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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: **September 20, 2017**
(Date of earliest event reported)

QEP RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-34778**	**87-0287750**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1050 17th Street, Suite 800
Denver, Colorado 80265
(Address of principal executive offices and zip code)

(303) 672-6900
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 – Financial Information

Item 2.01 Completion of Acquisition or Disposition of Assets

On September 20, 2017, QEP Resources, Inc., a Delaware corporation (the "Company"), through its wholly owned subsidiary, QEP Energy Company, a Texas corporation (the "Seller"), closed on its previously announced divestiture (the "Pinedale Disposition") of oil and natural gas interests in the Pinedale Anticline located in Sublette County, Wyoming to Pinedale Energy Partners, LLC, a Delaware limited liability company (the "Buyer"), an affiliate of Oak Ridge Natural Resources, LLC, and Pinedale Energy Partners Operating, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Buyer ("PEPO"), for net cash proceeds (after purchase price adjustments) of approximately $718.2 million, subject to post-closing purchase price adjustments. The Pinedale Disposition closed pursuant to the Purchase and Sale Agreement, dated July 24, 2017, by and between the Seller and the Buyer (the "Pinedale Purchase Agreement"). As contemplated by the Pinedale Purchase Agreement, certain rights and obligations of Buyer under the Pinedale Purchase Agreement were subsequently assigned by Buyer to its wholly owned subsidiary Pinedale Energy Partners Operating, LLC.

The Pinedale Purchase Agreement was filed as Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on July 25, 2017, and is incorporated herein by reference. The foregoing description of the Pinedale Purchase Agreement does not purport to be complete and is qualified in its entirety by the full text of the Pinedale Purchase Agreement.

Item 2.02 Results of Operations and Financial Condition

On September 25, 2017, QEP provided updated guidance for the remainder of 2017 and an updated outlook for 2018. This information is contained in the press release included as Exhibit 99.1 to this Current Report on Form 8-K. In accordance with General Instruction B.2 of Form 8-K of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the press release shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall such information and such exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Section 7 – Regulation FD

Item 7.01 Regulation FD Disclosure

On September 25, 2017, QEP provided updated guidance for the remainder of 2017 and an updated outlook for 2018. This information is contained in the press release included as Exhibit 99.1 to this Current Report on Form 8-K. In accordance with General Instruction B.2 of Form 8-K of the Exchange Act the press release shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall such information and such exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(b) Pro forma financial information

The unaudited pro forma condensed consolidated financial information of the Company giving effect to the Pinedale Disposition described in Item 2.01 above is filed as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

(d) Exhibits.

Exhibit No.	Exhibit
10.1	Purchase and Sale Agreement, dated July 24, 2017, by and between QEP Energy Company, as seller, and Pinedale Energy Partners, LLC, as buyer, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on July 25, 2017.
99.1	Press release issued September 25, 2017, by QEP Resources, Inc.
99.2	Unaudited pro forma condensed consolidated financial information of QEP Resources, Inc.

SIGNATURE

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 hereunto duly authorized.

QEP Resources, Inc.
(Registrant)

September 25, 2017

/s/ Richard J. Doleshek

Richard J. Doleshek
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

The following exhibit is filed or furnished herewith:

Exhibit No.	Exhibit
99.1	Press release issued September 25, 2017, by QEP Resources, Inc.
99.2	Unaudited pro forma condensed consolidated financial information of QEP Resources, Inc.

QEP ANNOUNCES CLOSING OF PINEDALE DIVESTITURE
PROVIDES UPDATED 2017 GUIDANCE AND 2018 OUTLOOK

DENVER - September 25, 2017 - QEP Resources, Inc. (NYSE:QEP) (QEP or the Company) announced today that the sale of its Pinedale Anticline field assets in Sublette County, Wyoming (the "Pinedale Divestiture") closed on September 20, 2017. In addition, the Company provided updated 2017 guidance and 2018 outlook, which included the effect of the Pinedale Divestiture and the previously announced Permian Basin Acquisition, and adjustments to the Company's production forecast for its Williston and Permian basin assets.

"With the Pinedale Divestiture and the pending Permian Basin Acquisition, we have made significant progress in repositioning the Company for long-term success," commented Chuck Stanley, Chairman, President and CEO of QEP. "We have, however, experienced higher than anticipated production decline from a group of pilot wells that were completed in deeper benches of the Three Forks Formation in the Williston Basin and, as a result, we have modified our development plans going forward. Additionally, we also experienced some delays in our Permian Basin well completions as a result of the continuing evolution of our tank-style development methodology."

"Assuming crude oil prices of $50.00/Bbl and natural gas prices of $3.00/MMbtu, we expect our 2018 capital investments will more closely align to our 2018 forecasted cash flows while delivering an oil production growth rate in the mid-teens compared with our updated 2017 guidance. Shifting our focus to the development of our core Permian Basin assets will enable us to drive high-return oil growth in 2018 and beyond. In addition, we continue to evaluate steps to further simplify our portfolio through the monetization of non-core assets, which will provide additional liquidity to help support future growth."

For 2017, the Company reduced its oil production guidance to a midpoint of 19.75 MMbbl, natural gas production guidance to a midpoint of 167.5 Bcf and NGL production guidance to a midpoint of 5.5 MMbbl. See the table below for a detailed update of the Company's 2017 guidance.

To reflect the Pinedale Divestiture, the Company removed approximately 0.2 MMbbl of oil, 17.0 Bcf of gas, and 0.3 MMbbl of NGL from the Company’s 2017 production guidance, which represent the production contribution from the asset for the remainder of the year. The Company expects its pending Permian Basin Acquisition to have minimal effect on 2017 guidance. The remaining adjustments to 2017 guidance are related to the Williston and Permian basin assets as described below.

Williston Basin

In the Williston Basin, 2017 production has been adversely affected by three factors: higher than anticipated production decline on a group of pilot wells in South Antelope; a mechanical issue associated with three second quarter 2017 South Antelope completions; and lower than anticipated non-operated production volumes.

Beginning late in the first quarter 2017, production from a group of pilot wells in South Antelope began declining at greater than anticipated rates. The pilot wells were designed to test spacing density and productivity of the second and third benches of the Three Forks Formation on a portion of the Company’s South Antelope acreage. During the third quarter 2017, the Company concluded that production from these wells was likely being sourced from overlying horizons rather than from the second and third Three Forks benches in which the wells were completed. Based on the performance of these wells and additional log, core and reservoir analysis, the Company believes it has refined the productive boundaries of the deeper benches of the Three Forks, which will guide future development plans. The under-performance of these pilot wells is expected to result in full year oil production that is approximately 0.6 MMbbl less than originally forecasted.

The second factor affecting Williston Basin production relates to a mechanical issue in three South Antelope wells, which began in the second quarter of 2017. Concurrently, offsetting wells were shut-in for an extended period of time while the three subject wells were being repaired. The wells and their offsets have returned to production and are now producing at or above the rates originally forecasted; however, the Company expects that the mechanical issue and the associated offset well shut-ins will result in full year oil production that is approximately 0.3 MMbbl less than originally forecasted.

Finally, the Company has seen a decrease in non-operated activity in the Williston Basin in 2017. The Company expects the decrease in non-operated production volumes to result in full year oil production that is approximately 0.3 MMbbl less than originally forecasted.

Offsetting the negative production variances described above, the Company has begun testing a refrac program in the Williston Basin similar to its successful Haynesville program. QEP expects to complete nine additional refracs during the remainder of 2017, which combined with four refracs already completed this year, are expected to contribute 0.3 MMbbl of oil for full year 2017.

The net result of these factors, partially offset by production gains from the Company's new refrac program, is a reduction of the Company's forecasted full-year 2017 Williston Basin crude oil production of approximately 0.9 MMbbl.

Permian Basin

In the Permian Basin, due to shifts in completion timing related to the evolution of its tank-style completion methodology, the Company expects to have an approximately one month delay in placing certain wells on production (POP) in 2017. The Company's 2017 capital investment program in the Permian Basin will not be reduced as a result of the delay in the POP dates. The Company expects this shift in timing to reduce full-year 2017 Permian Basin crude oil production by approximately 0.6 MMbbl.

The Company expects to close its previously announced Permian Basin Acquisition in October 2017. The updated guidance for 2017 reflects contribution of 635 Boed from existing vertical wells on the acreage for the last two months of 2017.

Updated 2017 Guidance

The Company's updated guidance assumes no additional property acquisitions or divestitures and assumes that QEP will elect to reject ethane from its produced gas for the entire year where QEP has the right to make such an election.

2017 Guidance Table

	2017 Previous Forecast	2017 Updated Forecast
Oil production (MMbbl)	21.0 - 22.0	19.5 - 20.0
Gas production (Bcf)	182.5 - 192.5	165.0 - 170.0
NGL production (MMbbl)	5.75 - 6.25	5.25 - 5.75
Total oil equivalent production (MMboe)	57.2 - 60.3	52.3 - 54.1
Lease operating and transportation expense (per Boe)	$9.50 - $10.50	$10.25 - $10.75
Depletion, depreciation and amortization (per Boe)	$15.00 - $16.00	$14.00 - $15.00
Production and property taxes (% of field-level revenue)	8.5%	8.5%
(in millions)		
General and administrative expense[1]	$155 - $165	$150 - $160
Capital investment (excluding property acquisitions)		
Drilling, Completion and Equip[2]	$970 - $1,010	$970 - $1,010
Infrastructure	$70 - $80	$70 - $80
Corporate	$10	$10
Total capital investment (excluding property acquisitions)	$1,050 - $1,100	$1,050 - $1,100

(1) General and administrative expense includes approximately $25.0 million of non-cash share-based compensation expense.
(2) Drilling, Completion and Equip includes approximately $20.0 million of non-operated well completion costs.

2018 Outlook

Assuming an oil price of $50.00/Bbl and a natural gas price of $3.00/MMbtu the Company expects 2018 forecasted crude oil production growth to be in the mid-teens compared with the midpoint of the updated 2017 guidance. The increase in 2018 forecasted crude oil production will be primarily driven by oil production growth in the Permian Basin.

Portfolio Optimization

As part of the Company's ongoing effort to simplify its portfolio, QEP is evaluating the sale of certain upstream and midstream assets and pursuing the monetization of its Central Basin Platform exploratory project in the Permian Basin.

Derivative Update

The Company continues to add contracts to its derivative portfolio for oil and gas prices and for crude oil basis. The following tables present QEP's volumes and average prices for its open derivative positions as of September 20, 2017:

Production Commodity Derivative Swaps

Year	Index	Total Volumes		Average Swap Price per Unit
		(in millions)		
Oil sales		(bbls)		($/bbl)
2017	NYMEX WTI	4.8	$	51.51
2018	NYMEX WTI	14.2	$	52.42
2019	NYMEX WTI	2.9	$	50.11
Gas sales		(MMBtu)		($/MMBtu)
2017	NYMEX HH	24.8	$	2.87
2017	IFNPCR	6.4	$	2.50
2018	NYMEX HH	105.9	$	2.99
2019	NYMEX HH	14.6	$	2.87

Production Commodity Derivative Gas Collars

Year	Index	Total Volumes		Average Price Floor		Average Price Ceiling
		(in millions)				
		(MMBtu)		($/MMBtu)		($/MMBtu)
2017	NYMEX HH	2.8	$	2.50	$	3.50

Production Commodity Derivative Basis Swaps

Year	Index Less Differential	Index	Total Volumes		Weighted-Average Differential
			(in millions)		
Oil sales			(bbls)		($/bbl)
2017	NYMEX WTI	Argus WTI Midland	1.5	$	(0.67)
2018	NYMEX WTI	Argus WTI Midland	7.7	$	(1.05)
2019	NYMEX WTI	Argus WTI Midland	1.8	$	(1.01)
Gas sales			(MMBtu)		($/MMBtu)
2018	NYMEX HH	IFNPCR	7.3	$	(0.16)

Storage Commodity Derivative Gas Swaps

Year	Type of Contract	Index	Total Volumes		Average Swap Price per Unit
			(in millions)		
Gas sales			(MMBtu)		($/MMBtu)
2017	SWAP	IFNPCR	1.5	$	1.68
2018	SWAP	IFNPCR	0.4	$	3.05
Gas purchases			(MMBtu)		($/MMBtu)
2017	SWAP	IFNPCR	1.0	$	2.68

About QEP Resources, Inc.

QEP Resources, Inc. (NYSE:QEP) is an independent crude oil and natural gas exploration and production company focused in two regions of the United States: the Northern Region (primarily in North Dakota and Utah) and the Southern Region (primarily in Texas and Louisiana). For more information, visit QEP's website at: www.qepres.com.

Forward-Looking Statements

This release 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. 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 forward-looking statements include, but are not limited to, statements regarding: forecasted production amounts and growth rates, lease operating and transportation expense, depletion, depreciation and amortization expense, general and administrative expense, production and property taxes, and capital investment, and related assumptions for such guidance; allocation of capital investment; the timing of the closing of the Permian Basin Acquisition and the impact of the acquisition; the number of refracs expected in the Williston Basin; aligning 2018 capital investments more closely to forecasted cash flows; expected impacts on and related adjustments to our 2017 and 2018 production; refining of productive boundaries in the Williston Basin; high-return oil growth from development in the Permian Basin; monetization of non-core assets and related impacts on liquidity and future growth; the delay in placing wells on production in the Permian Basin; and adding derivative contracts. Actual results may differ materially from those included in the forward-looking statements due to a number of factors, including, but not limited to: disruptions of QEP's ongoing business, distraction of management and employees, increased expenses and adversely affected results of operations from organizational modifications due to the Pinedale Divestiture and the Permian Basin Acquisition; the inability of the parties to satisfy the conditions to the consummation of the Permian Basin Acquisition; changes in natural gas, NGL and oil prices; liquidity constraints, including those resulting from the cost or unavailability of financing due to debt and equity capital and credit market conditions, changes in our credit rating, our compliance with loan covenants, the increasing credit pressure on our industry or demands for cash collateral by counterparties to derivative and other contracts; global geopolitical and macroeconomic factors; the activities of the Organization of Petroleum Exporting Countries; the impact of Brexit; general economic conditions, including interest rates; changes in local, regional, national and global demand for natural gas, oil and NGL; changes in, adoption of and compliance with laws and regulations, including decisions and policies concerning the environment, climate change, greenhouse gas or other emissions, natural resources, and fish and wildlife, hydraulic fracturing, water use and drilling and completion techniques, as well as the risk of legal and other proceedings arising from such matters, whether involving public or private claimants or regulatory investigative or enforcement measures; strength of the U.S. dollar; elimination of federal income tax deductions for oil and gas exploration and development; drilling results; shortages of oilfield equipment, services and personnel; the availability of storage and refining capacity; operating risks such as unexpected drilling conditions; transportation constraints; weather conditions; changes in maintenance, service and construction costs; permitting delays; outcome of contingencies such as legal proceedings; inadequate supplies of water and/or lack of water disposal sources; and the other risks discussed in the Company’s periodic filings with the Securities and Exchange Commission, including the Risk Factors section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2016 (the 2016 Annual Report on Form 10-K), and Quarterly Report on Form 10-Q for the quarter ended June 30, 2017. QEP Resources undertakes no obligation to publicly correct or update the forward-looking statements in this news release, in other documents, or on the website to reflect future events or circumstances. All such statements are expressly qualified by this cautionary statement.

Contact

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QEP RESOURCES, INC.
PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(Unaudited)

On July 24, 2017, QEP Resources, Inc. (the "Company"), through its wholly owned subsidiary QEP Energy Company, entered into a Purchase and Sale Agreement (the "Purchase Agreement") with Pinedale Energy Partners, LLC (the "Buyer"), an affiliate of Oak Ridge Natural Resources, LLC, to sell oil and natural gas interests in the Pinedale Anticline located in Sublette County, Wyoming (the "Pinedale Disposition"), for an aggregate purchase price of approximately $740.0 million, subject to purchase price adjustments. As contemplated by the Purchase Agreement, certain rights and obligations of Buyer under the Purchase Agreement were subsequently assigned by Buyer to its wholly owned subsidiary Pinedale Energy Partners Operating LLC ("PEPO"). On September 20, 2017, the Company closed on the Pinedale Disposition for net cash proceeds (after purchase price adjustments) of approximately $718.2 million, subject to post-closing purchase price adjustments. As part of the Pinedale Purchase Agreement, the Company agreed to reimburse the Buyer for certain deficiency charges incurred related to gas processing and natural gas liquids (NGL) transportation and fractionation contracts, if any, between the effective date of the sale and December 31, 2019.

The Pinedale Disposition constituted a significant disposition for purposes of Item 2.01 of Form 8-K. As a result, the Company prepared the accompanying unaudited pro forma condensed consolidated financial statements in accordance with Article 11 of Regulation S-X. The Pinedale Disposition does not qualify as discontinued operations as it does not represent a strategic shift that will have a major effect on the Company's operations or financial results.

The unaudited pro forma balance sheet data as of June 30, 2017, gives effect to the Pinedale Disposition as if the transaction had occurred on June 30, 2017. The unaudited pro forma statements of operations data for the six month period ended June 30, 2017, and the year ended December 31, 2016, gives effect to the Pinedale Disposition as if the transaction had occurred on January 1, 2016. The pro forma adjustments are described in the accompanying notes and are based upon information and assumptions available at the time of the filing of this Current Report on Form 8-K.

The unaudited pro forma condensed consolidated financial statements were based on and derived from our historical consolidated financial statements, adjusted for those amounts which were determined to be directly attributable to the Pinedale Disposition, factually supportable, and with respect to the unaudited pro forma condensed consolidated statements of operations, expected to have a continuing impact on our consolidated results. Actual adjustments, however, may differ materially from the information presented. Pro forma adjustments do not include allocations of corporate costs, as those are not directly attributable to the Pinedale Disposition. The unaudited pro forma financial information is subject to adjustments and is presented for informational purposes only and does not purport to represent what the Company's results of operations or financial position would actually have been if the Pinedale Disposition had in fact occurred on the dates discussed above. It also does not project or forecast the Company's consolidated results of operations or financial position for any future date or period.

The unaudited pro forma condensed consolidated financial statements have been developed from and should be read in conjunction with the Company’s historical consolidated financial statements and accompanying notes contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016, and Quarterly Report on Form 10-Q for quarter ended June 30, 2017.

QEP RESOURCES, INC.
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

	June 30, 2017						
	Historical		Pro Forma Adjustments			Pro Forma	
ASSETS			(in millions)				
Current Assets							
Cash and cash equivalents	$	178.8	$	713.1	(a)	$	891.9
Accounts receivable, net		165.0		(12.1)	(b)		152.9
Income tax receivable		12.9		—			12.9
Fair value of derivative contracts		48.8		—			48.8
Hydrocarbon inventories, at lower of average cost or net realizable value		8.6		(3.0)	(b)		5.6
Prepaid expenses and other		10.2		—			10.2
Total Current Assets		424.3		698.0			1,122.3
Property, Plant and Equipment (successful efforts method for oil and gas properties)							
Proved properties		14,840.2		(3,070.5)	(b)		11,769.7
Unproved properties		729.6		(0.5)	(b)		729.1
Gathering and other		305.8		—			305.8
Materials and supplies		39.0		(5.6)	(b)		33.4
Total Property, Plant and Equipment		15,914.6		(3,076.6)			12,838.0
Less Accumulated Depreciation, Depletion and Amortization							
Exploration and production		9,069.9		(2,538.8)	(b)		6,531.1
Gathering and other		107.4		—			107.4
Total Accumulated Depreciation, Depletion and Amortization		9,177.3		(2,538.8)			6,638.5
Net Property, Plant and Equipment		6,737.3		(537.8)			6,199.5
Fair value of derivative contracts		28.6		—			28.6
Other noncurrent assets		75.3		—			75.3
TOTAL ASSETS	$	7,265.5	$	160.2		$	7,425.7
LIABILITIES AND EQUITY							
Current Liabilities							
Checks outstanding in excess of cash balances	$	11.9	$	—		$	11.9
Accounts payable and accrued expenses		305.9		(0.3)	(b)		332.2
				26.6	(c)		
Production and property taxes		33.0		—			33.0
Interest payable		32.9		—			32.9
Fair value of derivative contracts		1.4		—			1.4
Current portion of long-term debt		134.0		—			134.0
Total Current Liabilities		519.1		26.3			545.4
Long-term debt		1,889.0		—			1,889.0
Deferred income taxes		894.3		—	(g)		894.3
Asset retirement obligations		225.6		(34.9)	(b)		190.7
Fair value of derivative contracts		0.1		—			0.1
Other long-term liabilities		102.4		(0.7)	(b)		110.2
				8.5	(c)		
Commitments and contingencies							
EQUITY							
Total Common Shareholders' Equity		3,635.0		161.0	(d)		3,796.0
TOTAL LIABILITIES AND EQUITY	$	7,265.5	$	160.2		$	7,425.7

See Notes accompanying the Pro Forma Condensed Consolidated Financial Statements.

QEP RESOURCES, INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Six Months Ended June 30, 2017		
	Historical	Pro Forma Adjustments (e)	Pro Forma
REVENUES	(in millions, except per share amounts)		
Oil sales	$ 437.7	$ (12.7)	$ 425.0
Gas sales	268.7	(106.8)	161.9
NGL sales	51.8	(20.0)	31.8
Other revenue (loss)	6.7	0.2	6.9
Purchased oil and gas sales	38.9	—	38.9
Total Revenues	803.8	(139.3)	664.5
OPERATING EXPENSES			
Purchased oil and gas expense	38.5	—	38.5
Lease operating expense	139.2	(17.5)	121.7
Transportation and processing costs	142.4	(50.8)	91.6
Gathering and other expense	3.3	—	3.3
General and administrative	64.9	7.0	71.9
Production and property taxes	57.6	(13.2)	44.4
Depreciation, depletion and amortization	383.3	(27.0)	356.3
Exploration expenses	0.4	—	0.4
Impairment	0.1	—	0.1
Total Operating Expenses	829.7	(101.5)	728.2
Net gain (loss) from asset sales	19.8	—	19.8
OPERATING INCOME (LOSS)	(6.1)	(37.8)	(43.9)
Realized and unrealized gains (losses) on derivative contracts	267.6	—	267.6
Interest and other income (expense)	2.4	(0.4)	2.0
Interest expense	(68.7)	0.1	(68.6)
INCOME (LOSS) BEFORE INCOME TAXES	195.2	(38.1)	157.1
Income tax (provision) benefit	(72.9)	13.5	(59.4)
NET INCOME (LOSS)	$ 122.3	$ (24.6)	$ 97.7
Earnings (loss) per common share			
Basic	$ 0.51		$ 0.41
Diluted	$ 0.51		$ 0.41
Weighted-average common shares outstanding			
Used in basic calculation	240.4		240.3
Used in diluted calculation	240.5		240.5
Dividends per common share	$ —		$ —

See Notes accompanying the Pro Forma Condensed Consolidated Financial Statements.

QEP RESOURCES, INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Year Ended December 31, 2016			
	Historical	Pro Forma Adjustments (e)		Pro Forma
REVENUES	(in millions, except per share amounts)			
Oil sales	$ 769.1	$ (25.8)		$ 743.3
Gas sales	417.1	(194.1)		223.0
NGL sales	83.5	(40.6)		42.9
Other revenue (loss)	6.2	0.6		6.8
Purchased oil and gas sales	101.2	—		101.2
Total Revenues	1,377.1	(259.9)		1,117.2
OPERATING EXPENSES				
Purchased oil and gas expense	105.5	—		105.5
Lease operating expense	224.7	(32.4)		192.3
Transportation and processing costs	289.2	(108.2)		181.0
Gathering and other expense	5.0	—		5.0
General and administrative	198.4	13.9		212.3
Production and property taxes	94.8	(23.1)		71.7
Depreciation, depletion and amortization	871.1	(101.9)		769.2
Exploration expenses	1.7	(0.2)		1.5
Impairment	1,194.3	(1,164.0)		30.3
Total Operating Expenses	2,984.7	(1,415.9)		1,568.8
Net gain (loss) from asset sales	5.0	—	(f)	5.0
OPERATING INCOME (LOSS)	(1,602.6)	1,156.0		(446.6)
Realized and unrealized gains (losses) on derivative contracts	(233.0)	—		(233.0)
Interest and other income (expense)	25.6	(0.8)		24.8
Interest expense	(143.2)	—		(143.2)
INCOME (LOSS) BEFORE INCOME TAXES	(1,953.2)	1,155.2		(798.0)
Income tax (provision) benefit	708.2	(403.0)		305.2
NET INCOME (LOSS)	$ (1,245.0)	$ 752.2		$ (492.8)
Earnings (loss) per common share				
Basic	$ (5.62)			$ (2.22)
Diluted	$ (5.62)			$ (2.22)
Weighted-average common shares outstanding				
Used in basic calculation	221.7			221.7
Used in diluted calculation	221.7			221.8
Dividends per common share	$ —			$ —

See Notes accompanying the Pro Forma Condensed Consolidated Financial Statements.

QEP RESOURCES, INC.
NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(Unaudited)

Note 1 – Basis of Presentation

The unaudited pro forma condensed consolidated financial statements give effect to the pro forma adjustments necessary to reflect the Pinedale Disposition as if the transaction had occurred as of January 1, 2016, in the unaudited pro forma statements of operations for the six months ended June 30, 2017, and the year ended December 31, 2016 and on June 30, 2017, in the unaudited pro forma balance sheet.

Note 2 – Pro Forma Adjustments

The unaudited pro forma condensed consolidated financial statements represent the following adjustments:

(a) To adjust cash and cash equivalents for the receipt of cash proceeds from the Pinedale Disposition of $740.0 million, net of purchase price adjustments and estimated selling costs.
(b) To eliminate assets and liabilities related to the assets sold as of June 30, 2017.
(c) To adjust for the remaining liability expected to be incurred by the Company, pursuant to the Pinedale Purchase Agreement, in which the Company will reimburse the Buyer for certain deficiency charges incurred related to gas processing and NGL transportation and fractionation contracts, if any, between the effective date of the sale and December 31, 2019.
(d) To adjust shareholders' equity, which amount is primarily related to the estimated gain on sale from the Pinedale Disposition that would have been recorded as of June 30, 2017.
(e) To eliminate revenues and expenses, including the tax impact, related to the operations of the assets sold for the six months ended June 30, 2017, and the year ended December 31, 2016.
(f) The gain directly attributable to the Pinedale Disposition is not expected to have a continuing impact on the Company's operations, and therefore, is not reflected in the unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2016.
(g) There is no pro forma adjustment to deferred income taxes as the Company expects to use the proceeds from the Pinedale Disposition to fund its previously announced acquisition of properties in the Permian Basin through a like-kind exchange.