UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED MARCH 31 2003.

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM TO .

Commission File Number 0-30321

QUESTAR MARKET RESOURCES, INC.
(Exact name of registrant as specified in its charter)

State of Utah (State or other jurisdiction of incorporation or organization)	**87-0287750** (IRS Employer Identification Number)
P.O. Box 45601 **180 East 100 South** **Salt Lake City, Utah** (Address of principal executive offices)	**84145-0601** (Zip code)

(801) 324-2600
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No o

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of April 30, 2003
Common Stock, $1.00 par value	4,309,427 shares

Registrant meets the conditions set forth in General Instruction H(a)(1) and (b) of Form 10-Q and is filing this Form 10-Q with the reduced disclosure format.

PART I FINANCIAL INFORMATION
Item 1. Financial Statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

	3 Months Ended March 31, 2003	2002
	(In Thousands)	
REVENUES	$ 239,642	$ 153,129
OPERATING EXPENSES		
Cost of natural gas and other products sold	102,142	49,064
Operating and maintenance	33,152	35,384
Depreciation, depletion and amortization	30,005	29,284

Exploration	1,170	2,748
Abandonment and impairment of gas and oil properties	483	306
Production and other taxes	12,433	7,399
Wexpro agreement - oil income sharing	700	281
TOTAL OPERATING EXPENSES	180,085	124,466
OPERATING INCOME	59,557	28,663
Interest and other income	1,017	5,754
Income from unconsolidated affiliates	1,036	435
Minority interest	45	97
Debt expense	(7,512)	(8,419)
INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT	54,143	26,530
Income taxes	20,094	8,928
INCOME BEFORE CUMULATIVE EFFECT	34,049	17,602
Cumulative effect of accounting change for asset retirement obligations, net of income taxes of $3,049	(5,113)	
NET INCOME	$ 28,936	$ 17,602

See notes to the consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2003 (Unaudited)	December 31, 2002
	(In Thousands)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 20,006	$ 10,404
Notes receivable from Questar Corp.	49,700	95,600
Accounts receivable, net	141,100	106,487
Hedging collateral margin calls	9,300	
Fair value of hedging contracts	3,058	3,617
Inventories, at lower of average cost or market -		
Gas and oil storage	6,669	6,924
Materials and supplies	4,269	4,217
Prepaid expenses and other	4,173	7,965
Total current assets	238,275	235,214
Property, plant and equipment	1,960,677	1,917,645
Less accumulated depreciation, depletion and amortization	738,706	716,989
Net property, plant and equipment	1,221,971	1,200,656
Investment in unconsolidated affiliates	22,022	23,617
Goodwill	61,423	61,423
Other assets	10,434	2,787
	$ 1,554,125	$ 1,523,697
LIABILITIES AND SHAREHOLDER’S EQUITY		
Current liabilities		
Notes payable to Questar Corp.	$ 25,100	$ 9,900
Accounts payable and accrued expenses	163,449	140,826
Fair value of hedging contracts	47,605	24,278
Total current liabilities	236,154	175,004
Long-term debt	460,000	550,000
Deferred income taxes	196,686	204,185
Asset retirement obligation	51,769	
Other long-term liabilities	24,105	19,013
Minority interest	7,980	8,156
Common shareholder’s equity		
Common stock	4,309	4,309
Additional paid-in capital	116,027	116,027
Retained earnings	488,494	463,883
Other comprehensive loss	(31,399)	(16,880)
Total common shareholder’s equity	577,431	567,339
	$ 1,554,125	$ 1,523,697

See notes to the consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	3 Months Ended March 31, 2003	3 Months Ended March 31, 2002
	(In Thousands)	
OPERATING ACTIVITIES		
Net income	$ 28,936	$ 17,602
Depreciation, depletion and amortization	30,785	30,578
Deferred income taxes	4,218	2,332
Abandonment and impairment of gas and oil properties	483	306
Income from unconsolidated affiliates, net of cash distributions	1,595	1,660
Net gain from selling assets	(40)	(4,494)
Cumulative effect of accounting change	5,113	
Minority interest	(45)	(97)
Changes in operating assets and liabilities	(12,458)	2,342
NET CASH PROVIDED FROM OPERATING ACTIVITIES	58,587	50,229
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(21,764)	(38,887)
Proceeds from disposition of assets	6,135	5,608
NET CASH USED IN INVESTING ACTIVITIES	(15,629)	(33,279)
FINANCING ACTIVITIES		
Change in notes receivable from Questar Corp.	45,900	(4,100)
Change in notes payable to Questar Corp.	15,200	(85,700)
Checks outstanding in excess of cash balance		1,773
Increase in cash balance in escrow account		(5,084)
Long-term debt issued		200,000
Long-term debt repaid	(90,000)	(121,881)
Other	(131)	101
Payment of dividends	(4,325)	(4,325)
NET CASH USED IN FINANCING ACTIVITIES	(33,356)	(19,216)
Foreign currency translation adjustment		(4)
Change in cash and cash equivalents	9,602	(2,270)
Beginning cash and cash equivalents	10,404	2,270
Ending cash and cash equivalents	$ 20,006	$ —

See notes to the consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2003
(Unaudited)

Note 1 - Basis of Presentation

The interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim period presented. All such adjustments are of a normal recurring nature. The results of operations for the three month period ended March 31, 2003 are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. For further information refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2002.

Note 2 - New Accounting Standard

On January 1, 2003, Questar Market Resources (QMR) adopted Statement of Financial Accounting Standards 143 (SFAS 143) "Accounting for Asset Retirement Obligations" and recorded a $5.1 million after tax charge for the cumulative effect of this accounting change. SFAS 143 addresses the financial accounting and reporting of the fair value of legal obligations associated with the retirement of tangible long-lived assets. The new standard requires the Company to estimate a fair value of abandonment costs and to capitalize and depreciate those costs over the life of the related assets. The asset retirement obligation (liability) is adjusted to its present value each period through an accretion process using a credit-adjusted risk-free interest rate. Both the accretion expense associated with the liability and the depreciation associated with the capitalized abandonment costs are non-cash expenses until the asset is retired.

The adoption of SFAS 143 caused QMR to change the accounting method for plugging and abandonment costs associated with wells and certain other properties. SFAS 143 was applied retroactively to prior years to determine the cumulative effect through December 31, 2002. A receivable from Questar Gas amounting to $6.6 million, reflecting a retroactive charge, was recorded for the abandonment costs associated with gas wells operated by Wexpro on behalf of Questar Gas. Questar Gas recorded the charges in a regulatory asset. The receivable will be paid as the gas wells are plugged and abandoned.

The accretion expense in the first three months of 2003 amounted to $862,000, of which $530,000 was expensed and $332,000 increased the receivable from Questar Gas. The pro forma accretion expense for the first quarter of 2002 was $342,000.

Changes in asset retirement obligation		**In Thousands**
Balance at January 1, 2003	$	50,667
Accretion		862
Addition		240
Balance at March 31, 2003	$	51,769

Note 3 - Investment in Unconsolidated Affiliates

QMR, indirectly through subsidiaries, has interests in partnerships accounted for using the equity basis. These entities are engaged primarily in gathering and/or processing of natural gas. The entities do not have debt obligations with third-party lenders. QMR uses the equity method to account for investments in affiliates in which it does not have control. The principal affiliates and QMR's ownership percentage as of March 31, 2003 were: Rendezvous Gas Services LLC, a limited liability corporation, (50%) and Canyon Creek Compression Co., a general partnership (15%).

Summarized operating results of the unconsolidated partnerships listed below:

	3 Months Ended March 31,			
		2003		**2002**
	(In Thousands)			
Revenues	$	3,667	$	4,816
Operating income		2,082		1,154
Income before income taxes		2,096		1,173

Note 4 - Operations By Line of Business

	3 Months Ended March 31,			
		2003		**2002**
	(In Thousands)			
REVENUES FROM UNAFFILIATED CUSTOMERS				
Exploration and production	$	86,738	$	63,965
Cost of service		5,002		2,582
Gathering, processing and marketing		121,453		58,611
	$	213,193	$	125,158
REVENUES FROM AFFILIATED COMPANIES				
Exploration and production	$	—	$	755
Cost of service		23,745		23,929
Gathering, processing and marketing		2,704		3,287
	$	26,449	$	27,971
OPERATING INCOME				
Exploration and production	$	37,694	$	12,690
Cost of service		13,396		12,884
Gathering, processing and marketing		8,467		3,089
	$	59,557	$	28,663
NET INCOME				
Exploration and production	$	20,545	$	8,266
Cost of service		8,186		7,623
Gathering, processing and marketing		5,318		1,713
Income before cumulative effect of accounting change		34,049		17,602

	3 Months Ended March 31,			
		2003		**2002**
	(In Thousands)			
Cumulative effect		(5,113)		
NET INCOME	$	28,936	$	17,602
GEOGRAPHIC INFORMATION REVENUES				
United States	$	239,642	$	146,858
Canada				6,271
	$	239,642	$	153,129

NET FIXED ASSETS - at March 31,		
United States	$ 1,221,971	$ 1,181,038
Canada		74,629
	$ 1,221,971	$ 1,255,667

Note 5 - Comprehensive Income

Comprehensive income is the sum of net income as reported in the Consolidated Statements of Income and other comprehensive income transactions reported in Shareholder's Equity. Other comprehensive income transactions include those that result from changes in the market value of gas and oil-hedging derivatives and changes in holding value resulting from foreign currency translation adjustments. These transactions are not the culmination of the earnings process, but result from periodically adjusting historical balances to market value. Income or loss is realized when the gas or oil underlying the hedging contracts is sold.

	3 Months Ended March	
	2003	2002
	(In Thousands)	
Net income	$ 28,936	$ 17,602
Other comprehensive income (loss)		
Unrealized loss on hedging transactions	(23,188)	(49,773)
Foreign currency translation adjustments		(103)
Other comprehensive loss before income taxes	(23,188)	(49,876)
Income taxes on other comprehensive loss	(8,669)	(18,757)
Net other comprehensive loss	(14,519)	(31,119)
Total comprehensive income (loss)	$ 14,417	($13,517)

Note 6 - Reclassifications

Certain reclassifications were made to the 2002 financial statements to conform with the 2003 presentation.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES
March 31, 2003
(Unaudited)

Operating Results

Questar Market Resources and subsidiaries (QMR) acquire and develop gas and oil properties, develop cost-of-service reserves for affiliate utility Questar Gas, provide gas-gathering and processing services, market equity and third-party gas and oil, provide risk-management services, and own and operate an underground gas-storage reservoir. Primary objectives of gas- and oil-marketing operations are to support QMR's earnings targets and to protect QMR's earnings from adverse commodity-price changes. QMR does not enter into gas- and oil-hedging contracts for speculative purposes. Following is a summary of QMR's financial results and operating information:

	3 Months Ended March 31	
	2003	2002
FINANCIAL RESULTS - (In Thousands)		
Revenues		
From unaffiliated customers	$ 213,193	$ 125,158
From affiliates	26,449	27,971
Total revenues	$ 239,642	$ 153,129
Operating income	$ 59,557	$ 28,663
Income before cumulative effect	$ 34,049	$ 17,602
Cumulative effect of accounting change	(5,113)	
Net income	$ 28,936	$ 17,602
OPERATING STATISTICS		
Nonregulated production volumes		
Natural gas (in MMcf)	20,104	20,007
Oil and natural gas liquids (in Mbbl)	572	747
Total production (MMcfe)	23,536	24,489
Average daily production (MMcfe)	262	272
Average realized selling price, net to the well		
Average realized selling price (including hedges)		
Natural gas (per Mcf)	$ 3.52	$ 2.44
Oil and natural gas liquids (per barrel)	$ 24.71	$ 18.85
Average selling price (without hedges)		
Natural gas (per Mcf)	$ 4.21	$ 1.89

Oil and natural gas liquids (per bbl)	$	31.14	$	18.70
Wexpro investment base at March 31, net of deferred income taxes (in millions)	$	159.3	$	163.0

	3 Months Ended March 31	
	2003	2002
Natural gas and oil marketing volumes (in Mdthe)	21,311	22,465
Natural gas gathering volumes (in MDth)		
For unaffiliated customers	28,325	28,625
For Questar Gas	11,583	12,223
For other affiliated customers	12,092	7,387
Total gathering	52,000	48,235
Gathering revenue (per Dth)	$ 0.19	$ 0.13

Exploration and Production

Higher selling prices for gas, oil and natural gas liquids were responsible for a 56% increase in revenues when comparing the first quarter of 2003 with the first quarter of 2002. Gas production was flat in the quarter to quarter comparison, while production of oil and natural gas liquids declined by 23%. A 20% increase in gas production in the Rockies overcame the effect of the 2002 sales of a Canadian subsidiary and other properties.

Realized gas prices, net to the well, increased 44% to $3.52 per Mcf in the 2003 period compared with $2.44 per Mcf a year earlier. Gas prices received for the Company's Rockies production averaged $3.02 per Mcf in the first quarter of 2003 quarter, representing a 42% increase over the prior year. Roughly two-thirds of the Company's gas and oil production came from the Rockies in the first quarter of 2003. Rockies basis differential to Henry Hub averaged about $2.80 per MMBtu in the first quarter of 2003. The basis differential may narrow with the 900 MMcf per day expansion of the Kern River Pipeline that began service on May 1, 2003. The expansion represents an approximate 20% increase in export capacity out of the western Rockies. Prices received for the Company's Midcontinent gas production increased 47% to $4.52 per Mcf in the same quarter to quarter comparison.

Prices received for oil and natural gas liquids increased 31% in the first quarter of 2003 to $24.71 per bbl, net to the well. Oil and gas production decreased 23% during the same quarter to quarter comparison as a result of the 2002 property sales.

Approximately 60% of first quarter 2003 nonregulated gas production was hedged or presold at an average price of $3.19 per Mcf, net to the well. This resulted in a $13.8 million reduction in gas revenues when compared with the prices received from the physical sales transaction. Approximately 53% of nonregulated oil production was hedged or presold at an average price of $21.80 per bbl, net to the well resulting in a $3.7 million reduction in oil revenues.

Lifting costs per Mcfe increased by 6% in the quarterly comparison primarily due to a higher production tax resulting from higher selling prices. Lease-operating expenses declined 21% in the quarterly comparison. It should be noted that lease-operating expenses are sensitive to the timing of maintenance or well-workover projects. General and administrative costs were lower in the 2003 quarter as a result of a reduction in legal costs. A first quarter to first quarter comparison of operating and depreciation expenses on an Mcfe basis is shown in the table below.

	3 Months Ended March 31,	
	2003	2002
	Per Mcfe	
Lease-operating expense	$ 0.44	$ 0.56
Production taxes	0.32	0.16
Lifting cost	$ 0.76	$ 0.72
Depreciation, depletion and amortization	$ 0.92	$ 0.89
General and administrative expense	$ 0.26	$ 0.32

Wexpro Earnings

Wexpro's net income of $7.6 million in the first quarter of 2003 was unchanged from the same quarter of 2002. The 2003 results included a $600,000 after-tax charge for the cumulative effect of an accounting change. Wexpro earns a specified return of 19% to 20% on its net investment in commercial wells drilled on behalf of Questar Gas. The net investment base was lower at March 31, 2003, when compared with the balance at March 31, 2002. Depreciation expense exceeded capital spending in the first quarter of 2003. Wexpro operations are subject to winter access restrictions in the Rockies. Higher oil selling prices partially offset the effect of the decline in investment base.

Gas Gathering and Gas and Oil Marketing

Net income from gathering activities improved to $3.6 million in the first quarter of 2003 from $1.4 million in the 2002 quarter. Gathering volumes increased 8% and the average revenue per decatherm gathered increased 46%. Increased gas and oil prices and price volatility resulted in higher marketing revenues and margins in the first quarter of 2003 compared with the same period in 2002. The margin, which represents revenues less the costs to purchase gas and oil and transport gas, increased from $3.1 million in the first quarter of 2002 to $6.2 million in the first quarter of 2003.

Interest and other income, debt expense and income taxes

QMR's share of earnings from its 50% owned Rendezvous LLC accounts for the majority of the income from unconsolidated affiliates. Gathering volumes for the partnership increased 110% and the average rate per decatherm increased 56% in the quarter to quarter comparison. Debt expense declined 11% in the first quarter of 2003 comparison because of debt repayments, primarily during the fourth quarter of 2002. QMR applied proceeds of more than $145 million from 2002 asset sales to reduce debt. QMR sold non-essential producing properties resulting in pretax gains of $4.5 million in the first quarter of 2002. The effective income tax rate for the first quarter was 37.1 % in 2003 and 33.7% in 2002. An income tax credit for non-conventional fuel credits expired for gas produced after December 31, 2002. The Company recognized $1.1 million of non-conventional fuel tax credits in the first quarter of 2002 period.

Cumulative effect of change in accounting method

On January 1, 2003, the Company adopted a new accounting rule, SFAS 143, "Accounting for Asset Retirement Obligations and recorded a cumulative effect that reduced net income by $5.1 million. Abandonment costs for plugging gas and oil wells accounted for a majority of the charge. Another $6.6 million, before income taxes, was recorded by Wexpro in a receivable from Questar Gas for gas wells operated on behalf of Questar Gas. The receivable will be paid to Wexpro as the wells are plugged and abandoned. Accretion expense associated with SFAS 143 amounted to $530,000 in the first quarter of 2003. Another $332,000 of accretion expense was charged by Wexpro to the receivable from Questar Gas.

Liquidity and Capital Resources

Operating Activities

Net cash provided from operating activities in the first quarter of 2003 was $8.4 million more than the net cash flow generated in the first quarter of 2002 because of higher net income partially offset by hedging contract collateral margin calls. Hedging contract collateral margin calls, which represent cash deposited with counterparties, totaled $9.3 million at March 31, 2003.

Investing Activities

Capital expenditures amounted to $21.8 million in the first quarter of 2003, down $17.1 million from a year ago because of decreased well-drilling activities. Capital expenditures for calendar year 2003 are forecast to reach $224.8 million. QMR plans to increase investment in its Pinedale Anticline development project. QMR intends to drill approximately 25 wells at Pinedale in 2003, compared to an average of about 15 wells per year in the 2000-2002 period. In the first quarter of 2003, QMR sold drilling rigs and received proceeds of approximately $6 million, which equaled book value.

Financing Activities

Net cash flow from operating activities was more than sufficient to fund first quarter 2003 capital expenditures. The excess cash flow plus a partial reduction in the notes receivable from Questar were used to repay $90 million of long-term variable-rate debt. Notes payable to Questar increased $15.2 million in the first quarter of 2003 as a result of timing differences between collection of cash and the repayment of debt. Cash is centrally managed by Questar. Questar loans cash to QMR and/or receives excess cash from QMR for reinvestment its other subsidiaries. The borrowing rate charged and the investment rate received are identical.

QMR expects to finance remaining 2003 capital expenditures and reduce debt using cash flow provided from operating activities.

Item 3. Quantitative and Qualitative disclosures About Market Risk

QMR's primary market-risk exposures arise from commodity-price changes for natural gas, oil and other hydrocarbons and changes in interest rates. A QMR subsidiary has long-term contracts for pipeline capacity for the next several years and is obligated for transportation services with no guarantee that it will be able to recover the full cost of these transportation commitments.

QMR bears a majority of the risk associated with commodity-price changes and uses gas- and oil-price-hedging arrangements in the normal course of business to limit the risk of adverse price movements. However, these same arrangements typically limit future gains from favorable price movements. The hedging contracts exist for a significant share of QMR-owned gas and oil production and for a portion of gas- and oil-marketing transactions.

Commodity-Price Risk Management

QMR has established policies and procedures for managing commodity-price risks through the use of derivatives. The primary objectives of natural gas- and oil-price hedging are to support QMR's earnings targets and to protect earnings from downward movements in commodity prices. The volume of production hedged and the mix of derivative instruments employed are regularly evaluated and adjusted by management in response to changing market conditions and reviewed periodically by QMR's Board of Directors. It is QMR's current policy to hedge up to 75% of the current year's proved-developed-production by the first of March in the current year, at or above selling prices that support its budgeted income. QMR will add incrementally to these hedges to reach forward beyond the current year when price levels are attractive. QMR does not enter into derivative arrangements for

speculative purposes and does not hedge undeveloped reserves. QMR typically hedges Rockies natural gas production by entering into fixed price swaps with creditworthy counterparties. Hedges are matched to equity gas and oil production, thus qualifying as cash flow hedges under the accounting provisions of SFAS 133 as amended and interpreted. Hedging contracts are typically settled by delivery of the underlying production into a regional pipeline, thereby reducing basis risk. The Company does not engage in proprietary trading.

Natural gas prices in the Rocky Mountain region historically average $.40 - .60 per MMBtu below the benchmark Henry Hub price. However, the basis differential averaged $2.80 per MMBtu in the first quarter of 2003 after a 2002 peak differential of $2.00 per MMBtu. The volatility of Rockies gas prices results from growth in regional gas production, a relatively small regional gas market and inadequate capacity on pipelines that transport gas out of the region. The expansion of the Kern River pipeline will improve pipeline capacity out of the Rockies but may not immediately return Rockies basis to historical ranges. QMR has hedged a higher percentage of its second and third quarter 2003 natural gas production to protect against a possible widening of the Rockies-Henry Hub basis differential.

Management's attention has been focused on improving Rockies gas prices by hedging approximately two-thirds of Rockies April through December 2003 proved-developed-production at an average of $3.19 per Mcf, net to the well. In addition, QMR may curtail production if prices drop below levels necessary for profitability.

A summary of QMR's gas- and oil-price hedging positions for equity gas and oil production as of April 29, 2003, follows:

Time periods	Rocky	Midcontinent	Total	Rocky	Midcontinent	Total

	Mountains			Mountains		
		Gas (in Bcf)			Average price per Mcf, net to the well	
Second quarter of 2003	9.0	4.3	13.3	$ 3.16	$ 4.02	$ 3.44
Second half of 2003	17.0	6.9	23.9	$ 3.21	$ 4.00	$ 3.44
April - Dec. 2003	26.0	11.2	37.2	$ 3.19	$ 4.00	$ 3.44
First half of 2004	10.6	5.1	15.7	$ 3.41	$ 4.30	$ 3.70
Second half of 2004	10.8	5.2	16.0	$ 3.41	$ 4.30	$ 3.70
12 months of 2004	21.4	10.3	31.7	$ 3.41	$ 4.30	$ 3.70

Time periods	Rocky Mountains	Midcontinent	Total	Rocky Mountains	Midcontinent	Total
		Oil (in Mbbl)			Average price per bbl, net to the well	
Second quarter of 2003	228	45	273	$ 21.68	$ 22.38	$ 21.80
Second half of 2003	460	92	552	$ 21.68	$ 22.38	$ 21.80
April - Dec. 2003	688	137	825	$ 21.68	$ 22.38	$ 21.80

QMR held gas- and oil-price hedging contracts covering the price exposure for about 107.2 million dth of gas and 800,000 bbl of oil as of March 31, 2003. A year earlier QMR hedging contracts covered 77.4 million dth of natural gas and 2.6 million bbl of oil. QMR does not hedge the price of natural gas liquids.

A summary of the activity for the fair value of hedging contracts for the year ended December 31, 2002, is below. The calculation is comprised of the valuation of financial and physical contracts.

	(In Thousands)
Net fair value of gas- and oil-hedging contracts outstanding at Dec. 31, 2002	$ (20,661)
Contracts realized or otherwise settled	2,654
Increase in gas and oil prices on futures markets	(28,491)
New contracts since Dec. 31, 2002	1,951
Net fair value of gas- and-hedging contracts outstanding at Mar. 31, 2003	$ (44,547)

A vintaging of gas- and oil-hedging contracts as of March 31, 2003, is shown below. About 88% of those contracts will settle and be reclassified from other comprehensive income in the next 12 months.

	(In Thousands)
Contracts maturing by Mar. 31, 2004	$ (39,246)
Contracts maturing between Mar. 31, 2004 and Mar. 31, 2005	(5,305)
Contracts maturing between Mar. 31, 2005 and Mar. 31, 2006	39
Contracts maturing between Mar. 31, 2006 and Mar. 31, 2008	(35)
Net fair value of gas- and oil-hedging contracts outstanding at March 31, 2003	$ (44,547)

QMR's mark-to-market valuation of gas and oil price-hedging contracts plus a sensitivity analysis follows:

	As of March 31,	
	2003	2002
	(In Millions)	
Mark-to-market valuation - asset (liability)	$ (44.5)	$ (0.4)
Value if market prices of gas and oil decline by 10%	(12.2)	24.1
Value if market prices of gas and oil increase by 10%	(77.0)	(32.1)

The calculations reflect gas and oil prices posted on the NYMEX, various "into-the-pipe" postings, and fixed prices on the indicated dates. These sensitivity calculations do not consider changes in the fair value of the corresponding scheduled physical transactions for price hedges on equity production, (i.e., the correlation between the index price and the price to be realized for the physical delivery of gas or oil production) which should largely offset the change in value of the hedge contracts.

<u>Interest-Rate Risk Management</u>
As of March 31, 2003, QMR had $110 million of variable-rate long-term debt and $350 million of fixed-rate long-term debt. The book value of variable-rate long-term debt approximates fair value.

FORWARD-LOOKING STATEMENTS

This report includes "forward-looking statements" within the meaning of Section 27(A) of the Securities Act of 1933, as amended, and Section 21(E) of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included or incorporated by reference in this report, including, without limitation, statements regarding the Company's future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "could," "expect," "intend," "project," "estimate," "anticipate," "believe," "forecast," or "continue" or the negative thereof or variations thereon or similar terminology. Although these statements are made in good faith and are reasonable representations of the Company's expected performance at the time, actual results may vary from management's stated expectations and projections due to a variety of factors.

Important assumptions and other significant factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements include:

Changes in general economic conditions;

Changes in gas and oil prices and supplies, and land-access issues;

Regulation of the Wexpro Agreement;

Availability of gas and oil properties for sale or for exploration;

Creditworthiness of counterparties to hedging contracts;

Rate of inflation and interest rates;

Assumptions used in business combinations;

Weather and other natural phenomena;

The effect of environmental regulation;

Competition from other energy sources;

The effect of accounting policies issued periodically by accounting standard-setting bodies;

Adverse repercussion from terrorist attacks or acts of war;

Adverse changes in the business or financial condition of the Company; and

Lower credit ratings.

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures. The Company's Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"). Based on such evaluation, such officers have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to the Company, including its consolidated subsidiaries, required to be included in the Company's reports filed or submitted under the Exchange Act.

b. Changes in Internal Controls. Since the Evaluation Date, there have not been any significant changes in the Company's internal controls or in other factors that could significantly affect such controls.

Part II
OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

a. The following exhibits are filed as part of this report.

Exhibit No.	Exhibit
4.1.	Tenth Amendment, dated April 14, 2003, to the U.S. Credit Agreement by and among Questar Market Resources, Inc., as U.S. borrower, NationsBank, N.A., as U.S. agent, and certain financial institutions, as lenders.
99.1	Certification of Charles B. Stanley and S. E. Parks

b. Questar Market Resources, Inc. did not file any Current Reports on Form 8-K during the first quarter.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QUESTAR MARKET RESOURCES, INC.
(Registrant)

May 14, 2003	/s/Charles B. Stanley Charles B. Stanley President and Chief Executive Officer
May 14, 2003	/s/S. E. Parks S. E. Parks Vice President, Treasurer, and Chief Financial Officer

CERTIFICATION

I, Charles B. Stanley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Questar Market Resources, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls that could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls;

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

May 14, 2003 Date	By: /s/Charles B. Stanley Charles B. Stanley President and Chief Executive Officer

CERTIFICATION

I, S. E. Parks, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Questar Market Resources, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant’s disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the “Evaluation Date”); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls that could adversely affect the registrant’s ability to record, process, summarize and report financial data and have identified for the registrant’s auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal controls;

6. The registrant’s other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

May 14, 2003
Date

By: /s/S. E. Parks
S. E. Parks
Vice President, Treasurer,
and Chief Financial Officer

List of Exhibits:

Exhibit No.	Exhibit
4.1.	Tenth Amendment, dated April 14, 2003, to the U.S. Credit Agreement by and among Questar Market Resources, Inc., as U.S. borrower, NationsBank, N.A., as U.S. agent, and certain financial institutions, as lenders.
99.1	Certification of Charles B. Stanley and S. E. Parks

Exhibit 4.1

[Execution]

TENTH AMENDMENT TO US CREDIT AGREEMENT

THIS TENTH AMENDMENT TO US CREDIT AGREEMENT (herein called the "Amendment") made as of April 14, 2003, by and among Questar Market Resources, Inc., a Utah corporation ("US Borrower"), Bank of America, N.A., individually and as administrative agent for the Lenders as defined below ("US Agent"), and the undersigned Lenders.

W I T N E S S E T H:

WHEREAS, US Borrower, US Agent and the lenders as signatories thereto (the "Lenders") entered into that certain US Credit Agreement dated as of April 19, 1999 (as heretofore amended, the "Original Agreement"), for the purpose and consideration therein expressed, whereby the Lenders became obligated to make loans to US Borrower as therein provided; and

WHEREAS, US Borrower, US Agent and the undersigned Lenders desire to amend the Original Agreement for the purposes as provided herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and in the Original Agreement, in consideration of the loans which may hereafter be made by Lenders to US Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I.

Definitions and References

Section 1.1. Terms Defined in the Original Agreement. Unless the context otherwise requires or unless otherwise expressly defined herein, the terms defined in the Original Agreement shall have the same meanings whenever used in this Amendment.

Section 1.2. Other Defined Terms. Unless the context otherwise requires, the following terms when used in this Amendment shall have the meanings assigned to them in this Section 1.2.

"Amendment" means this Tenth Amendment to US Credit Agreement.

"US Credit Agreement" means the Original Agreement as amended hereby

ARTICLE II.

Amendments to Original Agreement

Section 2.1. Amendment and Restatement of Annex I. Annex I to the Original Agreement is hereby amended and restated in its entirety to read as set forth in Annex I attached hereto and made a part hereof.

Section 2.2. Extension of Tranche B Conversion Date: Section 1.1(e)(ii) of the Original Agreement is hereby amended in its entirety to read as follows:

"(ii) replace the Non-Accepting Tranche B Lender by reaching satisfactory arrangements with one or more existing Tranche B Lenders or new Tranche B Lenders, for the purchase, assignment and assumption of all US Obligations of such Non-Accepting Tranche B Lender with respect to Tranche B Loans, and such Non-Accepting Tranche B Lender shall be obligated to sell such Obligations in accordance with such satisfactory arrangements."

Section 2.3. Increase in Commitments. Section 1.1(f) of the Original Agreement is hereby deleted and replaced with the following:

"(f) Increase in Commitments. At any time during the US Facility Commitment Period, the Tranche A Maximum Credit Amount and the US Maximum Credit Amount may be increased, pro rata, by an aggregate amount of $4,400,000, in minimum amounts of $1,000,000 and at any time during the Tranche B Revolving Period, the Tranche B Maximum Credit Amount and the US Maximum Credit Amount may be increased, pro rata, by an aggregate amount of $6,554,546.06, in minimum amounts of $1,000,000, in each case, at the request of US Borrower and with the prior written consent of the US Agent (which consent shall not be unreasonably withheld) and without the consent of any Lender, except the Person that agrees to commit to such increase; provided that if such Person is not an existing Lender, such Person shall become a party to the US Agreement and shall agree to all of the terms and conditions of the US Loan Documents. US Agent is hereby authorized to execute and deliver amendments to the Loan Documents to effectuate the foregoing on behalf of all Lenders."

Section 2.4. Fees. Sections 1.5(c) of the Original Agreement is hereby amended in its entirety to read as follows:

"(c) Utilization Fees. During the period from April 14, 2003, until the Tranche B Conversion Date, US Borrower will pay to US Agent for the account of each Lender under the US Agreement, a utilization fee for each day on which the Aggregate Facility Usage exceeds thirty three and one-third percent (33 1/3 percent) of the US Maximum Credit Amount; provided that, if the Tranche B Loans have been converted to term loans, they shall be excluded from the calculation of utilization fees. The amount of the utilization fee shall be determined on a daily basis by applying the Utilization Fee Rate to each such Lender's Percentage Share of the US Facility Usage on each such day. This utilization fee shall be due and payable in arrears on each Interest Payment Date for US Base Rate Loans and at the end of the US Facility Commitment Period."

Section 2.5. Assignments and Participations. Section 10.6 of the Original Agreement is hereby amended in its entirety to read as follows:

"Section 10.6. Assignments and Participations.

(a) Each Lender may assign to one or more Eligible Transferees all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its US Loans, its US Notes, and its Tranche A Percentage Share or Tranche B Percentage Share of the applicable US Obligations); provided, however, that

(i) each such assignment shall be to an Eligible Transferee;

(ii) except in the case of such an assignment to another Lender or an assignment of all of a Lender's rights and obligations under this Agreement, any partial assignment of such Lender's rights and obligations under this Agreement shall be in a collective amount at least equal to US $5,000,000 or an integral multiple thereof;

(iii) the parties to such assignment shall execute and deliver to US Agent for its acceptance an Assignment and Acceptance in the form of Exhibit F hereto, together with any Note subject to such assignment and a processing fee of US $3,500; and

Upon execution, delivery, and acceptance of such Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of such assignment, have the obligations, rights, and benefits of a Lender hereunder and the assigning Lender shall, to the extent of such assignment, relinquish its rights and be released from its obligations under this Agreement. Upon the consummation of any assignment pursuant to this section, the assignor, US Agent and US Borrower shall make appropriate arrangements so that, if required, new US Notes are issued to the assignor and the assignee. If the assignee is not incorporated under the Laws of the United States of America or a state thereof, it shall deliver to US Borrower and US Agent certification as to exemption from deduction or withholding of Taxes in accordance with Section 3.9.

(b) US Agent shall maintain at its address referred to in Section 10.3 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and their Tranche A Percentage Share or Tranche B Percentage Share, as the case may be, of, and principal amount of the applicable US Obligations owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and US Borrower, US Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by US Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(c) Upon its receipt of an Assignment and Acceptance executed by the parties thereto, together with any US Notes subject to such assignment and payment of the processing fee, US Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit F hereto, accept such Assignment and Acceptance, record the information contained therein in the Register and give prompt notice thereof to the parties thereto.

(d) Each Lender may sell participations to one or more Persons that are Eligible Transferees in all or a portion of its rights and obligations under this Agreement (including all or a portion of its US Maximum Credit Amount and its US Loans); provided, however, that such Lender's obligations under this Agreement shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, the participant shall be entitled to the benefit of the yield protection provisions contained in Article III and the right of offset contained in Section 6.14, and US Borrower shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and such Lender shall retain the sole right to enforce the obligations of US Borrower relating to its US Loans and its US Notes and to approve any amendment, modification, or waiver of any provision of this Agreement (other than amendments, modifications, or waivers decreasing the amount of principal of or the rate at which interest is payable on such US Loans or US Notes, extending any scheduled principal payment date or date fixed for the payment of interest on such US Loans or US Notes, or increasing its Tranche A Maximum Credit Amount or its Tranche B Maximum Credit Amount)."

Section 2.6. Lenders Schedule. The Lenders Schedule attached to the Original Agreement is deleted and Schedule 1 hereto is substituted therefor.

ARTICLE III.

Conditions of Effectiveness

Section 3.1. Effective Date. This Amendment shall become effective as of the date first above written when, and only when, US Agent shall have received, at US Agent's office:

(i) a counterpart of this Amendment executed and delivered by US Borrower and Required Lenders (including all Tranche B Lenders);

(ii) (1) a Tranche B Note of even date herewith executed by US Borrower in favor of Wells Fargo Bank, N.A. ("Wells Fargo"), in the aggregate principal amount of $2,727,272.94, renewing and extending that certain Tranche B Note dated as of April 15, 2002, executed by US Borrower in favor of Wells Fargo in the aggregate principal amount of $2,727,273; (2) a Tranche B Note of even date herewith executed by US Borrower in favor of U.S. Bank National Association ("US Bank"), in the aggregate principal amount of $5,000,000, renewing and extending that certain Tranche B Note dated as of April 15, 2002, executed by US Borrower in favor of US Bank in the aggregate principal amount of $4,545,455; and (3) a Tranche B Note of even date herewith executed by US Borrower in favor of SunTrust Bank ("SunTrust"), in the aggregate principal amount of $10,000,000, renewing and extending that certain Tranche B Note dated as of April 15, 2002, executed by US Borrower in favor of SunTrust in the aggregate principal amount of $6,818,182;

(ii) a certificate of the Secretary or Assistant Secretary and of the President, Chief Financial Officer or Vice President of Administrative Services of US Borrower dated the date of this Amendment certifying: (a) that resolutions adopted in connection with the Original Agreement by the Board of Directors of the US Borrower authorize the execution, delivery and performance of this Amendment by US Borrower, (b) to the names and true signatures of the officers of the US Borrower authorized to sign this Amendment, and (c) that all of the representations and warranties set forth in Article V hereof are true and correct at and as of the time of such effectiveness; and

(iii) all fees and reimbursements to be paid to US Agent pursuant to any US Loan Documents, or otherwise due US Agent, including fees and disbursements of US Agent's attorneys.

ARTICLE IV.

Representations and Warranties

Section 4.1. Representations and Warranties of Borrower. In order to induce US Agent and Lenders to enter into this Amendment, US Borrower represents and warrants to US Agent that:

(a) The representations and warranties contained in Article V of the Original Agreement are true and correct at and as of the time of the effectiveness hereof.

(b) US Borrower has duly taken all action necessary to authorize the execution and delivery by it of this Amendment and to authorize the consummation of the transactions contemplated hereby and the performance of its obligations hereunder. US Borrower is duly authorized to borrow funds under the US Credit Agreement.

(c) The execution and delivery by US Borrower of this Amendment, the performance by US Borrower of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not (a) conflict with any provision of (i) any

Law, (ii) the organizational documents of US Borrower, or (iii) any agreement, judgment, license, order or permit applicable to or binding upon US Borrower, or (b) result in the acceleration of any Indebtedness owed by US Borrower, or (c) result in or require the creation of any Lien upon any assets or properties of US Borrower, except as expressly contemplated or permitted in the Loan Documents. Except as expressly contemplated in the Loan Documents no consent, approval, authorization or order of, and no notice to or filing with any Tribunal or third party is required in connection with the execution, delivery or performance by US Borrower of this Amendment or to consummate any transactions contemplated herein.

(d) This Amendment is a legal, valid and binding obligation of US Borrower, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency or similar Laws of general application relating to the enforcement of creditors' rights and by equitable principles of general application relating to the enforcement of creditor's rights.

ARTICLE V.

Miscellaneous

Section 5.1. Ratification of Agreements. The Original Agreement as hereby amended is hereby ratified and confirmed in all respects. The US Loan Documents, as they may be amended or affected by this Amendment, are hereby ratified and confirmed in all respects. Any reference to the US Credit Agreement in any Loan Document shall be deemed to be a reference to the Original Agreement as hereby amended. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Lenders under the US Credit Agreement, the US Notes, or any other US Loan Document nor constitute a waiver of any provision of the US Credit Agreement, the US Notes or any other US Loan Document.

Section 5.2. Survival of Agreements; Cumulative Nature. All of US Borrower's various representations, warranties, covenants and agreements herein shall survive the execution and delivery of this Amendment and the performance hereof, including without limitation the making or granting of the US Loans, and shall further survive until all of the US Obligations are paid in full to each Lender Party and all of Lender Parties' obligations to US Borrower are terminated. All statements and agreements contained in any certificate or instrument delivered by any Restricted Person hereunder or under the US Credit Agreement to any Lender Party shall be deemed representations and warranties by US Borrower or agreements and covenants of US Borrower under this Amendment and under the US Credit Agreement. The representations, warranties, indemnities, and covenants made by Restricted Persons in the US Loan Documents, and the rights, powers, and privileges granted to Lender Parties in the US Loan Documents, are cumulative, and, except for expressly specified waivers and consents, no Loan Document shall be construed in the context of another to diminish, nullify, or otherwise reduce the benefit to any Lender Party of any such representation, warranty, indemnity, covenant, right, power or privilege. In particular and without limitation, no exception set out in this Amendment to any representation, warranty, indemnity, or covenant herein contained shall apply to any similar representation, warranty, indemnity, or covenant contained in any other Loan Document, and each such similar representation, warranty, indemnity, or covenant shall be subject only to those exceptions which are expressly made applicable to it by the terms of the various US Loan Documents.

Section 5.3. Loan Documents. This Amendment is a US Loan Document, and all provisions in the US Credit Agreement pertaining to US Loan Documents apply hereto.

Section 5.4. Governing Law. This Amendment shall be governed by and construed in accordance the laws of the State of Utah and any applicable laws of the United States of America in all respects, including construction, validity and performance. US Borrower hereby irrevocably submits itself and each other Restricted Person to the non-exclusive jurisdiction of the state and federal courts sitting in the State of Utah and agrees and consents that service of process may be made upon it or any Restricted Person in any legal proceeding relating to the Amendment Documents or the Obligations by any means allowed under Utah or federal law.

Section 5.5. Counterparts. This Amendment may be separately executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to constitute one and the same Amendment. This Amendment may be validly executed and delivered by facsimile or other electronic transmission.

THIS AMENDMENT AND THE OTHER US LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Amendment is executed as of the date first above written.

QUESTAR MARKET RESOURCES, INC.
US Borrower

By: ____________________________
C.B. Stanley
President and Chief Executive Officer

Mailing Address:
P.O. Box 45433
Salt Lake City, Utah 84145
Attention: Martin H. Craven

Street Address:
180 East 100 South
Salt Lake City, Utah 84111
Telephone: (801) 324-5077
Fax: (801) 324-5483

BANK OF AMERICA, N.A.
Administrative Agent, US LC Issuer and Lender

By: ____________________________

Name:
Title:

TORONTO DOMINION (TEXAS), INC.
Lender

By: ____________________________
Name:
Title:

MIZUHO CORPORATE BANK, LTD., formerly known as The Industrial Bank of Japan, Limited
Lender

By: ____________________________
Name:
Title:

SUMITOMO MITSUI BANKING CORPORATION, formerly known as The Sumitomo Bank, Limited
Lender

By: ______________________________
Name:
Title:

BANK OF MONTREAL
Lender

By: ______________________________
Name:
Title:

BANK ONE, NA (MAIN OFFICE CHICAGO)
Lender

By: ______________________________
Name:
Title:

WELLS FARGO BANK, N.A., as successor to
First Security Bank, N.A.
Lender

By: ______________________________
Name:
Title:

MELLON BANK, N.A.
Lender

By: ______________________________
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION
Lender

By: ______________________________
Name:
Title:

THE BANK OF TOKYO-MITSUBISHI, LTD.,
HOUSTON AGENCY
Lender

By: ______________________________
Name:
Title:

SUNTRUST BANK
Lender

By: ______________________________
Name:
Title:

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Questar Market Resources, Inc. (the “Company”) on Form 10-Q for the period ending March 31 2003, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Charles B. Stanley, President and Chief Executive Officer of the Company, and S. E. Parks, Vice President, Treasurer and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

QUESTAR MARKET RESOURCES, INC.

May 14, 2003	/s/Charles B. Stanley Charles B. Stanley President and Chief Executive Officer
May 14, 2003	/s/S. E. Parks S. E. Parks Vice President, Treasurer and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.