Questar Docket No. 17-057-01: Vermillion Acquisition Application
February 2, 2017 Technical Conference Questions from the PSC

1. Application Exhibit D, E. Comparing the forecasted production for future Trail wells in Docket No. 13-057-13 to their forecast values in the current docket, it appears that the production/reserve forecasts (and the associated decline curves) were revised downward. Please explain the change in the forecast assumptions between the 13-057-13 filing and the current filing.

2. Rasmussen page 6-7 lines 140-149. Rasmussen discusses costs and avoided risks associated with the Mesaverde Participating Area. Please explain how Wexpro determined the $3 million risk premium associated with "Canyon Creek Expansion Mitigation." Please explain how Wexpro determined the $84 million in additional averted costs over the life of the Mesaverde Participating Area.

3. Application Exhibit F-1, Trail Estimated Drilling Capital Costs. Please provide a comparison of the estimated drilling capital costs for the proposed acquisition with recent actual capital drilling costs.

4. Please explain how Wexpro intends to treat negative oil-income sharing in the event that oil revenue is insufficient to cover both oil-assigned expenses and Wexpro's agreement-entitled return on investment.

5. Please explain how Wexpro will treat depreciation expenses on undeveloped Wexpro II reserves.