



# OPERATIONS UPDATE

Fourth Quarter 2014

February 24, 2015



# FORWARD-LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by words such as “anticipates”, “believes”, “forecasts”, “plans”, “estimates”, “expects”, “should”, “will”, or other similar expressions. Such statements are based on management’s current expectations, estimates and projections, which are subject to a wide range of uncertainties and business risks. These statements are not guarantees of future performance. These forward-looking statements include statements regarding: forecasted production and compounded annual growth rate; forecasted 2015 capital expenditures; allocation of 2015 capital expenditures; well costs and average estimated ultimate recoveries; estimated reserves; locations for wells; and current economic limit of the Pinedale Anticline

Actual results may differ materially from those included in the forward-looking statements due to a number of factors, including, but not limited to: the availability and cost of capital; changes in local, regional, national and global demand for natural gas, oil and NGL; natural gas, NGL and oil prices; effect of existing and future laws and government regulations, including regulations on the flaring of natural gas and potential legislative or regulatory changes regarding the use of hydraulic fracture stimulation; elimination of federal income tax deductions for oil and gas exploration and development; drilling results; shortages of oilfield equipment, services and personnel; operating risks such as unexpected drilling conditions; weather conditions; changes in maintenance and construction costs and possible inflationary pressures; permitting delays; estimates of contingency losses and outcome of pending litigation and other legal proceedings; actions taken by third-party operators, processors and transporters; demand for oil and natural gas storage and transportation services; competition from the same and alternative sources of energy; natural disasters; large customer defaults; operating in ethane recovery or rejection mode; and the other risks discussed in the Company’s periodic filings with the Securities and Exchange Commission (SEC), including the Risk Factors section of QEP’s Annual Report on Form 10-K for the year ended December 31, 2014 (the 2014 Form 10-K”). QEP undertakes no obligation to publicly correct or update the forward-looking statements in this news release, in other documents, or on its website to reflect future events or circumstances. All such statements are expressly qualified by this cautionary statement.

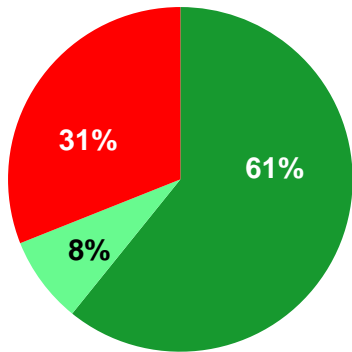
The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or through reliable technology to be economically and legally producible at specific prices and existing economic and operating conditions. The SEC permits optional disclosure of probable and possible reserves calculated in accordance with SEC guidelines; however, QEP has made no such disclosures in its filings with the SEC. QEP also uses the term “EUR” or “estimated ultimate recovery,” and SEC guidelines strictly prohibit QEP from including such estimates in its SEC filings. EUR, as well as estimates of probable reserves, are by their nature more speculative than estimates of proved reserves and, accordingly, are subject to substantially more risks of actually being realized. Actual quantities that may be ultimately recovered from QEP’s interests may differ substantially from the estimates contained in this presentation. Investors are urged to consider carefully the disclosures and risk factors in the 2013 Form 10-K and other reports on file with the SEC.

QEP refers to Adjusted EBITDA and other non-GAAP financial measures that management believes are good tools to assess QEP’s operating results. For definitions of these terms and reconciliations to the most directly comparable GAAP measures, see the recent earnings press releases and SEC filings at the Company’s website at [www.qepres.com](http://www.qepres.com) under “Investor Relations.”



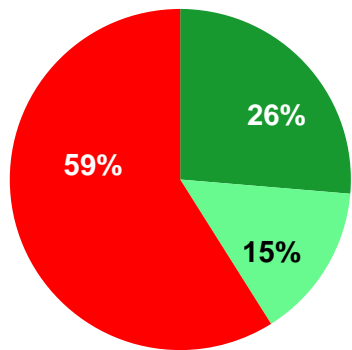
# ASSET OVERVIEW

**QEP Energy 4Q 2014  
Production Revenues**

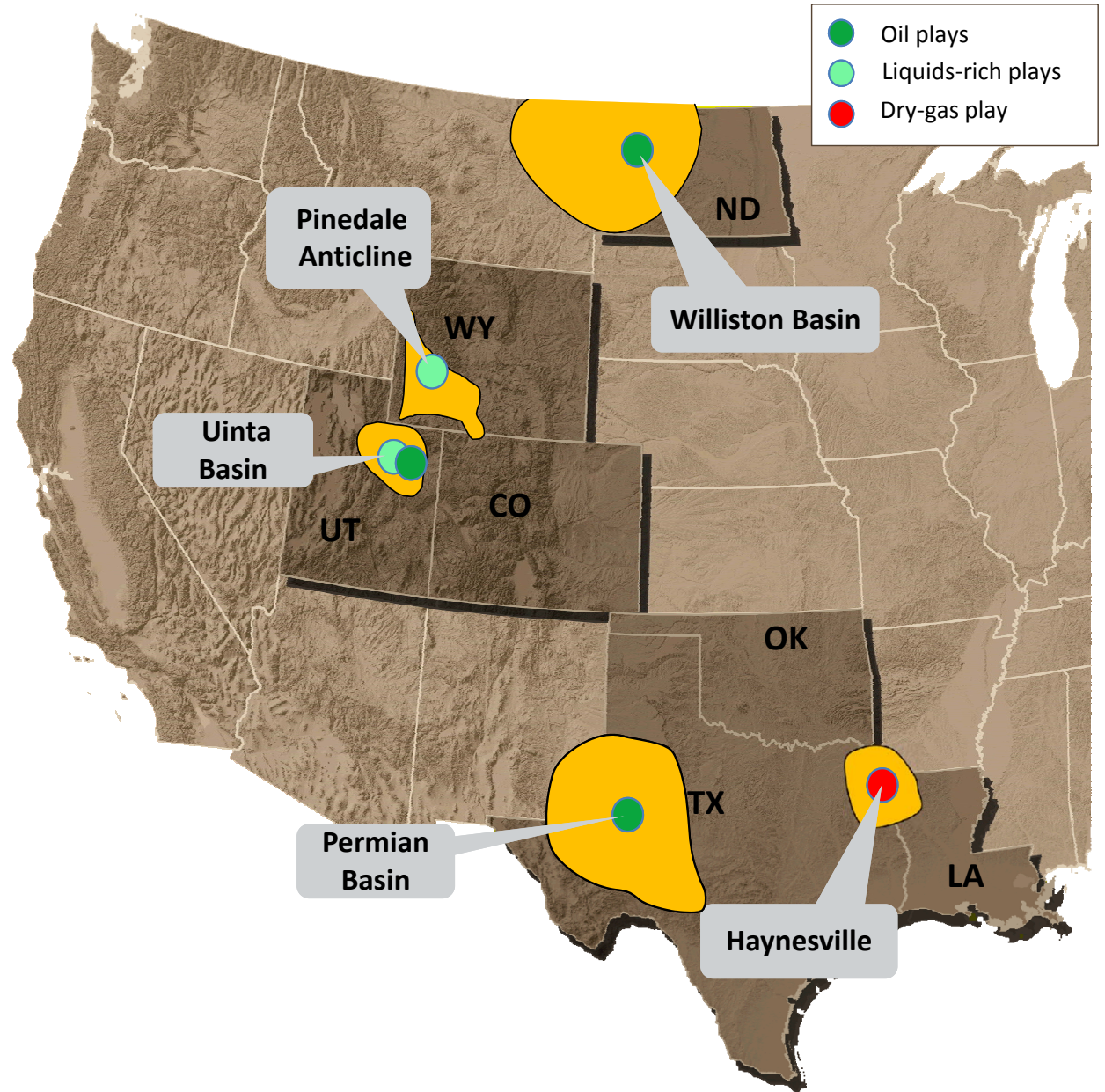


■ Oil ■ NGL ■ Natural Gas

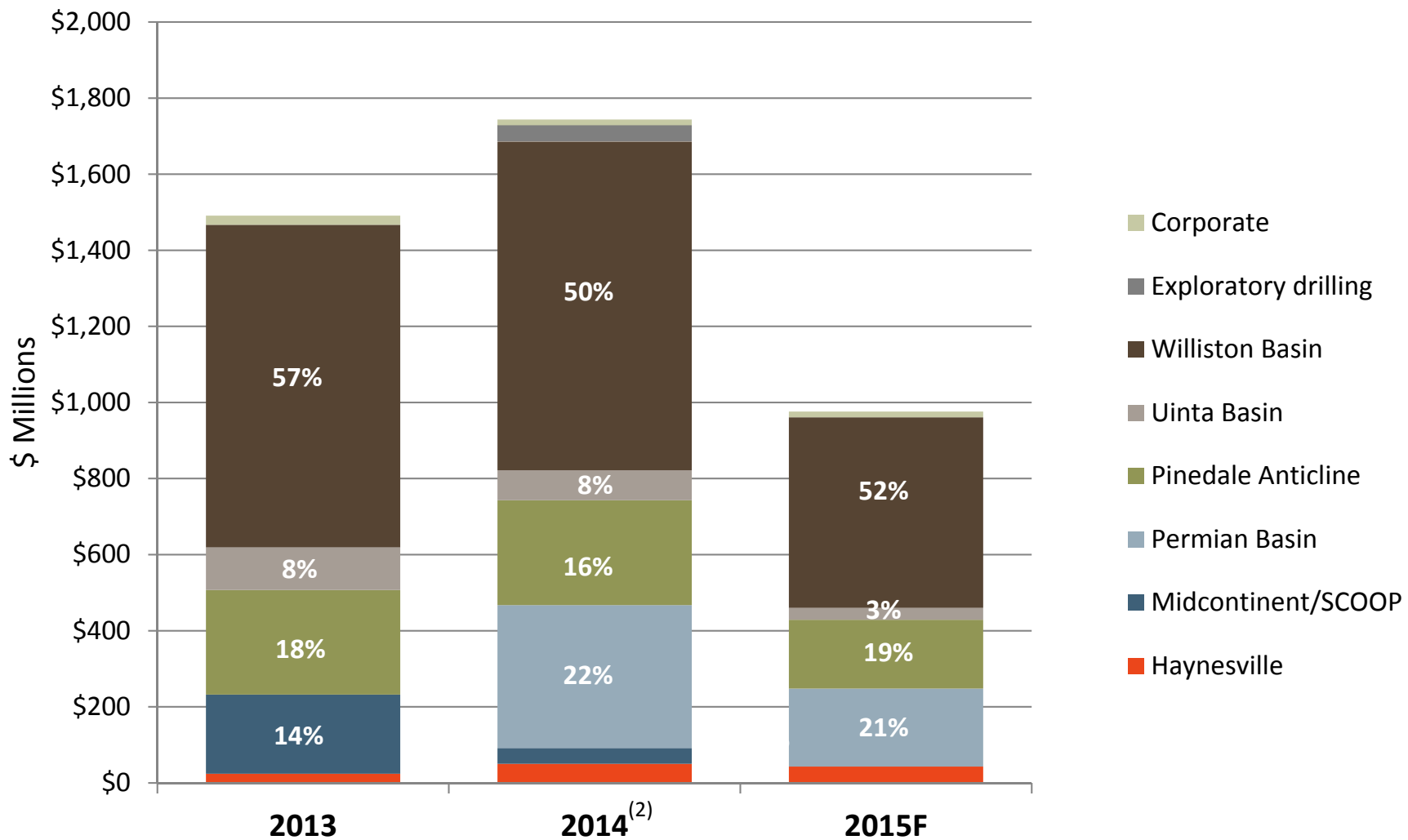
**QEP Resources  
2014YE Proved Reserves**



■ Oil ■ NGL ■ Natural Gas



# QEP RESOURCES CAPITAL ALLOCATION <sup>(1)</sup>

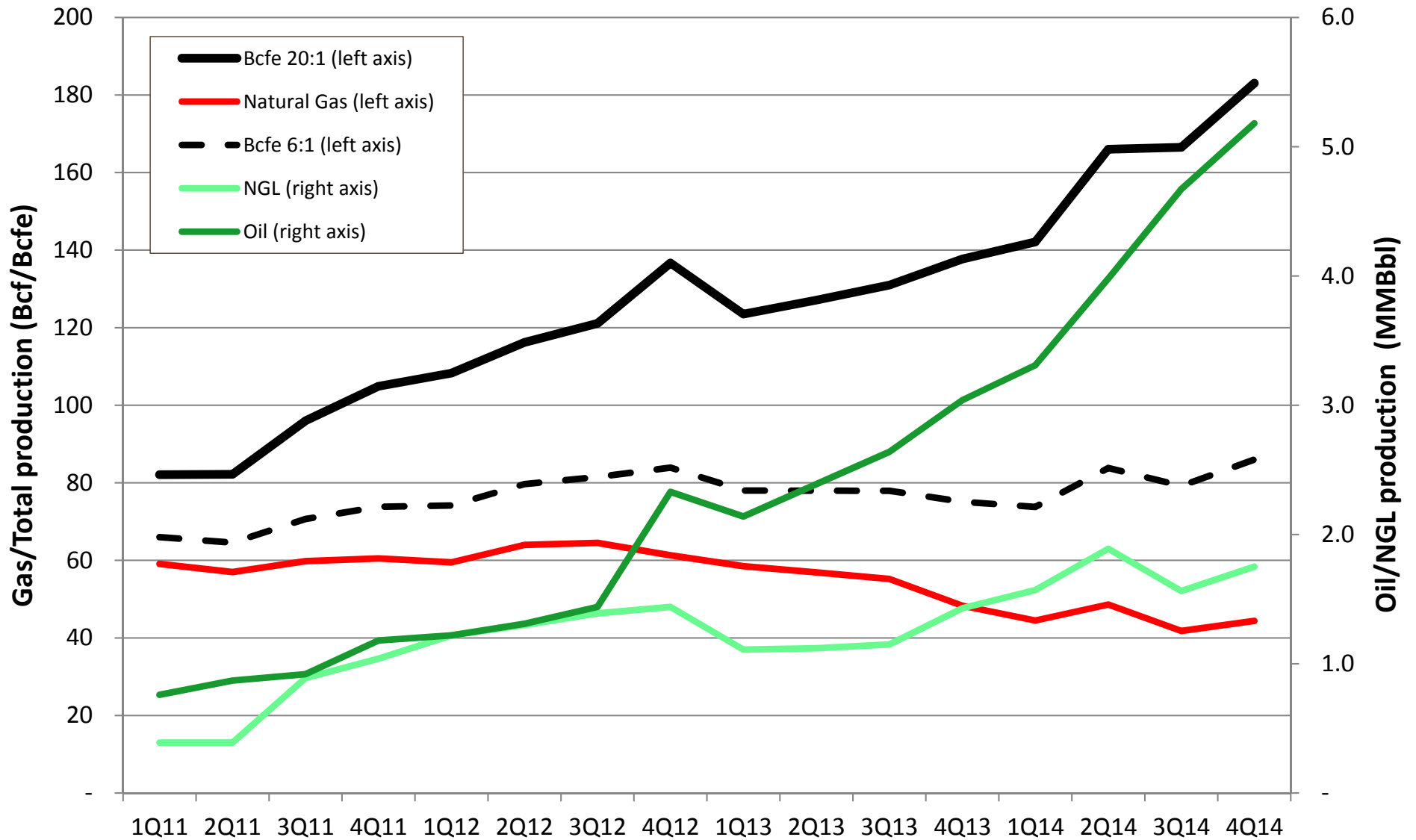


(1) Excludes discontinued operations

(2) Excludes the \$942 million Permian property acquisition



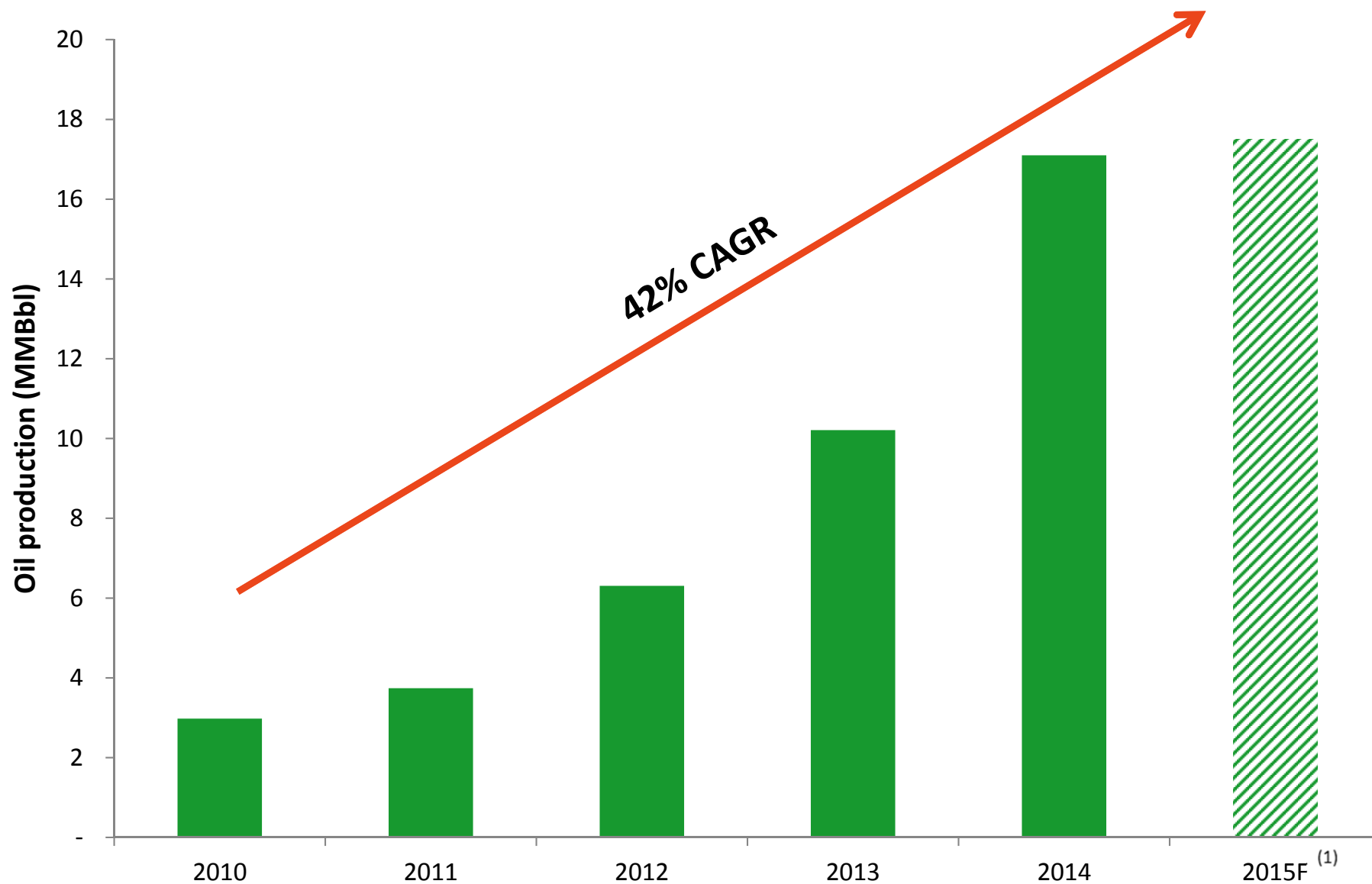
# EXECUTING ON TRANSITION TO OIL



20:1 and 6:1 refer to Mcf:Bbl conversion ratio for oil and NGL



## EXECUTING ON TRANSITION TO OIL

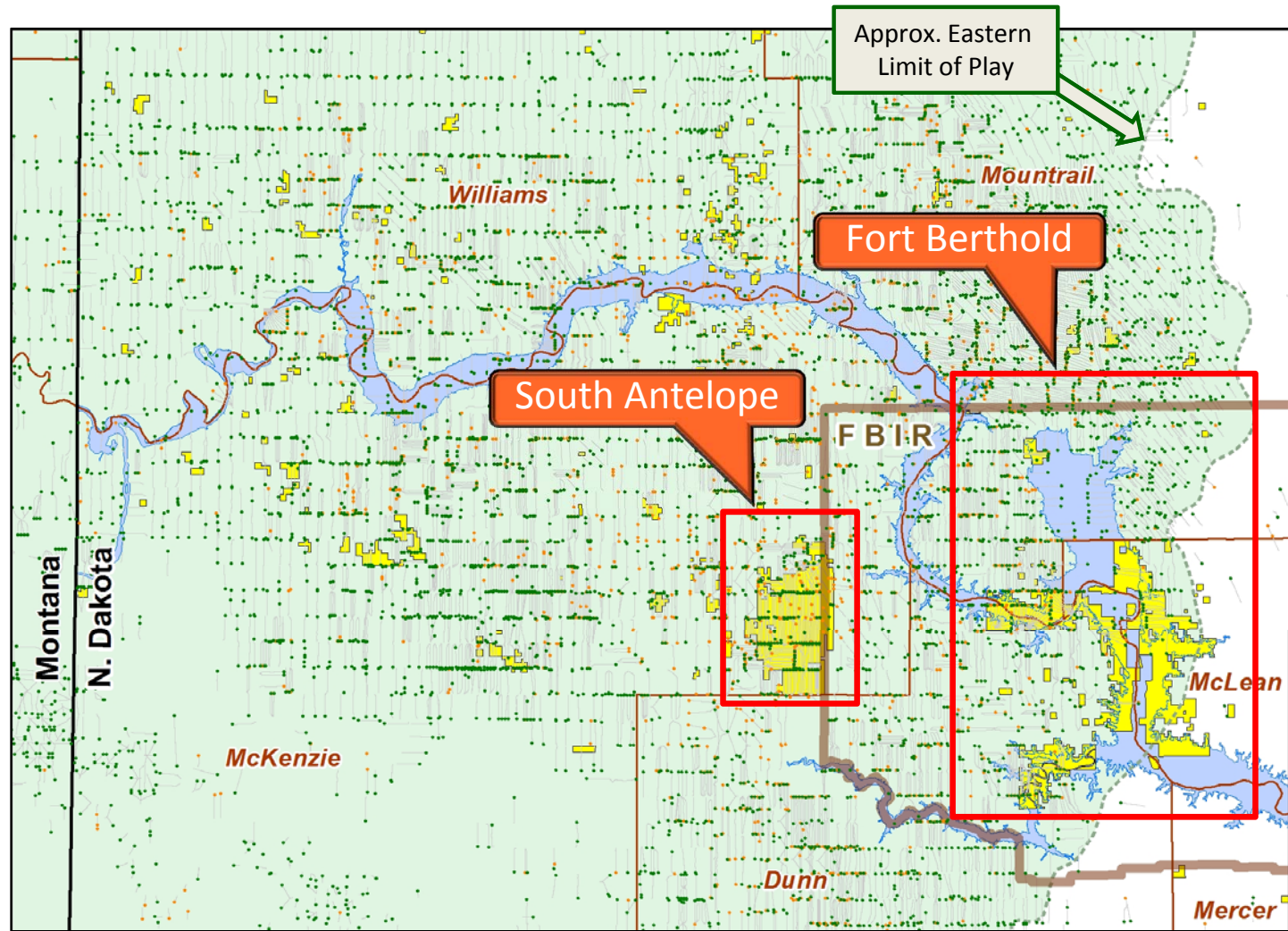
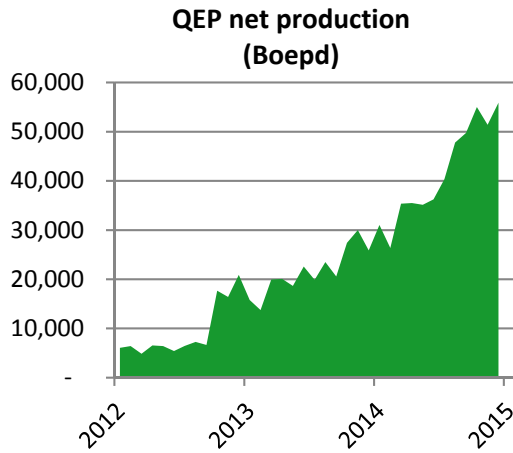


<sup>(1)</sup> 2015F represents midpoint of guidance as of February 24, 2015

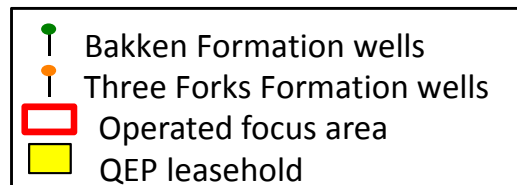




# WILLISTON BASIN – 116,000 NET ACRES



SYS	FORMATION	
MISSISSIPPIAN	MADISON GROUP	CHARLES
		MISSION CANYON
		LODGEPOLE
		<b>BAKKEN</b>
		<b>THREE FORKS</b>
DEVONIAN		BIRDBEAR (NISKU)
		DUPEROW
		SOURIS RIVER
		DAWSON BAY
		PRAIRIE EVAPORITE
		WINNIPEGOSIS
		ASHERN



20 Miles



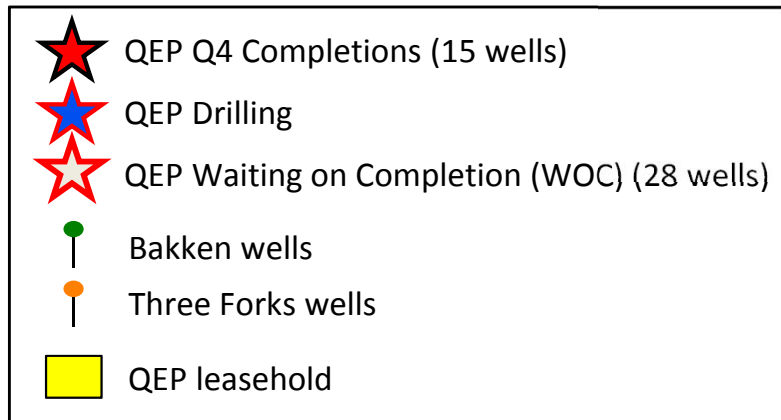
■ Proved reserves of 143 MMBoe\*

\*As of December 31, 2014

# WILLISTON BASIN – SOUTH ANTELOPE

- 5,000 to 10,500-ft laterals
- Average PDP EUR of 1,100 MBoe/well (Bakken)\*
- Average PDP EUR of 1,060 MBoe/well (Three Forks)\*

\* 2014 2<sup>nd</sup> Half Completions

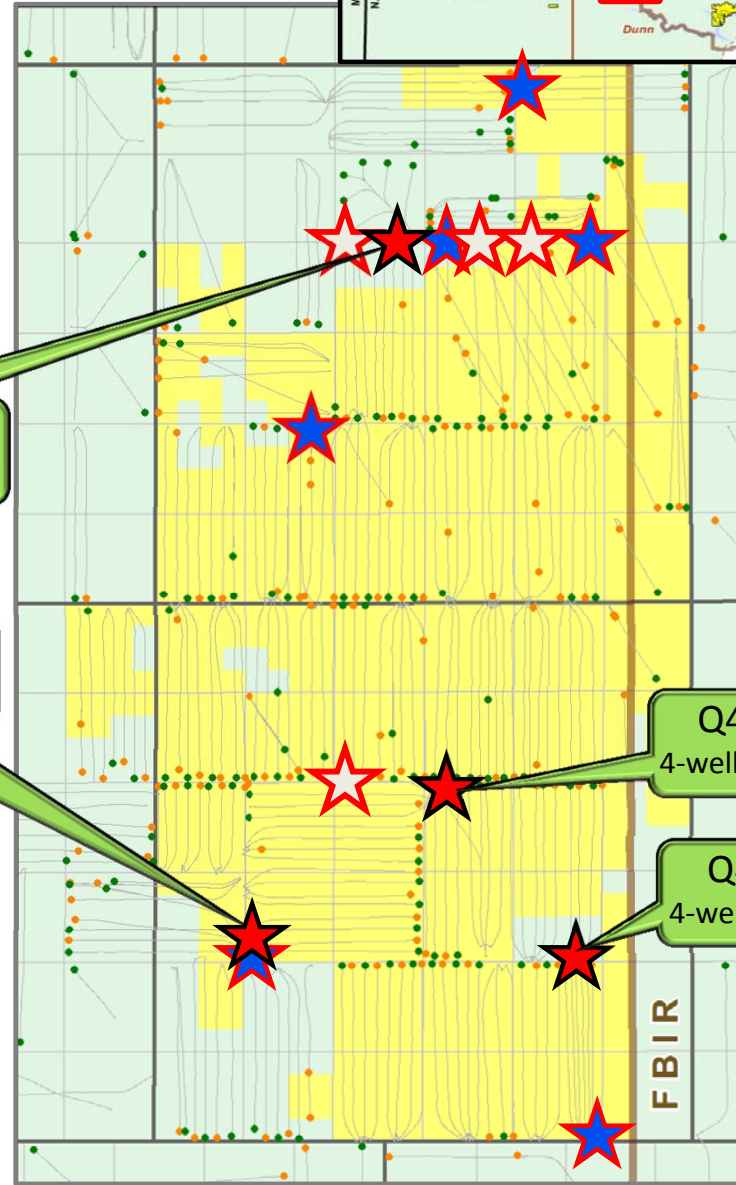
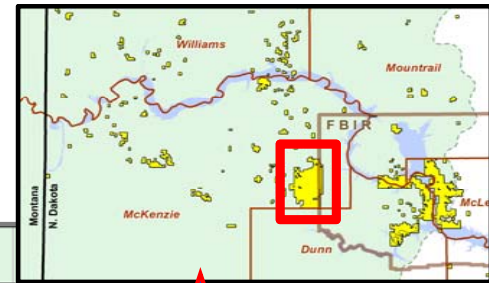


Q4 Completions  
3-well pad (2 BKN / 1 TFK)

Q4 Completions  
4-well pad (2 BKN / 2 TFK)

Q4 Completions  
4-well pad (2 BKN / 2 TFK)

Q4 Completions  
4-well pad (2 BKN / 2 TFK)



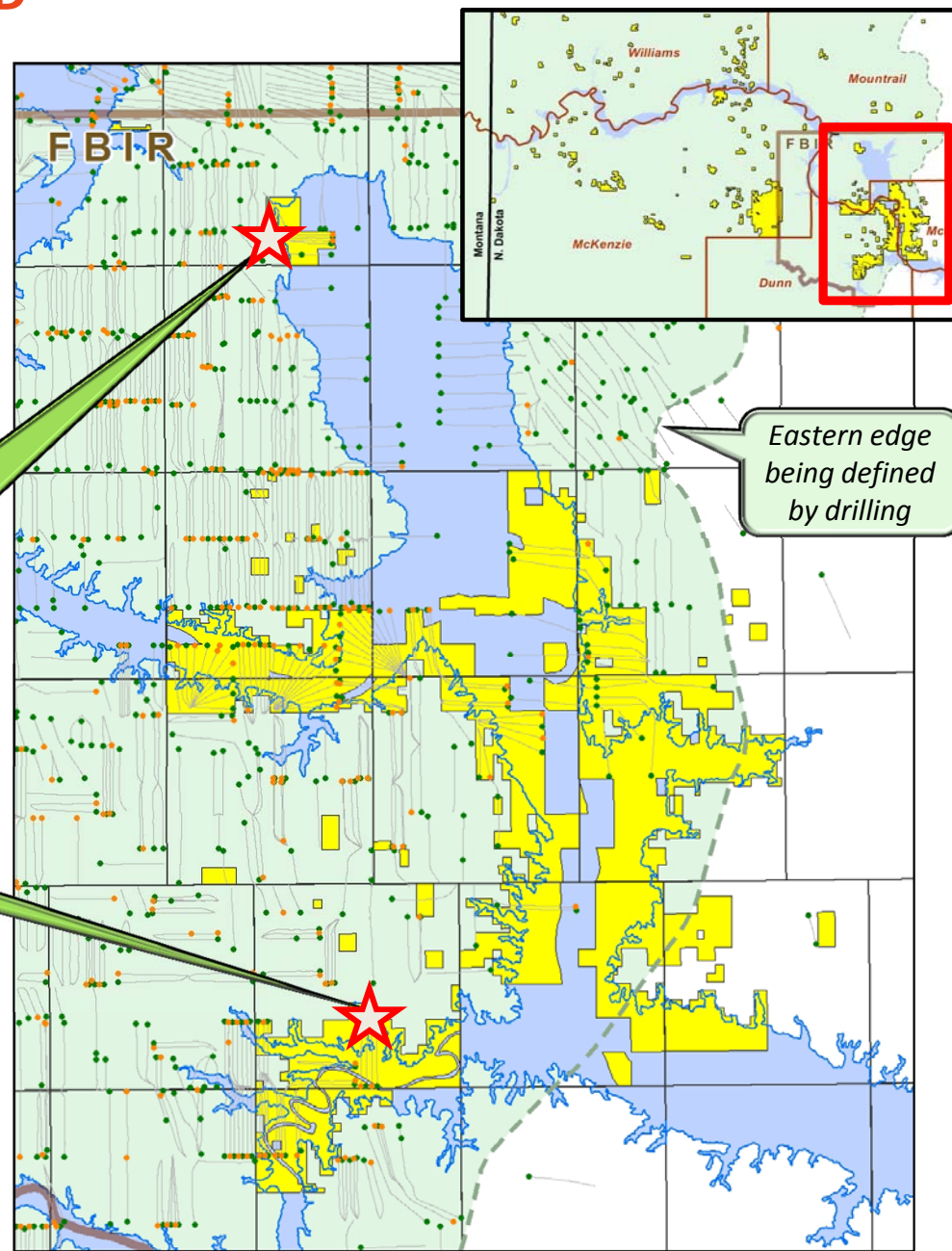
3 Miles







# WILLISTON BASIN – FORT BERTHOLD

- 5,000 to 12,500-ft laterals
- EUR 300 to 900 MBoe/well - avg. 550 MBoe/well (Three Forks and Bakken)\*

\*As of December 31, 2014

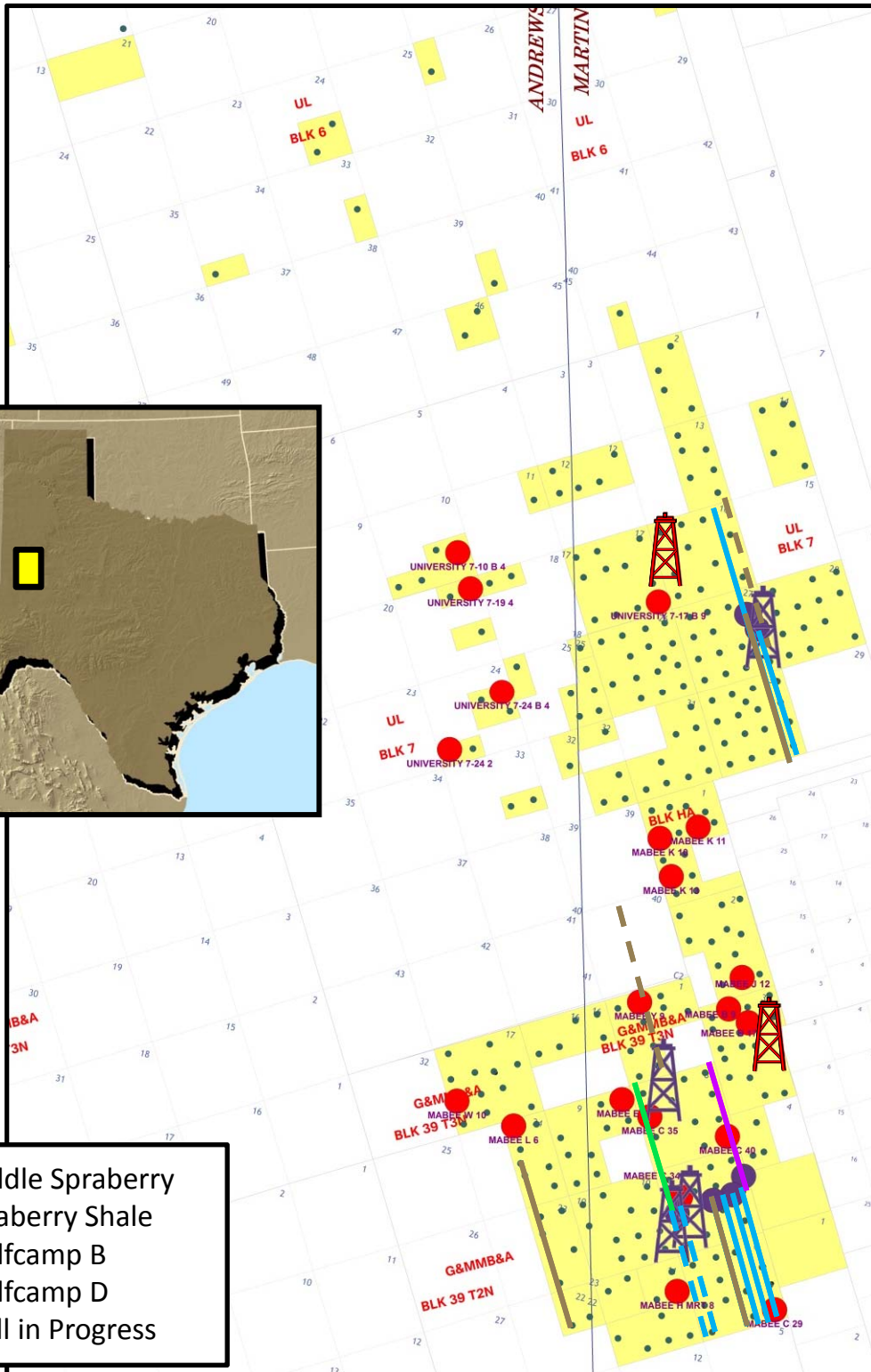
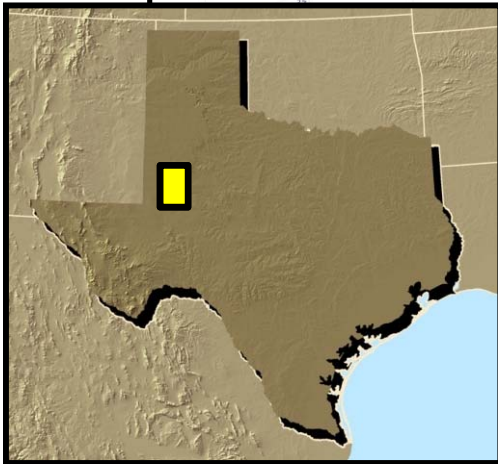







-  QEP Waiting on Completion (WOC) (7 wells)
-  Bakken wells
-  Three Forks wells
-  QEP leasehold






# PERMIAN BASIN

- 2 rigs drilling vertical wells \*
- 4 operated rigs drilling horizontal wells\*
- 12 horizontal and 327 vertical operated producing wells
- Testing multiple horizontal benches
- Average rate (3-stream) HZ wells 1,025 Boepd,  
Average perforated lateral length 7,490'

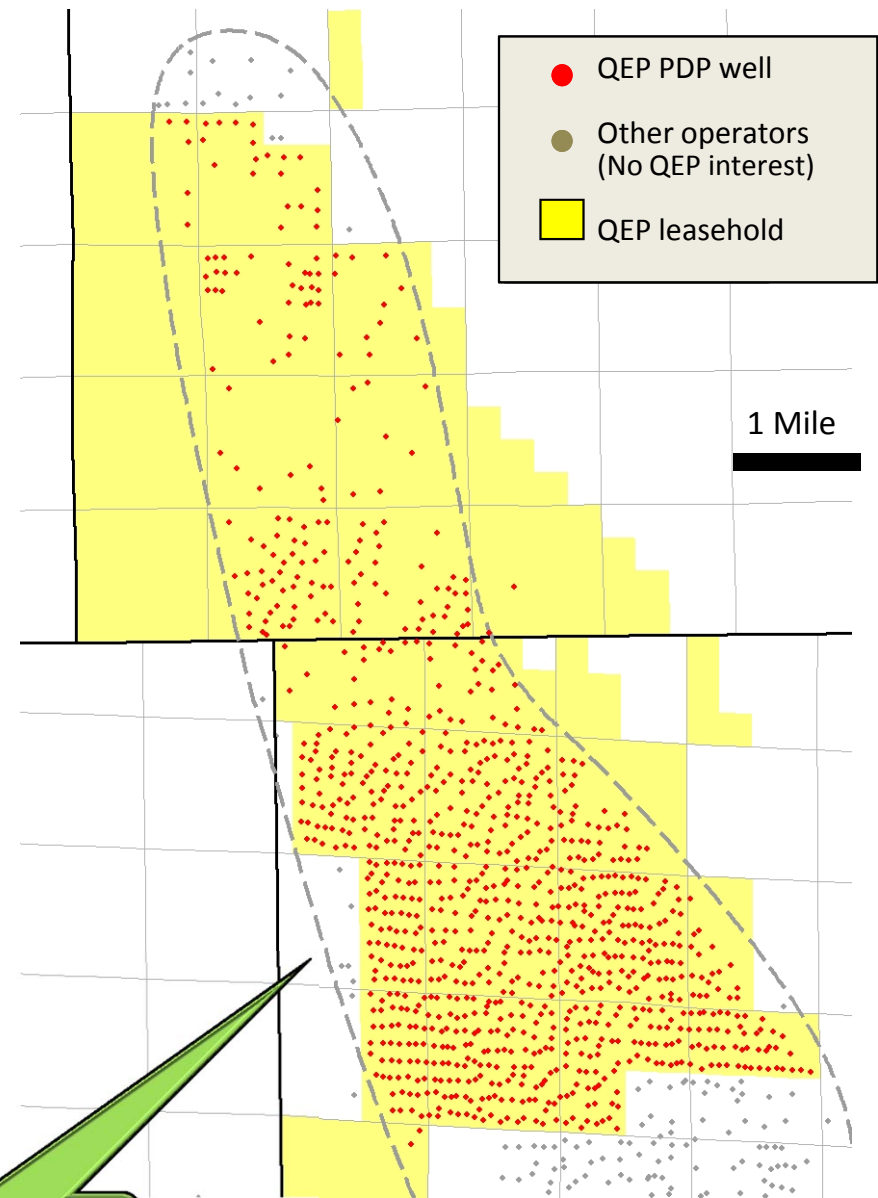
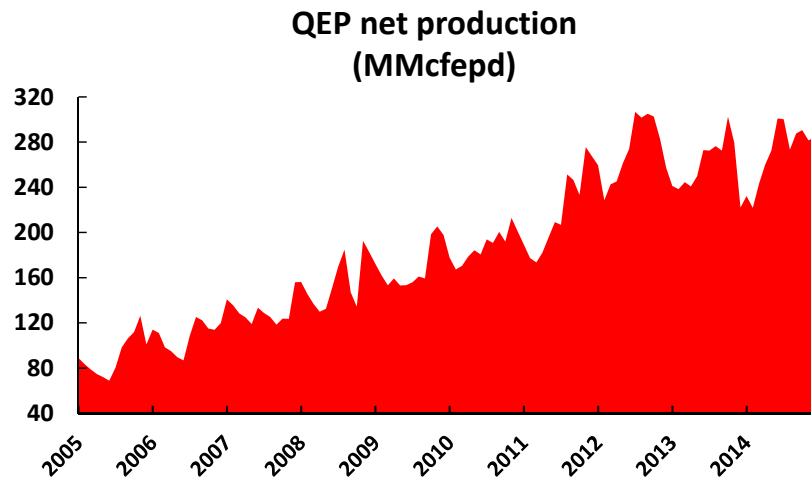
\*As of December 31, 2014



Vertical Rigs	
Horizontal Rigs	
	Q4 Vertical Completions
	Q4 Horizontal Completions
	QEP leasehold

	Middle Spraberry
	Sraberry Shale
	Wolfcamp B
	Wolfcamp D
	Well in Progress

# GREEN RIVER BASIN – PINEDALE ANTICLINE

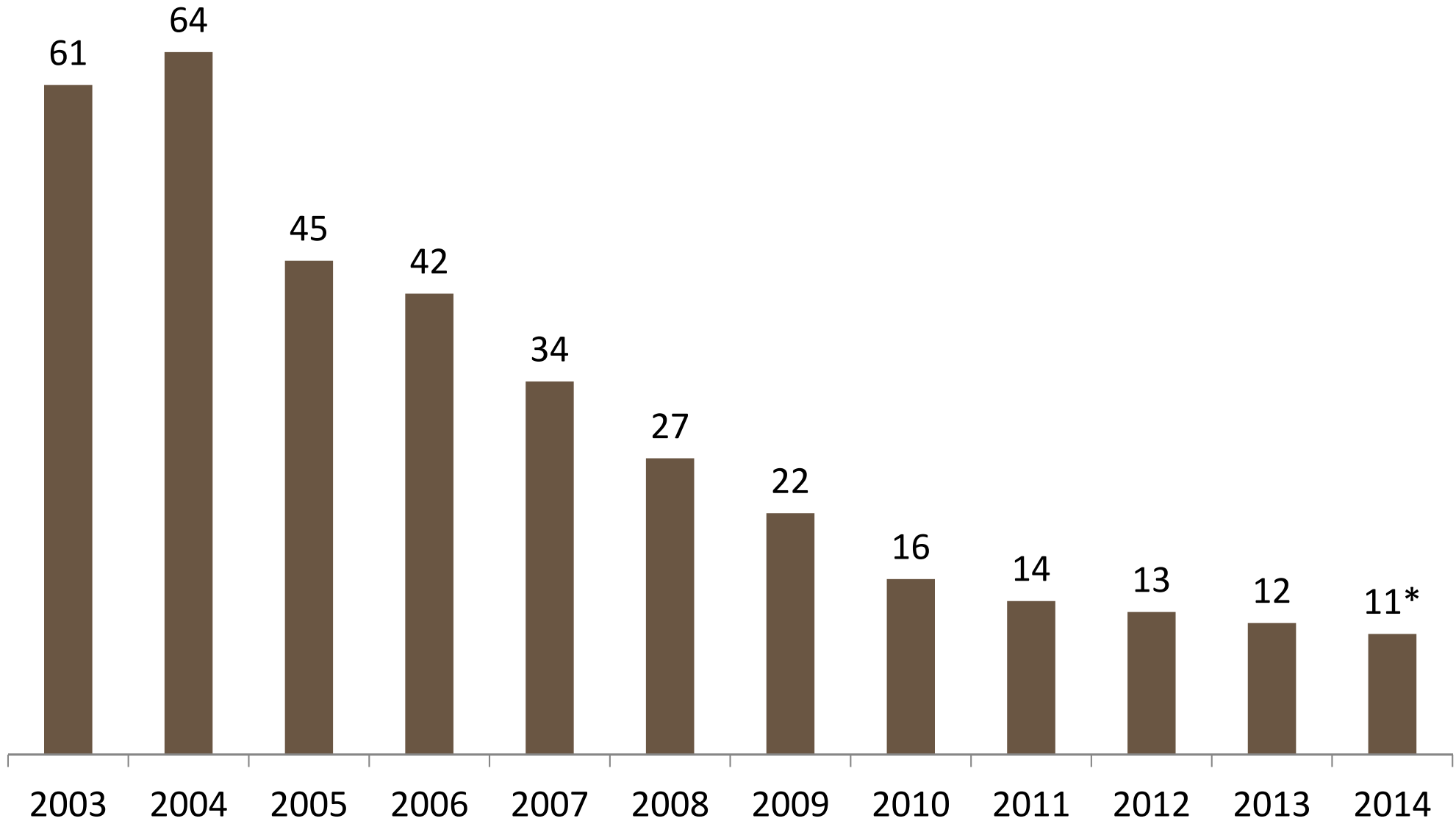


- Proved reserves 1.45 Tcfe\*
- 116 well completions in 2014
- \$3.9 MM average gross well cost

\*As of December 31, 2014

Current Economic Limit)

# PINEDALE – SPUD TO TD DRILL TIMES CONTINUE TO DECLINE



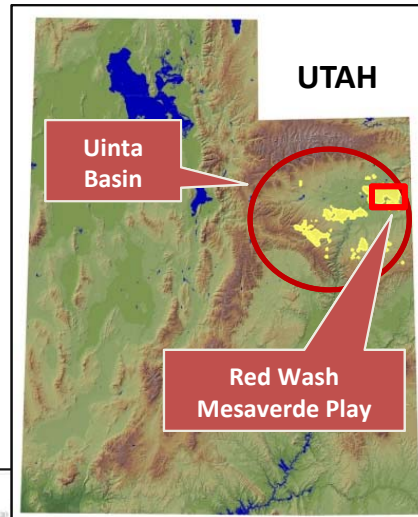


# UINTA BASIN – RED WASH LOWER MESAVERDE

- Proved reserves of 405 Bcfe\*
- Approximately 232,000 net acres in the Uinta Basin
- Over 32,000 net acres in the Red Wash fairway (100% WI, 86.5% NRI)
- Vertical wells to average total depth of 11,000' with an average EUR 2.1 Bcfe
- Horizontal maximum daily rate of 9.5 MMcfepd (5 well average)\*

\* As of December 31, 2014

- \* Producing Mesaverde wells
- \* Mesaverde horizontal wells
- \* Drilling horizontal well
- \* 2015 Directional drilling pad
- \* QEP leasehold



Geologic Age	Formation
TERTIARY	Green River
	Wasatch
CRETACEOUS	<b>Mesaverde</b> *
	Blackhawk
	Mancos
	Dakota/Cedar Mtn ss

