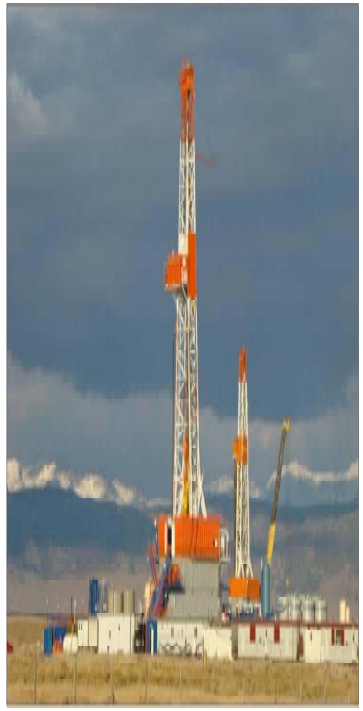
Ultra Petroleum Corp.

Michael D. Watford
Chairman, President and CEO



RBC Global Energy and Power Conference
June 4, 2012

Ultra Petroleum Corp. is an independent exploration and production company focused on developing its long-life natural gas reserves in the Green River Basin of Wyoming – Pinedale and Jonah fields and is in the ongoing exploration and early development stage in the Appalachian Basin of Pennsylvania.

A Unique Energy Company

- Exploration & Production company uniquely focused on profitable growth
  - 31% return on equity for 2011
  - 15% production growth for 2011
- Growing scale of our assets
  - Early development of Wyoming legacy asset
  - Emerging Marcellus opportunity
  - Exploration effort in the Niobrara
- Industry leading cost structure
  - All-in operating costs of $2.88/Mcfe for 2011
  - Drill-bit F&D costs of $1.60/Mcfe for 2011
- Industry leading reserve and production growth
  - 69% 3-yr production growth through 2011
  - Net risked resource potential ~ 20 Tcfe

2011 Results

- Produced 245.3 Bcfe; 15% growth
- $1.5B capital budget
- 4.98 Tcfe proved reserves; 13% growth
- 339% Organic reserve replacement ratio
- Drill-bit F&D cost of $1.60/Mcfe

The Ultra Petroleum Story

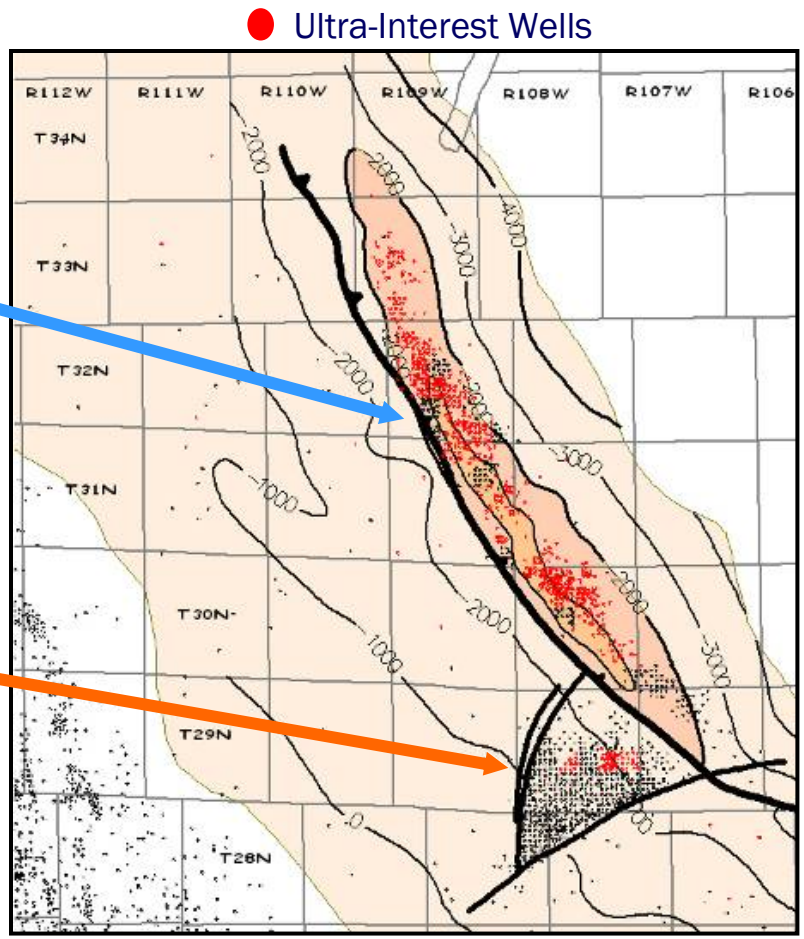
Long-Life, Low-Cost, Lance Tight Gas

Pinedale Field

90 sq. miles
2,000+ wells
~ 1.5 Bcfd
Field OGIP = 58.7 Tcf
Recoverable = 38.2 Tcf

Jonah Field

36 sq. miles
1,760+ wells
~ 0.8 Bcfd
Field OGIP = 15.0 Tcf
Recoverable = 10.5 Tcf

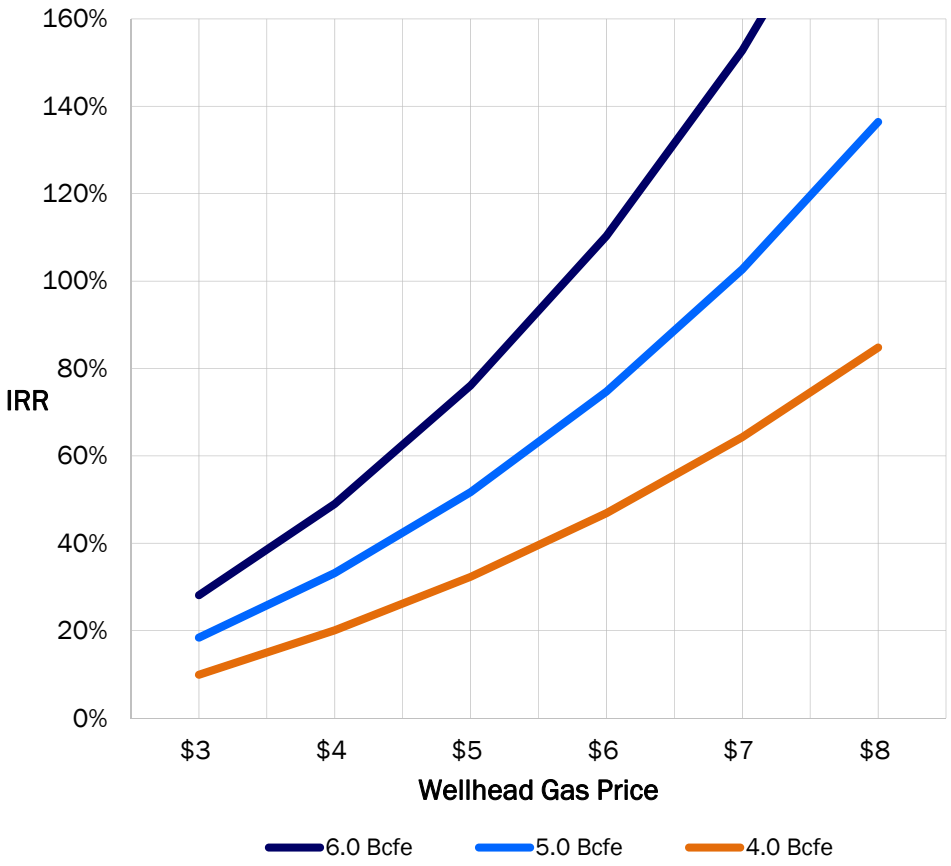


Wyoming Asset Overview

Key Metrics*		
Inventory	Production	Reserves
2,000+ producing wells YE2011 5,000+ future locations < 25% field developed	~ 880 Mmcfe/d gross operated production ~ 559 Mmcfe/d net production	4.3 Tcfe proved 9.7 Tcfe proved + probable 10.2 Tcfe proved + probable + possible

* As of 03/31/2012

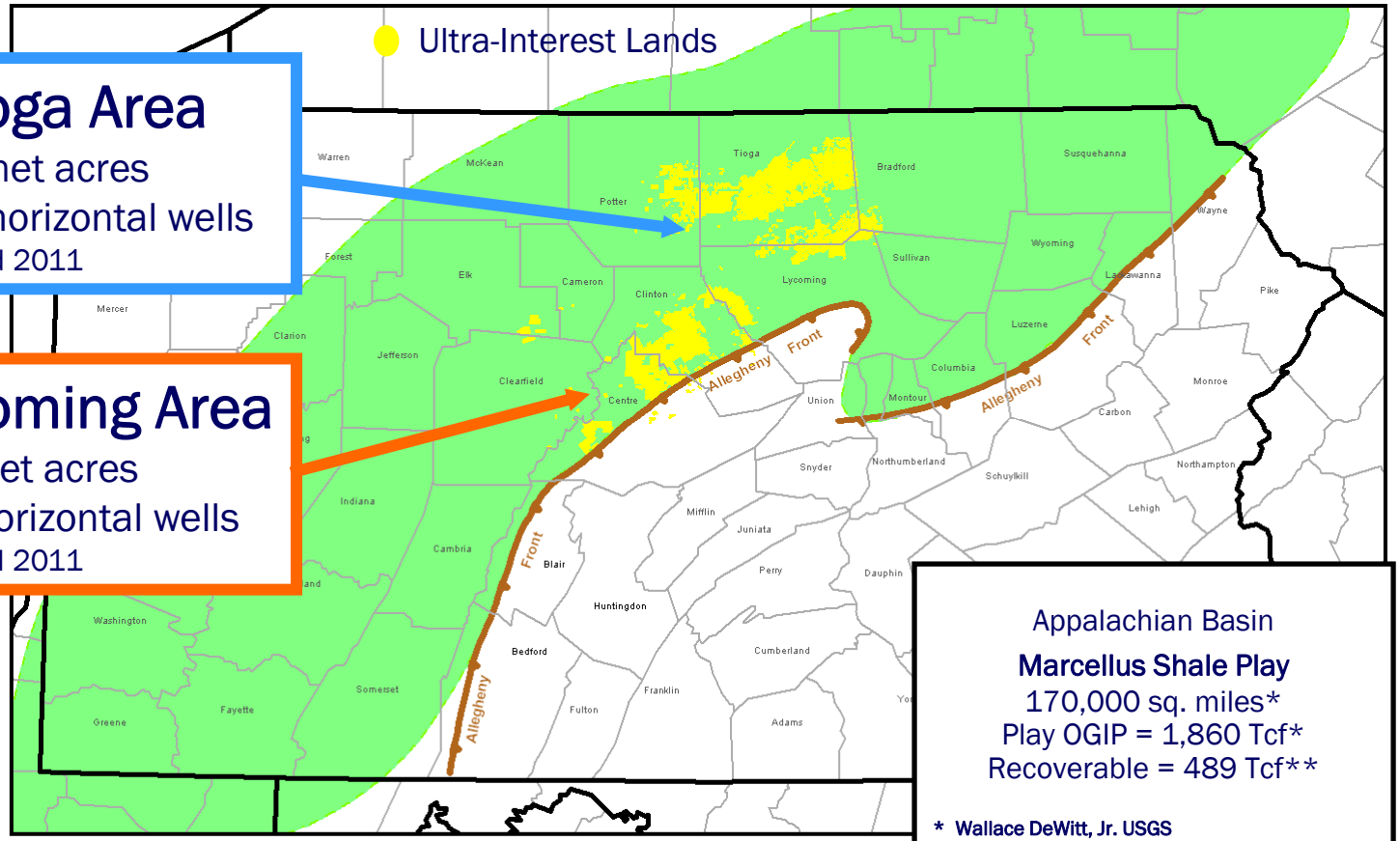
Pinedale's Profitable Well Economics



	4.00 Bcfe	6.00 Bcfe
Vertical Depth	13,500'	13,500'
Well Cost ($MM):	$4.8	$4.8
IRR*:	32%	76%
F&D Cost/Mcfe:	$1.49	$0.99
Payout, months:	40.4	19.2
Reserve Life, yrs:	32	38

* Economics at $5.00/Mcf wellhead price

Emerging Marcellus Shale Gas



Potter-Tioga Area

170,000 net acres
130 producing horizontal wells
Year-end 2011

Clinton-Lycoming Area

90,000 net acres
74 producing horizontal wells
Year-end 2011

Appalachian Basin

Marcellus Shale Play

170,000 sq. miles*
Play OGIP = 1,860 Tcf*
Recoverable = 489 Tcf**

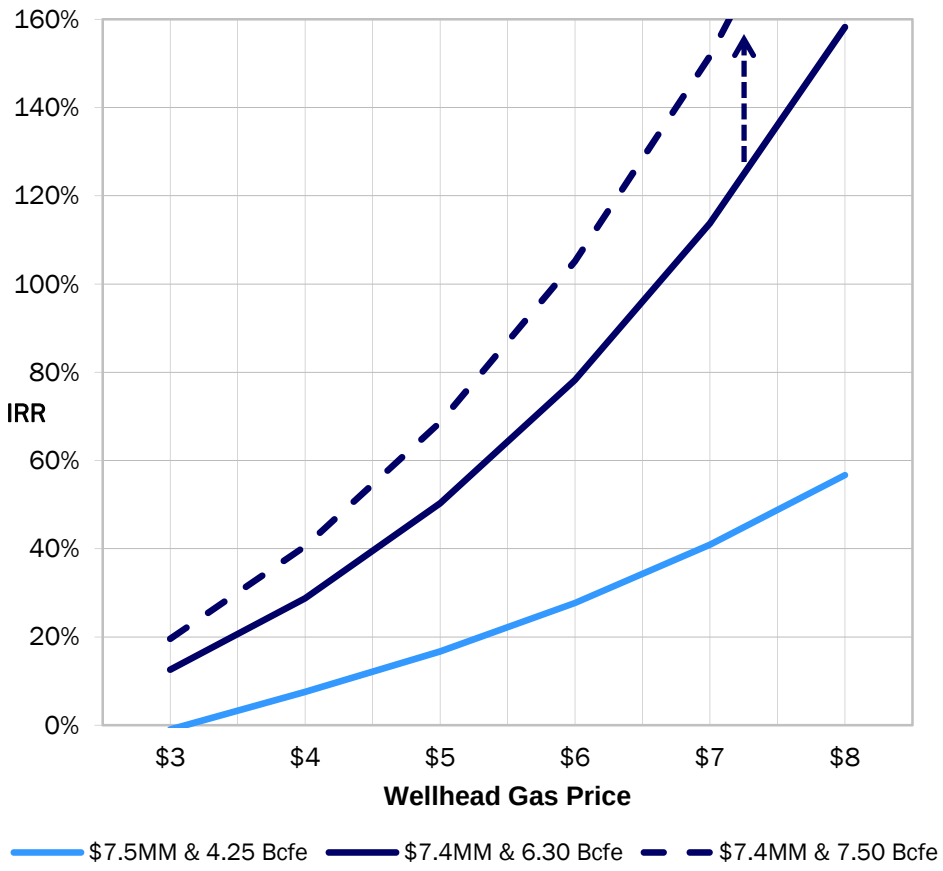
* Wallace DeWitt, Jr. USGS
** Dr. Terry Engelder, PSU, Aug. 2009

Pennsylvania Asset Overview

Key Metrics*		
Inventory	Production	Reserves
204 producing wells YE2011 4,500 future locations < 5% field developed	~ 480 Mmcfe/d gross production ~ 197 Mmcfe/d net production	0.7 Tcfe proved 1.7 Tcfe proved + probable 5.8 Tcfe proved + probable + possible

* As of 03/31/2012

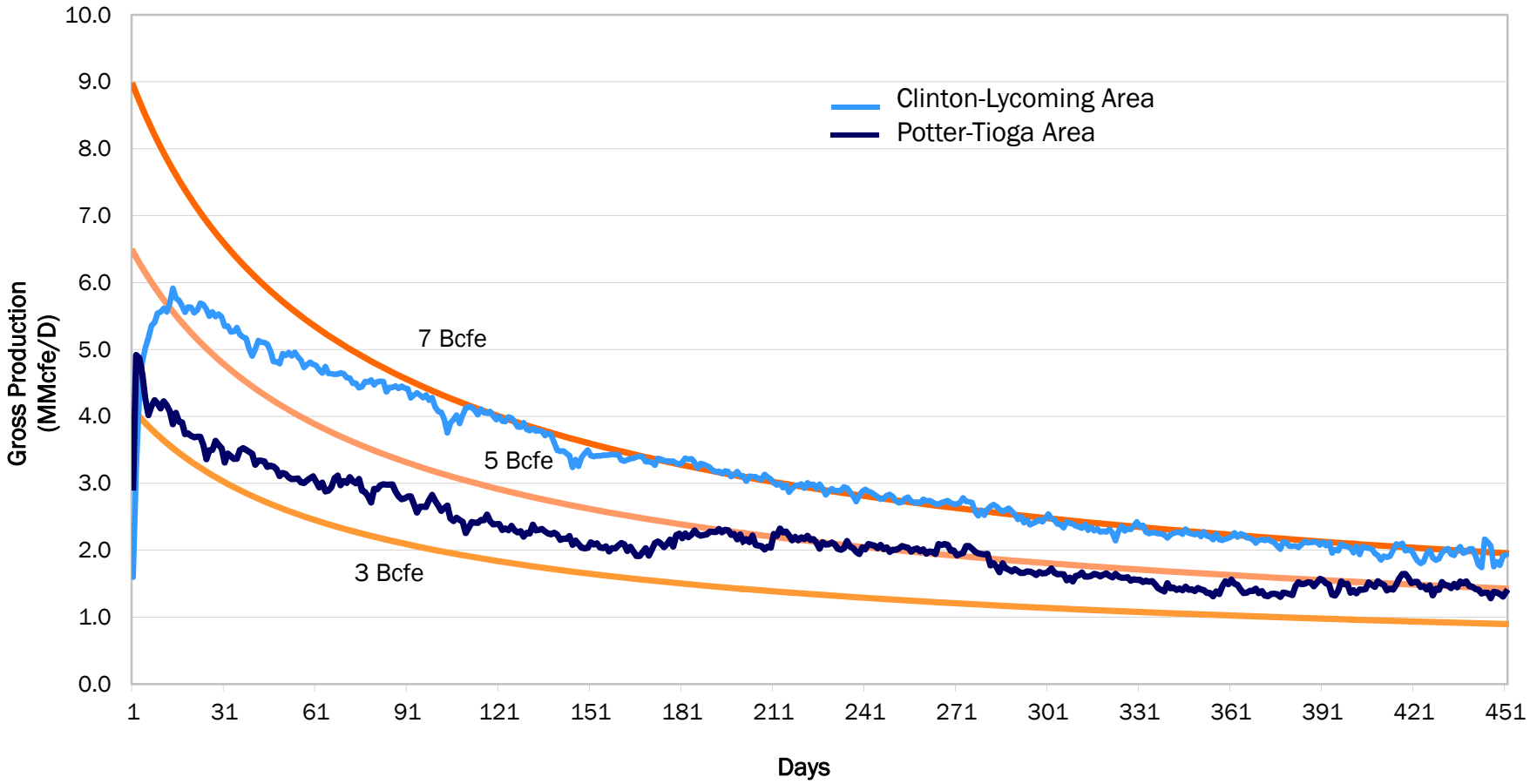
Strong Marcellus Well Economics



	4.25 Bcfe	6.30 Bcfe	7.50 Bcfe
Vertical Depth	5,600'	7,500'	7,500'
Well Cost:	$7.5 MM	$7.4 MM	$7.4 MM
IRR*:	17%	50%	69%
F&D Cost/Mcfe:	$2.08	$1.34	$1.13
Payout, months:	83	25	19
Reserve Life, yrs:	36	42	42

* Economics at $5.00/Mcf wellhead price

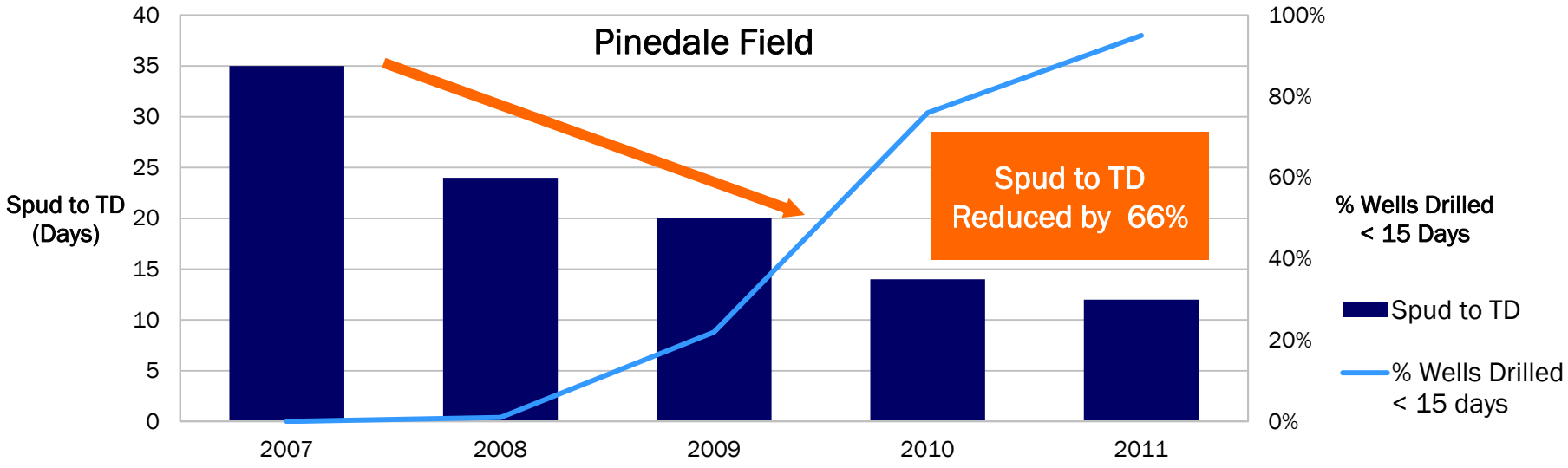
Conservative Type Curve Estimates

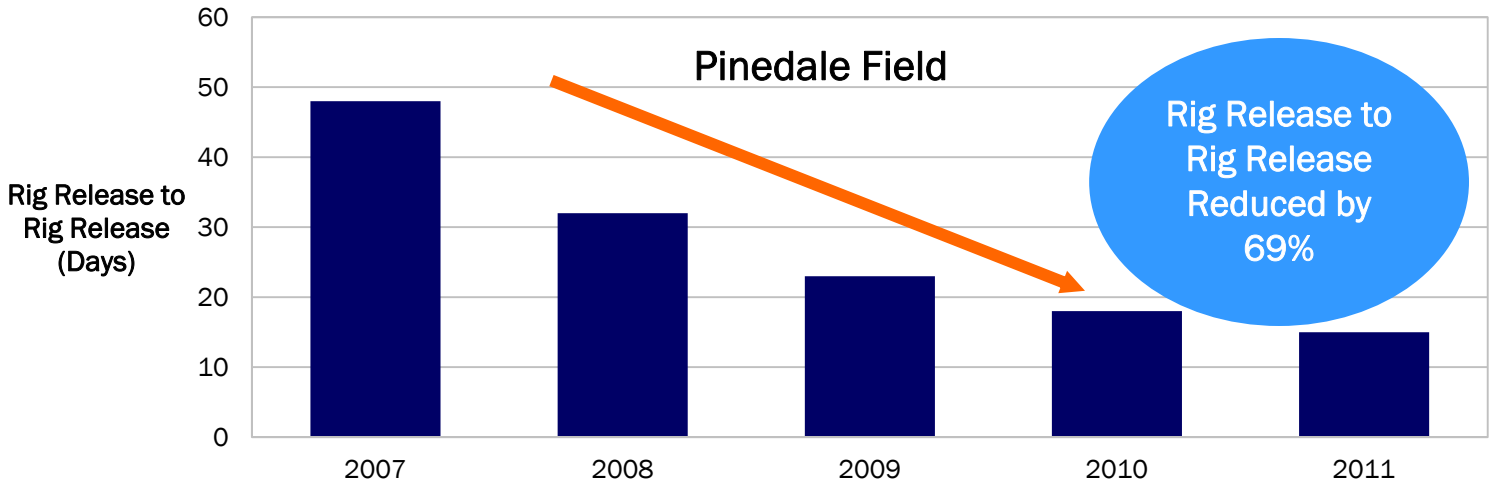


Net Risked Resource Potential

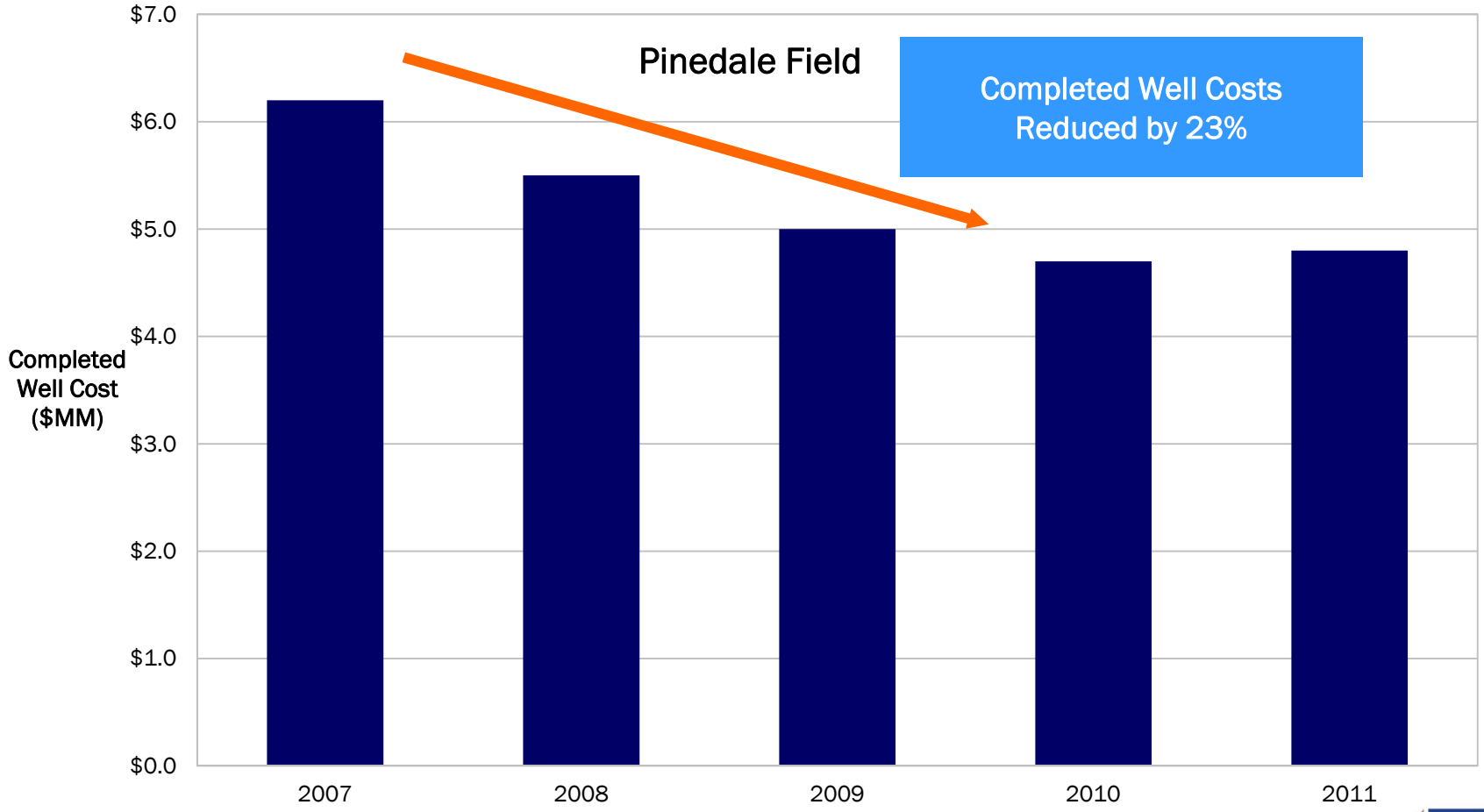
Wyoming Lance 10.2 Tcfe	Pennsylvania Marcellus 9.5 Tcfe	Total Resource 19.7 Tcfe
• 2,900 future net wells • $13,600MM future capital • $1.33/Mcfe F&D cost	• 2,500 future net wells • $17,800MM future capital • $1.88/Mcfe F&D cost	• 5,400 future net wells • $31,400MM future capital • $1.59/Mcfe F&D cost

Improving Operating Efficiencies…



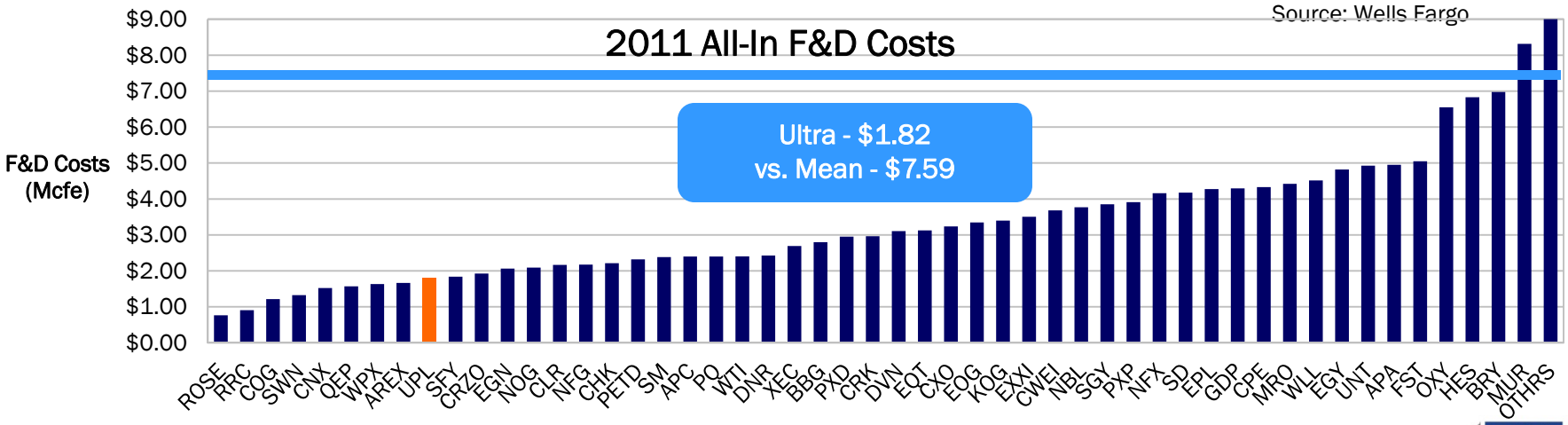


...Leads to Further Cost Reductions



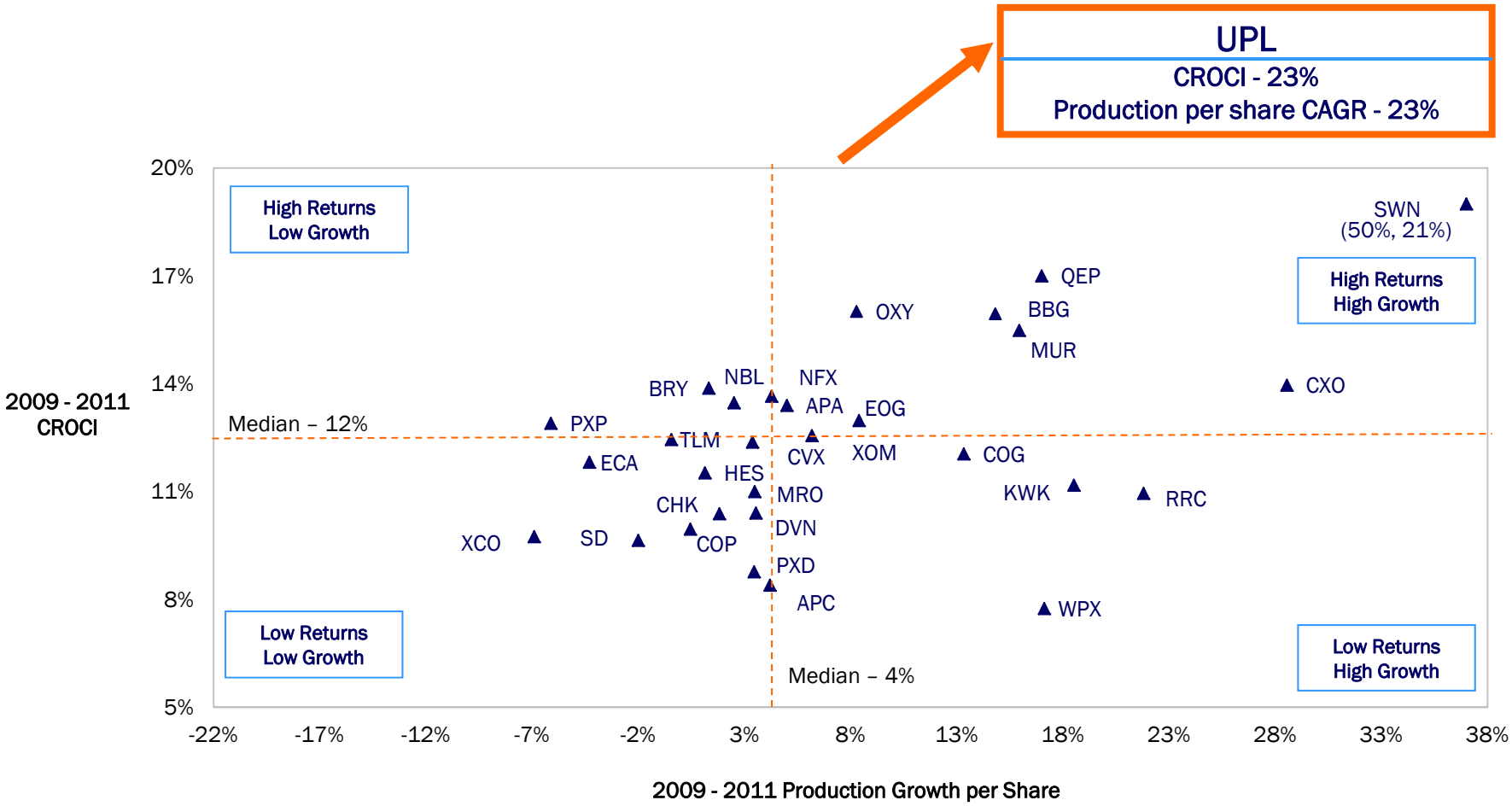
Industry's Low-Cost Operator

Source: Wells Fargo



Source: Howard Weil

Focused on Creating Long-Term Value

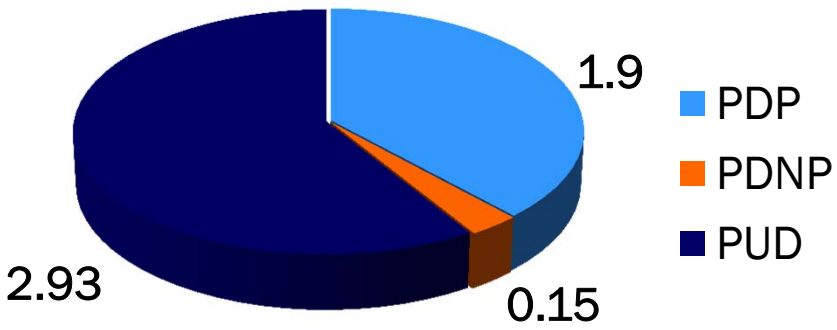


Source: Goldman Sachs

The Ultra Petroleum Story

2011 Proved Reserves

SEC Proved Reserves
4.98 Tcfe



$5.3B PV-10 value
$4.04/Mcf

- PDP increase of 17%
- Drillbit F&D - $1.60 per Mcfe
- 339% reserve replacement
- PUD to 1P location ratio of 0.80:1

2011 Real Reserve Value

Reserve Category	Net Reserves (Bcfe)	$6/Mcf PV-10 $MM	$5/Mcf PV-10 $MM
Proved*	7,260	$11,786	$8,913
Probable	4,115	$3,255	$1,996
2P: (Proved + Probable)	*11,375*	*$15,041*	*$10,909*
Possible	4,675	$3,702	$2,288
3P: (Proved + Probable + Possible)	*16,050*	*$18,743*	*$13,197*

*Includes all technical PUDs

The Ultra Petroleum Story

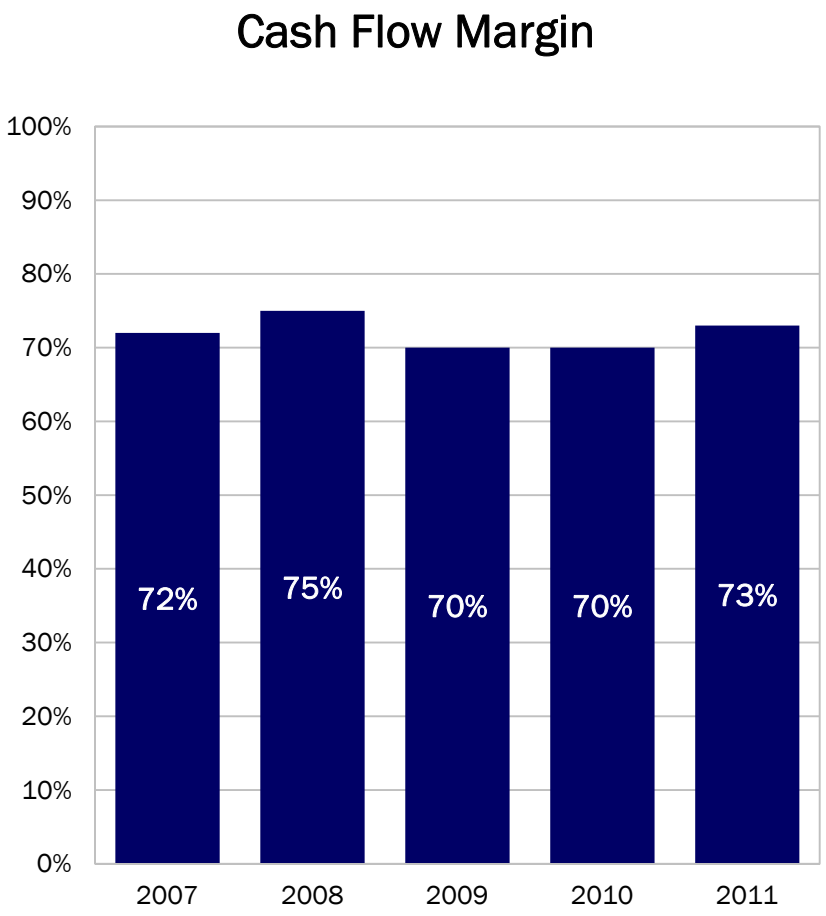
Impressive Performance Record

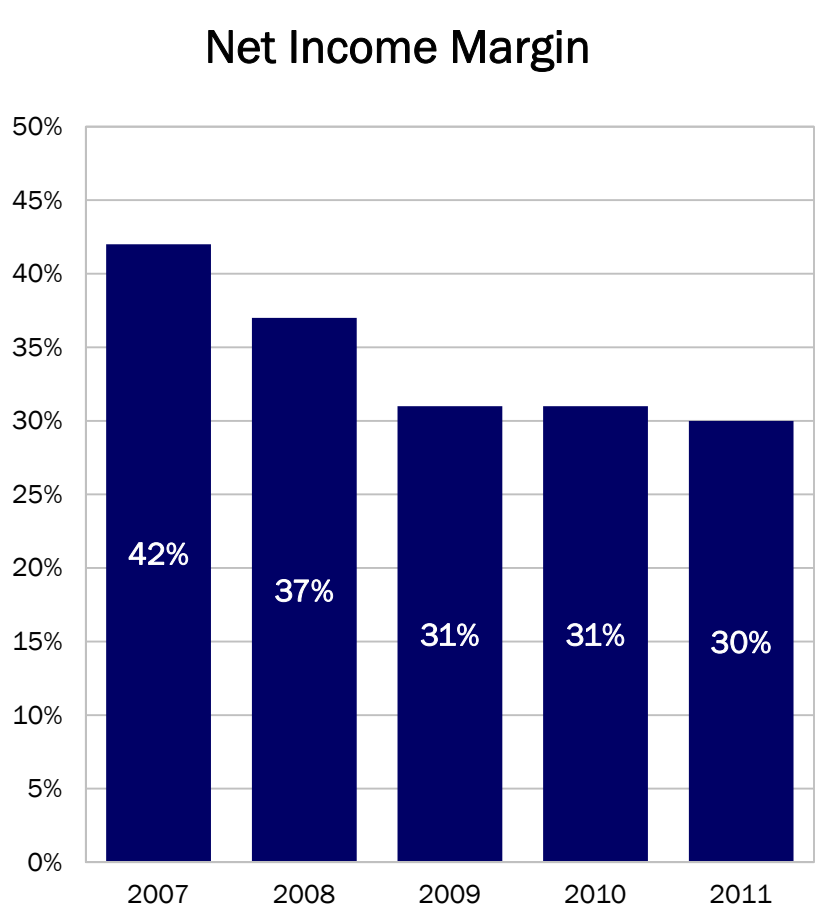
Net Income Breakeven (last 5 years)	Cashflow Breakeven (last 5 years)	ROCE (last 5 years)	ROE (last 5 years)
$2.60 per Mcf Average	$1.13 per Mcf Average	21% Average	36% Average

First Quarter 2012

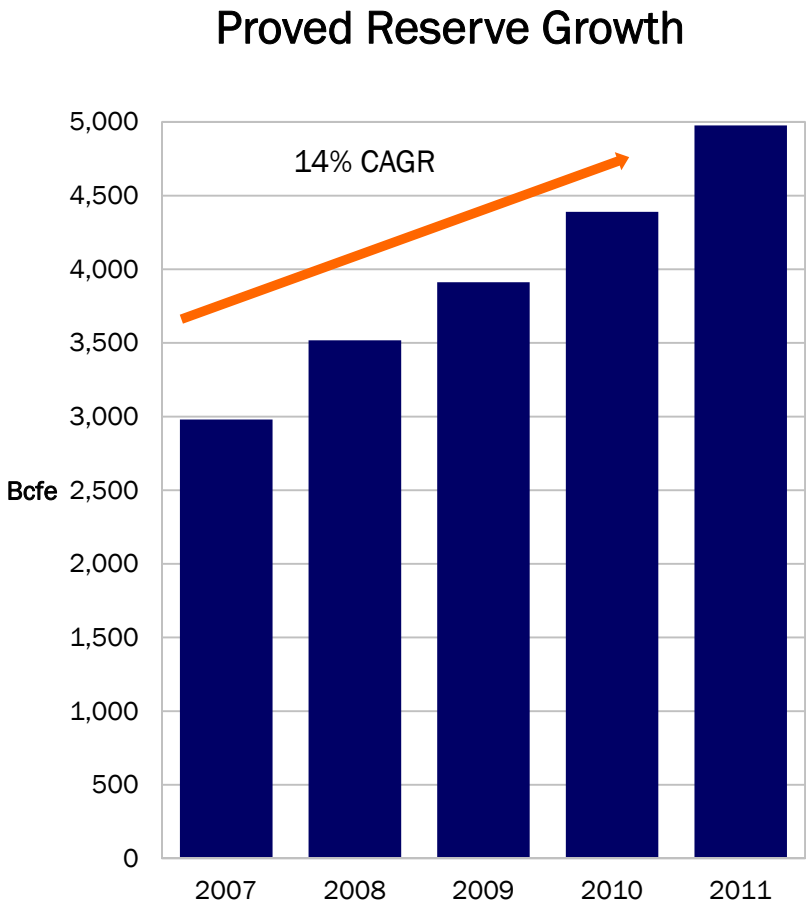
$3.20 per Mcf	$1.30 per Mcf	6%	13%

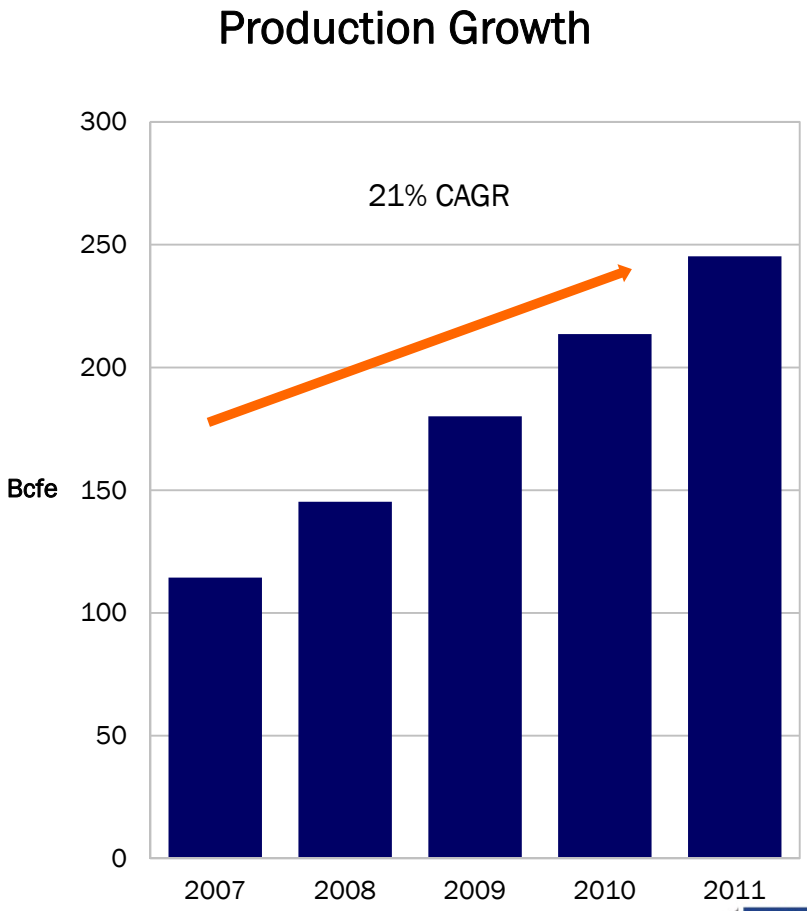
Strong & Stable Margins



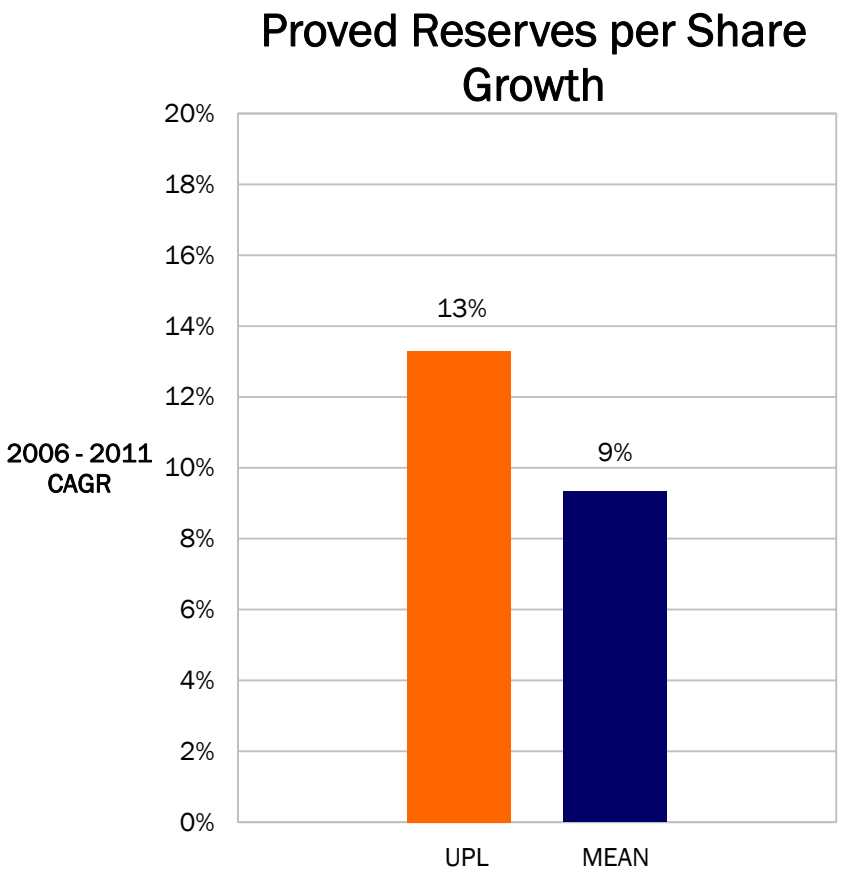


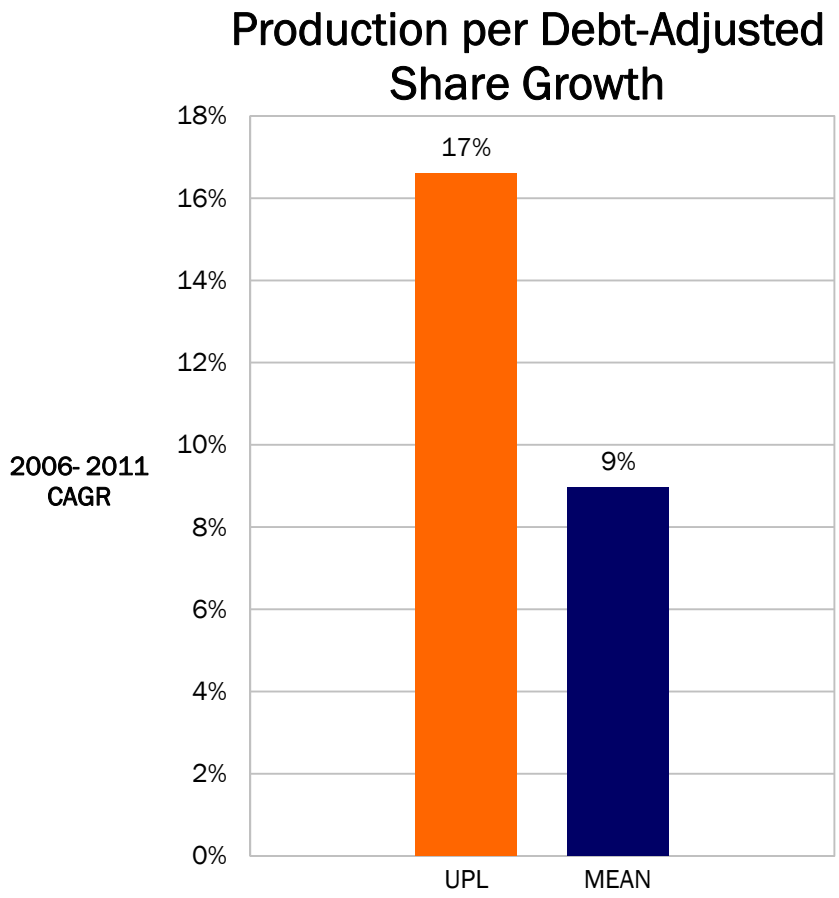
Consistent Absolute Growth…





...And Leaders in Per-Share Growth

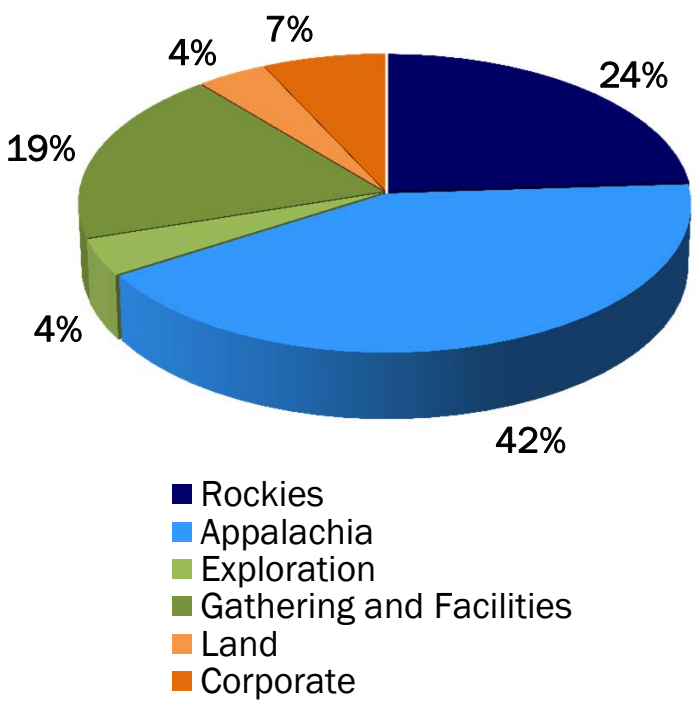




Source: UBS

Outlook for 2012

2012
Capital Investment Program
$825MM



- Target drilling program
  - 113 gross (49 net) Wyoming wells
  - 73 gross (31 net) Pennsylvania wells
  - 8 gross (8 net) Colorado wells
- Production goal 250 – 260 Bcfe
  - 91 gross (34 net) producing Wyoming wells
  - 147 gross (63 net) producing Pennsylvania wells
- Expected net capex $625MM
- Target reserve replacement ratio >125%

Where are We Going?

	2010A	2011A	2012E
Operations			
Realized price ($/Mcf)	$ 4.88	$ 5.05	$ 4.00
Capex ($MM)	$ 1,576	$ 1,514	$ 625*
Production (Bcfe)	214	245	255
Income Statement ($MM)			
EBITDA	$ 818	$ 1,034	$ 840
Balance Sheet ($MM)			
Ending debt balance	$ 1,560	$ 1,903	$ 2,100

* Net of expected asset sale

The Ultra Petroleum Story

High asset quality
- Highly concentrated asset
- Domestic, onshore natural gas
- Lowest all-in unit costs

+

Robust investment portfolio
- 5,400 future net drilling locations
- 20+ years inventory
- High rate-of-return projects

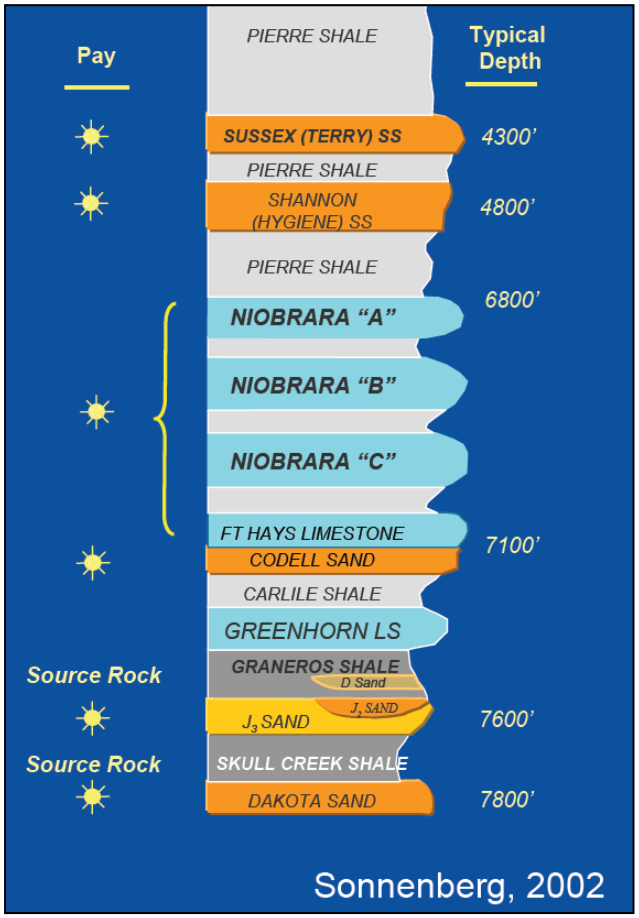
+

Profitable growth strategy
- 69% production growth over 3 years
- Low net income and cash flow breakeven costs = high margins
- Delivering meaningful returns to shareholders

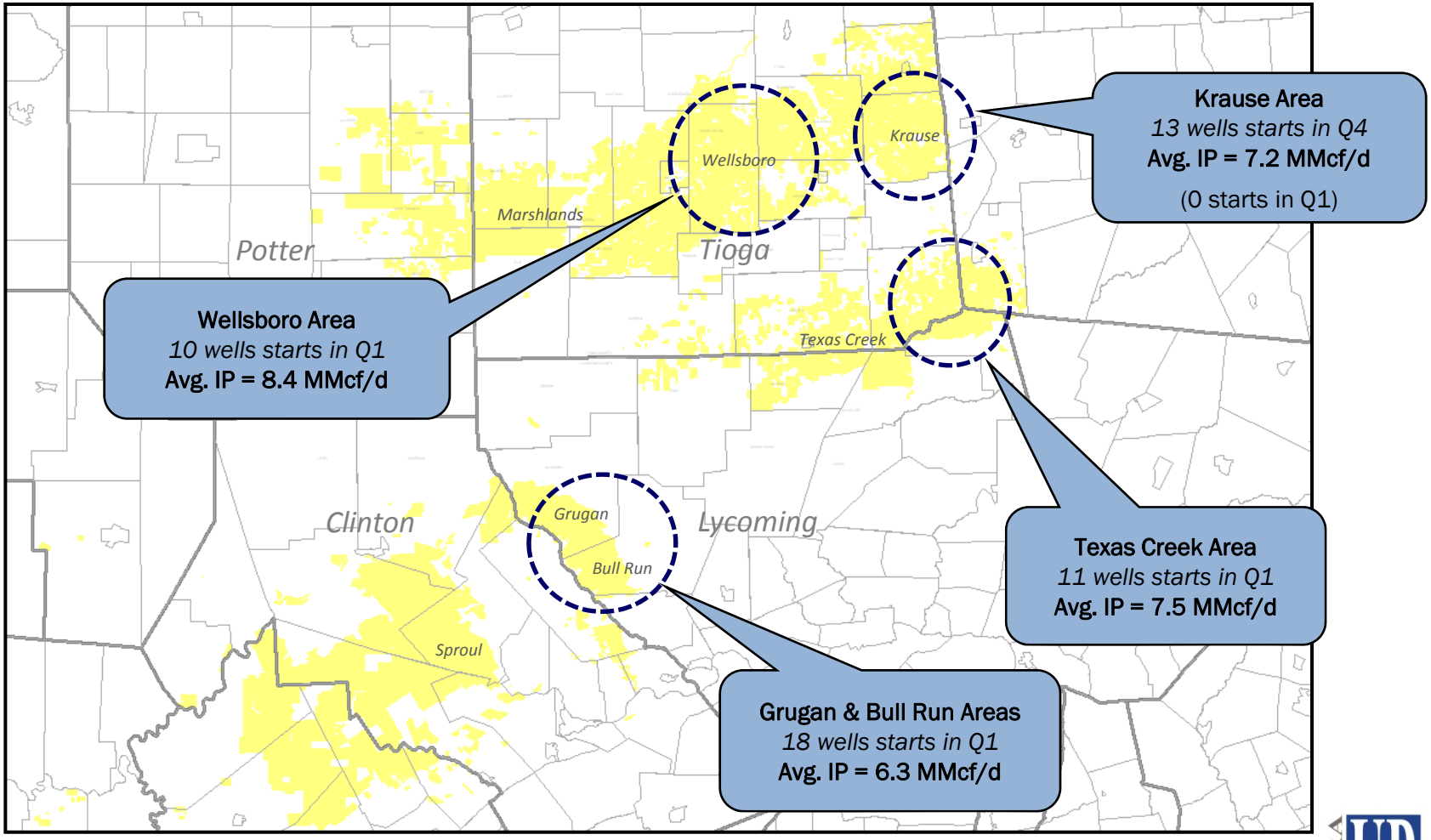
Appendix

New Ventures Activity

- 136,600 net acres in the DJ Basin
  - Targeting liquids-prone Niobrara Formation
- Resource exposure
  - 200,000 – 400,000 Bbls of oil per well
  - > 150,000 MBbls oil net resource upside
- Play attractiveness
  - Available acreage at very low entry cost
  - Potential in 3 resistive Niobrara benches
  - Mapped thickness, thermal maturity, net oil pay
  - 21 square miles of 3D seismic
  - Play moving south toward UPL position
- Current status
  - Three vertical wells drilled and cased
    - *5,600' to 7,000' depth range*
    - *Acquired full shale log suites, core and pressure data*
  - One additional vertical well planned
  - Horizontal evaluation program during 2H12



Consistent Marcellus Performance



Marcellus Technical Reviews: What We are Learning

- High-grading acreage to optimize returns
  - Utilizing seismic attributes to delineate resource sweet spots
  - Expanding 3D coverage from 315 sq-mi to 455 sq-mi
- Studying correct well spacing – currently 110 acres per well
  - 4 downspacing pilots completed with 3 more planned
  - Encouraged by preliminary 500' to 750' well-spacing results
- Conducting completion cost studies
  - Pilot studies for stage count and frac volume reduction
  - Achieving comparable well performance with fewer stages, less water and less proppant → reduces costs
  - 3 stage spacing pilots and 4 frac volume pilots completed

Northern Pennsylvania Pipeline Capacity Additions

Projects*	Capacity	Total	Date
Pre-expansion		1.6 Bcf/d	Q3 2011
Tennessee 300**	0.55 Bcf/d		
Stage Coach	0.35 Bcf/d		
Laser	0.40 Bcf/d		
Springville	0.25 Bcf/d		
Empire Extension	0.35 Bcf/d		
Total - 2011		3.5 Bcf/d	Q4 2011
Tennessee 300	0.25 Bcf/d		
Springville	0.40 Bcf/d		
Stage Coach Marc 1	0.55 Bcf/d		
Total - 2012		4.7 Bcf/d	Q4 2012

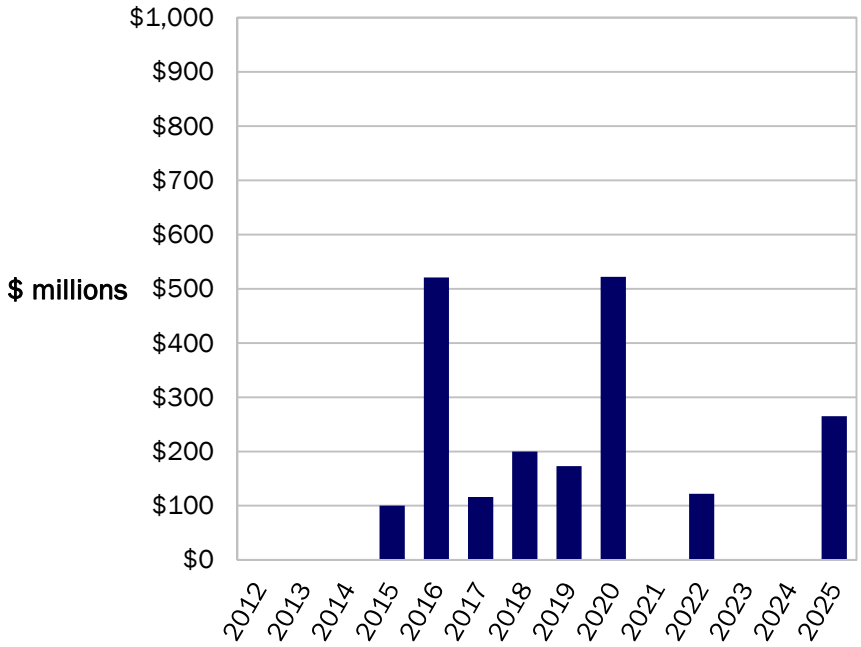
* Includes all FERC certified public projects
** Bi-directional

Source: Bentek and company estimates

Financial Strength

Total Debt Capacity $3,165MM

Maturity Profile



Weighted avg. cost of debt 4.8%
Weighted avg. maturity 7.24 years

Providing Certainty to Cash Flow: Hedging Summary

Time Period	Total Volume (Bcf)	Average Price ($/MMbtu)
Q2 2012	53.7	$4.34
Q3 2012	54.3	$4.34
Q4 2012	48.8	$4.27
Balance 2012	156.8	$4.32

Amounts on a Bcf basis may not total due to rounding

Profitable Reinvestment Opportunities

Gas Price	Reserve Size - Pinedale Wells				
	4 Bcfe	**5 Bcfe**	**6 Bcfe**	**7 Bcfe**	**8 Bcfe**
$3/Mcf	10%	18%	28%	39%	53%
$4/Mcf	20%	33%	49%	68%	91%
$5/Mcf	32%	52%	76%	106%	143%
$6/Mcf	47%	75%	110%	155%	210%
$7/Mcf	64%	103%	153%	217%	298%
$8/Mcf	85%	136%	205%	294%	409%

Based on $4.8MM/ Pinedale well cost

Quarterly Guidance

Q2 2012 Guidance

- Q2 2012 estimated production
  - 63 – 65 Bcfe
- Q1 2012 realized pricing
  - Natural gas: 2 - 4% discount to NYMEX
  - Condensate: $10.00 discount to NYMEX
- Q1 2012 expense guidance
  - Assumes $2.16 per Mmbtu and $104.00 per Bbl
  - Total operating costs per Mcfe $3.06 - $3.29

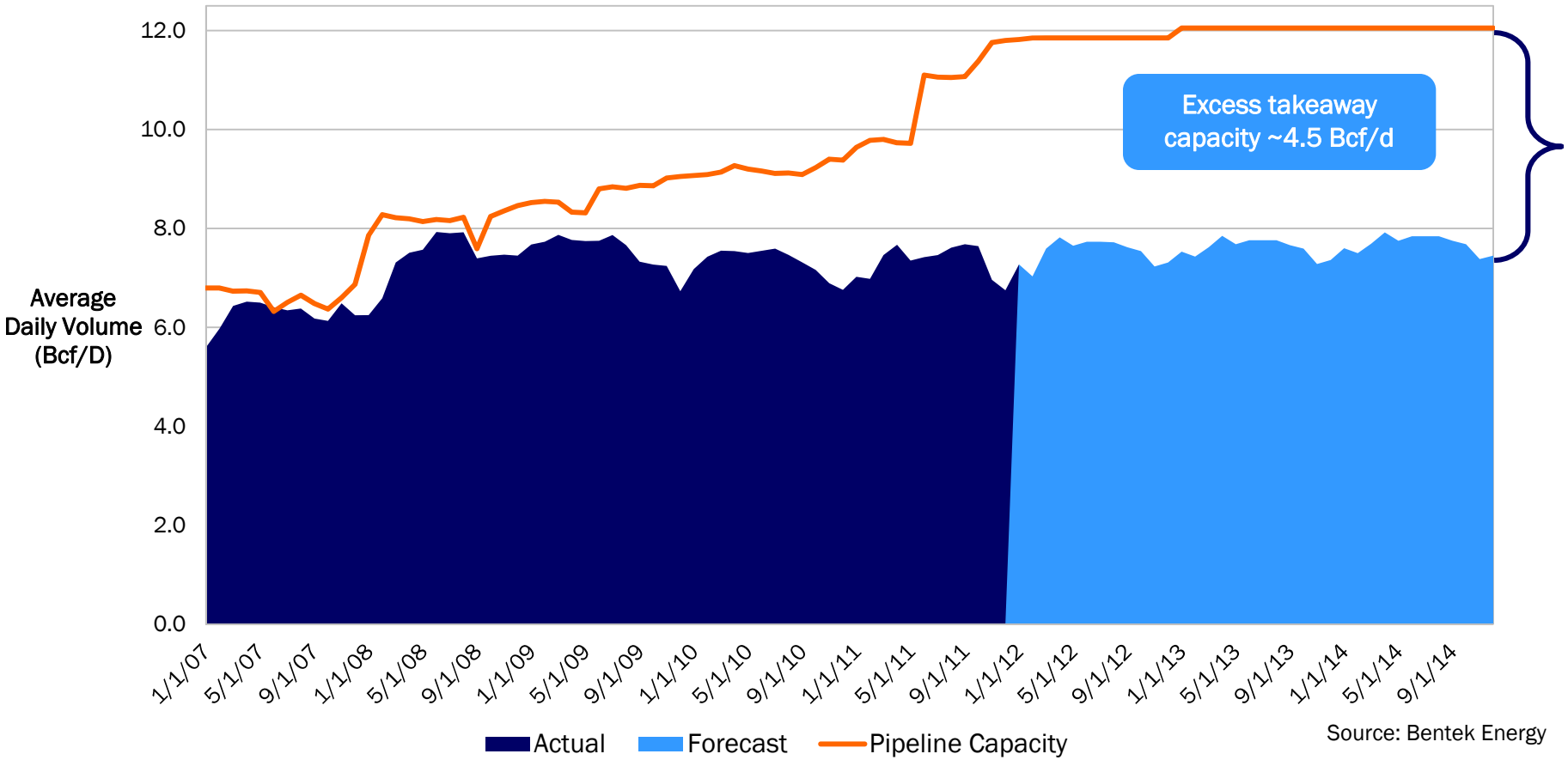
Narrowing Basis Differentials

Basis Differential as a Percentage (%) of Henry Hub

	2007	2008	2009	2010	2011	2012	Balance 2012	2013
NW Rockies	58	69	77	90	94	98	95	96
Dominion South	105	105	107	104	104	101	100	98

Source: Forecast period - Platts

Expanding Rockies Capacity



Source: Bentek Energy

Ultra Petroleum Corp.

UPL LISTED NYSE

- Market Data as of March 31, 2012

Shares of Common Stock Outstanding: 152.9MM

Market Capitalization: $3.4B Enterprise Value: $5.5B

52 Week Price Range: $22.03 (03/29/12) - $51.20 (05/02/11)

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This presentation contains certain non-GAAP financial measures. Reconciliation and calculation schedules for the non-GAAP financial measures can be found on our website at www.ultrapetroleum.com.

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ULTRA UP PETROLEUM

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