



**2Q 2016
OPERATIONS
UPDATE**
JULY 27, 2016



FORWARD-LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by words such as “anticipates”, “believes”, “forecasts”, “plans”, “estimates”, “expects”, “should”, “will”, or other similar expressions. Such statements are based on management’s current expectations, estimates and projections, which are subject to a wide range of uncertainties and business risks. These statements are not guarantees of future performance. These forward-looking statements include statements regarding: estimated proved reserves and net recoverable resources; forecasted oil production and compounded annual growth rate; potential drilling locations; enhancing completion design; estimated well costs; funding and closing date of proposed 2016 Permian Acquisition; benefits and production impact of the proposed 2016 Permian Acquisition; depth of oil-charged vertical section in the Permian Basin; development plans; and technical knowledge, infrastructure optionality and operating efficiency; estimates of shrink and NGL yield for wells in the Permian and Williston basins; and additional compression in Pinedale.

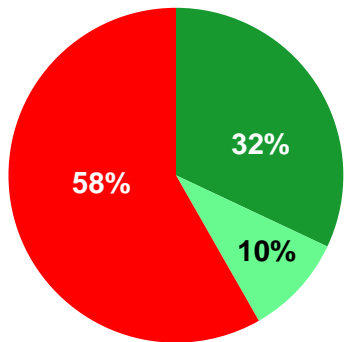
Actual results may differ materially from those included in the forward-looking statements due to a number of factors, including, but not limited to: disruptions of QEP's ongoing business, distraction of management and employees, increased expenses and adversely affected results of operations from organizational modifications due to the proposed 2016 Permian Acquisition; the inability of the parties to satisfy the conditions to the consummation of the proposed 2016 Permian Acquisition; the risk that expected efficiencies from the transaction may not be fully realized; the availability and cost of capital; changes in local, regional, national and global demand for natural gas, oil and NGL; natural gas, NGL and oil prices; strength of the U.S. dollar; impact of Brexit; changes in, adoption of and compliance with laws and regulations, including decisions and policies concerning the environment, climate change, greenhouse gas or other emissions, natural resources, and fish and wildlife, hydraulic fracturing, water use and drilling and completion techniques, as well as the risk of legal proceedings arising from such matters, whether involving public or private claimants or regulatory investigative or enforcement measures; elimination of federal income tax deductions for oil and gas exploration and development; drilling results; liquidity constraints; availability of refining and storage capacities; shortages or increased costs of oilfield equipment, services and personnel; operating risks such as unexpected drilling conditions; weather conditions; changes in maintenance and construction costs and possible inflationary pressures; permitting delays; actions taken by third-party operators, processors and transporters; demand for oil and natural gas storage and transportation services; technological advances affecting energy supply and consumption; competition from the same and alternative sources of energy; natural disasters; large customer defaults; operating in ethane recovery or rejection mode; and the other risks discussed in the Company's periodic filings with the Securities and Exchange Commission (SEC), including the Risk Factors section of QEP's Annual Report on Form 10-K for the year ended December 31, 2015 (the “2015 Form 10-K”), and Quarterly Report on Form 10-Q for the quarter ended June 30, 2016. QEP undertakes no obligation to publicly correct or update the forward-looking statements in this presentation, in other documents, or on its website to reflect future events or circumstances. All such statements are expressly qualified by this cautionary statement.

The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or through reliable technology to be economically and legally producible at specific prices and existing economic and operating conditions. The SEC permits optional disclosure of probable and possible reserves calculated in accordance with SEC guidelines; however, QEP has made no such disclosures in its filings with the SEC. “Estimated net recoverable resources” refers to QEP’s internal estimates of hydrocarbon quantities that may be potentially discovered through exploratory drilling or recovered with additional drilling or recovery techniques and are not proved, probable or possible reserves within the meaning of the rules of the SEC. Estimates of net recoverable resources are by their nature more speculative than estimates of proved reserves and, accordingly, are subject to substantially more risks of actually being realized. Actual quantities of natural gas, oil and NGL that may be ultimately recovered from QEP’s interests may differ substantially from the estimates contained in this presentation. Factors affecting ultimate recovery include the scope of QEP’s drilling program, which will be directly affected by the availability of capital; oil, gas and NGL prices; drilling and production costs; availability of drilling services and equipment; drilling results; geological and mechanical factors affecting recovery rates; lease expirations; transportation constraints; changes in local, regional, national and global demand for natural gas, oil and NGL; changes in, adoption of and compliance with laws and regulations; regulatory approvals; and other factors. Investors are urged to consider carefully the disclosures and risk factors about QEP’s reserves in the 2015 Form 10-K and other reports on file with the SEC.

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

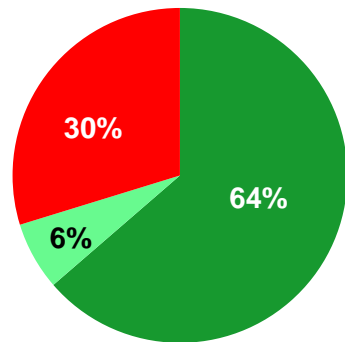
QEP RESOURCES ASSET OVERVIEW

**2015YE
Proved Reserves**

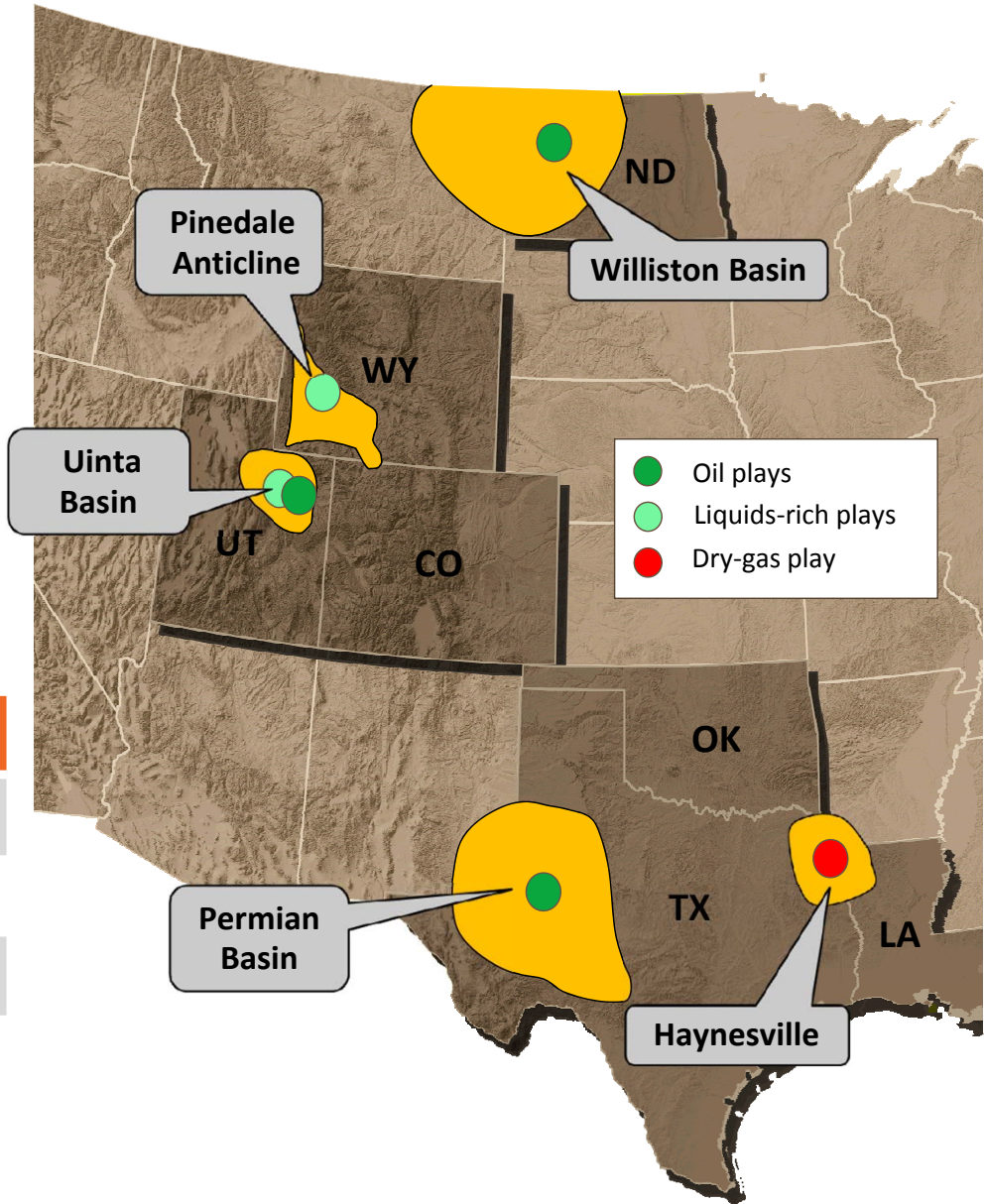


■ Oil ■ NGL ■ Natural Gas

**YTD 2016
Production Revenues**



■ Oil ■ NGL ■ Natural Gas

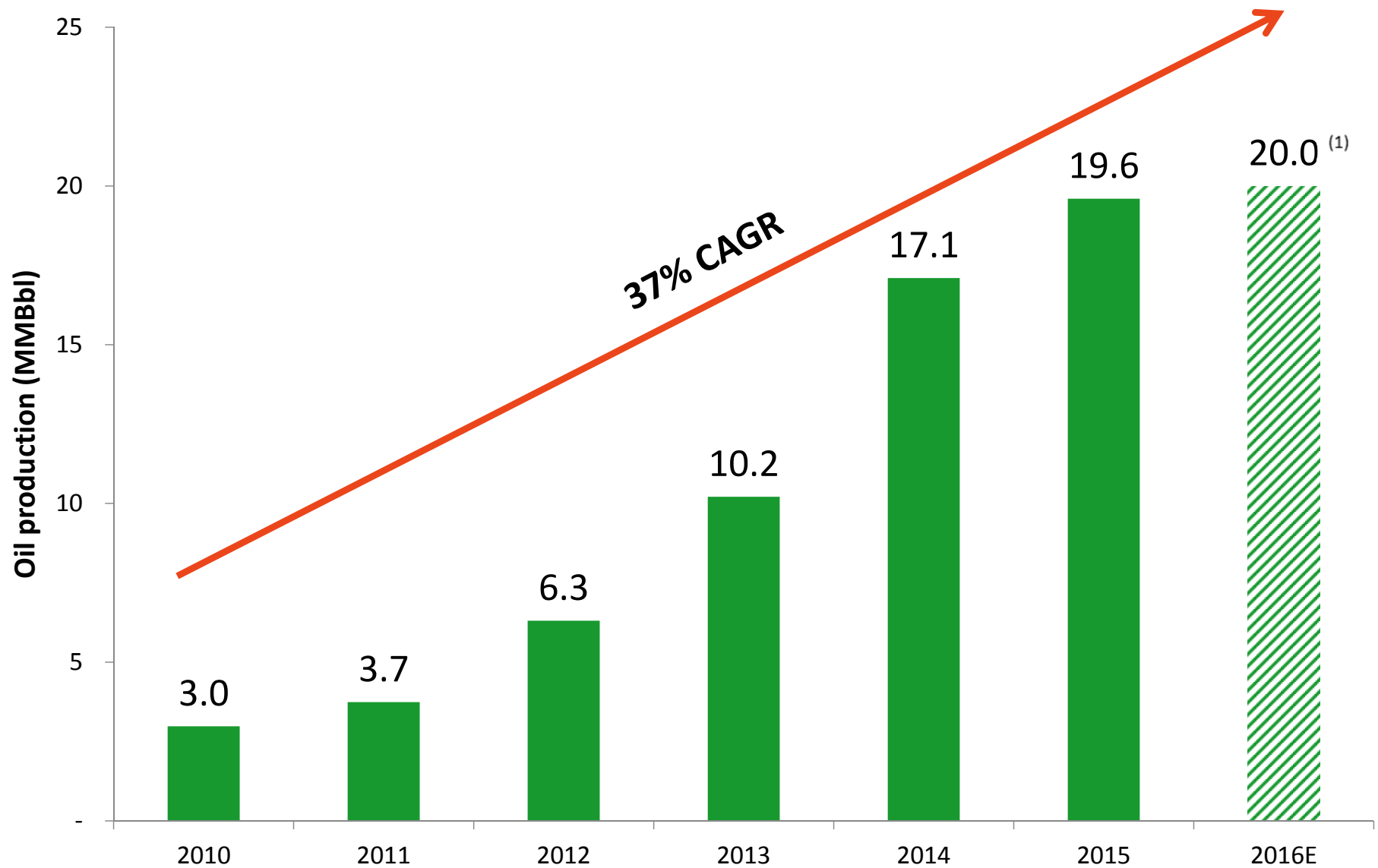


Profile

2016 YTD production	166 Bcfe
% crude oil production	38%
Estimated total proved reserves ⁽¹⁾	3,620 Bcfe
Total net acreage ⁽¹⁾	1,270,000

⁽¹⁾ As of December 31, 2015

EXECUTING ON TRANSITION TO OIL



⁽¹⁾ 2016E represents midpoint of guidance as of July 27, 2016



PERMIAN BASIN ACQUISITION



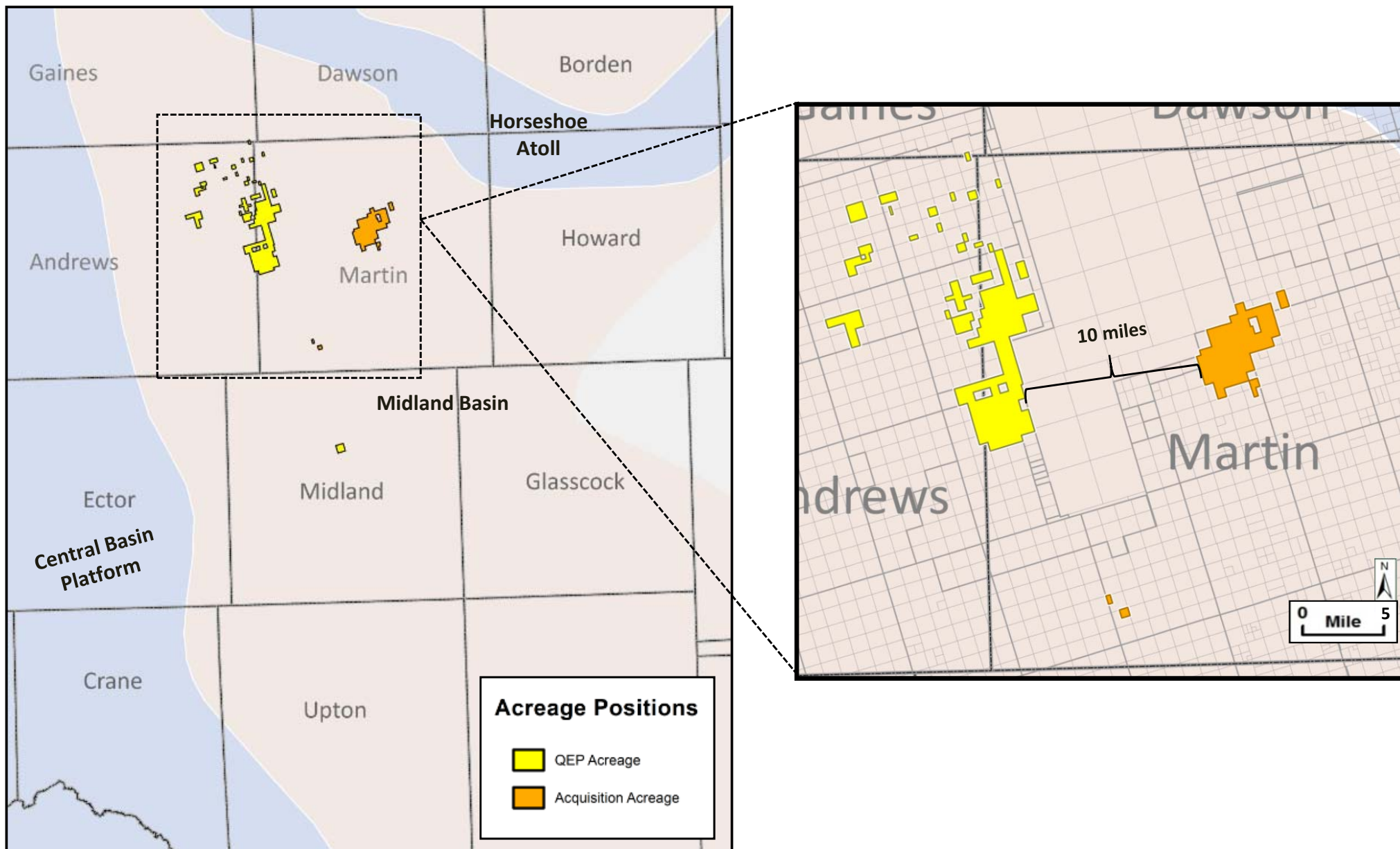
2016 PERMIAN ACQUISITION SUMMARY

- **QEP agreed to acquire a contiguous acreage position in the core of the northern Midland Basin in Martin County, TX, for approximately \$600 million***
 - 10 miles east of existing QEP operations
 - Approximately 9,400 net acres
 - 98% of acreage is held by production to base of Wolfcamp Formation or deeper
 - Average 96% WI and 23% royalty burden
 - Currently producing ~1,400 Boed net (83% oil) from 96 vertical wells
 - Potential for over 430 horizontal drilling locations in four target reservoirs
 - ~76 MMboe of Company estimated net proved reserves
 - ~275 MMboe Company estimated net recoverable resources
 - Additional potential in shallower and deeper horizons
- **Transaction expected to be funded with proceeds from June 2016 common share equity offering and cash on hand**
- **Expected closing: September 2016**

*On June 21, 2016, the Company announced it had entered into a Purchase and Sale Agreement (“PSA”) with certain individuals and entities (“Initial Sellers”) to acquire approximately 9,400 net acres in the Permian Basin in Martin County, Texas, for total consideration of approximately \$600 million. In addition to typical purchase price adjustments, the PSA also provided that the Initial Sellers would have until July 13, 2016, to obtain executed joinders from other associated individuals and entities who, collectively with the Initial Sellers, would represent an aggregate allocated value of at least 90% of the total consideration of approximately \$600 million or QEP could terminate the PSA at its sole option. By the July 13 deadline, joinders had been delivered representing \$595 million (over 99% of the aggregate allocated value).



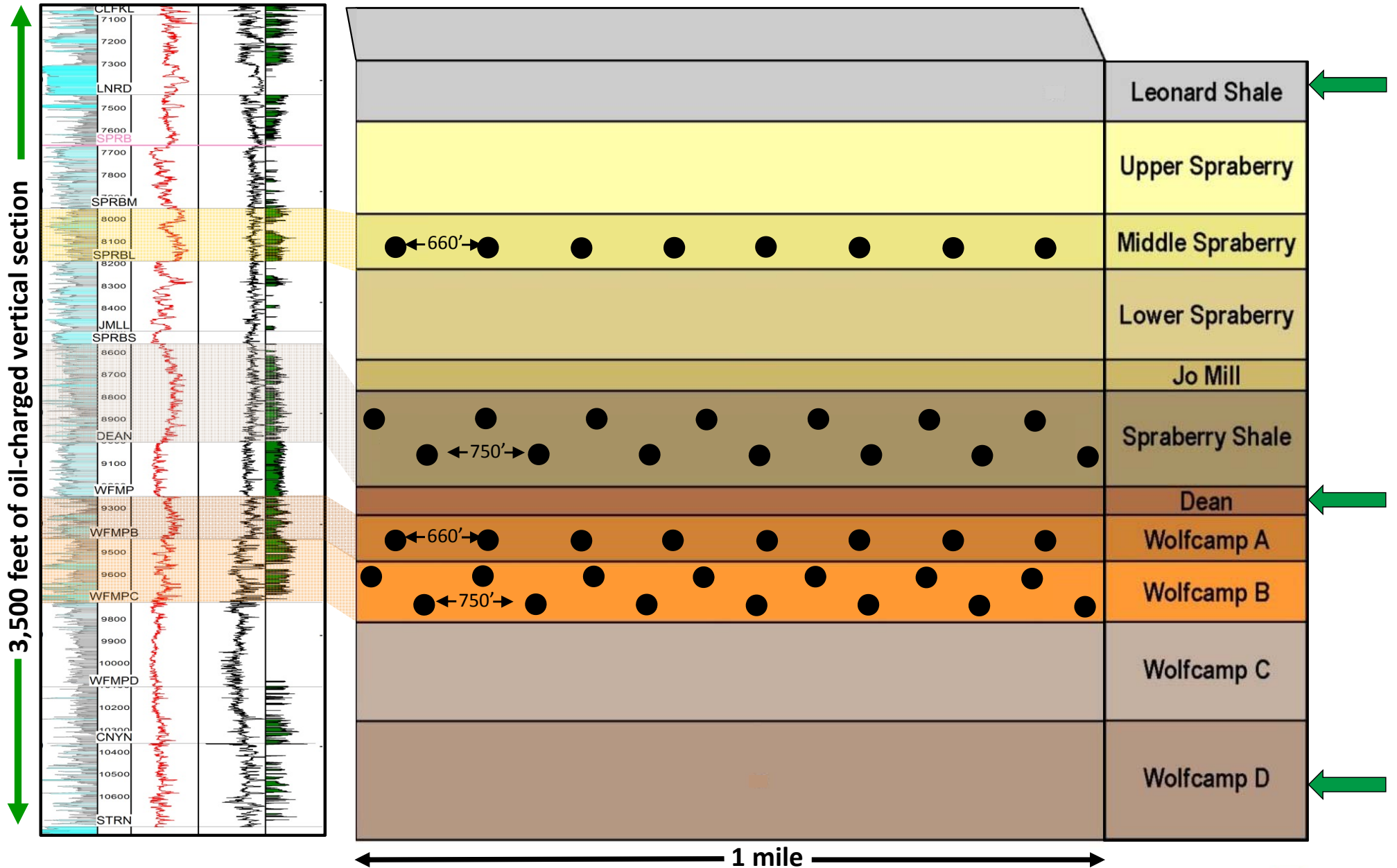
2016 PERMIAN ACQUISITION ACREAGE LEVERAGES PROXIMITY TO EXISTING OPERATIONS



2016 PERMIAN ACQUISITION RATIONALE

- **Increases oil production as a percentage of total production**
- **Adds significant inventory in Permian Basin**
 - Over 430 identified horizontal locations in four target reservoirs
 - Additional potential in shallower and deeper horizons
 - Increases QEP Permian potential drilling locations by over 50%
- **Provides attractive transaction multiple**
 - Approximately \$7.89 per Company estimated proved Boe
- **Allows for efficient development plan due to minimal existing wells, including no horizontal wells**
- **Provides infrastructure optionality**
 - Month-to-month gathering and processing contractual obligations
 - Near-term takeaway and processing flexibility
 - Existing water source and disposal wells

2016 PERMIAN ACQUISITION ACREAGE – PRIMARY TARGETS





**OPERATIONS
UPDATE**



PERMIAN BASIN OVERVIEW

2Q 2016 Program Highlights

- Continue to enhance completion design
 - Variations in rate, proppant type and cluster spacing
- Established initial production for wells in the Spraberry Shale wine rack pattern
- Well costs continue to trend lower
 - 15.8 days spud to TD average in Q2 2016
- Record quarterly production of over 17,300 Boed

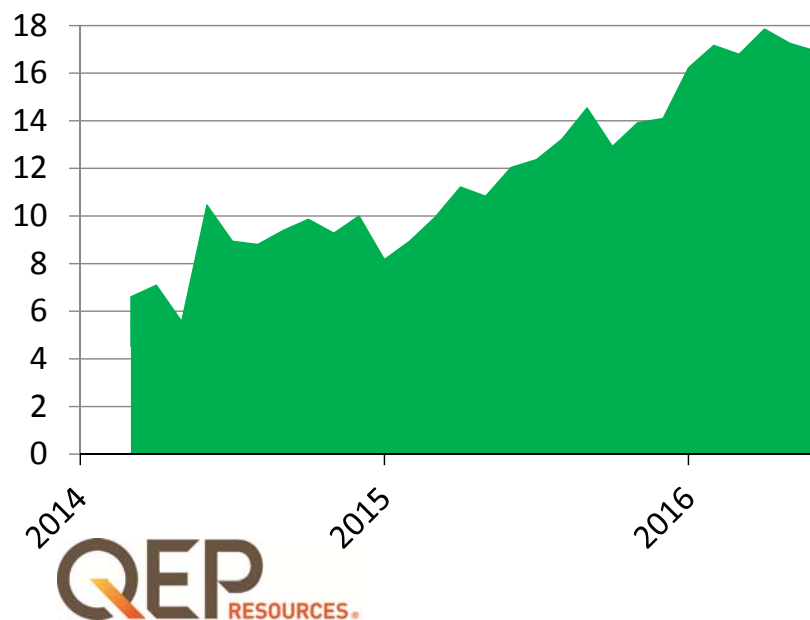
Profile ⁽¹⁾

Net acres	26,800
Gross operated producing wells	393
Average WI/average NRI	94% / 70%
Proved reserves (MMboe)/% liquids ⁽²⁾	62 / 87%
Production Split – oil/gas/NGL	65/16/19%
Current rig count	1

⁽¹⁾ As of June 30, 2016, In Midland Basin

⁽²⁾ As of December 31, 2015

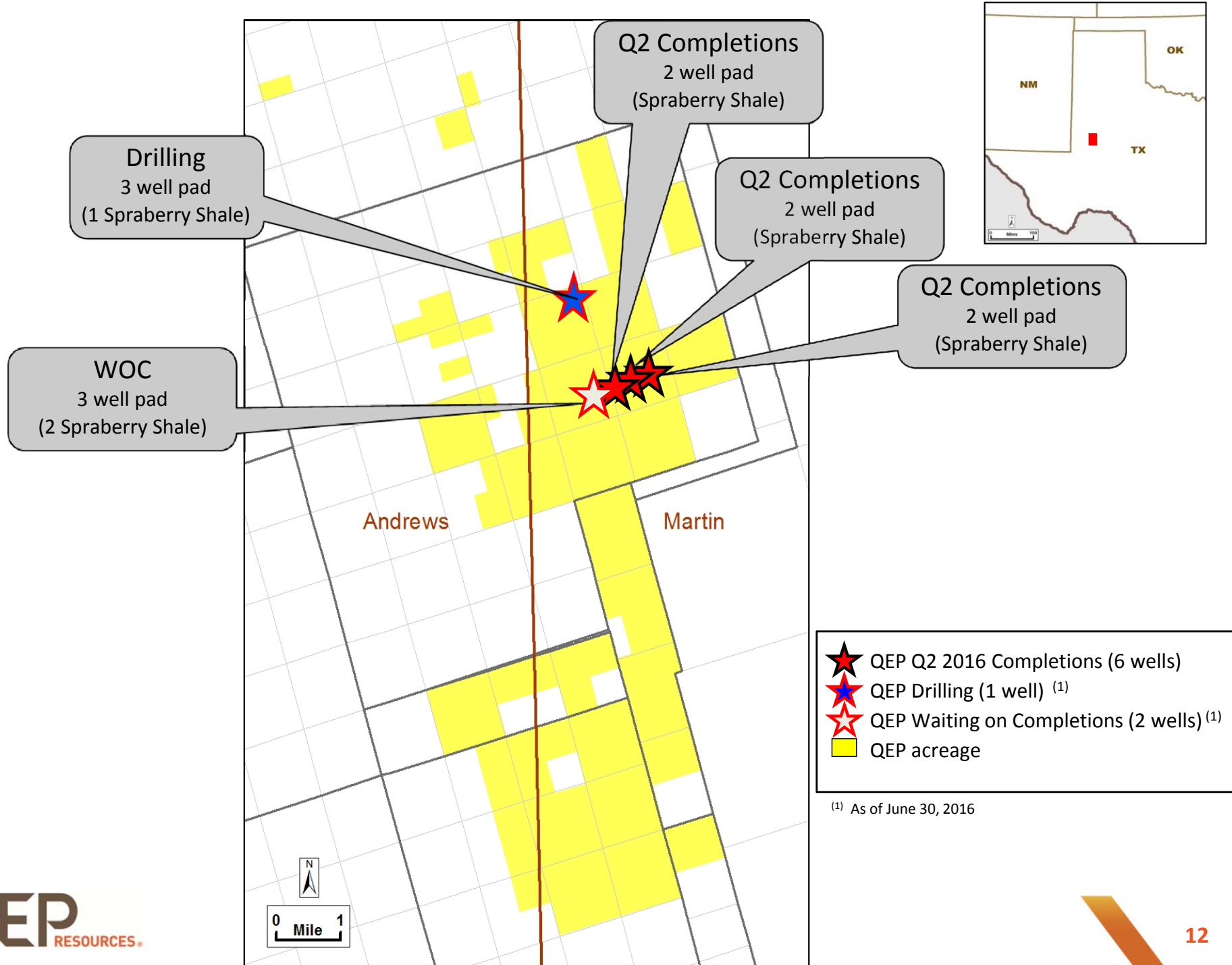
Net Production - Mboed



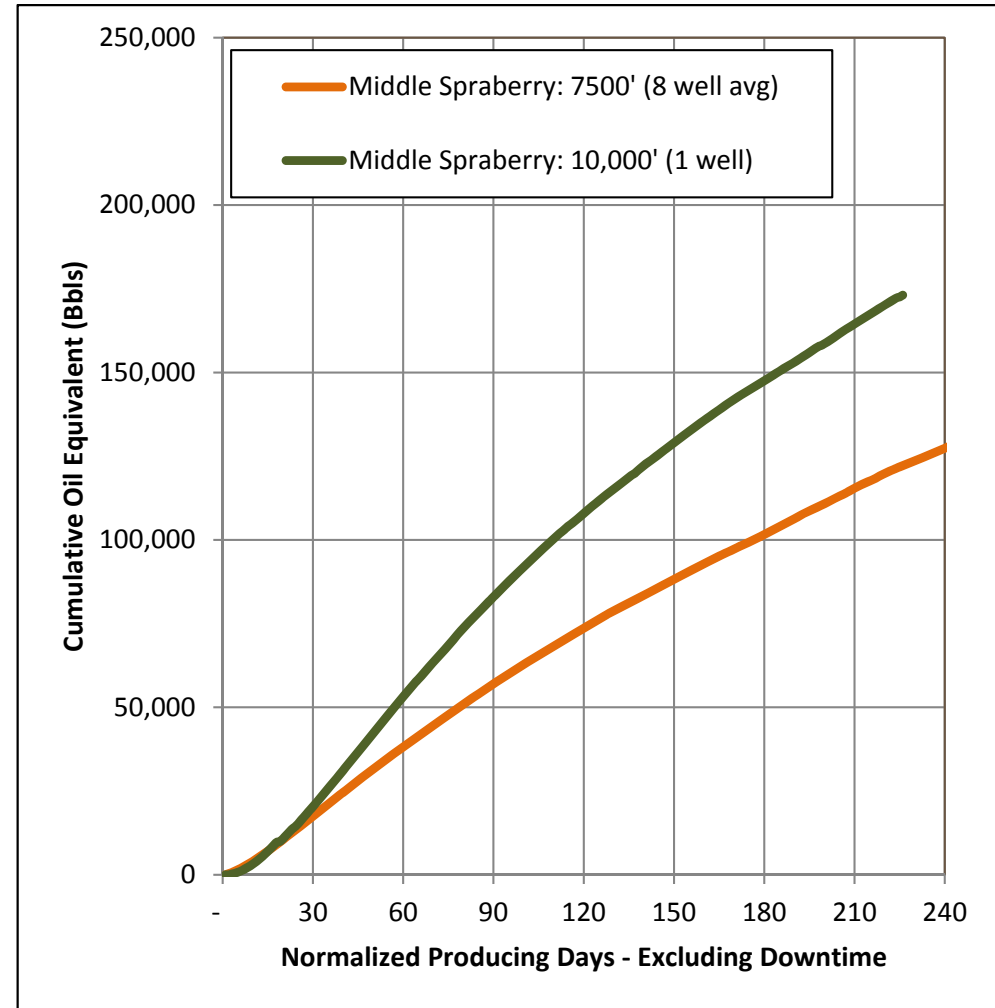
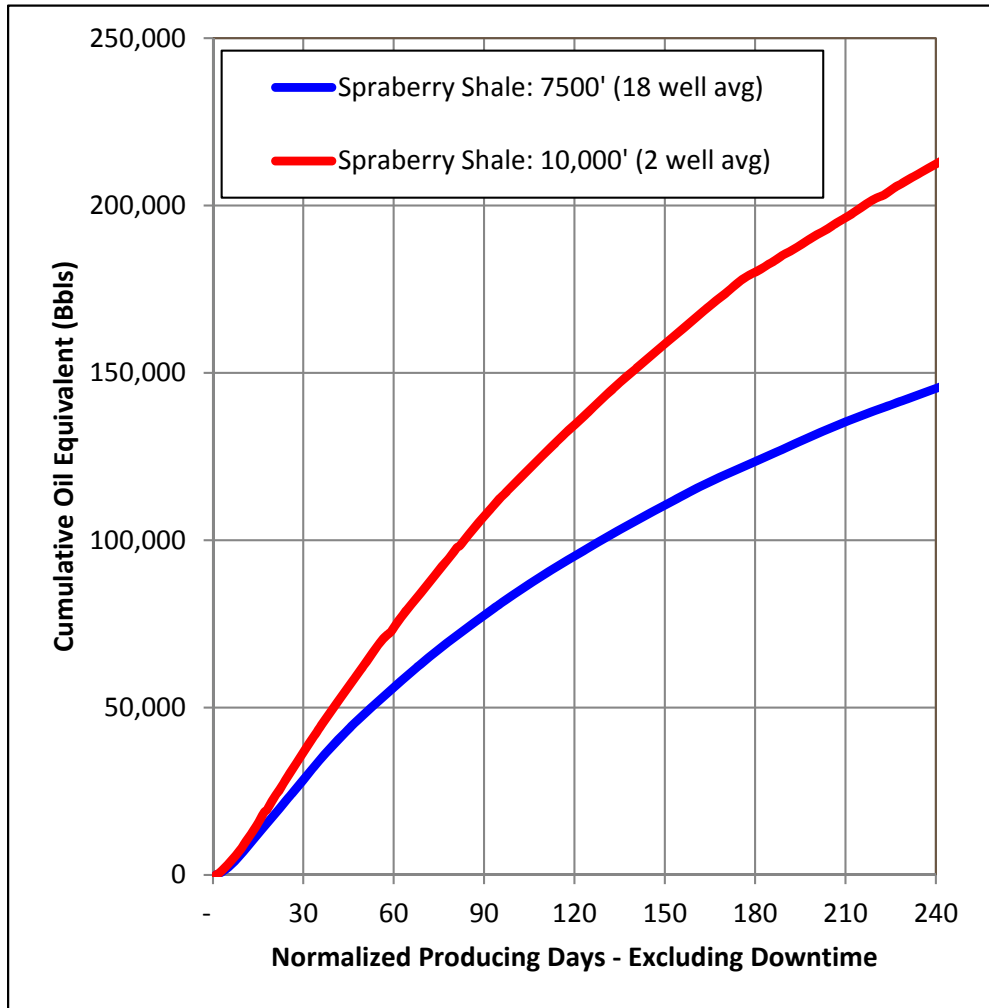
Gross Well Cost (AFE)

- Drill & complete: \$5.0 MM (horizontal)
- 7,500 ft. lateral, 33 stage “Plug & Perf” design
- Facilities & artificial lift: \$0.7 MM

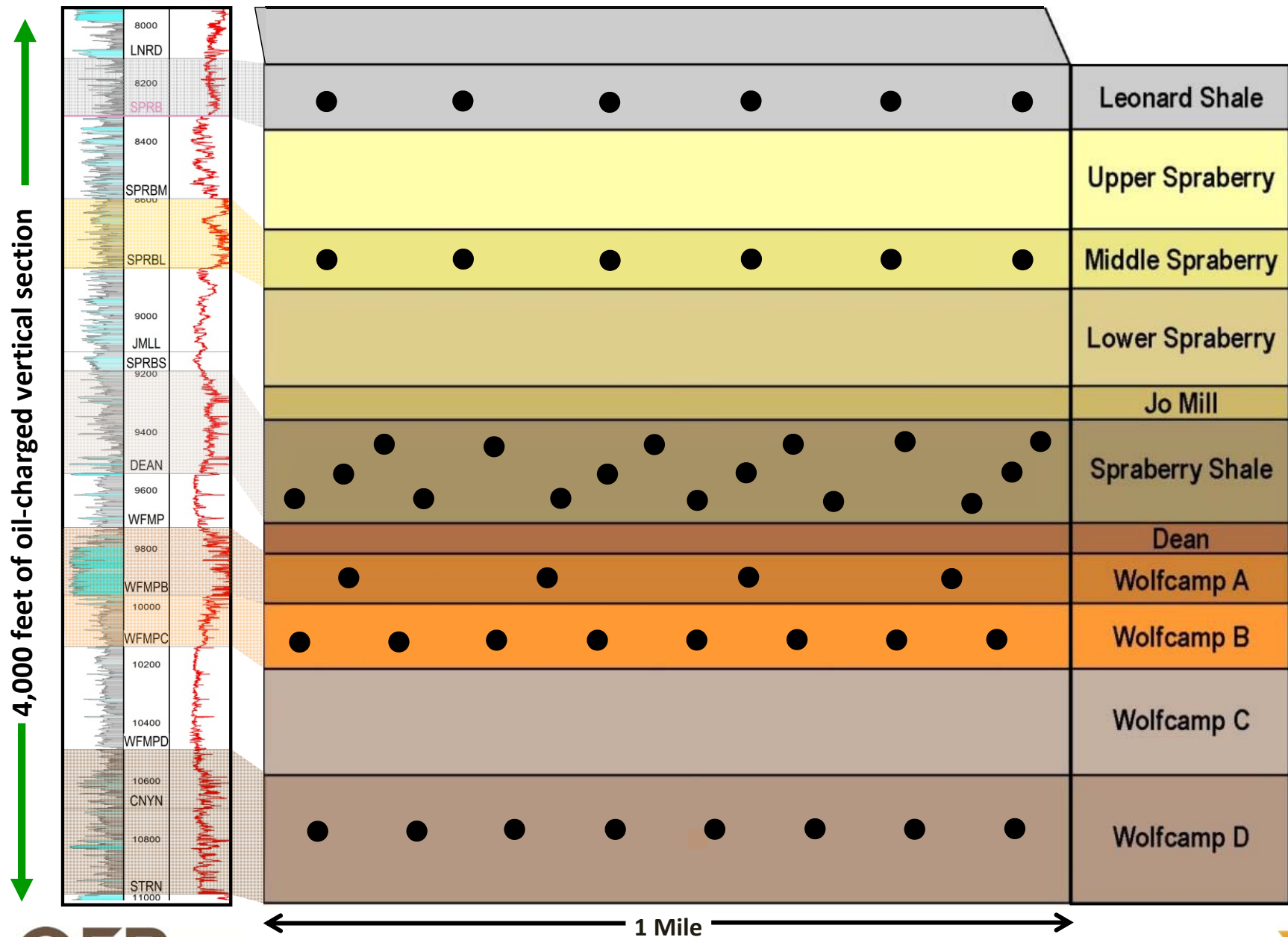
PERMIAN BASIN ACTIVITY



PERMIAN BASIN – HORIZONTAL WELL PERFORMANCE



PERMIAN BASIN – STACKED PAY POTENTIAL



WILLISTON BASIN OVERVIEW

2Q 2016 Program Highlights

- Drill times continue to improve
 - 11.5 days spud to TD average in Q2 2016
- Updated completion design incorporates “Plug & Perf” design
 - Cost of “Plug & Perf” completions have decreased – the incremental production now justifies the additional expense
- 2nd high density infill pad on South Antelope unit showing early results in line with expectations

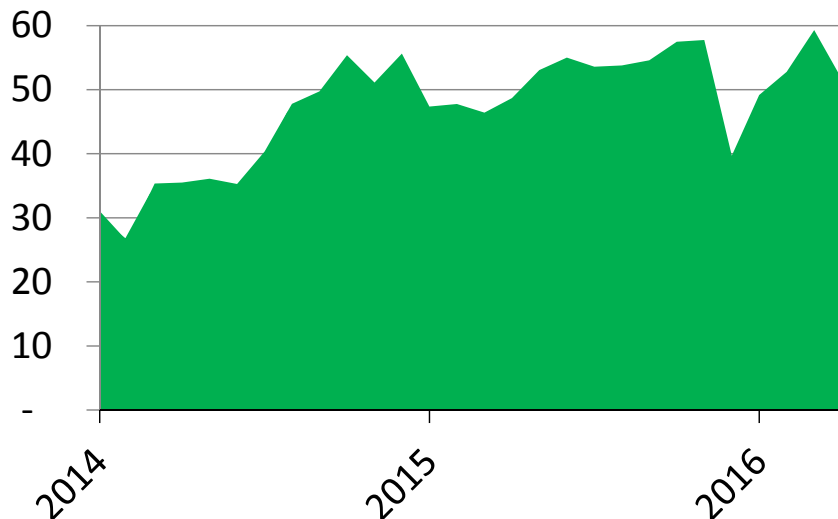
Profile ⁽¹⁾

Net acres	116,000
Gross operated producing wells	330
Average WI/average NRI	87% / 69%
Proved reserves (MMboe)/% liquids ⁽²⁾	181 / 86%
Production Split – oil/gas/NGL	74/12/14%
Current rig count	1

⁽¹⁾ As of June 30, 2016

⁽²⁾ As of December 31, 2015

Net Production - Mboed



Gross Well Cost (AFE)

South Antelope

- Drill & complete: \$5.5 MM (horizontal)
- Facilities & artificial lift: \$0.8 MM
- 10,000-ft lateral, 50 stage “Plug & Perf” design

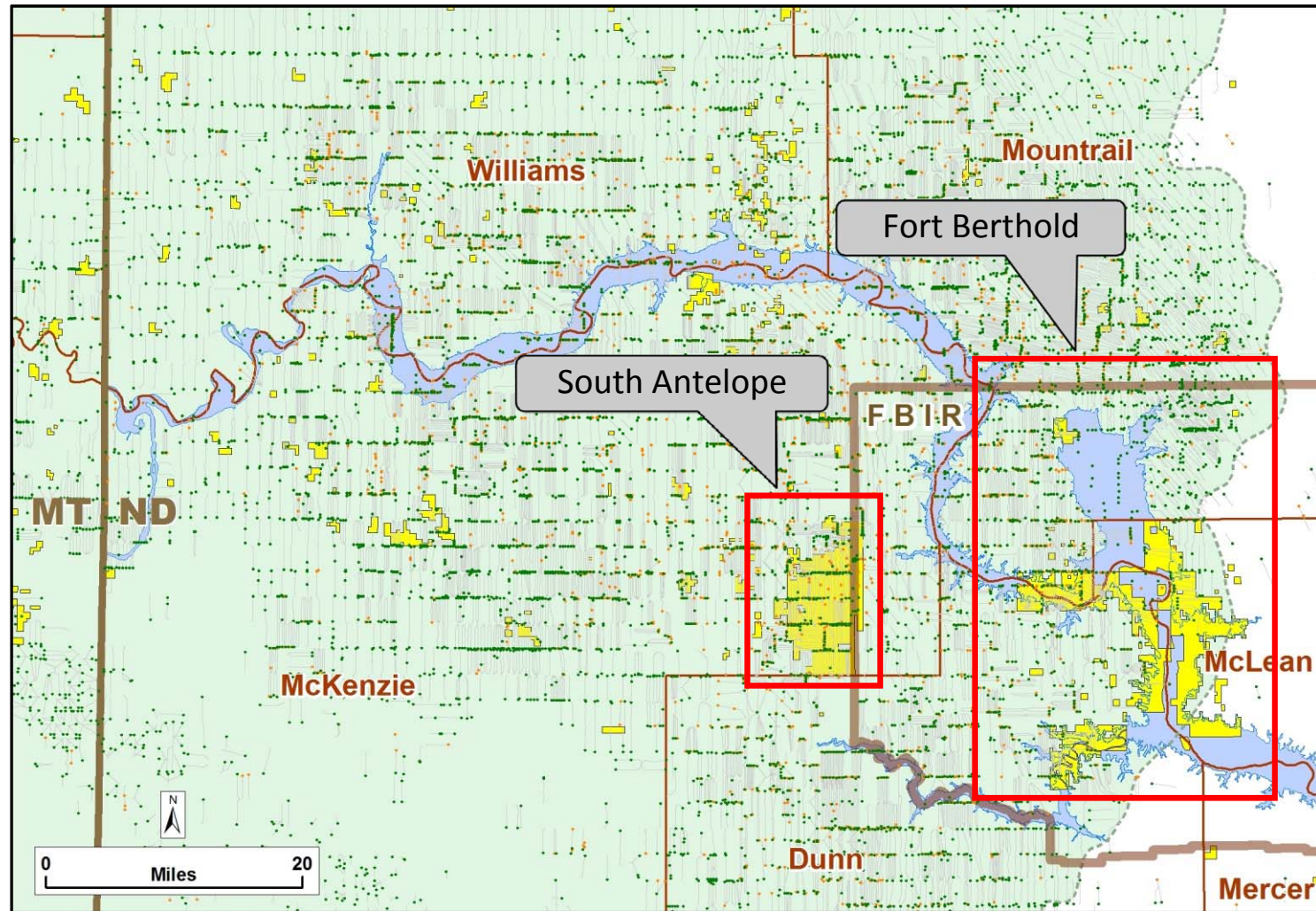
Fort Berthold

- Drill & complete: \$6.0 MM (horizontal)
- Facilities & artificial lift: \$1.1 MM
- 10,000-ft lateral, 50 stage “Plug & Perf” design



WILLISTON BASIN

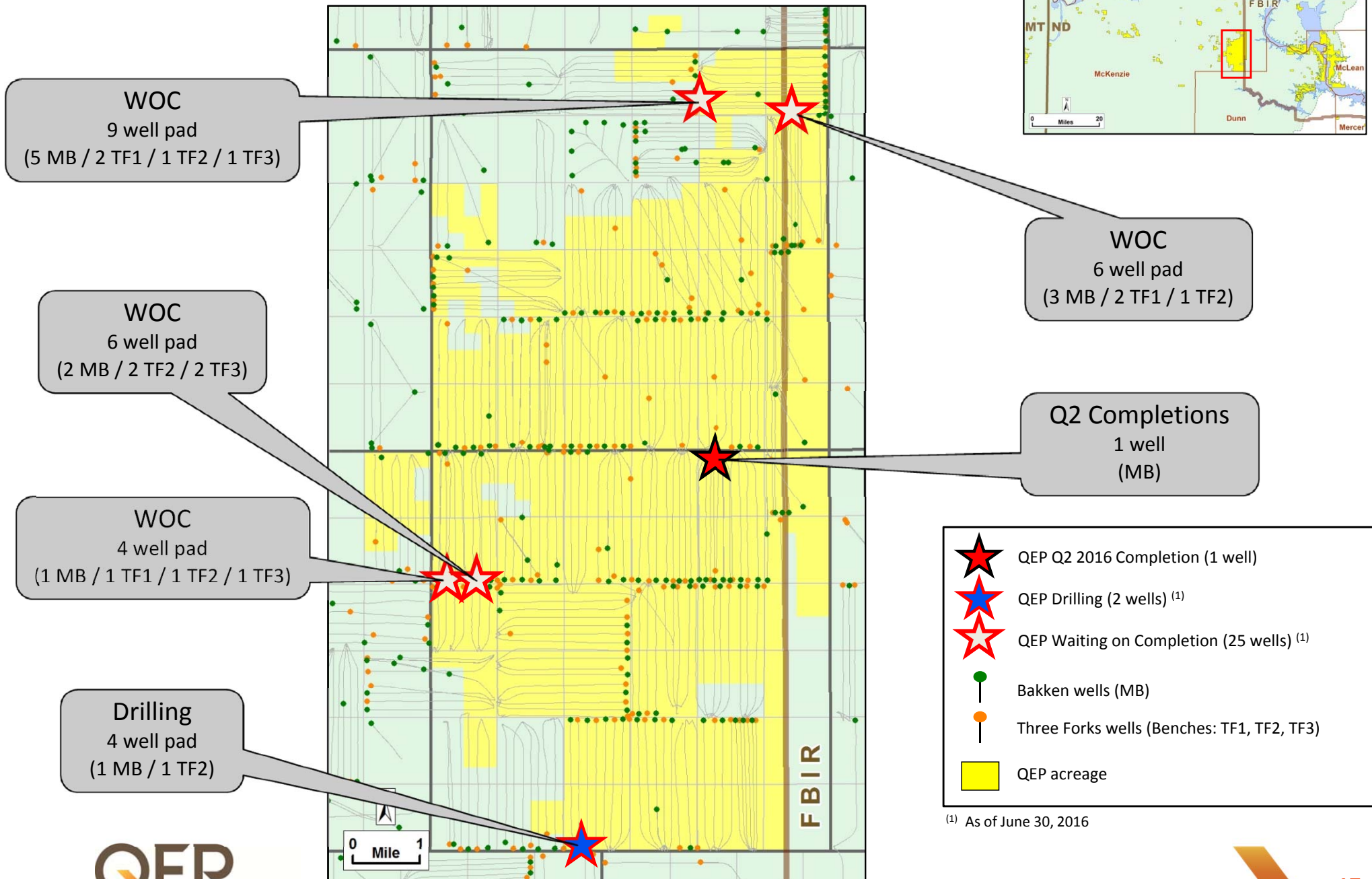
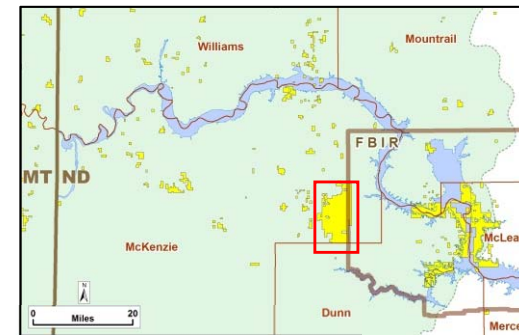
SYS	FORMATION	
MISS	MADISON GROUP	CHARLES
		MISSION CANYON
		LOGEPOLE
DEVONIAN		BAKKEN
		THREE FORKS
		BIRDBEAR (NISKU)
		DUPEROW
		SOURIS RIVER
		DAWSON BAY
		PRAIRIE EVAPORITE
		WINNIPEGOSIS
	ASHERN	



- Bakken Formation wells
- Three Forks Formation wells
- Operated focus area
- QEP acreage



WILLISTON BASIN – SOUTH ANTELOPE



WOC
9 well pad
(5 MB / 2 TF1 / 1 TF2 / 1 TF3)

WOC
6 well pad
(2 MB / 2 TF2 / 2 TF3)

WOC
4 well pad
(1 MB / 1 TF1 / 1 TF2 / 1 TF3)

Drilling
4 well pad
(1 MB / 1 TF2)

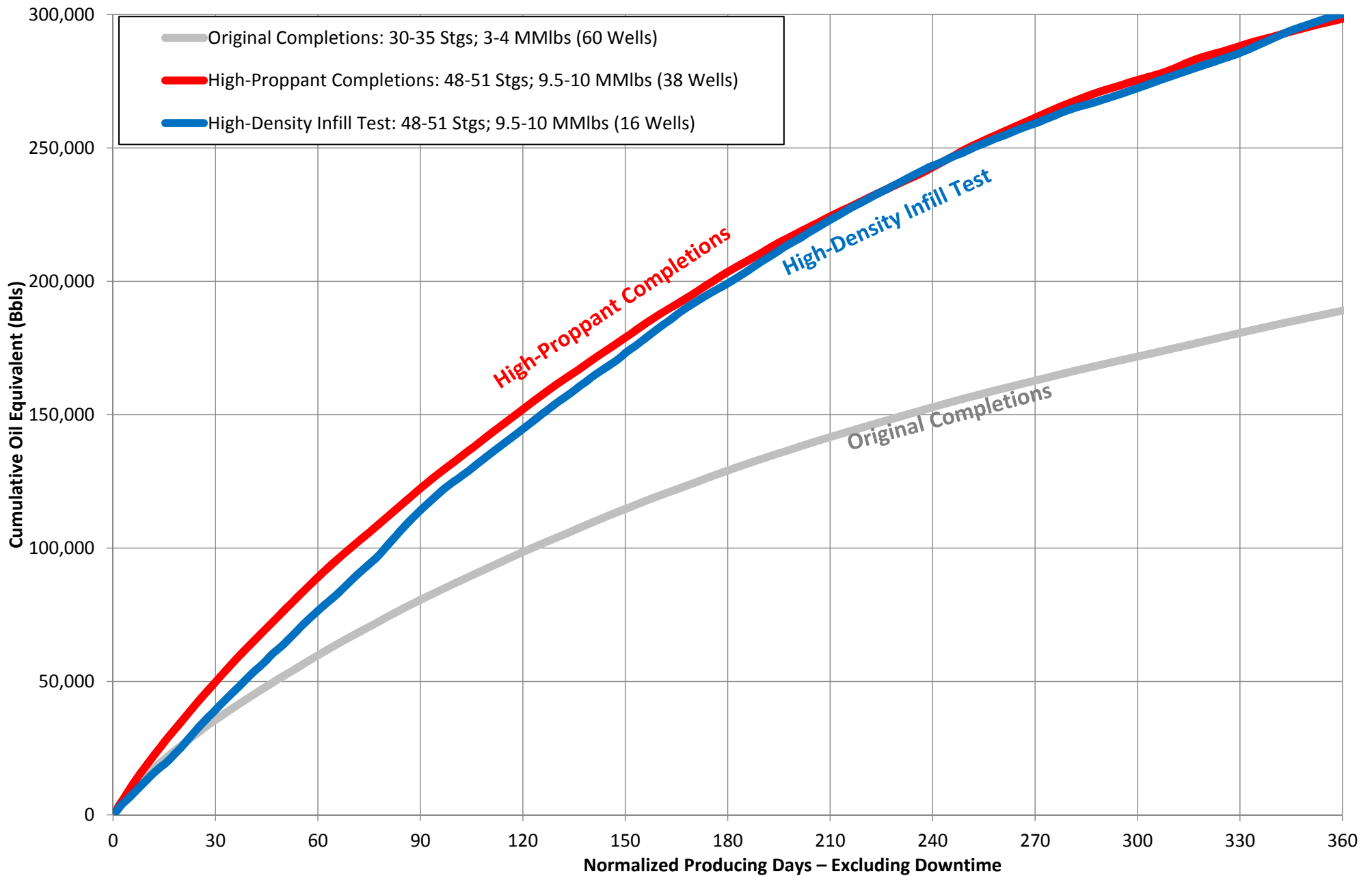
WOC
6 well pad
(3 MB / 2 TF1 / 1 TF2)

Q2 Completions
1 well
(MB)

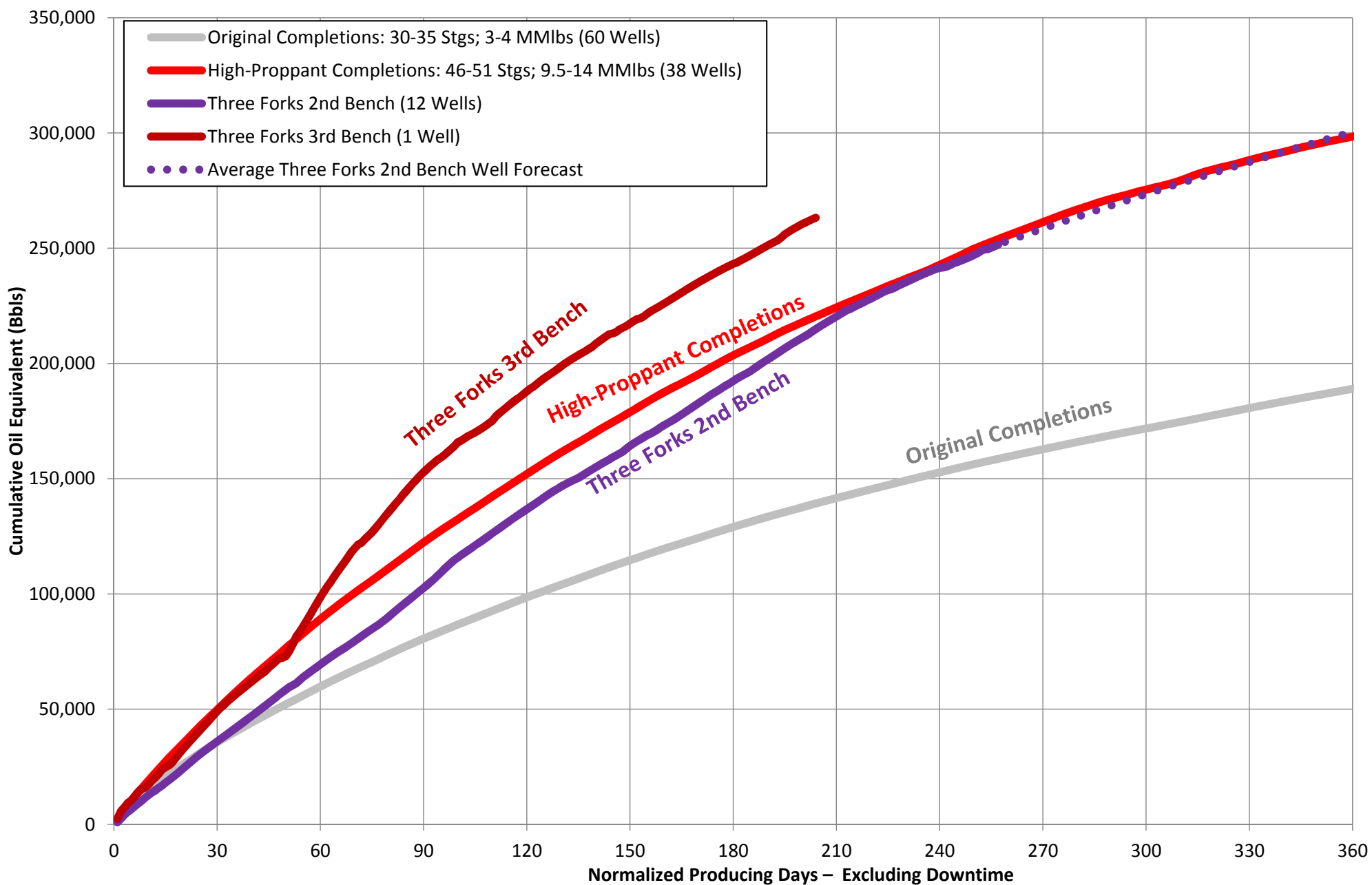
- QEP Q2 2016 Completion (1 well)
- QEP Drilling (2 wells) ⁽¹⁾
- QEP Waiting on Completion (25 wells) ⁽¹⁾
- Bakken wells (MB)
- Three Forks wells (Benches: TF1, TF2, TF3)
- QEP acreage

⁽¹⁾ As of June 30, 2016

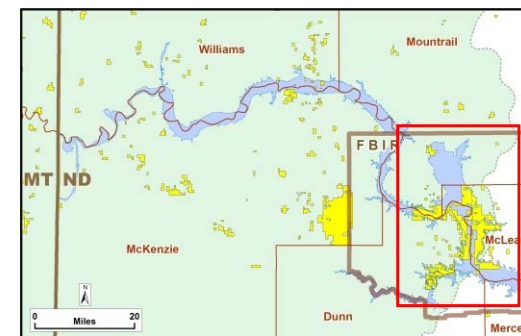
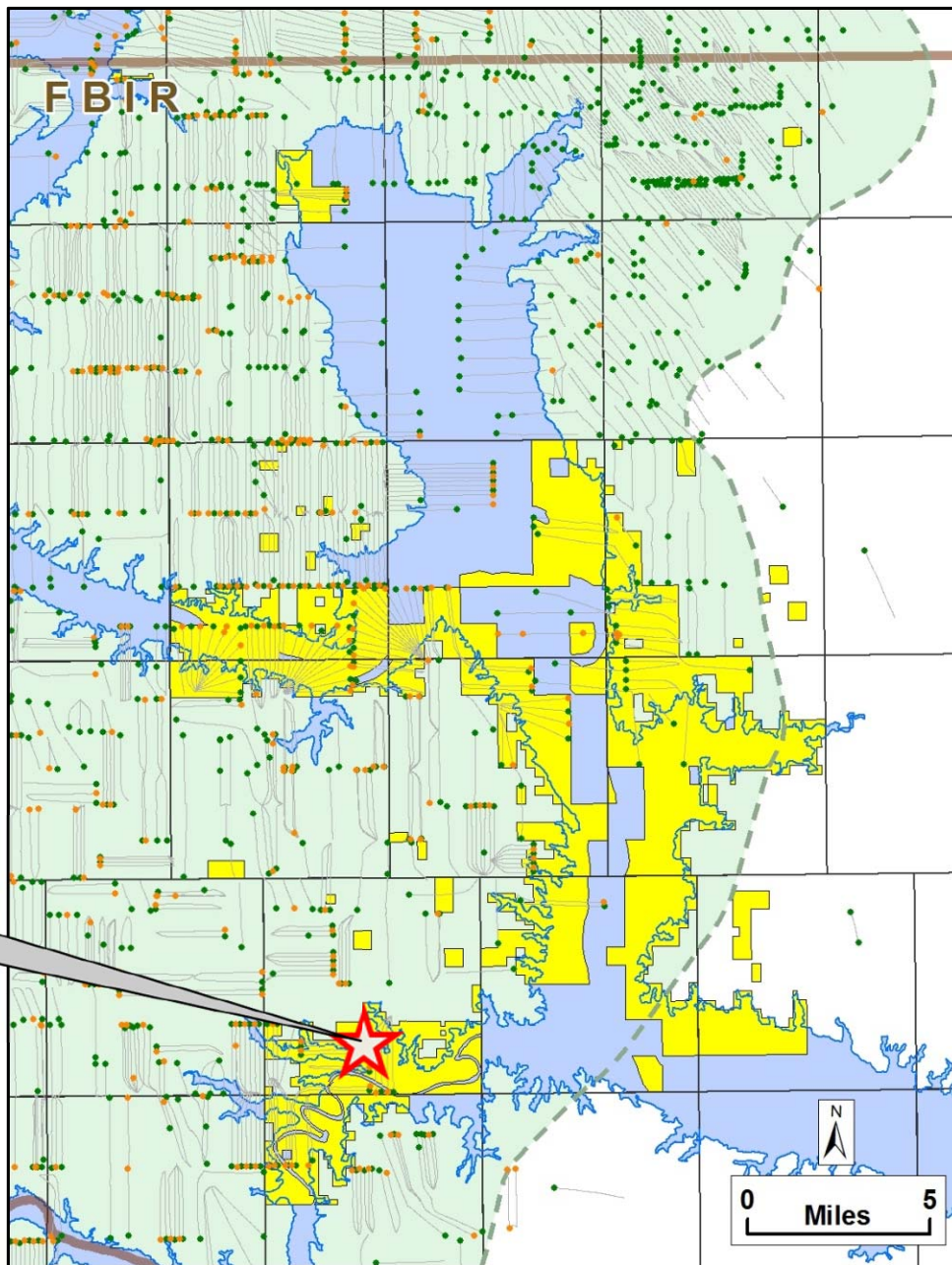
WILLISTON BASIN – HIGH DENSITY INFILL RESULTS







WILLISTON BASIN – THREE FORKS 2ND & 3RD BENCH



WILLISTON BASIN – FORT BERTHOLD



WOC
3 well pad
(2 MB / 1 TF1)

-  QEP Waiting on Completion (WOC, 3 wells) ⁽¹⁾
-  Bakken wells (MB)
-  Three Forks wells (Benches: TF1, TF2, TF3)
-  QEP acreage

⁽¹⁾ As of June 30, 2016

PINEDALE OVERVIEW

2Q 2016 Program Highlights

- Continuing to refine drilling program in more challenging area of the field
- Evaluating horizontal potential
- Additional compression scheduled for Q4 2016
- Acquired 4,785 net acres adjacent to current development area

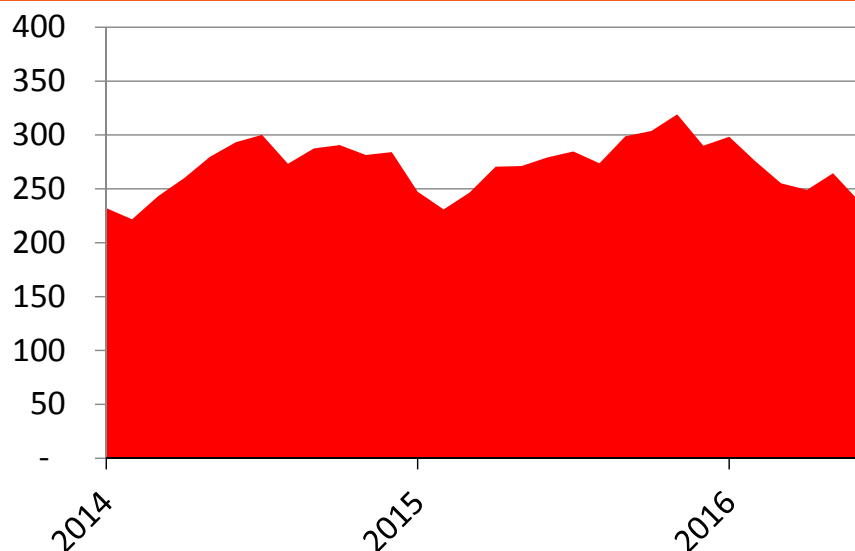
Profile ⁽¹⁾

Net acres	17,480
Gross operated producing wells	1,075
Average WI/average NRI	62% / 47%
Proved reserves (Bcfe)/% liquids ⁽²⁾	1,125 / 13%
Production Split – oil/gas/NGL	4/87/9%
Current rig count	1

⁽¹⁾ As of June 30, 2016

⁽²⁾ As of December 31, 2015

Net Production - MMcfed

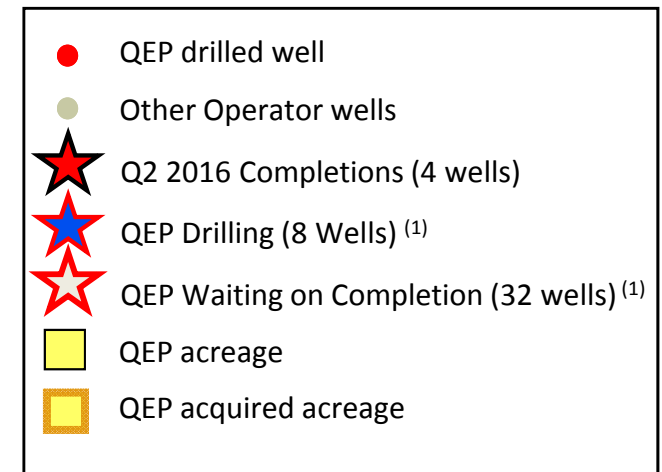
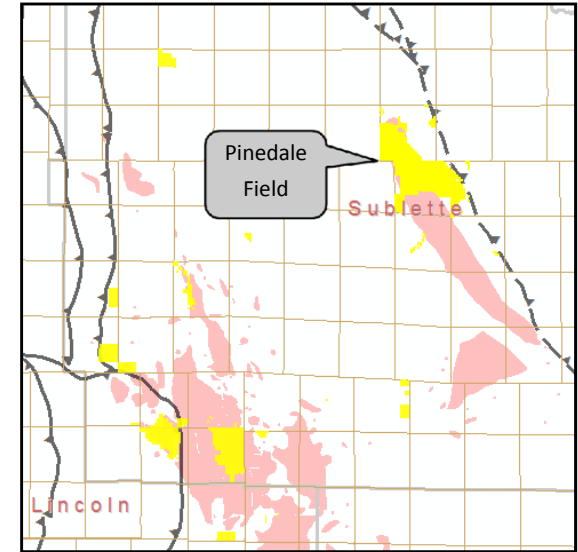
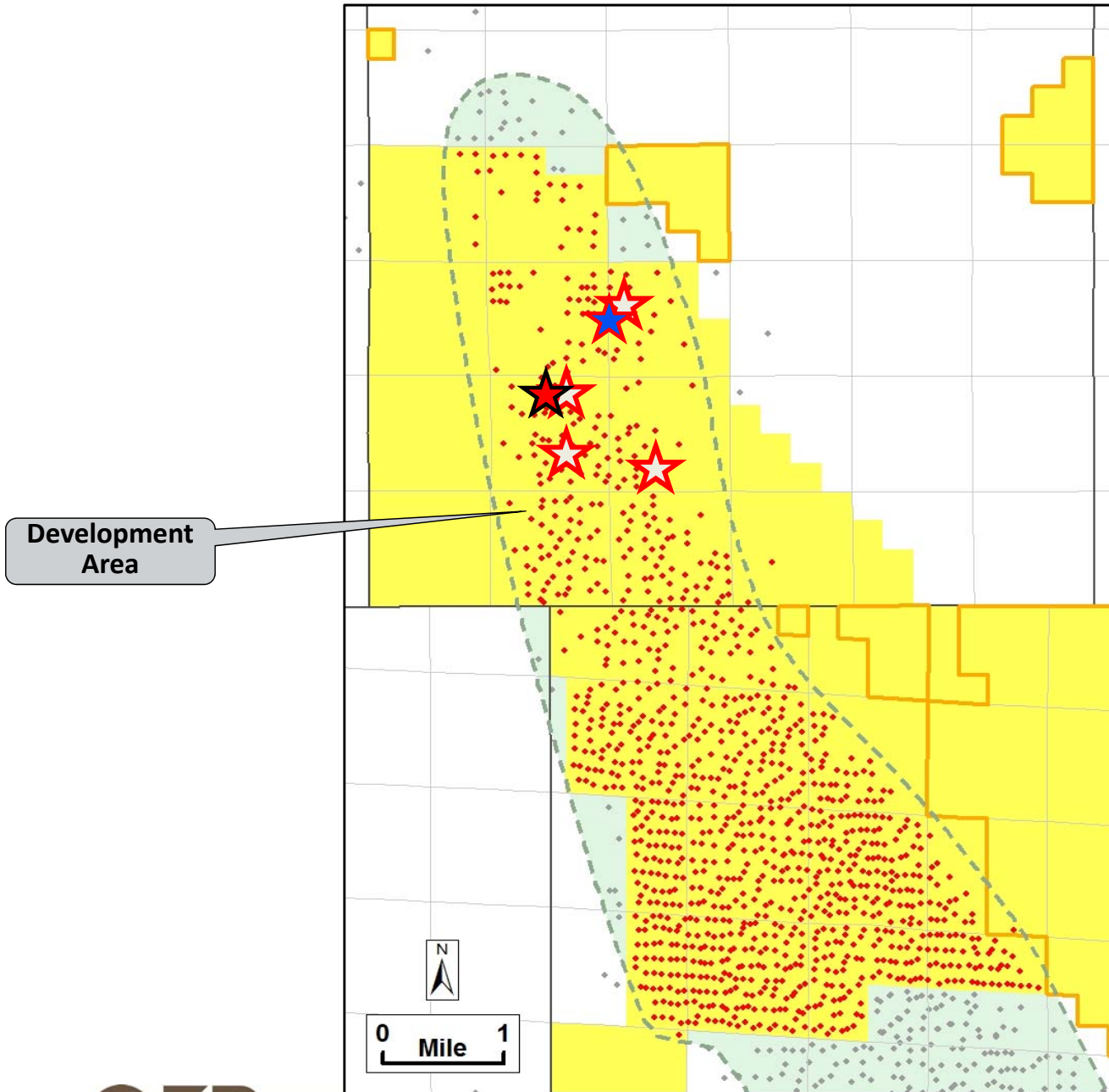


Gross Well Cost (AFE)

- Drill & complete: \$2.7 MM (vertical)
- 22 stage “Plug & Perf” design
- Facilities & artificial lift: \$0.2 MM



PINEDALE



⁽¹⁾ As of June 30, 2016

UINTA BASIN – LOWER MESAVERDE OVERVIEW

2Q 2016 Program Highlights

- Strong results from recent vertical wells
- Testing additional horizons
- Adding bypassed pay in existing wellbores
- Additional compression scheduled for Q4 2016

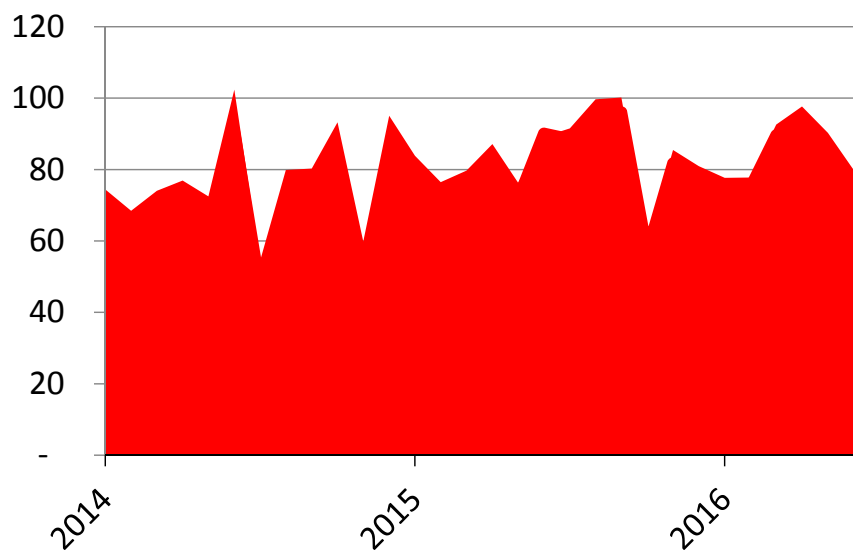
Profile ⁽¹⁾

Net acres	110,300
Gross operated producing wells	106
Average WI/average NRI	100% / 86%
Proved reserves (Bcfe)/% liquids ⁽²⁾	559 / 18%
Production Split – oil/gas/NGL	4/91/5%
Current rig count	0

⁽¹⁾ As of June 30, 2016

⁽²⁾ As of December 31, 2015, total Uinta Basin

Net Production - MMcfed



QEP
RESOURCES

Gross Well Cost (AFE)

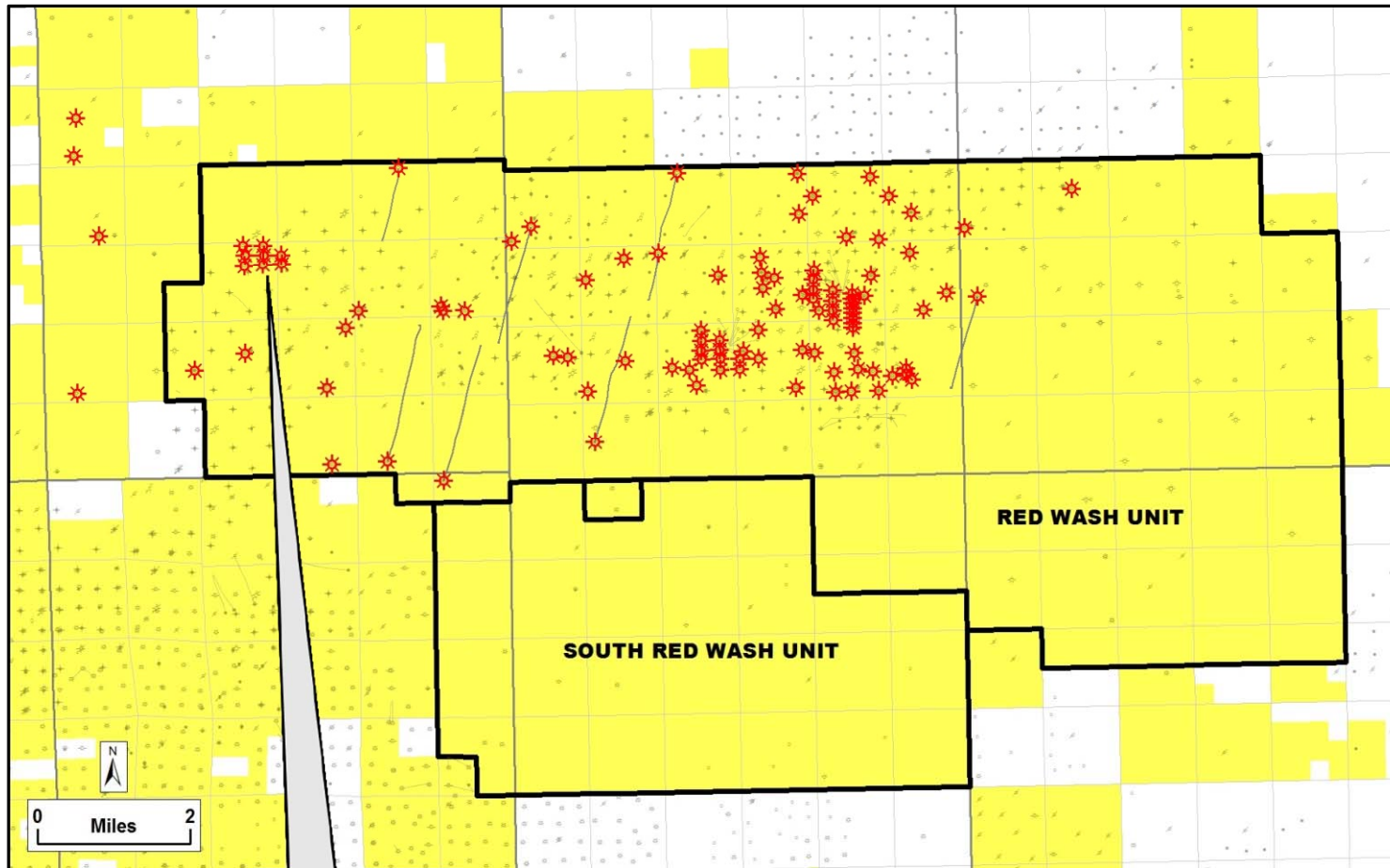
Vertical

- Drill & complete: \$2.1 MM
- Six stage “Plug & Perf” design
- Facilities & artificial lift: \$0.3 MM

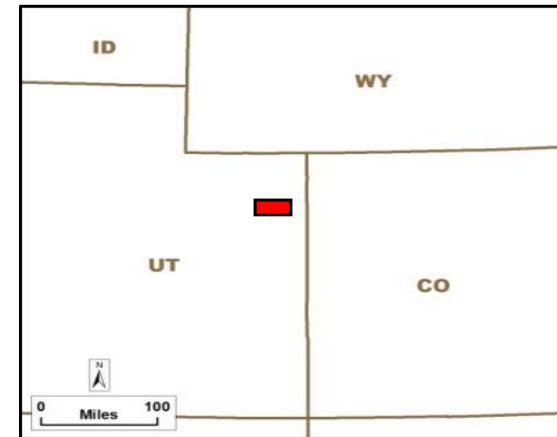
Horizontal

- Drill & complete: \$5.8 MM
- 5,000-ft lateral, sliding sleeve
- Facilities & artificial lift: \$0.7 MM

UINTA BASIN – LOWER MESAVERDE



RW 44-16A
8 wells
completed
Q1 2016



- * Producing Mesaverde vertical wells
- * Mesaverde horizontal wells
- QEP acreage