

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2001-02-02** | Period of Report: **2001-01-30**
SEC Accession No. **0001038357-01-000006**

([HTML Version](#) on [secdatabase.com](#))

FILER

PIONEER NATURAL RESOURCES CO

CIK: **1038357** | IRS No.: **752702753** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-13245** | Film No.: **1523947**
SIC: **1311** Crude petroleum & natural gas

Mailing Address
1400 WILLIAMS SQUARE
WEST
5205 N OCONNOR BLVD
IRVING TX 75039

Business Address
1400 WILLIAMS SQUARE
WEST
5205 N OCONNOR BLVD
IRVING TX 75039
9724449001

UNITED STATES
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 (Date of earliest event reported): January 30, 2001

PIONEER NATURAL RESOURCES COMPANY

(Exact name of Registrant as specified in its charter)

DELAWARE

1-13245

75-2702753

(State or other jurisdiction of
incorporation or organization)

Commission
File Number

(I.R.S. Employer
Identification Number)

1400 WILLIAMS SQUARE WEST, 5205 N. O'CONNOR BLVD., IRVING, TEXAS

75039

(Address of principal executive offices)

(Zip code)

Registrant's Telephone Number, including area code : (972) 444-9001

Not applicable
(Former name, former address and former fiscal year,
if changed since last report)

PIONEER NATURAL RESOURCES COMPANY

TABLE OF CONTENTS

	Page
Item 5. Other Events.....	3
Item 7. Financial Statements, Pro Forma Financial Information and Exhibits:	
(c) Exhibits.....	3
Signatures.....	4
Exhibit Index.....	5

PIONEER NATURAL RESOURCES COMPANY

ITEM 5. OTHER EVENTS

On January 30, 2001, Pioneer Natural Resources Company issued a press release reporting its financial and operating results for the three and twelve month periods ended December 31, 2000. The press release is attached hereto as an exhibit and incorporated by reference herein.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

99.1 Press Release dated January 30, 2001

PIONEER NATURAL RESOURCES COMPANY

S I G N A T U R E S

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 hereunto duly authorized.

PIONEER NATURAL RESOURCES COMPANY

Date: February 2, 2001

By: /s/ RICH DEALY

Rich Dealy
Vice President and Chief Accounting Officer

PIONEER NATURAL RESOURCES COMPANY

EXHIBIT INDEX

Exhibit No.	Description
99.1*	Press Release dated January 30, 2001

* filed herewith

NEWS RELEASE

Investor Relations Contact: Susan Spratlen (972) 444-9001

Pioneer Reports Record Fourth Quarter and Annual 2000 Results
Quarterly Net Income Increases Tenfold over Prior Year

Dallas, Texas, January 30, 2001 -- Pioneer Natural Resources Company ("Pioneer") (NYSE:PXD) (TSE:PXD) today announced financial and operating results for the quarter and year ended December 31, 2000.

Fourth Quarter 2000 Results

Pioneer reported record net income of \$84 million or \$0.85 per share, on a diluted basis, for the fourth quarter of 2000. Fourth quarter net income included a \$6 million or \$0.06 per share gain on the disposition of assets and a \$3 million or \$0.03 per share mark-to-market charge related to derivatives not treated as hedges. For the same period last year, Pioneer reported net income of \$8 million or \$0.08 per share. The same period last year net income included a loss on sale of assets of \$3 million or \$0.03 per share and \$4 million or \$0.04 per share of mark-to-market income related to derivatives not treated as hedges.

Scott D. Sheffield, Chairman and CEO stated, "Closing another quarter with record earnings is very exciting, but I am even more excited about our future. Pioneer's core properties stand out as some of the best in the industry. Since 1997, we have been busy building an exceptional exploration program while continuing a track record of development success. Recent discoveries are expected to add significant new production in 2002 and 2003, and our exploration program for 2001 is focused on the drill bit with 26 exploration wells planned."

Cash flow from operations for the 2000 fourth quarter was \$145 million compared to \$69 million for the fourth quarter of 1999. Discretionary cash flow increased 86% to \$157 million and EBITDAX rose 56% to \$194 million compared to the 1999 fourth quarter. Discretionary cash flow and EBITDAX calculations are defined and detailed on an attached schedule.

During the quarter Pioneer reduced long-term debt by \$25 million and repurchased 1.1 million common shares at an average price of \$13.44 per share. On December 31, 2000, the Company had 98.4 million common shares outstanding.

Fourth quarter oil sales averaged 34,522 barrels per day (BPD) and natural gas liquid sales averaged 21,827 BPD. Natural gas sales in the fourth quarter averaged 352 million cubic feet per day (MMcfd). On an oil equivalent basis, sales averaged 115,032 BPD. In order to take advantage of high natural gas prices relative to oil prices, Pioneer elected during a portion of the quarter not to recover ethane from natural gas produced in the Mid-continent area. The ethane remaining in the natural gas stream raises the Btu content of the natural gas and the price realization per thousand cubic feet (Mcf). As a consequence, U.S. liquids production was reduced by approximately 1,200 BPD for the days during which ethane was not recovered. In addition, Argentine natural gas production fell 21% from the prior quarter, primarily as a result of increased availability of hydroelectric power, displacing demand for gas power generation. Realized prices (including the effects of commodity price hedges) for oil and natural gas liquids for the fourth quarter were \$25.48 and \$23.13 per barrel, respectively. The realized price for natural gas was \$3.85 per Mcf.

Fourth quarter production costs averaged \$5.03 per barrel oil equivalent (BOE), increasing 15% over the prior quarter primarily due to higher production taxes

and field fuel costs resulting from higher oil and gas prices. Exploration and abandonment costs of \$23 million for the quarter included \$11 million of geologic and geophysical costs including seismic costs, \$2 million of non-cash leasehold abandonments including expired leases and \$10 million of exploration costs.

For the same quarter last year, Pioneer reported oil sales of 34,849 BPD, natural gas liquid sales of 23,537 BPD, and natural gas sales of 363 MMcfpd. Because of asset divestitures, the quarter-to-quarter volumes are not comparable. Realized prices for the 1999 fourth quarter were \$19.09 per barrel for oil, \$15.76 per barrel for natural gas liquids and \$2.04 per Mcf for natural gas.

2000 Annual Results

For the twelve months ended December 31, 2000, Pioneer reported net income of \$152 million or \$1.53 per share on a diluted basis. Annual net income included a \$34 million or \$0.34 per share gain on the disposition of assets, a \$59 million or \$0.59 per share mark-to-market charge related to derivatives not treated as hedges and a \$12 million or \$0.12 per share extraordinary loss on early extinguishment of debt. Earnings as adjusted for the above items were \$189 million or \$1.90 per share. For the same period last year, Pioneer reported a net loss of \$22 million or \$0.22 per share. The prior year net loss included a loss on sale of assets of \$24 million or \$0.24 per share and a \$27 million or \$0.27 per share mark-to-market charge related to derivatives not treated as hedges. Cash flow from operations for 2000 was \$430 million compared to \$255 million for 1999.

Oil sales for the year averaged 34,249 BPD and natural gas liquid sales averaged 22,894 BPD. Natural gas sales in 2000 were 371 MMcfpd. On an oil equivalent basis, sales averaged 119,002 BPD. Realized prices for oil and natural gas liquids were \$24.01 and \$20.27 per barrel, respectively. The realized price for natural gas was \$2.81 per Mcf.

In 1999, Pioneer reported oil sales of 42,339 BPD, natural gas liquid sales of 25,308 BPD and natural gas sales of 434 MMcfpd. Because of asset divestitures during 1999, the year-to-year volumes are not comparable. Realized prices for 1999 were \$15.36 per barrel for oil, \$11.64 per barrel for natural gas liquids and \$1.90 per Mcf for natural gas.

For the year Pioneer reduced long-term debt by \$167 million from \$1.75 billion or \$2.88 per BOE of proved reserves, to \$1.58 billion or \$2.51 per BOE. The Company repurchased 2.3 million common shares at an average price of \$11.79 per share.

Operations Update

Pioneer is currently utilizing 16 rigs in its active drilling program in the United States, with six rigs running in the Permian Basin, two rigs running in the Mid-continent area and eight rigs running in the Gulf Coast area, including the East Texas Bossier area.

Development of the Canyon Express natural gas project in the deepwater Gulf of Mexico is moving forward as planned with first production anticipated in mid-2002. The Company expects to sanction the Devils Tower project and has budgeted capital to begin development during 2001 with first oil production expected in late 2002 or 2003.

In South Texas, Pioneer's exploitation efforts in the Pawnee field have

increased net natural gas production from the field by over 135% to approximately 26 MMcfpd in December 2000. Utilizing advanced 3-D seismic modeling in this Edwards Reef play, the Company has completed eight horizontal reentries and four new horizontal wells. Five new wells and two horizontal reentries are scheduled for 2001. Pioneer is also expanding its development program to include surrounding fields which could add a significant number of locations to the Company's inventory.

In the Gulf of Mexico, Pioneer has accelerated its efforts with two deep wells drilled off existing platforms. At Pioneer-operated Eugene Island 208 (75% WI), a successful well with multiple oil and gas pays has been completed and tested at a combined gross rate of 1,250 BPD and 950 Mcf per day at a depth of 11,900 feet. The exploitation well penetrated 4 pay intervals currently producing in the block and 2 new undeveloped exploratory pays. This well sets up additional development and exploration opportunities in the area. At High Island Block A-582 (5.5% WI), a Texaco-operated well encountered more than 230 feet of pay. The well is in 440 feet of water and was drilled to a total depth of 15,147 feet. A second well is drilling to further delineate the field.

In Canada, Pioneer has initiated its winter access program in northeast British Columbia with five rigs running and plans to drill approximately 35 development wells and tie-in 19 previously drilled wells before spring. Four exploration wells are also planned. Through its development program, the Company expects Canadian natural gas production to grow by approximately 10% over 2000 rates.

In Argentina, the Company's drilling is focused on oil development with three rigs running. Eight to ten exploration wells are planned in the 2001 program. As previously announced, Pioneer has had significant success in the Bajo Barda Gonzalez drilling program in Argentina's Neuquen Basin, and expects to increase oil production from Argentina by approximately 25% during 2001.

In South Africa, Pioneer has completed the drilling of its Boomslang prospect and has encountered over 100 feet of net pay. The Company has set pipe, and expects to test production from the well over the next two to three weeks. The Company anticipates that a second well will be drilled on the prospect later this year. Pioneer has budgeted capital to begin development of the Sable oil field during 2001 with first production expected in late 2002 or early 2003.

Financial Outlook

The following statements are estimates based on current expectations. The statements are forward-looking, as addressed in the paragraph at the bottom of this release. Actual results may differ materially from these estimates which do not reflect the potential impact of acquisitions or divestitures that may be completed or other unforeseen events that may occur after the date of this release.

First quarter production is expected to average 112 to 114 MBPD on an oil equivalent basis. United States liquids production continues to be reduced by approximately 1,200 barrels per day for the days during which ethane is not recovered. Severe weather also negatively impacted United States Mid-continent production during January. In addition, natural gas production from the Tierra del Fuego area in Argentina continues to be lower than normal as a result of increased availability of hydroelectric power.

The Company has oil and natural gas hedges that will impact first quarter realizations. There are swap contracts in place for 16,000 BPD of oil at \$28.49 per barrel. Collars cover 5,000 BPD of oil with floors at \$17.00 and ceilings at

\$20.09 per barrel and 2,000 BPD of oil with floors at \$25.00 and ceilings at \$31.43. There are swap contracts in place for 148.4 MMcfpd of natural gas at \$6.75 per Mcf. Collars cover 54.5 MMcfpd of natural gas with floors at \$2.25 and ceilings at \$2.90 per Mcf. All prices are stated on an approximate NYMEX equivalent basis.

During the first quarter, lease operating expenses (including production and ad valorem taxes) are expected to average \$5.70 to \$6.15 per BOE, primarily due to higher production taxes and field fuel costs resulting from higher oil and gas prices. Depreciation, depletion and amortization is expected to average \$4.90 to \$5.10 per BOE. Total exploration and abandonment expense is expected to be \$15 million to \$30 million. General and administrative expense is expected to be \$9 million to \$10 million. Interest expense is expected to be \$38 million to \$39 million, including approximately \$3 million of non-cash interest. The effective tax rate is expected to be approximately 0% to 2% of pre-tax income as the Company benefits from the carryforward of prior years' net operating losses for federal income tax purposes.

Pioneer has targeted production growth from 2000 levels of 1% to 4% in 2001 and 15% to 24% by 2002. The capital budget for 2001 is expected to be approximately \$430 million. A similar capital budget is anticipated in 2002. For the first quarter of 2001, cost incurred is expected to range from \$135 to \$145 million.

Earnings Conference Call

On Tuesday, January 30, 2001, at 9:00 a.m. Central, investors will have the opportunity to listen to the fourth quarter earnings call and view a presentation over the Internet via Pioneer's website located at <http://www.pioneernc.com>. At the website, select the "Investors" button at the top of the page; then select "Earnings Calls" from the list across the bottom of the page. To listen to the live call, please go to the website approximately ten minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available on the website shortly after the call. Alternately, you may dial (800) 946-0782 to listen to the conference call and view the accompanying visual presentation at the Internet address above. A telephone replay will be available through February 13 by dialing (888) 203-1112--confirmation code: 465751.

Pioneer is a large independent oil and gas exploration and production company with operations in the United States, Canada, Argentina and South Africa. Pioneer's headquarters are in Dallas. For more information, visit Pioneer's website at www.pioneernc.com.

Financial statements attached.

Except for historical information contained herein, the statements in this Press Release are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements, and the business prospects of Pioneer Natural Resources Company, are subject to a number of risks and uncertainties which may cause the Company's actual results in future periods to differ materially from the forward-looking statements. These risks and uncertainties include, among other things, volatility of oil and gas prices, product supply and demand, competition, government regulation or action, litigation, the costs and results of drilling and operations, the Company's ability to replace reserves or implement its business plans, access to and cost of capital, uncertainties about estimates of reserves, quality of technical data, and environmental risks. These and other risks are described in the Company's 10-K and 10-Q Reports and other filings with the Securities and Exchange Commission.

PIONEER NATURAL RESOURCES COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except for per share data)
(Unaudited)

<TABLE>

	Three months ended December 31,		Year ended December 31,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Revenues:				
Oil and gas	\$ 251,829	\$ 163,409	\$ 852,738	\$ 644,646
Interest and other	11,634	8,518	25,775	89,657
Gain (loss) on disposition of assets, net	6,433	(2,892)	34,184	(24,168)
	-----	-----	-----	-----
	269,896	169,035	912,697	710,135
	-----	-----	-----	-----
Costs and expenses:				
Oil and gas production	53,275	36,069	189,265	159,530
Depletion, depreciation and amortization - oil and gas	48,919	47,196	199,205	218,250
Depletion, depreciation and amortization - other	3,990	4,263	15,733	17,797
Impairment of oil and gas properties	-	-	-	17,894
Exploration and abandonments	23,348	24,382	87,550	65,974
General and administrative	10,003	11,009	33,262	40,241
Reorganization	-	729	-	8,534
Interest	39,540	39,918	161,952	170,344
Other	6,837	(1,660)	67,231	34,631
	-----	-----	-----	-----
	185,912	161,906	754,198	733,195
	-----	-----	-----	-----
Income (loss) before income taxes and extraordinary item	83,984	7,129	158,499	(23,060)
Income tax benefit	200	1,100	6,000	600
	-----	-----	-----	-----
Income (loss) before extraordinary item	84,184	8,229	164,499	(22,460)
Extraordinary item - loss on early extinguishment of debt, net of tax	-	-	(12,318)	-
	-----	-----	-----	-----
Net income (loss)	\$ 84,184	\$ 8,229	\$ 152,181	\$ (22,460)
	=====	=====	=====	=====
Net income (loss) per share:				
Basic:				
Income (loss) before extraordinary item	\$.86	\$.08	\$ 1.65	\$ (.22)
Extraordinary item	-	-	(.12)	-
	-----	-----	-----	-----
Net income (loss)	\$.86	\$.08	\$ 1.53	\$ (.22)
	=====	=====	=====	=====
Diluted:				
Income (loss) before extraordinary item	\$.85	\$.08	\$ 1.65	\$ (.22)
Extraordinary item	-	-	(.12)	-
	-----	-----	-----	-----
Net income (loss)	\$.85	\$.08	\$ 1.53	\$ (.22)
	=====	=====	=====	=====
Weighted average basic shares outstanding	98,367	100,319	99,378	100,307
	=====	=====	=====	=====

</TABLE>

PIONEER NATURAL RESOURCES COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(Unaudited)

<TABLE>

	December 31, 2000	December 31, 1999
	-----	-----
ASSETS		
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	\$ 26,159	\$ 34,788
Accounts receivable	125,654	118,575
Inventories	14,842	13,721
Deferred income taxes	4,800	5,800
Other current assets	19,936	10,252
	-----	-----
Total current assets	191,391	183,136
	-----	-----
Property, plant and equipment, at cost:		
Oil and gas properties, using the successful efforts method of accounting	3,417,094	3,254,918
Accumulated depletion, depreciation and amortization	(902,139)	(751,956)
	-----	-----
	2,514,955	2,502,962
	-----	-----
Deferred income taxes	84,400	83,400
Other assets, net	163,689	159,975
	-----	-----
	\$2,954,435	\$2,929,473
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$ -	\$ 828
Accounts payable	115,446	86,868
Interest payable	38,142	36,045
Other current liabilities	62,926	73,072
	-----	-----
Total current liabilities	216,514	196,813
	-----	-----
Long-term debt, less current maturities	1,578,776	1,745,108
Other noncurrent liabilities	225,740	169,438
Deferred income taxes	28,500	43,500
Stockholders' equity	904,905	774,614
	-----	-----
	\$2,954,435	\$2,929,473
	=====	=====

</TABLE>

PIONEER NATURAL RESOURCES COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three months ended December 31,		Year ended December 31,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Cash flows from operations:				
Net income (loss)	\$ 84,184	\$ 8,229	\$ 152,181	\$ (22,460)
Depletion, depreciation and amortization	52,909	51,459	214,938	236,047
Impairment of oil and gas properties	-	-	-	17,894
Exploration expenses, including dry holes	20,686	21,369	66,959	50,030
Deferred income taxes	(1,000)	-	(10,600)	-
(Gain) loss on disposition of assets, net	(6,433)	2,892	(34,184)	24,168
Interest related amortization	3,520	3,448	12,699	12,520
Derivative mark-to-market	3,021	(4,350)	58,518	26,964
Extraordinary item, net of tax	-	-	12,318	-
Other noncash items	(2,255)	(1,654)	1,258	(40,350)
Changes in operating assets and liabilities:				
Accounts receivable	4,227	(14,268)	(7,486)	(7,393)
Inventories	(2,614)	(3,265)	(2,789)	(952)
Other current assets	(11,889)	(3,097)	(9,896)	(2,335)
Accounts payable	23,756	9,430	26,260	(18,683)
Interest payable	315	12,210	2,097	2,851
Other current liabilities	(23,425)	(13,876)	(52,177)	(23,067)
Net cash provided by operating activities	145,002	68,527	430,096	255,234
Net cash provided by (used in) investing activities	(108,575)	(91,131)	(194,501)	198,995
Net cash provided by (used in) financing activities	(48,155)	23,975	(244,068)	(479,069)
Net increase (decrease) in cash and cash equivalents	(11,728)	1,371	(8,473)	(24,840)
Effect of exchange rate changes on cash and cash equivalents	(11)	171	(156)	407
Cash and cash equivalents, beginning of period	37,898	33,246	34,788	59,221
Cash and cash equivalents, end of period	\$ 26,159	\$ 34,788	\$ 26,159	\$ 34,788

</TABLE>

PIONEER NATURAL RESOURCES COMPANY

SUMMARY PRODUCTION AND PRICE DATA

	Three months ended December 31,	Year ended December 31,
<TABLE>		

		2000	1999	2000	1999
<S>	<C>	-----	-----	-----	-----
Average Daily Production:					
Oil (Bbls) -	U.S.	23,873	26,068	24,561	31,366
	Argentina	9,721	7,948	8,847	6,443
	Canada	928	833	841	4,530
	Total	-----	-----	-----	-----
		34,522	34,849	34,249	42,339
Natural gas liquids (Bbls) -	U.S.	20,492	22,281	21,538	23,875
	Argentina	571	542	527	594
	Canada	764	714	829	839
	Total	-----	-----	-----	-----
		21,827	23,537	22,894	25,308
Gas (Mcf) -	U.S.	218,810	239,695	229,316	290,670
	Argentina	88,710	86,652	97,526	94,457
	Canada	44,575	36,560	44,315	49,003
	Total	-----	-----	-----	-----
		352,095	362,907	371,157	434,130
Total Production:					
Oil (MBbls)		3,176	3,206	12,535	15,454
Natural gas liquids (MBbls)		2,008	2,165	8,379	9,237
Gas (MMcf)		32,393	33,387	135,843	158,457
Equivalent barrels (MBOE)		10,583	10,936	43,555	51,101
Average Price*:					
Oil (per Bbl) -	U.S.	\$ 24.21	\$ 17.88	\$ 22.07	\$ 15.03
	Argentina	\$ 28.47	\$ 22.84	\$ 29.09	\$ 18.41
	Canada	\$ 26.92	\$ 21.13	\$ 27.50	\$ 13.28
	Average	\$ 25.48	\$ 19.09	\$ 24.01	\$ 15.36
Natural gas liquids (per Bbl) -	U.S.	\$ 22.84	\$ 15.47	\$ 20.05	\$ 11.61
	Argentina	\$ 25.40	\$ 19.98	\$ 22.91	\$ 11.30
	Canada	\$ 29.21	\$ 21.56	\$ 24.32	\$ 12.62
	Average	\$ 23.13	\$ 15.76	\$ 20.27	\$ 11.64
Gas (per Mcf) -	U.S.	\$ 4.87	\$ 2.37	\$ 3.50	\$ 2.17
	Argentina	\$ 1.13	\$ 1.08	\$ 1.19	\$ 1.10
	Canada	\$ 4.24	\$ 2.15	\$ 2.88	\$ 1.82
	Average	\$ 3.85	\$ 2.04	\$ 2.81	\$ 1.90

* Average prices include the effects of commodity hedges.
</TABLE>

PIONEER NATURAL RESOURCES COMPANY

SUPPLEMENTAL INFORMATION
(in thousands)
(Unaudited)

Discretionary cash flow and EBITDAX (as defined below) are presented herein because of their wide acceptance as financial indicators of a company's ability to internally fund exploration and development activities and to service or incur debt. Discretionary cash flow and EBITDAX should not be considered as alternatives to net cash provided by operating activities, net income (loss) or income (loss) from continuing operations, as defined by generally accepted

accounting principles. Discretionary cash flow and EBITDAX should also not be considered as indicators of the Company's financial performance, as alternatives to cash flow, as measures of liquidity or as being comparable to other similarly titled measures of other companies.

<TABLE>

	Three months ended December 31,		Year ended December 31,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Discretionary cash flows*:				
Net income (loss)	\$ 84,184	\$ 8,229	\$ 152,181	\$ (22,460)
Depletion, depreciation and amortization	52,909	51,459	214,938	236,047
Impairment of oil and gas properties	-	-	-	17,894
Exploration and abandonments	23,348	24,382	87,550	65,974
Deferred income taxes	(1,000)	-	(10,600)	-
(Gain) loss on disposition of assets, net	(6,433)	2,892	(34,184)	24,168
Interest related amortization	3,520	3,448	12,699	12,520
Derivative mark-to-market	3,021	(4,350)	58,518	26,964
Extraordinary item, net of tax	-	-	12,318	-
Other noncash items	(2,255)	(1,654)	1,258	(40,350)
	-----	-----	-----	-----
Discretionary cash flow	\$ 157,294	\$ 84,406	\$ 494,678	\$ 320,757
	=====	=====	=====	=====

* Discretionary cash flows equal cash flows from operations before working capital changes and exploration and abandonments.

EBITDAX**:

Net income (loss)	\$ 84,184	\$ 8,229	\$ 152,181	\$ (22,460)
Depletion, depreciation and amortization	52,909	51,459	214,938	236,047
Impairment of oil and gas properties	-	-	-	17,894
Exploration and abandonments	23,348	24,382	87,550	65,974
Consolidated interest expense	39,540	39,918	161,952	170,344
Consolidated income taxes	(200)	(1,100)	(6,000)	(600)
(Gain) loss on disposition of assets, net	(6,433)	2,892	(34,184)	24,168
Derivative mark-to-market	3,021	(4,350)	58,518	26,964
Extraordinary item, net of tax	-	-	12,318	-
Other noncash expenses	(2,255)	2,876	1,455	11,494
	-----	-----	-----	-----
	\$ 194,114	\$ 124,306	\$ 648,728	\$ 529,825
	=====	=====	=====	=====

** "EBITDAX" represents earnings before depletion, depreciation and amortization expense; impairment of oil and gas properties; exploration and abandonments; consolidated interest expense; consolidated income taxes; gain or loss on the disposition of assets; extraordinary items; and, other noncash expenses.

</TABLE>

PIONEER NATURAL RESOURCES COMPANY

RESERVE SUMMARY
December 31, 2000

<TABLE>

	Oil (MMBbl)	NGL (MMBbl)	Gas (Bcf)	MMBOE
<S>	<C>	<C>	<C>	<C>
United States.....	138	128	1,355	492
Argentina.....	28	8	408	104
Canada.....	1	3	133	26
South Africa.....	6	-	-	6
	-----	-----	-----	-----
Total Proved Reserves.....	173	139	1,896	628
	=====	=====	=====	=====

</TABLE>