ELLIOTT MANAGEMENT CORP.
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January 7, 2019

The Board of Directors
QEP Resources, Inc.
1050 17th Street, Suite 800
Denver, CO 80265

Dear Members of the Board:

I am writing to you on behalf of Elliott Associates, L.P. and Elliott International, L.P. (collectively, "Elliott" or "we"). As you are aware, Elliott has made a substantial investment in the common stock and economic equivalents of QEP Resources, Inc. (the "Company" or "QEP") and is one of the largest shareholders of the Company.

Since the beginning of 2018, we have engaged with the Board of Directors of the Company (the "Board") and QEP's management on the best path forward for the Company to maximize shareholder value. The engagement has been constructive, and the Company has made significant strides to transition to a pure-play Permian company. We support the Company's divestitures of the Williston and Haynesville assets, and we would like to thank Chuck and the rest of the Board as we recognize that this transition has taken a lot of time and effort.

Despite the progress to date, Elliott believes that QEP remains deeply undervalued in the market today. We have conducted an extensive amount of public diligence on the Company and have had ongoing dialogue with the sell-side analyst community. We believe shareholders are frustrated and that a sale of the Company would be the best approach to deliver maximum value to shareholders.

Elliott proposes to acquire QEP for $8.75 per share in cash. The terms of this preliminary proposal (the "Proposal") are outlined below. We believe that a transaction resulting from the Proposal would provide a compelling premium for shareholders, and would be superior to the uncertainty and risks of an alternative path.

Below, we briefly address the following topics:

- Background of the Proposal
- Structure and Financing of the Proposal
- Due Diligence
- Next Steps

Elliott looks forward to working collaboratively with the Board to finalize our Proposal. Our team is ready to engage immediately and work through the steps outlined below so that we can move forward on an expedited basis.

Background of the Proposal

Elliott has an extensive background in E&P, with existing public and private control investments near QEP's assets. We have done a comprehensive amount of public work to understand QEP's business, and we believe the quality of QEP's assets demonstrates a clear focus on only core-of-the-core positions in premium basins. But despite the promise of its premium assets, QEP as a public-company investment has not worked, and its stock continues to trade well below its intrinsic value. We believe that a sale of the Company pursuant to the Proposal gives shareholders a direct path to realizing a compelling premium for their shares with far greater certainty than if QEP were to remain a publicly traded company.

Structure and Financing of the Proposal

We propose to acquire 100% of the outstanding shares of QEP for $8.75 per share in an all-cash transaction. Our Proposal represents a premium of 44% over the closing stock price of January 4, 2019. This Proposal is conditioned on the closure of the Haynesville asset sale announced on November 19, 2018, but is not conditioned on the closure of the Williston asset sale announced on November 7, 2018.

We expect that we would finance the Proposal and its related fees and expenses with a combination of available cash, assumption of debt, and debt financing from third-party lenders. Elliott has approximately $35 billion of capital under management and has more than adequate capital to consummate this acquisition.

Due Diligence

Given our familiarity with the Company and the extensive public diligence we have conducted to date, we believe we can complete our confirmatory due diligence in an expedited manner if we are provided appropriate information and access to management.

Prior to the execution of a definitive acquisition agreement, we would anticipate the following diligence work streams: (i) customary company, commercial, and financial diligence, including reviews of historical and future prospects for the business; (ii) engaging a leading accounting firm to conduct confirmatory accounting and tax review; (iii) confirmatory legal due diligence; and (iv) asset level due diligence including reserves, land and title, and environmental reviews.

Next Steps

As a next step, we welcome the opportunity to discuss the Proposal with the Company and the Board and to outline why we believe the Proposal maximizes value to shareholders. We are eager to move ahead and respectfully propose that the Company hire well-regarded advisors and form a strategic review committee of the Board to oversee the process with us and potentially others. We encourage the Company to make the preparations necessary to immediately assemble a data room for the Permian assets.

We have the ability to consummate the transaction on an accelerated basis and are prepared to enter into a confidentiality agreement and commence our due diligence review. We are confident that a value-maximizing transaction is achievable and we look forward to the opportunity to continue our dialogue with the Company, incoming President and CEO Tim Cutt, and the Board.

We want to thank Chuck and the Board for all the hard work to date and for considering this Proposal. Please do not hesitate to contact us with questions, and we look forward to hearing from you soon.

Best Regards,

John Pike
Senior Portfolio Manager

Andrew Taylor
Portfolio Manager

This Proposal is not intended to be legally binding and is subject to, among other things, the negotiation and execution of a mutually satisfactory definitive acquisition agreement containing terms and conditions customary for this type and size of transaction, receipt of regulatory approvals and any material third-party consents, and satisfactory completion of our due diligence. This Proposal does not create and is not intended to create a duty to negotiate, in good faith or otherwise, towards a binding agreement and may not be relied upon as the basis for a contract by estoppel or otherwise. Until execution and delivery of such definitive agreements, the parties shall have the absolute right to terminate all negotiations for any reason without liability therefor.