Ultra Petroleum Corp.
Pendaries Petroleum Ltd.
Ultra Petroleum Corp. Completes Acquisition of Pendaries Petroleum Ltd.

HOUSTON, TEXAS – January 16, 2001
ULTRA: TSE SYMBOL: UP
PENDARIES: AMEX SYMBOL: PDR   TSE SYMBOL: PDQ

HOUSTON, TEXAS – Ultra Petroleum Corp. ("Ultra") (TSE: UP) and Pendaries Petroleum Ltd. ("Pendaries") (AMEX: PDR/ TSE: PDQ) announced today that all of the conditions for the acquisition of Pendaries by Ultra pursuant to a plan of arrangement (the "Plan of Arrangement") have been satisfied and that the acquisition has now been completed.

Under the Plan of Arrangement, Ultra acquired and is now deemed to be the owner of all 9,490,470 issued and outstanding common shares of Pendaries. The consideration for the acquisition of Pendaries is being satisfied by the issuance by Ultra of approximately 14,994,958 common shares to the former holders of Pendaries common shares. The common shares being issued by Ultra pursuant to the Plan of Arrangement represent approximately 20 percent of the existing issued share capital of Ultra on a fully diluted basis.

The common shares of Ultra, including the common shares being issued by Ultra pursuant to the Plan of Arrangement will be listed on the American Stock Exchange on January 17, 2001 under the trading symbol UPL. The 56,939,762 common shares of Ultra are currently listed and posted for trading on the Toronto Stock Exchange, and the shares being issued pursuant to the Plan of Arrangement will also be listed on the Toronto Stock Exchange. The Pendaries common shares will be de-listed from The Toronto Stock Exchange and the American Stock Exchange later this week.

Under the plan of arrangement, James Roe, currently a director of Pendaries, is being appointed to the Board of Directors of Ultra.

Any Pendaries common share certificates that have not yet been mailed to CIBC Mellon Trust Company by former Pendaries shareholders now represent only the right to receive 1.58 Ultra common shares for each Pendaries common share held. Pendaries shareholders who have already submitted properly completed Letters of Transmittal together with the applicable Pendaries common share certificates will receive their Ultra common share certificates by first class mail unless they have instructed CIBC Mellon Trust Company to hold their Ultra common share certificates for pick-up.

Ultra is an independent natural gas exploration and production company focused on the Green River Basin of Wyoming. Pendaries is a Houston based independent oil and gas exploration company with its primary focus in China.

uncertainties inherent in their businesses are set forth in their filings with the Securities and Exchange Commission.

FOR FURTHER INFORMATION PLEASE CONTACT:

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