FINANCIAL OVERVIEW

RICHARD DOLESHEK
CHIEF FINANCIAL OFFICER

QEP Resources financial profile

- **Strong "simple" balance sheet**
  - Total Assets: $7.3 billion
  - Total Debt: $1.6 billion ($510 million RC, $1,078 million senior notes)
  - Total Equity: $3.3 billion
- **Conservative leverage**
  - Debt/EBITDA: 1.2x (EBITDA is 3rd quarter 2011 "annualized")
  - Debt/Cap: 32%
  - Debt ratings: Ba1/BB+ (Stable/Stable)
  - No debt maturities until 2016
- **New $1.5 billion revolving credit**
  - $2.0 billion accordion feature
  - 5 year term (two one-year extensions)
  - Leverage based pricing grid
  - $510 million drawn at 9/30
  - Two financial covenants
    - 60% Debt/Cap
    - 3.5X EBITDA total debt cap

Loan Pricing Grid

Debt/EBITDA	Loan	Unused
< 1.00X	L+150	0.300%
1.00x – 1.75X	L+175	0.325%
1.75x – 2.50X	L+200	0.350%
> 2.50X	L+225	0.375%

QEP Resources financial profile (continued)

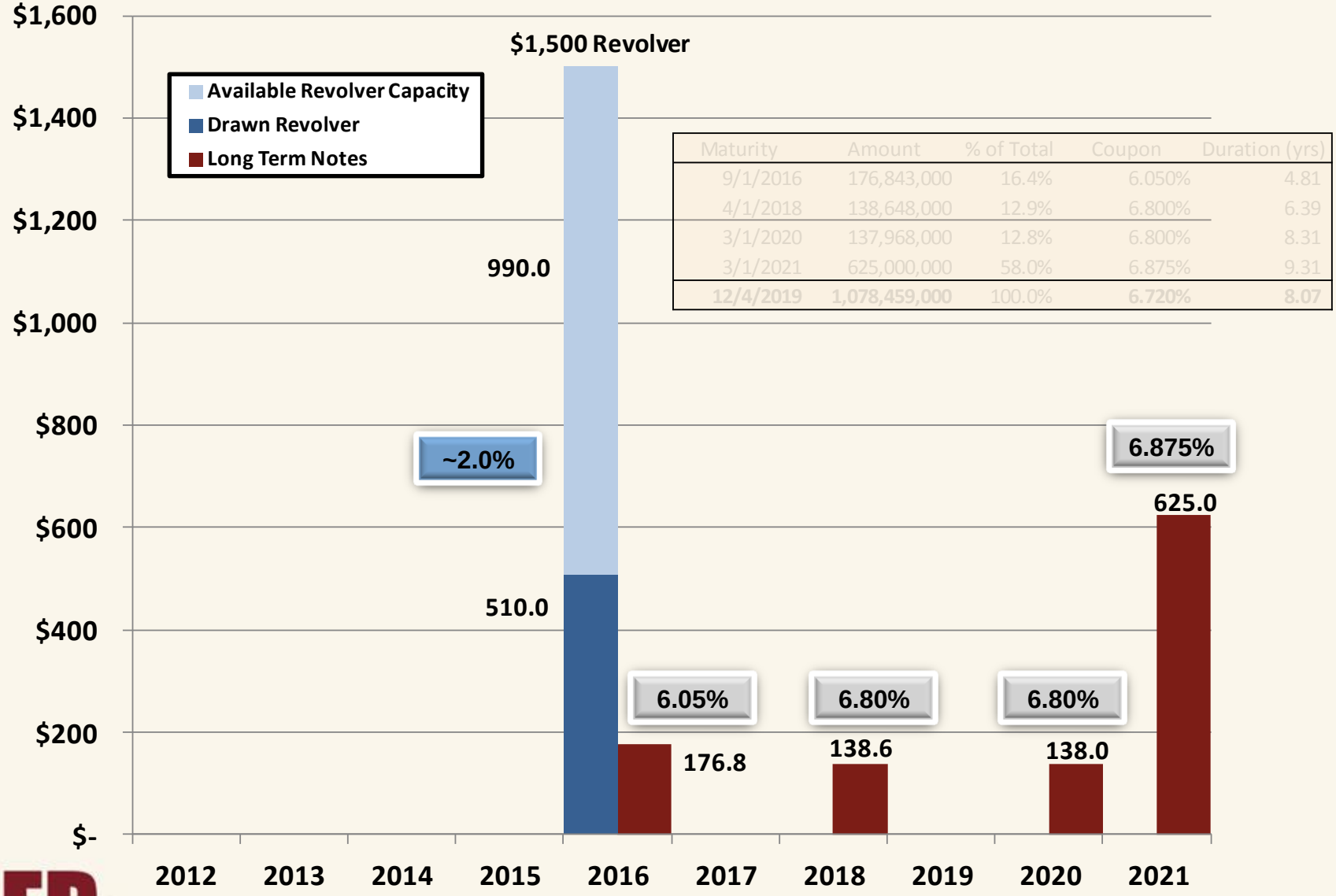
- **Assets generate strong cash flow**
  - E&P LTM EBITDA: $999 million (9 months 2011: $757 MM)
  - Midstream LTM EBITDA: $285 million (9 months 2011: $233 MM)
  - Total LTM EBITDA: $1,295 million (9 months 2011: $996 MM)
- **Capital program – designed to be "at or around EBITDA"**
  - $1,500 million plan for 2012
  - Drives mid-teens production and EBITDA growth from identified, in-house inventory of projects
  - Minimum 15% ATAX ROR for capital allocation
- **Low cost structure**
  - Competitive advantage in core plays
  - Operating costs among the lowest in the industry
- **Hedging program**
  - Target: 50% of forecasted production
  - E&P is 44% hedged for 2012: **50% natural gas, 32% oil, 11% NGL**
  - Hedging NGL's for midstream volumes

QEP Resources, Inc.
Summary Balance Sheet ($MM)

Period ended:	Recast [1] 12/31/2009	12/31/2010	3/31/2011	6/30/2011	9/30/2011
Assets:					
Gross PP&E	7,191.0	8,601.3	8,911.1	9,265.6	9,585.5
Net PP&E	5,091.3	5,890.0	6,011.3	6,181.9	6,324.2
Total Assets	5,828.9	6,785.3	6,818.5	7,075.0	7,296.9
Liabilities:					
Debt [2]	1,348.7	1,530.8	1,572.5	1,572.6	1,582.7
Total Equity	2,420.5	3,063.1	3,091.3	3,184.4	3,326.6
Reserve Data:					
Total Proved Reserves (Bcfe)	2,746.9	3,030.7	-	-	-
Total Proved Pretax PV-10	1,764.7	3,605.2	-	-	-
Credit Statistics:					
EBITDA	1,165.5	1,140.5	305.8	336.6	353.7
Interest expense	70.1	84.4	22.1	22.1	22.8
Debt/Book Cap.	36%	33%	34%	33%	32%
EBITDA/Interest Expense	16.6x	13.5x	13.8x	15.2x	15.5x
Debt/EBITDA	1.2x	1.3x	1.3x	1.2x	1.1x

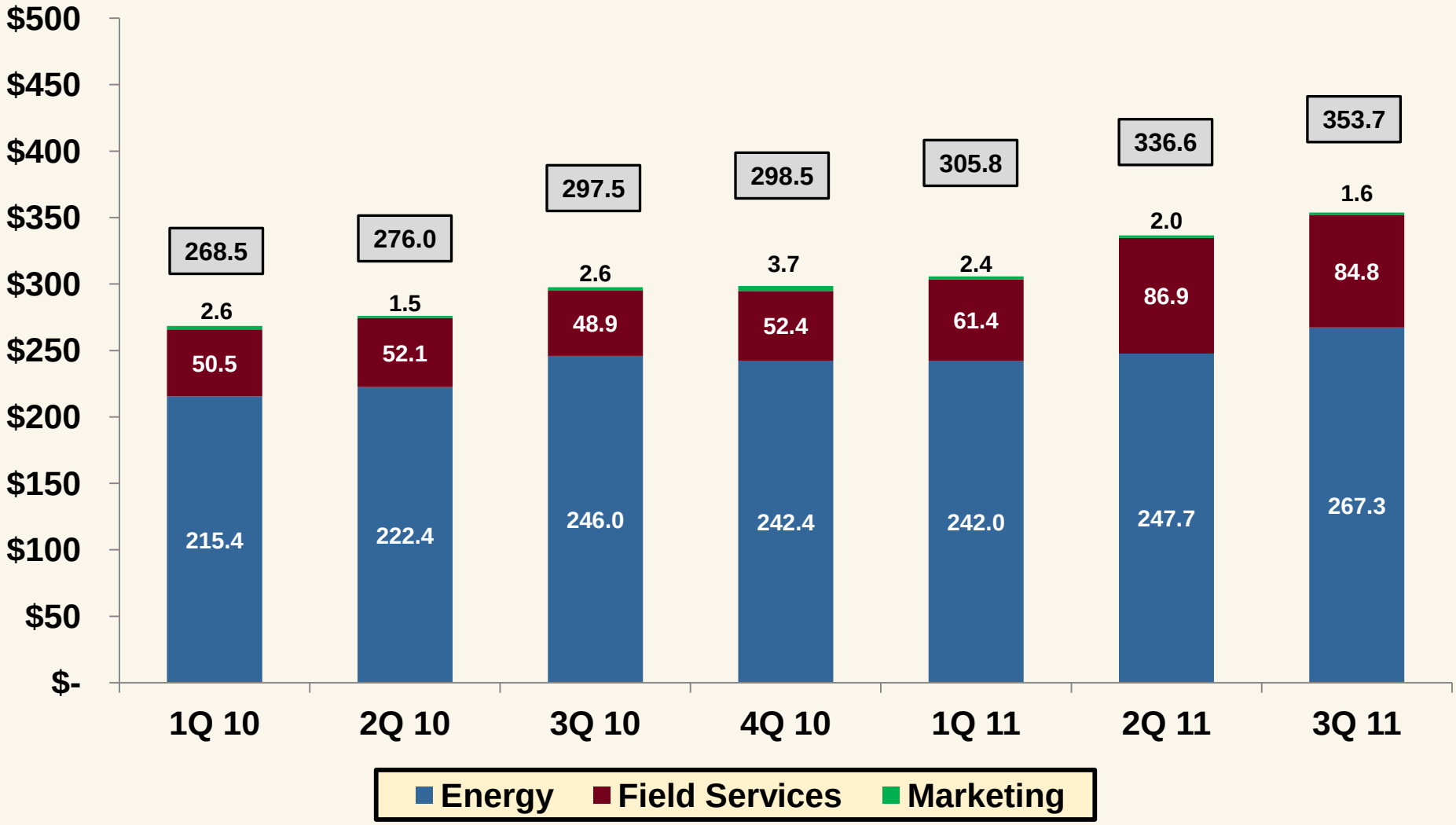
(1) Recast data excludes discontinued operations
(2) Includes current portion of long term debt

QEP Resources, Inc.
Debt Maturity Summary ($MM)



Maturity	Amount	% of Total	Coupon	Duration (yrs)
9/1/2016	176,843,000	16.4%	6.050%	4.81
4/1/2018	138,648,000	12.9%	6.800%	6.39
3/1/2020	137,968,000	12.8%	6.800%	8.31
3/1/2021	625,000,000	58.0%	6.875%	9.31
12/4/2019	**1,078,459,000**	100.0%	**6.720%**	**8.07**

QEP Resources, Inc.
EBITDA ($MM)

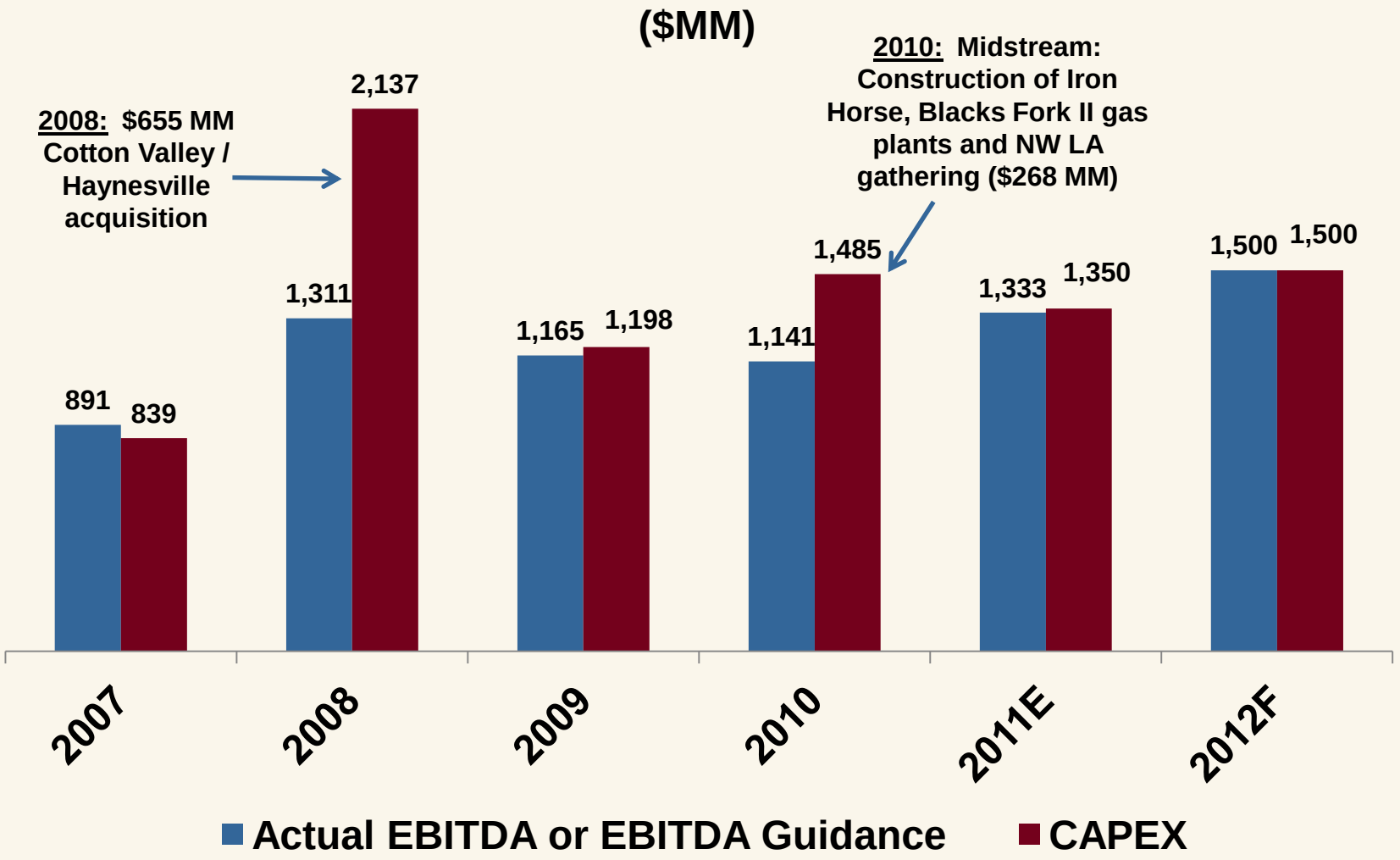


QEP Resources, Inc.
Income Statement ($MM)

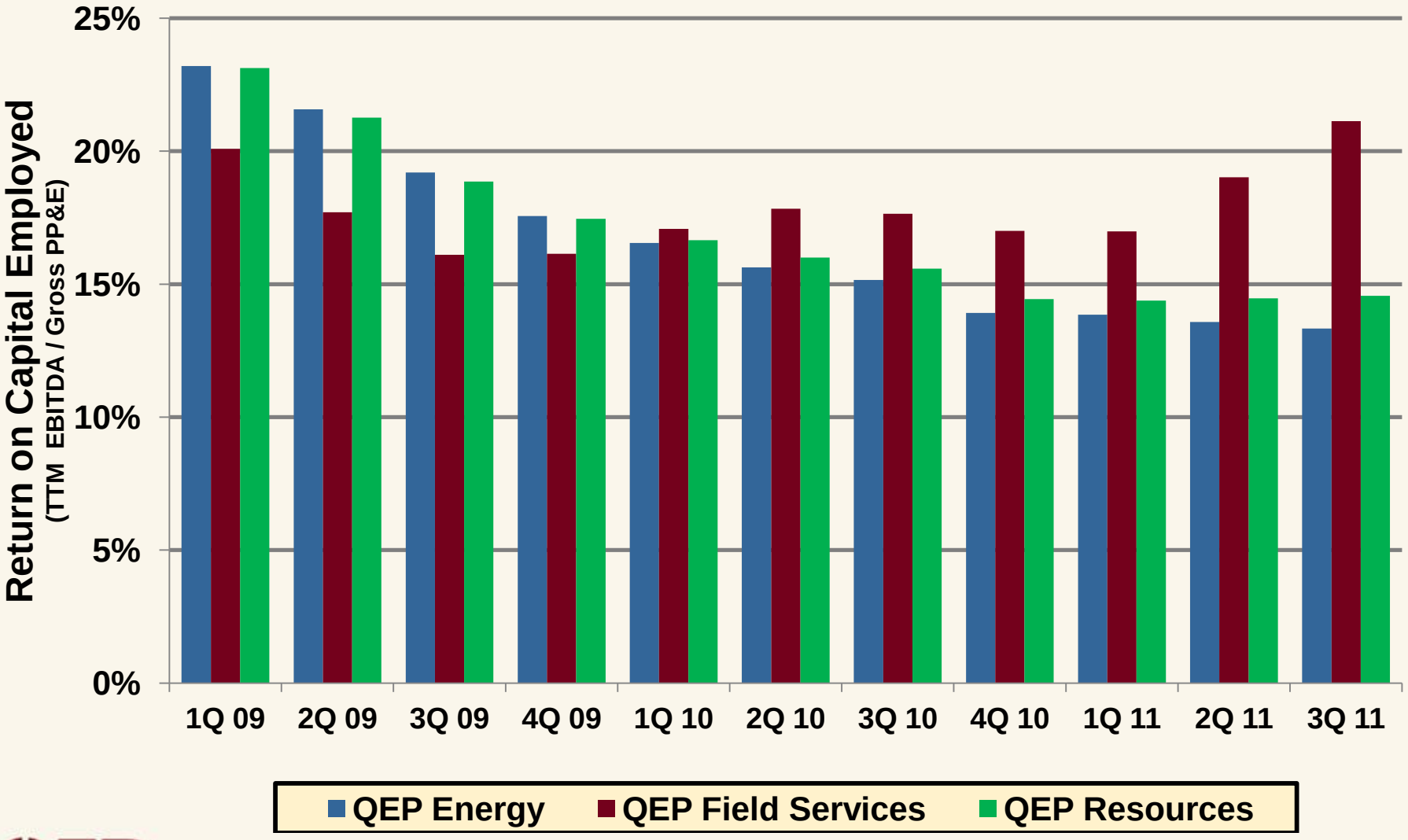
Year/Quarter ending:	2009	2010	3/31/2011	6/30/2011	9/30/2011	9M 2011
Gas, Oil & NGL Sales	661.4	980.7	277.4	290.1	304.4	871.9
Net Hedging Revenue	601.0	345.1	73.1	64.5	72.5	210.1
Gathering, Processing & Other	268.3	322.6	97.9	123.5	118.7	340.1
Purchased Gas Sales	441.8	598.0	147.8	306.0	356.8	810.6
Total Revenues	1,972.5	2,246.4	596.2	784.1	852.4	2,232.7
Purchased Gas Costs	427.8	589.3	146.7	303.9	352.7	803.3
Operating Expenses (LOE, G&A & Taxes)	356.3	397.9	113.4	117.3	120.4	351.1
Realized (loss) on basis-only swaps	(25.6)	(121.7)	(31.2)	(27.6)	(27.9)	(86.7)
Income from unconsolidated affiliates	2.7	3.0	0.9	1.3	2.3	4.5
EBITDA	1,165.5	1,140.5	305.8	336.6	353.7	996.1
DD&A	559.1	643.4	190.8	186.6	189.0	566.4
Exploration expense	25.0	23.0	2.8	2.3	2.4	7.5
Abandonments & impairments	20.3	46.1	5.4	5.3	5.7	16.4
Interest expense	70.1	84.4	22.1	22.1	22.8	67.0
Gain (loss) on property & equipment	1.5	12.1	-	0.2	1.2	1.4
Other income (loss) [1]	(159.5)	97.2	31.8	27.2	26.5	85.5
Income Taxes	117.6	167.0	42.7	54.2	59.1	156.0
Net Income	215.4	304.0	73.8	93.5	102.4	269.7
NI attributable to noncontrolling interest	(2.6)	(2.9)	(0.6)	(0.7)	(0.9)	(2.2)
Net Income attributable to QEP	212.8	301.1	73.2	92.8	101.5	267.5

1 Includes unrealized gain (loss) on basis-only swaps, separation costs and early debt retirement expenses

CAPEX history "at or about EBITDA"



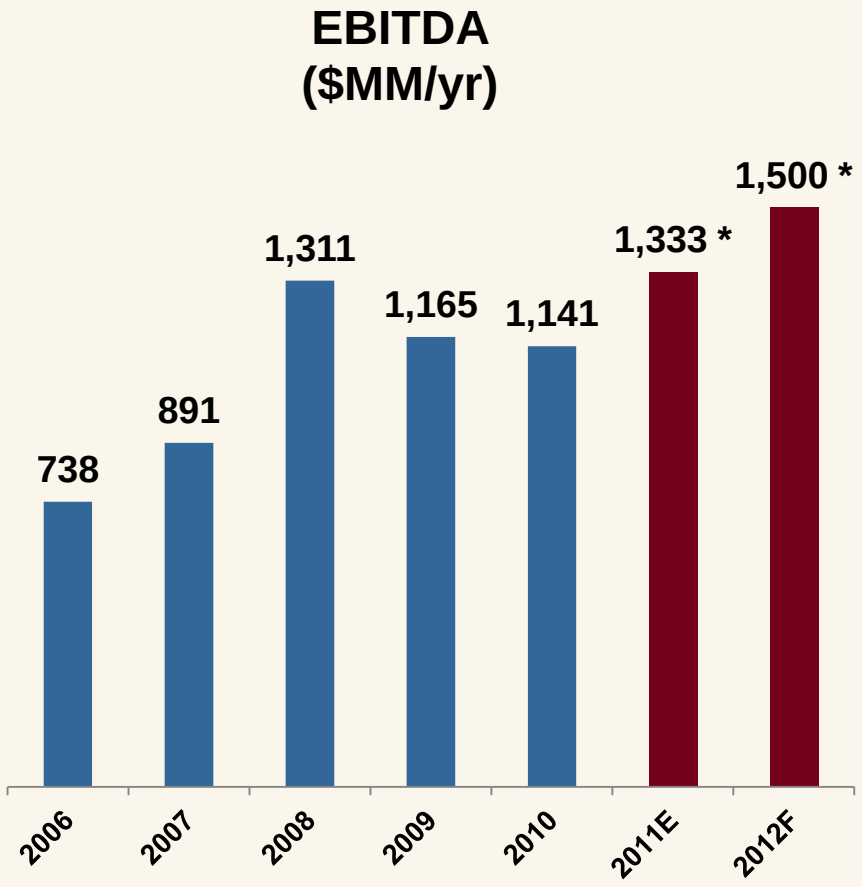
QEP Resources, Inc.
Returns Analysis – Return on Capital Employed



QEP Resources 2012 guidance

2012 guidance as of 11/14/11:

- EBITDA $1.45 B to $1.55 B
- 305 to 310 Bcfe production
- Capital investment of $1.50 B
- Approximately 44% of 2012 estimated production currently hedged
- Assumptions for unhedged production:
  - NYMEX gas price $3.75 to $4.25/MMBtu
  - NYMEX oil price $90 to $100/Bbl
  - Rockies basis: $0.20 to $0.15/MMBtu
  - Midcontinent basis: $0.20 to $0.15/MMBtu



* midpoint of guidance

QEP ENERGY

JAY NEESE
EXECUTIVE VICE PRESIDENT

QEP Energy Presenters

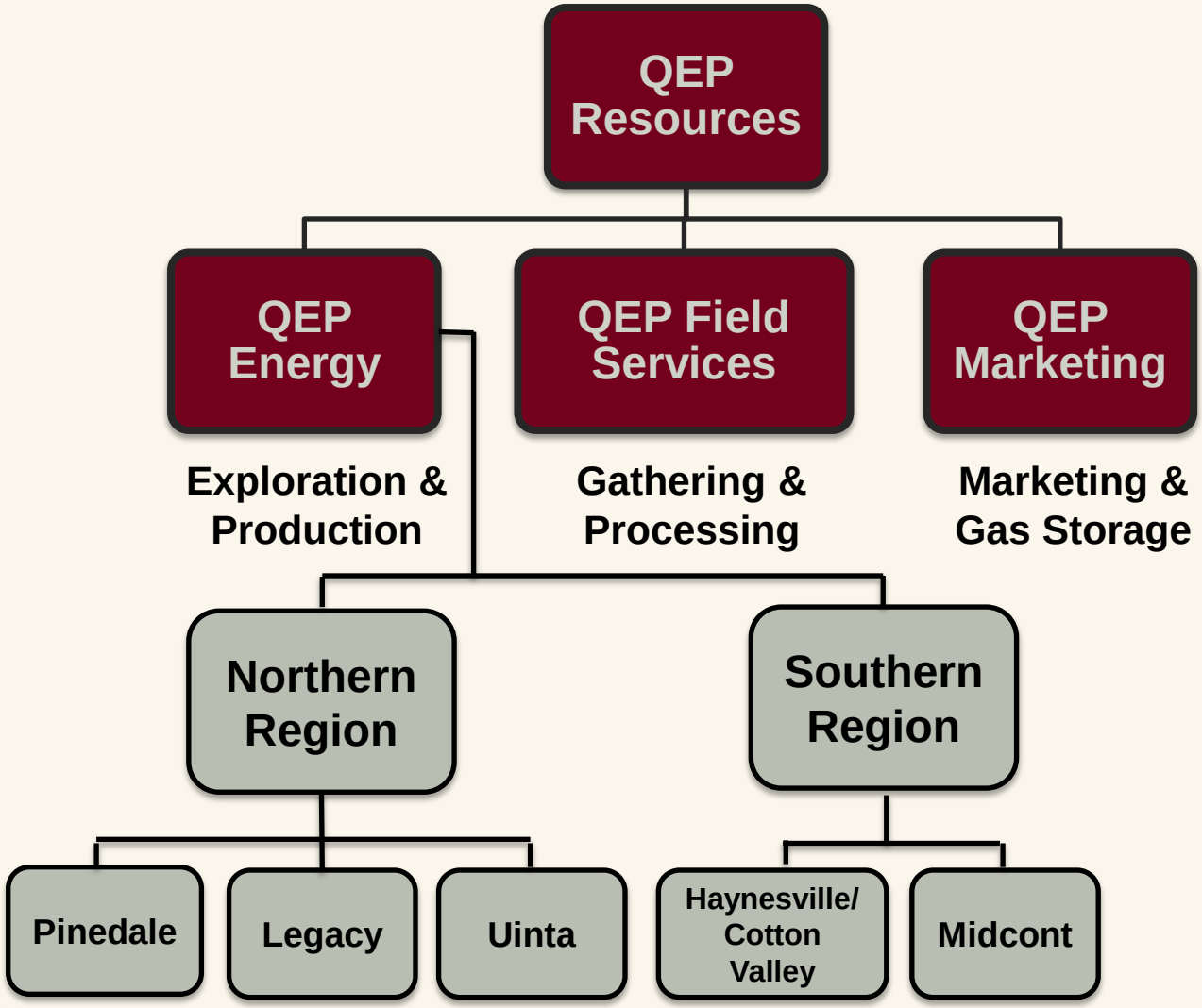
- **Overview**

- **Northern Region Plays**
  - Vincent Rigatti, General Manager, Northern Region
  - Paul Matheny, Vice President and Chief of Staff

- **Southern Region Plays**
  - Jeff Thompson, Division Reservoir Engineer
  - Linden Bailey, Division Reservoir Engineer

- **Other QEP Energy officers here today:**
  - Austin Murr, Vice President, Land and Business Development
  - Jeff Tommerup, Vice President, Eastern Midcontinent Division
  - Michael Penner, Vice President, Western Midcontinent Division

QEP Energy regional and division teams

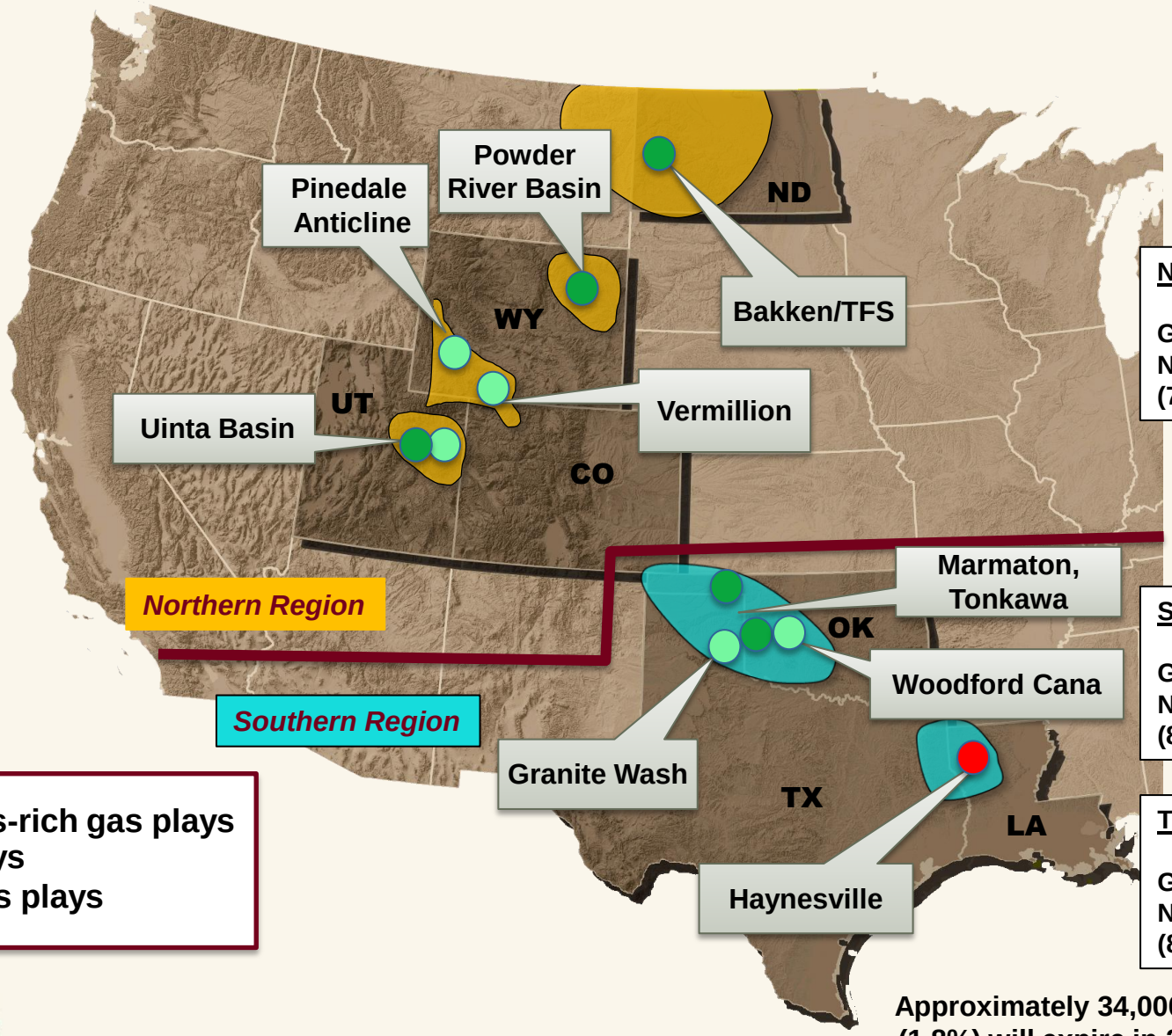


Activity areas that will be discussed today

- **Plays being discussed for the first time:**
  - **Liquids-rich gas plays:**
    - **Uinta Basin Red Wash Lower Mesaverde**
    - **Vermillion Basin Almond**
  - **Oil Plays:**
    - **Uinta Red Wash (Green River)**
    - **Powder River Basin (Sussex, Shannon, Niobrara, Frontier)**
    - **Western Oklahoma (Marmaton, Tonkawa)**

- **Ongoing development:**
  - **Bakken/Three Forks**
  - **Pinedale**
  - **Woodford Cana**
  - **Haynesville**

Over 75% of QEP Energy's 2012 drilling CAPEX budget is allocated to oil and liquids-rich gas plays



Northern Region:

Gross Acres: 2.59 MM
Net Acres: 1.32 MM
(78% HBP or HBU)

Southern Region:

Gross Acres: 1.60 MM
Net Acres: 0.64 MM
(86% HBP)

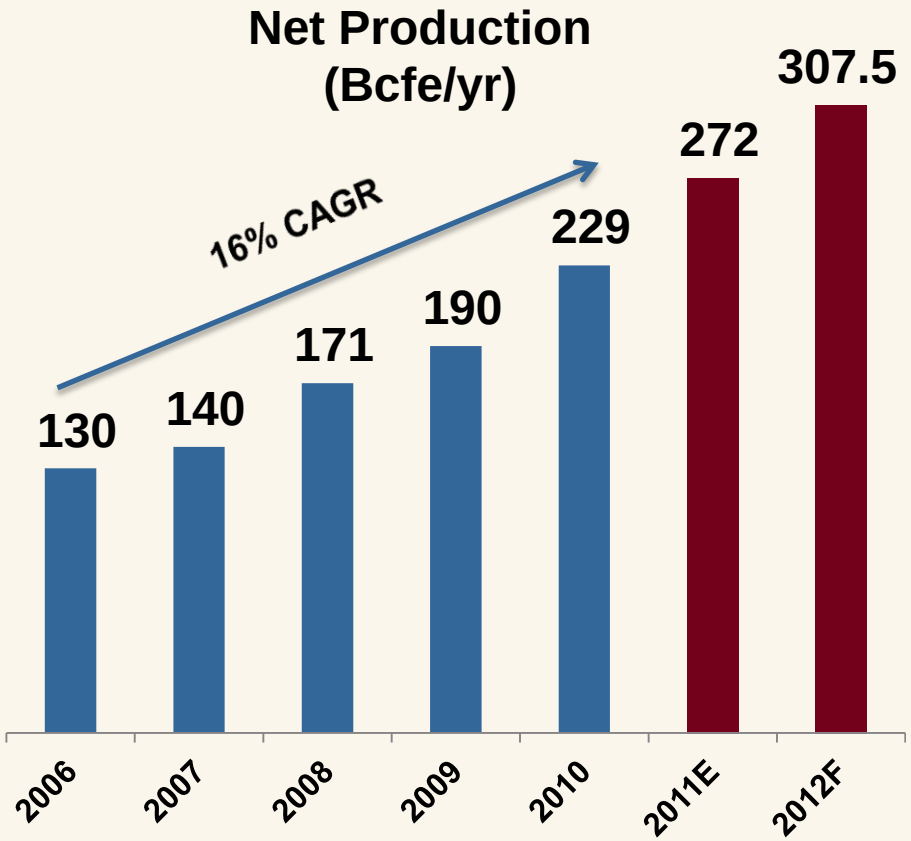
Total:

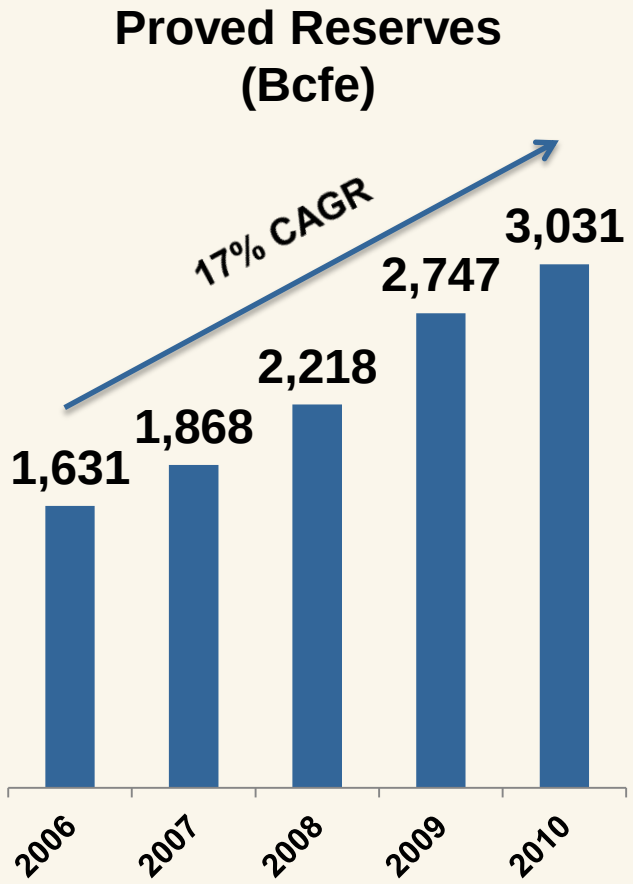
Gross Acres: 4.19 MM
Net Acres: 1.96 MM
(81% HBP or HBU)

- Liquids-rich gas plays
- Oil plays
- Dry gas plays

Approximately 34,000 net acres (1.8%) will expire in 2012 in the absence of development

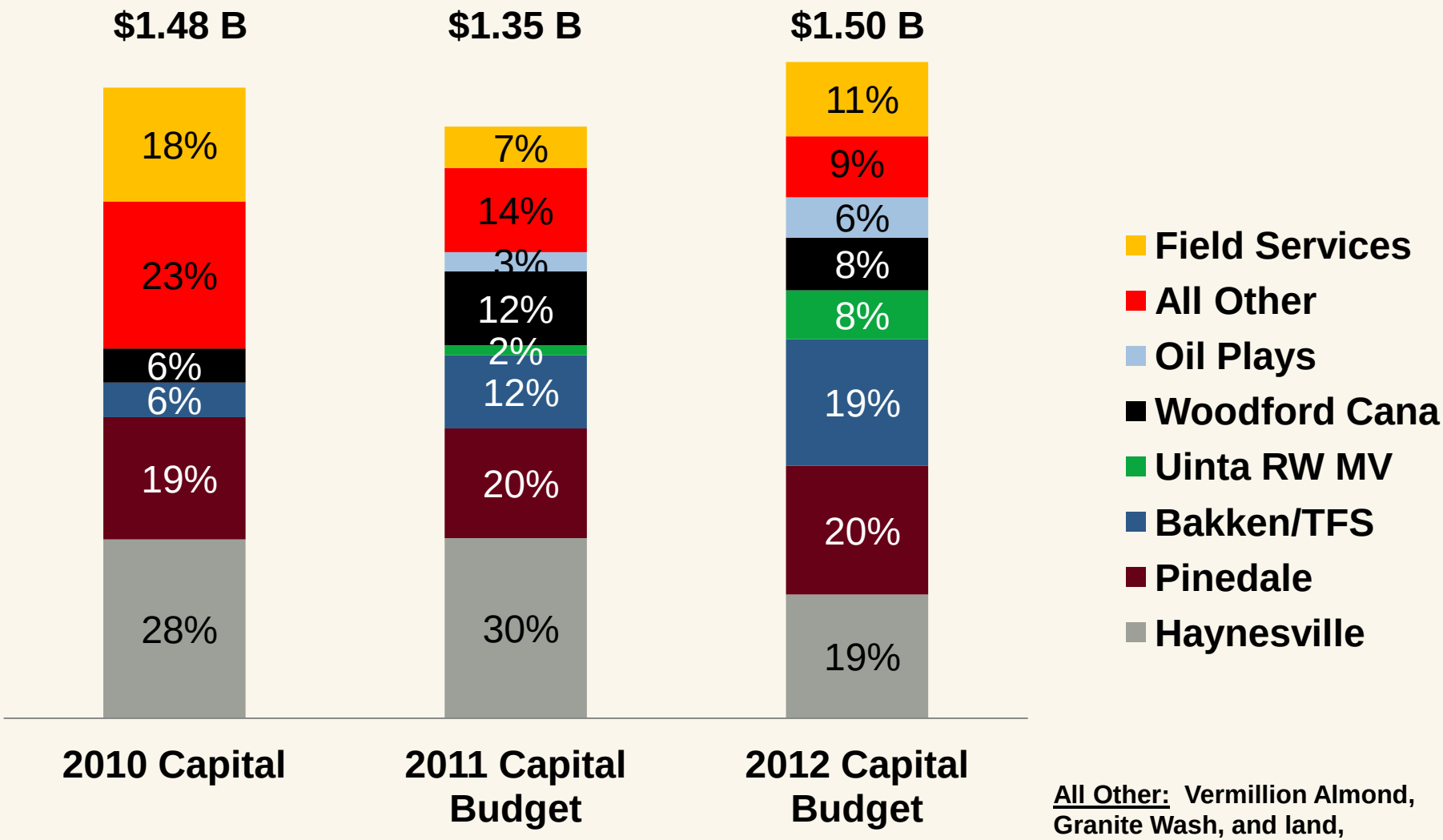
QEP has a track record of strong production and reserve growth





2011 Guidance: 270 – 274 Bcfe
2012 Guidance: 305 – 310 Bcfe

A diversified portfolio allows flexibility in capital allocation



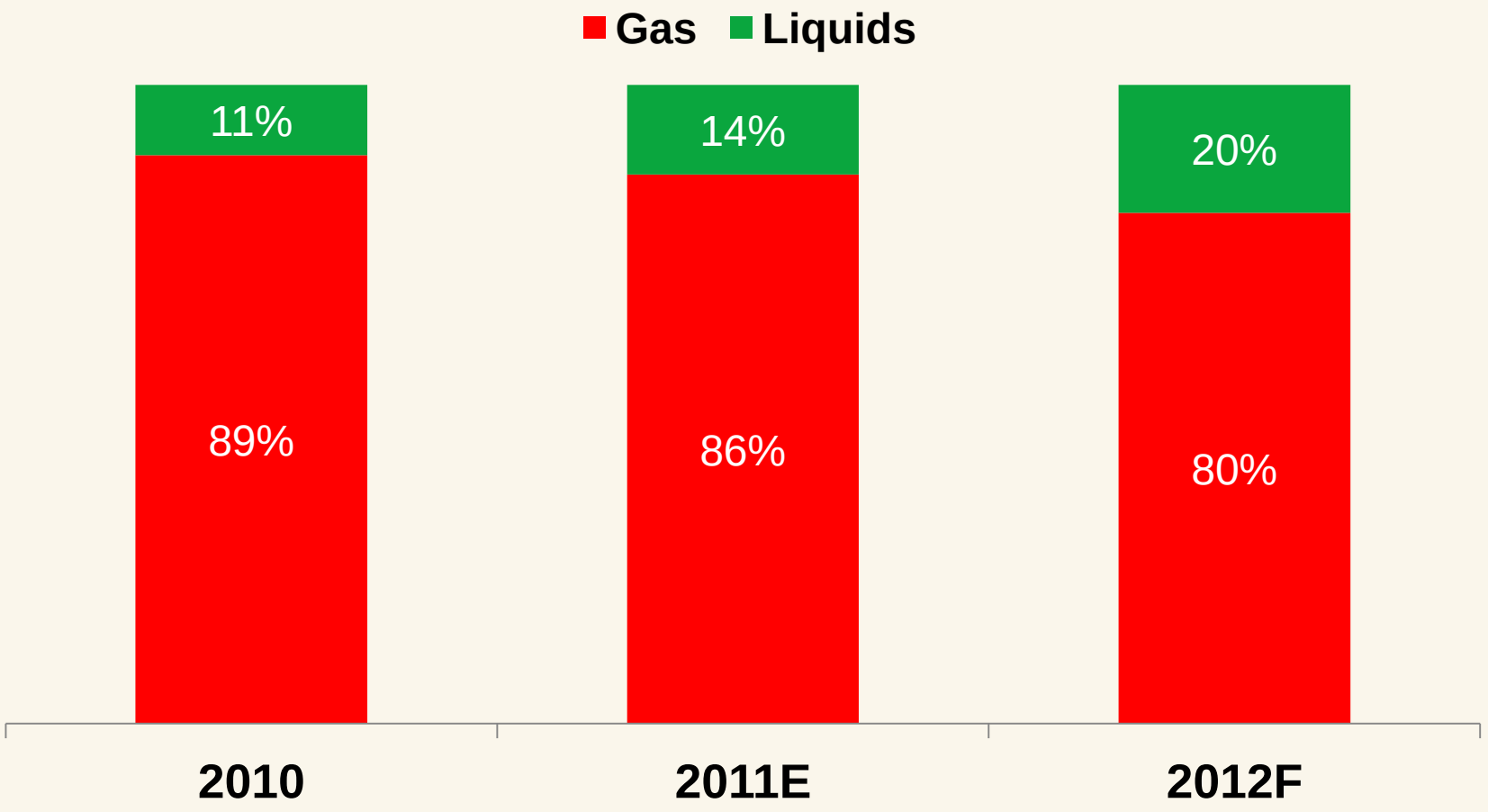
All Other: Vermillion Almond, Granite Wash, and land, seismic, general plant, etc.

Play comparison at $4.50 gas and $85 oil NYMEX prices

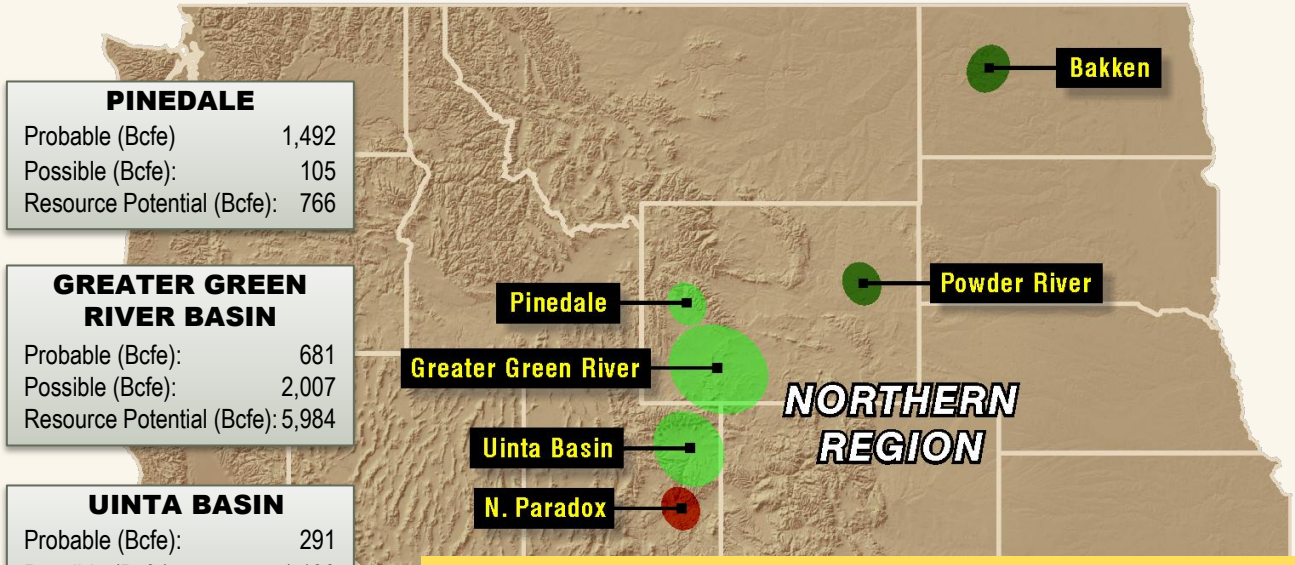
Play	2012 Avg Operated Rig Count	Avg Well Cost (MM$)	Avg Gross EUR (Bcfe or MBoe)	BTAX ROR
Western OK Oil	2	$3.9	165 *	95%
Vermillion Almond	0.25	$1.8	1.9	45%
Uinta Red Wash Lower MV	2	$2.1	2.1	42%
Pinedale	6	$3.8	4.6	38%
Powder River Basin Oil	0.5	$6.7	325 *	34%
Bakken/TFS	3	$9.5	550 *	26%
Woodford Cana	2	$8.3	5.5	23%
Haynesville	2	$9.1	6.0	20%

* In MBoe

Liquids are a growing component of QEP Energy's net production



Our probable and possible reserves and resource potential will allow us to grow for many years without an acquisition



PINEDALE

Probable (Bcfe)	1,492
Possible (Bcfe):	105
Resource Potential (Bcfe):	766

GREATER GREEN RIVER BASIN

Probable (Bcfe):	681
Possible (Bcfe):	2,007
Resource Potential (Bcfe):	5,984

UINTA BASIN

Probable (Bcfe):	291
Possible (Bcfe):	1,190
Resource Potential (Bcfe):	8,920

N. PARADOX BASIN

Probable (Bcfe):	-
Possible (Bcfe):	-
Resource Potential (Bcfe):	948

Today's Discussion Will Cover

82% of Probable

76% of Possible

11% of Resource

WILLISTON BASIN
Bakken

Probable (Bcfe):	195
Possible (Bcfe):	526
Resource Potential (Bcfe):	34

POWDER RIVER/DJ BASINS

Probable (Bcfe):	-
Possible (Bcfe):	-
Resource Potential (Bcfe):	1,077

TX PANHANDLE
Granite Wash

Probable (Bcfe):	88
Possible (Bcfe):	28
Resource Potential (Bcfe):	103

W. OKLAHOMA
Woodford

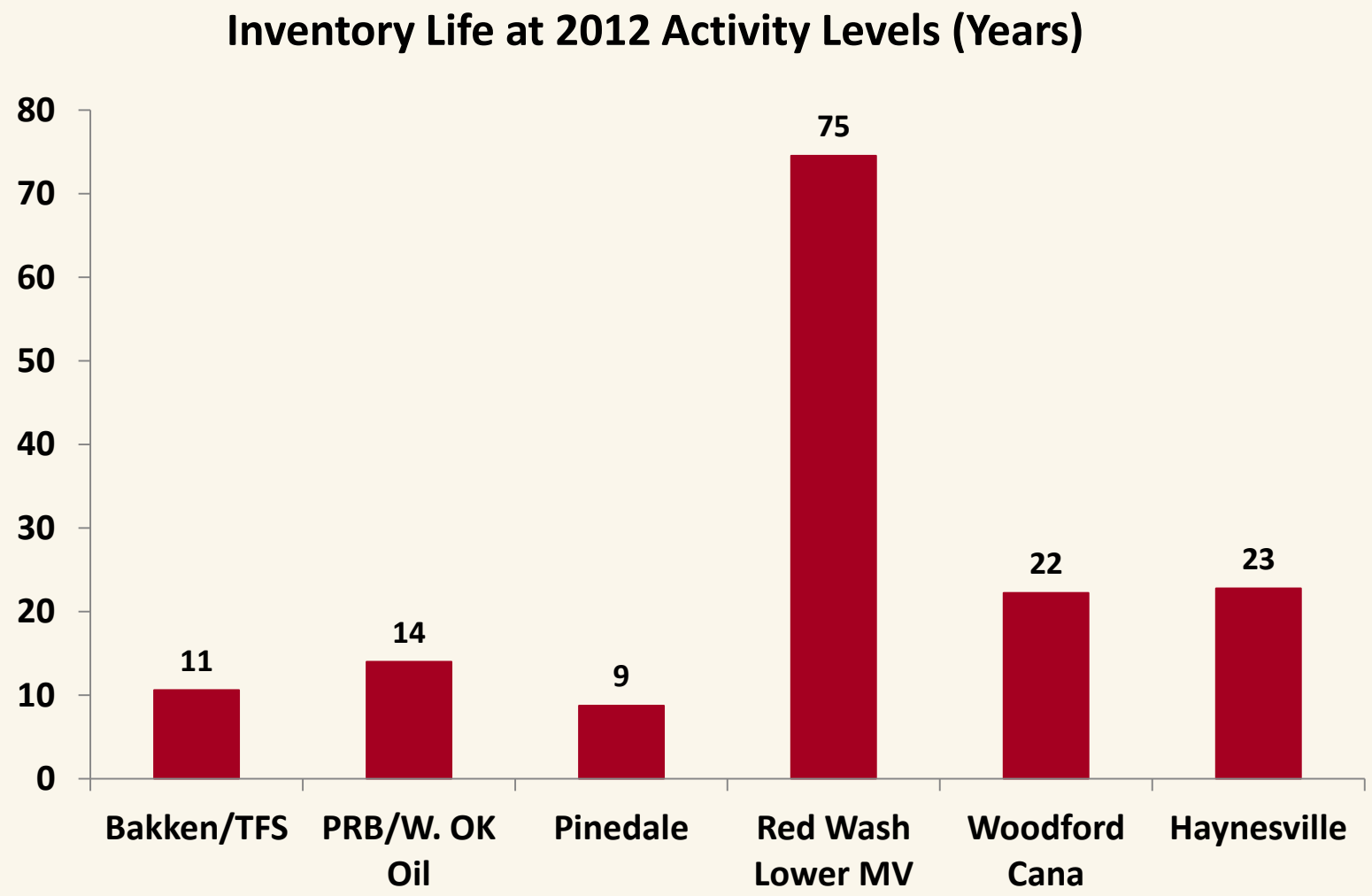
Probable (Bcfe):	125
Possible (Bcfe):	598
Resource Potential (Bcfe):	455

N.W. LOUISIANA
Haynesville

Probable (Bcfe):	829
Possible (Bcfe):	1,433
Resource Potential (Bcfe):	159

Total 3P + Resource Estimates:

Proven	3,031 Bcfe
Probable	3,701 Bcfe
Possible	5,887 Bcfe
Resource	18,446 Bcfe

Probable, Possible, and Resource estimates (as of May 1, 2010) not prepared on basis of SEC guidelines relative to commodity prices and timing of development

QEP Energy current development inventory