

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

This Confidentiality and Nondisclosure Agreement (this “*Agreement*”) is dated _____, 2018 (the “*Effective Date*”), and is between QEP Energy Company (“*Owner*”), a Delaware corporation, and _____ (the “*Receiving Company*”), a _____. Owner and the Receiving Company are sometimes referred to herein individually as a “*Party*” and collectively as the “*Parties*.”

RECITALS

WHEREAS, Owner has in its possession the Confidential Information (as hereinafter defined) relating to Owner’s and certain of its Affiliates’ assets and properties located in the Williston Basin in Dunn, McKenzie, McLean, Mercer and Mountrail Counties, North Dakota (collectively, the “*Properties*”);

WHEREAS, in order for the Receiving Company to determine its interest in entering into a transaction with Owner and/or certain of its Affiliates regarding the potential sale, transfer or other disposition of all or any portion of the Properties (the “*Transaction*”), Owner is willing to disclose on a non-exclusive basis certain Confidential Information to the Receiving Company for the sole purpose of the Receiving Company’s review and evaluation of the Transaction, *provided* that the Receiving Company agrees to and accepts the terms and provisions of this Agreement; and

WHEREAS, the Receiving Company is willing to agree to keep the Confidential Information confidential and to use such information only in accordance with the terms of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. *Nondisclosure of Confidential Information.*

(a) The Receiving Company (x) shall not use, and shall cause each of its Representatives (as hereinafter defined) not to use, any Confidential Information (including any portion thereof) for any purpose other than in connection with the Receiving Company’s evaluation of the potential Transaction, and (y) shall, and shall cause each of its Representatives to, keep strictly confidential at all times and not disclose any Confidential Information except as expressly permitted hereunder. The Confidential Information may be disclosed by the Receiving Company to any of the Receiving Company’s Representatives, but only if and to the limited extent that such Representative needs to know the Confidential Information for the purpose of evaluating the potential Transaction. It is understood that prior to any disclosure by Receiving Company to such Representatives, that (i) such Representatives shall be informed by the Receiving Company of the confidential and proprietary nature of the Confidential Information and the requirement that the same shall not be used other than for the purpose described above; (ii) such Representatives shall be required to agree to and be bound by the terms of this Agreement as a condition of receiving the Confidential Information; and (iii) in any event, the Receiving Company shall be liable for any breach of the terms of this Agreement by any of its Representatives as if such Representatives were

a Receiving Party hereunder. The Receiving Company shall not (and shall cause its Representatives not to) disclose the Confidential Information to any person other than as permitted hereby, and the Receiving Company shall (and shall cause its Representatives to) safeguard the Confidential Information from unauthorized use or disclosure by using at least the same degree of care that the Receiving Company uses in connection with its own confidential information of similar kind (but in any event no less than a reasonable degree of care).

(b) For purposes of this Agreement, (i) a person's "**Representatives**" shall be the Affiliates, and the officers, directors, managers, members, shareholders, partners, employees, agents, representatives, consultants, principals, attorneys, accountants, advisors and potential financing sources, of such person, and of each of their Affiliates; (ii) the term "**person**" shall be interpreted broadly to include, without limitation, any entity, company, corporation, trust, group, limited liability company, partnership or individual; and (iii) the term "**Affiliate**" is defined as any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the person specified. For purposes of the term Affiliate, "**control**" means the power to direct or cause the direction of the management of such person, whether through the ownership of voting securities, by contract, agency, or otherwise.

2. Definition of "Confidential Information".

(a) For purposes of this Agreement, the term "**Confidential Information**" means, collectively, any and all information, materials or data (whether written, electronic, video or oral) which concerns, relates to, or is associated in any way with Owner, its Affiliates, the Properties or the Transaction, that is disclosed or made available to the Receiving Company or any of its Representatives by Owner, or any of Owner's Representatives, which is either confidential, proprietary, or otherwise not generally available to the public, including, without limitation, analyses, interpretations, compilations, reports, reservoir data, geologic and geophysical data, maps, models, financial data, economic data, commercial data, contractual data, environmental data, marketing data, operational data, engineering data, and other information, documents, materials and data, as well as any copies, notes, reports, analyses, compilations, data, studies, excerpts, evaluation materials, summaries or other documents, information, or materials developed or prepared by or on behalf of the Receiving Company or any of its Representatives that include, incorporate, refer to, reflect, are derived from or are based on, in whole or in part, any other Confidential Information. Notwithstanding the foregoing, the following shall not constitute Confidential Information for the purposes of this Agreement: (a) information that is or becomes generally available to the public other than as a result of a breach of this Agreement by the Receiving Company or any of the Receiving Company's Representatives; (b) information which was already known by the Receiving Company on a non-confidential basis prior to being disclosed or made available to the Receiving Company by Owner or Owner's Representatives; (c) information which becomes available to the Receiving Company or the Receiving Company's Representatives on a non-confidential basis from a source other than Owner or any of Owner's Representatives, *provided* that such source was not subject to any confidentiality obligation or other prohibition against transmitting the information to the Receiving Company or any of the Receiving Company's Representatives; and (d) information that is independently developed by the Receiving Company or its Representatives without use of, or reference to, the Confidential Information.

(b) Notwithstanding the foregoing in Section 2(a) or anything to the contrary contained herein on the use or disclosure of Confidential Information in this Agreement, Owner

acknowledges that (1) the Receiving Company is involved in widespread oil and gas activities and receives confidential information and data from many different sources; (2) its review of the Confidential Information will not preclude any oil and gas operation or activity by it subsequent to the review hereunder in any area that was subject to the review or any other areas (but only so long as the Confidential Information is not used in connection with such operation or activity in violation of this agreement); (3) the Receiving Company's Representatives may retain general mental impressions of the Confidential Information; and (4) its Representatives shall not be precluded from working on projects in an area which was subject to review hereunder because of their general mental impressions (but only so long as the Confidential Information is not used in connection with such operation or activity in violation of this agreement).

3. Required Disclosures. In the event that law, legal process, court order or any governmental or regulatory authority requires the Receiving Company or any of its Representatives to disclose all or any portion of the Confidential Information, the Receiving Company or such Representative may do so; *provided* that it shall immediately provide written notice to Owner of the required disclosure, unless such notice is prohibited by law, so that Owner may have an opportunity to seek an appropriate protective order. The Receiving Company and its Representatives agree to cooperate with any reasonable request of Owner in its efforts to secure such protective order or other appropriate remedy. If Owner is unable to obtain such protective order or other appropriate remedy, the Receiving Company or its Representatives shall furnish only that portion of the Confidential Information which the Receiving Company or its Representatives are advised in writing by counsel is required by law to be furnished and shall exercise their reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information.

4. Non-Disclosure of Existence of Negotiations. Without the prior, written consent of Owner, neither the Receiving Company nor its Representatives shall disclose to any other person that it has received the Confidential Information or that discussions or negotiations are taking place between Owner and the Receiving Company concerning a possible Transaction, including the status or terms of such discussions or negotiations, or the fact that Receiving Party is evaluating a possible Transaction.

5. No Representations or Warranties; No License.

(a) Neither Owner nor any of its Representatives has made or makes any representation or warranty as to (i) the accuracy, quality or completeness of the Information or (ii) the presence, quality or quantity of oil, gas or other hydrocarbons or the expected results of exploration, production or marketing activities. The Receiving Company agrees that neither Owner nor any of its Representatives shall have any liability to the Receiving Company or any of its Representatives resulting directly or indirectly from the Receiving Company's use of the Information. For the purposes of this Section 5(a), "**Information**" is deemed to include, without limitation, any and all Confidential Information and other information and data furnished by Owner or any of Owner's Representatives, whether or not such information is Confidential Information as defined in Section 2.

(b) Nothing in this Agreement shall be construed as granting any rights to the Receiving Company or any of its Representatives under any patent, copyright, trademark, trade secret, or other intellectual property right of Owner, nor shall this Agreement be construed to grant to the Receiving Company or any of its Representatives any licenses or other rights in or to the

Confidential Information except the limited right to review the Confidential Information solely for the purposes of determining whether to enter into the Transaction. Nothing contained in this Agreement is intended to confer upon the Receiving Company or its Representatives any right whatsoever to any interest Owner has or may have in the Properties.

6. *Return of Information.* The Confidential Information shall remain the property of Owner, and the written Confidential Information, except for that portion of the Confidential Information that is contained in analyses, compilations, studies or other documents prepared by or for the Receiving Company in connection with the Transaction, shall be destroyed or returned to Owner immediately upon its request, and no copies shall be retained by the Receiving Company or its Representatives, unless the Parties agree otherwise; *provided, however*, that any Confidential Information contained in back-up computer records may be retained for such period required for compliance purposes if required by law, rule or regulation; *provided further*, that such Confidential Information shall continue to be subject to the confidentiality, non-disclosure and non-use obligations contained in this Agreement until returned in accordance with this Section 6. That portion of the Confidential Information that may be found in analyses, compilations, studies or other documents prepared by or for the Receiving Company or its Representatives, oral or visual Confidential Information, and written Confidential Information not so returned shall be destroyed (such destruction to be certified promptly in writing to Owner by an authorized officer of the Receiving Company).

7. *No Waiver.* No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. *Equitable Relief.* The Receiving Company acknowledges and agrees that Owner may be irreparably injured, such that money damages alone may not be adequate remedy, and will be entitled to equitable relief (including, without limitation, the granting of specific performance and injunctive relief in Owner's favor), if the Receiving Company or any person to whom the Receiving Company discloses any Confidential Information breaches or threatens to breach the terms of this Agreement. The Receiving Company agrees that equitable relief is not exclusive of other remedies to which Owner may be entitled at law or in equity. The Receiving Company further agrees to waive, and cause its Representatives to waive, any requirement for securing or posting any bond in connection with the pursuit of any such remedy.

9. *No Obligation to Consummate Transaction.* Nothing in this Agreement shall in any manner obligate either Party to proceed with the Transaction, whether on the terms suggested by the Receiving Company, or on any other terms. The Receiving Company acknowledges and agrees that Owner, in its sole and absolute discretion, (a) is free to explore other potential opportunities that may lead to a possible Transaction with another party with respect to the Properties, (b) may change the procedures relating to its consideration of a Transaction involving the Properties at any time without prior notice, (c) may reject any and all proposals made by the Receiving Company with respect to a possible Transaction, (d) may terminate discussions with the Receiving Company at any time and for any reason, and (e) will have no obligation or liability to the Receiving Company with regard to a possible Transaction or any negotiations relating to a possible Transaction by virtue of this Agreement or otherwise, unless and until, and only in the event that, a definitive agreement has been executed by the Parties with respect to the Transaction. Accordingly, Owner may elect at any time to terminate further access to and review of the Confidential Information, at which time the

obligations of the Receiving Company contained in Section 6 above shall be applicable. The Receiving Company's obligation to maintain the Confidential Information confidential as provided in this Agreement shall survive any decision by Owner not to proceed with the Transaction, or to proceed with a party other than the Receiving Company.

10. Access to Employees. The Receiving Company agrees that, unless otherwise instructed by Owner, all communications with Owner regarding the proposed Transaction, including requests for additional information from Owner in connection with the Transaction, requests for facility tours or management meetings with Owner in connection with the Transaction and discussions with or questions for Owner regarding procedures, will be submitted or directed only to BMO Capital Markets Corp. and not to Owner or any of its other Representatives.

11. No Solicitation. Until the expiration of one year from the Effective Date, or until the execution of a definitive agreement between the Parties regarding a Transaction that addresses solicitation of employees, whichever is earlier, the Receiving Company shall not, and shall cause its Affiliates not to, (a) directly or indirectly recruit (including as a director or consultant), solicit (including by contracting through an independent contractor, consultant or other third party) or otherwise induce any director, officer, employee or consultant of Owner or its Affiliates to terminate his or her directorship, employment or consultancy, as the case may be, or (b) hire or assist another person or entity in hiring or engaging as a consultant any officer, employee or consultant of Owner or its Affiliates. The Receiving Company is not restricted from hiring officers or employees of Owner or its Affiliates who respond to public advertisements for job openings.

12. No Joint Venture. This Agreement is not intended to and shall not create a partnership, joint venture, or any other business combination between the Parties.

13. Notices. Any communications between the Parties or notices or requests in connection with this Agreement may be given by mailing the same, postage prepaid, or sending the same by electronic mail ("**email**") transmission (*provided* that receipt of such email is requested and received, excluding automatic receipts) to each Party at its address shown below, or to such other addresses as either Party may in writing hereafter indicate. Notices shall be effective only when received.

If to Owner:

QEP Energy Company
1050 17th Street, Suite 800
Denver, Colorado 80265
Attention: Chris Woosley, Senior Vice President and General Counsel
Email: Chris.Woosley@qepres.com

If to the Receiving Company:

Attention:
Email:

14. Term. Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall be effective as of the Effective Date and shall remain in full force and effect thereafter for a period of one year, whereupon this Agreement shall automatically terminate, unless otherwise terminated by the mutual written agreement of the Parties. Notwithstanding the foregoing, Section 6 will survive termination of this Agreement until such time as Receiving Party and its Representatives have destroyed all Confidential Information retained in accordance with Section 6, and the remaining Sections of this Agreement will survive termination of this Agreement until such time and to the extent necessary to enforce or give full force and effect the obligations set forth in Section 6.

15. Entire Agreement; Amendment. This Agreement (a) represents the entire understanding and agreement of the Parties with respect to the matters contained herein; and, (b) may be amended, modified or waived in whole or in part only by a separate writing executed by the Parties, which writing expressly amends, modifies or waives all or part of this Agreement. The headings of the sections of this Agreement are inserted for convenience only and shall not constitute a part hereof or affect in any way the meaning or interpretation of this Agreement.

16. Severability. The invalidity of any one or more provisions of this Agreement shall not affect the validity of this Agreement as a whole, and in case of any such invalidity, this Agreement shall be construed as if such invalid provision had not been included herein.

17. Assignment. This Agreement shall inure to the benefit of Owner and its successors and assigns and shall be binding on the Receiving Company, its Representatives and its and their successors and assigns; *provided* that the Receiving Company may not assign any right or obligation hereunder to any person without the prior written consent of Owner, which such consent may be withheld in Owner's sole and absolute discretion. Any attempted assignment by the Receiving Company without such required consent shall be null and void *ab initio*.

18. Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Texas, excluding any choice of law rules that may direct application of laws of another jurisdiction. Owner and the Receiving Company agree that the exclusive venue and forum for any action brought in connection with this Agreement will be initiated and maintained in any state or federal court located in Harris County, Texas and irrevocably waives any right to a trial by jury and any right such Party may have to object to such venue and forum. Notwithstanding the foregoing, Owner shall be entitled to seek emergency or temporary injunctive or other equitable relief or to seek the enforcement of any judgment in its favor in any state or federal court of competent jurisdiction.

19. Expenses. In the event of litigation or other formal legal or regulatory proceedings to clarify a matter, resolve a dispute or remedy a breach hereunder, the prevailing Party under a final and non-appealable court, tribunal or agency order or mandate shall be fully reimbursed by the other Party for all reasonable costs and expenses, including but not limited to reasonable attorneys' fees, incurred by the prevailing Party in any such proceeding.

20. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement. This Agreement may be validly executed and delivered by facsimile or other electronic transmission.

[*Signature page follows.*]

IN WITNESS WHEREOF, the duly authorized representatives of Owner and the Receiving Company have executed this Agreement effective as of the Effective Date.

OWNER:

QEP ENERGY COMPANY

RECEIVING COMPANY:

[_____]

By: [_____] as agent for QEP Energy Company
Name:
Title:

By:
Name:
Title: