

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report - June 25, 1998
(Date of earliest event reported)

Questar Pipeline Company

(Exact name of registrant as specified in charter)

STATE OF UTAH 0-14147 87-0307414
(State or other jurisdiction(Commission (I.R.S. Employer
of incorporation or File No.) Identification No.)
organization)

180 East 100 South Street, P. O. Box 45360, Salt Lake City, Utah 84145-0360
(Address of principal executive offices)

Registrant's telephone number, including area code (801) 324-2400

Not Applicable
(Former name or former address, if changed since last report.)

[TYPE] EX-1

Item 5. Other Events.

On June 25, 1998, Questar Pipeline Company (Questar Pipeline or the Company) announced its intention to purchase a 700-mile crude oil pipeline owned by ARCO Pipe Line Company (ARCO Pipe Line). The Company intends to convert the line, which runs from the Paradox Basin in New Mexico to Long Beach, California to transport natural gas. Questar Pipeline is purchasing the line for \$40 million and will spend approximately \$40-50 million to convert the line, which will have a daily capacity of 120-130 million cubic feet.

The Company and ARCO Pipe Line expect to close the transaction by September 30, 1998. Questar Pipeline will file an application with the Federal Energy Regulatory Commission to obtain the necessary regulatory approval for the conversion.

Item 7. Financial Statements and Exhibits

(c) Exhibits.

Exhibit No. Exhibit

99 Press release dated June 25, 1998.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Questar Pipeline Company
(Registrant)

July 1, 1998
(Date)

Executive

By /s/D. N. Rose
D. N. Rose
President and Chief
Officer

June 25, 1998

QUESTAR PIPELINE TO PURCHASE FOUR CORNERS PIPELINE

SALT LAKE CITY - Questar Pipeline Co., a subsidiary of Questar Corp., (NYSE:STR), today announced its intention to purchase ARCO Pipe Line Company's Line 90 and associated Lines 91 and 92 for \$40 million. The pipeline runs approximately 700 miles between northwestern New Mexico's Paradox Basin and Long Beach, Calif.

The pipeline was constructed in 1957 to transport crude oil. Questar will seek all necessary approvals, including the Federal Energy Regulatory Commission's (FERC), to convert the lines to transport natural gas. Oil-to-natural gas pipeline conversions have been successful in other parts of the country, and these lines are readily convertible.

Reconditioning the pipeline, and adding the necessary additional compression, are scheduled to begin as soon as possible and will continue for 18-24 months. Upon completion, the pipeline's capacity will be 120-130 million cubic feet per day.

"Our long-term strategy is to expand our transmission footprint," said Questar Pipeline President and CEO Nick Rose. "This purchase is a positive step forward in that strategy. The pipeline's location is strategically significant for several reasons. It complements other projects already in progress; it provides access to significant natural gas supplies and markets, and it gives us access to other major interstate pipelines serving the California market. Access to those lines allows us the flexibility of developing service in segments depending on market development," he added.

"We were underutilizing Line 90 and associated Lines 91 and 92," said Larry Shakley, ARCO Pipe Line Company president, "and the agreement with Questar will be beneficial to all concerned - ARCO, Questar and the California natural gas consumer."

Questar Corp. is a \$1.9 billion integrated energy company based in Salt Lake City. ARCO Pipe Line Co., based in Houston, is a wholly-owned subsidiary of Atlantic Richfield Co. (NYSE:ARC).

End of Filing