

determine a pipeline system's status as a non-jurisdictional gatherer. There is, however, no bright-line test for determining jurisdictional status of our gathering systems, so the distinction between non-jurisdictional gathering and FERC-regulated transmission pipelines may from time-to-time be the subject of disputes and litigation. QEP therefore cannot guarantee that the jurisdictional status of its gathering systems will remain unchanged. Several of QEP's facilities have been determined to be under FERC jurisdiction and as such are subject to specific regulations regarding interstate transmission facilities and activities, including but not limited to rates charged for transmission, open access/non-discrimination, and public daily capacity and flow reporting requirements. QEP's gas gathering systems are not subject to state utility regulations.

Additional rules and regulations pertaining to QEP Field Services activities are adopted from time to time. QEP cannot predict what impact, if any, such rules and regulations might have on its operations, but QEP may be forced to incur additional capital expenditures and/or increased operating costs as a result of such changes.

See also "Risk Factors – Risk Related to Regulation."

ENERGY MARKETING—QEP Marketing Company

General: QEP Marketing provides wholesale marketing and sales of affiliate and third-party natural gas, oil and NGL and generated approximately 1% of the Company's Adjusted EBITDA in the years ended December 31, 2011, 2010 and 2009, respectively. As a wholesale marketing entity, QEP Marketing concentrates on markets in the Rocky Mountains, Pacific Northwest and Midcontinent that are either close to affiliate reserves and production or accessible by major pipelines. QEP Marketing contracts for firm-transportation capacity on pipelines and firm-storage capacity at Clay Basin, a large baseload-storage facility.

QEP Marketing, through its subsidiary Clear Creek Storage Company, LLC, owns and operates an underground gas-storage reservoir in southwestern Wyoming. QEP Marketing uses owned and leased storage capacity together with firm-transportation capacity to manage seasonal swings in prices in the Rocky Mountain region.

Competition and Customers: QEP Marketing competes directly with large independent energy marketers, marketing affiliates of regulated pipelines and utilities and natural gas producers. QEP Marketing also competes with brokerage houses, energy hedge funds and other energy-based companies offering similar services. QEP Marketing sells QEP Energy natural gas and volumes purchased from third parties to wholesale marketers, industrial end-users and utilities. QEP Marketing sells QEP Energy crude oil volume to refiners, remarketers and other companies, including some with pipeline facilities near company producing properties. QEP Marketing sells NGL volumes from its Clear Creek storage facility to a refiner. In the event pipeline facilities are not available, QEP Marketing arranges transportation of crude oil by truck or rail to storage, refining or pipeline facilities. QEP Marketing uses derivative instruments to manage commodity price risk, on behalf of QEP Energy and QEP Field Services, using fixed-price swaps or collars to secure a known price or price floor for a specific volume of production. QEP Marketing does not engage in speculative hedging transactions. See Item 7A and Notes 1 and 7 to the consolidated financial statements included in Item 8 of Part II of this Annual Report for additional information relating to hedging activities.

Regulation: The U.S. Commodities Future Trading Commission, which has regulatory authority over swap transactions under the Dodd-Frank Act, has adopted various rules which impose compliance requirements upon QEP Marketing's derivatives trading practices. See also "Risk Factors – Risks Related to Regulation."

FERC has jurisdiction over the operation of QEP Marketing's Clear Creek storage facility, through the Clear Creek Storage Company LLC subsidiary in which QEP Marketing is the sole member, by virtue of the facility being connected to interstate pipelines (also subject to FERC jurisdiction) at both its inlet and outlet. Clear Creek is subject to specific FERC regulations governing interstate transmission facilities and activities, including but not limited to rates charges for transmission, open access/non-discrimination, and public disclosure via an electronic bulletin board of daily capacity and flows.

Employees

At December 31, 2011, QEP Resources, Inc. had 876 employees compared to 823 employees at December 31, 2010. None of QEP's employees are represented by unions or covered by collective bargaining agreements.

Executive Officers of the Registrant

The name, age, period of service, title and business experience of each of QEP's executive officers as of February 24, 2012, are listed below:

Charles B. Stanley 53 President, Chief Executive Officer, QEP (2010 to present). Previous titles with Questar: Chief Operating Officer (2008 to 2010); Executive Vice President and Director (2003 to 2010); President, Chief Executive Officer and Director, Market Resources and Market Resources subsidiaries (2002 to 2010).