# TRANSITION AGREEMENT

This TRANSITION AGREEMENT (this "Agreement") dated as of September 5, 2018, by and between Ultra Petroleum Corp, a Yukon Corporation (the "Company") and Garland R. Shaw (the "Executive"), sets forth the terms and understandings regarding Executive's continued service with and termination of employment from the Company.

WHEREAS, the Executive is party to that certain Employment Agreement, dated November 6, 2017 by and between the Company and the Executive, as amended effective June 28, 2018 (the "Employment Agreement") and Executive is a party to that certain Restricted Stock Unit Agreement by and between Executive and the Company dated April 12, 2017 pursuant to the Ultra Petroleum 2017 Stock Incentive Plan (the "Emergence Agreement", and collectively with the Employment Agreement, the "Subject Agreements");

WHEREAS, pursuant to the Employment Agreement, Executive is entitled to certain payments and benefits upon certain terminations of Executive's employment;

WHEREAS, the Company has publicly announced its plans to relocate its headquarters from Houston, Texas, the Executive's primary place of employment, to Englewood, Colorado with an effective date of and closure of the Houston office as of September 30, 2018 and Executive may have a right to resign his employment for Good Reason in the event that the Company asks the Executive to relocate his primary place of business;

WHEREAS, the Company wishes to continue to employ Executive to serve in his current role as Senior Vice President and Chief Financial Officer of the Company, as further described below, until a future date mutually agreed between the parties as set forth below; and

WHEREAS, and the Company and the Executive wish to stipulate their mutual rights and obligations under the Employment Agreement arising in connection with the Executive's continued service with the Company and its subsidiaries and affiliates (collectively, the "Company Group") from and following the date hereof the Executive's separation from service to the Company Group.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the Company and the Executive hereby agree as follows:

1. Continued Employment. Effective as of the date hereof and concluding on the Separation Date (as defined below) (such period, the "Transition Period"), the Executive will continue to serve as the Senior Vice President and Chief Financial Officer of the Company. During the Transition Period, the Executive will continue to provide the services associated with his title and position, and will, if and when directed by the Chief Executive Officer of the Company, provide transition services to facilitate a smooth transition of the Executive's job responsibilities and perform such other duties and responsibilities prior to the Separation Date as reasonably requested by the Company consistent with Executive's positions. During the Transition Period, the Executive will

continue to be entitled to the payments and benefits set forth in Section 4 of the Employment Agreement and as such shall (a) receive continued payment of base salary of

$425,000 per year, (b) remain eligible to earn the Executive's annual cash bonus compensation pursuant to the Company's 2018 Annual Incentive Plan and Section 4(b) of the Employment Agreement with a target bonus amount equal to ninety-percent (90%) of Executive's base salary, (c) remain eligible for all other Company compensation, benefit or fringe benefit plans, policies or programs, including as set forth in the Employment Agreement as well as accruing vacation days and being reimbursed for business expenses, and (d) continue to be bound by the terms and conditions of the Employment Agreement, including Amendment 1 thereto.

2. Long-Term Incentive Plan. In lieu of Executive receiving incentive compensation in respect of the 2018 calendar year pursuant to the long-term incentive program established by the Company, Executive will be entitled to receive a cash payment upon the Separation Date if the Separation Date is due to a Qualifying Termination (as defined below) equal to $128,853 (the "LTIP Payment"). The LTIP Payment is contingent on Executive's acknowledgment that Executive shall not have Good Reason to terminate Executive's employment due to the Company's failure to provide Executive with the Target LTIP Amount (as defined in the Employment Agreement).

3. Separation from the Company. Executive's employment with the Company shall continue until the first to occur of (a) the date the Company terminates Executive's employment for or without Cause (both as defined in the Employment Agreement), (b) the date the Executive resigns for Good Reason (as defined in the Employment Agreement) or without Good Reason, in each case in accordance with the Employment Agreement; provided, the Executive agrees and acknowledges that Executive shall be ineligible to resign for Good Reason prior to November 15, 2018, and (c) Executive's death or Disability, in each case in accordance with the Employment Agreement (such date, the "Separation Date"). The Company agrees and acknowledges that Executive shall have Good Reason to terminate Executive's employment as of November 15, 2018, and Executive may voluntarily resign for any reason following November 15, 2018 and prior to February 1, 2019 and such resignation will constitute a termination of employment for Good Reason in accordance with the terms of the Employment Agreement and Section 5 of this Agreement, provided Executive has not incurred a termination for Cause prior to such date. To resign after November 15, 2018, Executive should provide written notice in accordance with Section 5(a)(iv)(A) of the Employment Agreement and Section 14 of this Agreement. Effective as of the Separation Date, the Executive shall cease to be an employee of the Company and shall resign from all other positions as an employee or officer of any member of the Company Group. The Executive shall promptly execute any additional documentation the Company may request to reflect such resignations.

4. Accrued Benefits. Upon the Separation Date, the Executive shall be entitled to receive any unpaid Base Salary through the Separation Date and shall be entitled to reimbursement within 30 days of submission of any unreimbursed expenses properly incurred by Executive in accordance with Company policies prior to the Separation Date. Executive shall also receive such other compensation (including

any other equity-related payments) and benefits, if any, to which Executive may be entitled from time to time

pursuant to the terms and conditions of the employee compensation, incentive, equity, benefit or fringe benefit plans, policies or programs of the Company. All payments under this Section 4 shall be made in accordance with the timing of payments set forth in Section 5(a)(ix)(A) of the Employment Agreement.

5. Separation Payments and Benefits. In accordance with the terms of the Subject Agreements, if the Separation Date occurs due to the Executive's resignation for Good Reason (including, *for the avoidance of doubt*, any voluntary resignation by Executive after November 15, 2018 and prior to February 1, 2019) or due to a termination of the Executive's employment by the Company other than for Cause (a "Qualifying Termination"), the Executive shall be entitled to receive in full satisfaction of the Company's obligations under Section 5 of the Employment Agreement:

(a) Separation Payment. Subject to Section 5(d) herein, and in full satisfaction of Executive's rights under Section 5(b)(ix)(A)(i) or Section 5(b)(ix)(B) or (C) of the Employment Agreement, Executive will be entitled to an amount equal to (i) $1,625,209.70 if the Separation Date occurs prior to a Change in Control (as defined in the Employment Agreement) and clause (ii) does not apply and (ii) $3,594,273.00 if the Separation Date occurs on or after a Change in Control or Executive's termination of employment is in anticipation of a Change in Control (the "Separation Payment"). In addition, Executive shall be entitled to receive payment of any portion of the LTIP Payment not previously paid in accordance with Section 2 of this Agreement. The Company shall pay the Separation Payment and any unpaid LTIP Payment in a lump sum no later than thirty (30) days following the Separation Date.

(b) Continuation of Benefits. Subject solely to Section 13(f) of the Employment Agreement, the Company shall make available to Executive, at the Company's cost and expense, continued participation in the Company's life insurance, disability insurance, directors and officers liability insurance, health and accident plans (including medical, dental and vision plans) and any other welfare, fringe or employee benefit plans Executive was participating in immediately prior to the Separation Date (collectively, the "Welfare Benefits") for a period beginning on the Separation Date and continuing for at least 18 months or, if earlier occurring, such time as Executive obtains other employment that provides the Executive with benefits (other than directors and officers liability insurance) at least as favorable to the Executive as the Welfare Benefits.

(c) Company Equity Awards. Upon the Release Effective Date, all outstanding and unvested awards granted pursuant to the Emergence Agreement held by Executive as of the Separation Date (i.e., 392,172 shares) will automatically, and

without any action on the part of the Executive, become vested and delivered to the Executive (the "Equity Acceleration"). The Company agrees that such shares will be delivered net of the shares withheld to pay the withholding taxes due upon delivery of such shares. Executive and the Company acknowledge and agree that as of the date hereof, Executive has no outstanding equity incentives other than those set forth in the Emergence Agreement.
The Company acknowledges that following the Separation Date, there are no Company-imposed restrictions on Executive's ability to transfer or sell any stock he owns (or will own upon delivery of the shares in accordance with this clause (c)) in the Company.

(d) Release of Claims. The rights, payments and benefits to be provided to the Executive under Section 5(a), 5(b) and 5(c) of this Agreement are subject to the Executive's execution and delivery to the Company of an effective general release and waiver of claims in the form attached hereto as Exhibit A (the "Release") following the Executive's Separation Date and the period during which the Release may be revoked having expired within thirty (30) days following the Separation Date (the date on which the release becomes effective and is no longer subject to revocation, the "Release Effective Date").

For the avoidance of doubt, if the Separation Date occurs because of Executive's death or Disability, he (or his estate) shall be entitled to the payments and entitlements set forth in the Employment Agreement for a termination due to death or Disability, as applicable.

6. Return of Company Property. The Executive shall promptly following the Separation Date return to the Company all documents, records, files and other information and property belonging or relating to the Company, its affiliates, customers, clients or employees. The Executive acknowledges that all such materials are, and will remain, the exclusive property of the Company, and the Executive may not retain originals or copies of such materials without the express written approval of the Company.

7. Severability. In the event that any one or more of the provisions of this Agreement are held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality and enforceability of the remainder of this Agreement shall not in any way be affected or impaired thereby.

8. Waiver. No waiver by either party of any breach by the other party of any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of any other provision or condition at the time or at any prior or subsequent time.

9. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of Colorado, without reference to its choice of law rules. Any dispute between the parties with respect to this Agreement shall be governed by Section 13(e)(ii) of the Employment Agreement.

10. Withholding. The Company shall deduct or withhold, or require the Executive to remit to the Company, the minimum statutory amount to satisfy federal, state or local taxes required by law or regulation to be withheld with respect to any benefit provided hereunder.

11. Representations. The Company represents and warrants to Executive that all corporate action required to be taken to authorize the Company to enter into this Agreement and perform its obligations hereunder has been taken and the person signing this Agreement on behalf of the Company is duly authorized to do so.

12. Indemnification/D&O Liability Insurance. Nothing in this Agreement (including the Release) shall affect any rights Executive has to be indemnified and/or advanced expenses for third party claims or to be covered under any applicable directors' and officers' insurance policies, including any tail directors' and officers' insurance policies he was covered pursuant to immediately prior to the Separation Date.

13. Entire Agreement. This Agreement and the Release shall constitute the entire agreement and understanding of the parties with respect to the subject matter herein and supersedes all prior agreements, arrangements and understandings, written or oral, between the parties with respect to the subject matter herein, including, the Subject Agreements. The Executive acknowledges and agrees that Executive is not relying on any representations or promises by any representative of the Company concerning the meaning of any aspect of this Agreement or the Release. This Agreement and the Release may not be altered or modified other than in a writing signed by the Executive and an authorized representative of the Company. The Company confirms that the only restrictive covenants applicable to Executive following the Separation Date are set forth in the Employment Agreement.

14. Notices. Any notice required or permitted by this Agreement shall be in writing, delivered by hand, or sent by priority, registered or certified mail, return receipt requested, or by recognized overnight delivery or courier service (regularly providing proof of delivery), addressed to the Company's Chief Executive Officer at the Company's then principal office, or to Executive at the address set forth under Executive's signature below, as the case may be, or to such other address or addresses as any party hereto may from time to time specify in writing. Notices shall be deemed given when received.

15. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by the Executive, the Company and their respective heirs, successors and assigns, except that the Executive may not assign Executive's rights or delegate Executive's obligations hereunder without the prior written consent of the Company. Notwithstanding the foregoing, if Executive should die while any payment and/or entitlement is due to him hereunder, such payment or entitlement shall be paid or provided to his designated beneficiary (or if there is no designated beneficiary, to his estate).

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Additionally, the parties agree that electronic reproduction of signatures (i.e. scanned PDF versions of original signatures, facsimile transmissions, and the like) shall be treated as original signatures for purposes of execution of this Agreement.

17. Section 409A. The intent of the parties is that the payments and benefits contemplated under this Agreement that are subject to Section 409A of the Code and the regulations and guidance promulgated thereunder and comply with the requirements

thereof (including any applicable exemptions) and accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. Notwithstanding any other provision of this Agreement to the contrary, separation payments and benefits pursuant to Section 5 hereof, to the extent of payments made from the Separation Date through March 15 of the calendar year following the Separation Date, are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations and thus are payable pursuant to the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the Treasury Regulations. To the extent such payments are made following said March 15, they are intended to constitute separate payments for purposes of Section 1.409A-1(b)(9)(iii) of the Treasury Regulations to the maximum extent permitted by said provision, with any excess amount being regarded as subject to the distribution requirements of Section 409A(a)(2)(A) of the Code, including, without limitation, the requirement of Section 409A(a)(2)(B)(i) of the Code that payment be delayed until six (6) months after separation from service if Executive is a "specified employee" with the meaning of the aforesaid section of the Code at the time of such separation from service. In addition, the provisions of the Employment Agreement relating to Section 409A of the Code, including Section 5(a)(ix), Section 6 and Schedule 2, are incorporated into this Agreement with full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

**LEGAL ADDRESSES AND BANKING DETAILS OF THE PARTIES**

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