

Ultra Petroleum Employee FAQ

1. What has happened?

- On April 29, 2016, Ultra Petroleum Corp. (Ultra) voluntarily chose to financially restructure itself through a court-supervised process under Chapter 11 of the U.S. Bankruptcy Code.

2. What is Chapter 11?

- Chapter 11 is the section of the U.S. Bankruptcy Code that allows companies to implement financial restructurings through a court-supervised proceeding while continuing to operate their businesses.

3. Does this mean that Ultra is going out of business?

- No. It is important to understand that this is a financial restructuring and our operations will continue in the normal course throughout this court-supervised process.
- We expect to maintain current staffing and to pay vendor, royalty, and surety obligations on a go-forward basis according to the terms of our current contracts and consistent with applicable court orders.
- Our production is on track as we continue to focus our operations on our long life, low cost, high returning natural gas assets.

4. Why did Ultra take this action?

- Our industry continues to operate in a difficult commodity price environment. Over the past year, we have responded proactively to the challenging market environment by reducing expenses and focusing on operating efficiently.
- We have also been working with our key financial stakeholders on a comprehensive solution to deleverage our balance sheet and strengthen our financial position, but have not yet achieved agreement on those terms.
- Our voluntarily initiating a chapter 11 process represents the next step in our efforts to strengthen the Company's balance sheet and position it for long-term success.
- We are confident that we are taking the right steps to provide a solid foundation to thrive in today's low-price environment and beyond.

5. How does this affect employees?

- It is important to understand that this is a financial restructuring and the Company's operations will continue in the normal course throughout this court-supervised process.
- Employees can expect to be paid and receive their benefits as usual throughout this process.
- The best way you can help is by continuing to focus on your daily responsibilities and working safely.

6. Will I continue to be paid?

- Yes. We are continuing our business in the ordinary course, and we expect to continue paying employee wages in the same manner as we always have.

7. Will the financial restructuring affect my benefits?

- We anticipate no changes to your health insurance, 401(k) retirement plan, vacation time, employer-provided life insurance, or any other benefits programs in which you are currently enrolled.

8. Will there be layoffs?

- We expect to generally maintain our current staffing. Future employment decisions will continue to be based on market conditions and overall company performance.
- This is a financial restructuring, and our operations will continue in the normal course.

9. Will our vendors be affected?

- We intend to continue meeting our obligations to all of our stakeholders, including vendor, royalty, and surety obligations on a go-forward basis according to the terms of our current contracts and consistent with applicable court orders.

10. What will happen to Ultra stock?

- Ultra continues to be a publicly traded company. As is typical in a Chapter 11 case, the Company's stock was delisted from NYSE shortly after the Chapter 11 filing and trades over the counter under the ticker symbol UPLMQ.
- Any recovery to existing stockholders will be determined in connection with the Company's plan of reorganization upon emergence from Chapter 11.

11. Can stockholders sell the shares of stock that they own? Should they do so?

- We are not in a position to offer investment advice.
- Any recovery to existing stockholders will be determined in connection with the Company's plan of reorganization upon emergence from Chapter 11.
- Pursuant to the order of the Bankruptcy Court entered at docket #297, certain limitations and restrictions have been imposed on the ability of certain shareholders to sell their stock and certain investors to acquire certain amounts of Ultra stock during the chapter 11 case. These limitations and restrictions were imposed to protect the Company's valuable net operating losses.

12. What can I do?

- The best way you can help is by continuing to focus on carrying out your daily responsibilities and working safely.
- Ultra benefits from having the best employees and we know that the hard work and dedication of our employees is vital to our success.
- Now more than ever, we are counting on you to stay focused so we can complete this restructuring process and emerge as a stronger company, well-positioned for long-term growth and success.

13. How can I get updates and additional information?

- We will continue to keep you informed of new information as we move through this financial restructuring process.
- A special section of our website has been developed to provide additional information. To access this portion of our website, go to www.ultrapetroleum.com and select the Restructure button at the end of the main navigation menu at the top of the page.
- In addition, our claims agent has set up a website that includes free access to court documents and other information on the Bankruptcy Court process at <http://dm.epiq11.com/Ultra>