



The Resource Growth Company

QEP Resources, Inc.

**Investor Presentation
August 2012**

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION, ESTIMATED ULTIMATE RECOVERIES AND NON-GAAP FINANCIAL MEASURES

This release includes forward-looking statements within the meaning of Section 27(a) of the Securities Act of 1933, as amended, and Section 21(e) of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by words such as "anticipates," "believes," "forecasts," "plans," "estimates," "expects," "should," "will" or other similar expressions. Such statements are based on management's current expectations, estimates and projections, which are subject to a wide range of uncertainties and business risks. These forward-looking statements include statements regarding the anticipated closing date of the Acquisition, estimated ultimate recoveries of wells to be acquired, forecasted capital expenditures, increase in QEP's estimated net acreage in the Williston Basin following the Acquisition, operation of the acquired properties, forecasted production, and forecasted Adjusted EBITDA.

Actual results may differ materially from those included in the forward-looking statements due to a number of factors including, without limitation, prices for natural gas, oil and NGLs; availability of capital; 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 Acquisition; the assumption of unidentified or unforeseeable liabilities from the Acquisition; drilling and production costs; availability of drilling services and equipment; regulatory and other approvals; recoveries of gas in place; actual drilling results; lease expirations; general economic conditions, including the performance of financial markets and interest rates, global geopolitical and macroeconomic factors; weather conditions and factors identified in the Risk Factors section of the Company's Annual Report on Form 10-K for the year ended December 31, 2011. QEP undertakes no obligation to publicly correct or update the forward-looking statements in this release, in other documents, or on the Web site to reflect future events or circumstances.

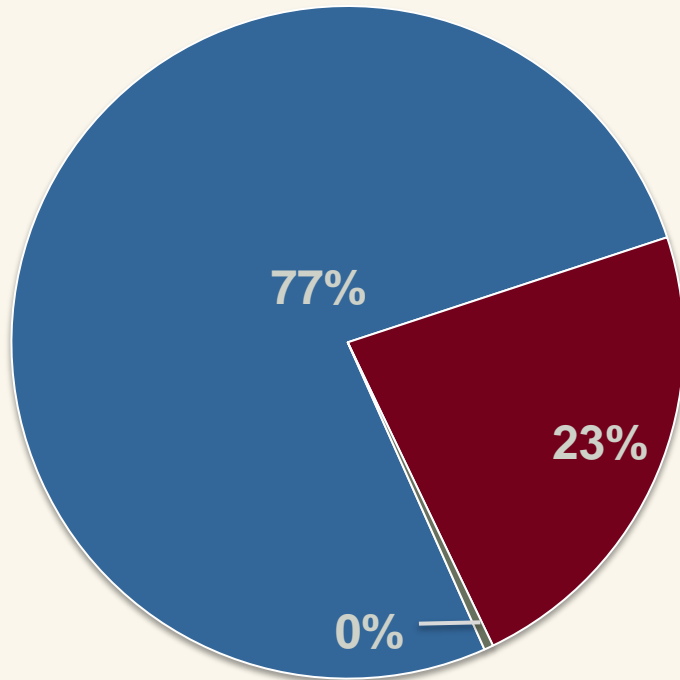
The Securities and Exchange Commission (SEC) requires oil and gas companies, in their filings with the SEC, to disclose proved reserves that a company has demonstrated by actual production or through reliable technology to be economically and legally producible at specific prices and existing economic and operating conditions. The SEC permits optional disclosure of probable and possible reserves, however QEP has made no such disclosures in its filings with the SEC. In this release, QEP uses the term "estimated ultimate recoveries" or "EUR", "resource potential", and "net resource potential". These estimates are by their nature more speculative than estimates of proved, probable or possible reserves and accordingly are subject to substantially more risks of actually being realized. The SEC guidelines strictly prohibit QEP from including such estimates in its filings with the SEC. Actual quantities that may be ultimately recovered from QEP's interests may differ substantially from the estimates contained in this presentation. Investors are urged to closely consider the disclosures about QEP's reserves in its Annual Report on Form 10-K for the year ended December 31, 2011, and in other reports on file with the SEC.

QEP refers to Adjusted EBITDA, a non-GAAP financial measure that management believes is a good tool to assess QEP's operating results. Management generally defines Adjusted EBITDA as net income before each of the following: separation costs, discontinued operations, loss on early debt extinguishment, unrealized gains and losses on basis-only swaps, gains and losses on asset sales, interest and other income, interest expense, depreciation, depletion and amortization, abandonments and impairments, exploration expense and income taxes. A reconciliation of historical Adjusted EBITDA to historical net income/loss, the relevant GAAP measure, can be found in QEP's quarterly earnings releases on the Company's Web site at www.qepres.com under "Investor Relations." This release also refers to forecasted Adjusted EBITDA for the year ended 2012. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to forecasted net income, the most directly comparable GAAP financial measure, is not available at this time, as management is unable to project special items, mark-to-market adjustments and other factors for future periods.



QEP Resources - a portfolio of high-quality assets

**LTM ADJUSTED
EBITDA \$1.43 B ***



* LTM ending 2Q12



QEP Energy
(Exploration & Production)
3.6 Tcfe proved reserves
18% 4-yr production CAGR



QEP Field Services
(Gathering and NGL extraction)
1.37 Bcfpd processing
~ 2,000 miles of gathering lines



QEP Marketing
(Production marketing)
Markets affiliate gas, oil and NGL's
Owns gas storage

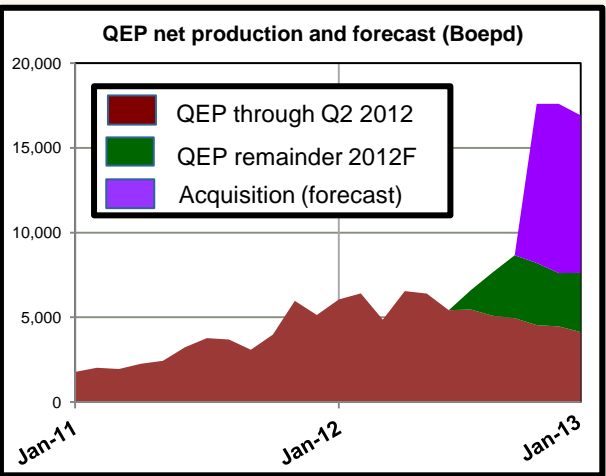


Acquisition Overview

- **Williston Basin in North Dakota**
 - Production from Bakken and Three Forks formations
 - ~12 miles west of QEP's Ft. Berthold Reservation block
- **~\$1.385 billion purchase price** (9 sellers)
 - July 1 effective date, September 27 anticipated closing date
- **27,600 net acres**
 - ~46.7% average WI, ~37.4% average NRI
 - QEP will operate over 90% of acquired value
- **Total reserves of 125 Mmboe** (81% crude oil)
 - Over 300 development locations
 - \$1.6 billion future development capital
 - 5-year development horizon
- **Current production ~10,500 boepd** (90% operated)
 - 72 wells (52 Three Forks, 20 Bakken)
 - 30 operated, 42 outside operated

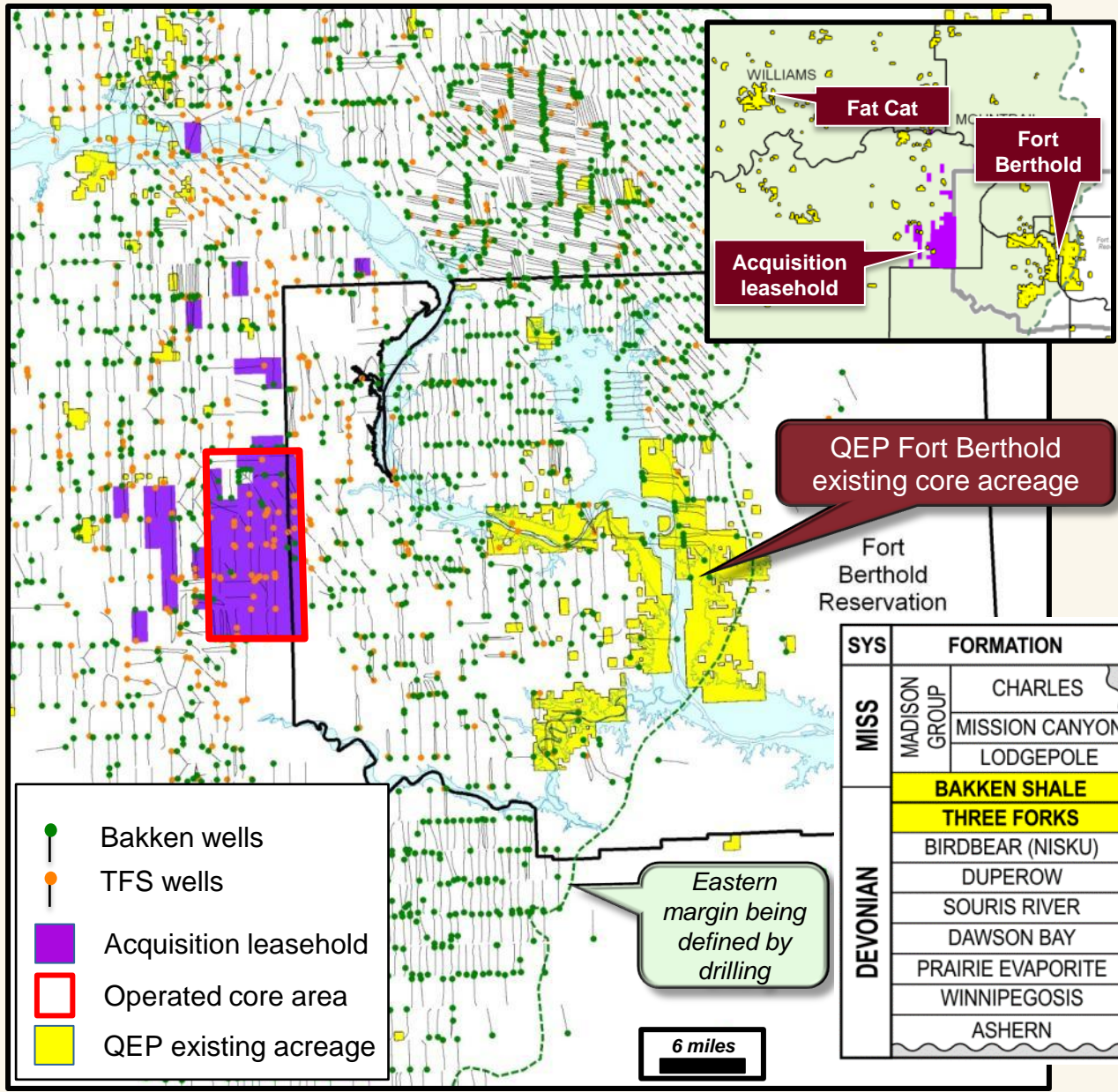


Acquisition will significantly increase QEP's Williston inventory

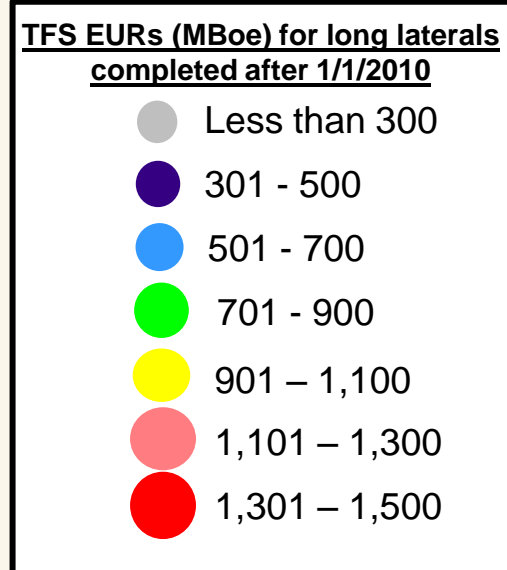
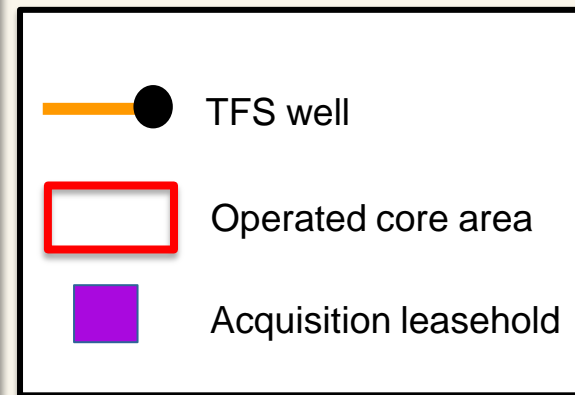
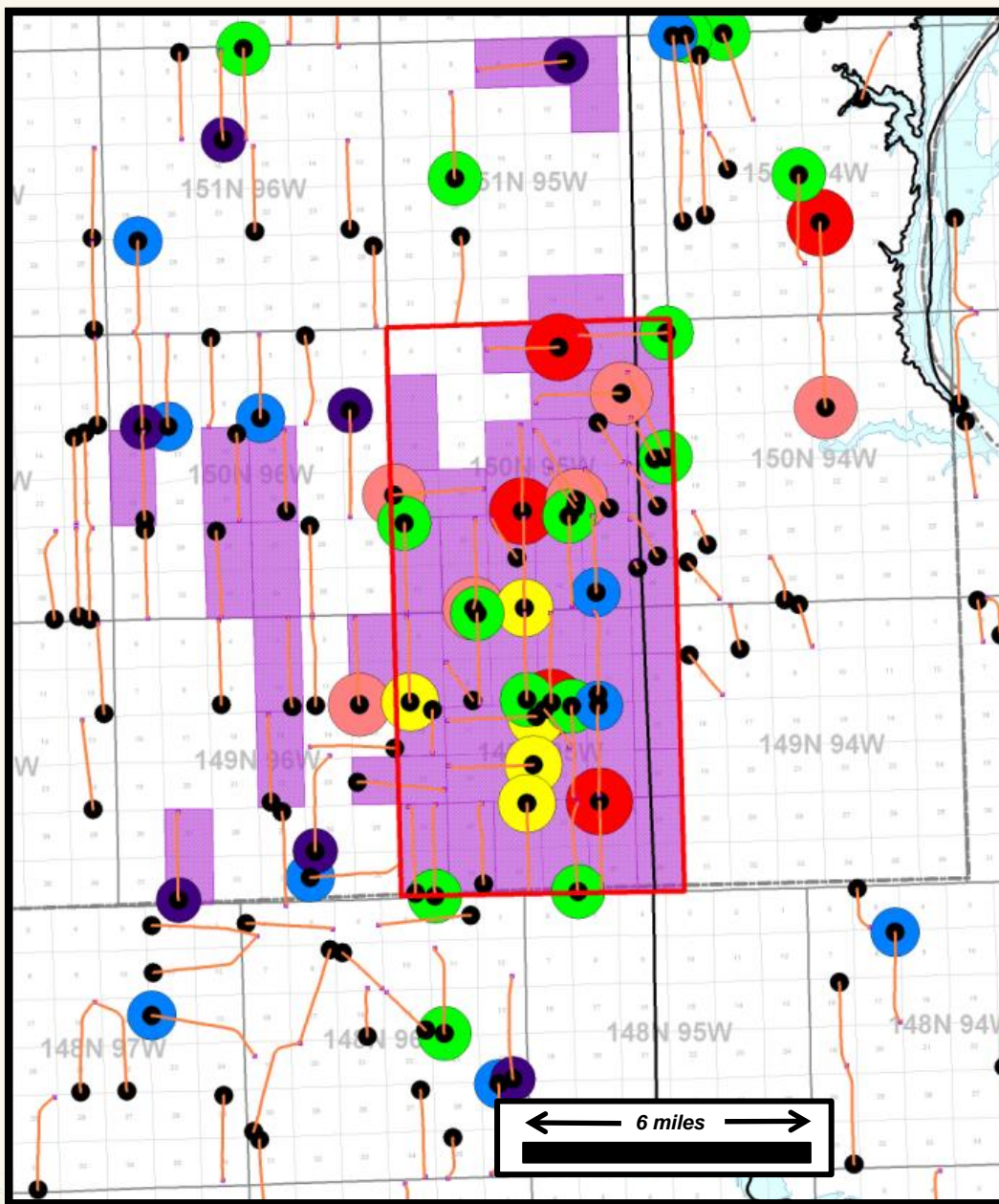


Acquisition Highlights

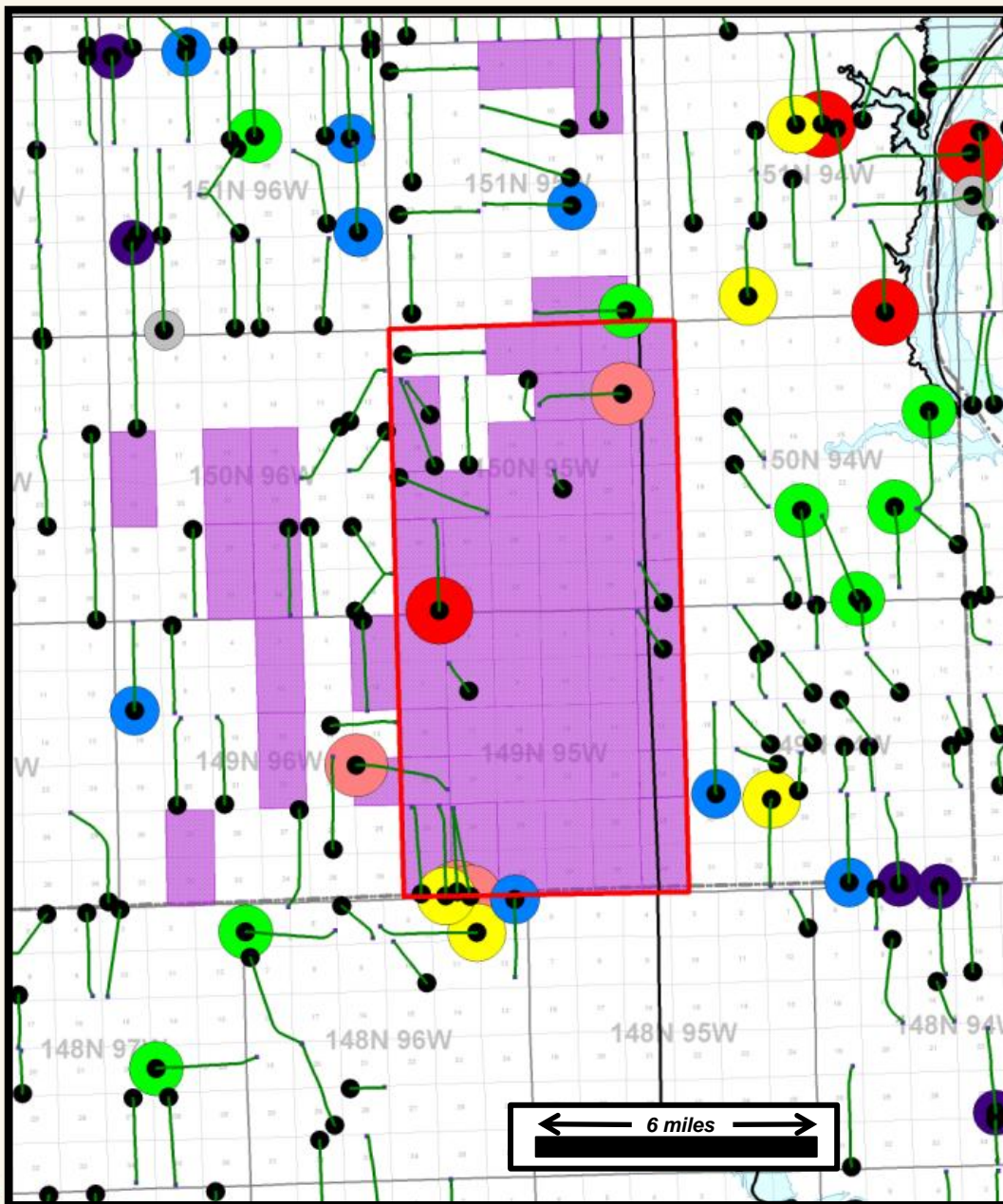
- 27,600 net acres in new core area – total QEP net acreage in play will increase to approximately 118,000
- Consolidated block with high working interest (90% of acreage will be QEP operated)
- Bakken and Three Forks/Sanish (TFS) prospective across all acreage with estimated ultimate recoveries (EUR) >900 MBoe/well for each zone






Above average Three Forks/Sanish well results










Above average Bakken well results



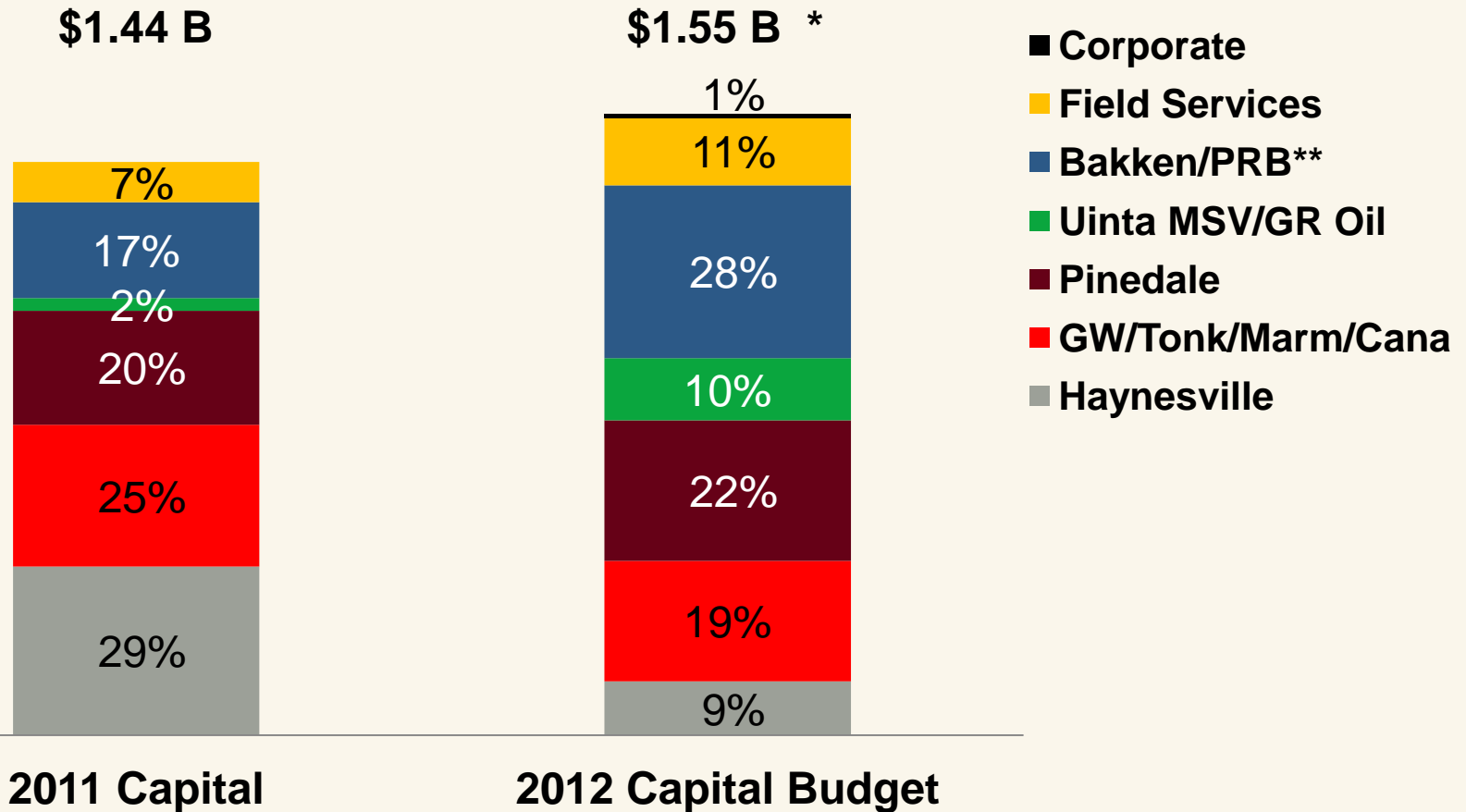
-  Middle Bakken well
-  Operated core area
-  Acquisition

Bakken EURs (MBoe) for long laterals completed after 1/1/2010

-  Less than 300
-  301 - 500
-  501 - 700
-  701 - 900
-  901 - 1,100
-  1,101 - 1,300
-  1,301 - 1,500



A diversified portfolio allows flexibility in development capital allocation



* Top end of guidance range of \$1.50 - \$1.55 B CAPEX

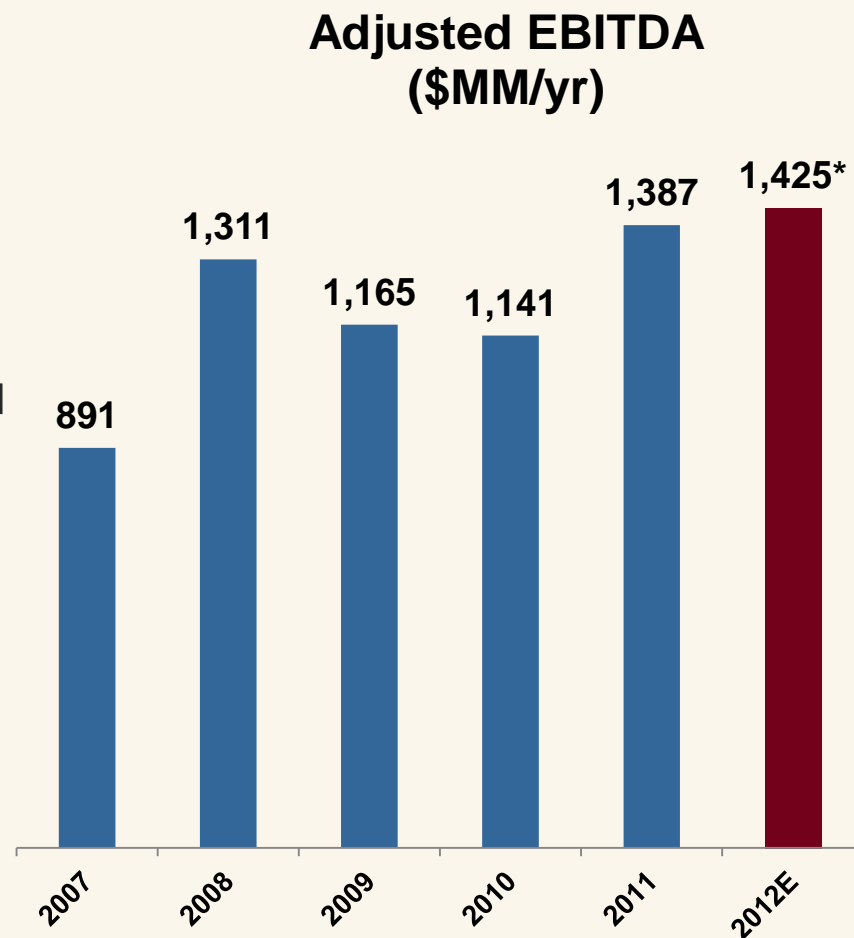
** Assumes Sept. 27, 2012 closing of North Dakota acquisition



We are revising our guidance to reflect the impact of the North Dakota Acquisition

Revised 2012 guidance (assuming a 9/27/2012 closing date for North Dakota Acquisition):

- Adjusted EBITDA \$1.40 B to \$1.45 B
- 310 to 315 Bcfe production
- Capital investment \$1.50 B to \$1.55 B
- Approximately 73% of 2H 2012 estimated gas production covered by commodity price derivatives
- Assumptions for unhedged production:
 - NYMEX gas price \$2.25 to \$3.25/MMBtu
 - NYMEX oil price \$85 to \$95/Bbl
 - Rockies basis: \$0.20 to \$0.15/MMBtu
 - Midcontinent basis: \$0.15 to \$0.10/MMBtu



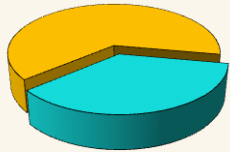
*Guidance midpoint



QEP is active in several of North America's most economic resource plays

2011 Reserves*
3,614 Bcfe

Northern: 2,312 Bcfe



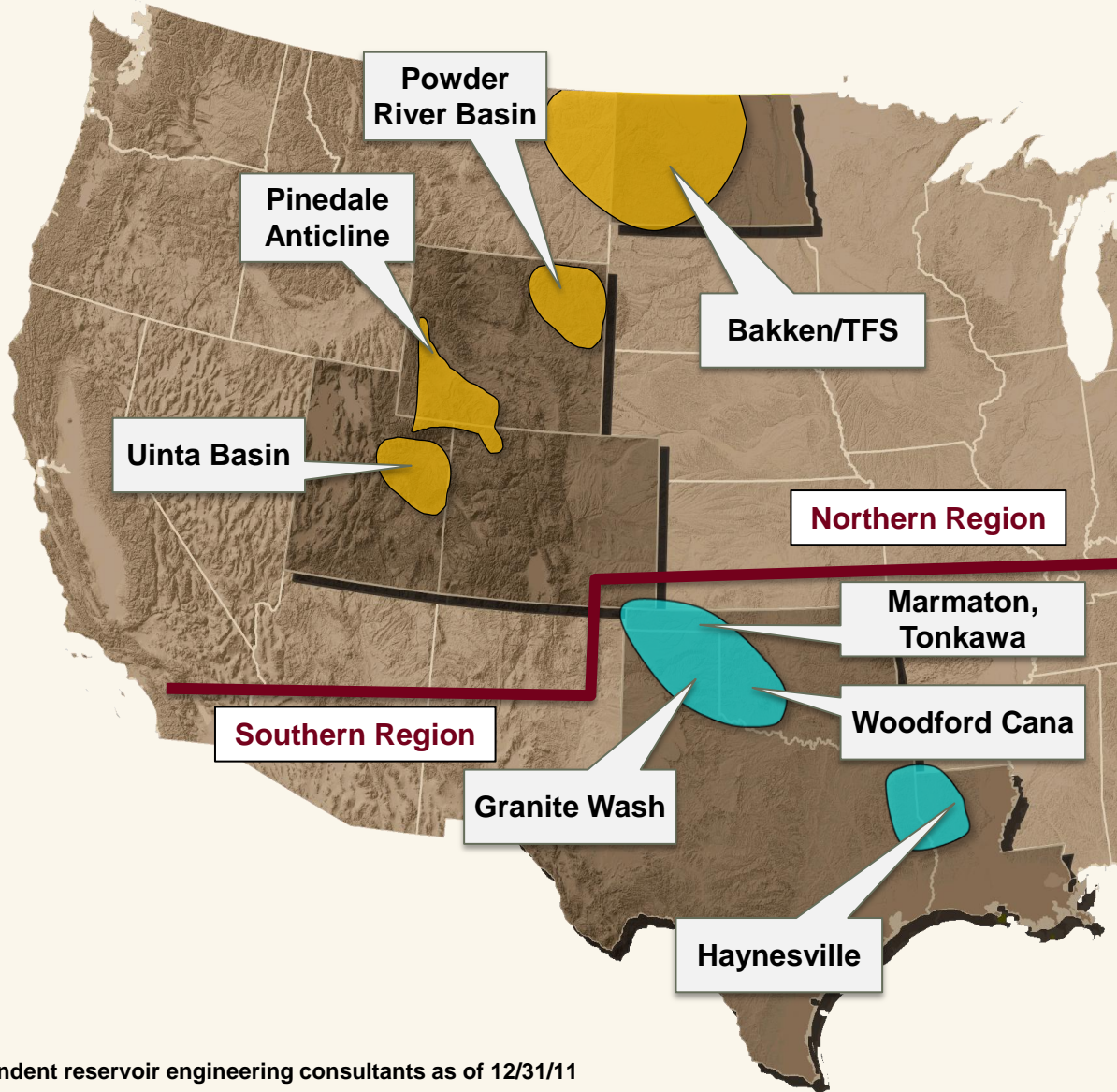
Southern: 1,302 Bcfe

2Q 2012 Production
875 MMcfepd

Northern: 396 MMcfepd



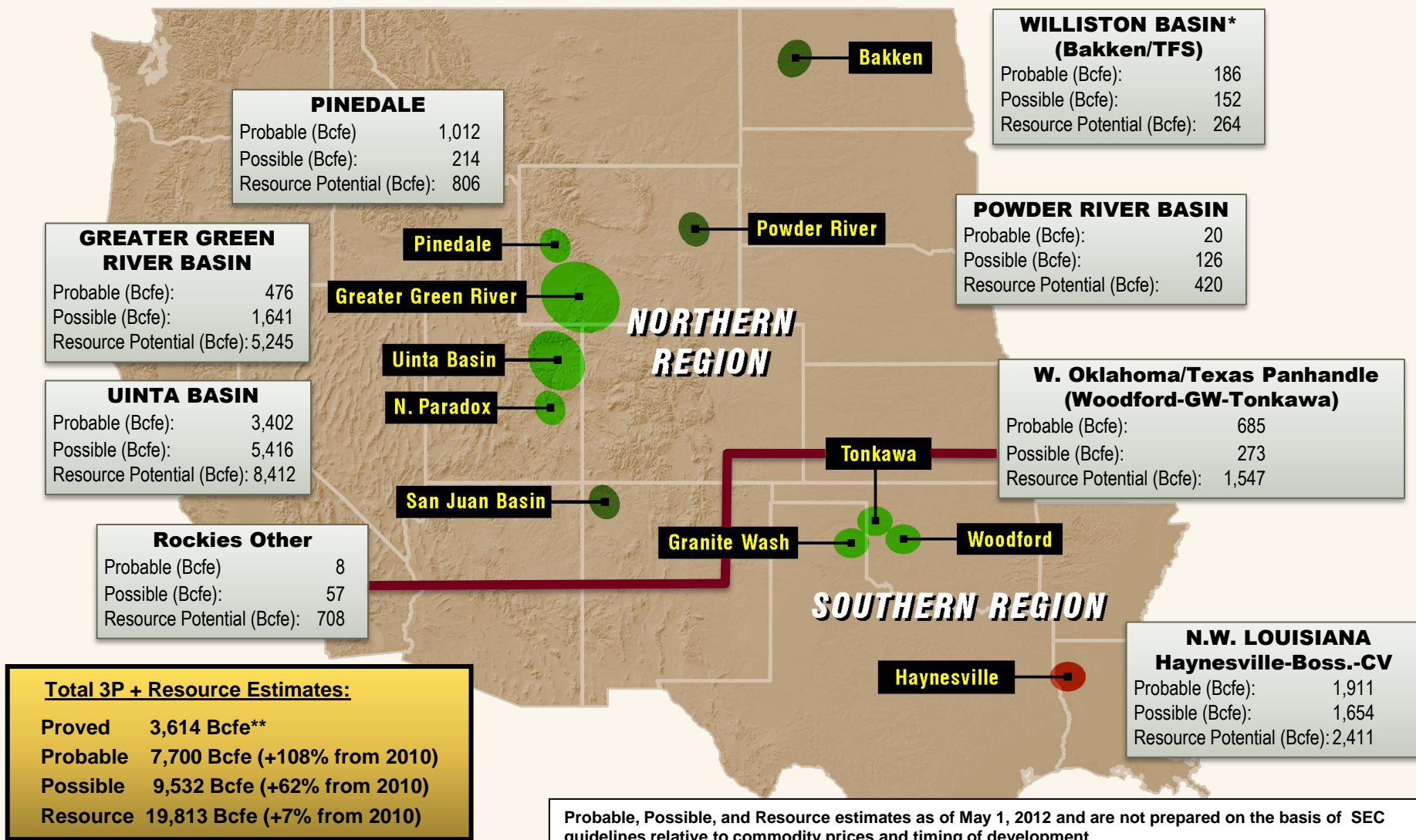
Southern: 479 MMcfepd



* Proved reserves prepared by independent reservoir engineering consultants as of 12/31/11



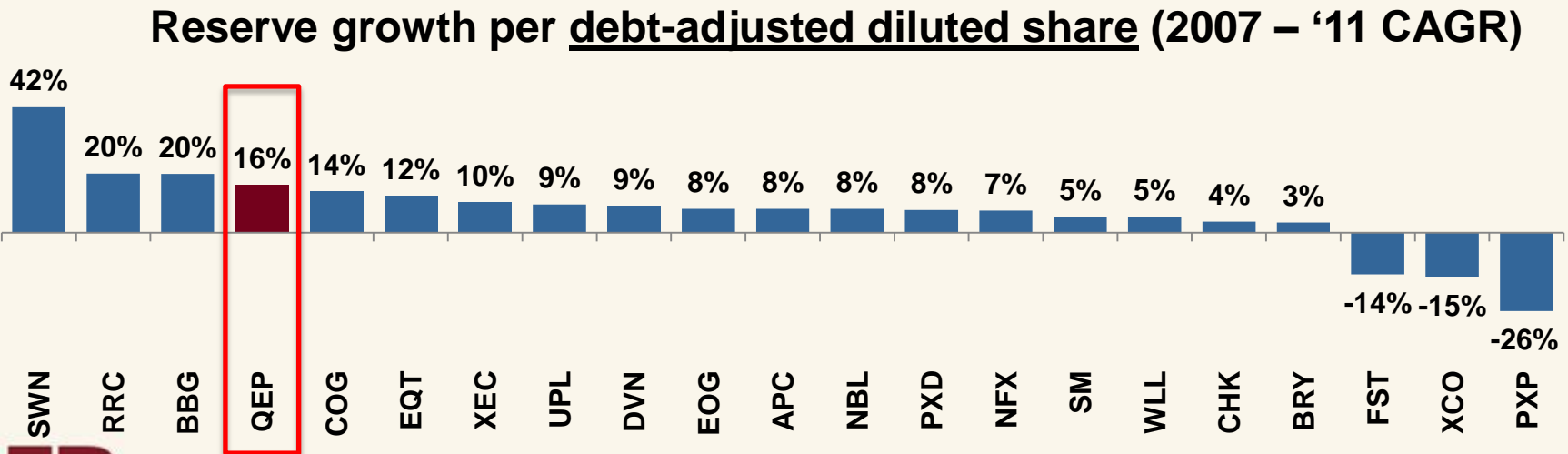
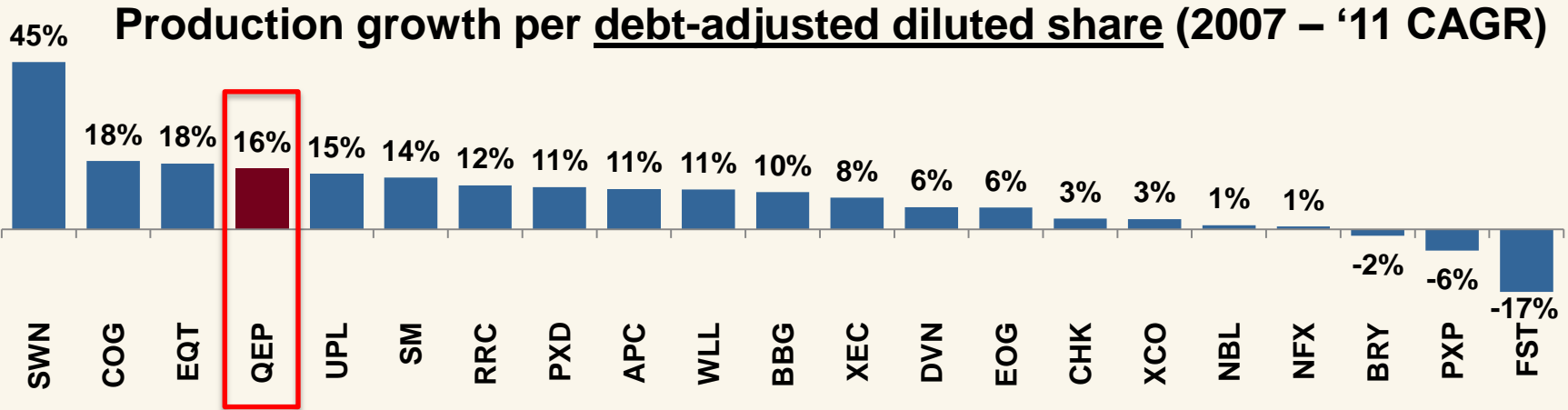
A deep, high quality inventory of non-proved reserves and resource potential to propel future organic growth



*Does not include 2012 North Dakota acquisition
 **Proved Reserve Estimates as of December 31, 2011

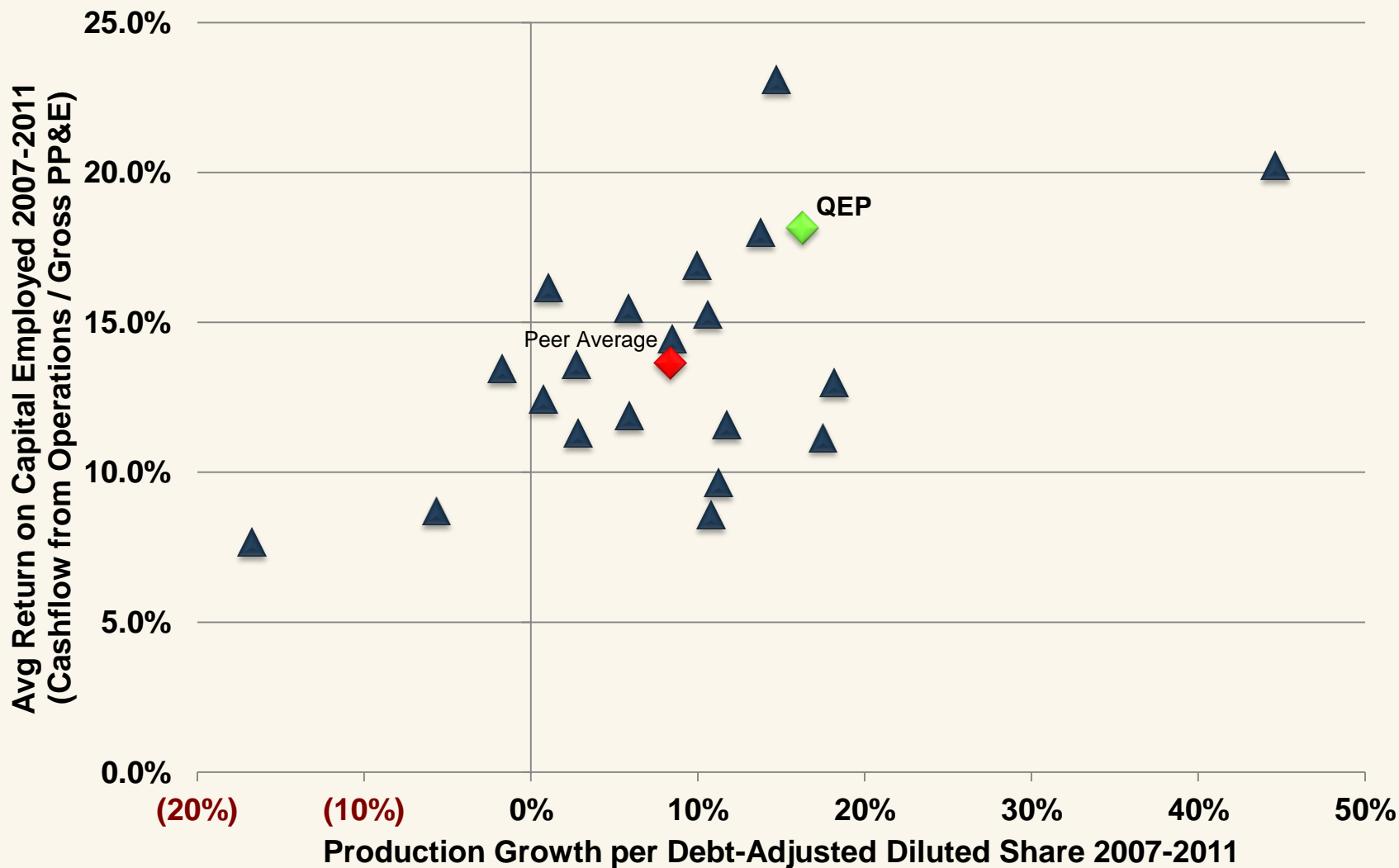


QEP is an industry leader in debt-adjusted per share production and reserve growth



Source: QEP Resources, Enercom & ThomsonReuters Mar 2012

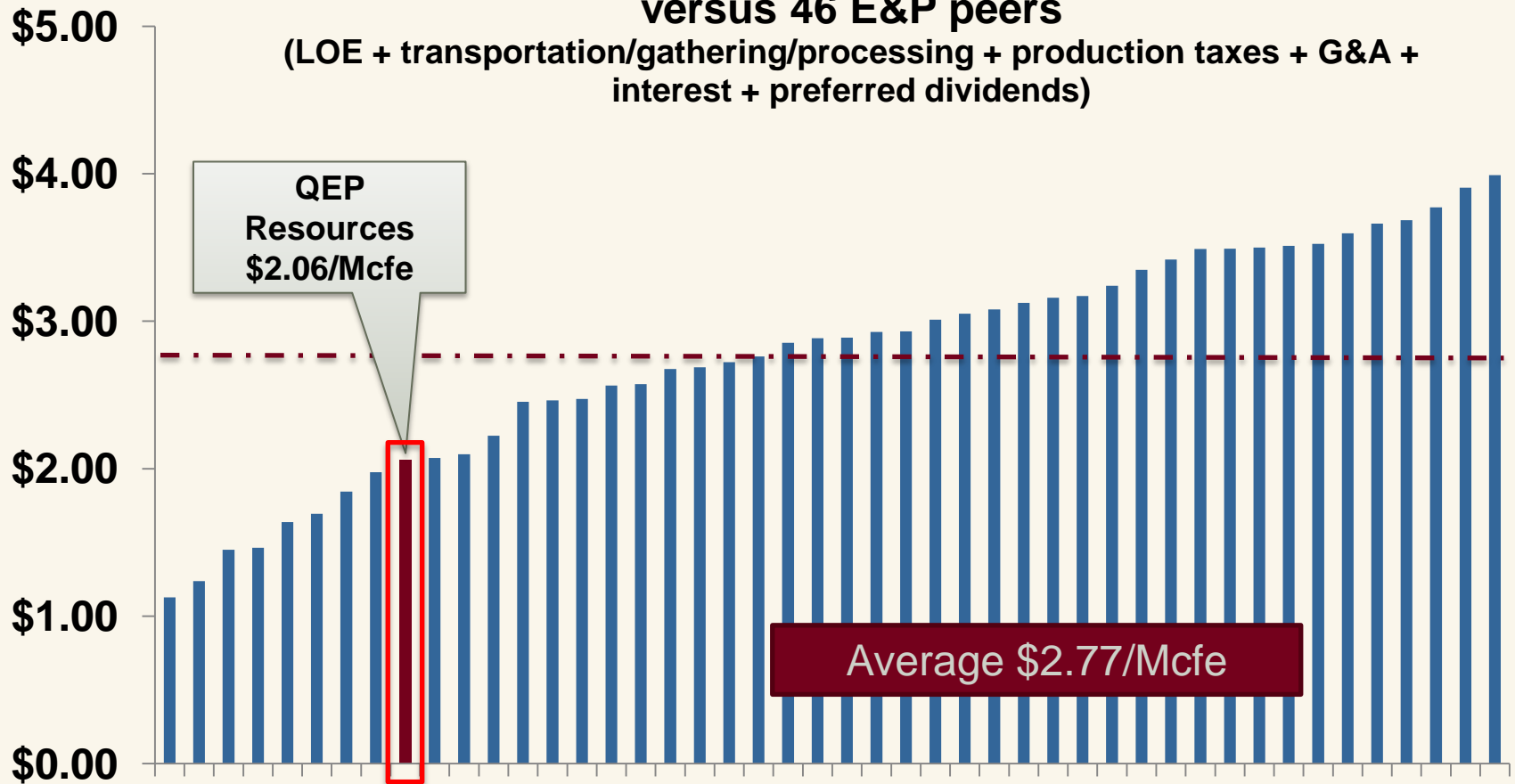
Strong production growth while maintaining high return on capital



Our low-cost structure is a competitive advantage

2011 average production cash cost (\$/Mcf) structure versus 46 E&P peers

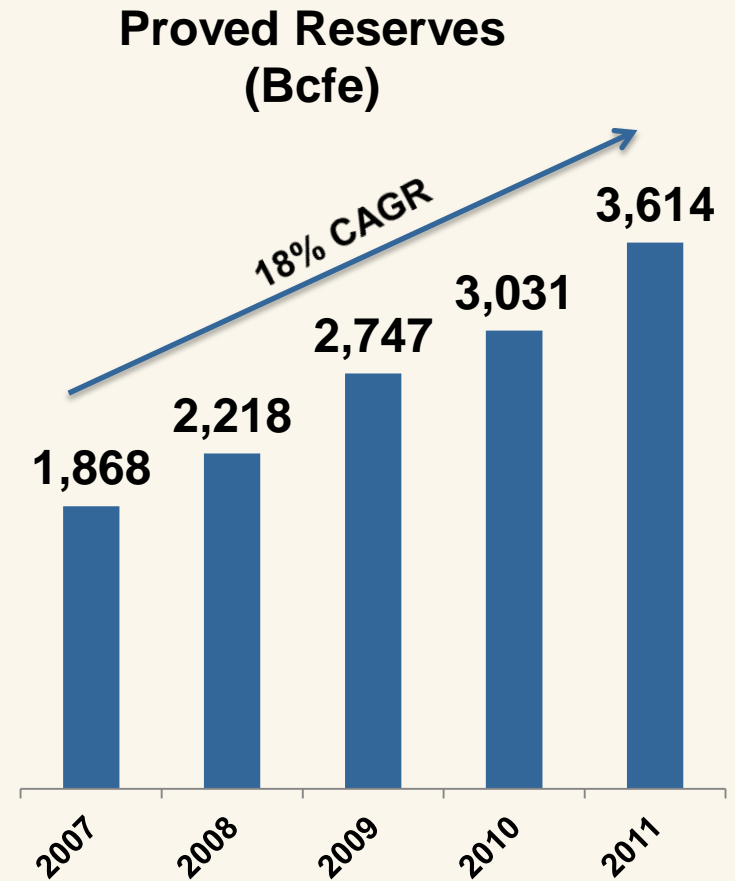
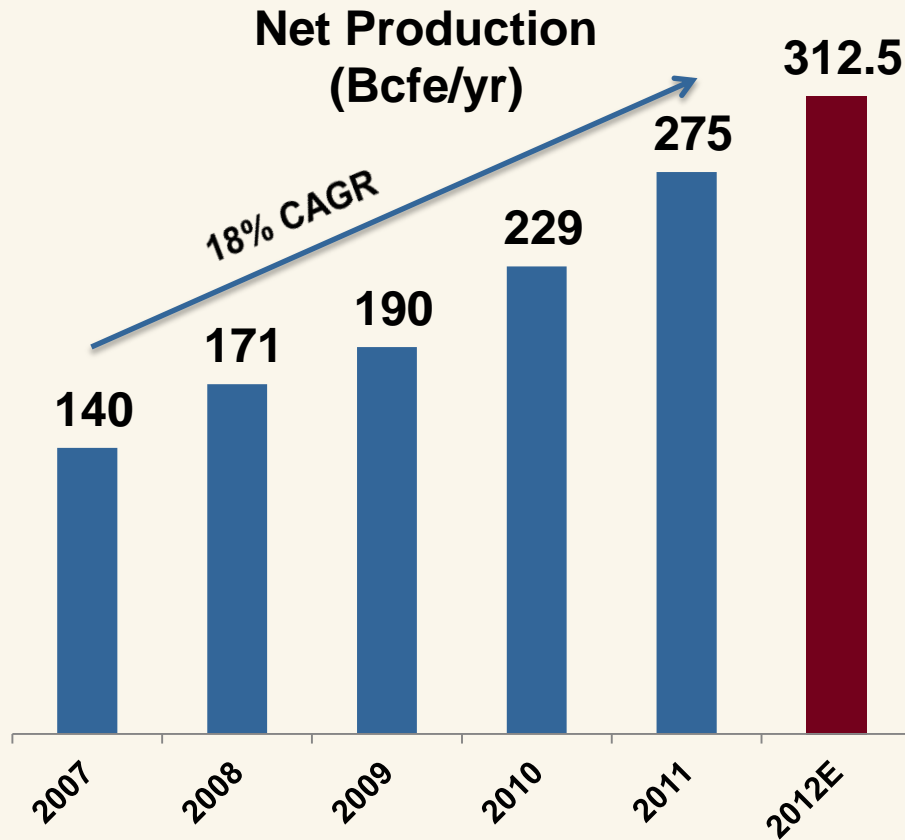
(LOE + transportation/gathering/processing + production taxes + G&A + interest + preferred dividends)



Source: Company data and Howard Weil, March 2012; includes allocated capitalized interest & G&A



QEP has a track record of strong production and reserve growth

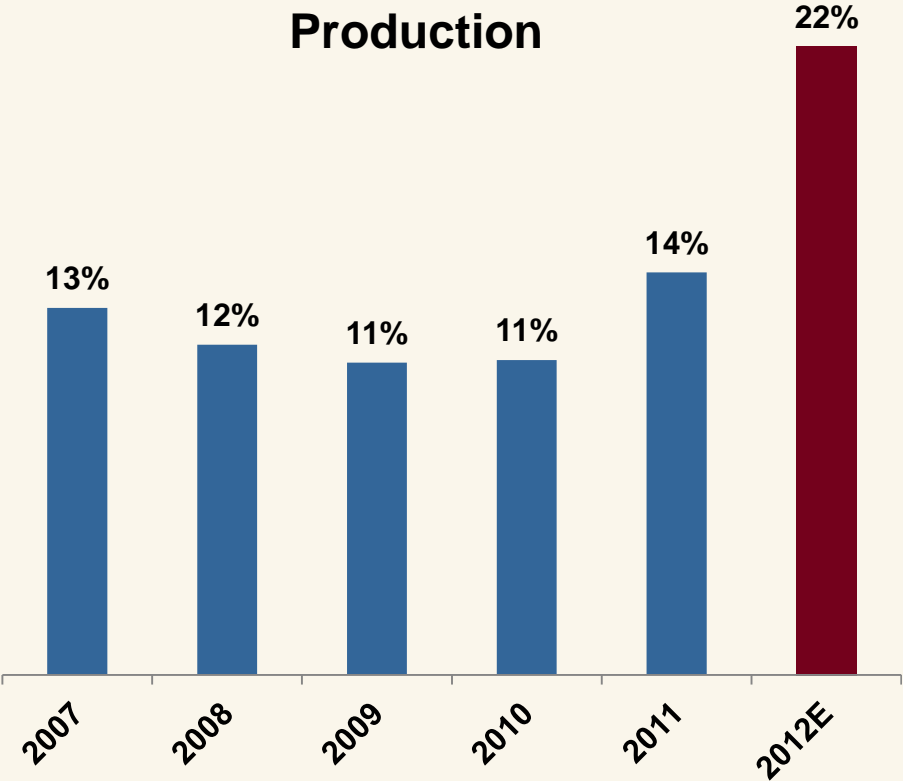


2012 Guidance: 310 – 315 Bcfe

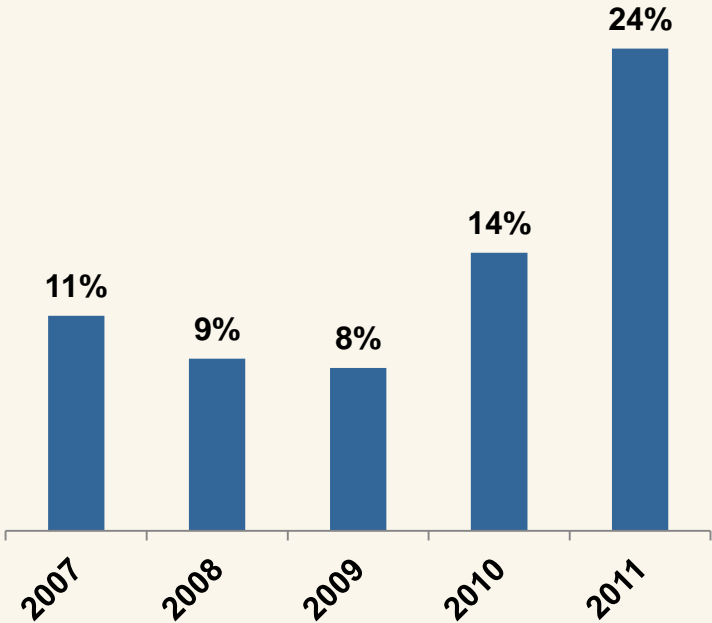


Capital allocation decisions to maximize economic returns are changing QEP's portfolio mix

% Liquids of Total Net Production



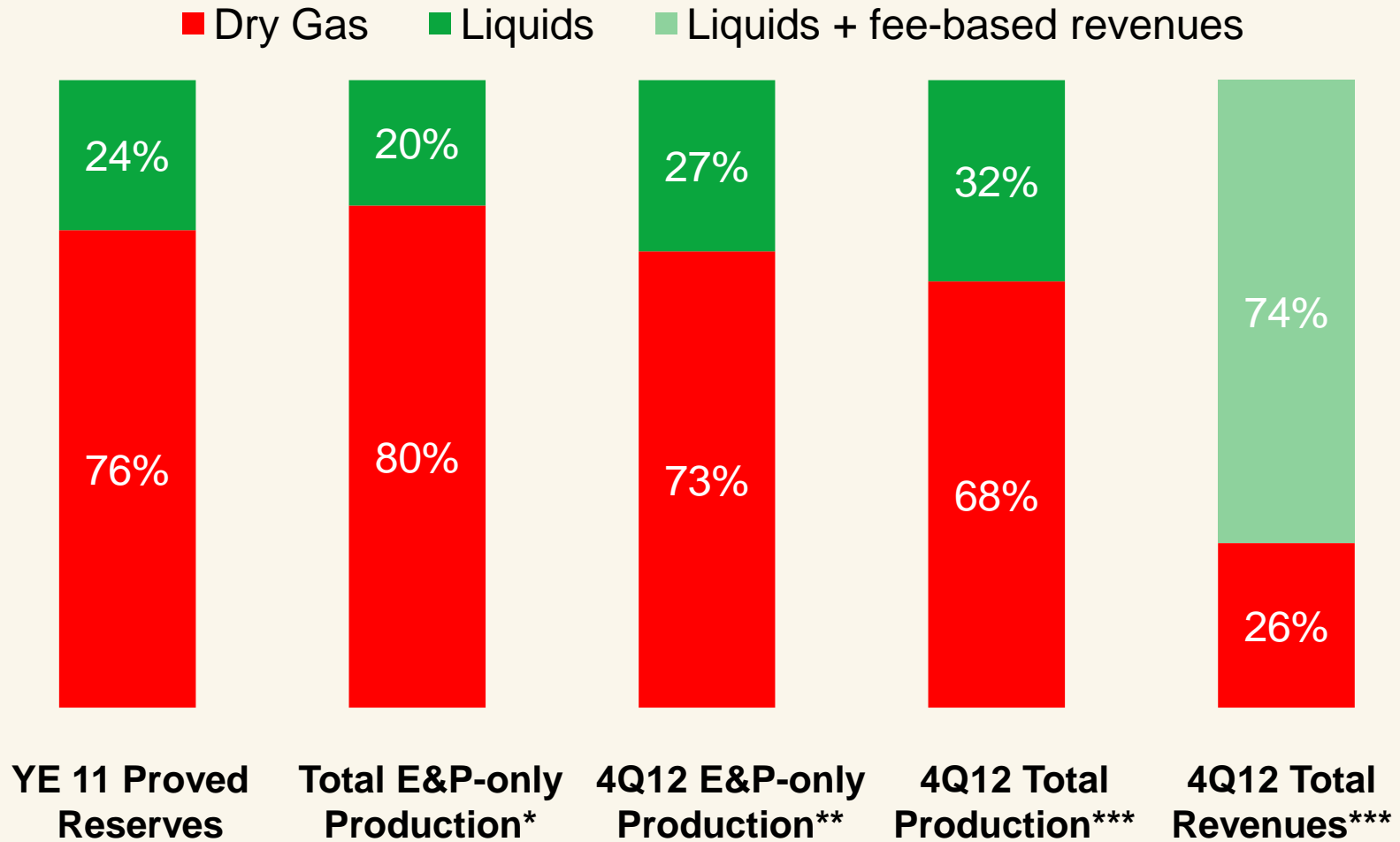
% Liquids of Total Proved Reserves



2012 Guidance: mid-point range



Liquids are a growing component of QEP's total value proposition



* 2nd Qtr 2012

** Pro-forma for acquisition

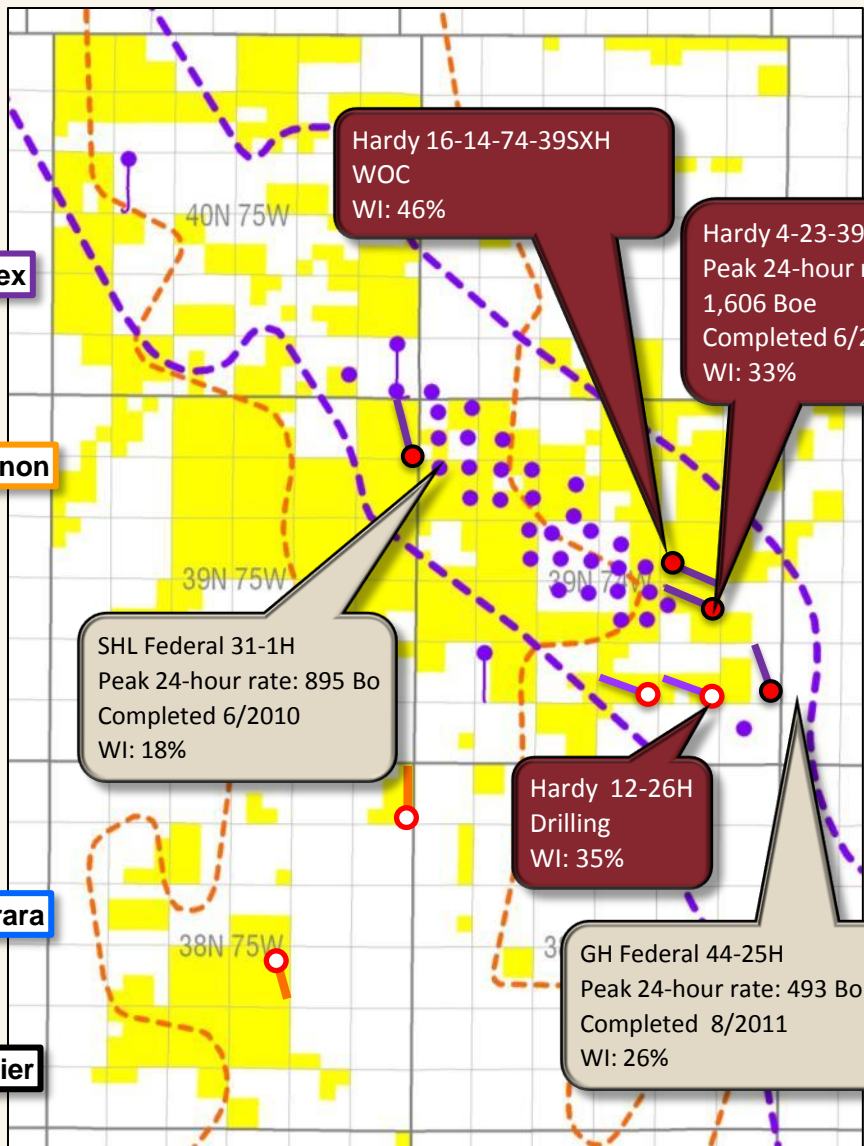
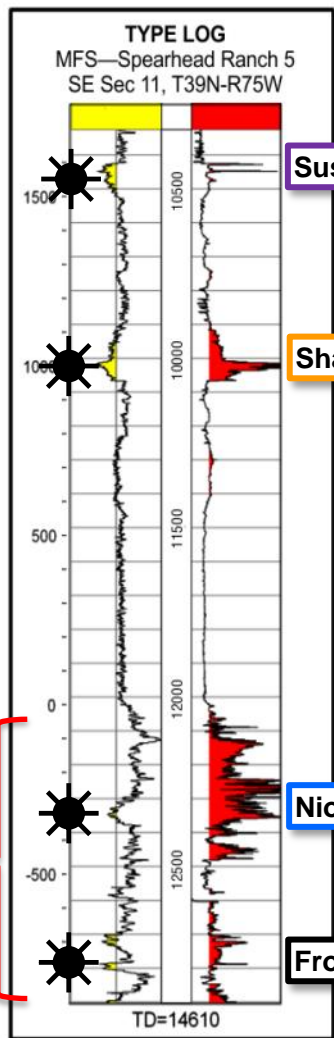
*** Pro-forma for acquisition, E&P + Midstream



QEP has 39,000 net acres in the Spearhead Ranch area of the Powder River Basin, Wyoming

- Multiple oil targets
- 4,500-ft laterals
- \$6.5 - \$7 MM average well cost
- Average Sussex EUR: 450 to 525 Mboe/horizontal well

- Sussex vertical producers
- QEP working interest horizontal producing well
- QEP planned horizontal wells (color coded by formation)
- Sussex play fairway
- Shannon play fairway



Hardy 16-14-74-39SXH
WOC
WI: 46%

Hardy 4-23-39-74SXH
Peak 24-hour rate:
1,606 Boe
Completed 6/2012
WI: 33%

SHL Federal 31-1H
Peak 24-hour rate: 895 Bo
Completed 6/2010
WI: 18%

Hardy 12-26H
Drilling
WI: 35%

GH Federal 44-25H
Peak 24-hour rate: 493 Bo
Completed 8/2011
WI: 26%

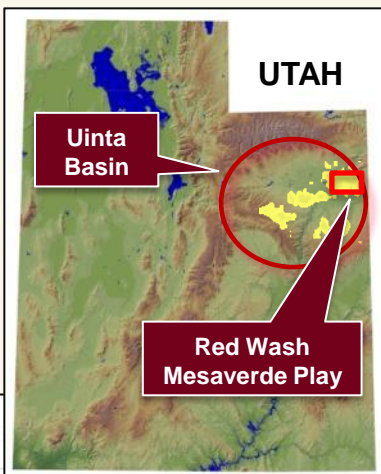
1 Mile



Up to 3,200 potential locations in the Uinta Basin Red Wash Lower Mesaverde play

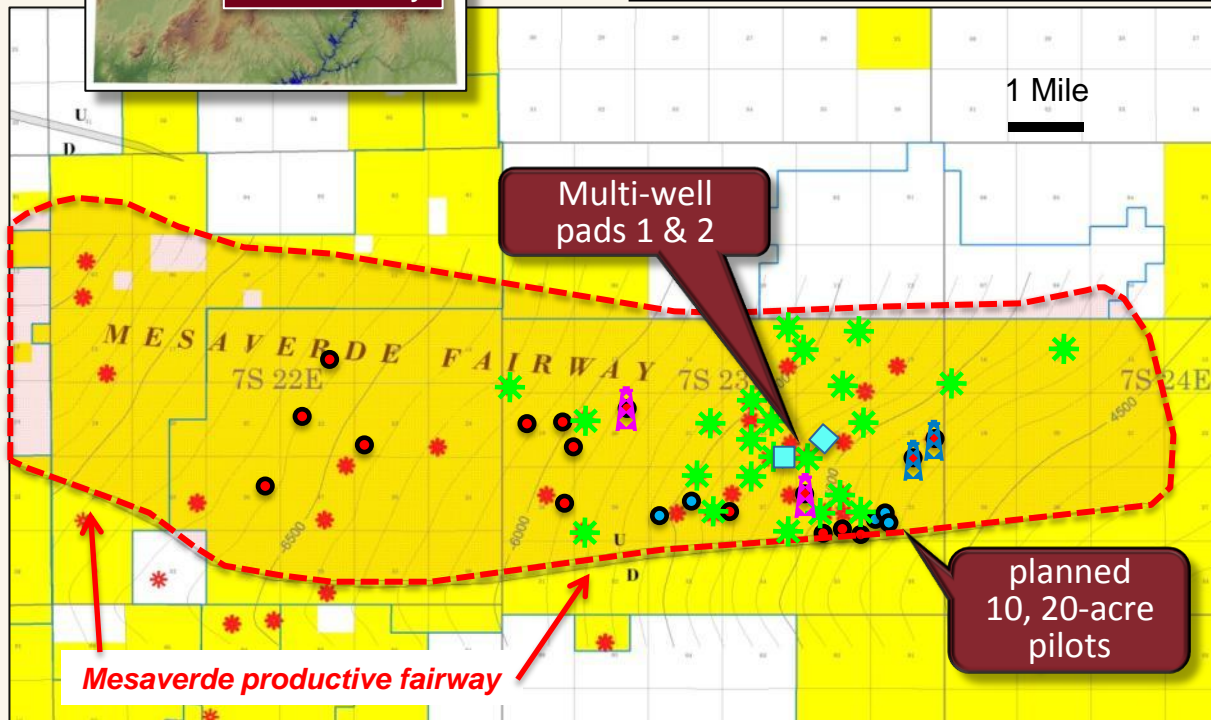
<u>Geologic Age</u>	<u>Formation</u>
TERTIARY	Green River
	Wasatch
CRETACEOUS	Mesaverde *
	Blackhawk
	Mancos
	Dakota/Cedar Mtn ss

- Proved reserves of 204 Bcfe*
 - 136 PUD locations on 40-acre spacing*
- Vertical wells to average TD of 11,000'
- \$2.3 MM average well cost
- Average EUR 2.3 Bcfe
- 32,300 net acres with 86.5% NRI

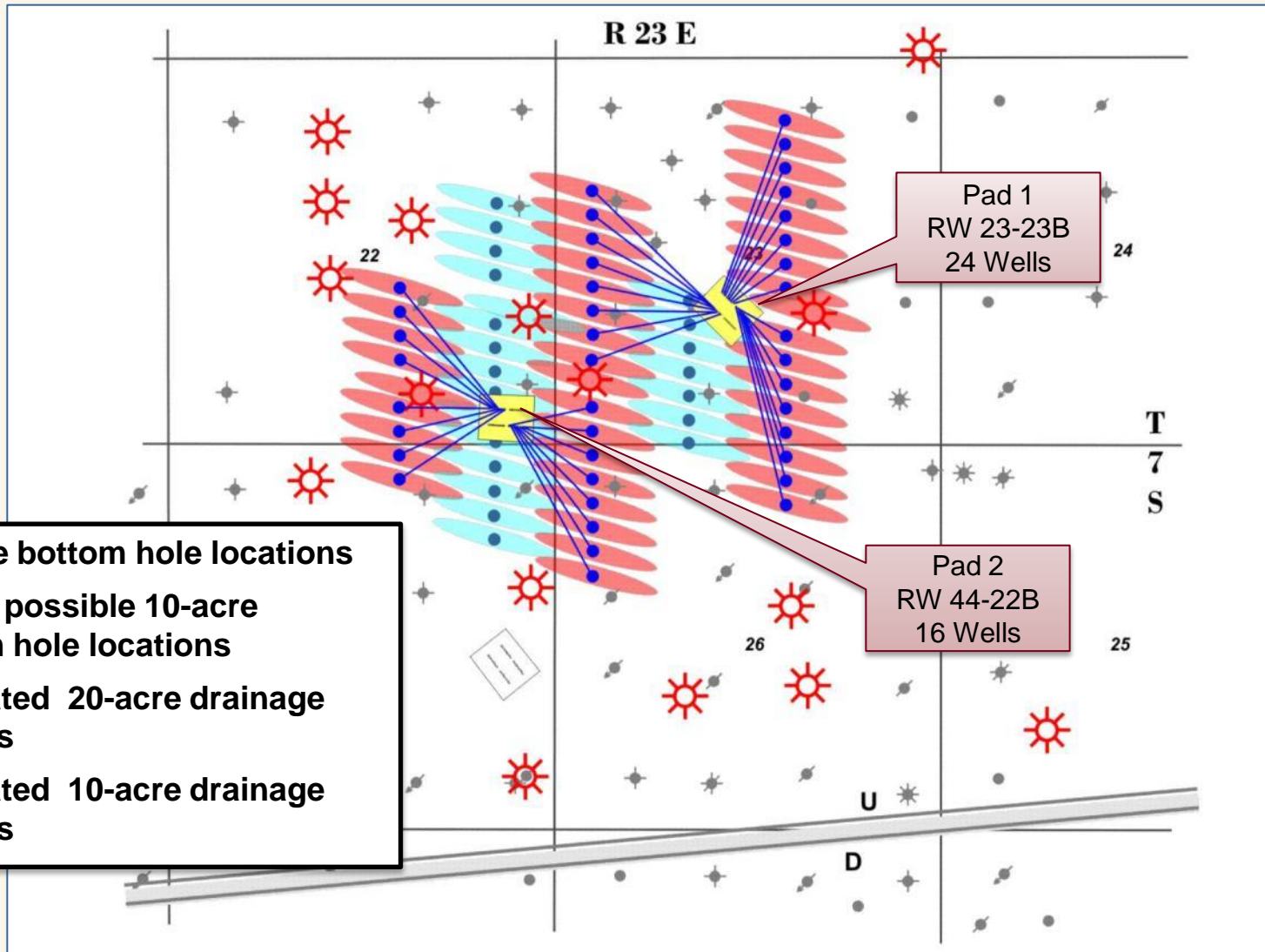


* As of December 31, 2011

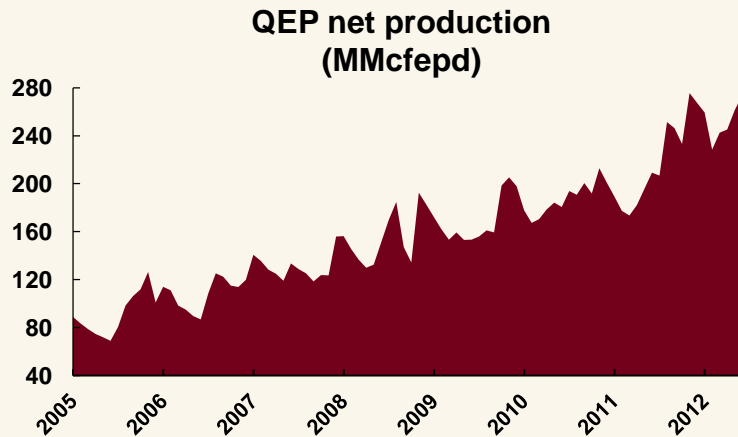
- * Mesaverde wells
- * 2012 Mesaverde Producer
- 2012 Mesaverde Location
- 2012 Pilot Well Location
- Directional Drilling Pad
- 🏠 Drilling
- 🏠 WOC
- QEP leasehold



QEP is starting pad drilling in the Uinta Basin Lower Mesaverde play

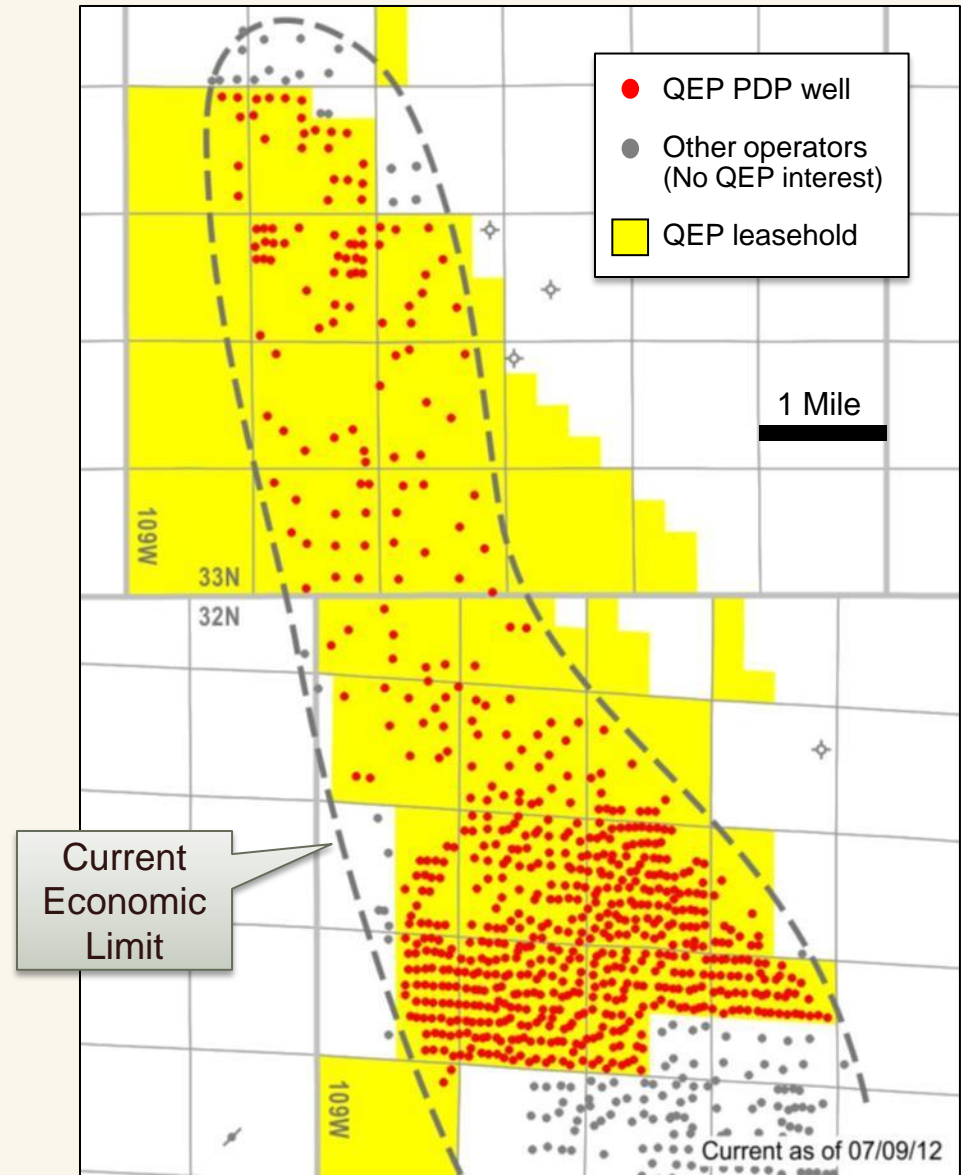


Up to 1,050 remaining locations at Pinedale

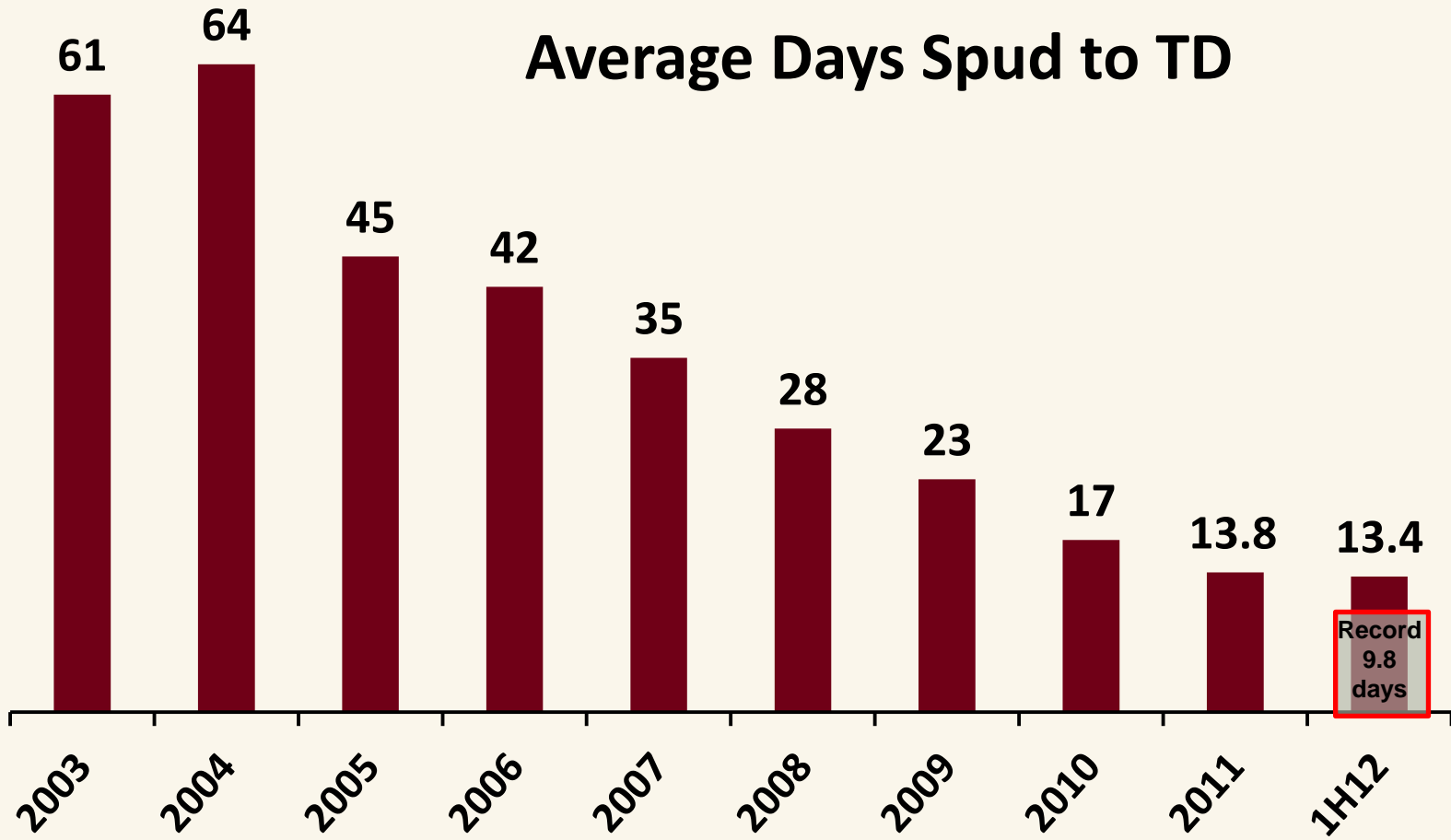


- Proved reserves 1.53 Tcfe*
 - 526 PUD locations on a combination of 5 and 10-acre density *
- Up to 1,050 remaining locations
- 105 well completions in 2011
- 100 new completions planned for 2012
- \$4.1 MM average well cost

* As of December 31, 2011

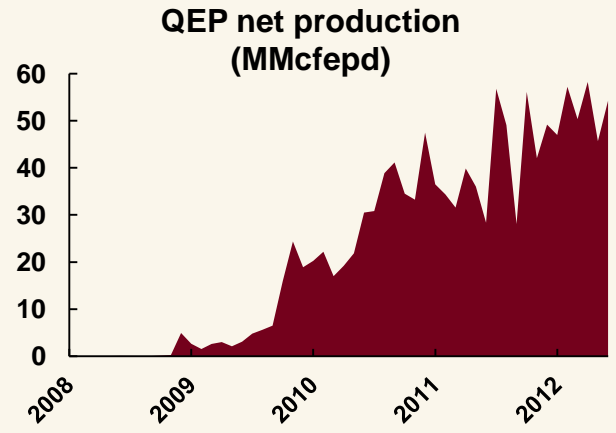


Pinedale drill times have declined significantly over the past few years, we are maintaining our low-cost advantage

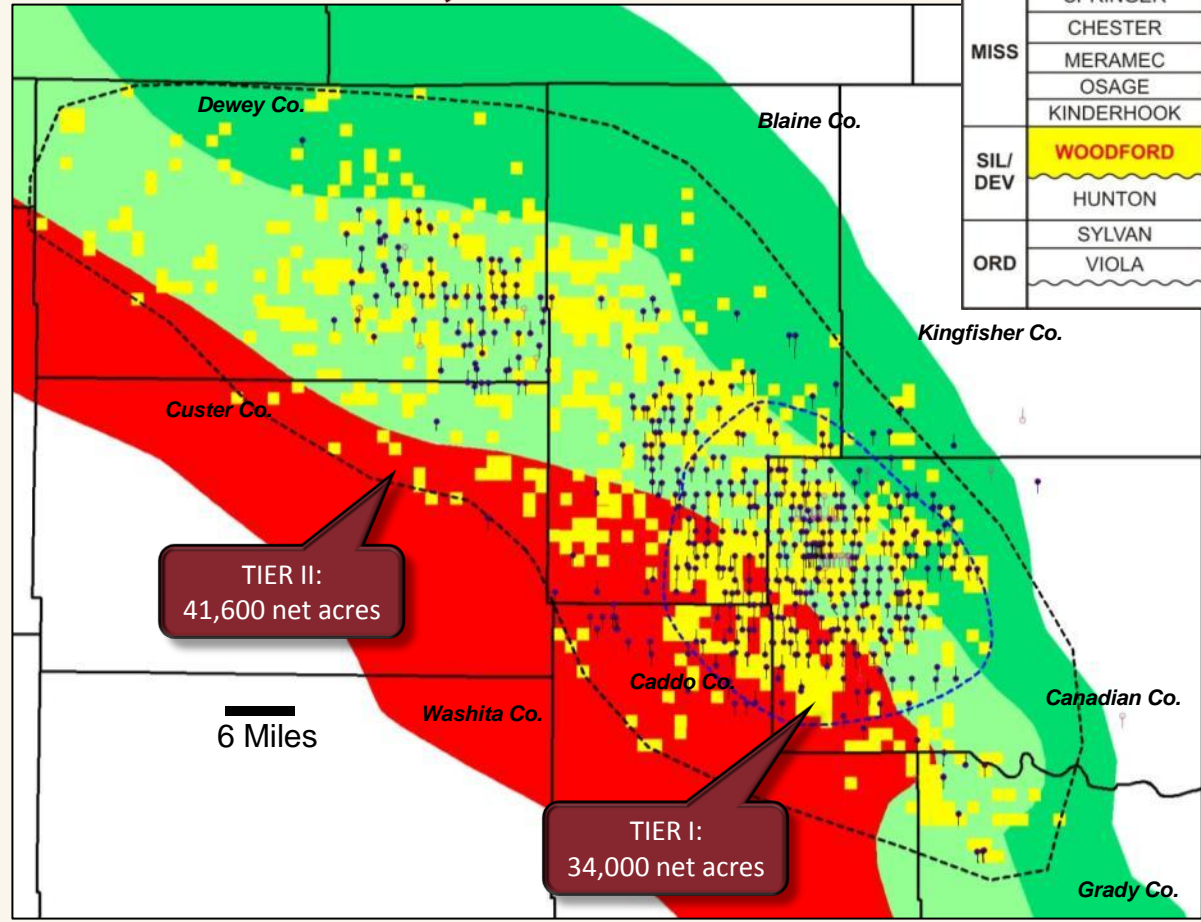


Woodford "Cana" economics include significant value from liquids across most of our 75,600 net acres

SYS	GROUP
MISS	SPRINGER
	CHESTER
	MERAMEC
	OSAGE
	KINDERHOOK
SIL/DEV	WOODFORD
ORD	HUNTON
	SYLVAN
	VIOLA



- Proved reserves 303 Bcfe*
 - 86 PUD locations*
- 3,360 additional potential locations (including 1,978 in Tier 1)
- 20% average working interest in Tier I lands
- \$8 MM average well cost
- Anticipate 14 QEP-operated new well completions in 2012
 - EUR 6 to 8 Bcfe/well
- Significant NGL (25 to 130 bbls/MMcf)



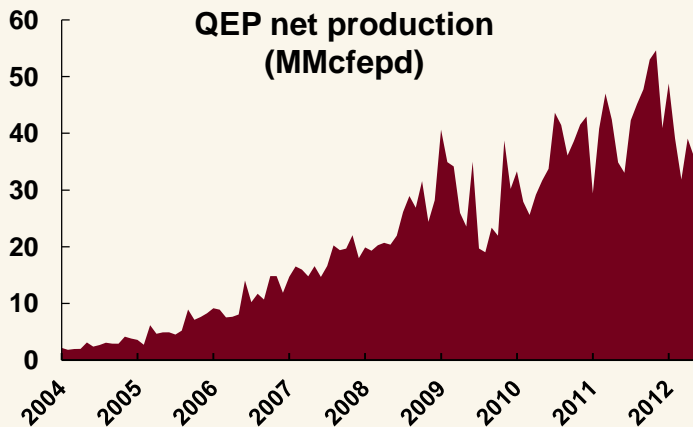
Value Driver:

- Predominately condensate and NGL
16% of QEP net acres
- Significant condensate and NGL
59% of QEP net acres
- Dry gas
25% of QEP net acres
- QEP leasehold (Woodford or deeper)
- Woodford wells completed
- Woodford wells drilling & WOC



* As of December 31, 2011

QEP has 22,600 net acres in the Granite Wash play in the Texas Panhandle



- \$7 MM average operated well costs
- EUR 500 MBoe to 1,200 MBoe/well

Operated well currently completing:

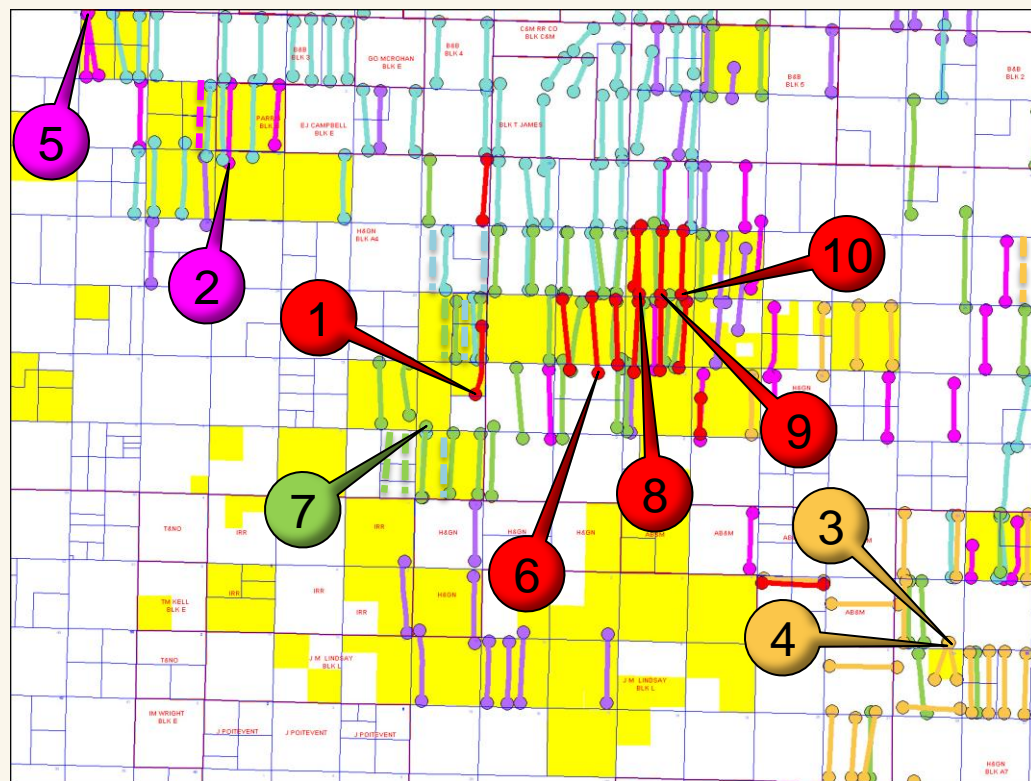
1. Jolly 21 SL #7H (81% WI)

After processing peak daily production rates for select recently completed outside-operated wells:

- | | | | | |
|----|------------|--------------|-------------|--------------------------|
| 2. | 746 BOPD | 1,114 BNLDPD | 8,803 MCFPD | (6% WI) |
| 3. | 374 BOPD | 50 BNLDPD | 361 MCFPD | (33% WI) (short lateral) |
| 4. | 958 BOPD | 74 BNLDPD | 536 MCFPD | (33% WI) (short lateral) |
| 5. | 470 BOPD | 397 BNLDPD | 4,234 MCFPD | (23% WI) |
| 6. | 1,685 BOPD | 637 BNLDPD | 2,701 MCFPD | (10% WI) |
| 7. | 711 BOPD | 1225 BNLDPD | 3,783 MCFPD | (19% WI) |

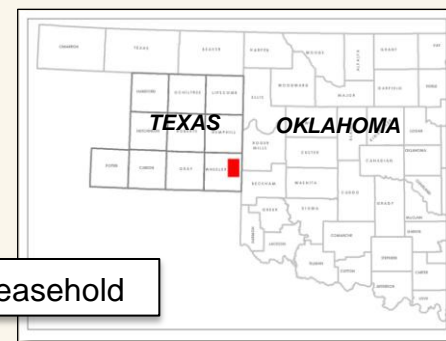
Select outside-operated wells in progress:

- | | | |
|-----|----------|----------|
| 8. | WOC | (51% WI) |
| 9. | WOC | (51% WI) |
| 10. | DRILLING | (51% WI) |



SYS	GROUP	FORMATION	
PENNSYLVANIAN	VIRGILIAN	DOUGLAS	
	MISSOURIAN	LANSING	★
		HOGSHOOTER	
		KANSAS CITY	★
	DESMOINESIAN	MARMATON	★
		CALDWELL	★
		CHEROKEE	★
		GRANITE WASH A-F	★
	ATOKAN	ATOKA	
	MORROWAN	MORROW	
SPRINGERAN	SPRINGER		

1 Mile



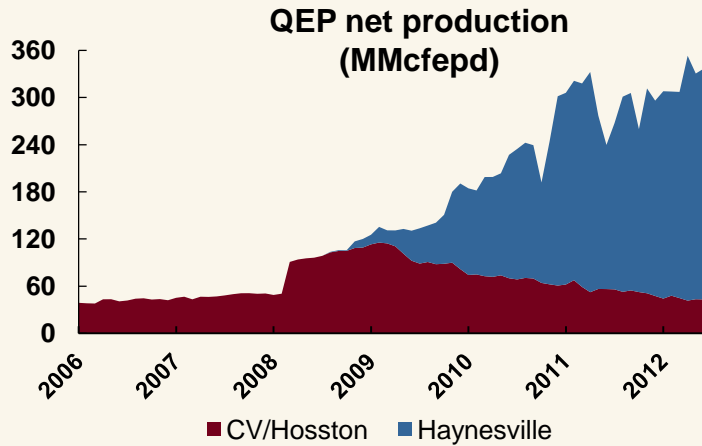
QEP leasehold

★ High Oil Yield



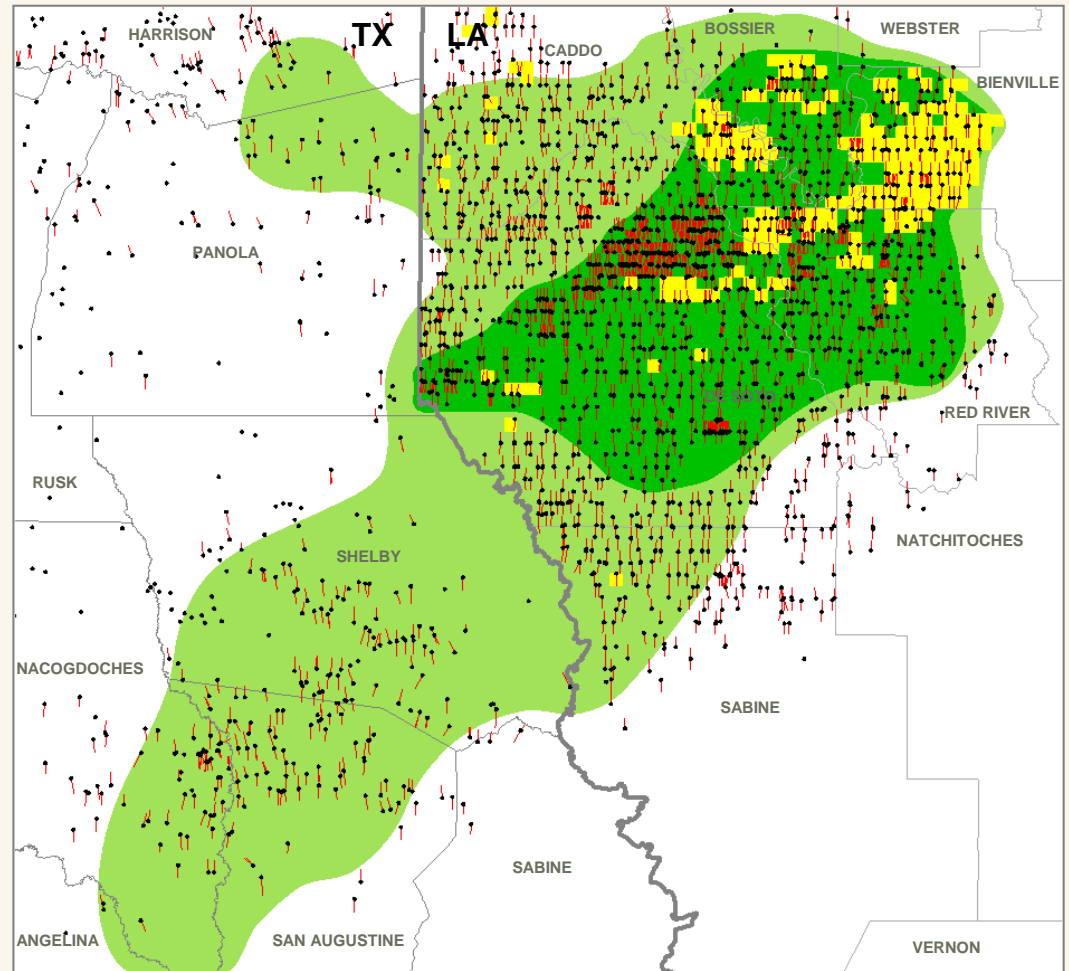
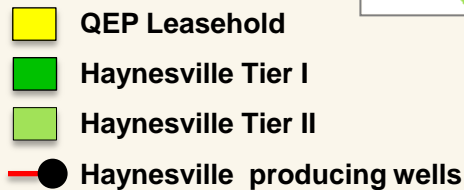
Location of planned or in-progress operated/non-operated wells with QEP WI

50,700 net acres in the core of the Haynesville Shale play



- Proved reserves 685 Bcf*
 - 98 PUD locations*
- 1,200 additional potential locations on 80-acre density
- \$9 MM average well cost
- Average EUR 6 to 8 Bcf/well

* As of December 31, 2011



QEP is in some of the most economic resource plays in North America

Play	Gross Remaining Locations (as of Nov. 2011)	Avg. Working Interest	Avg. Gross EUR (Bcfe/well)	Net Finding Cost (\$/Mcfe)	NYMEX Price 10% BTAX ROR**
Pinedale	1,100	60%	4.6	\$1.06	\$2.05
Bakken + Three Forks***	420	80%	550*	\$21.86*	\$65.50
Uinta Red Wash Lower MV	3,200 (10-ac) 1,670 (20-ac)	100%	2.1	\$1.26	\$2.26
Woodford "Cana"	3,360	20%	5.5	\$1.64	\$2.54
Haynesville	1,200	37%	6.0	\$2.01	\$3.93

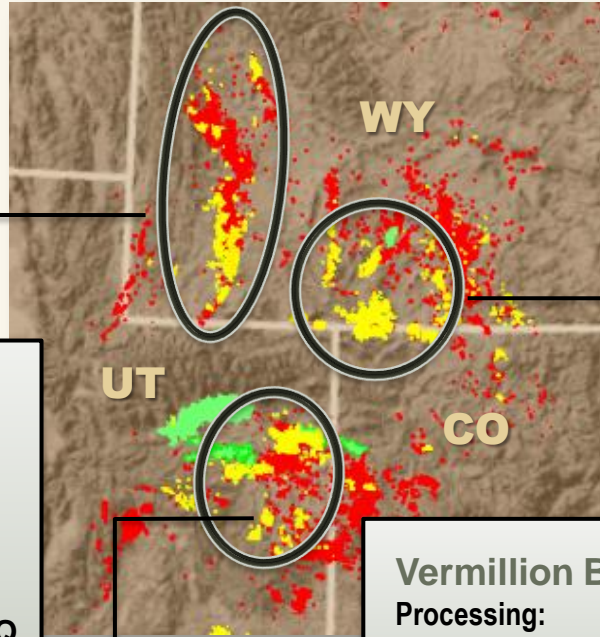
* Bakken/Three Forks in Mbo or \$/Boe

** Assumes \$85/Bbl WTI oil price

*** Does not include locations from 2012 North Dakota acquisition



Field Services assets are concentrated in QEP producing areas



NW Louisiana

CO ₂ treating / blending:	600 MMcfd
Gathering:	179 miles
Interstate pipeline connections:	4

W. Green River Basin

Processing:	840 MMcfd
Gathering:	886 miles
Rendezvous transmission:	21 miles
Interstate pipeline connections:	6

The Blacks Fork 10,000 Bpd fractionator expansion online by 2Q 2013

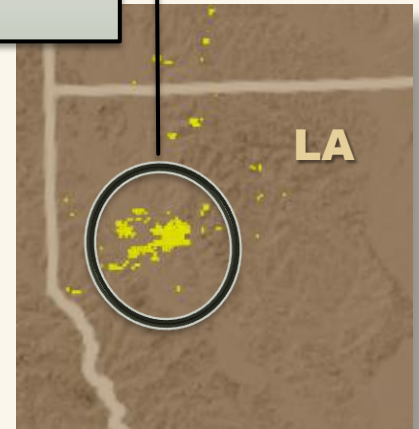
Vermillion Basin

Processing:	35 MMcfd
Gathering:	374 miles
Interstate pipeline connections:	1

Uinta Basin

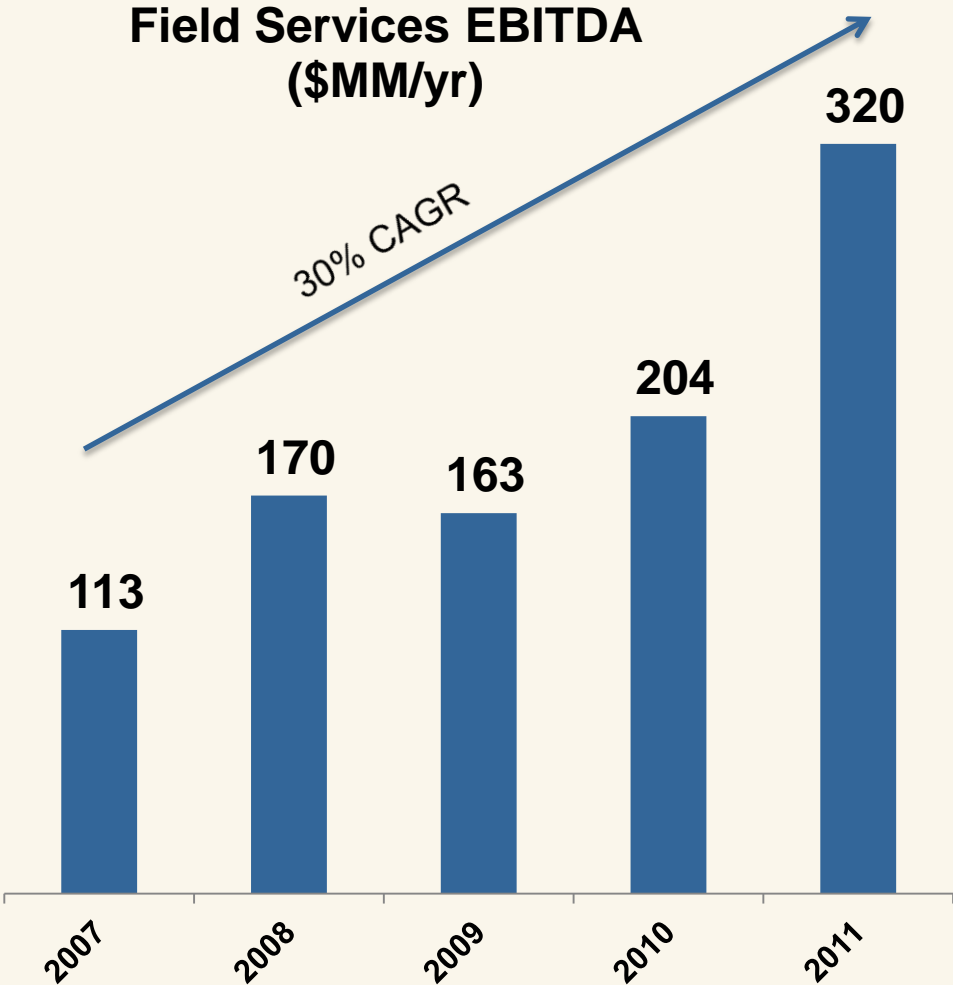
Processing:	495 MMcfd
Gathering:	779 miles
Interstate pipeline connections:	4

Iron Horse II 150 MMcfd cryogenic processing plant under construction and online by 1Q 2013



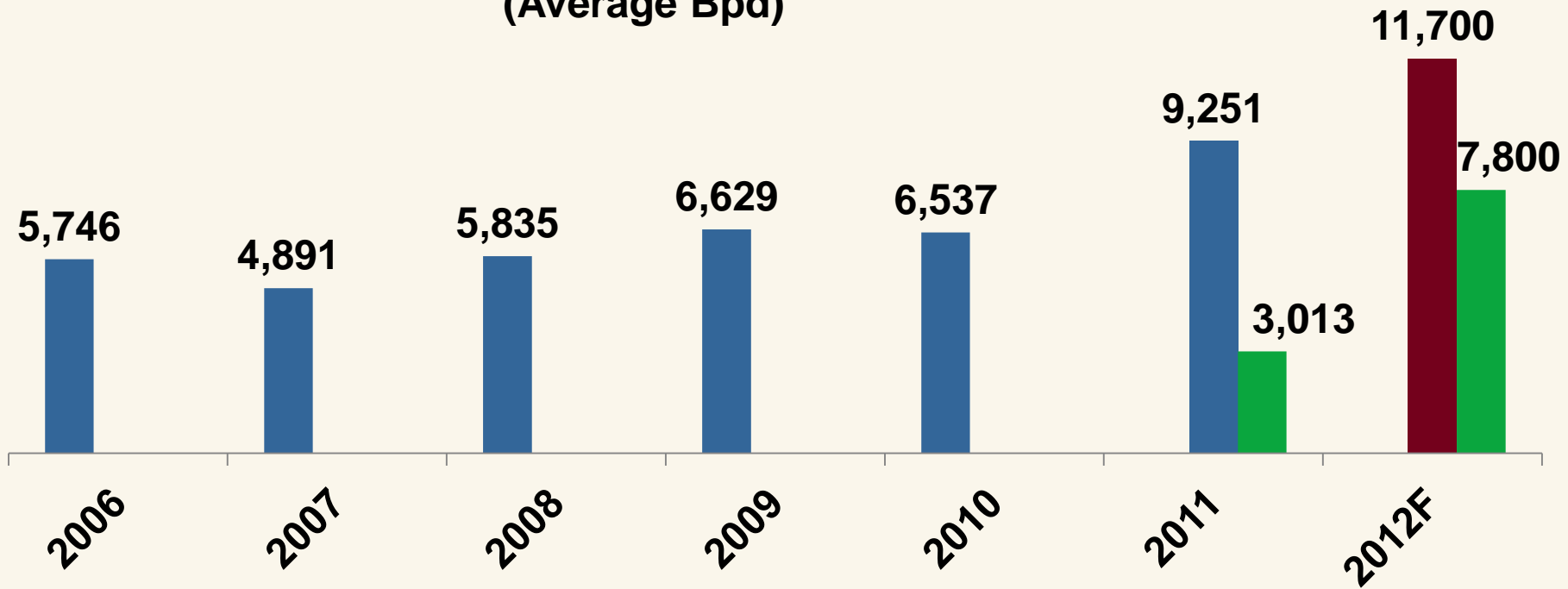
Ownership/control of midstream assets integral to execution and value maximization

- Own and operate gathering, treating, and NGL extraction assets in core QEP producing areas
- Maximizes margins on QEP production
- Iron Horse II processing plant in the Uinta Basin, Utah under construction with 1Q 2013 in service date
- Blacks Fork 10,000 Bpd fractionator with 2Q 2013 in service date



Blacks Fork II NGL extraction plant will drive midstream and E&P liquids volume growth

NGL Volumes
(Average Bpd)



- Total Field Services NGL Actuals
- Total Field Services NGL Forecast
- QEP Energy Blacks Fork Complex only NGL Forecast



Why invest in QEP?

- **Visible organic production and reserve growth potential of 12 to 15+% per year from existing assets**
 - Acreage in core of high-quality, repeatable resource plays
 - Concentrated, contiguous QEP-operated land positions
 - Track record as low-cost leader

- **Growth driven by premium assets**
 - Pinedale and Bakken
 - Woodford “Cana”, Uinta Red Wash Lower MV, Haynesville
 - Large inventory of high-quality, unbooked potential
 - Technical team continuously developing new ideas

- **Williston Basin acquisition adds depth to crude oil development inventory**

- **Top-tier debt-adjusted per-share production and reserve growth**

- **Focus on returns on invested capital and profitable growth – we are low-cost developers and producers**

- **Complementary midstream business**
 - Control timing and scope of gathering and processing infrastructure build
 - Adds value downstream of wellhead
 - Large percentage of revenue is fee-based

- **Strong balance sheet**





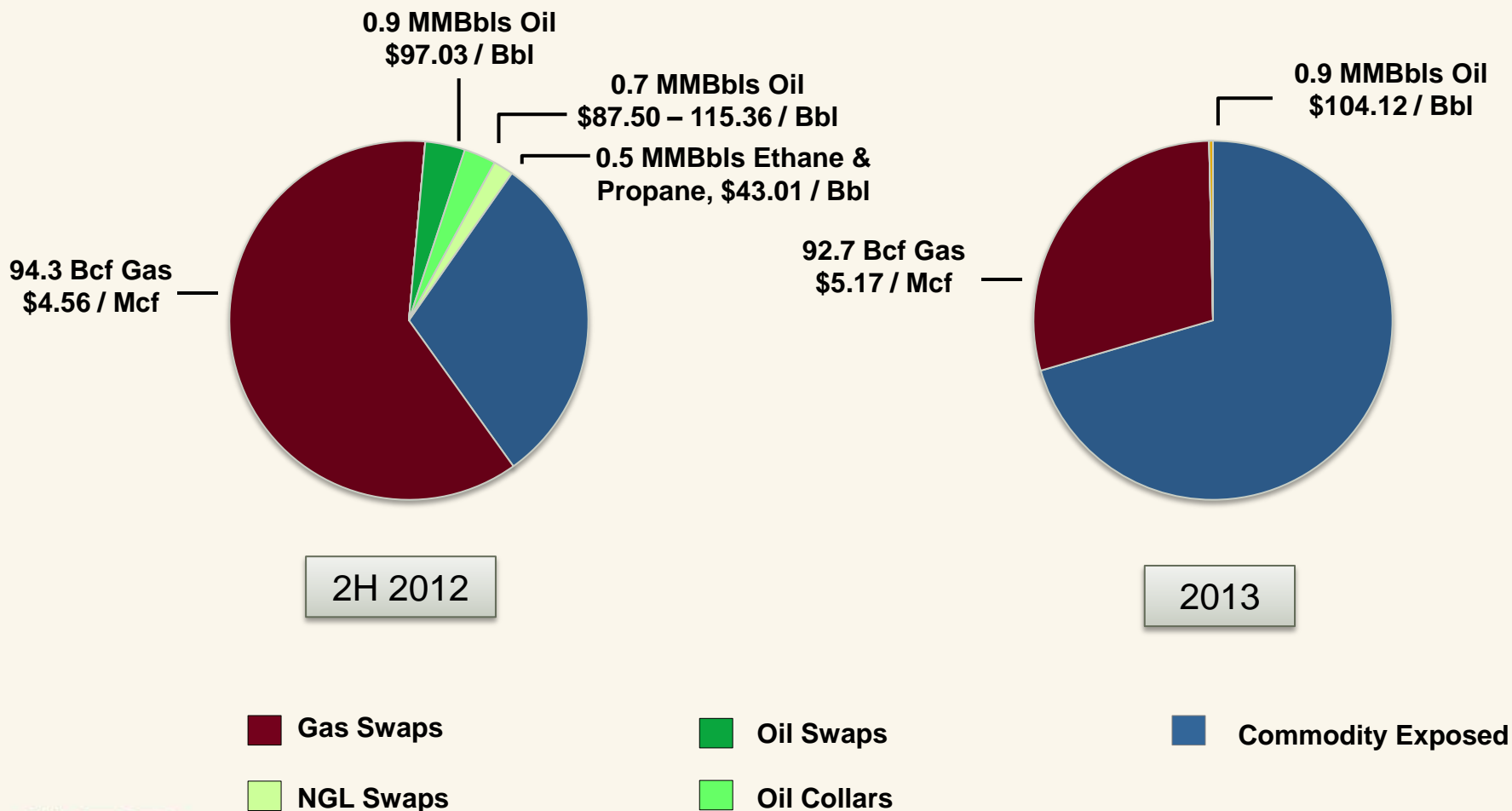
The Resource Growth Company

QEP Resources, Inc.

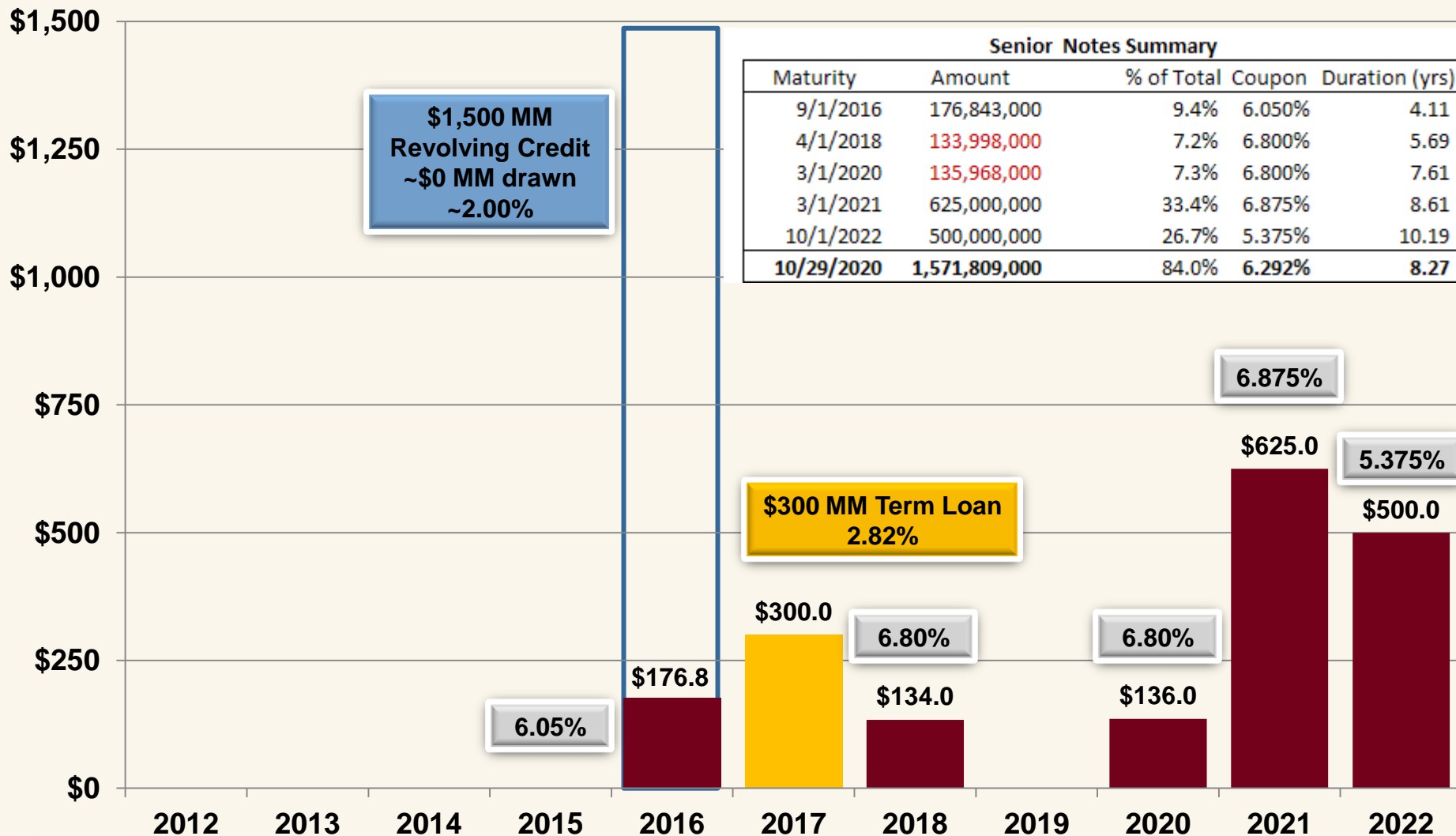
Appendix

70% of our forecasted production for the remainder of 2012 and 30% for 2013 is protected by commodity price derivatives

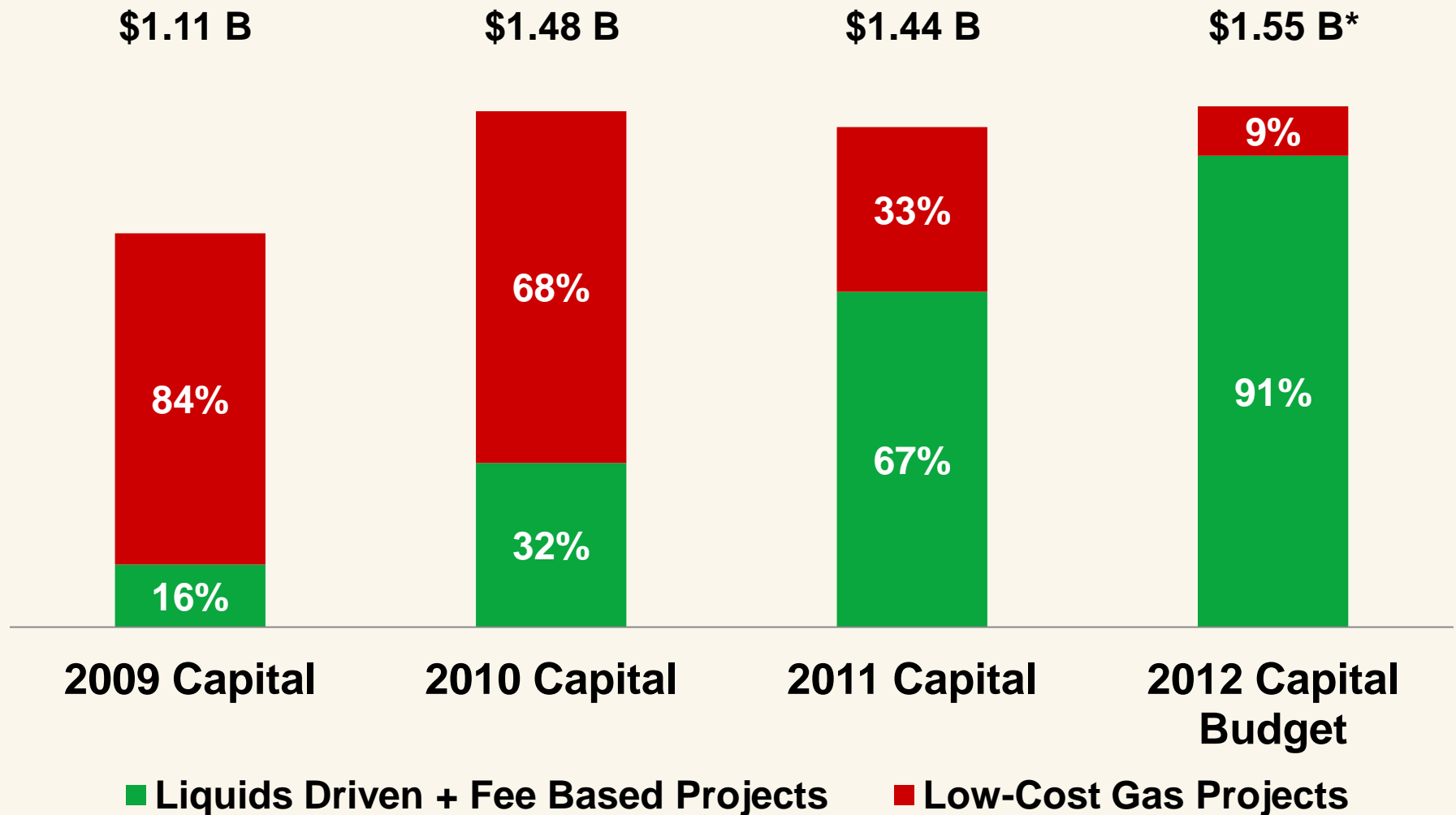
Gas, oil and NGL derivatives as of 7/31/12 (prices before deducts)



Debt Maturity Summary (\$ millions)



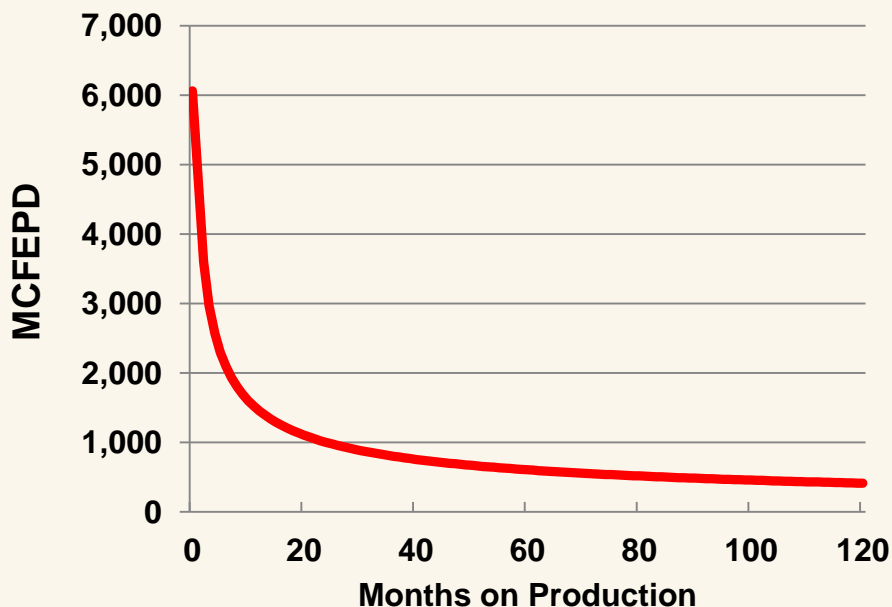
Increasing capital allocation to liquids-rich plays and midstream projects



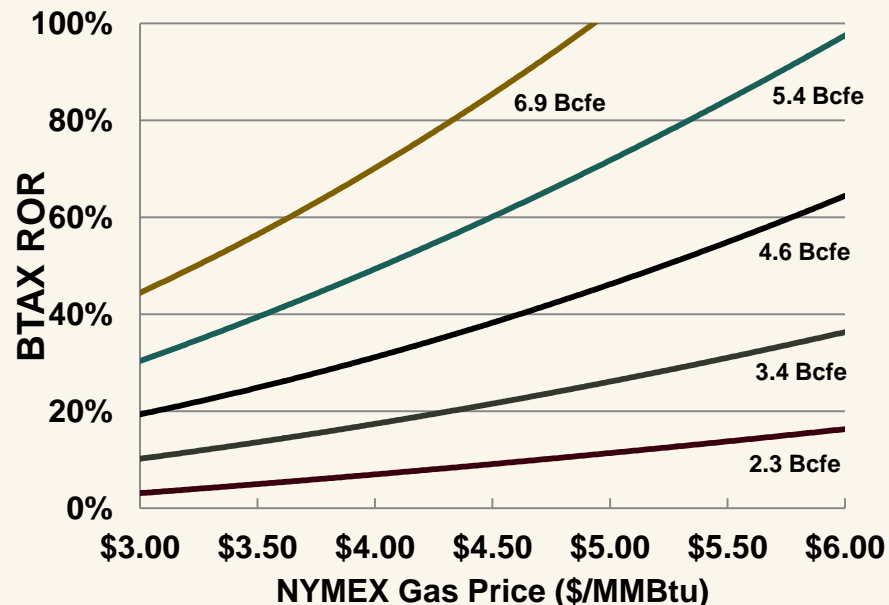
*Top end of guidance range

Lance Pool, Pinedale, Wyoming

Production Type Curve



Capital Return Price Sensitivity



- Type curve details: IP: 5.9 MMcfepd, b factor: 1.6
- Hyperbolic Initial Decline: 75.7% (effective annual)
- Terminal decline: 6.0%, Well life: 40 years
- Type curve EUR: 4.6 Bcfe (Approximately 23% liquids, 50% of EUR in 7.3 yrs)

- Well depth: 14,000'/14,300' MD
- Completed Well Cost: \$3.8 MM*

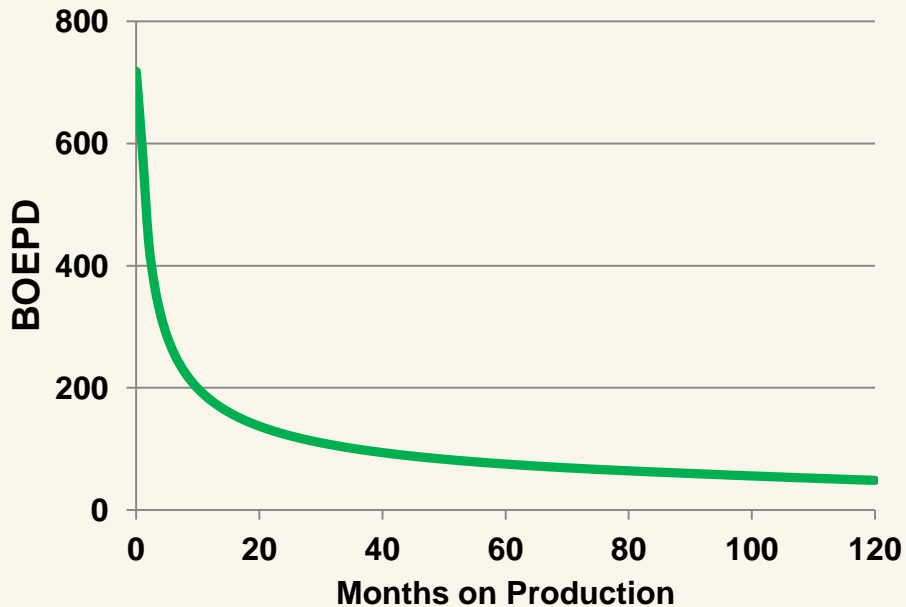
- Economic summary: \$4.50/MMBtu NYMEX, \$85 WTI

- BTAX ROR: 38.3%
- BTAX PV10: \$2.0 MM
- Net Finding Cost: \$1.06/Mcfe
- Net LOE: \$0.18/Mcfe



Bakken Formation, North Dakota*

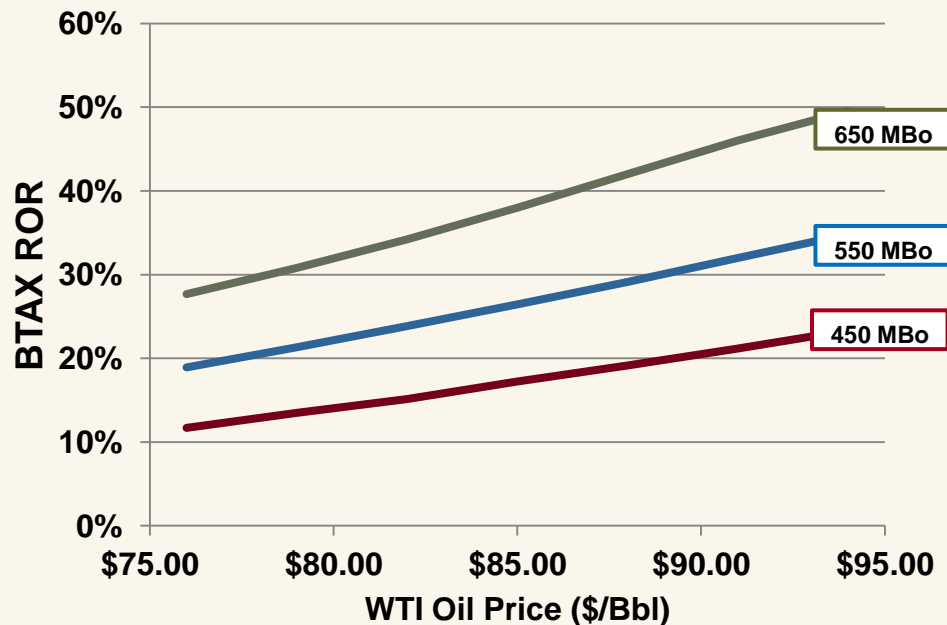
Production Type Curve



- Type curve details: IP: 718 Boepd, b factor: 1.8
- Hyperbolic Initial Decline: 75.4% (effective annual)
- Terminal decline: 8.0%, Well life: 32.3 years
- Type curve EUR: 550 MBo (50% of EUR in 5.5 yrs)

- Well depth: 10,000'/20,000' MD
- Completed Well Cost: \$9.5 MM**

Capital Return Price Sensitivity



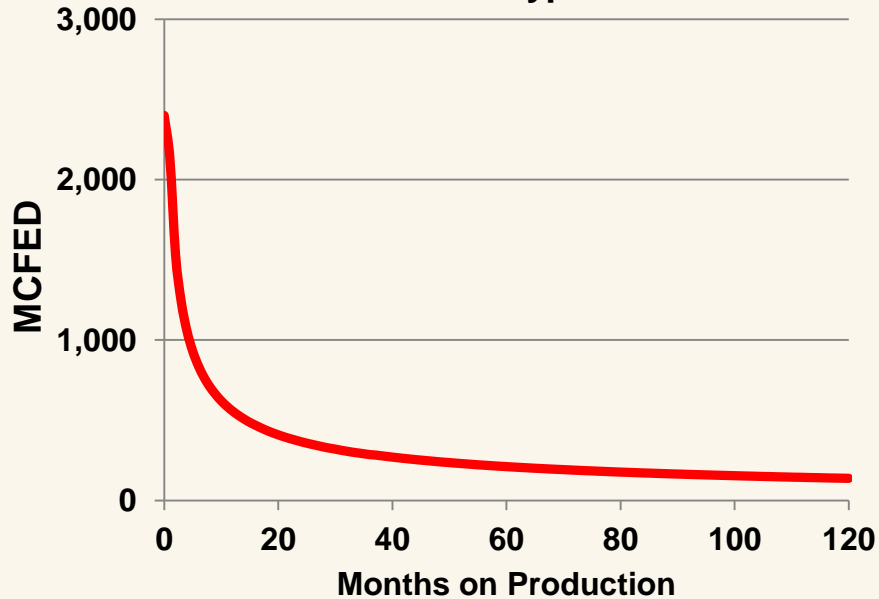
- Economic Summary: \$85/Bbl WTI
- BTAX ROR: 26.4%
- BTAX PV10: \$4.2 MM
- Net Finding Cost: \$21.86/Boe
- Net LOE: \$10.20/Boe



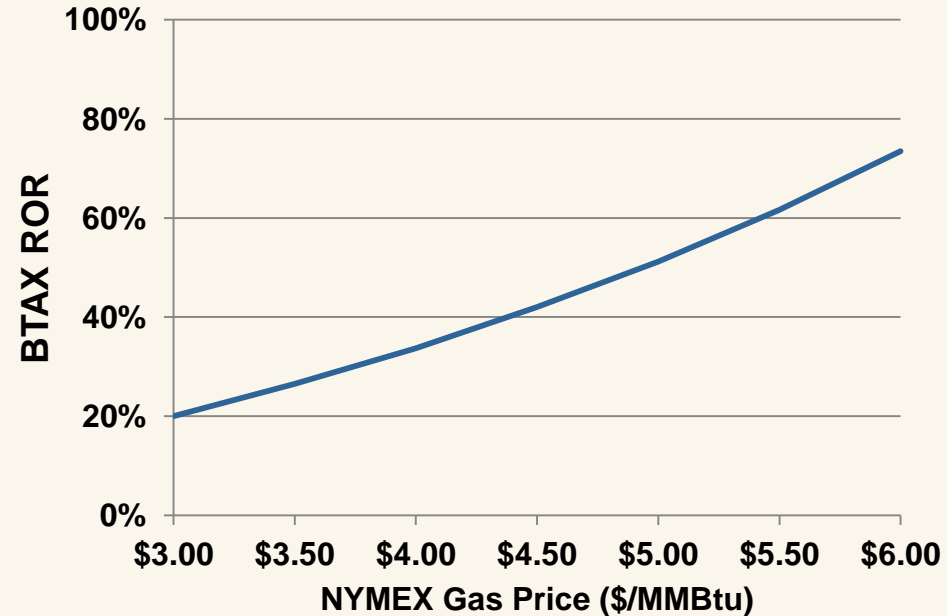
* Does not include 2012 North Dakota acquisition
 ** As of November 2011 Analyst Day

Red Wash Lower MV Play, Uinta Basin

Production Type Curve



Capital Return Price Sensitivity



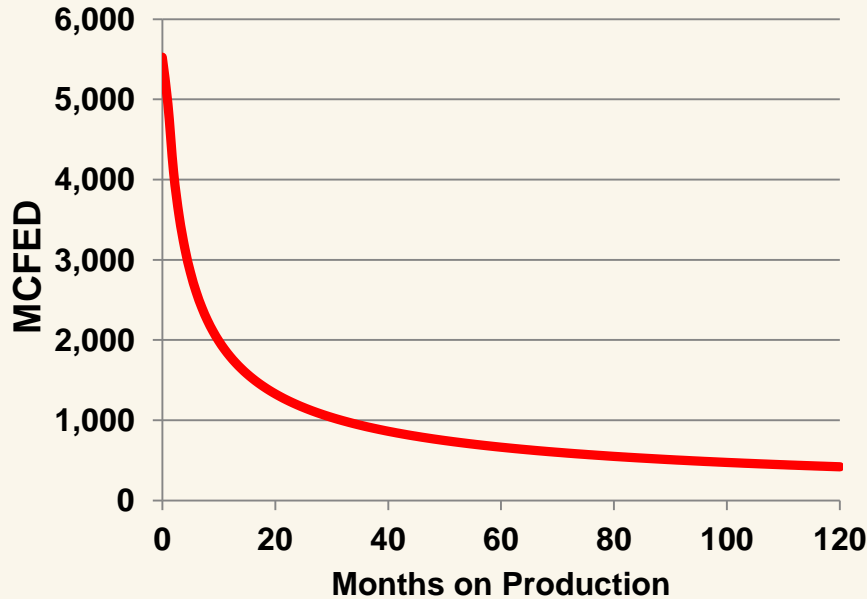
- Type Curve Details: IP: 2.4 MMcfepd, b factor: 1.6
- Hyperbolic Initial Decline: 80.0% (effective annual)
- Terminal decline: 6.0%, Well life: 40.0 Years
- Type curve EUR: 2.1 Bcfe (Approximately 26% liquids, 50% of EUR in 3.5 yrs)
- Well Depth: 11,500'
- Completed Well Cost: \$2.1 MM*

- Economic Summary: \$4.50/MMBtu NYMEX, \$85/Bbl WTI
- BTAX ROR: 42.0%
- BTAX PV10: \$1.5 MM
- Net Finding Cost: \$1.26/Mcfe
- Net LOE: \$0.76/Mcfe

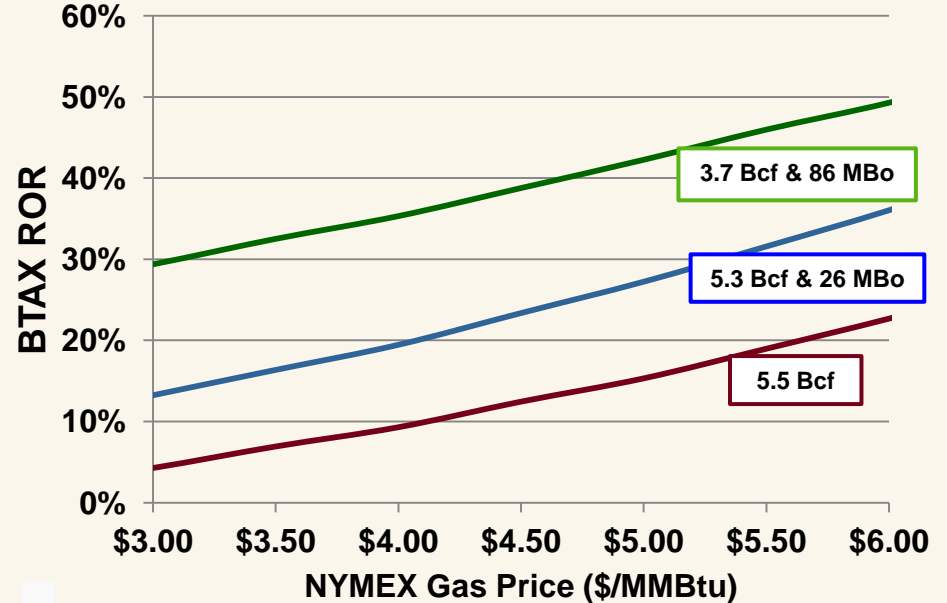


Woodford Cana Shale, Oklahoma

Production Type Curve



Capital Return Price Sensitivity



- Type curve details: IP: 5.5 MMcfepd, b factor: 1.5
- Hyperbolic Initial Decline: 68.2% (effective annual)
- Terminal decline: 6.0%, Well life: 39.5 years
- Type curve EUR: 5.5 Bcfe (Approximately 33% liquids, 50% of EUR in 6.2 yrs)

- Well depth: 13,000' TVD, 18,000' MD
- Completed Well Cost: \$8.3 MM*

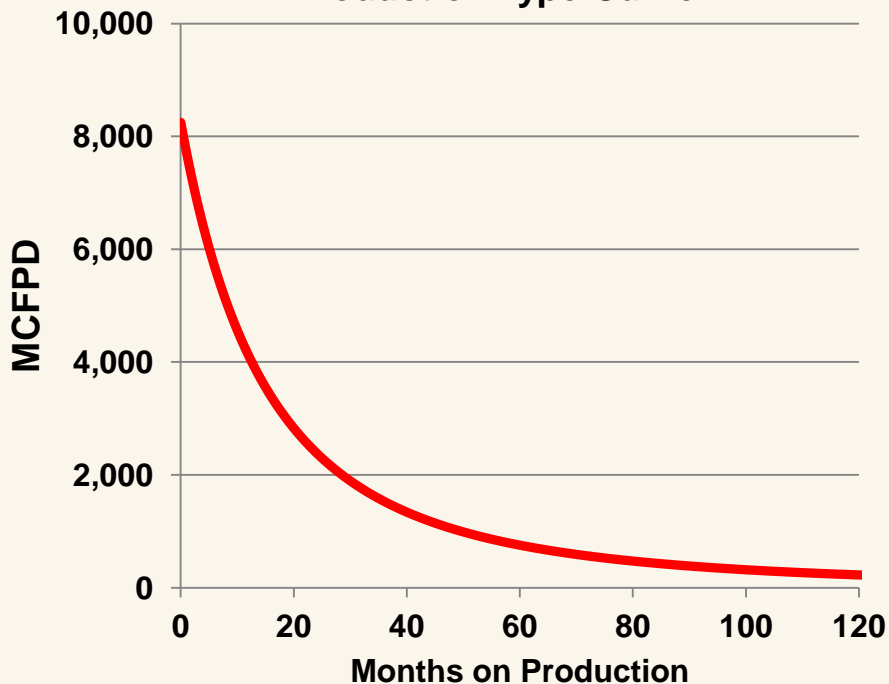
- Economic Summary: \$4.50/MMBtu NYMEX, \$85/Bbl WTI

- BTAX ROR: 23.4%
- BTAX PV10: \$3.3 MM
- Net Finding Cost: \$1.64/Mcfe
- Net LOE: \$0.30/Mcfe

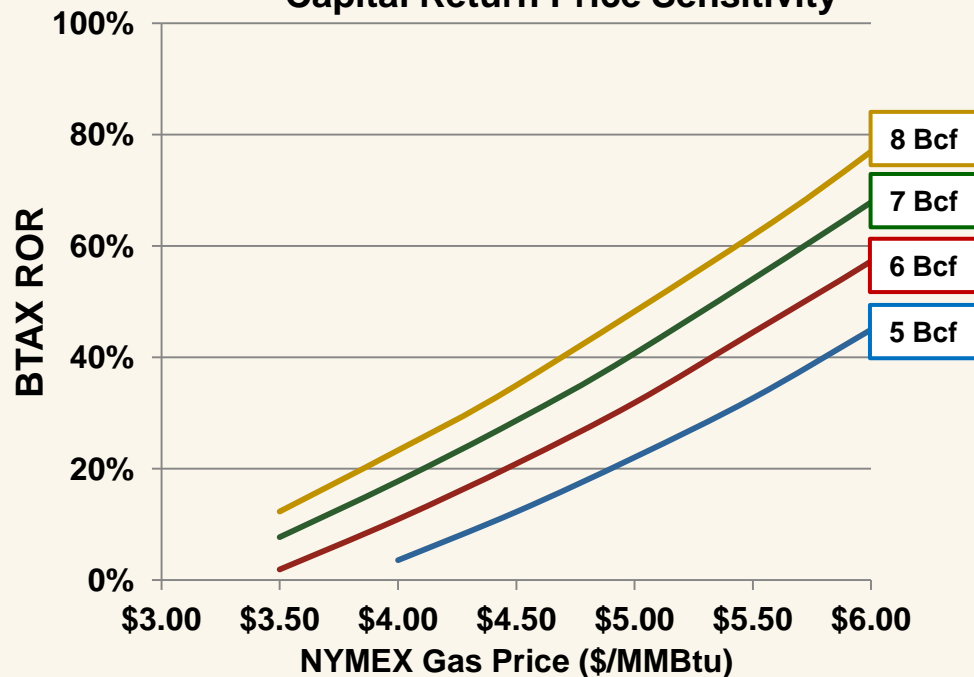


Haynesville Formation, NW Louisiana

Production Type Curve



Capital Return Price Sensitivity



- Type curve details: IP: 8.25 MMcfpd, b factor: 0.4
- Hyperbolic Initial Decline: 50.1% (effective annual)
- Terminal decline: 6.0%, well life: 25 yrs
- Type curve EUR: 6.0 Bcf (50% of EUR in 1.75 yrs)

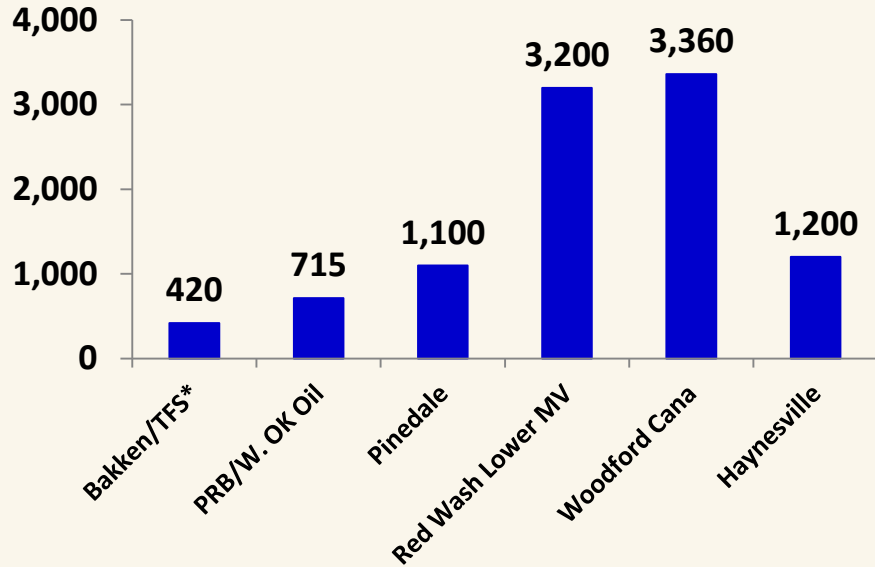
- Well depth: 12,300' / 17,000' MD
- Completed Well Cost: \$9.1 MM*

- Economic summary: \$4.50/MMBtu NYMEX
- BTAX ROR: 20.2%
- BTAX PV10: \$1.7 MM
- Net Finding Cost: \$2.01/Mcfe
- Net LOE: \$0.82/Mcfe

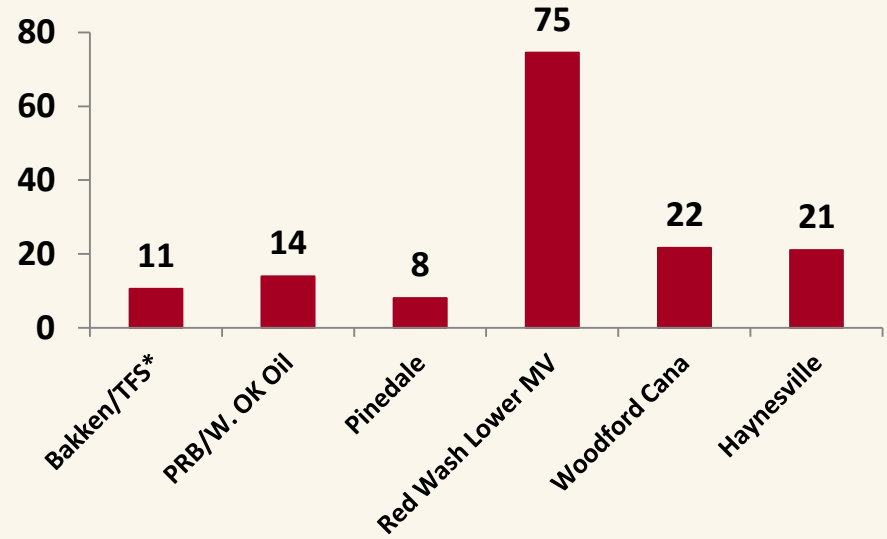


QEP Energy current development inventory

Gross Unrisked Remaining Locations



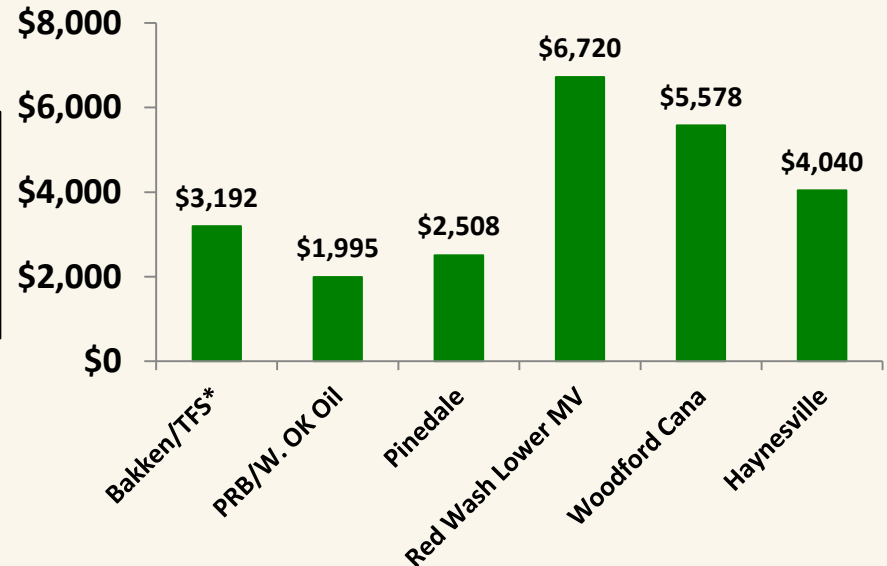
Inventory Life at 2012 Activity Levels (Yrs)



Current E&P Development Inventory:

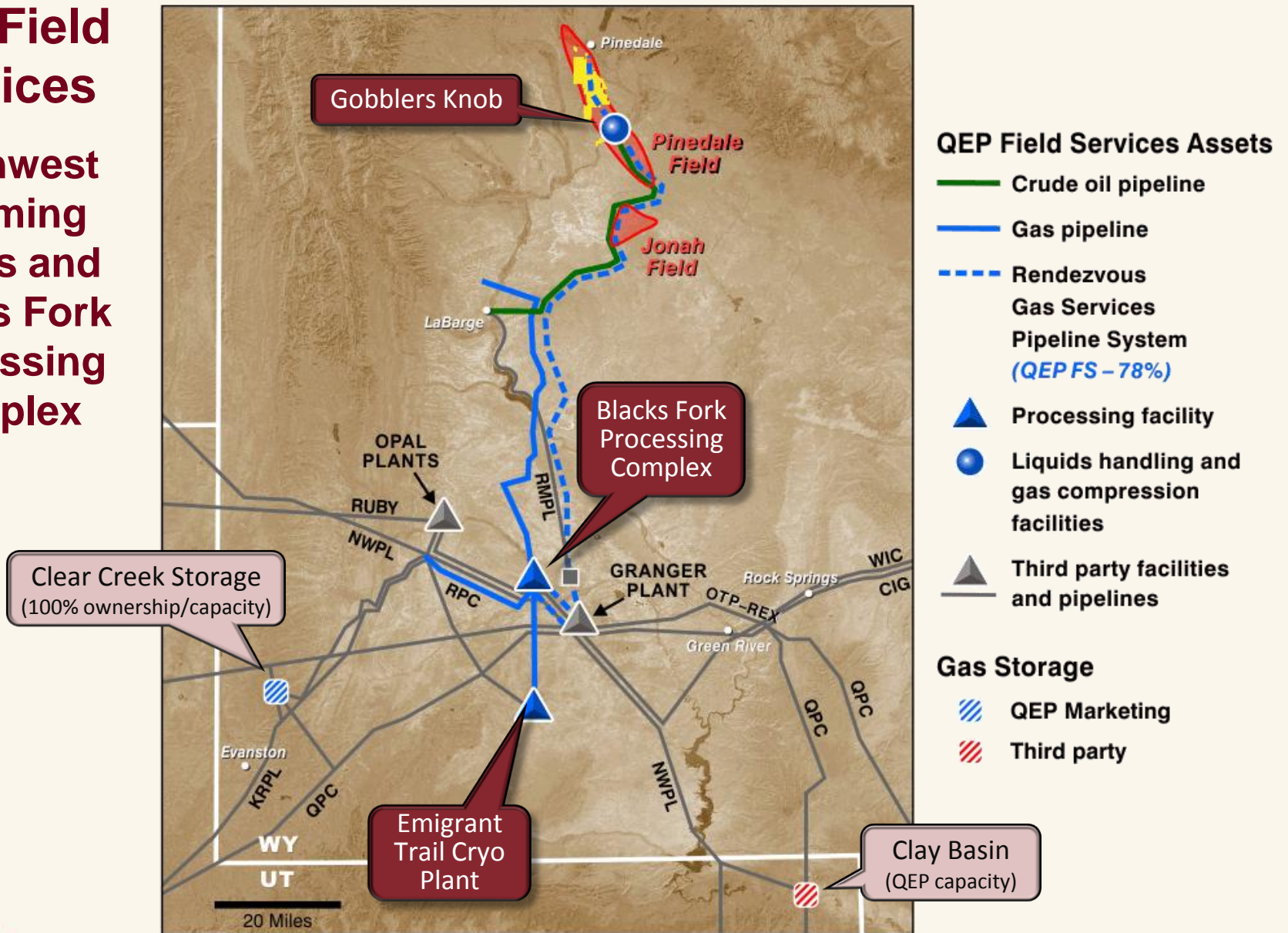
Total Locations: 9,995 gross
 Net Capex: \$24.0 B
 Remaining Life: 19 yrs (at 2012 drlg capex \$)

QEP Energy Net Capex (\$MM)



*Does not include 2012 North Dakota acquisition

QEP Field Services Southwest Wyoming assets and Blacks Fork Processing Complex





QEP Resources, Inc.

FACT SHEET

CORPORATE DATA

- Ticker symbol and stock exchange: QEP – NYSE
- Spin-off from Questar Corporation: Distribution date – June 30, 2010 to shareholders of record June 18, 2010

At June 30, 2012

- Average diluted common shares: 177.7 million
- Current annual dividend rate: \$0.08/share

At June 30, 2012

- LTM EBITDA*: \$1.43 billion
- Total assets: \$7.64 billion
- Long-term debt: \$1.87 billion
- Indicated credit ratings: **Moody's** **S&P**
Ba1 BB+

Key Operational Data

- Year-end 2011 Proved Reserves: 3.6 Tcfe
 - 76% Gas
 - R/P Ratio: 12.3
 - 54% Proved Developed
- Q2 2012 Avg Net Daily Production: 875 MMcfepd
- 1.9 MM Net Acres (100% U.S., 100% Onshore)
- Key development plays:
 - Bakken
 - Pinedale
 - Uinta Red Wash Lower Mesaverde
 - Woodford "Cana" + Granite Wash
 - Haynesville

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* EBITDA is defined as net income before the following items: separation costs, discontinued ops, loss on early debt extinguishment, unrealized gains and losses on basis-only swaps, net gains and losses from asset sales, interest and other income, interest expense, depreciation, depletion, and amortization, abandonment and impairment, exploration expense and income taxes.

