

EQT Corp
Form 424B2
May 04, 2016

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[TABLE OF CONTENTS PROSPECTUS SUPPLEMENT](#)
[TABLE OF CONTENTS 2](#)

Calculation of registration fee

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee(2)
Common Stock, no par value	12,075,000	\$67.00	\$809,025,000	\$81,468.82

(1) Includes 1,575,000 shares of common stock that may be purchased by the underwriter pursuant to its option to purchase additional shares of common stock.

(2) Calculated in accordance with Rule 457(r) and made in accordance with Rule 456(b) of the Securities Act of 1933, as amended.

Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration Statement No. 333-191781

PROSPECTUS SUPPLEMENT
(To Prospectus dated October 17, 2013)

EQT CORPORATION

10,500,000 shares

Common stock

We are offering to sell 10,500,000 shares of our common stock through this prospectus supplement and the accompanying prospectus.

Our common stock is listed on the New York Stock Exchange (the "NYSE") under the symbol "EQT." The last reported sale price of our common stock on April 29, 2016 was \$70.10 per share.

	Per Share	Total
Initial price to public	\$ 67.00	\$ 703,500,000
Underwriting discount	\$ 1.08	\$ 11,340,000
Proceeds, before expenses, to us	\$ 65.92	\$ 692,160,000

The underwriters may also purchase up to 1,575,000 additional shares of common stock from us at the public offering price, less the underwriting discount, within 30 days following the date of this prospectus supplement.

Investing in our common stock involves risks, including those described in the "Risk Factors" section beginning on page S-12 of this prospectus supplement and the section entitled "Risk Factors" beginning on page 18 of our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which is incorporated by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares against payment on or about May 6, 2016.

Book Running Managers

Credit Suisse **J.P. Morgan**

Co-Managers

Morgan Stanley

BNP PARIBAS MUFG PNC Capital Markets LLC Scotia Howard Weil SunTrust Robinson Humphrey

CIBC Capital Markets Heikkinen Energy Advisors Stifel Tudor, Pickering, Holt & Co. U.S. Capital Advisors

The date of this prospectus supplement is May 2, 2016

Table of Contents

TABLE OF CONTENTS
PROSPECTUS SUPPLEMENT

<u>INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS</u>	<u>S-ii</u>
<u>DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>S-ii</u>
<u>SUMMARY</u>	<u>S-1</u>
<u>RISK FACTORS</u>	<u>S-12</u>
<u>USE OF PROCEEDS</u>	<u>S-14</u>
<u>DIVIDEND POLICY</u>	<u>S-14</u>
<u>CAPITALIZATION</u>	<u>S-15</u>
<u>UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS</u>	<u>S-16</u>
<u>UNDERWRITING</u>	<u>S-20</u>
<u>LEGAL MATTERS</u>	<u>S-26</u>
<u>EXPERTS</u>	<u>S-26</u>
<u>AVAILABLE INFORMATION</u>	<u>S-26</u>
<u>REQUESTS FOR DOCUMENTS INCORPORATED BY REFERENCE</u>	<u>S-27</u>

PROSPECTUS

<u>ABOUT THIS PROSPECTUS</u>	<u>ii</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>ii</u>
<u>INCORPORATION OF CERTAIN</u>	
<u>DOCUMENTS BY REFERENCE</u>	<u>ii</u>
<u>DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>iii</u>
<u>EQT CORPORATION</u>	<u>1</u>
<u>RISK FACTORS</u>	<u>1</u>
<u>USE OF PROCEEDS</u>	<u>1</u>
<u>RATIO OF EARNINGS TO FIXED CHARGES</u>	<u>1</u>
<u>DESCRIPTION OF CAPITAL STOCK</u>	<u>2</u>
<u>DESCRIPTION OF DEBT SECURITIES</u>	<u>6</u>
<u>PLAN OF DISTRIBUTION</u>	<u>9</u>
<u>LEGAL MATTERS</u>	<u>11</u>
<u>EXPERTS</u>	<u>11</u>

Table of Contents

**INFORMATION IN THIS PROSPECTUS SUPPLEMENT
AND THE ACCOMPANYING PROSPECTUS**

This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission using a shelf registration process. Under the shelf registration process, we may offer from time to time senior, subordinated or junior subordinated debt securities, preferred stock and common stock. In the accompanying prospectus, we provide you with a general description of the securities we may offer from time to time under our shelf registration statement. In this prospectus supplement, we provide you with specific information about the shares of our common stock that we are selling in this offering. Both this prospectus supplement and the accompanying prospectus include important information about us, our common stock and other information you should know before investing. This prospectus supplement also adds, updates and changes information contained in the accompanying prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus, the statements made in the accompanying prospectus are deemed modified or superseded by the statements made in this prospectus supplement. You should read both this prospectus supplement and the accompanying prospectus as well as additional information described under "Incorporation of Certain Documents by Reference" on page ii of the accompanying prospectus before investing in our common stock.

You should rely only on the information incorporated by reference or provided in this prospectus supplement and the accompanying prospectus or any free writing prospectus prepared by or on behalf of us. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. If anyone provided you with additional or different information, you should not rely on it. Neither we nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Disclosures in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein contain certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended (the "Securities Act"). Statements that do not relate strictly to historical or current facts are forward-looking and usually identified by the use of words such as "anticipate," "estimate," "could," "would," "will," "may," "forecast," "approximate," "expect," "project," "intend," "plan," "believe" and other words of similar meaning in connection with any discussion of future operating or financial matters. Without limiting the generality of the foregoing, forward-looking statements contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein include our expectations of plans, strategies, objectives and growth and anticipated financial and operational performance of us and our subsidiaries, including guidance regarding our strategy to develop our Marcellus, deep Utica and other reserves; our ability to complete, and the timing of the closing of, the Statoil Acquisition; drilling plans and programs (including the number, type, feet of pay and location of wells to be drilled and the availability of capital to complete these plans and programs); production sales volumes (including liquids volumes) and growth rates; gathering and transmission volumes (including the subscription of additional capacity related to the expiration of EQT Midstream Partners, LP (EQM) firm transportation contracts); the weighted average contract life of firm transmission and storage contracts; infrastructure programs (including the timing, cost and capacity of the transmission and gathering expansion projects); the timing, cost, capacity and expected interconnects with facilities and pipelines of

Table of Contents

the Ohio Valley Connector (OVC) and Mountain Valley Pipeline (MVP) projects; the ultimate terms, partners and structure of the MVP joint venture; technology (including drilling and completion techniques); monetization transactions, including midstream asset sales (dropdowns) to EQM and other asset sales, joint ventures or other transactions involving our assets; natural gas prices and changes in basis; reserves, including potential future downward adjustments; potential future impairments of our assets; projected capital expenditures; the amount and timing of any repurchases under our share repurchase authorization; liquidity and financing requirements, including funding sources and availability; hedging strategy; the effects of government regulation and litigation; and tax position. The forward-looking statements included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. We have based these forward-looking statements on current expectations and assumptions about future events. While we consider these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, and regulatory and other risks and uncertainties, many of which are difficult to predict and beyond our control. The risks and uncertainties that may affect the operations, performance and results of our business and forward-looking statements include, but are not limited to, those set forth under "Risk Factors" in this prospectus supplement, the accompanying prospectus and the applicable documents incorporated by reference herein and therein.

Any forward-looking statement speaks only as of the date on which such statement is made and we do not intend to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise.

Table of Contents

SUMMARY

This summary highlights selected information more fully described elsewhere in this prospectus supplement and the accompanying prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this prospectus supplement, the accompanying prospectus, any free writing prospectus and the documents incorporated by reference herein and therein carefully, especially the risks of investing in our common stock discussed in "Risk Factors" below and in the incorporated documents. References herein to a fiscal year mean the fiscal year ended December 31.

Throughout the remainder of this prospectus supplement, except as otherwise indicated, references to "we," "us," "our," "EQT," "EQT Corporation," and the "company" refer collectively to EQT Corporation and its consolidated subsidiaries. References to "Appalachian Basin" refer to the area of the United States composed of those portions of West Virginia, Pennsylvania, Ohio, Maryland, Kentucky and Virginia that lie in the Appalachian Mountains; "Bcf" refer to billion cubic feet; "Bcfe" refer to billion cubic feet of natural gas equivalents, with one barrel of natural gas liquids (NGLs) and crude oil being equivalent to 6,000 cubic feet of natural gas; "Dth" refer to million British thermal units; "Mcfe" refer to thousand cubic feet of natural gas equivalents, with one barrel of NGLs and crude oil being equivalent to 6,000 cubic feet of natural gas; "MMcf" refer to million cubic feet; "MMcfe" refer to million cubic feet of natural gas equivalents, with one barrel of NGLs and crude oil being equivalent to 6,000 cubic feet of natural gas; "TBTu" refer to trillion British thermal units; and "Tcfe" refer to trillion cubic feet of natural gas equivalents, with one barrel of NGLs and crude oil being equivalent to 6,000 cubic feet of natural gas.

Overview

We conduct our business through two business segments: EQT Production and EQT Midstream. EQT Production is one of the largest natural gas producers in the Appalachian Basin with 10.0 Tcfe of proved natural gas, NGLs and crude oil reserves across approximately 3.4 million gross acres, including approximately 630,000 gross acres in the Marcellus play, as of December 31, 2015. EQT Midstream provides gathering, transmission and storage services for our produced gas, as well as for independent third parties across the Appalachian Basin, primarily through its ownership and control of EQT Midstream Partners, LP (EQM) (NYSE: EQM), a publicly traded limited partnership formed by us to own, operate, acquire and develop midstream assets in the Appalachian Basin.

In 2015, we formed EQT GP Holdings, LP (EQGP) (NYSE: EQGP), a Delaware limited partnership, to own our partnership interests, including the incentive distribution rights, in EQM. As of March 31, 2016, we owned the entire non-economic general partner interest and 239,715,000 common units, which represented a 90.1% limited partner interest, in EQGP. As of March 31, 2016, EQGP owned the following EQM partnership interests, which represent EQGP's only cash-generating assets: 21,811,643 EQM common units, representing a 27.6% limited partner interest in EQM; 1,443,015 EQM general partner units, representing a 1.8% general partner interest in EQM; and all of EQM's incentive distribution rights, or IDRs, which entitle EQGP to receive up to 48.0% of all incremental cash distributed in a quarter after \$0.5250 has been distributed in respect of each common unit and general partner unit of EQM for that quarter. EQT is the ultimate parent company of EQGP and EQM.

During 2015, we achieved record annual production sales volumes, including a 27% increase in total sales volumes and a 34% increase in Marcellus sales volumes. However, our average realized price for production sales volumes decreased 36% from \$4.16 per Mcfe in 2014 to \$2.67 per Mcfe in 2015. Our midstream business delivered record gathered volumes that were 28% higher than the previous year. During 2015, EQM reported net income of \$393.5 million, \$127.0 million higher than 2014. The increase was primarily related to higher operating income driven by production development in the

Table of Contents

Marcellus Shale by us and third parties. We and our consolidated subsidiaries also completed the following transactions and other events that were instrumental in contributing to a successful 2015:

On February 17, 2015, the 17,339,718 subordinated units of EQM issued to us in connection with EQM's 2012 initial public offering converted into common units representing limited partner interests in EQM on a one-for-one basis as a result of satisfaction of the conditions for termination of the subordination period set forth in EQM's partnership agreement.

On March 10, 2015, we and certain of our subsidiaries entered into a contribution and sale agreement (Contribution Agreement) with EQM and EQM Gathering Opco, LLC (EQM Gathering), an indirect wholly owned subsidiary of EQM. Pursuant to the Contribution Agreement, on March 17, 2015, a subsidiary of ours contributed the Northern West Virginia Marcellus gathering system to EQM Gathering in exchange for total consideration of \$925.7 million, consisting of \$873.2 million in cash, 511,973 EQM common units and 178,816 EQM general partner units (the NWV Gathering Transaction). EQM Gathering is consolidated by us as it is still controlled by us. On April 15, 2015, pursuant to the Contribution Agreement, we transferred a preferred interest in EQT Energy Supply, LLC, which at the time was our indirect wholly owned subsidiary, to EQM for total consideration of \$124.3 million. EQT Energy Supply, LLC generates revenue from services provided to a local distribution company.

On March 17, 2015, EQM completed an underwritten public offering of 8,250,000 common units. On March 18, 2015, the underwriters exercised their option to purchase 1,237,500 additional common units on the same terms as the offering. EQM received net proceeds of \$696.6 million from the offering after deducting the underwriters' discount and offering expenses of \$24.5 million. EQM used the proceeds from the offering to fund a portion of the purchase price for the NWV Gathering Transaction.

On March 30, 2015, we assigned 100% of the membership interests in MVP Holdco, LLC (MVP Holdco), our indirect wholly owned subsidiary that as of March 31, 2016 owned a 45.5% interest in Mountain Valley Pipeline, LLC (MVP Joint Venture), to EQM for \$54.2 million, which represented EQM's reimbursement to us for 100% of the capital contributions made by us to the MVP Joint Venture as of March 30, 2015. The MVP Joint Venture plans to construct the Mountain Valley Pipeline (MVP), an estimated 300-mile natural gas interstate pipeline spanning from northern West Virginia to southern Virginia. The MVP Joint Venture has secured a total of 2.0 Bcf per day of 20-year firm capacity commitments, including a 1.29 Bcf per day firm capacity commitment by us. The MVP Joint Venture submitted the MVP certificate application to the Federal Energy Regulatory Commission (FERC) in October 2015, is currently in the regulatory review process with the FERC and anticipates receiving the certificate in the fourth quarter of 2016. Subject to FERC approval, construction is scheduled to begin shortly thereafter and the pipeline is expected to be in-service during the fourth quarter of 2018.

On May 15, 2015, EQGP completed an initial public offering of 26,450,000 common units, which represented 9.9% of EQGP's outstanding limited partner interests. EQT Gathering Holdings, LLC, our indirect wholly owned subsidiary, as the selling unitholder, sold all of the EQGP common units in the offering, resulting in net proceeds to us of approximately \$674.0 million after deducting the underwriters' discount of approximately \$37.5 million and structuring fees of approximately \$2.7 million.

During the second half of 2015, EQM entered into an equity distribution agreement that established an "At the Market" common unit offering program, pursuant to which a group of managers, acting as EQM's sales agents, may sell EQM common units having an aggregate offering price of up to \$750 million. EQM issued 1,162,475 common units at an average price per unit of \$74.92 during the six months ended December 31, 2015. EQM received net proceeds of approximately \$85.5 million after deducting commissions of approximately \$0.9 million and

Table of Contents

other offering expenses of approximately \$0.7 million. EQM used the net proceeds from the sales for general partnership purposes.

On November 16, 2015, EQM completed an underwritten public offering of 5,650,000 common units. EQM received net proceeds of \$399.9 million from the offering after deducting the underwriters' discount and offering expenses of \$5.7 million. EQM will use the net proceeds from the offering for general partnership purposes, including to fund a portion of EQM's anticipated 2016 capital expenditures related to transmission and gathering expansion projects and to repay amounts outstanding under EQM's credit facility.

On October 14, 2015, our board of directors amended and restated our bylaws in order to, among other things, (1) allow a shareholder, or a group of shareholders, subject to certain conditions, to nominate and include in our annual meeting proxy materials director nominees constituting the greater of (i) two and (ii) 20% of our board of directors and (2) make Pennsylvania courts the exclusive forum for derivative, breach of fiduciary duty and other internal affairs claims.

On February 24, 2016, we completed an underwritten public offering of 6,500,000 shares of our common stock and an additional 975,000 shares of our common stock following the underwriter's exercise of its option to purchase additional shares on February 22, 2016. We received net proceeds of approximately \$430.4 million from the offering (including the shares sold pursuant to the underwriter's option to purchase additional shares), after deducting underwriting discounts and commissions and estimated offering expenses.

EQT Production

EQT Production is one of the largest natural gas producers in the Appalachian Basin with 10.0 Tcfe of proved natural gas, NGL and crude oil reserves across approximately 3.4 million gross acres, including approximately 630,000 gross acres in the Marcellus play, as of December 31, 2015. We believe that we are a technology leader in extended lateral horizontal and completion drilling in the Appalachian Basin and continue to improve our operations through the use of new technology. EQT Production's strategy is to maximize shareholder value by maintaining an industry leading cost structure to profitably develop its reserves. Our proved reserves decreased 7% in 2015, primarily as a result of lower natural gas prices. Our Marcellus assets constitute approximately 7.8 Tcfe of our total proved reserves.

As of December 31, 2015, our proved reserves were as follows:

(Bcfe)	Marcellus	Upper Devonian	Other	Total
Proved Developed	4,120	406	1,754	6,280
Proved Undeveloped	3,649	48		3,697
Total Proved Reserves	7,769	454	1,754	9,977

EQT Production's natural gas wells are generally low-risk, having a long reserve life with relatively low development and production costs on a per unit basis. Assuming that future annual production from these reserves is consistent with 2015, the remaining reserve life of EQT Production's total proved reserves, as calculated by dividing total proved reserves by calendar year 2015 produced volume, is 16 years.

We invested approximately \$1,670 million on well development during 2015, with total production sales volumes hitting a record high of 603.1 Bcfe, an increase of 27% over the previous year. Capital spending for EQT Production is expected to be approximately \$820 million in 2016 (excluding business development and land acquisitions), the majority of which will be used to support the drilling of approximately 77 gross wells, including 72 Marcellus wells and 5 deep Utica wells. During the past

Table of Contents

three years, the number of wells we drilled (spud) and related capital expenditures for well development were:

	Years ended December 31,		
Gross wells spud:	2015	2014	2013
Horizontal Marcellus*	157	237	168
Other	4	108	57
Total	161	345	225

	Years ended December 31,		
Capital expenditures for well development (in millions):	2015	2014	2013
Horizontal Marcellus*	\$ 1,527	\$ 1,456	\$ 1,103
Other	143	261	134
Total	\$ 1,670	\$ 1,717	\$ 1,237

*

Includes Upper Devonian formations.

EQT Midstream

We believe that the current footprint of our midstream assets, which are primarily owned by EQM and span a wide area of the Marcellus and Utica Shales in southwestern Pennsylvania and northern West Virginia, is a competitive advantage that uniquely positions us for growth. EQT Midstream is strategically positioned to capitalize on the increasing need for gathering and transmission infrastructure in the region, such as the need for midstream header connectivity to interstate pipelines in Pennsylvania and West Virginia.

In January 2012, we formed EQM, a publicly traded limited partnership, to own, operate, acquire and develop midstream assets in the Appalachian Basin. EQM provides midstream services to us and third parties through its two primary assets: EQM's transmission and storage system and EQM's gathering system.

Due to our ownership and control of EQGP and EQM, the results of EQGP and EQM are both consolidated in our financial statements. Unless otherwise noted, discussions of EQT Midstream's business, operations and results in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein include EQGP's and EQM's business, operations and results. We record the noncontrolling interests of the public limited partners of EQGP and EQM in our financial statements.

EQT Midstream's gathering system includes approximately 8,250 miles of gathering lines, including 1,500 miles of FERC-regulated, low pressure gathering lines owned by EQM and 185 miles of high pressure gathering lines not subject to federal rate regulation owned by EQM. As of December 31, 2015, our Marcellus gathering capacity was approximately 2,000 MMcf per day, consisting of approximately 1,405 MMcf per day in Pennsylvania and approximately 595 MMcf per day in West Virginia.

EQT Midstream's transmission and storage system includes approximately 900 miles of FERC-regulated interstate pipeline that connects to seven interstate pipelines and multiple distribution companies. The interstate pipeline system includes approximately 700 miles of pipe owned

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by EQM. EQT Midstream's transmission and storage system also includes an approximately 200-mile pipeline referred to as the Allegheny Valley Connector (AVC), which we acquired in December 2013 in connection with the disposition of our interest in Equitable Gas Company, LLC and Equitable Homeworks, LLC.

The transmission and storage system is supported by eighteen natural gas storage reservoirs with approximately 660 MMcf per day of peak delivery capability and 47 Bcf of working gas capacity.

S-4

Table of Contents

Fourteen of these reservoirs, representing approximately 400 MMcf per day of peak delivery capability and 32 Bcf of working gas capacity, are owned by EQM. The storage reservoirs are clustered in two geographic areas connected to EQM's transmission and storage system, with ten in southwestern Pennsylvania and eight in northern West Virginia. The AVC facilities, which include four storage reservoirs, are owned by us and operated by EQM under a lease between EQM and an affiliate of ours.

EQT Midstream's year-end total transmission capacity was approximately 3,550 MMcf per day. EQT Midstream, primarily through EQM, began several multi-year transmission capacity expansion projects in 2015 to support the continued growth of the Marcellus and the developing deep Utica play, including OVC which is currently under construction. EQM is also evaluating several projects that could total an additional 1.5 Bcf per day of capacity by year-end 2018. The projects may include additional compression, pipeline looping and new header pipelines.

EQT Midstream also has a gas marketing affiliate, EQT Energy, LLC (EQT Energy), that provides optimization of capacity and storage assets through its NGL and natural gas sales to marketers, utilities and industrial customers within our operational footprint. EQT Energy also provides marketing services and manages approximately 1,740,000 Dth per day of third-party contractual pipeline capacity for the benefit of EQT Production; and has committed to an additional 520,000 Dth per day of third-party contractual capacity expected to come online in future periods. EQT Energy currently leases 3.7 Bcf of storage-related assets from third parties.

Markets and Customers

Natural Gas Sales: Our produced natural gas is sold to marketers, utilities and industrial customers located mainly in the Appalachian Basin and the Northeastern United States. Our current transportation portfolio also enables us to reach markets along the Gulf Coast and Midwestern portions of the United States. Natural gas is a commodity and therefore we typically receive market-based pricing. The market price for natural gas in the Appalachian Basin continues to be lower relative to the price at Henry Hub located in Louisiana (the location for pricing New York Mercantile Exchange (NYMEX) natural gas futures) as a result of the increased supply of natural gas in the Northeast region. In order to protect cash flow from undue exposure to the risk of changing commodity prices, we hedge a portion of our forecasted natural gas production, most of which is hedged at NYMEX natural gas prices.

NGL Sales: We sell NGLs from our own production through the EQT Production segment and from gas marketed for third parties by EQT Midstream. In our Appalachian operations, we contract with MarkWest Energy Partners, L.P. (MarkWest), a wholly owned subsidiary of MPLX LP, to process natural gas in order to extract heavier liquid hydrocarbons (propane, iso-butane, normal butane and natural gasoline) from the natural gas stream, primarily from EQT Production's produced gas. NGLs are recovered at the processing plants and transported to a fractionation plant owned by MarkWest for separation into commercial components. MarkWest markets these components for a fee. We also have contractual processing arrangements in our Permian Basin operations whereby we sell gas to third-party processors at a weighted average liquids component price.

Natural Gas Gathering: EQT Midstream derives gathering revenues from charges to customers for use of its gathering system in the Appalachian Basin. The gathering system volumes are transported to four major interstate pipelines: Columbia Gas Transmission, East Tennessee Natural Gas Company, Dominion Transmission and Tennessee Gas Pipeline Company. The gathering system also maintains interconnections with EQM's transmission and storage system.

Gathering system transportation volumes for 2015 totaled 754.3 TBtu, of which approximately 89% related to gathering for EQT Production and other affiliates. Revenues from EQT Production and other affiliates accounted for approximately 92% of 2015 gathering revenues.

Table of Contents

Natural Gas Transmission and Storage: Natural gas transmission and storage operations are executed using transmission and underground storage facilities owned by us. Customers of EQT Midstream's gas transmission and storage services are affiliates and third parties primarily in the northeastern United States.

As of December 31, 2015, the weighted average remaining contract life based on total projected contracted revenues for EQM's firm transmission and storage contracts, including contracts on the AVC and contracts associated with expected future capacity from EQM expansion projects that are not yet fully constructed but for which EQM has firm agreements, was approximately 17 years. In 2015, approximately 61% of transportation volumes and 53% of transmission revenues were from affiliates.

Natural Gas Marketing: EQT Energy provides marketing services and third-party contractual pipeline capacity management for the benefit of EQT Production. EQT Energy also engages in risk management and hedging activities on behalf of EQT Production, the objective of which is to limit our exposure to shifts in market prices. EQT Energy leases third-party storage capacity in order to take advantage of seasonal spreads, where available, through the EQT Midstream segment.

One customer within the EQT Production segment accounted for approximately 10%, 12% and 11% of EQT Production's total operating revenues in 2015, 2014 and 2013, respectively. We do not believe that the loss of this customer would have a material adverse effect on our business because alternative customers for our natural gas are available.

2016 Capital Investment Plan

Total capital investment by EQT in 2016, excluding acquisitions, is expected to be approximately \$1.8 billion (including EQM). Capital spending for well development (primarily drilling and completion) of approximately \$820 million in 2016 is expected to support the drilling of approximately 77 gross wells, including 72 Marcellus wells and 5 deep Utica w