GAAP.

(2) Adjusted Net Income is defined as Net income adjusted to exclude certain charges or amounts in order to exclude the volatility associated with the effects of non-recurring charges, non-cash mark-to-market gains or losses on commodity derivatives, non-cash ceiling test impairments and other similar items such as post-petition interest which represents interest expense related to the prepetition debt agreements incurred as part of our emergence from chapter 11 proceedings.

(3) Adjusted Net Income Margin is defined as Adjusted Net Income divided by Total operating revenues plus Realized gain (loss) on commodity derivatives, if any.

(4) Adjusted Operating Cash Flow Margin is defined as Operating Cash Flow divided by Total operating revenues plus Realized gain (loss) on commodity derivatives, if any.

(5) Earnings before interest, taxes, depletion and amortization (Adjusted EBITDA) is defined as Net income (loss) adjusted to exclude interest, taxes, depletion and amortization and certain other non-recurring or non-cash charges. Management believes that the non-GAAP measure of Adjusted EBITDA is useful as an indicator of an oil and gas exploration and production Company's ability to internally fund exploration and development activities and to service or incur additional debt. Adjusted EBITDA should not be considered in isolation or as a substitute for net cash provided by operating activities prepared in accordance with GAAP.

(6) Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Total operating revenues plus Realized gain (loss) on commodity derivatives, if any.

(7) For the three months ended March 31, 2017, excludes postpetition interest expense that represents interest for the period beginning April 29, 2016 through March 31, 2017.

(8) For the three months ended March 31, 2017, reorganization items, net and contract settlement expense are considered non-recurring items and are excluded from operating cash flow.

(9) In conjunction with emergence from chapter 11 on April 12, 2017, the Company issued shares of New Equity to holders of Existing Common Shares at a conversion ratio of 0.521562. As a result, the basic and fully diluted share counts have been presented to reflect this conversion as if it had occurred as of January 1, 2017.

About Ultra Petroleum

Ultra Petroleum Corp. is an independent energy company engaged in domestic natural gas and oil exploration, development and production. The Company is listed on NASDAQ and trades under the ticker symbol "UPL".

Additional information on the Company is available at www.ultrapetroleum.com. In addition, our filings with the Securities and Exchange Commission ("SEC") are available by written request to Ultra Petroleum Corp. at 400 N. Sam Houston Parkway E., Suite 1200, Houston, Texas 77060 (Attention: Investor Relations) or on our website (www.ultrapetroleum.com) or from the SEC on their website at www.sec.gov or by telephone request at 1-800-SEC-0330.

This news release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statement, including any opinions, forecasts, projections or other statements, other than statements of historical fact, are or may be forward-looking statements. Although the Company believes the expectations reflected in any forward-looking statements herein are reasonable, we can give no assurance that such expectations will prove to have been correct and actual results may differ materially from those projected or reflected in such statements. Certain risks and uncertainties inherent in our business as well as risks and uncertainties related to our operational and financial results are set forth in our filings with the SEC, particularly in the section entitled "Risk Factors" included in our most recent Annual Report on Form 10-K for the most recent fiscal year, our most recent Quarterly Reports on Form 10-Q, and from time to time in other filings made by the Company with the SEC. Some of these risks and uncertainties include, but are not limited to, increased competition, the timing and extent of changes in prices for oil and gas, particularly in the areas where we own properties, conduct operations, and market our production, as well as the timing and extent of our success in discovering, developing, producing and estimating oil and gas reserves, weather and government regulation, and the availability of oil field services, personnel and equipment.

For further information contact:

Sandi Kraemer

Director, Investor Relations

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Email: skraemer@ultrapetroleum.com