
**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 – June 12, 2010
(Date of earliest event reported)**

QEP RESOURCES, INC.

(Exact name of registrant as specified in its charter)

STATE OF DELAWARE
(State or other jurisdiction
of incorporation)

000-30321
(Commission
File No.)

87-0287750
(I.R.S. Employer
Identification No.)

1050 17th Street, Suite 500, Denver, Colorado 80265
(Address of principal executive offices)

Registrant's telephone number, including area code (303) 672-6961

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 (see General Instruction A.2. below):

- 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))
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Item 1.01 Entry into a Material Definitive Agreement

On June 12, 2010, the board of directors of Questar Corporation (“**Questar**”) formally approved the distribution to Questar’s shareholders (the “**Distribution**”) of all the shares of common stock, par value \$0.01 per share, of Questar’s wholly-owned subsidiary, QEP Resources, Inc. (formerly Questar Market Resources, Inc.) (“**QEP**” or “**we**”). QEP generally holds the assets and liabilities associated with Questar’s natural gas exploration and production business, including its midstream natural gas gathering and processing business, and its energy marketing business, which we refer to collectively as the “**E&P Business**.” The Distribution will be made in accordance with our previously announced plan to separate Questar’s E&P Business from Questar’s regulated utility and pipeline businesses and Wexpro Company (“**Wexpro**”), which we refer to collectively as the “**Questar Business**.” Upon the Distribution, Questar’s shareholders will own 100% of the QEP common stock.

A copy of the press release announcing the approval of the Distribution is attached hereto as Exhibit 99.1.

In connection with the Distribution, QEP has entered into the following definitive agreements with Questar that, among other things, set forth the terms and conditions of the Distribution and provide a framework for QEP’s relationship with Questar after the Distribution.

Separation and Distribution Agreement

The Separation and Distribution Agreement (the “**Separation Agreement**”) sets forth the agreements between QEP and Questar regarding the principal transactions necessary to effect the Distribution.

The Reorganization. Under the terms of the Separation Agreement, Questar and QEP will take all actions necessary to separate the E&P Business from the Questar Business, including the following: (i) QEP will effect a stock split of its common stock so that the number of outstanding shares of QEP common stock is equal to the number of outstanding shares of Questar common stock at the time of the Distribution; (ii) QEP will distribute 100% of the stock of Wexpro to Questar; and (iii) Questar will contribute up to \$250 million of equity to QEP.

Conditions to the Distribution. The Distribution is subject to, among other conditions, the satisfaction or waiver by Questar of the following conditions:

- QEP shall have filed a registration statement on Form 8-A with the Securities and Exchange Commission (“**SEC**”), and no stop order shall be in effect with respect thereto;
- the listing of QEP common stock on the NYSE shall have been approved, subject to official notice of issuance;
- the private letter ruling received on April 28, 2010, as supplemented by the supplemental private letter ruling received on June 8, 2010, from the Internal Revenue Service (the “**IRS**”) with respect to the Distribution (which ruling must be (and was) in form and substance satisfactory to Questar in its sole discretion), shall remain in effect as of the date of the Distribution (the “**Distribution Date**”);
- Questar shall have received an opinion of Latham & Watkins LLP substantially to the effect that the distribution of the stock of Wexpro by QEP to Questar will qualify under section 355

of the Internal Revenue Code of 1986, as amended (the “*Code*”), and that the Distribution, together with Questar’s contribution of up to \$250 million to QEP, will qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code;

- any material government approvals and other consents necessary to consummate the Distribution shall have been received;
- the approval of the Distribution by Questar’s board of directors shall not have been revoked or rescinded;
- no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Distribution or any of the transactions related thereto, including the transfers of assets and liabilities contemplated by the Separation Agreement, shall be in effect; and
- QEP shall have the ability to repay any of its outstanding debt obligations that might become due (or need to be repaid) as a result of the Distribution.

Separation of QEP from Questar. The Separation Agreement provides that, subject to the terms and conditions contained in the Separation Agreement:

- Questar (or one of its subsidiaries) will retain or acquire all of the assets and retain or assume all of the liabilities (including whether accrued, contingent or otherwise) primarily related to Questar’s Business, including Wexpro;
- QEP (or one of its subsidiaries) will retain or acquire all of the assets and retain or assume all of the liabilities (including whether accrued, contingent or otherwise) primarily related to the businesses and operations of Questar’s E&P Business, excluding Wexpro;
- Each party or one of its subsidiaries will assume or retain any liabilities (including under applicable federal and state securities laws) relating to, arising out of or resulting from any registration statement or similar disclosure document to the extent such liabilities arise out of, or result from, matters related to businesses, operations, assets or liabilities allocated to such party in the separation;
- Each party or one of its subsidiaries will assume or retain any liabilities relating to, arising out of or resulting from any guarantees relating to its business or secured by its assets;
- Questar and QEP will each assume certain scheduled contingent liabilities, to the extent primarily related to the Questar Business or the E&P Business, respectively;
- The Parties will use the “Distrigas” formula (a formula currently used to allocate indirect costs between affiliates based on each affiliate’s relative share of labor, property, plant and equipment, and gross margin) to allocate certain “unallocated liabilities,” such as general corporate liabilities for the period prior to the Distribution, including liabilities of Questar and its subsidiaries related to, arising out of or resulting from any actions with respect to the Distribution made or brought by any third party;
- Except as otherwise provided in the Separation Agreement or any ancillary agreement, the parties will be responsible for any costs or expenses (including transaction expenses) incurred in connection with the separation in accordance with the terms of the “Distrigas” formula; and,

- On or before September 1, 2011, each party shall bill the other party for any remaining amounts owed to such party and the owing party shall make a final “true-up” payment for any outstanding amounts owed to such other party.

Except as may expressly be set forth in the Separation Agreement or any ancillary agreement, all assets will be sold on an “as is,” “where is” basis and the respective transferees will bear the economic and legal risks that (i) any conveyance will prove to be insufficient to vest in the transferee good title, free and clear of any security interest and (ii) any necessary consents or governmental approvals are not obtained or that any requirements of laws or judgments are not complied with.

Future Claims. The Separation Agreement provides for the formation of a contingent claim committee, which will have the responsibility for determining whether any newly discovered asset or liability is an asset or liability of Questar or QEP, or is an unallocated asset or unallocated liability which is shared as specified above. The contingent claim committee will be comprised of one representative each from Questar and QEP. Resolution of a matter submitted to the contingent claim committee will require the unanimous approval of the representatives.

Intercompany Accounts. The Separation Agreement provides that, generally, intercompany accounts will be scheduled and either (i) repaid in cash at closing, or (ii) continue in effect post-closing, in which case they will be an obligation of the relevant party and shall become a third-party, and not an intercompany, account.

Bank Accounts. The Separation Agreement provides that all QEP bank and brokerage accounts linked to Questar accounts, and all Questar bank and brokerage accounts linked to QEP accounts, will be “de-linked” prior to the Distribution Date. QEP will establish, prior to the Distribution Date, an independent cash management system and accounts to support its activities.

Trademarks. Except as otherwise specifically provided in any ancillary agreement and subject to certain limitations, the Separation Agreement provides that as soon as reasonably practicable after, and in any event no later than six months following the Distribution, each of QEP and Questar will cease using the trademarks and other intellectual property owned by or associated with the other party, with the exception that Questar will grant to QEP a one-year non-exclusive, royalty free and non-transferable license to use certain of Questar’s trademarks in connection with its internal operations of the E&P Business.

Releases. Except as otherwise provided in the Separation Agreement or any ancillary agreement, each party will release and forever discharge the other party and its respective subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the separation of QEP from Questar. The releases will not extend to obligations or liabilities under any agreements between the parties that remain in effect following the separation pursuant to the Separation Agreement or any ancillary agreement.

Indemnification. The Separation Agreement provides for cross-indemnities principally designed to place financial responsibility for the obligations and liabilities of QEP’s business with QEP and financial responsibility for the obligations and liabilities of the Questar Business with Questar. Specifically, each party will indemnify, defend and hold harmless the other party, its affiliates and subsidiaries and its officers, directors, employees and agents for any losses arising out of or otherwise in

connection with: (i) the liabilities each such party assumed or retained pursuant to the Separation Agreement; (ii) such party's specified percentage of unallocated liabilities; and (iii) any breach by such party of the Separation Agreement or any ancillary agreement.

Legal Matters. Each party to the Separation Agreement will assume the control of all pending and threatened legal matters related to its own business or assumed or retained liabilities and will indemnify the other party for any liability arising out of or resulting from such assumed legal matters. Each party to a claim will agree to cooperate in defending any claims against both parties for events that took place prior to, on or after the date of the separation of such party from Questar. The parties shall each be responsible for their respective share of all out-of-pocket costs and expenses related thereto.

Insurance. The Separation Agreement provides for the allocation among the parties of benefits under existing insurance policies for occurrences prior to the separation and sets forth procedures for the administration of insured claims. In addition, the Separation Agreement allocates among the parties the right to proceeds and the obligation to incur deductibles under certain insurance policies. In addition, the Separation Agreement provides that Questar will obtain, subject to the terms of the agreement, certain directors and officers insurance policies to apply against certain pre-separation claims, if any.

Further Assurances. To the extent that any transfers contemplated by the Separation Agreement have not been consummated on or prior to the date of the separation, the parties will agree to cooperate to effect such transfers as promptly as practicable following the date of the separation. In addition, the parties will agree to cooperate with each other and use commercially reasonable efforts to take or to cause to be taken all actions, and to do, or to cause to be done, all things reasonably necessary under applicable law or contractual obligations to consummate and make effective the transactions contemplated by the Separation Agreement and the ancillary agreements.

Dispute Resolution. In the event of any dispute arising out of the Separation Agreement, the general counsel or chief legal officer of each of the parties will negotiate for a reasonable period of time to resolve any disputes among the parties. If the parties are unable to resolve disputes in this manner, the disputes will be resolved through binding arbitration.

Other Matters Governed by the Separation Agreement. Other matters governed by the Separation Agreement include access to financial and other information, confidentiality, access to and provision of records and treatment of outstanding guarantees.

Employee Matters Agreement

The Employee Matters Agreement sets forth the agreements between QEP and Questar to allocate liabilities and responsibilities relating to employee compensation and benefits plans and programs and other related matters in connection with the Distribution. These plans and programs include, without limitation, existing qualified retirement obligations, existing health, welfare, and fringe benefit obligations, the treatment of outstanding Questar equity awards, outstanding annual and long-term incentive awards, existing severance obligations, and existing non-qualified deferred compensation obligations. The following is a summary of the material terms of the Employee Matters Agreement:

Establishment of QEP Benefit Plans. In connection with the Distribution, QEP expects to adopt, for the benefit of its employees and former employees, a variety of compensation and employee benefits plans that are generally comparable in the aggregate to those provided to employees immediately prior to the Distribution. With certain possible exceptions, the Employee Matters Agreement provides that as of the close of the Distribution, QEP employees will generally cease to be active participants in, and QEP will generally cease to be a participating employer in, the benefit plans and programs maintained by Questar.

Service Credit. In general, QEP will credit each of its employees with his or her service with Questar prior to the Distribution for all purposes under benefit plans maintained by QEP, to the extent that the employees received service credit under the corresponding Questar plans and such crediting does not result in a duplication of benefits.

Liabilities for Compensation and Benefits. As of the Distribution Date, except as specifically provided therein, QEP generally will assume, retain and be liable for all wages, salaries, welfare, incentive compensation and employee-related obligations and liabilities for all current and former employees of its business. Questar will generally retain responsibility for, and will pay and be liable for, all wages, salaries, welfare, incentive compensation and employment-related obligations and liabilities with respect to former Questar employees not associated with QEP's business and current Questar employees who are not otherwise transferred to employment with QEP in connection with the Distribution. The following is a summary overview of the proposed treatment of certain employee benefits:

- Defined-Benefit Pension Plan. The assets and liabilities held in trust attributable to active QEP employees who are participants under the Questar Retirement Plan as of the Distribution Date will be apportioned to the trust of a defined benefit pension plan established by QEP. Certain active QEP employees will cease to accrue benefits under such defined benefit pension plan as of the Distribution Date and will be eligible to participate in a nonqualified deferred compensation plan established by QEP that takes into account the retirement benefits that such employees would have received under the defined benefit pension plan on or after the Distribution Date. The Questar Retirement Plan will retain all liabilities with respect to former QEP employees who are participants therein as of the Distribution Date.
- 401(k) Plan. Account balances held in trust attributable to all active QEP employees under the Questar Employee Investment Plan will be apportioned to the trust of a 401(k) plan established by QEP. The Questar Employee Investment Plan will retain the account balances attributable to former QEP employees as of the Distribution Date.
- Health and Welfare Plans. QEP will establish health and welfare plans that provide benefits which are substantially comparable, in the aggregate, to those provided under the health and welfare plans maintained by Questar.
- Retiree Medical and Life Insurance Benefits. QEP will establish a health and welfare plan that provides retiree medical and life insurance benefits to those QEP employees who are eligible for retiree medical and life insurance benefits under the Questar plan as of the Distribution Date which are substantially comparable, in the aggregate, to those provided under the Questar plan.
- Nonqualified Retirement Plans. QEP will establish nonqualified deferred compensation plans for the benefit of active QEP employees who either have account balances or accrued benefits or were eligible to participate under each of the Questar nonqualified plans immediately prior to the Distribution Date (with terms that are substantially comparable, in the aggregate, to those under the Questar plans). In addition, QEP will cause the nonqualified deferred compensation plan to provide an enhanced supplemental retirement benefit that is based on the retirement benefit that certain QEP employees who were participants in Questar's Supplemental Executive Retirement Plan would have received under the defined benefit

pension plan established by QEP had they continued to accrue benefits thereunder on or after the Distribution Date (as described above). QEP's nonqualified plans will assume the liability with respect to active QEP employees who are participants in the Questar nonqualified plans as of the Distribution Date. The Questar nonqualified plans will retain all liabilities with respect to former QEP employees who are participants therein as of the Distribution Date.

- Equity Awards. Outstanding stock options and restricted stock awards to purchase Questar stock immediately prior to the Distribution Date will be adjusted and bifurcated into stock options and restricted stock awards to purchase Questar and QEP stock, respectively, for employees of both companies. The vesting of such awards will not accelerate by reason of the Distribution and each company's equity plan will provide that service with the other will count as service with it for the purpose of determining vesting and termination dates under its equity plan. QEP will adopt a long-term stock incentive plan with terms that are substantially comparable, in the aggregate, to those under the Questar long-term stock incentive plan.
- Annual Cash Incentive Awards. QEP will establish annual cash incentive plans for the benefit of QEP employees with terms that are substantially comparable, in the aggregate, to those under the Questar annual cash incentive plans. With respect to the outstanding awards granted under Questar's annual cash incentive plan for the year ended December 31, 2010, QEP will assume the liability for such awards granted to QEP employees and Questar will retain the liability for such awards granted to Questar employees as of the Distribution Date.
- Long-Term Cash Incentive Awards. With respect to the outstanding awards granted under Questar's long-term cash incentive plan, QEP will assume the liability for such awards granted to QEP employees and Questar will retain the liability for such awards granted to Questar employees. Outstanding awards granted to each QEP employee for the 2009-2011 and 2010-2012 performance periods will, as of the Distribution Date, be converted from an award payable in cash to an award of restricted shares of QEP stock to be granted under QEP's long-term stock incentive plan. Outstanding awards granted to each Questar employee for the 2009-2011 and 2010-2012 performance periods will, as of the Distribution Date, be converted from an award payable in cash to an award of restricted shares of Questar stock to be granted under Questar's long-term stock incentive plan. QEP will establish a long-term cash incentive plan with terms that are substantially comparable, in the aggregate, to those under the Questar long-term cash incentive plan.
- Severance Plan. QEP will establish an executive severance plan for the benefit of QEP executives with terms that are substantially comparable, in the aggregate, to those under the Questar executive severance plan.
- Executive Compensation Arrangements. Certain executives who are currently employees of Questar will cease to be employees of Questar and become executives and employees of QEP as of the Distribution Date. QEP may enter into an employment agreement or other compensatory arrangement with any such executive and be responsible for all liabilities and obligations thereunder following the Distribution Date. Questar will cease to have any liability or obligation under any employment agreement or other compensatory arrangement with respect to any such executive following the Distribution Date.
- Director Deferred Compensation Plan. QEP will establish a nonqualified deferred compensation plan for the benefit of its directors who have account balances or were eligible to participate in Questar's deferred compensation plan for directors immediately prior to the

Distribution Date (with terms that are substantially comparable, in the aggregate, to those under the Questar plan). The QEP deferred compensation plan for directors will assume any liabilities under the Questar deferred compensation plan for directors who are participants in the Questar plans as of the Distribution Date.

Tax Matters Agreement

The Tax Matters Agreement (the “***Tax Matters Agreement***”) governs QEP’s and Questar’s respective rights, responsibilities, and obligations after the Distribution with respect to the filing of tax returns and the payment of taxes, including ordinary course of business taxes and taxes, if any, incurred as a result of any failure of the Distribution to qualify as a tax-free distribution under Sections 355 and 368(a)(1)(D) of the Code.

In addition, the Tax Matters Agreement generally obligates both QEP and Questar to comply with the representations made in the IRS private letter ruling and in the tax opinion of Latham & Watkins LLP and not to take any action (except as expressly provided in the Tax Matters Agreement) that is inconsistent with or could otherwise affect the qualification of the Distribution as a tax-free distribution under Code Sections 368(a)(1)(D) and 355. If such qualification is disallowed, in whole or in part, then any liability for taxes as a result of such disallowance shall be divided between Questar and QEP in proportion to their respective fair market values as of the Distribution Date (as defined below); provided that if the failure to satisfy the requirements of Code Sections 368(a)(1)(D) and 355 is solely the result of action taken by either Questar or QEP subsequent to the Distribution, including acquisitions of the stock of Questar, QEP or Wexpro which violate the requirements of Code Section 355(e), the responsible party shall be fully liable for and shall indemnify the other party against any taxes resulting from such failure.

Transition Services Agreement

The Transition Services Agreement (the “***Transition Services Agreement***”) provides that if the Distribution occurs, Questar and QEP will provide certain services to each other for a specified period following the Distribution. The services to be provided by Questar to QEP generally include services related to human resources, including benefits and information systems, services for insurance management, SEC reporting, Form 4 administration, financial matters (including income taxes, internal audits, tax preparation, treasury and cash management services and enterprise portfolio matters), stock option administration and FERC compliance. The services to be provided by QEP to Questar generally include services related to medical plan administration and environmental services for Wexpro. The recipient of any services will generally pay an agreed upon arm’s length service charge and reimburse the provider any out-of-pocket expenses, including the cost of any third-party consents required. The Transition Services Agreement will generally require the services to be provided until the earlier of (i) December 31, 2011, or (ii) such earlier date (per service) on twenty days written notice prior to the first day of the following month, after which time the obligation to provide such services will terminate.

Copies of the Separation Agreement, Employee Matters Agreement, Tax Matters Agreement and Transition Services Agreement are incorporated herein by reference as Exhibits 2.1, 10.1, 10.2 and 10.3, respectively, to this Current Report on Form 8-K, and statements herein regarding such agreements are qualified by reference to the complete agreements.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Director Compensation Program

On June 12, 2010, the board of directors of QEP (the “**Board**”) approved the following compensation for non-employee directors of QEP:

Annual Retainer:	\$50,000
Annual Restricted Stock Grant:	Determined by dividing \$100,000 by the fair market value of a share of QEP common stock on the date of grant
Committee Retainers:	
Chair, Audit Committee and	
Chair, Compensation Committee	\$15,000
Chair, Governance Committee	\$10,000
Committee Membership:	
Audit Committee	\$7,500
Governance Committee, and	
Compensation Committee	\$5,000
Board Meeting Fee:	\$2,000 (per day)
Committee Meeting Fee:	\$1,100 (\$1,500 for Chair)
Telephone Attendance:	\$600 (Committee Meeting – \$800 Chair)

Deferred Compensation Plan for Directors

Non-employee directors may receive their fees in cash or they may defer receipt of those fees and have them credited with interest as if invested in long-term certificates of deposit or be accounted for with “phantom shares” of QEP stock pursuant to the QEP Deferred Compensation Plan for Directors. Non-employee directors may defer their restricted stock grant in the form of “phantom shares” of QEP stock which are subject to the same vesting schedule that would otherwise apply to the restricted stock grant. Payments of phantom share balances are made in cash upon specified distribution events subject to compliance with Section 409A of the Code. Deferred fees and/or phantom stock may constitute or provide for a deferral of compensation subject to Section 409A of the Code, and there may be certain tax consequences if the requirements of Section 409A of the Code are not met.

The QEP Deferred Compensation Plan for Directors provides terms that are substantially comparable, in the aggregate, to those under Questar’s deferred compensation plan for directors. The QEP Deferred Compensation Plan for Directors will assume the liability under Questar’s deferred compensation plan for directors who are participants in the Questar plan as of the Distribution Date. These directors will (i) have their Questar phantom stock bifurcated into QEP and (for a limited period through December 31, 2011) Questar phantom stock in the same manner as holders of Questar restricted stock will be treated in the Distribution, and (ii) have any amounts deemed invested in phantom shares of Questar stock converted into phantom shares of QEP stock and (for a limited period through December 31, 2011) Questar stock in the same manner as actual Questar stockholders will be treated in the Distribution.

This description of the QEP Deferred Compensation Plan for Directors is qualified in its entirety by the terms of the plan, a copy of which is attached as Exhibit 10.4 and is incorporated herein by reference.

2009 Director Compensation

Fees received by individual members of the Board during 2009 for service as a member of Questar's board of directors are set forth below:

Name (a)	Fees Earned or Paid in Cash (\$) ¹ (b)	Stock Awards (\$) ^{2,3} (c)	Total (\$) (h)
Phillips S. Baker, Jr.	80,900	99,064	179,964
L. Richard Flury	94,000	99,064	193,064
James A. Harmon	82,000	99,064	181,064
Robert E. McKee III	98,400	99,064	197,464
M. W. Scoggins	88,000	99,064	187,064

¹ Some directors deferred this amount pursuant to Questar's deferred compensation plan for directors as described above.

² On February 9, 2010, all directors of Questar received a grant of restricted stock or phantom restricted stock.

³ Directors who were members of the Questar board of directors had the following aggregate options and unvested stock awards or phantom shares as of December 31, 2009:

Name	Number of Vested Option Shares*	Number of Restricted Shares	Number of Vested Phantom Shares	Number of Unvested Phantom Shares
Phillips S. Baker, Jr.	0	5,815	0	0
L. Richard Flury	14,000	2,800	6,582	3,015
James A. Harmon	14,000	5,899	2,600	0
Robert E. McKee III	14,000	0	3,982	5,815
M. W. Scoggins	0	0	3,982	5,815

* None of the directors has unvested options.

Director Stock Ownership Guidelines

The Board has adopted stock ownership guidelines for outside directors of two-times their annual fees after a director has served for five years on the Board. Phantom stock units count toward the total shares held. All directors currently comply with those guidelines. Directors also participate in QEP's Business Accident Insurance Plan which provides a benefit of up to \$150,000 to the survivor of any director who dies, is totally disabled or suffers dismemberment due to an accident while traveling on business for QEP.

Mr. Keith O. Rattie

In addition to all other annual retainers and fees payable to a non-employee director, QEP's non-executive chairman of the board, Keith O. Rattie, will be paid an annual retainer of \$200,000, so long as Mr. Rattie is the chairman of the board. In addition, subject to the consummation of the Distribution, under the 2010 Long-Term Stock Incentive Plan, QEP will grant Mr. Rattie a number of restricted stock

units determined by dividing \$1,000,000 by the fair market value of a share of QEP common stock on the date of grant, and dividend equivalents on such restricted stock units with respect to the ordinary quarterly cash dividends paid on QEP common stock, according to the terms and conditions set forth in an award agreement. Subject to Mr. Rattie's continued service on the Board, the restricted stock units and associated dividend equivalents will vest ratably on an annual basis over three years, subject to accelerated vesting upon the occurrence of certain events as set forth in the award agreement. Each vested restricted stock unit represents the right to receive one unrestricted, fully transferrable share of QEP common stock.

Certain Relationships and Related-Person Transactions

There are no relationships or related-person transactions between QEP and any of its directors or officers that are required to be disclosed pursuant to federal securities laws. QEP requires all executive officers and directors to report to the vice president, compliance, any event or anticipated event that might qualify as a related-person transaction pursuant to Section 404(b) of Regulation S-K. The vice president, compliance would then report those transactions to the Audit Committee. QEP also collects information from questionnaires sent to officers and directors early each year that are designed to reveal related-person transactions. If a report or questionnaire shows a potential related-person transaction, it will be investigated in accordance with the QEP's Business Ethics and Compliance Policy. QEP's Audit Committee will review pending and ongoing transactions to determine whether they conflict with the best interests of QEP, impact a director's independence or conflict with the QEP's Business Ethics and Compliance Policy. If a related-person transaction is completed, the Committee will determine whether rescission of the transaction, disciplinary action or reevaluation of a director's independence is required.

Appointment of Executive Officers

On June 12, 2010, the following individuals were appointed as executive officers of QEP:

<u>Name</u>	<u>Title</u>
Charles B. Stanley	President and Chief Executive Officer
Richard J. Doleshek	Executive Vice President, Chief Financial Officer and Treasurer
Jay B. Neese	Executive Vice President
Perry H. Richards	Senior Vice President, QEP Field Services
Eric L. Dady	Vice President and General Counsel
Abigail L. Jones	Vice President, Compliance, Corporate Secretary and Assistant General Counsel

Adoption of Executive Compensation Program

On June 12, 2010, the Board approved a variety of benefit plans for employees of QEP effective as of the Distribution, including certain benefit plans that cover QEP's executive officers.

Employment Agreements

On June 12, 2010, the Board approved employment agreements with Messrs. Charles B. Stanley and Richard J. Doleshek.

Under Mr. Stanley's employment agreement, Mr. Stanley will serve as QEP's President and Chief Executive Officer and as a member of QEP's board of directors. The term of the employment agreement is three years, unless terminated earlier by either party in accordance with the provisions therein. Mr. Stanley will receive an annual base salary of \$720,000 and is eligible to participate in a QEP annual cash bonus program, under which his target bonus will equal at least ninety percent (90%) of his annual base salary. Mr. Stanley is also entitled to participate in QEP's long-term cash bonus plan, under which his target bonus will be at least equal to that provided to any other officer. Mr. Stanley is also entitled to other benefits, including participation in the QEP 401(k), health and welfare plans, executive severance plan, deferred compensation plan, and supplemental executive retirement plan. Mr. Stanley is entitled to receive equity awards at least equal to that provided to any other QEP officer, which equity awards will permit Mr. Stanley to exercise any vested options for at least 30 days following the termination of his employment, unless a longer period is otherwise specified.

Mr. Stanley's employment agreement provides that if his employment terminates during the term due to death or disability, he will receive up to two (2) months of base salary and a lump sum equal to his target bonuses under the cash bonus plans in which he participates, for the performance periods that began during the term of the employment agreement. Additionally, equity granted to Mr. Stanley under the employment agreement will accelerate and vest in full (provided that any Conversion Awards will vest in accordance with their terms). If Mr. Stanley's employment is terminated either by QEP without "cause" or by Mr. Stanley for "good reason" (as such terms are defined in the employment agreement), (a) he will receive a payment equal to three (3) times his base salary, (b) he will receive a payment equal to three times the amount of the annual cash bonus(es) that he actually received under QEP's annual bonus plan(s) (or where applicable, under an Questar annual bonus plan(s)) in the year immediately prior to his termination, and (c) any equity granted to him by QEP under the employment agreement will accelerate and become fully vested (provided that any Conversion Awards will vest in accordance with their terms). Because of Mr. Stanley's participation in the Executive Severance Compensation Plan, upon a qualifying termination following a change in control, Mr. Stanley will receive the greater of the severance payment due him under his employment agreement or under the Executive Severance Compensation Plan, but not both.

Under Mr. Doleshek's employment agreement, Mr. Doleshek will serve as the Executive Vice President, Chief Financial Officer and Treasurer of QEP. The term of the employment agreement is three years, unless terminated earlier by either party in accordance with the provisions therein. Mr. Doleshek will receive an annual base salary of \$470,000 and is eligible to participate in a QEP annual cash bonus program, under which his target bonus will equal at least ninety percent (90%) of his annual base salary. Mr. Doleshek is also entitled to participate in QEP's long-term cash bonus plan, under which his target bonus will not be less than \$500,000. Mr. Doleshek is also entitled to other benefits, including participation in the QEP 401(k), health and welfare plans, executive severance plan, deferred compensation plan, and supplemental executive retirement plan. Mr. Doleshek is entitled to receive equity awards, to be granted in QEP's sole discretion.

Mr. Doleshek's employment agreement provides that if his employment terminates during the term due to death or disability, he will receive up to two (2) months of base salary and a lump sum equal to his target bonuses under the cash bonus plans in which he participates, for the year of his death or disability. Additionally, equity granted to Mr. Doleshek under the employment agreement will accelerate and vest in full (provided that any Conversion Awards will vest in accordance with their terms). If Mr. Doleshek's employment is terminated either by QEP without "cause" or by Mr. Doleshek for "good reason" (as such terms are defined in the employment agreement), (a) he will receive a payment equal to three (3) times his base salary, (b) he will receive a payment equal to three times the amount of the annual cash bonus(es) that he actually received under QEP's annual bonus plan(s) (or where applicable, under an Questar annual bonus plan(s)) in the year immediately prior to his termination, and (c) any equity granted

to him by QEP under the employment agreement will accelerate and become fully vested (provided that any Conversion Awards will vest in accordance with their terms). Because of Mr. Doleshek's participation in the Executive Severance Compensation Plan, upon a qualifying termination following a change in control, Mr. Doleshek will receive the greater of the severance payment due him under his employment agreement or under the Executive Severance Compensation Plan, but not both.

This description of the employment agreements between QEP and each of Messrs. Stanley and Doleshek is qualified in its entirety by the terms of the respective employment agreement, copies of which are attached as Exhibits 10.5 and 10.6 and are incorporated herein by reference.

Compensation Discussion and Analysis.

Objectives. QEP's executive compensation program is designed to:

- Attract, motivate, and retain the management talent required to achieve QEP objectives;
- Focus management efforts on both short-term and long-term drivers of shareholder value;
- Tie a significant portion of executive compensation to QEP's long-term stock-price performance and thus shareholder returns;
- Foster a results-oriented culture while enhancing QEP's reputation for ethics and integrity; and
- Create balance across multiple financial and operating metrics and time periods, thus supporting sound risk management.

Components. Compensation for named executive officers is comprised of the following major components:

- Base salary;
- Annual Management Incentive Plan II ("**AMIP II**");
- Long-term Cash Incentive Plan ("**LTCIP**");
- Restricted stock and/or stock-option grants under the 2010 Long-term Stock Incentive Plan ("**LTSIP**");
- Executive Severance Compensation Plan;
- Employee benefits, including retirement, health and welfare benefits; and
- Nonqualified deferred compensation plans, including the Deferred Compensation Wrap Plan and the Supplemental Executive Retirement Plan.

Compensation Philosophy and Role of Compensation Committee. To attract, motivate and retain the executive talent required to achieve corporate objectives, the Compensation Committee of the Board (the "**Compensation Committee**") believes it must offer key executives a competitive compensation package comprised of fixed and variable short-term and long-term components. The following table summarizes the role each component plays in the total compensation package:

Compensation Component	
Base Salary	<ul style="list-style-type: none"> • Provide a fixed and market-based level of compensation to pay for an executive's responsibility, relative expertise and experience.
Annual Cash Incentive <ul style="list-style-type: none"> • AMIP II 	<ul style="list-style-type: none"> • Motivate and reward executives for achieving annual financial and operating goals that are aligned with shareholder and stakeholder interests.

<p>Long-term Incentives</p> <ul style="list-style-type: none"> • Restricted stock under LTSIP • Stock options under LTSIP • Long-term cash incentive awards under LTCIP 	<ul style="list-style-type: none"> • Deliver the majority of named executive officer compensation through long-term incentives aligned with shareholder interests; <p>Motivate and reward the achievement of long-term strategic QEP objectives;</p> <ul style="list-style-type: none"> • Recognize and reward QEP’s performance relative to industry peers over multi-year time periods; • Encourage long-term executive share ownership; and • Encourage executive retention by establishing multi-year incentive awards.
<p>Benefits</p> <ul style="list-style-type: none"> • Retirement • Health care • Other security benefits (life, disability) 	<ul style="list-style-type: none"> • Provide a tax-efficient means for employees to build financial security in retirement; • Provide minimum income protection against certain risks; and • Reward extended service with QEP.
<p>Termination Benefits</p> <ul style="list-style-type: none"> • Executive Severance Compensation Plan 	<ul style="list-style-type: none"> • Provide a competitive level of income protection.

To ensure that executive compensation remains consistent with QEP’s objectives, the Compensation Committee will routinely:

- Retain independent compensation consultants to: (a) review, critique and propose changes in compensation practices when necessary to maintain alignment with the above-listed objectives; (b) conduct and analyze market surveys; and (c) provide input on compensation actions for QEP’s top officers;
- Review and approve AMIP II participants, objectives and performance targets;
- Review QEP’s consolidated financial results and the financial and operating results of QEP’s major business units;
- Evaluate the individual performance of the named executive officers;
- Consider internal relative pay; and
- Develop and approves annual and long-term compensation for QEP’s executive officers.

The Compensation Committee has not adopted a separate process for reviewing tally sheets of executive officer compensation. Instead, the Compensation Committee will review total executive compensation on a regular basis several times during the year. The Compensation Committee will analyze each component of every named executive officer’s compensation and examine total compensation for each such executive to ensure that the individual components and the total compensation satisfy the objectives described above. The Compensation Committee will consider how it measures, evaluates and benchmarks all compensation components for executives. The intent is to ensure that each executive’s compensation remains competitive within the relevant segment of the natural gas industry, adjusted as appropriate for individual factors such as the officer’s experience and expertise. In addition to market-survey data, the Compensation Committee will consider job performance, responsibilities, and advancement potential when setting compensation for each of the named executive officers.

The compensation philosophy of QEP is, at present, substantially comparable, in the aggregate, to that of Questar, as described in the proxy statement filed in connection with Questar’s May 18, 2010 annual meeting of stockholders.

Compensation Philosophy. In 2010, the Management Performance Committee of Questar’s board of directors (the “*Questar Committee*”) approved compensation for the officers of QEP. The compensation philosophy of QEP is, at present, substantially comparable, in the aggregate, to that of Questar, as described in the proxy statement filed in connection with Questar’s May 18, 2010 annual meeting of stockholders.

The Questar Committee, with help from its compensation consultant, Hewitt Associates, LLC (“**Hewitt**”) conducted market surveys to estimate the 25th, 50th and 75th percentiles for total compensation for executive officers. The Questar Committee defined total compensation as: base salary + AMIP II target + LTCIP target + grant-date value of restricted stock and/or stock options (Equity Awards). The Questar Committee in general targets the market 50th percentile for each named executive officer.

How QEP Determines the External Benchmarks for Named Executive Officers. The Compensation Committee will consider the relative size of companies in the industry peer group in its evaluation of market data. The Compensation Committee will also review officer compensation in relation to general-industry peers, a group of companies, selected by Hewitt, in other industries with median revenue similar to QEP. The Compensation Committee will not base compensation decisions for named executive officers on the pay of general-industry peers; rather it will use this group as an indicator of executive compensation trends and practices.

When setting compensation for each key executive, the Questar Committee, with advice from Hewitt, defined the relevant peer group. Because Mr. Doleshek’s employment with Questar started in May 2009, the Questar Committee used the data previously utilized to determine his predecessor’s compensation. Additionally, the Questar Committee focused on creating sufficient value to attract a qualified candidate for the CFO position

Industry Peer Companies – Corporate Peer, E&P and Gas and Pipeline Groups. To arrive at compensation values for 2010, the Questar Committee designated all of the companies listed below as peer companies for QEP executives.

Cabot Oil & Gas Corporation
Cimarex Energy Company
EOG Resources, Inc.
Forest Oil Corporation
Newfield Exploration Company
Noble Energy, Inc.
Pioneer Natural Resources Company
Plains Exploration & Production Company
Quicksilver Resources, Inc.
Range Resources Corporation
Southwestern Energy Company
Whiting Petroleum Corporation
The Williams Companies, Inc.

The Compensation Committee will set annual base salary, AMIP II target, LTCIP target and equity awards for all key executives. Hewitt and QEP’s Human Resources Department will assist in the collection and analysis of peer-company data.

Base Salaries. The Questar Committee did and the Compensation Committee will establish base salaries for executives by considering their scope of responsibilities, performance, and competitive market compensation paid by other companies in the executive’s peer group. The Compensation Committee will review base salaries for QEP’s named executive officers on at least an annual basis. When setting salaries, the Compensation Committee will consider market information for the executive’s relevant peer group, along with individual factors and internal comparisons with other QEP officers. The Questar Committee did and the Compensation Committee will use proxy data and information provided by Hewitt to obtain information about the base salaries paid by peers.

Incentive Compensation. QEP's named executive officers will participate in AMIP II which provides for certain annual cash incentive awards that are intended to qualify as "qualified performance-based compensation" within the meaning of Section 162(m) of the Code when QEP becomes subject to Section 162(m) of the Code. Those officers will also receive equity awards pursuant to the LTSIP. The Compensation Committee intends to put a substantial portion of each officer's compensation at risk. AMIP II payouts will be tied to annual financial and operating goals to be set by the Board at the beginning of the plan year. LTCIP payouts will be tied to total shareholder returns relative to a pre-set group of peer companies over a three-year period. Together these programs will motivate participating executives to focus on total shareholder return over the longer-term. AMIP II and LTCIP are cash plans that can award amounts from zero to a predetermined maximum depending on QEP's results. The Compensation Committee has not implemented a clawback provision for incentive compensation, but will review compensation trends as appropriate. The Compensation Committee believes that its approach effectively aligns the executive officers' interests with shareholder interests.

AMIP II. Under AMIP II, QEP sets separate performance targets for each major business unit. These business-unit targets are tied to key consolidated financial and operating goals. Each year, the Compensation Committee will review and approve the specific annual performance targets for QEP as a whole, and for each major subsidiary. The performance targets are set at the beginning of each year after a review of that year's budget and the prior-year actual results. Targets are generally at or above the Board-approved budget for the year. The QEP performance objectives for 2010 relate to QEP's achievement of a certain level of earnings before interest, depreciation, amortization, taxes and exploration expense and certain production measures.

QEP will calculate an overall payout factor, which can range from zero to 200% based on actual results compared to the measures. Each officer's target bonus is multiplied by the respective payout factor to determine the payment. The maximum cash payment to any officer under the terms of AMIP II is capped at \$4,000,000. Each officer's target bonus is a percentage of his annual base salary in effect on March 1 of the performance year. The Compensation Committee, in its sole discretion, can reduce the cash award otherwise payable to an officer. Neither the Compensation Committee nor QEP may increase the cash award otherwise payable under the AMIP II formula.

AMIP II provides terms that are substantially comparable, in the aggregate, to those under the Questar Corporation Annual Management Incentive Plan II ("*Questar AMIP II*"). With respect to the outstanding awards granted under Questar's AMIP II for the year ended December 31, 2010, QEP will assume the liability for such awards granted to QEP employees and Questar will retain the liability for such awards granted to Questar employees as of the Distribution Date.

On June 12, 2010, the Compensation Committee approved the following target bonuses for 2010 with respect to each executive officer:

<u>Executive Officer</u>	<u>Target*</u>
Charles B. Stanley	90%
Richard J. Doleshek	90%
Jay B. Neese	70%
Perry H. Richards	47.5%
Eric L. Dady	40%

* This percentage includes the Market Resources Employee Incentive Plan ("*MREIP*") which applies a 12.5% target. The MREIP applies to all employees (except those classified as temporary or occasional part-time) who work for QEP's subsidiaries and are scheduled to work at least 20 hours per week.

This description of the AMIP II is qualified in its entirety by the terms of the plan, a copy of which is attached as Exhibit 10.7 and is incorporated herein by reference.

2009 Questar AMIP II. In 2009, the performance components and targets for the Questar AMIP II were as follows:

<u>Questar Market Resources</u>	<u>Target</u>
Questar Corporation earnings per share	\$ 2.70
Business unit net income total ¹ (millions)	\$ 384
Questar Exploration and Production production volumes (Bcfe)	185
<u>Questar Pipeline</u>	<u>Target</u>
Questar Corporation earnings per share	\$ 2.70
Questar Pipeline net income (millions)	\$ 55
Operating and maintenance expenses per decatherm of contract demand	\$ 16.5
Achievement of specific strategies and operational initiatives	3 of 5 affirmative answers
<u>Questar Gas</u>	<u>Target</u>
Questar Corporation earnings per share	\$ 2.70
Questar Gas net income (millions)	\$ 40.5
Questar Gas customer satisfaction (1-7 scale)	6.1
Questar Gas annual operating and maintenance expenses per customer	\$ 140
Safety performance ²	3.65

¹ The Questar Exploration and Production component QEP' net income was indexed to commodity prices as of January 29, 2009.

² "Safety performance" shows an average of injuries per 100 employees and preventable accidents per 1 million miles driven.

Because Mr. Doleshek's employment with Questar started in May 2009, he was not eligible to participate in the Questar AMIP II for 2009. In order to ensure that his incentives were tied to the same key financial and operating metrics as other officers, Questar's board or directors authorized a 2009 bonus program for Mr. Doleshek that utilized the same performance metrics as those used for his predecessor in the Questar AMIP II for 2009. The non-equity incentive compensation listed for Mr. Doleshek in the Summary Compensation Table was derived by using these metrics.

In February 2010, the Questar Committee determined the 2009 Questar Market Resources payout to be 160% of its target amount while Questar Pipeline paid out 140% of its target amount and Questar Gas paid out 152% of its target amount.

The LTCIP. The LTCIP will tie compensation for key executives to total shareholder return relative to a mix of peer companies over a longer-term (three-year) performance period. Payouts from the LTCIP, if any, will be based on the respective QEP's total shareholder return ("*TSR*") compared with a group of peer companies.

QEP will calculate three-year TSR as the sum of the closing December stock price in the last year of the performance period, plus dividends paid over the full performance period, divided by the average December stock price in the month prior to the start of the performance period. The average December stock price is the simple average closing price for each trading day in December. QEP will then rank its three-year TSR among the peer companies to determine the TSR Rank Multiplier. The payout based on rank is multiplied by the ratio of the stock price at the end of the three-year period divided by the stock price at the beginning of the three-year period (“**Stock Appreciation Multiplier**”). Participants earn the maximum bonus if QEP has the highest TSR of its peer group. Participants earn the target bonus if QEP’s TSR ranks at the midpoint of the peer group. If QEP’s TSR for the performance period places it in the bottom third of the group, no bonus is paid under the LTCIP. There are currently three outstanding performance periods: 2008 through 2010, 2009 through 2011, and 2010 through 2012.

The calculation is as follows: Target Award x TSR Rank Multiplier x Stock Appreciation Multiplier = LTCIP Payout. The maximum payment under the LTCIP for any performance period is currently capped at \$8,000,000.

With respect to the outstanding awards granted under Questar’s Long-Term Cash Incentive Plan (“**Questar LTCIP**”), QEP will assume the liability for such awards granted to QEP employees and Questar will retain the liability for such awards granted to Questar employees. Outstanding awards granted to each QEP employee for the 2009-2011 and 2010-2012 performance periods will, as of the Distribution Date, be converted from an award payable in cash to an award of restricted shares of QEP stock to be granted under QEP’s long-term stock incentive plan. The LTCIP provides terms that are substantially comparable, in the aggregate, to those under the Questar LTCIP.

The peer group for the Questar LTCIP that was used to determine the payout for 2009 included a mix of E&P, pipeline, utility and integrated natural gas companies as set forth below:

Cabot Oil and Gas Company	Noble Energy, Inc.
Chesapeake Energy Corporation	Northwest Natural Gas Company
El Paso Corporation	ONEOK, Inc.
Energen Corporation	Pioneer Natural Resources Company
EOG Resources, Inc.	Plains Exploration & Production Company
Equitable Resources, Inc.	St. Mary Land & Exploration Company
Forest Oil Corporation	Southwestern Energy Company
National Fuel Gas Company	Ultra Petroleum Corporation
Newfield Exploration Company	The Williams Companies, Inc.

Questar made payments under the Questar LTCIP to the named executive officers for the 2007-2009 period in February 2010, and the amounts are reflected in the Summary Compensation Table (along with amounts paid under the Questar AMIP II) in column (g). Questar’s average annual TSR for that period was 2%, which ranked 11th out of the 19 peer companies.

This description of the LTCIP is qualified in its entirety by the terms of the plan, a copy of which is attached as Exhibit 10.8 and is incorporated herein by reference.

The LTSIP. The LTSIP is intended to (1) help attract and retain key executives and (2) ensure that executive officers have a significant incentive to manage QEP to maximize long-term shareholder returns. The value of the grant to each executive will be tied to the Compensation Committee’s estimate of the market for that position, adjusted to take into account performance, retention, the executive’s pay relative to other QEP executives and other factors deemed by the Compensation Committee to be appropriate.

The Compensation Committee will utilize both restricted stock and stock options as equity incentive tools. The Compensation Committee will recommend and the Board will approve such restricted stock and option grants.

The vesting schedule of the restricted stock grants generally extends over a three-year period, starting the year after the date of grant with one third of the shares vesting in each of the remaining years, subject to the optionee's continued employment with QEP. These shares do not automatically vest upon retirement.

QEP plans to make annual equity grants in February.

QEP's policies do not permit the backdating of stock options or the alteration of the exercise price after the grant date. As set forth in the LTSIP, the Board sets the option price at the time the option is granted, and that price cannot be less than the closing price of QEP's common stock on the date of grant.

The Compensation Committee has established a stock-ownership guideline for each named executive officer that is a multiple of his base salary. Under the guidelines, all named executive officers are required to own shares having a value of at least two times their annual base salary, except in Mr. Stanley's case, six times his base salary, and in Mr. Doleshek's case, three times his base salary. These guidelines are intended to align the named executive officers' interests with those of shareholders, while allowing them some opportunity to diversify their holdings. Phantom stock units attributable to an executive's holdings in the QEP Deferred Compensation Wrap Plan are counted toward the total.

Restricted Stock Grants under the LTSIP. On June 12, 2010, the Board approved the following grants of restricted stock under the LTSIP to key contributors to the QEP spin-off, including grants to four of the named executive officers listed below. The vesting schedule of the restricted stock grants extends over a three-year period, starting two years after the date of grant with one third of the shares vesting in each of the remaining years, subject to the executive's continued employment with QEP.

<u>QEP Officers</u>	<u>Job Title</u>	<u>Restricted Stock Value*</u>
Charles B. Stanley	President and Chief Executive Officer	\$ 900,000
Richard J. Doleshek	Executive Vice President, Chief Financial Officer and Treasurer	\$ 600,000
Jay B. Neese	Executive Vice President	\$ 500,000
Eric L. Dady	Vice President and General Counsel	\$ 200,000
Perry H. Richards	Senior Vice President, QEP Field Services	\$ 150,000

* The number of restricted shares of QEP common stock to be granted to each executive will be determined by dividing the Restricted Stock Value (as indicated above) by the fair market value of a share of QEP common stock on the date of grant, expected to be on or about July 1, 2010.

Material Terms of LTSIP. The LTSIP provides terms that are substantially comparable, in the aggregate, to those under Questar's long-term stock incentive plan. The material terms of the LTSIP are summarized below.

General. The LTSIP generally authorizes the Compensation Committee to provide equity-based compensation in the form of stock options (both incentive stock options (ISOs) and non-qualified stock options), stock appreciation rights (SARs), performance shares, restricted stock, restricted stock units, stock unit awards, and Conversion Awards (as defined below) to eligible members of the Board and employees and consultants of QEP and its affiliates, subject to the terms and conditions set forth therein.

Administration. The Compensation Committee administers the LTSIP unless otherwise determined by the full Board. Members of the Compensation Committee are “Non-Employee Directors” (as that term is defined in Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and “outside directors” as that term is defined for purposes of Section 162(m) of the Code. The Compensation Committee has broad authority to administer and interpret the LTSIP, including the authority to determine who is eligible to receive a grant under the LTSIP and to determine the specific provisions of each grant, including the number of shares of QEP common stock covered by each grant. The Compensation Committee also has the authority to make or change any rules for the administration of the LTSIP, and in certain circumstances to accelerate the vesting of outstanding awards.

Eligibility. Persons eligible to participate in the LTSIP include employees and consultants of QEP and its affiliates and non-employee members of the Board. Any person who (i) holds stock options or restricted stock awards to purchase shares of Questar common stock that are outstanding immediately prior to the Distribution Date will receive, in connection with the adjustment by Questar of such awards as a result of the Distribution, grants of stock options or restricted stock awards under the LTSIP, or (ii) holds certain cash awards under the Questar LTCIP immediately prior to the Distribution Date will receive a grant of restricted stock awards under the LTSIP, in each case pursuant to the Employee Matters Agreement (collectively, the Conversion Awards).

Limitation on Awards and Shares Available. The aggregate number of shares of QEP common stock which may be issued pursuant to awards granted under the LTSIP is 15,000,000, plus the number of shares of QEP common stock that are covered by the Conversion Awards. The shares of QEP common stock covered by the LTSIP may be authorized but unissued shares or shares reacquired by QEP, including shares purchased in the open market.

If an award (including any Conversion Award) is forfeited or cancelled or otherwise expires for any reason without having been exercised or settled, or is settled through issuance of consideration other than shares, the shares subject to those awards will be added back to the LTSIP and will again be available for issuance under the LTSIP. However, shares that are: (i) subject to a stock option or a stock-settled SAR and were not issued upon the net settlement or net exercise of such stock option or SAR, (ii) delivered to or withheld by QEP to pay the exercise price of a stock option or the withholding taxes related to any award, or (iii) repurchased on the open market with the proceeds of a stock option exercise, will count against the shares available for issuance under the LTSIP and not be available for new awards under the LTSIP.

Other than with respect to Conversion Awards, the maximum number of shares that can be the subject of stock options and SARs granted to any single participant in a given year is 1,000,000. All shares reserved for issuance under the LTSIP may be issued as ISOs. Except with respect to Conversion Awards, the maximum award of that may be paid to any “covered employee,” within the meaning of Section 162(m) of the Code, for any performance period is \$10,000,000, if paid in cash, or 500,000 shares of QEP common stock, if paid in QEP common stock.

Awards. The LTSIP provides for the grant of stock options (both ISOs and non-qualified stock options), SARs, performance shares, restricted stock, restricted stock units, stock unit awards, and Conversion Awards.

Stock Options. Stock options, in the form of ISOs and nonqualified stock options, may be granted pursuant to the LTSIP. The option exercise price of all stock options granted pursuant to the LTSIP will not be less than 100% of the fair market value of QEP common stock on the date of grant. Stock options may be subject to such vesting and exercisability conditions as determined by the Compensation Committee. In no event may a stock option have a term extending beyond the tenth anniversary of the date of grant. ISOs granted to any person who owns, as of the date of grant, stock possessing more than ten percent of the total combined voting power of all classes of QEP stock, however, will have an exercise price that is not less than 100% of the fair market value of QEP common stock on the date of grant and may not have a term extending beyond the fifth anniversary of the date of grant. The aggregate fair market value of the shares with respect to which options intended to be ISOs are exercisable for the first time by an employee in any calendar year may not exceed \$100,000, or such other amount as the Code provides, without being treated as nonqualified stock options. At the time of grant, the Compensation Committee will determine whether a participant may exercise a stock option after the participant's termination of service with QEP which will be reflected in the terms of the applicable option award agreement. Upon a participant's exercise of a stock option, payment of the total option price may be made in the form of cash or its equivalent; any other method permitted by the Compensation Committee as reflected in the option award agreement, including, but not limited to, the delivery to QEP of a number of shares of common stock already owned by the participant for such time as determined by the Compensation Committee that have a fair market value equal to the total option price; and, if permitted by the Compensation Committee, a combination of methods.

SARs. A SAR entitles its holder, upon exercise of all or a portion of the SAR, to receive from QEP an amount determined by multiplying the difference obtained by subtracting the exercise price per share of the SAR from the fair market value on the date of exercise of the SAR by the number of shares with respect to which the SAR has been exercised, subject to any limitations imposed by the Compensation Committee. SARs may be granted independently from or in tandem with a stock option. The exercise price per share subject to a SAR will be set by the Compensation Committee, but may not be less than 100% of the fair market value on the date the SAR is granted. The Compensation Committee determines the period during which the right to exercise the SAR vests in the holder. At the time of grant, the Compensation Committee will determine whether a participant may exercise a SAR and its tandem option after the participant's termination of service with QEP which will be reflected in the terms of the applicable award agreement. Payment of the SAR may be in cash, shares, or a combination of both, as determined by the Compensation Committee.

Performance Shares. Awards of performance shares are denominated in a number of shares of QEP common stock and may be linked to any one or more performance criteria determined appropriate by the Compensation Committee, in each case on a specified date or dates or over any period or periods determined by the Compensation Committee. The Compensation Committee will determine whether performance shares are intended to qualify as "qualified performance-based compensation" within the meaning of Section 162(m) of the Code. Following is a brief discussion of these qualification requirements under Section 162(m) of the Code.

The Compensation Committee may grant awards to employees who are or may be "covered employees," as defined in Section 162(m) of the Code, that are intended to be performance-based compensation within the meaning of Section 162(m) of the Code in order to preserve the deductibility of these awards for federal income tax purposes. Participants are only entitled to receive payment for a Section 162(m) performance-based award for any given performance period to the extent that pre-established performance goals set by the Compensation Committee for the period are satisfied. These pre-established performance goals must be based on one or more of the following performance criteria: total shareholder return; return on assets, return on equity, or return on capital employed; measures of

profitability such as earnings per share, corporate or business unit net income, net income before extraordinary or one-time items or earnings before interest and taxes or earnings before interest, taxes, depreciation and amortization, earnings before interest, depreciation, amortization, taxes and exploration expense; cash flow from operations; gross or net revenues or gross or net margins; levels of operating expense or other expense items reported on the income statement; measures of customer satisfaction and customer service; safety; annual or multi-year average reserve growth, production growth or production replacement either absolute or on an appropriate per unit basis (e.g., reserve or production growth per diluted share); efficiency or productivity measures such as annual or multi-year average finding costs, absolute or per unit operating and maintenance costs, lease operating expenses, inside-lease operating expenses, operating and maintenance expense per decatherm or customer or fuel gas reimbursement percentage; satisfactory completion of a major project or organizational initiative with specific criteria set in advance by the Committee defining "satisfactory;" debt ratios or other measures of credit quality or liquidity; production and production growth; and strategic asset sales or acquisitions in compliance with specific criteria set in advance by the Compensation Committee.

At the time such performance goals are established, the Compensation Committee may determine that the performance goals will be adjusted to account for any unusual items or specified events or occurrences during the performance period. In addition, unless otherwise provided by the Compensation Committee at the time the performance goals are established, the performance goals will be adjusted to exclude the effect of any of the following events that occur during the performance period: asset write-downs; litigation, claims, judgments or settlements; the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results; accruals for reorganization and restructuring programs; material changes to invested capital from pension and post-retirement benefits-related items and similar non-operational items; and any extraordinary, unusual, non-recurring or non-comparable items as described in Accounting Principles Board Opinion No. 30, as described in management's discussion and analysis of financial condition and results of operations appearing in QEP's annual report to stockholders for the applicable year, or as publicly announced by QEP in a press release or conference call relating to QEP's results of operations or financial condition for a completed quarterly or annual fiscal period.

For all awards intended to qualify as performance-based compensation, such determinations will be made by the Compensation Committee within the time prescribed by, and otherwise in compliance with, Section 162(m) of the Code.

Restricted Stock. A restricted stock award is the grant of shares of QEP common stock at a price determined by the Compensation Committee, which shares are nontransferable and may be subject to substantial risk of forfeiture until specific conditions are met. Conditions may be based on continuing service to QEP or achieving performance goals. During the period of restriction, all shares of restricted stock will be subject to restrictions and vesting requirements, as provided by the Compensation Committee. The restrictions will lapse in accordance with a schedule or other conditions determined by the Compensation Committee. Restricted stock may not be sold or encumbered until all restrictions are terminated or expire.

Restricted Stock Units. A restricted stock unit award provides for the issuance of QEP common stock at a future date upon the satisfaction of specific conditions set forth in the applicable award agreement. The Compensation Committee will specify the dates on which the restricted stock units will become fully vested and non-forfeitable, and may specify such conditions to vesting as it deems appropriate, including conditions based on achieving performance goals or other specific criteria, including service to QEP. The Compensation Committee will specify, or permit the restricted stock unit holder to elect, the conditions and dates upon which the shares underlying the restricted stock units will be issued, which dates may not be earlier than the date as of which the restricted stock units vest and

which conditions and dates will be subject to compliance with Section 409A of the Code. On the distribution dates, QEP will transfer to the participant one unrestricted, fully transferable share of its common stock for each restricted stock unit scheduled to be paid out on such date and not previously forfeited. The Compensation Committee will specify the purchase price, if any, to be paid by the participant to QEP for such shares of its common stock. Restricted stock units may constitute or provide for a deferral of compensation subject to Section 409A of the Code, and there may be certain tax consequences if the requirements of Section 409A of the Code are not met.

Stock Unit Awards. A stock unit award is equal in value to an equivalent number of shares of restricted stock and is credited with “dividends” that are accounted for as if they were reinvested in QEP common stock. The Compensation Committee expects to grant stock unit awards as “phantom shares” to non-employee directors who have made an advance election to defer the restricted stock grant they would have otherwise received for service to QEP and which are subject to the same vesting schedule that would otherwise apply to the restricted stock grant. Stock unit awards are paid in the form of cash. The Compensation Committee will specify, or permit the stock unit holder to elect, the conditions and dates upon which payment will be made, which dates may not be earlier than the date as of which the stock unit awards vest and which conditions and dates will be subject to compliance with Section 409A of the Code. Stock unit awards may constitute or provide for a deferral of compensation subject to Section 409A of the Code, and there may be certain tax consequences if the requirements of Section 409A of the Code are not met.

Conversion Awards. Awards (Conversion Awards) may be issued under the LTSIP in connection with (i) the equitable adjustment by Questar of certain stock options, stock appreciation rights, performance shares, phantom restricted stock awards and other equity-based awards previously granted by Questar, and (ii) the conversion of certain outstanding cash awards under the Questar LTCIP into restricted stock issued to QEP employees under the LTSIP, in each case, as a result of the Distribution. Subject to the terms of the Employee Matters Agreement, the terms and conditions of each Conversion Award, including the number of shares subject thereto, will be determined by the Questar Committee. The vesting of the Conversion Awards will not accelerate by reason of the Distribution, and the LTSIP and Questar’s long-term stock incentive plan will provide that service with the other will count as service with it for the purpose of determining vesting and termination dates under the respective equity plan. Any Conversion Award (other than a Conversion Award consisting of restricted stock issued in exchange for a cash award under the Questar LTCIP) held by a Questar employee will become fully vested if Questar undergoes a “change in control” (as defined in Questar’s long-term stock incentive plan) and the Questar employee incurs a termination of employment from Questar by either Questar without “cause” or by the Questar employee for “good reason” (each as defined in the LTSIP) within two years following such change in control.

Vesting and Exercise of an Award. The applicable award agreement governing an award generally will contain the period during which the right to exercise the award in whole or in part vests, including the events or conditions upon which the vesting of an award will occur or may accelerate. No portion of an award which is not vested at the holder’s termination of service with QEP will subsequently become vested, except as may be otherwise provided by the Compensation Committee in the agreement relating to the award or by action following the grant of the award.

Transferability. In general, participants cannot transfer stock options or other awards except by will or the laws of descent and distribution and, during the participant’s lifetime, only the participant may exercise his or her stock option or other award under the LTSIP. Participants may, however, transfer vested non-qualified stock options to one or more family members or family trusts pursuant to rules established by the Compensation Committee.

Adjustments. In the event of a stock dividend, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, exchange of shares, warrants or rights offering to purchase QEP common stock at a price substantially below fair market value or other similar corporate event affects the QEP common stock such that an adjustment is required in order to preserve the benefits or potential benefits intended to be made available under the LTSIP, then the Compensation Committee shall take action. The Compensation Committee shall adjust any or all of the number and kind of shares that thereafter may be awarded or optioned and sold or made the subject of SARs under the LTSIP, the number and kind of shares subject to outstanding options and other awards, and the grant, exercise or conversion price with respect to any of the foregoing and/or, if deemed appropriate, make provision for a cash payment to any participant who has an outstanding option or other award.

Change in Control. If QEP experiences a “change in control” (as defined in the LTSIP) then all outstanding awards shall vest immediately.

Amendment and Termination. The Board has the right to amend, suspend, or terminate the LTSIP or any portion thereof at any time, subject to shareholder approval (when necessary to comply with any tax or legal requirement). The Compensation Committee may also amend, modify, or terminate outstanding awards. The LTSIP will terminate on the date immediately preceding the tenth anniversary of the date the LTSIP is adopted by the Board, unless the term is extended with approval of QEP’s stockholders.

Additionally, QEP’s Insider Trading Policy prohibits executive officers from short sales, selling options or derivatives covering QEP’s securities, and other similar transactions.

This description of the LTSIP is qualified in its entirety by the terms of the plan, a copy of which is attached as Exhibit 10.9 and is incorporated herein by reference.

2009 Questar Equity Awards. The Questar Committee did not consider or approve any equity grants for named executive officers in 2009 other than the annual grants made in February, with the exception of Mr. Doleshek, who was granted equity awards upon hiring, as shown in the Grants of Plan-Based Awards table.

Executive Severance Compensation Plan. The named executive officers participate in the Executive Severance Compensation Plan, which provides for benefits upon qualifying terminations of employment occurring on or within three years following a change in control of QEP. QEP and the Compensation Committee believe that this plan helps ensure that QEP attracts and retains the executive talent needed to achieve corporate objectives, particularly assuring that executives direct their attention to their duties, acting in the best interests of the shareholders, notwithstanding the possibility of a change in control.

Under the Executive Severance Compensation Plan, participants receive certain severance benefits upon termination following a change in control if such termination is initiated by the employer for any reason other than for cause, death or disability, or by the participant for good reason. The severance benefits include a cash severance payment equal to two (2) times the sum of (i) annual base salary; (ii) the higher of the average of the annual bonuses the participant actually received or the target established for the participant for the three fiscal years prior to the change in control; plus (iii) the target bonus under the LTCIP for the single performance period beginning the year of termination. The benefits also include prorated payments under the annual cash incentive plan(s) and LTCIP. Each participant would also receive a payment representing the difference between the net present value of the benefits under the QEP Retirement Plan and the QEP Supplemental Executive Retirement Plan calculated at the

time of their termination (retirement benefit), and the retirement benefit with two additional years of credited service. Additionally, these named executives would be entitled to medical and dental insurance coverage, basic and supplemental life insurance, accidental death or dismemberment and disability coverage under current employee terms for six months after the date of termination. The Executive Severance Compensation Plan includes a gross-up tax provision to make the participant whole for the impact of excise taxes under Section 280(G) of the Code. All severance payments are subject to Section 409A of the Code.

The Executive Severance Compensation Plan provides terms that are substantially comparable, in the aggregate, to those under Questar's executive severance compensation plan. Questar's executive severance compensation plan is described, and estimates of payments to the named executives as of December 31, 2009, are set forth in the section entitled "Potential Payments upon Termination."

This description of the Executive Severance Compensation Plan is qualified in its entirety by the terms of the plan, a copy of which is attached as Exhibit 10.10 and is incorporated herein by reference.

Other Employee Benefits

Qualified Retirement Plans. QEP maintains both a 401(k) plan (the "**Employee Investment Plan**" or "**EIP**") and a defined-benefit pension plan (the "**Retirement Plan**").

EIP. The EIP allows employees to defer and contribute a portion of their compensation up to the IRS-imposed maximum annual deferral amount. QEP provides matching contributions up to 6% of a participant's eligible compensation that is contributed. The employee deferrals and matching contributions are invested in mutual funds or other alternatives, including QEP stock, as directed by the participant. Account balances held in trust attributable to all active QEP employees under Questar's 401(k) plan will be apportioned to the trust under the EIP. Questar's 401(k) plan will retain the account balances attributable to former QEP employees as of the Distribution Date.

Retirement Plan. QEP established the Retirement Plan to provide retirement benefits for the employees of QEP and its subsidiaries who had an accrued benefit under the Questar Corporation Retirement Plan (the "**Questar Retirement Plan**") immediately prior to the Distribution Date. Individuals who become employees of QEP after the Distribution Date will not participate in the Retirement Plan. Benefits for those QEP employees who can earn additional benefits under the Retirement Plan will be calculated based on their service and earnings with both Questar and QEP.

The Retirement Plan is 100% funded by QEP contributions. Funding is based on regulatory requirements using actuarial calculations. The Retirement Plan provides for a basic annual benefit that is calculated by multiplying the employee's final average earnings by 1.3% and then multiplying such sum by the employee's years of service (to a maximum of 25). The final average earnings number is defined as the average annual earnings (including annual incentive payments, but not long-term incentive payments) for the three consecutive years with the highest earnings within the last ten years of employment. This basic benefit is increased for each year of service in excess of 25 (multiplying final average earnings by .5%). Participants may also receive a permanent supplemental benefit that is calculated by multiplying the difference between the participant's final average earnings and the "covered compensation" by a factor that varies by age. (The term "covered compensation" refers to the 35-year-average Social Security wage base tied to the year of a participant's birth). Employees who are at least age 55 with 10 years of service are eligible for and may commence early retirement with a reduction to their benefit by .2083% per month prior to age 62. Employees eligible for and taking early retirement prior to age 62 also receive a temporary supplement until age 62 that is tied to years of service. A participant vests in his or her benefit – that is, the benefit that is accrued will not be forfeited back to the

Retirement Plan — when his or her employment includes five years of vesting service. An individual is credited with one year of vesting service for each 12-month period in which he or she worked at least 1,000 hours. Participants with a vested benefit who terminate employment before age 55 with ten years of credited service (2,080 hours equals a year of service) are considered “terminated vested” participants. Such participants may commence their benefit under the Retirement Plan as early as age 55, but such benefit is reduced by .5% per month prior to age 65. Notwithstanding the lump sum nature of the disclosure in the table below, if the present value of the accrued benefit exceeds \$5,000, benefits must be taken as a monthly annuity for the life of the participant and a survivor annuity for the participant’s spouse or beneficiary, if applicable. Optional annuity forms of benefit payment are available.

The assets and liabilities held in trust attributable to active QEP employees who are participants in the Questar Retirement Plan as of the Distribution Date will be apportioned to the Retirement Plan and its trust. QEP employees who had an accrued benefit under the Questar Retirement Plan but who were not currently accruing additional benefits under the Questar Retirement Plan as of the Distribution Date will not earn additional benefits under the Retirement Plan. Certain active QEP employees will cease to accrue benefits (but may receive certain early retirement benefits) under the Retirement Plan as of the Distribution Date and will be eligible to participate in the QEP Supplemental Executive Retirement Plan which takes into account the retirement benefits that such employees would have received under the Retirement Plan. The Questar Retirement Plan will retain all liabilities with respect to former QEP employees who are participants therein as of the Distribution Date.

Other Benefits. QEP’s executive officers also receive or have the opportunity to participate in other benefit plans offered by QEP to most of its employees. These benefits include medical and dental coverage; a cafeteria plan (which includes flexible health-care spending account and dependent-care spending account features); basic life insurance paid by the employer (providing one-times base salary); employee-paid supplemental life insurance (up to four-times base salary, but not to exceed \$750,000); business-travel accident insurance; catastrophic accident insurance; participation in a long-term disability plan; and the employee-assistance program. The executive officers also receive paid time off, paid holidays, and are eligible to participate in QEP’s short-term disability program, which provides benefits (such as continued salary payments) for leave up to 16 weeks due to the employee’s serious health condition.

Non-Qualified Deferred Compensation Plans

QEP provides its executive officers with the opportunity to defer the receipt of compensation pursuant to the Deferred Compensation Wrap Plan and the Supplemental Executive Retirement Plan, the material terms of which are summarized below.

Deferred Compensation Wrap Plan. QEP allows the named executive officers, along with certain other key employees, to defer the receipt of compensation under the Deferred Compensation Wrap Plan (Wrap Plan). QEP and the Compensation Committee believe that a Deferred Compensation Program is necessary for hiring and retention purposes. The Wrap Plan includes both a Deferred Compensation Program and a 401(k) Supplemental Program. The Deferred Compensation Program of the Wrap Plan allows officers and certain key employees to defer a portion of their base salaries and actual cash bonuses until termination, death or disability. Most of the deferred amounts may be treated either as if invested in QEP stock or as if invested in ten-year U.S. Treasury notes. A specified percentage of amounts deferred receive a matching contribution, which is treated as if invested in QEP stock. The 401(k) Supplemental Program of the Wrap Plan allows officers and certain key employees whose compensation has reached the IRS-imposed limit (\$245,000 in 2009) to continue to defer 6% of their salaries in excess of this limit and to receive a QEP match on this deferred amount as if that amount had been invested in the 401(k) Plan, but for the compensation limit. The amounts deferred in this program and QEP match are treated as if invested in QEP stock.

The Wrap Plan provides terms that are substantially comparable, in the aggregate, to those under Questar's deferred compensation wrap plan. The Wrap Plan will assume the liability with respect to active QEP employees who are participants in Questar's Deferred Compensation Wrap Plan as of the Distribution Date. These participants will have any amounts deemed invested in phantom shares of Questar stock converted into phantom shares of QEP stock and (for a limited period through December 31, 2011) Questar stock in the same manner in which actual Questar stockholders receive the QEP stock dividend as part of the Distribution. Questar's Deferred Compensation Wrap Plan will retain all liabilities with respect to former QEP employees who are participants therein as of the Distribution Date.

Supplemental Executive Retirement Plan. The named executive officers also participate in the Supplemental Executive Retirement Plan (SERP) which generally provides a select group of management or highly compensated employees of QEP with supplemental retirement benefits to compensate them for the limitations imposed by federal tax laws on benefits payable from the tax-qualified defined benefit pension plan.

Participation in the SERP is limited to eligible individuals who have (i) an accrued benefit under the QEP Retirement Plan, (ii) receive or are expected to receive compensation in excess of the IRS-imposed limit (\$245,000 in 2009), and (iii) will have deferred compensation under the Wrap Plan, subject to written notification from the Compensation Committee. For any individuals who become participants in the SERP after the Distribution Date, the SERP generally provides benefits equal to the difference between the benefits payable under the QEP Retirement Plan and the benefits that would be payable under such plan if the limits on the annual compensation were not applicable and if the participant had not voluntarily chosen to defer any compensation under the terms of the Wrap Plan.

The SERP also provides active QEP employees who participate in the Questar Supplemental Executive Retirement Plan (Questar SERP) prior to the Distribution Date (Transferred SERP Participants) with an enhanced supplemental retirement benefit that is based on the retirement benefit that they would have received under the QEP Retirement Plan had they continued to accrue benefits thereunder following the Distribution Date (noting that the benefit under the QEP Retirement Plan is frozen for the Transferred SERP Participants). Transferred SERP Participants will automatically transfer and become participants in the SERP on the Distribution Date. QEP will assume the liability under the Questar SERP for these Transferred SERP Participants. A Transferred SERP Participant's benefit under the SERP will be calculated as: the total retirement benefit based on the benefit formula under the QEP Retirement Plan as if the participant had continued to accrue benefits thereunder on and after the Distribution Date in accordance with its terms (including compensation in excess of the IRS limits and any deferred compensation), less the accrued benefit payable to the participant under the QEP Retirement Plan. Any portion of a Transferred SERP Participant's accrued benefit that is considered an amount deferred prior to January 1, 2005 under the Questar SERP is intended to remain grandfathered under Section 409A of the Code and will generally be subject to the same terms and conditions that applied under the Questar SERP.

The SERP is described in more detail under the "Retirement Plans" section of the Compensation Tables.

This description of the Wrap Plan and the SERP is qualified in its entirety by the terms of the respective plans, copies of which are attached as Exhibits 10.11 and 10.12 and each of which is incorporated herein by reference.

Perquisites. QEP limits the perquisites granted to officers and does not allow officers the personal use of QEP's cars or QEP's airplane, nor does it reimburse for country-club memberships, supplemental welfare benefit plans, or executive dining-room service.

Tax Considerations. When Section 162(m) of the Code applies to QEP, it will preclude QEP from deducting for tax purposes compensation paid in excess of \$1 million per year to any named executive officer listed in the Summary Compensation Table, except the chief financial officer, except with respect to compensation that constitutes "qualified performance-based compensation" within the meaning of Section 162(m) of the Code. When structuring such compensation payable to QEP's named executives, the Compensation Committee will consider the provisions of this federal tax rule. The Compensation Committee may award compensation that is not deductible if, in the Compensation Committee's judgment, doing so is necessary to achieve an appropriate compensation structure.

Section 409A of the Code requires that "nonqualified deferred compensation" be deferred and paid under plans or arrangements that satisfy the requirements of the statute with respect to the timing of deferral elections, timing of payments and certain other matters. Failure to satisfy these requirements can expose employees and other service providers to accelerated income tax liabilities and penalty taxes and interest on their vested compensation under such plans. The Compensation Committee endeavors to structure executive officers' compensation in a manner that is either compliant with, or exempt from the application of, Section 409A of the Code.

Compensation Tables

SUMMARY COMPENSATION TABLE

The following table includes information about compensation for the chief executive officer, chief financial officer and the three other highest-paid executive officers of QEP.

<u>Name and Principal Position (a)</u>	<u>Year (b)</u>	<u>Salary (\$)(c)</u>	<u>Bonus (\$)(d)</u>	<u>Stock Awards (\$)¹(e)</u>	<u>Option Awards (\$)¹(f)</u>	<u>Non-Equity Incentive Plan Compensation (\$)²(g)</u>	<u>Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)³(h)</u>	<u>All Other Compensation (\$)⁴(i)</u>	<u>Total (\$)(j)</u>
Charles B. Stanley President & Chief Executive Officer	2009	700,000	0	566,080	902,880	1,285,699	417,623	23,987	3,896,269
	2008	700,000	0	1,937,880	0	1,307,500	350,935	27,462	4,323,777
	2007	620,000	0	657,200	649,200	1,548,972	148,929	13,700	3,638,001
Richard J. Doleshek Executive Vice President & Chief Financial Officer	2009	293,365	0	2,031,600	868,000	622,688 ⁵	44,457	349,726	4,209,836
Jay B. Neese Executive Vice President	2009	330,000	0	0	668,800	496,739 ³	361,794	28,544	1,885,877
	2008	330,000	0	538,300	0	412,323	319,255	26,608	1,626,486
	2007	295,000	0	413,610	0	333,547	128,748	19,287	1,190,192
Perry H. Richards Senior Vice President, QEP Field Services	2009	232,500	0	176,900	209,000	239,011	176,193	19,371	1,052,975
	2008	232,500	0	322,980	0	209,095	209,399	14,000	987,974
	2007	217,500	0	205,375	0	183,411	96,168	17,883	720,337
Eric L. Dady Vice President & General Counsel	2009	225,756	0	28,304	83,600	125,865	167,265	19,241	650,031
	2008	215,004	0	53,830	0	139,597	149,756	22,269	580,456
	2007	200,004	0	125,684	0	120,640	90,286	17,546	554,160

¹ The amounts in columns (e) and (f) represent the full grant date fair value of restricted stock and stock option awards, respectively, granted during the applicable fiscal year calculated in accordance with Accounting Standards Codification Topic 718, Compensation—Stock Compensation, or ASC Topic 718. For additional information on the valuation assumptions, see Item 8 of Part II of Questar’s 2009 Form 10-K and the Notes to Consolidated Financial Statements at Note 13 “Share-Based Compensation.”

² Column (g) includes the amounts paid under the Questar AMIP II, the Questar LTCIP, and the MREIP. The amounts paid for 2009 under each plan are set forth below.

Name	Questar AMIP II Payments	Questar LTCIP Payments	MREIP
Charles B. Stanley	\$ 868,000	\$ 251,099	\$166,600
Richard J. Doleshek	\$ 622,688	\$ 0	\$ 0
Jay B. Neese	\$ 250,800	\$ 167,399	\$ 78,540
Perry H. Richards	\$ 120,901	\$ 62,775	\$ 55,335
Eric L. Dady	\$ 72,242	\$ 0	\$ 53,623

³ The amounts in Column (h) represent the actuarial increase in the present value of the named executive officer’s benefits under the Questar Retirement Plan and the Questar SERP. These estimates are determined using interest-rate and mortality-rate assumptions consistent with those used in preparing the consolidated financial statements included in Item 8 of Part II of Questar’s 2009 Form 10-K.

⁴ List of items included in Column (i) of Summary Compensation Table:

Name	401(k) Employer Match (\$)	401(k) Employer Non-Matching Contribution (\$)	Paid Time-Off Sold (\$)	Relocation Payment (\$)	Total
Charles B. Stanley	14,700	200	9,087	0	23,987
Richard J. Doleshek	8,146	0	0	341,580	349,726
Jay B. Neese	14,700	200	13,644	0	28,544
Perry H. Richards	14,700	200	4,471	0	19,371
Eric L. Dady	14,700	200	4,341	0	19,241

⁵ Mr. Doleshek joined Questar in May 2009 and was not eligible to participate in the Questar AMIP II for 2009 or the Questar LTCIP for the 2009 – 2011 performance period. While technically not an award under the Questar AMIP II, this amount was calculated by utilizing the metrics under the Questar AMIP II.

GRANTS OF PLAN-BASED AWARDS FOR 2009

This table shows the plan-based awards granted to the named executives during 2009. For non-equity incentive plans, it sets forth the ranges of possible awards. For all other stock awards and all other option awards, the table shows the number of shares or option shares granted and the grant-date fair values of those awards.

Name (a)	Grant Date (b)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#) (i)	All Other Option Awards: Number of Securities Under- lying Options (#) (j)	Exercise or Base Price of Option Awards (\$/share) (k)	Grant Date Fair Value of Stock & Option Awards (\$) (l)
		Threshold ¹ (\$) (c)	Target (\$) (d)	Maximum (\$) (e)				
Charles B. Stanley	Feb. 10, 2009	150,000 ²	600,000	1,800,000	0	108,000	35.380	902,880
		40,688 ³	542,500	1,085,000	0	0	0.000	0
		7,000 ⁴	87,500	175,000	16,000	0	35.380	566,080
Richard J. Doleshek ⁵	May 7, 2009	0 ²	0	0	60,000	0	33.860	2,031,600
		400,000	405,000	810,000	0	0	0.000	0
		0	0	0	0	100,000	33.860	868,000
Jay B. Neese	Feb. 10, 2009	62,500 ²	250,000	750,000	0	80,000	35.380	668,800
		11,756 ³	156,750	313,500	0	0	0.000	0
		3,300 ⁴	41,250	82,500	0	0	0.000	0
Perry H. Richards	Feb. 10, 2009	5,667 ³	75,563	151,126	0	25,000	35.38	209,000
		2,325 ⁴	29,063	58,126	5,000	0	35.38	176,900
Eric L. Dady	Feb. 10, 2009	3,386 ³	45,151	90,302	0	10,000	35.38	83,600
		2,258 ⁴	28,220	56,440	800	0	35.38	28,304

¹ It is possible for the award to be zero under both the Questar LTCIP and the Questar AMIP/AMIP II if performance falls below the threshold levels.

² This row in the “Estimated Future Payouts Under Non-Equity Incentive Plan Awards” column represents the range for the three-year performance period of 2009–2011 under the Questar LTCIP. The amounts will be multiplied by the stock-price multiplier based on actual performance as described under the “Long-Term Cash Incentive Plan” section above. In 2009, the amounts paid under the Questar LTCIP for this performance period were subject to a cap of \$8 million.

³ This row in the “Estimated Future Payouts Under Non-Equity Incentive Plan Awards” column represents the Questar AMIP II opportunities for the 2009 performance year. In 2009, the amounts paid under the Questar AMIP II were subject to a cap of \$4 million.

⁴ This row in the “Estimated Future Payouts Under Non-Equity Incentive Plan Awards” column represents the MRIEP opportunities for the 2009 performance year.

⁵ Mr. Doleshek joined Questar in May 2009, and was not eligible to participate in the Questar AMIP II for 2009 or the Questar LTCIP for the 2009 – 2011 performance period.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2009

This table shows outstanding equity awards for the named executive officers. All values shown are as of December 31, 2009.

Name (a)	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options Exercisable (#) (b)	Number of Securities Underlying Unexercised Options Unexercisable (#) (c)	Option Exercise Price (\$) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock that have not Vested (#) (g)	Market Value of Shares or Units of Stock that have not Vested (\$) (h)
Charles B. Stanley	172,000 ¹	0	11.975	01/31/12		
	112,000 ¹	0	11.475	02/11/12		
	150,000 ¹	0	13.555	02/11/13		
	0	200,000 ²	38.570	10/24/12		
	20,000 ³	40,000 ³	41.075	02/13/15		
	0	108,000 ⁴	35.380	03/05/16	62,666 ⁶	2,605,026
Richard J. Doleshek	0	100,000 ⁵	33.860	05/07/16	60,000 ⁷	2,494,200
Jay B. Neese	17,910 ¹	0	13.555	02/11/13		
	0	80,000 ⁴	35.380	03/05/16	14,250 ⁸	592,373
Perry H. Richards			13.555	2/11/13		
	3,000 ¹	25,000 ⁴	35.38	3/5/16	15,332 ⁸	637,351
Eric L. Dady		10,000 ⁴	35.38	3/5/16	3,732 ⁹	155,139

¹ The grant dates of these options were ten years prior to the expiration dates.

² The grant dates of these options were seven years prior to the expiration dates. They vested on February 1, 2010.

³ The grant dates of these options were eight years prior to the expiration dates and vest in three equal installments starting two years after grant date.

⁴ The grant dates of these options were seven years prior to the expiration dates and vest in three equal installments starting one year after grant date.

⁵ The grant dates of these options were seven years prior to the expiration dates and vest three years after grant date.

⁶ These restricted shares vest in three equal installments starting two years after the grant date except for restricted shares granted in 2009, which vest in three equal installments starting approximately one year after the grant date.

⁷ These restricted shares vest in three equal installments starting one year after the grant date.

⁸ These restricted shares vest generally as follows: 1) shares granted in February, 2007, vest in three equal installments starting one year after the grant date; 2) shares granted in the second half of 2007 vest in four equal installments starting two years after the grant date; and 3) shares granted in 2008 vest in three equal installments starting two years after the grant date.

OPTION EXERCISES AND STOCK VESTED IN 2009

Name (a)	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise (\$) 1, 2 (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (\$) (e)
	Charles B. Stanley	0	0	31,334
Richard J. Doleshek	0	0	0	0
Jay B. Neese	0	0	14,750	494,800
Perry H. Richards	0	0	5,332	180,919
Eric L. Dady	0	0	2,000	69,919

¹ This column shows the value realized on exercise, but does not necessarily indicate a sale of the shares upon exercise.

² The value realized equals the difference between the option exercise price and the fair-market value on the date of exercise multiplied by the number of shares for which the option was exercised.

³ The value realized equals the market value on the vesting date multiplied by the number of shares vested.

RETIREMENT PLANS

The Questar 401(k) Plan allows employees to defer and contribute a portion of their compensation up to the IRS-imposed maximum annual deferral amount. Questar provides matching contributions on 100% of an employee's contributions up to 6% of eligible compensation. The employee deferrals and matching contributions are invested in mutual funds or other alternatives, including Questar stock, as directed by the participant.

The Questar Retirement Plan is 100% funded by employer contributions. Funding is based on regulatory requirements using actuarial calculations. The Questar Retirement Plan provides for a basic annual benefit that is calculated by multiplying the employee's final average earnings by 1.3% and then multiplying such sum by the employee's years of service (to a maximum of 25). The final average earnings number is defined as the average annual earnings (including annual incentive payments, but not long-term incentive payments) for the three consecutive years with the highest earnings within the last ten years of employment. This basic benefit is increased for each year of service in excess of 25 (multiplying final average earnings by .5%). Participants may also receive a permanent supplemental benefit that is calculated by multiplying the difference between the participant's final average earnings and the "covered compensation" by a factor that varies by age. (The term "covered compensation" refers to the 35-year-average Social Security wage base tied to the year of a participant's birth). Employees who are at least age 55 with 10 years of service are eligible for and may commence early retirement with a reduction to their benefit by .2083% per month prior to age 62. Employees eligible for and taking early retirement prior to age 62 also receive a temporary supplement until age 62 that is tied to years of service. A participant vests in his or her benefit — that is, the benefit that is accrued will not be forfeited back to the Questar Retirement Plan — when his or her employment includes five years of vesting service. An individual is credited with one year of vesting service for each 12-month period in which he or she worked at least 1,000 hours. Participants with a vested benefit who terminate employment before age 55 with ten years of credited service (2,080 hours equals a year of service) are considered "terminated vested" participants. Such participants may commence their benefit under the Questar Retirement Plan as early as age 55, but such benefit is reduced by .5% per month prior to age 65. Notwithstanding the lump sum nature of the disclosure in the table below, if the present value of the accrued benefit exceeds \$5,000, benefits must be taken as a monthly annuity for the life of the participant and a survivor annuity for the participant's spouse or beneficiary, if applicable. Optional annuity forms of benefit payment are available.

Federal tax laws limit both the amount of a participant's annual compensation that can be used to determine benefits under qualified retirement plans and the amount of benefits that can be paid to a participant from such plans. The 401(k) Supplemental Program of the Questar Deferred Compensation Wrap Plan and the Questar SERP, nonqualified plans, were adopted to compensate officers who are affected by these limits. The Questar 401(k) Supplemental Program allows participants to defer up to 6% of their compensation in excess of the federal tax limit and receive the company matching contribution on such deferral as if it had been contributed to the Questar 401(k) Plan absent such limits (see the Nonqualified Deferred Compensation Table and corresponding notes for more discussion of the Questar 401(k) Supplemental Program). The Questar SERP provides retirement benefits equal to the difference between the benefits payable under the Questar Retirement Plan and the benefits that would be payable under such plan if the limits on the annual compensation were not applicable and if the participant had not voluntarily chosen to defer any compensation under the terms of the Questar Deferred Compensation Wrap Plan. Any accrued Questar SERP benefit as of December 31, 2004 was grandfathered under the provisions of the Questar SERP in existence prior to January 1, 2005, which allowed for payment of a monthly annuity, a lump-sum payment, or limited annual installments beginning on or within five years of the participant's retirement date. Subject to the requirements of IRC Section 409A, any distributions of Questar SERP benefits which accrued on or after January 1, 2005, are made in lump-sum cash payments or limited annual installments upon a date elected by the participant on or after the participant's termination, death or disability, but no earlier than age 55.

PENSION BENEFITS

Name (a)	Plan ¹ (b)	Number of Years Credited Service (#) ² (c)	Present Value of Accumulated Benefit (\$) ^{3,4} (d)	Payments During Last Fiscal Year (\$) (e)
Charles B. Stanley	Questar Pension Plan	8	178,434	
	Questar SERP	8	1,237,930	0
Richard J. Doleshek ⁵	Questar Pension Plan	1	23,554	
	Questar SERP	1	20,903	0
Jay B. Neese ⁶	Questar Pension Plan	32	649,315	
	Questar SERP	32	1,238,445	0
Perry H. Richards ⁶	Questar Pension Plan	26	496,991	
	Questar SERP	26	415,631	0
Eric L. Dady ⁶	Questar Pension Plan	16	503,705	
	Questar SERP	16	270,484	0

¹ The Questar Retirement Plan is a defined-benefit plan qualified for favorable treatment under the IRC.

² Under the terms of the Questar Retirement Plan, if the participant has worked 1,000 hours with a participating company in the last year of service, a full year of credit is given. For less than 1,000 hours in the last year of service, the calculation is based on 190 hours per month divided by 1,000 hours.

³ The benefit is calculated at age 62, the earliest age at which a participant may retire under the plan without any benefit reduction due to age.

⁴ Assumptions for the Present Value of Accumulated Benefit Calculation. Based on an assumed retirement age of 62 (the earliest age at which a participant may retire under the Plan without a benefit reduction) and the year-end financial disclosure assumptions, that is:

- Discount rate: 6.50% for 12/31/09 and for 12/31/08;
- Post-normal retirement age (NRA) mortality: 12/31/09 RP 2000, projected to 2010; 12/31/08: 2000 projected to 2009. Note that no mortality is assumed prior to NRA for proxy disclosure purposes;
- Marital status: 90% married, 10% single for male executives;
- Spouse age: spouse three years younger; and
- Form of payment: 50% joint & survivor annuity if married, single life annuity if single.

⁵ Mr. Doleshek is not yet vested in either the Questar Retirement Plan or the Questar SERP.

⁶ Messrs. Neese, Dady and Richards have a supplemental retirement benefit in lieu of vacation. When Questar changed its vacation policy as of January 1, 1997, each employee was credited with this benefit, which was calculated by multiplying the December 31, 1996, base salary by the hours accrued under the service-date vacation schedule in place prior to the change. These benefits are frozen and include \$6,923 for Mr. Neese, \$105 for Mr. Richards and \$1,162 for Mr. Dady

NONQUALIFIED DEFERRED COMPENSATION

Name (a)	Contributions in Last FY (\$) ^{1, 2} (b)	Registrant Contributions in Last FY (\$) (c)	Aggregate Earnings in Last FY (\$) ³ (d)	Aggregate Withdrawals/ Distributions (\$) (e)	Aggregate Balance at Last FYE (\$) (f)
Charles B. Stanley	125,950	97,750	14,527	0	1,155,327
Richard J. Doleshek	1,777	1,422	0	0	3,231
Jay B. Neese	75,421	28,838	5,281	0	357,731
Perry H. Richards	11,796	11,796	719	0	74,562
Eric L. Dady	18,380	7,194	1,134	0	74,916

¹ The named executives automatically participated in the 401(k) Supplemental Program of the Questar Deferred Compensation Wrap Plan when their compensation exceeded the compensation cap (\$245,000 in 2009 and adjusted for inflation thereafter) and they could no longer make deferrals to the Questar 401(k) Plan. Six percent of compensation in excess of the compensation cap is treated as if contributed to the Questar 401(k) Plan and receives the applicable employer match provided for in the Questar 401(k) Plan. Deferred amounts and the corresponding employer match are accounted for under the 401(k) Supplemental Program of the Questar Deferred Compensation Wrap Plan as if invested in Questar stock and are credited with applicable dividends.

² In 2009, Messrs. Stanley, Neese and Dady deferred compensation under the Deferred Compensation Program of the Questar Deferred Compensation Wrap Plan. Under the terms of this program, an employee may elect to defer from \$5,000 to 50% of annual compensation. Six percent of any deferred compensation receives a company match as if contributed to the Questar 401(k) Plan. This 6% of the deferred amount, as well as the employer match, is accounted for solely as if invested in Questar stock (and will receive applicable dividends). As to the remaining deferred amounts, employees may elect to have all or some (in increments of 25%, 50%, 75% or 100%) of the deferred compensation accounted for as if either 1) invested in Questar stock (and credited with applicable dividends) or 2) invested in Treasury Notes and credited with interest based on the appropriate 10-Year Treasury Note rate as quoted in *The Wall Street Journal*.

³ Aggregate earnings are not included in the Summary Compensation table because they do not consist of any above-market or preferential earnings.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Payments to Executives with Employment Contracts

The table below shows the potential payments to Messrs. Stanley and Doleshek under various termination scenarios, calculated pursuant to the terms of their employment agreements with Questar. Estimated benefits were calculated assuming the termination date occurred on December 31, 2009. The accelerated equity payment amounts show the vesting of previously unvested restricted shares and options that would accelerate upon the triggering event. If there is a termination due to death or disability, the executive would receive his base salary for the remainder of the month of termination plus one additional month and a lump sum equal to the target bonus under the Questar AMIP, AMIP II and LTCIP (for each performance period that has begun) and any equity grants pursuant to the terms of the individual grants. If the termination is for cause, or the officer resigns for reasons other than for good reason, the executive would receive any earned but unpaid base salary and paid time-off benefits. If the termination is without cause or there is a resignation for good reason, in addition to any earned but unpaid salary and paid time-off benefits, the executive would receive a lump sum equal to 1) base salary for the remainder of the employment period; 2) an amount equal to the average of the annual cash bonuses the executive actually received under the annual bonus plan(s) for the last three full fiscal years immediately prior to termination; and 3) three times the average of the cash incentive payment the executive actually received under the Questar LTCIP for the last three full fiscal years immediately prior to termination (or any lesser number of years that the Questar LTCIP was in effect for which payments could be determined). Any equity grants will also be accelerated.

Name	Termination for Cause or Resignation	Termination without Cause or Resignation for Good Reason			Death or Disability		
		Base + Bonus Payments	Accelerated Equity	Total	Base + Bonus Payments	Accelerated Equity	Total
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Charles B. Stanley	119,864	3,732,267	3,893,346	7,625,613	2,108,197	3,893,346	6,001,543
Richard J. Doleshek	30,649	1,080,649	3,265,200	4,345,849	473,149	3,265,200	3,738,349

Payments to Executives without Employment Contracts

Messrs. Neese, Richards and Dady do not have employment contracts. Therefore, any payments due to them upon their termination would be calculated pursuant to the plans maintained by Questar, the compensation tables and the terms of equity agreements, each as described in the Compensation Discussion and Analysis section of the proxy statement filed in connection with Questar’s May 18, 2010 annual meeting of stockholders. For termination due to any reason, each named executive officer would receive payment for any earned but unpaid salary and accrued time-off benefits, and other fully-vested benefits to which he is already entitled or which are required to be provided by law.

The table below shows other potential payments to these executives if termination is due to retirement, death or disability. For termination due to retirement, death or disability, these executives (or their beneficiaries) receive a prorated Questar AMIP II award at the end of the fiscal year based on the length of service during the fiscal year when compared to the entire period. Under the terms of Questar LTCIP, individuals also receive a prorated award at the end of the performance period based on the length of service during the performance period when compared to the entire period.

<u>Employee</u>	<u>Termination Due to Retirement</u>	<u>Termination Due to Death or Disability</u>		
	<u>Non-Equity Incentive Plan Payments (\$)</u>	<u>Non-Equity Incentive Plan Payments ¹ (\$)</u>	<u>Accelerated Equity (\$)</u>	<u>Total (\$)</u>
<u>Name</u>				
Jay B. Neese	0 ²	\$ 496,739	\$ 592,373	\$ 1,089,112
Perry H. Richards	0 ²	\$ 239,011	\$ 637,351	\$ 876,363
Eric L. Dady	\$ 125,865	\$ 125,865	\$ 155,139	\$ 281,004

¹ These Non-Equity Incentive Plan values are the same as those shown on the Summary Compensation Table.

² Messrs. Neese and Richards are not yet eligible to retire. Therefore, they would not receive non-equity incentive plan payments, nor would any unvested equity automatically vest on an accelerated basis due to retirement.

Potential Payments upon Termination Following a Change in Control: Questar Executive Severance Compensation Plan

Under the Questar Executive Severance Compensation Plan, participants receive certain severance benefits upon termination following a change in control if such termination is initiated by the employer for any reason other than for cause, death or disability, or by the participant for good reason. The severance benefits include a cash severance payment equal to twice the sum of 1) annual base salary; 2) the higher of the average of the annual bonuses they actually received or the target established for them for the three fiscal years prior to the change in control; plus 3) the target bonus under the Questar LTCIP for the single performance period beginning the year of termination. The benefits also include prorated payments under the annual bonus plan(s) and the Questar LTCIP. Each participant would also receive a payment representing the difference between the net present value of the benefits under the Questar Retirement Plan and the Questar SERP calculated at the time of their termination (retirement benefit), and the retirement benefit with two additional years of credited service. Any other payments and benefits provided under other plans due to a change in control would be triggered, *i.e.* unvested equity would vest under the terms of the Questar LTSIP and participants would receive any deferred compensation to which they are entitled under the terms of the Questar Deferred Compensation Wrap Plan and the Questar SERP. Additionally, these named executives would be entitled to medical and dental insurance coverage, basic and supplemental life insurance, accidental death or dismemberment and disability coverage under current employee terms for six months after the date of termination. The Questar Executive Severance Compensation Plan includes a gross-up tax provision to make executives whole for the impact of excise taxes under Section 280(G) of the IRC. All severance payments are subject to Section 409A of the Code.

Under the Questar Executive Severance Compensation Plan, a Change in Control shall be deemed to have occurred if: (i) any “person” (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (Exchange Act)) other than a trustee or other fiduciary holding securities under an employee benefit plan of Questar, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of Questar representing 25% or more of the combined voting power of Questar; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of May 19, 1998, constitute Questar’s Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Questar) whose appointment or election by the Board or nomination for election by Questar’s stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in

office who either were directors on May 19, 1998, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) Questar's stockholders approve the merger or consolidation of Questar or any direct or indirect subsidiary of Questar with any corporation, other than a merger or consolidation that would result in the voting securities of Questar outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60% of the combined voting power of the securities of Questar or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of Questar (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of Questar representing 25% or more of the combined voting power of Questar's then outstanding securities; or (iv) Questar's stockholders approve a plan of complete liquidation or dissolution of Questar or there is consummated an agreement for the sale or disposition by Questar of all or substantially all of Questar's assets, other than a sale or disposition by Questar of all or substantially all of Questar's assets to an entity, at least 60% of the combined voting power of the voting securities of which are owned by the stockholders of Questar in substantially the same proportions as their ownership of Questar immediately prior to such sale.

If there had been a termination due to a change in control on December 31, 2009, that triggered the severance benefits under the Questar Executive Severance Compensation Plan, the following amounts, which include any applicable tax gross-up, would have been paid to the named executive officers: Mr. Stanley: \$13,358,601; Mr. Doleshek: \$4,925,573; Mr. Neese: \$3,756,661; and Mr. Richards: \$1,964,950. Mr. Dady was not an officer during 2009, therefore, he was not eligible to participate in the Executive Severance Compensation Plan. These amounts for Messrs. Stanley, Doleshek and Neese do not include any payments of deferred compensation under the Questar Deferred Compensation Wrap Plan or payment of any Questar SERP benefits. Additionally, the employment contracts of Messrs. Stanley and Doleshek limit their payments to the higher of any amount payable under the Questar Executive Severance Compensation Plan or under their respective employment contract in the event of a change in control, but not both. Payment under Mr. Doleshek's employment contract would be higher than under the Plan and reflects a reduction of \$9,430 to eliminate any excise taxes.

Item 8.01 Other Events

Questar Spin-off of QEP Resources, Inc.

The Distribution described in Item 1.01 above is expected to occur at 11:59 p.m. New York City time on June 30, 2010, by way of a pro rata dividend to Questar shareholders of record as of the close of business on June 18, 2010, the record date of the Distribution. Each Questar shareholder will be entitled to receive one (1) share of QEP common stock for each one (1) share of Questar common stock held by such shareholder at the close of business on the record date of the Distribution. Questar shareholders holding fractional shares will also receive an equivalent number of QEP fractional shares. For additional information about QEP common stock, see "*General—Common Stock*" in Item 5.03 of the Current Report on Form 8-K filed by QEP with the SEC on May 24, 2010. Shareholder approval of the Distribution is not required.

Following the Distribution, Questar shareholders will own shares in both Questar and QEP. The number of Questar shares held by Questar shareholders will not change as a result of the Distribution. Questar's common stock will continue to trade on the New York Stock Exchange under the symbol "STR." QEP has applied to have its common stock listed on the New York Stock Exchange under the ticker symbol "QEP."

Unaudited pro forma consolidated financial information for QEP, as derived from the historical financial statements of QEP and adjusted to give effect the distribution of Wexpro to Questar is attached to this Current Report on Form 8-K as Exhibit 99.2.

Our Post-Separation Structure

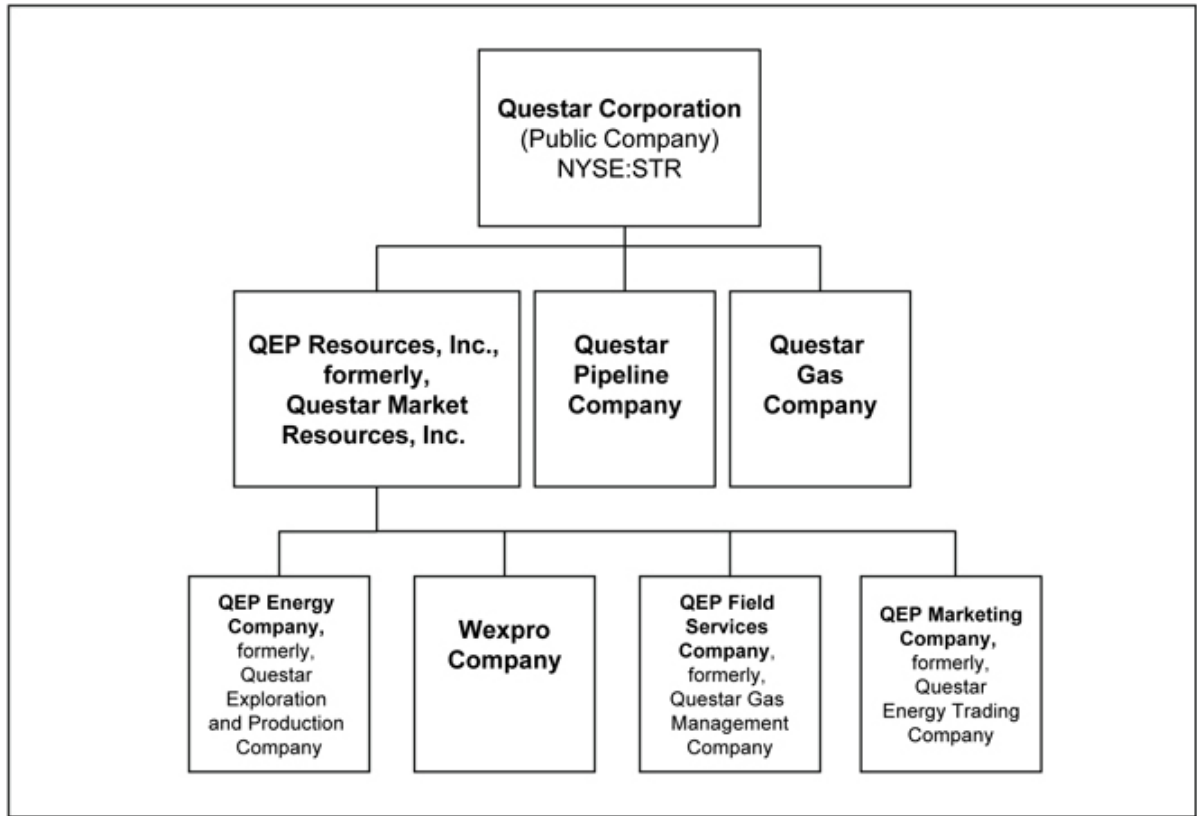
After the separation, QEP will be an independent natural gas and oil exploration and production company, with three major lines of business, conducted through three principal subsidiaries:

- QEP Energy Company, formerly known as Questar Exploration and Production Company (“**Questar Energy**”), a diversified natural gas and oil exploration and production company;
- QEP Field Services Company, formerly known as Questar Gas Management Company, a midstream field services company that gathers and processes natural gas in the Rocky Mountain region and in the Midcontinent; and
- QEP Marketing Company, formerly known as Questar Energy Trading Company, which markets natural gas and oil on behalf of Questar Energy and operates a natural gas storage facility in western Wyoming.

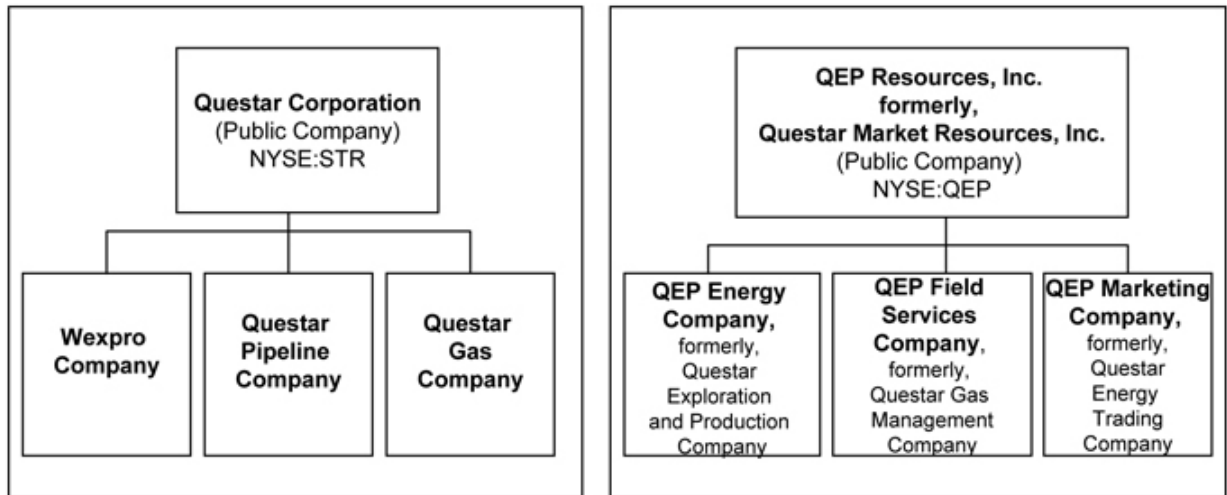
The equity interests of Wexpro, a wholly-owned subsidiary of QEP which develops natural gas on a defined set of producing properties, will be distributed to Questar in connection with the separation.

Set forth below are simplified diagrams of Questar prior to the separation and of Questar and QEP after the separation.

Existing Structure



Post-Separation



Reasons for the Separation

Questar's board of directors believes that the separation of its exploration and production and gathering and processing businesses from its regulated utility and pipeline businesses and Wexpro will create significant value for shareholders. Questar believes the separation will reduce complexity and provide investors the opportunity to invest individually in each of the separated companies. Questar believes this transaction will improve strategic, operational, and financial "fit and focus" for both QEP and Questar. Although there can be no assurance, Questar believes that, over time, Questar common stock and the common stock of QEP should achieve a greater aggregate market value, assuming the same market conditions and continued good execution, than would be achieved in our current conglomerate configuration. Questar believes the separation allows Questar and QEP to better focus on their two very different industry segments. Questar believes QEP will appeal to E&P investors who are less attracted by dividends and who are more willing to accept higher risk and higher stock-price volatility in return for higher growth potential. After the separation, Questar believes it will appeal to more risk-averse investors who focus on the predictability of earnings, dividend payout, and dividend growth. The separation will allow the management of each company to develop and implement corporate, strategic, and financial policies appropriate for these two very different shareholder groups.

Following are some of the opportunities and benefits that Questar's board of directors considered in approving the separation:

- *Allows QEP to pursue a higher growth strategy.* Questar believes that QEP has the assets, the people, and the capability to grow reserves and production at higher rates over time than could be achieved as part of the pre-separation conglomerate. While there can be no guarantees, historically, E&P companies that deliver higher reserves and production growth tend to receive higher market valuation multiples. A higher valuation multiple would make QEP equity a more attractive option for funding future growth.
- *Facilitates QEP equity offerings.* Prior to the separation, Questar believed that utility investors in our shareholder base would react negatively to the near-term dilution associated with the issuance of new shares, thus constraining our ability to issue equity to fund growth opportunities in our E&P business. Questar believes that pure E&P investors are more tolerant of periodic equity offerings when the proceeds are used to fund appropriate growth strategies. Also, Questar believes that QEP's equity "currency" would have higher value and thus enable QEP to raise more funds per share than if QEP attempted to sell shares to the public as a subsidiary of Questar.
- *Facilitates QEP debt offerings and a lower cost of capital for Questar.* QEP's ability to borrow money is currently limited by the preference to maintain "investment grade" credit ratings for the debt securities issued by Questar's Business. After the separation, QEP's ability to raise debt financing is expected to be substantially expanded because QEP will no longer be limited by Questar's need to maintain investment grade credit ratings. While there can be no assurance, Questar believes this transaction may lower the cost of debt and thus the cost of capital for Questar due to improved credit ratings.
- *Allows Questar to pursue strategies and adopt financial policies consistent with its intent to attract yield-oriented investors.* As part of the conglomerate, each company has to compete internally for capital with businesses operating in other industry sectors. These capital allocation decisions often required a tradeoff between funding higher potential return but higher-risk E&P growth, and funding lower-return but lower-risk growth projects in Questar Pipeline and Questar Gas. Further, the need to deploy significant capital to sustain growth in

our E&P business precluded dividend-growth policies necessary to attract yield-oriented investors. After the separation, Questar expects to have the flexibility to pay a higher dividend and grow the dividend at a faster rate.

- *Allows each company to create more effective management incentive and reward systems.* Questar believes the separation will enhance each company's efforts to attract, motivate, and retain the workforce necessary to be a top-tier company in each company's respective industry segment. The separation will allow the creation of equity securities for each of the companies with a value that is expected to reflect more closely the efforts and performance of each company's management. Such equity securities should enable each company to provide incentive compensation arrangements for its key employees that are directly related to the market performance of each company's common stock.

In view of the wide variety of factors considered in connection with the evaluation of the separation and the complexity of these matters, we cannot assure investors that, following the separation, any of these opportunities or benefits will be realized to the extent anticipated or at all.

General Information for Existing Questar Shareholders

All of the shares of QEP common stock owned by Questar, which will be 100% of QEP common stock outstanding immediately prior to the Distribution, will be distributed to Questar's shareholders. Based on approximately 175.1 million shares of Questar common stock outstanding on June 14, 2010, and the distribution ratio of one share of QEP common stock for each one (1) share of Questar common stock, approximately 175.1 million shares of QEP common stock will be distributed to Questar shareholders.

Questar shareholders holding fractional shares will receive an equivalent number of QEP fractional shares.

On the Distribution Date, Questar, with the assistance of Wells Fargo Bank, N.A., the distribution agent, will electronically issue shares of QEP common stock to Questar's shareholders or to their bank or brokerage firm on their behalf by way of direct registration in book-entry form. Registration in book-entry form refers to a method of recording stock ownership when no physical share certificates are issued to shareholders, as is the case in this Distribution. No physical stock certificates of QEP will be issued to Questar's shareholders. Questar's shareholders will not be required to make any payment, surrender or exchange their shares of Questar common stock or take any other action to receive their shares of QEP common stock. The distribution and transfer agent is Wells Fargo Bank, N.A., 161 N. Concord Exchange, South St. Paul, MN 55075, (651) 306-4402.

If Questar shareholders sell shares of Questar common stock in the "regular-way" market through the Distribution Date, such shareholders will be selling their rights to receive shares of QEP common stock in the Distribution. If Questar shareholders decide to sell any shares of Questar before the Distribution, they should make sure their stockbroker, bank or other nominee understands whether they want to sell their Questar common stock or their entitlement to QEP common stock pursuant to the Distribution or both.

Following the Distribution, shareholders may request that their shares of QEP common stock held in book-entry form be transferred to a brokerage or other account at any time, without charge. Beneficial shareholders that hold shares through a brokerage firm will receive additional information from their brokerage firms shortly after the Distribution Date.

Shortly after the Distribution is completed, Questar will provide U.S. taxpayers with information to enable them to compute their tax basis in both Questar and QEP shares. Generally, a shareholder's aggregate basis in the stock held in Questar and QEP shares received in the Distribution will equal the aggregate basis of Questar common stock held by such shareholder immediately before the Distribution, allocated between such shareholder's Questar common stock and the QEP common stock received in the Distribution in proportion to the relative fair market value of each on the Distribution Date.

As a result of the Distribution, we expect the trading price of shares of Questar common stock immediately following the Distribution to be lower than the trading price immediately prior to the Distribution because the trading price will no longer reflect the value of the E&P Business. Furthermore, until the market has fully analyzed the value of Questar without the E&P Business, the market price of a share of Questar common stock may fluctuate significantly. In addition, although Questar believes that over time following the separation, the common stock of Questar and QEP could have a higher aggregate market value, assuming the same market conditions, than if Questar were to remain under its current configuration, there can be no assurance that this will be true, and the combined trading prices of one share of Questar common stock and a share of QEP common stock after the Distribution may be equal to, greater than, or less than the trading price of a share of Questar common stock before the Distribution.

Trading Between the Record Date and Distribution Date

Beginning on or shortly before the record date and continuing up to and through the Distribution Date, QEP and Questar expect that there will be two markets in Questar common stock: a "regular-way" market and an "ex-distribution" market. Shares of Questar common stock that trade on the regular way market will trade with an entitlement to shares of QEP common stock distributed pursuant to the Distribution. Shares that trade on the ex-distribution market will trade without an entitlement to shares of QEP common stock distributed pursuant to the Distribution. Therefore, if a shareholder sells shares of Questar common stock in the "regular-way" market through the Distribution Date, such shareholder will be selling its right to receive shares of QEP common stock in the Distribution. If a shareholder owns shares of Questar common stock at the close of business on the record date and sells those shares on the "ex-distribution" market through the Distribution Date, such shareholder will still receive the shares of QEP common stock that it would be entitled to receive pursuant to its ownership of the shares of Questar common stock on the record date.

QEP and Questar anticipate that a limited market, commonly known as a "when-issued" trading market, for QEP common stock will develop on or shortly before the record date for the Distribution and will continue up to and through the Distribution Date, and we anticipate that "regular-way" trading of QEP common stock will begin on the first trading day following the Distribution Date. "When-issued" trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The "when-issued" trading market will be a market for shares of QEP common stock that will be distributed to Questar shareholders on the Distribution Date and all such transactions will settle only after the Distribution Date. If a shareholder owns shares of Questar common stock at the close of business on the record date, such shareholder would be entitled to shares of QEP common stock distributed pursuant to the Distribution. Shareholders may trade this entitlement to shares of QEP common stock, without trading the shares of Questar common stock they own, on the "when-issued" market. On the first trading day following the Distribution Date, "when issued" trading with respect to QEP common stock will end and "regular-way" trading will begin.

Employee Stockholder Matters

If employees hold shares of Questar common stock in the Questar Dividend Reinvestment and Stock Purchase Plan (the "**Reinvestment Plan**"), Questar's share purchase and dividend reinvestment

plan, the shares of QEP common stock such persons would receive in the Distribution will be distributed to them in a direct registration position with Wells Fargo Shareowner Services, Questar's transfer agent. Instructions will be provided on how to transfer such shares to a different account.

Questar sponsors a 401(k) plan, known as the Questar Employee Investment Plan, as amended and restated effective January 1, 2009 (the "**Questar EIP**") which permits eligible employees to purchase shares of Questar common stock or other investments through payroll deduction. In connection with the Distribution, account balances held in trust attributable to all active QEP employees under the Questar EIP will be apportioned to the trust of QEP's EIP, the terms of which plan will generally be comparable in the aggregate to the Questar EIP. The Questar EIP will retain the account balances attributable to former QEP employees as of the Distribution Date. If shares of Questar common stock are held in and employee's account in the Questar EIP, shares of QEP common stock will be distributed to such employee's account in respect of the previously held shares of Questar common stock. Accordingly, following the Distribution, QEP's EIP and the Questar EIP initially will continue to hold shares of both Questar and QEP common stock.

Questar has issued stock options and restricted stock awards to certain officers, directors and employees under the Questar Long-Term Stock Incentive Plan, as amended and restated effective May 18, 2010 (the "**Questar LTSIP**"). If an officer, director or employee holds stock options or restricted stock awards that are outstanding as of the Distribution Date, then certain adjustments will be made to such awards in order to generally preserve the benefits or potential benefits intended to be made available under the Questar LTSIP. All such stock options will be adjusted into two separate options, one relating to Questar common stock and one relating to QEP common stock. Each holder of Questar restricted stock will be issued additional restricted shares of QEP common stock (e.g., as with other Questar shareholders, one share of QEP common stock will be issued for each restricted share of Questar common stock).

Other Employee Matters

The Employee Matters Agreement will generally govern QEP's compensation and employee benefit obligations with respect to its current and former employees.

As a result of the Distribution, QEP may assume, enter into or amend certain employment, severance, or other similar agreements providing for compensation and other benefits with any of its current or former officers and employees. In addition, the employment relationship between certain individuals and their current employer, QEP or Questar, may be modified in connection with the Distribution.

When structuring compensation, QEP and Questar consider the implications of Code Section 162(m) which generally precludes the employer from deducting compensation paid in excess of \$1 million per year to certain executive officers for federal income tax purposes, except for certain qualified performance-based compensation. QEP and Questar may amend or modify the performance targets and other terms and conditions with respect to outstanding awards under any incentive compensation plan as a result of the transaction which may cause such awards to not be treated as qualified performance-based compensation under Code Section 162(m).

Material U.S. Federal Income Tax Consequences of the Distribution

The following is a summary of the material U.S. federal income tax consequences of the Distribution to us, Questar and Questar shareholders. This discussion is not a complete analysis of all of the potential U.S. federal income tax consequences relating thereto, nor does it address any tax consequences arising under any state, local or foreign tax laws, or any other U.S. federal tax laws. This

discussion is based on the Code, the Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative interpretations and pronouncements of the IRS (including interpretations and pronouncements expressed in private letter rulings that are binding on the IRS only with respect to the particular taxpayers that received the rulings), all as in effect as of the date of this Current Report on Form 8-K. These authorities may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below.

This discussion is limited to holders of Questar common stock that are U.S. holders, as defined below, that hold their shares of Questar common stock as a “capital asset” within the meaning of Section 1221 of the Code (for example, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder’s particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including, without limitation:

- banks, insurance companies and certain financial institutions;
- partnerships and other pass-through entities;
- regulated investment companies and real estate investment trusts;
- dealers, brokers or traders in securities or currencies;
- U.S. holders whose functional currency is not the U.S. dollar;
- holders subject to alternative minimum tax;
- tax-exempt organizations;
- holders who are not U.S. holders;
- tax deferred or other retirement accounts;
- holders who acquired Questar common stock pursuant to the exercise of employee stock options or otherwise as compensation; and
- persons holding the Questar common stock as part of a “straddle,” “hedge,” “conversion transaction” or other risk reduction transaction.

For purposes of this summary, a “U.S. holder” is a beneficial owner of Questar common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or a resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state therein or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust (1) the administration of which is subject to the primary supervision of a U.S. court and all substantial decisions of which are controlled by one or more U.S. persons or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds shares of Questar common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding shares of Questar common stock should consult its tax advisor regarding the tax consequences of the Distribution.

Questar has received a private letter ruling from the IRS to the effect that, among other things, the Distribution, and certain related transactions, will qualify for tax-free treatment under the Code. Although a private letter ruling from the IRS generally is binding on the IRS, if the factual representations or assumptions made in the letter ruling request are untrue or incomplete in any material respect, we will not be able to rely on the ruling. Furthermore, the IRS will not rule on whether the Distribution satisfies certain requirements necessary to obtain tax-free treatment under the Code. Rather, the ruling is based upon representations by Questar that these conditions have been satisfied, and any inaccuracy in such representations could invalidate the ruling.

In addition, Questar expects to receive an opinion from Latham & Watkins LLP substantially to the effect that, among other things, the Distribution and certain related transactions will qualify for tax-free treatment under the Code. This opinion will address all of the requirements necessary for the Distribution and certain related transactions to qualify for tax-free treatment under the Code and will be based on, among other things, certain assumptions and representations made by Questar and us, which if incorrect or inaccurate in any material respect would jeopardize the conclusions reached in such opinion. In addition, the opinion will rely on the IRS private letter ruling as to matters covered by the ruling. This opinion will be based on the law in effect on the date of the opinion. The opinion will not be binding on the IRS or the courts, and Latham & Watkins LLP has no obligation to update its opinion subsequent to its date.

On the basis of the private letter ruling we have received and the opinion we expect to receive:

- A Questar shareholder will not recognize any income, gain or loss as a result of the receipt of our common stock in the Distribution.
- A Questar shareholder's holding period for our common stock received in the Distribution will include the period for which that shareholder's Questar common stock was held.
- A Questar shareholder's tax basis in our common stock received in the Distribution will be determined by allocating to that common stock, on the basis of the relative fair market values of Questar common stock and our common stock at the time of the Distribution, a portion of the shareholder's basis in his or her Questar common stock. A Questar shareholder's basis in his or her Questar common stock will be decreased by the portion allocated to our common stock. Within a reasonable period of time after the Distribution, Questar will provide its shareholders who receive our common stock pursuant to the Distribution with information for calculating their tax bases in our common stock and their Questar common stock.
- Neither we nor Questar will recognize a taxable gain or loss as a result of the Distribution.

If the Distribution and certain related transactions do not qualify for tax-free treatment for U.S. federal income tax purposes, then, in general, we would recognize taxable gain with respect to the distribution of Wexpro stock to Questar in an amount equal to the excess of the fair market value of the Wexpro common stock over our tax basis therein, *i.e.*, as if we had sold the Wexpro common stock in a taxable sale for its fair market value. Similarly, Questar would recognize taxable gain with respect to its distribution of our common stock to the Questar shareholders in an amount equal to the excess of the fair market value of our common stock over Questar's tax basis therein. In addition, the receipt by Questar's shareholders of our common stock would be a taxable distribution, and each shareholder that participated in the Distribution would be treated as receiving a distribution equal to the fair market value of our common stock that was distributed to such shareholder. Such a distribution would constitute a dividend for U.S. federal income tax purposes to the extent paid from Questar's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as a dividend would constitute a return of capital and would first be applied against and reduce a shareholder's tax basis in the Questar common stock, but not below zero. Any excess would be treated as gain realized on the sale or other disposition of the Questar common stock.

Even if the Distribution and certain related transactions otherwise qualify for tax-free treatment under the Code, the Distribution and certain related transactions may be disqualified as tax-free to Questar and us and would result in a significant U.S. federal income tax liability to Questar and us (but not to holders of Questar common stock) under Section 355(e) of the Code if the Distribution and certain related transactions were deemed to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, stock representing a 50% or greater interest by vote or value in Questar or us. For this purpose, any acquisitions of Questar's stock or our stock within the period beginning two years before the Distribution and ending two years after the Distribution are presumed to be part of such a plan, although Questar or we may be able to rebut that presumption. The process for determining whether a prohibited acquisition has occurred under the rules described in this paragraph is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. Questar or we might inadvertently cause or permit a prohibited change in the ownership of Questar or us to occur, thereby triggering tax to Questar and us, which could have a material adverse effect. If such an acquisition of our stock or Questar's stock triggers the application of Section 355(e), Questar would recognize taxable gain equal to the excess of the fair market value of our common stock held by Questar immediately before the Distribution over Questar's tax basis in our common stock and we would recognize taxable gain equal to the excess of the fair market value of the Wexpro common stock over our tax basis therein, but the Distribution would still be tax-free to Questar shareholders. We would similarly recognize such gain if our distribution of Wexpro to Questar was deemed to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, stock representing a 50% or greater interest by vote or value in Wexpro.

Under the Tax Matters Agreement, we may be required to indemnify Questar against all or a portion of the taxes incurred by Questar in the event the Distribution and certain related transactions were to fail to qualify for tax-free treatment under the Code, including all taxes resulting from the failure to satisfy the requirements of Code Sections 368(a)(1)(D) and 355 resulting from action taken solely by us subsequent to the Distribution, including acquisitions of our stock which violate the requirements of Code Section 355(e). Please see Item 1.01 of this Report on Form 8-K for a more detailed discussion of the Tax Matters Agreement.

Treasury Regulations require Questar shareholders that own five percent (by vote or value) of the total outstanding Questar common stock or own Questar securities with an aggregate tax basis of \$1 million or more and that receive shares of our stock in the Distribution to attach to their U.S. federal income tax return for the year in which shares of our stock are received a detailed statement setting forth certain specified information related to the Distribution. Within a reasonable period of time after the

Distribution, Questar will provide its shareholders who receive our common stock pursuant to the Distribution with the information necessary to comply with such requirement. Questar shareholders should consult their tax advisors regarding these tax reporting requirements.

EACH QUESTAR SHAREHOLDER SHOULD CONSULT HIS OR HER TAX ADVISOR ABOUT THE PARTICULAR CONSEQUENCES OF THE DISTRIBUTION TO SUCH SHAREHOLDER, INCLUDING THE APPLICATION OF STATE, LOCAL AND FOREIGN TAX LAWS, AND POSSIBLE CHANGES IN TAX LAW THAT MAY AFFECT THE TAX CONSEQUENCES DESCRIBED ABOVE.

Risk Factors

In addition to the risk factors set forth in QEP's most recent Annual Report on Form 10-K, investors should carefully read and consider each of the following risk factors, the cautionary statements referred to in "Forward-Looking Statements" below, and all of the other information set forth in this Form 8-K. Based on the information currently known to us, we believe that the following information identifies the most significant risk factors affecting QEP. However, the risks and uncertainties our company faces are not limited to those set forth in the risk factors described below. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition or results of operations. In addition, past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

If any of the following risks and uncertainties develops into actual events, these events could have a material adverse effect on our business, financial condition or results of operations. In such case, the trading price of QEP common stock could decline.

Risks Relating to the Separation

QEP may be unable to achieve some or all of the benefits that it expects to achieve from the separation from Questar.

QEP may not be able to achieve the full strategic and financial benefits that it expects will result from the separation from Questar or such benefits may be delayed or may not occur at all. For example, there can be no assurance that analysts and investors will regard QEP's corporate structure as clearer and simpler than the current Questar corporate structure or place a greater value on QEP as a stand-alone company than on QEP's businesses combined with Questar. As a result, in the future the aggregate market price of Questar's common stock and QEP common stock as separate companies may be less than the market price per share of Questar's common stock had the separation and Distribution not occurred.

Additionally, QEP's business is currently integrated with the other businesses of Questar. Historically, QEP has shared economies of scope and scale in costs, employees, vendor relationships and certain customer relationships with Questar. The Transition Services Agreement may not capture the benefits QEP's and Questar's businesses have enjoyed as a result of being integrated with the other businesses of Questar. The loss of these benefits may have an adverse effect on QEP's business, results of operations and financial condition following the completion of the separation.

Subsequent to the completion of the separation, QEP's borrowing costs may be higher than its borrowing costs prior to our separation. Additionally, other significant changes may occur in QEP's cost structure, management, financing and business operations as a result of QEP operating as a company separate from Questar.

QEP agreements with Questar may not reflect terms that would have resulted from arm's-length negotiations among unaffiliated third parties.

The agreements related to QEP's separation from Questar, including the Separation Agreement, Employee Matters Agreement, Tax Matters Agreement, and Transition Services Agreement are intended to reflect arm's-length terms and conditions. However, these agreements were prepared in the context of QEP's separation from Questar while it was still part of Questar and, accordingly, may not reflect terms that would have resulted from arm's-length negotiations among unaffiliated third parties.

QEP will be responsible for certain contingent and other corporate liabilities related to the Questar Business.

Under the Separation Agreement, QEP will assume and be responsible for certain contingent and other corporate liabilities related to the Questar Business (including associated costs and expenses, whether arising prior to, at, or after the Distribution) and QEP may be required to indemnify Questar for these liabilities which may have a material effect on QEP's financial condition and results of operations. In addition, we may also be responsible for sharing unknown liabilities that do not relate to either QEP's business following the separation or the business of Questar following the separation (for example, liabilities associated with certain corporate activities not specifically attributable to either business).

QEP will continue to be responsible for debt to third parties, which could subject it to various restrictions and decrease QEP's profitability.

QEP will continue to be subject to certain debt obligations, credit agreements and other financing arrangements, to which it was a party prior to the separation. On a pro forma basis, QEP has long-term debt in an aggregate principal amount of approximately \$1,150.0 million as of March 31, 2010. The agreements and documents governing such indebtedness contain customary restrictions, covenants and events of default. The terms of these financing arrangements and any future indebtedness impose or may impose various restrictions and covenants on us (such as a limitation on total indebtedness) that could limit QEP's ability to respond to industry conditions, provide for capital investment needs or take advantage of business opportunities. Additionally, the terms of QEP's existing senior notes require that QEP make an offer to purchase such notes in the event of a change of control followed by a ratings decline (such terms are defined in the indenture and related documents governing the notes). QEP expects to make such an offer within 60 days of the separation based on the indicated ratings of QEP's debt, pro-forma for the separation. Furthermore, QEP's debt financing costs may be higher than they were prior to the separation.

QEP's executive officers and some of its directors may have or may hold equity awards which may create, or may create the appearance of, conflicts of interest.

Because of their current positions with Questar, substantially all of QEP's directors and executive officers, including QEP's President, Chief Executive Officer and Chairman, will own shares of Questar common stock, options to purchase shares of Questar common stock and restricted shares of Questar common stock. Upon the Distribution, these options and restricted stock awards will be converted into options and restricted stock awards, respectively, based in part on Questar common stock and in part on QEP common stock. Accordingly, following the Distribution, these officers and directors will own shares of both Questar and QEP common stock and/or hold options and restricted stock awards based on shares of common stock of both Questar and QEP. The individual holdings of common stock, options and restricted stock awards based on common stock of Questar may be significant for some of these persons compared to these persons' total assets. Even though certain executive officers of QEP who are currently employees of Questar will cease to be employees of Questar upon consummation of the separation,

ownership by QEP's officers, after the separation, of common stock, options and restricted stock awards based on common stock of Questar may create, or may create the appearance of, conflicts of interest when these officers are faced with decisions that could have different implications for Questar than the decisions do for QEP. Additionally, after the separation, Keith O. Rattie will serve as the chairman of the board for both QEP and Questar.

The Distribution could result in significant tax liability.

Questar has received a private letter ruling from the IRS, that the Distribution will qualify for tax-free treatment under Code Sections 355 and 368(a)(1)(D). In addition, Questar intends to obtain an opinion from Latham & Watkins LLP that the Distribution will so qualify. Although Questar's board of directors may waive the condition of receiving this opinion, Questar does not intend to complete the Distribution if it has not obtained an opinion from Latham & Watkins LLP that the Distribution will qualify for tax-free treatment under Code Sections 355 and 368(a)(1)(D).

The IRS ruling and the opinion will rely on certain representations, assumptions and undertakings, including those relating to the past and future conduct of Questar's and QEP's business, and neither the IRS ruling nor the opinion will be valid if such representations, assumptions and undertakings are incorrect. Moreover, the IRS private letter ruling does not address all the requirements for determining whether the Distribution will qualify for tax-free treatment, and the opinion, which does address all the requirements, is not binding on the IRS or the courts. Notwithstanding the IRS private letter ruling and opinion, the IRS could determine that the Distribution should be treated as a taxable transaction if it determines that any of the representations, assumptions or undertakings that were included in the request for the private letter ruling is false or has been violated or if it disagrees with the conclusions in the opinion that are not covered by the IRS ruling.

If the Distribution and certain related transactions fail to qualify for tax-free treatment, Questar would be subject to tax as if it had sold the common stock of QEP in a taxable sale for its fair market value, QEP would be subject to tax as if it had sold the common stock of Wexpro in a taxable sale for its fair market value and QEP's initial public shareholders would be subject to tax as if they had received a taxable distribution equal to the fair market value of QEP common stock that was distributed to them. Under the Tax Matters Agreement, QEP may be required to indemnify Questar against all or a portion of the taxes incurred by Questar and QEP in the event the Distribution and certain related transactions were to fail to qualify for tax-free treatment under the Code.

Risks Relating to QEP Common Stock

Substantial sales of QEP common stock may occur in connection with the Distribution, which could cause our stock price to decline.

The shares of QEP common stock that Questar distributes to its shareholders generally may be sold immediately in the public market. Although we have no actual knowledge of any plan or intention on the part of any shareholder to sell our common stock following the Distribution, it is possible that some Questar shareholders, including possibly some of our largest shareholders, may sell our common stock received in the Distribution for reasons such as that QEP's business profile or market capitalization as a separate, publicly-traded company does not fit their investment objectives. Moreover, index funds tied to the Standard & Poor's 500 Index, the Russell 1000 Index and other indices hold shares of Questar common stock. To the extent QEP common stock is not included in these indices after the Distribution, certain of these index funds may likely be required to sell the shares of QEP common stock that they receive in the Distribution. The sales of significant amounts of QEP common stock or the perception in the market that this will occur may result in the lowering of the market price of QEP common stock.

Provisions in our certificate of incorporation, by-laws and of Delaware law may prevent or delay an acquisition of QEP, which could decrease the trading price of QEP common stock.

Our certificate of incorporation, bylaws and Delaware law contain provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the raider and to encourage prospective acquirors to negotiate with our Board rather than to attempt a hostile takeover. These provisions include, among others:

- a board of directors that is divided into three classes with staggered terms;
- inability of our shareholders to act by written consent;
- rules regarding how shareholders may present proposals or nominate directors for election at shareholder meetings;
- the right of our board of directors to issue preferred stock without shareholder approval; and
- limitations on the right of shareholders to remove directors.

Delaware law also imposes some restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock.

We believe these provisions are important for a new public company and protect our shareholders from coercive or otherwise potentially unfair takeover tactics by requiring potential acquirors to negotiate with our Board and by providing our Board with more time to assess any acquisition proposal. These provisions are not intended to make QEP immune from takeovers. However, these provisions apply even if the offer may be considered beneficial by some shareholders and could delay or prevent an acquisition that our Board determines is not in the best interests of QEP and our shareholders.

Although QEP anticipates paying dividends in the future, there cannot be any assurance that dividends will be paid.

Currently, QEP anticipates paying dividends to its shareholders. However, there can be no assurance that we will have sufficient surplus under Delaware law to be able to pay any dividends. This may result from extraordinary cash expenses, actual expenses exceeding contemplated costs, funding of capital expenditures, or increases in reserves. The declaration and payment of dividends by us will be subject to the sole discretion of our Board and will depend upon many factors, including our financial condition, earnings, capital requirements of our operating subsidiaries, covenants associated with certain of our debt obligations, legal requirements, regulatory constraints and other factors deemed relevant by our Board. If we do not pay dividends, the price of QEP common stock that you receive in the Distribution must appreciate for you to receive a gain on your investment in QEP. This appreciation may not occur.

Additional Information

We file annual, quarterly, and current reports with the SEC. We have also filed a Registration Statement on Form 8-A with the SEC with additional information regarding the shares of QEP common stock that Questar shareholders will receive in the Distribution. These reports and other information can be read and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549-0213.

Investors can obtain copies of these materials from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC also maintains an internet site at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC, including QEP.

Investors can also access financial and other information via QEP's web site at www.qepres.com. QEP makes available, free of charge through the website copies of Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to such reports and all reports filed by executive officers and directors under Section 16 of the Exchange Act reporting transactions in QEP securities. Access to these reports is provided as soon as reasonably practical after such reports are electronically filed with the SEC. Information contained on or connected to QEP's web site which is not directly incorporated by reference into QEP's Annual Report on Form 10-K should not be considered part of this report or any other filing made with the SEC.

Forward-Looking Statements

This Current Report on Form 8-K may contain 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. Statements by QEP of expectations, anticipations, beliefs, plans, intentions, targets, estimates, or projections and similar expressions relating to the future are forward-looking statements within the meaning of these laws. You can typically identify forward-looking statements by the use of forward-looking words, such as "may," "will," "could," "project," "believe," "anticipate," "expect," "estimate," "continue," "potential," "plan," "forecast" and other similar words. Those statements represent QEP's intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside QEP's control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. Further, there can be no assurance as to the timing of the contemplated QEP spin-off, whether it will ultimately be structured as a spin-off, or whether it will be completed. Forward-looking statements are based on assumptions and assessments made by QEP's management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Any forward-looking statements are not guarantees of QEP's future performance and are subject to risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those contemplated by any forward-looking statements. Except as required by law, QEP undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit</u>
2.1	Separation and Distribution Agreement, dated as of June 14, 2010, by and between Questar Corporation and QEP Resources, Inc.
10.1	Employee Matters Agreement, dated as of June 14, 2010, by and between Questar Corporation and QEP Resources, Inc.
10.2	Tax Matters Agreement, dated as of June 14, 2010, by and between Questar Corporation and QEP Resources, Inc.
10.3	Transition Services Agreement, dated as of June 14, 2010, by and between Questar Corporation and QEP Resources, Inc.

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- 10.4 QEP Resources, Inc. Deferred Compensation Plan for Directors (as approved June 12, 2010)
 - 10.5 Amended and Restated Employment Agreement dated June 15, 2010 by and between QEP Resources, Inc., Questar Corporation and Charles B. Stanley
 - 10.6 Amended and Restated Employment Agreement dated June 15, 2010 by and between QEP Resources, Inc., Questar Corporation and Richard J. Doleshek
 - 10.7 QEP Resources, Inc. 2010 Annual Management Incentive Plan II (as approved June 12, 2010)
 - 10.8 QEP Resources, Inc. 2010 Long-term Cash Incentive Plan (as approved June 12, 2010)
 - 10.9 QEP Resources, Inc. 2010 Long-term Stock Incentive Plan (as approved June 12, 2010)
 - 10.10 QEP Resources, Inc. Executive Severance Compensation Plan (as approved June 12, 2010)
 - 10.11 QEP Resources, Inc. Deferred Compensation Wrap Plan (as approved June 12, 2010)
 - 10.12 QEP Resources, Inc. Supplemental Executive Retirement Plan (as approved June 12, 2010)
 - 99.1 Release issued June 14, 2010 by Questar Corporation
 - 99.2 QEP Resources, Inc. Unaudited Pro Forma Condensed Consolidated Financial Information

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 thereunto duly authorized.

QEP RESOURCES, INC.
(Registrant)

June 15, 2010

/s/ RICHARD J. DOLESHEK

Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer

List of Exhibits:

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SEPARATION AND DISTRIBUTION AGREEMENT

by and between

QUESTAR CORPORATION

and

QEP RESOURCES, INC.

Dated as of June 14, 2010

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SEPARATION AND DISTRIBUTION AGREEMENT

THIS SEPARATION AND DISTRIBUTION AGREEMENT (this "Agreement"), is entered into as of June 14, 2010, by and between Questar Corporation, a Utah corporation ("Questar"), and QEP Resources, Inc., a Delaware corporation ("QEP"), each a "Party" and together, the "Parties".

R E C I T A L S:

WHEREAS, Questar, acting through its direct and indirect Subsidiaries, currently conducts a number of businesses, including (i) the QEP Business, and (ii) the Questar Business;

WHEREAS, the Board of Directors of Questar has determined that it is appropriate, desirable and in the best interests of Questar and its stockholders to separate Questar into two separate, independent and publicly traded companies: (i) one comprising the QEP Business, which shall be owned and conducted, directly or indirectly, by QEP, and (ii) one comprising the Questar Business which shall continue to be owned and conducted, directly or indirectly, by Questar;

WHEREAS, in order to effect such separation, the Board of Directors of Questar has determined that it is appropriate, desirable and in the best interests of Questar and its stockholders: (i) to enter into a series of transactions whereby (A) Questar and/or one or more other members of the Questar Group will, collectively, own all of the Questar Assets and be liable for all of the Questar Liabilities, and (B) QEP and/or one or more other members of the QEP Group will, collectively, own all of the QEP Assets and be liable for all of the QEP Liabilities; and thereafter (ii) for Questar to distribute to the holders of Questar Common Stock on such record date as may be established by the Board of Directors of Questar on a pro rata basis (in each case without consideration being paid by such stockholders) all of the issued and outstanding shares of common stock, par value \$0.01 per share, of QEP (the "QEP Common Stock") (such transactions, as may be amended or modified in accordance with the terms and subject to the conditions of this Agreement from time to time, the "Separation");

WHEREAS, the Parties intend that the Internal Distribution (as defined below) will qualify under Section 355 of the Internal Revenue Code of 1986, as amended (the "Code"), the Internal Contribution and the Distribution (as defined below) will qualify under Sections 355 and 368(a)(1)(D) of the Code and that this Agreement be, and is hereby adopted as, a plan of reorganization under Section 368 of the Code;

WHEREAS, this Agreement sets forth the process by which the Questar Business and the QEP Business will be separated and, thereafter, all of the issued and outstanding shares of QEP Common Stock will be distributed to the holders of Questar Common Stock; and

WHEREAS, each of Questar and QEP has determined that it is necessary and desirable to set forth the principal corporate transactions required to effect the reorganization, the Separation and the Distribution and to provide for other agreements that will govern certain other matters following the Distribution Date.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

**ARTICLE I.
DEFINITIONS AND INTERPRETATION**

Section 1.1 General. As used in this Agreement, the following capitalized terms shall have the following meanings:

(1) “2010 Internal Control Audit and Management Assessment” shall have the meaning set forth in Section 5.3(a)(i).

(2) “Action” shall mean any demand, action, claim, charge, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation by or before any Governmental Entity or any arbitration or mediation tribunal.

(3) “Affiliate” shall mean, when used with respect to a specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such specified Person. For the purposes of this definition and Section 1.1(110), “control”, when used with respect to any specified Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise.

(4) “Agent” shall mean Wells Fargo Shareowner Services.

(5) “Agreement” shall have the meaning set forth in the preamble hereof.

(6) “Agreement Disputes” shall have the meaning set forth in Section 9.1.

(7) “Allocated Percentage” means the Questar Percentage or the QEP Percentage, as the case may be.

(8) “Amended Financial Reports” shall have the meaning set forth in Section 5.3(b).

(9) “Ancillary Agreements” shall mean all of the written Contracts, instruments, assignments or other arrangements (other than this Agreement) entered into in connection with the transactions contemplated hereby, including the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, and the Conveyance and Assumption Instruments, if any, and any other written agreement between the Parties existing as of the Distribution Date. For the avoidance of doubt, Ancillary Agreements shall include all agreements between the Questar Group and the QEP Group existing as of the Distribution Date.

(10) “Assets” shall mean assets, properties, claims and rights (including goodwill), wherever located (including in the possession of vendors or other third parties or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the Records or financial statements of any Person, including (but not limited to) the following:

(i) all accounting and other legal and business books, records, ledgers and files whether printed, electronic or written;

(ii) all apparatuses, computers and other electronic data processing and communications equipment, fixtures, machinery, rolling stock, equipment, furniture, office equipment, automobiles, trucks, aircraft and other transportation equipment, special and general tools, test devices, prototypes and models and other tangible personal property;

(iii) all inventories of products, goods, materials, parts, raw materials and supplies;

(iv) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a Security Interest in real property, lessor, sublessor, lessee, sublessee or otherwise;

(v) all interests in any capital stock or other equity interests of any Subsidiary or any other Person, all bonds, notes, debentures or other securities issued by any Subsidiary or any other Person, all loans, advances or other extensions of credit or capital contributions to any Subsidiary or any other Person and all other investments in securities of any Person;

(vi) all licenses, Contracts, leases of personal property, open purchase orders for raw materials, supplies, parts or services, unfilled orders for the manufacture and sale of products and other Contracts or commitments;

(vii) all deposits, letters of credit and performance and surety bonds;

(viii) all written (including in electronic form) technical information, data, specifications, research and development information, engineering drawings and specifications, operating and maintenance manuals, and materials and analyses prepared by consultants and other third parties;

(ix) all Intellectual Property;

(x) all Software;

(xi) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product data and literature, artwork, design, development and business process files and data, vendor and customer drawings, specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;

(xii) all prepaid expenses, trade accounts and other accounts and notes receivables;

(xiii) all rights under Contracts, all claims or rights against any Person, or similar rights whether sounding in tort, contract or otherwise, whether accrued or contingent;

(xiv) all rights under insurance policies and all rights in the nature of insurance, indemnification or contribution;

(xv) all licenses, permits, approvals and authorizations which have been issued by any Governmental Entity;

(xvi) all cash or cash equivalents, bank accounts, brokerage accounts, lock boxes and other deposit arrangements; and

(xvii) all interest rate, currency, commodity or other swap, collar, cap or other hedging or similar Contracts or arrangements.

(11) "Audited Party" shall have the meaning set forth in Section 5.3(a)(ii).

(12) "Business" shall mean the QEP Business or the Questar Business, as applicable.

(13) "Business Day" means any day that is not a Saturday, a Sunday or any other day on which banks are required or authorized by Law to be closed in New York, New York.

(14) "Business Entity" shall mean any corporation, partnership, limited liability company or other entity which may legally hold title to Assets.

(15) "Claims Administration" shall mean the administration of claims made under the Third Party Shared Policies, including the reporting of claims to the unaffiliated, third-party insurance carriers that issued the Third Party Shared Policies, management and defense of such claims, negotiating the resolution of such claims, and providing for appropriate releases upon settlement of such claims.

(16) "Code" shall have the meaning set forth in the recitals hereto.

(17) "Commission" shall mean the United States Securities and Exchange Commission or any successor agency thereto.

(18) "Confidential Business Information" shall mean all information, data or material other than Confidential Operational Information, including (i) earnings reports and forecasts, (ii) macro-economic reports and forecasts, (iii) business and strategic plans, (iv) general market evaluations and surveys, (v) litigation presentations and risk assessments, (vi) budgets, and (vii) financing and credit-related information.

(19) "Confidential Information" shall mean Confidential Business Information and Confidential Operational Information concerning a Party and/or its Subsidiaries which, prior to or following the Effective Date, has been disclosed by a Party or its Subsidiaries to the other Party or its Subsidiaries, in written, oral (including by recording), electronic, or visual form to, or otherwise has come into the possession of, the other, including pursuant to the access provisions

of Section 8.1 or Section 8.2 or any other provision of this Agreement or any Ancillary Agreement (except to the extent that such information can be shown to have been (i) in the public domain through no action of such Party or its Subsidiaries or (ii) lawfully acquired from other sources by such Party or its Subsidiaries to which it was furnished; provided, however, in the case of clause (ii) that, to the furnished Party's knowledge, such sources did not provide such information in breach of any confidentiality obligations).

(20) "Confidential Operational Information" shall mean all operational information, data or material including (i) specifications, ideas and concepts for products and services, (ii) quality assurance policies, procedures and specifications, (iii) customer information, (iv) Software, (v) training materials and information, and (vi) all other know-how, methodology, procedures, techniques and trade secrets related to design, development and operational processes.

(21) "Consents" shall mean any consents, waivers or approvals from, or notification requirements to, any Person other than a Governmental Entity.

(22) "Contingent Claim Committee" means a committee that shall be established in accordance with Section 6.4.

(23) "Contingent Gain" means any claim or other right, other than claims or rights related to Taxes (which are governed by the Tax Matters Agreement), of Questar, QEP or any of their respective Affiliates, whenever arising, against any Person other than Questar or QEP, or any of their respective Affiliates, if and to the extent that:

(i) such claim or other right has accrued as of the Effective Date (based on then existing Law); and

(ii) the existence or scope of the obligation of such other Person as of the Effective Date with respect to such claim or other right was not acknowledged, fixed or determined due to a dispute or other uncertainty as of the Effective Date or as a result of the failure of such claim or other right to have been discovered or asserted as of the Effective Date (it being understood that the existence of any pending, threatened or contemplated Action or any contingent asset for accounting purposes as of the Effective Date with respect to any claim or other right shall not be sufficient for such claim or other right to be considered acknowledged, fixed or determined).

For purposes of this definition and Section 1.1(24), "accrued" shall mean that all of the elements necessary for the assertion of a claim with respect to such matter shall have occurred on or prior to the Effective Date, such that the claim, had it been asserted in an Action on or prior to the Effective Date, would not be dismissed by a court for lack of ripeness or similar grounds.

The Parties agree that no claim or other right relating to, arising out of or resulting from any obligation of any Person to perform the executory portion of any Contract existing as of the Effective Date shall be deemed to be a Contingent Gain.

Notwithstanding the foregoing, Contingent Gain shall not include:

- (A) any Insurance Proceeds, or
- (B) any reversal of any litigation or other reserve for accounting purposes.

(24) "Contingent Liability" means any Liability, other than Liabilities for Taxes (which are governed by the Tax Matters Agreement), of Questar, QEP or any of their respective Affiliates, whenever arising, to any Person other than Questar, QEP, or any of their respective Affiliates, if and to the extent that:

(i) such Liability has accrued as of the Effective Date (based on then existing Law); and

(ii) the existence or scope of the obligation of Questar, QEP, or any of their respective Affiliates as of the Effective Date with respect to such Liability was not acknowledged, fixed or determined due to a dispute or other uncertainty as of the Effective Date or as a result of the failure of such Liability to have been discovered or asserted as of the Effective Date (it being understood that the existence of any Action pending, threatened or contemplated or other reserve for accounting purposes as of the Effective Date with respect to any Liability shall not be sufficient for such Liability to be considered acknowledged, fixed or determined).

The Parties agree that Contingent Liability shall not include any Liability relating to, arising out of or resulting from any obligation of any Person:

- (A) to perform the executory portion of any Contract existing as of the Effective Date, or
- (B) to satisfy any obligation under any Plan as of the Effective Date.

(25) "Contract" shall mean any agreement, contract, obligation, indenture, instrument, lease, license, promise, arrangement, commitment or undertaking (whether written or oral and whether express or implied).

(26) "Conveyance and Assumption Instruments" shall mean, collectively, the various Contracts and other documents entered into and to be entered into to effect the sale or other transfer of Assets and the assumption of Liabilities in the manner contemplated by this Agreement or otherwise relating to, arising out of or resulting from the transactions contemplated by this Agreement such as the Conveyance, Assignment, Bill of Sale and Agreement (other than the Tax Matters Agreement, the Transition Services Agreement, and the Employee Matters Agreement), each of which shall be in such form and dated as of such date as the Parties shall reasonably agree.

(27) "Designated Party" shall have the meaning set forth in Section 6.1(e).

(28) "Disclosure Documents" shall mean any registration statement (including any registration statement on Form 8-A) filed with the Commission prior to the Effective Date by or on behalf of any Party or any of its Affiliates, and also including any Form 8-K filed in connection with the Separation and Distribution as well as any information statement, prospectus, offering memorandum, offering circular or similar disclosure document, whether or not filed with the Commission or any other Governmental Entity, which offers for sale or registers the transfer or distribution of any security of such Party or any of its Affiliates in connection with the Separation and Distribution.

(29) "Distribution" shall mean the distribution by Questar of all of the issued and outstanding shares of QEP Common Stock to holders of record of shares of Questar Common Stock as of the Record Date on the basis of one (1) share of QEP Common Stock for each issued and outstanding share of Questar Common Stock.

(30) "Distribution Date" shall mean June 30, 2010, or such later date as shall be determined by the Board of Directors of Questar to be the date on which the Distribution shall occur.

(31) "Distrigas Percentage" shall mean the following:

QEP = 56.33%

Questar = 43.67%

(32) "D&O Tail Policies" shall have the meaning set forth in Section 10.2(a).

(33) "Effective Date" shall mean June 30, 2010.

(34) "Employee Matters Agreement" shall mean the Employee Matters Agreement by and between Questar and QEP, dated as of the date hereof and substantially in the form attached as Exhibit A hereto.

(35) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time that reference is made thereto.

(36) "Exclusive QEP Contingent Gain" means any Contingent Gain if such Contingent Gain primarily relates to the QEP Business, including the matters listed or described on Schedule 1.1(36), or if such Contingent Gain is expressly assigned to QEP pursuant to this Agreement or any Ancillary Agreement.

(37) "Exclusive QEP Contingent Liability" means any Contingent Liability if such Contingent Liability primarily relates to the QEP Business, including the matters listed or described on Schedule 1.1(37), or if such Contingent Liability is expressly assigned to QEP pursuant to this Agreement or any Ancillary Agreement.

(38) "Exclusive Questar Contingent Gain" means any Contingent Gain if such Contingent Gain primarily relates to the Questar Business, including the matters listed or described on Schedule 1.1(38), or if such Contingent Gain is expressly assigned to Questar pursuant to this Agreement or any Ancillary Agreement.

(39) “Exclusive Questar Contingent Liability” means any Contingent Liability if such Contingent Liability primarily relates to the Questar Business, including the matters listed or described on Schedule 1.1(39), or if such Contingent Liability is expressly assigned to Questar pursuant to this Agreement or any Ancillary Agreement.

(40) “Fiduciary Tail Policies” shall have the meaning set forth in Section 10.2(b).

(41) “Force Majeure” shall mean, with respect to a Party, an event beyond the reasonable control of such Party (or any Person acting on its behalf), which by its nature could not have been foreseen by such Party (or such Person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, earthquakes, hurricanes, riots, pandemics, fires, sabotage, strikes, lockouts, civil commotion or civil unrest, interference by civil or military authorities, government action or inaction, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism.

(42) “Form 8-A” shall mean the registration statement on Form 8-A filed by QEP with the Commission in connection with the Distribution and any amendments thereto.

(43) “Former QEP Employee” shall have the meaning set forth in the Employee Matters Agreement.

(44) “Former Questar Employee” shall have the meaning set forth in the Employee Matters Agreement.

(45) “Governmental Approvals” shall mean any notices or reports required to be submitted to, or other filings required to be made with, or any consents, registrations, approvals, permits or authorizations required to be obtained from, any Governmental Entity.

(46) “Governmental Entity” shall mean any nation or government, any state, municipality or other political subdivision thereof and any entity, body, agency, commission, department, board, bureau or court, whether domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any official thereof.

(47) “Group” shall mean either the QEP Group or the Questar Group.

(48) “Guaranty Release” shall have the meaning set forth in Section 2.11(b).

(49) “Indebtedness” shall mean (i) any indebtedness for borrowed money or the deferred purchase price of property as evidenced by a note, bonds or other instruments, (ii) obligations as lessee under capital leases, (iii) obligations secured by any mortgage, pledge, security interest, encumbrance, lien or charge of any kind existing on any asset owned or held by any Person, whether or not such Person has assumed or become liable for the obligations secured thereby, (iv) any obligation under any interest rate swap agreement, (v) accounts payable, (vi) reimbursement obligations with respect to surety and performance bonds or letters of credit, and

(vii) obligations under direct or indirect guarantees of (including obligations, contingent or otherwise, to assure a creditor against loss in respect of) indebtedness or obligations of the kinds referred to in clauses (i), (ii), (iii), (iv), (v) and (vi) above.

(50) “Indemnifiable Loss” and “Indemnifiable Losses” shall mean any and all damages, losses, deficiencies, Liabilities, obligations, penalties, judgments, settlements, claims, payments, fines, interest, costs and expenses (including the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and the reasonable costs and expenses of attorneys’, accountants’, consultants’ and other professionals’ fees and expenses incurred in the investigation or defense thereof or the enforcement of rights hereunder), excluding special, consequential, indirect, punitive damages (other than special, consequential, indirect and/or punitive damages awarded to any third party against an indemnified party).

(51) “Indemnifying Party” shall have the meaning set forth in Section 7.4(b).

(52) “Indemnitee” shall have the meaning set forth in Section 7.4(b).

(53) “Indemnity Payment” shall have the meaning set forth in Section 7.6(a).

(54) “Information” shall mean information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), communications and materials otherwise related to or made or prepared in connection with or in preparation for any legal proceeding, and other technical, financial, employee or business information or data.

(55) “Insurance Administration” shall mean, with respect to each Third Party Shared Policy: (i) the accounting and allocation of premiums, retrospectively-rated premiums, defense costs, indemnity payments, deductibles and retentions, as appropriate, under the terms and conditions of such Third Party Shared Policy; (ii) the reporting to the relevant unaffiliated, third-party insurer that issues such Third Party Shared Policy of any losses or claims which may be covered by such Third Party Shared Policy; and (iii) the distribution of Insurance Proceeds related to such Third Party Shared Policy, subject to the terms of ARTICLE X.

(56) “Insurance Proceeds” shall mean those monies (i) received by an insured from an unaffiliated third-party insurer under any Third Party Shared Policy, or (ii) paid by such third-party insurer on behalf of an insured under any Third Party Shared Policy, in either case net of any applicable premium adjustment, retrospectively-rated premium, deductible, retention, or cost of reserve paid or held by or for the benefit of such insured.

(57) “Insured Claims” shall mean those Liabilities that, individually or in the aggregate, are covered within the terms and conditions of any of the Third Party Shared Policies, whether or not subject to deductibles, co-insurance, inability to collect or retrospectively-rated premium adjustments.

(58) “Intellectual Property” shall mean all intellectual property and industrial property rights of any kind or nature, including all United States and foreign (i) patents, patent applications, patent disclosures, and all related continuations, continuations-in-part, divisionals, reissues, re-examinations, substitutions and extensions thereof, (ii) Trademarks, (iii) copyrights, whether statutory or common law, registered or unregistered and published or unpublished, (iv) rights of publicity, (v) moral rights and rights of attribution and integrity, (vi) rights in Software, (vii) trade secrets and all other confidential information, know-how, inventions, improvements, proprietary processes, formulae, models and methodologies, (viii) rights to personal information, (ix) telephone numbers and internet protocol addresses, (x) rights, priorities and privileges arising under applicable law in the foregoing and in other similar intangible assets, (xi) applications and registrations for the foregoing, and (xii) rights and remedies against past, present, and future infringement, misappropriation, or other violation of the foregoing.

(59) “Intercompany Accounts” shall mean any receivable, payable or loan between any member of the Questar Group, on the one hand, and any member of the QEP Group, on the other hand that exists prior to the Effective Date and is reflected in the Records of the relevant members of the Questar Group and the QEP Group, except for any such receivable, payable or loan that arise pursuant to this Agreement or any other Ancillary Agreement.

(60) “Internal Contribution” shall have the meaning set forth in Section 3.1(iii).

(61) “Internal Distribution” shall have the meaning set forth in Section 3.1(ii).

(62) “Law” shall mean any United States or non-United States federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law).

(63) “Liabilities” shall mean any and all debts, liabilities, and obligations, whether accrued or fixed, absolute or contingent, matured or not matured, reserved or unreserved, or determined or determinable of any kind or nature whatsoever, including those arising under any Law or Action, whether asserted or unasserted, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Entity, and those arising under any Contract or any fines, damages or equitable relief which may be imposed in connection with any of the foregoing and including all costs and expenses related thereto.

(64) “Liable Party” shall have the meaning set forth in Section 2.10(b).

(65) “Licensed Trademarks” shall have the meaning set forth in Section 5.2(d).

(66) “NYSE” shall mean the New York Stock Exchange.

(67) “Other Parties’ Auditors” shall have the meaning set forth in Section 5.3(a)(ii).

(68) “Other Party” shall have the meaning set forth in Section 2.10(a).

(69) “Other Party Marks” shall have the meaning set forth in Section 5.2(a).

(70) “Party” shall have the meaning set forth in the preamble hereof.

(71) “Person” shall mean any natural person, firm, individual, corporation, business trust, joint venture, association, company, limited liability company, partnership or other organization or entity, whether incorporated or unincorporated, or any Governmental Entity.

(72) “Plan” shall have the meaning set forth in the Employee Matters Agreement.

(73) “Policies” shall mean insurance policies and insurance Contracts of any kind (other than life and benefits policies or Contracts), including but not limited to primary, fronted or alternative risk, excess and umbrella policies for commercial general and automobile liability exposures; director and officer liability and fiduciary liability policies; aircraft, property, business interruption, builders risk and control of well policies; workers’ compensation policies; and employee dishonesty and commercial crime policies; and surety bonds, any of which may be self-insured in whole or in part, together with the rights, benefits and privileges thereunder.

(74) “Pre-Separation Disclosure” shall mean any form, statement, schedule or other material (other than the Disclosure Documents) filed with or furnished to

(A) the Commission,

(B) any other Governmental Entity, or

(C) holders of any securities of Questar or any of its Affiliates,

prior to the Effective Date by Questar, QEP, or any of their respective Affiliates, in connection with the registration, sale, or distribution of securities or disclosure related thereto (including periodic disclosure obligations).

(75) “Prime Rate” shall mean the prime rate of interest (the base rate on corporate loans) as published under “Money Rates” in The Wall Street Journal.

(76) “QEP” shall have the meaning set forth in the preamble hereto.

(77) “QEP Accounts” shall have the meaning set forth in Section 2.5(a).

(78) “QEP Assets” shall mean, subject to ARTICLE X, all Assets owned, leased or held by any member of the QEP Group immediately prior to the Effective Date, including any Assets acquired by a member of the QEP Group pursuant to this Agreement, all Assets reflected on the QEP Balance Sheet or any subledger thereto as of the Effective Date, all QEP Contracts, the QEP Books and Records, any Asset arising from or primarily related to an QEP Liability including any Actions constituting QEP Liabilities, the proceeds from any sale, loss or other disposition of any QEP Assets, any Exclusive QEP Contingent Gain and all QEP Accounts, but excluding from any of the foregoing QEP’s ownership interests in Wexpro.

(79) “QEP Business” shall mean the following businesses:

- (i) Questar’s exploration and production business, which acquires, explores for, develops and produces natural gas, oil and natural gas liquids;
- (ii) Questar’s gas management business, which provides midstream field services including natural gas-gathering and processing services for affiliates and third parties, and which operates the Rendezvous Pipeline and the Clear Creek Storage facility which are interstate natural gas pipelines and facilities regulated by the Federal Energy Regulatory Commission;
- (iii) Questar’s energy trading business, which markets equity and third-party gas and oil, provides risk-management services, and owns and operates an underground gas-storage reservoir;
- (iv) any other business, operations, or assets where such business was conducted primarily through the use of the QEP Assets prior to the Effective Date; and
- (v) the businesses and operations of Business Entities acquired or established by or for any member of the QEP Group after the Effective Date;

provided, however, the QEP Business shall not include Wexpro or the business of Wexpro.

(80) “QEP Balance Sheet” means the unaudited pro forma condensed consolidated balance sheet as of March 31, 2010, as adjusted for the Separation and Distribution, to be filed with the Commission by QEP.

(81) “QEP Books and Records” means the corporate books and records (whether in hard copy or electronic format and including all minute books, corporate charters and by-laws or comparable constitutive documents, records of share issuances and related corporate records) of any member of the QEP Group and such other books and records, including operating, accounting, engineering, corporate department and any other written record, whether in hard copy or electronic format, to the extent they primarily relate to the QEP Business, the QEP Assets or the QEP Liabilities, including, without limitation, all such books and records primarily relating to QEP Employees as of the Effective Date, the purchase of materials, supplies and services, dealings with customers of the QEP Business, and all files relating to any action the liability with respect to which is an QEP Liability, except that no portion of the books and records of the Questar Group containing minutes of meetings of any board of directors of any of them shall be included. Notwithstanding the foregoing, “QEP Books and Records” shall not include any Tax Returns or other information, documents or materials relating to Taxes.

(82) “QEP Common Stock” shall have the meaning set forth in the recitals hereto.

(83) “QEP Contracts” shall mean any Contracts to which any member of the QEP Group is a party or by which any member of the QEP Group or any of their respective Assets is bound, including any such Contract or part thereof that is expressly contemplated to be transferred or assigned to any member of the QEP Group pursuant to any provision of this Agreement or any Ancillary Agreement, but excluding any such Contract or part thereof that is expressly contemplated to be transferred or assigned to (or remain with) any member of the Questar Group pursuant to any provision of this Agreement or any Ancillary Agreement.

(84) “QEP Disclosure” shall mean any form, statement, schedule or other material (other than the Disclosure Documents) filed with or furnished to

- (A) the Commission,
- (B) any other Governmental Entity, or
- (C) holders of any securities of any member of the QEP Group,

on or after the Effective Date by or on behalf of any member of the QEP Group in connection with the registration, sale, or distribution of securities or disclosure related thereto (including periodic disclosure obligations).

(85) “QEP Employee” shall have the meaning set forth in the Employee Matters Agreement.

(86) “QEP Group” shall mean QEP and each Person identified on Schedule 1.1(86), and each Person that is or becomes a Subsidiary of QEP at or after the Effective Date.

(87) “QEP Indemnitees” shall mean each member of the QEP Group, their respective Affiliates’ respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(88) “QEP Liabilities” shall mean:

(i) the Liabilities listed or described on Schedule 1.1(88)(i) and any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement as Liabilities to be retained, assumed or retired by any member of the QEP Group;

(ii) any and all Liabilities of any member of the QEP Group primarily relating to, arising out of or resulting from:

(A) the operation or conduct of the QEP Business, as conducted at any time prior to, on or after the Effective Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative of any member of the QEP Group (whether or not such act or failure to act is or was within such Person’s authority));

(B) the operation or conduct of any business conducted by any member of the QEP Group at any time after the Effective Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative any member of the QEP Group after the Effective Date (whether or not such act or failure to act is or was within such Person’s authority)); or

(C) the QEP Business or any QEP Assets, whether arising before, on or after the Effective Date;

(iii) any and all Liabilities to the extent relating to, arising out of or resulting from any terminated, discontinued or divested Business Entity, business, real property, Asset or operation formerly and primarily owned or managed by, or associated with, any member of the QEP Group;

(iv) any and all Liabilities (including under applicable federal and state securities Laws) relating to, arising out of or resulting from:

(A) any Pre-Separation Disclosure, but only to the extent such Liabilities arise out of or result from matters related to businesses, operations, assets or liabilities allocated to QEP in the Separation pursuant to this Agreement; and

(B) any QEP Disclosure;

(v) any and all Liabilities, including those Liabilities listed on Schedule 1.1(88)(v), relating to, arising out of or resulting from any Indebtedness (including debt securities) of any member of the QEP Group (whether incurred prior to, on or after the Effective Date);

(vi) any Exclusive QEP Contingent Liability;

(vii) any and all Liabilities of the guarantor under the guarantees listed or described on Schedule 1.1(88)(vii); and

(viii) any and all obligations of an insured Person under each Third Party QEP Policy, and each Third Party Shared Policy to the extent related to or arising out of the QEP Business.

(ix) Notwithstanding the foregoing, the QEP Liabilities shall in any event not include:

(A) any Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement as Liabilities to be retained or assumed by any member of the Questar Group, including any Liabilities set forth on Schedule 1.1(101)(i);

(B) any Liabilities related or attributable to, or arising in connection with, the employment, service, termination of employment or termination of service of QEP Employees, which shall be exclusively governed by the Employee Matters Agreement;

(C) any Liabilities related or attributable to, or arising in connection with, Taxes or Tax Returns, which shall be exclusively governed by the Tax Matters Agreement; and

(D) any Liabilities of the guarantor under the guarantees listed or described on Schedule 1.1(101)(vii).

FOR THE AVOIDANCE OF DOUBT, NO LIABILITY SHALL BE AN QEP LIABILITY SOLELY AS A RESULT OF QEP OR ANY OTHER MEMBER OF THE QEP GROUP BEING NAMED AS PARTY TO, OR IN, ANY ACTION.

(89) "QEP Percentage" shall mean 56.33% or, with respect to those matters listed or described on Schedule 1.1(123)(iv), the percentage allocated to QEP therein with respect to each specific item (if so allocated).

(90) "Questar" shall have the meaning set forth in the preamble hereof.

(91) "Questar Accounts" shall have the meaning set forth in Section 2.5(a).

(92) "Questar Assets" shall mean, subject to ARTICLE X, all Assets owned, leased or held by any member of the Questar Group immediately prior to the Effective Date, including the ownership interests in Wexpro, any Assets acquired by a member of the Questar Group pursuant to this Agreement, all Questar Contracts, the Questar Books and Records, any Asset arising from or primarily related to a Questar Liability including any Actions constituting Questar Liabilities, the proceeds from any sale, loss or other disposition of any Questar Assets, all Questar Contracts, any Exclusive Questar Contingent Gain and all Questar Accounts.

(93) "Questar Books and Records" means the corporate books and records (whether in hard copy or electronic format and including all minute books, corporate charters and by-laws or comparable constitutive documents, records of share issuances and related corporate records) of any member of the Questar Group and such other books and records, including operating, accounting, engineering, corporate department and any other written record, whether in hard copy or electronic format, to the extent they primarily relate to the Questar Business, the Questar Assets or the Questar Liabilities, including, without limitation, all such books and records primarily relating to Questar Employees as of the Effective Date, the purchase of materials, supplies and services, dealings with customers of the Questar Business, and all files relating to any action the liability with respect to which is an Questar Liability, except that no portion of the books and records of the QEP Group containing minutes of meetings of any board of directors of any of them shall be included. Notwithstanding the foregoing, "Questar Books and Records" shall not include any Tax Returns or other information, documents or materials relating to Taxes.

(94) "Questar Business" shall mean:

(i) Questar's natural-gas retail distribution business, which provides retail natural gas distribution services in Utah, Wyoming and Idaho;

(ii) Questar's natural-gas pipeline business, which provides interstate natural gas transportation and storage and other energy services, (other than with respect to the Rendezvous Pipeline and the Clear Creek Storage facility referred to in clause (ii) of the definition of QEP Business above);

(iii) Wexpro, which manages, develops and produces cost-of-service reserves for Questar's natural-gas retail distribution business;

(iv) any other business, operations, or assets where such business was conducted primarily through the use of the Questar Assets prior to the Effective Date; and

(v) the businesses and operations of Business Entities acquired or established by or for any member of the Questar Group after the Effective Date.

(95) "Questar Common Stock" shall mean the issued and outstanding shares of common stock of Questar.

(96) "Questar Contracts" shall mean any Contracts to which any member of the Questar Group is a party or by which any member of the Questar Group or any of their respective Assets is bound, including any such Contract or part thereof that is expressly contemplated to be transferred or assigned to any member of the Questar Group pursuant to any provision of this Agreement or any Ancillary Agreement, but excluding any such Contract or part thereof that is expressly contemplated to be transferred or assigned to (or remain with) any member of the QEP Group pursuant to any provision of this Agreement or any Ancillary Agreement.

(97) "Questar Disclosure" shall mean any form, statement, schedule or other material (other than the Disclosure Documents) filed with or furnished to

(A) the Commission,

(B) any other Governmental Entity, or

(C) holders of any securities of any member of the Questar Group,

on or after the Effective Date by or on behalf of any member of the Questar Group in connection with the registration, sale, or distribution of securities or disclosure related thereto (including periodic disclosure obligations).

(98) "Questar Employee" shall have the meaning set forth in the Employee Matters Agreement.

(99) "Questar Group" shall mean Questar and each Person identified on Schedule 1.1(99), and each Person that is or becomes a Subsidiary of Questar at or after the Effective Date.

(100) "Questar Indemnitees" shall mean each member of the Questar Group, and each of their respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(101) “Questar Liabilities” shall mean:

(i) the Liabilities listed or described on Schedule 1.1(101)(i) and any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement as Liabilities to be retained, assumed or retired by any member of the Questar Group;

(ii) any and all Liabilities of any member of the Questar Group, primarily relating to, arising out of or resulting from:

(A) the operation or conduct of the Questar Business, as conducted at any time prior to, on or after the Effective Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative of any member of the Questar Group (whether or not such act or failure to act is or was within such Person’s authority));

(B) the operation or conduct of any business conducted by any member of the Questar Group at any time after the Effective Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative of any member of the Questar Group after the Effective Date (whether or not such act or failure to act is or was within such Person’s authority)); or

(C) the Questar Business or any Questar Assets, whether arising before, on or after the Effective Date;

(iii) any and all Liabilities to the extent relating to, arising out of or resulting from any terminated, discontinued or divested Business Entity, business, real property, Asset or operation formerly and primarily owned or managed by, or associated with, any member of the Questar Group or any Questar Business;

(iv) any and all Liabilities (including under applicable federal and state securities Laws) relating to, arising out of or resulting from:

(A) any Pre-Separation Disclosure, but only to the extent such Liabilities arise out of, or result from, matters related to businesses, operations, assets or liabilities allocated to Questar in the Separation pursuant to this Agreement; and

(B) any Questar Disclosure;

(v) any and all Liabilities, including those Liabilities listed on Schedule 1.1(101)(v), relating to, arising out of or resulting from any Indebtedness (including debt securities) of any member of the Questar Group (whether incurred prior to, on or after the Effective Date);

(vi) any Exclusive Questar Contingent Liability;

(vii) any and all Liabilities of the guarantor under the guarantees listed or described on Schedule 1.1(101)(vii);

(viii) any and all obligations of an insured Person under each Third Party Questar Policy and each Third Party Shared Policy to the extent related to or arising out of the Questar Business; and

(ix) Notwithstanding the foregoing, the Questar Liabilities shall not in any event include:

(A) any Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement as Liabilities to be retained or assumed by any member of the QEP Group, including any Liabilities set forth on Schedule 1.1(88)(i);

(B) any Liabilities related or attributable to, or arising in connection with, the employment, service, termination of employment or termination of service of Questar Employees, which shall be exclusively governed by the Employee Matters Agreement;

(C) any Liabilities related or attributable to, or arising in connection with, Taxes or Tax Returns, which shall be exclusively governed by the Tax Matters Agreement; and

(D) any Liabilities of the guarantor under the guarantees listed or described on Schedule 1.1(88)(vii).

FOR THE AVOIDANCE OF DOUBT, NO LIABILITY SHALL BE A QUESTAR LIABILITY SOLELY AS A RESULT OF QUESTAR OR ANY OTHER MEMBER OF THE QUESTAR GROUP BEING NAMED AS PARTY TO, OR IN, ANY ACTION.

(102) "Questar Percentage" means 43.67% or, with respect to those matters listed or described on Schedule 1.1(123)(iv), the percentage allocated to Questar therein with respect to each specific item (if so allocated).

(103) "Record Date" shall mean the date to be determined by the Board of Directors of Questar as of the record date for the Distribution.

(104) "Records" shall mean any Contracts, documents, books, records or files.

(105) "Rules" shall have the meaning set forth in Section 9.2.

(106) "Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time that reference is made thereto.

(107) "Security Interest" shall mean any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, condition, easement, encroachment, restriction on transfer, or other encumbrance of any nature whatsoever, excluding restrictions on transfer under securities Laws.

(108) "Separation" shall have the meaning set forth in the recitals hereto.

(109) "Software" shall mean all computer programs (whether in source code, object code, or other form), algorithms, databases, compilations and data, and technology supporting the foregoing, and all documentation, including flowcharts and other logic and design diagrams, technical, functional and other specifications, and user and training materials related to any of the foregoing.

(110) "Subsidiary" shall mean with respect to any Person (i) a corporation, twenty-five percent (25%) or more of the voting capital stock of which is, as of the time in question, directly or indirectly owned by such Person and (ii) any other limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or other entity in which such Person, directly or indirectly, owns twenty-five percent (25%) or more of the equity economic interest thereof or has the power to elect or direct the election of twenty-five percent (25%) or more of the members of the governing body of such entity or has control over such entity (e.g., as the managing partner of a partnership).

(111) "Tax" shall have the meaning set forth in the Tax Matters Agreement.

(112) "Tax Matters Agreement" shall mean the Tax Matters Agreement by and between Questar and QEP dated as of the date hereof, and substantially in the form attached as Exhibit B hereto.

(113) "Tax Return" shall have the meaning set forth in the Tax Matters Agreement.

(114) [Intentionally Left Blank]

(115) "Third Party Claim" shall have the meaning set forth in Section 7.4(b).

(116) "Third Party QEP Policies" shall mean all Policies, whether or not in force on the Effective Date, issued by unaffiliated third-party insurers to Questar, QEP, or any of their respective Affiliates, which cover risks that relate exclusively to the QEP Business.

(117) "Third Party Proceeds" shall have the meaning set forth in Section 7.6(a).

(118) "Third Party Shared Policies" shall mean all Policies, whether or not in force on the Effective Date, issued by unaffiliated third-party insurers to Questar, QEP, or any of their respective Affiliates, which cover risks that relate to both the Questar Business and the QEP Business. For the avoidance of doubt, Third Party Shared Policies shall not include any Third Party QEP Policies or Third Party Questar Policies.

(119) "Third Party Questar Policies" shall mean all Policies, whether or not in force on the Effective Date, issued by unaffiliated third-party insurers to Questar, QEP, or any of their respective Affiliates, which cover risks that relate exclusively to the Questar Business.

(120) “Trademarks” shall mean all United States and foreign trademarks, service marks, corporate names, trade names, domain names, logos, slogans, designs, trade dress and other similar identifiers of source or origin, whether registered or unregistered, together with the goodwill connected with the use of and symbolized by any of the foregoing.

(121) “Transition Services Agreement” shall mean the Transition Services Agreement by and between Questar and QEP, dated as of the date hereof, and substantially in the form attached as Exhibit C hereto.

(122) “Unallocated Contingent Gain” shall mean any Contingent Gain that is not an Exclusive Questar Contingent Gain or an Exclusive QEP Contingent Gain.

(123) “Unallocated Liability” shall mean, without duplication:

(i) any and all Liabilities of Questar, QEP, or any of their respective Affiliates, that accrue prior to the Effective Date that are neither an QEP Liability nor a Questar Liability;

(ii) any and all Contingent Liabilities that are neither an Exclusive Questar Contingent Liability nor an Exclusive QEP Contingent Liability

(iii) any and all Liabilities (including under applicable federal and state securities Laws) relating to, arising out of or resulting from a misstatement or omission contained in the sections of the Form 8-K filed in connection with the Separation; or

(iv) any and all Liabilities of Questar, QEP, or any of their respective Affiliates, relating to, arising out of, or resulting from, the matters listed or described on Schedule 1.1(123)(iv).

(124) “Wexpro” shall mean Wexpro Company, a wholly owned subsidiary of QEP as of the date hereof, which shall be a wholly owned subsidiary of Questar at the Distribution Date.

(125) “Wexpro Agreement” means that certain Wexpro Stipulation and Agreement by and among Wexpro and the other parties thereto, effective August 1, 1981.

(126) “Wexpro Guideline Letters” means those certain letters establishing guidelines for performance under the Wexpro Agreement.

(127) “Wyoming Courts” shall have the meaning set forth in Section 11.20(b).

Section 1.2 References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. Any action to be taken by the Board of Directors of a Party may be taken by a committee of the Board of Directors of such Party if properly delegated by the Board of Directors of a Party to such committee. Unless the context otherwise requires:

(i) the words “include”, “includes” and “including” when used in this Agreement shall be deemed to be followed by the phrase “without limitation”;

(ii) references in this Agreement to Articles, Sections, Annexes, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement;

(iii) the words “hereof”, “hereby” and “herein” and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement; and

(iv) references in this Agreement to any time shall be to New York City, New York time unless otherwise expressly provided herein.

Section 1.3 Effective Date. This Agreement shall be effective as of the Effective Date.

Section 1.4 Tax Matters. The Tax Matters Agreement will govern Questar’s and QEP’s respective rights, responsibilities and obligations after the Separation with respect to Taxes, including ordinary course of business Taxes and Taxes, if any, incurred as a result of any failure of the Separation to qualify as a tax-free reorganization for U.S. federal income tax purposes. The Tax Matters Agreement sets forth the respective obligations of Questar and QEP with respect to the filing of Tax returns, the administration of Tax contests, cooperation and other matters, and imposes certain restrictions on Questar’s and QEP’s ability to engage in certain actions following the Separation. Except as expressly set forth in this Agreement or any Ancillary Agreement, all matters relating to Taxes in connection with the transactions contemplated by this Agreement shall be governed exclusively by the Tax Matters Agreement.

Section 1.5 Employee Matters. The Employee Matters Agreement will govern Questar’s and QEP’s respective rights, responsibilities and obligations after the Separation relating to, arising out of, or resulting from the employment, service, termination of employment or termination of service of QEP Employees and Questar Employees. Except as expressly set forth in this Agreement or any Ancillary Agreement, all matters relating to the above in connection with the transactions contemplated by this Agreement shall be governed exclusively by the Employee Matters Agreement.

ARTICLE II. THE SEPARATION

Section 2.1 General. Subject to the terms and conditions of this Agreement, including Section 4.4, the Parties shall use, and shall cause their respective Affiliates to use, their respective commercially reasonable efforts to consummate the transactions contemplated hereby to separate the QEP Business from the Questar Business.

Section 2.2 Sale of Assets.

(a) On or prior to the Effective Date:

(i) The applicable member of the QEP Group shall sell or cause to be sold, and the applicable member of the Questar Group shall purchase or cause to be purchased from the applicable member of the QEP Group, each of the Assets set forth

on Schedule 2.2(a)(i) for an amount of cash equal to the amount set forth next to each such Asset, which such amount is estimated to be the current fair market value of such Asset; and

(ii) The applicable member of the Questar Group shall sell or cause to be sold, and the applicable member of the QEP Group shall purchase or cause to be purchased the applicable member of the Questar Group, each of the Assets set forth on Schedule 2.2(a)(ii) for an amount of cash equal to the amount set forth next to each such Asset, which such amount is estimated to be the current fair market value of such Asset.

(b) Unless otherwise agreed to by the Parties, each of Questar and QEP, as applicable, shall be entitled to designate the applicable member of such Party's respective Group to which any Assets are to be transferred pursuant to this Section 2.2 or Section 2.7.

Section 2.3 Assumption and Satisfaction of Liabilities. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN ANY ANCILLARY AGREEMENT, FROM AND AFTER THE EFFECTIVE DATE, (A) QUESTAR SHALL, OR SHALL CAUSE ANOTHER MEMBER OF THE QUESTAR GROUP TO, ACCEPT, ASSUME (OR, AS APPLICABLE, RETAIN) AND PERFORM, DISCHARGE AND FULFILL, IN ACCORDANCE WITH THEIR RESPECTIVE TERMS, THE QUESTAR LIABILITIES AND THE QUESTAR PERCENTAGE OF ANY UNALLOCATED LIABILITY TO BE ACCEPTED, ASSUMED (OR AS APPLICABLE, RETAINED) PURSUANT TO THIS AGREEMENT, IF ANY, AND (B) QEP SHALL, OR SHALL CAUSE ANOTHER MEMBER OF THE QEP GROUP TO, ACCEPT, ASSUME (OR, AS APPLICABLE, RETAIN) AND PERFORM, DISCHARGE AND FULFILL, IN ACCORDANCE WITH THEIR RESPECTIVE TERMS, THE QEP LIABILITIES AND THE QEP PERCENTAGE OF ANY UNALLOCATED LIABILITY TO BE ACCEPTED, ASSUMED (OR AS APPLICABLE, RETAINED) PURSUANT TO THIS AGREEMENT, IF ANY, IN EACH CASE REGARDLESS OF (I) WHEN OR WHERE SUCH LIABILITIES AROSE OR ARISE, (II) WHERE OR AGAINST WHOM SUCH LIABILITIES ARE ASSERTED OR DETERMINED AND (III) REGARDLESS OF WHETHER ARISING FROM OR ALLEGED TO ARISE FROM NEGLIGENCE, GROSS NEGLIGENCE, RECKLESSNESS, VIOLATION OF LAW, WILLFUL MISCONDUCT, BAD FAITH, FRAUD OR MISREPRESENTATION BY ANY MEMBER OF THE QUESTAR GROUP OR THE QEP GROUP, AS THE CASE MAY BE, OR ANY OF THEIR PAST OR PRESENT RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS, AND (IV) REGARDLESS OF WHICH ENTITY IS NAMED IN ANY ACTION ASSOCIATED WITH ANY LIABILITY. TO THE EXTENT THAT QEP SHALL BE LIABLE FOR ANY PORTION OF ANY QUESTAR LIABILITY, SUCH OBLIGATION SHALL BE SATISFIED BY NETTING THE AMOUNT OF QEP'S PORTION OF SUCH QUESTAR LIABILITY FROM THE INTERNAL CONTRIBUTION PURSUANT TO SECTION 3.1(iii), EXCEPT WITH RESPECT TO SECTION 2.13 AS REFLECTED IN SCHEDULE 2.4(a) HEREOF.

Section 2.4 Intercompany Accounts.

(a) Each Intercompany Account outstanding immediately prior to the Distribution Date, if any, in any general ledger account of Questar, QEP or any member of their respective Groups, other than those set forth on Schedule 2.4(b), but including those items set

forth on Schedule 2.4(a), shall be satisfied and/or settled by the relevant members of the Questar Group and the QEP Group no later than the Distribution Date by cash payment by the relevant obligor to the relevant obligee or, in the case of those items set forth on Schedule 2.4(a), by offsetting against the Internal Contribution, in each case as agreed to by the Parties or if such amounts are not known on the Distribution Date, within 45 days of the Distribution Date. In the event items on Schedule 2.4(a) are estimated at the Distribution Date, Questar and QEP agree to true up to actual and settle such amounts on the earliest date actual amounts become known but in no event later than September 1, 2011.

(b) Each Intercompany Account outstanding immediately prior to the Distribution Date, if any, under any of the general ledger accounts of Questar, QEP or any member of their respective Groups as set forth on Schedule 2.4(b), shall continue to be outstanding after the Distribution Date (unless previously satisfied in accordance with its terms) and thereafter (i) shall be an obligation of the relevant Party (or the relevant member of such Party's Group), each responsible for fulfilling its (or a member of such Party's Group's) obligations in accordance with the terms and conditions applicable to such obligation, and (ii) shall be for each relevant Party (or the relevant member of such Party's Group) an obligation to a third party and shall no longer be an Intercompany Account and shall be settled by a cash payment from the obligor party within 45 days of the Distribution Date.

Section 2.5 Bank Accounts; Payments.

(a) The Parties agree to take, or cause the respective members of their respective Groups to take, at the Effective Date (or such other time as the Parties may agree), all actions necessary to amend all Contracts governing each bank and brokerage account owned by QEP or any other member of the QEP Group (the "QEP Accounts"), including all QEP Accounts listed or described on Schedule 2.5(a), so that such QEP Accounts, if currently linked (whether by automatic withdrawal, automatic deposit, or any other authorization to transfer funds from or to, hereinafter "linked") to any bank or brokerage account owned by Questar or any other member of the Questar Group (the "Questar Accounts"), are de-linked from the Questar Accounts. From and after the Effective Date, no Questar Employee or Former Questar Employee shall have any authority to access or control any QEP Account, except as provided for through the Transition Services Agreement.

(b) The Parties agree to take, or cause the respective members of their respective Groups to take, at the Effective Date (or such earlier time as the Parties may agree), all actions necessary to amend all Contracts governing the Questar Accounts so that such Questar Accounts, if currently linked to a QEP Account, are de-linked from the QEP Accounts. From and after the Effective Date, no QEP Employee or Former QEP Employee shall have any authority to access or control any Questar Account.

(c) It is intended that, following consummation of the actions contemplated by sections (a) and (b) above, there will be in place a cash management system pursuant to which the QEP Accounts will be managed by QEP.

(d) It is intended that, following consummation of the actions contemplated by sections (a) and (b) above, there will be in place a cash management system pursuant to which the Questar Accounts will be managed by Questar.

(e) With respect to any outstanding checks issued by Questar, QEP, or any of their respective Subsidiaries prior to the Effective Date, such outstanding checks shall be honored following the Effective Date by the entity or Group owning the account on which the check is drawn.

(f) As between the two Parties (and the members of their respective Groups) all payments and reimbursements received after the Effective Date by any Party (or member of its Group) that relate to a Business, Asset or Liability of another Party (or member of its Group), shall be held by such Party in trust for the use and benefit of the Party entitled thereto (at the expense of the Party entitled thereto) and, promptly upon receipt by such Party of any such payment or reimbursement, such Party shall pay over, or shall cause the applicable member of its Group to pay over to the other Party the amount of such payment or reimbursement without right of set-off.

Section 2.6 Limitation of Liability.

(a) Except as otherwise expressly provided in this Agreement, no Party or any member of such Party's Group shall have any Liability to any other Party or any member of each other Party's Group in the event that any Information exchanged or provided pursuant to this Agreement (but excluding any such information included in a Disclosure Document) which is an estimate or forecast, or which is based on an estimate or forecast, is found to be inaccurate.

(b) Except as provided in this Agreement, no Party or any member of such Party's Group shall have any Liability to any other Party or any member of such other Party's Group based upon, arising out of or resulting from any Contract, arrangement, course of dealing or understanding existing on or prior to the Effective Date (that is not memorialized by an Ancillary Agreement), and each Party hereby terminates, and shall cause all members in its Group to terminate, any and all Contracts, arrangements, course of dealings or understandings between it or any members in its Group and the other Party, or any members of its Group, effective as of the Effective Date listed on Schedule 2.6(b), and any such Liability, whether or not in writing, arising from an Ancillary Agreement listed on Schedule 2.6(b), is hereby irrevocably cancelled, released and waived effective as of the Effective Date. For the avoidance of doubt, no such terminated Ancillary Agreement, Contract, arrangement, course of dealing or understanding (including any provision thereof which purports to survive termination) shall be of any further force or effect after the Effective Date.

(c) The provisions of Section 2.6(b) shall not apply to any of the following Contracts, arrangements, course of dealings or understandings (or to any of the provisions thereof):

- (i) any Contracts to which any Person other than the Parties and their respective Affiliates is a Party; and

(ii) any Contract, agreements, arrangements, commitments or understandings to which any non-wholly-owned Subsidiary or non-wholly-owned Affiliate of Questar or QEP is a Party.

Section 2.7 Transactions Not Effected On or Prior to the Effective Date.

(a) To the extent that any transaction contemplated by this ARTICLE II shall not have been consummated on or prior to the Effective Date, the Parties shall cooperate to effect such transaction as promptly following the Effective Date as shall be practicable. Nothing herein shall be deemed to require the sale or acquisition of any Assets or the assumption of any Liabilities which by their terms or operation of Law cannot be sold, acquired or assumed, as applicable; provided, however, that the Parties shall, and shall cause the respective members of their Groups to, cooperate and use commercially reasonable efforts to seek to obtain any necessary Consents or Governmental Approvals for the sale and acquisition of all Assets and the assumption of all Liabilities contemplated to be sold, acquired or assumed, as applicable, pursuant to this ARTICLE II. In the event that any such transaction has not been consummated from and after the Effective Date (i) the Party (or relevant member in its Group) retaining any Assets intended to be sold pursuant to Section 2.2 shall thereafter hold (or shall cause such member in its Group to hold) such Asset for the use and benefit of the Party (or relevant member in its Group) entitled thereto (at the expense of the Person entitled thereto) and (ii) the Party intended to assume such Liability pursuant to Section 2.3 shall, or shall cause the applicable member of its Group to, pay or reimburse the Party (or the relevant member of its Group) retaining such Liability for all amounts paid or incurred in connection with the retention of such Liability. In addition, the Party retaining such Asset or Liability (or relevant member of its Group) shall (or shall cause such member in its Group to) treat, insofar as reasonably possible and to the extent permitted by applicable Law, such Asset or Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the Party to which such Asset or Liability is to be sold or assumed in order to place such Party, insofar as reasonably possible, in the same position as if such Asset or Liability had been sold or assumed as contemplated hereby and so that all the benefits and burdens relating to such Asset or Liability, including possession, use, risk of loss, potential for gain, and dominion, control and command over such Asset or Liability, are to inure from and after the Effective Date to the relevant member of the Questar Group or the QEP Group, as the case may be, entitled to the receipt of such Asset or Liability.

(b) If and when the Consents, Governmental Approvals and/or conditions, the absence or non-satisfaction of which caused the deferral of the sale of any Asset or the assumption of any Liability pursuant to Section 2.7(a), are obtained or satisfied, the sale, assignment or novation of the applicable Asset or Liability shall be effected in accordance with and subject to the terms of this Agreement and/or the applicable Ancillary Agreement as promptly as practicable after the receipt of such Consents, Governmental Approvals and/or absence or satisfaction of conditions.

(c) The Party (or relevant member of its Group) retaining any Asset or Liability due to the deferral of the sale or assignment of such Asset or the deferral of the assumption of such Liability pursuant to Section 2.7(a) shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced, or agreed in

advance to be reimbursed by the Party (or relevant member of its Group) intending to purchase such Asset or assume such Liability, other than reasonable out-of-pocket attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the Party intending to purchase such Asset or assume such Liability (or relevant member of its Group).

(d) On and prior to the twenty-four (24) month anniversary of the Effective Date, as applicable, if it is determined that a Party (or any member of its Group) owned as of the Effective Date (and continues to own), all or any portion of any Asset which was intended by the terms of this Agreement to be sold to the other Party (or any member of its Group) or that is agreed by such Party and the other Party in their good faith judgment to be an Asset all or any portion of which more properly belongs to the other Party, then the Party owning such Asset shall sell or shall cause all or any such portion of such Asset to be sold for cash to the Party (or relevant member of its Group) identified as the appropriate owner of such Asset for the estimated current fair market value of such Asset, and following such sale, such Asset (or the applicable portion thereof) shall be an QEP Asset or Questar Asset, as the case may be. In connection with such sale, the acquiring party shall assume all or an applicable portion of the Liabilities related to such Asset. Following the twenty-four (24) month anniversary of the Effective Date, no Party (or relevant member of its Group) shall be obligated to sell or otherwise transfer any newly recognized Asset that would have been sold to the other Party (or relevant member of its Group) had such Asset been recognized at the Effective Date.

(e) After the Effective Date, each Party (or any member of its Group) may receive mail, telegrams, packages and other communications properly belonging to the other Party (or any member of its Group). Accordingly, at all times after the Effective Date, each Party authorizes the other Party (or any member of its Group) to receive and open all mail, telegrams, packages and other communications received by such Party (or any member of its Group) and not unambiguously intended for such first Party, any member of such first Party's Group or any of their respective officers, directors, employees or other agents, and to the extent that they do not relate to the business of the receiving Party, the receiving party shall promptly deliver such mail, telegrams, packages or other communications (or, in case the same relate to both businesses, copies thereof) to the other Party as provided for in Section 11.6. The provisions of this Section 2.7(e) are not intended to, and shall not, be deemed to constitute an authorization by any Party (or any member of its Group) to permit the other to accept service of process on its (or its members') behalf and no Party (or any member of its Group) is or shall be deemed to be the agent of the other Party (or any member of its Group) for service of process purposes.

Section 2.8 Conveyance and Assumption Instruments. In connection with, and in furtherance of, the sale and conveyances of Assets and the acceptance and assumptions of Liabilities contemplated by this Agreement, the Parties shall execute or cause to be executed, on or prior to the Effective Date, by the appropriate entities, the Conveyance and Assumption Instruments, if any, necessary to evidence the valid and effective assumption by the applicable Party (or any member of its Group) of its assumed Liabilities, and the valid sale and conveyance to the applicable Party (or member of such Party's Group) of all right, title and interest in and to its acquired Assets, including the instruments described in Section 2.12. Further, the Parties recognize and acknowledge that Questar, by and through its subsidiary, Questar Pipeline Company, holds operating rights in federal or state oil and gas leases that were in effect prior to

August 1, 1981 and listed as leases subject to the Wexpro Stipulation and Agreement for its gas storage reservoirs commonly referred to as Clay Basin, Leroy, Coalville and Chalk Creek storage reservoirs. To the extent that QEP holds any operating rights in said federal, fee or state oil and gas leases as to the approved storage zone or formation for these gas storage reservoirs, QEP shall convey, transfer, and assign any and all of its operating rights in and to said storage zones or formations within the governmentally approved boundary for these storage reservoirs to Questar Pipeline.

Section 2.9 Further Assurances.

(a) In addition to and without limiting the actions specifically provided for elsewhere in this Agreement, including Section 2.7, each of the Parties shall cooperate with each other and use (and will cause the relevant member of its Group to use) commercially reasonable efforts, prior to, on and after the Effective Date, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the transactions specifically contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, each Party shall cooperate with the other Party, from and after the Effective Date, to execute and deliver, or use commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all Consents and/or Governmental Approvals, any permit, license, Contract, indenture or other instrument (including any Consents or Governmental Approvals), and to take all such other actions as such Party may reasonably be requested to take by any other Party from time to time, consistent with the terms of this Agreement and the Ancillary Agreements and with the best interest of the Party whose cooperation is requested, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the other transactions specifically contemplated hereby and thereby.

Section 2.10 Novation of Liabilities; Consents.

(a) Each Party, at the request of the other Party, shall use commercially reasonable efforts to obtain, or to cause to be obtained, any Consent, release, substitution or amendment required to novate or assign all obligations under Contracts, licenses and other obligations or Liabilities for which a member of such Party's Group and a member of the Party's Group are jointly or severally liable and that do not constitute Liabilities of such other Party as provided in this Agreement (such other Party, the "Other Party"), or to obtain in writing the unconditional release of all parties to such arrangements (other than any member of the Group who assumed or retained such Liability as set forth in this Agreement), so that, in any such case, the members of the applicable Group will be solely responsible for such Liabilities; provided, however, that no Party shall be obligated to pay any consideration therefor to any third party from whom any such Consent, substitution or amendment is requested (unless such Party is fully reimbursed by the requesting Party).

(b) If the Parties are unable to obtain, or to cause to be obtained, any such required Consent, release, substitution or amendment, the Other Party or a member of such Other

Party's Group shall continue to be bound by such Contract, license or other obligation that does not constitute a Liability of such Other Party; provided, however, that the Other Party shall not be obligated to extend, renew or otherwise cause such Contract, license or other obligation to remain in effect beyond the term in effect as of the Effective Date. The Other Party shall, without further consideration, promptly pay and remit, or cause to be promptly paid or remitted, to the Party or to another member of such Party's Group liable for such Liability (the "Liable Party") all money, rights and other consideration received by it or any member of its Group in respect of such performance by the Liable Party (unless any such consideration is an Asset of such Other Party pursuant to this Agreement). If and when any such Consent, release, substitution or amendment shall be obtained or such agreement, lease, license or other rights or obligations shall otherwise become assignable or able to be novated, the Other Party shall promptly assign, or cause to be assigned, all rights, obligations and other Liabilities thereunder of any member of such Other Party's Group to the Liable Party or to another member of the Liable Party's Group without payment of any further consideration and the Liable Party, or another member of such Liable Party's Group, without the payment of any further consideration, shall assume such rights and Liabilities.

Section 2.11 Guarantees.

(a) Questar shall (with the commercially reasonable cooperation of QEP and the other members of the QEP Group) use its commercially reasonable efforts, if so requested by QEP, to have any member of the QEP Group removed as guarantor of, or obligor for, any Questar Liability, with respect to those guarantees listed or described on Schedule 2.11(a).

(b) QEP shall (with the commercially reasonable cooperation of Questar and the other members of the Questar Group) use its commercially reasonable efforts, if so requested by Questar, to have any member of the Questar Group removed as guarantor of, or obligor for, any QEP Liability, with respect to those guarantees listed or described on Schedule 2.11(b), (each of the releases referred to in paragraphs (a) and (b) of this subsection, a "Guaranty Release").

(c) Until Questar or QEP is able to obtain, or to cause to be obtained, any such required removal as set forth in clauses (a) and (b) of this Section 2.11, each of Questar and QEP agree to use their commercially reasonable efforts to not renew or extend the term of, increase its obligations under, or transfer to a third party, any loan, guarantee, lease, contract or other obligation for which another Party is or may be liable unless (i) all obligations of such other Party and the other members of such Party's Group with respect thereto are thereupon terminated by documentation reasonably satisfactory in form and substance to such other Party or (ii) in the event a Guaranty Release is not obtained and such first Party wishes to extend the term of such guaranteed loan, guarantee, lease, contract or other obligation then such first Party shall have the option of extending the term if it provides such security as is reasonably satisfactory to the guarantor under such guarantee.

(d) For the avoidance of doubt, each of the items listed or described on Schedule 2.11(a) are Questar Liabilities and, notwithstanding whether the guarantees are removed pursuant to Section 2.11(a), such guarantees shall continue to be Questar Liabilities and Questar shall indemnify and hold harmless all QEP Indemnitees against any Indemnifiable Loss arising from or relating thereto in accordance with the provisions of ARTICLE VII.

(e) For the avoidance of doubt, each of the items listed or described on Schedule 2.11(b), are QEP Liabilities and, notwithstanding whether the guarantees are removed pursuant to Section 2.11(b), such guarantees shall continue to be QEP Liabilities and QEP shall indemnify and hold harmless all Questar Indemnitees against any Indemnifiable Loss arising from or relating thereto in accordance with the provisions of ARTICLE VII.

(f) Each of the Parties shall, and shall cause the other members of their respective Groups to, use their commercially reasonable efforts to evaluate or to assist the other Party in evaluating any guarantee required to be so evaluated by FASB Interpretation No. 45, “*Guarantor’s Accounting and Disclosure Requirements for Guarantees, including Indirect Guarantees of Indebtedness of Others.*”

Section 2.12 Wexpro Property Title Transfer. On or prior to July 1, 2011, QEP Energy Company (f/k/a Questar Exploration and Production Company), Wexpro and such other members of the Questar Group or QEP Group as necessary, shall execute such deeds (without warranty of title) and other instruments as the Parties may mutually deem appropriate, including Bureau of Land Management forms of Transfer of Operating Rights, to transfer title to Wexpro Company’s interest in the Productive Gas and Oil Reservoirs and the Prior Wells and Development Wells (as defined in the Wexpro Agreement and Wexpro Guideline Letters) from QEP Energy Company to Wexpro Company. Notwithstanding the forgoing, the transfers described in this Section 2.12 shall not affect how ownership of the interests and rights described in this Section 2.12 is reported for tax purposes, and such interests and rights shall have been considered Questar Assets prior to such transfers and shall continue to be treated as Questar Assets for all purposes of this Agreement.

Section 2.13 Questar Building Lease Agreements. Pursuant to the Amended and Restated Lease Agreement (Lease Agreement) dated as of July 6, 2005, between Wells REIT II and Questar Corporation for its main office located at 180 East 200 South, Salt Lake City, Utah, (Leased Premises) the Parties agree that any and all costs incurred by Questar Corporation (and not otherwise covered by its Sublessees of the Leased Premises) upon surrender of the Leased Premises to the Lessor (as defined in the Lease Agreement) shall be borne and paid by the Parties under the “Distrigas” formula using the Distrigas Percentages.

Section 2.14 Questar Non-Profit Foundations. Questar has organized and maintained three non-profit foundations by contributing company stock to help sustain these foundations. Questar will retain all rights, interests and obligations with respect to the Questar Arts Foundation and the Questar Native American Foundation. Questar will split the Questar Education Foundation and transfer certain assets to the QEP Resources Education Foundation as set forth on Schedule 2.14 with QEP serving as trustee of such Foundation.

Section 2.15 Disclaimer of Representations and Warranties. EACH OF QUESTAR (ON BEHALF OF ITSELF AND EACH OTHER MEMBER OF THE QUESTAR GROUP), AND QEP (ON BEHALF OF ITSELF AND EACH OTHER MEMBER OF THE QEP GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY OTHER ANCILLARY AGREEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENTS OR

OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS SOLD OR LIABILITIES ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS OR GOVERNMENTAL APPROVALS REQUIRED IN CONNECTION HERewith OR THEREWITH, AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS OF, OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY ACTION OR OTHER ASSET, INCLUDING ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY ASSIGNMENT, DOCUMENT, CERTIFICATE OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, **ANY ASSETS SOLD PURSUANT TO THIS AGREEMENT ARE BEING SOLD ON AN "AS IS," "WHERE IS" BASIS** (AND, IN THE CASE OF ANY REAL PROPERTY, BY MEANS OF A DEED OR CONVEYANCE WITHOUT WARRANTY) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE SHALL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, AND (II) ANY NECESSARY CONSENTS OR GOVERNMENTAL APPROVALS ARE NOT OBTAINED OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH. NOTWITHSTANDING THE FORGOING, THIS SECTION 2.15 SHALL NOT APPLY TO THE WEXPRO CONVEYANCE, ASSIGNMENT, BILL OF SALE AND AGREEMENT.

**ARTICLE III.
CERTAIN ACTIONS PRIOR TO THE DISTRIBUTION**

Section 3.1 Questar Reorganization. The Parties agree to take, or cause the members of their respective Groups to take, prior to the Distribution, all actions necessary, subject to the terms of this Agreement to effectuate the reorganization of Questar, QEP and their respective Affiliates, in order to separate the QEP Business and the Questar Business, including the following actions:

(i) QEP will effect a stock split of its common stock whereby each share of QEP Common Stock will be exchanged at a specified conversion ratio for a larger number of shares of QEP Common Stock so that the number of outstanding shares of QEP Common Stock is equal to the number of outstanding shares of Questar Common Stock on the Record Date;

(ii) QEP will distribute 100% of the stock of Wexpro to Questar ("Internal Distribution"); and

(iii) Questar will contribute \$250 million to QEP ("Internal Contribution") net of QEP's estimated liabilities as set forth on Schedule 2.4(a).

(iv) Except as set forth in Section 2.4, the Parties acknowledge and agree that QEP and the other members of the QEP Group will make no distributions or

other transfers of cash or other Assets to Questar or any member of the Questar Group after the date of this Agreement, and Questar shall not cause any such distributions or transfers to occur.

Section 3.2 Certificate of Incorporation; Bylaws. On or prior to the Distribution Date, all necessary actions shall be taken to adopt the form of amended and restated certificate of incorporation and amended and restated by-laws of QEP attached hereto as Exhibit D and Exhibit E.

Section 3.3 Directors. On or prior to the Distribution Date, Questar shall take all necessary action to cause the Board of Directors of QEP to consist of the individuals identified on Exhibit F hereto, provided, however, that if Questar terminates the Separation for any reason after designating such individuals as directors of QEP, QEP's Board of Directors shall revert to the composition as it was prior to any changes or designations made in anticipation of the Separation.

Section 3.4 Resignations.

(a) Subject to Section 3.4(b), on the Effective Date, (i) Questar shall cause all its employees and any employees of its Affiliates who do not become QEP Employees immediately following the Effective Date to resign, effective as of the Effective Date, from all positions as officers or directors of any member of the QEP Group in which they serve, and (ii) QEP shall cause all QEP Employees to resign, effective as of the Effective Date, from all positions as officers or directors of any member of the Questar Group in which they serve.

(b) No Person shall be required by any Party to resign from any position or office with another Party if such Person is disclosed in the applicable Disclosure Document as the Person who is to hold such position or office following the Distribution.

Section 3.5 Ancillary Agreements. On or prior to the Effective Date, Questar and QEP shall enter into, and/or (where applicable) shall cause a member or members of their respective Group to enter into, any applicable Ancillary Agreements and any other Contracts in respect of the Distribution reasonably necessary or appropriate in connection with the transactions contemplated hereby and thereby.

ARTICLE IV. THE DISTRIBUTION

Section 4.1 Distribution. Subject to conditions and other terms in this ARTICLE IV, Questar will cause the Agent on the Distribution Date to distribute all of the outstanding shares of QEP Common Stock then owned by Questar to holders of Questar Common Stock on the Record Date, and to credit the appropriate number of such shares of QEP Common Stock to book entry accounts for each such holder or designated transferee or transferees of such holder of QEP Common Stock. For stockholders of Questar who own Questar Common Stock through a broker or other nominee, their shares of QEP Common Stock will be credited to their respective accounts by such broker or nominee. Subject to conditions and other terms in this ARTICLE IV, each holder of Questar Common Stock on the Record Date (or such holder's designated transferee or transferees) will be entitled to receive one share of QEP Common Stock for each

share of Questar Common Stock held by such stockholder as provided in the defined term “Distribution”, which distribution ratio has previously been determined by the Board of Directors of Questar. No action by any such stockholder shall be necessary for such stockholder (or such stockholder’s designated transferee or transferees) to receive the applicable number of shares, including fractional shares, of QEP Common Stock such stockholder is entitled to in the Distribution.

Section 4.2 Fractional Shares. Questar stockholders who, after aggregating the number of shares of QEP Common Stock (or fractions thereof) to which such stockholder would be entitled on the Record Date, would be entitled to receive a fraction of a share of QEP Common Stock in the Distribution, will receive such fractional shares and not cash in lieu thereof.

Section 4.3 Actions in Connection with the Distribution.

(a) QEP shall file such amendments and supplements to its Form 10 (initially filed with the Commission on April 12, 2000), as amended, as Questar may reasonably request, and such amendments as may be necessary in order to cause the same to become and remain effective as required by Law, including filing a Form 8-A and such amendments and supplements to the Form 8-A as may be reasonably requested by Questar and/or required by the Commission or federal, state or foreign securities Laws.

(b) QEP shall also prepare, file with the Commission and cause to become effective any registration statements or amendments thereof required to effect the establishment of, or amendments to, any employee benefit and other plans necessary or appropriate in connection with the transactions contemplated by this Agreement, or any of the Ancillary Agreements, including any transactions related to financings or other credit facilities. Promptly after receiving a request from Questar, to the extent requested, QEP shall prepare and, in accordance with applicable Law, file with the Commission any such documentation that Questar determines is necessary or desirable to effectuate the Distribution, and Questar and QEP shall each use commercially reasonable efforts to obtain all necessary approvals, if any, from the Commission with respect thereto as soon as practicable.

(c) Promptly after receiving a request from Questar, QEP shall prepare and file, and shall use commercially reasonable efforts to have approved and made effective, an application for the original listing on the NYSE of the QEP Common Stock to be distributed in the Distribution, subject to official notice of distribution.

Section 4.4 Sole Discretion of Questar. Questar shall, in its sole and absolute discretion, determine the Distribution Date and all terms of the Distribution, including the form, structure and terms of any transactions and/or offerings to effect the Distribution and the timing of and conditions to the consummation thereof. In addition, Questar may, in accordance with Section 11.11, at any time prior to the Distribution Date and from time to time until the completion of the Distribution, decide to abandon the Distribution or modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution. None of QEP, any member of the QEP Group, any QEP Employee or any Third Party shall have any right or claim to require the consummation of the Separation or the Distribution, each of which shall be effected at the sole discretion of the Board of Directors of Questar.

Section 4.5 Conditions to Distribution. Subject to Section 4.4, the following are conditions to the consummation of the Distribution. The conditions are for the sole benefit of Questar and shall not give rise to or create any duty on the part of Questar or the Board of Directors of Questar to waive or not waive any such condition.

(a) A Form 8-A shall have been filed with the Commission by QEP, with no stop order in effect with respect thereto;

(b) With respect to the Distribution, the QEP Common Stock to be delivered in the Distribution shall have been approved for listing on the NYSE, subject to official notice of distribution;

(c) Prior to the Distribution, Questar shall have obtained a private letter ruling from the Internal Revenue Service with respect to the Separation in form and substance satisfactory to Questar (in its sole discretion), and such ruling shall remain in effect as of the Distribution Date;

(d) Prior to the Distribution, Questar shall have obtained an opinion from Latham & Watkins LLP, its tax counsel, in form and substance satisfactory to Questar (in its sole discretion), substantially to the effect that the Internal Distribution will qualify under section 355 of the Code and the Internal Contribution, together with the Distribution, will constitute a reorganization under 368(a)(1)(D) of the Code;

(e) Any material Governmental Approvals and other Consents, if any, necessary to consummate the Distribution or any portion thereof shall have been obtained and be in full force and effect.

(f) No order, injunction or decree issued by any Governmental Entity of competent jurisdiction or other legal restraint or prohibition preventing the consummation of all or any portion of the Distribution shall be in effect, and no other event outside the control of Questar shall have occurred or failed to occur that prevents the consummation of all or any portion of the Distribution;

(g) The Board of Directors of Questar shall have approved the Distribution, which approval may be given or withheld at its absolute and sole discretion; and

(h) QEP shall have the ability to repay any of its outstanding debt obligations that might become due (or need to be repaid) as a result of the Separation.

ARTICLE V. CERTAIN COVENANTS

Section 5.1 No Solicitation. None of Questar or QEP or any member of their respective Groups will from the Effective Date through and including the one year anniversary of the Effective Date, without the prior written consent of the other applicable Party, either directly

or indirectly, on their own behalf or in the service or on behalf of others, solicit, aid, induce or encourage any individual who is an employee of any other Party's respective Group to leave his or her employment; provided, however, that nothing in this Section 5.1 shall be deemed to prohibit, any general solicitation for employment through advertisements and search firms not specifically directed at employees of such other applicable Party nor shall either Party be precluded from hiring an employee of the other Party during such period when the other Party's employee initiates the contact resulting in such employment; provided further, that the applicable Party has not encouraged or advised such firm to approach any such employee.

Section 5.2 Legal Names and Other Parties' Trademarks.

(a) Except as otherwise specifically provided in any Ancillary Agreement, as soon as reasonably practicable after the Distribution Date, but in any event within six (6) months thereafter, each Party shall cease (and shall cause all of the other members of its Group to cease): (i) making any use of any names or Trademarks that include (A) any of the Trademarks of the other Party or such other Party's Subsidiaries or Affiliates (including, in the case of QEP, "Questar" or "Questar Corporation" or any other name or Trademark containing the word "Questar" and in the case of Questar, "QEP" or "QEP Resources, Inc." or any other name or Trademark containing the initials "QEP") and (B) any names or Trademarks related thereto including any names or Trademarks confusingly similar thereto or dilutive thereof (with respect to each Party, such Trademarks of the other Party or any of such other Party's Subsidiaries or Affiliates, the "Other Party Marks"), it being understood that QEP's use of any name or Trademark containing "QEP" shall not be deemed to be confusingly similar or dilutive of Questar's Trademarks, and (ii) holding themselves out as having any affiliation with the other Party or such other Party's Subsidiaries or Affiliates; provided, however, that the foregoing shall not prohibit any Party or any member of a Party's Group from (1) stating in any advertising or any other communication that it is formerly a Questar Affiliate or (2) making use of any Other Party Mark in a manner that would constitute "fair use" under applicable Law if any unaffiliated third party made such use or would otherwise be legally permissible for any unaffiliated third party without the consent of the Party owning such Other Party Mark. In furtherance of the foregoing, as soon as practicable, but in no event later than six (6) months following the Distribution Date, each Party shall (and cause all of the other members of its Group to) remove, strike over or otherwise obliterate all Other Party Marks from all of such Party's and its Subsidiaries' and Affiliates' assets and other materials, including any vehicles, business cards, schedules, stationery, packaging materials, displays, signs, promotional materials, manuals, forms, websites, email, computer software and other materials and systems; provided, however, that Questar shall promptly after the Distribution Date post a disclaimer on its website that as of the Effective Date and thereafter QEP, and not Questar, is responsible for the operation of the QEP Business. Any use by any Party or any of such Party's Subsidiaries or Affiliates of any of the Other Party Marks as permitted in this Section 5.2 is subject to their compliance with all quality control and related requirements and guidelines in effect for the Other Party Marks as of the Effective Date. Questar shall assign to QEP on or before the Effective Date, without further consideration, all its right, title and interest in trademark applications which were filed by Questar involving the names QEP Resources, QEP Energy, QEP Field Services and QEP Marketing and make all appropriate filings with the U.S. Patent and Trade Office to effect such assignments.

(b) Notwithstanding the foregoing requirements of Section 5.2(a), if any Party or any member of such Party's Group exercised good faith efforts to comply with Section 5.2(a) but is unable, due to regulatory or other circumstance beyond its control, to effect a legal name change in compliance with applicable Law such that an Other Party Mark remains in such Party's or its Group member's legal name, then such Party or its relevant Group member will not be deemed to be in breach hereof as long as it continues to exercise good faith efforts to effectuate such name change and does effectuate such name change within nine (9) months after the Distribution Date, and, in such circumstances, such Party or Group member may continue to include in its assets and other materials references to the Other Party Mark that is in such Party's or Group member's legal name which includes references to "QEP" or "Questar" as applicable, but only to the extent necessary to identify such Party or Group member and only until such Party's or Group member's legal name can be changed to remove and eliminate such references.

(c) Notwithstanding the foregoing requirements of Section 5.2(a), QEP shall not be required to change any name including the word "Questar" in any third-party contract or license, or in property records with respect to real or personal property, if an effort to change the name is commercially unreasonable; provided, however, that (i) QEP on a prospective basis from and after the Distribution Date shall change the name in any new or amended third-party contract or license or property record and (ii) QEP shall not advertise or make public any continued use of the "Questar" name permitted by this Section 5.2(c).

(d) Notwithstanding the foregoing requirements of Section 5.2(a), subject to the terms and conditions set forth in this Section 5.2(d), Questar hereby grants to QEP, effective as of the Effective Date, a perpetual, non-exclusive, royalty free and non-transferable license to use the trademarks set forth on Schedule 5.2(d) (the "Licensed Trademarks") solely in connection with the internal operations of the QEP Business. QEP shall neither sublicense the Licensed Trademarks, nor shall QEP publish, distribute or otherwise use the Licensed Trademarks for any purpose other than the internal operations of the QEP Business. QEP shall use the Licensed Trademarks in accordance with sound trademark usage principles and all applicable Laws as reasonably necessary to maintain the validity and enforceability of Questar's rights in such trademarks and QEP shall not use the Licensed Trademarks in any manner which might tarnish, disparage, or reflect adversely on Questar or the Licensed Trademarks. If QEP uses the Licensed Trademarks in a manner which Questar, in its reasonable judgment, determines reflects adversely upon the image, goodwill and reputation of Questar or the Licensed Trademarks, then, upon receipt of written notice from Questar identifying its objection, QEP shall immediately cease the particular use to which Questar has objected. QEP agrees to cooperate with and assist Questar in protecting and enforcing Questar's rights in the Licensed Trademarks and in maintaining any registrations with any Governmental Entities for the Licensed Trademarks in force. QEP shall assist Questar in the enforcement of rights in the Licensed Trademarks by promptly informing Questar of any actual or potential claim, demand, infringement, misuse or misappropriation relating to the Licensed Trademarks to the extent that QEP is in possession of such information or otherwise becomes aware of any such actual or potential claim, demand, infringement, misuse or misappropriation. Questar will have the sole right to determine whether or not to investigate such alleged infringement and to determine whether to initiate or participate in any judicial or administrative proceeding involving the Licensed Trademarks. Questar is and shall remain the sole owner of the Licensed Trademarks and all goodwill associated therewith. QEP acknowledges that nothing herein gives QEP any

right, title or interest in the Licensed Trademarks, apart from the license granted under this Section 5.2(d), and in no event shall QEP's use of the Licensed Trademarks be deemed to vest any right, title or interest to the Licensed Trademarks in QEP. All uses of the Licensed Trademarks by QEP, and all goodwill generated thereby, shall inure exclusively and completely to the benefit of Questar. QEP, agrees that it shall not contest or challenge the validity of, or Questar's title in, the Licensed Trademarks, and it shall not register or apply for registration of the Licensed Trademarks.

Section 5.3 Auditors and Audits; Annual and Quarterly Financial Statements and Accounting.

(a) Each Party agrees that during the period ending three hundred and sixty (360) days following the Distribution Date and in any event solely with respect to the preparation and audit of each of the Party's financial statements for any of the years ended December 31, 2010, 2009 and 2008, the printing, filing and public dissemination of such financial statements, the audit of each Party's internal control over financial reporting related to such financial statements and such Party's management's assessment thereof, and each Party's management's assessment of such Party's disclosure controls and procedures related to such financial statements:

(i) Annual Financial Statements and Commission Filings. Each Party shall provide to the other Party on a timely basis all information reasonably required to meet its schedule for the preparation, printing, filing, and public dissemination of (i) its annual financial statements and for management's assessment of the effectiveness of its disclosure controls and procedures and its internal control over financial reporting in accordance with Items 307 and 308, respectively, of Regulation S-K, (ii) all required Securities Act and Exchange Act filings, and (iii) to the extent applicable to such Party, its auditor's audit of its internal control over financial reporting and management's assessment thereof in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and the Commission's and Public Company Accounting Oversight Board's rules and auditing standards thereunder (such assessments and audit being referred to as the "2010 Internal Control Audit and Management Assessments"). Without limiting the generality of the foregoing, each Party will provide all required financial and other Information with respect to itself and its Subsidiaries to its auditors in a sufficient and reasonable time and in sufficient detail to permit its auditors to take all steps and perform all reviews necessary to provide sufficient assistance to each other Party's auditors with respect to information to be included or contained in such other Party's annual financial statements and to permit such other Party's auditors and management to complete the 2010 Internal Control Audit and Management Assessments.

(ii) Access to Personnel and Records. Each audited Party shall authorize, and use its commercially reasonable efforts to cause, its respective auditors to make available to each other Party's auditors (each such other Party's auditors, collectively, the "Other Parties' Auditors") both the personnel who performed or are performing the annual audits of such audited party (each such Party with respect to its

own audit, the “Audited Party”) and work papers related to the annual audits of such Audited Party, in all cases within a reasonable time prior to such Audited Party’s auditors’ opinion date, so that the Other Parties’ Auditors are able to perform the procedures they consider necessary to take responsibility for the work of the Audited Party’s auditors as it relates to their auditors’ report on such other Party’s financial statements, all within sufficient time to enable such other Party to meet its timetable for the printing, filing and public dissemination of its annual financial statements. Each Party shall make available to the Other Parties’ Auditors and management its personnel and Records in a reasonable time prior to the Other Parties’ Auditors’ opinion date and other Parties’ management’s assessment date so that the Other Parties’ Auditors and other Parties’ management are able to perform the procedures they consider necessary to conduct the 2010 Internal Control Audit and Management Assessments.

(b) Amended Financial Reports. In the event a Party restates any of its financial statements that includes such Party’s audited or unaudited financial statements with respect to any balance sheet date or period of operation between January 1, 2008 and December 31, 2010, such Party will deliver to the other Party a substantially final draft, as soon as the same is prepared, of any report to be filed by such first Party with the Commission that includes such restated audited or unaudited financial statements (the “Amended Financial Report”); provided, however, that such first Party may continue to revise its Amended Financial Report prior to its filing thereof with the Commission, which changes will be delivered to the other Party as soon as reasonably practicable; provided, further, however, that such first Party’s financial personnel will actively consult with the other Party’s financial personnel regarding any changes which such first Party may consider making to its Amended Financial Report and related disclosures prior to the anticipated filing of such report with the Commission, with particular focus on any changes which would have an effect upon the other Party’s financial statements or related disclosures. Each Party will reasonably cooperate with, and permit and make any necessary employees available to, the other Party, in connection with the other Party’s preparation of any Amended Financial Reports.

(c) Financials; Outside Auditors. If any Party or member of its respective Group is required, pursuant to Regulation S-X or otherwise, to include in its Exchange Act filings audited financial statements or other information of the other Party or member of the other Party’s Group, the other Party shall use its commercially reasonable efforts (i) to provide such audited financial statements or other information, and (ii) to cause its outside auditors to consent to the inclusion of such audited financial statements or other information in the Party’s Exchange Act filings.

(d) Third Party Agreements. Nothing in this Section 5.3 shall require any Party to violate any agreement with any third party regarding the confidentiality of confidential and proprietary information relating to that third party or its business; provided, however, that in the event that a Party is required under this Section 5.3 to disclose any such information, such Party shall use commercially reasonable efforts to seek to obtain such third party’s consent to the disclosure of such information.

Section 5.4 No Restrictions on Post-Closing Competitive Activities; Corporate Opportunities.

(a) Except as expressly provided in Section 5.1 hereof, it is the explicit intent of each of the Parties that this Agreement shall not include any non-competition or other similar restrictive arrangements with respect to the range of business activities that may be conducted by the Parties. Accordingly, each of the Parties acknowledges and agrees that nothing set forth in this Agreement shall be construed to create any explicit or implied restriction or other limitation on (i) the ability of any Party hereto to engage in any business or other activity that competes with the business of any other Party, or (ii) the ability of any Party to engage in any specific line of business or engage in any business activity in any specific geographic area. Except as expressly provided in this Agreement or any Ancillary Agreement, Questar and the Questar Group shall have the right to, and shall have no duty not to, (i) engage in the same or similar business activities or lines of business as QEP and the QEP Group, and (ii) do business with any client or customer of QEP and the QEP Group, and neither Questar nor the Questar Group nor any officer or director thereof shall be liable to QEP and the QEP Group or its stockholders for breach of any fiduciary duty by reason of any such activities of Questar or the Questar Group or of such person's participation therein. Except as expressly provided in this Agreement or any Ancillary Agreement, QEP and the QEP Group shall have the right to, and shall have no duty not to, (i) engage in the same or similar business activities or lines of business as Questar and the Questar Group and (ii) do business with any client or customer of Questar and the Questar Group, and neither QEP nor the QEP Group nor any officer or director thereof shall be liable to Questar and the Questar Group or its stockholders for breach of any fiduciary duty by reason of any such activities of QEP or the QEP Group or of such person's participation therein.

(b) Except as otherwise provided in this Agreement or any Ancillary Agreement, in the event that Questar or any other member of the Questar Group acquires knowledge of a potential transaction or matter that may be a corporate opportunity for both Questar or any other member of the Questar Group and QEP or any other member of the QEP Group, neither Questar nor any other member of the Questar Group nor any agent or advisor thereof shall have any duty to communicate or present such corporate opportunity to QEP or any other member of the QEP Group and shall not be liable to QEP or any other member of the QEP Group or to QEP's stockholders for breach of any fiduciary duty by reason of the fact that Questar or any other member of the Questar Group pursues or acquires such corporate opportunity for itself, directs such corporate opportunity to another person or entity, or does not present such corporate opportunity to QEP or any other member of the QEP Group.

(c) Except as otherwise provided in this Agreement or any Ancillary Agreement, in the event that QEP or any other member of the QEP Group acquires knowledge of a potential transaction or matter that may be a corporate opportunity for both Questar or any other member of the Questar Group and QEP or any other member of the QEP Group, neither QEP nor any other member of the QEP Group nor any agent or advisor thereof shall have any duty to communicate or present such corporate opportunity to Questar or any other member of the Questar Group and shall not be liable to Questar or any other member of the Questar Group or to Questar's stockholders for breach of any fiduciary duty by reason of the fact that QEP or any other member of the QEP Group pursues or acquires such corporate opportunity for itself, directs such corporate opportunity to another person or entity, or does not present such corporate opportunity to Questar or any other member of the Questar Group.

(d) For the purposes of this Section 5.4, “corporate opportunities” of QEP or any other member of the QEP Group shall include, but not be limited to, business opportunities that QEP or any other member of the QEP Group are financially able to undertake, that are, by their nature, in a line of business of QEP or any other member of the QEP Group, including the QEP Business, are of practical advantage to them and are ones in which QEP or any other member of the QEP Group have an interest or a reasonable expectancy, and in which, by embracing the opportunities, the self-interest of Questar or any other member of the Questar Group or any of their officers or directors will be brought into conflict with that of QEP or any other member of the QEP Group, and “corporate opportunities” of Questar or any other member of the Questar Group shall include, but not be limited to, business opportunities that Questar or any other member of the Questar Group are financially able to undertake, that are, by their nature, in a line of business of Questar or any other member of the Questar Group, including the Questar Business, are of practical advantage to them and are ones in which Questar or any other member of the Questar Group have an interest or a reasonable expectancy, and in which, by embracing the opportunities, the self-interest of QEP or any other member of the QEP Group or any of their officers or directors will be brought into conflict with that of Questar or any other member of the Questar Group.

ARTICLE VI.
CONTINGENT GAINS AND LIABILITIES AND UNALLOCATED CONTINGENT
GAINS AND LIABILITIES

Section 6.1 Unallocated Contingent Gains.

(a) Contingent Gains not known as of the Effective Date shall be referred to the Contingent Claim Committee for determination pursuant to the provisions of Section 6.4 of whether the Contingent Gain is an Exclusive Questar Contingent Gain, an Exclusive QEP Contingent Gain or an Unallocated Contingent Gain.

(b) As of the Effective Date, all Contingent Gains, if any, are identified in Schedules 1.1(36) and 1.1(38), and such Contingent Gains are either Questar Assets or QEP Assets. There shall be a presumption that any Contingent Gain not explicitly addressed in this Agreement or set forth in the Schedules hereto is, nevertheless, intended to be either a Questar Asset or an QEP Asset. Such presumption may only be overcome by clear and convincing evidence to the contrary.

(c) Subject to Section 2.7(d), any Contingent Gain determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Exclusive Questar Contingent Gain shall be a Questar Asset, and shall be administered by Questar and Questar shall have the sole right to any benefit therefrom.

(d) Subject to Section 2.7(d), any Contingent Gain determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Exclusive QEP Contingent Gain shall be a QEP Asset, and shall be administered by QEP and QEP shall have the sole right to any benefit therefrom.

(e) Any Contingent Gain determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Unallocated Contingent Gain shall be administered by the Party designated by the Contingent Claim Committee to act as administrator (the "Designated Party"). The Designated Party shall have sole and exclusive authority to commence, assign, prosecute, settle, manage, control, conduct, waive, forgo, release, discharge, forgive and otherwise determine all matters whatsoever with respect to any Unallocated Contingent Gain. The party that is not the Designating Party shall not take, or permit any member of the its Affiliates to take, any action (including commencing any claim) that would interfere with such rights and powers of any member of the Designated Party.

(f) The Designated Party shall notify the other Party in the event that it commences an Action with respect to an Unallocated Contingent Gain; provided that the failure to provide such notice shall not give rise to any rights on the part of the other Party or against the Designated Party or affect any other provision of this Section 6.1. The other Party acknowledges (i) that the Designated Party may elect not to pursue any action regarding any Unallocated Contingent Gain for any reason whatsoever (including a different assessment of the merits of any Action, claim or right than the other Party might have or any business reasons that are in the best interests of the Designated Party or an Affiliate of the Designated Party, without regard to the best interests of any member of the other Party), and (ii) that no Affiliate of the Designated Party shall have any liability to any Person (including any member of the other Party) as a result of any such determination.

Section 6.2 Unallocated Liabilities.

(a) As of the Effective Date, Schedule 1.1(123)(iv) sets forth all known Unallocated Liabilities and there shall be a presumption that any Liability not explicitly addressed in this Agreement or set forth in the Schedules hereto is, nevertheless, intended to be either a Questar Liability or a QEP Liability. Such presumption may only be overcome by clear and convincing evidence to the contrary.

(b) Each of Questar and QEP shall be responsible for its Allocated Percentage of any Unallocated Liability. It shall not be a defense to any obligation by any party to pay any amount in respect of any Unallocated Liability that such party was not consulted in the defense thereof, that such party's views or opinions as to the conduct of such defense were not accepted or adopted, that such party does not approve of the quality or manner of the defense thereof or that such Unallocated Liability was incurred by reason of a settlement rather than by a judgment or other determination of liability; provided, however, that neither Party shall settle an Unallocated Liability in a manner which would restrict or limit the future conduct of the other Party's business or operations without such other Party's consent.

(c) As of the Effective Date, all known Contingent Liabilities are identified in Schedules 1.1(37) and 1.1(39), and such Contingent Liabilities are either Questar Liabilities or QEP Liabilities pursuant to Section 1.1(101)(vi) and Section 1.1(88)(vi), respectively. The respective Party assigned a Contingent Liability as an Exclusive Questar Contingent Liability or

an Exclusive QEP Contingent Liability shall be solely responsible for managing the defense of the claim, including, without limitation, whether to settle, and shall have sole responsibility, as between the QEP Group and the Questar Group, for the costs, expenses, liabilities and judgments associated with the Action, notwithstanding that any member of the QEP Group (with respect to an Exclusive Questar Contingent Liability) or any member of the Questar Group (with respect to an Exclusive QEP Contingent Liability) may have been named or remained a party defendant to the Action. There shall be a presumption that any Contingent Liability not explicitly addressed in this Agreement or set forth in the Schedules hereto is, nevertheless, intended to be either a Questar Liability or a QEP Liability. Such presumption may only be overcome by clear and convincing evidence to the contrary.

(d) Contingent Liabilities not known as of the Effective Date, or otherwise not included in Schedules 1.1(37) and 1.1(39), shall be referred to the Contingent Claim Committee for determination pursuant to the provisions of Section 6.4 of whether the Contingent Liability is an Exclusive Questar Contingent Liability, an Exclusive QEP Contingent Liability or an Unallocated Liability, based on the following factors:

(i) Any Contingent Liability determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Exclusive Questar Contingent Liability, shall be a Questar Liability, and shall be administered by Questar and Questar shall indemnify QEP from such Liability in accordance with ARTICLE VII.

(ii) Any Contingent Liability determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Exclusive QEP Contingent Liability, shall be a QEP Liability, and shall be administered by QEP and QEP shall indemnify Questar from such Liability in accordance with ARTICLE VII.

(iii) Except as set forth in Schedule 1.1(123)(iv), the Designated Party shall assume the defense of, and may seek to settle or compromise, any claim determined by the Contingent Claim Committee pursuant to Section 6.4 to be an Unallocated Liability, and the reasonable out-of-pocket costs and expenses thereof shall be included in the calculation of the amount of the applicable Unallocated Liability in determining the reimbursement obligations of the other parties with respect thereto.

Section 6.3 Payments.

(a) Any amount owed in respect of any Unallocated Liabilities including reimbursement for reasonable out-of-pocket cost or expense in defense of:

- (i) any Third Party Claim that is an Unallocated Liability, or
- (ii) any Unallocated Contingent Gain pursuant to this ARTICLE VI,

shall be remitted promptly after the Party entitled to such amount provides an invoice (including reasonable supporting information with respect thereto) to the party owing such amount.

(b) In the case of any Unallocated Liability, the Party responsible for the administration of such Unallocated Liability shall be entitled to reimbursement from the other

Party in advance of a final determination of any Action for such other Party's Allocated Percentage of amounts paid in respect of reasonable out-of-pocket costs and expenses related thereto, from time to time as such costs and expenses are incurred. In the case of any Unallocated Contingent Gain, Questar shall be entitled to retain from the amount of the Unallocated Contingent Gain otherwise payable to QEP, QEP's respective Allocated Percentage of the reasonable out-of-pocket costs and expenses paid or incurred by or on behalf of any member of the Questar Group in connection with such Unallocated Contingent Gain.

(c) Any amounts billed and properly payable in accordance with this ARTICLE VI that are not paid within 45 days of such bill shall bear interest at the Prime Rate plus 2% per annum.

Section 6.4 Procedures to Determine Status of Unidentified Liabilities or Contingent Gain.

(a) On the Distribution Date, Questar and QEP will form a Contingent Claim Committee of two persons and comprised of the general counsel or chief legal officer of Questar and QEP (as appropriate), or their respective delegates, for the purpose of resolving whether:

(i) any Contingent Liability or Unallocated Liability not identified in the schedules to this Agreement is a Questar Liability, QEP Liability or Unallocated Liability; or

(ii) any Contingent Gain not identified in the schedules to this Agreement is an Unallocated Contingent Gain, an Exclusive Questar Contingent Gain or an Exclusive QEP Contingent Gain.

(b) If any Party or any member of such Party's Group shall receive notice or otherwise learn of an Asset that may reasonably be determined to be a Contingent Gain, or of a Liability or Third Party Claim that may reasonably be determined to be a Contingent Liability or an Unallocated Liability, not identified in the schedules to this Agreement, such Party shall give the other Party and the Contingent Claim Committee written notice thereof promptly (and in any event within fifteen (15) days) after such Person becomes aware of such Asset, Liability or Third Party Claim. Thereafter, the Party shall deliver to the Contingent Claim Committee, promptly (and in any event within five (5) Business Days) after the Party's receipt thereof, copies of all notices and documents (including court papers) received by the Party or the member of such Party's Group relating to the matter.

(c) The Contingent Claim Committee's determination (which shall be made within 30 days of such referral), if unanimous, shall be binding on all of the Parties and their respective successors and assigns. In the event that the Contingent Claim Committee cannot reach a unanimous determination as to the nature or status of any such Contingent Liabilities, Unallocated Liabilities, Contingent Gains or Unallocated Assets within 30 days after such referral, the issue shall be submitted for arbitration pursuant to the procedures set forth in ARTICLE IX of this Agreement. The outcome of the arbitration pursuant to ARTICLE IX shall be final and binding on all parties and their respective successors and assigns.

(d) In resolving, with respect to any Action not specifically addressed in this Agreement (regardless of whether such matters are currently pending but not set forth or are asserted or filed hereafter), whether:

(i) any Contingent Gain is an Unallocated Contingent Gain, an Exclusive Questar Contingent Gain or an Exclusive QEP Contingent Gain, or

(ii) any Contingent Liability is an Unallocated Liability, an Exclusive Questar Contingent Liability, or an Exclusive QEP Contingent Liability, the categorization of Contingent Gains and Contingent Liabilities reflected in Schedules 1.1(37), 1.1(39), 1.1(88)(vi) and 1.1(101)(vi), whereby the Parties have assigned existing claims based on whether the claim or contingent liability principally relates to the QEP Business or the Questar Business, shall be considered and used as a precedential guide.

(e) Questar may, but shall not be obligated to, commence prosecution or defense of such matters pending decision of the Contingent Claims Committee (or decision of the arbitrator, if applicable) to the extent permitted under Sections 6.1 and 6.2. In the event that Questar commences any such prosecution or defense and, upon resolution of the dispute, QEP is determined hereunder to have the exclusive right or obligation to such claim or right, Questar shall, promptly upon the request of QEP, discontinue the prosecution or defense of such matter and transfer the control thereof to QEP. In such event, QEP will reimburse Questar for all reasonable out-of-pocket costs and expenses reasonably incurred prior to resolution of such dispute in the prosecution or defense of such claim or right.

(f) At any time or from time to time prior to the Effective Date, the chief legal officer of Questar, with the approval of the chief legal officer of QEP, may amend or supplement any of Schedules 1.1(37), 1.1(39), 1.1(88)(vi), 1.1(101)(vi) and 1.1(123)(iv).

Section 6.5 Certain Case Allocation Matters. The parties agree that if any Action not listed or described on Schedules 1.1(37), 1.1(39), 1.1(101)(vi), 1.1(88)(vi) or 1.1(123)(iv) involves separate and distinct claims that, if not joined in a single Action, would constitute separate Exclusive Contingent Liabilities of different Parties, they will use their commercially reasonable efforts to segregate such separate and distinct claims so that the Liabilities associated with each such claim shall be treated as exclusive Contingent Liabilities of the appropriate Party and so that each Party shall have the rights and obligations with respect to each such claim (including pursuant to ARTICLE VI hereof) as would have been applicable had such claims been commenced as separate Actions. Notwithstanding the foregoing provisions, (a) all reasonable out-of-pocket costs and expenses associated with such claims and incurred prior to the separation of the claims shall, unless otherwise provided in this Agreement, be shared in accordance with their Allocated Percentages, and (b) this Section 6.5 shall not apply to any separate and distinct claim that is de minimis or frivolous in nature.

Section 6.6 Cooperation In Defense And Settlement.

(a) With respect to any Third Party Claim that implicates both Parties in a material fashion due to the allocation of Liabilities, responsibilities for management of defense

and related indemnities pursuant to this Agreement or any of the Ancillary Agreements, the Parties agree to use commercially reasonable efforts to cooperate fully and maintain a joint defense (in a manner that will preserve for both Parties the attorney-client privilege, joint defense or other privilege with respect thereto).

(b) To the extent documents, other materials, access to employees or witnesses related to or from a Party that is not responsible for the defense or liability of a particular Action are within such Party's reasonable control, such Party shall provide to the other Party reasonable access to documents, other materials, employees, and shall permit employees, officers and directors to cooperate as witnesses in the defense of such Action.

(c) Each of Questar and QEP agrees that at all times from and after the Effective Date, if an Action currently exists or is commenced by a third-party with respect to which a Party (or any member of such Party's respective Group) is a named defendant but such Action is otherwise not a Liability allocated to such named Party under this Agreement or any Ancillary Agreement, then the other Party shall use commercially reasonable efforts to cause the named but not liable defendant to be removed from such Action and such defendants shall not be required to make any payments or contribution in connection therewith.

(d) If, in the case of any Action involving a matter contemplated by Section 6.6(c), there is a conflict of interest between the Parties, or in the event that any Third Party Claim seeks equitable relief which would restrict or limit the future conduct of the non-responsible Party or such Party's business or operations, such Party shall be entitled to retain, at the responsible Party's Expense, separate counsel as required by the applicable rules of professional conduct (which counsel shall be reasonably acceptable to the responsible Party) and to participate in (but not control) the defense, compromise, or settlement of that portion of the Third Party Claim that seeks equitable relief with respect to the named Party.

ARTICLE VII. RELEASES AND INDEMNIFICATION

Section 7.1 Release of Pre-Distribution Claims.

(a) Except (i) as provided in Section 7.1(b), (ii) as may be otherwise provided in any Ancillary Agreement and (iii) for any matter for which any Party is entitled to indemnification or contribution pursuant to this ARTICLE VII, each Party, for itself and each member of its respective Group, their respective Affiliates and all Persons who at any time prior to the Distribution Date were directors, officers, agents or employees of any member of their respective Group (in their respective capacities as such), in each case, together with their respective heirs, executors, administrators, successors and assigns, do hereby remise, release and forever discharge the other Party and the other members of such other Parties' Group, their respective Affiliates and all Persons who at any time prior to the Distribution Date were shareholders, directors, officers, agents or employees of any member of such other Parties (in their respective capacities as such), in each case, together with their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any right of contribution), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to

occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date, including in connection with all activities to implement the Distribution and any of the other transactions contemplated hereunder and under any of the Ancillary Agreements. Notwithstanding anything to the contrary in the foregoing, nothing in this Agreement shall remise, release or discharge any rights or claims that any Party may have against any shareholder, director, officer, agent or employee of any member of such other Party's Group (in their respective capacities as such) as a result of any unlawful or fraudulent conduct by such shareholder, director, officer, agent or employee of any member of such other Party's Group.

(b) Nothing contained in Section 7.1(a) shall impair or otherwise affect any right of any Party, and as applicable, a member of the Party's Group to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings unrelated to the Separation and explicitly contemplated in this Agreement or any Ancillary Agreement to continue in effect after the Distribution Date. In addition, nothing contained in Section 7.1(a) shall release any person from:

(i) any Liability assumed, transferred by, or assigned or allocated to, a Party or a member of such Party's Group pursuant to or contemplated by this Agreement or any Ancillary Agreement including (A) with respect to Questar, any Questar Liability and (B) with respect to QEP, any QEP Liability;

(ii) any Liability for the sale, lease, construction or receipt of goods, property or services purchased, obtained or used in the ordinary course of business by a member of one Group from a member of any other Group prior to the Distribution Date;

(iii) any Liability for unpaid amounts for products or services or refunds owing on products or services due on a value-received basis for work done by a member of one Group at the request or on behalf of a member of another Group;

(iv) any Liability provided in or resulting from any other Contract or understanding that is entered into after the Distribution Date between any Party (and/or a member of such Party's or Parties' Group), on the one hand, and any other Party or Parties (and/or a member of such Party's or Parties' Group), on the other hand;

(v) any Liability with respect to an Unallocated Liability pursuant to ARTICLE VI; or

(vi) any Liability that the Parties may have with respect to indemnification or contribution pursuant to this Agreement or otherwise for claims brought against the Parties by a third-party, which Liability shall be governed by the provisions of this ARTICLE VII and, if applicable, the appropriate provisions of the Ancillary Agreements.

In addition, nothing contained in Section 7.1(a) shall release Questar from indemnifying any director, officer or employee of QEP who was a director, officer or employee of Questar or any of its Affiliates on or prior to the Distribution Date, to the extent such director, officer or employee is or becomes a named defendant in any Action with respect to which he or she was

entitled to such indemnification pursuant to obligations existing prior to the Distribution Date, it being understood that if the underlying obligation giving rise to such Action is an QEP Liability, QEP shall indemnify Questar for such Liability (including Questar's costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this ARTICLE VII.

(c) Each Party shall not, and shall not permit any member of its Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or indemnification, against any other Party or any member of any other Party's Group, or any other Person released pursuant to Section 7.1(a), with respect to any and all Liabilities released pursuant to Section 7.1(a).

(d) It is the intent of each Party, by virtue of the provisions of this Section 7.1, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Distribution Date, whether known or unknown, between or among any Party (and/or a member of such Party's Group), on the one hand, and any other Party or Parties (and/or a member of such Party's or parties' Group), on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Distribution Date), except as specifically set forth in Sections 7.1(a) and 7.1(b).

(e) If any Person associated with a Party (including any director, officer or employee of a Party) initiates an Action with respect to claims released by this Section 7.1, the Party with which such Person is associated shall indemnify the other Party against such Action in accordance with the provisions set forth in this ARTICLE VII.

(f) At any time, at the request of any other Party, each Party shall cause each member of its respective Group and to the extent practicable each other Person on whose behalf it released Liabilities pursuant to this Section 7.1 to execute and deliver releases reflecting the provisions hereof.

Section 7.2 Indemnification by Questar. Except as otherwise specifically set forth in any provision of this Agreement or of any Ancillary Agreement, following the Distribution Date, Questar shall indemnify, defend and hold harmless the QEP Indemnitees from and against any and all Indemnifiable Losses arising out of, by reason of or otherwise in connection with (i) the Questar Liabilities (including, as provided in Section 1.1(101)(vi), the Exclusive Questar Contingent Liabilities) or the Questar Percentage of any Unallocated Liabilities, or (ii) any breach by any member of the Questar Group of any provision of this Agreement or any Ancillary Agreement, unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case any such indemnification claims shall be made thereunder.

Section 7.3 Indemnification by QEP. Except as otherwise specifically set forth in any provision of this Agreement or of any Ancillary Agreement following the Distribution Date, QEP shall indemnify, defend and hold harmless the Questar Indemnitees from and against any and all Indemnifiable Losses arising out of, by reason of or otherwise in connection with (i) the QEP Liabilities (including, as provided in Section 1.1(88)(vi), the Exclusive QEP Contingent Liabilities) or the QEP Percentage of any Unallocated Liabilities, or (ii) any breach by QEP or

any member of the QEP Group of any provision of this Agreement or any Ancillary Agreement, unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case any such indemnification claims shall be made thereunder.

Section 7.4 Procedures for Indemnification.

(a) An Indemnitee shall give the Indemnifying Party notice of any matter that an Indemnitee has determined has given or could give rise to a right of indemnification under this Agreement (other than a Third Party Claim which shall be governed by Section 7.4(b)), within ten (10) Business Days of such determination, stating the amount of the loss claimed, if known, and method of computation thereof, and containing a reference to the provisions of this Agreement in respect of which such right of indemnification is claimed by such Indemnitee or arises; provided, however, that the failure to provide such notice shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been materially prejudiced as a result of such failure (except that the Indemnifying Party or Parties shall not be liable for any expenses incurred during the period in which the Indemnitee failed to give such notice).

(b) Third Party Claims. If a claim or demand is made against a Questar Indemnitee or a QEP Indemnitee (each, an “Indemnitee”) by any Person who is not a party to this Agreement or an Affiliate of a Party (a “Third Party Claim”) as to which such Indemnitee is or may be entitled to indemnification pursuant to this Agreement, such Indemnitee shall notify the Party which is or may be required pursuant to this ARTICLE VII or pursuant to any Ancillary Agreement to make such indemnification (the “Indemnifying Party”) in writing, and in reasonable detail, of the Third Party Claim promptly (and in any event within fifteen (15) days) after receipt by such Indemnitee of written notice of the Third Party Claim; provided, however, that the failure to provide notice of any such Third Party Claim pursuant to this sentence shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been materially prejudiced as a result of such failure (except that the Indemnifying Party or Parties shall not be liable for any expenses incurred during the period in which the Indemnitee failed to give such notice). Thereafter, the Indemnitee shall deliver to the Indemnifying Party, promptly (and in any event within ten (10) Business Days) after the Indemnitee’s receipt thereof, copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third Party Claim.

(c) Other than in the case of an Unallocated Liability (the defense of which shall be controlled as provided for in ARTICLE VI) or any Liability being managed by a Party in accordance with any Ancillary Agreement, an Indemnifying Party shall be entitled (but shall not be required) to assume, control the defense of, and settle any Third Party Claim, at such Indemnifying Party’s own cost and expense and by such Indemnifying Party’s own counsel, that is reasonably acceptable to the applicable Indemnitees, if it gives notice of its intention to do so to the applicable Indemnitees within thirty (30) days of the receipt of such notice from such Indemnitees. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, at its own expense and, in any event, shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party all witnesses, pertinent Information, materials and

information in such Indemnitee's possession or under such Indemnitee's control relating thereto as are reasonably required by the Indemnifying Party. In the event of a conflict of interest between the Indemnifying Party and the applicable Indemnitee(s), or in the event that any Third Party Claim seeks equitable relief which would restrict or limit the future conduct of the Indemnitee(s) business or operations, such Indemnitee(s) shall be entitled to retain, at the Indemnifying Party's Expense, separate counsel as required by the applicable rules of professional conduct (which counsel shall be reasonably acceptable to the Indemnifying Party) and to participate in (but not control) the defense, compromise, or settlement of that portion of the Third Party Claim that seeks equitable relief with respect to the Indemnitee(s).

(d) Other than in the case of an Unallocated Liability, if an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnitee of its election as provided in Section 7.4(c), such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party. If the Indemnitee is conducting the defense against any such Third Party Claim, the Indemnifying Party shall cooperate with the Indemnitee in such defense and make available to the Indemnitee all witnesses, pertinent information, material and information in such Indemnifying Party's possession or under such Indemnifying Party's control relating thereto as are reasonably required by the Indemnitee.

(e) Unless the Indemnifying Party has failed to assume the defense of the Third Party Claim in accordance with the terms of this Agreement, no Indemnitee may settle or compromise any Third Party Claim that is not an Unallocated Liability (which shall be governed by Section 6.4) without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed. If an Indemnifying Party has failed to assume the defense of the Third Party Claim, it shall not be a defense to any obligation to pay any amount in respect of such Third Party Claim that the Indemnifying Party was not consulted in the defense thereof, that such Indemnifying Party's views or opinions as to the conduct of such defense were not accepted or adopted, that such Indemnifying Party does not approve of the quality or manner of the defense thereof or that such Third Party Claim was incurred by reason of a settlement rather than by a judgment or other determination of liability.

(f) In the case of a Third Party Claim (except for any Third Party Claim that is an Unallocated Liability which, with respect to the subject matter of this Section 7.4(f), shall be governed by Section 6.4), no Indemnifying Party shall consent to entry of any judgment or enter into any settlement of the Third Party Claim without the consent (not to be unreasonably withheld) of the Indemnitee if the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly, against any Indemnitee; it being understood that in the case of a Third Party Claim that is an Unallocated Liability, such matters are addressed in ARTICLE VI.

(g) Except as otherwise provided in Section 11.21, absent fraud or willful misconduct by an Indemnifying Party, the indemnification provisions of this ARTICLE VII shall be the sole and exclusive remedy of an Indemnitee for any monetary or compensatory damages or losses resulting from any breach of this Agreement (including with respect to monetary or compensatory damages or losses arising out of or relating to, as the case may be, any QEP Liability or Questar Liability), and each Indemnitee expressly waives and relinquishes any and all rights, claims or remedies such Person may have with respect to the foregoing other than under this ARTICLE VII against any Indemnifying Party.

Section 7.5 Indemnification Payments. Indemnification required by this ARTICLE VII shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or an Indemnifiable Loss or Liability incurred.

Section 7.6 Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) Any Liability subject to indemnification or contribution pursuant to this ARTICLE VII, including in respect of any Unallocated Liability, will (i) be net of Insurance Proceeds that actually reduce the amount of the Liability, and (ii) be net of any proceeds received by the Indemnitee from any third party for indemnification for such Liability that actually reduce the amount of the Liability ("Third Party Proceeds"). Accordingly, the amount which any Indemnifying Party is required to pay pursuant to this ARTICLE VII to any Indemnitee pursuant to this ARTICLE VII will be reduced by any Insurance Proceeds or Third Party Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment required by this Agreement from an Indemnifying Party in respect of any Liability (an "Indemnity Payment") and subsequently receives Insurance Proceeds or Third Party Proceeds, then the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds or Third Party Proceeds had been received, realized or recovered before the Indemnity Payment was made. The existence of a claim by an Indemnitee for insurance or against a third party in respect of any Indemnifiable Loss shall not delay any Indemnity Payment otherwise determined to be due and owing by an Indemnifying Party; rather, the Indemnifying Party shall make payment in full of such amount so determined to be due and owing by it against an assignment by the Indemnitee to the Indemnifying Party of the portion of the claim of the Indemnitee for such insurance or against such third party equal to the amount of such payment

(b) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification and contributions provisions hereof, have any subrogation rights with respect thereto. The Indemnitee shall use commercially reasonable efforts to seek to collect or recover any third-party Insurance Proceeds and any Third Party Proceeds to which the Indemnitee is entitled in connection with any Liability for which the Indemnitee seeks contribution or indemnification pursuant to this ARTICLE VII; provided, that the Indemnitee's inability to collect or recover any such Insurance Proceeds or Third Party Proceeds shall not limit the Indemnifying Party's obligations hereunder.

Section 7.7 Additional Matters; Survival of Indemnities.

(a) The indemnity and contribution agreements contained in this ARTICLE VII shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee; and (ii) the knowledge by the Indemnitee of Liabilities for which it might be entitled to indemnification or contribution hereunder.

(b) The rights and obligations of each Party and their respective Indemnitees under this ARTICLE VII shall survive the sale or other transfer by any Party or its respective Subsidiaries of any Assets or businesses or the assignment by it of any and all Liabilities.

Section 7.8 Characterization of Payments. Any payment (other than interest thereon) made pursuant to this ARTICLE VII by Questar to QEP, or by QEP to Questar, shall be treated by all Parties for all Tax purposes as a non-taxable distribution or capital contribution made prior to the end of the day on the Distribution Date unless otherwise required by Law.

ARTICLE VIII. CONFIDENTIALITY; ACCESS TO INFORMATION

Section 8.1 Provision of Corporate Records. Other than in circumstances in which indemnification is sought pursuant to ARTICLE VII (in which event the provisions of such Article will govern) and without limiting the applicable provisions of ARTICLE VII:

(a) After the Effective Date, upon the prior written request by QEP for the QEP Books and Records and other Information which relates to QEP or the conduct of the QEP Business, as the case may be, up to the Effective Date, Questar shall provide, as soon as reasonably practicable following the receipt of such request, appropriate copies of such QEP Books and Records or Information (or the originals thereof if the Party making the request has a reasonable need for such originals) in the possession or control of Questar or any of its Affiliates or Subsidiaries, but only to the extent such items so relate and are not already in the possession or control of the requesting Party.

(b) After the Effective Date, upon the prior written request by Questar for the Questar Books and Records and other Information which relates to Questar or the conduct of the Questar Business up to the Effective Date, QEP shall provide, as soon as reasonably practicable following the receipt of such request, appropriate copies of such Questar Books and Records or Information (or the originals thereof if the Party making the request has a reasonable need for such originals) in the possession or control of QEP or any of its Subsidiaries, but only to the extent such items so relate and are not already in the possession or control of the requesting Party.

(c) Nothing in this Section 8.1 shall require any Party to violate any Law or agreement with any third party regarding the confidentiality of confidential and proprietary information relating to that third party or its business; provided, however, that in the event a Party is required to disclose any such information, such Party shall use commercially reasonable efforts to seek to obtain the necessary Governmental Approval or Consent from the relevant Governmental Entity or third party to disclose such information. Questar and QEP shall cooperate in good faith to preserve any legal privileges applicable to any books and records or Information to be delivered pursuant to this Section 8.1 to the extent reasonably practicable.

Section 8.2 Access to Information. Other than in circumstances in which indemnification is sought pursuant to ARTICLE VII (in which event the provisions of such

Article will govern) and without limiting the applicable provisions of ARTICLE VII, from and after the Effective Date, each of Questar and QEP shall afford to the other and its authorized accountants, counsel and other designated representatives reasonable access during normal business hours, to the personnel, properties, and Information of such Party and its Subsidiaries insofar as such access is reasonably required by the other Party, and only for the duration such access is required, and relates to such other Party or the conduct of its business prior to the Effective Date. Nothing in this Section 8.2 shall require any Party to violate any Law or agreement with any third party regarding the confidentiality of confidential and proprietary information relating to that third party or its business; provided, however, that in the event that a Party is required to disclose any such information, such Party shall use commercially reasonable efforts to seek to obtain the necessary Governmental Approval or consent from the relevant Governmental Entity or third party to disclose such Information. Questar and QEP shall cooperate in good faith to preserve any legal privileges applicable to any books and records or Information to be delivered pursuant to this Section 8.2 to the extent reasonably practicable. Each of Questar and QEP shall inform their respective officers, employees, agents, consultants, advisors, authorized accountants, counsel and other designated representatives who have or have access to the other Party's Confidential Information of their obligation to hold such information confidential to the same extent as is applicable to the Parties.

Section 8.3 Witness Services. At all times from and after the Effective Date, each of Questar and QEP shall use its commercially reasonable efforts to make available to the other, upon reasonable written request, its and its Subsidiaries' officers, directors, employees and agents as witnesses to the extent that (i) such Persons may reasonably be required to testify in connection with the prosecution or defense of any Action in which the requesting Party may from time to time be involved (except for claims, demands or Actions between members of each Group) and (ii) there is no conflict in the Action between the requesting Party and the other Party, nor any prejudice to the Party making its witnesses available, except for the time and effort required in connection with the services of the officers, directors and employees and agents of the other Party.

Section 8.4 Confidentiality.

(a) Notwithstanding any termination of this Agreement, for a period of five (5) years from the Effective Date the Parties shall hold, and shall cause each of their respective Subsidiaries to hold, and shall each cause their respective officers, employees, agents, consultants and advisors to hold, in strict confidence, and not to disclose or release or use, for any ongoing or future commercial purpose, without the prior written consent of the other Party, any and all Confidential Information concerning any other Party; provided, that the Parties may disclose, or may permit disclosure of, Confidential Information (i) to their respective auditors, attorneys, financial advisors, bankers and other appropriate consultants and advisors who have a need to know such information for auditing and other non-commercial purposes and are informed of their obligation to hold such information confidential to the same extent as is applicable to the Parties and in respect of whose failure to comply with such obligations, the applicable Party will be responsible, (ii) if the Parties or any of their respective Subsidiaries are required or compelled to disclose any such Confidential Information by judicial or administrative process or by other requirements of Law or stock exchange rule, (iii) as required in connection with any legal or other proceeding by one Party against any other Party, or (iv) as necessary in

order to permit a Party to prepare and disclose its financial statements, or other required disclosures; provided, further, that each Party (and members of its Group as necessary) may use, or may permit use of, Confidential Information of the other Party in connection with such first Party performing its obligations, or exercising its rights, under this Agreement or any Ancillary Agreement. Notwithstanding the foregoing, in the event that any demand or request for disclosure of Confidential Information is made pursuant to clause (ii) above, each Party, as applicable, shall promptly notify the other of the existence of such request or demand and shall provide the other a reasonable opportunity to seek an appropriate protective order or other remedy, which such Parties will cooperate in obtaining. In the event that such appropriate protective order or other remedy is not obtained, the Party whose Confidential Information is required to be disclosed shall or shall cause the other applicable Party or Parties to furnish, or cause to be furnished, only that portion of the Confidential Information that is legally required to be disclosed and shall take commercially reasonable steps to ensure that confidential treatment is accorded such information.

(b) Notwithstanding anything to the contrary set forth herein, (i) the Parties shall be deemed to have satisfied their obligations hereunder with respect to Confidential Information if they exercise the same degree of care (but no less than a reasonable degree of care) as they take to preserve confidentiality for their own similar information and (ii) confidentiality obligations provided for in any agreement between each Party or its Subsidiaries and their respective employees shall remain in full force and effect. Notwithstanding anything to the contrary set forth herein, Confidential Information of any Party in the possession of and used by any other Party as of the Effective Date may continue to be used by such Party in possession of the Confidential Information in and only in the operation of the QEP Business or the Questar Business, as the case may be; provided, such Confidential Information may be used only so long as the Confidential Information is maintained in confidence and not disclosed in violation of Section 8.4(a). Such continued right to use may not be transferred (directly or indirectly) to any third party without the prior written consent of the applicable Party, except pursuant to Section 11.9.

(c) Each Party acknowledges that it and the other members of its Group may have in their possession confidential or proprietary information of third parties that was received under confidentiality or non-disclosure agreements with such third party prior to the Effective Date. Such Party will hold, and will cause the other members of its Group and their respective representatives to hold, in strict confidence the confidential and proprietary information of third parties to which they or any other member of their respective Groups has access, in accordance with the terms of any agreements entered into prior to the Effective Date between one or more members of the such Party's Group (whether acting through, on behalf of, or in connection with, the separated Businesses) and such third parties.

(d) Upon the written request of a Party, the other Party shall promptly (i) deliver to such requesting Party all original Confidential Information (whether written or electronic) concerning such requesting Party and/or its Subsidiaries, and (ii) if specifically requested by such requesting Party, destroy any copies of such Confidential Information (including any extracts there from). Upon the written request of such requesting Party, the other Party shall cause one of its duly authorized officers to certify in writing to such requesting Party that the requirements of the preceding sentence have been satisfied in full.

Section 8.5 Privileged Matters.

(a) Pre-Separation Services. The Parties recognize that legal and other professional services that have been and will be provided prior to the Effective Date have been and will be rendered for the collective benefit of each of the members of the Questar Group and the QEP Group, and that each of the members of the Questar Group and the QEP Group should be deemed to be the client with respect to such pre-separation services for the purposes of asserting all privileges which may be asserted under applicable Law.

(b) Post-Separation Services. The Parties recognize that legal and other professional services will be provided following the Effective Date which will be rendered solely for the benefit of Questar or QEP, as the case may be. With respect to such post-separation services, the Parties agree as follows:

(i) Questar shall be entitled, in perpetuity, to control the assertion or waiver of all privileges in connection with privileged information which relates solely to the Questar Business, whether or not the privileged information is in the possession of or under the control of Questar or QEP. Questar shall also be entitled, in perpetuity, to control the assertion or waiver of all privileges in connection with privileged information that relates solely to the subject matter of any claims constituting Questar Liabilities, now pending or which may be asserted in the future, in any lawsuits or other proceedings initiated against or by Questar, whether or not the privileged information is in the possession of or under the control of Questar or QEP; and

(ii) QEP shall be entitled, in perpetuity, to control the assertion or waiver of all privileges in connection with privileged information which relates solely to the QEP Business, whether or not the privileged information is in the possession of or under the control of Questar or QEP. QEP shall also be entitled, in perpetuity, to control the assertion or waiver of all privileges in connection with privileged information that relates solely to the subject matter of any claims constituting QEP Liabilities, now pending or which may be asserted in the future, in any lawsuits or other proceedings initiated against or by QEP, whether or not the privileged information is in the possession of or under the control of Questar or QEP.

(c) The Parties agree that they shall have a shared privilege, with equal right to assert without concurrence from the other Party, subject to the restrictions in this Section 8.5, with respect to all privileges not allocated pursuant to the terms of Section 8.5(b). All privileges relating to any claims, proceedings, litigation, disputes, or other matters which involve both Questar and QEP in respect of which both Parties retain any responsibility or Liability under this Agreement, shall be subject to a shared privilege among them.

(d) No Party may waive any privilege which could be asserted under any applicable Law, and in which any other Party has a shared privilege, without the consent of the other Party, which shall not be unreasonably withheld, conditioned or delayed or as provided in subsections (e) or (f) below. Consent shall be in writing, or shall be deemed to be granted unless written objection is made within twenty (20) days after written notice upon the other Party requesting such consent.

(e) In the event of any litigation or dispute between or among any of the Parties, or any members of their respective Groups, either such Party may waive a privilege in which the other Party or member of such Group has a shared privilege, without obtaining the consent of the other Party; provided, that such waiver of a shared privilege shall be effective only as to the use of information with respect to the specific litigation or dispute then prevailing between the relevant Parties and/or the applicable members of their respective Group's, and shall not operate as a waiver of the shared privilege with respect to third parties.

(f) If a dispute arises between or among the Parties or their respective Subsidiaries regarding whether a privilege should be waived to protect or advance the interest of any Party, each Party agrees that it shall negotiate in good faith, shall endeavor to minimize any prejudice to the rights of the other Parties, and shall not unreasonably withhold, condition or delay consent to any request for waiver by another Party. Each Party specifically agrees that it will not withhold, condition or delay consent to waiver for any purpose except to protect its own legitimate interests.

(g) Upon receipt by any Party or by any Subsidiary thereof of any subpoena, discovery or other request which arguably calls for the production or disclosure of information subject to a shared privilege or as to which another Party has the sole right hereunder to assert a privilege, or if any Party obtains knowledge that any of its or any of its Subsidiaries' current or former directors, officers, agents or employees have received any subpoena, discovery or other requests which arguably calls for the production or disclosure of such privileged information, such Party shall promptly notify the other Party or Parties of the existence of the request and shall provide the other Party or Parties a reasonable opportunity to review the information and to assert any rights it or they may have under this Section 8.5 or otherwise to prevent the production or disclosure of such privileged information.

(h) The transfer of all Information pursuant to this Agreement is made in reliance on the agreement of Questar and QEP as set forth in Section 8.4 and Section 8.5, to maintain the confidentiality of privileged information and to assert and maintain all applicable privileges. The access to information being granted pursuant to Section 6.6, Section 8.1 and Section 8.2 hereof, the agreement to provide witnesses and individuals pursuant to Section 6.6 and Section 8.3 hereof, the furnishing of notices and documents and other cooperative efforts contemplated by Section 6.6 and Section 8.5 hereof, and the transfer of privileged information between and among the Parties and their respective Subsidiaries pursuant to this Agreement shall not be deemed a waiver of any privilege that has been or may be asserted under this Agreement or otherwise.

Section 8.6 Ownership of Information. Any information owned by one Party or any of its Subsidiaries that is provided to a requesting Party pursuant to this ARTICLE VIII shall be deemed to remain the property of the providing Party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such information.

Section 8.7 Other Agreements. The rights and obligations granted under this ARTICLE VIII are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange or confidential treatment of information set forth in any Ancillary Agreement.

**ARTICLE IX.
DISPUTE RESOLUTION**

Section 9.1 Agreement Disputes. Except as specifically provided in Section 6.4 and any Ancillary Agreement, in the event of a controversy, dispute or claim arising out of, in connection with, or in relation to the interpretation, performance, nonperformance, validity, termination or breach of this Agreement or otherwise arising out of, or in any way related to this Agreement or the transactions contemplated hereby, including any claim based on contract, tort, statute or constitution (but excluding any controversy, dispute or claim arising out of any Contract relating to the use or lease of real property if any third party is a necessary party to such controversy, dispute or claim) (collectively, "Agreement Disputes"), all such Agreement Disputes shall be submitted to binding arbitration for resolution according to the following provisions, provided, however, that if the aggregate amount in controversy, dispute or claim (or any series of related controversies, disputes or claims) of any Agreement Dispute is less than \$250,000, the Parties agree that such controversy, dispute or claim shall not be submitted to Arbitration pursuant to this ARTICLE IX and that the Party who shall have identified the Agreement Dispute shall have no further recourse under this ARTICLE IX or under any applicable Law.

Section 9.2 Negotiation. In the event either Party identifies an Agreement Dispute, it shall provide written notice thereof to the other Party identifying with reasonable particularity the facts which support the asserted dispute and the particular contractual provision at issue. Receipt of such notice by the other Party shall trigger a 30-day informal resolution process during which both Parties, through their designated representatives, shall attempt to resolve such Agreement Dispute in an amicable manner.

Section 9.3 Selection of Arbitrator(s). In the event the Agreement Dispute remains unresolved at the end of such 30-day period, (i) for Agreement Disputes with an amount in controversy of less than \$5 million, exclusive of interest or attorneys' fees, the Agreement Dispute shall be heard and determined by one (1) arbitrator; otherwise, the Agreement Dispute shall be heard and determined by three (3) arbitrators. For disputes to be determined by one arbitrator, the Party asserting such dispute shall, within 5 days after such 30-day period, deliver in writing (by mail, e-mail, facsimile at the numbers identified in Section 11.6, hand-delivery or other confirmed delivery method) to the other Party the identity of its proposed neutral arbitrator who shall be qualified by education and experience to resolve the particular Agreement Dispute and available to resolve the dispute within the time frame described herein, and the other Party shall have 5 days after receipt of the asserting Party's arbitrator nomination to accept or reject the proposed arbitrator in writing. In the event the other Party has not within such 5-day period delivered to the asserting Party in writing its rejection of the asserting Party's proposed arbitrator, the asserting Party's proposed arbitrator shall be deemed accepted. In the event the other Party timely rejects the asserting Party's proposed arbitrator, the Parties shall within 5 days after such rejection jointly request that the American Arbitration Association (AAA) appoint an arbitrator who is both qualified by education and experience and available to resolve the particular Agreement Dispute within the timeframe described herein. In the event that three

arbitrators shall hear the Agreement Dispute, and if there are only two Parties to the arbitration, each Party shall appoint its arbitrator within twenty (20) days of receipt by respondent of a copy of the demand for arbitration. The two party-appointed arbitrators shall have twenty (20) days from the appointment of the second arbitrator to agree on a third arbitrator who shall chair the arbitral tribunal. Any arbitrator not timely appointed by the Parties shall be appointed by the AAA, and in any such procedure, each party shall be given a limited number of strikes, excluding strikes for cause. If any appointed arbitrator declines, resigns, becomes incapacitated, or otherwise refuses or fails to serve or to continue to serve as an arbitrator, the Party or arbitrators entitled to appoint such arbitrator shall promptly appoint a successor. In the event that an arbitrator is objected to, AAA shall decide whether such objection is valid and whether the challenged arbitrator shall be removed. Any controversy concerning the jurisdiction of the arbitrator(s), whether an Agreement Dispute is arbitrable, whether arbitration has been waived, whether an assignee of this Agreement is bound to arbitrate, or as to the interpretation of enforceability of this ARTICLE IX shall be determined by the arbitrator(s).

Section 9.4 Arbitration Procedures. Within 30 days after selection of the arbitrator(s), whether by agreement of the Parties or selection by AAA if the Parties are unable to agree, each Party shall deliver to the Arbitrator(s) and the opposing Party its written statement of position, accompanied by any supporting evidence, regarding the Agreement Dispute(s) being arbitrated. The arbitrator(s) shall advise the parties verbally of its decision resolving the Agreement Dispute within 15 days after the 30-day briefing period, without hearing. Within 15 days after advising of its decision, the arbitrator(s) shall provide its written decision (if not already provided) stating the reasons for its decision. The arbitrator(s) shall resolve each Agreement Dispute in its entirety in favor of the Party whose position is most consistent with the terms and provisions of this Agreement. The arbitrator(s) shall be entitled, if appropriate, to award any remedy in such proceedings that is permitted under this Agreement and applicable law, including monetary damages, specific performance and other forms of legal and equitable relief. The Parties hereby waive any claim to exemplary, punitive, multiple or similar damages in excess of compensatory damages the arbitrator(s) are not empowered to and shall not award such damages.

Section 9.5 Choice of Law, Compliance, Enforcement, Costs. In resolving any Agreement Dispute, the Parties intend that the arbitrator(s) shall apply the substantive Laws of the State of Utah, without regard to any choice of law principles thereof that would mandate the application of the laws of another jurisdiction. The Parties intend that the provisions to arbitrate set forth herein be valid, enforceable and irrevocable, and any award rendered by the arbitrator(s) shall be final and binding on the Parties. The Parties agree to comply and cause the members of their applicable Group to comply with any award made in any such arbitration proceedings and agree to enforcement of or entry of judgment upon such award, in any court of competent jurisdiction. The arbitrator's decision shall not be subject to appeal in any forum, but shall be enforceable by Wyoming Courts if full compliance has not occurred within 30 days of the arbitrator's written decision. Each Party shall bear its own costs of arbitration including its attorney's fees, without regard to which Party prevails, and 50% of the arbitrator's costs and fees.

Section 9.6 Confidentiality of Proceedings. Unless otherwise agreed in writing by or among the relevant Parties or permitted by this Agreement, the relevant Parties shall keep, and shall cause the members of their applicable Group to keep, confidential all matters relating to the

arbitration or the award. All negotiations, conferences and discussions pursuant to this ARTICLE IX shall be treated as compromise and settlement negotiations; provided, that such matters may be disclosed (i) to the extent reasonably necessary in any proceeding brought to enforce this agreement to arbitrate or any arbitral award or for entry of a judgment upon the award and (ii) to the extent otherwise required by Law or regulatory authority.

Section 9.7 Continuity of Service and Performance. During the course of dispute resolution pursuant to the provisions of this ARTICLE IX, the Parties will continue to provide all other services and honor all other commitments under this Agreement and each Ancillary Agreement with respect to all matters not subject to such dispute resolution.

Section 9.8 Limitation on Actions. Notwithstanding anything to the contrary in this Agreement, (a) no Action shall be commenced (including the dispute resolution procedures set forth in this ARTICLE IX to resolve Agreement Disputes) by an Indemnitee against an Indemnifying Party or any of their respective Affiliates more than 12 months after the Indemnitee acquires, or reasonably should have acquired, knowledge of the facts giving rise to its right to indemnification under ARTICLE VII (it being understood that if no such Action is commenced within such 12-month period, the Indemnifying Party shall be discharged from liability for such claim); and (b) no Action shall be commenced (including the dispute resolution procedures set forth in this ARTICLE IX for Agreement Disputes) by a Party against the other Party asserting any claim arising from breach of any obligation of such other Party under this Agreement more than 12 months after such first Party acquires, or reasonably should have acquired, knowledge of such breach (it being understood that if no such Action is commenced within such 12-month period, the breaching Party shall be discharged from liability for such breach). For the avoidance of doubt, this Section 9.8 shall not apply to any of the Ancillary Agreements.

ARTICLE X. INSURANCE

Section 10.1 Policies and Allocation of Related Rights and Obligations.

(a) The QEP Assets shall include any and all rights of an insured Person under each Third Party QEP Policy and each Third Party Shared Policy to the extent related to the QEP Business, provided that QEP acknowledges and agrees on its own behalf, and on behalf of each other member of the QEP Group, that (i) the terms of certain Third Party Shared Policies are limited to any alleged wrongful act, claim, suit, action, proceeding, injury, loss, liability, damage or expense incurred or claimed to have been incurred prior to the Effective Date by QEP or any other member of the QEP Group in connection with the conduct of the QEP Business, or as otherwise extended on a coverage-by-coverage basis as further described in this ARTICLE X, and (ii) neither QEP nor any other member of the QEP Group has any rights to or under any Third Party Shared Policy except as provided in this ARTICLE X, and (iii) nothing in this ARTICLE X shall be deemed to constitute (or to reflect) an assignment of any rights to or under any Third Party Shared Policy except as provided in this ARTICLE X. The QEP Liabilities shall include any and all obligations of an insured Person under each Third Party QEP Policy and each Third Party Shared Policy to the extent related to or arising out of the QEP Business.

(b) The Questar Assets shall include any and all rights of an insured Person under each Third Party Questar Policy and each Third Party Shared Policy to the extent related to the Questar Business, provided that Questar acknowledges and agrees on its own behalf, and on behalf of each other member of the Questar Group, that nothing in this ARTICLE X shall be deemed to constitute (or to reflect) an assignment of any rights to or under any Third Party Shared Policy. The Questar Liabilities shall include any and all obligations of an insured Person under each Third Party Questar Policy and each Third Party Shared Policy to the extent related to or arising out of the Questar Business.

Section 10.2 Directors and Officers and Fiduciary Liability Policies.

(a) On or before the Distribution Date, Questar shall purchase directors and officers liability insurance Policies having total limits of \$100 million, consisting of “Side A”, “Side B” and “Side C” coverage and having a policy period incepting on the Distribution Date and ending six years after the inception date (“D&O Tail Policies”). The premium for the D&O Tail Policies shall be pre-paid for the full six-year term of the D&O Tail Policies. Such D&O Tail Policies shall cover Questar and the insured persons of Questar prior to the Distribution Date and shall have material terms and conditions no less favorable than those contained in the Policies comprising the Questar directors and officers liability insurance program incepting on October 24, 2009, except for the policy period, premium and provisions excluding coverage for wrongful acts post-dating the Distribution Date. Each of the past and current named insured, Directors and Officers of QEP shall be named insured under such D&O Tail Policies. Questar shall provide QEP with copies of the D&O Tail Policies within a reasonable time after the Policies are issued.

(b) On or before the Distribution Date, Questar shall purchase fiduciary liability insurance Policies having total limits of \$50 million and having a policy period incepting on the Distribution Date, or the expiration date of the current Questar fiduciary liability insurance Policies, whichever date is earlier, and ending on a date that is six years after the inception date (“Fiduciary Tail Policies”). The premium for the Fiduciary Tail Policies shall be pre-paid by Questar for the full six-year term of the Fiduciary Tail Policies. Such Fiduciary Tail Policies shall cover Questar and the insured persons of Questar prior to the Distribution Date and shall have material terms and conditions no less favorable than those contained in the Policies comprising the Questar fiduciary liability insurance program incepting on October 24, 2009, except for the policy period, premium and provisions excluding coverage for wrongful acts post-dating the Distribution Date. Each of the past and current named insured, Directors and Officers of QEP shall be named insured under such Fiduciary Tail Policies. Questar shall provide QEP with copies of the Fiduciary Tail Policies within a reasonable time after the Policies are issued.

(c) Subject to ARTICLE VII, each Party shall pay its Allocated Percentage of any D&O Tail Policy premium and deductible (or retention, as the case may be) and/or any Fiduciary Tail Policy premium and deductible (or retention as the case may be).

(d) To the extent that Questar is unable prior to the Distribution Date to obtain any of the Policies as provided for in paragraphs (a) and (b) of this Section 10.2, then, with respect to claims based on wrongful acts on or before the Distribution Date, Questar shall use commercially reasonable efforts to secure appropriate alternative insurance arrangements on the

applicable standalone insurance policies for Questar and QEP to provide benefits on terms and conditions (including policy limits) in favor of QEP and the insured persons thereof no less favorable than the benefits (including policy limits) that were to be afforded by the Policies described in paragraphs (a) and (b) of this Section 10.2. With respect to such alternative insurance arrangements, Questar and QEP shall be responsible for their own costs under their applicable standalone insurance Policies. Questar shall not under any circumstances purchase any such alternative coverage containing an exclusion for claims based on wrongful acts up to and including the Distribution Date to the extent such exclusion would preclude coverage for QEP and/or the insured persons thereof, but would not preclude coverage for Questar and/or the insured persons thereof.

Section 10.3 Third Party Shared Policies – Casualty Insurance Program.

(a) With respect to Third Party Shared Policies of workers' compensation and automobile liability insurance for which coverage is available and a claim arising therefrom has been or is eventually asserted against QEP or any other member of the QEP Group, Questar will (i) provide QEP and any other member of the QEP Group with access to and coverage under the applicable Third Party Shared Policies, and (ii) reasonably cooperate with QEP and take commercially reasonable actions as may be necessary or advisable to assist QEP in submitting such claims under the applicable Third Party Shared Policies, provided that QEP shall be responsible for its portion of any deductibles or co-payments legally due and owing relating to such claims. For the avoidance of doubt, if an occurrence happens after October 1, 2010, there will be no coverage for payment for any damages, costs of defense, or other sums with respect to such claim available to QEP under such Third Party Shared Policies.

(b) With respect to Third Party Shared Policies of excess liability insurance, if an occurrence for which coverage is available happens prior to October 1, 2010, and a claim arising therefrom is eventually asserted against QEP or any other member of the QEP Group or an occurrence happens after October 1, 2010, there will be no coverage for payment for any damages, costs of defense, or other sums with respect to such claim available to QEP under such Third Party Shared Policies.

(c) With respect to all claims that arise out of occurrences that occur prior to October 1, 2010, and for which coverage is available under any Third Party Shared Policies pursuant to paragraphs (a) or (b) of this Section 10.3, QEP or the relevant member of the QEP Group shall be responsible for bearing the full amount of costs and expenses constituting QEP Liabilities that are not covered under the relevant Third Party Shared Policies.

Section 10.4 Third Party Shared Policies – Property and Control of Well Program.

(a) With respect to Third Party Shared Policies of property and control of well insurance for which coverage is available and a claim arising therefrom has been or is eventually asserted against QEP or any other member of the QEP Group, Questar will (i) provide QEP and any other member of the QEP Group with access to and coverage under the applicable Third Party Shared Policies, and (ii) reasonably cooperate with QEP and take commercially reasonable actions as may be necessary or advisable to assist QEP in submitting such claims under the applicable Third Party Shared Policies, provided that QEP shall be responsible for its portion of

any deductibles or co-payments legally due and owing relating to such claims. For the avoidance of doubt, if an occurrence happens after April 1, 2011, there will be no coverage for payment for any damages, costs of defense, or other sums with respect to such claim available to QEP under such Third Party Shared Policies.

(b) With respect to all claims that arise out of occurrences that occur prior to April 1, 2011 and for which coverage is available under any Third Party Shared Policies pursuant to paragraph (a) of this Section 10.4, QEP or the relevant member of the QEP Group shall be responsible for bearing the full amount of costs and expenses constituting QEP Liabilities that are not covered under the relevant Third Party Shared Policies.

Section 10.5 Third Party Shared Policies.

(a) With respect to all Third Party Shared Policies, QEP agrees and covenants (on behalf of itself and each other member of the QEP Group, and each other Affiliate of QEP) not to make any claim or assert any rights against Questar and any other member of the Questar Group, or the unaffiliated third-party insurers of such Third Party Shared Policies, except as expressly provided under Section 10.3 and Section 10.4.

(b) After the Distribution Date, Questar and each other member of the Questar Group, and QEP and each other member of the QEP Group, shall not, without the consent of QEP or Questar, respectively (such consent not to be unreasonably withheld, conditioned or delayed), provide any insurance carrier with a release or amend, modify or waive any rights under any insurance policy or agreement if such release amendment, modification or waiver thereunder would materially adversely affect any rights of any member of the Group of the other Party with respect to insurance coverage otherwise afforded to such other Party for pre-Distribution claims; provided, however, that the foregoing shall not (A) preclude any member of any Group from presenting any claim or from exhausting any policy limit, (B) require any member of any Group to pay any premium or other amount or to incur any Liability or (C) require any member of any Group to renew, extend or continue any policy in force. Each of Questar and QEP shall share such Information as is reasonably necessary in order to permit the other to manage and conduct its insurance matters in an orderly fashion. The provisions of this Agreement are not intended to relieve any insurer of any Liability under any policy.

Section 10.6 Administration of Third Party Shared Policies; Other Matters.

(a) For the avoidance of doubt, from and after the Distribution Date, (i) QEP or a member of the QEP Group shall be responsible for the administration of all Third Party QEP Policies, and (ii) Questar or a member of the Questar Group shall be responsible for the administration of all Third Party Questar Policies.

(b) With respect to all Third Party Shared Policies, from and after the Distribution Date, Questar or a member of the Questar Group shall be responsible for the Insurance Administration and Claims Administration of such Third Party Shared Policies consistent with the terms of this Section 10.6; provided, that the retention of such administrative responsibilities by Questar or a member of the Questar Group is in no way intended to limit, inhibit or preclude any right to insurance coverage for any Insured Claim of a named insured

under such Third Party Shared Policies as contemplated by the terms of this Agreement, or to limit the rights of an Indemnifying Party pursuant to Sections 7.4 and 7.6(a); provided, further, that the retention of such administrative responsibilities by Questar or a member of the Questar Group shall not relieve the Person submitting any Insured Claim of the primary responsibility for reporting such Insured Claim accurately, completely and in a timely manner, or of such Person's authority to settle any such Insured Claim, subject always to the terms and conditions of, and within any period permitted or required by, the relevant Third Party Shared Policy. At its discretion, and in accordance with the terms of the Third Party Shared Policies, Questar may discharge its administrative responsibilities with respect to such Third Party Shared Policies by contracting for the provision of administrative services to any unaffiliated Person reasonably acceptable to QEP, including, after the Distribution Date, QEP or any of its Affiliates. QEP shall reimburse Questar for any reasonable out-of-pocket costs incurred by Questar related to such Insurance Administration and Claims Administration to the extent such costs are (i) not covered under the Third Party Shared Policies and (ii) related to QEP Liabilities or QEP's Allocated Percentage of the Unallocated Liabilities. Questar or any member of the Questar Group shall not settle any Insured Claim of QEP or any member of QEP Group under the Third Party Shared Policies without first obtaining the approval of QEP or such member of QEP Group. Such approval shall not be unreasonably withheld, delayed or conditioned.

(c) Exceeding Policy Limits. Where QEP Liabilities are specifically covered under a Third Party Shared Policy, then from and after the Distribution Date, QEP may claim coverage for Insured Claims under such Third Party Shared Policy but only to the extent that such insurance is available up to the full extent of the applicable limits of liability of such Third Party Shared Policy (and may receive any Insurance Proceeds with respect thereto as contemplated by Section 10.3, Section 10.4, or Section 10.6(e)), subject to the terms of this Section 10.6.

(d) Claims Not Reimbursed. Except as set forth in this Section 10.6, Questar and QEP shall not be liable to one another (nor shall any member of the Questar Group be liable to any member of the QEP Group) for claims, or portions of claims, not reimbursed by insurers under any Third Party Shared Policy for any reason not within the control of Questar or QEP, including but not limited to coinsurance provisions, deductibles, quota share deductibles, self-insured retentions, bankruptcy or insolvency of any insurance carrier(s), Third Party Shared Policy limitations or restrictions, any coverage disputes, any failure to timely file a claim by Questar or QEP (or any of the members of their respective Groups), or any defect in such claim or its processing. The liability of Questar and QEP to one another for such claims is expressly limited to the amount of Insurance Proceeds received with respect to such claims and allocated to the respective Parties in accordance with Section 10.6(e). It is expressly understood that the foregoing provisions in this Section 10.6(d) shall not limit any Party's liability to any other Party for indemnification pursuant to ARTICLE VII.

(e) Allocation of Insurance Proceeds. In the event that the aggregate limits on any Third Party Shared Policies (except in the case of any Unallocated Liability) are exceeded by the aggregate of outstanding Insured Claims by the Parties or members of their respective Groups, the Parties agree to allocate the Insurance Proceeds received thereunder based upon their respective percentage of the total of their bona fide claims which were covered under such Third Party Shared Policy, and any Party who has received Insurance Proceeds in excess of such

Party's respective percentage of Insurance Proceeds shall pay to the other Party the appropriate amount so that each Party will have received its respective percentage of Insurance Proceeds pursuant hereto. Each of the Parties agrees to use commercially reasonable efforts to maximize available coverage under those Third Party Shared Policies applicable to it, and to take all commercially reasonable steps to recover from all other responsible parties in respect of an Insured Claim to the extent coverage limits under a Third Party Shared Policy have been exceeded or would be exceeded as a result of such Insured Claim.

(f) Allocation of Deductibles. In the event that the Parties or members of their respective Groups have bona fide claims under any Third Party Shared Policy arising from the same occurrence and for which a deductible is payable, the Parties agree that the aggregate amount of the deductible paid shall be borne by the Parties in the same proportion which the Insurance Proceeds received by each such Party bears to the total Insurance Proceeds received under the applicable Third Party Shared Policy pursuant to Section 10.6(e), and any Party who has paid more than such allocable share of the deductible shall be entitled to receive from the other Party an appropriate amount so that each Party has borne its allocable share of the deductible pursuant hereto.

Section 10.7 Agreement for Waiver of Conflict and Shared Defense. In the event that Insured Claims of more than one of the Parties exist relating to the same occurrence, the Parties shall jointly defend and waive any conflict of interest necessary to the conduct of the joint defense. Nothing in this ARTICLE X shall be construed to limit or otherwise alter in any way the obligations of the Parties, including those created by this Agreement, by operation of Law or otherwise.

Section 10.8 Cooperation. The Parties agree to use (and cause the members in their respective Groups to use) their commercially reasonable efforts to cooperate with respect to the various insurance matters contemplated by this ARTICLE X.

Section 10.9 Certain Matters Relating to Questar's Organizational Documents. For a period of six (6) years from the Distribution Date, the Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of Questar shall contain provisions no less favorable with respect to indemnification than are set forth in the Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of Questar immediately prior to the Distribution Date, which provisions shall not be amended, repealed or otherwise modified for a period of six (6) years from the Distribution Date in any manner that would affect adversely the rights thereunder of individuals who, at or prior to the Distribution Date, were directors, officers, employees, fiduciaries or agents of Questar, QEP or a member of the QEP Group, unless such modification shall be required by Law and then only to the minimum extent required by Law.

Section 10.10 Miscellaneous.

(a) Nothing in this Agreement shall be deemed to restrict QEP or Questar, or any members of their respective Groups, from acquiring at its own expense any insurance Policy in respect of any Liabilities or covering any period. Except as otherwise provided in this ARTICLE X, from and after the Distribution Date, QEP and Questar shall be responsible for obtaining and maintaining their respective insurance programs for their risk of loss and such

insurance arrangements shall be separate programs apart from each other and each will be responsible for its own premium payments, deductibles and/or retentions for such insurance programs.

(b) Each of the Parties intends by this Agreement that a third-party Person, including a third-party insurer or reinsurer, or other third-party Person that, in the absence of the Agreement would otherwise be obligated to pay any claim or satisfy any indemnity or other obligation, shall not be relieved of the responsibility with respect thereto and shall not be entitled to a “windfall” (i.e., avoidance of the obligation that such Person would have in the absence of this Agreement). To the extent that any such Person would receive such a windfall, the Parties shall negotiate in good faith concerning an amendment of this Agreement.

ARTICLE XI. MISCELLANEOUS

Section 11.1 Complete Agreement; Construction. This Agreement, including the Exhibits and Schedules, and the applicable Ancillary Agreements shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. In the event of any conflict between the terms and conditions of the body of this Agreement and the terms and conditions of any Schedule, the terms and conditions of such Schedule shall control. In the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of any Ancillary Agreement, the terms and conditions of such Ancillary Agreement shall control.

Section 11.2 Ancillary Agreements. This Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements.

Section 11.3 Counterparts. This Agreement may be executed in more than one counterparts, all of which shall be considered one and the same agreement, and, except as otherwise expressly provided in Section 1.3, shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Parties. Execution of this Agreement or any other documents pursuant to this Agreement by facsimile or other electronic copy of a signature shall be deemed to be, and shall have the same effect as, executed by an original signature.

Section 11.4 Survival of Agreements. Except as otherwise contemplated by this Agreement or any Ancillary Agreement, all covenants and agreements of the Parties contained in this Agreement and each Ancillary Agreement shall survive the Effective Date and remain in full force and effect in accordance with their applicable terms.

Section 11.5 Expenses.

(a) Except as otherwise expressly provided in this Agreement or the applicable Ancillary Agreements, the Parties agree that all out-of-pocket fees and expenses (including all transaction costs and costs to obtain or the economic effect of any Consents) incurred and directly related to the transactions contemplated hereby, including any Liability incurred following the Separation as a result of the consummation of the Separation, shall be borne and paid by the Parties under the “Distrigas” formula using the Distrigas Percentages.

(b) The Parties shall be responsible for payment of outside advisors for all work performed in connection with the Separation, prior to, on or after the Effective Date, provided, however, that Questar shall pay all such outside advisor fees earned, and all costs and expenses incurred, prior to the Effective Date directly related to the Separation and be entitled to reimbursement under the “Distrigas” formula using the Distrigas Percentages.

(c) With respect to any expenses incurred pursuant to a request for further assurances granted under Section 2.9, the Parties agree that such expenses incurred prior to and up to the date that is six (6) months after the Distribution Date shall be borne and paid by the Party incurring such expense in complying with such request; it being understood that no Party shall be obliged to incur any third-party accounting, consulting, advisor, banking or legal fees, costs or expenses, and the requesting Party shall not be obligated to pay such fees, costs or expenses, unless such fee, cost or expense shall have had the prior written approval of the requesting Party.

(d) It is hereby agreed that the obligations of the Parties to pay all out-of-pocket fees and expenses pursuant to Section 11.5 shall survive the Effective Date for a period of twelve (12) months, during which time each Party shall promptly bill the other Party, and the other Party shall promptly pay all fees and expenses reimbursable in accordance with the terms of this Section 11.5 under the “Distrigas” formula using the Distrigas Percentages. In addition, it is further agreed that on or before September 1, 2011, each Party that is owed payment by another Party pursuant to this Section 11.5 shall bill such other Party for all remaining amounts owed to such first Party, and the owing Party shall make a final “true-up” payment for any outstanding indebtedness owed to such first Party, other than obligations owed pursuant to Section 2.13, which may extend beyond September 1, 2011.

Section 11.6 Notices. All notices, requests, claims, demands and other communications under this Agreement and, to the extent applicable and unless otherwise provided therein, under each of the Ancillary Agreements, as between the Parties, shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt unless the day of receipt is not a Business Day, in which case it shall be deemed to have been duly given or made on the next Business Day) by delivery in person, by overnight courier service, by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 11.6):

To Questar:

Questar Corporation
180 East 100 South
Salt Lake City, UT 84111
Attn: General Counsel
Facsimile: (801) 324-5483

To QEP:

QEP Resources, Inc.
1050 Seventeenth Street
Denver, CO 80202
Attn: General Counsel
Facsimile: (303) 573-0314

Section 11.7 Waivers. The failure of any Party to require strict performance by any other Party of any provision in this Agreement will not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

Section 11.8 Amendments. Subject to the terms of Section 11.11, this Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

Section 11.9 Assignment. Except as otherwise expressly provided for in this Agreement, this Agreement shall not be assignable, in whole or in part, by any Party without the prior written consent of the other Party, and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be null and void; provided, that a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by the terms of this Agreement as if named as a "Party" hereto.

Section 11.10 Successors and Assigns. Subject to Section 11.9, the provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 11.11 Termination, Etc. Notwithstanding anything to the contrary herein, this Agreement (including ARTICLE VII (Indemnification) hereof) may be terminated and abandoned at any time prior to the Distribution Date by and in the sole discretion of Questar without the approval of QEP or the stockholders of Questar. In the event of such termination, no Party shall have any Liability to any other Party or any other Person. After the Distribution Date, this Agreement may not be terminated except by an agreement in writing signed by each of the Parties.

Section 11.12 Payment Terms.

(a) Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, any amount to be paid or reimbursed by any Party (and/or a member of such Party's Group), on the one hand, to any other Party (and/or a member of such Party's Group), on the other hand, under this Agreement shall be paid or reimbursed hereunder within forty-five (45) days after presentation of an invoice or a written demand therefor and setting forth, or accompanied by, reasonable documentation or other reasonable explanation supporting such amount.

(b) Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, any amount not paid when due pursuant to this Agreement shall bear interest at a rate per annum equal to the then effective Prime Rate plus 2% (or the maximum legal rate, whichever is lower), calculated for the actual number of days elapsed, accrued from the date on which such payment was due up to the date of the actual receipt of payment.

Section 11.13 No Circumvention. The Parties agree not to directly or indirectly, intentionally and/or in bad faith, take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement or any Ancillary Agreement (including adversely affecting the rights or ability of any Party to successfully pursue indemnification, contribution or payment pursuant to ARTICLE VI and ARTICLE VII).

Section 11.14 Subsidiaries. Each of the Parties shall cause to be performed all actions, agreements and obligations set forth herein to be performed by any Subsidiary or Affiliate of such Party or by any entity that becomes a Subsidiary or Affiliate of such Party on and after the Distribution Date. The Parties acknowledge that certain actions, agreements and obligations that certain of their Affiliates and Subsidiaries may be required to perform in connection with the performance of the Parties obligations under this Agreement or any Ancillary Agreement may require Governmental Approval by Governmental Entities under applicable Law, and therefore agree that performance of such actions, agreements and obligations is subject to the receipt of all such necessary Governmental Approvals, which approvals each Party shall, and shall cause the members of its respective Group to, use its commercially reasonable efforts to obtain.

Section 11.15 Third Party Beneficiaries. Except as provided in ARTICLE VII relating to Indemnitees and for the release under Section 7.1 of any Person provided therein and except as specifically provided in any Ancillary Agreement, this Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

Section 11.16 Title and Headings. Titles and headings to Sections and Articles are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 11.17 Exhibits and Schedules. The Exhibits and Schedules attached hereto are incorporated herein by reference and shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 11.18 Closing. The closing and consummation of the transactions contemplated by this Agreement to occur prior to or at the Distribution shall take place at the offices of Questar in Salt Lake City, Utah.

Section 11.19 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the state of Utah.

Section 11.20 Consent to Jurisdiction. Subject to the provisions of ARTICLE IX, each of the Parties irrevocably submits to the exclusive jurisdiction of (a) the Supreme Court of the State of Wyoming and (b) the United States District Court for the District of Wyoming (the "Wyoming Courts"), for the purposes of any suit, action or other proceeding to compel arbitration or for provisional relief in aid of arbitration in accordance with ARTICLE IX or for provisional relief to prevent irreparable harm, and to the non-exclusive jurisdiction of the Wyoming Courts for the enforcement of any award issued thereunder. Each of the Parties further agrees that service of any process, summons, notice or document by United States registered mail to such Party's respective address set forth in Section 11.6 shall be effective service of process for any action, suit or proceeding in the Wyoming Courts with respect to any matters to which it has submitted to jurisdiction in this Section 11.20. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the Wyoming Courts, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 11.21 Specific Performance. The Parties agree that irreparable damage would occur in the event that the provisions of this Agreement were not performed in accordance with their specific terms. Accordingly, it is hereby agreed that the Parties shall be entitled to (i) an injunction or injunctions to enforce specifically the terms and provisions hereof in any arbitration in accordance with ARTICLE IX, (ii) provisional or temporary injunctive relief in accordance therewith in any Wyoming Court, and (iii) enforcement of any such award of an arbitral tribunal or a Wyoming Court in any court of the United States, or any other any court or tribunal sitting in any state of the United States or in any foreign country that has jurisdiction, this being in addition to any other remedy or relief to which they may be entitled.

Section 11.22 Waiver of Jury Trial. SUBJECT TO ARTICLE IX AND SECTIONS 11.20 AND 11.21 HEREIN, EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY COURT PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF AND PERMITTED UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.22.

Section 11.23 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, and the Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 11.24 Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement or, unless otherwise expressly provided therein, any Ancillary Agreement, so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other Party of the nature and extent of any such Force Majeure condition, and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as reasonably practicable.

Section 11.25 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

Section 11.26 Authorization. Each of the Parties hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party, that this Agreement constitutes a legal, valid and binding obligation of each such Party and that the execution, delivery and performance of this Agreement by such Party does not contravene or conflict with any provision of law or of its charter or bylaws or any material agreement, instrument or order binding on such Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Separation and Distribution Agreement to be duly executed as of the day and year first above written.

QUESTAR CORPORATION

By: /s/ Keith O. Rattie
Name: Keith O. Rattie
Title: Chairman, President and Chief
Executive Officer

QEP RESOURCES, INC.

By: /s/ Charles B. Stanley
Name: Charles B. Stanley
Title: President and Chief Executive Officer

EMPLOYEE MATTERS AGREEMENT

by and between

QUESTAR CORPORATION

QEP RESOURCES, INC.

Dated as of June 14, 2010

EMPLOYEE MATTERS AGREEMENT

This EMPLOYEE MATTERS AGREEMENT (the "Agreement") is entered into as of June 14, 2010, by and between Questar Corporation, a Utah Corporation ("Questar"), and QEP Resources, Inc., a Delaware corporation ("QEP"), each a "Party" and together, the "Parties."

RECITALS:

WHEREAS, Questar, acting through its direct and indirect subsidiaries, currently conducts a number of businesses, including (i) the Exploration and Production Business (the "QEP Business"), and (ii) the Natural Gas Transportation and Distribution Business (the "Questar Business");

WHEREAS, the Board of Directors of Questar has determined that it is appropriate, desirable and in the best interests of Questar and its stockholders to separate Questar into two separate, independent and publicly traded companies, (i) one comprising solely the QEP Business, and (ii) one comprising mainly the Questar Business, which shall continue to be owned and conducted, directly or indirectly, by Questar;

WHEREAS, to effect this separation the Parties entered into that certain Separation and Distribution Agreement dated as of the date hereof (as amended or otherwise modified from time to time, the "Separation Agreement"); and

WHEREAS, pursuant to the Separation Agreement, Questar and QEP have agreed to enter into this Agreement for the purpose of allocating Assets, Liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs between and among them.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.1 Definitions. Capitalized terms used, but not defined herein shall have the meanings assigned to such terms in the Separation Agreement and the following terms shall have the following meanings:

"Agreement" shall have the meaning ascribed thereto in the preamble to this Agreement.

"Benefit Plan" shall mean, with respect to an entity, each plan, program, arrangement, agreement or commitment that is an employment, consulting, non-competition or deferred compensation agreement, or an executive compensation, incentive bonus or other bonus, employee pension, profit-sharing, savings, retirement, supplemental retirement, stock option, stock purchase, stock appreciation rights, restricted stock, other equity-based compensation, severance pay, salary continuation, life, health, hospitalization, sick leave, vacation pay,

disability or accident insurance plan, corporate-owned or key-man life insurance or other employee benefit plan, program, arrangement, agreement or commitment, including any “employee benefit plan” (as defined in Section 3(3) of ERISA), sponsored or maintained by such entity (or to which such entity contributes or is required to contribute).

“COBRA” shall mean the continuation coverage requirements for “group health plans” under Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and as codified in Code Section 4980B and Sections 601 through 608 of ERISA, together with all regulations promulgated thereunder.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Detrimental Conduct Provisions” shall mean any provisions that proscribe conduct of Questar Employees, QEP Employees, Former Questar Employees or Former QEP Employees in their capacity as such, whether set forth in outstanding awards under the Questar Stock Plans or otherwise, in each case as in effect from time to time.

“DOL” shall mean the U.S. Department of Labor.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” shall mean with respect to any Person, each business or entity which is a member of a “controlled group of corporations,” under “common control” or a member of an “affiliated service group” with such Person within the meaning of Sections 414(b), (c) or (m) of the Code, or required to be aggregated with such Person under Section 414(o) of the Code, or under “common control” with such Person within the meaning of Section 4001(a)(14) of ERISA.

“Former QEP Employee” shall mean, as of the Distribution Date, any individual listed on Exhibit B attached hereto or otherwise described pursuant to the rules contained on Exhibit B attached hereto.

“Former Questar Employee” shall mean, as of the Distribution Date, any individual listed on Exhibit A attached hereto or otherwise described pursuant to the rules contained on Exhibit A attached hereto.

“HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996, as amended.

“IRS” shall mean the Internal Revenue Service.

“Participating Company” shall mean Questar or any Affiliate thereof that is a participating employer in a Questar Benefit Plan.

“Parties” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Post-Distribution Questar Option” shall have the meaning ascribed thereto in Section 9.1(a) of this Agreement.

“QEP” shall have the meaning ascribed thereto in the preamble to this Agreement.

“QEP 401(k) Plan” shall have the meaning ascribed thereto in Section 4.1(a) of this Agreement.

“QEP Benefit Plan” shall mean any Benefit Plan sponsored, maintained or contributed to by any member of the QEP Group or any ERISA Affiliate thereof immediately following the Distribution Date, including, without limitation, the QEP Retirement Plan, the QEP 401(k) Plan, the QEP Executive Severance Plan, the QEP Nonqualified Plans, the QEP Stock Plan and the QEP Welfare Plans.

“QEP Cafeteria Plan” shall have the meaning ascribed thereto in Section 5.1(c) of this Agreement.

“QEP Deferred Compensation Plan for Directors” shall have the meaning ascribed thereto in Section 10.6(a) of this Agreement.

“QEP Employee” shall mean any individual who immediately following the Distribution Date, remains employed by or will be employed by QEP or any member of the QEP Group, including active employees and employees on an approved leave of absence (including accrued paid time off leave (PTO), qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, leave under the QEP Short-Term Disability Plan and leave under the Family Medical Leave Act and other approved leaves).

“QEP Executive Severance Plan” shall have the meaning ascribed thereto in Section 10.4(a) of this Agreement.

“QEP Nonqualified Plans” shall have the meaning ascribed thereto in Section 8.1 of this Agreement.

“QEP Option” shall mean an option to purchase shares of QEP Common Stock as of the Distribution Date, which shall be issued pursuant to the QEP Stock Plan as part of the adjustment to Questar Options in connection with the Distribution.

“QEP Participant” shall mean any individual who, immediately following the Distribution Date, is a QEP Employee, a Former QEP Employee, or a beneficiary, dependent or alternate payee of any of the foregoing.

“QEP Restricted Share” shall mean a share of QEP Common Stock that is subject to forfeiture based on the extent of attainment of a vesting requirement, which share is issued pursuant to the QEP Stock Plan.

“QEP Retiree Welfare Benefits Eligible Group” shall mean that group of QEP Employees who have an original hire date with Questar or its affiliates that occurred before January 1, 1997 and, immediately prior to the Distribution Date, could have become eligible for retiree medical and life benefits under a Questar Welfare Plan by (i) attaining age 55, (ii) completing 10 years of service and (iii) timely commencing benefits under the Questar Retirement Plan, regardless of whether such person could actually satisfy these requirements as of the Distribution Date.

“QEP Retirement Plan” shall have the meaning ascribed thereto in Section 3.1(a) of this Agreement.

“QEP Stock Plan” shall have the meaning ascribed thereto in Section 2.5 of this Agreement.

“QEP Supplemental Executive Retirement Plan” shall have the meaning ascribed thereto in Section 8.1 of this Agreement.

“QEP Welfare Plans” shall have the meaning ascribed thereto in Section 5.1(a) of this Agreement.

“Questar” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Questar 401(k) Plan” shall mean the Questar Corporation Employee Investment Plan, as amended and restated effective January 1, 2009.

“Questar Annual Cash Incentive Plans” shall mean, collectively, the plans listed on Schedule C attached hereto.

“Questar Benefit Plan” shall mean any Benefit Plan sponsored, maintained or contributed to by any member of the Questar Group or any ERISA Affiliate thereof prior to the Distribution Date.

“Questar Cafeteria Plan” shall have the meaning ascribed thereto in Section 5.1(c) of this Agreement.

“Questar Deferred Compensation Plan for Directors” shall mean the Questar Corporation Deferred Compensation Plan for Directors, as amended and restated effective January 1, 2005.

“Questar Employee” shall mean any individual who, immediately following the Distribution Date, remains employed by or will be employed by Questar or any member of the Questar Group, including active employees and employees on an approved leave of absence (including accrued PTO, qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, leave under the Questar Corporation Short-Term Disability Program and leave under the Family Medical Leave Act and other approved leaves).

“Questar Executive Severance Plan” shall mean the Questar Corporation Executive Severance Compensation Plan, as amended and restated effective October 23, 2007.

“Questar Nonqualified Plans” shall mean, collectively, the plans listed on Schedule B attached hereto.

“Questar Option” shall mean an option to purchase shares of Questar Common Stock granted pursuant to the Questar Stock Plan.

“Questar Participant” shall mean any individual who, immediately following the Distribution Date, is a Questar Employee, a Former Questar Employee or a beneficiary, dependent or alternate payee of any of the foregoing.

“Questar Restricted Share” shall mean a share of Questar Common Stock that is subject to forfeiture based on the extent of attainment of a vesting requirement, which share is issued pursuant to the Questar Stock Plan.

“Questar Retained Claim” shall have the meaning ascribed thereto in Section 10.5(a) of this Agreement.

“Questar Retirement Plan” shall mean the Questar Corporation Retirement Plan, as amended and restated effective January 1, 2009.

“Questar Stock Plan” shall mean the Questar Corporation Long-Term Stock Incentive Plan, as amended and restated effective May 18, 2010, the Questar Corporation Stock Option Plan for Directors, as amended and restated effective October 29, 1998, and any other stock option or stock incentive compensation plan or arrangement maintained before the Distribution Date for employees, officers, consultants, non-employee directors, independent contractors or other service providers of Questar or its Affiliates.

“Questar Welfare Plans” shall mean, collectively, the plans listed on Schedule A attached hereto.

“Separation Agreement” shall have the meaning ascribed thereto in the recitals to this Agreement.

“VEBA” shall mean the Questar Corporation Employee Benefit Trust, as amended and restated effective February 1, 1996, which is intended to be a voluntary employees’ beneficiary association under Section 501(c)(9) of the Code.

Section 1.2 References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. Unless the context otherwise requires, the words “include”, “includes” and “including” when used in this Agreement shall be deemed to be followed by the phrase “without limitation”. Unless the context otherwise requires, references in this Agreement to Articles, Sections, Annexes, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement. Unless the context otherwise requires, the words “hereof”, “hereby” and “herein” and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement.

**ARTICLE II
GENERAL PRINCIPLES**

Section 2.1 Assumption and Retention of Liabilities; Related Assets.

(a) As of the Distribution Date, except as otherwise expressly provided for in this Agreement, Questar shall, or shall cause one or more members of the Questar Group to, assume or retain and Questar shall pay, perform, fulfill and discharge, in due course in full (i) all Liabilities under all Questar Benefit Plans, (ii) all Liabilities (excluding Liabilities incurred under a Benefit Plan except as otherwise provided in this Agreement) with respect to the employment, service, termination of employment or termination of service of all Questar Employees and Former Questar Employees and their dependents and beneficiaries (and any alternate payees in respect thereof) and other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or non-payroll worker of any member of the Questar Group or in any other employment, non-employment, or retainer arrangement, or relationship with any member of the Questar Group or whose employment or service is or was otherwise primarily associated with the Questar Business), in each case to the extent arising in connection with or as a result of employment with or the performance of services for any member of the Questar Group or QEP Group, and (iii) any other Liabilities or obligations expressly assigned to Questar or any of its Affiliates under this Agreement. For purposes of clarification, the Liabilities assumed or retained by the Questar Group as provided for in this Section 2.1(a) are intended to be “Questar Liabilities” as such term is defined in the Separation Agreement.

(b) As of the Distribution Date, except as otherwise expressly provided for in this Agreement, QEP shall, or shall cause one or more members of the QEP Group to, assume or retain, as applicable, and QEP shall pay, perform, fulfill and discharge, in due course in full (i) all Liabilities under all QEP Benefit Plans, (ii) all Liabilities (excluding Liabilities incurred under a Benefit Plan except as otherwise provided in this Agreement) with respect to the employment, service, termination of employment or termination of service of all QEP Employees and Former QEP Employees and their dependents and beneficiaries (and any alternate payees in respect thereof) and other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or non-payroll worker of any member of the QEP Group or in any other employment, non-employment, or retainer arrangement, or relationship with any member of the QEP Group or whose employment or service is or was otherwise primarily associated with the QEP Business), in each case to the extent arising in connection with or as a result of employment with or the performance of services for any member of the Questar Group or the QEP Group, and (iii) any other Liabilities or obligations expressly assigned to QEP or any of its Affiliates under this Agreement. For purposes of clarification, the Liabilities assumed or retained by the QEP Group as provided for in this Section 2.1(b) are intended to be “QEP Liabilities” as such term is defined in the Separation Agreement.

(c) From time to time after the Distribution, QEP shall promptly reimburse Questar, upon Questar’s reasonable request and the presentation by Questar of such substantiating

documentation as QEP shall reasonably request, for the cost of any obligations or Liabilities satisfied or assumed by Questar or its Affiliates that are the responsibility of QEP or its Affiliates pursuant to this Agreement. Except as otherwise provided in this Agreement, any such request for reimbursement must be made by Questar not later than the first anniversary of the Distribution.

(d) From time to time after the Distribution, Questar shall promptly reimburse QEP, upon QEP's reasonable request and the presentation by QEP of such substantiating documentation as Questar shall reasonably request, for the cost of any obligations or Liabilities satisfied or assumed by QEP or its Affiliates that are the responsibility of Questar or its Affiliates pursuant to this Agreement. Except as otherwise provided in this Agreement, any such request for reimbursement must be made by QEP not later than the first anniversary of the Distribution.

(e) All Liabilities under all Questar Benefit Plans and QEP Benefit Plans and all Liabilities (excluding Liabilities incurred under a Benefit Plan except as otherwise provided in this Agreement) with respect to the employment, service, termination of employment or termination of service of all Questar Employees, Former Questar Employees, QEP Employees and Former QEP Employees and their dependents and beneficiaries (and any alternate payees in respect thereof) and other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or non-payroll worker of any member of the Questar Group or QEP Group or in any other employment, non-employment, or retainer arrangement, or relationship with any member of the Questar Group or QEP Group), in each case to the extent arising in connection with or as a result of employment with or the performance of services for any member of the Questar Group or QEP Group, that are not allocated pursuant to the terms of this Agreement shall be treated as Unallocated Liabilities under the Separation Agreement.

Section 2.2 QEP Participation in Questar Benefit Plans. Except as otherwise expressly provided for in this Agreement or as otherwise expressly agreed to in writing between the Parties, (i) effective as of the Distribution Date, QEP and each member of the QEP Group shall cease to be a Participating Company in each Questar Benefit Plan, and (ii) each QEP Participant and any other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of any member of the Questar Group or the QEP Group or in any other employment, non-employment, or retainer arrangement, or relationship with any member of the Questar Group or the QEP Group), effective as of the Distribution Date, shall cease to participate in, be covered by, accrue benefits under or be eligible to contribute to any Questar Benefit Plan, and Questar and QEP shall take all necessary action to effectuate each such cessation.

Section 2.3 Comparable Compensation and Benefits. Except as otherwise expressly provided for in this Agreement or as otherwise expressly agreed to in writing between the Parties, QEP (acting directly or through its Affiliates) intends immediately following the Distribution Date to provide QEP Employees with compensation opportunities (including salary, wages, commissions and bonus opportunities) and employee benefits that are generally comparable, in the aggregate, to the compensation opportunities and employee benefits to which such QEP Employees were entitled immediately prior to the Distribution Date.

Section 2.4 Service Recognition.

(a) Pre-Distribution Service Credit. QEP shall give each QEP Participant full credit for purposes of eligibility, vesting, determination of level of benefits, and, to the extent applicable, benefit accruals under any QEP Benefit Plan for such QEP Participant's service with any member of the Questar Group prior to the Distribution Date to the same extent such service was recognized by the applicable Questar Benefit Plan immediately prior to the Distribution Date; provided, that, such service shall not be recognized to the extent that such recognition would result in the duplication of benefits.

(b) Post-Distribution Service Crediting. Except to the extent imposed by law, neither Questar nor QEP (acting directly or through their respective Affiliates) shall be obligated to recognize any service after the Distribution Date for any purpose under any of their respective Benefit Plans if either a Questar Employee becomes employed by a member of the QEP Group, or a QEP Employee becomes employed by a member of the Questar Group after the Distribution Date; provided, however, that nothing herein shall prohibit Questar or QEP or their respective Affiliates from recognizing such service.

Section 2.5 Approval by Questar As Sole Stockholder. Effective as of the Distribution Date, QEP shall have adopted the QEP Resources, Inc. Long-Term Stock Incentive Plan (the "QEP Stock Plan") which shall permit the issuance of stock incentive awards that have material terms and conditions substantially similar to those stock incentive awards issued under the Questar Stock Plan that are to be substituted with QEP stock incentive awards in connection with the Distribution. The QEP Stock Plan, the annual cash incentive plans adopted by QEP in accordance with Section 10.1(c), and the long-term cash incentive plan adopted by QEP in accordance with Section 10.2(e) of this Agreement shall be approved prior to the Distribution by Questar as QEP's sole shareholder.

Section 2.6 Transfer of Assets. Assets, if any, attributable to the Liabilities referenced in the preceding provisions of this Article II shall be allocated (if applicable) as provided in the remaining provisions of this Agreement.

ARTICLE III
QUALIFIED DEFINED BENEFIT PLAN

Section 3.1 Retirement Plan.

(a) Establishment of New Retirement Plan. Effective as of the Distribution Date, QEP (acting directly or through its Affiliates) shall establish a qualified defined benefit plan and trust (the "QEP Retirement Plan") for the benefit of those eligible QEP Employees (and their beneficiaries and alternate payees) who are participants or would have become participants but for the service requirement in the Questar Retirement Plan as of the Distribution Date, (the "QEP Retirement Plan Participants"); provided, however, that any such individuals who are eligible to participate in the QEP Supplemental Executive Retirement Plan on the Distribution Date shall not accrue benefits under the QEP Retirement Plan after the Distribution Date. QEP shall be

responsible for taking all necessary, reasonable and appropriate action to establish, maintain and administer the QEP Retirement Plan so that it is qualified under Section 401(a) of the Code and the related trust thereunder is exempt under Section 501(a) of the Code.

(b) Assumption of Questar Retirement Plan Liabilities; Transfer of Assets from Questar Retirement Plan. Within ninety (90) days following the Distribution Date (or such later time as mutually agreed by the Parties), Questar shall cause the Assets and Liabilities assumed by QEP under the Questar Retirement Plan to be transferred to the QEP Retirement Plan (excluding, for the avoidance of doubt, any Assets and Liabilities under the Questar Retirement Plan attributable to QEP Former Employees which shall remain in the Questar Retirement Plan). QEP shall cause the QEP Retirement Plan to accept such transfer and to assume, fully perform, pay and discharge, all Liabilities under the Questar Retirement Plan relating to all QEP Retirement Plan Participants as of the Distribution Date. Calculation of the present value of such Liabilities shall be in accordance with the principles of Section 414(l) of the Code and the regulations promulgated thereunder, using interest rates and other assumptions prescribed by Questar's actuaries for such purposes. The Assets to be transferred to the QEP Retirement Plan shall have a fair market value equal to the amount required to be transferred in accordance with Section 414(l) of the Code. Assets to be transferred pursuant to this Section 3.1(b) shall be in kind and/or in cash, as determined by Questar in its discretion.

(c) No Distributions. No distribution of benefits shall be made to any QEP Participant solely on account of the transfers from the Questar Retirement Plan described in subsection (b) above.

(d) Qualification Failures. The Parties hereto agree that to the extent either of them becomes aware that either the Questar Retirement Plan or the QEP Retirement Plan fails, or may fail, to be qualified under Section 401(a) of the Code, it shall notify the other Party, and the Parties shall cooperate and use their best efforts to avoid such disqualification, including using the Employee Plans Compliance Resolution System under Revenue Procedure 2008-50 (or its successor).

(e) Regulatory Filings. In connection with the transfer of Assets and Liabilities from the Questar Retirement Plan to the QEP Retirement Plan as discussed in this Article III, Questar and QEP (each acting directly or through their respective Affiliates) shall cooperate in making any and all appropriate filings required by the IRS, or required under the Code, ERISA or any applicable regulations, and take all such action as may be necessary and appropriate to cause such plan-to-plan transfer to take place as soon as practicable after the establishment of the QEP Retirement Plan.

ARTICLE IV QUALIFIED DEFINED CONTRIBUTION PLAN

Section 4.1 Questar 401(k) Plan; QEP 401(k) Plan.

(a) Establishment of the QEP 401(k) Plan. Effective as of the Distribution Date, QEP shall, or shall have caused one of its Affiliates to, establish a defined contribution plan and trust solely for the benefit of those eligible QEP Employees (and their beneficiaries and alternate

payees) (the “QEP 401(k) Plan”). QEP shall be responsible for taking all necessary, reasonable and appropriate action to establish, maintain and administer the QEP 401(k) Plan so that it is qualified under Section 401(a) of the Code and that the related trust thereunder is exempt under Section 501(a) of the Code. QEP (acting directly or through its Affiliates) shall be responsible for any and all Liabilities and other obligations with respect to the QEP 401(k) Plan.

(b) Transfer of Questar 401(k) Plan Assets. Within ninety (90) days following the Distribution Date (or such later time as mutually agreed by the Parties), Questar shall cause the accounts (including promissory notes related to outstanding participant loans) in the Questar 401(k) Plan attributable to eligible QEP Employees and all of the Assets in the Questar 401(k) Plan related thereto to be transferred to the QEP 401(k) Plan, and QEP shall cause the QEP 401(k) Plan to accept such transfer of accounts and underlying Assets and, effective as of the date of such transfer, to assume and to fully perform, pay and discharge, all obligations relating to the accounts of QEP Participants (to the extent the Assets related to those accounts are actually transferred from the Questar 401(k) Plan to the QEP 401(k) Plan) as of the Distribution Date. The assets to be transferred to the QEP 401(k) Plan shall have a fair market value equal to the amount required to be transferred in accordance with Section 414(l) of the Code. Assets to be transferred pursuant to this Section 3.1(b) shall be in kind and/or in cash, as determined by Questar in its discretion; provided that the investments in Questar Common Stock and QEP Common Stock shall be transferred in-kind.

(c) Continuation of Elections. As of the Distribution Date, QEP (acting directly or through its Affiliates) shall cause the QEP 401(k) Plan to recognize and maintain all Questar 401(k) Plan elections, including, but not limited to, deferral, investment, and payment form elections, dividend elections, beneficiary designations, and the rights of alternate payees under qualified domestic relations orders with respect to eligible QEP Employees, to the extent such election or designation is available under the QEP 401(k) Plan.

(d) No Distributions. No distribution of account balances shall be made to any QEP Participant solely on account of the transfers from the Questar 401(k) Plan described in subsection (b) above.

(e) Employer Securities.

(i) Effective immediately after the Distribution Date, a QEP Common Stock fund shall be added as an investment option to the Questar 401(k) Plan, and there shall be both a QEP Common Stock fund and a Questar Common Stock fund added as investment options to the QEP 401(k) Plan. However, the respective plan fiduciaries have the sole responsibility and discretion to determine the investment options available under the plans and the extent to which new contributions, earnings or dividends may be reinvested in such investment options.

(ii) To the extent not already required by applicable Law, Questar and QEP each presently intend to preserve the right of Questar Participants and QEP Participants, respectively, to receive distributions in kind from, respectively, the Questar 401(k) Plan and the QEP 401(k) Plan, if, and to the extent, of investments under such plans in investment funds comprised of Questar Common Stock or QEP Common Stock.

(f) Qualification Failures. The Parties hereto agree that to the extent either of them becomes aware that either the Questar 401(k) Plan or the QEP 401(k) Plan fails, or may fail, to be qualified under Section 401(a) of the Code, it shall notify the other Party, and the Parties shall cooperate and use their best efforts to avoid such disqualification, including using the Employee Plans Compliance Resolution System under Revenue Procedure 2008-50 (or its successor).

(g) Regulatory Filings. In connection with the transfer of Assets and Liabilities from the Questar 401(k) Plan to the QEP 401(k) Plan as discussed in this Article IV, Questar and QEP (each acting directly or through their respective Affiliates) shall cooperate in making any and all appropriate filings required by the IRS, or required under the Code, ERISA or any applicable regulations, and take all such action as may be necessary and appropriate to cause such plan-to-plan transfer to take place as soon as practicable after the establishment of the QEP 401(k) Plan.

Section 4.2 Contributions as of the Distribution Date. All contributions payable to the Questar 401(k) Plan with respect to employee deferrals and contributions, matching contributions and other contributions for QEP Participants through the Distribution Date, determined in accordance with the terms and provisions of the Questar 401(k) Plan, ERISA and the Code, shall be paid by Questar to the Questar 401(k) Plan prior to the date of the Asset transfer described in Section 4.1(b) of this Agreement. All contributions to be made under the QEP 401(k) Plan on or after the Distribution Date shall be the responsibility of the QEP Group.

ARTICLE V HEALTH AND WELFARE PLANS

Section 5.1 Health and Welfare Plans Maintained By QEP as of the Distribution Date.

(a) Establishment of the QEP Welfare Plans. Questar or one or more of its Affiliates maintain each of the health and welfare plans set forth on Schedule A attached hereto (the "Questar Welfare Plans") for the benefit of eligible Questar Participants and QEP Participants. Effective as of the Distribution Date, QEP shall, or shall cause a QEP Affiliate to, adopt, for the benefit of eligible QEP Participants, health and welfare plans, the terms of which are substantially comparable, in the aggregate, to the applicable terms of the Questar Welfare Plans as in effect immediately prior to the Distribution Date (collectively, the "QEP Welfare Plans"), except to the extent provided in Sections 5.1(g) and 5.1(h). To the extent any Questar Welfare Plan is funded through the purchase of an insurance contract, subject to any stop loss contract, or administered by a third-party vendor, Questar and QEP shall cooperate and use their commercially reasonable efforts to replicate such insurance contracts, stop loss contract, vendor contracts for QEP, to maintain any pricing discounts or other preferential terms for both Questar and QEP for a reasonable term, and to ensure that any claims experience under the Questar Welfare Plans attributable to QEP participants shall be available to the QEP Welfare Plans through December 31, 2010, as permitted by any applicable privacy protection laws, regulations or contracts.

(b) Terms of Participation in QEP Welfare Plans. QEP (acting directly or through its Affiliates) shall cause all QEP Welfare Plans to (i) waive all limitations as to preexisting conditions, exclusions, and service conditions with respect to participation and coverage

requirements applicable to QEP Participants, other than limitations that were in effect with respect to QEP Participants as of the Distribution Date under the Questar Welfare Plans, and (ii) waive any waiting period limitation or evidence of insurability requirement that would otherwise be applicable to a QEP Participant following the Distribution Date to the extent such QEP Participant had satisfied any similar limitation under the analogous Questar Welfare Plan. Additionally, the QEP Welfare Plans shall provide that the QEP Participants are credited with or otherwise have taken into account, to the extent applicable, service credits, any expenses incurred towards deductibles, out-of-pocket limits, maximum benefit payments, and any benefit usage towards plan limits credited to such individual under the terms of the applicable existing Questar Welfare Plans and as if such expenses and usage had originally been credited to such individual under the QEP Welfare Plans.

(c) Cafeteria Plan. As soon as practicable following the Distribution Date, QEP (acting directly or through its Affiliates) shall establish a “cafeteria plan” (within the meaning of Section 125 of the Code), which shall include a premium payment, health care spending account, and dependent care spending account (the “QEP Cafeteria Plan”), with features that are comparable to those contained in the cafeteria plan maintained by Questar for the benefit of QEP Participants immediately prior to the Distribution Date (the “Questar Cafeteria Plan”). Pursuant to Revenue Ruling 2002-32, Questar shall cause the portion of the Questar Cafeteria Plan applicable to the QEP Employees to be segregated into a separate component and the account balances in such component to be transferred to the QEP Cafeteria Plan. The QEP Cafeteria Plan shall reimburse Questar or the Questar Cafeteria Plan to the extent amounts were paid by the Questar Cafeteria Plan and not collected from the QEP Employee and such amounts are subsequently collected by the QEP Cafeteria Plan with respect to such QEP Employee.

(d) Continuation of Elections. As of the Distribution Date, QEP (acting directly or through its Affiliates) shall cause the QEP Welfare Plans to recognize and maintain all elections and designations (including all coverage and contribution elections and beneficiary designations) made by QEP Participants under, or with respect to, the Questar Welfare Plans and apply such elections and designations under the QEP Welfare Plans for the remainder of the period or periods for which such elections or designations are by their original terms applicable, to the extent such election or designation is available under the corresponding QEP Welfare Plan.

(e) COBRA and HIPAA.

(i) Effective as of the Distribution Date, QEP (acting directly or through its Affiliates) shall assume, or shall have caused the QEP Welfare Plans to assume, responsibility for compliance with the health care continuation coverage requirements of COBRA with respect to QEP Employees (and their dependents) who, as of the day immediately prior to the Distribution Date, were covered under a Questar Welfare Plan pursuant to COBRA.

(ii) Effective as of the Distribution Date, QEP (acting directly or through its Affiliates) shall be responsible for administering compliance with any certificate of creditable coverage requirements of HIPAA or Medicare applicable to the QEP Welfare Plans with respect to QEP Participants.

(iii) The Parties hereto agree that neither the Distribution nor any transfers of employment that occur as of the Distribution Date shall constitute a COBRA qualifying event for purposes of COBRA; provided, that, in all events, QEP (acting directly or through its Affiliates) shall assume, or shall have caused the QEP Welfare Plans to assume, responsibility for compliance with the health care continuation coverage requirements of COBRA with respect to those Questar Employees whose employment is transferred directly from the Questar Group to the QEP Group as of the Distribution Date to the extent such individual was, as of the day prior to such transfer of employment, covered under a Questar Welfare Plan.

(f) Questar to Provide Information. To the extent permitted by law, Questar shall provide QEP (to the extent that relevant information is in Questar's possession), data in an acceptable form agreed to by the parties, which provides the names of QEP Participants who were, to the best knowledge of Questar, participants in or otherwise entitled to benefits under the Questar Welfare Plans, together with each such individual's service credit under such plans. Questar shall also provide (or cause its plan administrators to provide) to QEP or QEP's plan administrators, information concerning each such individual's expenses incurred towards deductibles, out-of-pocket limits, maximum benefit payments, and any benefit usage towards plan limits thereunder. Questar shall, as soon as practicable after requested, provide QEP with such additional information in Questar's possession (and not already in the possession of a member of the QEP Group) as may be reasonably requested by QEP and necessary to administer effectively any QEP Welfare Plan. Questar and each member of the QEP Group shall enter into such other agreements as are necessary to comply with this subsection (f), including but not limited to any agreements required by the HIPAA.

(g) Retiree Medical and Life Insurance Benefits.

(i) QEP Employees. Effective as of the Distribution Date, all members of the QEP Retiree Welfare Benefits Eligible Group (and their eligible spouses and dependents, as applicable) shall, for purposes of retiree medical and life insurance benefits, cease to be eligible or potentially eligible (as applicable) for such benefits under the Questar Welfare Plans and become eligible or potentially eligible (as applicable) for such benefits under a QEP Welfare Plan.

(ii) Former QEP Employees. Former QEP Employees (and their eligible spouses and dependents, as applicable) who, immediately prior to the Distribution Date, are eligible to receive or are receiving retiree medical and life insurance benefits under a Questar Welfare Plan shall continue to participate in the Questar Welfare Plans with respect to such benefits and shall not become eligible for such benefits under any QEP Welfare Plan.

(iii) Former QEP Employees on LTD. Each Former QEP Employee who both (A) is receiving long-term disability benefits under a Questar Welfare Plan immediately prior to the Distribution Date and (B) as of the Distribution Date, continues to be eligible for and receives long-term disability benefits under a Questar Welfare Plan when such Former QEP Employee elects to commence benefits under the Questar Retirement Plan, shall be permitted at the time of such election to elect retiree medical benefits (for the

benefit of such Former QEP Employee and/or such individual's eligible spouse and dependents, as applicable) only under such Questar Welfare Plan (and not any QEP Welfare Plan).

(iv) Retiree Benefits under the QEP Welfare Plans. This Section 5.1(g) is not intended to create any obligation to provide benefits to any person, but rather, is intended merely to allocate such obligations to the extent they may already exist. To the extent that retiree medical and life benefits are offered to any eligible person under the QEP Welfare Plans pursuant to this Section 5.1(g), such benefits shall be substantially comparable, in the aggregate, to the applicable terms of the retiree medical and life benefits provided under the Questar Welfare Plans immediately prior to the Distribution Date; provided that QEP may from time to time amend the QEP Welfare Plans to increase premiums, co-payments and deductibles with respect to retiree medical and life insurance benefits and make any other changes.

(h) Liabilities.

(i) Insured Benefits. With respect to employee welfare and fringe benefits that are provided through the purchase of insurance, Questar shall cause the Questar Welfare Plans to, through such insurance policies, pay and discharge all eligible claims of QEP Participants that are incurred prior to the Distribution Date, and QEP shall cause the QEP Welfare Plans to, through such insurance policies, pay and discharge all eligible claims of QEP Participants that are incurred on or after the Distribution Date.

(ii) Self-Insured Benefits. With respect to employee welfare and fringe benefits that are provided on a self-insured basis, (A) except as provided in this Agreement, Questar (acting directly or through its Affiliates) shall fully perform, pay and discharge, under the Questar Welfare Plans, all eligible claims of QEP Participants who are QEP Employees (and their dependents) that are incurred but not paid prior to the Distribution Date, and (B) QEP (acting directly or through its Affiliates) shall fully perform, pay and discharge, under the QEP Welfare Plans, from and after the Distribution Date, all eligible claims of QEP Participants who are QEP Employees (and their dependents) that are incurred on or after the Distribution Date.

(iii) Short-term and Long-term Disability Benefits. Effective as of the Distribution Date, QEP shall assume, be liable for and provide under the QEP Welfare Plans for any (A) short-term disability benefits to a QEP Employee regardless of whether the date of the disability occurred prior to the Distribution Date; and (B) any long-term disability benefits to a QEP Employee after the Distribution Date. Any Former QEP Employee receiving long-term disability benefits under a Questar Welfare Plan as of immediately prior to the Distribution Date shall on and after the Distribution Date continue to be eligible to receive such benefits under a Questar Welfare Plan.

(iv) Incurred Claim Definition. For purposes of this Section 5.1(h), a claim or Liability shall generally be deemed to be incurred (A) with respect to medical, dental, vision and/or prescription drug benefits, on the date that the health services giving rise to such claim or Liability are rendered or performed and not when such claim is made,

provided however that with respect to a period of continuous hospitalization, a claim is incurred upon the first date of such hospitalization and not on the date that such services are performed and (B) with respect to life insurance, accidental death and dismemberment and business travel accident insurance, upon the occurrence of the event giving rise to such claim or Liability.

Section 5.2 VEBA. Effective as of the Distribution Date, Questar shall retain responsibility for all Liabilities and fully perform, pay and discharge all obligations under the VEBA and, effective as of the Distribution Date, QEP shall have no obligation with respect thereto.

Section 5.3 Time-Off Benefits. QEP shall credit each QEP Participant with the amount of accrued PTO benefits as such QEP Participant had with the Questar Group as of the Distribution Date.

ARTICLE VI PAYROLL REPORTING AND WITHHOLDING

Section 6.1 Form W-2 Reporting.

(a) Questar Payroll. With respect to QEP Employees, the Parties shall adopt the “alternative procedure” for preparing and filing IRS Forms W-2 (Wage and Tax Statements), as described in Revenue Procedure 2004-53 (“Rev. Proc. 2004-53”). In accordance with this procedure, QEP (and its Affiliates) as the successor employer shall provide all required Forms W-2 to all QEP Employees reflecting all wages paid and taxes withheld by both Questar as the predecessor and the QEP Group members as the successor employer for the 2010 calendar year.

(b) Form 941. Each Party shall be responsible for filing IRS Forms 941 for its respective employees.

Section 6.2 Forms W-4 and W-5. With respect to QEP Employees, the Parties shall adopt the alternative procedure of Rev. Proc. 2004-53 for purposes of filing IRS Forms W-4 (Employee’s Withholding Allowance Certificate) and W-5 (Earned Income Credit Advance Payment Certificate). In accordance with this procedure, Questar shall provide to QEP and its Affiliates, as appropriate, all IRS Forms W-4 and W-5 on file with respect to each QEP Employee, and QEP and its Affiliates shall honor these forms until such time, if any, that such QEP Employee submits a revised form.

Section 6.3 Garnishments, Tax Levies, Child Support Orders, and Wage Assignments. With respect to garnishments, tax levies, child support orders, and wage assignments in effect with Questar on the Distribution Date for any QEP Employees, QEP and its Affiliates, as appropriate, shall honor such payroll deduction authorizations and shall continue to make payroll deductions and payments to the authorized payee, as specified by the court or governmental order which was on file with Questar as of immediately prior to the Distribution Date. Questar shall, as soon as practicable after the Distribution Date, provide QEP and its Affiliates, as appropriate, with such information in Questar’s possession (and not already in the possession of a member of the QEP Group) as may be reasonably requested by the QEP Group and necessary for the QEP Group to make the payroll deductions and payments to the authorized payee as required by this Section 6.3.

Section 6.4 Authorizations for Payroll Deductions. Unless otherwise prohibited by a Benefit Plan or by this Agreement or an Ancillary Agreement, QEP and its Affiliates, as appropriate, shall honor payroll deduction authorizations attributable to QEP Employees that are in effect with Questar on the Distribution Date relating to each QEP Employee, and shall not require that such QEP Employee submit a new authorization to the extent that the type of deduction by QEP or its Affiliates, as appropriate, does not differ from that made by Questar. Such deduction types include, without limitation: contributions to any QEP Benefit Plan, including any voluntary benefit plan; political action committee contributions, scheduled loan repayments to any QEP Benefit Plan or under the Questar Appliance Purchase Program; and direct deposit of payroll, employee relocation loans, and other types of authorized company receivables usually collectible through payroll deductions. Each Party shall, as soon as practicable after the Distribution Date, provide the other Party with such information in its possession as may be reasonably requested by the other Party and as necessary for that Party to honor the payroll deduction authorizations contemplated by this Section 6.4.

ARTICLE VII LABOR AND EMPLOYMENT MATTERS

Section 7.1 Separate Employers. Subject to the provisions of ERISA and the Code, on and after the Distribution Date, Questar and each member of the QEP Group shall be separate and independent employers.

Section 7.2 Employment Litigation. The QEP Group shall have the sole responsibility for all employment-related claims regarding QEP Employees or Former QEP Employees relating to, arising out of, or resulting from the employment of such individuals within the QEP Business for matters not covered in this Agreement, whether the basis for such claims arose before, on, or after the Distribution Date. The Questar Group shall have the sole responsibility for all employment-related claims regarding Questar Employees or Former Questar Employees relating to, arising out of, or resulting from the employment of such individuals within the Questar Business with respect to matters not covered in this Agreement, whether the basis for such claims arose before, on, or after the Distribution Date.

Section 7.3 Notice of Claims. Each Party hereto shall, when applicable, notify in writing and consult with the other Party prior to making any settlement of an employee claim, for the purpose of avoiding any prejudice to such other Party arising from the settlement.

ARTICLE VIII NONQUALIFIED RETIREMENT PLANS

Section 8.1 Establishment of QEP Nonqualified Retirement Plans. Questar maintains each of the nonqualified deferred compensation plans set forth on Schedule B attached hereto (the "Questar Nonqualified Plans") for the benefit of eligible Questar Participants and QEP Participants. Effective as of the Distribution Date, QEP shall, or shall cause one of its Affiliates to, (i) establish nonqualified deferred compensation plans solely for the benefit of those eligible QEP Employees who either have account balances or accrued benefits or were eligible to participate under the applicable Questar Nonqualified Plan immediately prior to the Distribution Date, the terms of which are substantially comparable, in the aggregate, to the terms of the

applicable Questar Nonqualified Plan as in effect immediately prior to the Distribution Date, and (ii) cause the nonqualified deferred compensation plan established for the benefit of certain QEP Employees who were participants in the Questar Supplemental Executive Retirement Plan (the “Questar SERP”) immediately prior to the Distribution Date to (A) reflect the accrued benefit of such QEP Employees under the Questar SERP immediately prior to the Distribution Date, and (B) effective on and after the Distribution Date, provide for a benefit formula that takes into account the benefit that such QEP Employees would have received under the QEP Retirement Plan following the Distribution Date (the “QEP Supplemental Executive Retirement Plan”) (collectively, the “QEP Nonqualified Plans”). Effective as of the Distribution Date, QEP shall cause the QEP Nonqualified Plans to assume responsibility for all Liabilities and fully perform, pay and discharge all obligations, when such obligations become due, under the Questar Nonqualified Plans with respect to all eligible QEP Employees (excluding, for the avoidance of doubt, any amounts attributable to QEP Former Employees which shall remain in the Questar Nonqualified Plans). QEP (acting directly or through its Affiliates) shall be responsible for any and all Liabilities (including Liability for funding if any) and other obligations with respect to the QEP Nonqualified Plans.

Section 8.2 Continuation of Elections. As of the Distribution Date, QEP (acting directly or through an Affiliate) shall cause the QEP Nonqualified Plans to recognize and maintain all elections (including deferral, distribution and investment elections) and beneficiary designations with respect to QEP Participants under the respective Questar Nonqualified Plans to the extent such elections or designations are available under the QEP Nonqualified Plans until a new election that by its terms supersedes such original election is made by the QEP Participant in accordance with Section 409A of the Code, applicable Law and the terms and conditions of the QEP Nonqualified Plans.

ARTICLE IX LONG-TERM STOCK INCENTIVE AWARDS

Section 9.1 Treatment of Outstanding Questar Options.

(a) Each Questar Option that is outstanding immediately prior to the Distribution Date shall, as of the Distribution Date, be converted into a QEP Option and an adjusted Questar Option (each a “Post-Distribution Questar Option”) in accordance with the succeeding paragraphs of this Section 9.1.

(b) The number of shares subject to the QEP Option shall be equal to the number of shares of QEP Common Stock to which the option holder would be entitled in the Distribution had the shares subject to the Questar Option represented outstanding shares of Questar Common Stock as of the Record Date. The per share exercise price of the Post-Distribution Questar Option shall be equal to the closing Questar “ex-dividend” share price, divided by the sum of the closing QEP “when issued” share price plus the closing Questar “ex-dividend” share price, in each case on the Distribution Date, multiplied by the per share exercise price of the Questar Option. The per share exercise price of the QEP Option shall be equal to the closing QEP “when issued” share price, divided by the sum of the closing QEP “when issued” share price plus the closing Questar “ex-dividend” share price, in each case on the Distribution Date, multiplied by the per share exercise price of the Questar Option. See Schedule D attached hereto for an example of such calculation.

(c) Prior to the Distribution Date, Questar shall amend the applicable Questar Stock Plans and applicable award agreements as necessary, effective as of the Distribution Date, to provide that for purposes of the Post-Distribution Questar Options (including in determining exercisability and the post-termination exercise period), a QEP Employee's continued service with the QEP Group following the Distribution Date shall be deemed continued service with Questar. QEP shall issue each QEP Option under the QEP Stock Plan, which shall provide that, except as otherwise provided herein, the terms and conditions applicable to the QEP Options shall be substantially similar to the terms and conditions applicable to the corresponding Questar Option, including the terms and conditions relating to vesting and the post-termination exercise period (as set forth in the applicable plan, award agreement or in the option holder's then applicable employment agreement with Questar or its Affiliates, which terms shall remain in effect even after the expiration or termination of such employment agreement) and including a provision to the effect that, for purposes of the QEP Options, continued service with the Questar Group from and after the Distribution Date shall be deemed to constitute service with QEP.

(d) The QEP Options and the Post-Distribution Questar Options shall remain subject to the terms and conditions of the underlying Questar Option as in effect immediately prior to the Distribution Date, including any Detrimental Conduct Provisions and terms relating to post-termination exercise periods provided for in any option holder's employment agreement.

(e) Upon the exercise of a QEP Option, regardless of the holder thereof, the exercise price shall be paid to (or otherwise satisfied to the satisfaction of) QEP in accordance with the terms of the QEP Option, and QEP shall be solely responsible for the issuance of QEP Common Stock, for ensuring the withholding of all applicable tax on behalf of the employing entity of such holder, and for ensuring the remittance of such withholding taxes to the employing entity of such holder. Upon the exercise of a Questar Option, regardless of the holder thereof, the exercise price shall be paid to (or otherwise satisfied to the satisfaction of) Questar in accordance with the terms of the Questar Option, and Questar shall be solely responsible for the issuance of Questar Common Stock, for ensuring the withholding of all applicable tax on behalf of the employing entity of such holder and for ensuring the remittance of such withholding taxes to the employing entity of such holder.

Section 9.2 Treatment of Outstanding Questar Restricted Stock.

(a) Each holder as of the Record Date of Questar Restricted Shares that remain outstanding immediately prior to the Distribution Date shall receive, upon the Distribution being made, such number of QEP Restricted Shares as equals the number of shares of QEP Common Stock to which all other holders of shares of Questar Common Stock shall be entitled to receive upon the Distribution being made. The Questar Restricted Shares outstanding following the Distribution having been made are hereinafter referred to as "adjusted Questar Restricted Shares." The QEP Restricted Shares and the adjusted Questar Restricted Shares shall be subject to the succeeding paragraphs of this Section 9.2.

(b) All QEP Restricted Shares and adjusted Questar Restricted Shares shall become vested upon the date the Questar Restricted Shares would have otherwise vested in accordance with the existing vesting schedule.

(c) Prior to the Distribution Date, Questar shall amend the applicable Questar Stock Plans as necessary, effective as of the Distribution Date, to provide that for purposes of continued vesting of the adjusted Questar Restricted Shares, a QEP Employee's continued service with the QEP Group following the Distribution Date shall be deemed continued service with Questar. The issuance of each QEP Restricted Share shall be subject to the terms of the QEP Stock Plan, which shall provide that, except as otherwise provided herein, the terms and conditions applicable to the QEP Restricted Shares shall be substantially similar to the terms and conditions applicable to the corresponding Questar Restricted Shares (as set forth in the applicable plan, award agreement or in the holder's then applicable employment agreement with Questar or its Affiliates, which terms shall remain in effect even after the expiration or termination of such employment agreement), including any Detrimental Conduct Provisions, and including a provision to the effect that, for purposes of the QEP Restricted Shares, continued service with the Questar Group from and after the Distribution Date shall be deemed to constitute service with QEP.

(d) Upon the vesting of the QEP Restricted Shares, QEP shall be solely responsible for the settlement of all QEP Restricted Shares, regardless of the holder thereof, and for ensuring the satisfaction of all applicable tax withholding requirements on behalf of the employing entity of such holder and for ensuring the remittance of such withholding taxes to the employing entity of such holder. Upon the vesting of the Questar Restricted Shares, Questar shall be solely responsible for the settlement of all Questar Restricted Shares, regardless of the holder thereof, and for ensuring the satisfaction of all applicable tax withholding requirements on behalf of the employing entity of such holder and for ensuring the remittance of such withholding taxes to the employing entity of such holder.

Section 9.3 No Accelerated Vesting. The Parties hereto acknowledge and agree that the vesting of any Questar Options, QEP Options, Questar Restricted Shares and QEP Restricted Shares shall not accelerate by reason of the transactions contemplated by the Separation Agreement and this Agreement.

Section 9.4 Tax Deduction. The Parties mutually agree that each of the applicable tax deductions to which they may be entitled for federal income tax purposes with regard to the QEP Options and the Post-Distribution Questar Options (pursuant to Section 9.1) and the QEP Restricted Shares and the adjusted Questar Restricted Shares (pursuant to Section 9.2) shall be determined in accordance with Revenue Ruling 2002-1.

Section 9.5 Cooperation. Each of the Parties shall establish an appropriate administration system in order to handle in an orderly manner exercises of Questar Options and QEP Options and the settlement of Questar Restricted Shares and QEP Restricted Shares. Each of the Parties shall work together to unify and consolidate all indicative data and payroll and employment information on regular timetables and make certain that each applicable entity's data and records in respect of such awards are correct and updated on a timely basis. The foregoing shall include employment status and information required for tax withholding/remittance, compliance with trading windows and compliance with the requirements of the Exchange Act and other applicable Laws.

Section 9.6 SEC Registration. The Parties mutually agree to use commercially reasonable efforts to maintain effective registration statements with the SEC with respect to the long-term incentive awards described in this Article IX, to the extent any such registration statement is required by applicable Law.

Section 9.7 Savings Clause. The Parties hereby acknowledge that the provisions of this Article IX are intended to achieve certain tax, legal and accounting objectives and, in the event such objectives are not achieved, the Parties agree to negotiate in good faith regarding such other actions that may be necessary or appropriate to achieve such objectives.

ARTICLE X
ADDITIONAL COMPENSATION MATTERS; SEVERANCE

Section 10.1 Annual Cash Incentive Awards.

(a) QEP Assumption of Annual Cash Incentive Liability. Questar maintains each of the annual cash incentive plans in which QEP Participants are eligible to participate as set forth on Schedule C attached hereto (excluding, for the avoidance of doubt, any such annual cash incentive plans maintained by QEP or its subsidiaries) (the "Questar Annual Cash Incentive Plans"). Effective as of the Distribution Date, QEP shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and discharge all obligations, when such obligations become due, relating to any awards that any QEP Participant is eligible to receive under the Questar Annual Cash Incentive Plans with respect to calendar year 2010 and, except as otherwise provided in this Agreement, Questar shall have no obligation with respect thereto after the Distribution Date.

(b) Questar Assumption of Annual Cash Incentive Liability. Effective as of the Distribution Date, Questar shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and discharge all obligations relating to any awards that any Questar Participant is eligible to receive under the Questar Annual Cash Incentive Plans with respect to calendar year 2010 and, except as otherwise provided in this Agreement, QEP shall have no obligation with respect thereto after the Distribution Date.

(c) Establishment of QEP Annual Cash Incentive Plan. Effective as of the Distribution Date, QEP shall have adopted an annual cash incentive plan which shall permit the issuance of annual cash incentive awards on terms and conditions substantially comparable to those under the Questar Annual Cash Incentive Plans for the benefit of the QEP Employees (provided that the payment amounts and individual performance criteria shall be established in the discretion of the QEP Board of Directors or the Management Performance Committee thereof).

Section 10.2 Long-Term Cash Incentive Awards.

(a) Conversion to Restricted Stock Awards for 2009-2011 and 2010-2012 Performance Periods. Questar maintains the Questar Corporation Long-Term Cash Incentive

Plan as amended and restated effective October 28, 2008 (the “Questar Long-Term Cash Incentive Plan”) for the benefit of eligible Questar Participants and QEP Participants. Certain awards granted thereunder shall be subject to the following adjustments:

(i) Each outstanding award granted to a QEP Participant under the Questar Long-Term Cash Incentive Plan for each of the 2009-2011 and 2010-2012 performance periods shall, as of the Distribution Date, be converted from an award payable in cash to an award of a number of QEP Restricted Shares equal to the quotient obtained by dividing (x) the Cash Award Value (as defined herein) of the applicable award granted to the QEP Participant under the Questar Long-Term Cash Incentive Plan, by (y) the closing price of QEP Common Stock on the day immediately following the Distribution Date (rounding any fractional shares up to the next whole number of shares).

(ii) Each outstanding award granted to a Questar Participant under the Questar Long-Term Cash Incentive Plan for each of the 2009-2011 and 2010-2012 performance periods shall, as of the Distribution Date, be converted from an award payable in cash to an award of a number of Questar Restricted Shares equal to the quotient obtained by dividing (x) the Cash Award Value (as defined herein) of the applicable award granted to the Questar Participant under the Questar Long-Term Cash Incentive Plan, by (y) the closing price of Questar Common Stock on the day immediately following the Distribution Date (rounding any fractional shares up to the next whole number of shares).

For purposes of this Section 10.2(a), the “Cash Award Value” shall mean, with respect to each applicable award granted under the Questar Long-Term Cash Incentive Plan, the dollar amount equal to the greater of (i) the participant’s full target bonus amount under the award, or (ii) the value of the award for the applicable performance period determined as of the Distribution Date by applying to the participant’s full target bonus the multiplier specified thereunder based on the achievement of the performance goals thereunder from the beginning of the applicable performance period through the Distribution Date, using the higher of (A) the combined closing QEP “when issued” share price and the closing Questar “ex-dividend” share price, in each case on the Distribution Date, or (B) the closing Questar “regular way” share price on the Distribution Date. All QEP Restricted Shares and Questar Restricted Shares granted pursuant to this Section 10.2(a) shall become vested upon the date on which the corresponding cash award for the 2009-2011 and 2010-2012 performance period, as applicable, would have otherwise been paid under the terms of the Questar Long-Term Cash Incentive Plan, subject to such other terms and conditions set forth in the applicable award agreement and the respective QEP Stock Plan or Questar Stock Plan.

(b) Combined Performance Results of Questar and QEP for 2008-2010 Performance Period. For purposes of determining the achievement of the performance goals with respect to the awards granted to eligible Questar Participants and QEP Participants under the Questar Long-Term Cash Incentive Plan for the 2008-2010 performance period, the financial performances of Questar and QEP shall be considered in the aggregate with respect to each company performance objective set forth therein, and any payments due shall be paid in cash pursuant to the terms of the plan, provided, that the chief financial officers of both Questar and QEP mutually agree on the determination of any payouts thereunder.

(c) QEP Assumption of Long-Term Cash Incentive Liability. Effective as of the Distribution Date, QEP shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and discharge all obligations, when such obligations become due, relating to any awards that any QEP Participant is eligible to receive under the Questar Long-Term Cash Incentive Plan with respect to the 2008-2010 performance period (subject to Section 10.2(b)) and with respect to the 2009-2011 and 2010-2012 performance periods (subject to Section 10.2(a)), and except as otherwise provided in this Agreement, Questar shall have no obligation with respect thereto after the Distribution Date.

(d) Questar Assumption of Long-Term Cash Incentive Liability. Effective as of the Distribution Date, Questar shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and discharge all obligations relating to any awards that any Questar Participant is eligible to receive under the Questar Long-Term Cash Incentive Plan with respect to the 2008-2010 (subject to Section 10.2(b)), 2009-2011 and 2010-2012 performance periods, and except as otherwise provided in this Agreement, QEP shall have no obligation with respect thereto after the Distribution Date.

(e) Establishment of QEP Long-Term Cash Incentive Plan. Effective as of the Distribution Date, QEP shall have adopted a long-term cash incentive plan which shall permit the issuance of long-term cash incentive awards on terms and conditions substantially comparable to those under the Questar Annual Cash Incentive Plans (provided that the payment amounts and individual performance criteria shall be established in the discretion of the QEP Board of Directors or the Management Performance Committee thereof).

Section 10.3 Individual Arrangements.

(a) Questar Individual Arrangements. Questar acknowledges and agrees that, except as otherwise provided herein, it shall have full responsibility with respect to any Liabilities and the payment or performance of any obligations arising out of or relating to any employment, consulting, non-competition, retention or other compensatory arrangement previously provided by any member of the Questar Group or QEP Group to any Questar Participant.

(b) QEP Individual Arrangements. QEP acknowledges and agrees that, except as otherwise provided herein, it shall have full responsibility with respect to any Liabilities and the payment or performance of any obligations arising out of or relating to any employment, consulting, non-competition, retention or other compensatory arrangement previously provided by any member of the Questar Group or QEP Group to any QEP Participant.

Section 10.4 Severance Liabilities.

(a) Establishment of QEP Executive Severance Plan. Effective as of the Distribution Date, QEP shall take all steps necessary to establish for a select group of management and highly compensated QEP Employees, a severance plan which shall provide severance benefits comparable to those provided under the Questar Executive Severance Plan (the "QEP Executive Severance Plan").

(b) Assumption of Severance Liabilities. Effective as of the Distribution Date, QEP shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and

discharge all obligations, when such obligations become due, relating to any severance benefit to which a QEP Participant is entitled under the Questar Executive Severance Plan as of the Distribution Date. Likewise, Questar shall assume or retain, as applicable, responsibility for all Liabilities and fully perform, pay and discharge all obligations, when such obligations become due, relating to any severance benefit to which a Questar Participant is entitled under the Questar Executive Severance Plan as of the Distribution Date.

(c) Effect of the Separation on Severance. Questar and QEP acknowledge and agree that the transactions contemplated by this Agreement and the Separation Agreement shall not constitute a termination of employment of any QEP Participant for purposes of any policy, plan, program or agreement of Questar or QEP or any member of the Questar Group or QEP Group that provides for the payment of severance, separation pay, salary continuation or similar benefits in the event of a termination of employment.

(d) QEP Liability for Separation Payments to Questar Corporation Employees. Schedule E attached hereto sets forth a list of Questar Employees and/or job titles of individuals who are employed by Questar immediately prior to the Distribution Date and whose employment with Questar shall be terminated within six (6) months following the Distribution Date as a result of the Separation. QEP shall be obligated to pay to Questar an amount equal to 56.33% of the total severance compensation and benefits payable to such Questar Employees within thirty (30) days following the date of such termination of employment, not to exceed, in the aggregate, \$372,083, plus the expense of accelerated vesting of any equity awards.

(e) QEP Contribution for Payments to Questar Chairman, President and CEO. In the event that Questar agrees to a compensation package in connection with the termination of employment of its Chairman, President and CEO as of the Distribution Date, QEP shall pay to Questar on the Distribution Date an amount equal to 56.33% of the total compensation and benefits payable pursuant to such agreement. Such total compensation and benefits payable shall include any cash payment (in the form of a separation payment and recognition bonus payment) due under the terms of any separation agreement by and between Questar and such person, plus the expense of accelerated vesting of any outstanding restricted shares or unvested stock options pursuant to the terms of such separation agreement.

Section 10.5 Workers' Compensation Liabilities.

(a) Pre-Distribution Date Claims. Except as set forth below, all workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a QEP Employee or Former QEP Employee that results from an accident, incident or event occurring, or from an occupational disease which becomes manifest, before the Distribution Date shall be assumed or retained by QEP. Notwithstanding the foregoing, QEP shall not assume or retain any workers' compensation Liability relating to, arising out of, or resulting from any claim by a QEP Employee that results from an accident, incident or event occurring, or from an occupational disease which becomes manifest, while such QEP Employee was employed by any member of the Questar Group (such a claim, a "Questar Retained Claim"). All workers' compensation Liabilities relating to, arising out of, or resulting from (i) any Questar Retained Claim or (ii) any claim by a Questar Employee or Former Questar Employee that results from an accident, incident, or event occurring, or from an occupational disease which becomes manifest before the Distribution Date shall be assumed or retained by Questar.

(b) Post-Distribution Date Claims. All workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a QEP Employee or Former QEP Employee that results from an accident, incident or event occurring, or from an occupational disease which becomes manifest, on or after the Distribution Date shall be assumed or retained by QEP. All workers' compensation Liabilities relating to, arising out of, or resulting from any claim by a Questar Employee or Former Questar Employee that results from an accident, incident or event occurring, or from an occupational disease which becomes manifest, on or after the Distribution Date shall be assumed or retained by Questar.

(c) General. For purposes of this Section 10.5, a compensable injury shall be deemed to be sustained upon the occurrence of the event giving rise to eligibility for workers' compensation benefits or an occupational disease becomes manifest, as the case may be. Questar and QEP shall cooperate in good faith with respect to the notification to appropriate governmental agencies of the Distribution and the issuance of new, or the transfer of existing, workers' compensation insurance policies and claims handling contracts.

Section 10.6 Director Programs.

(a) Establishment of QEP Deferred Compensation Plan for Directors. Effective as of the Distribution Date, QEP shall, or shall cause one of its Affiliates to, establish a nonqualified deferred compensation plan for the benefit of members of the QEP Board of Directors who have account balances or were eligible to participate under the Questar Deferred Compensation Plan for Directors immediately prior to the Distribution Date, the terms of which are substantially comparable, in the aggregate, to the terms of the Questar Deferred Compensation Plan for Directors as in effect immediately prior to the Distribution Date (the "QEP Deferred Compensation Plan for Directors"). Effective as of the Distribution Date, QEP shall cause the QEP Deferred Compensation Plan for Directors to assume responsibility for all Liabilities and fully perform, pay and discharge all obligations, when such obligations become due, of the Questar Nonqualified Plans with respect to all members of the QEP Board of Directors who were participants or eligible to participate therein. QEP (acting directly or through its Affiliates) shall be responsible for any and all Liabilities (including Liability for funding) and other obligations with respect to the QEP Deferred Compensation Plan for Directors.

(b) Continuation of Elections. As of the Distribution Date, QEP (acting directly or through an Affiliate) shall cause the QEP Deferred Compensation Plan for Directors to recognize and maintain all elections (including deferral, distribution and investment elections) and beneficiary designations with respect to participating members of the QEP Board of Directors under the Questar Deferred Compensation Plan for Directors to the extent such elections or designations are available under the QEP Deferred Compensation Plan for Directors until a new election that by its terms supersedes such original election is made by the participating member of the QEP Board of Directors in accordance with Section 409A of the Code, applicable Law and the terms and conditions of the QEP Deferred Compensation Plan for Directors.

(c) Certain Director Fees. Except as set forth in Section 10.6(a), Questar shall retain responsibility for the payment of any fees payable in respect of service on the Questar Board of Directors that are payable but not yet paid as of the Distribution Date, and QEP shall have no responsibility for any such payments (to an individual who is a member of the QEP Board of Directors as of the Distribution Date or otherwise).

Section 10.7 Section 409A. Notwithstanding anything in this Agreement to the contrary, with respect to any compensation or benefits that may be subject to Section 409A of the Code and related Department of Treasury guidance thereunder (including, without limitation, any supplemental and deferred compensation plans, outstanding long-term incentive awards, long-term cash incentive awards and annual cash incentive awards as described herein), the Parties agree to negotiate in good faith regarding any treatment different from that otherwise provided herein to the extent necessary or appropriate to (i) exempt such compensation and benefits from Section 409A of the Code, (ii) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance, and/or (iii) otherwise avoid the imposition of tax under Section 409A of the Code; provided, however, that this Section 10.7 does not create an obligation on the part of either Party to adopt any amendment, policy or procedure, to take any other action or to indemnify any Person for any failure to do any of the foregoing.

ARTICLE XI INDEMNIFICATION

Section 11.1 General Indemnification. Any claim for indemnification under this Agreement shall be governed by, and be subject to, the provisions of Article VII of the Separation Agreement, which provisions are hereby incorporated by reference into this Agreement and any references to “Agreement” in such Article VII as incorporated herein shall be deemed to be references to this Agreement.

ARTICLE XII GENERAL AND ADMINISTRATIVE

Section 12.1 Non-Solicitation. Each Party agrees that it shall not, and it shall cause its Affiliates (such Party and its Affiliates collectively, the “Hiring Party”) not to, prior to the second anniversary of the Distribution Date, knowingly, directly or indirectly, on their own behalf or in the service or on behalf of others, solicit, aid, induce or encourage any individual who is a current employee of the other Party or the other Party’s Affiliates to leave his or her employment and to work for such Hiring Party or others without the prior written Consent of the other Party. The restrictions contained in this Section 12.1 shall not apply to (i) general solicitations not specifically directed to any employee of a Party or its Affiliates (including a search firm who has not been encouraged or advised to approach any such employee), and (ii) any solicitation or hiring of an individual who is no longer employed by a Party or its Affiliates at the time of such solicitation or hiring.

Section 12.2 Sharing Of Information. Each Party (acting directly or through its Affiliates) shall provide to the other Party and its agents and vendors all Information as the other Party may reasonably request to enable the requesting Party to administer efficiently and accurately each of its Benefit Plans and to determine the scope of, as well as fulfill, its obligations under this

Agreement. Such information shall, to the extent reasonably practicable, be provided in the format and at the times and places requested, but in no event shall the Party providing such information be obligated to incur any out-of-pocket expenses not reimbursed by the requesting Party or make such information available outside of its normal business hours and premises. Any information shared or exchanged pursuant to this Agreement shall be subject to the confidentiality requirements set forth in the Separation Agreement. The Parties also hereby agree to enter into any business associate agreements that may be required for the sharing of any Information pursuant to this Agreement to comply with the requirements of HIPAA.

Section 12.3 Reasonable Efforts/Cooperation. Each Party shall use its commercially reasonable efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws and regulations to consummate the transactions contemplated by this Agreement, including adopting plans or plan amendments. Each of the Parties hereto shall cooperate fully on any issue relating to the transactions contemplated by this Agreement for which the other Party seeks a determination letter or private letter ruling from the IRS, an advisory opinion from the DOL or any other filing, consent or approval with respect to or by a Governmental Entity

Section 12.4 Employer Rights. Nothing in this Agreement shall prohibit QEP or any QEP Affiliate from amending, modifying or terminating any QEP Benefit Plan at any time within its sole discretion. In addition, nothing in this Agreement shall prohibit Questar or any Questar Affiliate from amending, modifying or terminating any Questar Benefit Plan at any time within its sole discretion.

Section 12.5 Effect on Employment. Except as expressly provided in this Agreement, none of the Distribution or any of the actions taken in connection with the Distribution shall in and of itself cause any employee to be deemed to have incurred a termination of employment or service which entitles such individual to the commencement of benefits under any of the Questar Benefit Plans. Furthermore, nothing in this Agreement is intended to confer upon any employee or former employee of Questar, QEP or either of their respective Affiliates any right to continued employment, or any recall or similar rights to an individual on layoff or any type of approved leave.

Section 12.6 Consent Of Third Parties. If any provision of this Agreement is dependent on the Consent of any third party and such Consent is withheld, the Parties hereto shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the fullest extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the Parties hereto shall negotiate in good faith to implement the provision in a mutually satisfactory manner.

Section 12.7 Access To Employees. Following the Distribution Date, Questar and QEP shall, or shall cause each of their respective Affiliates to, make available to each other those of their employees who may reasonably be needed in order to defend or prosecute any legal or administrative action (other than a legal action between Questar and QEP) to which any employee, director or Benefit Plan of the Questar Group or QEP Group is a party and which relates to their respective Benefit Plans prior to the Distribution Date. The Party to whom an employee is made available in accordance with this Section 12.7 shall pay or reimburse the other

Party for all reasonable expenses which may be incurred by such employee in connection therewith, including all reasonable travel, lodging, and meal expenses, but excluding any amount for such employee's time spent in connection herewith.

Section 12.8 Beneficiary Designation/Release Of Information/Right To Reimbursement. To the extent permitted by applicable Law and except as otherwise provided for in this Agreement, all beneficiary designations, authorizations for the release of Information and rights to reimbursement made by or relating to QEP Participants under Questar Benefit Plans shall be transferred to and be in full force and effect under the corresponding QEP Benefit Plans until such beneficiary designations, authorizations or rights are replaced or revoked by, or no longer apply, to the relevant QEP Participant.

Section 12.9 Not A Change In Control. The Parties hereto acknowledge and agree that none of the Distribution or any of the transactions contemplated by the Separation Agreement and this Agreement constitute, and shall not be deemed to be, a "change in control" for purposes of any Questar Benefit Plan or QEP Benefit Plan.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Effect If Distribution Does Not Occur. Notwithstanding anything in this Agreement to the contrary, if the Separation Agreement is terminated prior to the Effective Time, all actions and events that are, under this Agreement, to be taken or occur effective prior to, as of or following the Distribution Date, or otherwise in connection with the Separation, shall not be taken or occur, except to the extent determined by Questar.

Section 13.2 Relationship Of Parties. Nothing in this Agreement shall be deemed or construed by the Parties or any third party as creating the relationship of principal and agent, partnership or joint venture between the Parties, it being understood and agreed that no provision contained herein, and no act of the Parties, shall be deemed to create any relationship between the Parties other than the relationship set forth herein.

Section 13.3 Affiliates. Each of Questar and QEP shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by each of their Affiliates, respectively.

Section 13.4 Notices. All notices, requests, claims, demands and other communications under this Agreement, as between the Parties, shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt unless the day of receipt is not a Business Day, in which case it shall be deemed to have been duly given or made on the next following Business Day) by delivery in person, by overnight courier service, by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 13.4):

To Questar: Questar Corporation
180 East 100 South
Salt Lake City, UT 84111
Attn: General Counsel
Facsimile: 801) 324-5483

QEP Resources, Inc.
1050 Seventeenth Street
Denver, CO 80202
Attn: General Counsel
Facsimile: (303) 573-0314

Section 13.5 Entire Agreement. This Agreement, the Separation Agreement, and each other Ancillary Agreement, including any annexes, schedules and exhibits hereto and thereto, as well as any other agreements and documents referred to herein and therein, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Schedule hereto, the Schedule shall prevail.

Section 13.6 Waivers. The failure of any Party to require strict performance by any other Party of any provision in this Agreement shall not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

Section 13.7 Amendments. Subject to the terms of Section 13.8 of this Agreement, this Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

Section 13.8 Termination, Etc. This Agreement (including Article XI (Indemnification) hereof) may be terminated and abandoned at any time prior to the Distribution Date by and in the sole discretion of Questar without the approval of QEP or the stockholders of Questar and it shall be deemed terminated if and when the Separation Agreement is terminated. In the event of such termination, no Party shall have any liability of any kind to any other Party or any other Person. After the Distribution Date, this Agreement may not be terminated except by an agreement in writing signed by each of the Parties.

Section 13.9 Governing Law. This Agreement shall be governed by and construed in accordance with Laws of the State of Utah.

Section 13.10 Dispute Resolution. Any controversy, dispute or claim arising out of, in connection with, or in relation to the interpretation, performance, nonperformance, validity, termination or breach of this Agreement or otherwise arising out of, or in any way related to this Agreement or the transactions contemplated hereby, including any claim based on contract, tort, statute or constitution (but excluding any controversy, dispute or claim arising out of any Contract relating to the use or lease of real property if any third party is a necessary party to such controversy, dispute or claim) (collectively, "Agreement Dispute"), shall be governed by, and be subject to, the provisions of Article IX of the Separation Agreement, which provisions (and

related defined terms) are hereby incorporated by reference into this Agreement and any references to “Agreement” in such Article IX as incorporated herein shall be deemed to be references to this Agreement; provided, however, any references to “Agreement” or “Agreement Disputes” in such Article IX as incorporated herein shall be deemed to be references to this Agreement and Agreement Disputes as defined in this Agreement. Notwithstanding the foregoing provisions of this Section 13.10, (i) no Dispute Notice relating to the characterization of an individual as a Questar Employee, QEP Employee, Former Questar Employee or Former QEP Employee may be provided under this Section 13.10 more than one hundred eighty (180) days after the Distribution Date, and (iii) no Dispute Notice may be provided under this Section 13.10 after the second anniversary of the Distribution Date.

Section 13.11 Consent to Jurisdiction. Subject to the provisions of Article IX of the Separation Agreement, each of the Parties irrevocably submits to the exclusive jurisdiction of (a) the Supreme Court of the State of Wyoming, and (b) the United States District Court for the District of Wyoming (the “Wyoming Courts”), for the purposes of any suit, action or other proceeding to compel arbitration or for provisional relief in aid of arbitration in accordance with Article IX of the Separation Agreement or for provisional relief to prevent irreparable harm, and to the non-exclusive jurisdiction of the Wyoming Courts for the enforcement of any award issued thereunder. Each of the Parties further agrees that service of any process, summons, notice or document by United States registered mail to such Party’s respective address set forth in Section 13.4 of this Agreement shall be effective service of process for any action, suit or proceeding in the Wyoming Courts with respect to any matters to which it has submitted to jurisdiction in this Section 13.11. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the Wyoming Courts, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 13.12 Titles and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 13.13 Counterparts. This Agreement may be executed in more than one counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Party.

Section 13.14 Assignment. Except as otherwise provided for in this Agreement, this Agreement shall not be assignable, in whole or in part, directly or indirectly, by either Party without the prior written Consent of the other Party, and any attempt to assign any rights or obligations arising under this Agreement without such Consent shall be void; provided, that, a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets; and provided, further, that the surviving entity of such merger or the transferee of such Assets shall agree in writing, reasonably satisfactory to the other Party, to be bound by the terms of this Agreement as if named as a “Party” hereto.

Section 13.15 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 13.16 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 13.17 Exhibits and Schedules. The Exhibits and Schedules shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 13.18 Specific Performance. The Parties agree that irreparable damage would occur in the event that the provisions of this Agreement were not performed in accordance with their specific terms. Accordingly, it is hereby agreed that the Parties shall be entitled to (i) an injunction or injunctions to enforce specifically the terms and provisions hereof in any arbitration in accordance with Section 13.10 of this Agreement, (ii) provisional or temporary injunctive relief in accordance therewith in any Wyoming Court, and (iii) enforcement of any such award of an arbitral tribunal or a Wyoming Court in any court of the United States, or any other any court or tribunal sitting in any state of the United States or in any foreign country that has jurisdiction, this being in addition to any other remedy or relief to which they may be entitled.

Section 13.19 Waiver of Jury Trial. SUBJECT TO SECTIONS 13.10, 13.11 AND 13.18 OF THIS AGREEMENT, EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY COURT PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF AND PERMITTED UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 13.19.

Section 13.20 Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other Party of the nature and extent of any such Force Majeure condition and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as reasonably practicable.

Section 13.21 Authorization. Each of the Parties hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party, that this Agreement constitutes a legal, valid and binding obligation of each such Party and that the execution, delivery and performance of this Agreement by such Party does not contravene or conflict with any provision of law or of its charter or bylaws or any material agreement, instrument or order binding on such Party.

Section 13.22 No Third-Party Beneficiaries. Except as otherwise expressly provided in this Agreement, this Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

Section 13.23 No Interference or Amendment. Notwithstanding anything in this Agreement to the contrary, nothing in any other provision of this Agreement shall be interpreted to interfere with the rights of each Party to amend or terminate any of its respective Benefit Plans or interpreted as an amendment or other modification of any Benefit Plan.

Section 13.24 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

QUESTAR CORPORATION

By: /s/ Keith O. Rattie
Name: Keith O. Rattie
Title: Chairman, President and Chief Executive Officer

QEP RESOURCES, INC.

By: /s/ Charles B. Stanley
Name: Charles B. Stanley
Title: President and Chief Executive Officer

TAX MATTERS AGREEMENT

by and between

QUESTAR CORPORATION

and

QEP RESOURCES, INC.

Dated as of June 14, 2010

TAX MATTERS AGREEMENT

This TAX MATTERS AGREEMENT (this “**Agreement**”), is made and entered into as of June 14, 2010, by and between QUESTAR CORPORATION, a Utah corporation (“**Questar**”), and QEP RESOURCES, INC., a Delaware corporation (“**QEP**”). All capitalized terms not otherwise defined shall have the meanings set forth in Article I.

RECITALS

WHEREAS, Questar and certain of its subsidiaries have joined in filing consolidated federal Income Tax Returns and certain consolidated, combined or unitary state or local Income Tax Returns;

WHEREAS, Questar and QEP have entered into that certain Separation and Distribution Agreement, dated as of the date hereof (the “**Separation Agreement**”), pursuant to which, among other things, QEP will distribute all of the outstanding common stock of Wexpro Company (“**Wexpro**”) to Questar in a transaction intended to qualify for tax-free treatment under Code Section 355, Questar will contribute up to \$250 million to the capital of QEP and Questar will distribute all of the outstanding common stock in QEP to Questar’s stockholders in a transaction intended to qualify for tax-free treatment under Code Sections 368(a)(1)(D) and 355 (collectively, the “**Spin-off Transactions**”);

WHEREAS, pursuant to the Spin-off Transactions, QEP and its subsidiaries (other than Wexpro) will leave the Pre-Spin Group (as defined below); and

WHEREAS, the parties hereto, on behalf of themselves and their Affiliates, wish to provide for (i) the allocation of, and indemnification against, certain liabilities for Taxes, (ii) the preparation and filing of Tax Returns and the payment of Taxes with respect thereto and (iii) certain related matters.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth below, the parties agree as follows:

ARTICLE I. DEFINITIONS

When used herein the following terms shall have the following meanings:

“**Affiliate**” means, with respect to any entity (the “given entity”), each entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the given entity. For purposes of this definition, “control” means (a) the possession, directly or indirectly, of 50% or more of the voting power or value of outstanding equity interests or (b) the power to direct or cause the direction of management and policies of such entity, whether through ownership of securities, partnership or other ownership interests, by contract or otherwise.

“Affiliated Group” means, with respect to a Tax Period, (a) an affiliated group of corporations within the meaning of Code Section 1504(a) or, for purposes of any state or local Tax matters, any consolidated, combined, unitary or similar group of corporations within the meaning of any similar provisions of Tax law for the jurisdiction in question, and (b) for purposes of any federal, state or local Income Tax matters, any entity owned by a corporation described in clause (a) that is disregarded as separate from its owner for such purposes.

“Audit” means any audit, assessment of Taxes, other examination by any Taxing Authority, proceeding or appeal of such a proceeding relating to Taxes, whether judicial or administrative.

“Business” means (a) with respect to Questar and the Questar Group, the utility business described in the Ruling Request and (b) with respect to QEP and the QEP Group, the energy exploration and production business described in the Ruling Request.

“Code” means the Internal Revenue Code of 1986, as amended, or any successor thereto, as in effect for the Tax Period in question.

“Current Allocation Methodology” means the allocation methodology that is set forth in Exhibit A, as applied to Section 2.3(a) Tax Returns.

“Distribution Date” means the date on which the Spin-off Transactions are effected by Questar.

“Final Determination” means (i) a decision, judgment, decree, or other order by a court of competent jurisdiction, which has become final and unappealable; (ii) a closing agreement or accepted offer in compromise under Code Sections 7121 or 7122, or comparable agreements under the laws of other jurisdictions; (iii) any other final settlement with the IRS or other Taxing Authority (including the execution of IRS Form 870-AD, or a comparable form under the laws of other jurisdictions, but excluding any such form that reserves (whether by its terms or by operation of law) the right of the taxpayer to file a claim for refund or the right of the Taxing Authority to assert a further deficiency); (iv) the expiration of an applicable statute of limitations; or (v) the allowance of a refund or credit, but only after the expiration of all periods during which such refund or credit may be recovered (including by way of offset).

“Income Tax” means any and all Taxes based upon or measured by net income (regardless of whether denominated as an “income tax,” a “franchise tax” or otherwise).

“Income Tax Return” means a Tax Return relating to an Income Tax.

“IRS” means the Internal Revenue Service or any successor thereto.

“IRS Ruling” means the letter ruling issued by the IRS on April 28, 2010, as supplemented by the letter ruling issued by the IRS on June 8, 2010, in response to the Ruling Request.

“**Latham Opinion**” means the opinion of Latham & Watkins LLP with respect to certain matters relating to qualification of the Spin-off Transactions under Code Section 355.

“**Opinion Representation Letters**” means the representation letters executed by officers of Questar and QEP and delivered in connection with the Latham Opinion.

“**Overdue Rate**” means a variable rate of interest per annum equal to the Federal short-term rate as established from time to time pursuant to Code Section 1274(d).

“**Post-Distribution Tax Period**” means a Tax Period that begins after the Distribution Date.

“**Pre-Distribution Tax Period**” means a Tax Period that ends on or before the Distribution Date.

“**Pre-Spin Group**” means Questar and each entity that would be a member of an Affiliated Group with respect to which Questar would be the common parent for any Pre-Distribution Tax Period. For purposes of this Agreement, the Pre-Spin Group shall terminate at the end of the day on the Distribution Date.

“**Pre-Spin Member**” means any entity that was a member of the Pre-Spin Group.

“**QEP**” has the meaning set forth in the preamble to this Agreement.

“**QEP Group**” means QEP and each entity that was a Pre-Spin Member and would be a member of an Affiliated Group with respect to which QEP would be the common parent for any Post-Distribution Tax Period. For purposes of this Agreement, the QEP Group shall exist from and after the beginning of the day immediately after the Distribution Date.

“**QEP Member**” means any entity that would be a member of the QEP Group.

“**Questar**” has the meaning set forth in the preamble to this Agreement.

“**Questar Group**” means Questar and each entity that was a Pre-Spin Member and would be a member of an Affiliated Group with respect to which Questar would be the common parent for any Post-Distribution Tax Period. For purposes of this Agreement, the Questar Group shall exist from and after the beginning of the day immediately after the Distribution Date.

“**Questar Member**” means any entity that would be a member of the Questar Group.

“**Representative**” means, with respect to any person or entity, any of such person’s or entity’s directors, officers, employees, agents, consultants, accountants, attorneys and other advisors.

“**Responsible Party**” means the party responsible for the preparation and filing of a Tax Return.

“**Ruling Request**” means the private letter ruling request filed by Questar with the IRS on February 19, 2010, as supplemented and amended from time to time, including the supplemental private letter ruling request filed by Questar with the IRS on May 31, 2010, with respect to certain federal Income Tax matters relating to the Spin-off Transactions and other related matters.

“**Section 2.3(a) Tax Return**” has the meaning set forth in Section 2.3(a).

“**Section 355(e) Tax**” shall mean any Taxes imposed on the Pre-Spin Group resulting from a Final Determination that Section 355(e) of the Code is applicable to the Spin-Off Transactions because the Spin-Off Transactions were part of a plan or series of related transactions pursuant to which one or more persons acquired directly or indirectly stock of Questar, Wexpro or QEP representing a “50-percent or greater interest” within the meaning of Section 355(e).

“**Separate Affiliated Group**” means, with respect to any corporation, such corporation’s separate affiliated group as defined by Section 355(b)(3) of the Code and the regulations promulgated thereunder.

“**Separation Agreement**” has the meaning set forth in the Recitals.

“**Spin-off Transactions**” has the meaning set forth in the Recitals.

“**Straddle Period**” means a Tax Period that begins on or before and ends after the Distribution Date.

“**Tax**” means any federal, state, foreign or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty or addition thereto.

“**Taxing Authority**” means the IRS or any other governmental authority responsible for the administration of any Tax.

“**Tax Period**” means any period prescribed by law or any Taxing Authority for which a Tax Return is required to be filed or a Tax is required to be paid.

“**Tax Practices**” means the policies, procedures and practices customarily and consistently employed by the Pre-Spin Group in the preparation and filing of, and positions taken on, any Tax Returns of the Pre-Spin Group or any Pre-Spin Member for any Pre-Distribution Tax Period.

“**Tax Refund**” means any refund of Taxes, whether by payment, credit, offset, reduction in Tax or otherwise, plus any interest or other amounts received or payable with respect to such refund.

“**Tax Return**” means any return (including any information return), report, statement, declaration, notice, form, election, estimated Tax filing, claim for refund or other filing (including any amendments thereof and attachments thereto) required to be filed with or submitted to any Taxing Authority with respect to any Tax.

“**Tax Treatment**” has the meaning set forth in Section 3.3(a).

ARTICLE II.
FILING OF TAX RETURNS AND PAYMENT OF TAXES

Section 2.1 Preparation and Filing of Tax Returns.

- (a) Subject to Section 2.3, Questar shall prepare (or caused to be prepared) and timely file:
- (i) all Tax Returns of the Pre-Spin Group or any Pre-Spin Member for any Pre-Distribution Tax Period other than Tax Returns described in Section 2.1(b)(i);
 - (ii) all Tax Returns of the Pre-Spin Group or any Pre-Spin Member for any Straddle Period other than Tax Returns described in Section 2.1(b)(ii); and
 - (iii) all Tax Returns of the Questar Group or any Questar Member for all Post-Distribution Tax Periods.
- (b) Subject to Section 2.3, QEP shall prepare (or caused to be prepared) and timely file:
- (i) all Tax Returns for any Pre-Distribution Tax Period that are filed after the Distribution Date that relate solely to the QEP Group or any QEP Member;
 - (ii) all Tax Returns for any Straddle Period that relate solely to the QEP Group or any QEP Member; and
 - (iii) all Tax Returns of the QEP Group or any QEP Member for all Post-Distribution Tax Periods.

Section 2.2 Provision of Filing Information. Each party shall cooperate with the Responsible Party in the preparation and filing of all Tax Returns relating to Pre-Distribution Tax Periods and Straddle Periods, including by providing the Responsible Party with (a) all necessary filing information in a manner consistent with past Tax Practices, (b) all other information reasonably requested in connection with the preparation of such Tax Returns, including permission to copy any applicable documents, and (c) such other assistance reasonably necessary or requested for the filing of such Tax Returns.

Section 2.3 Advance Review of Tax Returns.

- (a) At least fifteen (15) days, or such other reasonable time as mutually agreed to by both parties, prior to the filing of any federal Income Tax Return for a Pre-Distribution Tax Period or Straddle Period that includes a QEP Member and any other Tax Return pursuant to Section 2.1(a)(i) or Section 2.1(a)(ii) that includes a QEP Member (collectively, a “Section 2.3(a) Tax Return”), Questar shall provide QEP with the portion of such Tax Return that relates to the QEP Member.
- (b) QEP and its Representatives shall have the right to review all related work papers prior to Questar’s filing of a Section 2.3(a) Tax Return. Questar shall consult with QEP and its Representatives regarding its comments with respect to such Tax Returns and shall in good faith consult with such party in an effort to resolve any differences with respect to (i) the preparation and accuracy of such Tax Returns and their consistency with past Tax Practices and (ii) the recommendations of QEP and its Representatives for alternative positions with respect to items reflected on such Tax Returns; provided, however, that Questar shall not be obligated to consider any recommendation the result of which would materially adversely affect the Taxes of its Affiliated Group (or any member thereof) for any Straddle Period or Post-Distribution Tax Period, and Questar may condition the acceptance of any such recommendation upon the receipt of appropriate indemnification from QEP for any increases in Taxes that may result from the adoption of the relevant alternative position.

Section 2.4 Consistent Positions on Tax Returns. The Responsible Party shall prepare all Tax Returns (a) for all Pre-Distribution Tax Periods and Straddle Periods in a manner consistent with past Tax Practices and (b) in a manner consistent with the IRS Ruling, the Ruling Request and the Latham Opinion, except in either case as otherwise required by changes in applicable law or material underlying facts or as consented by the parties hereto in writing, which consent shall not be unreasonably withheld.

Section 2.5 Taxable Year. The parties agree that, to the extent permitted by applicable law, (a) the Tax Period with respect to federal Income Taxes of the QEP Members included in the consolidated federal Income Tax Return of the Questar Group for the Tax Period that includes the Distribution Date (and all corresponding consolidated, combined, unitary or similar state or local Income Tax Returns of the Questar Group) shall end as of the end of the day on the Distribution Date and (b) the QEP Group and each QEP Member shall begin a new taxable year for purposes of such federal, state or local Income Taxes as of the beginning of the day after the Distribution Date. The parties further agree that, to the extent permitted by applicable law, all federal, state and local Tax Returns shall be filed consistently with this position.

Section 2.6 Straddle Period Taxes. For purposes of this Agreement, Taxes attributable to Straddle Periods shall be allocated between the portion of the Straddle Period ending on the Distribution Date and the portion of the Straddle Period beginning after the Distribution Date, as follows:

- (a) Income Taxes shall be allocated on the basis of the actual operations and taxable income for each such period, determined by closing the books of the Pre-Spin Group at the end of the day on the Distribution Date; and

- (b) Non-Income Taxes shall be allocated by multiplying the amount of such Taxes for the entire Straddle Period by a fraction, the numerator of which is the number of days during the applicable portion of the Straddle Period and the denominator of which is the total number of days in the Straddle Period.

Section 2.7 Payment of Taxes.

- (a) Questar shall be liable for and shall pay all Taxes due and payable (including additional Taxes imposed as a result of a Final Determination) with respect to Tax Returns filed by Questar pursuant to Section 2.1(a), provided, however, Questar and QEP shall apportion and allocate the liability with respect to any Section 2.3(a) Tax Returns in accordance with the Current Allocation Methodology.
- (b) QEP shall be liable for and shall pay all Taxes due and payable (including additional Taxes imposed as a result of a Final Determination) with respect to Tax Returns filed by QEP pursuant to Section 2.1(b).
- (c) QEP or Questar, as applicable, shall pay to the other party the amount required to be paid pursuant to Section 2.7(a) under the Current Allocation Methodology within thirty (30) days after written demand is made by such other party; provided, any such amount shall not be payable earlier than five (5) business days before the date on which the applicable Taxes are required to be paid to the Taxing Authority.

Section 2.8 Amended Returns. Notwithstanding anything to the contrary in this Agreement, no party may file any amendment to a Section 2.3(a) Tax Return without the other party's consent, which consent shall not be unreasonably withheld.

Section 2.9 Refunds of Taxes. Questar shall apportion and allocate any Tax Refund realized as a result of a Final Determination with respect to any Tax Return filed pursuant to Section 2.1(a)(i) and Section 2.1(a)(ii) in the same proportion as the liability for the Taxes with respect to such Tax Return were apportioned and allocated pursuant to the Current Allocation Methodology. Any Tax Refund realized as a result of a Final Determination with respect to any Tax Return filed pursuant to Section 2.1(a)(iii) and Section 2.1(b) shall be for the benefit of the Responsible Party. If Questar or QEP, as applicable receives a Tax Refund with respect to which the other party is entitled all or an allocable portion pursuant to this Section 2.9, Questar or QEP, as applicable shall pay such amount to such other party in accordance with Section 4.1.

Section 2.10 Tax Elections. Nothing in this Agreement is intended to change or otherwise affect any previous tax election made by or on behalf of the Pre-Spin Group (including the election with respect to the calculation of earnings and profits under Code Section 1552 and the regulations thereunder). Questar, as common parent of the Questar Group, shall continue to have discretion, reasonably exercised, to make any and all elections with respect to all members

of the Pre-Spin Group for all Tax Periods for which it is obligated to file Tax Returns under Section 2.1(a). QEP, as common parent of the QEP Group, shall have sole discretion to make any and all elections with respect to all members of the QEP Group for all Tax Periods for which it is obligated to file Tax Returns under Section 2.1(b).

ARTICLE III. INDEMNIFICATION

Section 3.1 By Questar. Subject to Section 3.3, Questar shall indemnify and hold QEP and each QEP Member harmless against:

- (a) any and all Taxes for which Questar is liable pursuant to Section 2.7(a) and Section 2.7(c); and
- (b) any and all increases in the liability for Taxes of the QEP Group as a result of a member of the Questar Group's material inaccuracies in, or failure to timely provide, such information and assistance specified in Section 2.2.

Section 3.2 By QEP. Subject to Section 3.3, QEP shall indemnify and hold Questar and each Questar Member harmless against:

- (a) any and all Taxes for which QEP is liable pursuant to Section 2.7(b) and Section 2.7(c); and
- (b) any and all increases in the liability for Taxes of the Questar Group as a result of a member of the QEP Group's material inaccuracies in, or failure to timely provide, such information and assistance specified in Section 2.2.

Section 3.3 Tax Treatment of Spin-off Transactions.

- (a) The parties expressly agree for all purposes to treat the Spin-off Transactions as a tax-free distribution under Code Sections 368(a)(1)(D) and 355 in accordance with the IRS Ruling and the Latham Opinion (the "**Tax Treatment**"). Each party hereto also expressly agrees to (i) comply with the representations made in the IRS Ruling, the Ruling Request and in the Opinion Representation Letters, (ii) not take any action (unless otherwise required by law) that is inconsistent with the Tax Treatment, and (iii) take any and all reasonable actions to support and defend the Tax Treatment. Without limiting the generality of the foregoing, Questar and QEP further represent, agree and covenant as follows:
 - (i) The representations and information contained in the Ruling Request and Opinion Representation Letters, insofar as they concern or relate to such party or its Affiliates, are true, correct and complete in all material respects.
 - (ii) From and after the Distribution Date until the second anniversary thereof, such party shall continue to conduct its Business directly or indirectly through its Separate Affiliated Group.

- (iii) From and after the Distribution Date until the second anniversary thereof, such party shall not take any of the following actions unless prior to taking any such action, it obtains and provides to the other party, a ruling from the IRS or a written opinion from a nationally recognized law firm with expertise in these matters, in form and substance reasonably acceptable to the other party, that such transaction, and any transaction or transactions related thereto, will not affect the qualification of the Spin-off Transactions under Code Section 355 and will not cause Code Section 355(e) to apply:
- (A) enter into (or, to the extent such party has the right to prohibit such action, permit) any transaction or series of transactions (or any agreement, understanding, arrangement or substantial negotiations, within the meaning of Code Section 355(e) and Treasury Regulation Section 1.355-7, to enter into a transaction or series of transactions), as a result of which any person or group of related persons would (directly or indirectly) acquire or have the right to acquire from Questar, Wexpro or QEP, as applicable, or one or more holders of its stock, a number of shares of its stock that, together with any shares issued in an equity offering described in clause (B) below, would comprise 40% or more of (1) the value of all outstanding shares of stock of Questar, Wexpro or QEP, as applicable, as of the date of such transaction or (2) the total combined voting power of all outstanding shares of stock of Questar, Wexpro or QEP, as applicable, as of the date of such transaction, or, with respect to either (1) or (2), in the case of a series of transactions, the date of the last transaction of such series; or
 - (B) issue equity of QEP, Wexpro or Questar in an offering in excess, in the aggregate, together with any shares acquired in a transaction described in clause (A) above, of 40% of (1) the value of all outstanding shares of stock of Questar, Wexpro or QEP, as applicable, as of the date of such transaction or (2) the total combined voting power of all outstanding shares of stock of Questar, Wexpro or QEP, as applicable, as of the date of such transaction, or, with respect to either (1) or (2), in the case of a series of transactions, as of the date of the last transaction of such series.
- (b) Notwithstanding anything to the contrary in Section 2.7, Section 3.1, Section 3.2 or Section 6.2(c):
- (i) If there is a Final Determination that results in the disallowance, in whole or in part, of the Tax Treatment (other than (x) a disallowance which is addressed by Section 3.3(b)(ii) or (y) the Section 355(e) Tax which is addressed by Section 3.3(b)(iii)), then any liability for Taxes of the Pre-Spin Group as a result of such disallowance shall be divided between Questar and QEP in proportion to their respective fair market values as of the

Distribution Date, as determined based on the ratio of the closing stock price of Questar Ex-dividend in the “when issued” market divided by Questar’s closing stock price in the regular-way trading market on the Distribution Date as the proportionate share attributable to Questar. Questar shall be liable for, and shall indemnify QEP and each QEP Member against, any liability for which Questar is responsible pursuant to the preceding sentence, and QEP shall be liable for, and shall indemnify Questar and each Questar Member against, any liability for which QEP is responsible pursuant to the preceding sentence.

- (ii) (A) If there is a Final Determination that results in the disallowance, in whole or in part, of the Tax Treatment (other than the Section 355(e) Tax, which is addressed by Section 3.3(b)(iii)), and Questar or any Questar Member (and neither QEP nor any QEP Member) has taken any action after the Distribution Date which action results in such disallowance, then Questar shall be liable for, and shall indemnify QEP and each QEP Member against, any Taxes of the Pre-Spin Group as a result of such disallowance.
- (B) If there is a Final Determination that results in the disallowance, in whole or in part, of the Tax Treatment (other than the Section 355(e) Tax, which is addressed by Section 3.3(b)(iii)), and QEP or any QEP Member (and neither Questar nor any Questar Member) has taken any action after the Distribution Date which action results in such disallowance, then QEP shall be liable for, and shall indemnify Questar and each other Questar Member against, any Taxes of the Pre-Spin Group as a result of such disallowance.
- (iii) (A) If there is a Final Determination that Section 355(e) of the Code is applicable to the Spin-Off Transactions solely because the Spin-Off Transactions were part of a plan or series of related transactions pursuant to which one or more persons acquired directly or indirectly stock of Questar or Wexpro representing a “50-percent or greater interest” within the meaning of Section 355(e), then Questar shall be liable for, and shall indemnify QEP and each QEP Member against, the Section 355(e) Tax; and
- (B) If there is a Final Determination that Section 355(e) of the Code is applicable to the Spin-Off Transactions solely because the Spin-Off Transactions were part of a plan or series of related transactions pursuant to which one or more persons acquired directly or indirectly QEP stock representing a “50-percent or greater interest” within the meaning of Section 355(e), then QEP shall pay and be liable for, and shall indemnify Questar and each Questar Member against, the Section 355(e) Tax.

- (iv) Any such claim for indemnification to effectuate this Section 3.3(b) shall otherwise be governed in the manner specified under this Article III, but shall not affect in any manner the provisions of Article V and Article VI (excepted as set forth in Section 6.2(a)) with respect to cooperation and control of Audits.

Section 3.4 Certain Reimbursements. Each party shall notify the other party of any Taxes paid by it or any member of its Affiliated Group that are subject to indemnification under this Article III. Any notification pursuant to this Section 3.4 shall include a detailed calculation (including, if applicable, separate allocations of such Taxes between the parties and supporting work papers) and a brief explanation of the basis for indemnification hereunder. Whenever such a notification is given, the indemnifying party shall pay the amount requested in such notice to the indemnified party in accordance with Article IV, but only to the extent the indemnifying party agrees with such request. To the extent the indemnifying party disagrees with such request, it shall so notify the indemnified party within thirty (30) days of receipt of such notice, whereupon the parties shall use their best efforts to resolve any such disagreement. Any indemnification payment made after such thirty (30) day period shall include interest at the Overdue Rate from the date of receipt of the original indemnification notice.

Section 3.5 Adjustments. The parties agree to cooperate in good faith, without bias to any Questar Member or QEP Member, to make appropriate adjustments to accomplish the objectives of this Article III.

**ARTICLE IV.
METHOD AND TIMING OF
PAYMENTS REQUIRED BY THIS AGREEMENT**

Section 4.1 Payment in Immediately Available Funds; Interest. All payments made pursuant to this Agreement shall be made in immediately available funds. Except as otherwise provided in the Agreement, all payments shall be made within thirty (30) days of receipt of request therefor. Except as otherwise provided in the Agreement, any payment not made within thirty (30) days of receipt shall thereafter bear interest at the Overdue Rate.

Section 4.2 Characterization of Payments. Any payment (other than interest thereon) made hereunder by Questar to QEP, or by QEP to Questar, shall be treated by all parties for all Tax purposes to the extent permitted by law as a non-taxable distribution or capital contribution made prior to the end of the day on the Distribution Date, except to the extent that Questar and QEP treat a payment as the settlement of an intercompany liability (including, without limitation, the settlement of an intercompany liability with respect to the sharing of Tax liabilities pursuant to the Current Allocation Methodology).

**ARTICLE V.
COOPERATION; DOCUMENT RETENTION; CONFIDENTIALITY**

Section 5.1 Provision of Cooperation, Documents and Other Information. Upon the reasonable request of any party to this Agreement, Questar or QEP, as applicable, shall promptly

provide (and shall cause the members of its Affiliated Group to promptly provide) the requesting party with such cooperation and assistance, documents, and other information as may be necessary or reasonably helpful in connection with (a) the preparation and filing of any Tax Return, (b) the conduct of any Audit involving to any extent Taxes or Tax Returns within the scope of this Agreement or (c) the verification by a party of an amount payable to or receivable from another party. Such cooperation and assistance shall include, without limitation, (i) the provision of books, records, Tax Returns, documentation or other information relating to any relevant Tax Return, (ii) the execution of any document that may be necessary or reasonably helpful in connection with the filing of any Tax Return, or in connection with any Audit, including, without limitation, the execution of powers of attorney and extensions of applicable statutes of limitations with respect to Tax Returns which Questar may be obligated to file on behalf of QEP Members pursuant to Section 2.1, (iii) the prompt and timely filing of appropriate claims for refund, and (iv) the use of reasonable best efforts to obtain any documentation from a governmental authority or a third party that may be necessary or reasonably helpful in connection with the foregoing. Each party shall make its employees and facilities available on a mutually convenient basis to facilitate such cooperation.

Section 5.2 Retention of Books and Records. Each party to this Agreement shall retain or cause to be retained (and shall cause each member of their respective Affiliated Groups to retain) all Tax Returns and all books, records, schedules, work papers, and other documents relating thereto, until the later of (a) the date seven (7) years from the close of the applicable Tax Period, (b) the expiration of all applicable statutes of limitations (including any waivers or extensions thereof) and (c) the expiration of any retention period required by law (e.g., depreciation or inventory records) or pursuant to any record retention agreement. The parties hereto shall notify each other in writing of any waivers, extensions or expirations of applicable statutes of limitations.

Section 5.3 Confidentiality of Documents and Information. Except as required by law or with the prior written consent of the other party, all Tax Returns, documents, schedules, work papers and similar items and all information contained therein that are within the scope of this Agreement shall be kept confidential by the parties hereto and their Representatives, shall not be disclosed to any other person and shall be used only for the purposes provided herein.

ARTICLE VI. AUDITS

Section 6.1 Notification and Status of Audits or Disputes. Upon the receipt by any party to this Agreement (or any member of its Affiliated Group) of notice of any pending or threatened Audit pertaining to Taxes subject to indemnification under this Agreement, such party shall promptly notify the other party in writing of the receipt of such notice. Each party to this Agreement shall use reasonable best efforts to keep the other party advised as to the status of any Audits pertaining to Taxes subject to indemnification under this Agreement. To the extent relating to any such Tax, each party hereto shall promptly furnish the other party with copies of any inquiries or requests for information from any Taxing Authority or any other administrative, judicial or other governmental authority, as well as copies of any revenue agent's report or similar report, notice of proposed adjustment or notice of deficiency.

Section 6.2 Control and Settlement.

- (a) Questar shall have the right to control, and to represent the interests of all affected taxpayers in, any Audit relating, in whole or in part, to any Tax Return filed pursuant to Section 2.1(a)(i) and Section 2.1(a)(ii) and to employ counsel of its choice at its expense; provided, however, that with respect to any issue arising on an Audit of a Section 2.3(a) Tax Return that may have a material adverse affect on QEP or any QEP Member (including as a result of QEP's indemnification obligations pursuant to Sections 3.3(b)(i), 3.3(b)(ii)(B) and 3.3 (b)(iii)(B)), (i) Questar and QEP shall jointly control the conduct and resolution of such issue, and in no event shall either Questar or QEP settle or otherwise resolve any such issue without the written consent of the other, which shall not be unreasonably withheld; (ii) QEP shall provide Questar a written response to any notification by Questar of a proposed settlement within ten (10) days of its receipt of such notification; and (iii) if QEP fails to respond within such ten (10) day period, it shall be deemed to have consented to the proposed settlement. Each of Questar and QEP shall bear its own costs incurred in participating in any proceeding relating to any Audit under this Section 6.2(a).
- (b) QEP shall have the right to control, and to represent the interests of all affected taxpayers in, any Audit relating, in whole or in part, to any Tax Return filed pursuant to Section 2.1(b)(i) and Section 2.1(b)(ii) and to employ counsel of its choice at its expense.
- (c) The payment of any Taxes as a result of a Final Determination with respect to an Audit, as well as any payments between Questar and QEP with respect to such Taxes to the extent such Audit relates to a Section 2.3(a) Tax Return and the Current Allocation Methodology applies, shall be governed by Section 2.7.

Section 6.3 Delivery of Powers of Attorney and Other Documents. Questar and QEP shall execute and deliver to the other party, promptly upon request, powers of attorney authorizing such other party to extend statutes of limitations, receive refunds, negotiate settlements and take such other actions that Questar or QEP, as applicable, reasonably considers to be appropriate in exercising its control rights pursuant to Section 6.2, and any other documents reasonably necessary thereto to effect the exercise of such control rights.

**ARTICLE VII.
MISCELLANEOUS**

Section 7.1 Effectiveness. This Agreement shall be effective from and after the Distribution Date and shall survive until the expiration of any applicable statute of limitations.

Section 7.2 Entire Agreement. This Agreement, together with all documents and instruments referred to herein and therein, constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede and terminate all prior agreements and understandings, both written and oral.

Section 7.3 Guarantees of Performance. Each party hereby guarantees the complete and prompt performance by the members of its Affiliated Groups of all of their obligations and undertakings pursuant to this Agreement. If, subsequent to the consummation of the Spin-off Transactions, either Questar or QEP shall be acquired by another entity (the “acquirer”) such that 50% or more of the acquired corporation’s common stock is held by the acquirer and its Affiliates, the acquirer shall, by making such acquisition, simultaneously agree to jointly and severally guarantee the complete and prompt performance by the acquired corporation and any Affiliate of the acquired corporation of all of their obligations and undertakings pursuant to this Agreement and the acquired corporation shall cause such acquirer to enter into an agreement reflecting such guarantee.

Section 7.4 Severability. In the event any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions hereof without including any of such which may hereafter be declared invalid, void or unenforceable. In the event that any such term, provision, covenant or restriction is hereafter held to be invalid, void or unenforceable, the parties hereto agree to use their best efforts to find and employ an alternate means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction.

Section 7.5 Waiver. Neither the failure nor any delay on the part of any party to exercise any right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or further exercise of the same or any other right, nor shall any waiver of any right with respect to any occurrence be construed as a waiver of such right with respect to any other occurrence.

Section 7.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Utah without regard to any applicable conflicts of law principles, except with respect to matters of law concerning the internal corporate or other organizational affairs of any entity which is a party to or subject of this Agreement, and as to those matters the law of the jurisdiction under which the respective entity derives its powers shall govern.

Section 7.7 Notices. All notices and other communications required or permitted under this Agreement shall be in writing and shall be duly given when delivered in person, by facsimile (with a confirmed receipt thereof), by messenger or courier service, or by registered or certified mail (postage prepaid, return receipt requested), at the following addresses (or at such other address for a party as shall be specified by like notice):

If to Questar, to:

Questar Corporation
180 East 100 South
Salt Lake City, Utah 84111
Attention: General Counsel
Facsimile: (801) 324-5483

If to QEP, to:

QEP Resources, Inc.
1050 Seventeenth Street
Suite 500
Denver, Colorado 80202
Attention: General Counsel
Facsimile: (303) 573-0314

Section 7.8 Amendments. This Agreement may be amended at any time only by written agreement executed and delivered by duly authorized officers of Questar and QEP.

Section 7.9 Successors and Assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either party hereto (by operation of law or otherwise), without the prior written consent of the other party. All provisions of the Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 7.10 No Third-Party Beneficiaries. This Agreement is solely for the benefit of the parties to this Agreement and their respective Affiliates and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without this Agreement.

Section 7.11 Headings; References. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All references herein to "Article", "Sections" or "Exhibits" shall be deemed to be references to Articles or Sections hereof or Exhibits hereto unless otherwise indicated.

Section 7.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, and all such counterparts shall together constitute one and the same instrument.

Section 7.13 Predecessors and Successors. To the extent necessary to give effect to the purposes of this Agreement, any reference to any corporation or other entity shall also include any predecessors or successors thereto, by operation of law or otherwise.

Section 7.14 Specific Performance. The parties hereto acknowledge and agree that irreparable damages will result if this Agreement is not performed in accordance with its terms,

and each party agrees that any damages available at law for a breach of this Agreement would not be an adequate remedy. Therefore, to the full extent permitted by applicable law, the provisions hereof and the obligations of the parties hereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate injunctive relief may be applied for and granted in connection therewith.

Section 7.15 Further Assurances. Subject to the provisions hereof, the parties hereto shall make, execute, acknowledge and deliver such other instruments and documents, and take all such other actions, as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby. Subject to the provisions hereof, each party shall, in connection with entering into this Agreement, performing its obligations hereunder and taking any and all actions relating hereto, comply with all applicable laws, regulations, orders and decrees, obtain all required consents and approvals and make all required filings with any governmental authority (including any regulatory or administrative agency, commission or similar authority) and promptly provide the other party with all such information as it may reasonably request in order to be able to comply with the provisions of this sentence.

Section 7.16 Setoff. All payments to be made by any party under this Agreement shall be made without setoff, counterclaim or withholding, all of which are expressly waived.

Section 7.17 Expenses. Except as specifically provided in this Agreement, each party agrees to pay its own costs and expenses resulting from the fulfillment of its respective obligations hereunder.

Section 7.18 Rules of Construction. Any ambiguities shall be resolved without regard to which party drafted the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date above written.

QUESTAR CORPORATION,

a Utah corporation

By: /s/ Keith O. Rattie

Name: Keith O. Rattie

Title: Chairman, President and Chief Executive
Officer

QEP RESOURCES, INC.,

a Delaware corporation

By: /s/ Charles B. Stanley

Name: Charles B. Stanley

Title: President and Chief Executive Officer

TRANSITION SERVICES AGREEMENT

by and between

QUESTAR CORPORATION

and

QEP RESOURCES, INC.

Dated as of June 14, 2010

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TRANSITION SERVICES AGREEMENT

THIS TRANSITION SERVICES AGREEMENT (this "Agreement") is entered into as of June 14, 2010, by and between Questar Corporation, a Utah corporation ("Questar"), and QEP Resources, Inc., a Delaware corporation ("QEP"), each a "Party" and together, the "Parties".

R E C I T A L S

WHEREAS, Questar, acting through its direct and indirect subsidiaries, conducts two different businesses, being the Questar Business and the QEP Business (each as defined below);

WHEREAS, to effect this separation the Parties entered into that certain Separation and Distribution Agreement dated as of even date hereof (as amended or otherwise modified from time to time, the "Separation Agreement");

WHEREAS, Questar and QEP desire that if (but only if) the Distribution occurs, in order to facilitate the separation of the QEP Business from the Questar Business, Questar will provide to QEP and its subsidiaries during the relevant Services Term, directly or through Questar's Affiliates or subcontractors, the Questar Services, all in accordance with the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, Questar and QEP desire that if (but only if) the Distribution occurs, in order to facilitate the separation of the QEP Business from the Questar Business, QEP will provide to Questar and its subsidiaries during the relevant Services Term, directly or through QEP's Affiliates or subcontractors, the QEP Services, all in accordance with the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. DEFINITIONS. As used in this Agreement, the following capitalized terms shall have the following meanings:

"Action" shall have the meaning set forth in the Separation Agreement.

"Additional Service" shall have the meaning set forth in Section 2.8(b).

"Affiliate" shall have the meaning set forth in the Separation Agreement.

"Agreement" shall have the meaning set forth in the preamble hereof.

"Agreement Dispute" shall have the meaning set forth in Section 12.

"Ancillary Agreement" shall have the meaning set forth in the Separation Agreement.

"Assets" shall have the meaning set forth in the Separation Agreement.

“Auditing Entity” shall have the meaning set forth in Section 9.3.

“Business” shall mean the Questar Business or the QEP Business, as applicable.

“Business Day” shall have the meaning set forth in the Separation Agreement.

“Confidential Information” shall have the meaning set forth in the Separation Agreement.

“Contract” shall have the meaning set forth in the Separation Agreement.

“Default Interest Rate” shall have the meaning set forth in Section 3.2(c).

“Distribution” shall have the meaning set forth in the Separation Agreement.

“Distribution Date” shall have the meaning set forth in the Separation Agreement.

“Due Date” shall have the meaning set forth in Section 3.2(a).

“Effective Date” shall have the meaning set forth in the Separation Agreement.

“Fee” or “Fees” shall have the meaning set forth in Section 3.1.

“FERC” shall mean the Federal Energy Regulatory Commission, or its successor agency.

“Force Majeure” shall have the meaning set forth in the Separation Agreement.

“Governmental Approvals” shall have the meaning set forth in the Separation Agreement.

“Governmental Entity” shall have the meaning set forth in the Separation Agreement.

“Group” shall mean either the Questar Group or the QEP Group, as applicable.

“Law” shall have the meaning set forth in the Separation Agreement.

“Liabilities” shall have the meaning set forth in the Separation Agreement.

“Omitted Service” shall have the meaning set forth in Section 2.8(a).

“Party” shall have the meaning set forth in the preamble hereof.

“Person” shall have the meaning set forth in the Separation Agreement.

“Prime Rate” shall have the meaning set forth in the Separation Agreement.

“QEP” shall have the meaning set forth in the preamble hereof.

“QEP Business” shall have the meaning set forth in the Separation Agreement.

“QEP Group” shall have the meaning set forth in the Separation Agreement.

“QEP Liabilities” shall have the meaning set forth in the Separation Agreement.

“QEP Project Manager” shall have the meaning set forth in Section 2.10.

“QEP Services” shall mean the limited enumerated services described on Schedule B attached to this Agreement and included herein.

“Questar” shall have the meaning set forth in the preamble hereof.

“Questar Business” shall have the meaning set forth in the Separation Agreement.

“Questar Group” shall have the meaning set forth in the Separation Agreement.

“Questar Liabilities” shall have the meaning set forth in the Separation Agreement.

“Questar Project Manager” shall have the meaning set forth in Section 2.10.

“Questar Services” shall mean the limited enumerated services described on Schedule A attached to this Agreement and included herein.

“Separation Agreement” shall have the meaning set forth in the recitals hereto.

“Service” shall mean any of the QEP Services and the Questar Services, as applicable.

“Service Provider” shall mean Questar with respect to the Questar Services, and QEP with respect to the QEP Services.

“Service Recipient” shall mean QEP with respect to the Questar Services, and Questar with respect to the QEP Services.

“Services Term” shall have the meaning set forth in Section 4.1.

“Subsidiary” shall have the meaning set forth in the Separation Agreement.

“TM License Period” shall have the meaning set forth in Section 13.2(a).

“Trademarks” shall have the meaning set forth in Section 13.2(a).

“Wyoming Courts” shall have the meaning set forth in Section 15.16.

2. SERVICES.

2.1 Scope of Services.

(a) QEP hereby retains Questar to provide, and Questar hereby agrees to provide, the Questar Services to QEP or any of its subsidiaries, as designated by QEP, during the relevant Services Term.

(b) Questar hereby retains QEP to provide, and QEP hereby agrees to provide, the QEP Services to Questar or any of its subsidiaries, as designated by Questar, during the relevant Services Term.

(c) Notwithstanding anything to the contrary in this Agreement, (i) the Questar Services shall be available to QEP or any of its subsidiaries only for the purposes of conducting the QEP Business in a substantially consistent manner as it was conducted immediately prior to the Effective Date; and (ii) the QEP Services shall be available to Questar or any of its subsidiaries only for the purposes of conducting the Questar Business in a substantially consistent manner as it was conducted immediately prior to the Effective Date.

(d) Nothing in this Agreement shall preclude a Service Recipient from obtaining, in whole or in part, services of any nature that may be obtainable from a Service Provider, from its own employees or from providers other than the Service Provider.

2.2 Provision of Services. The Questar Services may be directly provided by Questar or may be provided through any of its Affiliates or subcontractors, and the QEP Services may be directly provided by QEP or may be provided through any of its Affiliates or subcontractors; provided, that prior to subcontracting any of the Questar Services or QEP Services, as applicable, Service Provider shall give notice to Service Recipient of its intent to subcontract any portion of the Services, that are not specifically listed on the Schedules as currently outsourced or provided by a third party (which notice shall specify the Services proposed to be subcontracted and the identity of the proposed subcontractor) and Service Recipient shall have five Business Days to determine, in its sole discretion, whether to permit such subcontracting or to cancel such Service.

2.3 No Financing to Services Recipient. In no event shall a Service Provider or its Affiliates be required to (i) lend any funds to a Service Recipient or its Affiliates; (ii) expend funds for any additional equipment or material or property (real or personal) on behalf of a Service Recipient; or (iii) make any payments or disbursements on behalf of a Service Recipient, except to the extent such Service Recipient has previously delivered to Service Provider sufficient funds to make any such expenditures, payment or disbursement.

2.4 No Assumption or Modification of Obligations. Nothing herein shall be deemed to alter the allocation of Assets and Liabilities provided in the Separation Agreement, or to alter, amend or otherwise modify any obligation of Questar or QEP with respect to Questar Liabilities or QEP Liabilities, respectively, under the Separation Agreement.

2.5 Application of Resources. Unless otherwise expressly required under the terms of any relevant Schedule hereto or the Separation Agreement, or otherwise agreed to by the Parties in writing, in providing the Services, Service Provider or its Affiliates shall not be obligated to: (i) maintain the employment of any specific employee or subcontractor; (ii) purchase, lease or license any additional (measured as of the even date hereof) equipment or materials (expressly excluding any renewal or extension of any leases or licenses required for Service Provider to perform the relevant Services during the relevant Services Term); or (iii) pay any of Service Recipient's costs related to its or any of its Affiliates' receipt of the Services.

2.6 Performance of Services. Subject to the other terms (i) in this Agreement setting forth and circumscribing Service Provider's performance obligations hereunder (including in Sections 2.1, 2.2, 2.3, 2.5, 2.7, 2.8, 2.9 and 6), and (ii) in the relevant Schedules hereto, each Service Provider shall perform, or cause the applicable members of its Group or any of its Affiliates or subcontractors to perform, the Services required to be provided by it hereunder in a manner specifically described in the relevant Schedules hereto, or, to the extent not so described in such Schedules, in a manner that is substantially the same in nature, accuracy, quality, completeness, timeliness, responsiveness and efficiency with how such relevant Services, if any, have been rendered within the Questar organization prior to the Effective Date.

2.7 Transitional Nature of Services; Changes. The Parties acknowledge the transitional nature of the Services and agree that notwithstanding anything to the contrary herein, each Service Provider may make changes from time-to-time in the manner of performing the Services if such Service Provider is making similar changes in performing similar services for itself and/or its Affiliates; provided that Service Provider must provide Service Recipient with at least thirty (30) days prior written notice of such changes.

2.8 Omitted Services; Additional Services; Extension of Services Terms.

(a) Omitted Services. If, after the Distribution Date and prior to December 31, 2010, a Party identifies a service that the other Party (or a member of such other Party's Group) previously provided to such first Party (or any of its subsidiaries) prior to the Distribution Date, but such service was inadvertently omitted from inclusion in the Services to be received by such first Party under this Agreement (an "Omitted Service"), then, upon the prior written consent of the Party that would be the Service Provider of such Omitted Service (which consent shall not be unreasonably withheld), such Omitted Service shall be added and considered as part of the Services to be provided by such Service Provider. The Parties shall cooperate and act in good faith to reach agreement on the fees and other specific terms and conditions applicable to such Omitted Service, provided that if such Omitted Service is substantially similar to any other Service provided by Service Provider under this Agreement, such fees and other specific terms and conditions shall be substantially similar to the fees and other specific terms and conditions applicable to such other Services. Upon the Parties agreement on the fees and other specific terms and conditions applicable to an Omitted Service, the Parties shall execute an amendment to this Agreement that provides for the substitution of the relevant Schedule, or additional and supplemental Schedules, in order to describe such Omitted Service and the agreement upon the related fees and other specific terms and conditions applicable thereto.

(b) Additional Services; Extension of Services Terms. In the event that the Parties identify and agree upon (i) an additional service to be provided under this Agreement, as well as the related fees and other specific terms and conditions applicable thereto (an "Additional Service"), or (ii) an extension of any particular Service Term for any Service, as well as the related fees and other specific terms and conditions applicable

thereto, the Parties shall execute an amendment to this Agreement that provides for the substitution of the relevant Schedule, or additional and supplemental Schedules, in order to describe such Additional Service or extension, and the agreed upon related fees and other specific terms and conditions applicable thereto.

2.9 Impracticability. Subject to the provisions of Section 2.11, Service Provider shall not be required to provide any Service to the extent: (A) that the performance of the Services would (i) require Service Provider or any of its Affiliates to violate any applicable Laws (including any applicable codes or standards of conduct established by FERC or any other Governmental Entity with respect to their activities subject to the jurisdiction of FERC or such other Governmental Entity) or any internal policy reasonably adopted in order to comply with any applicable Laws; (ii) result in the breach of any software license, lease, or other Contract; or (iii) require prior approval of a Governmental Entity (except to the extent such approval has already been obtained); or (B) as provided under Section 15.20 with respect to a Force Majeure event.

2.10 Project Managers. Questar shall designate to QEP at least one individual to whom all of QEP's communications may be addressed with respect to the Questar Services and who has authority to act for and bind Questar in all aspects with respect to the Questar Services (the "Questar Project Manager"). QEP shall designate to Questar at least one individual to whom all of Questar's communications may be addressed with respect to the QEP Services and who has authority to act for and bind QEP in all aspects with respect to the QEP Services (the "QEP Project Manager"). The initial Questar Project Manager designated by Questar shall be Kelly Maxfield and the initial QEP Project Manager designated by QEP shall be M. L. Owen.

2.11 Cooperation. In the event that there is nonperformance of any Service as a result of (i) a Force Majeure event described in Section 15.20, or (ii) impracticability pursuant to Section 2.9, the Parties agree to work together in good faith to arrange for an alternative means by which the applicable Service Recipient may obtain, at its sole cost and expense, the Service so affected. The Parties and the members of their respective Groups shall cooperate with each other in connection with the performance of the Services, including producing on a timely basis all Contracts, documents and other information that are reasonably requested with respect to the performance of Services; provided, however, that such cooperation shall not unreasonably disrupt the normal operations of the Parties and the members of their respective Groups; and provided, further, that the Party requesting cooperation shall pay all reasonable out-of-pocket costs and expenses incurred by the Party or any members of its Group furnishing such requested cooperation, unless otherwise expressly provided in this Agreement or the Separation Agreement.

2.12 Good Faith Mutual Assistance. The Parties agree that they cannot contemplate the extent and nature of all necessary Services that may be needed during the transition period, and that from time to time additional Services and consultation may be necessary between the Parties. The Parties agree to cooperate in good faith to assist each other in areas not specifically identified in the Schedules attached hereto, provided, however, that the Party rendering Services shall be reasonably compensated for such additional Services provided.

3. PRICING.

3.1 Fees. In consideration of Service Provider's performance of the relevant Services, Service Recipient shall pay to Service Provider a fee that shall be calculated on a time and materials basis, including an overhead burden of 35% applied to any direct labor costs (individually a "Fee" and collectively the "Fees"). Out-of-pocket and other expenses shall be billed at cost, with no escalation or overhead burdens. The Fees payable pursuant to this Agreement were arrived at by the Parties bargaining at arm's length and are intended to represent the fair market value for the Services.

3.2 Invoices; Payment Procedures.

(a) Service Provider shall invoice Service Recipient on a monthly basis for all Fees accrued with respect to the prior month. Fees shall be payable by Service Recipient within thirty (30) days after Service Recipient's receipt of an invoice (the "Due Date"). All amounts (i) payable pursuant to the terms of this Agreement shall be paid to Service Provider as directed by Service Provider, and (ii) due and payable hereunder shall be invoiced and paid in U.S. dollars, except as may be expressly provided in any relevant Schedule hereto. A Service Recipient's obligation to make any required payments under this Agreement shall not be subject to any unilateral right of offset, set-off, deduction or counterclaim, however arising.

(b) Interest. In the absence of a timely notice of billing dispute in accordance with the provisions of Section 3.2, amounts not paid on or before the Due Date shall be payable with interest, accrued at the then effective Prime Rate plus 2% (the "Default Interest Rate") (or the maximum legal rate whichever is lower), calculated for the actual number of days elapsed, accrued from the Due Date until the date of the actual receipt of payment.

(c) Taxes. If any Governmental Entity shall impose a tax on the Services rendered to a Service Recipient or its subsidiaries by Service Provider hereunder, Service Recipient agrees to pay, or remit to Service Provider so that Service Provider may pay, the amount of such tax imposed on the Services rendered to Service Recipient or its subsidiaries by Service Provider under this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Service Recipient shall have no liability for, and shall not be obligated to pay for, any property taxes of any kind or type applicable to the property of Service Provider or any of its subsidiaries or any income taxes of any kind or type applicable to the income of Service Provider or any of its subsidiaries in providing such Services to a Service Recipient, except as may be expressly provided in any relevant Schedule hereto.

3.3 Payment Disputes. In the event that Service Recipient disputes any invoice or portion thereof, Service Recipient shall, prior to the Due Date, provide Service Provider written notice of the disputed amounts, together with a statement of the particulars of the dispute, including the calculations with respect to any errors or inaccuracies claimed. Should Service Recipient fail to provide timely evidence of the invoice errors claimed on or before the Due Date, the disputed amounts shall be owed with interest at the Default Interest Rate from the Due

Date until payment is received. Should Service Recipient provide the required information on or before the Due Date, Service Provider shall make a determination on the dispute no later than thirty (30) days after the Due Date. If Service Recipient has (i) underpaid the amount actually due, Service Recipient shall remit any amount due plus interest at the Default Interest Rate from the Due Date until paid within five (5) Business Days after receipt of the determination from Service Provider, or (ii) overpaid the amount actually due, Service Provider shall remit to Service Recipient any refund within five (5) Business Days after determination of such overpayment plus interest at the Default Interest Rate on such refund from the date Service Provider received the overpayment until refunded. Notwithstanding any disputed invoice or portion thereof, Service Recipient shall nevertheless pay when due any undisputed amount of such invoice to Service Provider.

3.4 Expenses. In addition to the payment of all Fees, Service Recipient shall reimburse Service Provider for all reasonable out-of-pocket costs and expenses incurred by Service Provider or its Affiliates in connection with providing the Services (including necessary travel-related expenses) to the extent that such costs and expenses are not reflected in the Fees for such Services; provided, however, any expense exceeding \$1,000 per month for any Service (including business travel and related expenses) shall require advance approval of Service Recipient. Any authorized travel-related expenses incurred in performing the Services shall be incurred and charged to Service Recipient in accordance with Service Provider's then applicable business travel policies.

4. SERVICES TERM; TERMINATION.

4.1 Services Term. The performance of the Services shall commence on the Distribution Date and, unless earlier terminated pursuant to Sections 4.2 or 4.3, shall terminate no later than December 31, 2011, unless an earlier date is expressly stated in any relevant Schedule attached hereto or on an earlier date per Service with at least twenty days' written notice (the "Services Term").

4.2 Termination. This Agreement or any specific Service, as specified below in this Section 4.2, may be terminated prior to the expiration of the relevant Services Term only as follows:

(a) with respect to all Questar Services, by QEP by giving a termination notice to Questar, provided that the termination will be effective 20 days following receipt of notice of such termination notice,;

(b) with respect to all QEP Services, by Questar by giving a termination notice to QEP, provided that the termination will be effective 20 days following receipt of notice of such termination

(c) with respect to all Services that are adversely affected by a breach, by the non-breaching Party if the other Party fails to observe or perform in any material respect any term, obligation, or condition of this Agreement and the defaulting Party does not cure such failure within fifteen (15) days after written demand by the first Party, provided that if the defaulting Party begins promptly and

diligently to cure such breach in accordance with this provision and such breach is not capable of being cured within such 15-day period, the defaulting Party shall have up to an additional fifteen (15) days to cure such breach if it demonstrates that it is reasonably capable of curing such breach within such additional 15-day period;

(d) with respect to the entire Agreement, by either Party if the other Party makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy or for reorganization or rearrangement under the bankruptcy laws, or if a petition in bankruptcy is filed against such other Party and is not dismissed within thirty (30) days after the filing, or if a receiver or trustee is appointed for all or a material portion of the property or assets used by the other Party to perform Services hereunder; or

(e) with respect to all Services that are adversely affected by a Force Majeure event, by Service Recipient if Service Provider fails to perform in any material respect its obligation to perform any Service as a result of circumstances of Force Majeure and such Force Majeure event continues to exist for at least sixty (60) consecutive days.

4.3 Rights and Obligations Upon Termination. Upon expiration of the Services Term or in the event of a termination pursuant to Section 4.2, no Party, nor any of its Affiliates, shall have any liability or further obligation to any other Party or any of its Affiliates pursuant to this Agreement, except: (i) that the provisions of Sections 3 (to the extent of amounts accrued thereunder through the date of such expiration or termination), 4, 5, 6, 9, 11, 12, 13, 14 and 15 (as well as in each case associated defined terms) shall survive any such expiration or termination and not be extinguished thereby; and (ii) any Party nevertheless shall be entitled to seek any remedy to which it may be entitled at law or in equity for the violation or breach by the other Party of any agreement, covenant, representation, warranty, or indemnity contained in this Agreement that occurs prior to such expiration or termination.

4.4 Termination of Certain Arrangements.

(a) Except for goods and services as may be provided under an Ancillary Agreement, QEP's right to receive goods and services from Questar or through arrangements between Questar and third parties, except in each case for those that are part of the Questar Services, shall terminate as of the Effective Date.

(b) Except for goods and services as may be provided under an Ancillary Agreement, Questar's right to receive goods and services from QEP or through arrangements between QEP and third parties, except in each case for those that are part of the QEP Services, shall terminate as of the Effective Date.

4.5 Sharing of Certain Existing Licenses.

(a) Prior to the Effective Date, QEP, as a wholly-owned subsidiary of Questar, has utilized certain software licenses pursuant to agreements or accounts between Questar and the vendor of such software. Such licenses are described or set forth on Schedule C attached to this Agreement and included herein. With

respect to the licenses described or set forth on Schedule C, Questar shall notify the vendor of such software that such licenses are being shared with QEP for an interim period. Each of the parties hereto agrees to use its respective commercially reasonable efforts to assist the other party (at no cost to the other party) in obtaining any third party consents that are required in connection with such sharing.

(b) Prior to the Effective Date, Questar, as the sole stockholder and parent of QEP, has utilized certain software licenses pursuant to agreements or accounts between QEP and the vendor of such software. Such licenses are described or set forth on Schedule D attached to this Agreement and included herein. With respect to the licenses described or set forth on Schedule D, QEP shall notify the vendor of such software that such licenses are being shared with Questar for an interim period. Each of the parties hereto agrees to use its respective commercially reasonable efforts to assist the other party (at no cost to the other party) in obtaining any third party consents that are required in connection with such sharing.

5. RETURN OF LEASED PROPERTY OR LICENSED SOFTWARE. Service Recipient shall be liable for all costs and expenses incurred by Service Provider or any of its subsidiaries resulting from any delay or failure of Service Recipient to return to Service Provider or any licensor, as applicable, any leased property or licensed software that is included as part of the Services provided to such Service Recipient.

6. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES, EXCEPT AS EXPRESSLY PROVIDED IN SECTION 2.6, SECTION 15.2, OR OTHERWISE IN ANY SCHEDULE HERETO, EACH PARTY ACKNOWLEDGES AND AGREES (I) THAT ALL SERVICES ARE PROVIDED BY SERVICE PROVIDER ON AN "AS IS" BASIS, AND (II) THAT NEITHER SERVICE PROVIDER NOR ANY MEMBER OF ITS GROUP MAKES ANY REPRESENTATIONS OR WARRANTIES, WHETHER STATUTORY, EXPRESS, OR IMPLIED, TO SERVICE RECIPIENT OR ANY OF ITS AFFILIATES WITH RESPECT TO THE SERVICES, ANY EQUIPMENT OR MATERIALS PROVIDED UNDER THIS AGREEMENT, OR OTHERWISE HEREUNDER, INCLUDING ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

7. EFFECTIVE DATE. This Agreement shall be effective as of the Effective Date.

8. INTERNAL CONTROLS AND PROCEDURES. In addition to the record retention requirements of the Separation Agreement, with respect to the Services for which each Service Provider is responsible, such Service Provider shall maintain and comply with such internal controls and procedures as are necessary to comply with the Sarbanes-Oxley Act of 2002 or as otherwise agreed by the Parties to be implemented by the Parties to comply with internal controls and procedures or applicable Law. In the event a Service Recipient requires a change to the internal controls or procedures, or requires the implementation of additional internal controls or procedures, related to the Services required to be provided to such Service Recipient in order for such Service Recipient to comply with changes to applicable Law, Service Provider shall change

or add to such Service Provider's internal controls or procedures related to such Services as reasonably requested by such Service Recipient; provided, however, in connection with a Service Provider changing or adding to internal controls or procedures as required by the foregoing, Service Recipient shall pay for any and all additional costs and expenses associated with the implementation or maintenance of the applicable change or addition; provided, further, however, that if such change or addition is required for the compliance by both Parties with a Law applicable to both Parties, the Parties shall negotiate in good faith an equitable sharing of the costs and expenses associated with such change or addition.

9. BOOKS AND RECORDS; AUDITS.

9.1 Books and Records. Each Party shall keep and maintain books, records, accounts and other documents sufficient to reflect accurately and completely the transactions conducted, and all associated costs incurred, pursuant to this Agreement. Such records shall include receipts, invoices, memoranda, vouchers, inventories, timesheets and accounts pertaining to the Services, as well as complete copies of all contracts, purchase orders, service agreements and other such arrangements entered into in connection therewith.

9.2 Audit of Performance. Each Party shall have access to and the right to inspect all records maintained by the other Party directly related to the Services, as is reasonably necessary for the purposes of verifying the other Party's compliance with this Agreement, including auditing and verifying costs or expenses claimed to be due and payable hereunder. Such access shall be available at reasonable times on Business Days during business hours and under reasonable conditions with a minimum of at least ten (10) days prior written notice. Each Party shall keep and preserve all such records for a period of at least three (3) years from and after the end of the relevant Services Term.

9.3 Audit Assistance. Each Party and its Subsidiaries are or may be subject to audit by Governmental Entities, such Party's third party or internal auditor, such Party's customers, or other Persons that are parties to contracts with such Party, in each case pursuant to applicable Law, contractual provision, or request of such Party's board of directors (or its audit committee) (an "Auditing Entity"). If an Auditing Entity exercises its right to audit such first Party's or any of its Subsidiary's books, records, documents, accounting practices or procedures, internal controls and procedures, or operational, financial or legal practices and procedures, and such audit relates to the Services required to be provided to, or from, such first Party hereunder, upon written request of such first Party, the other Party shall, within a reasonable period of time, provide, at the sole cost and expense of such first Party, all assistance, records and access reasonably requested by such first Party in responding to such audits (including documents related to testing methodologies, test results, audit reports of significant findings, and remediation plans with respect to any deficiencies with respect to such other Party's internal controls or procedures, and work papers of such other Party's third party or internal auditor that relate to the matter being subject of such audit), to the extent that such assistance, records or access is within the reasonable control of such other Party. If an audit report of a Service Recipient's third party or internal auditor relating to such audit identifies any deficiencies in a Service Provider's internal controls and procedures directly related to a Service provided to such Service Recipient, such Service Provider shall, at the sole cost and expense of such Service Recipient, implement such reasonable changes to such Service to correct such deficiencies to

ensure compliance with applicable Law in connection with such Service; provided, however, that if such correction is required for the compliance by both Parties with a Law applicable to both Parties, the Parties shall negotiate in good faith an equitable sharing of the costs and expenses associated with such correction.

10. COMPLIANCE WITH LAWS AND GOVERNMENTAL REQUIREMENTS. Each Party shall be responsible for compliance with all Laws affecting its Business. Each Service Recipient shall be responsible for any use such Service Recipient may make of the Services to assist it in complying with applicable Laws. Each Service Provider shall comply with all Laws applicable to the provision by it of the Services hereunder.

11. LIMITATION OF LIABILITY; INDEMNITY.

11.1 Service Provider's Limitation of Liability. In no event shall a Service Provider or any of its Affiliates have any liability to a Service Recipient or any of its Affiliates whether under this Agreement or otherwise in connection with performance hereunder, including for any error in judgment or any act or omission, except as a result of the gross negligence or willful misconduct of Service Provider or any of its Affiliates. In addition, neither Questar, QEP nor any of their respective Affiliates shall be liable for any loss of profits, loss of business, loss of use or of data, interruption of business, or for indirect, special, punitive, exemplary, incidental or consequential damages of any kind whether under this Agreement or otherwise in connection with performance hereunder, even if the other Party has been advised of the possibility of such damages, other than indirect, special, punitive, exemplary, incidental or consequential damages awarded to a third party against an indemnified party in accordance with this Section 11.

11.2 Service Recipient Indemnity. Service Recipient hereby agrees to indemnify, defend and hold harmless Service Provider and each of its Affiliates from and against any and all claims, losses, demands, liabilities, costs and expenses (including reasonable attorneys' fees and costs and expenses related thereto) suffered or incurred by Service Provider or any of its Affiliates as a result of or in connection with any third party claims arising from Service Provider's or any of its Affiliates' performance of the Services rendered hereunder on Service Recipient's behalf, except to the extent such third party claims are based in whole or in part on Service Provider's or any of its Affiliates' gross negligence or willful misconduct in performing the Services.

11.3 Service Provider Indemnity. Service Provider hereby agrees to indemnify, defend and hold harmless Service Recipient and each of its Affiliates from and against any and all claims, losses, demands, liabilities, costs and expenses (including reasonable attorney's fees and costs and expenses related thereto) suffered or incurred by Service Recipient or any of its Affiliates as a result of, or in connection with, any third party claims to the extent caused by the gross negligence or willful misconduct of Service Provider or any of its Affiliates in performing the Services on Service Recipient's behalf. In no event shall the aggregate liability of Service Provider and its Affiliates to Service Recipient and its Affiliates for any damages concerning Service Provider's or its Affiliates' or subcontractors' performance or nonperformance of the Services or any other matter arising out of, or related to, this Agreement (regardless of whether any such claim for such damages is based in contract or in tort) exceed the amounts actually paid to Service Provider by Service Recipient pursuant to this Agreement.

11.4 Procedures. Any claim for indemnification under this Section 11 shall be governed by, and be subject to, the provisions of Article VII of the Separation Agreement, which provisions are hereby incorporated by reference into this Agreement and any references to “Agreement” in such Article VII as incorporated herein shall be deemed to be references to this Agreement.

12. DISPUTE RESOLUTION. Any controversy, dispute or claim arising out of, in connection with, or in relation to the interpretation, performance, nonperformance, validity, termination or breach of this Agreement or otherwise arising out of, or in any way related to this Agreement or the transactions contemplated hereby, including any claim based on contract, tort, statute or constitution (but excluding any controversy, dispute or claim arising out of any Contract relating to the use or lease of real property if any third party is a necessary party to such controversy, dispute or claim) (collectively, “Agreement Dispute”), shall be governed by, and be subject to, the provisions of Article IX of the Separation Agreement, which provisions (and related defined terms) are hereby incorporated by reference into this Agreement; provided, however, (i) any references to “Agreement” or “Agreement Disputes” in such Article IX as incorporated herein shall be deemed to be references to this Agreement and Agreement Disputes as defined in this Agreement; (ii) the last sentence of Section 9.1(a) of the Separation Agreement (i.e., a dollar threshold for recourse with respect to “Agreement Disputes”) shall not be incorporated by reference into, or have any effect with respect to, this Agreement; and (iii) the provisions of Section 9.12 of the Separation Agreement (Limitation on Actions) shall be revised to read as follows for purposes of this Agreement: “Notwithstanding anything to the contrary in this Agreement, no Action shall be commenced (including the dispute resolution procedures set forth in this Article IX) by a Party against the other Party asserting any claim arising from (i) breach of any obligation of such other Party to perform a Service under this Agreement more than one hundred and eighty (180) days after such first Party acquires, or reasonably should have acquired, knowledge of such breach, or (ii) breach of any other obligation of such other Party under this Agreement more than 12 months after such first Party acquires, or reasonably should have acquired, knowledge of such breach; provided, however, regardless of such first Party’s knowledge of the facts giving rise to its claim based on a breach of this Agreement, no Action shall be commenced by such first Party against the other Party more than 36 months after the occurrence of the initial event giving rise to such claim for such breach (it being understood that if no such Action is commenced within such 180-day period, 12-month period, or 36-month periods, as applicable, the breaching Party shall be discharged from liability for such breach).”

13. PROPERTY RIGHTS; TRADEMARK LICENSE.

13.1 No Transfer. The Parties acknowledge and agree that nothing in this Agreement is intended to transfer any right, title, or interest in and to any tangible, intangible, real or personal property (including any and all intellectual property rights). Notwithstanding any materials, deliverables, or other products that may be created or developed by Service Provider or its Affiliates from the date hereof through the expiration or termination of the Services Term, Service Provider does not hereby convey, nor does Service Recipient or any of its Affiliates hereby obtain, any right, title, or interest in or to any of Service Provider’s or any of its Affiliates’ equipment, materials, deliverables, products, or any other rights or property used to provide the Services. All customer and personnel data, files and input and output materials and the media upon

which they are located that are supplied by Service Recipient or any of its Affiliates in connection with this Agreement shall remain Service Recipient's or such Affiliate's property, respectively, and Service Provider shall not have any rights or interests with respect thereto.

13.2 Human Resources Branding.

(a) Grant of Transitional License. Notwithstanding the requirements of Section 5.2(a) of the Separation Agreement or Section 13.1 above, subject to the terms and conditions set forth in this Section 13.2, each Party hereby grants to the other Party, effective as of the Effective Date and terminating on December 31, 2010 (the "TM License Period"), a limited, non-exclusive, royalty free and non-transferable license to use all trademarks owned by the other Party or any of its Subsidiaries (including the trademarks "Questar" and "Questar Corporation" or any other trademark containing the word "Questar," as well as any trademarks using "QEP Resources, Inc." or "QEP") that are used by either Party in connection with its human resources programs and systems as of the Effective Date (the "Trademarks") solely in connection with the operation of either Party's human resources programs and systems (including use in connection with both Party's websites, benefit manuals and correspondence with program participants); provided, however, that each Party shall use its commercially reasonable efforts to substitute its own corporate identification for the corporate identification that includes the Trademarks in connection with such systems and programs as soon as reasonably practicable after the Distribution Date, but in no event later than the expiration of the TM License Period. The Parties agree that immediately upon the expiration of the TM License Period, each Party shall cease all further use of the other Party's Trademarks in connection with its human resources systems and programs and destroy any and all materials related thereto bearing the other Party's Trademarks. The Parties shall neither sublicense the Trademarks, nor shall they publish, distribute or otherwise use such Trademarks for any purpose other than as expressly provided in this Section 13.2. The Parties shall use the Trademarks in accordance with sound trademark usage principles and all applicable Laws as reasonably necessary to maintain the validity and enforceability of the other Party's rights in the Trademarks and the Parties shall not use the other Party's Trademarks in any manner which might tarnish, disparage, or reflect adversely on the other Party's Trademarks. If a Party uses the other Party's Trademarks in a manner which the other Party, in its reasonable judgment, determines reflects adversely upon the image, goodwill and reputation of such other Party or its Trademarks, then, upon receipt of written notice from a Party identifying its objection, the Party receiving such notice shall immediately cease the particular use identified as objectionable. Each Party agrees to cooperate with and assist the other Party in protecting and enforcing the other Party's rights in the Trademarks and in maintaining any registrations with any Governmental Entities for the Trademarks in force. Each Party shall assist the other Party in the enforcement of rights in the Trademarks by promptly informing the other Party of any actual or potential claim, demand, infringement, misuse or misappropriation relating to such Trademarks to the extent that the Party using the other Party's Trademarks is in possession of such information or otherwise becomes aware of any such actual or potential claim, demand, infringement, misuse or misappropriation. The Party owning such Trademarks will have the sole right to

determine whether or not to investigate such alleged infringement and to determine whether to initiate or participate in any judicial or administrative proceeding involving the Trademarks. Each Party is and shall remain the sole owner of its Trademarks and all goodwill associated therewith. Each party acknowledges that nothing herein gives it any right, title or interest in the other Party's Trademarks, apart from the license granted under this Section 13.2(a), and in no event shall either Party's use of the other Party's Trademarks be deemed to vest any right, title or interest to the other Party's Trademarks. All uses of one Party's Trademarks by the other Party, and all goodwill generated thereby, shall inure exclusively and completely to the benefit of the Party owning such Trademarks. Each party agrees that it shall not contest or challenge the validity of, or the other Party's title in, the other Party's Trademarks, and it shall not register or apply for registration of the other Party's Trademarks.

(b) Notice and Disclaimer. Each Party shall inform all of its and its Subsidiaries' employees, retirees and other human resources program participants by written notice as soon as reasonably practicable after the Distribution Date that such Party, and not the other Party, is responsible for the operation of such Party's human resources programs or systems after the Effective Date, and that each Party's use of the other Party's Trademarks in connection with such human resources programs or systems does not imply any commitment or obligation on the part of the other Party or any of its subsidiaries with respect to such individuals. Each Party shall also include with any publication or distribution of the other Party's Trademarks for use in connection with its human resources programs or systems (i) a trademark legend readable to users indicating that the other Party's Trademarks are owned solely by the other Party, but licensed for certain limited uses under a separate license agreement, and (ii) a disclaimer that the licensee, and not the other Party, is responsible for the operation of the licensee's human resources programs or systems after the Effective Date, and that licensee's use of the other Party's Trademarks in connection with such human resources programs or systems does not imply any commitment or obligation on the part of the other Party or any of its subsidiaries with respect to the licensee's or any of its subsidiaries' employees, retirees and other human resources program participants.

(c) Indemnity. Each Party hereby agrees to indemnify, defend and hold harmless the other Party and each of its Affiliates from and against any and all claims, losses, demands, liabilities, costs and expenses (including reasonable attorneys' fees and costs and expenses related thereto) suffered or incurred by such other Party or any of its Affiliates as a result of or in connection with any third party claims arising from such first Party's use of the Trademarks in connection with such first Party's human resources programs or systems. Notwithstanding anything to the contrary in this Agreement, any claim for indemnification under this Section 13.2 shall not be governed by, or be subject to, the provisions of Section 11.

14. CONFIDENTIAL INFORMATION. Any Confidential Information received by either Party or its Affiliates from the other Party or any of its Affiliates in connection with this Agreement shall be governed by, and be subject to, the provisions of Sections 8.2 and 8.4 of the Separation Agreement, which provisions are hereby incorporated by reference into this Agreement and any references to "Agreement" in such Sections 8.2 and 8.4 as incorporated

herein shall be deemed to be references to this Agreement. Notwithstanding anything to the contrary in this Agreement, in connection with a Service Provider's performance of the Services, (i) such Service Provider shall not have a right to access any Confidential Information of the Service Recipient or any of its Affiliates that is subject to any attorney-client privilege or attorney work-product privilege under applicable Law in favor of such Service Recipient or any of its Affiliates; and (ii) the Parties shall cooperate with each other to establish reasonable procedures in connection with the provision of Services in order to preserve such privileges.

15. MISCELLANEOUS.

15.1 Complete Agreement. This Agreement, including the Schedules attached to the body of this Agreement, shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. In the event of any conflict between the terms and conditions of the body of this Agreement and the terms and conditions of any Schedule hereto, the terms and conditions of such Schedule shall control. In the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of the Separation Agreement or any other Ancillary Agreement, the terms and conditions of this Agreement shall control.

15.2 Counterparts. This Agreement may be executed in more than one counterparts, all of which shall be considered one and the same agreement.

15.3 Survival of Agreement. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement shall survive from the Effective Date and remain in full force and effect in accordance with their applicable terms.

15.4 Expenses. Except as otherwise expressly provided in this Agreement, the Parties agree that all expenses incurred and directly related to the Service contemplated hereby shall be borne and paid by the Person incurring such expenses.

15.5 Notices. All notices, requests, claims, demands and other communications under this Agreement, as between the Parties, shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt unless the day of receipt is not a Business Day, in which case it shall be deemed to have been duly given or made on the next following Business Day) by delivery in person, by overnight courier service, by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 15.5):

To Questar:

Questar Corporation
P.O. Box 45433
Salt Lake City, Utah 84145-0433
Attn: General Counsel
Facsimile: 801-324-5483

To QEP:

QEP Resources, Inc.
1050 17th Street #500
Denver, Colorado, 80265-1050
Attn: General Counsel
Facsimile: 303-573-0314

15.6 Waivers. The failure of any Party to require strict performance by any other Party of any provision in this Agreement will not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

15.7 Amendments. Subject to the terms of Section 15.10, this Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

15.8 Assignment. Except as otherwise expressly provided for in this Agreement, this Agreement shall not be assignable, in whole or in part, by any Party without the prior written consent of the other Party, and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be null and void; provided, that a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its Assets, and upon the effectiveness of such assignment, the assigning Party shall be released from all of its obligations under this Agreement if the surviving entity of such merger or the transferee of such Assets shall agree in writing, in form and substance reasonably satisfactory to the other Party, to be bound by the terms of this Agreement as if named as a "Party" hereto.

15.9 Successors and Assigns. Subject to Section 15.8, the provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

15.10 Termination. Notwithstanding anything to the contrary herein, this Agreement may be terminated and abandoned at any time prior to the Distribution Date by and in the sole discretion of Questar without the approval of QEP or the stockholders of Questar if the spin-off transaction does not timely occur. In the event of such termination, no Party shall have any liability of any kind to any other Party or any other Person. After the Effective Date, this Agreement may not be terminated except (i) by an agreement in writing signed by each of the Parties, or (ii) as expressly provided for in this Agreement.

15.11 Subsidiaries. Each of the Parties shall cause to be performed all actions, agreements and obligations set forth herein to be performed by any Subsidiary or Affiliate of such Party or by any entity that becomes a Subsidiary or Affiliate of such Party on and after the Distribution Date.

15.12 Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, this Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement.

15.13 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

15.14 Schedules. The Schedules attached hereto are incorporated herein by reference and shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

15.15 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the state of Utah.

15.16 Consent to Jurisdiction. Subject to the provisions of Section 12, each of the Parties irrevocably submits to the exclusive jurisdiction of (a) the Supreme Court of the State of Wyoming and the inferior courts of that state, and (b) the United States District Court for the District of Wyoming (the "Wyoming Courts"), for the purposes of any suit, action or other proceeding to compel arbitration or for provisional relief in aid of arbitration in accordance with Section 12 or for provisional relief to prevent irreparable harm, and to the non-exclusive jurisdiction of the Wyoming Courts for the enforcement of any award issued thereunder. Each of the Parties further agrees that service of any process, summons, notice or document by United States registered mail to such Party's respective address set forth in Section 15.5 shall be effective service of process for any action, suit or proceeding in the Wyoming Courts with respect to any matters to which it has submitted to jurisdiction in this Section 15.16. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the Wyoming Courts, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

15.17 Specific Performance. The Parties agree that irreparable damage would occur in the event that the provisions of this Agreement were not performed in accordance with their specific terms. Accordingly, it is hereby agreed that the Parties shall be entitled to (i) an injunction or injunctions to enforce specifically the terms and provisions hereof in any arbitration in accordance with Section 12, (ii) provisional or temporary injunctive relief in accordance therewith in any Wyoming Court, and (iii) enforcement of any such award of an arbitral tribunal or a Wyoming Court in any court of the United States, or any other any court or tribunal sitting in any state of the United States, this being in addition to any other remedy or relief to which they may be entitled.

15.18 Waiver of Jury Trial. SUBJECT TO SECTIONS 12, 15.16 AND 15.17 HEREIN, EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY COURT PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF AND PERMITTED UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 15.18.

15.19 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, and the Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

15.20 Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other Party of the nature and extent of any such Force Majeure condition, and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as reasonably practicable.

15.21 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

15.22 Authorization. Each of the Parties hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party, that this Agreement constitutes a legal, valid and binding obligation of each such Party and that the execution, delivery and performance of this Agreement by such Party does not contravene or conflict with any provision of law or of its charter or bylaws or any material agreement, instrument or order binding on such Party.

15.23 References; Interpretations. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. Unless the context otherwise requires:

(i) the words “include”, “includes” and “including” when used in this Agreement shall be deemed to be followed by the phrase “without limitation”;

(ii) references in this Agreement to Sections and Schedules shall be deemed references to Sections of, and Schedules attached to, this Agreement; and

(iii) the words “hereof”, “hereby” and “herein” and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Section or provision of this Agreement.

15.24 Status of Service Provider as Independent Contractor. Each Service Recipient expressly acknowledges that each Service Provider, its Affiliates, and each of their respective employees, agents, subcontractors and representatives are “independent contractors,” and nothing in this Agreement is intended and nothing shall be construed to create an employer/employee, partnership, joint venture or other similar relationship between any Service Recipient and Service Provider, its Affiliates, or each of their respective employees, agents, subcontractors and representatives. In addition, each Service Provider shall have the authority and responsibility to elect the means, manner and method of performing the Services required to be provided by it under this Agreement. This Agreement shall not be interpreted or construed to create an association, joint venture, partnership, or agency between the Parties or to impose any partnership or fiduciary obligation or related liability upon any Party.

IN WITNESS WHEREOF, the Parties caused this Transition Services Agreement to be duly executed as of the day and year first above written.

QUESTAR CORPORATION

By: /s/ Keith O. Rattie
Name: Keith O. Rattie
Title: Chairman, President and Chief Executive Officer

QEP RESOURCES, INC.

By: /s/ Charles B. Stanley
Name: Charles B. Stanley
Title: President and Chief Executive Officer

QEP RESOURCES, INC.

DEFERRED COMPENSATION PLAN FOR DIRECTORS

**QEP RESOURCES, INC.
DEFERRED COMPENSATION PLAN FOR DIRECTORS**

ARTICLE 1
INTRODUCTION

1.1 Purpose. QEP Resources, Inc., a Delaware corporation (the “Company”), hereby establishes this QEP Resources, Inc. Deferred Compensation Plan for Directors (the “Plan”) to provide Directors (as defined below) of the Company and its participating Affiliates (as defined below) with an opportunity to defer compensation paid to them for their services as Directors and to maintain a deferred compensation account until they cease to serve as Directors of the Company and its Affiliates. The Plan also provides for the payment of amounts previously deferred under the Questar Corporation Deferred Compensation Plan for Directors

1.2 Status of Plan. This Plan is intended to be an unfunded, nonqualified deferred compensation arrangement designed to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder. Notwithstanding any other provision herein, this Plan shall be interpreted, operated and administered in a manner consistent with these intentions.

1.3 Effect of Plan. The terms of the Plan shall govern all amounts deferred hereunder on or after the “Distribution” (as such term is defined in the Separation Agreement (as defined below)) (such date, the “Effective Date”); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

ARTICLE 2
DEFINITIONS

For purposes of the Plan, the following terms or phrases shall have the following indicated meanings, unless the context clearly requires otherwise:

2.1 “Account” or “Account Balance” means, for each Participant, the account established for his or her benefit under the Plan, which records the credit on the records of the Company and its Affiliates equal to the amounts set aside under the Plan and the actual or deemed earnings, if any, credited to such account. The Account Balance, and each other specified account or sub-account, shall be a bookkeeping entry only and shall be used solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

2.2 “Affiliate” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code (defined below), any entity required to be aggregated with the Company pursuant to regulations adopted under Code Section 409A, or any entity otherwise designated as an Affiliate by the Company.

2.3 “Assumed Accounts” has the meaning set forth in Section 4.3.

2.4 “Beneficiary” means that person or persons who become entitled to receive a distribution of benefits under the Plan in the event of the death of a Participant prior to the distribution of all benefits to which he or she is entitled.

2.5 “Board” means the Board of Directors of the Company.

2.6 “Cash Compensation” means compensation payable to a Director in cash for serving as a Director, including attending Board and committee meetings as a Director, during a Plan Year, but excluding any expense reimbursements.

2.7 “Certificates of Deposit Option” means the investment option available under Section 5.3(b)(ii) with respect to a Participant’s election to defer cash compensation that is deemed to invest in such Certificates of Deposit as set forth therein.

2.8 “Change in Control” shall be deemed to have occurred if: (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the “Exchange Act”)) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Company’s Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company’s stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company’s then outstanding securities; or (iv) the Company’s stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated for the sale or disposition by the Company of all or substantially all of the Company’s assets, other than a sale or disposition by the Company of all or substantially all of the Company’s assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of

compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a “change in control event,” as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

2.9 “Code” means the Internal Revenue Code of 1986, as amended.

2.10 “Common Stock” means the no par value common stock of the Company.

2.11 “Common Stock Option” means the investment option available under Section 5.3(b)(i) with respect to a Participant’s election to defer cash compensation that is deemed to invest in Common Stock as set forth therein.

2.12 “Company” means QEP Resources, Inc., a corporation organized and existing under the laws of the State of Delaware, or its successor or successors.

2.13 “Disability” means a condition that renders a Participant unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as described in Treas. Reg. Section 1.409A-3(i)(4)(i)(A). A Participant shall not be considered to be disabled unless the Participant furnishes proof of the existence of such disability in such form and manner as may be required by regulations promulgated under, or applicable to, Code Section 409A.

2.14 “Director” means a member of the Board or the Board of Directors of any participating Affiliate who is not an employee (as defined in accordance with Section 3401(c) of the Code and the regulations and revenue rulings thereunder) of the Company or any of its Affiliates.

2.15 “Effective Date” shall have the meaning set forth in Section 1.3 hereof.

2.16 “Fair Market Value” means the closing benchmark price of the Company’s Common Stock as reported on the composite tape of the New York Stock Exchange for any given valuation date, or if the Common Stock shall not have been traded on such date, the closing price on the next preceding day on which a sale occurred.

2.17 “Participant” means any Director who has commenced participation in the Plan in accordance with Article 3.

2.18 “Phantom Stock” means an economic unit equal in value to one share of Common Stock, which is issued to a Director as compensation for services performed as a Director pursuant to this Plan and the QEP Resources, Inc. 2010 Long-Term Stock Incentive Plan, as amended or restated from time to time, based upon his or her election to receive such Phantom Stock in lieu of Restricted Stock pursuant to this Plan.

2.19 “Phantom Stock Agreement” means an agreement entered into between the Company and a Director evidencing the grant of shares of Phantom Stock to the Director.

2.20 “Plan” means this QEP Resources, Inc. Deferred Compensation Plan for Directors, as amended or restated from time to time.

2.21 "Plan Year" means the calendar year.

2.22 "Questar Common Stock Fund" means the investment option available under the Questar Plan with respect to a participant's election to defer cash compensation thereunder that is deemed to invest in the common stock of Questar Corporation.

2.23 "Questar Phantom Stock" means an economic unit equal in value to one share of Questar common stock available for issuance under the Questar Plan with respect to a participant's election to receive such phantom stock in lieu of restricted stock thereunder.

2.24 "Questar Phantom Stock Agreement" means an agreement entered into between the Company and a Director evidencing the grant of shares of Questar Phantom Stock to the Director.

2.25 "Questar Plan" means the Questar Corporation Deferred Compensation Plan for Directors.

2.26 "Restricted Stock" means the restricted shares of Common Stock of the Company issued to a Director as compensation for services performed as a Director.

2.27 "Separation Agreement" means that certain Separation and Distribution Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

2.28 "Separation from Service" means a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h).

2.29 "Transferred Director" means any Director who either had an account balance or was eligible to participate in the Questar Plan immediately prior to the Effective Date.

2.30 "Unforeseeable Emergency" shall mean a severe financial hardship of the Participant resulting from: (i) an illness or accident of the Participant, the Participant's spouse, the Participant's Beneficiary, or the Participant's dependent (as defined in Code Section 152, without regard to Code Section 152(b)(1), (b)(2) and (d)(1)(B)); (ii) a loss of the Participant's property due to casualty; or (iii) such other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, as described in Treas. Reg. Section 1.409A-3(i)(3)(i), in each case as determined in the sole discretion of the Board.

ARTICLE 3 ELIGIBILITY; PARTICIPATION

3.1 Eligibility. Any Director who is entitled to receive compensation for service as a Director shall be eligible to participate in the Plan as of the first date the individual becomes a Director. Notwithstanding any other provision herein, each Transferred Director shall automatically participate in the Plan as of the Effective Date.

3.2 Enrollment and Commencement of Deferrals. Each eligible Director who wishes to participate in the Plan for a Plan Year must make an irrevocable election as to the deferral of Cash Compensation and/or the receipt of Phantom Stock in lieu of Restricted Stock for the Plan Year by timely completing, executing and returning to the Company's Corporate Secretary such election forms or other enrollment materials as the Board requires as follows:

(a) in the case of a Director who first becomes eligible to participate in the Plan as of the first day of a Plan Year, on or prior to December 31st of the prior Plan Year; and

(b) in the case of a Director who first becomes eligible to participate in the Plan after the first day of a Plan Year, within thirty (30) days after the date the Director first becomes eligible to participate.

If a Director fails to timely complete such election forms or other enrollment materials, the Director shall not participate in the Plan until the first day of the first Plan Year beginning after the date on which the Director timely completes, executes and returns such election forms or other enrollment materials to the Company's Corporate Secretary.

Notwithstanding any other provision herein and solely with respect to the 2010 Plan Year, each Transferred Director shall automatically be deemed to have made a timely election in accordance with this Section 3.2 to defer the same percentage of Cash Compensation for the 2010 Plan Year as the percentage of compensation that the Transferred Director elected to defer for the 2010 plan year under the Questar Plan in accordance with its terms.

3.3 Failure of Eligibility. If the Board determines, in its sole and absolute discretion, that any Participant no longer meets the eligibility criteria of the Plan, the Participant shall cease to be an active Participant in the Plan and future contributions to the Plan made by or on behalf of the Participant shall cease as of the date of such determination by the Board. The Board's determination hereunder shall be final and binding on all persons.

ARTICLE 4 ELECTIONS; AMOUNTS; MODIFICATIONS

4.1 First Year of Plan Participation. In connection with a Participant's enrollment in the Plan pursuant to Section 3.2, the Participant shall make an irrevocable election for the Plan Year in which the Participant commences participation (i) to defer (or not to defer) all, but not less than all, of his or her Cash Compensation, and/or (ii) to receive (or not to receive) Phantom Stock in lieu of the grant of Restricted Stock that the Participant would otherwise have received during such Plan Year. The Participant's initial deferral election under this Section 4.1 shall apply solely to compensation to be paid with respect to services performed on or after the date of the Participant's enrollment in the Plan, and shall continue to apply for all succeeding Plan Years unless and until revoked or modified pursuant to Section 4.2, below. If the Participant fails to timely complete, execute and return such election forms or other enrollment materials as required by the Board in accordance with Section 3.2, then the Participant shall not be permitted to make to defer any Cash Compensation or receive any Phantom Stock under the Plan for such Plan Year.

In connection with a Participant's enrollment in the Plan pursuant to Section 3.2, the

Participant shall also make an irrevocable election for the Plan Year as to the form of payment upon a Separation from Service (from the options available under Section 6.2 below) of any deferrals (in the form of Cash Compensation and/or Phantom Stock) credited to his or her Account for such Plan Year (including earnings thereon). If the Participant fails to make such election, or if such election does not meet the requirements of Code Section 409A and related Treasury guidance or regulations, the Participant shall be deemed to have elected to receive a lump sum distribution. The Participant's election (or deemed election) shall continue to apply for succeeding Plan Years unless and until the election is modified pursuant to Section 4.2, below. Any such modification shall apply prospectively only and shall not apply to deferrals (in the form of Cash Compensation and/or Phantom Stock) previously credited under the Plan (or any earnings thereon).

Notwithstanding any other provision herein and solely with respect to the 2010 Plan Year, each Transferred Director shall automatically be deemed to have made an election in accordance with this Section 4.1 as to the same form of payment upon a Separation from Service with respect to any deferrals (in the form of Cash Compensation and/or Phantom Stock) credited to his or her Account under the Plan for the 2010 Plan Year, as the Transferred Director elected with respect to deferrals (in the form of cash compensation and/or phantom stock) credited to his or her account under the Questar Plan for the 2010 Plan Year in accordance with its terms.

4.2 Subsequent Plan Years. For each succeeding Plan Year, the Participant may, prior to December 31st of the immediately preceding Plan Year (or such earlier deadline as is established by the Board in its sole discretion):

(i) make an irrevocable election to modify or revoke the Participant's existing election to (i) defer (or not to defer) all, but not less than all, of his or her Cash Compensation for succeeding Plan Years, and/or (ii) receive (or not to receive) Phantom Stock in lieu of the grant of Restricted Stock that the Participant would otherwise be entitled to receive for succeeding Plan Years. Any such new election shall remain in effect for all succeeding Plan Years unless and until timely revoked or modified by the Participant in accordance with this Section. Any such modification shall apply prospectively only and shall not apply to Cash Compensation previously credited under the Plan (or any earnings thereon) or Phantom Stock previously received in lieu of Restricted Stock.

(ii) make an irrevocable election to modify his or her existing election as to the form of payment upon a Separation from Service of any deferrals (in the form of Cash Compensation and/or Phantom Stock) credited to his or her Account for succeeding Plan Years (including earnings thereon). Such election shall be made in accordance with Section 6.2 below, and shall remain in effect for all succeeding Plan Years unless and until timely modified by the Participant in accordance with this Section. Any such modification shall apply prospectively only and shall not apply to Cash Compensation previously credited under the Plan (or any earnings thereon) or Phantom Stock previously received in lieu of Restricted Stock.

4.3 Assumed Accounts Attributable to Transferred Directors. As of the Effective Date, the Company has assumed all accounts under the Questar Plan with respect to the Transferred Directors ("Assumed Accounts"), and as of the Effective Date, Questar shall have no further liabilities or obligations with respect to the Assumed Accounts. The Assumed Accounts shall be credited to Accounts of the Transferred Directors under this Plan and shall remain subject to the same elections (including deferral and form of payment elections) and beneficiary

designations that were controlling under the Questar Plan immediately prior to the Effective Date, until a new election is made in accordance with the terms of this Plan, Code Section 409A and applicable law that by its terms supersedes the applicable prior election made under the Questar Plan.

ARTICLE 5
ACCOUNTS; DEEMED INVESTMENTS

5.1 Accounts. The Company shall establish an Account for each Participant with at least two sub-accounts - an Equity Compensation Sub-Account and a Cash Compensation Sub-Account – along with such additional sub-accounts as it deems necessary or desirable for the proper administration of the Plan. The Equity Compensation Sub-Account shall reflect the value of Phantom Stock issued to the Participant in lieu of Restricted Stock for each Plan Year, together with any adjustments for income, gain or loss and any payments from such sub-account as provided herein. Phantom Stock shall be credited to the Participant's Equity Compensation Sub-Account and relevant sub-accounts (if any) as of the effective date set forth in the Participant's Phantom Stock Agreement. The Cash Compensation Sub-Account shall reflect all deferrals of Cash Compensation made by the Participant for each Plan Year, together with any adjustments for income, gain or loss and any payments from such sub-account as provided herein. Cash Compensation deferred by a Participant under this Plan shall be credited to the Participant's Cash Compensation Account and relevant sub-accounts (if any) as soon as administratively practicable after the amounts would have otherwise been paid to the Participant.

5.2 Status of Accounts. Accounts and sub-accounts established hereunder shall be record-keeping devices utilized for the sole purpose of determining benefits payable under this Plan, and will not constitute a separate fund of assets but shall continue for all purposes to be part of the general, unrestricted assets of the Company and its Affiliates, subject to the claims of their general creditors.

5.3 Deemed Investment of Amounts Deferred.

(a) Equity Compensation Sub-Account. The Participant's Equity Compensation Sub-Account shall hold shares of the Participant's Phantom Stock and shall be credited with earnings and dividends as set forth in the Phantom Stock Agreement(s) between the Company and the Participant. In the event the Participant forfeits shares of Phantom Stock in accordance with the terms of a Phantom Stock Agreement, the Participant's Equity Compensation Sub-Account shall be debited for the number of shares of Phantom Stock forfeited along with any earnings and dividends related to such shares.

(b) Cash Compensation Sub-Account. In connection with a Participant's election to defer compensation for a Plan Year pursuant to Article 4, a Participant may elect to have earnings, gains, or losses with respect to deferrals into his or her Cash Compensation Sub-Account for such Plan Year calculated based on one of the two deemed investment alternatives below. In the event the Participant fails to make an election regarding the deemed investment of his Cash Compensation Sub-Account, the Participant shall be deemed to have elected the Common Stock Option (described below). The Participant's actual or deemed investment election shall continue in effect for future Plan Years unless and until modified by the Participant. Any such modification (i) shall apply prospectively only to amounts deferred in future Plan Years, and (ii) shall be made at the same time as modifications to deferral elections are made under Section 4.2 above.

(i) Common Stock Option. Any portion of the Cash Compensation Sub-Account deemed invested under this option (the “Common Stock Option”) shall be accounted for as if invested in shares of Common Stock purchased at Fair Market Value on the date on which a deferral of Cash Compensation is credited to the Participant’s Account. All shares of Common Stock deemed held in the Participant’s Cash Compensation Sub-Account shall be credited with dividends at the same time and at the same rate as actual dividends are paid by the Company with respect to its Common Stock. Dividends credited hereunder shall be deemed reinvested in additional shares of Common Stock purchased at Fair Market Value as and when the dividends are credited.

(ii) Certificates of Deposit Option. Any portion of the Cash Compensation Sub-Account deemed invested under this option (the “Certificates of Deposit Option”) will be credited with interest calculated at a monthly rate using the typical rates paid by major banks on new issues of negotiable Certificates of Deposit on amounts of \$1,000,000 or more for one year as quoted in The Wall Street Journal under “Consumer Savings Rates” on the Thursday closest to the end of the month or other published source of such rates as identified by the Company’s Treasury department. The interest credited to each Participant’s Cash Compensation Sub-Account shall be calculated based on the amount deemed invested in the Certificates of Deposit Option at the beginning of each particular month.

5.4 Assumed Accounts. Except as provided below, upon the Effective Date, the Assumed Accounts shall be subject to the same investment elections, and deemed invested in the same investment options, that were controlling under the Questar Plan immediately prior to the Effective Date until a new election is made in accordance with the terms of this Plan that by its terms supersedes the prior election. Notwithstanding the preceding sentence, the following additional provisions shall apply to the deemed investment of the Assumed Accounts:

(a) Questar Phantom Stock. With respect to each Transferred Director, any Assumed Accounts that, immediately prior to the Effective Date, were in the form of Questar Phantom Stock under the Questar Plan will be converted, as of the Effective Date, into Phantom Stock and Questar Phantom Stock and reallocated as follows:

(i) The number of shares of Phantom Stock shall be equal to the number of shares of the Company’s Common Stock to which the Transferred Director would have been entitled on the Effective Date had the shares of Questar Phantom Stock represented restricted shares of Questar common stock as of the Record Date, the resulting number of shares of Phantom Stock being rounded down to the nearest whole unit.

(ii) The resulting number of shares of Phantom Stock shall be granted to the Transferred Director in accordance with the same vesting schedule as in effect for the corresponding shares of Questar Phantom Stock under the Questar Plan, as evidenced in the form of a Phantom Stock Agreement.

(iii) The resulting number of shares of Questar Phantom Stock shall be granted to the Transferred Director in accordance with the same vesting schedule as in effect for

the corresponding shares of Questar Phantom Stock under the Questar Plan, as evidenced in the form of a Questar Phantom Stock Agreement. The Transferred Director's Equity Compensation Sub-Account shall hold shares of the Questar Phantom Stock and shall be credited with earnings and dividends as set forth in the Questar Phantom Stock Agreement between the Company and the Transferred Participant. In the event the Transferred Participant forfeits shares of Questar Phantom Stock in accordance with the terms of the Questar Phantom Stock Agreement, the Transferred Participant's Equity Compensation Sub-Account shall be debited for the number of shares of Questar Phantom Stock forfeited along with any earnings and dividends related to such shares. Following the Effective Date, each Transferred Director shall reallocate all vested amounts of Questar Phantom Stock into an Equity Compensation Sub-Account which shall be accounted for as if such amounts were invested in shares of Common Stock purchased at Fair Market Value on the date of such reallocation, with all such deemed shares of Common Stock credited with dividends at the same time and at the same rate as actual dividends are paid by the Company with respect to its Common Stock (the "Company Common Stock Fund"); provided that any vested amounts of Questar Phantom Stock which have not been reallocated to the Company Common Stock Fund as of December 31, 2011 shall automatically be reallocated into the Company Common Stock Fund as of such date.

(b) Questar Common Stock Fund. With respect to each Transferred Director, any Assumed Accounts that, immediately prior to the Effective Date, were deemed invested in the Questar Common Stock Fund under the Questar Plan, initially will be credited to the Questar Common Stock Fund under the Plan as of the Effective Date, subject to adjustment as provided in paragraph (d) below.

(c) Questar Certificates of Deposit Option. With respect to each Transferred Director, any Assumed Accounts that, immediately prior to the Effective Date, were deemed to be invested in the certificates of deposit option under the Questar Plan, initially will be credited to the Certificates of Deposit Option under the Plan as of the Effective Date.

(d) Adjustments to Questar Common Stock Fund. With respect to the Assumed Accounts initially credited to the Questar Common Stock Fund pursuant to paragraph (b) above, each phantom share of Questar common stock credited to the Questar Common Stock Fund on behalf of each Transferred Director on the Effective Date shall be converted, as of the Effective Date, into phantom shares of the Company's Common Stock and phantom shares of Questar common stock and reallocated as follows:

(i) The number of phantom shares of the Company's Common Stock shall be equal to the number of shares of the Company's Common Stock to which the Transferred Director would have been entitled on the Effective Date had the phantom shares of Questar common stock represented actual shares of Questar common stock as of the Record Date, the resulting number of phantom shares of the Company's Common Stock being rounded down to the nearest whole unit.

(ii) The resulting number of phantom shares of the Company's Common Stock shall automatically be transferred from the Questar Common Stock Fund and credited to the Common Stock Option, effective as of the Effective Date.

(iii) The resulting number of phantom shares of Questar common stock

shall remain in the Questar Common Stock Fund, effective as of the Effective Date, and shall be accounted for as if invested in shares of Questar common stock with the applicable portion of the Cash Compensation Sub-Account credited with dividends at the same time and at the same rate as actual dividends are paid by Questar with respect to Questar common stock. Dividends credited hereunder shall be deemed reinvested in additional shares of Questar common stock purchased at fair market value as and when the dividends are credited. Following the Effective Date, each Transferred Director shall reallocate all Assumed Accounts deemed invested in the Questar Common Stock Fund into either the Common Stock Option or the Certificates of Deposit Option no later than December 31, 2011; provided, that any Assumed Accounts that remain deemed invested in the Questar Common Stock Fund as of December 31, 2011 shall automatically be reallocated into the Common Stock Option as of such date. In no event shall any deemed investment allocations be permitted into the Questar Common Stock Fund on or after the Effective Date.

Capitalized terms used in this 5.4 that are not defined in the Plan shall have the meaning set forth in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

ARTICLE 6 DISTRIBUTIONS

6.1 Time of Payment. Subject to Article 7, below, all Accounts under the Plan shall be paid within sixty (60) days following the date of the first to occur of the Participant's (a) Separation from Service, (b) Disability, or (c) death.

6.2 Forms of Payment Upon Separation from Service. A Participant may elect to receive a distribution of all amounts credited to his or her Account (whether to the Cash Compensation Sub-Account or to the Equity Compensation Sub-Account) (as adjusted for earnings) upon the occurrence of a Separation from Service pursuant to an election form filed in accordance with Article 4 in the form of either a lump sum or in up to four (4) annual installments.

6.3 Disability or Death. All amounts then credited to the Participant's Account upon the Participant's death or Disability shall be paid in a single lump sum to the Participant or the Participant's Beneficiary within sixty (60) days following the date of such death or Disability, as applicable.

6.4 Change in Control. Notwithstanding any election made by the Participant, in the event of a Change in Control, all amounts then credited to the Participant's Account shall be distributed to the Participant in a single lump sum within 60 days following the Change in Control.

6.5 Calculation of Distributions.

(a) Lump Sum. All lump sum distributions shall be based on the value of the Participant's Account (or the portion thereof to be paid in a lump sum) as of the last day of the calendar month preceding the payment date.

(b) Installment Distributions. Under an installment payout, the Participant's first installment shall be equal to a fraction of the balance credited to his or her Account (or the portion of that Account to be paid in installments) as of the last day of the calendar month preceding such payment, the numerator of which is one and the denominator of which is the total number of installments selected. The amount of each subsequent payment shall be a fraction of the balance in the Participant's Account (or the portion of that account to be paid in installments) as of the last day of the calendar month preceding each subsequent payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid. Each subsequent anniversary payment shall be made on the anniversary date of the initial payment.

6.6 Method of Payment. All payments under the Plan shall be made in cash.

ARTICLE 7 WITHDRAWALS FOR UNFORESEEABLE EMERGENCIES

7.1 Petition. If the Participant experiences an Unforeseeable Emergency, the Participant may petition the Board in writing to receive a partial or full payout from the Plan, subject to the provisions set forth below. A Participant's written petition for such a payment shall describe the circumstances which the Participant believes justify the payment and an estimate of the amount necessary to eliminate the Unforeseeable Emergency.

7.2 Amount of Withdrawal; Necessity. The payout, if any, from the Plan shall not exceed the lesser of: (i) the Participant's vested Account Balance, calculated as of the close of business on or around the date on which the amount becomes payable, as determined by the Board in its sole discretion; or (ii) the amount necessary to satisfy the Unforeseeable Emergency, plus amounts necessary to pay Federal, state, or local income taxes or penalties reasonably anticipated as a result of the distribution. Notwithstanding the foregoing, a Participant may not receive a payout from the Plan to the extent that the Unforeseeable Emergency is or may be relieved (a) through reimbursement or compensation by insurance or otherwise, (b) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or (c) by cessation of deferrals under this Plan.

7.3 Payment; Cessation of Deferrals. If the Board, in its sole discretion, approves a Participant's petition for payout from the Plan, the Participant shall receive a payout in the form of a lump sum from the Plan within sixty (60) days of the date of such approval, and the Participant's deferrals of Cash Compensation then in effect under the Plan shall be terminated as of the date of such approval.

7.4 409A. Any payment as a result of an Unforeseeable Emergency shall be made in accordance with Code Section 409A(a)(2)(A)(vi) and the regulations thereunder.

ARTICLE 8 ACCOUNT STATEMENTS

Within 45 days after the end of the calendar year, a statement will be sent to each Participant listing the balance in his or her Account as of the last day of the Plan Year.

ARTICLE 9
ADMINISTRATION

The Board shall administer the Plan and shall have full authority to make such rules and regulations deemed necessary or desirable to administer the Plan and to interpret its provisions. However, no member of the Board shall vote or act on any matter relating solely to himself or herself.

ARTICLE 10
AMENDMENT AND TERMINATION

The Plan may be amended, modified or terminated by the Board. No amendment, modification, or termination shall adversely affect a Participant's rights with respect to amounts vested in his or her Account.

ARTICLE 11
MISCELLANEOUS

11.1 Election Forms. All elections shall be made on forms prepared by the Corporate Secretary and must be dated, signed, and filed with the Company's Corporate Secretary in order to be valid.

11.2 Source of Payments. The Company and each participating Affiliate will pay all benefits for its Directors arising under this Plan, and all costs, charges and expenses relating to such benefits, out of its general assets. The right of a Participant to receive any unpaid portion of his or her Account shall be an unsecured claim against the general assets of the Company and its Affiliates and will be subordinated to the general obligations of the Company and its Affiliates.

11.3 No Assignment or Alienation.

(a) General. Except as provided in subsection (b) below, the benefits provided for in this Plan shall not be anticipated, assigned (either at law or in equity), alienated, or be subject to attachment, garnishment, levy, execution or other legal or equitable process. Any attempt by any Participant or any Beneficiary to anticipate, assign or alienate any portion of the benefits provided for in this Plan shall be null and void.

(b) Exception: DRO. The restrictions of subsection (a) shall not apply to a distribution to an "alternate payee" (as defined in Code Section 414(p)) pursuant to a "domestic relations order" ("DRO") within the meaning of Code Section 414(p)(1)(B). The Board shall have the discretion, power, and authority to determine whether an order is a DRO. Upon a determination that an order is a DRO, the Board shall cause the Company or the relevant Affiliate to make a distribution to the alternate payee or payees named in the DRO, as directed by the DRO.

11.4 Beneficiaries. A Participant shall have the right to designate one or more Beneficiaries to receive some or all amounts payable under the Plan after the Participant's death. In the absence of an effective Beneficiary designation, all payments shall be made to the personal representative of the Participant's estate.

11.5 No Creation of Rights. Nothing in this Plan shall confer upon any Participant the right to continue as a Director.

11.6 Payments to Incompetents. If the Board determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of his or her property, the Board may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Board may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any such payment shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

11.7 Court Order. The Board is authorized to make any payments directed by court order in any action in which the Plan or the Board has been named as a party.

11.8 Code Section 409A Savings Clause. The payments and benefits provided under the Plan are intended to be compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Article 10 hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 11.8 does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Participant for any failure to do so.

11.9 Attorney Fees; Interest. The Company and its Affiliates agrees to pay as incurred, to the full extent permitted by law, and in accordance with Code Section 409A, all legal fees and expenses which a Participant may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company, the Participant, or others following a Change in Control regarding the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance thereof (including as a result of any contest by the Participant about the amount of any payment pursuant to this Plan), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code. The foregoing right to legal fees and expenses shall not apply to any contest brought by a Participant (or other party seeking payment under the Plan) that is found by a court of competent jurisdiction to be frivolous or vexatious. To the extent that any payments or reimbursements provided to the Participant under this Section are deemed to constitute compensation to the Participant, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any payments or expense reimbursements that constitute compensation in one year shall not affect the amount of

payments or expense reimbursements constituting compensation that are eligible for payment or reimbursement in any subsequent year, and the Participant's right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

11.10 Distribution in the Event of Taxation. If, for any reason, all or any portion of a Participant's benefits under this Plan becomes subject to federal income tax under Code Section 409A with respect to the Participant prior to receipt, a Participant may petition the Board for a distribution of that portion of his or her benefit that has become taxable. Upon the grant of such a petition, which grant shall not be unreasonably withheld, the Company or the relevant Affiliate shall distribute to the Participant immediately available funds in an amount equal to the taxable portion of his or her benefit (which amount shall not exceed a Participant's unpaid vested Account balances). If the petition is granted, the tax liability distribution shall be made within 90 days of the date when the Participant's petition is granted. Such a distribution shall affect and reduce the benefits to be paid under this Plan.

11.11 Governing Law. To the extent not preempted by federal law, this Plan shall be governed by the laws of the State of Colorado, without regard to conflicts of law principles.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Deferred Compensation Plan for Directors was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek
Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement"), dated as of June 15, 2010, is entered into by and between QEP Resources, Inc., a Delaware corporation (the "Company"), Questar Corporation, a Utah corporation ("Questar"), and Charles B. Stanley ("Executive").

WHEREAS, the Board of Directors of Questar has determined that it is appropriate, desirable and in the best interests of Questar and its stockholders to separate Questar into two separate, independent and publicly traded companies (the "Separation"): (i) one comprising the exploration and production business, which shall be owned and conducted, directly or indirectly, by the Company, and (ii) one comprising the utility business, which shall continue to be owned and conducted, directly or indirectly, by Questar;

WHEREAS, Questar and the Company have entered into that certain Separation and Distribution Agreement (the "Separation Agreement"), setting forth the terms pursuant to which the Company shall be separated from Questar;

WHEREAS, Executive previously entered into an Employment Agreement dated as of February 1, 2004, and as subsequently amended, with Questar (the "Questar Employment Agreement");

WHEREAS, the Company desires Executive to serve the Company as its President and Chief Executive Officer upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the parties hereto acknowledge and agree that the Questar Employment Agreement, and all of Executive's rights and interest therein and thereunder, are hereby cancelled and terminated upon the effectiveness of this Agreement, in consideration of the parties hereto entering into this Agreement;

WHEREAS, in consideration of, and as a material inducement to, Questar and the Company's entrance into the Separation Agreement and consummation of the "Distribution" (as such term is defined in the Separation Agreement), the Company and Executive desire that this Agreement take effect upon the Distribution, and upon its effectiveness, supersede and replace the Questar Employment Agreement in its entirety; and

WHEREAS, this Agreement will become effective only if the Distribution occurs.

NOW, THEREFORE, IN CONSIDERATION of the premises and the mutual covenants set forth herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

The terms set forth below have the following meanings:

Agreement Date means the first day immediately following the date of the Distribution.

Anniversary Date means any annual anniversary of the Agreement Date.

Bifurcated Equity Grants means any stock options or restricted stock granted to Executive while Executive was employed under the Questar Employment Agreement and subject to an award agreement, which grants were bifurcated and agreements amended pursuant to that certain Employee Matters Agreement by and between Questar and Company, dated as of June 14, 2010.

Board means the Board of Directors of the Company.

Cause means any of the following: (a) Executive's conviction of a felony or of a misdemeanor involving fraud, dishonesty or moral turpitude, or (b) Executive's willful or intentional material breach of this Agreement that results in financial detriment that is material to the Company and its affiliates taken as a whole.

For purposes of clause (b) of the preceding sentence, Cause shall not include any one or more of the following: (i) bad judgment, (ii) negligence, or (iii) any act or omission that Executive believed in good faith to have been in or not opposed to the interest of the Company (without intent of Executive to gain, directly or indirectly, a profit to which he was not legally entitled), or (iv) any act or omission of which any member of the Board who is not a party to such act or omission has had actual knowledge for at least three months.

Change in Control means the following: A Change in Control of the Company shall be deemed to have occurred if (a) any "person" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (b) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Distribution Date, constitute the Company's Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Distribution Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (c) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the

Company's then outstanding securities; or (d) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Committee means the Compensation Committee of the Board.

Common Stock means the common stock of the Company.

Company means QEP Resources, Inc. on a consolidated basis, or the ultimate parent corporation of the acquiring or surviving company in the case of an acquisition, merger, consolidation, etc. involving QEP Resources, Inc.

Conversion Awards means restricted stock granted under the 2010 Long-Term Stock Incentive Plan or under the Questar Corporation Long-Term Stock Incentive Plan issued in exchange for a cash award under the Questar Corporation Long-Term Cash Incentive Plan for the 2009-2011 and 2010-2012 performance periods.

Date of Termination means the effective date of a Termination of Employment for any reason, including death or Disability, whether initiated by the Company or by Executive.

Disability means a condition that renders Executive unable to engage in any substantial, gainful activity by reason of any medically-determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months. The foregoing definition of "Disability" shall be interpreted in a manner consistent with Section 409A of the Code and the Internal Revenue Service and Treasury guidance thereunder.

Good Reason with respect to Executive's termination of employment means any of the following events or conditions which occur without Executive's written consent and which remain in effect after notice has been provided by Executive to the Company of such event or condition and the expiration of a 30 day cure period: (i) a material diminution in Executive's base compensation; (ii) a material diminution in Executive's authority, duties, or responsibility; (iii) a material change in the geographic location at which Executive performs services; or (iv) any other action or inaction that constitutes a material breach by the Company or its Subsidiaries of this Agreement. Executive's notification to the Company must be in writing and must occur within a reasonable period of time, not to exceed 90 days, following Executive's discovery of the relevant event or condition. Any reasonable determination by Executive that any of the specified events has occurred and constitutes Good Reason shall be conclusive and binding for all purposes.

Subsidiary means any entity of which the Company, directly or indirectly, owns at least 50 percent of the outstanding shares of capital stock or any partnership interest entitled to vote for the election of directors.

Termination for Good Reason means a Termination of Employment by Executive for a Good Reason.

Termination of Employment means a termination by the Company or by Executive of Executive's employment by the Company.

Termination Without Cause means a Termination of Employment by the Company for any reason other than Cause or Executive's death or Disability.

ARTICLE 2

DUTIES

President and Chief Executive Officer. The Company shall employ Executive during the term of this Agreement as President and Chief Executive Officer of Company at its principal location in Denver, Colorado, reporting to the Board. Executive, during the term of this Agreement, shall devote substantially all of his business time, attention, and effort to the affairs of the Company and shall use his reasonable efforts to promote the best interests of the Company.

Director Status. As long as Executive serves as an employee or officer during the term of this Agreement, the Board shall appoint or nominate Executive as member of the Board. At its discretion, the Board of Directors of any Subsidiary may appoint Executive to serve as a director of such Subsidiary.

ARTICLE 3

TERM OF EMPLOYMENT AGREEMENT

Subject to earlier termination in accordance with Article 7, this Agreement shall begin on the Agreement Date and end on the Anniversary Date that is three years after such Agreement Date (the "Employment Term"). Upon expiration of the Employment Term, Executive's continued employment with Company shall be on an "at will" basis.

ARTICLE 4

COMPENSATION

4.1 **Salary.** The Company shall pay Executive an annual base salary of \$720,000 payable in semi-monthly installments ("Base Salary"). The Committee shall review Executive's Base Salary when it reviews the base salaries paid to the Company's other executive officers each year and can only increase, not reduce, Executive's Base Salary. Effective as of the date of any such increase in Executive's Base Salary, the Base Salary shall be considered the new Base Salary for all purposes of this Agreement and may not thereafter be reduced. Any increase in Base Salary shall not limit or reduce any other obligation of the Company to Executive under this Agreement without Executive's written consent.

4.2 **Annual Bonus Plans.** Executive shall be nominated to participate in the Company's annual bonus plans, including the Annual Management Incentive Plan II (AMIPII),

for each performance period established during the term of this Agreement and shall have an aggregate target bonus under such plans equal to at least 90 percent of his base salary ("Target Bonus"). The annual minimum, target, and maximum performance goals for the Company and its principal Subsidiaries shall be approved by the Committee within 90 days after the beginning of the performance period.

4.3 Other Bonus Programs. Executive shall be nominated to participate in the Company's Long-Term Cash Incentive Plan and any additional incentive compensation program adopted by the Committee or the Board for the Company's officers. Unless Executive consents in writing or unless the special program is for specific hiring or retention purposes, Executive shall be granted a Target Bonus opportunity in such program that shall be at least equal to that provided to any other Company officer.

ARTICLE 5
STOCK OPTIONS, RESTRICTED
STOCK AND STOCK OWNERSHIP

5.1 Equity Grants. Executive shall be granted stock options, restricted stock awards, stock appreciation rights, performance shares, or other equity-based compensation pursuant to the Company's 2010 Long-Term Stock Incentive Plan when the Committee or Board makes such awards to other officers of the Company. Unless Executive consents in writing or unless the awards are for specific hiring or retention purposes, Executive shall be granted an equity award at least equal to that provided to any other officer. The agreements for any options granted to Executive shall contain a special provision that permits Executive to have 30 days after Termination of Employment (for reasons other than death, Disability, approved retirement, or a Change in Control) to exercise the vested portion of any options granted to him. (If Executive's employment is terminated for one of the specified reasons, he shall have longer periods of time in which to exercise his options as specified in the underlying agreements for such options.)

5.2 Stock Ownership. The Company requires all officers to own shares of the Company's common stock. During the course of this Agreement, Executive is expected to acquire and retain shares of the Company's common stock (including phantom stock units) having a value equal to at least 6 times his annual Base Salary. Executive cannot sell shares of common stock other than to satisfy tax obligations associated with recognizing income in conjunction with stock distributions or stock options without advance notice to the Chair of the Compensation Committee of the Company's Board.

ARTICLE 6
OTHER BENEFITS

6.1 Qualified Retirement Plans. During the term of this Agreement, Executive shall be entitled to participate in the qualified plans (including defined benefit and 401(k) savings) sponsored by the Company in accordance with the general rules applicable to other employees participating in such plans; provided, however, that Executive will not be eligible to accrue any additional benefits under the Company's defined benefit plan on and after the Agreement Date, but will instead receive additional benefits under the Company's nonqualified supplemental executive retirement plan to compensate him for any loss of additional benefits accrued after the Agreement Date until the Date of Termination.

6.2 Welfare Benefit Plans. During the term of this Agreement, Executive shall be eligible to participate in the welfare benefit plans and programs (including health, life insurance, catastrophe accident, cafeteria, disability) sponsored by the Company in accordance with the general rules applicable to such plans.

6.3 Paid Time Off. During the term of this Agreement, Executive shall be entitled to paid time off (PTO) in accordance with the Company's general rules for PTO, except that Executive shall have the right to accrue 264 hours per year (22 hours per month).

6.4 Nonqualified Benefit Plans. During the term of this Agreement, Executive shall be eligible to participate in the Company's optional nonqualified plans such as the Deferred Compensation Wrap Plan, and its component programs and shall be covered by the Company's Supplemental Executive Retirement Plan.

6.5 Change in Control/Indemnification. Executive has been nominated to participate in the Company's Executive Severance Compensation Plan ("Change in Control Plan") and has been given an Indemnification Agreement. In the event of Executive's Termination of Employment following a Change in Control, Executive shall be entitled to receive the greater of the payment due him under the Change in Control Plan or under this Agreement, but not payments under both.

6.6 Other Benefits. During the term of this Agreement, Executive shall be entitled to participate in any special programs adopted for the Company's executive officers.

6.7 Office and Support Staff. During the term of this Agreement, Executive shall be entitled to an office and secretarial assistance appropriate to his position.

6.8 Expenses. During the term of this Agreement, Executive shall be entitled to receive prompt reimbursement for all reasonable employment-related expenses incurred by him and approved in accordance with the Company's standard policies. The amount of expenses eligible for reimbursement in Executive's taxable year may not affect the expenses for reimbursement in any other taxable year.

ARTICLE 7
TERMINATION OF EMPLOYMENT

7.1 Termination for Cause. If the Company terminates Executive's employment for Cause, the Company shall only be required to pay Executive any earned but unpaid base salary and PTO.

The Company may not terminate Executive's employment for Cause unless it has: (a) officially given Executive written notice at least 30 days prior to the Date of Termination of its intent to terminate Executive's employment, which written notice shall contain a detailed description of the specific reasons that form the basis for such action; (b) provided Executive an

opportunity to appear before the Board prior to the Date of Termination to present arguments on his own behalf; and (c) received the affirmative vote of at least two-thirds of the members of the Board (excluding Executive if he is then serving on the Board) that it is proper to terminate Executive's employment for Cause. Pending the final resolution of any disputes concerning Executive's termination of employment for Cause, the Board may suspend Executive with pay.

7.2 Termination for Death or Disability. If Executive's employment terminates during the term of this Agreement due to Executive's death or Disability, the Company shall pay to Executive's beneficiary or estate (in the event of his death), or to Executive (in the event of his Disability), a lump-sum amount equal to Executive's monthly Base Salary for the remainder of the month in which his death or Disability occurred and for one subsequent month. The Company shall pay to Executive (or his beneficiary or estate in the event of his death) a lump-sum amount equal to the Target Bonus under the annual bonus plans maintained by the Company for the year in which he died or became disabled. The Company shall also pay Executive (or his beneficiary or estate in the event of his death) a lump sum amount equal to his Target Bonus under the Company's Long-Term Cash Incentive Plan for each separate performance period that has begun during the term of this Agreement to the extent that such Target Bonus has been set by the Committee or Board (including any performance period still in existence under the Questar Long-Term Cash Incentive Plan). Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants, with any vested options exercisable by Executive (or his estate in the event of his death) in accordance with the terms of such option agreements. Any grants of restricted stock, options to purchase shares of the Company's common stock, stock appreciation rights, or other equity-based awards ("Equity Grants") made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in the event of Executive's death or Disability.

7.3 Termination Without Cause. If the Company terminates Executive's employment during the term of this Agreement for some reason other than Cause, death or Disability, the Company shall pay Executive a lump-sum amount equal to (i) three times Executive's Base Salary, and (ii) three times the amount of the annual cash bonus(es) Executive actually received under the Company's annual bonus plan(s) in the year immediately prior to the Date of Termination. For the avoidance of doubt, annual bonus plan(s) includes payments under the Company's AMIPII or other annual cash incentive plan for the employees of Company or its affiliates, and including, where applicable, payments under the Questar AMIPII or QMR cash incentive plan for its employees while Executive was employed under the Questar Employment Agreement). Annual bonus plans does not include any payment under the Company's or Questar's Long-Term Cash Incentive Plan (except that Executive shall receive accelerated vesting of the Conversion Awards set forth below). Amounts payable under this subsection will be paid in a cash lump sum, subject to applicable withholdings, within 30 days of the Date of Termination.

Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants due to a Termination Without Cause. Any Equity Grants made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in full on Executive's Date of Termination.

The parties hereto acknowledge and agree that expiration of the Employment Term by itself shall not be deemed to constitute a termination of Executive's employment by the Company for some reason other than Cause or otherwise entitle Executive to any payments or benefits under this Section 7.3. Except for Executive's earned but unpaid base salary and PTO, Executive shall not be entitled to any payments or benefits under this Section 7.3. after the expiration of the Employment Term.

7.4 Termination by Executive. Executive can terminate his employment for any reason provided that he gives the Board written notice at least 30 days' prior to his Date of Termination.

(a) If Executive terminates his employment for other than Good Reason, he shall only be paid his earned but unpaid Base Salary and accrued PTO (up to time of termination).

(b) If Executive terminates his employment for Good Reason, the Company shall pay Executive a lump-sum amount equal to (i) three times Executive's Base Salary; and (ii) three times the amount of the annual cash bonus(es) Executive actually received under the Company's annual bonus plan(s) in the year immediately prior to the Date of Termination. For the avoidance of doubt, annual bonus plan(s) includes payments under the Company's AMIPII or other annual cash incentive plan for the employees of Company or its affiliates, and including, where applicable, payments under the Questar AMIPII or QMR cash incentive plan for its employees while Executive was employed under the Questar Employment Agreement). Annual bonus plans does not include any payment under the Company's or Questar's Long-Term Cash Incentive Plan (except that Executive shall receive accelerated vesting of the Conversion Awards set forth below). Amounts payable under this subsection will be paid in a cash lump sum, subject to applicable withholdings, within 30 days of the Date of Termination. Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants due to a Termination by Executive for Good Reason. Any Equity Grants made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in full on Executive's Date of Termination. The parties hereto acknowledge and agree that expiration of the Employment Term by itself shall not be deemed to constitute a termination of Executive's employment by Executive for Good Reason or otherwise entitle Executive to any payments or benefits under this Section 7.4(b). Except for Executive's earned but unpaid base salary and PTO, Executive shall not be entitled to any payments or benefits under this Section 7.4(b) after the expiration of the Employment Term.

7.5 409A Payment and Ordering Rules. Payments under this Article 7 are intended to qualify to the maximum extent possible as "short-term deferrals" exempt from the application of Code Section 409A. Any payments that do not so qualify are intended to qualify for the Code Section 409A exemption set forth in Treasury Regulation Section 1.409A-1(b)(9)(iii) (which exempts from Code Section 409A certain payments made upon an "involuntary separation from service"). Any payments under this Article 7 that are not exempted from Code Section 409A and that are payable prior to the date that is six months and one day after the date of termination (the "Deferred Payment Date") shall be withheld by the Company and paid to Executive on the Deferred Payment Date or as soon thereafter as is administratively feasible. Nothing in this paragraph shall prohibit the Company and Executive from making use of any other Code Section 409A exemption that may be applicable to a payment or benefit hereunder.

ARTICLE 8
RESTRICTIVE COVENANTS

8.1 Non-Solicitation of Employees. During the two year period immediately following the Date of Termination, Executive shall not directly or indirectly employ or seek to employ any employees of the Company or its Subsidiaries and shall not entice or otherwise encourage any such employee to leave such employment.

8.2 Confidentiality. During the term of this Agreement, Executive shall maintain the confidential nature of information concerning the Company's financial results and business strategies and shall not disclose such information to any person whose interests are or may be adverse to the Company's interests or any person that may use such information to obtain personal financial gain.

After a Termination of Employment for any reason, Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge to anyone other than the Company and its designees any confidential or secret knowledge or information of the Company or its Subsidiaries that Executive has acquired or become acquainted with during the period of Executive's employment by the Company, whether developed by himself or by others, concerning any trade secrets, confidential or business plans or material (whether or not patented or patentable) directly or indirectly useful in any aspect of the business of the Company and its Subsidiaries, any confidential or secret development of the Company or its Subsidiaries, or any other confidential information or secret aspects of the business of the Company or its Subsidiaries (collectively, "Confidential Information").

8.3 Injunction. Executive acknowledges that monetary damages will not be an adequate remedy for the Company in the event he breaches the provisions of this Article 8. Consequently, Executive agrees that the Company is entitled to an injunction to prevent Executive from any breach of the provisions of this Article in addition to other rights that the Company may have.

ARTICLE 9
SUCCESSOR TO COMPANY

This Agreement shall bind any successor to the Company, its assets or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated under this Agreement if no succession had taken place.

In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by this Agreement, the Company shall require such successor expressly and unconditionally to assume and agree to perform the Company's obligations under this Agreement, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. In the event that a successor fails to expressly and unconditionally assume and agree to perform the Company's obligations under this Agreement, such failure shall be deemed to be a material breach of this Agreement.

ARTICLE 10
MISCELLANEOUS

Beneficiary. If Executive dies prior to receiving all of the amounts payable to him in accordance with the terms of this Agreement, such amounts shall be paid to one or more beneficiaries designated by Executive in writing to the Company during his lifetime, or if no such beneficiary is designated, to the beneficiary(ies) designated by Executive (or deemed by law to be designated) under QEP Resources, Inc.'s Employee Investment Plan. Such payment shall be made in a lump sum to the extent so payable and, to the extent not payable in a lump sum, in accordance with the terms of this Agreement. Executive, without the consent of any prior beneficiary, may change his designation of beneficiary or beneficiaries at any time or from time to time by submitting to the Company a new designation in writing.

Assignment Successors. Except as provided above in Article 9, the Company may not assign its rights and obligations under this Agreement without the prior written consent of Executive. This Agreement shall be binding upon and inure to the benefit of Executive, his estate and Beneficiaries, the Company and the successors and permitted assigns of the Company.

Good Faith. During the term of this Agreement, Executive shall notify the Company's Chairman and the Chairman of the Board's Executive Committee if he is being seriously considered for a senior management position with another entity.

Nonalienation. Benefits payable under this Agreement shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution of levy of any kind, either voluntary or involuntary, prior to actually being received by Executive or a beneficiary, as applicable, and any such attempt to dispose of any right to benefits payable hereunder shall be void.

Arbitration. Any dispute under this Agreement shall be settled by arbitration in Denver, Colorado pursuant to the Commercial Rules then in effect of the American Arbitration Association. The Company and its successors shall reimburse Executive for any legal expenses and arbitration expenses that he may reasonably incur in conjunction with any disputes concerning the interpretation or enforcement of the provisions contained in this Agreement.

Severability. If one or more parts of this Agreement are declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any part of this Agreement not declared to be unlawful or invalid. Any part so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such part to the fullest extent possible while remaining lawful and valid.

409A Savings Clause. The parties intend that payments or benefits payable under this Agreement not be subject to the additional tax imposed pursuant to Section 409A of the Code, and the provisions of this Agreement shall be construed and administered in accordance with such intent. To the extent such potential payments or benefits could become subject to Code

Section 409A, the parties shall cooperate to amend this Agreement with the goal of giving Executive the economic benefits described herein in a manner that does not result in such tax being imposed. If the parties are unable to agree on a mutually acceptable amendment, the Company may, without Executive's consent and in such manner as it deems appropriate or desirable, amend or modify this Agreement or delay the payment of any amounts hereunder to the minimum extent necessary to meet the requirements of Code Section 409A.

Amendment: Waiver. This Agreement shall not be amended or modified except by written instrument executed by the Company and Executive. A waiver of any term, covenant or condition contained in this Agreement shall not be deemed a waiver of any other term, covenant or condition, and any waiver of any default in any such term, covenant or condition shall not be deemed a waiver of any later default thereof.

Notices. All notices hereunder shall be in writing and delivered by hand, by nationally-recognized delivery service that guarantees overnight delivery, or by first-class, registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company, to QEP Resources, Inc.
 Independence Plaza
 1050 17th St, Suite 500
 Denver, CO 80265-1050
 Attention: General Counsel

If to Questar, to Questar Corporation
 180 East 100 South
 Salt Lake City, UT 84111
 Attention: General Counsel

If to Executive, to: Executive at his last known address on the Company's records.

Either party may from time to time designate a new address by notice given in accordance with this Section. Notice shall be effective when actually received by the addressee.

Counterparts and Facsimile Signatures. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. A facsimile signature may be accepted as an original signature.

Entire Agreement. Except as provided elsewhere herein and except for the other documents and agreements contemplated in accordance herewith, this Agreement sets forth the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party to this Agreement with respect to such subject matter, including, without limitation the Questar Employment Agreement.

Applicable Law. This Agreement shall be interpreted and construed in accordance with the laws of the state of Colorado, without regard to its choice of law principles.

Survival of Executive's Rights and Obligations. All of Executive's rights and obligations shall survive Executive's Termination of Employment and/or the termination of this Agreement.

Effectiveness. This Agreement shall become effective upon the Distribution Date. Notwithstanding anything contained herein, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Agreement shall automatically, and without notice, terminate without any obligation due to any party and the provisions of this Agreement shall be of no force or effect.

Termination of Questar Employment Agreement. Executive hereby resigns from his position as an officer, employee and/or director of Questar, including, without limitation, Executive's position as a member of the Questar Employee Benefits Committee, and Questar hereby accepts such resignation, effective as of the Distribution Date. Executive acknowledges and agrees that he will have no further duties or responsibilities and no further authority on behalf of Questar after the Distribution Date, other than as specifically set forth herein. Executive and Questar agree that the Questar Employment Agreement shall terminate and shall cease to be of further force or effect upon the Distribution Date and that such termination shall not constitute a Termination of Employment or a Change of Control under the Questar Employment Agreement. Executive agrees to waive and release any and all rights, claims, costs, expenses or damages under the Questar Employment Agreement. Equity granted to Executive under the Questar Employment Agreement will be adjusted pursuant to the Employee Matters Agreement and shall continue to vest according to its terms.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

QEP RESOURCES, INC.

By: /s/ Keith O. Rattie
Keith O. Rattie
Chairman of the Board of Directors

EXECUTIVE

/s/ Charles B. Stanley
Charles B. Stanley

QUESTAR CORPORATION

By: /s/ Keith O. Rattie
Keith O. Rattie
Chairman, President and Chief Executive Officer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") dated as of June 15, 2010, is entered into by and between QEP Resources, Inc., a Delaware corporation (the "Company"), Questar Corporation, a Utah corporation ("Questar"), and Richard J. Doleshek ("Executive").

WHEREAS, the Board of Directors of Questar has determined that it is appropriate, desirable and in the best interests of Questar and its stockholders to separate Questar into two separate, independent and publicly traded companies (the "Separation"): (i) one comprising the exploration and production business, which shall be owned and conducted, directly or indirectly, by the Company, and (ii) one comprising the utility business, which shall continue to be owned and conducted, directly or indirectly, by Questar;

WHEREAS, Questar and the Company have entered into that certain Separation and Distribution Agreement (the "Separation Agreement"), setting forth the terms pursuant to which the Company shall be separated from Questar;

WHEREAS, Executive previously entered into an Employment Agreement dated as of May 7, 2009 with Questar (the "Questar Employment Agreement");

WHEREAS, the Company desires Executive to serve the Company as its Executive Vice President, Chief Financial Officer and Treasurer upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the parties hereto acknowledge and agree that the Questar Employment Agreement, and all of Executive's rights and interest therein and thereunder, are hereby cancelled and terminated upon the effectiveness of this Agreement, in consideration of the parties hereto entering into this Agreement;

WHEREAS, in consideration of, and as a material inducement to, Questar and the Company's entrance into the Separation Agreement and consummation of the "Distribution" (as such term is defined in the Separation Agreement), the Company and Executive desire that this Agreement take effect upon the Distribution, and upon its effectiveness, supersede and replace the Questar Employment Agreement in its entirety; and

WHEREAS, this Agreement will become effective only if the Distribution occurs.

NOW, THEREFORE, IN CONSIDERATION of the premises and the mutual covenants set forth herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

The terms set forth below have the following meanings:

Agreement Date means the first day immediately following the date of the Distribution.

Anniversary Date means any annual anniversary of the Agreement Date.

Bifurcated Equity Grants means any stock options or restricted stock granted to Executive while Executive was employed under the Questar Employment Agreement, which grants were bifurcated and award agreements amended pursuant to that certain Employee Matters Agreement by and between Questar and Company, dated as of June 14, 2010.

Board means the Board of Directors of the Company.

Cause means any of the following: with respect to Executive's termination of employment means any of the following: (1) Executive's conviction or plea of nolo contendere to a felony or a misdemeanor involving moral turpitude, (2) Executive's engaging in an act of fraud, theft, embezzlement or willful misappropriation of the property of the Company; (3) Executive engaging in an act of dishonesty that causes a substantial detriment to the Company or its Subsidiaries; (4) Executive's violation of any Company policy or practice regarding discrimination or harassment that would be grounds for termination of any other Company employee; (5) Executive's willful failure to perform substantially the duties as contemplated by this Agreement (other than such failure resulting from incapacity resulting from mental or physical illness); and (6) Executive's willful or intentional material breach of this Agreement that results in financial detriment that is material to the Company and its Subsidiaries taken as a whole.

For purposes of clause (6) of the preceding sentence, Cause shall not include any one or more of the following: bad judgment, negligence, or any act or omission that Executive believed in good faith to have been in or not opposed to the interest of the Company (without intent of Executive to gain, directly or indirectly, a profit to which he was not legally entitled).

Except for termination for Cause based on clauses (1) or (2) above, the Company may not terminate Executive's employment for Cause unless it has: (1) officially given Executive written notice at least 30 days prior to the Date of Termination of its intent to terminate Executive's employment, which written notice shall contain a detailed description of the specific reasons that form the basis for such action; (2) provided Executive an opportunity to appear before the Board prior to the Date of Termination to present arguments on his own behalf; and (3) received the affirmative vote of at least two-thirds of the members of the Board that it is proper to terminate Executive's employment for Cause. Pending the final resolution of any disputes concerning Executive's termination of employment for Cause, the Board may suspend Executive with pay.

Committee means the Compensation Committee of the Board.

Common Stock means the common stock of the Company.

Company means QEP Resources, Inc. on a consolidated basis, or the ultimate parent corporation of the acquiring or surviving company in the case of an acquisition, merger, consolidation, etc. involving QEP Resources, Inc.

Conversion Awards means restricted stock granted under the 2010 Long-Term Stock Incentive Plan or under the Questar Corporation Long-Term Stock Incentive Plan issued in exchange for a cash award under the Questar Corporation Long-Term Cash Incentive Plan for the 2009-2011 and 2010-2012 performance periods.

Date of Termination means the effective date of a Termination of Employment for any reason, including death or Disability, whether initiated by the Company or by Executive.

Disability means a condition that renders Executive unable to engage in any substantial, gainful activity by reason of any medically-determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months. The foregoing definition of "Disability" shall be interpreted in a manner consistent with Section 409A of the Code and the Internal Revenue Service and Treasury guidance thereunder.

Good Reason with respect to Executive's termination of employment means any of the following events or conditions which occur without Executive's written consent and which remain in effect after notice has been provided by Executive to the Company of such event or condition and the expiration of a 30 day cure period: (i) a material diminution in Executive's base compensation; (ii) a material diminution in Executive's authority, duties, or responsibility; (iii) a material change in the geographic location at which Executive performs services; or (iv) any other action or inaction that constitutes a material breach by the Company or its Subsidiaries of this Agreement. Executive's notification to the Company must be in writing and must occur within a reasonable period of time, not to exceed 90 days, following Executive's discovery of the relevant event or condition. Any reasonable determination by Executive that any of the specified events has occurred and constitutes Good Reason shall be conclusive and binding for all purposes.

Notwithstanding the above, it shall not constitute Good Reason if, at any time during the term of this Agreement, Company assigns this Agreement to any entity that is "spun off" or "split off" from Company, and such entity expressly assumes the obligations of Company under this Agreement.

Subsidiary means any entity of which the Company, directly or indirectly, owns at least 50 percent of the outstanding shares of capital stock or any partnership interest entitled to vote for the election of directors.

Termination Without Cause means a Termination of Employment by the Company for any reason other than Cause or Executive's death or Disability.

ARTICLE 2
DUTIES

The Company shall employ Executive during the term of this Agreement as its Executive Vice President and Chief Financial Officer, reporting to the President and Chief Executive Officer, subject to all Company policies and procedures in effect from time to time as amended in the discretion of Company. Executive, during the term of this Agreement, shall devote substantially all of his business time, attention, and effort to the performance of services to Company in his capacity as Executive Vice President and Chief Financial Officer and to the affairs of the Company and shall use his reasonable efforts to promote the best interests of the Company. Executive shall perform the services required by this Agreement at the Company's present principal place of business or at such other location(s) as may be mutually agreed by Company and Executive; provided, however, that Company may from time to time require Executive to travel temporarily to other locations on Company business consistent with the business needs of Company.

ARTICLE 3
TERM OF EMPLOYMENT AGREEMENT

Subject to earlier termination in accordance with Article 7, this Agreement shall begin on the Agreement Date and end on the Anniversary Date that is three years after such Agreement Date (the "Employment Term"). Upon expiration of the Employment Term, Executive's continued employment with Company shall be on an "at will" basis.

ARTICLE 4
COMPENSATION

4.1 Salary. The Company shall pay Executive an annual base salary of \$470,000 payable in semi-monthly installments ("Base Salary"). The Committee shall review Executive's Base Salary when it reviews the base salaries paid to the Company's other executive officers each year. For the term of this Agreement, the Committee may not reduce Executive's Base Salary. Effective as of the date of any such increase in Executive's Base Salary, the Base Salary shall be considered the new Base Salary for all purposes of this Agreement and may not thereafter be reduced. Any increase in Base Salary shall not limit or reduce any other obligation of the Company to Executive under this Agreement without Executive's written consent.

4.2 Annual Bonus Plans. Executive shall be nominated to participate in the Company's annual bonus plans, including the Annual Management Incentive Plan II ("AMIP II"), for each performance period established during the term of this Agreement and shall have an aggregate target bonus under such plans equal to at least 90 percent of his base salary ("Target Bonus"). The annual minimum, target, and maximum performance goals for the Company and its principal Subsidiaries shall be approved by the Committee within 90 days after the beginning of the performance period. The Committee can only increase, not reduce, Executive's target bonus under AMIP II.

4.3 Other Bonus Programs. Executive shall be nominated to participate in the Company's Long-Term Cash Incentive Plan with a target bonus of not less than \$500,000, and any additional incentive compensation program adopted by the Committee or the Board for the Company's officers.

ARTICLE 5
STOCK OPTIONS, RESTRICTED
STOCK AND STOCK OWNERSHIP

5.1 Equity Grants. Executive shall be granted stock options, restricted stock awards, stock appreciation rights, performance shares, or other equity-based compensation pursuant to the Company's 2010 Long-Term Stock Incentive Plan as determined by the Committee in its sole and absolute discretion.

5.2 Stock Ownership. The Company requires all officers to own shares of the Company's common stock. Executive is expected to acquire on or before the Fifth Anniversary Date of the Agreement Date (and retain throughout the term of this Agreement) shares of the Company's common stock (including phantom stock units) having a value equal to at least three times his annual Base Salary. In determining compliance with this requirement, Executive's unvested restricted stock will be treated as owned, however unvested stock options will not be treated as owned. This shareholding requirement shall be subject to any policies and procedures adopted by the Company's Board of Directors applicable to all other Company executives with shareholding requirements. Executive cannot sell shares of common stock other than to satisfy tax obligations associated with recognizing income in conjunction with stock distributions or stock options without advance notice to the Company's President and Chief Executive Officer.

ARTICLE 6
OTHER BENEFITS

6.1 Qualified Retirement Plans. During the term of this Agreement, Executive shall be entitled to participate in the Company's qualified retirement plans (including defined benefit and defined contribution plans) sponsored by the Company in accordance with the terms of such plans; provided, however that Executive will not be eligible to accrue any additional benefits under the Company's defined benefit plan on and after the Agreement Date, but will instead receive additional benefits under the Company's nonqualified supplemental executive retirement plan to compensate him for any loss of additional benefits accrued under the defined benefit plan from the Agreement Date until the Date of Termination.

6.2 Welfare Benefit Plans. During the term of this Agreement, Executive shall be eligible to participate in the welfare benefit plans and programs (including health, life insurance, catastrophe accident, cafeteria, and short-term and long-term disability) sponsored by the Company in accordance with the terms of such plans.

6.3 Paid Time Off. During the term of this Agreement, Executive shall be entitled to paid time off (PTO) in accordance with the Company's general rules for PTO, except that Executive shall accrue 264 hours per year (22 hours per month).

6.4 Nonqualified Benefit Plans. During the term of this Agreement, Executive shall be eligible to participate in the Company's optional nonqualified plans such as the Company's deferred compensation plan(s), and any component programs and the supplemental executive retirement plan.

6.5 Change in Control. Executive shall be nominated to participate in the Company's Executive Severance Compensation Plan (Executive Severance Plan), which is a change in control severance plan. In the event of Executive's Termination of Employment following a "Change in Control" as defined in the Executive Severance Plan, Executive shall be entitled to the greater of the payment due him under the Executive Severance Plan or under Article 7 of this Agreement, but not under both.

6.6 Other Benefits. During the term of this Agreement, Executive shall be entitled to participate in any special programs adopted for the Company's officers.

6.7 Other Expenses. During the term of this Agreement, Executive shall be entitled to receive prompt reimbursement for all reasonable employment-related expenses incurred by him and approved in accordance with the Company's standard policies. The amount of expenses eligible for reimbursement in Executive's taxable year may not affect the expenses for reimbursement in any other taxable year.

ARTICLE 7

TERMINATION OF EMPLOYMENT

7.1 Termination for Cause. If the Company terminates Executive's employment for Cause, the Company shall only be required to pay Executive any earned but unpaid Base Salary and any accrued but unused PTO (the "Accrued Obligations").

7.2 Termination for Death or Disability. If Executive's employment terminates during the term of this Agreement due to his death or Disability, Executive shall be entitled to the following:

(a) The Company will pay to Executive's beneficiaries (in the event of his death), or to Executive (in the event of his Disability), the Accrued Obligations, plus an amount equal to:

- i. Executive's Base Salary through the end of the month following the month in which his death or Disability occurred;
- ii. Executive's target bonus under the annual cash bonus plans maintained by the Company for the year in which he died or became disabled; provided however, that in the event that the Committee or Board has yet to establish Executive's target bonus under the annual cash bonus plans for such year, Executive's target bonus shall be deemed to be equal to his target bonus under the annual cash bonus plans for the immediately preceding year; and,
- iii. The pro-rated portion of Executive's target bonus under the Company's Long-Term Cash Incentive Plan for each separate performance period that is

outstanding as of the date of death or Disability; (including any performance period still in existence under the Questar Long-Term Cash Incentive Plan); provided, however, that in the event that the Committee or Board has yet to establish Executive's target bonus under the Long-Term Cash Incentive Plan for the separate performance period beginning in the year in which Executive died or became disabled, Executive's target bonus for such performance period shall be deemed to be equal to the target bonus established under the Long-Term Cash Incentive Plan for the performance period beginning in the immediately preceding year.

Any payments received under this Agreement due to death or Disability shall be in lieu of payments otherwise due Executive on account of death or Disability under the terms of any annual cash bonus, and Executive hereby waives his rights to any such payments.

Amounts payable under this Section 7.2(a) will be paid in a cash lump sum, subject to applicable withholdings, within 30 days of the Date of Termination.

(b) Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants with any vested options exercisable by Executive (or his estate in the event of his death) in accordance with the terms of such option agreements. Any grants of restricted stock, options to purchase shares of the Company's common stock, stock appreciation rights, or other equity-based awards ("Equity Grants") made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in the event of Executive's death or Disability.

7.3 Termination Without Cause. If the Company terminates Executive's employment during the term of this Agreement for some reason other than Cause, death or Disability, Executive will be entitled to the following:

(a) The Company shall pay Executive the Accrued Obligations, plus an amount (the "Involuntary Severance Amount") equal to:

- i. Three times Executive's Base Salary; and
- ii. Three times the annual cash bonus(es) Executive actually received under the Company's annual bonus plan(s) as set forth in Section 4.2 (including, where applicable, any annual bonus plan(s) while Executive was employed under the Questar Employment Agreement) in the year immediately prior to the Date of Termination. For the avoidance of doubt, annual bonus plan(s) does not include any payment under the Company's or Questar's Long-Term Cash Incentive Plan (except that Executive shall receive accelerated vesting of the Conversion Awards set forth below).

Amounts payable under this subsection 7.3(a) will be paid in a cash lump sum, subject to applicable withholdings, within 30 days of the Date of Termination.

(b) Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants due to a Termination without Cause. Any Equity Grants made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in full on Executive's Date of Termination.

The parties hereto acknowledge and agree that expiration of the Employment Term by itself shall not be deemed to constitute a termination of Executive's employment by the Company for some reason other than Cause or otherwise entitle Executive to any payments or benefits under this Section 7.3. Except for the Accrued Obligations, Executive shall not be entitled to any payments or benefits under this Section 7.3. after the expiration of the Employment Term.

7.4 Termination by Executive. Executive can terminate his employment for any reason provided that he gives the Board written notice at least 30 days' prior to his Date of Termination.

(a) If Executive terminates his employment for reasons other than Good Reason, the Company shall, within 30-days of the Date of Termination or any earlier time required by law, pay Executive only the Accrued Obligations.

(b) If Executive terminates his employment for Good Reason, the Company shall pay Executive the Accrued Obligations, plus the Involuntary Severance Amount. Such amounts will be paid in a cash lump sum, subject to applicable withholdings, within 30 days of the Date of Termination. Any Bifurcated Equity Grants shall vest in accordance with the terms of such grants due to a Termination by Executive for Good Reason. Any Equity Grants made to Executive under this Agreement on or following the Agreement Date, and any Conversion Awards, shall vest in full on an accelerated basis on Executive's Date of Termination. The parties hereto acknowledge and agree that expiration of the Employment Term by itself shall not be deemed to constitute a termination of Executive's employment by Executive for Good Reason or otherwise entitle Executive to any payments or benefits under this Section 7.4(b). Except for the Accrued Obligations, Executive shall not be entitled to any payments or benefits under this Section 7.4(b) after the expiration of the Employment Term.

7.5 Payments Conditioned on Release of Claims. Receipt of any payments or benefits under this Article 7, other than the Accrued Obligations, shall be contingent upon Executive's execution of a legal release in a form satisfactory to the Company, in its sole discretion, drafted so as to ensure (i) a final, complete and enforceable release of all claims that Executive has or may have against the Company (and its Subsidiaries, officers, agents, employees, or assigns) relating to or arising in any way from Executive's employment with the Company and/or the termination thereof, and (ii) Executive's continued compliance with his obligations under Article 8 of this Agreement.

7.6 409A Payment and Ordering Rules. Payments under this Article 7 are intended to qualify to the maximum extent possible as "short-term deferrals" exempt from the application of Code Section 409A. Any payments that do not so qualify are intended to qualify for the Code Section 409A exemption set forth in Treasury Regulation Section 1.409A-1(b)(9)(iii) (which exempts from Code Section 409A certain payments made upon an "involuntary separation from service"). Any payments under this Article 7 that are not exempted from Code Section 409A

and that are payable prior to the date that is six months and one day after the date of termination (the "Deferred Payment Date") shall be withheld by the Company and paid to Executive on the Deferred Payment Date or as soon thereafter as is administratively feasible. Nothing in this paragraph shall prohibit the Company and Executive from making use of any other Code Section 409A exemption that may be applicable to a payment or benefit hereunder.

ARTICLE 8
RESTRICTIVE COVENANTS

8.1 Non-Solicitation of Employees. During the two-year period immediately following the Date of Termination, Executive shall not directly or indirectly employ or seek to employ any employees of the Company or its Subsidiaries and shall not entice or otherwise encourage any such employee to leave such employment.

8.2 Confidentiality. During the term of this Agreement, Executive shall maintain the confidential nature of information concerning the Company's financial results and business strategies and shall not disclose such information to any person whose interests are or may be adverse to the Company's interests or any person that may use such information to obtain personal financial gain.

After a termination of employment for any reason, Executive shall not, without prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge to anyone other than the Company and its designees any confidential or secret knowledge or information of the Company or its Subsidiaries that Executive has acquired or become acquainted with during the period of Executive's employment by the Company, whether developed by himself or by others, concerning any trade secrets, confidential or business plans or material (whether or not patented or patentable) directly or indirectly useful in any aspect of the business of the Company or its Subsidiaries, any confidential or secret development of the Company or its Subsidiaries, or any other confidential information or secret aspects of the business of the Company or its Subsidiaries (collectively, "Confidential Information"). At the time of the termination of Executive's employment, or at such other time as the Company may request, Executive shall return all memoranda, notes, plans, records, computer tapes and software and other documents and data (and copies thereof) relating to Confidential Information that Executive may then possess or have under his control.

8.3 Injunction. Executive acknowledges that monetary damages will not be an adequate remedy for the Company in the event he breaches the provisions of this Article. Consequently, Executive agrees that the Company is entitled to an injunction to prevent Executive from any breach of the provisions of this Article in addition to other rights that the Company may have.

ARTICLE 9
SUCCESSOR TO COMPANY

This Agreement shall bind any successor to the Company, its assets or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated under this Agreement if no succession had taken place.

In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by this Agreement, the Company shall require such successor expressly and unconditionally to assume and agree to perform the Company's obligations under this Agreement, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. In the event that a successor fails to expressly and unconditionally assume and agree to perform the Company's obligations under this Agreement, such failure shall be deemed to be a material breach of this Agreement.

ARTICLE 10
MISCELLANEOUS

10.1 Beneficiary. If Executive dies prior to receiving all of the amounts payable to him in accordance with the terms of this Agreement, such amounts shall be paid to one or more beneficiaries designated by Executive in writing to the Company during his lifetime, or if no such beneficiary is designated, to the beneficiary(ies) designated by Executive (or deemed by law to be designated) under QEP Resources, Inc.'s Employee Investment Plan. Executive, without the consent of any prior beneficiary, may change his designation of beneficiary or beneficiaries at any time or from time to time by submitting to the Company a new designation in writing, which shall not be effective until receipt by the Company.

10.2 Assignment Successors. Except as provided above in Article 9, the Company may not assign its rights and obligations under this Agreement without the prior written consent of Executive. This Agreement shall be binding upon and inure to the benefit of Executive, his estate and Beneficiaries, the Company and the successors and permitted assigns of the Company.

10.3 Good Faith. During the term of this Agreement, Executive shall notify the Company's President and Chief Executive Officer of the Company if he is being seriously considered for a senior management position with another entity.

10.4 Nonalienation. Benefits payable under this Agreement shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution of levy of any kind, either voluntary or involuntary, prior to actually being received by Executive or a beneficiary, as applicable, and any such attempt to dispose of any right to benefits payable hereunder shall be void.

10.5 Arbitration. To the extent permitted by applicable law, any dispute under this Agreement shall be settled by arbitration in Denver, Colorado pursuant to the Commercial Rules then in effect of the American Arbitration Association. In the event that any dispute arising out of this Agreement may not be arbitrated under applicable law (which, for purposes of this Agreement, shall be deemed to include actions for temporary injunctive relief to enforce the provisions of Article 8 hereof), litigation concerning such dispute shall be brought and maintained only in the state or federal courts having jurisdiction in Denver, Colorado. The Company and its successors shall reimburse Executive for any legal expenses and arbitration expenses that he may reasonably incur pursuant to this clause in the event that he prevails in any such dispute.

10.6 Severability. If one or more parts of this Agreement are declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any part of this Agreement not declared to be unlawful or invalid. Any part so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such part to the fullest extent possible while remaining lawful and valid.

10.7 409A Savings Clause. The parties intend that payments or benefits payable under this Agreement not be subject to the additional tax imposed pursuant to Section 409A of the Code, and the provisions of this Agreement shall be construed and administered in accordance with such intent. To the extent such potential payments or benefits could become subject to Code Section 409A, the parties shall cooperate to amend this Agreement with the goal of giving Executive the economic benefits described herein in a manner that does not result in such tax being imposed. If the parties are unable to agree on a mutually acceptable amendment, the Company may, without Executive's consent and in such manner as it deems appropriate or desirable, amend or modify this Agreement or delay the payment of any amounts hereunder to the minimum extent necessary to meet the requirements of Code Section 409A.

10.8 Amendment/Waiver. This Agreement shall not be amended or modified except by written instrument executed by the Company and Executive. A waiver of any term, covenant or condition contained in this Agreement shall not be deemed a waiver of any other term, covenant or condition, and any waiver of any default in any such term, covenant or condition shall not be deemed a waiver of any later default thereof.

10.9 Notices. All notices hereunder shall be in writing and delivered by hand, by nationally-recognized delivery service that guarantees overnight delivery, or by first-class, registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company, to QEP Resources, Inc.
Independence Plaza
1050 17th St, Suite 500
Denver, CO 80265-1050
Attention: General Counsel

If to Questar, to Questar Corporation
180 East 100 South
Salt Lake City, UT 84111
Attention: General Counsel

If to Executive, to: Executive at his last known address on the Company's records.

Either party may from time to time designate a new address by notice given in accordance with this Section. Notice shall be effective (a) upon receipt by addressee when hand-delivered; (b) the next business day or day designated for delivery if by overnight delivery; (c) the fifth day after deposit in the United States mail if sent by first-class, registered or certified mail.

10.10 Counterparts and Facsimile Signatures. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. A facsimile signature may be accepted as an original signature.

10.11 Entire Agreement. Except as provided elsewhere herein and except for the other documents and agreements contemplated in accordance herewith, this Agreement sets forth the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party to this Agreement with respect to such subject matter, including, without limitation the Questar Employment Agreement.

10.12 Applicable Law. This Agreement shall be interpreted and construed in accordance with the laws of the state of Colorado, without regard to its choice of law principles.

10.13 Survival of Executive's Rights and Obligations. All of Executive's rights and obligations shall survive Executive's Termination of Employment and/or the termination of this Agreement.

10.14 Effectiveness. This Agreement shall become effective upon the Distribution Date. Notwithstanding anything contained herein, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Agreement shall automatically, and without notice, terminate without any obligation due to any party and the provisions of this Agreement shall be of no force or effect.

10.15 Termination of Questar Employment Agreement. Executive hereby resigns from his position as an officer, employee and/or director of Questar, including, without limitation, Executive's position as a member of the Questar Employee Benefits Committee, and Questar hereby accepts such resignation, effective as the Distribution Date. Executive acknowledges and agrees that he will have no further duties or responsibilities and no further authority on behalf of Questar after the Distribution Date, other than as specifically set forth herein. Executive and Questar agree that the Questar Employment Agreement shall terminate and shall cease to be of further force or effect upon the Distribution Date and that such termination shall not constitute a Termination of Employment or a Change of Control under the Questar Employment Agreement. Executive agrees to waive and release any and all rights, claims, costs, expenses or damages under the Questar Employment Agreement. Equity granted to Executive under the Questar Employment Agreement will be adjusted pursuant to the Employee Matters Agreement and shall continue to vest according to its terms.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

QEP RESOURCES, INC.

By: /s/ Charles B. Stanley
Charles B. Stanley
President and Chief Executive Officer

EXECUTIVE

/s/ Richard J. Doleshek
Richard J. Doleshek

QUESTAR CORPORATION

By: /s/ Keith O. Rattie
Keith O. Rattie
Chairman, President and Chief Executive Officer

QEP RESOURCES, INC.
ANNUAL MANAGEMENT INCENTIVE PLAN II

Section 1. Purpose.

The QEP Resources, Inc. Annual Management Incentive Plan II, as may be amended from time to time (the “Plan”), is designed to provide an incentive to the highest paid officers and key employees of QEP Resources, Inc. (the “Company”) and its Affiliates (as defined below) to focus their best efforts to pursue and attain major organizational goals. The intent of the Plan is to place a significant portion of the eligible employee’s annual compensation at risk by tying it to specific measurable goals that drive long-term shareholder value.

Section 2. Definitions.

“Affiliate” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Section 409A of the Code, or any entity otherwise designated as an Affiliate by the Company.

“Board” means the Board of Directors of the Company or a successor to the Company.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Committee” means the Compensation Committee, or its successor committee, which is comprised wholly of independent, outside directors and which must include at least two such directors.

“Covered Employee” means any of the highest paid officers and key employees of an Employer who are selected to participate in the Plan for a Performance Period in accordance with Section 4 below.

“Designated Beneficiary” means the beneficiary designated by the Covered Employee, in a manner determined by the Committee, to receive amounts due the Covered Employee. In the absence of an effective designation by the Covered Employee, Designated Beneficiary shall mean the Covered Employee’s beneficiary(ies) designated by the Covered Employee (or deemed by law to be designated) under the QEP Resources, Inc. Employee Investment Plan, as amended from time to time, or if no such designation exists, the Covered Employee’s estate.

“Disability” means a condition that renders a Covered Employee unable to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months.

“Employer” means the Company and any of its Affiliates that is the direct employer of a Covered Employee.

“Fiscal Year” means the fiscal year of the Company.

“Performance Goals” means the specific, measurable goals set by the Committee in writing for any given Performance Period. Performance Goals may include multiple goals and may be based on one or more operational or financial criteria. Such goals shall be set by the Committee by such date as is required under Section 162(m) of the Code. In setting the Performance Goals for the Performance Period, the Committee may include one or any combination of the following criteria in either absolute or relative terms, for the Company or any business unit within it: (a) total shareholder return; (b) return on assets, return on equity or return on capital employed; (c) measures of profitability such as earnings per share, corporate or business unit net income, net income before extraordinary or one-time items, earnings before interest and taxes, earnings before interest, taxes, depreciation and amortization, or earnings before interest, depreciation, amortization, taxes and exploration expense; (d) cash flow from operations; (e) gross or net revenues or gross or net margins; (f) levels of operating expense or other expense items reported on the income statement; (g) measures of customer satisfaction and customer service; (h) safety; (i) annual or multi-year average reserve growth, production growth or production replacement, either absolute or on an appropriate per unit basis (e.g. reserve or production growth per diluted share; (j) efficiency or productivity measures such as annual or multi-year average finding costs, absolute or per unit operating and maintenance costs, lease operating expenses, inside-lease operating expenses, operating and maintenance expense per decatherm or customer or fuel gas reimbursement percentage; (k) satisfactory completion of a major project or organizational initiative with specific criteria set in advance by the Committee defining “satisfactory”; (l) debt ratios or other measures of credit quality or liquidity; (m) production and production growth; and (n) strategic asset sales or acquisitions in compliance with specific criteria set in advance by the Committee.

“Performance Period” shall mean one or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Covered Employee’s right to, and the payment of, a cash award granted under the terms of the Plan.

“Service” means a Covered Employee’s service as an employee of an Employer and, to the extent applicable, service as an employee of Questar Corporation and any affiliate thereof that was taken into account under the Questar Corporation Annual Management Incentive Plan II, as amended and restated effective January 1, 2010, with respect to such Covered Employee’s participation therein.

“Target Bonus” means the dollar amount specified for each Covered Employee within the first 90 days of each Performance Period, but in no event after 25 percent of the Performance Period has lapsed.

“Termination of Employment” means the date on which a Covered Employee shall cease to serve as an employee of an Employer for any reason.

Section 3. Administration.

The Plan shall be administered by the Committee in conjunction with its administration of the QEP Resources, Inc. Annual Management Incentive Plan, as amended from time to time. The Committee shall have sole and complete authority to adopt, alter, and repeal such administrative rules, guidelines and practices for the operation of the Plan and to interpret the terms and provisions of the Plan. The Committee also shall have sole and complete authority to determine the extent to which Performance Goals have been achieved. The Committee's decisions shall be final and binding upon all parties, including the Employers, stockholders, Covered Employees and Designated Beneficiaries.

Section 4. Eligibility.

Within 90 days of the beginning of a Performance Period, but in no event after 25 percent of the Performance Period has lapsed, the Committee shall designate in writing those highest paid officers and key employees of an Employer who shall be Covered Employees under the Plan for such Performance Period. Only such Covered Employees are eligible to receive payments under this Plan. Notwithstanding the foregoing, the Committee may designate additional officers and key employees of an Employer as Covered Employees and/or increase a Covered Employee's Target Bonus at any time after the commencement of a Performance Period, provided, that, if doing so would disqualify an award as "qualified performance-based compensation" under Section 162(m) of the Code, such action will be taken only if the Committee determines that it would be appropriate to do so.

Section 5. Determination of Awards.

Within 90 days after the beginning of a Performance Period, but in no event after 25 percent of the Performance Period has lapsed, the Committee shall establish in writing (i) the Performance Goals and the underlying performance criteria applicable to the Performance Period, and (ii) a Target Bonus for each Covered Employee and a maximum payout for cash awards granted under the terms of this Plan for such Performance Period for attainment of the specified Performance Goals by Covered Employees. Performance Goals must be objective and must satisfy the third-party objectivity standards under Section 162(m) of the Code and regulations adopted pursuant to it. In addition, when provided for by the Committee at the time the Performance Goals are established, the Performance Goals may be adjusted to exclude the effect of any of one or more of the following events that occur during the Performance Period: (i) asset write-downs; (ii) litigation, claims, judgments or settlements; (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results; (iv) accruals for reorganization and restructuring programs; (v) material changes to invested capital from pension and post-retirement benefits-related items and similar non-operational items; and (vi) any extraordinary, unusual, non-recurring or non-comparable items: (A) as described in Accounting Principles Board Opinion No. 30, (B) as described in management's discussion and analysis of financial condition and results of operations appearing in the Company's Annual Report to stockholders for the applicable year, or (C) as publicly announced by the Company in a press release or conference call relating to the Company's results of operations or financial condition for a completed quarterly or annual fiscal period.

As soon as reasonably practicable after the close of the Performance Period, the Committee shall determine cash awards to be paid under the terms of this Plan. Any payments made under this Plan shall be contingent upon achieving the Performance Goals set in advance for the Performance Period in question. The Committee shall certify in writing prior to approval of any awards that such Performance Goals have been satisfied. (Approved minutes may be used for this purpose.)

The maximum cash payment that may be made in any Fiscal Year to any Covered Employee under this Plan is \$4,000,000.

The cash payments under this Plan, in aggregate, do not have to equal 100 percent of the maximum payout, but cannot exceed such amount. The Committee, in its sole discretion, may reduce the cash award otherwise payable to any Covered Employee if it believes that such reduction is in the best interest of the Company and its shareholders, but any reduction cannot result in any increase to one or more other Covered Employees. The Committee has no discretion to increase the cash award otherwise payable to any Covered Employee.

All payments shall be made in cash and in a single lump sum no later than the 15th day of the 3rd month following the end of the calendar year that includes the last day of the relevant Performance Period. To be eligible to receive an award, the Covered Employee must be actively employed by an Employer as of the date of payment except as provided below in Section 6.

Section 6. Termination of Employment.

In the event a Covered Employee incurs a Termination of Employment prior to the payment of an award for any Performance Period for any reason other than death, Disability, Retirement, or a Change in Control, he shall not be entitled to any payment for such Performance Period pursuant to the terms of the Plan. If a Covered Employee incurs a Termination of Employment prior to payment of an award for any Performance Period as a result of death, Disability, or retirement, his award for the Performance Period (if any), as calculated pursuant to Section 5, shall be prorated based on the length of his service during the Performance Period when compared to the entire period. For the purpose of this Plan, "Retirement" shall mean any voluntary Termination of Employment on or after age 55 with 10 years of Service. All prorated awards shall be paid to the Covered Employee (or his Designated Beneficiary, in the event of his death) at the time specified in Section 5.

In the event a Covered Employee incurs a Termination of Employment as a result of a Change in Control that occurs prior to the payment of an award for any Performance Period, he shall be entitled to receive a payment equal to his Target Bonus for such Performance Period. Such payment shall be made to him within 30 days after his Termination of Employment. Notwithstanding the foregoing, in no event shall a Covered Employee who is a participant in the QEP Resources, Inc. Executive Severance Compensation Plan, as amended from time to time, as of the date on which a Change in Control occurs be entitled to such payment.

A Change in Control of the Company shall be deemed to have occurred if (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities

Exchange Act of 1934 (the "Exchange Act")) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company's then outstanding securities; or (iv) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

Section 7. Assumed Amounts Attributable to Transferred Employees

Notwithstanding any other provision herein, as of the Effective Date, the Company has assumed the liabilities and obligations under the Questar Corporation Annual Management Incentive Plan II, as amended and restated effective January 1, 2010 (the "Questar AMIP II") for the payment, if any, of an award that a Transferred Employee (as defined below) would have otherwise been entitled to receive with respect to the 2010 performance period pursuant to such terms and conditions set forth in the Questar AMIP II had such Transferred Employee not incurred a termination of employment with Questar and its affiliates as a result of the transaction contemplated by that certain Separation and Distribution Agreement, by and between Questar and the Company, dated as of June 14, 2010 (the "Separation Agreement"), and as of the

Effective Date Questar shall have no further liabilities or obligations with respect to the Questar AMIP II for such Transferred Employees; provided, however, that any Termination of Employment on or after the Effective Date shall be deemed to be a termination of employment with Questar and its affiliates solely for purposes of determining whether any such award would otherwise be payable in accordance with the terms and conditions of the Questar AMIP II. For purposes of this Section, a “Transferred Employee” means a “QEP Employee” (as defined in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010) who was eligible to receive an award under the Questar AMIP II with respect to the 2010 performance period.

Section 8. Other Provisions.

(a) Taxes and Withholding. All cash payments made under the Plan are subject to withholding for federal, state, and other applicable taxes. The Company shall deduct any taxes required by law to be withheld from all amounts paid to a Covered Employee under this Plan.

(b) Source of Funds. All cash payments made under the Plan will be paid from the Company’s general assets and nothing contained in the Plan will require the Company to set aside or hold in trust any funds for the benefit of any Covered Employee or his Designated Beneficiary.

(c) Coordination with Deferred Compensation Plan. Covered Employees are entitled to defer the receipt of their cash bonuses under the terms of the QEP Resources, Inc. Deferred Compensation Wrap Plan, as amended from time to time. Any cash bonuses payable under this Plan that are deferred pursuant to such Deferred Compensation Wrap Plan shall be accounted for and distributed according to the terms of such plan and the elections made by Covered Employees thereunder.

(d) No Assignment. No right or interest of any Covered Employee under this Plan shall be assignable or transferable in whole or in part, either directly or by operation of law or otherwise, including, but not by way of limitation, execution, levy, garnishment, attachment, pledge, bankruptcy, or in any other manner, and no right or interest of any Covered Employee under the Plan shall be liable for, or subject to, any obligation or liability of such Covered Employee. Any assignment, pledge, encumbrance, charge, transfer, or other act in violation of this provision shall be void.

(e) Amendment and Termination of Plan. The Board, at any time, may amend, modify, suspend, or terminate the Plan, but such action shall not affect the awards earned and the payment of such awards during any given Performance Period. No amendment to change the maximum award payable to a Covered Employee, the definition of Covered Employee, or the definition of Performance Goals shall be effective without shareholder approval. The Board cannot amend, modify, suspend, or terminate the Plan in any year in which a Change in Control has occurred without the written consent of the affected Covered Employees.

(f) Successor. The Company shall require any successor or assignee, whether direct, indirect, by purchase, merger, consolidation or otherwise, to all or substantially all of the

business and/or assets of the Company to assume the obligations under this Plan in the same manner and to the same extent that the Company would be required to perform if no such successor assignment had taken place.

(g) Choice of Law This Plan will be governed by and construed in accordance with applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the state of Colorado.

(h) Effective Date of the Plan. The Plan is effective upon the “Distribution” (as such term is defined under that certain Separation Agreement) (the “Effective Date”), and shall remain in effect until it is suspended or terminated as provided in Section 8(e); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

(i) 409A Compliance. The payments and benefits provided hereunder are intended to be exempt from or compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Section 8(e) hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 8(i) does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Covered Employee for any failure to do so.

Notwithstanding anything to the contrary in this Plan, no compensation or benefits shall be paid to a Covered Employee during the 6-month period following his or her “separation from service” from the Company (within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h)) (a “Separation from Service”) to the extent that the Company determines that the Covered Employee is a “specified employee” at the time of such Separation from Service and that that paying such amounts at the time or times indicated in this Plan would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such 6-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without being subject to such additional taxes, including as a result of the Covered Employee’s death), the Company shall pay to the Covered Employee a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Covered Employee during such 6-month period.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Annual Management Incentive Plan II was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek
Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer

QEP RESOURCES, INC.
LONG-TERM CASH INCENTIVE PLAN

Section 1. *Purpose.*

The QEP Resources, Inc. Long-term Cash Incentive Plan, as may be amended from time to time (the “Plan”), is designed to encourage key employees of QEP Resources, Inc. (the “Company”) and its Affiliates (as defined below) to focus attention on the long-term profitability and growth of the Company, thereby serving the interests of the Company’s shareholders and to align employee incentives with shareholder value creation.

Section 2. *Definitions.*

“*Affiliate*” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Section 409A of the Code, or any entity otherwise designated as an Affiliate by the Company.

“*Board*” means the Board of Directors of the Company or a successor to the Company.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time.

“*Committee*” means the Compensation Committee of the Board of Directors, which is comprised wholly of independent, outside directors.

“*Covered Employee*” means a Key Employee who is a “covered employee” as defined in Section 162(m)(3) of the Code and the regulations promulgated pursuant to it or who the Committee believes will be such a Covered Employee for any given Performance Period.

“*Designated Beneficiary*” means the beneficiary designated by the Key Employee, in a manner determined by the Committee, to receive amounts due the Key Employee in the event of the Key Employee’s death. In the absence of an effective designation by the Key Employee, Designated Beneficiary shall mean the Key Employee’s beneficiary(ies) designated by the Key Employee (or deemed by law to be designated) under the QEP Resources, Inc. Employee Investment Plan, as may be amended from time to time, or if no such designation, to the Key Employee’s estate.

“*Disability*” means a condition that renders a Key Employee unable to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months. The foregoing definition of Disability shall be interpreted in a manner consistent with Section 409A of the Code and relevant guidance issued thereunder.

“*Employer*” means the Company and any of its Affiliates that agree to bear the costs of having its Key Employees participate in the Plan. The term shall also mean any successor to the Company.

“Fiscal Year” means the fiscal year of the Company.

“Key Employee” means an officer, manager or senior professional employed by an Employer who plays a key role in achieving the Company’s strategic plans and total return goals. To participate in the Plan, an employee must be nominated by the Company’s President and Chief Executive Officer and confirmed by the Committee. An employee’s status as an officer, manager, or senior professional does not make him automatically eligible to participate in the Plan.

“Performance Goals” means the objective(s) established by the Committee for a Performance Period. As a general rule, the Performance Goal shall be Total Shareholder Return or other performance measure deemed by the Committee to be closely linked to long-term shareholder value. Performance Goals may include alternate and multiple goals and may be based on one or more business and or financial criteria. The Committee may include one or any combination of the following criteria in either absolute or relative terms, for the Company or any business unit within it: (a) total shareholder return; (b) return on assets, return on equity or return on capital employed; (c) measures of profitability such as earnings per share, corporate or business unit net income, net income before extraordinary or one-time items, earnings before interest and taxes, earnings before interest, taxes, depreciation and amortization, or earnings before interest, depreciation, amortization, taxes and exploration expense; (d) cash flow from operations; (e) gross or net revenues or gross or net margins; (f) levels of operating expense or other expense items reported on the income statement; (g) measures of customer satisfaction and customer service; (h) safety; (i) annual or multi-year average reserve growth, production growth or production replacement, either absolute or on an appropriate per unit basis (e.g. reserve or production growth per diluted share; (j) efficiency or productivity measures such as annual or multi-year average finding costs, absolute or per unit operating and maintenance costs, lease operating expenses, inside-lease operating expenses, operating and maintenance expense per decatherm or customer or fuel gas reimbursement percentage; (k) satisfactory completion of a major project or organizational initiative with specific criteria set in advance by the Committee defining “satisfactory”; (l) debt ratios or other measures of credit quality or liquidity; (m) production and production growth; and (n) strategic asset sales or acquisitions in compliance with specific criteria set in advance by the Committee.

“Performance Period” or “Period” means the period of years selected by the Committee during which attainment of one or more of the Performance Goals will be measured for purposes of determining the extent to which a Key Employee has earned his Target Bonus or any portion or multiple of it; provided, that any Performance Period must be at least two years in length.

“Service” means a Key Employee’s service as an employee of an Employer and, to the extent applicable, service as an employee of Questar Corporation and any affiliate thereof that was taken into account under the Questar Corporation Long-Term Cash Incentive Plan, as amended and restated effective January 1, 2009, with respect to such Key Employee’s participation therein.

“Target Bonus” means the dollar amount specified for each Key Employee within the first 90 days of each Performance Period, but in no event after 25 percent of the Performance Period has lapsed.

“*Termination of Employment*” means the date on which a Key Employee shall cease to serve as an employee of an Employer for any reason.

“*Total Shareholder Return*” means the change in stock price for the relevant period plus any dividends the Company pays its shareholders during the year, expressed as a percentage.

Section 3. *Administration.*

The Plan shall be administered by the Committee, unless otherwise determined by the Board. The Committee shall have sole and complete authority to adopt, alter, and repeal such administrative rules, guidelines, and practices governing the operation of the Plan, and to interpret the terms and provisions of the Plan. The Committee’s decisions shall be binding upon all parties, including the Employers, stockholders, Key Employees, and Designated Beneficiaries.

Section 4. *Eligibility.*

When reviewing an employee’s nomination for Plan participation, the Committee may consider such factors as the employee’s functions and responsibilities and the employee’s past, present, and future contributions to an Employer’s growth and profitability.

Nothing contained in the Plan shall confer upon any Key Employee any right to continue in the employment or service of an Employer or to limit in any respect the right of the Employer to terminate the Participant’s employment or service at any time and for any reason.

Section 5. *Determination of Key Employees, Target Bonuses, and Performance Goals.*

Within the first 90 days of each Performance Period, but in no event after 25 percent of the Performance Period has lapsed, the Committee shall, in writing, (i) name individuals to participate in the Plan as Key Employees, (ii) determine each Key Employee’s Target Bonus (including minimum payout portions of the Target Bonus and maximum payout multiples of the Target Bonus), and (iii) establish the Performance Goal(s) and the underlying performance criteria applicable thereto for a defined Performance Period. At such time and to the extent applicable, the Committee shall also approve the peer companies for the Total Shareholder Return comparison and approve the maximum amount that can be paid pursuant to the terms of the Plan at the end of the Performance Period.

With respect to any Covered Employee, the Performance Goals must be objective and must satisfy third party “objectivity” standards under Section 162(m) of the Code and regulations promulgated pursuant to it. Any payment under this Plan to a Covered Employee with respect to a relevant Performance Period shall be contingent upon the attainment of the Performance Goals that are specified in advance by the Committee for the Performance Period in question. In addition, when provided for by the Committee at the time the Performance Goals are established,

the Performance Goals may be adjusted to exclude the effect of any of one or more of the following events that occur during the Performance Period: (i) asset write-downs; (ii) litigation, claims, judgments or settlements; (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results; (iv) accruals for reorganization and restructuring programs; (v) material changes to invested capital from pension and post-retirement benefits-related items and similar non-operational items; and (vi) any extraordinary, unusual, non-recurring or non-comparable items: (A) as described in Accounting Principles Board Opinion No. 30, (B) as described in management's discussion and analysis of financial condition and results of operations appearing in the Company's Annual Report to stockholders for the applicable year, or (C) as publicly announced by the Company in a press release or conference call relating to the Company's results of operations or financial condition for a completed quarterly or annual fiscal period. The Committee shall certify in writing prior to approval of any such payment that such applicable Performance Goals relating to the payment are satisfied. (Approved minutes of the Committee may be used for this purpose.)

The maximum payment that may be paid to any Key Employee under the Plan for any Performance Period shall be \$8,000,000.

Section 6. *Determination of Awards.*

As soon as reasonably practicable after the close of the Performance Period, the Committee shall determine incentive awards payable to each Key Employee, using the Target Bonus and Performance Goals previously approved. All payments shall be made in cash and in a single lump sum no later than the 15th day of the 3rd month following the end of the calendar year that includes the last day of the relevant Performance Period. Aggregate awards calculated pursuant to the terms of the Plan shall not exceed the maximum limit approved by the Board for the Performance Period involved. To be eligible to receive a payment, the Key Employee must be actively employed by an Employer as of the date of payment except as provided in Section 7 and must not have been placed on probation at any time during the applicable Performance Period.

Section 7. *Termination of Employment.*

In the event a Key Employee incurs a Termination of Employment during a Performance Period for any reason other than death, Disability, Retirement, or a Change in Control, he shall not be entitled to any payment pursuant to the terms of the Plan. If a Key Employee incurs a Termination of Employment as a result of death, Disability, or Retirement, his award for the Performance Period (if any), as calculated pursuant to Section 6, shall be prorated based on the length of his service during the Performance Period when compared to the entire Period. For the purpose of this Plan, "Retirement" shall mean any voluntary Termination of Employment on or after age 55 with 10 years of Service. All prorated awards shall be paid to the Key Employee (or his Designated Beneficiary, in the event of his death) at the time specified in Section 6.

In the event a Key Employee incurs a Termination of Employment during a Performance Period as a result of a Change in Control during a Performance Period, he shall be entitled to receive a payment equal to his Target Bonus for such Performance Period. Such payment shall be made to him within 30 days after his Termination of Employment. Notwithstanding the

foregoing, in no event shall a Covered Employee who is a participant in the QEP Resources, Inc. Executive Severance Compensation Plan, as may be amended from time to time, as of the Change in Control be entitled to any such payment.

A Change in Control of the Company shall be deemed to have occurred if (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company's then outstanding securities; or (iv) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

Section 8. Assumed Amounts Attributable to Transferred Employees.

Notwithstanding any other provision herein, as of the Effective Date, the Company has assumed the liabilities and obligations under the Questar Corporation Long-Term Cash Incentive Plan, as amended and restated effective January 1, 2009 (the "Questar LTCIP"), for the payment,

if any, of an award that a Transferred Employee (as defined below) would have otherwise been entitled to receive with respect to the 2008-2010 performance period pursuant to such terms and conditions set forth in the Questar LTCIP had such Transferred Employee not incurred a termination of employment with Questar Corporation and its affiliates as a result of the transaction contemplated by that certain Separation and Distribution Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010 (the "Separation Agreement"), and as of the Effective Date Questar shall have no further liabilities or obligations with respect to the Questar LTCIP for such Transferred Employees; provided, however, that any Termination of Employment on or after the Effective Date shall be deemed to be a termination of employment with Questar Corporation and its affiliates solely for purposes of determining whether any such award would otherwise be payable in accordance with the terms and conditions of the Questar LTCIP. For purposes of this Section 8, a "Transferred Employee" means a "QEP Employee" (as defined in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010 (the "Employee Matters Agreement")) who was eligible to receive an award under the Questar LTCIP with respect to the 2008-2010 performance period.

For the avoidance of doubt, any award which a Transferred Employee would have otherwise been entitled to receive with respect to the 2009-2011 and 2010-2012 performance periods under the Questar LTCIP will be converted from an award payable in cash to an award of restricted common stock of the Company to be granted under the QEP Resources, Inc. 2010 Long-Term Stock Incentive Plan in accordance with the terms set forth in the Employee Matters Agreement, and any such awards shall not be assumed or payable under this Plan.

Section 9. *General Provisions.*

a. *Other Benefit Plans.* Any cash awards paid under the terms of this Plan do not constitute "compensation" for purposes of the Company's qualified or welfare benefit plans.

b. *Taxes and Withholding.* All cash payments made under the Plan are subject to withholding for federal, state, and other applicable taxes. The Company shall deduct any taxes required by law to be withheld from all amounts paid to a Key Employee under this Plan.

c. *Source of Funds.* All cash payments made under the Plan will be paid from the Company's general assets and nothing contained in the Plan will require the Company to set aside or hold in trust any funds for the benefit of any Key Employee or his Designated Beneficiary.

d. *No Assignment.* No right or interest of any Key Employee under this Plan shall be assignable or transferable in whole or in part, either directly or by operation of law or otherwise, including, but not by way of limitation, execution, levy, garnishment, attachment, pledge, bankruptcy, or in any other manner, and no right or interest of any Key Employee under the Plan shall be liable for, or subject to, any obligation or liability of such Key Employee. Any assignment, pledge, encumbrance, charge, transfer, or other act in violation of this provision shall be void.

e. *Amendment and Termination of Plan.* The Board, at any time, may amend, modify, suspend, or terminate the Plan, but such action shall not affect the awards earned and the payment of such awards during any given Performance Period. No amendment to change the maximum award payable to a Covered Employee, the definition of Covered Employee, or the definition of Performance Goals shall be effective without shareholder approval. The Board cannot amend, modify, suspend, or terminate the Plan in any year in which a Change in Control has occurred without the written consent of the affected Key Employees.

f. *Successor.* The Company shall require any successor or assignee, whether direct, indirect, by purchase, merger, consolidation or otherwise, to all or substantially all of the business and/or assets of the Company to assume the obligations under this Plan in the same manner and to the same extent that the Company would be required to perform if no such successor assignment had taken place.

g. *Choice of Law.* This Plan will be governed by and construed in accordance with applicable federal law and, to the extent not preempted by federal law, in accordance with the laws of the state of Colorado.

h. *Effective Date of the Plan.* The Plan is effective upon “Distribution” (as such term is defined under that certain Separation Agreement) (the “Effective Date”), and shall remain in effect until it is suspended or terminated as provided in Section 9(e); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

i. *409A Compliance.* The payments and benefits provided hereunder are intended to be exempt from or compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Section 9(e) hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 9(i) does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Covered Employee for any failure to do so.

Notwithstanding anything to the contrary in this Plan, no compensation or benefits shall be paid to a Key Employee during the 6-month period following his or her “separation from service” from the Company (within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h)) (a “Separation from Service”) to the extent that the Company determines that the Key Employee is a “specified employee” at the time of such Separation from Service and that that paying such amounts at the time or times indicated in this Plan would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the

payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such 6-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without being subject to such additional taxes, including as a result of the Key Employee's death), the Company shall pay to the Key Employee a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Key Employee during such 6-month period.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Long-Term Cash Incentive Plan was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek

Richard J. Doleshek
Executive Vice President, Chief Financial Officer
and Treasurer

QEP RESOURCES, INC.
2010 LONG-TERM STOCK INCENTIVE PLAN

Section 1. Purpose

The QEP Resources, Inc. 2010 Long-Term Stock Incentive Plan, as may be amended from time to time (the “Plan”), is designed to encourage directors, officers and employees of and consultants to QEP Resources, Inc. (the “Company”) and its Affiliates (as defined below) to acquire a proprietary interest in the Company, to generate an increased incentive to contribute to the Company’s future growth and success, and to enhance the Company’s ability to attract and retain talented individuals to serve the Company. Accordingly, the Company, during the term of this Plan, may grant incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock, performance shares, and other awards valued in whole or in part by reference to the Company’s stock. Any awards granted to a nonemployee director shall be solely to compensate such person for service to the Company as a nonemployee director. In addition, the Plan permits the issuance of long-term incentive awards in partial substitution of long-term incentive awards that covered shares of the common stock of Questar Corporation immediately prior to the spin-off of QEP Resources, Inc. by Questar Corporation.

Section 2. Definitions

“Affiliate” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Section 409A of the Code, or any entity otherwise designated as an Affiliate by the Company.

“Award” shall mean a grant or award under Section 7 through 12, inclusive, of the Plan, as evidenced in a written or electronic document delivered to a Participant as provided in Section 14(b).

“Award Agreement” shall mean a written or electronic agreement between a Participant and the Company that sets forth the terms of the Award.

“Board” shall mean the Board of Directors of the Company.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Committee” shall mean the Compensation Committee of the Board.

“Common Stock” or “Stock” shall mean the Common Stock, \$.01 par value, of the Company.

“Company” shall mean QEP Resources, Inc.

“Conversion Award” shall have the meaning specified in Section 12 hereof.

“Covered Participant” shall mean a Participant who is a covered employee as defined in Section 162(m)(3) of the Code and the regulations promulgated pursuant to it or who the Committee believes will be such a covered employee for all or any portion of a Performance Period during which Section 162(m) of the Code applies to any compensation paid to the Participant.

“Designated Beneficiary” shall mean the beneficiary designated by the Participant, in a manner determined by the Committee, to receive amounts due the Participant in the event of the Participant’s death. In the absence of an effective designation by the Participant, Designated Beneficiary shall mean the Participant’s beneficiary designated under the Company’s Employee Investment Plan, if any, or, if none, the Participant’s beneficiary under the Company’s basic life insurance plan, if any, or, if none, the Participant’s estate.

“Disability” shall mean permanent and total disability within the meaning of Section 105(d)(4) of the Code.

“Employee” shall mean any officer or employee of the Employer.

“Employer” shall mean the Company and any Affiliate thereof.

“Fair Market Value” shall mean the regular closing benchmark price of the Company’s Common Stock reported on the New York Stock Exchange on the date in question, or, if the Common Stock shall not have been traded on such date, the closing price on the next preceding day on which a sale occurred.

“Family Member” shall mean the Participant’s spouse, children, grandchildren, parents, siblings, nieces and nephews.

“Fiscal Year” shall mean the fiscal year of the Company.

“Incentive Stock Option” shall mean a stock option granted under Section 7 that is intended to meet the requirements of Section 422 of the Code.

“Nonemployee Director” shall mean a member of the Board who is not an Employee and who satisfies the requirements of Rule 16b-3(b)(3) promulgated under the Securities and Exchange Act of 1934 or any successor provision.

“Nonqualified Stock Option” shall mean a stock option granted under Section 7 that is not an Incentive Stock Option.

“Option” shall mean an Incentive Stock Option or a Nonqualified Stock Option.

“Participant” shall mean an Employee, Nonemployee Director, or consultant to whom an Award is granted under this Plan.

“Payment Value” shall mean the dollar amount assigned to a Performance Share which shall be equal to the Fair Market Value of the Common Stock on the day of the Committee’s determination under Section 9(c) with respect to the applicable Performance Period.

“Performance Goals” shall mean the objectives established by the Committee for a Performance Period pursuant to Section 13, for the purpose of determining the extent to which Performance Shares that have been contingently awarded for such Period are earned.

“Performance Period” or “Period” shall mean the period of years selected by the Committee during which the performance is measured for the purpose of determining the extent to which an Award of Performance Shares has been earned.

“Performance Share” shall mean an Award granted pursuant to Section 9 of the Plan expressed as a share of Common Stock.

“Questar” shall mean Questar Corporation, a Utah corporation.

“Questar Award” shall have the meaning specified in Section 12 hereof.

“Restricted Period” shall mean the period of years selected by the Committee during which a grant of Restricted Stock or Restricted Stock Units may be forfeited to the Company.

“Restricted Stock” shall mean shares of Common Stock granted to a Participant under Section 10 of the Plan.

“Restricted Stock Unit” shall mean a notional interest equal in value to one share of Common Stock, awarded under Section 10 of the Plan.

“Right” shall mean a Stock Appreciation Right granted under Section 8.

“Separation Agreement” means that certain Separation and Distribution Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

“Service” shall include any Participant’s service as an Employee, Nonemployee Director, or consultant of an Employer and, with respect to Conversion Awards, “Service” shall also include any Participant’s service as an employee, nonemployee director, or consultant of Questar or any business entity to the extent that Questar would be deemed an “eligible issuer of service recipient stock” to the service providers of such entity, as determined pursuant to Treasury Regulation Section 1.409A-1(b)(5)(iii)(E).

“Stock Unit Award” shall mean an Award of Common Stock or units granted under Section 11.

“Termination of Service” shall mean the date on which a Participant’s Service shall cease for any reason.

Section 3. Administration

(a) The Plan shall be administered by the Committee, unless such administration is delegated in whole or in part in accordance with the provisions below or unless otherwise determined by the Board. All references in the Plan to the Committee shall include such designee or other individual or administrative body (including the full Board or any other committee or subcommittee thereof) that has responsibility, in whole or in part, for the administration of the Plan.

The Committee shall have sole and complete authority to adopt, alter and repeal administrative rules, guidelines and practices governing the operation of the Plan, and to interpret the terms and provisions of the Plan. The Committee's decisions shall be binding upon all persons, including the Company, stockholders, an Employer, Employees, Nonemployee Director, Participants, Designated Beneficiaries, and Family Members. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any agreement entered into hereunder in the manner and to the extent it shall deem expedient and it shall be the sole and final judge of such expediency. No member of the Committee shall be liable for any action or determination made in good faith.

(b) The Committee or the Board may, from time to time, to the extent permitted under the Delaware General Corporation Law, delegate to specified officers of the Company the power and authority to grant Awards under the Plan to specified groups of Employees or consultants, subject to such restrictions and conditions as the Committee or the Board, in their sole discretion, may impose. The delegation shall be as broad or as narrow and extend for such period as the Committee or the Board shall determine. Notwithstanding the foregoing, the power and authority to grant Awards to any Employee or consultant or Non-Employee Director who is subject to Section 16(b) of the Exchange Act shall not be delegated by the Committee or the Board. In addition, all actions to be taken by the Committee under this Plan, insofar as such actions affect compliance with Section 162(m) of the Code, shall be limited to those members of the Board who are Nonemployee Directors and who are outside directors under Section 162(m).

Section 4. Eligibility

(a) Awards may only be granted to directors, officers and employees of or consultants to the Company or any Affiliate who have the capacity to contribute to the success of the Company, except that Conversion Awards may be granted to any person who holds Questar Awards. When selecting Participants and making Awards, the Committee may consider such factors as the Participant's functions and responsibilities and the Participant's past, present and future contributions to the Company's profitability and growth.

(b) Nothing contained in the Plan or in any individual agreement pursuant to the terms of the Plan shall confer upon any Participant any right to continue in the employment or service of the Company or to limit in any respect the right of the Company to terminate the Participant's employment or service at any time and for any reason.

Section 5. Maximum Amount Available for Awards and Maximum Award

(a) The aggregate number of shares of Common Stock which may be issued or transferred pursuant to Awards under the Plan shall be equal to 15,000,000, plus the number of shares of Common Stock that are covered by Conversion Awards, subject to adjustment for additional issuances and forfeitures, as described below (the "Share Limit"). Shares of Common Stock that are issued in connection with Conversion Awards shall count against the Share Limit.

(b) Shares of Common Stock may be made available from the authorized but unissued shares of the Company or from shares reacquired by the Company, including shares purchased in the open market.

(c) For purposes of determining the number of shares of Common Stock that remain available for issuance under this Plan, the number of shares corresponding to Awards (including

Conversion Awards) under the Plan that are forfeited or cancelled or otherwise expire for any reason without having been exercised or settled or that is settled through issuance of consideration other than shares (including, without limitation, cash) shall be added back to the Plan and will again be available for the grant of Awards. Shares subject to an Award under the Plan, however, may not again be made available for issuance under the Plan if such shares were: (i) shares that were subject to an Option or a stock-settled Stock Appreciation Right and were not issued upon the net settlement or net exercise of such Option or Stock Appreciation Right, (ii) shares delivered to or withheld by the Company to pay the exercise price of an Option or the withholding taxes related to any Award, or (iii) Shares repurchased on the open market with the proceeds of an Option exercise.

(d) In the event that the Committee shall determine that any stock dividend, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, exchange of shares, warrants or rights offering to purchase Common Stock at a price substantially below Fair Market Value or other similar corporate event affects the Common Stock such that an adjustment is required in order to preserve the benefits or potential benefits intended to be made available under this Plan, then the Committee, shall take action. The Committee shall adjust any or all of the number and kind of shares that thereafter may be awarded or optioned and sold or made the subject of Rights under the Plan, the number and kind of shares subject to outstanding Options and other Awards, and the grant, exercise or conversion price with respect to any of the foregoing and/or, if deemed appropriate, make provision for a cash payment to a Participant or a person who has an outstanding Option or other Award.

(e) Other than with respect to Conversion Awards, there is a maximum of 1,000,000 shares that can be the subject of Options and Rights granted to any single Participant in any given fiscal year.

(f) All shares reserved for issuance under the Plan may be issued as Incentive Stock Options.

Section 6. Termination of Service

In the event of a Participant's Termination of Service, the Participant's right to exercise an Option or receive any Award shall be determined by the Committee and as provided in the Award Agreement, subject to the general requirement that Incentive Stock Options cannot be exercised as an Incentive Stock Option for longer than three months after retirement or 12 months after death or Disability.

Section 7. Stock Options

(a) Grant. Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the individuals to whom Options shall be granted, the number of shares to be covered by each Option, the option price therefore and the conditions and limitations, applicable to the exercise of the Option. The Committee shall have the authority to grant Incentive Stock Options, Nonqualified Stock Options, or both types of Options.

(b) Special Rules, Incentive Stock Options. In the case of Incentive Stock Options, the terms and conditions of such grants shall be subject to and comply with such rules as may be prescribed by Section 422 of the Code and any implementing regulations. Incentive Stock Options shall not be granted to Participants who are not employees of the Company or its subsidiaries. The

aggregate Fair Market Value (on the date of grant) of Common Stock for which any Incentive Stock Options are exercisable for the first time by a Participant during any calendar year under the Plan or any other Plan of the Company or any subsidiary shall not exceed \$100,000. To the extent the Fair Market Value (as of the date of grant) of the shares of Common Stock attributable to Incentive Stock Options first exercisable in any calendar year exceeds \$100,000, the Option shall be treated as a Nonqualified Stock Option.

(c) Option Price. The Committee shall establish the option price at the time each Option is granted, which price shall not be less than 100 percent of the Fair Market Value of the Common Stock on the date of grant.

(d) Exercise. Each Option shall be exercisable at such times and subject to such terms and conditions as the Committee, in its sole discretion, may specify in the applicable Award or thereafter; provided, however, that in no event may any Option granted hereunder be exercisable after the expiration of ten years from the date of such grant. The Committee may impose such conditions with respect to the exercise of Options, including without limitation, any conditions relating to the application of federal or state securities laws, as it may deem necessary or advisable.

No shares shall be delivered pursuant to any exercise of an Option until payment in full of the option price is received by the Company. Such payment may be made in cash, or its equivalent, or by any other method permitted by the Committee in an Award Agreement, including, but not limited to, by exchanging shares of Common Stock owned by the Participant (that are not the subject of any pledge or other security interest), or by a combination of methods, provided that the combined value of all cash and cash equivalents and the Fair Market Value of any such Common Stock so tendered to the Company, valued as of the date of such tender, is at least equal to such option price. A Participant may tender shares of Common Stock by actual delivery or by attestation.

(e) The Committee may, in accordance with Section 409A of the Code, provide one or more means to enable Participants and the Company to defer delivery of shares of Common Stock upon exercise of an Option on such terms and conditions as the Committee may determine, including by way of example the manner and timing of making a deferral election, the treatment of dividends paid on shares of Common Stock during the deferral period and the permitted distribution dates on events.

(f) Transferability. Participants are allowed to transfer vested Nonqualified Stock Options to Family Members of family trusts, provided that such transfers are made and transferred Options are exercised in accordance with procedural rules adopted by the Committee.

Section 8. Stock Appreciation Rights

(a) The Committee may, with sole and complete authority, grant Rights to Participants. Rights shall not be exercisable after the expiration of ten years from the date of grant and shall have an exercise price of not less than 100 percent of the Fair Market Value of the Common Stock on the date of grant. Rights may be issued as freestanding instruments or may be issued with respect to all or a portion of the shares subject to a related Option (the latter being "Tandem Rights").

(b) A Right shall entitle the Participant to receive from the Company an amount equal to the excess of the Fair Market Value of a share of Common Stock on the exercise of the Right over the exercise price thereof. The Committee shall determine whether such Right shall be settled in cash, shares of Common Stock or a combination of cash and shares of Common Stock.

Tandem Rights shall be exercisable only at the time and to the extent that the related Option is exercisable (and may be subject to such additional limitations on exercisability as the Award Agreement may provide) and in no event after the complete termination or full exercise of the related Option. Upon the exercise or termination of the related Option, the Tandem Rights with respect thereto shall be canceled automatically to the extent of the number of shares with respect to which the related Option was so exercised or terminated. Upon the exercise of a Tandem Right, the related Option with respect thereto shall be canceled automatically to the extent of the number of shares with respect to which the Tandem Right was so exercised.

Section 9. Performance Shares

(a) The Committee shall have sole and complete authority to determine the Participants who shall receive Performance Shares and the number of such shares for each Performance Period and to determine the duration of each Performance Period. There may be more than one Performance Period in existence at any one time, and the duration of Performance Periods may differ from each other.

(b) Once the Committee decides to use Performance Shares, it shall establish Performance Goals for each Period on the basis of criteria selected by it. Any Performance Goals for Covered Participants shall be set and measured under the provisions of Section 13.

(c) As soon as practicable after the end of a Performance Period, the Committee shall determine the number of Performance Shares that have been earned on the basis of performance in relation to the established Performance Goals. Payment Values of earned Performance Shares shall be distributed to the Participant in accordance with the Award Agreement covering such Performance Shares, which document shall contain payment terms that comply with Section 409A of the Code. The Committee shall determine whether Payment Values are to be distributed in the form of cash and/or shares of Common Stock. Any Payment Values payable for Covered Participants shall be determined under the provisions of Section 13.

Section 10. Restricted Stock and Restricted Stock Units

(a) Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Participants to whom shares of Restricted Stock and Restricted Stock Units shall be granted, the number of shares of Restricted Stock and the number of Restricted Stock Units to be granted to each Participant, the duration of the Restricted Period during which and the conditions under which the Restricted Stock and Restricted Stock Units may be forfeited to the Company, and the other terms and conditions of such Awards.

(b) Shares of Restricted Stock and Restricted Stock Units may not be sold, assigned, transferred, pledged or otherwise encumbered, except as herein provided, during the Restricted Period. At the expiration of the Restricted Period, such restrictions shall lapse and/or the Company shall deliver shares of Common Stock to the Participant or the Participant's legal representative or otherwise make payment under the Award. Payment for Restricted Stock Units shall be made by the Company in cash and/or shares of Common Stock, as determined at the sole discretion of the Committee.

Section 11. Other Stock Based Awards

(a) In addition to granting Options, Rights, Performance Shares, Restricted Stock, and Restricted Stock Units, the Committee shall have authority to grant Stock Unit Awards to Participants that can be in the form of Common Stock or units, the value of which is based, in whole or in part, on the value of Common Stock. Subject to the provisions of the Plan, Stock Unit Awards shall be subject to such terms, restrictions, conditions, vesting requirements and Code Section 409A compliant payment rules as the Committee may determine in its sole and complete discretion at the time of grant.

(b) Any shares of Common Stock that are part of a Stock Unit Award may not be assigned, sold, transferred, pledged or otherwise encumbered prior to the date on which the shares are issued or, if later, the date provided by the Committee at the time of grant of the Stock Unit Award.

(c) Stock Unit Awards shall specify whether the Participant is required to pay cash in conjunction with such Award.

(d) Stock Unit Awards may relate in whole or in part to certain performance criteria established by the Committee at the time of grant. Stock Unit Awards may provide for deferred payment schedules in accordance with Section 409A of the Code and/or vesting over a specified period of employment. In such circumstances as the Committee may deem advisable, the Committee may waive or otherwise remove, in whole or in part, any restriction or limitation to which a Stock Unit Award was made subject at the time of grant.

(e) In the sole and complete discretion of the Committee, an Award, whether made as a Stock Unit Award under this Section 11 or as an Award granted pursuant to Sections 9 or 10, may provide the Participant with dividends or dividend equivalents (payable on a current or deferred basis) and cash payments in lieu of or in addition to an Award; provided, however, that all such dividends or dividend equivalents or cash payments shall comply with Section 409A of the Code and provided further that no such dividend or dividend equivalent or cash payments shall be payable with respect to any Performance Shares until the Performance Shares have vested or been earned.

Section 12. Converted Questar Awards

(a) As a result of the spin-off transaction contemplated by the Separation Agreement, certain Awards (“Conversion Awards”) may be issued under this Plan in connection with (i) the equitable adjustment by Questar of certain stock options, stock appreciation rights, performance shares, phantom restricted stock awards and other equity-based awards previously granted by Questar, and (ii) the conversion of certain outstanding cash awards under the Questar Corporation Long-Term Cash Incentive Plan (the “Questar LTCIP”) into Restricted Stock issued under this Plan (collectively, the “Questar Awards”). Notwithstanding any other provision of the Plan to the contrary and subject to the terms of that certain Employee Matters Agreement, by and between the Company and Questar Corporation, dated as of June 14, 2010, (x) the number of shares to be subject to each Conversion Award shall be determined by the Management Performance Committee of the Board of Directors of Questar (the “Questar Committee”), and (y) the other terms and conditions of each Conversion Award, including option exercise price, shall be determined by the Questar Committee, provided that such determinations are made prior to the Separation Date (as

defined in Section 14(f)). Solely for purposes of any Conversion Award (other than a Conversion Award consisting of Restricted Stock issued in exchange for a cash award under the Questar LTCIP), the term "Participant" shall also include any person who holds a "Questar Option" or "Questar Restricted Share" (as those terms are defined in the Separation Agreement) that remains outstanding immediately prior to the Separation Date and receives a Conversion Award under this Section 12.

(b) With respect to any Conversion Award (other than a Conversion Award consisting of Restricted Stock issued in exchange for a cash award under the Questar LTCIP) held by an employee, consultant, or non-employee director in the employ or service of Questar (a "Questar Holder"), the Committee shall, upon written notification from Questar, provide that any such Conversion Award shall vest upon the terms and conditions set forth in such notification, to the extent permitted by the Plan.

(c) If a Change in Control of Questar (as defined below) occurs and a Questar Holder incurs a Qualifying Termination of Employment (as defined below) from Questar within 2 years following the date of such Change in Control of Questar, all Conversion Awards (other than a Conversion Award consisting of Restricted Stock issued in exchange for a cash award under the Questar LTCIP) held by a Questar Holder shall vest immediately. For the purposes of this Section 12(c):

(1) A "Change in Control of Questar" shall be deemed to have occurred if Questar undergoes a "Change in Control," as that term is defined under the Questar Corporation Long-Term Stock Incentive Plan, as may be amended from time to time.

(2) A "Qualifying Termination" shall be deemed to have occurred if a Questar Holder is terminated by Questar without "Cause" or resigns for "Good Reason" (as those terms are defined under the Questar Corporation Executive Severance Compensation Plan, as may be amended from time to time (the "Questar Severance Plan")), whether or not such Questar Holder participates in the Questar Severance Plan.

(d) Questar shall be an intended third party beneficiary of, and shall have standing to enforce the terms of, this Section 12 as if it were a party hereto.

Section 13. Special Provisions, Covered Participants

Awards subject to Performance Goals for Covered Participants under this Plan shall be governed by the conditions of this Section in addition to other applicable provisions of the Plan.

All Performance Goals relating to Covered Participants for a relevant Performance Period shall be established by the Committee by such date as is permitted under Section 162(m) of the Code. Performance Goals may include alternate and multiple goals and may be based on one or more business and or financial criteria. In establishing the Performance Goals for the Performance Period, the Committee may include one or any combination of the following criteria in either absolute or relative terms, for the Company or any business unit within it: (a) total shareholder return; (b) return on assets, return on equity or return on capital employed; (c) measures of profitability such as earnings per share, corporate or business unit net income, net income before extraordinary or one-time items, earnings before interest and taxes, earnings before interest, taxes, depreciation and amortization, or earnings before interest, depreciation, amortization, taxes and

exploration expense; (d) cash flow from operations; (e) gross or net revenues or gross or net margins; (f) levels of operating expense or other expense items reported on the income statement; (g) measures of customer satisfaction and customer service; (h) safety; (i) annual or multi-year average reserve growth, production growth or production replacement, either absolute or on an appropriate per unit basis (e.g. reserve or production growth per diluted share; (j) efficiency or productivity measures such as annual or multi-year average finding costs, absolute or per unit operating and maintenance costs, lease operating expenses, inside-lease operating expenses, operating and maintenance expense per decatherm or customer or fuel gas reimbursement percentage; (k) satisfactory completion of a major project or organizational initiative with specific criteria set in advance by the Committee defining "satisfactory"; (l) debt ratios or other measures of credit quality or liquidity; (m) production and production growth; and (n) strategic asset sales or acquisitions in compliance with specific criteria set in advance by the Committee.

Performance Goals must be objective and must satisfy third party objectivity standards under Section 162(m) of the Code and regulations promulgated pursuant to it. Notwithstanding the foregoing, at the time such Performance Goals are established, the Committee may determine that the Performance Goals shall be adjusted to account for any unusual items or specified events or occurrences during the Performance Period. In addition, when provided for by the Committee at the time the Performance Goals are established, the Performance Goals may be adjusted to exclude the effect of any of one or more of the following events that occur during the Performance Period: (i) asset write-downs; (ii) litigation, claims, judgments or settlements; (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results; (iv) accruals for reorganization and restructuring programs; (v) material changes to invested capital from pension and post-retirement benefits-related items and similar non-operational items; and (vi) any extraordinary, unusual, non-recurring or non-comparable items: (A) as described in Accounting Principles Board Opinion No. 30, (B) as described in management's discussion and analysis of financial condition and results of operations appearing in the Company's Annual Report to stockholders for the applicable year, or (C) as publicly announced by the Company in a press release or conference call relating to the Company's results of operations or financial condition for a completed quarterly or annual fiscal period. The Award and payment of any Award under this Plan to a Covered Participant with respect to a relevant Performance Period shall be contingent upon the attainment of the Performance Goals that are specified in advance by the Committee. The Committee shall certify in writing prior to approval of any such Award that such applicable Performance Goals relating to the Award are satisfied. (Approved minutes of the Committee may be used for this purpose.)

Other than with respect to Conversion Awards, the maximum Award that may be paid to any Covered Participant under the Plan pursuant to Sections 9, 11 and 13 for any Performance Period beginning in any one Fiscal Year shall be \$10 million, if paid in cash, or 500,000 shares of Stock, if paid in Stock.

Section 14. General Provisions

(a) **Withholding.** The Employer shall have the right to deduct from all amounts paid to a Participant in cash any taxes required by law to be withheld in respect of Awards under this Plan. In the case of payments of Awards in the form of Common Stock, the committee shall require the Participant to pay to the Employer the amount of any taxes required to be withheld with respect to such Common Stock, or, in lieu thereof, the Employer shall have the right to retain (or the Participant may be offered the opportunity to elect to tender) the number of shares of Common Stock whose Fair Market Value equals the amount required to be withheld.

(b) Awards. Each Award shall be evidenced in a written or electronic document delivered to the Participant that shall specify the terms and conditions and any rules applicable to such Award.

(c) Nontransferability. Except as provided in Section 7(f), no Award shall be assignable or transferable, and no right or interest of any Participant shall be subject to any lien, obligation or liability of the Participant, except by will or the laws of descent and distribution.

(d) No Rights as Stockholder. Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed under the Plan until becoming the holder of such shares. Notwithstanding the foregoing, in connection with each grant of Restricted Stock hereunder, the applicable Award shall specify if and to what extent the Participant shall not be entitled to the rights of a stockholder in respect of such Restricted Stock.

(e) Construction of the Plan. The validity, construction, interpretation, administration and effect of the Plan and of its rules and regulations, and rights relating to the Plan, shall be determined solely in accordance with the laws of Delaware.

(f) Effective Date. The Plan is effective immediately before the "Distribution" (as such term is defined in the Separation Agreement) (the "Separation Date"); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

(g) Duration of Plan. The Plan shall terminate on the date immediately preceding the tenth anniversary of the date the Plan is adopted by the Board, unless the term is extended with approval of the Company's shareholders.

(h) Amendment or Termination of Plan. The Board of Directors may amend, suspend or terminate the Plan or any portion thereof at any time, provided that no amendment shall be made without stockholder approval if such approval is necessary to comply with any tax or legal requirement.

(i) Amendment of Award. The Committee may amend, modify or terminate any outstanding Award with the Participant's consent at any time prior to payment or exercise in any manner not inconsistent with the terms of the Plan, including without limitation, to change the date or dates as of which an Option or Right becomes exercisable; a Performance Share is deemed earned; Restricted Stock becomes nonforfeitable; or to cancel and reissue an Award under such different terms and conditions as it determines appropriate.

(j) Repricing. Except for adjustments pursuant to Section 5, the per share price for any outstanding Option or Right granted under terms of the Plan may not be decreased after the dates on which such Option or Right was granted. Participants do not have the ability to surrender an outstanding Option or Right as consideration for the grant of a new Option or Right with a lower price, cash or other Awards, unless such repricing or exchanges are permitted with prior shareholder approval.

(k) 409A. The payments and benefits provided hereunder are intended to be exempt from or compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Sections 14(h) and (i) hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 14(k) does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Participant for any failure to do so.

Section 15. Change in Control

In the event of a Change in Control of the Company, all Options, Restricted Stock, and other Awards granted under the Plan shall vest immediately.

A “Change in Control of the Company” shall be deemed to have occurred if (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the “Exchange Act”)) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Separation Date, constitute the Company’s Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company’s stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Separation Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company’s then outstanding securities; or (iv)

the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation §1.409A-3(i)(5) to the extent required by Section 409A of the Code.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. 2010 Long-Term Stock Incentive Plan was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek

Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer

QEP RESOURCES, INC.

EXECUTIVE SEVERANCE COMPENSATION PLAN

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ARTICLE I
INTRODUCTION

The Board of Directors of QEP Resources, Inc. recognizes that, as is the case with many publicly held corporations, the possibility of a Change in Control exists. This possibility, and the uncertainty it creates with executives, may be detrimental to the Company and its shareholders if executives are distracted and/or leave the Company.

The Board considers the avoidance of such loss and distraction to be essential to protecting and enhancing the best interests of the Company and its shareholders. The Board also believes that when a Change in Control is perceived as imminent, or is occurring, the Board should be able to receive and rely on disinterested service from executive employees regarding the best interests of the Company and its shareholders without concern that the executive employees might be distracted or concerned by their personal uncertainties and risks created by the perception of an imminent or occurring Change in Control.

In addition, the Board believes that it is consistent with the Company's employment practices and policies and in the best interests of the Company and its shareholders to treat fairly its executive employees whose employment terminates in connection with or following a Change in Control.

Accordingly, the Board has determined that appropriate steps should be taken to assure the Company and its Affiliates of the executive employees' continued employment and attention and dedication to duty, and to seek to ensure the availability of their continued service, notwithstanding the possibility, threat or occurrence of a Change in Control.

In order to fulfill the above purposes, the Board hereby adopts this QEP Resources, Inc. Executive Severance Compensation Plan, as may be amended from time to time, effective as of the Effective Date, as set forth below.

ARTICLE II
ESTABLISHMENT OF PLAN

As of the Effective Date, the Company hereby adopts its separation compensation plan known as the QEP Resources, Inc. Executive Severance Compensation Plan, as set forth in this document.

ARTICLE III
DEFINITIONS

As used herein, the following words and phrases shall have the following respective meanings unless the context clearly indicates otherwise.

(a) Affiliate. The Company and any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Section 409A of the Code, or any entity otherwise designated as an Affiliate by the Company.

(b) Annual Cash Incentive Plans. Any annual cash incentive plan, program or arrangement offered by an Employer.

(c) Annual Base Salary. The Participant's gross annual base salary in effect immediately prior to the Change in Control.

(d) Average Annual Bonus Amount. The higher of: (i) the average of the annual bonuses a Participant actually received under the Annual Cash Incentive Plans, including, with respect to any Transferred Participant under any annual cash incentive plan, program, or arrangement offered by Questar prior to the Effective Date, for the Look-Back Period; or (ii) the average annual target bonuses established for the Participant under the Company's Annual Cash Incentive Plans, including, with respect to any Transferred Participant under any annual cash incentive plan, program, or arrangement offered by Questar prior to the Effective Date, for the Look-Back Period. In the event a Participant's Date of Termination occurs prior to payment of the annual bonus under the Annual Cash Incentive Plans for the most recently completed fiscal year, the amount actually received for such year for purposes of (i) above shall be deemed to be the target bonus amount established for the Participant under the Annual Cash Incentive Plans for such year.

(e) Board. The Board of Directors of the Company.

(f) Cause. Cause shall mean: (i) the willful and continued failure of the Participant to perform substantially the Participant's duties with an Employer (other than any such failure resulting from incapacity due to physical or mental illness), following written demand for substantial performance delivered to the Participant by the Board or the Chief Executive Officer of the Company; or (ii) the willful engaging by the Participant in conduct which is materially injurious to an Employer. For purposes of this definition, no act or failure to act on the part of the Participant shall be considered "willful" unless it is done, or omitted to be done, by the Participant without reasonable belief that the Participant's action or omission was in the best interests of an Employer. The Company, acting through its Board of Directors, must notify the Participant in writing that the Participant's employment is being terminated for "Cause". The notice shall include a list of the factual findings used to sustain the judgment that the Participant's employment has been terminated for "Cause".

(g) Change in Control. A Change in Control of the Company shall be deemed to have occurred if (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")) other than a trustee or

other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Company's Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company's then outstanding securities; or (iv) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

(h) Code. The Internal Revenue Code of 1986, as amended from time to time.

(i) Company. QEP Resources, Inc. and any successor to such entity.

(j) Compensation. For purposes of this Plan, "Compensation" means (i) with respect to any Participant who participates in the Retirement Plan, such Participant's remuneration taken into account for purposes of calculating the retirement benefit thereunder, and, (ii) with respect to any Participant who participates in the SERP, such Participant's remuneration taken into account for purposes of calculating the retirement benefit thereunder.

(k) Date of Termination. The date on which a Participant ceases to be an Employee of an Employer as a result of a Separation from Service.

(l) Disability. A condition that renders a Participant unable to engage in any

substantial, gainful activity by reason of any medically-determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months. The foregoing definition of "Disability" shall be interpreted in a manner consistent with Section 409A of the Code and the Internal Revenue Service and Treasury guidance thereunder.

(m) Eligible Employee. Any officer of any Employer.

(n) Employee Matters Agreement. That certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010.

(o) Employer. The Company or any Affiliate which participates in the Plan pursuant to Article IX hereof.

(p) ERISA. The Employee Retirement Income Security Act of 1974, as amended from time to time.

(q) Good Reason. Good Reason, with respect to a Participant's termination of employment, means any of the following events or conditions which occur without the Participant's written consent, and which remain in effect after notice has been provided by the Participant to the Company of such material reduction and the expiration of a 30 day cure period: (i) a material diminution in the Participant's base compensation; (ii) a material diminution in the Participant's authority, duties, or responsibility; (iii) a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Participant is required to report, including a requirement that a Participant report to a corporate officer or employee instead of reporting directly to the Board; (iv) a material diminution in the budget over which the Participant retains authority; (v) a material change in the geographic location at which the Participant performs services; or (vi) any other action or inaction that constitutes a material breach by an Employer of the Participant's employment agreement (if any). The Participant's notification to the Company must be in writing and must occur within a reasonable period of time, not to exceed 90 days, following the Participant's discovery of the relevant event or condition.

(r) Long-Term Cash Incentive Plan. The Company's Long-Term Cash Incentive Plan, as may be amended from time to time, or any successor or replacement multi-year cash incentive plan(s) or arrangement(s).

(s) Look-Back Period. The last three full fiscal years immediately prior to the Change in Control, or such shorter number of full fiscal years that the Participant was actually employed by an Employer, including, with respect to any Transferred Participant, any such period during which the Transferred Participant was actually employed by Questar.

(t) Participant. An individual who is designated as such pursuant to Section 4.1.

(u) Plan. The QEP Resources, Inc. Executive Severance Compensation Plan, as set forth in this document.

(v) Plan Administrator. The Compensation Committee of the Board.

(w) Questar. Questar Corporation, a Utah corporation, and any of its Affiliates (as defined in the Questar Corporation Executive Severance Compensation Plan, as amended and restated effective October 23, 2007).

(x) Retirement Plan. The QEP Resources, Inc. Retirement Plan, as amended or restated from time to time, or any successor plan.

(y) Separation Benefits. The benefits described in Article VI that are provided to qualifying Participants under the Plan.

(z) Separation from Service. A “separation from service” within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h).

(aa) SERP. The QEP Resources, Inc. Supplemental Executive Retirement Plan, as amended or restated from time to time, or any successor plan.

(bb) Target Long Term Bonus Amount. The single target bonus established for the Participant under the Company’s Long Term Cash Incentive Plan for the performance period beginning in the year in which the Date of Termination occurs. In the event the Participant’s Date of Termination occurs prior to the establishment of the Participant’s target bonus for the performance period beginning in the year in which the Date of Termination occurs, the Target Long Term Bonus Amount shall be the single target bonus established for the Participant under the Company’s Long Term Cash Incentive Plan for the performance period beginning in the year immediately preceding the year in which the Date of Termination occurs.

(cc) Transferred Participant. A Participant who is a “QEP Employee” (as such term is defined in the Employee Matters Agreement).

ARTICLE IV **ELIGIBILITY**

4.1 Participation. The Board shall, in its sole discretion, select from the group of Eligible Employees those individuals who may participate in the Plan. Any Eligible Employee selected for participation shall become a Participant upon written notification by the Board (or its designee) to such Eligible Employee of his or her participation in the Plan.

4.2 Duration of Participation.

(a) Prior to the occurrence of a Change in Control, a Participant shall continue to participate in the Plan at the sole discretion of the Board, which may terminate the individual’s participation in the Plan at any time, and for any reason. A Participant shall automatically cease participation in the Plan when he ceases to be an Eligible Employee of any Employer prior to a Change in Control.

(b) On and after a Change in Control, a Participant shall cease to be a Participant in the Plan if he ceases to be an Eligible Employee of any Employer and is not entitled to payment of a Separation Benefit or any other benefits under the Plan (such as the

special tax payment). A Participant entitled to payment of a Separation Benefit or any other amounts under the Plan shall remain a Participant in the Plan until the full amount of the Separation Benefit and any other amounts payable under the Plan have been paid.

ARTICLE V
ENTITLEMENT TO BENEFITS

5.1 Terminations of Employment Which Give Rise to Separation Benefits Under This Plan. A Participant shall be entitled to Separation Benefits as set forth in Article VI below if, at any time following a Change in Control and prior to the third anniversary of the Change in Control, the Participant incurs a Separation from Service from an Employer that is (a) initiated by the Participant's Employer for any reason other than Cause, death, or Disability, or (b) initiated by the Participant for Good Reason within 60 days following the expiration of the cure period afforded the Company to rectify the condition giving rise to Good Reason.

5.2 Eligibility for Equity Incentive Benefits and Special Tax Payments. All Participants at the time of a Change in Control shall be eligible to receive the equity incentive benefits provided in Article VII and the special tax payments set forth in Article VIII.

ARTICLE VI
SEPARATION BENEFITS

6.1 Separation Benefits; General. If a Participant's employment is terminated in circumstances entitling the participant to Separation Benefits pursuant to Section 5.1, the Company shall provide to such Participant the cash payment set forth in Section 6.2 below, the pro-rata bonuses set forth in Section 6.3 below, the enhanced retirement benefits set forth in Section 6.4 below, the continued welfare benefits as set forth in Section 6.5 below, and the stock option and stock appreciation right benefits set forth in Section 6.6 below.

6.2 Cash Severance. Participants shall be eligible for cash severance equal to the aggregate of the following amounts:

- (a) an amount equal to two (2) times the Participant's Annual Base Salary; and
- (b) an amount equal to two (2) times the Participant's Average Annual Bonus Amount; and
- (c) an amount equal to two (2) times the Participant's Target Long-Term Bonus Amount.

All cash payments required by this Section 6.2 shall be paid within 10 calendar days of the Participant's Date of Termination; subject, however, to any payment delay required by Section 6.8(b).

6.3 Pro-Rata Bonus Amounts. Participants shall be eligible for a cash payment equal to the aggregate of the following pro-rata bonus amounts:

- (a) a bonus equal to the product of (i) the bonus the Participant would have

received under the Annual Cash Incentive Plans for the year in which the Date of Termination occurs, multiplied by (ii) a fraction, the numerator of which is the number of months (rounded up to whole months) the Participant was employed during the year in which the Date of Termination occurs, and the denominator of which is 12. In the event the Date of Termination occurs prior to the establishment of a bonus amount under the Annual Cash Incentive Plans for the year in which the Date of Termination occurs, then, solely for purposes of this Section 6.3(a), the Date of Termination shall be deemed to be December 31st of the immediately preceding year.

(b) for each of the performance periods outstanding under the Long Term Cash Incentive Plan as of the Date of Termination, a bonus equal to the product of (i) the greater of (A) the target bonus established for the Participant under the Long Term Incentive Plan for such performance period, or (B) the actual bonus that would have been earned by the Participant under the Long Term Incentive Plan for such performance period, multiplied by (ii) a fraction, the numerator of which is the number of months the Participant was employed during the performance period (rounded up to whole months), and the denominator of which is the total number of months in the performance period. Solely for purposes of determining which performance periods are taken into account for purposes of the preceding sentence, (i) a performance period shall be deemed to be outstanding if payment has yet to occur for such period as of the Date of Termination, even if the actual performance period (i.e. the period over which performance is measured) has already ended, and (ii) a performance period shall not be deemed to be outstanding if a target bonus has yet to be established for such period as of the Date of Termination.

All cash payments required by this Section 6.3 shall be paid in a single lump sum within 60 days following the end of the year in which the Date of Termination occurs; subject, however, to any payment delay required by Section 6.8(b).

6.4 Enhanced Retirement Benefits. Participants shall be entitled to an enhanced retirement benefit under the Retirement Plan and/or the SERP, to the extent that the Participant is a participant in such plan(s) as of the Date of Termination, as follows:

(a) Vested Participants. Participants who have an accrued vested benefit under either the Retirement Plan or both the Retirement Plan and the SERP as of the Date of Termination shall be entitled to an enhanced retirement benefit under this Plan in an amount equal to the excess of (i) the benefit accrued under the Retirement Plan and the SERP (if participating) as of the Date of Termination calculated as if (A) the Participant had been credited with two additional years of benefit service under the Retirement Plan and the SERP (if participating) as of the Date of Termination, and (B) the Participant's Compensation under the Retirement Plan and the SERP (if participating) for each additional year of such service had been equal to the Participant's Compensation for the last full fiscal year prior to the Date of Termination, over (ii) the actual benefit accrued under the Retirement Plan and the SERP (if participating) as of the Date of Termination.

(b) Non-Vested Participants. Participants who have an accrued unvested benefit under the Retirement Plan as of the Date of Termination shall be entitled to an enhanced retirement benefit under this Plan in an amount equal to what would be the Participant's accrued vested benefit (if any) under the Retirement Plan and the SERP (if participating) as of the Date of Termination calculated as if (i) the Participant had been credited with two additional years of

vesting and benefit service under the Retirement Plan and the SERP (if participating) as of the Date of Termination, and (ii) the Participant's Compensation under the Retirement Plan and the SERP (if participating) for each additional year of such service had been equal to the Participant's Compensation for the last full fiscal year prior to the Date of Termination.

(c) Transferred QEP SERP Participants. Notwithstanding the foregoing, any Participant who is a "Transferred QEP SERP Participant" (as defined in the SERP) and has an accrued vested benefit under the SERP as of the Date of Termination shall only be entitled to an enhanced retirement benefit under the SERP in an amount equal to the benefit accrued under the SERP as of the Date of Termination calculated as if (i) the Participant had been credited with two additional years of benefit service under the SERP as of the Date of Termination, and (ii) the Participant's Compensation under the SERP for each additional year of such service had been equal to the Participant's Compensation for the last full fiscal year prior to the Date of Termination.

(d) Payment of Enhanced Retirement Benefits. Any enhanced retirement benefit to which a Participant may be entitled under paragraph (a), (b) or (c) above shall be paid in a single lump sum within 30 calendar days of the Date of Termination; subject, however, to any payment delay required by Section 6.8(b). The lump sum payment shall be equal to (i) the present value of the applicable enhanced retirement benefit on the Date of Termination, calculated using a standard mortality table referred to as the 1983 Group Annuity Mortality table and an interest rate equal to 80% of the average of the IRS 30-year Treasury Securities Rates for the six-month period preceding the participant's retirement, plus (ii) interest on such amount, credited monthly from the Date of Termination through the date of payment (taking into account any delay required by Section 6.8(b)), using the appropriate 30-year Treasury bond quoted in the Wall Street Journal on the first business day of each month. The appropriate 30-year Treasury bond shall be the bond that has the closest maturity date (by month) preceding the month on which interest is to be credited.

(e) Ineligible to Participate in Retirement Plan. In no event shall a Participant be entitled to any benefit under this Section 6.4 if he or she is not a participant in the Retirement Plan and/or the SERP as of the Date of Termination.

6.5 Continued Welfare Benefits. For six (6) months following the Participant's Date of Termination, the Participant and his or her family shall be provided without cost medical, dental, disability, accidental death and dismemberment, and life insurance benefits that are the same as, or substantially similar to, the benefits that would have been received during such period had the Participant's employment not been terminated. Some or all of the benefits required by this Section may be provided through the payment or reimbursement of premiums incurred for similar coverage procured by the Company on the Participant's behalf or by the Participant, through the payment of COBRA premiums, or pursuant to the terms and conditions of the Company's retiree health insurance program, if applicable, in each case as determined by the Company in its sole discretion and subject to Sections 6.8 and 12.8 below.

6.6 Stock Option and Stock Appreciation Right Benefits. Notwithstanding any shorter period to the contrary in any agreement between a Participant and the Company evidencing a grant of stock options or stock appreciation rights, the Participant shall have a minimum of one year following the Date of Termination in which to exercise any vested stock

options and stock appreciation outstanding as of the Change in Control. Nothing in this Section 6.6, however, shall require the Company to continue in effect any stock option or stock appreciation right following a Change in Control, if, pursuant to the terms of the Change in Control, the Participant will receive automatically (on or within a reasonable time following the Change in Control), in cash or marketable securities, the intrinsic value of such awards as of the date of the Change in Control.

6.7 Other Benefits Payable. To the extent not theretofore paid or provided, the Company shall timely pay or provide (or cause to be paid or provided) to a Participant entitled to Separation Benefits, any other amounts or benefits required to be paid or provided to the Participant or which the Participant is eligible to receive under any plan, program, policy or practice or contract or agreement of an Employer. Thus, by way of example and not by way of limitation, benefits earned under the QEP Resources, Inc. Deferred Compensation Wrap Plan, as may be amended from time to time, or the SERP shall be unaffected by a Participant's receipt of benefits hereunder, and shall continue to be payable solely in accordance with the relevant terms of those plans. Notwithstanding the foregoing, if a Participant is entitled to Separation Benefits under this Plan and is also entitled to severance benefits under any employment agreement or other severance pay plan or policy of the Company, benefits from this Plan will be offset by the amount of the severance benefits or similar amounts received under or payable in accordance with such other agreements, plans, or policies. In addition, Separation Benefits under this Plan shall also be reduced by any amounts that are paid under the Annual Cash Incentive Plans or Long Term Cash Incentive Plan which are contingent on the Participant's termination of employment following a Change in Control.

6.8 Code Section 409A; Specified Employees.

(a) Subject to Section 6.8(b) hereof, to the extent permitted under Code Section 409A, any separate payment or benefit under this Agreement or otherwise shall not be deemed "nonqualified deferred compensation" subject to Section 409A and to the extent provided in the exceptions in Treasury Regulation Section 1.409A-1(b)(4), Section 1.409A-1(b)(9) or any other applicable exception or provision of Code Section 409A.

(b) Notwithstanding anything to the contrary in this Agreement, no compensation or benefits shall be paid to a Participant during the 6-month period following his or her Date of Termination to the extent that the Company determines that the Participant is a "specified employee" as of the Date of Termination and that that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Code Section 409A(a)(2)(B)(i). If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such 6-month period (or such earlier date upon which such amount can be paid under Code Section 409A without being subject to such additional taxes, including as a result of the Participant's death), the Company shall pay to the Participant a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Participant during such 6-month period.

(c) To the extent that Section 6.5 requires the Company, partially or wholly, to subsidize any continuation of health insurance benefits following the Participant's Date of Termination:

(i) If such continued health insurance benefits are to be provided through third-party insurance maintained by the Company under the Company's benefit plans in a manner that causes such health insurance benefits to be exempt from the application of Code Section 409A under Treasury Regulation Section 1.409A-1(a)(5), the Company shall pay or reimburse such premiums in accordance with the terms of this Agreement, subject to Section 6.8(d); provided, however, that if, during the period of health insurance benefits continuation coverage (the "Health Benefits Continuation Period"), any plan pursuant to which such health insurance benefits are provided is not, or ceases prior to the expiration of the Health Benefits Continuation Period to be, exempt from the application of Code Section 409A under Treasury Regulation Section 1.409A-1(a)(5), then an amount equal to each remaining premium payment shall thereafter be paid to the Participant as currently taxable compensation in substantially equal monthly installments over the remainder of the Health Benefits Continuation Period (or the remaining portion thereof), accompanied by any additional amounts necessary to offset the taxable nature of such benefit to the extent such amounts are either exempt from or compliant with the requirements of Code Section 409A; or

(ii) If such continued health insurance benefits are to be provided in whole or in part through a self-funded plan maintained by the Company, the benefits of which are not fully-insured by a third-party insurer:

(A) To the greatest extent applicable, such health insurance benefits shall be construed to satisfy the exemption from Code Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9)(v)(B), and

(B) To the extent such health insurance benefits do not satisfy such exemption and/or extend beyond the continuation period under COBRA, determined as of the Participant's Date of Termination, the Company shall reimburse the premiums relating to such health insurance benefits in accordance with Section 6.8(d).

(d) To the extent that any payments or reimbursements provided to the Participant under Sections 6.5, 6.8(c) or 12.7 are deemed to constitute compensation to the Participant, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any payments or expense reimbursements that constitute compensation in one year shall not affect the amount of payments or expense reimbursements constituting compensation that are eligible for payment or reimbursement in any subsequent year, and the Participant's right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

ARTICLE VII

EQUITY INCENTIVE BENEFITS

All of a Participant's stock options, stock appreciation rights, restricted stock awards, and other equity incentive awards, including, without limitation, any "conversion awards" (as defined in the Questar Corporation 2010 Long-Term Stock Incentive Plan) then-held by the Participant, shall vest in full immediately prior to a Change in Control.

ARTICLE VIII
SPECIAL TAX PAYMENTS

8.1 **Right to Excise Tax Gross-Up.** Except as set forth below, in the event it shall be determined that any payment or distribution by an Employer to or for the benefit of a Participant (whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise, but determined without regard to any additional payments required under this Article VIII) (a "Payment") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Participant with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Participant shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Participant of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, the Participant retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

8.2 **Determination of Amount; Payment.** Subject to the provisions of Section 8.3, all determinations required to be made under this Article VIII, including whether a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by a nationally recognized certified public accounting firm designated by the Company (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and the Participant within 15 business days after the receipt of notice from the Participant that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Company shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Article VIII, shall be paid by the Company to the Participant promptly upon receipt of the Accounting Firm's determination, but in no event later than the end of Participant's taxable year next following the taxable year in which the Participant remits the related taxes. Any costs and expenses incurred by the Company on behalf of the Participant under this Article VIII due to any tax contest, audit or litigation will be paid by the Company by the end of the Participant's taxable year following the taxable year in which the taxes that are the subject of the tax contest, audit or litigation are remitted to the taxing authority, or where as a result of such tax contest, audit or litigation no taxes are remitted, the end of the Participant's taxable year following the taxable year in which the audit is completed or there is a final and non-appealable settlement or other resolution of the contest or litigation. Subject to the provisions of Section 8.3 hereof, any determination by the Accounting Firm shall be binding upon the Company and the Participant.

8.3 **IRS Dispute Procedures.** The Participant shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Participant is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Participant shall not pay such claim prior to the expiration of

the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Participant in writing prior to the expiration of such period that it desires to contest such claim, the Participant shall:

- (a) give the Company any information reasonably requested by the Company relating to such claim;
- (b) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company;
- (c) cooperate with the Company in good faith in order to effectively contest such claim; and
- (d) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Participant harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 8.3, the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may direct the Participant to contest the claim in any permissible manner (other than by paying the tax claimed and suing for a refund), and the Participant agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Participant with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Participant shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

8.4 Adjustments. If, after the receipt by the Participant of a Gross-Up Payment, the Participant becomes entitled to receive any refund with respect to which such Gross-Up payment relates, the Participant shall (subject to the Company's complying with the requirements of Section 8.3) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto).

8.5 Withholding. All payments to the Participant in accordance with the provisions of this Plan shall be subject to applicable withholding of local, state, Federal and foreign taxes, as determined in the sole discretion of the Company.

ARTICLE IX
PARTICIPATING EMPLOYERS

Any Affiliate of the Company may become a participating Employer in the Plan following approval by the Company. The provisions of the Plan shall be fully applicable to the Employees of any such Affiliate who are Participants pursuant to Section 4.1.

ARTICLE X
SUCCESSOR TO COMPANY

This Plan shall bind any successor of the Company, its assets or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated under this Plan if no succession had taken place.

In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by this Plan, the Company shall require such successor expressly and unconditionally to assume and agree to perform the Company's obligations under this Plan, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. In the event of a Change in Control in which the successor fails to expressly and unconditionally assume and agree to perform the Company's obligations under this Plan, each Participant in the Plan immediately prior to such Change in Control shall be deemed to have incurred a qualifying Separation from Service under Section 5.1 and shall be entitled to payment of the cash equivalent of all Separation Benefits set forth in Article VI as if the day prior to the date of such Change in Control were the Participant's Date of Termination in the form of a single lump sum within 60 days following the Change in Control.

The term "Company," as used in this Plan, shall mean the Company as hereinbefore defined and any successor or assignee to the business or assets which by reason hereof becomes bound by this Plan.

ARTICLE XI
DURATION, AMENDMENT AND TERMINATION

11.1 Duration. If a Change in Control has not occurred, this Plan shall continue indefinitely unless and until terminated by the Board pursuant to Section 11.2, below. If a Change in Control occurs while this Plan is in effect, the Plan shall continue in full force and effect for three years following such Change in Control, and shall then automatically terminate; provided, however, that all Participants who become entitled to any payments hereunder shall continue to receive such payments notwithstanding any termination of the Plan.

11.2 Amendment or Termination. The Board may amend or terminate this Plan for any reason prior to a Change in Control. In the event of a Change in Control, this Plan shall automatically terminate as set forth in Section 11.1 but may not be amended or prematurely terminated.

11.3 Procedure for Extension, Amendment or Termination. Any amendment or termination of this Plan by the Board in accordance with the foregoing shall be made by action of the Board in accordance with the Company's charter and by-laws and applicable law.

ARTICLE XII
MISCELLANEOUS

12.1 Full Settlement. Except as otherwise provided in Section 6.6, the Company's obligation to make the payments provided for under this Plan and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against a Participant or others. In no event shall a Participant be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Participant under any of the provisions of this Plan and such amounts shall not be reduced whether or not the Participant obtains other employment.

12.2 Employment Status. This Plan does not constitute a contract of employment or impose on the Participant or the Participant's Employer any obligation for the Participant to remain an Employee or change the status of the Participant's employment or the policies of the Participant's Employer regarding termination of employment.

12.3 Confidential Information. Each Participant shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to an Employer, and their respective businesses, which shall have been obtained by the Participant during the Participant's employment by the Participant's Employer and which shall not be or become public knowledge (other than by acts by the Participant or representatives of the Participant in violation of this Plan). After termination of a Participant's employment with the Company or other Employer, the Participant shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this Section 12.3 constitute a basis for deferring or withholding any amounts otherwise payable under this Plan.

12.4 Named Fiduciary; Administration. The Company is the named fiduciary of the Plan, and shall administer the Plan, acting through the Company's Management Performance Committee, who shall be the Plan Administrator. The Plan Administrator shall have full and complete discretionary authority to administer, construe, and interpret the Plan, to decide all questions of eligibility, to determine the amount, manner and time of payment, and to make all other determinations deemed necessary or advisable for the Plan. The Plan Administrator shall review and determine all claims for benefits under this Plan.

12.5 Claim Procedure.

(a) Filing a Claim. All claims and inquiries concerning benefits under the Plan must be submitted to the Plan Administrator in writing. The claimant may submit written comments, documents, records or any other information relating to the claim. Furthermore, the claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim for benefits. If an Employee or former Employee makes a written request alleging a right to receive benefits under this Plan or alleging a right to receive an adjustment in benefits being paid under the Plan, the Company shall treat it as a claim for benefits.

(b) Review of Claims; Claims Denial. The Plan Administrator shall initially deny or approve all claims for benefits under the Plan. If any claim for benefits is denied in whole or in part, the Plan Administrator shall notify the claimant in writing of such denial and shall advise the claimant of his right to a review thereof. Such written notice shall set forth, in a manner calculated to be understood by the claimant, specific reasons for such denial, specific references to the Plan provisions on which such denial is based, a description of any information or material necessary for the claimant to perfect his claim, an explanation of why such material is necessary and an explanation of the Plan's review procedure, and the time limits applicable to such procedures. Furthermore, the notification shall include a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review. Such written notice shall be given to the claimant within a reasonable period of time, which normally shall not exceed ninety (90) days, after the claim is received by the Plan Administrator.

(c) Appeals. Any claimant or his duly authorized representative, whose claim for benefits is denied in whole or in part, may appeal such denial by submitting to the Plan Administrator a request for a review of the claim within sixty (60) days after receiving written notice of such denial from the Plan Administrator. The Plan Administrator shall give the claimant upon request, and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim of the claimant, in preparing his request for review. The request for review must be in writing. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof, and any other matters which the claimant deems pertinent. The Plan Administrator may require the claimant to submit such additional facts, documents, or other materials as the Plan Administrator may deem necessary or appropriate in making its review.

(d) Review of Appeals. The Plan Administrator shall act upon each request for review within sixty (60) days after receipt thereof. The review on appeal shall consider all comments, documents, records and other information submitted by the claimant relating to the claim without regard to whether this information was submitted or considered in the initial benefit determination.

(e) Decision on Appeals. The Plan Administrator shall give written notice of its decision to the claimant. If the Plan Administrator confirms the denial of the application for benefits in whole or in part, such notice shall set forth, in a manner calculated to be understood by the claimant, the specific reasons for such denial, and specific references to the Plan provisions on which the decision is based. The notice shall also contain a statement that the claimant is entitled to receive upon request, and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. Information is relevant to a claim if it was relied upon in making the benefit determination or was submitted, considered or generated in the course of making the benefit determination, whether it was relied upon or not. The notice shall also contain a statement of the claimant's right to bring an action under ERISA Section 502(a). If the Plan Administrator has not rendered a decision on a request for review within sixty (60) days after receipt of the request for review, the claimant's claim shall be deemed to have been approved. The Plan Administrator's decision shall be final and not subject to further review within the Company. There are no voluntary appeals procedures after appellate review by the Plan Administrator.

(f) Determination of Time Periods. If the day on which any of the foregoing time periods is to end is a Saturday, Sunday or holiday recognized by the Company, the period shall extend until the next following business day.

12.6 Unfunded Plan Status. All payments pursuant to the Plan shall be made from the general funds of the Company and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant or other person shall have under any circumstances any interest in any particular property or assets of the Company as a result of participating in the Plan. Notwithstanding the foregoing, the Company may (but shall not be obligated to) create one or more grantor trusts, the assets of which are subject to the claims of the Company's creditors, to assist it in accumulating funds to pay its obligations under the Plan.

12.7 Attorney Fees; Interest. The Company agrees to pay as incurred, to the full extent permitted by law, and in accordance with Section 6.8(d) hereof, all legal fees and expenses which a Participant may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company, the Participant, or others of the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance thereof (including as a result of any contest by the Participant about the amount of any payment pursuant to this Plan), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code. The foregoing right to legal fees and expenses shall not apply to any contest brought by a Participant (or other party seeking payment under the Plan) that is found by a court of competent jurisdiction to be frivolous or vexatious.

12.8 Code Section 409A Savings Clause. The payments and benefits provided hereunder are intended to be exempt from or compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right to adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 12.8 does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Participant for any failure to do so.

12.9 Validity and Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12.10 Governing Law. The validity, interpretation, construction and performance of the Plan shall in all respects be governed by the laws of Colorado without reference to principles of conflict of law, except to the extent pre-empted by Federal law.

12.11 Effectiveness. The Plan is effective upon the "Distribution" (as such term is defined in that certain Separation and Distribution Agreement, by and between the Questar Corporation and the Company, dated as of June 14, 2010 (the "Separation Agreement")) (the "Effective Date"); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Executive Severance Compensation Plan was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek
Richard J. Doleshek
Executive Vice President, Chief Financial Officer
and Treasurer

QEP RESOURCES, INC.

DEFERRED COMPENSATION WRAP PLAN

incorporating the:

**Deferred Compensation Program
401(k) Supplemental Program**

**QEP RESOURCES, INC.
DEFERRED COMPENSATION WRAP PLAN**

ARTICLE 1
INTRODUCTION

1.1 Purpose. QEP Resources, Inc. hereby establishes this QEP Resources, Inc. Deferred Compensation Wrap Plan (the “Plan” or “Wrap Plan”) in order to provide specified benefits to a select group of management and highly compensated employees and to allow such employees to defer the receipt of compensation. The Plan consists of a main Deferred Compensation Wrap Plan and two component Programs – the Deferred Compensation Program and the 401(k) Supplemental Program (each as described below). The Wrap Plan contains overriding participation, election, and administrative rules, and the component Programs contain specific rules regarding the benefits available thereunder. The Plan also provides for the payment of amounts previously deferred under the Questar Corporation Deferred Compensation Wrap Plan for certain participants.

1.2 Status of Plan. This Plan and its component Programs are intended to be an unfunded, nonqualified deferred compensation arrangement for the purpose of providing deferred compensation to “a select group of management or highly-compensated employees” within the meaning of Sections 201(2), 301(a)(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended. The Plan and its component Programs are also intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder. Finally, each of the component Programs is intended to qualify as a separate “plan, program, or arrangement” for purposes of 4 U.S.C. 114, thus making payments under the 401(k) Supplemental Program subject to state income tax solely of the state in which the recipient of the payment resides or is domiciled at the time payment is made. Notwithstanding any other provision herein, this Plan and its component Programs shall be interpreted, operated and administered in a manner consistent with these intentions.

1.3 Effect of Plan. The terms of this Plan and each of its component Programs shall govern all amounts deferred hereunder on or after the “Distribution” (as such term is defined in the Separation Agreement (as defined below)) (such date, the “Effective Date”); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

ARTICLE 2
DEFINITIONS

For purposes of the Plan and each component Program established under the Plan, the following terms or phrases shall have the following indicated meanings, unless the context clearly requires otherwise:

2.1 “401(k) Supplemental Program” means the component benefit program of this Plan attached hereto as Exhibit B.

2.2 “Account” or “Account Balance” means, for each Participant, the account established for his or her benefit under each Program, which records the credit on the records of the Employer equal to the amounts set aside under the Program and the actual or deemed earnings, if any, credited to such account. The Account Balance, and each other specified account or sub-account, shall be a bookkeeping entry only and shall be used solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan and its component Programs.

2.3 “Assumed Accounts” has the meaning set forth in Article 10.

2.4 “Affiliated Company” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Code Section 409A, or any entity otherwise designated as an Affiliated Company by the Company.

2.5 “Beneficiary” means that person or persons who become entitled to receive a distribution of benefits under the Plan and its component Programs in the event of the death of a Participant prior to the distribution of all benefits to which he or she is entitled.

2.6 “Board” means the Board of Directors of the Company.

2.7 “Change in Control” shall be deemed to have occurred if: (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the “Exchange Act”)) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Company’s Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company’s stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company’s then outstanding securities; or (iv) the Company’s stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated for the sale or disposition by the Company of all or substantially all of the Company’s assets, other than a sale or disposition

by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

2.8 "Code" means the Internal Revenue Code of 1986, as amended.

2.9 "Committee" means the Compensation Committee of the Board.

2.10 "Common Stock" means the no par value common stock of the Company.

2.11 "Company" means QEP Resources, Inc., a corporation organized and existing under the laws of the State of Delaware, or its successor or successors.

2.12 "Compensation" means:

(a) Deferred Compensation Program. For purposes of the Deferred Compensation Program, the total earnings paid by an Employer to an Employee and properly reportable on IRS Form W-2 for the applicable Plan Year (including payments under annual incentive compensation plans) and all amounts that are not included in such Employee's gross income for federal income tax purposes solely on account of his or her election to have compensation reduced pursuant to the Plan, a qualified cash or deferred arrangement described in Section 401(k) of the Code, a cafeteria plan as defined in Section 125 of the Code, or a qualified transportation fringe benefit plan as defined in Section 132(f)(4) of the Code, but excluding payments under any long-term cash incentive plan and other forms of compensation (including, without limitation, the Employer's cost for any public or private employee benefit plan, any income recognized by the employee as a result of exercising stock options, moving expenses, the value of restricted stock granted as signing or retention bonuses and any dividends paid on such shares, loan forgiveness, welfare benefits, and severance payments).

(b) 401(k) Supplemental Program. For purposes of the 401(k) Supplemental Program, the same meaning as in paragraph (a) above, but excluding any Deferral Contributions made to the Deferred Compensation Program.

2.13 "Compensation Limit" means the annual limit of compensation that may be taken into account for purposes of providing benefits under a tax-qualified retirement plan pursuant to Section 401(a)(17) of the Code, as adjusted from time to time.

2.14 "Deferral Contributions" means that portion of a Participant's Compensation that is deferred by a Participant pursuant to the Programs.

2.15 "Deferred Compensation Program" means the component benefit program of this Plan attached hereto as Exhibit A.

2.16 “Deferred Compensation Sub-Account” means the sub-account described in Section 5.1 of the Deferred Compensation Program.

2.17 “Disability” means a condition that renders a Participant unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as described in Treas. Reg. Section 1.409A-3(i)(4)(i)(A). A Participant shall not be considered to be disabled unless the Participant furnishes proof of the existence of such disability in such form and manner as may be required by regulations promulgated under, or applicable to, Code Section 409A.

2.18 “Effective Date” shall have the meaning set forth in Section 1.3 hereof.

2.19 “Eligible Employee” means any Employee that meets the eligibility requirements of Section 3.1.

2.20 “Employee” means any individual that is among a select group of management or highly compensated employees (as determined in accordance with Section 3401(c) of the Code and the Treasury Regulations thereunder) of an Employer.

2.21 “Employer” means the Company and each Affiliated Company that consents to the adoption of the Plan.

2.22 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

2.23 “Fair Market Value” means the closing benchmark price of the Company’s Common Stock as reported on the composite tape of the New York Stock Exchange for any given valuation date, or if the Common Stock shall not have been traded on such date, the closing price on the next preceding day on which a sale occurred.

2.24 “Investment Plan” means the QEP Resources, Inc. Employee Investment Plan, as amended from time to time, or any successor plan.

2.25 “Matching Contributions” means Employer contribution amounts credited to Participants under the Deferred Compensation Program and 401(k) Supplemental Program in addition to (and made on account of) the Participants’ Deferral Contributions under such Programs.

2.26 “Matching Contribution Sub-Account” means the sub-account described in Section 5.1 of the Deferred Compensation Program.

2.27 “Participant” means any individual who has commenced participation in the Plan and any of its component Programs in accordance with Article 3.

2.28 “Participating Deferral Sub-Account” means the sub-account described in Section 5.1 of the Deferred Compensation Program.

2.29 "Plan" or "Wrap Plan" means this QEP Resources, Inc. Deferred Compensation Wrap Plan, as amended or restated from time to time.

2.30 "Plan Year" means the calendar year.

2.31 "Questar Common Stock Fund" means the investment option available under the Questar Plan that is deemed to invest in the common stock of Questar Corporation.

2.32 "Questar Plan" means the Questar Corporation Deferred Compensation Wrap Plan, including its predecessor plans as set forth therein.

2.33 "Program" means the Deferred Compensation Program and the 401(k) Supplemental Program, or either of them, as the context may require.

2.34 "Separation Agreement" means that certain Separation and Distribution Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

2.35 "Separation from Service" means a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h).

2.36 "Transferred Employee" means a "QEP Employee" (as defined in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010) who either had an account balance or was eligible to participate in the Questar Plan immediately prior to the Effective Date.

ARTICLE 3 ELIGIBILITY; PARTICIPATION

3.1 Eligibility. Eligibility to participate in the Plan shall be determined as follows:

(a) Any Employee shall become eligible to participate in this Plan on the earliest to occur of:

(i) the date the Employee first becomes an officer of an Employer, in which case the Employee shall be (A) immediately eligible to participate in the 401(k) Supplemental Program as of such date, and (B) eligible to participate in the Deferred Compensation Program beginning on the first day of the Plan Year next following such date.

(ii) the date the Employee first receives Compensation in any Plan Year in an amount equal to the Compensation Limit, in which case the Employee shall be (A) immediately eligible to participate in the 401(k) Supplemental Program as of such date, and (B) eligible to participate in the Deferred Compensation Program beginning on the first day of the Plan Year next following such date.

(iii) the date selected by the Committee for the Employee to be eligible to participate in the Plan, in which case the Employee shall be eligible to participate in all of the component Programs as of such date;

provided, that if an Employee does not satisfy clauses (i) or (ii) above, then such Employee must be nominated by his or her Employer and approved by the Committee in writing as eligible to participate in the Plan on such date as determined by the Committee in its sole and absolute discretion.

(b) Notwithstanding any other provision herein, each Transferred Employee shall automatically participate in the Plan as of the Effective Date.

3.2 Enrollment and Commencement of Deferrals. Except as provided below with regard to automatic enrollment in the 401(k) Supplemental Program, each Eligible Employee who wishes to participate in the Plan for a Plan Year must make an irrevocable election as to Deferral Contributions for the Plan Year by timely completing, executing, and returning to the Committee such election forms or other enrollment materials as the Committee requires as follows:

(a) in the case of an Eligible Employee who first becomes eligible to participate in the Plan as of the first day of a Plan Year, on or prior to December 31st of the prior Plan Year, or such other earlier date as the Committee establishes in its sole and absolute discretion; and

(b) in the case of an Eligible Employee who first becomes eligible to participate in the Plan after the first day of a Plan Year, within thirty (30) days after the date the Eligible Employee first becomes eligible to participate, or such other earlier date as the Committee establishes in its sole and absolute discretion.

If an Eligible Employee fails to timely complete, execute and return such election forms or other enrollment materials, the Eligible Employee shall be automatically enrolled in the 401(k) Supplemental Program in accordance with the deemed deferral elections set forth in Section 4.1(a)(ii), but shall not participate in the Deferred Compensation Program until the first day of the first Plan Year beginning after the date on which he or she timely completes, executes and returns such election forms or other enrollment materials to the Committee.

Notwithstanding any other provision herein and solely with respect to the 2010 Plan Year, each Transferred Employee shall automatically be deemed to have made a timely election in accordance with this Section 3.2 to defer the same percentage of Compensation with respect to Deferral Contributions for the 2010 Plan Year as the percentage of compensation that the Transferred Employee elected to defer with respect to deferral contributions for the 2010 plan year under the Questar Plan in accordance with its terms.

3.3 Failure of Eligibility. If the Committee determines, in its sole and absolute discretion, that any Participant no longer qualifies as a member of a select group of management or highly compensated employees of the Employer, the Participant shall cease to be an active Participant in the Plan and future contributions to the Plan made by or on behalf of the Participant shall cease as of the date of such determination by the Committee. The Committee's determination hereunder shall be final and binding on all persons.

ARTICLE 4
ELECTIONS

4.1 Elections, General. Any deferral election under the Plan and its component Programs shall be made in accordance with Section 409A(a)(4)(B) of the Code and the regulations thereunder.

(a) First Year of Plan Participation. In connection with a Participant's enrollment in the Plan pursuant to Section 3.2, the Participant shall make an irrevocable election to defer (or not to defer) Compensation in accordance with the terms of the component Programs for which he or she is eligible, which election shall apply to the Plan Year in which the Participant commences participation. A Participant may only elect to defer Compensation with respect to services performed for periods following the date of such election. The Participant's initial deferral election under this Section 4.1(a) shall continue to apply for all succeeding Plan Years unless and until revoked or modified pursuant to Section 4.1(b), below. If the Participant fails to timely complete, execute and return such forms or other enrollment materials as required by the Committee in accordance with Section 3.2, then the Participant shall be deemed to have elected to make the Deferral Contributions permitted under the 401(k) Supplemental Program for the Plan Year in which the Participant commences participation and shall not be permitted to make any Deferral Contributions under the Deferred Compensation Program for such Plan Year.

In connection with a Participant's enrollment in the Plan pursuant to Section 3.2, the Participant shall also make the following elections with respect to each Program under the Plan:

(i) Deferred Compensation Program. If eligible to participate in the Deferred Compensation Program for the Plan Year in which the Participant commences participation under the Plan, the Participant shall make an irrevocable election (from the options available under Article 6 below) as to the time and form of payment of all deferrals (in the form of Deferral and/or Matching Contributions) credited to his or her Account under the Deferred Compensation Program for such Plan Year (including earnings thereon). If the Participant fails to make such election, or such election does not meet the requirements of Code Section 409A and related Treasury guidance or regulations, the Participant shall be deemed to have elected to receive a lump sum distribution as soon as legally and administratively practicable following the earliest to occur of the Participant's (i) Separation from Service, (ii) Disability, or (iii) death. The Participant's election (or deemed election) shall continue to apply for succeeding Plan Years unless and until the election is modified pursuant to Section 4.1(b), below. Any such modification shall apply prospectively only and shall not apply to deferrals (in the form of Deferral or Matching Contributions) previously credited under the Program (or any earnings thereon).

(ii) 401(k) Supplemental Program. The Participant shall make an irrevocable election as to the time and form of payment of all deferrals (in the form of Deferral and/or Matching Contributions) credited to his or her Account Balance under the 401(k) Supplemental Program from the options available under Section 6 below. Such election shall be irrevocable and shall apply to the Participant's entire Account Balance under the Program, including all amounts deferred in subsequent Plan Years and any related earnings. If the Participant fails to make such election, or if such election does not meet the requirements of Code Section 409A and related Treasury guidance or regulations, the Participant shall be deemed

to have elected to receive a lump sum distribution as soon as legally and administratively practicable following the earliest to occur of the Participant's (i) Separation From Service, (ii) Disability, or (iii) death.

Notwithstanding any other provision herein and solely with respect to the 2010 Plan Year, each Transferred Employee shall automatically be deemed to have made an election in accordance with this Section 4.1 as to the same time and form of payment with respect to (a) any Deferral or Matching Contributions credited to his or her Account under the Deferred Compensation Program for the 2010 Plan Year and (b) all amounts credited to his or her Account under the 401(k) Supplemental Program for the 2010 Plan Year, as the Transferred Employee had elected under the Questar Plan in accordance with its terms with respect to (x) deferral or matching contributions credited to his or her account under the deferred compensation program for the 2010 plan year and (y) all amounts credited to his or her account under the 401(k) supplemental program for the 2010 plan year, respectively.

(b) Subsequent Plan Years. For each succeeding Plan Year, the Participant may, prior to December 31st of the immediately preceding Plan Year (or such earlier deadline as is established by the Committee in its sole discretion):

(i) make an irrevocable election to initially defer Compensation under the Deferred Compensation Program for succeeding Plan Years, or to modify or revoke his or her existing elections to defer Compensation under either or both of the Programs for succeeding Plan Years. All such elections shall be made in accordance with the terms of the Programs and shall remain in effect for all succeeding Plan Years unless timely revoked or modified by the Participant in accordance with this Section. Any such modification shall apply prospectively only and shall not apply to Compensation previously deferred under either or both of the Programs.

(ii) make an irrevocable election to modify his or her existing election as to the time and form of payment of any future Deferral or Matching Contributions credited to his or her Account Balance (and related earnings) under either or both of the Programs for succeeding Plan Years. Such election shall be made in accordance with the terms of the Deferred Compensation Program and Article 6 below, and shall remain in effect for all succeeding Plan Years unless and until timely modified by the Participant in accordance with this Section. Any such modification shall apply prospectively only and shall not apply to Deferral or Matching Contributions previously credited under the Program (or any earnings thereon).

Any election(s) made in accordance with this Section shall be irrevocable; provided, however, that if the Committee requires Participants to make a deferral election for "performance-based compensation" or "compensation subject to a substantial risk of forfeiture" by the deadline(s) described above, it may, in its sole discretion, and in accordance with Code Section 409A and related Treasury guidance or regulations, permit a Participant to subsequently change his or her elections for such Compensation no later than the deadlines established by the Committee pursuant to Section 4.1(c) or 4.1(d), below.

(c) Performance-Based Compensation. The Committee may, in its sole discretion, determine that an irrevocable deferral election pertaining to Compensation that constitutes "performance-based compensation" (as defined in Treas. Reg. Section 1.409A-1(e)) may be made no later than six (6) months before the end of the performance service period, provided that the Participant performs services continuously from the later of the beginning of

the performance period or the date upon which the performance criteria are established through the date upon which the Participant makes a deferral election for such compensation; provided, further that in no event shall an election to defer performance-based compensation be permitted after such compensation has become readily ascertainable. Any deferral election under this Section 4.1(c) shall be made in accordance with Treas. Reg. Section 1.409A-2(a)(8).

(d) Compensation Subject to Risk of Forfeiture. With respect to Compensation (i) to which a Participant has a legally binding right to payment in a subsequent year, and (ii) that is subject to a forfeiture condition requiring the Participant's continued services for a period of at least twelve (12) months from the date the Participant obtains the legally binding right to such payment, the Committee may, in its sole discretion, determine that an irrevocable election to defer such Compensation may be made no later than the 30th day after the Participant obtains the legally binding right to the Compensation, provided that the election is made at least twelve (12) months in advance of the earliest date at which the forfeiture condition could lapse. Any deferral election under this Section 4.1(d) shall be made in accordance with Treas. Reg. Section 1.409A-2(a)(5).

4.2 Election Forms. All elections shall be made on forms prepared by the Committee and must be dated, signed, and filed with the Company's Vice President of Human Resources in order to be valid.

ARTICLE 5 ACCOUNT STATEMENTS

At least once a year within 60 days after the end of each Plan Year, a statement shall be sent to each Participant listing his or her Account Balance for each Program as of the last day of the Plan Year. The statement shall also include the Deferral Contributions made by the Participant to each Program for the Plan Year, along with any Matching Contributions credited to the Participant's Account Balances and the investment gains or losses (including reinvested dividends) credited during the Plan Year. Such information shall be reflected on a payroll by payroll basis.

ARTICLE 6 DISTRIBUTIONS

6.1 Permissible Times and Forms of Payments. A Participant may elect to receive his or her Account under the Deferred Compensation Program (or relevant portion thereof) or his or her Account under the 401(k) Supplemental Program pursuant to an election form filed in accordance with Article 4 at the following times and in the following forms, provided, however, that the Participant's Account must be distributed in full within five years of the occurrence of a Distribution Event as set forth below:

(a) Time of Distribution. A Participant may elect to receive a distribution on the date of, or at a designated anniversary date following, the first to occur of the Participant's Disability, Separation from Service, or death ("Distribution Event").

(b) Form of Distribution. A Participant may elect to receive a distribution of his or her Account (or any relevant portion of his or her Account under the Deferred Compensation Program) in any of the following forms:

(i) a single lump sum; or

(ii) up to four (4) annual installments.

6.2 Change in Control. Notwithstanding any election made by the Participant under Section 6.1, in the event of a Change in Control, all amounts then credited to the Participant's Account shall be distributed to the Participant in a single lump sum within 60 days following the date of such Change in Control.

6.3 Calculation of Distributions.

(a) Lump Sum. All lump sum distributions shall be based on the value of the Participant's Account (or the portion thereof being distributed) as of the last day of the calendar month preceding the payment date.

(b) Installment Distributions. Under an installment payout, the Participant's first installment shall be equal to a fraction of the balance credited to his or her Account (or the portion of his or her account to be paid in installments) as of the last day of the calendar month preceding such payment, the numerator of which is one and the denominator of which is the total number of installments selected. The amount of each subsequent payment shall be a fraction of the balance in the Participant's Account (or the portion of his or her account to be paid in installments) as of the last day of the calendar month preceding each subsequent payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid.

6.4 Six-Month Delay. Notwithstanding anything to the contrary in the Plan, no distribution shall be made to a Participant under the Plan on account of the Participant's Separation from Service during the 6-month period following such Separation from Service to the extent that the Company determines that the Participant is a "specified employee" (as defined in Section 409A(a)(2)(B)(i) of the Code and the Treasury Regulations thereunder) at the time of such Separation from Service and that paying such amounts at the time or times indicated in the Plan would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such 6-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without being subject to such additional taxes, including as a result of the Participant's death), a lump-sum distribution shall be made to the Participant under the Plan equal to the cumulative amount that would have otherwise been payable to the Participant during such 6-month period.

6.5 Method of Payment. All payments under the Plan shall be made in cash.

ARTICLE 7
ADMINISTRATION

7.1 Committee to Administer and Interpret Plan and Component Programs. The Committee shall administer the Plan and its component Programs and shall have all discretion and power necessary for that purpose. The Committee shall have the discretion, authority, and power to (i) make, amend, interpret, and enforce all appropriate rules and regulations for the

administration of the Plan and its component Programs and (ii) decide or resolve any and all questions as may arise in connection with this Plan and its component Programs, including interpretations of the Plan and its component Programs and determinations of eligibility to participate and to receive distributions under the Plan and its component Programs. Any individual serving on the Committee shall not vote or act on any matter relating solely to himself. When making a determination or calculation, the Committee shall be entitled to rely on information supplied by a Participant, Beneficiary, or the Employer, as the case may be. The Committee shall maintain all records of the Plan and its component Programs.

7.2 Agents. In the administration of this Plan and its component Programs, the Committee may, from time to time, employ agents (including officers and other employees of the Company) and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel who may be counsel to the Company.

7.3 Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and its component Programs and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan and its component Programs.

7.4 Indemnity of Committee. The Company shall indemnify and hold harmless the members of the Committee and any employee to whom duties of the Committee may be delegated against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan and its component Programs, except in the case of willful misconduct by the Committee, any of its members, or any such employee.

7.5 Employer Information. To enable the Committee to perform its functions, the Employer shall supply full and timely information to the Committee on all matters relating to the compensation of its Participants, the date and circumstances of the Disability, death or Separation from Service of a Participant, as applicable, and such other pertinent information as the Committee may reasonably require.

7.6 Agent for Legal Process. The Committee shall be agent of the Plan and its component Programs for service of all legal process.

ARTICLE 8 CLAIMS PROCEDURE

8.1 Filing a Claim. All claims under this Plan and its component Programs shall be filed in writing by the Participant, his or her Beneficiary, or the authorized representative of either, by completing the procedures that the Committee requires. The procedures shall be reasonable and may include the completion of forms and the submission of documents and additional information. All claims shall be filed in writing with the Committee according to the Committee's procedures no later than one year after the occurrence of the event that gives rise to the claim. If the claim is not filed within the time described in the preceding sentence, the claim shall be barred.

8.2 Review of Initial Claim.

(a) Initial Period for Review of the Claim. The Committee shall review all materials and shall decide whether to approve or deny the claim. If a claim is denied in whole or in part, written notice of denial shall be furnished by the Committee to the claimant within a reasonable time after the claim is filed but not later than ninety (90) days after the Committee receives the claim. The notice shall set forth the specific reason(s) for the denial, reference to the specific Plan or Program provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect his or her claim and an explanation of why such material or information is necessary, and a description of the Plan's review procedures, including the applicable time limits and a statement of the claimant's right to bring a civil action under ERISA section 502(a) following a denial of the appeal.

(b) Extension. If the Committee determines that special circumstances require an extension of time for processing the claim, it shall give written notice to the claimant and the extension shall not exceed ninety (90) days. The notice shall be given before the expiration of the ninety (90) day period described in Section 8.2(a) above and shall indicate the special circumstances requiring the extension and the date by which the Committee expects to render its decision.

8.3 Appeal of Denial of Initial Claim. The claimant may request a review upon written application, may review pertinent documents, and may submit issues or comments in writing. The claimant must request a review within a reasonable period of time prescribed by the Committee. In no event shall such a period of time be less than sixty (60) days.

8.4 Review of Appeal.

(a) Initial Period for Review of the Appeal. The Committee shall conduct all reviews of denied claims and shall render its decision within a reasonable time, but not to exceed sixty (60) days from the receipt of the appeal by the Committee. The claimant shall be notified of the Committee's decision in a notice, which shall set forth the specific reason(s) for the denial, reference to the specific Plan or Program provisions on which the denial is based, a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim, and a statement of the claimant's right to bring a civil action under ERISA section 502(a) following a denial of the appeal.

(b) Extension. If the Committee determines that special circumstances require an extension of time for reviewing the appeal, it shall give written notice to the claimant and the extension shall not exceed sixty (60) days. The notice shall be given before the expiration of the sixty (60) day period described in Section 8.4(a) above and shall indicate the special circumstances requiring the extension and the date by which the Committee expects to render its decision.

8.5 Form of Notice to Claimant. The notice to the claimant shall be given in writing or electronically and shall be written in a manner calculated to be understood by the claimant. If the notice is given electronically, it shall comply with the requirements of Department of Labor Regulation Section 2520.104b-1(c) (1)(i), (iii), and (iv).

8.6 Discretionary Authority of Committee. The Committee shall have full discretionary authority to determine eligibility, status, and the rights of all individuals under the Plan and its component Programs, to construe any and all terms of the Plan and its component Programs, and to find and construe all facts.

ARTICLE 9
AMENDMENT AND TERMINATION OF PLAN

The Board may at any time amend, modify, or terminate this Plan and its component Programs; provided, however, that no such amendment may reduce any Participant's Account Balances under the Plan or any component Program as it existed prior to the date of such amendment or termination.

ARTICLE 10
ASSUMED ACCOUNTS ATTRIBUTABLE TO TRANSFERRED EMPLOYEES

As of the Effective Date, the Company has assumed all accounts under the Questar Plan with respect to the Transferred Employees ("Assumed Accounts"), and as of the Effective Date, Questar shall have no further liabilities or obligations with respect to the Assumed Accounts. The Assumed Accounts shall be credited to Accounts of the Transferred Employees under this Plan and shall remain subject to the same vesting schedule and elections (including deferral and time and form of payment elections) and beneficiary designations that were controlling under the Questar Plan immediately prior to the Effective Date, until a new election is made in accordance with the terms of this Plan, Code Section 409A and applicable law that by its terms supersedes the applicable prior election made under the Questar Plan.

ARTICLE 11
MISCELLANEOUS

11.1 Source of Payments. Each participating Employer will pay all benefits for its Employees arising under this Plan and its component Programs, and all costs, charges and expenses relating to such benefits, out of its general assets.

11.2 No Assignment or Alienation.

(a) General. Except as provided in subsection (b) below, the benefits provided for in this Plan and its component Programs shall not be anticipated, assigned (either at law or in equity), alienated, or be subject to attachment, garnishment, levy, execution or other legal or equitable process. Any attempt by any Participant or any Beneficiary to anticipate, assign or alienate any portion of the benefits provided for in this Plan or its component Programs shall be null and void.

(b) Exception: DRO. The restrictions of subsection (a) shall not apply to a distribution to an "alternate payee" (as defined in Code Section 414(p)) pursuant to a "domestic relations order" ("DRO") within the meaning of Code Section 414(p)(1)(B). The Committee shall have the discretion, power, and authority to determine whether an order is a DRO. Upon a determination that an order is a DRO, the Committee shall direct the Employer to distribute to the alternate payee or payees named in the DRO, as directed by the DRO.

11.3 Beneficiaries. A Participant shall have the right, in accordance with forms and procedures established by the Committee, to designate one or more beneficiaries to receive some or all amounts payable under each of the component Programs after the Participant's death. The Participant need not designate the same Beneficiary for each Program under the Plan. In the absence of an effective beneficiary designation, all payments shall be made to the beneficiary designated by the Participant (or deemed by law to be designated) under the terms of the Investment Plan.

11.4 No Creation of Rights. Nothing in this Plan or its component Programs shall confer upon any Participant the right to continue as an Employee of an Employer. The right of a Participant to receive a cash distribution shall be an unsecured claim against the general assets of his or her Employer. Nothing contained in this Plan or its component Programs nor any action taken hereunder shall create, or be construed to create, a trust of any kind, or a fiduciary relationship between the Company and the Participants, Beneficiaries, or any other persons. All Accounts under the Plan and its component Programs shall be maintained for bookkeeping purposes only and shall not represent a claim against specific assets of any Employer.

11.5 Furnishing Information. A Participant or his or her Beneficiary shall cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and its component Programs and the payment of benefits thereunder.

11.6 Payments to Incompetents. If the Committee determines in its discretion that a benefit under this Plan or any of its component Programs is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of his or her property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan and its component Programs for such payment amount.

11.7 Court Order. The Committee is authorized to make any payments directed by court order in any action in which the Plan or the Committee has been named as a party.

11.8 Code Section 409A Savings Clause. The payments and benefits provided under the Plan and its component Programs are intended to be compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Article 9 hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan and its component Programs or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 11.8 does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Participant for any failure to do so.

11.9 Attorney Fees; Interest. The Company agrees to pay as incurred, to the full extent permitted by law all legal fees and expenses which a Participant may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company, the Participant, or others following a Change in Control regarding the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance thereof (including as a result of any contest by the Participant about the amount of any payment pursuant to this Plan), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code. The foregoing right to legal fees and expenses shall not apply to any contest brought by a Participant (or other party seeking payment under the Plan) that is found by a court of competent jurisdiction to be frivolous or vexatious. To the extent that any payments or reimbursements provided to the Participant under this Section are deemed to constitute compensation to the Participant, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any payments or expense reimbursements that constitute compensation in one year shall not affect the amount of payments or expense reimbursements constituting compensation that are eligible for payment or reimbursement in any subsequent year, and the Participant's right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

11.10 Distribution in the Event of Taxation. If, for any reason, all or any portion of a Participant's benefits under this Plan or any of its component Programs becomes subject to federal income tax with respect to the Participant prior to receipt, a Participant may petition the Committee for a distribution of that portion of his or her benefit that has become taxable, or such lesser amount as may be permitted by Code Section 409A. Upon the grant of such a petition, which grant shall not be unreasonably withheld, the Employer shall distribute to the Participant immediately available funds in an amount equal to the taxable portion of his or her benefit or such lesser amount as may be permitted by Code Section 409A (which amount shall not exceed a Participant's unpaid Account Balances). If the petition is granted, the tax liability distribution shall be made within 90 days of the date when the Participant's petition is granted. Such a distribution shall affect and reduce the benefits to be paid under this Plan and its component Programs. Any distribution under this Section 11.10 must meet the requirements of Code Section 409A and related Treasury guidance or Regulations.

11.11 Governing Law. To the extent not preempted by federal law, this Plan and its component Programs shall be governed by the laws of the State of Colorado without regard to conflicts of law principles.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Deferred Compensation Wrap Plan was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek

Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer

DEFERRED COMPENSATION PROGRAM
a component Program of the
QEP Resources, Inc. Deferred Compensation Wrap Plan

**QEP RESOURCES, INC.
DEFERRED COMPENSATION PROGRAM**

ARTICLE 1
INTRODUCTION

1.1 Establishment of Program. The Company hereby establishes this Deferred Compensation Program under the Wrap Plan, as of the Effective Date. Unless otherwise defined herein, all capitalized terms herein shall have the meanings set forth in the QEP Resources, Inc. Deferred Compensation Wrap Plan.

1.2 Purpose. The purposes of the Deferred Compensation Program are (i) to provide Participants with the opportunity to defer receipt of up to a specified portion of their annual Compensation in order to reduce current taxable income and to provide for future retirement needs, and (ii) to provide a benefit to each Participant approximately equal to the benefit the Participant would have received under the Investment Plan if the Participant did not elect to defer Compensation under the Deferred Compensation Program but instead contributed an applicable portion of such amount to the Investment Plan.

ARTICLE 2
PARTICIPATION; ELECTIONS

2.1 Participation. Each Eligible Employee shall participate in the Deferred Compensation Program at the time set forth in Article 3 of the Wrap Plan.

2.2 Elections. Each Participant shall make elections with regard to the deferral of Compensation and the time and form of payments under the Deferred Compensation Program in accordance with Articles 4 and 6 of the Wrap Plan.

ARTICLE 3
DEFERRAL CONTRIBUTIONS

Each Plan Year, a Participant, electing to defer Compensation under the Deferred Compensation Program for such Plan Year, must defer a minimum of \$5,000 and may defer up to a maximum of 50% of his or her Compensation for such Plan Year.

ARTICLE 4
MATCHING CONTRIBUTIONS

4.1 Amount of Matching Contributions. A Participant who makes Deferral Contributions to the Deferred Compensation Program for a Plan Year shall be entitled to a Matching Contribution on six (6) percent of the Deferral Contributions for that Plan Year. The Matching Contribution shall be determined on the same basis as matching contributions are determined for the Investment Plan for that Plan Year and substituting the Deferral Contributions made pursuant to the Deferred Compensation Program as the Participant's "Compensation" under the Investment Plan.

4.2 Vesting. A Participant shall be vested in the portion of his or her Account attributable to Matching Contributions to the same extent as such Participant is vested in any matching contributions under the Investment Plan.

ARTICLE 5
ACCOUNTS; DEEMED INVESTMENTS

5.1 Accounts. The Committee shall establish an Account for each Participant with at least three sub-accounts as follows:

(a) a Deferred Compensation Sub-Account which shall reflect all Deferral Contributions made by the Participant for each Plan Year, minus amounts placed in the Participating Deferral Sub-Account, together with any adjustments for income, gain or loss and any payments from such sub-account as provided herein;

(b) a Participating Deferral Sub-Account which shall reflect the portion of the Deferral Contributions made by the Participant for each Plan Year for which the Participant receives a Matching Contribution under the Deferred Compensation Program, together with any adjustments for income, gain or loss and any payments from such sub-account as provided herein; and

(c) a Matching Contribution Sub-Account which shall reflect all Company Matching Contributions made under the Deferred Compensation Program for each Plan Year, together with any adjustments for income, gain or loss and any payments from such sub-account as provided herein.

The Committee shall establish such other sub-accounts as it deems necessary or desirable for the proper administration of the Deferred Compensation Program. Amounts deferred by a Participant under the Deferred Compensation Program shall be credited to the Participant's Account and relevant sub-account as soon as administratively practicable after the amounts would have otherwise been paid to the Participant.

5.2 Status of Accounts. Accounts and sub-accounts established hereunder shall be record-keeping devices utilized for the sole purpose of determining benefits payable under the Deferred Compensation Program, and will not constitute a separate fund of assets but shall continue for all purposes to be part of the general, unrestricted assets of the Employer, subject to the claims of its general creditors.

5.3 Deemed Investment of Amounts Deferred.

(a) Participating Deferral and Matching Contribution Sub-Account. The Participant's Participating Deferral and Matching Contribution Sub-Account shall be deemed invested in shares of Common Stock purchased at Fair Market Value on the date(s) on which the Deferral Contributions or Matching Contributions are credited to the Participant's Account. In addition, the Participant's Participating Deferral and Matching Contribution Sub-Account shall be credited on a quarterly basis with an amount equal to the dividends that would have become payable during the deferral period if actual purchases of Common Stock had been made, with

such dividends accounted for as if invested in Common Stock as of the payable date for such dividends. Any credited shares treated as if they were purchased with dividends shall be deemed to have been purchased at Fair Market Value on the dividend payment date.

(b) Deferred Compensation Sub-Account. In connection with his or her enrollment in the Deferred Compensation Program, a Participant may elect to have earnings, gains, or losses with respect to his or her Deferred Compensation Sub-Account calculated based on the deemed investment alternatives below, in increments of 25%, 50%, 75%, or 100%. In the event the Participant fails to make an election regarding the deemed investment of his or her Deferred Compensation Sub-Account, the Participant shall be deemed to have elected to invest 100% of his or her Deferred Compensation Sub-Account in the Common Stock Option (as described below). The Participant's investment election shall continue in effect unless and until modified by the Participant. Any such modification shall apply prospectively only and shall not apply to amounts previously deferred under the Deferred Compensation Program (and related earnings). Any such modification must be made effective as of the first day of a Plan Year, and must be made prior to the first day of such Plan Year.

(i) Common Stock Option. Any portion of the Deferred Compensation Sub-Account deemed invested under this option (the "Common Stock Option") shall be accounted for as if invested in shares of Common Stock purchased at Fair Market Value on the date on which a Deferral Contribution is credited to the Participant's Account. The Participant's Deferred Compensation Sub-Account shall be credited on a quarterly basis with an amount equal to the dividends that would have become payable during the deferral period if actual purchases of Common Stock had been made, with such dividends accounted for as if invested in Common Stock as of the payable date for such dividends. Any credited shares treated as if they were purchased with dividends shall be deemed to have been purchased at Fair Market Value on the dividend payment date.

(ii) Treasury Note Option. Any portion of the Deferred Compensation Sub-Account deemed invested under this option (the "Treasury Note Option") shall be credited with interest at a monthly rate calculated by dividing by 12 the sum of 100 basis points plus the rate for the appropriate 10-Year Treasury Note as quoted in the Wall Street Journal under "Consumer Savings Rates" on the Thursday closest to the end of the month or other published source of such rates as identified by the Company's Treasury department. The appropriate 10-Year Treasury Note shall be the Note that is the closest (in terms of months) to the date on which the interest is credited. The interest deemed to be credited to each Deferred Compensation Sub-Account shall be based on the amount credited to such Account at the beginning of each particular month.

5.4 Assumed Accounts. Except as provided below, upon the Effective Date, the Assumed Accounts shall be subject to the same investment elections, and deemed invested in the same investment options, that were controlling under the Deferred Compensation Program of the Questar Plan immediately prior to the Effective Date until a new election is made in accordance with the terms of the Deferred Compensation Program that by its terms supersedes the prior election. Notwithstanding the preceding sentence, the following additional provisions shall apply to the deemed investment of the Assumed Accounts:

(a) Questar Common Stock Fund. With respect to each Transferred Employee, any Assumed Accounts that, immediately prior to the Effective Date, were deemed invested in the Questar Common Stock Fund under the Deferred Compensation Program of the Questar Plan, initially will be credited to the Questar Common Stock Fund under the Deferred Compensation Program as of the Effective Date, subject to adjustment as provided in paragraph (c) below.

(b) Questar Treasury Note Option. With respect to each Transferred Employee, any Assumed Accounts that, immediately prior to the Effective Date, were deemed to be invested in the treasury note option under the Deferred Compensation Program of the Questar Plan, initially will be credited to the Treasury Note Option under the Deferred Compensation Program as of the Effective Date.

(c) Adjustments to Questar Common Stock Fund. With respect to the Assumed Accounts initially credited to the Questar Common Stock Fund under the Deferred Compensation Program pursuant to paragraph (a) above, each phantom share of Questar common stock credited to the Questar Common Stock Fund on behalf of each Transferred Employee on the Effective Date shall be converted, as of the Effective Date, into phantom shares of the Company's Common Stock and phantom shares of Questar common stock and reallocated as follows:

(i) The number of phantom shares of the Company's Common Stock shall be equal to the number of shares of the Company's Common Stock to which the Transferred Employee would have been entitled on the Effective Date had the phantom shares of Questar common stock represented actual shares of Questar common stock as of the Record Date, the resulting number of phantom shares of the Company's Common Stock being rounded down to the nearest whole unit.

(ii) The resulting number of phantom shares of the Company's Common Stock shall automatically be transferred from the Questar Common Stock Fund and credited to the Common Stock Option, effective as of the Effective Date.

(iii) The resulting number of phantom shares of Questar common stock shall remain in the Questar Common Stock Fund, effective as of the Effective Date, and shall be accounted for as if invested in shares of Questar common stock with the applicable sub-account credited on a quarterly basis with an amount equal to the dividends that would have become payable during the deferral period if actual purchases of Questar common stock had been made, with such dividends accounted for as if invested in Questar common stock as of the payable date for such dividends. Any credited shares of Questar common stock treated as if they were purchased with dividends shall be deemed to have been purchased at fair market value on the dividend payment date. Following the Effective Date, each Transferred Employee shall reallocate all Assumed Accounts deemed invested in the Questar Common Stock Fund into either the Common Stock Option or the Treasury Note Option no later than December 31, 2011; provided, that any Assumed Accounts that remain deemed invested in the Questar Common Stock Fund as of December 31, 2011 shall automatically be reallocated into the Common Stock Option as of such date. In no event shall any deemed investment allocations be permitted into the Questar Common Stock Fund on or after the Effective Date.

Capitalized terms used in this 5.4 that are not defined in this Deferred Compensation Program or the Plan shall have the meaning set forth in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

ARTICLE 6
DISTRIBUTIONS

All distributions of a Participant's Account under the Deferred Compensation Program shall be made in accordance with the Participant's election(s) (or deemed election(s)) under Articles 4 and 6 of the Wrap Plan.

401(k) SUPPLEMENTAL PROGRAM
a component Program of the
QEP Resources, Inc. Deferred Compensation Wrap Plan

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QEP RESOURCES, INC.
401(k) SUPPLEMENTAL PROGRAM

ARTICLE 1
INTRODUCTION

1.1 Establishment of Program. The Company hereby establishes this 401(k) Supplemental Program under the Wrap Plan, as of the Effective Date. Unless otherwise defined herein, all capitalized terms herein shall have the meanings set forth in the QEP Resources, Inc. Deferred Compensation Wrap Plan.

1.2 Purpose. The purpose of the 401(k) Supplemental Program is to provide a benefit to a Participant approximately equal to the benefit that the Participant would have received under the Investment Plan if the Compensation Limit were inapplicable.

ARTICLE 2
PARTICIPATION; ELECTIONS

2.1 Participation. Each Eligible Employee shall participate in the 401(k) Supplemental Program at the time set forth in Article 3 of the Wrap Plan.

2.2 Elections. Each Participant shall make elections with regard to the deferral of Compensation and the time and form of payments under the 401(k) Supplemental Program in accordance with Articles 4 and 6 of the Wrap Plan.

ARTICLE 3
DEFERRAL CONTRIBUTIONS

Each Plan Year, a Participant electing to defer Compensation under the 401(k) Supplemental Program must defer 6% of his or her Compensation in excess of the Compensation Limit for such Plan Year.

ARTICLE 4
MATCHING CONTRIBUTIONS

4.1 Amount of Matching Contributions. A Participant who makes Deferral Contributions to the 401(k) Supplemental Program for a Plan Year shall be entitled to a Matching Contribution for such Plan Year in an amount determined on the same basis as matching contributions are determined for the Investment Plan, except that such Matching Contribution shall be based solely on Compensation in excess of the Compensation Limit.

4.2 Vesting. A Participant shall be vested in the portion of his or her Account attributable to Matching Contributions to the same extent as such Participant is vested in any matching contributions under the Investment Plan.

ARTICLE 5
ACCOUNTS; DEEMED INVESTMENTS

5.1 Accounts. The Committee shall establish an Account and sub-accounts for each Participant as are necessary for the proper administration of the 401(k) Supplemental Program. Such Accounts shall reflect Deferrals Contributions and Matching Contributions made by or on behalf of the Participant, together with any adjustments for income, gain or loss and any payments from the Account as provided herein. Deferral Contributions and related Matching Contributions shall be credited to the Participant's Account as soon as administratively practicable after the Deferral Contribution would have otherwise been paid to the Participant.

5.2 Status of Accounts. Accounts and sub-accounts established hereunder shall be record-keeping devices utilized for the sole purpose of determining benefits payable under the 401(k) Supplemental Program, and will not constitute a separate fund of assets but shall continue for all purposes to be part of the general, unrestricted assets of the Employer, subject to the claims of its general creditors.

5.3 Deemed Investment in Company Stock. The Participant's Account shall be deemed invested in shares of Common Stock (the "Common Stock Fund") and shall be accounted for as if invested in shares of Common Stock purchased at Fair Market Value on the date(s) on which the Deferral Contributions or Matching Contributions are credited to the Participant's Account. In addition, the Participant's Account shall be credited on a quarterly basis with an amount equal to the dividends that would have become payable during the deferral period if actual purchases of Common Stock had been made, with such dividends accounted for as if invested in Common Stock as of the payable date for such dividends. Any credited shares treated as if they were purchased with dividends shall be deemed to have been purchased at Fair Market Value on the dividend payment date.

5.4 Assumed Accounts. Except as provided below, upon the Effective Date, the Assumed Accounts shall be subject to the same investment elections, and deemed invested in the same investment options, that were controlling under the 401(k) Supplemental Program of the Questar Plan immediately prior to the Effective Date until a new election is made in accordance with the terms of the 401(k) Supplemental Program that by its terms supersedes the prior election. Notwithstanding the preceding sentence, the following additional provisions shall apply to the deemed investment of the Assumed Accounts:

(a) Questar Common Stock Fund. With respect to each Transferred Employee, any Assumed Accounts that, immediately prior to the Effective Date, were deemed invested in the Questar Common Stock Fund under the 401(k) Supplemental Program of the Questar Plan, initially will be credited to the Questar Common Stock Fund under the 401(k) Supplemental Program as of the Effective Date, subject to adjustment as provided in paragraph (b) below.

(b) Adjustments to Questar Common Stock Fund. With respect to the Assumed Accounts initially credited to the Questar Common Stock Fund under the 401(k) Supplemental Program pursuant to paragraph (a) above, each phantom share of Questar common stock credited to the Questar Common Stock Fund on behalf of each Transferred Employee on the Effective Date shall be converted, as of the Effective Date, into phantom shares of the Company's Common Stock and phantom shares of Questar common stock and reallocated as follows:

(i) The number of phantom shares of the Company's Common Stock shall be equal to the number of shares of the Company's Common Stock to which the Transferred Employee would have been entitled on the Effective Date had the phantom shares of Questar common stock represented actual shares of Questar common stock as of the Record Date, the resulting number of phantom shares of the Company's Common Stock being rounded down to the nearest whole unit.

(ii) The resulting number of phantom shares of the Company's Common Stock shall automatically be transferred from the Questar Common Stock Fund and credited to the Common Stock Fund, effective as of the Effective Date.

(iii) The resulting number of phantom shares of Questar common stock shall remain in the Questar Common Stock Fund, effective as of the Effective Date, and shall be accounted for as if invested in shares of Questar common stock with the applicable sub-account credited on a quarterly basis with an amount equal to the dividends that would have become payable during the deferral period if actual purchases of Questar common stock had been made, with such dividends accounted for as if invested in Questar common stock as of the payable date for such dividends. Any credited shares of Questar common stock treated as if they were purchased with dividends shall be deemed to have been purchased at fair market value on the dividend payment date. Following the Effective Date, each Transferred Employee shall reallocate all Assumed Accounts deemed invested in the Questar Common Stock Fund into the Common Stock Fund no later than December 31, 2011; provided, that any Assumed Accounts that remain deemed invested in the Questar Common Stock Fund as of December 31, 2011 shall automatically be reallocated into the Common Stock Fund as of such date. In no event shall any deemed investment allocation be permitted into the Questar Common Stock Fund on or after the Effective Date.

Capitalized terms used in this 5.4 that are not defined in this 401(k) Supplemental Program or the Plan shall have the meaning set forth in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

ARTICLE 6 DISTRIBUTIONS

All distributions of a Participant's Account under the 401(k) Supplemental Program shall be made in accordance with the Participant's election(s) (or deemed election(s)) under Articles 4 and 6 of the Wrap Plan.

QEP RESOURCES, INC.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

**QEP RESOURCES, INC.
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN**

**ARTICLE I
PURPOSE**

QEP Resources, Inc. (the “Company”) hereby establishes this QEP Resources, Inc. Supplemental Executive Retirement Plan (the “Plan”) in order to enable the Company to attract and retain key management personnel by providing them with supplemental retirement benefits to compensate them for the limitations imposed by federal tax laws on benefits payable from the QEP Resources, Inc. Retirement Plan (the “Retirement Plan”). The Plan also provides certain participants with the payment of compensation previously deferred under the Questar Corporation Supplemental Executive Retirement Plan, and additional supplemental retirement benefits that are based on the retirement benefit that these participants would have received under the Retirement Plan had they continued to accrue benefits thereunder following the date of the spin-off of the Company from Questar Corporation.

This Plan is intended to be an unfunded, “top-hat” arrangement providing deferred compensation to “a select group of management or highly compensated employees” within the meaning of Sections 201(2), 301(a)(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended.

**ARTICLE II
DEFINITIONS**

The following terms, when used herein, shall have the meanings set forth below, unless a different meaning is plainly required by the context:

2.1 “Accrued Benefit” has the meaning set forth in the Retirement Plan.

2.2 “Affiliated Company.” means any entity that is treated as the same employer as the Company under Sections 414(b), (c), (m), or (o) of the Code, any entity required to be aggregated with the Company pursuant to regulations adopted under Code Section 409A, or any entity otherwise designated as an Affiliated Company by the Company.

2.3 “Assumed Benefits” means, with respect to each Transferred Employee, the aggregate of his or her Pre-409A Benefit, if any, and Pre-Spinoff Benefit as set forth in Section 6.3.

2.4 “Benefit Commencement Date” has the meaning set forth in Section 7.3.

2.5 “Board” means the Board of Directors of the Company.

2.6 “Change in Control” has the meaning set forth in Section 15.2.

2.7 “Code” means the Internal Revenue Code of 1986, as amended.

2.8 “Committee” means the Compensation Committee of the Board.

2.9 “Company” means QEP Resources, Inc., a corporation organized and existing under the laws of the State of Delaware, or its successor or successors.

2.10 “Disability” means a condition that renders a Participant unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as described in Treas. Reg. Section 1.409A-3(i)(4)(i)(A). A Participant shall not be considered to be disabled unless the Participant furnishes proof of the existence of such disability in such form and manner as may be required by regulations promulgated under, or applicable to, Code Section 409A.

2.11 “Distribution Event” has the meaning set forth in Section 7.3.

2.12 “Earliest Retirement Age” has the meaning set forth in the Retirement Plan.

2.13 “Effective Date” shall have the meaning set forth in Article III.

2.14 “Eligible Employee” means any employee (as determined in accordance with Section 3401(c) of the Code and the Treasury Regulations thereunder) of an Employer who satisfies each of the following conditions:

(a) is a member of a “select group of management or highly compensated employees” within the meaning of Sections 201(2), 301(a)(3), and 401(a)(1) of ERISA;

(b) has an accrued benefit under the Retirement Plan; and

(c) either (i) receives or is expected to receive compensation in any calendar year in excess of the limitation on annual compensation that may be taken into account for purposes of providing benefits under a tax-qualified retirement plan pursuant to Section 401(a)(17) of the Code, as adjusted from time to time, or (ii) has deferred compensation under any of the Company’s nonqualified deferred compensation plans.

2.15 “Employer” means the Company and each Affiliated Company that employs any individual who is a current or former participant in the Retirement Plan and consents to the adoption of the Plan.

2.16 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

2.17 “Participant” means any individual who has commenced participation in the Plan in accordance with Article IV.

2.18 “Plan” means this QEP Resources, Inc. Supplemental Executive Retirement Plan, as amended or restated from time to time.

2.19 "Post-Spinoff Benefit" has the meaning set forth in Section 6.2.

2.20 "Pre-409A Benefit" has the meaning set forth in Section 6.3(b).

2.21 "Pre-Spinoff Benefit" has the meaning set forth in Section 6.3(a).

2.22 "Questar Plan" means the Questar Corporation Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2005, including its predecessor plans as set forth therein.

2.23 "Questar Retirement Plan" means the Questar Corporation Retirement Plan, as amended and restated effective January 1, 2009, as in effect as of the "Distribution Date" (as such term is defined in the Separation Agreement) and without regard to any subsequent amendment or restatement thereof.

2.24 "Retirement Income" has the meaning set forth in the Retirement Plan.

2.25 "Retirement Plan" means the QEP Resources, Inc. Retirement Plan, as amended or restated from time to time, or any successor plan. If not otherwise defined, capitalized words or terms used in the Plan shall have the same definitions used in the Retirement Plan.

2.26 "Separation Agreement" means that certain Separation and Distribution Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010).

2.27 "Separation from Service" means a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h).

2.28 "Supplemental Retirement Benefit" means (i) with respect to any Eligible Employee who becomes a Participant on or after the Effective Date, the supplemental retirement benefits payable as set forth in Article V hereof, and (ii) with respect to any Transferred Employee, the supplemental retirement benefits payable as set forth in Article VI hereof.

2.29 "Transferred Employee" means any "QEP Employee" (as defined in that certain Employee Matters Agreement, by and between Questar Corporation and the Company, dated as of June 14, 2010) who either had an accrued benefit or was eligible to participate in the Questar Plan immediately prior to the Effective Date.

ARTICLE III EFFECTIVE DATE

The terms of the Plan shall govern all compensation deferred hereunder on or after the "Distribution Date" (as such term is defined in the Separation Agreement) (such date, the "Effective Date"); provided, however, in the event that the Separation Agreement is terminated or the Distribution otherwise does not occur for any reason, this Plan shall automatically, and without notice, terminate and shall be of no force or effect and no participants shall have any rights or interests hereunder.

ARTICLE IV
PARTICIPATION IN THE PLAN; ELIGIBILITY FOR BENEFITS; VESTING

4.1 General.

(a) Any individual who is an Eligible Employee shall become a Participant in the Plan if (and when) the individual receives written notification from the Committee or its designee, in its sole and absolute discretion, that the individual has been selected to participate in the Plan. Once a Participant, the individual shall be eligible to accrue Supplemental Retirement Benefits under Article V of the Plan.

(b) Notwithstanding any other provision herein, each Transferred Employee shall automatically become a Participant in the Plan as of the Effective Date.

4.2 Failure of Eligibility. If the Committee determines, in its sole and absolute discretion, that any Participant is no longer an Eligible Employee or no longer qualifies as a member of a select group of management or highly compensated employees of the Employer, the Participant shall cease active participation in this Plan and all accruals under this Plan by or on behalf of the Participant shall cease as of the date of such determination by the Committee. The Committee's determination hereunder shall be final and binding on all persons.

4.3 Vesting.

(a) Each Participant, other than a Transferred Employee, shall vest in his or her Supplemental Retirement Benefits under Article V of the Plan upon the later of (i) the date on which the Participant becomes vested in his or her Accrued Benefit under the Retirement Plan, or (ii) the earlier of (A) the 13-month anniversary of the date on which such individual first becomes a Participant in the Plan, provided that such individual remains continuously employed by an Employer throughout such period, (B) the date of the Participant's death or Disability, or (C) the occurrence of a Change in Control; provided, however, in the event that the Participant's employment with an Employer is terminated for any reason prior to the Participant becoming vested in his or her Supplemental Retirement Benefits, the Participant shall forfeit any right, title and interest to any such benefits under the Plan immediately upon such termination of employment.

(b) Notwithstanding the foregoing, each Transferred Employee who first became eligible to participate in the Questar Plan on or after January 1, 2008 shall vest in his or her Post-Spinoff Benefits and, if applicable, such portion of his or her Pre-Spinoff Benefits that accrued during the period beginning on or after January 1, 2008 and ending immediately prior to the Effective Date, upon the later of (i) the date on which the Transferred Employee becomes vested in his or her Accrued Benefit under the Retirement Plan (as assumed by the Company from the Questar Plan pursuant to Section 6.3), or (ii) the earlier of (A) the 13-month anniversary of the date on which such individual first became a Participant in the Questar Plan, provided that such individual remains continuously employed by an Employer throughout such period (which shall be

deemed to include any period of continuous employment with Questar or its affiliates prior to the Effective Date), (B) the date of the Transferred Employee's death or Disability, or (C) the occurrence of a Change in Control; provided, however, in the event that the Transferred Employee's employment with an Employer is terminated for any reason prior to the Transferred Employee becoming vested in his or her Post-Spinoff Benefits and, if applicable, such portion of his or her Pre-Spinoff Benefits, the Transferred Employee shall forfeit any right, title and interest to any such benefits immediately upon such termination of employment.

(c) Notwithstanding the foregoing, each Transferred Employee who first became eligible to participate in the Questar Plan prior to January 1, 2008 shall vest in his or her Post-Spinoff Benefits and, if applicable, such portion of his or her Pre-Spinoff Benefits that accrued during the period beginning on or after January 1, 2005 and ending on December 31, 2007 and his or her Pre-409A Benefit, upon becoming vested in his or her Accrued Benefit under the Retirement Plan (as assumed by the Company from the Questar Plan pursuant to Section 6.3).

ARTICLE V
SUPPLEMENTAL RETIREMENT BENEFITS
FOR NEW PARTICIPANTS

An Eligible Employee who first becomes a Participant pursuant to Section 4.1(a) shall be eligible to receive a Supplemental Retirement Benefit under the Plan equal to the following:

(a) The total amount of Retirement Income that would have been payable under the Retirement Plan (whether to the Participant or the Participant's spouse or beneficiary) if (A) the limitation on annual benefits imposed by Section 415 of the Code were not applicable, (B) the limitation on annual compensation imposed by Section 401(a)(17) of the Code were not applicable, and (C) the Participant had not voluntarily chosen to defer any compensation under the terms of any of the Company's nonqualified deferred compensation plans, less

(b) The actual Retirement Income payable under the Retirement Plan (whether to the Participant or the Participant's spouse or beneficiary).

Distribution of a Participant's Supplemental Retirement Benefit shall be determined in accordance with the applicable provisions of Articles VII and XV.

ARTICLE VI
SUPPLEMENTAL RETIREMENT BENEFITS
FOR TRANSFERRED EMPLOYEES

6.1 Applicability of Section. Each Transferred Employee shall be eligible to receive those Supplemental Retirement Benefits described in Sections 6.2 and 6.3, to the extent applicable.

6.2 Post-Spinoff Benefits. On and after the Effective Date, each Transferred Employee shall be eligible to receive a benefit (the “Post-Spinoff Benefit”) under the Plan equal to the following:

(a) The total amount of Retirement Income that would have been payable under the Retirement Plan (whether to the Transferred Employee or the Transferred Employee’s spouse or beneficiary) if (I) “Compensation” (as defined in the Retirement Plan) included the compensation paid to the Transferred Employee on and after the Effective Date by an Employer, and “Credited Service” (as defined in the Retirement Plan) included the Transferred Employee’s period of employment with an Employer on and after the Effective Date, subject to such other terms and conditions set forth in the Retirement Plan, (II) the limitation on annual benefits imposed by Section 415 of the Code were not applicable, (III) the limitation on annual compensation imposed by Section 401(a)(17) of the Code were not applicable, and (IV) the Transferred Employee had not voluntarily chosen to defer any compensation under the terms of any of the Company’s nonqualified deferred compensation plans, less

(b) The actual Retirement Income payable under the Retirement Plan (whether to the Transferred Employee or the Transferred Employee’s spouse or beneficiary).

Distribution of a Transferred Employee’s Post-Spinoff Benefit shall be determined in accordance with the applicable provisions of Articles VII and XV.

6.3 Assumed Benefits. As of the Effective Date, the Company has assumed all accrued benefits under the Questar Plan with respect to each Transferred Employee (“Assumed Benefits”), and as of the Effective Date, Questar shall have no further liabilities or obligations with respect to such Assumed Benefits, which shall include the following:

(a) Pre-Spinoff Benefit. The total amount of “Retirement Income” that would have been payable under the Questar Retirement Plan as defined therein (whether to the Transferred Employee or the Transferred Employee’s spouse or beneficiary) immediately prior to the Effective Date if (I) the limitation on annual benefits imposed by Section 415 of the Code were not applicable, (II) the limitation on annual compensation imposed by Section 401(a)(17) of the Code were not applicable, and (III) the Transferred Employee had not voluntarily chosen to defer any compensation under the terms of any of Questar’s nonqualified deferred compensation plans, less the actual “Retirement Income” payable under the Questar Retirement Plan as defined therein (whether to the Transferred Employee or the Transferred Employee’s spouse or beneficiary) immediately prior to the Effective Date, but excluding any Pre-409A Benefit (the “Pre-Spinoff Benefit”). For the avoidance of doubt, the Pre-Spinoff Benefit shall only include “amounts deferred” after December 31, 2004 and prior to the Effective Date within the meaning of Code Section 409A. Distribution of a Transferred Employee’s Pre-Spinoff Benefit shall be determined in accordance with the applicable provisions of Articles VII and XV.

(b) Pre-409A Benefits. Any portion of a Transferred Employee’s “Supplemental Retirement Benefit” under the Questar Plan as defined therein that constitutes an “amount deferred” prior to January 1, 2005 as determined pursuant to Code Section 409A, Treas. Reg. Section 1.409A-6(a)(3), and any subsequent guidance (the “Pre-409A Benefit”). The Pre-409A Benefit shall remain subject to the applicable provisions of the Questar Plan as in effect immediately prior to the Effective Date as may be amended from time to time, except to the extent that any such modification would result in the Pre-409A Benefit becoming subject to compliance with Code Section 409A. The adoption of this Plan is not intended to constitute a

“material modification” (within the meaning of Treas. Reg. Section 1.409A-6(a)(4)) with respect to the Pre-409A Benefits and any provision of the Plan that is deemed to be a material modification with respect to the Pre-409A Benefits shall have no force and effect unless and until amended to prevent such provision from being considered such a material modification (which amendment may be retroactive). Distribution of a Transferred Employee’s Pre-409A Benefit shall be determined in accordance with the applicable provisions of the Questar Plan as described in this Section 6.3(b).

ARTICLE VII
DISTRIBUTION OF SUPPLEMENTAL RETIREMENT BENEFITS

7.1 Applicability of Section. This Article VII shall apply to the distribution of (i) a Participant’s Supplemental Retirement Benefits under Article V and (ii) such portion of a Transferred Employee’s Supplemental Retirement Benefit that constitutes a Pre-Spinoff Benefit and Post-Spinoff Benefit under Sections 6.2 and 6.3(a), respectively. Distribution of any portion of a Transferred Employee’s Supplemental Retirement Benefit that constitutes a Pre-409A Benefit shall be determined in accordance with Section 6.3(b).

7.2 Distribution Elections. A Participant’s distribution election with respect to any of the Supplemental Retirement Benefits described in this Article VII shall be made in accordance with Section 409A(a)(4) of the Code and the regulations thereunder.

(a) Each Eligible Employee who first becomes a Participant in the Plan pursuant to Section 4.1(a), may elect the time and form of distribution of his or her Supplemental Retirement Benefits under Article V from among the options available under Sections 7.3 and 7.4 below, provided that such election is made within thirty (30) days after the date on which the Eligible Employee first becomes a Participant in the Plan.

(b) Each Transferred Employee may elect the time and form of distribution of such portion of his or her Post-Spinoff Benefit for which benefit accruals commence on and after January 1, 2011 from among the options available under Sections 7.3 and 7.4 below, provided that such election is made on or prior to December 31, 2010.

(c) Each Transferred Employee shall automatically be deemed to have elected the same time and form of distribution with respect to (i) such portion of his or her Post-Spinoff Benefits for which benefits accrue during the period beginning on and after the Effective Date and ending on December 31, 2010 and (ii) his or her Pre-Spinoff Benefits under this Plan, as the Transferred Employee had elected under the Questar Plan in accordance with its terms with respect to (x) such portion of his or her “Post 409A Benefits” (as defined in the Questar Plan) for which benefits accrued on or after January 1, 2010, and (y) such portion of his or her “Post 409A Benefits” (as defined in the Questar Plan) for which benefits accrued during the period beginning on or after January 1, 2005 and ending on December 31, 2009, respectively.

(d) Default. If any Participant, including any Transferred Employee, fails to make a timely election under Section 7.2(a) or 7.2(b) respectively, or such election does not meet the requirements of Code Section 409A and related Treasury guidance or regulations, the

Participant shall be deemed to have elected to receive distribution of his or her Supplemental Retirement Benefits in the form of a lump sum within 60 days following the later of (i) the Participant's 55th birthday, or (ii) the earliest to occur of the Participant's death, Disability, or Separation from Service.

(e) Subsequent Changes in Time and Form of Distribution. A Participant may irrevocably elect, at least 12 months before a scheduled payment date, to delay the payment date for a minimum period of 5 years from the originally scheduled date of payment, provided that, such irrevocable election will be effective no earlier than 12 months after the date on which such election is made; further, provided, that any such election shall be made in accordance with Section 409A(a)(4)(C) of the Code and the Treasury Regulations thereunder, pursuant to procedures and rules prescribed by the Committee in its sole and absolute discretion.

7.3 Time of Distribution. A Participant may elect to receive distribution of his or her Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee, may elect to receive distribution of his or her Post-Spinoff Benefit for which benefit accruals commence on and after January 1, 2011, on the date of, or at a designated anniversary date following, the later of (i) the Participant's 55th birthday or (ii) the first to occur of any of the following (the "Distribution Event"):

- (a) the Participant's Disability,
- (b) the Participant's Separation from Service; or
- (c) the Participant's death.

The Participant may designate a different distribution date for each of the events specified in clauses (a), (b), and (c), above; provided, however, that distribution of benefits cannot commence prior to the Participant's 55th birthday or later than the Participant's 65th birthday. The actual date on which distribution of benefits commences under this Section or Section 7.2(d), as applicable, shall be the "Benefit Commencement Date."

7.4 Forms of Distribution. A Participant may elect to receive distribution of his or her Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee may elect to receive distribution of his or her Post-Spinoff Benefit for which benefit accruals commence on and after January 1, 2011, in any of the following forms:

- (a) a single lump sum; or
- (b) equal quarterly installments over a period of 1 to 10 years (with actuarial equivalence computed using the interest rate described in Section 7.5(b)
- (i) and without regard to the applicable mortality table referenced therein).

The Participant may designate a different form of distribution with respect to each of the different Distribution Events specified in clauses (a), (b), and (c) of Section 7.3.

7.5 Calculation of Supplemental Retirement Benefits.

(a) A Participant's Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee such portion of his or her Supplemental Retirement Benefit that constitutes a Pre-Spinoff Benefit and Post-Spinoff Benefit under Sections 6.2 and 6.3(a), shall be calculated in accordance with the respective principles set forth therein on the earliest to occur of (i) the Benefit Commencement Date or (ii) the first date as of which any benefits under the Retirement Plan commence to either the Participant or the Participant's spouse or beneficiary (the "Calculation Date"). Such calculation shall take into account the Participant's marital status and any related subsidies as of the date such benefit is determined, and shall, in the event that the Participant's death is the Distribution Event, take into account the effect that the death of the Participant has on the calculation of Retirement Income.

(b) The Committee shall calculate the distribution of a Participant's Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee such portion of his or her Supplemental Retirement Benefit that constitutes a Pre-Spinoff Benefit and Post-Spinoff Benefit under Sections 6.2 and 6.3(a), as follows:

(i) The lump-sum present value of the applicable Supplemental Retirement Benefit shall be determined on the Calculation Date pursuant to Section 7.5(a), using the standard mortality table referred to as the 1983 Group Annuity Mortality table and an interest rate equal to 80% of the average of the IRS 30-year Treasury Securities Rates for the six-month period preceding the Benefit Commencement Date (the "Lump Sum Present Value").

(ii) To the extent that the applicable Supplemental Retirement Benefit is payable after the Calculation Date, the Lump Sum Present Value of such benefit will be credited with monthly interest for the period commencing on the Calculation Date and ending on the date(s) of distribution, using the 30-year Treasury bond with the closest maturity date (by month) preceding the date on which the interest is to be credited as quoted in the Wall Street Journal on the first business day of each month.

7.6 Effect of Death on Distributions.

(a) Death After Distribution Event. In the event of a Participant's death following a Distribution Event, the Participant's Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee such portion of his or her Supplemental Retirement Benefit that constitutes a Pre-Spinoff Benefit and Post-Spinoff Benefit under Sections 6.2 and 6.3, to the extent remaining, shall be paid to the beneficiary selected by the Participant pursuant to Article XIV below at the same time and in the same amounts as would have been paid to the Participant had he or she not died.

(b) Death as a Distribution Event. In the event that a Participant's death is the Distribution Event for the Participant's Supplemental Retirement Benefits under Article V, or if the Participant is a Transferred Employee such portion of his or her Supplemental Retirement Benefit that constitutes a Pre-Spinoff Benefit and Post-Spinoff Benefit under Sections 6.2 and 6.3, such benefits shall be paid to the beneficiary selected by the Participant pursuant to Article XIV below in accordance with the distribution election made (or deemed to have been made) by the Participant.

7.7 Six-Month Delay. Notwithstanding anything to the contrary in the Plan, no distribution shall be made to a Participant under the Plan on account of the Participant's Separation from Service during the 6-month period following such Separation from Service to the extent that the Company determines that the Participant is a "specified employee" (as defined in Section 409A(a)(2)(B)(i) of the Code and the Treasury Regulations thereunder) at the time of such Separation from Service and that paying such amounts at the time or times indicated in the Plan would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such 6-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without being subject to such additional taxes, including as a result of the Participant's death), a lump-sum distribution shall be made to the Participant under the Plan equal to the cumulative amount that would have otherwise been payable to the Participant during such 6-month period, plus interest credited at the rate specified in Section 7.5(b)(ii) above.

ARTICLE VIII
FUNDING

The Supplemental Retirement Benefits payable under this Plan shall be paid by the Employers out of their general assets. In its discretion, the Board may establish a trust fund or make other arrangements to assure payment of the Supplemental Retirement Benefits. Until paid or made available to a Participant or beneficiary, all assets of any trust fund or any account established by the Company shall be solely the property of the Company and shall be subject to the claims of the general creditors of the Company by means of writs, orders of attachment, garnishment, levies of execution or any other manner in which a general creditor seeks to satisfy its claims against the Company. The Participants and their beneficiaries shall be unsecured creditors of the Company with respect to the Supplemental Retirement Benefits provided for in this Plan.

ARTICLE IX
ALLOCATION OF COSTS

The cost of Supplemental Retirement Benefits paid to or on behalf of any Participant shall be allocated to and be the responsibility of the Employers for which the Participant performed services, and shall be divided among the Employers in the same manner as contributions under the Retirement Plan are or would otherwise be divided with respect to such Participant.

ARTICLE X
ADMINISTRATION

10.1 Committee to Administer and Interpret Plan. The Committee shall administer the Plan and shall have all discretion and power necessary for that purpose. The Committee shall have the discretion, authority, and power to (i) make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan and (ii) decide or resolve any and all questions including interpretations of this Plan and determinations of eligibility to participate and to receive

distributions under this Plan, as may arise in connection with this Plan. Any individual serving on the Committee shall not vote or act on any matter relating solely to himself. When making a determination or calculation, the Committee shall be entitled to rely on information supplied by a Participant, beneficiary, or the Employer, as the case may be. If a trust has been established, the Committee shall direct the trustee concerning all payments from the trust fund in accordance with the provisions of the Plan and the trust agreement and shall have such other powers in the administration of the trust fund as may be conferred upon it by the trust agreement. The Committee shall maintain all records of the Plan except records of the trust fund if a trust has been established.

10.2 Agents. In the administration of this Plan, the Committee may, from time to time, employ agents (including officers and other employees of the Company) and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel who may be counsel to the Company.

10.3 Binding Effect of Decisions. The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

10.4 Indemnity of Committee. The Company shall indemnify and hold harmless the members of the Committee and any employee to whom duties of the Committee may be delegated against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan, except in the case of willful misconduct by the Committee, any of its members, or any such employee.

10.5 Employer Information. To enable the Committee to perform its functions, the Employer shall supply full and timely information to the Committee on all matters relating to the compensation of its Participants, the date and circumstances of the Disability, death or Separation from Service of a Participant, as applicable, and such other pertinent information as the Committee may reasonably require.

10.6 Agent for Legal Process. The Committee shall be agent of the Plan for service of all legal process.

ARTICLE XI CLAIMS PROCEDURE

11.1 Filing a Claim. All claims shall be filed in writing by the Participant, his or her beneficiary, or the authorized representative of either, by completing the procedures that the Committee requires. The procedures shall be reasonable and may include the completion of forms and the submission of documents and additional information. All claims under this Plan shall be filed in writing with the Committee according to the Committee's procedures no later than one year after the occurrence of the event that gives rise to the claim. If the claim is not filed within the time described in the preceding sentence, the claim shall be barred.

11.2 Review of Initial Claim.

(a) Initial Period for Review of the Claim. The Committee shall review all materials and shall decide whether to approve or deny the claim. If a claim is denied in whole or in

part, written notice of denial shall be furnished by the Committee to the claimant within a reasonable time after the claim is filed but not later than ninety (90) days after the Committee receives the claim. The notice shall set forth the specific reason(s) for the denial, reference to the specific plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect his claim and an explanation of why such material or information is necessary, and a description of the Plan's review procedures, including the applicable time limits and a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following a denial of the appeal.

(b) Extension. If the Committee determines that special circumstances require an extension of time for processing the claim, it shall give written notice to the claimant and the extension shall not exceed ninety (90) days. The notice shall be given before the expiration of the ninety (90) day period described in Section 11.2(a) above and shall indicate the special circumstances requiring the extension and the date by which the Committee expects to render its decision.

11.3 Appeal of Denial of Initial Claim. The claimant may request a review upon written application, may review pertinent documents, and may submit issues or comments in writing. The claimant must request a review within a reasonable period of time prescribed by the Committee. In no event shall such a period of time be less than sixty (60) days.

11.4 Review of Appeal.

(a) Initial Period for Review of the Appeal. The Committee shall conduct all reviews of denied claims and shall render its decision within a reasonable time, but not less than sixty (60) days of the receipt of the appeal by the Committee. The claimant shall be notified of the Committee's decision in a notice, which shall set forth the specific reason(s) for the denial, reference to the specific plan provisions on which the denial is based, a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim, and a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following a denial of the appeal.

(b) Extension. If the Committee determines that special circumstances require an extension of time for reviewing the appeal, it shall give written notice to the claimant and the extension shall not exceed sixty (60) days. The notice shall be given before the expiration of the sixty (60) day period described in Section 11.3 above and shall indicate the special circumstances requiring the extension and the date by which the Committee expects to render its decision.

11.5 Form of Notice to Claimant. The notice to the claimant shall be given in writing or electronically and shall be written in a manner calculated be understood by the claimant. If the notice is given electronically, it shall comply with the requirements of Department of Labor Regulation Section 2520.104b-1(c) (1)(i), (iii), and (iv).

11.6 Discretionary Authority of Committee. The Committee shall have full discretionary authority to determine eligibility, status, and the rights of all individuals under the Plan, to construe any and all terms of the Plan, and to find and construe all facts.

ARTICLE XII
AMENDMENT OR TERMINATION

The Board may at any time amend, modify, or terminate this Plan; provided, however, that no such amendment may alter in any way the time, form, or amount of benefits payable to any retired Participant or his or her surviving spouse or beneficiary, nor shall any such amendment, modification, or termination adversely affect the rights of any Participant to receive Supplemental Retirement Benefits earned prior to such action.

ARTICLE XIII
SUCCESSOR TO THE COMPANY

The Company shall require any successor or assign, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all of the business and/or assets of the Company, to assume and agree to pay any Supplemental Retirement Benefits under the Plan in the same manner and to the same extent that the Company would be required to perform if no such succession or assignment had taken place.

ARTICLE XIV
BENEFICIARIES

Each Participant may designate one or more beneficiaries to receive any lump sum or installment payments distributable under this Plan on or after the Participant's death. In the absence of an effective beneficiary designation as to all or any part of any lump sum or installment payments, payment of such amounts shall be made to the Participant's beneficiary under the QEP Resources, Inc. Employee Investment Plan, if any, or, if none, to the designated beneficiary under the Company's basic life insurance plan, if any, or, if none, to the personal representative of the Participant's estate.

ARTICLE XV
CHANGE IN CONTROL

15.1 Payments.

(a) Change in Control. In the event that a Change in Control occurs and a Participant dies, incurs a Disability, or incurs a Separation from Service within two years following the date of such Change in Control, the Participant (or his or her beneficiary) shall receive a lump-sum payment of all accrued Supplemental Retirement Benefits within 30 days following the date of such death, Disability or Separation from Service, subject to the provisions of Section 7.7 hereof.

(b) Calculation of Benefits. All Supplemental Retirement Benefits to which a Participant may be entitled under Section 15.1(a) shall be calculated in accordance with the applicable principles set forth in Articles V, VI and VII, except that the date of distribution established under Section 15.1(a) shall be the Benefit Commencement Date for purposes of calculating such benefits. In the event that such Benefit Commencement Date precedes the Participant's Earliest Retirement Age under the Retirement Plan, the Supplemental Retirement

Benefits payable shall be reduced by the applicable actuarial and supplemental factors set forth in the Retirement Plan for lump sum distributions, and, to the extent that the Retirement Plan's applicable actuarial or supplemental factors do not contemplate a distribution as of such Benefit Commencement Date, the Committee shall extrapolate such factors in good faith, in its sole discretion.

15.2 Change in Control Definition. A Change in Control of the Company shall be deemed to have occurred if: (i) any individual, entity, or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")) other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the beneficial owner (as such term is used in Rule 13d-3 under the Exchange Act) of securities of the Company representing 25 percent or more of the combined voting power of the Company; or (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Company's Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date, or whose appointment, election or nomination for election was previously so approved or recommended; or (iii) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60 percent of the combined voting power of the securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation, or a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company's then outstanding securities; or (iv) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company or there is consummated for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60 percent of the combined voting power of the voting securities of which are owned by the stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale. In addition, if a Change in Control constitutes a payment event with respect to any payment under the Plan which provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in clauses (i), (ii), (iii) and (iv) with respect to such payment must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A of the Code.

15.3 Payment of Legal Fees for Disputes Following a Change in Control. The Company agrees to pay as incurred, to the full extent permitted by law all legal fees and expenses which a Participant may reasonably incur as a result of any contest (regardless of the outcome thereof) by the Company, the Participant, or others following a Change in Control regarding the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance

thereof (including as a result of any contest by the Participant about the amount of any payment pursuant to this Plan), plus in each case interest on any delayed payment computed at the interest rate set forth in Section 7.5(b)(ii). The foregoing right to legal fees and expenses shall not apply to any contest brought by a Participant (or other party seeking payment under the Plan) that is found by a court of competent jurisdiction to be frivolous or vexatious. To the extent that any payments or reimbursements provided to the Participant under this Section are deemed to constitute compensation to the Participant, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any payments or expense reimbursements that constitute compensation in one year shall not affect the amount of payments or expense reimbursements constituting compensation that are eligible for payment or reimbursement in any subsequent year, and the Participant's right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

ARTICLE XVI
MISCELLANEOUS

16.1 No Assignment or Alienation.

(a) General. Except as provided in subsection (b) below, the Supplemental Retirement Benefits provided for in this Plan shall not be anticipated, assigned (either at law or in equity), alienated, or be subject to attachment, garnishment, levy, execution or other legal or equitable process. Any attempt by any Participant or any beneficiary to anticipate, assign or alienate any portion of the Supplemental Retirement Benefits provided for in this Plan shall be null and void.

(b) Exception: DRO. The restrictions of subsection (a) shall not apply to a distribution to an "alternate payee" (as defined in Code Section 414(p)) pursuant to a "domestic relations order" ("DRO") within the meaning of Code Section 414(p)(1)(B). The Committee shall have the discretion, power, and authority to determine whether an order is a DRO. Upon a determination that an order is a DRO, the Committee shall direct the Employer or the Trustee, as the case may be, to distribute to the alternate payee or payees named in the DRO, as directed by the DRO.

16.2 Not An Employment Contract. This Agreement is not a contract of employment, and any Participant may terminate his or her employment, or his or her employment may be terminated by the Company, at any time, subject to the terms and conditions of any employment agreements between the Participant and the Employer.

16.3 Furnishing Information. A Participant or his or her beneficiary shall cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and the payment of benefits hereunder.

16.4 Payments to Incompetents. If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of his or her property, the Committee may direct payment of

such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

16.5 Court Order. The Committee is authorized to make any payments directed by court order in any action in which the Plan or the Committee has been named as a party.

16.6 Code Section 409A Savings Clause. The payments and benefits provided under the Plan are intended to be compliant with the requirements of Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, including, without limitation, Article XII hereof, in the event that the Company reasonably determines that any payments or benefits hereunder are not either exempt from or compliant with the requirements of Section 409A of the Code, the Company shall have the right adopt such amendments to this Plan or adopt such other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that are necessary or appropriate (i) to preserve the intended tax treatment of the payments and benefits provided hereunder, to preserve the economic benefits with respect to such payments and benefits, and/or (ii) to exempt such payments and benefits from Section 409A of the Code or to comply with the requirements of Section 409A of the Code and thereby avoid the application of penalty taxes thereunder; provided, however, that this Section 16.6 does not, and shall not be construed so as to, create any obligation on the part of the Company to adopt any such amendments, policies or procedures or to take any other such actions or to indemnify any Participant for any failure to do so.

16.7 Distribution in the Event of Taxation. If, for any reason, all or any portion of a Participant's benefits under this Plan becomes subject to tax under Code Section 409A prior to receipt, a Participant may petition the Committee for a distribution of that portion of his or her benefit that has become taxable, or such lesser amount as may be permitted by Code Section 409A. Upon the grant of such a petition, which grant shall not be unreasonably withheld, the Employer, or if applicable, the trustee, shall distribute to the Participant immediately available funds in an amount equal to the taxable portion of his or her benefit or such lesser amount as may be permitted by Code Section 409A (which amount shall not exceed a Participant's unpaid Supplemental Retirement Benefit under the Plan). If the petition is granted, the tax liability distribution shall be made within 90 days of the date when the Participant's petition is granted. Such a distribution shall affect and reduce the benefits to be paid under this Plan. Any distribution under this Section 16.7 must meet the requirements of Code Section 409A and related Treasury guidance or Regulations.

16.8 Governing Law. To the extent not preempted by federal law, this Plan shall be governed by the laws of the State of Colorado, without regard to conflicts of law principles.

[Signature Page Follows]

I hereby certify that this QEP Resources, Inc. Supplemental Executive Retirement Plan was duly adopted by the Board of Directors of QEP Resources, Inc. on June 12, 2010.

Executed on this 12 day of June, 2010.

By: /s/ Richard J. Doleshek

Richard J. Doleshek
Executive Vice President, Chief Financial Officer and Treasurer



News Release

Questar Corporation
180 East 100 South
P.O. Box 45433
Salt Lake City, UT 84145-0433

June 14, 2010
(N)
NYSE:STR
10-11

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QUESTAR BOARD APPROVES SPIN-OFF OF QEP RESOURCES

Company sets June 30, 2010 Distribution Date

SALT LAKE CITY — Questar Corporation (NYSE:STR) announced today that its board of directors has unanimously approved and set record and distribution dates for the tax-free spin-off to shareholders of its natural gas and oil exploration and production (E&P) and midstream field services businesses.

The spin-off will be structured as a pro-rata dividend of the common stock of subsidiary QEP Resources, Inc. (formerly Questar Market Resources) (QEP). The distribution will occur at 11:59 p.m. EDT on June 30, 2010 to Questar shareholders of record as of the close of business on June 18, 2010. Questar shareholders will receive one share of QEP common stock for each share of Questar common stock (including fractional shares) held as of the record date. Following the dividend, Questar shareholders will own an equal number of shares of both Questar and QEP.

Questar previously disclosed that the Internal Revenue Service has issued a private letter ruling indicating that, subject to various customary representations and assumptions, the spin-off will qualify as a tax-free transaction for U.S. federal income tax purposes. Questar urges shareholders to consult their tax advisors regarding the U.S. federal, state, local and foreign tax consequences of this transaction.

Questar shareholders are not required to take any action to receive shares of QEP common stock as a result of this transaction. Shareholders who hold Questar common stock on the record date will either receive a book-entry account statement reflecting their ownership of QEP common stock, or their brokerage account will be credited with QEP shares.

Questar common stock will continue to trade the “regular way” on the New York Stock Exchange (NYSE) under the symbol STR through the distribution date of June 30, 2010 and thereafter. Shareholders who sell their shares the “regular way” on or before June 30, 2010 will also be selling their right to receive the distribution of shares of QEP common stock. Investors are urged to consult their financial advisors regarding specific implications of buying or selling Questar common stock on or before the distribution date.

QEP common stock is expected to begin trading on the NYSE on a “when-issued” basis under the symbol “QEP WI” beginning on June 16, 2010. On July 1, 2010, “when-issued” trading of QEP common stock would end and “regular way” trading under the symbol “QEP” would begin. The CUSIP number for QEP common stock will be 74733V 100 when “regular way” trading begins.

Financial and Legal Advisors

Deutsche Bank Securities Inc. and Tudor, Pickering, Holt & Co. are acting as financial advisors for the transaction. Latham & Watkins LLP is acting as legal advisor for the transaction. Skadden, Arps, Slate, Meagher, & Flom LLP is acting as legal advisor to the Board of Directors.

Additional Information:

Information regarding the distribution of QEP common stock, QEP's business and management and Questar's business and management will be posted on both Questar's website, www.questar.com, and QEP's website, www.qepres.com, prior to the distribution date.

About post-spin Questar Corporation:

Questar Corporation is a natural gas-focused energy company. Its subsidiaries include:

- **Wexpro Company**, which develops and produces natural gas on behalf of Questar Gas Company's utility customers under a 1981 agreement with state regulators;
- **Questar Pipeline Company**, which operates interstate natural gas pipelines and storage facilities in the western United States;
- **Questar Gas Company**, a regulated natural gas distribution utility serving over 900,000 homes and businesses in Utah, Wyoming, and Idaho.

About post-spin QEP Resources, Inc.:

QEP Resources is a domestic U.S. exploration and production company. QEP Resources subsidiaries include:

- **QEP Energy Company (formerly Questar Exploration and Production)**, a diversified natural gas and oil-exploration, development and production company;
- **QEP Field Services Company (formerly Questar Gas Management)**, a midstream field services company that gathers and processes natural gas in the Rocky Mountain region and northwest Louisiana;
- **QEP Marketing Company (formerly Questar Energy Trading)**, which markets natural gas and oil on behalf of QEP Energy Company and others and operates a natural gas storage facility in western Wyoming.

Forward-Looking Statements

This document may contain or incorporate by reference information that includes or is based upon "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 give expectations or forecasts of future events. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning in connection with a discussion of future operating or

financial performance. Any or all forward-looking statements may turn out to be wrong. These statements are based on current expectations and the current economic environment. They involve a number of risks and uncertainties that are difficult to predict. Actual results could differ materially from those expressed or implied in the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to the following:

- general economic conditions, including the performance of financial markets and interest rates;
- changes in industry trends;
- changes in laws or regulations; and
- other factors, most of which are beyond Questar's control.

Questar undertakes no obligation to publicly correct or update the forward-looking statements in this document, in other documents, or on the web site to reflect future events or circumstances. All such statements are expressly qualified by this cautionary statement.

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QEP RESOURCES, INC.
UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL INFORMATION

Wexpro Company Separation and QEP Resources, Inc. Spinoff

After the Distribution Date, QEP Resources, Inc. (QEP Resources or Company) will not beneficially own any shares of Wexpro Company (Wexpro) common stock and, following such date, will no longer consolidate Wexpro's financial results, and the historical financial results of Wexpro will be reflected in the Company's consolidated financial statements as discontinued operations.

Pro Forma Information

The accompanying unaudited pro forma condensed consolidated balance sheet of QEP Resources as of March 31, 2010, is presented as if the separation had occurred on March 31, 2010. The accompanying unaudited pro forma consolidated statements of income of QEP Resources for the three months ended March 31, 2010 and the years ended December 31, 2009, 2008 and 2007 are presented as if the separation had occurred on January 1, 2007.

The accompanying unaudited pro forma consolidated financial information is presented based on information available, is intended for informational purposes only and is not necessarily indicative of and does not purport to represent the financial condition or operating results that would have actually occurred had the separation occurred as described, nor is it necessarily indicative of QEP Resources' future financial condition or operating results. In addition, the accompanying unaudited pro forma consolidated financial information does not reflect actions that may be undertaken by management after the separation. The accompanying unaudited pro forma consolidated financial information should be read in conjunction with the notes thereto and "Management's Discussion and Analysis of Results of Operations and Financial Condition" and the Company's consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009, and the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

QEP Resources' independent registered public accounting firm has not examined, reviewed, compiled or applied agreed upon procedures to the unaudited pro forma consolidated historical financial information presented herein and, accordingly, assumes no responsibility for it.

The following is a brief description of the amounts recorded under each of the column headings in the accompanying unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated statements of income:

Historical QEP Resources

This column reflects QEP Resources' historical financial position as of March 31, 2010, and historical operating results for the three months ended March 31, 2010 and the years ended December 31, 2009, 2008, and 2007 prior to any pro forma adjustments described under the headings "Wexpro Separation" and "Other Adjustments" below.

Wexpro Separation

This column reflects Wexpro's historical financial position as of March 31, 2010, and its historical operating results for the three months ended March 31, 2010 and the years ended December 31, 2009, 2008 and 2007.

Other Adjustments

This column represents pro forma adjustments for transactions between QEP Resources and Questar, including Wexpro, that were previously eliminated in consolidation or reported as transactions with affiliates or that arose as a direct result of the separation and are reflected in the Company's consolidated financial position and results of operations upon the completion of the separation. These adjustments are more fully described in the notes to unaudited pro forma consolidated financial information.

QEP RESOURCES, INC.
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
March 31, 2010
(Unaudited)

	<u>Historical QEP Resources</u>	<u>Wexpro Separation</u>	<u>Other Adjustments</u> (in millions)		<u>Pro Forma QEP Resources</u>
ASSETS					
Current Assets					
Notes receivable			\$ 27.9	(b)	\$ 27.9
Accounts receivable, net	\$ 236.7	\$ (7.7)	8.2	(b)	237.2
Accounts receivable from affiliates	31.6	(30.4)	(1.2)	(b)	
Fair value of derivative contracts	313.3				313.3
Inventories	78.9	(4.1)			74.8
Prepaid expenses and other	32.5	(1.1)			31.4
Total Current Assets	<u>693.0</u>	<u>(43.3)</u>	<u>34.9</u>		<u>684.6</u>
Property, Plant and Equipment	8,500.1	(1,033.2)			7,466.9
Accumulated depreciation, depletion and amortization	(2,688.7)	443.8			(2,244.9)
Net Property, Plant and Equipment	<u>5,811.4</u>	<u>(589.4)</u>			<u>5,222.0</u>
Investment in unconsolidated affiliates	44.1				44.1
Goodwill	60.1				60.1
Fair value of derivative contracts	170.4				170.4
Other noncurrent assets	24.7	(16.4)			8.3
TOTAL ASSETS	<u>\$ 6,803.7</u>	<u>\$ (649.1)</u>	<u>\$ 34.9</u>		<u>\$ 6,189.5</u>
LIABILITIES AND EQUITY					
Current Liabilities					
Checks outstanding in excess of cash balances	\$ 11.5	\$ (1.9)			\$ 9.6
Notes payable			\$ 3.0	(a),(b)	3.0
Notes payable to Questar	53.0	(27.9)	(25.1)	(b)	
Accounts payable and accrued expenses	374.1	(42.8)	16.9	(b)	348.2
Accounts payable to affiliates	17.6	(7.7)	(9.9)	(b)	
Fair value of derivative contracts	139.5				139.5
Deferred income taxes - current	45.7	4.4			50.1
Current portion of long-term debt	150.0				150.0
Total Current Liabilities	<u>791.4</u>	<u>(75.9)</u>	<u>(15.1)</u>		<u>700.4</u>
Long-term debt, less current portion	1,198.7		(200.0)	(a)	998.7
Deferred income taxes	1,364.2	(105.5)			1,258.7
Asset retirement obligations	191.3	(52.8)			138.5
Fair value of derivative contracts	111.7				111.7
Other long-term liabilities	51.6	(9.6)			42.0
EQUITY					
Common Shareholder's Equity	3,040.5	(405.3)	250.0	(a)	2,885.2
Noncontrolling interest	54.3				54.3
Total Equity	<u>3,094.8</u>	<u>(405.3)</u>	<u>250.0</u>		<u>2,939.5</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 6,803.7</u>	<u>\$ (649.1)</u>	<u>\$ 34.9</u>		<u>\$ 6,189.5</u>

See notes to unaudited pro forma consolidated financial information

QEP RESOURCES, INC.
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
Three Months Ended March 31, 2010
(Unaudited)

	<u>Historical QEP Resources</u>	<u>Wexpro Separation</u>	<u>Other Adjustments</u>		<u>Pro Forma QEP Resources</u>
	(in millions, except per share amounts)				
REVENUES					
From unaffiliated customers	\$ 576.3	\$ (6.2)	\$ 10.0	(c)	\$ 580.1
From affiliated companies	66.5	(60.5)	(6.0)	(c)	—
Total Revenues	642.8	(66.7)	4.0		580.1
OPERATING EXPENSES					
Cost of natural gas and other products sold (excluding operating expenses shown separately)	173.9		3.9	(c)	177.8
Operating and maintenance	56.7	(5.0)	0.1	(c)	51.8
General and administrative	30.1	(4.8)			25.3
Production and other taxes	30.7	(7.8)			22.9
Depreciation, depletion and amortization	163.3	(15.9)			147.4
Exploration	3.6				3.6
Abandonment and impairment	7.6				7.6
Wexpro Agreement-oil income sharing	0.3	(0.3)			—
Total Operating Expenses	466.2	(33.8)	4.0		436.4
Net loss from asset sales	(0.9)	0.1			(0.8)
OPERATING INCOME	175.7	(32.8)			142.9
Interest and other income	1.2	(0.4)	0.1	(c)	0.9
Income from unconsolidated affiliates	0.8				0.8
Interest expense	(20.0)	0.1	(0.1)	(c)	(20.0)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES					
Income taxes	157.7	(33.1)			124.6
Income taxes	(57.8)	11.9			(45.9)
NET INCOME FROM CONTINUING OPERATIONS	99.9	(21.2)			78.7
Net income from continuing operations attributable to noncontrolling interest	(0.6)				(0.6)
NET INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO QEP RESOURCES	<u>\$ 99.3</u>	<u>\$ (21.2)</u>			<u>\$ 78.1</u>
Earnings from continuing operations per common share attributable to QEP Resources					
Basic					\$ 0.45
Diluted					0.44
Weighted-average common shares outstanding (d)					
Used in basic calculation					174.9
Used in diluted calculation					177.2

See notes to unaudited pro forma consolidated financial information

QEP RESOURCES, INC.
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
For the Year Ended December 31, 2009
(Unaudited)

	<u>Historical QEP Resources</u>	<u>Wexpro Separation</u>	<u>Other Adjustments</u>		<u>Pro Forma QEP Resources</u>
	(in millions, except per share amounts)				
REVENUES					
From unaffiliated customers	\$1,949.0	\$ (17.8)	\$ 41.3	(c)	\$ 1,972.5
From affiliated companies	249.5	(225.1)	(24.4)	(c)	19.0
Total Revenues	2,198.5	(242.9)	16.9		1,972.5
OPERATING EXPENSES					
Cost of natural gas and other products sold (excluding operating expenses shown separately)	411.1		16.7	(c)	427.8
Operating and maintenance	222.8	(21.2)	0.1	(c)	201.7
General and administrative	108.6	(17.0)	0.1	(c)	91.7
Production and other taxes	82.9	(20.0)			62.9
Depreciation, depletion and amortization	617.9	(58.8)			559.1
Exploration	25.0				25.0
Abandonment and impairment	20.3				20.3
Wexpro Agreement-oil income sharing	1.0	(1.0)			0.0
Total Operating Expenses	1,489.6	(118.0)	16.9		1,388.5
Net gain from asset sales	1.2	0.3			1.5
OPERATING INCOME	710.1	(124.6)			585.5
Interest and other income	7.0	(3.2)	0.7	(c)	4.5
Income from unconsolidated affiliates	2.7				2.7
Unrealized and realized loss on basis-only swaps	(189.6)				(189.6)
Interest expense	(70.3)	0.9	(0.7)	(c)	(70.1)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	459.9	(126.9)			333.0
Income taxes	(163.8)	46.2			(117.6)
NET INCOME FROM CONTINUING OPERATIONS	296.1	(80.7)			215.4
Net income from continuing operations attributable to noncontrolling interest	(2.6)				(2.6)
NET INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO QEP RESOURCES	<u>\$ 293.5</u>	<u>\$ (80.7)</u>			<u>\$ 212.8</u>
Earnings from continuing operations per common share attributable to QEP Resources					
Basic					\$ 1.22
Diluted					1.21
Weighted-average common shares outstanding (d)					
Used in basic calculation					174.1
Used in diluted calculation					176.3

See notes to unaudited pro forma consolidated financial information

QEP RESOURCES, INC.
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
For the Year Ended December 31, 2008
(Unaudited)

	<u>Historical QEP Resources</u>	<u>Wexpro Separation</u>	<u>Other Adjustments</u>		<u>Pro Forma QEP Resources</u>
	(in millions, except per share amounts)				
REVENUES					
From unaffiliated customers	\$2,297.2	\$ (31.1)	\$ 52.7	(c)	\$ 2,318.8
From affiliated companies	232.9	(209.9)	(23.0)	(c)	
Total Revenues	2,530.1	(241.0)	29.7		2,318.8
OPERATING EXPENSES					
Cost of natural gas and other products sold (excluding operating expenses shown separately)	575.1		29.5	(c)	604.6
Operating and maintenance	243.6	(23.5)	0.1	(c)	220.2
General and administrative	91.7	(13.7)	0.1	(c)	78.1
Production and other taxes	144.6	(37.7)			106.9
Depreciation, depletion and amortization	410.0	(48.5)			361.5
Exploration	29.3				29.3
Abandonment and impairment	45.4				45.4
Wexpro Agreement-oil income sharing	6.1	(6.1)			
Total Operating Expenses	1,545.8	(129.5)	29.7		1,446.0
Net gain from asset sales	60.2	0.2			60.4
OPERATING INCOME	1,044.5	(111.3)			933.2
Interest and other income	14.6	(6.6)	2.2	(c)	10.2
Income from unconsolidated affiliates	1.7				1.7
Unrealized and realized loss on basis-only swaps	(79.2)				(79.2)
Interest expense	(62.2)	2.7	(2.2)	(c)	(61.7)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	919.4	(115.2)			804.2
Income taxes	(324.9)	41.3			(283.6)
NET INCOME FROM CONTINUING OPERATIONS	594.5	(73.9)			520.6
Net income from continuing operations attributable to noncontrolling interest	(9.0)				(9.0)
NET INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO QEP RESOURCES	<u>\$ 585.5</u>	<u>\$ (73.9)</u>			<u>\$ 511.6</u>
Earnings from continuing operations per common share attributable to QEP Resources					
Basic					\$ 2.96
Diluted					2.90
Weighted-average common shares outstanding (d)					
Used in basic calculation					172.8
Used in diluted calculation					176.1

See notes to unaudited pro forma consolidated financial information

QEP RESOURCES, INC.
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
For the Year Ended December 31, 2007
(Unaudited)

	<u>Historical QEP Resources</u>	<u>Wexpro Separation</u>	<u>Other Adjustments</u>		<u>Pro Forma QEP Resources</u>
	(in millions, except per share amounts)				
REVENUES					
From unaffiliated customers	\$1,671.3	\$ (21.6)	\$ 38.4	(c)	\$ 1,688.1
From affiliated companies	172.1	(155.7)	(16.4)	(c)	
Total Revenues	1,843.4	(177.3)	22.0		1,688.1
OPERATING EXPENSES					
Cost of natural gas and other products sold (excluding operating expenses shown separately)	474.7		21.8	(c)	496.5
Operating and maintenance	187.9	(16.5)			171.4
General and administrative	91.3	(14.7)	0.2	(c)	76.8
Production and other taxes	81.6	(20.0)			61.6
Depreciation, depletion and amortization	295.1	(31.2)			263.9
Exploration	22.0				22.0
Abandonment and impairment	11.2				11.2
Wexpro Agreement-oil income sharing	4.9	(4.9)			
Total Operating Expenses	1,168.7	(87.3)	22.0		1,103.4
Net loss from asset sales	(1.3)	0.7			(0.6)
OPERATING INCOME	673.4	(89.3)			584.1
Interest and other income	9.7	(1.9)			7.8
Income from unconsolidated affiliates	8.9				8.9
Unrealized and realized gain on basis-only swaps	5.7				5.7
Interest expense	(35.6)	2.0			(33.6)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	662.1	(89.2)			572.9
Income taxes	(241.3)	30.0			(211.3)
NET INCOME FROM CONTINUING OPERATIONS	<u>\$ 420.8</u>	<u>\$ (59.2)</u>			<u>\$ 361.6</u>
Earnings from continuing operations per common share					
Basic					\$ 2.10
Diluted					2.05
Weighted-average common shares outstanding (d)					
Used in basic calculation					172.0
Used in diluted calculation					175.9

See notes to unaudited pro forma consolidated financial information

Notes to Unaudited Pro Forma Consolidated Financial Information

Note 1: Unaudited pro forma adjustments to condensed consolidated balance sheet as of March 31, 2010.

The pro forma adjustments to QEP Resources' unaudited consolidated balance sheet as of March 31, 2010, relate to (1) the elimination of the assets, liabilities and equity of Wexpro and (2) other adjustments as follows:

- (a) An adjustment to reflect a \$250.0 million cash contribution from Questar to QEP Resources in connection with the QEP Resources Spinoff and Wexpro Separation. Proceeds were used to repay debt.
- (b) Adjustments for transactions between QEP Resources and Questar, including Wexpro, that were eliminated in consolidation or reported as transactions with affiliates in the preparation of QEP Resources' historical consolidated financial statements, but that are reflected as assets and liabilities in the amounts and descriptions presented under the column heading "Pro Forma QEP Resources" upon the completion of the QEP Resources Spinoff and Wexpro Separation.

Note 2: Unaudited pro forma adjustments to consolidated statements of income for three months ended March 31, 2010 and the years ended December 31, 2009, 2008 and 2007.

The pro forma adjustments to QEP Resources' unaudited consolidated statements of income for the three months ended March 31, 2010, and for the years ended December 31, 2009, 2008 and 2007, relate to (1) the elimination of the results of operations of Wexpro and (2) other adjustments as follows:

- (c) Adjustments to revenues, costs of products sold, operating and maintenance expenses, general and administrative expenses, interest income and interest expense related to transactions between QEP Resources and Questar, including Wexpro, that were eliminated in consolidation or reported as transactions with affiliates in the preparation of QEP Resources' historical consolidated financial statements, but that are reflected as revenues, costs of products sold, operating and maintenance expenses, general and administrative expenses, interest income and interest expense in the amounts and descriptions presented under the column heading "Pro Forma QEP Resources" upon the completion of the QEP Resources Spinoff and Wexpro Separation.

Note 3: Earnings from continuing operations per common share attributable to QEP Resources for three months ended March 31, 2010 and the years ended December 31, 2009, 2008 and 2007.

- (d) Because the QEP Resources Spinoff resulted in the issuance of QEP Resources shares and rights to receive or acquire shares in an amount that equaled the number of Questar shares and rights to receive or acquire shares, the pro forma basic and diluted weighted-average common shares outstanding for QEP Resources equal Questar's for the corresponding periods.