

## Ultra Petroleum Vendor FAQ

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### 1. What was announced?

- 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. 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.

### 3. How will the restructuring process affect day-to-day operations?

- This is a financial restructuring and our operations will continue in the normal course throughout this court-supervised process.
- We expect to meet our obligations to vendors on a go-forward basis and continue uninterrupted production, and we expect 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.
- We believe Ultra has sufficient liquidity, including over \$250 million of cash on hand and funds generated from ongoing operations, to continue its operations and support the business in the ordinary course during the financial restructuring process.
- Our production is on track as we continue to focus our operations on our long life, low cost, high returning natural gas assets.

### 4. Do you have sufficient liquidity to meet your business obligations?

- We believe Ultra has sufficient liquidity, including over \$250 million of cash on hand and funds generated from ongoing operations, to continue its operations and support the business in the ordinary course during the financial restructuring process.
- We expect to meet our obligations to vendors on a go-forward basis and continue uninterrupted production.

### 5. Will vendors be paid for goods or services provided after the April 29 filing date?

- Yes. We intend to pay vendors in full for all goods and services received on or after the filing date of April 29, 2016.
- Invoices for goods and services provided after the filing date should be submitted through the typical accounts payable channels and payments will be processed in accordance with contract terms, if applicable.
- We value the important relationships that we have developed with our vendors and we intend to work closely with our vendors throughout this process and in the future.

### 6. Will vendors be paid for goods and services delivered prior to the filing on April 29, 2016?

- Under U.S. bankruptcy law, unpaid debts for goods and services provided to Ultra prior to the filing date of April 29, 2016, also known as "prepetition claims," generally cannot be paid without specific Bankruptcy Court approval.
- Any claims will be addressed as part of the court-process moving forward. If you believe you have a prepetition claim or an administrative claim for goods and services provided to Ultra, you may need to file a proof of claim with the Bankruptcy Court to be eligible for

payment on your claim. Information about the claims process will be made available at a later date.

**7. Will Ultra continue to order goods and services from its vendors? Why should I sell you goods and services now?**

- Yes, Ultra's operations will continue in the normal course throughout this court-supervised process and your cooperation and continued supply of goods and services will allow us to maintain our production.
- We will continue to order and pay for post-petition goods and services to meet our ongoing business needs.
- We value the important relationship we have developed with our vendors and we will continue to work closely with our vendors throughout this financial restructuring process and into the future.

**8. How do I file a proof of claim?**

- Ultra's claims agent, Epiq Systems, will be providing the appropriate forms once a deadline for filing claims has been set. Proof of claim forms and other information about the claims process will be available at the following website: <http://dm.epiq11.com/Ultra>.

**9. 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](http://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>.