

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

Ultralife Batteries, Inc.
(Name of Issuer)

COMMON STOCK, par value \$.10
(Title of Class of Securities)

903899102
(CUSIP Number)

Jerald A. Trannel
290 South County Farm Road, Third Floor
Wheaton, Illinois 60187-4526
Telephone: (630) 588-7200
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

June 7, 2006
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on
Schedule 13G to report the acquisition which is the subject
of this Schedule 13D, and is filing this schedule because
of Section 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g),
check the following box. [X]

NOTE: Schedules filed in paper format shall include a
signed original and five copies of the schedule, including
all exhibits. See Section 240.13d-7(b) for other parties
to whom copies are to be sent.

The remainder of this cover page shall be filled out for a
reporting person's initial filing on this form with respect
to the subject class of securities, and for any subsequent
amendment containing information which would alter
disclosures provided in a prior cover page.

The information required on the remainder of this cover
page shall not be deemed to be "filed" for the purpose of
Section 18 of the Securities Exchange Act of 1934 ("Act")
or otherwise subject to the liabilities of that section of
the Act but shall be subject to all other provisions of the
Act (however, see the Notes).

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Schedule 13D

CUSIP No. 903899102 Page 2 of 9 Pages

1. Names of Reporting Person
S.S. OR I.R.S. Identification No. of Above Persons
Grace Brothers, Ltd.

2. Check the Appropriate Box if a Member of a Group (See
instructions)
(a) []
(b) []

3. SEC Use Only

4. Source of Funds (See instructions)
00

5. Check if Disclosure of Legal Proceedings is Required
Pursuant to Items 2(d) or 2(e) []

6. Citizenship or Place of Organization

Illinois Limited Partnership

Number of Shares 7 Sole Voting Power
 0
 8 Shared Voting Power

Beneficially Owned by Each Reporting Person 2,957,120 shares
9 Sole Dispositive Power
0
10 Shared Dispositive Power
2,957,120 shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,957,120 shares

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See instructions) []

13. Percent of Class Represented by Amount in Row (11)

19.8%

14. Type of Reporting Person (See instructions)

PN,

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1. Names of Reporting Person
S.S. OR I.R.S. Identification No. of Above Persons

Bradford T. Whitmore

2. Check the Appropriate Box if a Member of a Group (See instructions)

(a)
(b)

3. SEC Use Only

4. Source of Funds (See instructions)
00

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization
United States

Number of Shares Beneficially Owned by Each Reporting Person With	7 Sole Voting Power 25,815
	8 Shared Voting Power 2,957,120
	9 Sole Dispositive Power 25,815
	10 Shared Dispositive Power 2,957,120

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,982,935

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See instructions)

13. Percent of Class Represented by Amount in Row (11)

20.0%

14. Type of Reporting Person (See instructions)

IN

1. Names of Reporting Person
S.S. OR I.R.S. Identification No. of Above Persons

Spurgeon Corporation

2. Check the Appropriate Box if a Member of a Group (See instructions)

(a)

(b)

3. SEC Use Only

4. Source of Funds (See instructions)

00

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Illinois Corporation

	7 Sole Voting Power
Number of Shares	0
Beneficially Owned by Each Reporting Person	8 Shared Voting Power 2,957,120 shares
With	9 Sole Dispositive Power 0
	10 Shared Dispositive Power 2,957,120 shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

2,957,120

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See instructions)

13. Percent of Class Represented by Amount in Row (11)

19.8%

14. Type of Reporting Person (See instructions)

CO

Item 1. Security and Issuer

This Schedule 13D relates to the Common Stock, par value \$.10 per share (the "Common Stock") issued by, a Delaware corporation (the "Company"), whose principal executive offices are located at 2000 Technology Parkway, Newark, New Jersey 14513.

Item 2. Identity and Background

(a) The statement is filed by Grace Brothers, Ltd., an Illinois limited partnership ("Grace"). Bradford T. Whitmore ("Whitmore") and Spurgeon Corporation ("Spurgeon") are the general partners of Grace.

(b) The business address of Grace and Whitmore is 1560 Sherman Avenue, Suite 900, Evanston, Illinois 60201. The business of Spurgeon is 290 South County Farm Road, Third Floor, Wheaton, Illinois 60187.

(c) The principal business of Grace is to purchase, sell, invest, and trade in securities. Whitmore's principal occupation is that of being a general partner of Grace. The principal business of Spurgeon is that of being a general partner of Grace. The names, business addresses, and present principal occupation or employment of each director and executive officer of Spurgeon are set forth in Exhibit A hereto.

(d) None of the persons referred to in this Item 2 has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the persons referred to in this Item 2 has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Grace is an Illinois limited partnership and Spurgeon is an Illinois corporation. Whitmore is a citizen of the United States.

Item 3. Source and Amount of Funds

The shares of Common Stock to which this Schedule 13D relates (the "Shares") was purchased with working capital and partnership funds.

Item 4. Purpose of Transaction.

The Filers previously reported their holdings on Schedule 13G and are voluntarily filing this 13D, which would otherwise be required at such point in time, if any, as the Filers' holdings represent 20% or more of the outstanding shares of Common Stock. The Filers may, depending on market conditions and other factors they deem material, purchase additional shares of Common Stock or dispose of all or a portion of the Shares that they now own or any shares of Common Stock they may hereafter acquire. Future changes in the Filers' holdings will be reported on amendments to this Schedule 13D.

Except as set forth herein, the Filers have no plans or proposals which relate to or would result in any of the actions set forth in subparagraphs (a) through (j) of this Item 4.

Item 5. Interest in Securities of the Issuer

(a) As of the date of this filing, Grace beneficially owns 2,957,120 shares of Common Stock, representing approximately 19.8% of the outstanding shares of Common Stock. As general partner of Grace, Spurgeon may be deemed beneficial owner of 2,957,120 shares of Common Stock, or 19.8% of the outstanding shares of Common Stock, although they otherwise disclaim beneficial ownership. As general partner of Grace, Whitmore may be deemed beneficial owner of 2,957,120 shares of Common Stock, and 25,815 shares of Common Stock as direct beneficial owner, or 20.0% of the outstanding shares of Common Stock.

(b) Grace: shared voting power (with Whitmore and Spurgeon)
2,957,120 Shares

Whitmore: shared voting power (with Grace and Spurgeon)
2,957,120 Shares
sole voting power 25,815 Shares

Spurgeon: shared voting power (with Grace and Whitmore)
2,957,120 Shares

(c) The transactions effected by the Filers during the past 60 days are set forth in Schedule A.

(d) No person other than the Filers is known to have the right to receive, or the power to direct the receipt of, dividends from or the proceeds from the sale of the Shares.

(e) N/A

Item 7. Items to be Filed as Exhibits

Exhibit A - Directors and Executive Officers of Spurgeon Corporation

Item 6. Contracts, Arrangements, Understandings or Relationships with respect to Securities of the Issuer

There are no contracts, arrangements, understandings or other relationships with respect to any securities of the Company.

Item 7. Items to be Filed as Exhibits

Exhibit A - Directors and Executive Officers of Spurgeon Corporation

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this Statement with respect to it is true, complete and correct.

Dated: June 7, 2006

Grace Brothers, Ltd.

By: /s/ Bradford T. Whitmore
Name: Bradford T. Whitmore
Its: General Partner

Bradford T. Whitmore

By: /s/ Bradford T. Whitmore
Name: Bradford T. Whitmore

Spurgeon Corporation

By: /s/ Jerald A. Trannel
Name: Jerald A. Trannel
Its: Vice President

SCHEDULE A

TRADE ACTIVITY FOR ULTRALIFE BATTERIES, INC.
EFFECTED BY GRACE BROTHERS, LTD. FOR THE PREVIOUS 60 DAYS.

Amount of Price per Date Security Shares Purchased Share
05/15/2006 COMMON STOCK 300 \$10.23000
05/15/2006 COMMON STOCK 100 \$10.25000
05/15/2006 COMMON STOCK 1,987 \$10.32000
05/15/2006 COMMON STOCK 1,001 \$10.35000
05/15/2006 COMMON STOCK 100 \$10.43000
05/15/2006 COMMON STOCK 200 \$10.44000
05/15/2006 COMMON STOCK 997 \$10.46000
05/15/2006 COMMON STOCK 1,000 \$10.47000
05/15/2006 COMMON STOCK 1,561 \$10.50000
05/15/2006 COMMON STOCK 100 \$10.54000
05/15/2006 COMMON STOCK 1,200 \$10.56917
05/15/2006 COMMON STOCK 200 \$10.58000
05/15/2006 COMMON STOCK 1,000 \$10.59000
05/15/2006 COMMON STOCK 4,643 \$10.60000
05/15/2006 COMMON

STOCK
1,000
\$10.60900
05/15/2006
COMMON
STOCK
1,300
\$10.62000
05/15/2006
COMMON
STOCK
1,278
\$10.62706
05/15/2006
COMMON
STOCK 900
\$10.63000
05/15/2006
COMMON
STOCK
9,071
\$10.65000
05/15/2006
COMMON
STOCK
2,916
\$10.66000
05/15/2006
COMMON
STOCK
1,366
\$10.66808
05/15/2006
COMMON
STOCK
2,100
\$10.67000
05/15/2006
COMMON
STOCK
1,145
\$10.67834
05/15/2006
COMMON
STOCK
4,666
\$10.68000
05/15/2006
COMMON
STOCK
1,700
\$10.69000
05/15/2006
COMMON
STOCK
2,300
\$10.69261
05/15/2006
COMMON
STOCK 400
\$10.69750
05/15/2006
COMMON
STOCK
3,400
\$10.70000
05/15/2006
COMMON
STOCK 141
\$10.72000
05/15/2006
COMMON
STOCK 500
\$10.72800
05/15/2006
COMMON
STOCK
2,900
\$10.73000
05/15/2006
COMMON

STOCK 843
\$10.74000
05/15/2006
COMMON
STOCK
1,841
\$10.75000
05/15/2006
COMMON
STOCK
1,200
\$10.76000
05/15/2006
COMMON
STOCK 408
\$10.79510
05/15/2006
COMMON
STOCK
6,700
\$10.80000
05/15/2006
COMMON
STOCK
1,700
\$10.81000
05/15/2006
COMMON
STOCK
1,846
\$10.81783
05/15/2006
COMMON
STOCK 496
\$10.81806
05/15/2006
COMMON
STOCK
5,900
\$10.81983
05/15/2006
COMMON
STOCK
1,592
\$10.82000
05/15/2006
COMMON
STOCK 400
\$10.82750
05/15/2006
COMMON
STOCK
4,621
\$10.83000
05/15/2006
COMMON
STOCK 600
\$10.83833
05/15/2006
COMMON
STOCK
1,987
\$10.84000
05/15/2006
COMMON
STOCK 846
\$10.84946
05/15/2006
COMMON
STOCK
1,230
\$10.85000
05/15/2006
COMMON
STOCK
1,000
\$10.85800
05/15/2006
COMMON
STOCK 100
\$10.86000

05/15/2006
COMMON
STOCK
1,441
\$10.87000
05/15/2006
COMMON
STOCK 973
\$10.87897
05/15/2006
COMMON
STOCK 900
\$10.88000
05/15/2006
COMMON
STOCK
1,500
\$10.88733
05/15/2006
COMMON
STOCK 200
\$10.89000
05/15/2006
COMMON
STOCK
2,100
\$10.89762
05/15/2006
COMMON
STOCK 730
\$10.90000
05/15/2006
COMMON
STOCK 894
\$10.90888
05/15/2006
COMMON
STOCK 100
\$10.91000
05/15/2006
COMMON
STOCK 300
\$10.92000
05/15/2006
COMMON
STOCK
6,000
\$10.93000
05/15/2006
COMMON
STOCK 300
\$10.94000
05/15/2006
COMMON
STOCK 800
\$10.95000
05/15/2006
COMMON
STOCK
5,400
\$10.95963
05/15/2006
COMMON
STOCK
3,400
\$10.96000
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STOCK 800
\$10.99000
05/15/2006
COMMON
STOCK 500
\$11.00000
05/15/2006
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STOCK 284
\$11.01000
05/15/2006
COMMON
STOCK 100

\$11.02000
05/15/2006
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STOCK 100
\$11.05000
05/15/2006
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STOCK 100
\$11.06000
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STOCK 700
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\$11.08000
05/15/2006
COMMON
STOCK 100
\$11.09000
05/15/2006
COMMON
STOCK 900
\$11.10000
05/15/2006
COMMON
STOCK 700
\$11.12857
05/15/2006
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STOCK
1,800
\$11.14778
05/15/2006
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STOCK 100
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05/15/2006
COMMON
STOCK 400
\$11.17000
05/15/2006
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STOCK
1,900
\$11.18684
05/15/2006
COMMON
STOCK
3,065
\$11.24674
05/15/2006
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STOCK 300
\$11.30333
05/15/2006
COMMON
STOCK
15,100
\$11.30967
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STOCK
1,300
\$11.31000
05/15/2006
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STOCK 894
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STOCK
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STOCK
1,310
\$11.39924
05/15/2006

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STOCK
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STOCK 500
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STOCK
4,100
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STOCK
3,500
\$11.47000
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STOCK
2,600
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STOCK
4,100
\$11.54899
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STOCK
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\$11.54902
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STOCK 200
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STOCK
2,400
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05/15/2006
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STOCK 500
\$11.58000
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STOCK 200
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05/15/2006
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STOCK
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STOCK 463
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STOCK 67
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STOCK
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1,400
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STOCK
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STOCK 600
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05/17/2006
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05/19/2006
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\$10.38000
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STOCK
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STOCK
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05/19/2006
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STOCK 839
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34,683
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STOCK

7,600
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06/06/2006
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21,589
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STOCK 500
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STOCK 300
\$9.97000
06/07/2006
COMMON
STOCK 100
\$9.98000
06/07/2006
COMMON
STOCK
2,734
\$9.99000
06/07/2006
COMMON
STOCK 366
\$10.00000

Exhibit A
Directors and Officers of Spurgeon Corporation

Judith M. Van Kampen
290 South County Farm Road
3rd Floor
Wheaton, IL 60187
Director of Spurgeon. Trustee of Judith M. Van Kampen
Trust which is Manager of Van Kampen Asset Management
Company, LLC.

Karla M. Van Kampen-Pierre
290 South County Farm Road
3rd Floor
Wheaton, IL 60187
Director of Spurgeon. Trustee of Judith M. Van Kampen
Trust which is Manager of Van Kampen Asset Management
Company, LLC.

David Wisen
120 Washington St.
Grand Haven, MI 49417-0070
Director and President of Spurgeon. President of Van
Kampen Asset Management Company, LLC.

Jerald A. Trannel
290 South County Farm Road
Third Floor
Wheaton, IL 60187
Director, Vice President and Treasurer of Spurgeon.
Controller of Grace Brothers, Ltd. and Senior Vice
President and Treasurer of Van Kampen Asset Management
Company, LLC.

Gregory M. White
290 South County Farm Road
Third Floor
Wheaton, IL 60187
Secretary of Spurgeon. Secretary of Van Kampen Asset
Management Company, LLC.

All are United States Citizens.

The Business address of Van Kampen Asset Management
Company, LLC is 290 South County Farm Road, Third Floor,
Wheaton, IL 60187. The principal business of Van Kampen
Asset Management Company, LLC is investment and asset
management.