

SUBORDINATED PROMISSORY NOTE

\$50,000,000

June 30, 2010

FOR VALUE RECEIVED, the undersigned, Questar Corporation ("Maker"), promises to pay to the order of Questar Gas Company ("Holder") at its principal office in the city of Salt Lake City, Utah, in lawful currency of the United States of America, the principal sum of Fifty Million Dollars (\$50,000,000) or, if less, the aggregate unpaid principal amount from time to time outstanding of all unpaid advances made hereunder by Holder, on demand in like money at an annual rate (the "Intercompany Interest Rate") as determined and published by the Questar Corporation Treasury Department on the first business day of each calendar month. The rate shall apply to the entire month or any part thereof and may change each month without notice to the Maker as the Intercompany Interest Rate is calculated for that month. Interest shall be computed on the basis of a 360-day year and actual days elapsed and shall be payable on the last business day of each month.

Advances under this Subordinated Promissory Note shall be evidenced by the signature of the Treasurer or Chief Financial Officer of the Holder on the appropriate line of the attached loan grid.

By its acceptance of this Subordinated Promissory Note, the Holder agrees that all indebtedness, obligations and liabilities of Maker evidenced by this Subordinated Promissory Note is subordinate to Senior Indebtedness as defined in, and on the terms set forth in, the "Subordination Terms" set forth below.

SUBORDINATION TERMS

SECTION 1 GENERAL

1.1 Definitions

In this Subordinated Promissory Note, capitalized terms used herein and not otherwise defined herein shall have the meanings attributed to such terms in the Multi-Year Revolving Credit Agreement dated as of June 30, 2010 among Maker, as Borrower, the Lenders from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Bank and Swingline Lender and the 364-Day Credit Agreement dated as of June 30, 2010 among Maker, as Borrower, the Lenders from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Issuing Bank and Swingline Lender (as such agreement[s] may be amended, modified, supplemented, restated or refinanced from time to time, the "Credit Agreements"). In addition, the following terms shall have the following meanings:

- (a) "Obligor Debt" means all interest, fees and other amounts owing in connection with all Indebtedness of the Maker owed to the Subordinated Creditor.
- (b) "Senior Indebtedness" means the aggregate of all Obligations owing from time to time by the Maker to the Senior Lenders under the Credit Agreements and the other Loan Documents, whether present or future, direct or indirect, contingent or otherwise (including any interest accruing thereon after the date of filing any petition by or against the Maker in connection with any bankruptcy or other proceeding and any other interest that would have accrued thereon but for the commencement of such proceeding, whether or not such interest is allowed as a claim enforceable against the Maker in a Proceeding as hereinafter defined).

- (c) "Senior Lenders" means, collectively, Wells Fargo Bank, National Association, as Administrative Agent, the Issuing Bank and the Swingline Lender, and the Lenders as defined in the Credit Agreements.
- (d) "Subordinated Creditor" means Holder.
- (e) "Subordinated Indebtedness" means the aggregate Obligor Debt owing from time to time by the Maker to the Subordinated Creditor, whether present or future, direct or indirect, contingent or otherwise.

1.2 Governing Law

This Subordinated Promissory Note shall be governed by and interpreted in accordance with the laws of the State of New York. The Subordinated Creditor irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New York and the United States federal courts sitting in Southern District of the State of New York, without prejudice to the rights of the Senior Lenders to take proceedings in any other jurisdiction.

1.3 Severability

If any provision of this Subordinated Promissory Note shall be invalid, illegal or unenforceable in any respect in any jurisdiction, it shall not affect the validity, legality or enforceability of such provision in any other jurisdiction or the validity, legality or enforceability of any other provision of this Subordinated Promissory Note.

SECTION 2 POSTPONEMENT AND SUBORDINATION OF PAYMENT

2.1 General Postponement and Subordination

Except as specifically provided for in Section 3:

- (a) the Subordinated Indebtedness shall be and is hereby expressly postponed and made subordinate in right of payment to the prior payment in full in cash of the Senior Indebtedness and termination of the Commitments as defined in the Credit Agreements; and
- (b) during the continuation of any Default under the Credit Agreements, the Subordinated Creditor shall not accept, and the Maker shall not make, any repayment, prepayment or other satisfaction of all or any portion of the Subordinated Indebtedness (whether in cash, property or securities) prior to the payment in full in cash of the Senior Indebtedness and termination of the Commitments.

2.2 Priority of Senior Indebtedness on Dissolution or Insolvency

In the event of any dissolution, winding up, liquidation, readjustment, reorganization, bankruptcy, insolvency, receivership or other similar proceedings (a "Proceeding") relating to the Maker, or any of its property (whether voluntary or involuntary, partial or complete), or any other marshalling of the assets and liabilities of the Maker, the Senior Indebtedness shall first be paid in full in cash before the Subordinated Creditor shall be entitled to receive or retain any payment or distribution in respect of the

Subordinated Indebtedness. In such event, in order to implement the foregoing, but subject always to the provisions of Section 7.1(a):

- (a) the Subordinated Creditor shall promptly file a claim or claims, in the form required in such proceedings, for the full outstanding amount of the Subordinated Indebtedness, and shall cause said claim or claims to be approved and all payments and other distributions in respect thereof to be made directly to the Senior Lenders, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held by each of them;
- (b) the Subordinated Creditor hereby irrevocably agrees that the Senior Lenders may, at their sole discretion, in the name of the Subordinated Creditor or otherwise, demand, sue for, collect, receive and receipt for any and all such payments or distributions, and any such receipts shall be distributed to the Senior Lenders according to the aggregate amounts remaining unpaid on account of the respective Senior Indebtedness held by them, and file, prove and vote or consent in any Proceeding with respect to any and all claims of the Subordinated Creditor relating to the Subordinated Indebtedness;
- (c) In any bankruptcy or other Proceeding in respect of the Maker, the Subordinated Creditor shall not, unless otherwise agreed by the Senior Lenders, (i) file any motion, application or other pleading seeking affirmative relief, including without limitation for the appointment of a trustee or examiner, for the conversion of the case to a liquidation proceeding, for the substantive consolidation of the Maker's bankruptcy case with the case of any other entity, for the creation of a separate official committee representing only the Subordinated Creditor or any other form of affirmative relief of any other kind or nature, or (ii) file any objection or other responsive pleading opposing any relief requested by any Senior Lender; and
- (d) The Subordinated Creditor shall execute and deliver to the Senior Lenders or their representatives such further proofs of claim, assignments of claim and other instruments confirming the authorization referred to in the foregoing clause (b), and any powers of attorney confirming the rights of the Senior Lenders arising hereunder, and shall take such other actions as may be requested by the Senior Lenders or their representatives in order to enable the Senior Lenders or their representatives to enforce any and all claims in respect of the Subordinated Indebtedness.

2.3 Payments Held in Trust

If, notwithstanding the provisions of this Subordinated Promissory Note, any payment or distribution of any character (whether in cash, securities, or other property) or any security shall be received by the Subordinated Creditor in contravention of the terms of this Subordinated Promissory Note, such payment, distribution or security shall not be commingled with any asset of the Subordinated Creditor, shall be held in trust for the benefit of, and shall be paid over or delivered or transferred to, the Senior Lenders, or their representatives, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held by each of them, for application to the payment of all Senior Indebtedness then remaining unpaid, until all such Senior Indebtedness shall have been paid in full.

2.4 Payment in Full on Senior Indebtedness

For purposes of this Subordinated Promissory Note, the Senior Indebtedness shall not be deemed to have been paid in full until the Senior Lenders shall have received full payment of the Senior

Indebtedness in cash, all Letters of Credit shall have terminated and all Commitments of the Senior Lenders under the Credit Agreements shall have irrevocably terminated.

2.5 Application of Payments

All payments and distributions received by the Senior Lenders in respect of the Subordinated Indebtedness, to the extent received in or converted into cash, may be applied by the Senior Lenders first to the payment of any and all expenses (including reasonable legal fees and expenses) paid or incurred by them or their representatives in enforcing this Subordinated Promissory Note, or in endeavoring to collect or realize upon any of the Subordinated Indebtedness or any collateral security therefor, and any balance thereof shall, solely as between the Subordinated Creditor and the Senior Lenders, be applied by the Senior Lenders in such order of application as the Senior Lenders may from time to time select, toward the payment of the Senior Indebtedness remaining unpaid.

SECTION 3 PERMITTED PAYMENTS

3.1 Permitted Payments

At any time other than during the continuation of a Default under the Credit Agreements, the Subordinated Creditor shall, subject to Section 2.2, be entitled to receive payments on account of any Subordinated Indebtedness in accordance with the terms of such Subordinated Indebtedness.

SECTION 4 SUBROGATION

4.1 Restriction on Subrogation

The Subordinated Creditor shall not exercise any rights which it may acquire by way of subrogation or contribution under this Subordinated Promissory Note, as a result of any payment made hereunder or otherwise, until the Subordination Terms (as defined in Section 7 below) of the Subordinated Promissory Note have ceased to be effective in accordance with Section 7.1(a).

4.2 Transfer by Subrogation

If (a) the Senior Lenders or their representatives receive payment of any of the Subordinated Indebtedness, (b) the Senior Indebtedness has been paid in full in cash and (c) there are no further Letters of Credit outstanding and no further Commitments outstanding under the Credit Agreements, then the Senior Lenders will each, at the Subordinated Creditor's request and expense, execute and deliver to the Subordinated Creditor appropriate documents, without recourse and without representation or warranty (except as to their right to transfer such Senior Indebtedness and related security free of encumbrances created by the Senior Lenders), necessary to evidence the transfer by subrogation to the Subordinated Creditor of an interest in its Senior Indebtedness and any security held therefor resulting from such payment of the Subordinated Indebtedness to the Senior Lenders.

SECTION 5
DEALINGS WITH MAKER

5.1 Restriction on Dealings by Subordinated Creditor

Except with the prior written consent of the Administrative Agent, the Subordinated Creditor shall not commence, or join with any other Person in commencing, any Proceeding respecting the Maker or any Subsidiary of the Maker.

5.2 Permitted Dealings by Senior Lenders

Notwithstanding anything in this Subordinated Promissory Note, the Subordinated Creditor acknowledges each of the Senior Lenders shall be entitled to:

- (a) lend monies or otherwise extend credit or accommodations to the Maker as part of the Senior Indebtedness or otherwise;
- (b) agree to any change in, amendment to, waiver of, or departure from, any term of the Credit Agreements or any other Loan Document including, without limitation, any amendment, renewal or extension of such agreement or increase in the payment obligations of the Maker under any such Loan Documents;
- (c) grant time, renewals, extensions, releases, discharges or other indulgences or forbearances to the Maker in respect of the Senior Indebtedness;
- (d) waive timely and strict compliance with or refrain from exercising any rights under or relating to the Senior Indebtedness;
- (e) accept or make any compositions, arrangements, plans of reorganization or compromises with any Person as any of the Senior Lenders may deem appropriate in connection with the Senior Indebtedness;
- (f) change, whether by addition, substitution, removal, succession, assignment, grant of participation, transfer or otherwise, any of the Senior Lenders;
- (g) acquire, give up, vary, exchange, release, discharge or otherwise deal with or fail to deal with any security interests, guaranties or collateral relating to any Senior Indebtedness, this Subordinated Promissory Note or any other Loan Document or allow the Maker or any other Person to deal with the property which is subject to such security interests, guaranties or collateral, all as the Senior Lenders may deem appropriate; and/or
- (h) abstain from taking, protecting, securing, registering, filing, recording, renewing, perfecting, insuring or realizing upon any security interests, guaranties or collateral for any Senior Indebtedness; and no loss in respect of any of the security interests or guaranties received or held for and on behalf of the Senior Lenders, whether occasioned by fault, omission or negligence of any kind, whether of the Senior Lenders or otherwise, shall in any way limit or impair the liability of the Subordinated Creditor or the rights of the Senior Lenders under this Subordinated Promissory Note;

all of which may be done without notice to or consent of the Subordinated Creditor and without impairing, releasing or otherwise affecting any rights or obligations of the Subordinated Creditor hereunder or any rights of the Senior Lenders hereunder.

SECTION 6
REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

The Subordinated Creditor hereby represents and warrants to the Senior Lenders that:

- (a) the Subordinated Creditor is duly incorporated, formed, organized or amalgamated, as the case may be, and validly existing under the laws of its jurisdiction of incorporation, formation, organization or amalgamation, as the case may be;
- (b) the Subordinated Creditor has all necessary power and authority to enter into this Subordinated Promissory Note;
- (c) the Subordinated Creditor has taken all necessary action to authorize the creation, execution, delivery and performance of this Subordinated Promissory Note;
- (d) this Subordinated Promissory Note constitutes a valid and legally binding obligation of the Subordinated Creditor, enforceable against the Subordinated Creditor in accordance with its terms, subject as to enforcement to bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and general equity principles; and
- (e) neither the execution and delivery of this Subordinated Promissory Note, nor compliance with the terms and conditions hereof (i) will result in a violation of the organizational or constituent documents of the Subordinated Creditor or any resolutions passed by the board of directors, managers, general partner or shareholders of the Subordinated Creditor or any applicable law, order, judgment, injunction, award or decree; (ii) will result in a breach of, or constitute a default under, any loan agreement, indenture, trust deed or any other material agreement or instrument to which the Subordinated Creditor is a party or by which its or its assets are bound; or (iii) requires any approval or consent of any governmental authority having jurisdiction except such as have already been obtained and are in full force and effect.

SECTION 7
CONTINUING SUBORDINATION

7.1 Continuing Subordination; Reinstatement

The provisions of Sections 1 through 8 of the Subordinated Promissory Note (collectively, the "Subordination Terms") shall create a continuing subordination and shall:

- (a) remain in full force and effect until the Senior Lenders have received payment in cash of the full amount of the Senior Indebtedness, all Letters of Credit have terminated and no further Commitments are outstanding under the Credit Agreements; *provided however*, that Section 5.2(b) shall remain in effect until 91 days after such time;

- (b) be binding upon the Subordinated Creditor and its successors and assigns; and
- (c) inure, together with the rights and remedies of the Senior Lenders, to the benefit of and be enforceable by the Senior Lenders and their successors and assigns for their benefit and for the benefit of any other Person entitled to the benefit of any Loan Documents from time to time, including any permitted assignée of some or all of the Loan Documents.

Subordinated Creditor agrees that following such termination of the Subordination Terms, the Subordination Terms shall be automatically reinstated if for any reason any payment made on the Senior Indebtedness is rescinded or must be otherwise restored by any Senior Lender, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

7.2 Other Obligations not Affected

The subordination provided for herein is in addition to and not in substitution for any other agreement or any other security by whomsoever given or at any time held by any of the Senior Lenders in respect of the Senior Indebtedness, and the Senior Lenders shall at all times have the right to proceed against or realize upon all or any portion of any other agreement or any security or any other monies or assets to which the Senior Lenders may become entitled or have a claim in such order and in such manner as the Senior Lenders in their sole discretion may deem appropriate.

SECTION 8 GENERAL PROVISIONS

8.1 Notices

All notices and other communications provided for hereunder shall be given in the form and manner prescribed by Section 10.02 of the Credit Agreements. All such notices to the Subordinated Creditor may be given to the Borrowers on behalf of the Subordinated Creditor and shall be sufficiently delivered if so given.

8.2 Amendments and Waivers

- (a) No provision of this Subordinated Promissory Note may be amended, waived, discharged or terminated orally nor may any breach of any of the provisions of this Subordinated Promissory Note be waived or discharged orally, and any such amendment, waiver, discharge or termination may only be made in writing signed by the Senior Lenders (or their administrative agent), and if such amendment is intended to bind the Subordinated Creditor, by the Subordinated Creditor.
- (b) No failure on the part of any party to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof unless specifically waived in writing, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- (c) Any waiver of any provision of this Subordinated Promissory Note or consent to any departure by any party therefrom shall be effective only in the specific instance and for the specific purpose for which given and shall not in any way be or be construed as a waiver of any future requirement.

8.3 Assignment by Lenders

The Subordinated Creditor acknowledges and agrees that each of the Senior Lenders shall have the right to assign and participate all or any portion of its rights and benefits under the Loan Documents (including their rights hereunder) pursuant to an assignment or participation that complies with the applicable provisions of the applicable Credit Agreement. Such provisions of the Credit Agreements require consent of the Maker in the circumstances and instances therein described, and the Subordinated Creditor acknowledges that the Senior Lenders shall not be required to obtain a separate consent of the Subordinated Creditor. This Subordinated Promissory Note shall extend to and inure to the benefit of each of the Senior Leaders and their respective successors and permitted assigns.

8.4 Assignment and Certain Other Actions by Subordinated Creditor

Until payment in full of the Senior Indebtedness, the Subordinated Creditor shall not, without the prior written consent of the Revolving Senior Lenders (acting through their administrative agent) and the Senior Revolving Lenders (acting through their administrative agent), (a) accelerate the maturity of the Subordinated Indebtedness to a date that is earlier than six (6) months after the Maturity Date as defined in the Credit Agreements; (b) take any collateral security or guarantees for any Subordinated Indebtedness; or (c) sell, assign, transfer, endorse, pledge, encumber or otherwise dispose of any of the Subordinated Indebtedness, unless the Subordinated Creditor gives the Administrative Agent written notice thereof and such sale, transfer, endorsement, pledge, encumbrance or other disposition is made expressly subject to this Subordinated Promissory Note and the assignee or transferee agrees in writing with the Administrative Agent as defined in the Credit Agreements to be bound by the Subordination Terms of this Subordinated Promissory Note.

8.5 Further Assurances

The Subordinated Creditor shall, at the request of the Senior Lenders but at the expense of the Subordinated Creditor, do all such further acts and things and execute and deliver all such further documents as the Administrative Agent or the Senior Lenders may reasonably require in order to fully perform and carry out the Subordinations Terms of this Subordinated Promissory Note.

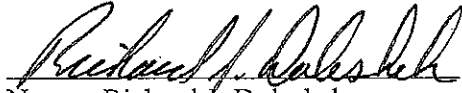
8.6 Waiver of Right to Trial by Jury

BY ITS ACCEPTANCE OF THIS NOTE, SUBORDINATED CREDITOR EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND SUBORDINATED CREDITOR HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY.

IN WITNESS WHEREOF the Maker has caused this Subordinated Promissory Note to be executed by its duly authorized representative(s) as of the date first above written.

QUESTAR CORPORATION

By:



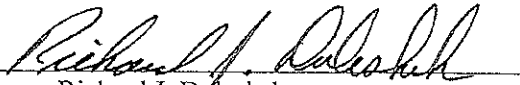
Name: Richard J. Doleshek

Title: Executive Vice President & CFO

ACKNOWLEDGMENT

The undersigned, the Subordinated Creditor, hereby acknowledges the terms of the above Subordinated Promissory Note and covenants for the benefit of the holders of Senior Indebtedness not to participate in any violation thereof.

QUESTAR GAS COMPANY

By: 
Name: Richard J. Doleshek
Title: Executive Vice President & CFO