



# Investor Update March 2018

Ultra Petroleum Corp. NASDAQ: UPL

# Forward Looking Statements and Risk Factors

## Forward-Looking Statements and Estimates

This presentation contains “forward-looking statements” within the meaning of the federal securities laws, including statements about our business strategies and plans, plans for future drilling and resource development, prospective levels of capital expenditures and production and operating costs, and estimates of future results. Any statement in this presentation, including any opinions, forecasts, projections or other statements, other than statements of historical fact, are forward-looking statements. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance such expectations are correct, and actual results may differ materially from those projected. In addition, this presentation includes information about our proved reserves. The Securities and Exchange Commission (“SEC”) permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible oil and gas reserves that meet the SEC’s definitions for such terms. This presentation also includes information about oil and gas quantity estimates that are not permitted to be disclosed in SEC filings, including terms or designations such as “estimated ultimate recovery” or “EUR” or “resource” or “resource potential” or other terms bear similar or related descriptions. These types of estimates do not represent and are not intended to represent any category of reserves based on SEC definitions, do not comply with guidelines established by the American Institute of Certified Public Accountants regarding forecasts of oil and gas reserves estimates, are, by their nature, more speculative than estimates of proved, probable and possible reserves disclosed in SEC filings, and, accordingly, are subject to substantially greater uncertainty of being actually realized. Actual volumes or quantities of oil and gas that may be ultimately recovered will likely differ substantially from such estimates. Factors affecting such ultimate recovery include the scope of our actual drilling program, which will be directly affected by the availability of capital, drilling and production costs, commodity prices, availability of drilling services and equipment, lease expirations, transportation constraints, regulatory approvals, field spacing rules, and actual drilling, completion and production results as well as other factors. These estimates may change significantly as the development of properties provides additional data. This presentation also includes estimates of values attributable to the locations on which such oil and gas quantity estimates are based. The estimates of value set forth in this presentation were calculated based on the assumptions and methodologies set forth in this presentation, which differ materially from the assumptions and methodologies oil and gas companies are required to use in calculating PV-10 values of proved reserves disclosed in SEC filings. As a result, the estimates of values included in this presentation do not represent and are not intended to represent the “PV-10” value that would be attributable to such items if such items were calculated based on applicable SEC requirements.

## Risk Factors

Certain risks and uncertainties inherent in our operating businesses as well as certain on-going risks related to our operational and financial results are set forth in our filings with the Securities and Exchange Commission (“SEC”), particularly in the section entitled “Risk Factors” included in our most recently-filed Annual Report on Form 10-K, our most recently-filed Quarterly Reports on Form 10-Q, and from time to time in other filings we make with the SEC. Some of the risk and uncertainties related to our business 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, including from any horizontal wells we drill in the future, the timing and cost of our future production and development activities, our ability to successfully monetize the properties we are marketing, weather and government regulation, and the availability and cost of oil field services, personnel and equipment. Investors are encouraged to review and consider the risk factors set forth in our historical and future SEC filings, as well as any set forth in this presentation, in connection with a review and consideration of this presentation. Our SEC filings are available directly from the company – please send any requests to Ultra Petroleum Corp. at 400 North Sam Houston Parkway East, Suite 1200, Houston, Texas 77060 (Attention: Investor Relations). Our SEC filings are also available from the SEC on their website at [www.sec.gov](http://www.sec.gov) or by telephone request at 1-800-SEC-0330.

# 2018 Full-Year Cash Costs & EBITDA Guidance

Expenses & Cash Costs, \$/Mcf		
	1Q18 <sup>(1)</sup>	FY18
Lease Operating Expense	0.32 – 0.35	0.28 – 0.32
Facility Lease Expense	0.08 – 0.08	0.07 – 0.09
Production Taxes <sup>(2)(3)</sup>	0.32 – 0.34	0.28 – 0.30
Gathering Fees-gross	0.34 – 0.36	0.33 – 0.35
Gathering Fees-net <sup>(4)</sup>	0.26 – 0.28	0.26 – 0.28
Transportation	0.00 – 0.00	0.00 – 0.00
G&A <sup>(5)</sup>	0.03 – 0.06	0.00 – 0.02
DD&A	0.67 – 0.70	0.67 – 0.70
Interest	0.50 – 0.51	0.50 – 0.51
<b>Total Expenses Midpoint</b>	<b>\$2.33</b>	<b>\$2.21</b>

*(with Gross Gathering Fees)*

<b>Cash Costs Midpoint</b>	<b>\$1.06</b>	<b>\$0.95</b>
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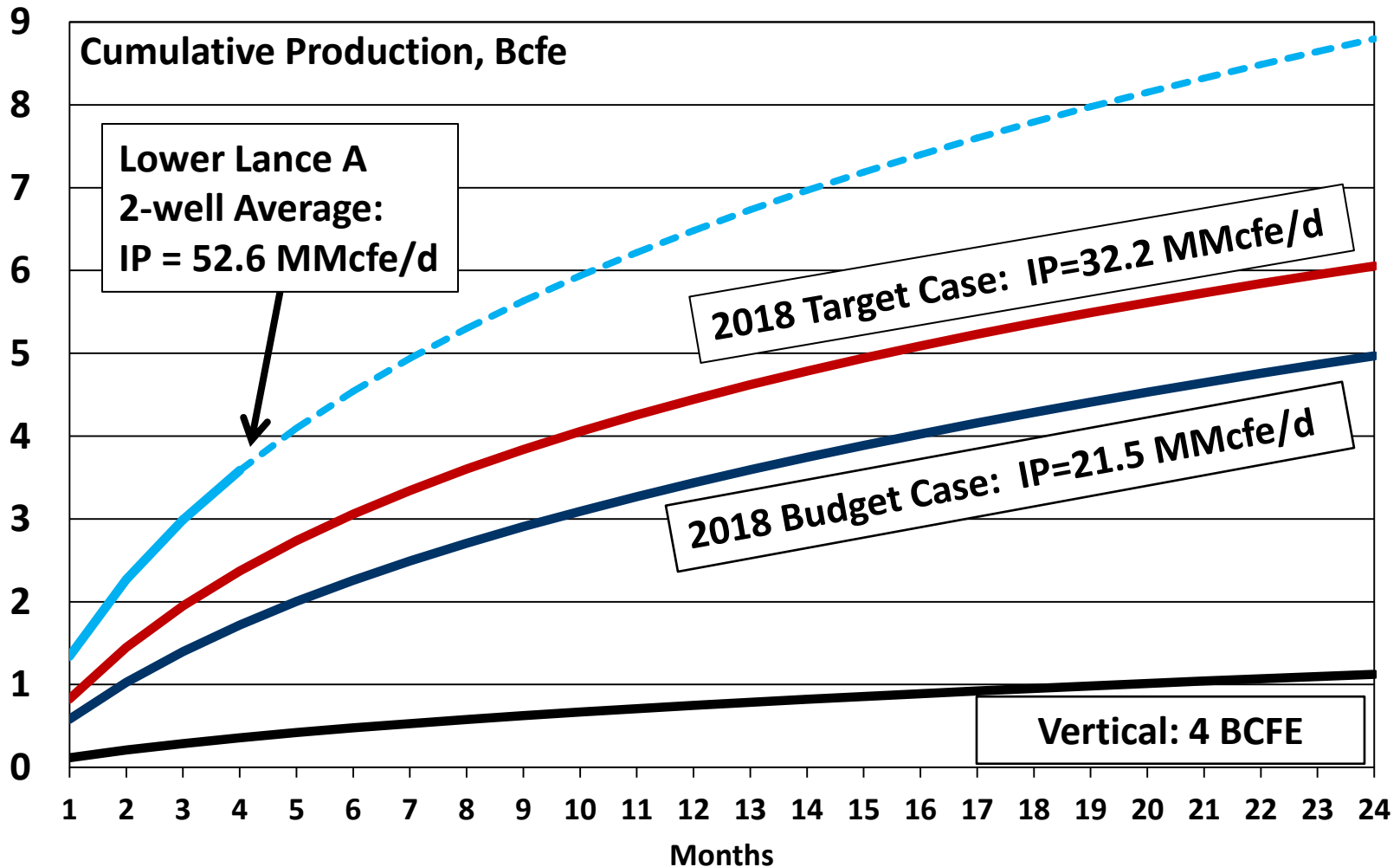
*(with Net Gathering Fees)*

EBITDA Guidance	
	FY18
Revenue, incl. hedges <sup>(6)</sup> , \$/Mcf	\$2.84
<u>Cash Costs, \$/Mcf</u>	<u>(\$0.95)</u>
EBITDA, \$/Mcf	\$1.89
Production Guidance-mid, Bcfe	285
EBITDA, \$million (285*\$1.89)	\$539 million

## Notes:

- (1) 1Q18 includes Utah assets
- (2) 1Q18 Production Taxes @ \$3.00 / \$60.00
- (3) 2Q-4Q18 Prod Taxes @ Feb 20, 2018 strip
- (4) Net Gathering Fees include proceeds from liquids processing
- (5) Cash G&A for FY18 decreases, 1Q18 is higher due to non-recurring 1Q18 expenses
- (6) Full Year Revenue @ Feb 20, 2018 strip with hedges representing 66% of 2018 gas production, 22% of natural gas basis, and 56% of 2018 oil production.

# 2018 Plan: Horizontal Production Profile



# 2018 Initial Look vs. 2018 Guidance

- Reduced capital budget: balancing production growth with free cash flow generation
- Divesting of PA & UT reduces 2018 volumes: -12.5 BCFE
- Vertical capex cut 50% - Horizontal program of \$120 MM is back-end loaded for 2018

