

# Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

► See separate instructions.

## Part I Reporting Issuer

<b>1</b> Issuer's name  <b>ULTRA PETROLEUM CORP.</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>98-0483838</b>	
<b>3</b> Name of contact for additional information  <b>C. Preston Venable, CPA, Tax Manager</b>	<b>4</b> Telephone No. of contact  <b>(281) 582-6619</b>	<b>5</b> Email address of contact  <b>PVenable@UltraPetroleum.com</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>400 N Sam Houston Pkwy E, Ste 1200</b>		<b>7</b> City, town, or post office, state, and Zip code of contact  <b>Houston, TX 77060</b>	
<b>8</b> Date of action  <b>April 12, 2017</b>		<b>9</b> Classification and description  <b>Common Stock, Bonds, Subscription Rights</b>	
<b>10</b> CUSIP number  <b>See line 19</b>	<b>11</b> Serial number(s)  <b></b>	<b>12</b> Ticker symbol  <b>UPL</b>	<b>13</b> Account number(s)  <b></b>

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

- 14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► On April 12, 2017 (the "Effective Date"), Ultra Petroleum Corp. (the "Company") emerged from chapter 11 bankruptcy. Upon emergence, the Company's Second Amended Joint Chapter 11 Plan of Reorganization (the "Plan") became effective. Under the Plan: (1) all outstanding obligations and related rights of the debt issued by the Company associated with the CUSIP numbers listed (the "Canceled Debt") was canceled and holders thereof received new common stock in the Company as well as certain subscription rights to purchase new common stock in the Company; and (2) all outstanding common stock in the Company associated with the CUSIP number listed was canceled (the "Canceled Stock") and holders thereof received new common stock in the Company as well as certain subscription rights to purchase new common stock in the Company.
- For more information, please refer to the Company's Form 8-K (dated April 18, 2017), Form 10-K (dated February 17, 2017), Disclosure Statement for the Debtors' Second Amended Joint Chapter 11 Plan of Reorganization (Case No. 16-32202; Docket 1106; Filed February 13, 2017). Holders of these instruments should consult their own tax advisors regarding their individual tax consequences of these exchanges pursuant to the Plan. The discussion herein assumes the exchange is treated as a recapitalization as discussed in line 17 below.
- 15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► (1) With respect to the Canceled Debt, the organization action should result in a carry-over basis in new Company common stock received by a holder (subject to any adjustments required to the extent such stock was received in satisfaction of accrued interest and/or, to the extent a holder of Canceled Stock allocates basis to the subscription rights received). Holders that elect to exercise the subscription right should be treated as purchasing common stock at the exercise price, which should generally be treated as the exercise of an option under general tax principles.
- (2) With respect to the Canceled Stock, the organization action should result in a carry-over basis in new Company common stock received by a holder of Canceled Stock (subject to any adjustments required to the extent a holder of Canceled Stock allocates basis to the subscription rights received). Holders that elect to exercise the subscription right should be treated as purchasing common stock at the exercise price, which should generally be treated as the exercise of an option under general tax principles.
- 16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► (1) In exchange for all outstanding obligations and rights associated with the Canceled Debt, including interest and fees, collectively, the holders received 70,579,367 shares in the reorganized Company, and subscription rights to purchase an additional 31,807,942 shares of common stock at \$13.85 per share.
- (2) In exchange for 153,418,041 shares of Canceled Stock, the holders received 80,022,410 shares in the reorganized Company and subscription rights to purchase an additional 10,069,314 shares of common stock at \$13.85 per share.



**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► **361, 368**

Under IRC Section 368(a)(1)(E)(1), (3), these changes may qualify as an "E" reorganization involving the recapitalization of a corporation. Correspondingly, as a reorganization, this transaction would constitute a tax-free recapitalization, entitling the holders of the instruments to carryover basis under IRC Section 361.

**18** Can any resulting loss be recognized? ► As indicated in the Disclosure Statement for the Debtors' Second Amended Joint Chapter 11 Plan of Reorganization (Case No. 16-32202; Docket 1106; Filed February 13, 2017), holders of Canceled Stock and Canceled Equity that elect not to exercise the subscription rights received, may be entitled to claim a (likely capital) loss equal to the amount of tax basis in the subscription rights, subject to any limitations on such U.S. holders ability to utilize capital losses.

Federal income tax laws in the United States do not provide specific rules regarding how to determine the fair market value of the Company's common stock and/or subscription rights. Accordingly, the Company cannot tell holders the fair market value of the shares of the Company's common stock or the Company's subscription rights received under the Plan. Holders of these instruments should consult their own tax advisors regarding their individual tax positions and consequences.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► \_\_\_\_\_

**Reportable Tax Year:** December 31, 2017

**CUSIPs from Line 10:**

903914109

903914AA7

C93125AA7

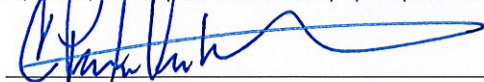
903914AC3

C93125AB5

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►



Date ►

6/15/17

Print your name ►

C. PRESTON VENABLE

Title ►

Tax Manager

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054