FORM S-3/A

Registration statement for specified transactions by certain issuers [amend]

Filing Date: **1998-01-05**
SEC Accession No. 0000950134-98-000010

FILER

PIONEER NATURAL RESOURCES CO

CIK:**1038357**| IRS No.: **752702753** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-3/A** | Act: **33** | File No.: **333-42315** | Film No.: **98500565**
SIC: **1311** Crude petroleum & natural gas

Mailing Address
303 W WALL
SUITE 101
MIDLAND TX 79701

Business Address
520 N OCONNOR BLVD
1400 WILLIAMS SQUARE WEST
IRVING TX 75039-3746
9724449001

PIONEER NATURAL RESOURCES USA INC

CIK:**846920**| IRS No.: **752516853** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-3/A** | Act: **33** | File No.: **333-42315-01** | Film No.: **98500566**
SIC: **1311** Crude petroleum & natural gas

Mailing Address
5205 NORTH OCONNOR BOULEVARD
1400 WILLIAMS SQUARE WEST
IRVING TX 75039

Business Address
5205 NORTH O CONNOR BOULEVARD
1400 WILLIAMS SQUARE WEST
IRVING TX 75039
9156834768

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JANUARY 5, 1998

REGISTRATION STATEMENT NO. 333-42315

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

PIONEER NATURAL RESOURCES COMPANY

PIONEER NATURAL RESOURCES USA, INC.

(Exact name of registrants as specified in their charters)

<TABLE>
<S> <C>

DELAWARE
DELAWARE
(State or Jurisdiction of Incorporation or Organization)

75-2702753
75-2516853
(I.R.S. Employer Identification No.)

1400 WILLIAMS SQUARE WEST
5205 NORTH O'CONNOR BLVD.
IRVING, TEXAS 75039
(972) 444-9001
(Address, including zip code, and telephone number, including area code, of Registrants' principal executive offices)

SCOTT D. SHEFFIELD
PRESIDENT AND CHIEF EXECUTIVE OFFICER
PIONEER NATURAL RESOURCES COMPANY
1400 WILLIAMS SQUARE WEST
5205 NORTH O'CONNOR BLVD.
IRVING, TEXAS 75039
(972) 444-9001
(Name, address, including zip code, and telephone number, including area code, of agent for service)

</TABLE>

Copies to:

<TABLE>
<C> <C>

MARK L. WITHROW
EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL
PIONEER NATURAL RESOURCES COMPANY
1400 WILLIAMS SQUARE WEST
5205 NORTH O'CONNOR BLVD.
IRVING, TEXAS 75039
(972) 444-9001

ROBERT L. KIMBALL
VINSON & ELKINS L.L.P.
2001 ROSS AVENUE
SUITE 3700
DALLAS, TEXAS 75201
(214) 220-7700

</TABLE>

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to time after the Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: [ ]

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: [X]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [X]

CALCULATION OF REGISTRATION FEE

<TABLE>
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TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>	<C>	<C>
Debt Securities(3).....				
Preferred Stock, par value $.01 per share(4)(5).....				
Depositary Shares(5).....	(6)	(6)	(6)	(6)
Common Stock, par value $.01 per share(7).....				
Warrants(8).....				
Guarantees of Debt Securities(9).....				
Total.....	$1,400,000,000(10)(11)	100%	$1,400,000,000(10)	$413,000(12)

</TABLE>

Footnotes to table on next page

Pursuant to Rule 429 under the Securities Act of 1933, the Prospectus included herein also relates to a total of $500,000,000 of Debt Securities and Common Stock of the registrant previously registered pursuant to Rule 415 under Registration Statement on Form S-3 No. 333-20483 and not issued. This Amendment No. 1 to Registration Statement constitutes Post-Effective Amendment No. 2 to the Registration Statement Form S-3 No. 333-20483.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON THE DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON THE DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

Footnotes to table from cover page

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(1) The proposed maximum offering price per unit will be determined from time to time by the registrant in connection with the issuance by the registrant of the securities registered hereunder.

(2) The proposed maximum aggregate offering price has been estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

(3) Subject to note (10) below, there is being registered hereunder an indeterminate principal amount of Debt Securities. If any Debt Securities are issued at an original issue discount, then the offering price shall be in the greater principal amount as shall result in an aggregate initial offering price not to exceed $1,400,000,000 less the dollar amount of any securities previously issued hereunder.

(4) Subject to note (10) below, there is being registered hereunder an indeterminate number of shares of Preferred Stock as may be sold, from time to time, by the registrant.

(5) Subject to note (10) below, there is being registered hereunder an indeterminate number of Depositary Shares to be evidenced by Depositary Receipts issued pursuant to a Deposit Agreement. In the event the registrant elects to offer to the public fractional interests in shares of Preferred Stock registered hereunder, Depositary Receipts will be distributed to those persons purchasing the fractional interests and the shares of Preferred Stock will be issued to the depositary under the Deposit Agreement.

(6) Not applicable pursuant to General Instruction II.D. of Form S-3.

(7) Subject to note (10) below, there is being registered hereunder an indeterminate number of shares of Common Stock as may be sold, from time to time, by the registrant. There are also being registered hereunder an indeterminate number of shares of Common Stock as shall be issuable upon conversion or redemption of Preferred Stock or Debt Securities registered hereunder.

(8) Subject to note (10) below, there is being registered hereunder an indeterminate amount and number of Warrants, representing rights to purchase Debt Securities, Preferred Stock, or Common Stock registered hereunder.

(9) Subject to note (10) below, there is being registered hereunder an indeterminate principal amount of Guarantees of Debt Securities.

(10) In no event will the aggregate initial offering price of all securities issued from time to time pursuant to this Registration Statement exceed $1,400,000,000 or the equivalent thereof in one or more foreign currencies, foreign currency units, or composite currencies. The aggregate amount of Common Stock registered hereunder is further limited to that which is permissible under Rule 415(a)(4) under the Securities Act of 1933. The securities registered hereunder may be sold separately or as units with other securities registered hereunder.

(11) Pursuant to Rule 429 under the Securities Act of 1933, the Prospectus constituting a part of this Registration Statement also relates to $500,000,000 of the registrant's securities registered under Registration Statement No. 333-20483.

(12) A registration fee was previously paid in connection with the registration of a total of $500,000,000 of Debt Securities and Common Stock of the registrant pursuant to Rule 415 on Registration Statement No. 333-20483, and the remaining $265,500 of the registration fee was paid in connection with the initial filing of this Registration Statement.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED JANUARY 5, 1998

PROSPECTUS SUPPLEMENT

(To Prospectus Dated January , 1998)

$600,000,000

PIONEER NATURAL RESOURCES COMPANY

% SENIOR NOTES DUE 2008

% SENIOR NOTES DUE 2028

PAYMENT OF PRINCIPAL AND INTEREST GUARANTEED BY PIONEER NATURAL

RESOURCES USA, INC.

LOGO

The % Senior Notes Due 2008 (the "2008 Notes"), which will mature on , 2008, and the % Senior Notes Due 2028 (the "2028 Notes" and, collectively with the 2008 Notes, the "Notes"), which will mature on , 2028, are being offered (the "Offering") by Pioneer Natural Resources Company (the "Company") and will be unconditionally guaranteed (the "Guarantees") on an unsecured basis by Pioneer Natural Resources USA, Inc. ("Pioneer USA" or the "Guarantor"), a wholly-owned subsidiary of the Company. Interest on the Notes is payable semiannually on and of each year, commencing , 1998. The Notes may be redeemed at any time at the option of the Company, in whole or from time to time in part, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of redemption, plus a Make-Whole Premium, if any, relating to the then prevailing Treasury Yield and the remaining life of the Notes.

The Notes will be general unsecured obligations of the Company ranking pari passu in right of payment with all other senior unsecured indebtedness of the Company and will be senior in right of payment to any subordinated indebtedness of the Company. The Company is a holding company that conducts all its operations through subsidiaries, and the Notes will be effectively subordinated to all obligations of the Company's subsidiaries that are not guarantors of the Notes. At December 31, 1997 (after giving effect to the Offering and the application of estimated net proceeds therefrom), the Company would have had approximately $1.1 billion of indebtedness for borrowed money ranking pari passu in right of payment with the Notes, and non-guarantor subsidiaries of the Company would have had approximately $248.3 million of indebtedness for borrowed money. See "Description of Notes -- Ranking." The Guarantees will be general unsecured obligations of the Guarantor ranking pari passu in right of payment with all other senior unsecured indebtedness of the Guarantor and will be senior in right of payment to any subordinated indebtedness of the Guarantor. The Guarantees will terminate if the Guarantor is released from its guarantees of the Company's United States Credit Facility (as defined herein). See "Guarantees" and "Ranking" in "Description of Notes."

The Notes will be represented by one or more Global Securities ("Global Notes") deposited with the Depositary, which initially will be The Depository Trust Company, and registered in the name of the Depositary or its nominee. Beneficial ownership of the Notes will be shown on, and transfers thereof will be effected only through, records maintained by the Depositary and its participants. Except under the limited circumstances described herein, Notes in definitive form will not be issued in exchange for Global Notes. So long as Notes are represented by Global Notes, settlement for beneficial interests in the Global Notes, including all secondary market trading activity, will be made in immediately available funds as part of the Depositary's same-day funds settlement system. All payments of principal and interest on the Notes will be made by the Company in immediately available funds.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

<TABLE>
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	PRICE TO PUBLIC(1)	UNDERWRITING DISCOUNT	PROCEEDS TO COMPANY(1)(2)
<S>	<C>	<C>	<C>
Per 2008 Note	%	%	%
Per 2028 Note	%	%	%
Total	$	$	$

</TABLE>

(1) Plus accrued interest, if any, from , 1998, to the date of delivery.
(2) Before deducting expenses payable by the Company, estimated to be $.

The Notes are offered subject to receipt and acceptance by the Underwriters, to prior sale and to the Underwriters' right to reject any order in whole or in part and to withdraw, cancel or modify the offer without notice. It is expected that delivery of the Notes will be made through the facilities of The Depository Trust Company on or about January , 1998, against payment therefor in immediately available funds.

SALOMON SMITH BARNEY CHASE SECURITIES INC.

J.P. MORGAN & CO.

MORGAN STANLEY DEAN WITTER

NATIONSBANC MONTGOMERY SECURITIES

January , 1998.

CERTAIN PERSONS PARTICIPATING IN THE OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE NOTES, INCLUDING PURCHASES OF THE NOTES TO STABILIZE THEIR MARKET PRICE AND PURCHASES OF THE NOTES TO COVER ANY SHORT POSITION IN THE NOTES MAINTAINED BY THE UNDERWRITERS. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "UNDERWRITING."

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus Supplement concerning the Company other than purely historical information (collectively "Forward-Looking Statements") reflect the current expectations of management and are based on the Company's historical and pro forma operating trends, its proved reserves, and other information available to management. These statements assume, among other things, that no significant changes will occur in the operating environment for the Company's oil and gas properties and that there will be no material acquisitions or divestitures. There can be no assurance that the assumptions used will prove to be accurate. The Company cautions that the Forward-Looking Statements are subject to all the risks and uncertainties incident to the acquisition, development and marketing of, and exploration for, oil and gas reserves. These risks include, but are not limited to, commodity price risks, risks relating to pricing and availability of third-party supplies, equipment and services for operations, counterparty risks, drilling risks, and reserve, operations and production risks. Certain of these risks are described in the documents incorporated by reference herein. Moreover, the Company may make material acquisitions, alter its capital expenditure budget or plans, or enter into other financing transactions. None of these can be predicted with certainty and, accordingly, are not taken into consideration in the Forward-Looking Statements. For all of the foregoing reasons, actual results may vary materially from the Forward-Looking Statements. The Company disclaims any obligation or undertaking to release publicly any updates about changes in the Company's expectations with regard to the subject matter of any Forward-Looking Statements or any changes in events, conditions or circumstances on which any Forward-Looking Statements are based.

SUMMARY

The following summary is qualified in its entirety by the more detailed information and consolidated financial statements, including the notes thereto, appearing elsewhere in or incorporated by reference into this Prospectus Supplement. As used herein, and unless the context requires otherwise, "Pioneer Natural Resources Company" or the "Company" means Pioneer Natural Resources Company and its consolidated subsidiaries.

THE COMPANY

Pioneer Natural Resources Company is the second largest independent exploration and production company in the United States, based on total proved

reserves, and has a balanced oil and gas reserve base. Pioneer Natural Resources Company was created through the merger (the "Parker/Mesa Merger") of Parker & Parsley Petroleum Company ("Parker & Parsley") and MESA Inc. ("Mesa")on August 7, 1997. The Company's United States operations are located primarily in Texas, Kansas, Oklahoma, Louisiana, New Mexico and offshore Gulf of Mexico. International operations are located primarily in Argentina and Canada.

BUSINESS STRATEGY

Development and production enhancement activities. The Company seeks to increase reserves and production through exploitation activities, including developmental drilling and recompletions in its core operating areas. The Company has identified over 3,700 infill drilling locations on its properties. Development activities are expected to account for approximately 75% of the Company's 1998 investment budget. Domestically, the majority of 1998 development investments are expected to occur through drilling programs in the Spraberry, West Panhandle and Hugoton fields, with additional investments occurring in the south Louisiana inland waters, onshore Gulf Coast and Permian Basin areas. Internationally, development opportunities are located in the Neuquen Basin of Argentina and the Chinchaga area in Canada.

Exploration. The Company's exploration activities use seismic, drilling and completion technology to identify and drill sites with high reserve potential, such as those in the southern Louisiana transition zone, the Gulf of Mexico, the East Texas Basin, western Canada and Argentina. Exploration activities are expected to account for approximately 25% of the Company's 1998 investment budget. Domestic exploration efforts in 1998 are expected to be focused on the onshore and offshore Gulf of Mexico, the Cotton Valley Reef trend of the East Texas Basin, and the Delaware Basin in West Texas. International exploration efforts in 1998 are expected to be conducted in Canada and in the Neuquen basin and Tierra del Fuego areas of Argentina.

Acquisitions. The Company pursues acquisitions to enhance existing core areas and to establish new core areas. The Company's acquisition efforts focus on assets with opportunities to increase reserves and production through both exploitation and exploration activities with a high degree of operational control. The Company believes that one of its strengths is a technical team that concentrates on executing strategic acquisitions and mergers.

Increasing natural gas processing capacity in core areas. The Company intends to expand the processing capabilities of its gas processing facilities and to obtain additional dedications of third party gas to these plants. By owning and operating these processing facilities, the Company retains the processing margin on the gas it produces, as well as on gas produced by third parties.

Maintaining financial strength and flexibility. The Company intends to maintain financial strength, financial flexibility, and an investment grade rating for its senior debt by seeking to: (i) maintain its credit ratios consistent with guidelines established by the major credit rating agencies for investment grade companies; (ii) fund its development and exploration activities primarily with internally generated cash flow; (iii) continue a portfolio management approach to its assets so as to direct future investments toward projects that enhance growth; (iv) use hedging strategies to reduce price risk in supporting its capital expenditure budget and its acquisition activities; and (v) reduce per-unit operating and general and administrative expenditures.

RECENT DEVELOPMENTS

Chauvco Acquisition. On December 18, 1997, the Company completed the acquisition (the "Chauvco Acquisition") of the Canadian and Argentine oil and gas businesses of Chauvco Resources Ltd. ("Chauvco"). Chauvco was a publicly-traded Canadian oil and gas company concentrating on the acquisition, exploration, development and production of oil and natural gas resources in Canada in the provinces of Alberta, Saskatchewan, British Columbia and Manitoba, and in Argentina in the provinces of Tierra del Fuego, Neuquen, Rio Negro and

Santa Cruz.

The Chauvco Acquisition established a new core area for the Company in western Canada and expanded the Company's existing core area in Argentina. The acquisition consideration paid to the shareholders of Chauvco was approximately $946 million, consisting of the issuance of approximately 24.9 million equivalent shares of the Company's Common Stock and the assumption of $228 million of long-term debt.

American Cometra Acquisition. On December 19, 1997, the Company completed the acquisition of assets in the East Texas Basin from affiliates of American Cometra, Inc. ("ACI") and Rockland Pipeline Co. ("Rockland"), both subsidiaries of Electrafina S.A. of Belgium. The total consideration paid was approximately $126 million, consisting of $80 million in cash and 1.7 million shares of the Company's Common Stock. The Company acquired ACI's producing wells, acreage, seismic data, royalties and mineral interests, and Rockland's gathering system, pipeline and gas processing plant in the East Texas Basin. This acquisition established a critical mass and core area in the East Texas Basin for the Company and provided it with a major presence in the Cotton Valley Reef trend.

Credit Facility Agreements. On December 18, 1997, the Company amended and restated its United States Credit Facility in order to substitute the Company as the borrower in place of Pioneer USA and to establish credit amounts of $1.075 billion under the primary credit facility and $300 million under an additional, 364-day credit facility. Pursuant to the amendment, Pioneer USA and certain other subsidiaries of the Company provide guarantees of the Company's obligations under the United States Credit Facility. Pioneer USA is a direct, wholly-owned subsidiary of the Company and owns substantially all of the United States onshore and offshore properties of the Company. Pioneer USA has no borrowed money obligations other than for a $9.1 million secured building loan and certain capitalized lease obligations and has no guarantees of other borrowed money obligations except as guarantor for the Notes, the $1.375 billion United States Credit Facility, and the $300 million of senior notes of the Company originally issued by Parker & Parsley (the "Parker & Parsley Notes"). The United States Credit Facility is also secured by a pledge of 65% of the stock of certain non-U.S. subsidiaries, including Pioneer Natural Resources (Canada) Ltd., the subsidiary that acquired Chauvco ("Pioneer Canada"). Also on December 18, 1997, the Company refinanced all of Chauvco's outstanding debt by establishing a $290 million Canadian credit facility (the "Canadian Credit Facility") under which Chauvco is the borrower and the Company and certain of its subsidiaries other than Pioneer USA provide guarantees. On December 22, 1997, the Company established an additional unsecured $100 million working capital line of credit.

Subordinated Note Tender. On December 15, 1997, Pioneer USA completed its offer to purchase for cash any and all of its $264 million 11 5/8% Senior Subordinated Discount Notes Due 2006 and its $325 million 10 5/8% Senior Subordinated Notes Due 2006 originally issued by Mesa Operating Company (collectively, the "Mesa Notes"). The offer was completed with approximately 95% of the Mesa Notes tendered, which will result in a fourth quarter after-tax charge to the Company's financial results of approximately $11.9 million. Pioneer USA paid for the tendered Mesa Notes on December 18, 1997, with borrowings under the United States Credit Facility. Also on December 18, 1997, in accordance with consents solicited in connection with the tender offer, the indentures governing both series of Mesa Notes were amended to eliminate most of their restrictive covenants.

Assumption of Certain Debts by the Company. On December 30, 1997, the Company and Pioneer USA completed a restructuring that resulted in the Company becoming the primary obligor on the $28.4 million of Mesa Notes that were not tendered and on the $300 million of Parker & Parsley Notes. Pioneer USA has guaranteed the payment of principal and interest on the Parker & Parsley Notes. The guarantee of the Parker & Parsley Notes will terminate if Pioneer USA is released from its guarantees of the Company's United States Credit Facility.

Property Divestitures. On December 15 and 16, 1997, the Company sold approximately $103 million of its non-strategic properties in two separate, all-cash transactions. These divestitures involved approximately 800 properties,

representing less than 3% of the Company's total reserve base and about 1% of the Company's daily production.

Fourth Quarter Charges. During the fourth quarter of 1997, the Company will recognize certain charges that adversely affect the Company's financial results. In addition to the after-tax charge of $11.9 million related to the purchase of the Mesa Notes, the Company estimates that it will recognize after-tax charges of between $7 and $10 million for the purchase of 3-D seismic data and approximately $3 million resulting from the write-off of an unsuccessful well in Guatemala. The decline of oil and gas prices during the fourth quarter of 1997 will also have an adverse effect on the Company's financial results.

THE OFFERING

SECURITIES OFFERED.....	$600,000,000 principal amount of % Senior Notes Due 2008 and % Senior Notes Due 2028.
MATURITY.....	, 2008, and , 2028, respectively.
INTEREST PAYMENT DATES.....	and of each year, commencing , 1998.
GUARANTEES.....	The Notes will be unconditionally guaranteed on an unsecured basis by Pioneer USA. No other subsidiary of the Company will be a guarantor. The Guarantees will terminate if the Guarantor is released from its guarantees of the Company's indebtedness under the United States Credit Facility, but are not required to be reinstated if such guarantees under the United States Credit Facility are subsequently reinstated. Pioneer USA is a direct, wholly-owned subsidiary of the Company and directly owns substantially all of the United States onshore and offshore properties of the Company. Pioneer USA has no borrowed money obligations other than for a $9.1 million secured building loan and certain capitalized lease obligations and has no guarantees of other borrowed money obligations except as guarantor for the Notes, the United States Credit Facility, and the Parker & Parsley Notes.
RANKING.....	The Notes will be general unsecured obligations of the Company ranking pari passu in right of payment with all other senior indebtedness of the Company and will be senior in right of payment to all existing and future subordinated indebtedness of the Company. The Notes will be effectively subordinated in right of payment to all existing and future secured indebtedness of the Company to the extent of the value of the assets securing such indebtedness. The Company's $1.375 billion United States Credit Facility is secured by a pledge of 65% of the outstanding stock of certain non-U.S. subsidiaries, including Pioneer Canada, and the Notes will therefore be effectively subordinated to the United States Credit Facility to the extent of the value of such stock. The Company is a holding company that conducts all its operations through subsidiaries, and the Notes will be effectively subordinated to all obligations of the Company's subsidiaries that are not guarantors of the Notes. At December 31, 1997 (after giving effect to the Offering and application of the estimated net proceeds therefrom), the Company would have had approximately $1.1 billion of indebtedness for

borrowed money ranking pari passu in right of payment with the Notes, and non-guarantor subsidiaries of the Company would have had approximately $248.3 million of indebtedness for borrowed money. In addition, Pioneer

USA has guaranteed the United States Credit Facility and the Parker & Parsley Notes, which guarantees will be pari passu with the Guarantees. The Indenture governing the Notes does not restrict the ability of subsidiaries to incur additional liabilities, including indebtedness under and guarantees of bank credit facilities, in the future. The Company's subsidiaries may also have other liabilities, including contingent liabilities.

The Guarantees will be general unsecured obligations of the Guarantor ranking pari passu in right of payment with all other senior unsecured indebtedness of the Guarantor and will be senior in right of payment to any subordinated indebtedness of the Guarantor. The Guarantees will be effectively subordinated in right of payment to any secured indebtedness of the Guarantor to the extent of the value of the assets securing such indebtedness. The Guarantees could also be effectively subordinated to all the obligations of the Guarantor under certain circumstances. See "Description of Notes -- Guarantees" and "Description of Notes -- Ranking."

REDEMPTION.....	The Notes may be redeemed at any time at the option of the Company, in whole or from time to time in part, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of redemption, plus a Make-Whole Premium, if any, relating to the then prevailing Treasury Yield and the remaining life of the Notes.
PRINCIPAL COVENANTS.....	The Indenture governing the Notes contains certain covenants that, among other things, restrict the ability of the Company, under certain circumstances, to create liens and to enter into sale/leaseback transactions. These limitations will be subject to a number of significant exceptions and qualifications. See "Description of Notes -- Certain Covenants."
USE OF PROCEEDS.....	The net proceeds from the sale of the Notes will be used primarily to repay existing bank indebtedness under the United States Credit Facility. See "Use of Proceeds."

SUMMARY UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The summary unaudited pro forma combined statement of operations data and other financial data of the Company for the nine months ended September 30, 1997, and for the year ended December 31, 1996, give effect to the Parker/Mesa Merger, the Chauvco Acquisition, and certain other transactions as if all those transactions had occurred on January 1, 1996. The summary unaudited pro forma combined balance sheet data of the Company as of September 30, 1997, give effect to the Chauvco Acquisition as if the acquisition had occurred on September 30, 1997. These transactions are identified in, and the summary unaudited pro forma combined financial data are qualified in their entirety by and should be read in conjunction with, the unaudited pro forma combined financial statements of the Company contained in the Company's Current Report on Form 8-K dated December 18,

1997 (the "Chauvco 8-K"), which is incorporated in the Prospectus by reference.

	PRO FORMA NINE MONTHS ENDED SEPTEMBER 30, 1997	PRO FORMA YEAR ENDED DECEMBER 31, 1996
	(IN THOUSANDS, EXCEPT RATIOS)	
STATEMENT OF OPERATIONS DATA:		
Revenues:		
Oil and gas	$ 669,872	$ 881,639
Natural gas processing	--	23,184
Interest and other	7,854	42,419
Gain on disposition of assets, net	2,763	11,966
	680,489	959,208
Costs and expenses:		
Oil and gas production	181,796	230,159
Natural gas processing	--	11,949
Depletion, depreciation and amortization	283,588	365,499
Impairment of oil and gas properties and natural gas processing facilities	2,907	--
Exploration and abandonments	52,718	37,555
General and administrative	75,014	83,955
Interest	106,406	138,580
Other	5,685	4,791
	708,114	872,488
Income (loss) before income taxes	(27,625)	86,720
Income tax benefit (provision)	12,400	(30,700)
Income (loss) from continuing operations	$ (15,225)	$ 56,020
OTHER FINANCIAL DATA:		
EBITDAEX (a)	$ 417,994	$ 628,354
Ratio of earnings to fixed charges(b)	(b)	1.62
BALANCE SHEET DATA (END OF PERIOD):		
Working capital	$ 38,249	
Property, plant and equipment, net	4,586,667	
Total assets	4,930,221	
Long-term obligations	1,975,220	
Total stockholders' equity	2,406,437	

(a) EBITDAEX is presented because the Company believes it to be a commonly used financial indicator of a company's ability to service or incur debt. EBITDAEX (as used herein) is calculated by adding interest, income taxes, depletion, depreciation and amortization, impairment of oil and gas properties and natural gas processing facilities, and exploration and abandonment costs to income (loss) from continuing operations. Interest includes accrued interest expense and amortization of deferred financing costs. EBITDAEX should not be considered as an alternative to income (loss) or operating income (loss), as defined by generally accepted accounting principles, as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity or as being comparable to other similarly titled measures of other companies.

(b) For purposes of computing the pro forma ratio of earnings to fixed charges, earnings consists of income (loss) before income taxes plus fixed charges. Fixed charges consist of interest expense, interest capitalized and the portion of rental expense attributable to interest. Unaudited pro forma earnings for the Company were inadequate to cover its fixed charges during the nine months ended September 30, 1997, by $27.6 million.

THE COMPANY

The following table sets forth selected consolidated financial data of the Company (as successor to Parker & Parsley for accounting purposes) for the nine months ended September 30, 1997 and 1996, and for each of the five fiscal years in the period ended December 31, 1996. The following data should be read in conjunction with the Company's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Company's consolidated financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference.

<TABLE>
<CAPTION>

	NINE MONTHS ENDED SEPTEMBER 30,		YEAR ENDED DECEMBER 31,				
	1997(A)	1996	1996	1995	1994(B)	1993(C)	1992
	(UNAUDITED)						
			(IN MILLIONS, EXCEPT RATIOS)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS DATA:							
Revenues:							
Oil and gas	$ 349.0	$ 283.3	$ 396.9	$ 375.7	$ 337.6	$ 207.2	$ 135.1
Natural gas processing	--	16.8	23.8	33.2	39.2	77.5	54.6
Gas marketing	--	--	--	76.8	103.0	43.8	12.1
Interest and other	3.7	15.0	17.5	11.4	6.9	4.4	4.2
Gain on disposition of assets, net(d)	2.7	96.9	97.1	16.6	9.5	23.2	4.2
	355.4	412.0	535.3	513.7	496.2	356.1	210.2
Costs and expenses:							
Oil and gas production	91.7	82.2	110.3	130.9	127.1	78.3	51.8
Natural gas processing	--	9.1	12.5	25.9	33.6	51.6	38.6
Gas marketing	--	--	--	75.7	101.5	42.8	11.0
Depletion, depreciation and amortization	126.9	86.2	112.1	159.1	145.4	80.4	45.6
Impairment of oil and gas properties and natural gas processing facilities	--	--	--	130.5	--	--	--
Exploration and abandonments	34.3	15.0	23.0	27.5	25.2	3.6	4.5
General and administrative	31.8	19.5	28.4	37.4	29.0	23.8	11.6
Interest	44.2	36.1	46.2	65.4	50.6	23.3	14.7
Other	3.0	.9	2.5	11.3	4.3	3.9	2.3
	331.9	249.0	335.0	663.7	516.7	307.7	180.1
Income (loss) before income taxes, extraordinary item and cumulative effect of accounting change	23.5	163.0	200.3	(150.0)	(20.5)	48.4	30.1
Income tax benefit (provision)	(8.5)	(47.2)	(60.1)	45.9	6.5	(17.0)	(3.0)
Income (loss) before extraordinary item and cumulative effect of accounting change	15.0	115.8	140.2	(104.1)	(14.0)	31.4	27.1
Extraordinary item	(1.5)	--	--	4.3	(.6)	--	--
Cumulative effect of accounting change	--	--	--	--	--	17.1	--
Net income (loss)	$ 13.5	$ 115.8	$ 140.2	$ (99.8)	$ (14.6)	$ 48.5	$ 27.1
OTHER FINANCIAL DATA:							
EBITDAEX(e)	$ 228.9	$ 300.3	$ 381.7	$ 232.5	$ 200.7	$ 155.7	$ 95.0
Cash flows from operating activities	179.1	189.4	230.1	157.3	129.8	112.2	77.2
Cash flows from investing activities	(244.1)	90.2	13.7	(53.3)	(446.0)	(398.2)	(111.8)
Cash flows from financing activities	87.0	(232.2)	(245.4)	(107.9)	331.4	278.9	33.8
Capital expenditures	256.5	144.1	227.8	228.4	554.9	583.5	129.7
Ratio of earnings to fixed charges(f)	1.5	5.4	5.3	(f)	(f)	3.0	2.9
BALANCE SHEET DATA (END OF PERIOD):							
Working capital	$ 49.4	$ 47.6	$ 26.1	$ 31.5	$ 43.7	$ 39.5	$ 8.0
Property, plant and equipment, net	3,524.0	998.3	1,040.4	1,121.7	1,349.9	802.0	499.1
Total assets	3,769.7	1,178.7	1,199.9	1,319.2	1,604.9	1,016.9	576.7
Long-term obligations	1,728.8	325.2	329.0	603.2	727.2	544.3	225.9
Preferred stock of subsidiary	--	188.8	188.8	188.8	188.8	--	--
Total stockholders' equity	1,718.1	524.3	530.3	411.0	509.6	348.8	295.0

</TABLE>

(a) Includes amounts relating to the acquisition of Mesa beginning August 1, 1997.

(b) Includes amounts relating to the acquisition of Bridge Oil Limited in July 1994 and the acquisition of properties from PG&E Resources Company in August 1994.

(c) Includes amounts relating to the acquisition of certain Prudential-Bache Energy limited partnerships in July 1993. Also includes results of operations related to the Company's interest in the Carthage gas processing plant that had been deferred in 1992 and 1993 and the gain of $7.3 million recognized on the sale of that interest on June 30, 1993.

(d) Includes a gain of $83.3 million in 1996 related to the disposition of certain wholly-owned subsidiaries.

(e) EBITDAEX is presented because the Company believes it to be a commonly used financial indicator of a company's ability to service or incur debt. EBITDAEX (as used herein) is calculated by adding interest, income taxes, depletion, depreciation and amortization, impairment of oil and gas properties and natural gas processing facilities and exploration and abandonment costs to income (loss) before extraordinary item and cumulative effect of accounting change. Interest includes accrued interest expense and amortization of deferred financing costs. EBITDAEX should not be considered as an alternative to income (loss) or operating income (loss), as defined by generally accepted accounting principles, as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity or as being comparable to other similarly titled measures of other companies.

(f) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income (loss) before income taxes, extraordinary item and cumulative effect of account change plus fixed charges net of interest capitalized. Fixed charges consist of interest expense, interest capitalized and the portion of rental expense attributable to interest. The Company's 1995 and 1994 earnings were inadequate to cover its fixed charges. The amount of the deficiencies were $150.0 million in 1995 and $20.5 million in 1994.

THE GUARANTOR

The following table sets forth selected consolidated financial data of Pioneer USA for the nine months ended September 30, 1997, and for the period ended December 31, 1996. The following data should be read in conjunction with Pioneer USA's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Pioneer USA's consolidated financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference.

<TABLE>
<CAPTION>

	NINE MONTHS ENDED SEPTEMBER 30, 1997(A)	YEAR ENDED DECEMBER 31, 1996
	(UNAUDITED)	
	(IN MILLIONS, EXCEPT RATIOS)	
<S>	<C>	<C>
STATEMENT OF OPERATIONS DATA:		
Revenues:		
Oil and gas	$ 349.0	$ 396.9
Natural gas processing	--	23.8
Gas marketing	--	--
Interest and other	3.7	17.5
Gain on disposition of assets, net(b)	2.7	97.1
	355.4	535.3
Costs and expenses:		
Oil and gas production	91.7	110.3
Natural gas processing	--	12.5
Depletion, depreciation and amortization	126.9	112.1
Impairment of oil and gas properties and natural gas		

processing facilities	--	--
Exploration and abandonments	34.3	23.0
General and administrative	31.7	28.4
Interest	44.2	46.2
Other	3.0	2.5
	331.8	335.0
Income before income taxes, extraordinary item and cumulative effect of accounting change	23.6	200.3
Income tax provision	(8.5)	(60.1)
Income before extraordinary item and cumulative effect of accounting change	15.1	140.2
Extraordinary item	(1.5)	--
Cumulative effect of accounting change	--	--
Net income	$ 13.6	$ 140.2
OTHER FINANCIAL DATA:		
EBITDAEX(c)	$ 227.6	$ 381.7
Cash flows from operating activities	184.8	230.1
Cash flows from investing activities	(243.6)	13.7
Cash flows from financing activities	80.7	(245.4)
Capital expenditures	256.5	227.8
Ratio of earnings to fixed charges(d)	1.5	5.3
BALANCE SHEET DATA (END OF PERIOD):		
Working capital	$ 43.2	$ 26.1
Property, plant and equipment, net	3,524.0	1,040.4
Total assets	3,769.7	1,199.9
Long-term obligations:		
Long term debt(e)	1,601.2	320.9
Other noncurrent liabilities	127.6	8.1
Preferred stock of subsidiary	--	188.8
Total stockholders' equity	1,712.0	530.3

(a) Includes amounts relating to the acquisition of Mesa beginning August 1, 1997.

(b) Includes a gain of $83.3 million in 1996 related to the disposition of certain wholly-owned subsidiaries.

(c) EBITDAEX is presented because Pioneer USA believes it to be a commonly used financial indicator of a company's ability to service or incur debt. EBITDAEX (as used herein) is calculated by adding interest, income taxes, depletion, depreciation and amortization, impairment of oil and gas properties and natural gas processing facilities and exploration and abandonment costs to income (loss) before extraordinary item and cumulative effect of accounting change. Interest includes accrued interest expense and amortization of deferred financing costs. EBITDAEX should not be considered as an alternative to income (loss) or operating

income (loss), as defined by generally accepted accounting principles, as an indicator of Pioneer USA's financial performance, as an alternative to cash flow, as a measure of liquidity or as being comparable to other similarly titled measures of other companies.

(d) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income (loss) before income taxes, extraordinary item and cumulative effect of account change plus fixed charges net of interest capitalized. Fixed charges consist of interest expense, interest capitalized and the portion of rental expense attributable to interest.

(e) Represents amounts related to the United States Credit Facility, the Mesa Notes and the Parker & Parsley Notes assumed by the Company in December

1997. Pioneer USA guarantees the United States Credit Facility and the Parker & Parsley Notes. See "Credit Facility Agreements" and "Assumption of Certain Debts by the Company" in "Summary -- Recent Developments."

MESA

The following table sets forth the selected financial data of Mesa for each of the six months ended June 30, 1997 and 1996, and for the five fiscal years in the period ended December 31, 1996. The following data should be read in conjunction with Mesa's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Mesa's consolidated financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference.

<TABLE>
<CAPTION>

	SIX MONTHS ENDED JUNE 30,		YEAR ENDED DECEMBER 31,				
	1997	1996	1996	1995	1994	1993	1992
	(UNAUDITED)		(IN MILLIONS, EXCEPT RATIOS)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS DATA:							
Total operating revenue	$ 172.1	$ 152.0	$ 311.4	$ 235.0	$ 228.7	$ 222.2	$ 237.1
Total operating expenses	124.1	105.6	214.7	187.0	200.0	200.2	210.9
Operating income	48.0	46.4	96.7	48.0	28.7	22.0	26.2
Net interest expense(a)	(47.5)	(66.9)	(113.4)	(132.7)	(131.3)	(131.3)	(129.9)
Other income(b)	(2.5)	26.1	25.0	27.1	19.2	6.9	14.5
Income (loss) from continuing operations(c)	$ (2.0)	$ 5.6	$ 8.3	$ (57.6)	$ (83.4)	$ (102.4)	$ (89.2)
Dividends on preferred stock	(11.1)		(9.5)				
Income (loss) from continuing operations applicable to common stock(c)	$ (13.1)		$ (1.2)				
OTHER FINANCIAL DATA:							
EBITDAEX(d)	$ 102.7	$ 135.2	$ 228.6	$ 183.4	$ 160.3	$ 142.4	$ 178.1
Cash flows from operating activities	87.8	78.6	101.3	69.2	48.6	32.5	(28.4)
Cash flows from investing activities	(371.7)	(19.8)	(45.0)	(41.4)	(40.3)	37.5	(17.0)
Cash flows from financing activities	288.0	(33.6)	(188.7)	(22.1)	(3.6)	(88.5)	(29.5)
Capital expenditures	372.0	19.7	50.2	42.3	32.6	29.6	69.2
Ratio of earnings to fixed charges(e)	(e)	1.1	(e)	(e)	(e)	(e)	(e)
BALANCE SHEET DATA (END OF PERIOD):							
Working capital	$ 11.9	$ 18.4	$ 14.8	$ 43.8	$ 115.7	$ 76.2	$ 102.9
Property, plant and equipment, net	1,351.7	1,048.7	1,046.4	1,104.8	1,130.4	1,191.8	1,280.3
Total assets	1,505.5	1,413.5	1,213.9	1,486.8	1,484.0	1,533.4	1,676.5
Long-term debt, including current maturities	1,108.3	1,201.7	808.1	1,236.7	1,223.3	1,241.3	1,286.2
Stockholders' equity	263.5	73.7	265.5	67.0	124.6	112.1	184.4

</TABLE>

(a) Net interest expense represents total interest expense less interest income.

(b) See "Business of Pioneer -- Management's Discussion and Analysis of Financial Condition and Results of Operations of Mesa -- Results of Operations -- Other Income (Expense)" in the definitive proxy statement for the Chauvco Transaction incorporated in the Prospectus by reference.

(c) Loss from continuing operations excludes a $59.4 million extraordinary loss on debt extinguishment for 1996. Net loss attributable to common stock was $60.6 million for the year ended December 31, 1996. Net loss for the years ended December 31, 1995, 1994, 1993 and 1992 and the six months ended June 30, 1997 and 1996 are the same as loss from continuing operations shown above.

(d) EBITDAEX is presented because the Company believes it to be a commonly used financial indicator of a company's ability to service or incur debt. EBITDAEX (as used herein) is calculated by adding interest, income taxes, depletion, depreciation and amortization, impairment of oil and gas properties and exploration costs to loss from continuing operations applicable to common stock. Interest includes accrued interest expense and amortization of deferred financing costs. EBITDAEX should not be considered as an alternative to income (loss) or operating income (loss), as defined by generally accepted accounting principles, as an indicator of Mesa's financial performance, as an alternative to cash flow, as a measure of liquidity or as being comparable to other similarly titled measures of other companies.

(e) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income (loss) before income taxes, extraordinary item and cumulative effect of account change plus fixed charges net of interest capitalized. Fixed charges consist of interest expense, interest capitalized and the portion of rental expense attributable to interest. Earnings were inadequate to cover fixed charges for the years ended December 31, 1996 through 1992, by $1.3 million, $58.5 million, $83.5 million, $105.3 million and $91.6 million, respectively, and for the six months ended June 30, 1997, by $24.2 million.

CHAUVCO

The following table sets forth selected financial information of Chauvco for the nine months ended September 30, 1997 and 1996, and for the five fiscal years in the period ended December 31, 1996. The following data should be read in conjunction with Chauvco's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Chauvco's consolidated financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference.

<TABLE>
<CAPTION>

	NINE MONTHS ENDED SEPTEMBER 30,		YEAR ENDED DECEMBER 31,				
	1997(A)	1996	1996	1995	1994	1993	1992
	(UNAUDITED)		(IN THOUSANDS OF CANADIAN DOLLARS)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS DATA:							
Canadian GAAP							
Revenue	C$159,902	C$131,438	C$178,543	C$170,314	C$164,381	C$136,794	C$121,906
Net income	29,879	25,931	34,131	25,425	29,052	28,220	22,726
U.S. GAAP							
Revenue	C$159,902	C$131,438	C$178,543	C$170,314	C$164,381	(a)	(a)
Net income	32,988	29,437	41,276	33,337	24,562	(a)	(a)

</TABLE>

<TABLE>
<CAPTION>

	AS OF SEPTEMBER 30,	AS OF DECEMBER 31,				
	1997	1996	1995	1994	1993	1992
	(UNAUDITED)	(IN THOUSANDS OF CANADIAN DOLLARS)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE SHEET DATA:						
Canadian GAAP						
Working capital (deficiency)	C$(34,837)	C$ (7,441)	C$ 7,477	C$ (749)	C$(11,872)	C$ 631
Total assets	888,454	637,436	590,490	564,652	384,603	332,052
Long-term debt	288,433	127,207	139,087	180,715	51,405	50,303
Shareholders' equity	431,194	397,751	362,892	281,442	250,277	219,958

</TABLE>

U.S. GAAP						
Working capital	C$(34,837)	C$ (7,441)	C$ 7,477	(a)	(a)	(a)
Total assets	842,022	585,453	526,601	(a)	(a)	(a)
Long-term debt	288,433	127,207	139,087	(a)	(a)	(a)
Shareholders' equity	405,670	369,118	327,114	(a)	(a)	(a)

(a) U.S. GAAP information for these periods is not available.

SUMMARY HISTORICAL AND PRO FORMA OPERATING DATA

The following table sets forth summary historical and pro forma operating data of the Company for the periods indicated. The summary pro forma operating data give effect to the Parker/Mesa Merger, the Chauvco Acquisition, and certain other transactions as if all those transactions had occurred on January 1, 1996. The following data should be read in conjunction with the Company's "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Company's consolidated financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference. The historical operating data for the nine months ended September 30, 1997 and 1996, and the pro forma financial data are unaudited.

	NINE MONTHS ENDED SEPTEMBER 30,			YEAR ENDED DECEMBER 31,			
	PRO FORMA 1997	1997	1996	PRO FORMA 1996	1996	1995	1994
PRODUCTION:							
Oil (MBbls)	16,366	9,425	8,297	19,550	11,275	12,902	12,147
Gas (MMcf)	142,367	71,284	56,825	190,049	75,851	85,295	79,674
Natural gas liquids (MBbls)	4,864	1,151	--	6,460	--	--	--
Total (MBOE)	44,958	22,457	17,768	57,685	23,916	27,118	25,426
AVERAGE DAILY PRODUCTION:							
Oil (Bbls)	59,949	34,525	30,282	53,415	30,805	35,348	33,279
Gas (Mcf)	521,492	261,113	207,392	519,259	207,244	233,685	218,285
Natural gas liquids (Bbls)	17,818	4,214	--	17,650	--	--	--
PRICES:							
Average oil price (Bbls)	$ 18.04	$ 18.70	$ 19.62	$ 19.67	$ 19.96	$ 16.96	$ 15.40
Average gas price (per Mcf)	$ 2.11	$ 2.21	$ 2.12	$ 2.11	$ 2.27	$ 1.84	$ 1.89
Average NGL price (per Bbl)	$ 14.87	$ 12.89	--	$ 14.93	--	--	--
Production costs per BOE	$ 4.04	$ 4.08	$ 4.63	$ 3.80	$ 4.61	$ 4.83	$ 5.00
Depletion	$ 6.31	$ 5.40	$ 4.45	$ 6.34	$ 4.30	$ 5.36	$ 5.18

SUMMARY PRO FORMA RESERVE DATA

The following table sets forth pro forma information regarding changes in the net quantities of oil and natural gas reserves of the Company for the year ended December 31, 1996. The pro forma information gives effect to the Parker/Mesa Merger, the Chauvco Acquisition, and certain other transactions as if all those transactions had occurred on January 1, 1996. The following data are qualified in their entirety by, and should be read in conjunction with, the Company's unaudited pro forma combined financial statements and notes thereto contained in the Chauvco 8-K which is incorporated in the Prospectus by reference.

	MBBLS				
	USA	ARGENTINA	CANADA	TOTAL	MBOE(A)

OIL, NATURAL GAS LIQUIDS AND CONDENSATE:					
Balance, January 1, 1996	267,108	15,933	21,895	304,936	304,936
Revisions of previous estimates	31,475	(722)	249	31,002	31,002
Purchase of mineral-in-place	300	--	--	300	300
New discoveries and extensions	2,794	1,608	650	5,052	5,052
Production	(20,497)	(1,183)	(4,330)	(26,010)	(26,010)
Balance, December 31, 1996	281,180	15,636	18,464	315,280	315,280

</TABLE>

<TABLE>
<CAPTION>

	MMCF				
	USA	ARGENTINA	CANADA	TOTAL	MBOE(A)
GAS:					
Balance, January 1, 1996	1,984,726	322,000	136,264	2,442,990	407,165
Revisions of previous estimates	42,246	(10,860)	(5,180)	26,206	4,368
Purchase of mineral-in-place	11,494	--	--	11,494	1,916
New discoveries and extensions	30,151	4,588	3,320	38,059	6,343
Production	(160,729)	(16,820)	(12,500)	(190,049)	(31,675)
Balance, December 31, 1996	1,907,888	298,908	121,904	2,328,700	388,117
TOTAL MBOE, December 31, 1996(a)					703,397

</TABLE>

(a) Equivalent oil reserves are based on six Mcf of gas per barrel of oil.

USE OF PROCEEDS

The net proceeds from the sale of the Notes offered hereby are estimated to be approximately $594.5 million after deduction of estimated expenses and underwriting discount. The Company will use the net proceeds to repay existing bank indebtedness outstanding under (i) its two Amended and Restated Credit Facility Agreements each dated as of December 18, 1997 (the "United States Credit Facility"), among the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, The Chase Manhattan Bank, as Syndication Agent, the co-agents signatory thereto and the other lenders signatory thereto, and (ii) its $100 million note (the "Term Note"), dated as of December 22, 1997, payable to NationsBank of Texas, N.A. The Company must pay the amount outstanding, if any, under the Term Note before it may repay existing bank indebtedness outstanding under the United States Credit Facility.

The United States Credit Facility consists of two credit facility agreements. The primary facility provides for a $1.075 billion revolving line of credit with a maturity date of August 7, 2002. The additional facility provides for a $300 million line of credit with a maturity date of August 5, 1998. Advances on the United States Credit Facility bear interest, at the borrower's option, based on (a) the prime rate of NationsBank of Texas, N.A., (b) a Eurodollar rate (substantially equal to LIBOR), adjusted for the reserve requirement as determined by the Board of Governors of the Federal Reserve System with respect to transactions in Eurocurrency liabilities ("LIBOR Rate"), or (c) a competitive bid rate as quoted by the lenders electing to participate following the borrower's request. Advances that bear a LIBOR Rate have periodic maturities, at the borrower's option, of one, two, three, six, nine or twelve months. Advances that bear competitive bid rates have periodic maturities, at the borrower's option, of not less than 15 days nor more than 360 days. The interest rates on LIBOR Rate advances vary with interest rate margins ranging from 18 basis points to 45 basis points. The interest rate margin is determined by a grid based upon the long-term public debt rating of the Company's senior unsecured indebtedness. The Company's obligations are guaranteed by Pioneer USA and certain other U.S. subsidiaries, and are secured by a pledge of 65% of the capital stock of certain non-U.S. subsidiaries (including Pioneer Canada). As of

December 31, 1997, the Company had $1.344 billion outstanding under the United States Credit Facility with an effective interest rate for borrowings of 6.24% per annum, after giving effect to interest rate swaps. The United States Credit Facility has been used to refinance the debt of Parker & Parsley and Mesa, to fund the offer to purchase the Mesa Notes, to fund the acquisition of assets from ACI and Rockland, and for other general corporate purposes. The Term Note has a maturity date of April 1, 1999, and bears interest at the borrower's option at the rates set forth in clauses (a) and (b) of this paragraph. At December 31, 1997, the Company had $30 million outstanding under the Term Note with an interest rate of 8.5% per annum. The Term Note has been used to finance working capital.

NationsBank of Texas, N.A., is an affiliate of NationsBanc Montgomery Securities LLC, Morgan Guaranty Trust Company of New York is an affiliate of J.P. Morgan Securities Inc., and The Chase Manhattan Bank is an affiliate of Chase Securities Inc. Each of these firms will receive 8.64% of the repayment of borrowings outstanding under the United States Credit Facility from the net proceeds of the Offering, and NationsBank of Texas, N.A., will receive 100% of repayment of borrowings under the Term Note. See "Underwriting."

CAPITALIZATION

The following table sets forth the current maturities of long-term debt and the capitalization of the Company as of September 30, 1997, (i) on a historical basis, (ii) on a pro forma basis to give effect to the Chauvco Acquisition, as though it had occurred on that date, and (iii) on a pro forma basis as adjusted to reflect the closing of the offer to purchase the Mesa Notes, the Offering, and the application of the estimated net proceeds from the Offering. This table should be read in conjunction with the Company's consolidated financial statements and notes thereto and the Company's unaudited pro forma combined financial statements and notes thereto contained in the reports incorporated in the Prospectus by reference.

<TABLE>
<CAPTION>

	SEPTEMBER 30, 1997		
	HISTORICAL	PRO FORMA(A)	PRO FORMA AS ADJUSTED
		(IN THOUSANDS)	
<S>	<C>	<C>	<C>
Current maturities of long-term debt	$ 11,116	$ 16,088	$ 16,088
Long term debt:			
United States Credit Facility	$ 713,000	$ 743,000	$ 732,677
Canadian Credit Facility	--	223,227	223,227
The Notes	--	--	600,000
8 7/8% senior notes due 2005	150,000	150,000	150,000
8 1/4% senior notes due 2007 (net of discount)	149,328	149,328	149,328
10 5/8% senior subordinated notes due 2006	369,572	369,571	6,639
11 5/8% senior subordinated discount notes due 2006	209,481	209,481	17,884
Fixed rate building loan	9,336	9,336	9,336
Other	428	428	428
Total long-term debt, excluding current maturities	1,601,145	1,854,371	1,889,518
Stockholders' equity:			
Common stock	745	994	994
Additional paid-in capital	1,626,487	2,314,571	2,314,571
Unearned compensation	(17,316)	(17,316)	(17,316)
Retained earnings	108,191	108,191	96,288
Total stockholders' equity	1,718,107	2,406,440	2,394,537
Total capitalization	$3,319,252	$4,260,811	$4,284,055

</TABLE>

(a) Does not give effect to (i) the acquisition of assets from ACI and Rockland, or (ii) the divestiture of $103 million in non-strategic properties. See "Summary -- The Company -- Recent Developments."

DESCRIPTION OF NOTES

GENERAL

The 2008 Notes and the 2028 Notes are separate series of Debt Securities described in the accompanying Prospectus. The Notes are to be issued and governed by an Indenture, to be dated as of January , 1998 (the "Indenture"), between the Company and The Bank of New York, as Trustee (the "Trustee"), substantially identical to the form of Indenture described in the accompanying Prospectus.

The following is a summary of certain provisions of the Notes and the Indenture, a form of which is an exhibit to the registration statement relating hereto. The following summary of certain provisions of the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture, including the definitions of certain terms therein and those terms made a part thereof by the Trust Indenture Act of 1939.

2008 NOTES

The 2008 Notes will be unsecured senior obligations of the Company, limited to $ million aggregate principal amount, and will mature on , 2008. The 2008 Notes will bear interest at the rate per annum shown on the cover page hereof from , 1998, or from the most recent date to which interest has been paid or provided for, payable semiannually to holders of record at the close of business on the and immediately preceding the interest payment date on and of each year, commencing , 1998. The Company will pay interest on overdue principal at 1% per annum in excess of such rate, and it will pay interest on overdue installments of interest at such higher rate to the extent lawful. Interest will be paid on the basis of a 360-day year comprised of twelve 30-day months.

2028 NOTES

The 2028 Notes will be unsecured senior obligations of the Company, limited to $ million aggregate principal amount, and will mature on , 2028. The 2028 Notes will bear interest at the rate per annum shown on the cover page hereof from , 1998, or from the most recent date to which interest has been paid or provided for, payable semiannually to holders of record at the close of business on the and immediately preceding the interest payment date on and of each year, commencing , 1998. The Company will pay interest on overdue principal at 1% per annum in excess of such rate, and it will pay interest on overdue installments of interest at such higher rate to the extent lawful. Interest will be paid on the basis of a 360-day year comprised of twelve 30-day months.

GUARANTEES

The obligations of the Company under the Indenture will be unconditionally guaranteed on an unsecured basis by Pioneer USA. The Guarantees will terminate if the Guarantor is released from its guarantees of the Company's United States Credit Facility. The Guarantees are not required to be reinstated if the Guarantor's guarantees of the United States Credit Facility are subsequently reinstated or if the Guarantor guarantees or incurs other debt. The Guarantor may not consolidate or merge with or into any person unless either (i) the Guarantor shall be the continuing person in the case of merger, or (ii) the resulting, surviving or transferee person, if other than the Guarantor, shall be

a corporation organized and existing under the laws of the United States, any State, or the District of Columbia and shall expressly assume all of the obligations of the Guarantor under the Guarantees.

Pioneer USA is a direct, wholly-owned subsidiary of the Company and owns substantially all of the United States onshore and offshore properties of the Company. Pioneer USA has no borrowed money obligations other than for a $9.1 million secured building loan and certain capitalized lease obligations and has no guarantees of other borrowed money obligations except as guarantor of the Notes, the United States Credit Facility, and the Parker & Parsley Notes.

Although Holders of the Notes will be direct creditors of the Guarantor by virtue of the Guarantees, existing or future creditors of the Guarantor, a trustee in bankruptcy, or the Guarantor as debtor-in-possession could avoid or subordinate the Guarantees under fraudulent conveyance laws if it were successful in establishing that (i) the Guarantees were incurred with intent to hinder, delay or defraud any present or future creditor, or (ii) the Guarantor did not receive fair consideration or reasonably equivalent value for issuing the Guarantees and that it (a) was insolvent at the time of the issuance, (b) was rendered insolvent by reason of the issuance, (c) was engaged in a business or transaction for which its assets constituted unreasonably small capital to carry on its business, or (d) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured. Among other things, a legal challenge of the Guarantees on fraudulent conveyance grounds may focus on the benefits, if any, realized by the Guarantor as a result of the issuance by the Company of the Notes. To the extent the Guarantees were avoided as fraudulent conveyances or held unenforceable for any other reason, the Holders of the Notes would cease to have any claim in respect of the Guarantor, would be creditors solely of the Company, and may be required to return all amounts received pursuant to the avoided Guarantees.

The measure of insolvency for purposes of the foregoing will vary depending upon the law of the jurisdiction that is being applied. Generally, however, a company would be considered insolvent if the sum of its debts is greater than all of its property at a fair valuation, or if the present fair saleable value of its assets is less than the amount that will be required to pay its probable liability on its existing debts as they become absolute and matured.

No other direct or indirect subsidiary of the Company will be a guarantor of the Notes.

RANKING

The Notes will be general unsecured obligations of the Company ranking pari passu in right of payment with all other senior unsecured indebtedness of the Company and will be senior in right of payment to all existing and future subordinated indebtedness of the Company. At December 31, 1997, after giving effect to the Offering and the application of estimated net proceeds therefrom, the Company would have had approximately $1.1 billion of indebtedness for borrowed money ranking pari passu in right of payment with the Notes. The Notes will be effectively subordinated in right of payment to all existing and future secured indebtedness of the Company to the extent of the value of the assets securing such indebtedness. The Company's $1.375 billion United States Credit Facility is secured by a pledge of 65% of the outstanding stock of certain of the Company's non-U.S. subsidiaries, including Pioneer Canada (the "Pledged Stock"). Accordingly, the Notes will be effectively subordinated to any indebtedness under the United States Credit Facility to the extent of the value of the Pledged Stock. If an event of default occurs under the United States Credit Facility, the lenders under the United States Credit Facility may foreclose upon the Pledged Stock to the exclusion of the Holders of the Notes, notwithstanding the existence of any event of default under the Indenture. In that event, the Pledged Stock would first be used to repay in full amounts outstanding under the United States Credit Facility, resulting in the Pledged Stock being unavailable to satisfy the claims of Holders of the Notes and other unsecured indebtedness.

The Company is a holding company that conducts all its operations through subsidiaries, and the Notes will be effectively subordinated to all obligations of the Company's subsidiaries that are not guarantors of the Notes, including

the claims of the lenders against guarantors of the United States Credit Facility and the claims of the lenders against Chauvco and guarantors under the Canadian Credit Facility. At December 31, 1997, after giving effect to the Offering and the application of the estimated net proceeds therefrom, the Company's subsidiaries that are not guarantors of the Notes, including Pioneer Canada and Chauvco, would have had approximately $248.3 million of indebtedness for borrowed money. If Pioneer USA's guarantees of the United States Credit Facility are terminated, the Guarantees will also terminate. The Indenture does not require the Guarantees to be reinstated if Pioneer USA's guarantees of the United States Credit Facility are subsequently reinstated or if Pioneer USA guarantees or incurs other debt. If Pioneer USA's guarantees of the United States Credit Facility are subsequently reinstated or if Pioneer USA subsequently guarantees or incurs other debt, the Notes would be effectively subordinated to the United States Credit Facility or such debt or guarantees to the extent of the value of such debt or guarantees of Pioneer USA unless Pioneer USA voluntarily provides a new guarantee of the Notes. The United States Credit Facility is also guaranteed by certain other subsidiaries of the Company that are not guaranteeing the Notes, and the Notes will be effectively subordinated to the United States Credit Facility to the extent of the value of such guarantees. The Indenture does not restrict the ability of any subsidiaries to incur additional liabilities, including indebtedness under and guarantees of bank credit facilities, in the future. The Company's subsidiaries may also have other liabilities, including contingent liabilities, which could be substantial.

Substantially all of the Company's operating income and cash flow is generated by its subsidiaries. As a result, funds necessary to meet the Company's debt service obligations are provided in part by distributions or advances from its subsidiaries. Under certain circumstances, contractual and legal restrictions, as well as the financial condition and operating requirements of the Company's subsidiaries, could limit the Company's ability to obtain cash from its subsidiaries for the purpose of meeting its debt service obligations, including the payment of principal and interest on the Notes.

The Guarantees will be general unsecured obligations of the Guarantor ranking pari passu in right of payment with all other senior unsecured indebtedness of the Guarantor and will be senior in right of payment to any subordinated indebtedness of the Guarantor. The Guarantor has guaranteed the United States Credit Facility and the Parker & Parsley Notes, which guarantees will be pari passu with the Guarantees. The Guarantees will be effectively subordinated in right of payment to any secured indebtedness of the Guarantor to the extent of the value of the assets securing such indebtedness. The Guarantees could also be effectively subordinated to all the obligations of the Guarantor under certain circumstances. See "Description of Notes -- Guarantees."

OPTIONAL REDEMPTION

The Notes of each series will be redeemable at any time, at the option of the Company, in whole or from time to time in part, upon not less than 30 and not more than 60 days' notice as provided in the Indenture, on any date prior to their respective maturity (the "Redemption Date") at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the Redemption Date) plus a Make-Whole Premium, if any (the "Redemption Price"). In no event will a Redemption Price ever be less than 100% of the principal amount of the relevant Notes plus accrued and unpaid interest, if any, to the Redemption Date.

The amount of the Make-Whole Premium with respect to any Note (or portion thereof) to be redeemed will be equal to the excess, if any, of :

(i) the sum of the present values, calculated as of the Redemption Date, of:

(A) each interest payment that, but for such redemption, would have been payable on the Note (or portion thereof) being redeemed on each interest payment date occurring after the Redemption Date (excluding any accrued interest for the period prior to the Redemption Date); and

(B) the principal amount that, but for such redemption, would have been payable at the final maturity of the Note (or portion thereof) being redeemed; over

(ii) the principal amount of the Note (or portion thereof) being redeemed.

The present values of interest and principal payments referred to in clause (i) above will be determined in accordance with generally accepted principles of financial analysis. Such present values will be calculated by discounting the amount of each payment of interest or principal from the date that each such payment would have been payable, but for the redemption, to the Redemption Date at a discount rate equal to the Treasury Yield (as defined below) plus basis points in the case of the 2008 Notes and the Treasury Yield plus basis points in the case of the 2028 Notes.

The Make-Whole Premium will be calculated by an independent investment banking institution of national standing appointed by the Company; provided that if the Company fails to make such appointment at least 45 business days prior to the Redemption Date, or if the institution so appointed is unwilling or unable to make such calculation, such calculation will be made by Salomon Brothers Inc or, if such firm is unwilling or unable to make such calculation, by an independent investment banking institution of national standing appointed by the Trustee (in any such case, an "Independent Investment Banker").

For purposes of determining the Make-Whole Premium, "Treasury Yield" means a rate of interest per annum equal to the weekly average yield to maturity of United States Treasury Notes that have a constant maturity that corresponds to the remaining term to maturity of the applicable Notes, calculated to the nearest 1/12th of a year (the "Remaining Term"). The Treasury Yield will be determined as of the third business day immediately preceding the applicable Redemption Date.

The weekly average yields of United States Treasury Notes will be determined by reference to the most recent statistical release published by the Federal Reserve Bank of New York and designated "H.15 (519)

Selected Interest Rates" or any successor release (the "H.15 Statistical Release"). If the H.15 Statistical Release sets forth a weekly average yield for United States Treasury Notes having a constant maturity that is the same as the Remaining Term, then the Treasury Yield will be equal to such weekly average yield. In all other cases, the Treasury Yield will be calculated by interpolation, on a straight-line basis, between the weekly average yields on the United States Treasury Notes that have a constant maturity closest to and greater than the Remaining Term and the United States Treasury Notes that have a constant maturity closest to and less than the Remaining Term (in each case as set forth in the H.15 Statistical Release). Any weekly average yields so calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If weekly average yields for United States Treasury Notes are not available in the H.15 Statistical Release or otherwise, then the Treasury Yield will be calculated by interpolation of comparable rates selected by the Independent Investment Banker.

In the case of any partial redemption, selection of the Notes for redemption will be made by the Trustee on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, although no Note of $1,000 in original principal amount or less shall be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note.

SINKING FUND

There will be no mandatory sinking fund payments for the Notes.

BOOK-ENTRY, DELIVERY AND FORM

Except as described below, the Notes sold will initially be issued in the form of two or more global notes (the "Global Notes"). The Global Notes will be deposited with, or on behalf of, The Depository Trust Company (the "Depositary") and registered in the name of the Depositary or its nominee. Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to

the Depositary or another nominee of the Depositary. Investors may hold their beneficial interests in the Global Notes directly through the Depositary if they have an account with the Depositary or indirectly through organizations which have accounts with the Depositary.

The Depositary has advised the Company as follows: The Depositary is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and "a clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. The Depositary was created to hold securities of institutions that have accounts with the Depositary ("participants") and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. The Depositary's participants include securities brokers and dealers, including the Underwriters, banks, trust companies, clearing corporations and certain other organizations, some of which (and/or their representatives) own the Depositary. Access to the Depositary's book-entry system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

Upon the issuance by the Company of Notes represented by the Global Notes, the Depositary or its nominee will credit, on its book-entry registration and transfer system, the principal amount of the Notes represented by such Global Notes to the accounts of participants. The accounts to be credited shall be designated by the Underwriters. Ownership of beneficial interests in the Notes represented by Global Notes will be limited to participants or persons that hold interests through participants. Ownership of such beneficial interests in Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depositary (with respect to participants' interest) and such participants (with respect to the owners of beneficial interests in the Global Notes other than participants). The laws of some jurisdictions may

require that certain purchasers of securities take physical delivery of such securities in definitive form. Such laws may impair the ability to transfer or pledge beneficial interests in Notes represented by Global Notes.

So long as the Depositary, or its nominee, is the registered holder and owner of the Global Notes, the Depositary or such nominee, as the case may be, will be considered the sole legal owner and holder of the related Notes for all purposes of such Notes and the Indenture. Except as set forth below, owners of beneficial interests in the Global Notes will not be entitled to have the Notes represented by the Global Notes registered in their names, will not receive or be entitled to receive physical delivery or certificated Notes in definitive form and will not be considered to be the owners or holders of any Notes under the Indenture. The Company understands that under existing industry practice, in the event an owner of a beneficial interest in the Global Notes desires to take any action that the Depositary, as the holder of the Global Notes, is entitled to take, the Depositary would authorize the participants to take such action, and that the participants would authorize beneficial owners owning through such participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Payment of principal of and interest on Notes represented by Global Notes registered in the name of and held by the Depositary or its nominee will be made by the Company through the Paying Agent (as defined in the Indenture) to the Depositary or its nominee, as the case may be, as the registered owner and Holder of such Global Notes.

The Company expects that the Depositary or its nominee, upon receipt of any payment of principal of or interest on the Notes represented by Global Notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of the Depositary or its nominee. The Company also expects that payments by participants to owners of beneficial interests in the Notes represented by Global Notes held through such participants will be governed by standing instructions and customary practices and will be the

responsibility of such participants. The Company will not have any responsibility or liability for any aspect of the records relating to, or payments made on amount of, beneficial ownership interests in the Notes represented by Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or for any other aspect of the relationship between the Depositary and its participants or the relationship between such participants and the owners of beneficial interests in the Notes represented by Global Notes owned through such participants.

Unless and until they are exchanged in whole or in part for certificated Notes in definitive form, the Global Notes may not be transferred except as a whole by the Depositary to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary.

Although the Depositary has agreed to the foregoing procedures in order to facilitate transfers of interests in the Notes represented by Global Notes among participants of the Depositary, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Trustee nor the Company will have any responsibility for the performance by the Depositary or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

CERTIFICATED NOTES

The Notes represented by the Global Notes are exchangeable for certificated Notes in definitive form of like tenor as such Notes in denominations of U.S. $1,000 and integral multiples thereof if (i) the Depositary notifies the Company that it is unwilling or unable to continue as Depositary for the Global Notes or if at any time the Depositary ceases to be a clearing agency registered under the Exchange Act and a successor Depositary is not appointed by the Company within 90 days, (ii) the Company in its discretion at any time determines not to have all of the Notes represented by the Global Notes, (iii) an Event of Default has occurred and is continuing, or (iv) upon the occurrence of certain other events. Any Note that is exchangeable pursuant to the preceding sentence is exchangeable for certificated Notes issuable in authorized denominations and registered in such names as the Depositary shall direct. Subject to the foregoing, the Global Notes

are not exchangeable, except for a Global Note of the same aggregate denomination to be registered in the name of the Depositary or its nominee.

SAME-DAY PAYMENT

The Indenture will require that payments in respect of Notes (including principal, premium and interest) be made by wire transfer of immediately available funds to the accounts specified by the Holders thereof or, if no such account is specified, by mailing a check to each such Holder's registered address.

CERTAIN COVENANTS

The Indenture will not limit the amount of indebtedness or other obligations that may be incurred by the Company and its subsidiaries and will not contain provisions that would give holders of the Notes the right to require the Company to repurchase their Notes in the event of a decline in the credit rating of the Company's debt securities or upon a change of control of the Company. The Indenture will contain covenants including, among others, the following:

Limitation on Liens. The Company will not, and will not permit any of its Subsidiaries to, create or permit to exist any Liens upon any Principal Property or any shares of stock or Indebtedness of any Subsidiary that owns or leases any Principal Property (whether such Principal Property, shares of stock or indebtedness are now owned or hereafter acquired) unless all payments due under the Indenture with respect to the Notes are secured on an equal and ratable basis with the obligations so secured until such time

as such obligations are no longer secured by a Lien. The preceding sentence will not require the Company to secure the Notes if the Liens consist of either (a) Permitted Liens or (b) Liens securing excepted indebtedness as described below.

Limitation on Sale and Leaseback Transactions. Neither the Company nor any Subsidiary will enter into any Sale and Leaseback Transaction with respect to any Principal Property unless either (a) the Company or such Subsidiary would be entitled, pursuant to the provisions of the Indenture, to incur Indebtedness secured by a Lien on the property to be leased without equally and ratably securing the Notes pursuant to the covenant described above in "Limitation on Liens," or (b) the Company, within six months after the effective date of such transaction, applies to the voluntary defeasance or retirement of its funded debt an amount equal to the Attributable Indebtedness of such transaction.

Excepted Indebtedness. Notwithstanding the foregoing limitations on Liens and Sale and Leaseback Transactions, the Company and its Subsidiaries may issue, assume, or guarantee Indebtedness secured by a Lien without securing the Notes, or may enter into Sale and Leaseback Transactions without defeasing or retiring funded debt, or enter into a combination of such transactions, if the sum of the principal amount of all such Indebtedness and the Attributable Indebtedness of all such Sale and Leaseback Transactions does not at any time exceed 15% of Adjusted Consolidated Net Tangible Assets.

TRANSFER

The Notes will be issued in registered form and will be transferable only upon the surrender of the Notes being transferred for registration of transfer. The Company may require payment of a sum sufficient to cover any tax, assessment or other governmental charge payable in connection with certain transfers and exchanges.

CONCERNING THE TRUSTEE

The Bank of New York is to be the Trustee under the Indenture and has been appointed by the Company as Registrar and Paying Agent with regard to the Notes. The Company may have banking relationships in the ordinary course of business with The Bank of New York.

CERTAIN DEFINITIONS

"Adjusted Consolidated Net Tangible Assets" means (without duplication), as of the date of determination, the remainder of:

(a) the sum of (i) discounted future net revenues from proved oil and gas reserves of the Company and its Subsidiaries calculated in accordance with SEC guidelines before any provincial, territorial, state, Federal or foreign income taxes, as estimated by the Company in a reserve report prepared as of the end of the Company's most recently completed fiscal year for which audited financial statements are available, as increased by, as of the date of determination, the estimated discounted future net revenues from (A) estimated proved oil and gas reserves acquired since such year end, which reserves were not reflected in such year end reserve report, and (B) estimated oil and gas reserves attributable to upward revisions of estimates of proved oil and gas reserves since such year end due to exploration, development or exploitation activities, in each case calculated in accordance with SEC guidelines (utilizing the prices utilized in such year end reserve report), and decreased by, as of the date of determination, the estimated discounted future net revenues from (C) estimated proved oil and gas reserves produced or disposed of since such year end, and (D) estimated oil and gas reserves attributable to downward revisions of estimates of proved oil and gas reserves since such year end due to changes in geological conditions or other factors which would, in

accordance with standard industry practice, cause such revisions, in each case calculated on a pre-tax basis and substantially in accordance with SEC guidelines (utilizing the prices utilized in such year end reserve report), in each case as estimated by the Company's petroleum engineers or any independent petroleum engineers engaged by the Company for that purpose; (ii) the capitalized costs that are attributable to oil and gas properties of the Company and its Subsidiaries to which no proved oil and gas reserves are attributable, based on the Company's books and records as of a date no earlier than the date of the Company's latest available annual or quarterly financial statements, (iii) the Net Working Capital on a date no earlier than the date of the Company's latest annual or quarterly financial statements, and (iv) the greater of (A) the net book value on a date no earlier than the date of the Company's latest annual or quarterly financial statement, and (B) the appraised value, as estimated by independent appraisers, of other tangible assets of the Company and its Subsidiaries, as of the date no earlier than the date of the Company's latest audited financial statements; minus

(b) the sum of (i) Minority Interests; (ii) any net gas balancing liabilities of the Company and its Subsidiaries reflected in the Company's latest audited financial statements; (iii) to the extent included in (a)(i) above, the discounted future net revenues, calculated in accordance with SEC guidelines (utilizing the prices utilized in the Company's year end reserve report), attributable to reserves which are required to be delivered to third parties to fully satisfy the obligations of the Company and its Subsidiaries with respect to Volumetric Production Payments (determined, if applicable, using the schedules specified with respect thereto); and (iv) the discounted future net revenues, calculated in accordance with SEC guidelines, attributable to reserves subject to Dollar-Denominated Production Payments which, based on the estimates of production and price assumptions included in determining the discounted future net revenues specified (a)(i) above, would be necessary to fully satisfy the payment obligations of the Company and its Subsidiaries with respect to Dollar-Denominated Production Payments (determined, if applicable, using the schedules specified with respect thereto).

If the Company changes its method of accounting from the successful efforts method to the full cost or a similar method of accounting, "Adjusted Consolidated Net Tangible Assets" will continue to be calculated as if the Company were still using the successful efforts method of accounting.

"Attributable Indebtedness" with respect to a Sale and Leaseback Transaction means, as of the time of determination, (i) if the obligation with respect to such Sale and Leaseback Transaction is a Capitalized Lease Obligation, the amount equal to the capitalized amount of such obligation determined in accordance with GAAP and included in the financial statements of the lessee or (ii) if the obligation with respect to such Sale and Leaseback Transaction is not a Capitalized Lease Obligation, the amount equal to the total Net Amount of Rent required to be paid by the lessee under such lease during the remaining term thereof (including any period for which the lease has been extended), discounted from the respective due dates

thereof to such determination date at the rate per annum borne by the applicable series of Notes compounded semiannually.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Capitalized Lease Obligation" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commodity Price Protection Agreement" means, in respect of any Person, any

forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices.

"Consolidated Net Worth" of any Person means the stockholders' equity of such Person and its Subsidiaries, as determined on a consolidated basis in accordance with GAAP, less (to the extent included in stockholders' equity) amounts attributable to Redeemable Stock of such Person or its Subsidiaries.

"Currency Exchange Protection Agreement" means, in respect of any Person, any foreign exchange contract, currency swap agreement, currency option or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates.

"Dollar-Denominated Production Payments" means production payment obligations recorded as liabilities in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Exchange Act" means the Securities Exchange Act of 1934.

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the Issue Date, including those set forth in (i) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, (ii) statements and pronouncements of the Financial Accounting Standards Board, (iii) such other statements by such other entity as approved by a significant segment of the accounting profession, and (iv) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"Government Contract Lien" means any Lien required by any contract, statute, regulation or order in order to permit the Company or any of its Subsidiaries to perform any contract or subcontract made by it with or at the request of the United States or any State thereof or any department, agency or instrumentality of either or to secure partial, progress, advance or other payments by the Company or any of its Subsidiaries to the United States or any State thereof or any department, agency or instrumentality of either pursuant to the provisions of any contract, statute, regulation or order.

"Guarantor" means Pioneer Natural Resources USA, Inc. with respect to the 2008 Notes and the 2028 Notes.

"Hedging Obligation" of any Person means an obligation of such Person pursuant to any Interest Rate Protection Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement or other similar agreement.

"Holder" or "Noteholder" means the Person in whose name a Note is registered on the Registrar's books.

"Indebtedness" means, with respect to any Person, at any date, any of the following, without duplication: (i) any liability, contingent or otherwise, of such Person (A) for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof), (B) evidenced by a note, bond, debenture or similar instrument, or (C) for the payment of money relating to a Capitalized Lease Obligation or other obligation (whether issued or assumed) relating to the deferred purchase price of property; (ii) all conditional sale obligations and all obligations under any title retention agreement (even if

the rights and remedies of the seller under such agreement in the event of default are limited to repossession or sale of such property); (iii) all obligations for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction other than entered into in the ordinary course of business; (iv) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on any asset or property (including, without limitation, leasehold interests and any other tangible or intangible property) of such Person, whether or not such indebtedness is assumed by such Person or is not otherwise such Person's legal liability; provided that if the obligations so secured have not been assumed in full by such Person or are otherwise not such Person's legal liability in full, the amount of such indebtedness for the purposes of this definition shall be limited to the lesser of the amount of such indebtedness secured by such Lien or the fair market value of the assets of the property securing such lien; (v) all indebtedness of others (including all interest and dividends on any Indebtedness or Preferred Stock of any other Person for the payment of which is) guaranteed, directly or indirectly, by such Person or that is otherwise its legal liability or which such Person has agreed to purchase or repurchase or in respect of which such Person has agreed contingently to supply or advance funds; and (vi) to the extent not otherwise included in this definition, obligations in respect of Hedging Obligations. Indebtedness shall not include (a) accounts payable arising in the ordinary course of business, and (b) any obligations in respect of prepayments for gas or oil production or gas or oil imbalances.

"Interest Rate Protection Agreement" means, in respect of any Person, any interest rate swap agreement, interest rate option agreement, interest rate cap agreement, interest rate collar agreement, interest rate floor agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in interest rates.

"Issue Date" means the date on which the Notes are originally issued.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien, charge or adverse claim affecting title or resulting in an encumbrance against real or personal property or a security interest of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any filing or agreement to file a financing statement as debtor under the Uniform Commercial Code or any similar statute other than to reflect ownership by a third party of property leased to the Company or any of its Subsidiaries under a lease that is not in the nature of a conditional sale or title retention agreement).

"Minority Interest" means the percentage interest represented by any shares of stock of any class of a Subsidiary that are not owned by the Company or a Subsidiary.

"Net Amount of Rent" as to any lease for any period means the aggregate amount of rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as payable under such lease subsequent to the first date upon which it may be so terminated.

"Net Working Capital" means (a) all current assets of the Company and its Subsidiaries, less (b) all current liabilities of the Company and its Subsidiaries, except current liabilities included in Indebtedness, in each case as set forth in consolidated financial statements of the Company prepared in accordance with GAAP.

"Permitted Liens" means, with respect to any Person, (a) pledges or deposits by such Person under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or United States government bonds to secure performance, surety or appeal bonds to which such Person is a party or which are otherwise required of such Person, or deposits as security for

contested taxes or import duties or for the payment of rent or other obligations of like nature, in each case incurred in the ordinary course of business; (b) Liens imposed by law, such as carriers', warehousemen's, laborers', materialmen's, landlords', vendors', workmen's, operators', producers' (including those arising pursuant to Article 9.319 of the

Texas Uniform Commercial Code or other similar statutory provisions of other states with respect to production purchased from others) and mechanics' Liens, in each case for sums not yet due or being contested in good faith by appropriate proceedings; (c) Liens for property taxes, assessments and other governmental charges or levies not yet delinquent or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings; (d) minor survey exceptions, minor encumbrances, easements or reservations of or with respect to, or rights of others for or with respect to, licenses, rights-of-way, sewers, electric and other utility lines and usages, telegraph and telephone lines, pipelines, surface use, operation of equipment, permits, servitudes and other similar matters or zoning or other restrictions as to the use of real property or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which were not Incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of such properties or materially impair their use in the operation of the business of such Person; (e) Liens existing on or provided for under the terms of agreements existing on the date the Notes are issued (including the United States Credit Facility and the Canadian Credit Facility); (f) Liens on property or assets of, or any shares of stock of or secured debt of, any Person at the time the Company or any of its Subsidiaries acquired the property or the Person owning such property, including any acquisition by means of a merger or consolidation with or into the Company or any of its Subsidiaries; (g) Liens securing a Hedging Obligation so long as such Hedging Obligation is of the type customarily entered into in connection with, and is entered into for the purpose of, limiting risk; (h) Liens upon specific properties of the Company or any of its Subsidiaries securing Indebtedness incurred in the ordinary course of business to provide all or part of the funds for the exploration, drilling or development of those properties; (i) Purchase Money Liens; (j) Liens securing only Indebtedness of a wholly-owned Subsidiary of the Company to the Company or to one or more wholly-owned Subsidiaries of the Company; (k) Liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities or other forms of industrial revenue bond financing or Indebtedness issued or Guaranteed by the United States, any state or any department, agency or instrumentality thereof; (l) Government Contract Liens; (m) Liens in respect of Production Payments and Reserve Sales; (n) Liens resulting from the deposit of funds or evidences of Indebtedness in trust for the purpose of defeasing Indebtedness of the Company or any of its Subsidiaries; (o) legal or equitable encumbrances deemed to exist by reason of negative pledges or the existence of any litigation or other legal proceeding and any related lis pendens filing (excluding any attachment prior to judgment, judgment lien or attachment lien in aid of execution on a judgment); (p) rights of a common owner of any interest in property held by such Person; (q) farmout, carried working interest, joint operating, unitization, royalty, overriding royalty, sales and similar agreements relating to the exploration or development of, or production from, oil and gas properties entered into in the ordinary course of business; (r) any defects, irregularities or deficiencies in title to easements, rights-of-way or other properties that do not in the aggregate materially adversely affect the value of such properties or materially impair their use in the operation of the business of such Person; and (s) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements), as a whole or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (e) through (m); provided, however, that (i) such new Lien shall be limited to all or part of the same property that secured the original Lien, plus improvements on such property, and (ii) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (e) through (m) at the time the original Lien became a Permitted Lien and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as

to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Principal Property" means any property owned or leased by the Company or any Subsidiary, the gross book value of which exceeds one percent of Consolidated Net Worth.

"Production Payments and Reserve Sales" means the grant or transfer by the Company or a Subsidiary of the Company to any Person of a royalty, overriding royalty, net profits interest, production payment (whether volumetric or dollar denominated), partnership or other interest in oil and gas properties, reserves or the right to receive all or a portion of the production or the proceeds from the sale of production attributable to such properties, including any such grants or transfers pursuant to incentive compensation programs on terms that are reasonably customary in the Oil and Gas Business for geologists, geophysicists and other providers of technical services to the Company or a Subsidiary of the Company.

"Purchase Money Lien" means a Lien on property securing Indebtedness incurred by the Company or any of its Subsidiaries to provide funds for all or any portion of the cost of (i) acquiring such property incurred before, at the time of, or within six months after the acquisition of such property or (ii) constructing, developing, altering, expanding, improving or repairing such property or assets used in connection with such property.

"Redeemable Stock" of any Person means any equity security of such Person that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or otherwise (including on the happening of an event), is or could become required to be redeemed for cash or other property or is or could become redeemable for cash or other property at the option of the holder thereof, in whole or in part, on or prior to the first anniversary of the stated maturity of the applicable series of Notes; or is or could become exchangeable at the option of the holder thereof for Indebtedness at any time in whole or in part, on or prior to the first anniversary of the stated maturity of the applicable series of Notes; provided, however, that Redeemable Stock shall not include any security that may be exchanged or converted at the option of the holder for Capital Stock of the Company having no preference as to dividends or liquidation over any other Capital Stock of the Company.

"Sale and Leaseback Transaction" means any arrangement with any Person pursuant to which the Company or any Subsidiary leases any Principal Property that has been or is to be sold or transferred by the Company or the Subsidiary to such Person, other than (i) temporary leases for a term, including renewals at the option of the lessee, of not more than five years, (ii) leases between the Company and a Subsidiary or between Subsidiaries, (iii) leases of Principal Property executed by the time of, or within 12 months after the latest of, the acquisition, the completion of construction or improvement, or the commencement of commercial operation of the Principal Property, and (iv) arrangements pursuant to any provision of law with an effect similar to the former Section 168(f)(8) of the Internal Revenue Code of 1954.

"Subsidiary" of any Person means (i) any Person of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more of the Subsidiaries of that Person or a combination thereof, and (ii) any partnership, joint venture or other Person in which such Person or one or more of the Subsidiaries of that Person or a combination thereof has the power to control by contract or otherwise the board of directors or equivalent governing body or otherwise controls such entity.

"U.S. Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable at the issuer's option.

"Volumetric Production Payments" means production payment obligations recorded as deferred revenue in accordance with GAAP, together with all undertakings and obligations in connection therewith.

UNDERWRITING

The Company has entered into an Underwriting Agreement dated January , 1998 (the "Underwriting Agreement"), with Salomon Brothers Inc, Chase Securities Inc., J.P. Morgan Securities Inc., Morgan Stanley & Co. Incorporated and NationsBanc Montgomery Securities LLC (the "Underwriters"). Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to each of the Underwriters, and each of the Underwriters has severally agreed to purchase from the Company, the aggregate principal amount of 2008 Notes and 2028 Notes set forth opposite its name below.

<TABLE>
<CAPTION>

UNDERWRITER	2008 NOTES PRINCIPAL AMOUNT	2028 NOTES PRINCIPAL AMOUNT
<S>	<C>	<C>
Salomon Brothers Inc	$	$
Chase Securities Inc.		
J.P. Morgan Securities Inc		
Morgan Stanley & Co. Incorporated		
NationsBanc Montgomery Securities LLC		
Total	$	$

</TABLE>

The Underwriting Agreement provides that the obligations of the Underwriters to pay for and accept delivery of the Notes are subject to certain conditions precedent.

The Underwriting Agreement provides that the Company will indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933 (the "Securities Act"), and will contribute to payments that the Underwriters may be required to make in respect thereof.

The Underwriters have advised the Company that they propose initially to offer the Notes directly to the public at the public offering price set forth on the cover page of this Prospectus Supplement and to certain dealers at such price less a concession not in excess of % of the principal amount of the 2008 Notes and not in excess of % of the principal amount of the 2028 Notes. The Underwriters may allow, and such dealers may reallow, a concession not in excess of % of the principal amount of the 2008 Notes and not in excess of % of the 2028 Notes on sales to certain other dealers. After the initial offering, the price to public and concessions to dealers may be changed.

The Notes are new issues of securities with no established trading market. The Notes will not initially be listed for trading on any securities exchange or other trading market, and the Company does not intend to make application for the listing of the Notes. The Company has been advised by the Underwriters that they currently intend to make a market in the Notes, as permitted by applicable laws and regulations. The Underwriters are not obligated, however, to make a market in the Notes, and any such market making may be discontinued at any time as to any or all of the Notes at the sole discretion of the respective Underwriters. Accordingly, no assurance can be given as to the liquidity of, or the trading market for, the Notes.

Under Rule 2710(c)(8) of the Conduct Rules of the National Association of Securities Dealers, Inc. (the "NASD"), if more than 10% of the net proceeds of a public offering of debt securities are to be paid to members of the NASD that are participating in the offering, or affiliated or associated persons, the yield on the debt securities distributed to the public must be no lower than that recommended by a "qualified independent underwriter," as defined in Rule 2720 of the Conduct Rules of the NASD. Because The Chase Manhattan Bank,

NationsBank of Texas, N.A., and Morgan Guaranty Trust Company of New York, agent banks and lenders under the United States Credit Facility and affiliates of Chase Securities Inc., NationsBanc Montgomery Securities LLC and J.P. Morgan Securities Inc., respectively (each of which are Underwriters of the Offering), will each receive 8.64% of the repayment of amounts outstanding under the United States Credit Facility, and NationsBank of Texas, N.A., will receive 100% of the repayment of amounts outstanding under the Term Note, in each case from the net proceeds of the Offering. Salomon Brothers Inc, another Underwriter of the Offering (the "Independent Underwriter"), will act as a qualified independent underwriter in connection with the Offering. The Independent Underwriter in its role as qualified independent underwriter

has performed due diligence investigations and reviewed and participated in the preparation of this Prospectus Supplement and the Registration Statement of which this Prospectus Supplement and the Prospectus form a part. The Independent Underwriter will not receive any additional fees for serving as a qualified independent underwriter in connection with the Offering. The yield on the Notes sold to the public will be no lower than that recommended by the Independent Underwriter.

The Underwriters and certain of their affiliates and associates may be customers of, have lending relationships with, engage in transactions with, and/or perform services, including investment banking services, for the Company and its affiliates in the ordinary course of business. In addition to the lending relationships described above, Salomon Brothers Inc acted as financial advisor to Chauvco in connection with the Chauvco Acquisition, for which Chauvco has agreed to pay Salomon Brothers Inc a customary fee. The Chase Manhattan Bank acts as Trustee under the indenture for the Parker & Parsley Notes, for which it receives customary fees and indemnifications from the Company. The Company has a contractual relationship with Phibro Energy, Inc., an affiliate of Salomon Brothers Inc, pursuant to which Phibro Energy, Inc. purchases crude oil from the Company and its affiliates.

In connection with the Offering, certain Underwriters and their affiliates may engage in transactions that stabilize, maintain or otherwise affect the market price of the Notes. Such transactions may include stabilization transactions effected in accordance with Rule 104 of Regulation M, pursuant to which such persons may bid for or purchase Notes for the purpose of stabilizing their market price. The Underwriters also may create a short position for the account of the Underwriters by selling more Notes in connection with the Offering than they are committed to purchase from the Company, and in such case may purchase Notes in the open market following completion of the Offering to cover such short position. Any of the transactions described in this paragraph may result in the maintenance of the price of the Notes at a level above that which might otherwise prevail in the open market. None of the transactions described in this paragraph is required, and, if they are undertaken, they may be discontinued at any time.

The Company has agreed not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company in an offering to the public (or in a private offering where holders of the debt securities are granted rights to have such debt securities registered under the Securities Act or to exchange such debt securities for other debt securities that are so registered) from the date of this Prospectus Supplement until the first business day after the closing of the Offering without the prior consent of Salomon Brothers Inc.

LEGAL OPINIONS

Certain legal matters in connection with the Notes offered hereby will be passed upon for the Company by Vinson & Elkins L.L.P., Dallas, Texas. The Underwriters are being represented by Cravath, Swaine & Moore, New York, New York. Michael D. Wortley, a partner of Vinson & Elkins L.L.P., is also a director of the Company and beneficially owns 6,623 shares of Common Stock of the Company.

INDEPENDENT AUDITORS

The Consolidated Financial Statements of the Company (successor to Parker & Parsley and subsidiaries) have been incorporated by reference in the Prospectus in reliance upon the report of KPMG Peat Marwick LLP, independent certified public accountants, and upon the authority of said firm as experts in accounting and auditing. The report of KPMG Peat Marwick LLP refers to a change in the method of accounting for the impairment of long-lived assets and for long-lived assets to be disposed of in 1995 and a change in the method of accounting for income taxes in 1993.

The Consolidated Financial Statements of Mesa incorporated by reference in the Prospectus have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are incorporated by reference herein in reliance upon the authority of said firm as experts in giving said report.

The Financial Statements of Greenhill Petroleum Corporation incorporated by reference in the Prospectus have been incorporated herein in reliance on the report of Coopers & Lybrand L.L.P., independent accountants, given on the authority of that firm as experts in accounting and auditing.

The Consolidated Financial Statements of Chauvco incorporated by reference in the Prospectus have been audited by Price Waterhouse, chartered accountants, as indicated in their report with respect thereto, and are incorporated by reference herein in reliance upon the authority of said firm as experts in giving said report.

RESERVE ENGINEERS

The estimates of the Company's proved reserves as of December 31, 1996, incorporated by reference in the Prospectus, are based upon a reserve report prepared by the Company and audited by Netherland, Sewell & Associates, Inc., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report.

The estimates of Mesa's proved reserves as of December 31, 1996, incorporated by reference in the Prospectus with respect to its Hugoton and West Panhandle field properties, are based upon a reserve report prepared by Williamson Petroleum Consultants, Inc., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report. The estimates of Greenhill Petroleum Corporation's proved reserves as of December 31, 1996, incorporated by reference in the Prospectus, are based upon a reserve report prepared by Miller and Lents, Ltd., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report.

The estimates of Chauvco's proved reserves as of December 31, 1996, incorporated by reference in the Prospectus, are based upon reserve reports prepared by Gilbert Lausten Jung Associates, Ltd. and Martin Petroleum and Associates, independent petroleum consultants, and are incorporated by reference herein upon the authority of such firms as experts with respect to such matters covered by such reports.

The Company anticipates that future estimates of its proved reserves will be prepared by the Company's internal petroleum engineers rather than independent petroleum consultants.

SUBJECT TO COMPLETION, DATED JANUARY 5, 1998

PROSPECTUS

[LOGO] PIONEER NATURAL RESOURCES COMPANY

PIONEER NATURAL RESOURCES USA, INC., AS GUARANTOR

DEBT SECURITIES
PREFERRED STOCK
DEPOSITARY SHARES
COMMON STOCK
WARRANTS

GUARANTEES OF DEBT SECURITIES

Pioneer Natural Resources Company (the "Company"), a Delaware corporation, may offer from time to time (a) debt securities ("Debt Securities"), which may be subordinated to other indebtedness of the Company, (b) warrants to purchase Debt Securities ("Debt Warrants"), (c) shares of preferred stock, par value $.01 per share ("Preferred Stock"), (d) warrants to purchase shares of Preferred Stock ("Preferred Stock Warrants"), (e) depositary shares representing entitlement to all rights and preferences of a fraction of a share of Preferred Stock of a specified series ("Depositary Shares"), (f) shares of common stock, par value $.01 per share ("Common Stock"), and (g) warrants to purchase shares of Common Stock ("Common Stock Warrants"), and Pioneer Natural Resources USA, Inc. ("Pioneer USA"), a Delaware corporation and direct, wholly-owned subsidiary of the Company, may offer from time to time guarantees of Debt Securities ("Guarantees"), all having an aggregate initial public offering price not to exceed $1,400,000,000 or the equivalent thereof in one or more foreign currencies, foreign currency units or composite currencies, including European Currency Units. The Debt Warrants, Preferred Stock Warrants and Common Stock Warrants are referred to herein collectively as "Warrants," and the Debt Securities, Preferred Stock, Depositary Shares, Common Stock, Warrants and Guarantees are referred to herein collectively as the "Offered Securities." The Offered Securities may be offered, separately or as units with other Offered Securities, in separate series in amounts, at prices and on terms to be determined at or prior to the time of sale.

The specific terms of the Offered Securities with respect to which this Prospectus is being delivered will be set forth in an accompanying supplement to this Prospectus (a "Prospectus Supplement"), together with the terms of the offering of the Offered Securities and the initial price and the net proceeds to the Company or Pioneer USA from the sale thereof. The Prospectus Supplement will include, with regard to the particular Offered Securities, the following information: (a) in the case of Debt Securities, the specific designation, aggregate principal amount, ranking, authorized denomination, maturity, rate or method of calculation of interest and dates for payment thereof, any exchangeability, conversion, redemption, prepayment, or sinking fund provisions, the currency or currency unit in which principal, premium, or interest is payable, the designation of the trustee acting under the applicable indenture, and the initial offering price; (b) in the case of Preferred Stock, the designation, number of shares, liquidation preference per share, initial public offering price, dividend rate (or method of calculation thereof), dates on which dividends shall be payable and dates from which dividends shall accrue, any redemption or sinking fund provisions, any conversion or exchange rights, and whether the Company has elected to offer the Preferred Stock in the form of Depositary Shares; (c) in the case of Common Stock, the number of shares and the terms of the offering and sale thereof; (d) in the case of Warrants, the number and terms thereof, the designation and the number of securities issuable upon exercise, the exercise price, the terms of the offering and sale thereof, and where applicable, the duration and detachability thereof; (e) in the case of Guarantees, the series of Debt Securities to which the Guarantees apply, whether the Guarantees are secured or unsecured, conditional or unconditional, senior or subordinate to other guarantees or indebtedness, and any other material terms; and (f) in the case of all Offered Securities, whether the Offered Securities will be offered separately or as a unit with other Offered Securities. The Prospectus Supplement will also contain information, where applicable, about material United States federal income tax considerations relating to, and any listing on a securities exchange of, the Offered Securities covered by the Prospectus Supplement.

The Company may sell the Offered Securities directly, through agents designated from time to time, or through underwriters or dealers. If any agents, underwriters or dealers are involved in the sale of the Offered Securities, the names of the agents, underwriters or dealers and any applicable commissions or discounts and the net proceeds to the Company from the sale will be set forth in

the applicable Prospectus Supplement.

THIS PROSPECTUS MAY NOT BE USED TO CONSUMMATE SALES OF OFFERED SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

January , 1998.

CERTAIN PERSONS PARTICIPATING IN AN OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE OFFERED SECURITIES, INCLUDING OVER-ALLOTMENT, STABILIZING AND SHORT-COVERING TRANSACTIONS IN SUCH OFFERED SECURITIES, AND THE IMPOSITION OF A PENALTY BID, DURING AND AFTER AN OFFERING. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "PLAN OF DISTRIBUTION."

AVAILABLE INFORMATION

The Company and Pioneer USA are subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act"). Each of the Company and Pioneer USA files reports and other information, and the Company files proxy statements, with the Securities and Exchange Commission (the "SEC"). Those reports, proxy statements, and other information can be inspected and copied at the public reference facilities maintained by the SEC at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the regional offices of the SEC at 7 World Trade Center, Suite 1300, New York, New York 10048, and 500 West Madison Street, Suite 1400, Chicago, Illinois 60611. Copies of these materials can be obtained at prescribed rates from the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. These reports, proxy statements and other information may also be obtained without charge from the web site that the SEC maintains at http://www.sec.gov. These reports, proxy statements, and other information about the Company also may be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The Company and Pioneer USA have filed with the SEC a Registration Statement on Form S-3 (the "Registration Statement") under the Securities Act of 1933 (the "Securities Act") with respect to the Offered Securities. This Prospectus and any accompanying Prospectus Supplement do not contain all the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information with respect to the Company, Pioneer USA and the Offered Securities, reference is made to the Registration Statement and to the exhibits thereto. Statements contained herein concerning the provisions of certain documents are not necessarily complete, and in each instance, reference is made to the copy of the document filed as an exhibit to the Registration Statement or otherwise filed with the SEC. Each such statement is qualified in its entirety by that reference.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents have been filed by the Company, Pioneer USA, Parker & Parsley Petroleum Company ("Parker & Parsley") and MESA Inc. ("Mesa") with the SEC, are incorporated by reference into this Prospectus, and are deemed to be a part of this Prospectus:

1. Mesa's Annual Report on Forms 10-K and 10-K/A for the year ended December 31, 1996;

2. Mesa's Quarterly Report on Form 10-Q for the period ended March 31, 1997;

3. Mesa's Quarterly Report on Form 10-Q for the period ended June 30, 1997;

4. Mesa's Current Reports on Form 8-K, dated February 7, 1997, and April 6, 1997, and Mesa's Current Report on Form 8-K/A, dated February 7, 1997;

5. Mesa's Current Report on Form 8-K, dated August 7, 1997;

6. Parker & Parsley's Annual Report on Forms 10-K and 10-K/A for the year ended December 31, 1996;

7. Parker & Parsley's Current Report on Form 8-K, dated February 3, 1997;

8. Parker & Parsley's Quarterly Report on Form 10-Q for the period ended March 31, 1997;

9. Parker & Parsley's Current Reports on Form 8-K, dated April 3, 1997, July 28, 1997, and July 29, 1997;

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10. Parker & Parsley's Quarterly Report on Form 10-Q for the period ended June 30, 1997;

11. Parker & Parsley's Current Report on Form 8-K, dated April 6, 1997;

12. Parker & Parsley's Current Report on Form 8-K, dated August 7, 1997;

13. The Company's Registration Statement on Form S-4 (No. 333-26951) filed on June 26, 1997, including any amendment or report for the purpose of updating any such material;

14. The Company's Quarterly Report on Form 10-Q for the period ended June 30, 1997;

15. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997;

16. The Company's Current Report on Form 8-K, dated August 7, 1997;

17. The Company's Current Report on Form 8-K, dated September 3, 1997;

18. The Company's Current Report on Form 8-K, dated December 5, 1997;

19. The Company's Current Report on Form 8-K, dated December 18, 1997;

20. The Definitive Joint Management Information Circular and Proxy Statement of the Company and Chauvco Resources Ltd. (File No. 001-13245) filed with the SEC on November 17, 1997, including any amendment or report for the purpose of updating any such material;

21. The description of the Company's Common Stock contained in the Company's Registration Statement on Forms 8-A and 8-A/A (File No.

001-13245), declared effective by the SEC on August 8, 1997; and

22. Pioneer USA's Quarterly Report on Form 10-Q for the period ended September 30, 1997.

All documents filed by the Company and Pioneer USA pursuant to Section 13(a), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering made hereby shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of the filing of such documents. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein or in any Prospectus Supplement modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed to constitute a part of this Prospectus, except as so modified or superseded.

The Company will provide without charge to each person to whom a copy of this Prospectus has been delivered, on the written or oral request of any person, a copy of any or all of the documents referred to above that have been or may be incorporated by reference into this Prospectus, other than exhibits to the documents (unless the exhibits are specifically incorporated by reference into the documents). Written or telephone request for the copies should be directed to Corporate Secretary, Pioneer Natural Resources Company, 1400 Williams Square West, 5205 North O'Connor Boulevard, Irving, Texas 75039 (Telephone: (972) 444-9001).

THE ISSUERS

The Company is one of the largest public independent oil and gas companies in the United States, engaged principally in the acquisition, development and production of, and exploration for, oil and gas reserves and related activities. Pioneer USA is a direct, wholly-owned subsidiary of the Company and, at December 31, 1997, directly owned substantially all of the United States onshore and offshore properties of the Company. The executive offices and operating headquarters of the Company and Pioneer USA are located at 1400 Williams Square West, 5205 North O'Connor Blvd., Irving, Texas 75039, and their telephone number at those offices is (972) 444-9001.

USE OF PROCEEDS

Unless otherwise set forth in the applicable Prospectus Supplement, the net proceeds from the sale of Offered Securities will be used for general corporate purposes, which may include repayment of indebtedness, redemption or repurchase of securities of the Company or any subsidiary, additions to working capital, and capital expenditures, including exploration, development and acquisitions.

RATIOS OF EARNINGS TO FIXED CHARGES AND EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table sets forth the Company's consolidated ratios of earnings to fixed charges and earnings to fixed charges and preferred stock dividends (a) for each of 1996, 1995, 1994, 1993 and 1992, and for the nine months ended September 30, 1997, on a historical basis, and (b) for 1996 and the nine months ended September 30, 1997, on a pro forma basis after giving effect to (i) the merger of Mesa with and into the Company, (ii) the merger of Parker & Parsley with and into MESA Operating Co., a subsidiary of Mesa, and (iii) the Company's acquisition of Chauvco Resources Ltd. ("Chauvco"), a corporation organized under the laws of Alberta, Canada ("Chauvco Acquisition").

<TABLE>
<CAPTION>

NINE MONTHS ENDED SEPTEMBER 30, 1997	NINE MONTHS ENDED SEPTEMBER 30, 1996	YEAR ENDED DECEMBER 31				
		1996	1995	1994	1993	1992

	HISTORICAL	PRO FORMA		HISTORICAL	PRO FORMA				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Ratio of earnings to fixed charges(a)	1.5	(b)	5.4	5.3	1.6	(b)	(b)	3.0	2.9
Ratio of earnings to fixed charges and preferred stock dividends(c)	1.5	(b)	5.4	5.3	1.6	(b)	(b)	3.0	2.9

</TABLE>

(a) For purposes of computing the ratio, earnings consist of income before income taxes and cumulative effect of accounting change plus fixed charges, net of preferred stock dividends of subsidiary and interest capitalized, and fixed charges consist of interest expense, interest capitalized, the portion of rental expense attributable to interest, and preferred stock dividends of subsidiary.

(b) The ratio indicates a less than one-to-one coverage because the earnings are inadequate to cover the fixed charges for the period. Pro forma combined earnings for the nine months ended September 30, 1997, and the Company's historical earnings for the years ended December 31, 1995 and 1994, were insufficient to cover its fixed charges. The amounts of the deficiencies were $27.6 million, $150 million and $20.5 million, respectively.

(c) For purposes of computing the ratio, adjusted earnings consist of income before income taxes and cumulative effect of accounting change plus fixed charges and preferred stock dividends, net of preferred stock dividends of subsidiary and interest capitalized, and fixed charges and preferred stock dividends consist of interest expense, interest capitalized, the portion of rental expense attributable to interest, preferred stock dividends of subsidiary, and preferred stock dividends. The dividends on the 6 1/4% Cumulative Guaranteed Monthly Income Convertible Preferred Shares of Parker & Parsley Capital LLC, a subsidiary of Parker & Parsley, were recorded as interest expense for financial reporting purposes until those shares were converted into common stock of Parker & Parsley on July 28, 1997.

DESCRIPTION OF DEBT SECURITIES

The following description of the terms of the Debt Securities sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Debt Securities offered by any Prospectus Supplement and the extent, if any, to which the general provisions may apply to the Debt Securities so offered will be described in the Prospectus Supplement relating to the Debt Securities. Accordingly, for a description of the terms of a particular issue of Debt Securities, reference must be made to both the Prospectus Supplement relating thereto and to the following description.

The Debt Securities will be general obligations of the Company and may be subordinated to Senior Indebtedness (as defined below) of the Company to the extent set forth in the Prospectus Supplement relating thereto. See "Description of Debt Securities -- Subordination." Debt Securities will be issued under an indenture (the "Indenture"), between the Company and one or more commercial banks to be selected as trustees (the trustee or trustees selected are referred to collectively as the "Trustee"). The Indenture is subject to and governed by the Trust Indenture Act of 1939 (the "TIA"), and the terms of the Debt Securities will include those made part of the Indenture by reference to the TIA as in effect on the date of the Indenture. A copy of the Indenture is filed as an exhibit to the Registration Statement of which this Prospectus is a part. The Indenture will also be available for inspection at the corporate trust office of the Trustee. The following discussion of certain provisions of the Indenture is a summary only and does not purport to be a complete description of the terms and provisions of the Indenture. Accordingly, the following discussion is qualified in its entirety by reference to the provisions of the Indenture and the TIA, including the definition in the Indenture of terms used below with their initial letters capitalized.

GENERAL

The Indenture does not limit the aggregate principal amount of Debt Securities that can be issued thereunder. The Debt Securities may be issued in

one or more series as may be authorized from time to time by the Company. Reference is made to the applicable Prospectus Supplement for the following terms of the Debt Securities of the series with respect to which the Prospectus Supplement is being delivered:

(a) The title of the Debt Securities of the series;

(b) Any limit on the aggregate principal amount of the Debt Securities of the series that may be authenticated and delivered under the Indenture;

(c) The date or dates on which the principal and premium with respect to the Debt Securities of the series are payable;

(d) The rate or rates (which may be fixed or variable) at which the Debt Securities of the series shall bear interest (if any) or the method of determining the rate or rates, the date or dates from which the interest shall accrue, the interest payment dates on which the interest shall be payable or the method by which the dates will be determined, the record dates for the determination of holders thereof to whom the interest is payable (in the case of Registered Securities), and the basis upon which interest will be calculated if other than that of a 360-day year of twelve 30-day months;

(e) The place or places, if any, in addition to or instead of the corporate trust office of the Trustee (in the case of Registered Securities) or the principal London office of the Trustee (in the case of Bearer Securities), where the principal, premium, and interest with respect to Debt Securities of the series shall be payable;

(f) The price or prices at which, the period or periods within which, and the terms and conditions upon which, Debt Securities of the series may be redeemed, in whole or in part, at the option of the Company or otherwise;

(g) Whether Debt Securities of the series are to be issued as Registered Securities or Bearer Securities or both and, if Bearer Securities are to be issued, whether coupons will be attached thereto, whether Bearer Securities of the series may be exchanged for Registered Securities of the series, and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(h) If any Debt Securities of the series are to be issued as Bearer Securities or as one or more Global Securities (as defined below) representing individual Bearer Securities of the series, whether certain provisions for the payment of additional interest or tax redemptions shall apply; whether interest with respect to any portion of a temporary Bearer Security of the series payable with respect to any interest payment date prior to the exchange of the temporary Bearer Security for definitive Bearer Securities of the series shall be paid to any clearing organization with respect to the portion of the temporary Bearer Security held for its account and, in such event, the terms and conditions (including

any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the persons entitled to interest payable on the interest payment date; and the terms upon which a temporary Bearer Security may be exchanged for one or more definitive Bearer Securities of the series;

(i) The obligation, if any, of the Company to redeem, purchase or repay Debt Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, and the terms and conditions upon which, Debt Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

(j) The terms, if any, upon which the Debt Securities of the series may be convertible into or exchanged for Common Stock, Preferred Stock (which may be represented by Depositary Shares), other Debt Securities, or warrants for Common Stock, Preferred Stock, or indebtedness or other securities of any kind of the Company or any other issuer or obligor and the terms and conditions upon which the conversion or exchange shall be effected, including the initial conversion or exchange price or rate, the conversion or exchange period, and any other additional provisions;

(k) If other than denominations of $1,000 or any integral multiple thereof, the denominations in which Debt Securities of the series shall be issuable;

(l) If the amount of principal, premium or interest with respect to

the Debt Securities of the series may be determined with reference to an index or pursuant to a formula, the manner in which the amounts will be determined;

(m) If the principal amount payable at the stated maturity of Debt Securities of the series will not be determinable as of any one or more dates prior to the stated maturity, the amount that will be deemed to be the principal amount as of any date for any purpose, including the principal amount thereof which will be due and payable upon any maturity other than the stated maturity or which will be deemed to be outstanding as of any date (or, in any such case, the manner in which the deemed principal amount is to be determined), and if necessary, the manner of determining the equivalent thereof in United States currency;

(n) Any changes or additions to the provisions of the Indenture dealing with defeasance, including the addition of additional covenants that may be subject to the Company's covenant defeasance option;

(o) If other than the coin or currency of the United States as at the time of payment is legal tender for payment of public and private debts, the coin or currency or currencies or units of two or more currencies in which payment of the principal, premium, and interest with respect to Debt Securities of the series shall be payable;

(p) If other than the principal amount thereof, the portion of the principal amount of Debt Securities of the series that shall be payable upon declaration of acceleration of the maturity thereof or provable in bankruptcy;

(q) The terms, if any, of the transfer, mortgage, pledge or assignment as security for the Debt Securities of the series of any properties, assets, moneys, proceeds, securities, or other collateral, including whether certain provisions of the Trust Indenture Act are applicable and any corresponding changes to provisions of the Indenture as then in effect;

(r) Any addition to or change in the Events of Default with respect to the Debt Securities of the series and any change in the right of the Trustee or the holders to declare the principal, premium and interest with respect to the Debt Securities due and payable;

(s) If the Debt Securities of the series shall be issued in whole or in part in the form of a Global Security, the terms and conditions, if any, upon which the Global Security may be exchanged in whole or in part for other individual Debt Securities in definitive registered form, the Depositary for the Global

Security, and the form of any legend or legends to be borne by the Global Security in addition to or in lieu of the legend referred to in the Indenture;

(t) Any Trustee, authenticating or paying agents, transfer agents or registrars;

(u) The applicability of, and any addition to or change in, the covenants and definitions then set forth in the Indenture or in the terms then set forth in the Indenture relating to permitted consolidations, mergers or sales of assets, including conditioning any merger, conveyance, transfer or lease permitted by the Indenture upon the satisfaction of an indebtedness coverage standard by the Company and any successor to the Company;

(v) The terms, if any, of any guarantee of the payment of principal, premium and interest with respect to Debt Securities of the series and any corresponding changes to the provisions of the Indenture as then in effect;

(w) The subordination, if any, of the Debt Securities of the series pursuant to the Indenture and any changes or additions to the provisions of the Indenture relating to subordination;

(x) With regard to Debt Securities of the series that do not bear interest, the dates for certain required reports to the Trustee; and

(y) Any other terms of the Debt Securities of the series (which terms shall not be prohibited by the provisions of the Indenture).

The Prospectus Supplement will also describe any material United States federal income tax consequences or other special considerations applicable to the series of Debt Securities to which the Prospectus Supplement relates, including those applicable to (a) Bearer Securities, (b) Debt Securities with

respect to which payments of principal, premium or interest are determined with reference to an index or formula (including changes in prices of particular securities, currencies or commodities), (c) Debt Securities with respect to which principal, premium or interest is payable in a foreign or composite currency, (d) Debt Securities that are issued at a discount below their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates ("Original Issue Discount Debt Securities"), and (e) variable rate Debt Securities that are exchangeable for fixed rate Debt Securities.

Payments of interest on Registered Securities may be made at the option of the Company by check mailed to the registered holders thereof or, if so provided in the applicable Prospectus Supplement, at the option of a holder by wire transfer to an account designated by the holder. Except as otherwise provided in the applicable Prospectus Supplement, no payment on a Bearer Security will be made by mail to an address in the United States or by wire transfer to an account in the United States.

Unless otherwise provided in the applicable Prospectus Supplement, Registered Securities may be transferred or exchanged at the office of the Trustee at which its corporate trust business is principally administered in the United States or at the office of the Trustee or the Trustee's agent in the Borough of Manhattan, the City and State of New York, at which its corporate agency business is conducted, subject to the limitations provided in the Indenture, without the payment of any service charge, other than any tax or governmental charge payable in connection therewith. Bearer Securities will be transferable only by delivery. Provisions with respect to the exchange of Bearer Securities will be described in the Prospectus Supplement relating to the Bearer Securities.

All funds paid by the Company to a paying agent for the payment of principal, premium, or interest with respect to any Debt Securities that remain unclaimed at the end of two years after the principal, premium, or interest shall have become due and payable will be repaid to the Company, and the holders of the Debt Securities or any coupons appertaining thereto will thereafter look only to the Company for payment thereof.

GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in the form of one or more Global Securities. A Global Security is a Debt Security that represents, and is denominated in an amount equal to,

the aggregate principal amount of all outstanding Debt Securities of a series, or any portion thereof, in either case having the same terms, including the same original issue date, date or dates on which principal and interest are due, and interest rate or method of determining interest. A Global Security will be deposited with, or on behalf of, a Depositary, which will be identified in the Prospectus Supplement relating to the Debt Securities. Global Securities may be issued in either registered or bearer form and in either temporary or definitive form. Unless and until it is exchanged in whole or in part for the individual Debt Securities represented thereby, a Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or another nominee of the Depositary, or by the Depositary or any nominee of the Depositary to a successor Depositary or any nominee of the successor.

The specific terms of the depositary arrangement with respect to a series of Debt Securities will be described in the Prospectus Supplement relating to the Debt Securities. The Company anticipates that the following provisions will generally apply to depositary arrangements.

Upon the issuance of a Global Security, the Depositary for the Global Security will credit, on its book-entry registration and transfer system, the respective principal amounts of the individual Debt Securities represented by the Global Security to the accounts of persons that have accounts with the Depositary ("participants"). The accounts shall be designated by the dealers or underwriters with respect to the Debt Securities or, if the Debt Securities are offered and sold directly by the Company or through one or more agents, by the Company or the agents. Ownership of beneficial interests in a Global Security will be limited to participants or persons that hold beneficial interests through participants. Ownership of beneficial interests in the Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depositary (with respect to interests of participants) or records maintained by participants (with respect to interests of persons other than participants). The laws of some states require that certain purchasers of securities take physical delivery of the securities in definitive form. Such limitations and laws may impair the ability to transfer beneficial interests in a Global Security.

So long as the Depositary for a Global Security, or its nominee, is the registered owner or holder of the Global Security, the Depositary or nominee, as the case may be, will be considered the sole owner or holder of the individual Debt Securities represented by the Global Security for all purposes under the Indenture. Except as provided below, owners of beneficial interests in a Global Security will not be entitled to have any of the individual Debt Securities represented by the Global Security registered in their names, will not receive or be entitled to receive physical delivery of any of the Debt Securities in definitive form, and will not be considered the owners or holders thereof under the Indenture.

Subject to the restrictions described under "Description of Debt Securities -- Limitations on Issuance of Bearer Securities," payments of principal, premium and interest with respect to individual Debt Securities represented by a Global Security will be made to the Depositary or its nominee, as the case may be, as the registered owner or holder of the Global Security. Neither the Company, the Trustee, any paying agent or registrar for the Debt Securities, or any agent of the Company or the Trustee will have any responsibility or liability for (a) any aspect of the records relating to or payments made by the Depositary, its nominee, or any participants on account of beneficial interests in the Global Security or for maintaining, supervising or reviewing any records relating to the beneficial interests, (b) the payment to the owners of beneficial interests in the Global Security of amounts paid to the Depositary or its nominee, or (c) any other matter relating to the actions and practices of the Depositary, its nominee or its participants. Neither the Company, the Trustee, any paying agent or registrar for the Debt Securities, nor any agent of the Company or the Trustee will be liable for any delay by the Depositary, its nominee or any of its participants in identifying the owners of beneficial interests in the Global Security, and the Company and the Trustee may conclusively rely on, and will be protected in relying on, instructions from the Depositary or its nominee for all purposes.

The Company expects that the Depositary for a series of Debt Securities or its nominee, upon receipt of any payment of principal, premium or interest with respect to a definitive Global Security representing any of the Debt Securities, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Security, as shown on the records of

the Depositary or its nominee. The Company also expects that payments by participants to owners of beneficial interests in the Global Security held through the participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers and registered in street name. The payments will be the responsibility of the participants. Receipt by owners of beneficial interests in a temporary Global Security of payments of principal, premium or interest with respect thereto will be subject to the restrictions described under "Description of Debt Securities -- Limitations on Issuance of Bearer Securities."

If the Depositary for a series of Debt Securities is at any time unwilling, unable or ineligible to continue as depositary, the Company shall appoint a successor depositary. If a successor depositary is not appointed by the Company within 90 days, the Company will issue individual Debt Securities of the series in exchange for the Global Security representing the series of Debt Securities. In addition, the Company may at any time and in its sole discretion, subject to any limitations described in the Prospectus Supplement relating to the Debt Securities, determine no longer to have Debt Securities of a series represented by a Global Security and, in that event, will issue individual Debt Securities of the series in exchange for the Global Security representing the series of Debt Securities. Furthermore, if the Company so specifies with respect to the Debt Securities of a series, an owner of a beneficial interest in a Global Security representing Debt Securities of the series may, on terms acceptable to the Company, the Trustee, and the Depositary for the Global Security, receive individual Debt Securities of the series in exchange for the beneficial interests, subject to any limitations described in the Prospectus Supplement relating to the Debt Securities. In any such instance, an owner of a beneficial interest in a Global Security will be entitled to physical delivery of individual Debt Securities of the series represented by the Global Security equal in principal amount to the beneficial interest and to have the Debt Securities registered in its name (if the Debt Securities are issuable as Registered Securities). Individual Debt Securities of the series so issued will be issued (a) as Registered Securities in denominations, unless otherwise specified by the Company, of $1,000 and integral multiples thereof if the Debt Securities are issuable as Registered Securities, (b) as Bearer Securities in the denomination or denominations specified by the Company if the Debt Securities are issuable as Bearer Securities, or (c) as either Registered Securities or Bearer Securities as described above if the Debt Securities are issuable in either form. See, however, "Description of Debt

Securities -- Limitations on Issuance of Bearer Securities" for a description of certain restrictions on the issuance of individual Bearer Securities in exchange for beneficial interests in a bearer Global Security.

LIMITATIONS ON ISSUANCE OF BEARER SECURITIES

The Debt Securities of a series may be issued as Registered Securities (which will be registered as to principal and interest in the register maintained by the registrar for the Debt Securities) or Bearer Securities (which will be transferable only by delivery). If the Debt Securities are issuable as Bearer Securities, certain special limitations and considerations will apply.

In compliance with United States federal income tax laws and regulations, the Company and any underwriter, agent or dealer participating in an offering of Bearer Securities will agree that, in connection with the original issuance of the Bearer Securities and during the period ending 40 days after the issue date, they will not offer, sell or deliver any such Bearer Security, directly or indirectly, to a United States Person (as defined below) or to any person within the United States, except to the extent permitted under United States Treasury regulations.

Bearer Securities will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States federal income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in the legend provide that, with certain exceptions, a United States taxpayer who holds Bearer Securities will not be allowed to deduct any loss with respect to, and will not be eligible for capital gain treatment with respect to any gain realized on the sale, exchange, redemption or other disposition of, the Bearer Securities.

For this purpose, "United States" includes the United States of America and its possessions, and "United States person" means a citizen or resident of the United States, a corporation, partnership or other

entity created or organized in or under the laws of the United States, or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Pending the availability of a definitive Global Security or individual Bearer Securities, as the case may be, Debt Securities that are issuable as Bearer Securities may initially be represented by a single temporary Global Security, without interest coupons, to be deposited with a common depositary in London for Morgan Guaranty Trust Company of New York, Brussels Office, as operator of the Euroclear System ("Euroclear"), or Centrale de Livraison de Valeurs Mobilieres S.A. ("CEDEL") for credit to the accounts designated by or on behalf of the purchasers thereof. Following the availability of a definitive Global Security in bearer form, without coupons attached, or individual Bearer Securities and subject to any further limitations described in the applicable Prospectus Supplement, the temporary Global Security will be exchangeable for interests in the definitive Global Security or for the individual Bearer Securities, respectively, only upon receipt of a "Certificate of Non-U.S. Beneficial Ownership," which is a certificate to the effect that a beneficial interest in a temporary Global Security is owned by a person that is not a United States Person or is owned by or through a financial institution in compliance with applicable United States Treasury regulations. No Bearer Security will be delivered in or to the United States. If so specified in the applicable Prospectus Supplement, interest on a temporary Global Security will be paid to each of Euroclear and CEDEL with respect to that portion of the temporary Global Security held for its account, but only upon receipt as of the relevant interest payment date of a Certificate of Non-U.S. Beneficial Ownership.

SUBORDINATION

Debt Securities of a series may be subordinated ("Subordinated Debt Securities") to Senior Indebtedness (as defined below) to the extent set forth in the Prospectus Supplement relating thereto. The Company currently conducts substantially all its operations through subsidiaries, and the holders of Debt Securities (whether or not Subordinated Debt Securities) will be structurally subordinated to the creditors of the Company's subsidiaries.

Subordinated Debt Securities of a series and any coupons appertaining thereto will be subordinate in right of payment, to the extent and in the manner set forth in the Indenture and the Prospectus Supplement relating to the Subordinated Debt Securities, to the prior payment of all indebtedness of the Company that is designated as "Senior Indebtedness" with respect to the series. "Senior Indebtedness," with respect to any series of Subordinated Debt

Securities, will consist of (a) any and all amounts payable under or with respect to the Company's "Bank Indebtedness" and (b) any other indebtedness of the Company that is designated in a resolution of the Company's Board of Directors or in any supplemental indenture establishing any other series as Senior Indebtedness with respect to the series. "Bank Indebtedness" is defined as (i) the Amended and Restated Credit Facility Agreement (Primary Facility), dated as of December 18, 1997, among the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, The Chase Manhattan Bank, as Syndication Agent, and the Co-Agents and Lenders party thereto; (ii) the Amended and Restated Credit Facility Agreement (364 Day Facility), dated as of December 18, 1997, among the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, The Chase Manhattan Bank, as Syndication Agent, and the Co-Agents and Lenders party thereto; (iii) the Term Note, dated as of December 22, 1997, executed by the Company and payable to NationsBank of Texas, N.A., in the original principal amount of $100 million; and (iv) the Credit Agreement, dated as of December 18, 1997, among Chauvco Resources Ltd., Canadian Imperial Bank of Commerce, and the other lenders signatory thereto; each as amended or modified from time to time, and each of which is incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part.

Upon any payment or distribution of assets of the Company to creditors or upon a total or partial liquidation or dissolution of the Company or in a bankruptcy, receivership or similar proceeding relating to the Company or its property, holders of Senior Indebtedness shall be entitled to receive payment in full in cash of the Senior Indebtedness before holders of Subordinated Debt Securities shall be entitled to receive any payment of principal, premium or interest with respect to the Subordinated Debt Securities, and until the

Senior Indebtedness is paid in full, any distribution to which holders of Subordinated Debt Securities would otherwise be entitled shall be made to the holders of Senior Indebtedness (except that the holders may receive shares of stock and any debt securities that are subordinated to Senior Indebtedness to at least the same extent as the Subordinated Debt Securities).

The Company may not make any payments of principal, premium or interest with respect to Subordinated Debt Securities, make any deposit for the purpose of defeasance of the Subordinated Debt Securities, or repurchase, redeem or otherwise retire (except, in the case of Subordinated Debt Securities that provide for a mandatory sinking fund, by the delivery of Subordinated Debt Securities by the Company to the Trustee in satisfaction of the Company's sinking fund obligation) any Subordinated Debt Securities if (a) any principal, premium or interest with respect to Senior Indebtedness is not paid within any applicable grace period (including at maturity), or (b) any other default on Senior Indebtedness occurs and the maturity of the Senior Indebtedness is accelerated in accordance with its terms, unless, in either case, the default has been cured or waived and the acceleration has been rescinded, the Senior Indebtedness has been paid in full in cash, or the Company and the Trustee receive written notice approving the payment from the representatives of each issue of "Designated Senior Indebtedness" (which will include the Bank Indebtedness and any other specified issue of Senior Indebtedness of at least $100 million). During the continuance of any default (other than a default described in clause (a) or (b) above) with respect to any Senior Indebtedness pursuant to which the maturity thereof may be accelerated immediately without further notice (except such notice as may be required to effect the acceleration) or the expiration of any applicable grace periods, the Company may not pay the Subordinated Debt Securities for a period (the "Payment Blockage Period") commencing on the receipt by the Company and the Trustee of written notice of the default from the representative of any Designated Senior Indebtedness specifying an election to effect a Payment Blockage Period (a "Blockage Notice"). The Payment Blockage Period may be terminated before its expiration by written notice to the Trustee and the Company from the person who gave the Blockage Notice, by repayment in full in cash of the Senior Indebtedness with respect to which the Blockage Notice was given, or because the default giving rise to the Payment Blockage Period is no longer continuing. Unless the holders of the Senior Indebtedness shall have accelerated the maturity thereof, the Company may resume payments on the Subordinated Debt Securities after the expiration of the Payment Blockage Period. Not more than one Blockage Notice may be given in any period of 360 consecutive days unless the first Blockage Notice within the 360-day period is given by or on behalf of holders of Designated Senior Indebtedness other than the Bank Indebtedness, in which case, the representative of the Bank Indebtedness may give another Blockage Notice within the period. In no event, however, may the total number of days during which any Payment Blockage Period or Periods is in effect exceed 179 days in the aggregate during any period of 360 consecutive days. After all Senior Indebtedness is paid in full and until the Subordinated Debt Securities

are paid in full, holders of the Subordinated Debt Securities shall be subrogated to the rights of holders of Senior Indebtedness to receive distributions applicable to Senior Indebtedness.

By reason of the subordination, in the event of insolvency, creditors of the Company who are holders of Senior Indebtedness, as well as certain general creditors of the Company, may recover more, ratably, than the holders of the Subordinated Debt Securities.

EVENTS OF DEFAULT AND REMEDIES

The following events are defined in the Indenture as "Events of Default" with respect to a series of Debt Securities:

(a) Default in the payment of any installment of interest on any Debt Securities of that series or any payment with respect to the related coupons, if any, as and when the same shall become due and payable (whether or not, in the case of Subordinated Debt Securities, the payment shall be prohibited by reason of the subordination provisions described above) and continuance of the default for a period of 30 days;

(b) Default in the payment of principal or premium with respect to any Debt Securities of that series as and when the same shall become due and payable, whether at maturity, upon redemption, by declaration, upon required repurchase or otherwise (whether or not, in the case of Subordinated Debt Securities, the payment shall be prohibited by reason of the subordination provisions described above);

(c) Default in the payment of any sinking fund payment with respect to any Debt Securities of that series as and when the same shall become due and payable;

(d) Failure on the part of the Company to comply with the provisions of the Indenture relating to consolidations, mergers, and sales of assets;

(e) Failure on the part of the Company duly to observe or perform any other of the covenants or agreements on the part of the Company in the Debt Securities of that series, in any resolution of the Board of Directors of the Company authorizing the issuance of that series of Debt Securities, in the Indenture with respect to the series, or in any supplemental indenture with respect to the series (other than a covenant a default in the performance of which is otherwise specifically dealt with) continuing for a period of 60 days after the date on which written notice specifying the failure and requiring the Company to remedy the same shall have been given to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time outstanding;

(f) Indebtedness of the Company or any subsidiary of the Company is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default, the total amount of the Indebtedness unpaid or accelerated exceeds $20 million, and the default remains uncured or the acceleration is not rescinded for 10 days after the date on which written notice specifying the failure and requiring the Company to remedy the same shall have been given to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time outstanding;

(g) The Company or any of its "Significant Subsidiaries" (defined as any subsidiary of the Company that would be a "significant subsidiary" as defined in Rule 405 under the Securities Act as in effect on the date of the Indenture) shall (1) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or other federal or state bankruptcy, insolvency or similar law, (2) consent to the institution of, or fail to controvert within the time and in the manner prescribed by law, any such proceeding or the filing of any such petition, (3) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Company or any Significant Subsidiary or for a substantial part of its property, (4) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (5) make a general assignment for the benefit of creditors, (6) admit in writing its inability or fail generally to pay its debts as they become due, (7) take corporate action for the purpose of effecting any of the foregoing, or (8) take any comparable action under any foreign laws relating to insolvency;

(h) The entry of an order or decree by a court having competent jurisdiction for (1) relief with respect to the Company or any of its

Significant Subsidiaries or a substantial part of any of their property under the United States Bankruptcy Code or any other federal or state bankruptcy, insolvency or similar law, (2) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Company or any Significant Subsidiary or for a substantial part of any of their property (except, any decree or order appointing the official of any Significant Subsidiary pursuant to a plan under which the assets and operations of the Significant Subsidiary are transferred to or combined with another Significant Subsidiary or Subsidiaries of the Company or to the Company), or (3) the winding-up or liquidation of the Company or any Significant Subsidiary (except any decree or order approving or ordering the winding-up or liquidation of the affairs of a Significant Subsidiary pursuant to a plan under which the assets and operations of the Significant Subsidiary are transferred to or combined with another Significant Subsidiary or Subsidiaries of the Company or to the Company), and the order or decree shall continue unstayed and in effect for 60 consecutive days, or any similar relief is granted under any foreign laws and the order or decree stays in effect for 60 consecutive days;

(i) Any judgment or decree for the payment of money in excess of $20 million is entered against the Company or any subsidiary of the Company by a court of competent jurisdiction, which judgment is not covered by insurance, and is not discharged and either (1) an enforcement proceeding has been commenced by any creditor upon the judgment or decree, or (2) there is a period of 60 days following the

entry of the judgment or decree during which the judgment or decree is not discharged or waived or the execution thereof stayed and, in either case, the default continues for 10 days after the date on which written notice specifying the failure and requiring the Company to remedy the same shall have been given to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time outstanding; or

(j) Any other Event of Default provided with respect to Debt Securities of that series.

An Event of Default with respect to one series of Debt Securities is not necessarily an Event of Default for another series.

If an Event of Default described in clause (a), (b), (c), (d), (e), (f), (i) or (j) above occurs and is continuing with respect to any series of Debt Securities, unless the principal and interest with respect to all the Debt Securities of the series shall have already become due and payable, either the Trustee or the holders of not less than 25% in aggregate principal amount of the Debt Securities of that series then outstanding may declare the principal amount (or, if Original Issue Discount Debt Securities, the portion of the principal amount as may be specified in the series) of and interest on all the Debt Securities of that series due and payable immediately. If an Event of Default described in clause (g) or (h) above occurs, unless the principal and interest with respect to all the Debt Securities of all series shall have become due and payable, the principal amount (or, if Original Issue Discount Debt Securities, the portion of the principal amount as may be specified in the series) of and interest on all Debt Securities of all series then outstanding shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder of Debt Securities.

If an Event of Default occurs and is continuing, the Trustee shall be entitled and empowered to institute any action or proceeding for the collection of the sums so due and unpaid or to enforce the performance of any provision of the Debt Securities of the affected series or the Indenture, to prosecute any such action or proceeding to judgment or final decree, and to enforce any judgment or final decree against the Company or any other obligor on the Debt Securities of the series. In addition, if there shall be pending proceedings for the bankruptcy or reorganization of the Company or any other obligor on the Debt Securities, or if a receiver, trustee, or similar official shall have been appointed for its property, the Trustee shall be entitled and empowered to file and prove a claim for the whole amount of principal, premium and interest (or, in the case of Original Issue Discount Debt Securities, the portion of the principal amount as may be specified in the terms of the series) owing and unpaid with respect to the Debt Securities.

The holders of not less than a majority in aggregate principal amount of a series of Debt Securities may direct the time, method and place of conducting any proceedings for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided that such direction is not in

conflict with any rule of law or with the Indenture. The Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

The Trustee will be entitled, subject to the duty of the Trustee during the continuance of an Event of Default to act with the required standard of care, to be indemnified by the holders of a series of Debt Securities before proceeding to exercise any right or power under the Indenture at the request of the holders of that series of Debt Securities.

No holder of any Debt Security or coupon of any series shall have any right to institute any action or proceeding upon or under or with respect to the Indenture, for the appointment of a receiver or trustee, or for any other remedy, unless (a) the holder previously shall have given to the Trustee written notice of an Event of Default with respect to Debt Securities of that series and of the continuance thereof, (b) the holders of not less than 25% in aggregate principal amount of the outstanding Debt Securities of that series shall have made written request to the Trustee to institute the action or proceeding with respect to the Event of Default and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses, and liabilities to be incurred therein or thereby, and (c) the Trustee, for 60 days after its receipt of such notice, request, and offer of indemnity shall have failed to institute the action or proceeding and no direction inconsistent with the written request shall have been given to the Trustee pursuant to the provisions of the Indenture. However, such limitations do not apply to a suit instituted by a holder of Debt Securities for

enforcement of payment of the principal of, premium, if any, or interest on such Debt Securities on or after the respective due dates expressed in such Debt Securities.

Prior to the acceleration of the maturity of the Debt Securities of any series, the holders of a majority in aggregate principal amount of the Debt Securities of that series at the time outstanding may, on behalf of the holders of all Debt Securities and any related coupons of that series, waive any past default or Event of Default and its consequences for that series, except (a) a default in the payment of the principal, premium or interest with respect to the Debt Securities, or (b) a default with respect to a provision of the Indenture that cannot be amended without the consent of each holder affected thereby. In case of any waiver, the default shall cease to exist, any Event of Default arising therefrom shall be deemed to have been cured for all purposes, and the Company, the Trustee and the holders of the Debt Securities of that series shall be restored to their former positions and rights under the Indenture.

The Trustee shall, within 90 days after the occurrence of a default known to it with respect to a series of Debt Securities, give to the holders of that series of Debt Securities of the series notice of all uncured defaults with respect to the series known to it, unless the defaults shall have been cured or waived before the giving of the notice; provided, however, that except in the case of default in the payment of principal, premium, or interest with respect to the Debt Securities of that series or in the making of any sinking fund payment with respect to the Debt Securities of that series, the Trustee shall be protected in withholding notice if it in good faith determines that the withholding of such notice is in the interest of the holders of the Debt Securities of that series.

The Indenture will require the Company to file annually with the Trustee a certificate, executed by a designated officer of the Company, stating to the best of his knowledge that the Company is not in default under certain covenants under the Indenture or if he has knowledge that the Company is in such default, specifying such default.

MODIFICATION OF THE INDENTURE

The Company and the Trustee may enter into supplemental indentures without the consent of the holders of Debt Securities for one or more of the following purposes:

(a) To evidence the succession of another person to the Company pursuant to the provisions of the Indenture to consolidations, mergers and sales of assets and the assumption by the successor of the covenants, agreements, and obligations of the Company in the Indenture and in the Debt Securities;

(b) To surrender any right or power conferred upon the Company by the Indenture, to add to the covenants of the Company such further covenants, restrictions, conditions, or provisions for the protection of the holders of all or any series of Debt Securities as the Board of Directors of the Company shall consider to be for the protection of the holders of the Debt Securities, and to make the occurrence, or the occurrence and continuance, of a default in any of the additional covenants, restrictions, conditions or provisions a default or an Event of Default under the Indenture (provided, however, that with respect to any such additional covenant, restriction, condition or provision, the supplemental indenture may provide for a period of grace after default, which may be shorter or longer than that allowed in the case of other defaults, may provide for an immediate enforcement upon the default, may limit the remedies available to the Trustee upon the default, or may limit the right of holders of a majority in aggregate principal amount of any or all series of Debt Securities to waive the default);

(c) To cure any ambiguity or omission or to correct or supplement any provision contained in the Indenture, in any supplemental indenture, or in any Debt Securities that may be defective or inconsistent with any other provision contained therein, to convey, transfer, assign, mortgage or pledge any property to or with the Trustee, or to make such other provisions in regard to matters or questions arising under the Indenture as shall not adversely affect the interests of any holders of Debt Securities of any series;

(d) To modify or amend the Indenture in such a manner as to permit the qualification of the Indenture or any supplemental indenture under the Trust Indenture Act as then in effect;

(e) To add to or change any of the provisions of the Indenture to provide that Bearer Securities may be registerable as to principal, to change or eliminate any restrictions on the payment of principal or premium with respect to Registered Securities or of principal, premium or interest with respect to Bearer Securities, or to permit Registered Securities to be exchanged for Bearer Securities, so long as any such action does not adversely affect the interests of the holders of Debt Securities or any coupons of any series in any material respect or permit or facilitate the issuance of Debt Securities of any series in uncertificated form;

(f) To comply with the provisions of the Indenture to consolidations, mergers, and sales of assets;

(g) In the case of Subordinated Debt Securities, to make any change in the provisions of the Indenture to subordination that would limit or terminate the benefits available to any holder of Senior Indebtedness under such provisions (but only if the holder of Senior Indebtedness consents to the change);

(h) To add guarantees with respect to any or all of the Debt Securities or to secure any or all of the Debt Securities;

(i) To make any change that does not adversely affect the rights of any holder;

(j) To add to, change or eliminate any of the provisions of the Indenture with respect to one or more series of Debt Securities, so long as any such addition, change or elimination not otherwise permitted under the Indenture shall (1) neither apply to any Debt Security of any series created prior to the execution of the supplemental indenture and entitled to the benefit of the provision nor modify the rights of the holders of any Debt Security with respect to the provision, or (2) become effective only when there is no Debt Security outstanding;

(k) To evidence and provide for the acceptance of appointment by a successor or separate Trustee with respect to the Debt Securities of one or more series and to add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of

the Indenture by more than one Trustee;

(l) To establish the form or terms of Debt Securities and coupons of any series, as described under "Description of Debt Securities -- General"; and

(m) To provide for uncertificated Debt Securities in addition to or in place of certificated Debt Securities (provided that the uncertificated Debt Securities are issued in registered form for purposes of Section 163(f) of the Code or in a manner such that the uncertificated Debt Securities are described in Section 163(f)(2)(B) of the Code).

With the consent of the holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series affected thereby, the Company and the Trustee may from time to time and at any time enter into a supplemental indenture for the purpose of adding any provisions to, changing in any manner, or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the holders of the Debt Securities of that series; provided, however, that without the consent of the holders of each Debt Security so affected, no such supplemental indenture shall (a) reduce the percentage in principal amount of Debt Securities of any series whose holders must consent to an amendment, (b) reduce the rate of or extend the time for payment of interest on any Debt Security or coupon or reduce the amount of any payment to be made with respect to any coupon, (c) reduce the principal of or extend the stated maturity of any Debt Security, (d) reduce the premium payable upon the redemption of any Debt Security or change the time at which any Debt Security may or shall be redeemed, (e) make any Debt Security payable in a currency other than that stated in the Debt Security, (f) in the case of any Subordinated Debt Security or coupons appertaining thereto, make any change in the provisions of the Indenture to subordination that adversely affects the rights of any holder under the provisions, (g) release any security that may have been granted with respect to the Debt Securities, (h) impair the right of a holder of Debt Securities to receive payment of principal of and interest on such holder's Debt Securities on or after the due dates therefor or to institute suit for the enforcement of or with respect to such holder's Debt Securities, (i) make

any change in the provisions of the Indenture to waivers of defaults or amendments that require unanimous consent, (j) change any obligation of the Company provided for in the Indenture to pay additional interest with respect to Bearer Securities, or (k) limit the obligation of the Company to maintain a paying agency outside the United States for payment on Bearer Securities or limit the obligation of the Company to redeem certain Bearer Securities.

The consent of the holders of Debt Securities is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

After an amendment under the Indenture becomes effective, the Company is required to mail to holders of the Debt Securities of all affected series a notice briefly describing such amendment. However, the failure to give such notice, or any defect therein, will not impair or affect the validity of the amendment.

CONSOLIDATION, MERGER, AND SALE OF ASSETS

The Company may not consolidate with or merge with or into any person, or convey, transfer or lease all or substantially all its assets, or permit any person to consolidate with or merge into or convey, transfer or lease substantially all its assets to the Company, unless the following conditions have been satisfied:

(a) Either (1) the Company shall be the continuing person in the case of a merger, or (2) the resulting, surviving or transferee person, if other

than the Company (the "Successor Company"), shall be a corporation organized and existing under the laws of the United States, any State, or the District of Columbia and shall expressly assume all the obligations of the Company under the Debt Securities and coupons and the Indenture;

(b) Immediately after giving effect to the transaction (and treating any indebtedness that becomes an obligation of the Successor Company or any subsidiary of the Company as a result of the transaction as having been incurred by the Successor Company or the subsidiary at the time of the transaction), no Default or Event of Default would occur or be continuing;

(c) The Successor Company waives any right to redeem any Bearer Security under circumstances in which the Successor Company would be entitled to redeem the Bearer Security but the Company would not have been so entitled to redeem if the consolidation, merger, conveyance, transfer or lease had not occurred; and

(d) The Company shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that the consolidation, merger or transfer complies with the Indenture.

Upon any consolidation by the Company with, or merger by the Company into, any other person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety as described in the preceding paragraph, the successor resulting from such consolidation or into which the Company is merged or the transferee or lessee to which such conveyance, transfer or lease is made, will succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture, and thereafter, except in the case of a lease, the predecessor (if still in existence) will be released from its obligations and covenants under the Indenture and all outstanding Debt Securities.

SATISFACTION AND DISCHARGE OF THE INDENTURE; DEFEASANCE

The Indenture shall generally cease to be of any further effect with respect to a series of Debt Securities if (a) the Company has delivered to the Trustee for cancellation all Debt Securities of that series (with certain limited exceptions), or (b) all Debt Securities and coupons of the series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year, and the Company shall have deposited with the Trustee as trust funds the entire amount sufficient to pay at maturity or upon redemption all the Debt Securities and coupons of that series (and if, in either case, the Company shall also pay or cause to be paid all other sums payable under the Indenture by the Company).

In addition, the Company shall have a "legal defeasance option" (pursuant to which it may terminate, with respect to the Debt Securities of a particular series, all its obligations under the Debt Securities of that series and the Indenture with respect to the Debt Securities of that series) and a "covenant defeasance option" (pursuant to which it may terminate, with respect to the Debt Securities of a particular series, its obligations with respect to the Debt Securities under certain specified covenants contained in the Indenture). If the Company exercises its legal defeasance option with respect to a series of Debt Securities, payment of that series of Debt Securities may not be accelerated because of an Event of Default. If the Company exercises its covenant defeasance option with respect to a series of Debt Securities, payment of that series of Debt Securities may not be accelerated because of an Event of Default related to the specified covenants.

The Company may exercise its legal defeasance option or its covenant defeasance option with respect to the Debt Securities of a series only if (a) the Company irrevocably deposits in trust with the Trustee cash or U.S Government Obligations (as defined in the Indenture) for the payment of principal, premium, and interest with respect to that series of Debt Securities to maturity or redemption, as the case may be, (b) the Company delivers to the Trustee a certificate from a nationally recognized firm of independent accountants expressing their opinion that the payments of principal and interest when due and without reinvestment on the deposited U.S. Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as will be sufficient to pay the principal, premium and interest when due with respect to all the Debt Securities of that series to maturity or

redemption, as the case may be, (c) 123 days pass after the deposit is made and during the 123-day period no default described in clause (g) or (h) under "Description of Debt Securities -- Events of Default and Remedies" with respect to the Company occurs that is continuing at the end of the period, (d) no Default has occurred and is continuing on the date of the deposit and after giving effect thereto, (e) the deposit does not constitute a default under any other agreement binding on the Company and, in the case of Subordinated Debt Securities, is not prohibited by the provisions of the Indenture to subordination, (f) the Company delivers to the Trustee an opinion of counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940, (g) the Company shall have delivered to the Trustee an opinion of counsel addressing certain federal income tax matters to the defeasance, and (h) the Company delivers to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent to the defeasance and discharge of the Debt Securities of the series as contemplated by the Indenture have been complied with.

The Trustee shall hold in trust cash or U.S. Government Obligations deposited with it as described above and shall apply the deposited cash and the proceeds from deposited U.S. Government Obligations to the payment of principal, premium, and interest with respect to the Debt Securities and coupons of the defeased series. In the case of Subordinated Debt Securities and coupons related thereto, the money and U.S. Government Obligations so held in trust will not be subject to the subordination provisions of the Indenture.

THE TRUSTEE

The Company may appoint a separate Trustee for any series of Debt Securities. As used herein in the description of a series of Debt Securities, the term "Trustee" refers to the Trustee appointed with respect to the series of Debt Securities.

The Company may maintain banking and other commercial relationships with the Trustee and its affiliates in the ordinary course of business, and the Trustee may own Debt Securities.

GOVERNING LAW

The Indenture provides that it and the Debt Securities will be governed by, and construed in accordance with, the laws of the State of New York without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby.

DESCRIPTION OF CAPITAL STOCK

The authorized capital stock of the Company consists of 500,000,000 shares of common stock, par value $.01 per share ("Common Stock"), and 100,000,000 shares of preferred stock, par value $.01 per share ("Preferred Stock"), of which one share has been designated as Special Preferred Voting Stock.

COMMON STOCK

All shares of Common Stock issued under the Registration Statement of which this Prospectus is a part will be fully paid and nonassessable. The holders of Common Stock are entitled to one vote for each share held on all matters submitted to a vote of common stockholders. The Common Stock does not have cumulative voting rights. Shares of Common Stock have no preemptive rights, conversion rights, redemption rights or sinking fund provisions. The Common Stock is not subject to redemption by the Company.

Subject to the rights of the holders of any class of capital stock of the Company having any preference or priority over the Common Stock, the holders of Common Stock are entitled to dividends in such amounts as may be declared by the Board of Directors from time to time out of funds legally available for such payments and, in the event of liquidation, to share ratably in any assets of the Company remaining after payment in full of all creditors and provision for any liquidation preferences on any outstanding preferred stock ranking prior to the Common Stock.

PREFERRED STOCK

The Board of Directors, without further stockholder action, is authorized to issue up to 100,000,000 shares of Preferred Stock in one or more series and

to fix and determine as to any series all the relative rights and preferences of shares in the series, including voting rights, dividend rights, liquidation preferences, terms of redemption and conversion rights.

Special Preferred Voting Stock

In connection with the Company's acquisition of Chauvco Resources Ltd., an Alberta, Canada corporation (the "Chauvco Acquisition"), the Board of Directors has designated one share of the 100,000,000 authorized shares of Preferred Stock as Special Preferred Voting Stock (the "Voting Share"). The Montreal Trust Company of Canada, or any successor thereto (for purposes of this discussion, the "Share Trustee"), shall hold the Voting Share as trustee for and on behalf of, and for the use and benefit of, the holders of exchangeable shares (the "Exchangeable Shares") of Pioneer Natural Resources (Canada) Ltd., an indirectly-owned subsidiary of the Company ("Pioneer Canada"), and in accordance with the Voting and Exchange Trust Agreement described in "Description of Capital Stock -- Pioneer Canada Exchangeable Shares." The Certificate of Designations for the Voting Share includes the following principal terms:

Dividends. No dividend shall be paid to the Share Trustee as the holder of the Voting Share.

Voting Rights. The Share Trustee, as the holder of record of the Voting Share, shall be entitled to all of the voting rights attached to the Voting Share, including the right to consent to or vote in person or by proxy the Voting Share, on any matter, question or proposition whatsoever that may properly come before the stockholders of the Company at a meeting thereof or with respect to any written consent sought by the Company from its stockholders. For each Exchangeable Share owned of record on the relevant record date, the holder thereof shall be entitled to instruct the Share Trustee to cast and exercise, in the manner instructed, a number of votes (including for purposes of a quorum) equal to the number of votes to which a holder of one share of Common Stock is entitled with respect to any matter, proposition or question on which the holders of Common Stock are entitled to vote. Except as otherwise described herein or required by law, the holder of the Voting Share will vote together with the Common Stock as a single class and not as a separate class or series apart therefrom, including any vote to approve or adopt: (i) any plan of merger, consolidation or share exchange for which Delaware law requires a stockholder vote; (ii) any disposition of assets for which Delaware law requires a stockholder vote; and (iii) any dissolution of the Company for which Delaware law requires a stockholder vote.

The holders of Exchangeable Shares have the right to submit stockholder proposals to the Trustee and the Trustee has agreed pursuant to the Voting and Exchange Trust Agreement to submit any such proposals to the Company. Such stockholder proposals may be considered at any meeting of the Company at which the holders of Common Stock of the Company are entitled to submit stockholder proposals. The Company has agreed pursuant to the Voting and Exchange Trust Agreement to accept all stockholder proposals submitted by the Trustee provided that not more than one proposal is submitted by the Trustee on behalf of any one holder of Exchangeable Shares.

So long as any Exchangeable Shares are outstanding, the number of shares comprising the Special Preferred Voting Stock will not be increased or decreased, and no other term of the Special Preferred Voting Stock may be amended, except upon the approval of the holder of the Voting Share.

Conversion. The Voting Share is not convertible into any other class or series of the capital stock of the Company or into cash, property or other rights.

Redemption. The Voting Share may not be redeemed, except when no Exchangeable Shares are outstanding, in which case the Voting Share will be automatically redeemed. The redemption price due and payable upon the automatic redemption will be $1.00. The Voting Share will be deemed retired and will be canceled upon any purchase or other acquisition thereof by the Company. After cancellation, the Voting Share may not be reissued or otherwise disposed of by the Company.

Liquidation. The Voting Share will rank prior to each share of Common Stock with respect to the distribution of assets upon a liquidation, dissolution or winding-up of the Company. In the event of any such liquidation, dissolution or winding-up, the holder of the Voting Share will be entitled to receive a liquidation preference of $1.00 before any distribution to the holders of Common Stock, but only after the liquidation preference of any other shares of preferred stock of the Company has been paid in full.

Certain Covenants of the Company. For so long as the Voting Share is outstanding, the Company will (i) fully comply with all terms of the Exchangeable Shares and with all associated contractual obligations of the Company, and (ii) not amend, alter or repeal the terms and conditions of the Special Preferred Voting Stock, except with the approval of the holder of the Voting Share.

CERTAIN PROVISIONS OF THE CERTIFICATE OF INCORPORATION AND BYLAWS

The Company's Board of Directors is divided into three classes. The directors of each class are elected for three-year terms, with the terms of the three classes staggered so that directors from a single class are elected at each annual meeting of stockholders. Stockholders may remove a director only for cause. In general, the Board of Directors, not the stockholders, has the right to appoint persons to fill vacancies on the Board of Directors.

The Amended and Restated Certificate of Incorporation of the Company (the "Restated Certificate") contains a "fair price" provision that requires the affirmative vote of the holders of least 80% of the Company's voting stock and the affirmative vote of at least 66 2/3% of the Company's voting stock not owned, directly or indirectly, by a Related Person (as defined below) to approve any merger, consolidation, sale or lease of all or substantially all of the Company's assets, or certain other transactions involving a Related Person. For purposes of this fair price provision, a "Related Person" is any person beneficially owning 10% or more of the voting power of the outstanding capital stock of the Company who is a party to the transaction at issue. The voting requirement is not applicable to certain transactions, including those that are approved by the Continuing Directors (as defined in the Restated Certificate) or that meet certain "fair price" criteria contained in the Restated Certificate.

The Restated Certificate further provides that stockholders may act only at annual or special meetings of stockholders and not by written consent, that special meetings of stockholders may be called only by the Board of Directors, and that only business proposed by the Board of Directors may be considered at special meetings of stockholders.

The Restated Certificate also provides that the only business (including election of directors) that may be considered at an annual meeting of stockholders, in addition to business proposed (or persons nominated to be directors) by the Company's directors, is business proposed (or persons nominated to be directors) by stockholders who comply with the notice and disclosure requirements set forth in the Restated Certificate. In general, the Restated Certificate requires that a stockholder give the Company notice of proposed business or nominations no later than 60 days before the annual meeting of stockholders (meaning the date on which the meeting is first scheduled and not postponements or adjournments thereof) or (if later) ten days after the first public notice of the annual meeting is sent to common stockholders. In general, the notice must also contain information about the stockholder proposing the business or nomination, his interest in the business, and (with respect to nominations for director) information about the nominee of the nature ordinarily required to be disclosed in public proxy solicitations. The stockholder also must submit a notarized letter from each of his nominees stating the nominee's acceptance of the nomination and indicating the nominee's intention to serve as director if elected.

The Restated Certificate also restricts the ability of stockholders to interfere with the powers of the Board of Directors in certain specified ways, including the constitution and composition of committees and the election and removal of officers.

The Restated Certificate provides that approval by the holders of at least 66 2/3% of the outstanding voting stock of the Company is required to amend the provisions of the Restated Certificate discussed above and certain other provisions, except that (a) approval by the holders of at least 80% of the outstanding voting stock of the Company together with approval by the holders of at least 66 2/3% of the outstanding voting stock not owned, directly or indirectly, by the Related Person, is required to amend the fair price provisions, and (b) approval of the holders of at least 80% of the outstanding voting stock of the Company is required to amend the provisions prohibiting stockholders from acting by written consent.

DELAWARE ANTI-TAKEOVER STATUTE

The Company is a Delaware corporation and is subject to Section 203 of the Delaware General Corporation Law. In general, Section 203 prevents an "interested stockholder" (defined generally as a person owning 15% or more of the Company's outstanding voting stock) from engaging in a "business combination" (as defined in Section 203) with the Company for three years following the date that person becomes an interested stockholder unless (a)

before that person became an interested stockholder, the Board of Directors approved the transaction in which the interested stockholder became an interested stockholder or approved the business combination, (b) upon completion of the transaction that resulted in the interested stockholder's becoming an interested stockholder, the interested stockholder owns at least 85% of the Company's voting stock outstanding at the time the transaction commenced (excluding stock held by directors who are also officers of the Company and by employee stock plans that do not provide employees with the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer), or (c) following the transaction in which that person became an interested stockholder, the business combination is approved by the Board of Directors and authorized at a meeting of stockholders by the affirmative vote of the holders of at least two-thirds of the outstanding voting stock of the Company not owned by the interested stockholder.

Under Section 203, these restrictions also do not apply to certain business combinations proposed by an interested stockholder following the announcement or notification of one or certain extraordinary transactions involving the Company and a person who was not an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the Company's directors, if that extraordinary transaction is approved or not opposed by a majority of the directors before any person became an interested stockholder in the previous three years or who were recommended for election or elected to succeed such directors by a majority of such directors then in office.

PIONEER CANADA EXCHANGEABLE SHARES

In connection with the Chauvco Acquisition, the Company issued the Voting Share and entered into the Support Agreement and the Voting and Trust Agreement, and assumed certain obligations with respect to the Exchangeable Shares issued by Pioneer Canada. The Exchangeable Shares have the rights and preferences summarized below.

Voting Rights. The holders of Exchangeable Shares have voting rights or matters submitted to the holders of the Company's Common Stock as previously described in "Description of Capital Stock -- Preferred Stock -- Special Preferred Voting Stock."

Dividends. Holders of Exchangeable Shares will be entitled to receive dividends equal to dividends paid from time to time by the Company on shares of the Common Stock. The declaration date, record date and payment date for dividends on the Exchangeable Shares will be the same as that for the corresponding dividends on the Common Stock. In the event of the liquidation, dissolution or winding-up of Pioneer Canada, a holder of Exchangeable Shares will be entitled to receive for each Exchangeable Share one share of Common Stock, together with a cash amount equal to the full amount of all unpaid dividends on the Exchangeable Shares. See "Description of Capital Stock -- Pioneer Canada Exchangeable Shares -- Voting and Exchange Trust Agreement." The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares may be changed only with the approval of the holders thereof.

Redemption of Exchangeable Shares by Holders. Each Exchangeable Share is redeemable at the option of the holder for one share of Common Stock plus the amount equal of unpaid dividends thereon. The redemption price must be delivered on the date specified by the holder (not less than three nor more than ten business days after the redemption request) and is payable by Pioneer Canada, or, if it is unable to do so, by the Company.

Redemption of Exchangeable Shares. Upon at least 120-days prior written notice by Pioneer Canada to the holders of Exchangeable Shares and subject to the Company's redemption call right (as described below), on the Automatic Redemption Date (as defined below) Pioneer Canada will redeem all but not less than all of the then outstanding Exchangeable Shares for one share of Common Stock for each Exchangeable Share plus an additional amount equivalent to the full amount of all unpaid dividends thereon. "Automatic Redemption Date" means December 18, 2003, unless (a) such date shall be extended at any time or from time to time to a specified later date by the Board of Directors of Pioneer Canada but not later than December 31, 2005, or (b) such date shall be accelerated at any time to a specified earlier date (but no earlier than the third anniversary of the first issuance of Exchangeable Shares) by the Board of Directors of Pioneer Canada if at such time there are issued and outstanding less than 5% of the number of Exchangeable Shares initially issued and outstanding in the Chauvco Transaction.

Support Agreement

Under the Support Agreement, the Company agreed that: (i) it will not declare or pay dividends on the Common Stock unless Pioneer Canada is able to and simultaneously pays an equivalent dividend on the Exchangeable Shares; (ii) it will advise Pioneer Canada in advance of the declaration of any dividend on the Common Stock and ensure that the declaration date, record date and payment date for dividends on the Exchangeable Shares are the same as that for the Common Stock; (iii) it will take all actions and do all things necessary to ensure that Pioneer Canada is able to provide to the holders of the Exchangeable Shares the equivalent number of shares of Common Stock in the event of a liquidation, dissolution, or winding-up of Pioneer Canada, a redemption request by a holder of Exchangeable Shares, or a redemption of Exchangeable Shares of Pioneer Canada; and (iv) it will not vote or otherwise take any action or omit to take any action causing the liquidation, dissolution or winding-up of Pioneer Canada.

The Support Agreement also provides that, without the prior approval of Pioneer Canada and the holders of the Exchangeable Shares, the Company will not distribute additional shares of Common Stock or rights to subscribe therefor or other property or assets to all or substantially all holders of shares of Common Stock, nor change the Common Stock nor effect any tender offer, share exchange offer, issuer bid, take-over bid or

similar transaction affecting the Common Stock, unless the same or an equivalent distribution on or change to the Exchangeable Shares (or in the rights of the holders thereof) is made simultaneously. The Company has agreed that so long as there remain outstanding any Exchangeable Shares not owned by the Company or any entity controlled by the Company, the Company will remain the beneficial owner, directly or indirectly, of all outstanding shares of Pioneer Canada other than the Exchangeable Shares.

With certain limited exceptions, the Support Agreement may not be amended without the approval of the holders of the Exchangeable Shares.

Under the Support Agreement, the Company has agreed not to exercise any voting rights attached to the Exchangeable Shares owned by it or any entity controlled by it on any matter considered at meetings of holders of Exchangeable Shares (including any approval sought from such holders in respect of matters arising under the Support Agreement).

Voting and Exchange Trust Agreement

Under the terms of the Voting and Exchange Trust Agreement, the Company will issue and grant to the Share Trustee the (i) rights of the holders of Exchangeable Shares to direct the voting of the Voting Share in accordance with the Voting and Exchange Trust Agreement (the "Voting Rights"), and (ii) the Automatic Exchange Rights (as defined below) and the optional exchange right granted to the Share Trustee for the use and benefit of the holders of the Exchangeable Shares pursuant to the Voting and Exchange Trust Agreement to require the Company to purchase Exchangeable Shares from the holders thereof in exchange for shares of Common Stock upon the occurrence of a Pioneer Canada Insolvency Event (as defined herein). "Automatic Exchange Rights" means the rights granted to the Share Trustee for the benefit of the holders of the Exchangeable Shares pursuant to the Voting and Exchange Trust Agreement to automatically exchange the Exchangeable Shares for shares of Common Stock upon a Pioneer Liquidation Event (as defined herein).

Voting Rights. Under the Voting and Exchange Trust Agreement, the Company will issue the Voting Share to the Share Trustee for the benefit of the holders (other than the Company and its subsidiaries) of the Exchangeable Shares. The Voting Share will have those voting rights with respect to the Company's Common Stock as previously discussed in "Description of Capital Stock -- Special Preferred Voting Stock."

Exchange Rights. Under the Voting and Exchange Trust Agreement, the Company will grant the Exchange Rights (as defined below) to the Trustee for the benefit of the holders of the Exchangeable Shares. "Exchange Rights" means the Automatic Exchange Rights and the optional exchange right granted to the Share Trustee for the use and benefit of the holders of the Exchangeable Shares pursuant to the Voting and Exchange Trust Agreement to require the Company to purchase Exchangeable Shares from the holders thereof in exchange for shares of Common Stock upon the occurrence of a Pioneer Canada Insolvency Event.

Optional Exchange Right. Upon the occurrence and during the continuance of a Pioneer Canada Insolvency Event, a holder of Exchangeable Shares will be entitled to instruct the Share Trustee to exercise the optional Exchange Right with respect to any or all of the Exchangeable Shares held by such holder, thereby requiring the Company to purchase such Exchangeable Shares from the holder. Immediately upon the occurrence of a Pioneer Canada Insolvency Event or

any event which may with the passage of time or the giving of notice become a Pioneer Canada Insolvency Event, Pioneer Canada and the Company will give written notice thereof to the Share Trustee. As soon as practicable thereafter, the Trustee will notify each holder of Exchangeable Shares of such event or potential event and will advise the holder of its rights with respect to the optional Exchange Right. "Pioneer Canada Insolvency Event" means any insolvency or bankruptcy proceeding instituted by or against Pioneer Canada, including any such proceeding under the Companies' Creditors Arrangement Act (Canada) and the Bankruptcy and Insolvency Act (Canada) and the admission in writing by Pioneer Canada of its inability to pay its debts generally as they become due and the inability of Pioneer Canada, as a result of solvency requirements of applicable law, to redeem any Exchangeable Shares tendered for redemption.

The consideration for each Exchangeable Share to be acquired under the optional Exchange Right will be one share of Common Stock plus an additional amount equivalent to the full amount of all dividends declared and unpaid on the Exchangeable Share.

If, as a result of liquidity or solvency provisions of applicable law, Pioneer Canada is unable to redeem all of the Exchangeable Shares tendered for redemption by a holder in accordance with the Exchangeable Share Provisions, the holder will be deemed to have exercised the optional Exchange Right with respect to the unredeemed Exchangeable Shares and the Company will be required to purchase such shares from the holder in the manner set forth above.

Automatic Exchange Right. In the event of a Pioneer Liquidation Event, the Company will be required to acquire each outstanding Exchangeable Share by exchanging one share of Common Stock for each such Exchangeable Share, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on the Exchangeable Shares. "Pioneer Liquidation Event" means: (i) any determination by the Company's Board of Directors to institute voluntary liquidation, dissolution or winding-up proceedings with respect to the Company or to effect any other distribution of assets of the Company among its stockholders for the purpose of winding up its affairs; or (ii) immediately upon the earlier of (A) receipt by the Company of notice of, and (B) the Company becoming aware of any threatened or instituted claim, suit, petition or other proceeding with respect to the involuntary liquidation, dissolution or winding-up of the Company or to effect any other distribution of assets of the Company among its stockholders for the purpose of winding-up its affairs.

Delivery of Common Stock

The Company has agreed to ensure that all shares of Common Stock to be delivered by it under the Support Agreement or on the exercise of the Exchange Rights under the Voting and Exchange Trust Agreement are duly registered, qualified or approved under applicable Canadian and United States securities laws, if required so that such shares may be freely traded by the holder thereof (other than any restriction on transfer by reason of a holder being a "control person" of the Company for purposes of Canadian law or an "affiliate" of the Company for purposes of United States law). In addition, the Company will take all actions necessary to cause all such shares of Common Stock to be listed or quoted for trading on all stock exchanges or quotation systems on which outstanding shares of Common Stock are then listed or quoted for trading.

Call Rights

The following section describes (i) the right of the Company, in the event of a proposed liquidation, dissolution or winding-up of Pioneer Canada, to purchase all of the outstanding Exchangeable Shares from the holders thereof on the effective date of any such liquidation, dissolution or winding-up in exchange for shares of Common Stock pursuant to the Plan of Arrangement (the "Liquidation Call Right"), (ii) the right of the Company to purchase all of the outstanding Exchangeable Shares from the holders thereof on the Automatic Redemption Date in exchange for shares of Common Stock pursuant to the Plan of Arrangement, and (iii) the overriding right of the Company, in the event of a proposed redemption of Exchangeable Shares by a holder thereof, to purchase from such holder on the redemption date the Exchangeable Shares tendered for redemption in exchange for shares of Common Stock pursuant to the Exchangeable Share Provisions.

Optional Redemption by the Holders. Pursuant to the Exchangeable Share Provisions, a holder requesting Pioneer Canada to redeem the Exchangeable Shares will be deemed to offer such shares to the Company, and the Company will have an overriding redemption call right to acquire all but not less than all of the Exchangeable Shares that the holder has requested Pioneer Canada to redeem in exchange for one share of Common Stock for each Exchangeable Share, plus an additional amount equivalent to the full amount of all declared and unpaid

dividends thereon.

At the time of a redemption request by a holder of Exchangeable Shares, Pioneer Canada will immediately notify the Company. The Company must then advise Pioneer Canada within two business days as to whether the Company will exercise its redemption call right. If the Company does not advise Pioneer Canada within such two business day period, Pioneer Canada will notify the holder as soon as possible

thereafter that the Company will not exercise its redemption call right. A holder may revoke his or her redemption request, at any time prior to the close of business on the business day preceding the redemption date, in which case the holder's Exchangeable Shares will neither be purchased by the Company nor redeemed by Pioneer Canada. If the holder does not revoke his or her redemption request, on the redemption date the Exchangeable Shares that the holder has requested Pioneer Canada to redeem will be acquired by the Company (assuming the Company exercises its redemption call right) or redeemed by Pioneer Canada, as the case may be, in each case for one share of Common Stock for each Exchangeable Share plus an additional amount equal to the full amount of all declared and unpaid dividends on the Exchangeable Shares.

Liquidation Call Right. Pursuant to the Plan of Arrangement, the Company will be granted an overriding Liquidation Call Right, in the event of and notwithstanding a proposed Pioneer Canada Insolvency Event, to acquire all but not less than all of the Exchangeable Shares then outstanding in exchange for Common Stock and, upon the exercise by the Company of the Liquidation Call Right, the holders thereof will be obligated to transfer such shares to the Company. The acquisition by the Company of all of the outstanding Exchangeable Shares upon the exercise of the Liquidation Call Right will occur on the effective date of the voluntary or involuntary liquidation, dissolution or winding-up of Pioneer Canada.

Optional Redemption by the Company. Pursuant to the Plan of Arrangement, the Company will be granted an overriding redemption call right, notwithstanding the proposed automatic redemption of the Exchangeable Shares by Pioneer Canada pursuant to the Exchangeable Share Provisions, to acquire on the Automatic Redemption Date all but not less than all of the Exchangeable Shares then outstanding in exchange for Common Stock plus an additional amount equal to the full amount of all declared and unpaid dividends on the Exchangeable Shares and, upon the exercise by the Company of the redemption call right, the holders thereof will be obligated to transfer such shares to the Company.

Effect of Call Right Exercise. If the Company exercises one or more of its call rights, it will directly issue shares of Common Stock to holders of Exchangeable Shares and will become the holder of such Exchangeable Shares. The Company will not be entitled to exercise any voting rights attached to the Exchangeable Shares it so acquires. If the Company declines to exercise its call rights when applicable, it will be required, pursuant to the Support Agreement, to issue shares of Common Stock to Pioneer Canada which will, in turn, transfer such stock to the holders of Exchangeable Shares in consideration for the return and cancellation of such Exchangeable Shares.

DESCRIPTION OF DEPOSITARY SHARES

The description set forth below and in any Prospectus Supplement of certain provisions of the Deposit Agreement (as defined below), Depositary Shares (as defined below) and Depositary Receipts (as defined below) does not purport to be complete and is subject to and qualified in its entirety by reference to the forms of Deposit Agreement and Depositary Receipts to each series of Preferred Stock that will be filed with the SEC in connection with the offering of the series of Preferred Stock.

GENERAL

The Company may, at its option, elect to offer fractional interests in shares of Preferred Stock, rather than shares of Preferred Stock. In the event such option is exercised, the Company will provide for the issuance by a depositary to the public of receipts for depositary shares ("Depositary Shares"), each of which will represent fractional interests of a particular series of Preferred Stock (which will be set forth in the Prospectus Supplement to a particular series of Preferred Stock).

The shares of any series of Preferred Stock underlying the Depositary Shares will be deposited under a separate Deposit Agreement (the "Deposit Agreement") between the Company and a bank or trust company selected by the Company having its principal office in the United States and having a combined capital and surplus of at least $50 million. The Prospectus Supplement to a series of Depositary Shares will set forth the name and address of the depositary with respect to the Depositary Shares. Subject to the terms of the

Deposit Agreement, each owner of Depositary Shares will be entitled, in proportion to the applicable fractional

interests in shares of Preferred Stock underlying the Depositary Shares, to all the rights and preferences of the Preferred Stock underlying the Depositary Shares (including dividend, voting, redemption, conversion, and liquidation rights).

The Depositary Shares will be evidenced by depositary receipts issued pursuant to the Deposit Agreement (the "Depositary Receipts"). Depositary Receipts will be distributed to those persons purchasing the fractional interests in shares of the related series of Preferred Stock in accordance with the terms of the offering described in the related Prospectus Supplement.

DIVIDENDS AND OTHER DISTRIBUTIONS

The depositary will distribute all cash dividends or other cash distributions received with respect to Preferred Stock to the record holders of Depositary Shares to the Preferred Stock in proportion to the numbers of the Depositary Shares owned by the holders on the relevant record date. The depositary shall distribute only the amount, however, as can be distributed without attributing to any holder of Depositary Shares a fraction of one cent, and the balance not so distributed shall be added to and treated as part of the next sum received by the depositary for distribution to record holders of Depositary Shares.

In the event of a distribution other than in cash, the depositary will distribute property received by it to the record holders of Depositary Shares entitled thereto, unless the depositary determines that it is not feasible to make the distribution, in which case the depositary may, with the approval of the Company, sell the property and distribute the net proceeds from the sale to the holders.

The Deposit Agreement will also contain provisions to the manner in which any subscription or similar rights offered by the Company to holders of the Preferred Stock shall be made available to the holders of Depositary Shares.

REDEMPTION OF DEPOSITARY SHARES

If a series of the Preferred Stock underlying the Depositary Shares is subject to redemption, the Depositary Shares will be redeemed from the proceeds received by the depositary resulting from the redemption, in whole or in part, of the series of the Preferred Stock held by the depositary. The depositary shall mail notice of redemption not less than 30 and not more than 60 days prior to the date fixed for redemption to the record holders of the Depositary Shares to be so redeemed at their respective addresses appearing in the depositary's books. The redemption price per Depositary Share will be equal to the applicable fraction of the redemption price per share payable with respect to the series of the Preferred Stock. Whenever the Company redeems shares of Preferred Stock held by the depositary, the depositary will redeem as of the same redemption date the number of Depositary Shares to shares of Preferred Stock so redeemed. If less than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by lot or pro rata as may be determined by the depositary.

After the date fixed for redemption, the Depositary Shares so called for redemption will no longer be outstanding and all rights of the holders of the Depositary Shares will cease, except the right to receive the money, securities, or other property payable upon the redemption and any money, securities, or other property to which the holders of the Depositary Shares were entitled upon the redemption upon surrender to the depositary of the Depositary Receipts evidencing the Depositary Shares.

VOTING THE PREFERRED STOCK

Upon receipt of notice of any meeting at which the holders of the Preferred Stock are entitled to vote, the depositary will mail the information contained in the notice of meeting to the record holders of the Depositary Shares to the Preferred Stock. Each record holder of the Depositary Shares on the record date (which will be the same date as the record date for the Preferred Stock) will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the number of shares of Preferred Stock underlying the holder's Depositary Shares. The depositary will endeavor, insofar as practicable, to vote the number of shares of Preferred Stock underlying the Depositary Shares in accordance with the instructions, and the Company will

agree to take all action that may be deemed necessary by the depositary in order to enable the depositary to do so.

AMENDMENT AND TERMINATION OF DEPOSITARY AGREEMENT

The form of Depositary Receipt evidencing the Depositary Shares and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the depositary. However, any amendment that materially and adversely alters the rights of the existing holders of Depositary Shares will not be effective unless the amendment has been approved by the record holders of at least a majority of the Depositary Shares then outstanding. A Deposit Agreement may be terminated by the Company or the depositary only if (a) all outstanding Depositary Shares thereto have been redeemed or, (b) there has been a final distribution with respect to the Preferred Stock of the relevant series in connection with any liquidation, dissolution, or winding up of the Company and the distribution has been distributed to the holders of the related Depositary Shares.

CHARGES OF DEPOSITARY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company will pay charges of the depositary in connection with the initial deposit of the Preferred Stock and any redemption of the Preferred Stock. Holders of Depositary Shares will pay transfer and other taxes and governmental charges and the other charges as are expressly provided in the Deposit Agreement to be for their accounts.

RESIGNATION AND REMOVAL OF DEPOSITARY

The depositary may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the depositary, any such resignation or removal to take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50 million.

MISCELLANEOUS

The depositary will forward to the holders of Depositary Shares all reports and communications from the Company that are delivered to the depositary and that the Company is required to furnish to the holders of the Preferred Stock.

Neither the depositary nor the Company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the depositary under the Deposit Agreement will be limited to performance in good faith of their duties thereunder and they will not be obligated to prosecute or defend any legal proceeding with respect to any Depositary Shares or Preferred Stock unless satisfactory indemnity is furnished. They may rely upon written advice of counsel or accountants, or information provided by persons presenting Preferred Stock for deposit, holders of Depositary Shares, or other persons believed to be competent and on documents believed to be genuine.

DESCRIPTION OF WARRANTS

The Company may issue Warrants for the purchase of Debt Securities, Preferred Stock or Common Stock. Warrants may be issued independently or together with Debt Securities, Preferred Stock or Common Stock offered by any Prospectus Supplement and may be attached to or separate from any such Offered Securities. Each series of Warrants will be issued under a separate warrant agreement (a "Warrant Agreement") to be entered into between the Company and a bank or trust company, as warrant agent (the "Warrant Agent"). The Warrant Agent will act solely as an agent of the Company in connection with the Warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of Warrants. The following summary of certain provisions of the Warrants does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Warrant Agreement that will be filed with the SEC in connection with the offering of the Warrants.

DEBT WARRANTS

The Prospectus Supplement to a particular issue of Debt Warrants will describe the terms of the Debt Warrants, including the following: (a) the title

of the Debt Warrants; (b) the offering price for the Debt Warrants, if any; (c) the aggregate number of the Debt Warrants; (d) the designation and terms of the Debt Securities purchasable upon exercise of the Debt Warrants; (e) if applicable, the designation and terms of the Debt Securities with which the Debt Warrants are issued and the number of the Debt Warrants issued with each Debt Security; (f) if applicable, the date from and after which the Debt Warrants and any Debt Securities issued therewith will be separately transferable; (g) the principal amount of Debt Securities purchasable upon exercise of a Debt Warrant and the price at which the principal amount of Debt Securities may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise the Debt Warrants shall commence and the date on which the right shall expire; (i) if applicable, the minimum or maximum amount of the Debt Warrants that may be exercised at any one time; (j) whether the Debt Warrants represented by the Debt Warrant certificates or Debt Securities that may be issued upon exercise of the Debt Warrants will be issued in registered or bearer form; (k) information with respect to book- entry procedures, if any; (l) the currency or currency units in which the offering price, if any, and the exercise price are payable; (m) if applicable, a discussion of material United States federal income tax considerations; (n) the antidilution provisions of the Debt Warrants, if any; (o) the redemption or call provisions, if any, applicable to the Debt Warrants; and (p) any additional terms of the Debt Warrants, including terms, procedures, and limitations to the exchange and exercise of the Debt Warrants.

STOCK WARRANTS

The Prospectus Supplement to any particular issue of Preferred Stock Warrants or Common Stock Warrants will describe the terms of the Warrants, including the following: (a) the title of the Warrants; (b) the offering price for the Warrants, if any; (c) the aggregate number of the Warrants; (d) the designation and terms of the Common Stock or Preferred Stock purchasable upon exercise of the Warrants; (e) if applicable, the designation and terms of the Offered Securities with which the Warrants are issued and the number of the Warrants issued with each Offered Security; (f) if applicable, the date from and after which the Warrants and any Offered Securities issued therewith will be separately transferable; (g) the number of shares of Common Stock or Preferred Stock purchasable upon exercise of a Warrant and the price at which the shares may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise the Warrants shall commence and the date on which the right shall expire; (i) if applicable, the minimum or maximum amount of the Warrants that may be exercised at any one time; (j) the currency or currency units in which the offering price, if any, and the exercise price are payable; (k) if applicable, a discussion of material United States federal income tax considerations; (l) the antidilution provisions of the Warrants, if any; (m) the redemption or call provisions, if any, applicable to the Warrants; and (n) any additional terms of the Warrants, including terms, procedures and limitations to the exchange and exercise of the Warrants.

DESCRIPTION OF GUARANTEES

Pioneer USA may issue Guarantees in connection with Debt Securities offered by any Prospectus Supplement. The following summary of certain provisions of the Guarantees does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the form of Guarantee that will be filed with the SEC in connection with the offering of Guarantees. Each Guarantee will be issued under the Indenture. The Prospectus Supplement to a particular issue of Guarantees will describe the terms of the Guarantees, including the following: (a) the series of Debt Securities to which the Guarantees apply; (b) whether the Guarantees are secured or unsecured; (c) whether the Guarantees are conditional or unconditional; (d) whether the Guarantees are senior or subordinate to other Guarantees or debt; (e) the terms under which the Guarantees may be amended, modified, waived, released or otherwise terminated, if different from the provisions applicable to the guaranteed Debt Securities; and (f) any additional terms of the Guarantees.

PLAN OF DISTRIBUTION

The Company or Pioneer USA may sell the Offered Securities within or outside the United States through underwriters, brokers or dealers, directly to one or more purchasers, or through agents. The Prospectus Supplement with respect to the Offered Securities will set forth the terms of the offering of the Offered Securities, including the name or names of any underwriters, dealers or agents, the purchase price of the Offered Securities and the proceeds to the

Company or Pioneer USA from the sale, any delayed delivery arrangements, any underwriting discounts and other items constituting underwriters' compensation, the initial public offering price, any discounts or concessions allowed or reallowed or paid to dealers, and any securities exchanges on which the Offered Securities may be listed.

If underwriters are used in the sale, the Offered Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The Offered Securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. The underwriter or underwriters with respect to a particular underwritten offering of Offered Securities will be named in the Prospectus Supplement to the offering, and if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover of the Prospectus Supplement. Unless otherwise set forth in the Prospectus Supplement thereto, the obligations of the underwriters or agents to purchase the Offered Securities will be subject to conditions precedent and the underwriters will be obligated to purchase all the Offered Securities if any are purchased. The initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

The Company or Pioneer USA may also sell the Offered Securities pursuant to one or more standby agreements with one or more underwriters in connection with the call for redemption of a specified class or series of any securities of the Company or any subsidiary of the Company. In such a standby agreement, the underwriter or underwriters would agree either (a) to purchase from the Company up to the number of shares of Common Stock that would be issuable upon conversion of all the shares of the class or series of securities of the Company or its subsidiary at an agreed price per share of Common Stock, or (b) to purchase from the Company or Pioneer USA up to a specified dollar amount of Offered Securities at an agreed price per Offered Security which price may be fixed or may be established by formula or other method and which may or may not relate to market prices of the Common Stock or any other security of the Company then outstanding. The underwriter or underwriters would also agree, if applicable, to convert into Common Stock or other security of the Company any securities of the class or series held or purchased by the underwriter or underwriters. The underwriter or underwriters may assist in the solicitation of conversions by holders of the class or series of securities.

If dealers are used in the sale of Offered Securities with respect to which this Prospectus is delivered, the Company or Pioneer USA will sell the Offered Securities to the dealers as principals. The dealers may then resell the Offered Securities to the public at varying prices to be determined by the dealers at the time of

resale. The names of the dealers and the terms of the transaction will be set forth in the Prospectus Supplement thereto.

Offered Securities may be sold directly by the Company or Pioneer USA or through agents designated by the Company or Pioneer USA from time to time at fixed prices, which may be changed, or at varying prices determined at the time of sale. Any agent involved in the offer or sale of the Offered Securities with respect to which this Prospectus is delivered will be named, and any commissions payable by the Company to the agent will be set forth, in the Prospectus Supplement thereto. Unless otherwise indicated in the Prospectus Supplement, any agent will be acting on a best efforts basis for the period of its appointment.

In connection with the sale of the Offered Securities, underwriters or agents may receive compensation from the Company or Pioneer USA or from purchasers of Offered Securities for whom they may act as agents in the form of discounts, concessions, or commissions. Underwriters, agents, and dealers participating in the distribution of the Offered Securities may be deemed to be underwriters, and any discounts or commissions received by them from the Company or Pioneer USA and any profit on the resale of the Offered Securities by them may be deemed to be underwriting discounts or commissions under the Securities Act.

If so indicated in the Prospectus Supplement, the Company or Pioneer USA will authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase Offered Securities from the Company or Pioneer USA at the public offering price set forth in the Prospectus Supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. The contracts will be subject only to those conditions set forth in the Prospectus Supplement, and the Prospectus Supplement will set forth the commission payable for solicitation of the contracts.

Agents, dealers and underwriters may be entitled under agreements entered into with the Company or Pioneer USA to indemnification by the Company or Pioneer USA against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments that the agents, dealers or underwriters may be required to make with respect thereto. Agents, dealers and underwriters may be customers of, engage in transactions with, or perform services for the Company or Pioneer USA in the ordinary course of business.

The Offered Securities may or may not be listed on a national securities exchange. No assurances can be given that there will be a market for the Offered Securities.

LEGAL OPINIONS

Certain legal matters in connection with the Offered Securities will be passed upon for the Company and Pioneer USA by Vinson & Elkins L.L.P., Dallas, Texas, and for any underwriters or agents by a firm named in the Prospectus Supplement to a particular issue of Offered Securities.

EXPERTS

The Consolidated Financial Statements of the Company (successor to Parker & Parsley and subsidiaries) have been incorporated by reference in this Registration Statement in reliance upon the report of KPMG Peat Marwick LLP, independent certified public accountants, and upon the authority of said firm as experts in accounting and auditing. The report of KPMG Peat Marwick LLP refers to a change in the method of accounting for the impairment of long-lived assets and for long-lived assets to be disposed of in 1995 and a change in the method of accounting for income taxes in 1993.

The Consolidated Financial Statements of Mesa incorporated by reference in this Registration Statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are incorporated by reference herein in reliance upon the authority of said firm as experts in giving said report.

The Financial Statements of Greenhill Petroleum Corporation incorporated by reference in this Registration Statement, have been incorporated herein in reliance on the report of Coopers & Lybrand L.L.P., independent accountants, given on the authority of that firm as experts in accounting and auditing.

The Consolidated Financial Statements of Chauvco Resources Ltd. incorporated by reference in this Registration Statement have been audited by Price Waterhouse, chartered accountants, as indicated in their report with respect thereto, and are incorporated by reference herein in reliance upon the authority of said firm as experts in giving said report.

The estimates of the proved reserves of the Company (successor to Parker & Parsley and subsidiaries) as of December 31, 1996, incorporated by reference in this Registration Statement, are based upon a reserve report prepared by the Company and audited by Netherland, Sewell & Associates, Inc., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report.

The estimates of Mesa's proved reserves as of December 31, 1996, incorporated by reference in this Registration Statement with respect to its Hugoton and West Panhandle field properties are based upon a reserve report prepared by Williamson Petroleum Consultants, Inc., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report. The estimates of Greenhill Petroleum Corporation's proved reserves as of December 31, 1996, incorporated by reference in this Registration Statement pursuant to

items 10 and 16 under the section entitled "Incorporation of Certain Documents By Reference" in this Registration Statement, are based upon a reserve report prepared by Miller and Lents, Ltd., independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report.

The estimates of Chauvco Resources Ltd. proved reserves as of December 31, 1996, incorporated by reference in this Registration Statement, are based upon reserve reports prepared by Gilbert Lausten Jung Associates, Ltd. and Martin Petroleum and Associates, independent petroleum consultants, and are incorporated by reference herein upon the authority of such firm as experts with respect to such matters covered by such report.

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NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS IN CONNECTION WITH THE OFFER MADE BY THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR THE UNDERWRITERS. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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$600,000,000

PIONEER NATURAL
RESOURCES COMPANY

% SENIOR NOTES DUE 2008

% SENIOR NOTES DUE 2028

LOGO

PROSPECTUS SUPPLEMENT

JANUARY , 1998

SALOMON SMITH BARNEY

CHASE SECURITIES INC.

J.P. MORGAN & CO.

MORGAN STANLEY DEAN WITTER

NATIONSBANC MONTGOMERY SECURITIES

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14 -- OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth those expenses to be incurred by the registrant, Pioneer Natural Resources Company (the "Company"), in connection with the issuance and distribution of the securities being registered. Except for the Securities and Exchange Commission registration fee, all amounts shown are estimates.

Securities and Exchange Commission registration fee.....	$265,500
Accounting fees and expenses.....	20,000
Legal fees and expenses.....	150,000
Transfer agent's fees and expenses.....	10,000
Blue Sky fees and expenses, including counsel fees.....	1,000
Fees of rating agencies.....	180,000
Listing fees.....	24,500
Printing and engraving expenses.....	100,000
Miscellaneous.....	10,000
Total.....	$761,000

ITEM 15 -- INDEMNIFICATION OF DIRECTORS AND OFFICERS

Article Twelfth of the Amended and Restated Certificate of Incorporation of the registrant provides that the registrant must indemnify its officers and directors to the extent allowed by the Delaware General Corporation Law. Pursuant to Section 145 of the Delaware General Corporation Law, the registrant generally has the power to indemnify its present and former directors and

officers against expenses and liabilities incurred by them in connection with any suit to which they are, or are threatened to be made, a party by reason of their serving in those positions so long as they acted in good faith and in a manner they reasonably believed to be in, or not opposed to, the best interests of the registrant, and with respect to any criminal action, they had no reasonable cause to believe their conduct was unlawful. With respect to suits by or in the right of the registrant, however, indemnification is generally limited to attorneys' fees and other expenses and is not available if the person is adjudged to be liable to the registrant unless the court determines that indemnification is appropriate. The statute expressly provides that the power to indemnify authorized thereby is not exclusive of any rights granted under any by-law, agreement, vote of stockholders or disinterested directors, or otherwise. The registrant also has the power to purchase and maintain insurance for its directors and officers. Additionally, Article Twelfth of the Amended and Restated Certificate of Incorporation provides that, in the event that an officer or director files suit against the registrant seeking indemnification of liabilities or expenses incurred, the burden will be on the registrant to prove that the indemnification would not be permitted under the Delaware General Corporation Law.

The registrant has entered into Indemnification Agreements with each of its directors and officers. These agreements provide that the registrant must indemnify an officer or director for liabilities incurred to the fullest extent permitted by the Delaware General Corporation Law. The registrant must, within ten days of a request, indemnify an officer or director for expenses incurred in the defense of a claim or other proceeding. The obligation of the registrant to provide the indemnification does not apply if, before the date on which the registrant must provide the indemnification, the registrant's Board of Directors, or a representative chosen by the Board of Directors, concludes that indemnification would be improper under the Delaware General Corporation Law.

The preceding discussion of the registrant's Amended and Restated Certificate of Incorporation, Section 145 of the Delaware General Corporation Law, and the Indemnification Agreements is not intended to be exhaustive and is qualified in its entirety by the Amended and Restated Certificate of Incorporation, Section 145 of the Delaware General Corporation Law, and the Indemnification Agreements.

ITEM 16 -- EXHIBITS

There are filed with the Registration Statement the following exhibits:

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
1.1*	-- Underwriting Agreement.
2.1	-- Amended and Restated Agreement and Plan of Merger, dated as of April 6, 1997, by and among MESA Inc. ("Mesa"), Mesa Operating Co. ("MOC"), MXP Reincorporation Corp. and Parker & Parsley Petroleum Company ("Parker & Parsley") (incorporated by reference to Exhibit 2.1 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
2.2+	-- Combination Agreement, dated as of September 3, 1997, between the Company and Chauvco Resources Ltd. ("Chauvco").
2.3	-- Plan of Arrangement under Section 186 of the Business Corporations Act (Alberta) (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.4	-- Support Agreement between the Company and Pioneer Natural Resources (Canada) Ltd. (incorporated by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.5	-- Voting and Exchange Trust Agreement among the Company, Pioneer Natural Resources (Canada) Ltd. and Montreal Trust Company of Canada, as Trustee (incorporated by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.6+	-- Amended and Restated Shareholders Agreement, dated as of September 3, 1997, by and among the Company and Guy J. Turcotte.

2.7	--	Shareholders Agreement, dated as of September 3, 1997, by and among the Company, Chauvco, DNR-MESA Holdings, L.P. ("DNR"), Scott D. Sheffield and I. Jon Brumley (incorporated by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on October 2, 1997).
2.8	--	Shareholders Agreement, dated as of September 3, 1997, by and among the Company, Trimac Corporation and Gendis Inc. (incorporated by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on October 2, 1997).
3.1	--	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
3.2	--	Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
3.3+	--	Certificate of Designations of Special Preferred Voting Stock.
3.4	--	Terms and Conditions of Exchangeable Shares (incorporated by reference to Annex F to the Definitive Joint Management Information Circular and Proxy Statement of the Company and Chauvco Resources Ltd., File No. 001-13245, filed with the SEC on November 17, 1997).
4.1	--	Form of Certificate of Common Stock, par value $.01 per share, of the Company (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
4.2**	--	Form of Indenture between the Company and one or more commercial banks to be named, as trustee.

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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
4.3*	--	Form of Senior Debt Security.
4.4*	--	Form of Subordinated Debt Security.
4.5*	--	Form of Deposit Agreement.
4.6*	--	Form of Depositary Receipt.
4.7*	--	Form of Warrant Agreement.
4.8*	--	Form of Warrant Certificate.
4.9*	--	Form of Guarantee.
4.10	--	Form of Certificate of Special Preferred Voting Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
4.11	--	Form of Certificate of Exchangeable Shares (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
5.1**	--	Form of opinion of Vinson & Elkins L.L.P. as to the legality of the securities to be registered.
9.1	--	Shareholder Agreement, dated as of April 6, 1997, between Mesa, Boone Pickens and Parker & Parsley (incorporated by reference to Exhibit 2.4 of Mesa's Form 8-K filed April 8, 1997).
9.2	--	Shareholders Agreement, dated as of April 6, 1997, between DNR and Mesa (incorporated by reference to Exhibit 2.2 of Mesa's Form 8-K filed April 8, 1997).
10.1	--	Indenture, dated July 2, 1996, among Pioneer Natural Resources USA, Inc. ("Pioneer USA") (formerly MOC), as Issuer, the Company (Mesa's successor), as Guarantor, and Harris Trust and Savings Bank, as Trustee, relating to the 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 4.17 of Mesa's Form 10-Q dated August 13, 1996).
10.2	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.1 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).

10.3	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.1 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.4	--	Indenture, dated July 2, 1996, among Pioneer USA (formerly MOC), as Issuer, the Company (Mesa's successor), as Guarantor, and Harris Trust and Savings Bank, as Trustee, relating to 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 4.18 of Mesa's Form 10-Q, dated August 13, 1996).

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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
10.5	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.4 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.6	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.4 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.7	--	Indentures relating to $50,000,000 principal amount of 8 1/2% Convertible Subordinated Debentures due 2005 of Dorchester Master Limited Partnership ($3,762,000 principal amount of which were outstanding and held by non affiliates at December 31, 1996) and $100,000,000 principal amount of 9 1/2% Senior Notes due 2000 of Bridge Oil (U.S.A.) Inc. ($2,063,000 principal amount of which were outstanding at December 31, 1996) have been omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K. The Company hereby agrees to furnish a copy of the indentures to the Securities and Exchange Commission upon request (incorporated by reference to Parker & Parsley's Form 10-K, dated December 31, 1996).
10.8	--	Indenture, dated April 12, 1995, between Pioneer USA (successor to Parker & Parsley), and The Chase Manhattan Bank (National Association), as Trustee (incorporated by reference to Exhibit 4.1 to Parker & Parsley's Current Report on Form 8-K, dated April 12, 1995, File No. 1-10695).
10.9	--	First Supplemental Indenture, dated as of August 7, 1997, among Parker & Parsley, The Chase Manhattan Bank, as Trustee, and Pioneer USA, with respect to the indenture identified above as Exhibit 10.8 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.10	--	Form of 8 7/8% Senior Notes Due 2005, dated as of April 12, 1995, in the aggregate principal amount of $150,000,000, together with Officers' Certificate dated April 12, 1995, establishing the terms of the 8 7/8% Senior Notes Due 2005 pursuant to the indenture identified above as Exhibit 10.8 (incorporated by reference to Exhibit 4.2 to Parker & Parsley's Quarterly Report on Form 10-Q for the period ended June 30, 1995, File No. 1-10695).
10.11	--	Form of 8 1/4% Senior Notes due 2007, dated as of August 22, 1995, in the aggregate principal amount of $150,000,000, together with Officers' Certificate, dated August 22, 1995, establishing the terms of the 8 1/4% Senior Notes due 2007 pursuant to the indenture identified above as Exhibit 10.8 (incorporated by

reference to Exhibit 1.2 to Parker & Parsley's Current Report on Form 8-K, dated August 17, 1995, File No. 1-10695).

10.12 -- Agreement of Sale between Pioneer Corporation and Cabot Corporation, dated August 29, 1984 (incorporated by reference to Exhibit 10.5 to Pioneer Corporation's Form 10-K, dated December 31, 1985).

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.13	-- Settlement Agreement, dated March 15, 1989, by and among Mesa Operating Limited Partnership and Mesa Limited Partnership, et al., Energas Company and the City of Amarillo (incorporated by reference to Exhibit 10(k) to Mesa Limited Partnership's Form 10-K, dated December 31, 1990).
10.14	-- Gas Purchase Agreement, dated December 1, 1989, between Williams Natural Gas Company and Mesa Operating Limited Partnership acting on behalf of itself and as agent for Mesa Midcontinent Limited Partnership (incorporated by reference to Exhibit 10.1 to Registration Statement of Mesa Limited Partnership on Form S-3, Registration No. 33-32978).
10.15	-- "B" Contract Production Allocation Agreement, dated July 29, 1991, and effective as of January 1, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(r) to Mesa's Form 10-K, dated December 31, 1991).
10.16	-- Amendment to "B" Contract Production Allocation Agreement effective as of January 1, 1993, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10.24 to Mesa's Registration Statement on Form S-1, Registration No. 033-51909).
10.17	-- Amended Peak Day Gas Purchase Agreement, dated effective June 19, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(t) to Mesa's Form 10-K, dated December 31, 1991).
10.18	-- Omnibus Amendment to Collateral Instruments to Supplemental Stipulation and Agreement, dated June 19, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(u) to Mesa's Form 10-K, dated December 31, 1991).
10.19	-- Amarillo Supply Agreement between Mesa Operating Limited Partnership, Seller, and Energas Company, a division of Atmos Energy Corporation, Buyer, dated effective January 2, 1993 (incorporated by reference to Exhibit 10.14 to Mesa's Form 10-K dated, December 31, 1995).
10.20	-- Gas Supply Agreement, dated May 11, 1994, between MOC, as successor to Mesa Operating Limited Partnership, acting on behalf of itself and as agent for Hugoton Capital Limited Partnership, and Williams Gas Marketing Company, and Gas Supply Guarantee, dated May 11, 1994 (incorporated by reference to Exhibit 10.16 to Mesa's Form 10-K, dated December 31, 1995).
10.21	-- Gas Transportation Agreement, dated June 14, 1994, between Western Resources, Inc. and MOC, acting on behalf of itself and as agent for Hugoton Capital Limited Partnership (incorporated by reference to Exhibit 10.24 to Mesa's Form 10-K, dated December 31, 1994).
10.22	-- 1991 Stock Option Plan of Mesa (incorporated by reference to Exhibit 10(v) to Mesa's Form 10-K, dated December 31, 1991).
10.23	-- Interruptible Gas Transportation and Sales Agreement, dated January 1, 1991, between Mesa Operating Limited Partnership and Energas Company and Amendment, dated January 1, 1995 (incorporated by reference to Exhibit 10.22 to Mesa's Form 10-K, dated December 31, 1995).
10.24	-- "B" Contract Operating Agreement, dated January 1, 1988, between Mesa Operating Limited Partnership and Colorado Interstate Gas Company (incorporated by reference to Exhibit 10.23 to Mesa's Form 10-K, dated December 31, 1995).

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<TABLE>
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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.25	-- Gathering Agreement, dated May 29, 1987, between Mesa Operating Limited Partnership and Colorado Interstate Gas Company (incorporated by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.26	-- Amendment to Gathering Agreement, dated July 15, 1990, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10.24 to Mesa's Form 10-K, dated December 31, 1995).
10.27	-- Amendment to 1990 Gathering Agreement Amendment, dated September 1, 1997, between Colorado Interstate Gas Company and Pioneer USA (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.28	-- Gas Purchase Agreement, dated January 1, 1996, between MOC, as Seller, and KN Marketing L.P., as Buyer, and Amendment, dated August 1, 1995 (incorporated by reference to Exhibit 10.25 to Mesa's Form 10-K, dated December 31, 1995).
10.29	-- Employment Agreement, dated as of August 21, 1996, between Mesa and I. Jon Brumley (incorporated by reference to Exhibit 10.26 of Mesa's Form 10-K, dated December 31, 1996).
10.30	-- Stock Purchase Agreement, dated April 26, 1996, between Mesa and DNR (incorporated by reference to Exhibit No. 10 to Mesa's Form 8-K filed on April 29, 1996).
10.31	-- 1996 Incentive Plan of Mesa (incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
10.32	-- Mesa Management Severance Plan, dated April 4, 1997, including a Schedule of Participants on Schedule A for the purpose of defining the payment of certain benefits upon the termination of the officer's employment under certain circumstances (incorporated by reference to Exhibit 10.29 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
10.33	-- Parker & Parsley Petroleum Company Long-Term Incentive Plan, dated February 19, 1991 (incorporated by reference to Exhibit 4.1 to Parker & Parsley's Registration Statement on Form S-8, Registration No. 33-38971).
10.34	-- First Amendment to the Parker & Parsley Petroleum Company Long-Term Incentive Plan, dated August 23, 1991 (incorporated by reference to Exhibit 10.2 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.35	-- Agreement of Partnership of P&P Employees 89-B Conv., L.P. (formerly P&P Employees 89-B GP), dated October 31, 1989, among Parker & Parsley, Ltd. and the Investor Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.50 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).

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EXHIBIT NUMBER	DESCRIPTION

10.36	-- Amendment to Agreement of Partnership of P&P Employees 89-B GP, dated May 31, 1990, among Parker & Parsley, Ltd. and the Investor Partners (as defined therein, which includes individuals who are directors and executives officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ form the foregoing document (incorporated by reference to Exhibit 10.51 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).
10.37	-- Schedule identifying additional documents substantially identical to the Amendment to Agreement of Partnership of P&P Employees 89-B GP included as Exhibit 10.5 and setting forth the material details in which those documents differ from that document (incorporated by reference to Exhibit 10.52 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.38	-- Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, dated October 16, 1990, among Parker & Parsley, Ltd., James D. Moring, and the General Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), and form of Amendment to Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.52 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).
10.39	-- Amendment to Agreement of Partnership of Parker & Parsley 90-A GP, dated February 19, 1991, among Parker & Parsley Development Company and the Investor Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.58 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.40	-- Agreement of Partnership of P&P Employees 91-A, GP, dated September 30, 1991, among Parker & Parsley Development Company, James D. Moring, and the General Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.61 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.41	-- Development Drilling Program Agreement of Parker & Parsley 91-A Development Drilling Program, dated September 30, 1991, among Parker & Parsley Development Company, the P&P Employee Participants (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), P&P Employees 91-A, GP, and Parker & Parsley 91-A, L.P., together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.63 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).

EXHIBIT NUMBER	DESCRIPTION

10.42	--	Development Drilling Program Agreement, dated August 1, 1989, among Parker & Parsley, Ltd., Parker & Parsley Development Partners L.P., certain key employees of Parker & Parsley, Ltd. (which includes individuals who are directors and executive officers of Parker & Parsley), and related persons, P&P Employees 89-A GP, and Parker & Parsley 89-A, GP, and Parker & Parsley 89-A, L.P., together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.56 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).
10.43	--	Amendment to Development Drilling Program Agreement, dated February 19, 1991, amending the Development Drilling Program Agreement included in Exhibit 10.11, together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.66 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.44	--	Amendment to Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, dated April 22, 1991, among the Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley) (incorporated by reference to Exhibit 10.67 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.45	--	Agreement of Limited Partnership of Parker & Parsley 1992 Direct Investment Program, Ltd., dated as of July 24, 1992, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.57 to Parker Parsley's Annual Report on Form 10-K for the year ended December 31, 1993, Commission File No. 1-10695).
10.46	--	Agreement of Limited Partnership of Parker & Parsley 1993 Direct Investment Program, Ltd., dated as of January 1, 1993, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.49 to Parker & Parsley's Annual Report on Form 10-K for the year ended December 31, 1993, Commission File No. 1-10695).
10.47	--	Agreement of Limited Partnership of Parker & Parsley 1994 Direct Investment Program, Ltd., dated as of January 1, 1994, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.20 to Parker & Parsley's Annual Report on Form 10-K for the year ended December 31, 1994, Commission File No. 1-10695).
10.48+	--	Stock Acquisition Loan Agreements entered into as of June 15, 1995, between Parker & Parsley and Scott D. Sheffield, together with Schedule I identifying named executive officers with substantially identical agreements providing for Parker & Parsley's loans to such officers.

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EXHIBIT NUMBER		DESCRIPTION
<C>	<S>	
10.49	--	Omnibus Amendment to Nonstatutory Stock Option Agreements, included as part of the Long-Term Incentive

		Plan, dated as of November 16, 1995, between Parker & Parsley and Named Executive Officers identified on Schedule 1 setting forth additional details relating to the Long-Term Incentive Plan (incorporated by reference to Parker & Parsley's Annual Report on Form 10-K for the year ended December 31, 1995, Commission File No. 1-10695).
10.50	--	Severance Agreement, dated as of August 8, 1997, between the Company and Scott D. Sheffield, together with a schedule identifying substantially identical agreements between the Company and each of the other named executive officers identified on Schedule I for the purpose of defining the payment of certain benefits upon the termination of the officer's employment under certain circumstances (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.51	--	Indemnification Agreement, dated as of August 8, 1997, between the Company and Scott D. Sheffield, together with a schedule identifying substantially identical agreements between the Company and each of the Company's other directors and named executive officers identified on Schedule I (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.52	--	Pioneer Natural Resources Company Long-Term Incentive Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-35087).
10.53	--	Pioneer Natural Resources Company Employee Stock Purchase Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-35165).
10.54	--	Pioneer Natural Resources Company Deferred Compensation Retirement Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-39153).
10.55	--	Pioneer Natural Resources USA, Inc. 401(k) Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-39249).
10.56	--	Amended and Restated Credit Facility Agreement (Primary Facility), dated as of December 18, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, and The Chase Manhattan Bank, as Syndication Agent; and the other Co-Agents and Lenders named therein (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.57	--	Amended and Restated Credit Facility Agreement (364 Day Facility), dated as of December 18, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, and The Chase Manhattan Bank, as Syndication Agent; and the other Co-Agents and Lenders named therein (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.58	--	Credit Agreement, dated as of December 18, 1997, among Chauvco, Canadian Imperial Bank of Commerce, as Agent, and the other Lenders named therein (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).

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<TABLE>
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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
10.59	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC.), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and

		Harris Trust and Savings Bank, as Trustee, with respect to the 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 10.5 to Pioneer's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.60	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.61	--	Third Supplemental Indenture, dated as of December 18, 1997, among Pioneer USA, the Subsidiary Guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.62	--	Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA, a Delaware corporation, the Company, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.63	--	Fifth Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, Pioneer, a Delaware corporation, Pioneer DebtCo, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.64	--	Sixth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc. (as successor to Pioneer NewSubl, Inc.), a Texas corporation, the Company, a Delaware corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.65	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, Pioneer, and Harris Trust and Savings Bank, as Trustee, with respect to the 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER		DESCRIPTION
<C>	<S>	
10.66	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-3,

		Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.67	--	Third Supplemental Indenture, dated as of December 18, 1997, among Pioneer USA, the Subsidiary Guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.12 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.68	--	Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA (formerly known as MOC), a Delaware corporation, the Company, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due (incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.69	--	Fifth Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, the Company, a Delaware corporation, Pioneer DebtCo, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.14 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.70	--	Sixth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc.(as successor to Pioneer NewSub1, Inc.), a Texas corporation, the Company, a Delaware corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.15 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.71	--	First Supplemental Indenture, dated as of August 7, 1997, among Parker & Parsley, The Chase Manhattan Bank, as Trustee, and Pioneer USA, with respect to the Indenture, dated April 12, 1995, between Pioneer USA (successor to Parker & Parsley), and The Chase Manhattan Bank (National Association), as Trustee (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.72	--	Second Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and The Chase Manhattan Bank, a New York banking association, as Trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by reference to Exhibit 10.17 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).

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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
10.73	--	Third Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, Pioneer DebtCo, Inc., a Texas corporation, and The Chase Manhattan Bank, a New York banking association, as Trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by

		reference to Exhibit 10.18 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.74	--	Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc. (as successor to Pioneer NewSubl, Inc., as successor to Pioneer USA), a Texas corporation, the Company, a Delaware corporation, Pioneer USA, a Delaware corporation, and The Chase Manhattan Bank, a New York banking association, as trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by reference to Exhibit 10.19 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.75	--	Guarantee, dated as of December 30, 1997, by Pioneer USA relating to the $150,000,000 in aggregate principal amount of 8 7/8% Senior Notes Due 2005 and $150,000,000 in aggregate principal amount of 8 1/4% Senior Notes Due 2007 issued under the Indenture, dated as of April 12, 1995, between Pioneer USA and The Chase Manhattan Bank, a New York banking association, as Trustee (incorporated by reference to Exhibit 10.20 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.76	--	Note, dated December 22, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Lender (incorporated by reference to Exhibit 10.21 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.77	--	Purchase and Sale Agreement, dated as of October 22, 1997, between Cometra Energy, L.P., and Pioneer USA (incorporated by reference to Exhibit 10.22 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
12.1**	--	Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends.
23.1**	--	Consent of KPMG Peat Marwick LLP.
23.2**	--	Consent of Arthur Andersen LLP.
23.3**	--	Consent of Price Waterhouse, chartered accountants.
23.4**	--	Consent of Coopers & Lybrand L.L.P.
23.5**	--	Consent of Netherland, Sewell & Associates, Inc.
23.6**	--	Consent of Williamson Petroleum Consultants, Inc.
23.7**	--	Consent of Miller and Lents, Ltd.
23.8+	--	Consent of Gilbert Lausten Jung Associates, Ltd.

EXHIBIT NUMBER		DESCRIPTION
23.9**	--	Consent of Martin Petroleum and Associates.
23.10*	--	Consent of Vinson & Elkins L.L.P. (included in the opinion filed as Exhibit 5.1 to this Registration Statement).
24.1+	--	Powers of Attorney of directors and officers of the Company.
24.2**	--	Powers of Attorney of Pioneer USA (included on page II-16 to this Registration Statement).
25.1*	--	Form T-1 Statement for eligibility under the Trust Indenture Act of 1939 of trustee.

+ Previously filed.

* To be filed.
** Filed herewith.

ITEM 17 -- UNDERTAKINGS

The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement.

(1) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933 (the "Securities Act");

(2) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement; and

(3) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to the information in this Registration Statement;

Provided, however, that clauses (1) and (2) above do not apply if the information required to be included in a post-effective amendment by those clauses is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference into this Registration Statement;

(b) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof; and

(c) To remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the registrant pursuant to the provisions described in Item 15 above or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by the director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of the issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Irving, Texas, on December 31, 1997.

PIONEER NATURAL RESOURCES COMPANY

By: /s/ SCOTT D. SHEFFIELD

Scott D. Sheffield,
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	DATE
<C>	<S>	<C>
*	Chairman of the Board and Director	December 31, 1997
I. Jon Brumley		
*	Director, President and Chief Executive Officer (principal executive officer)	December 31, 1997
Scott D. Sheffield		
*	Executive Vice President and Chief Financial Officer (principal financial and accounting officer)	December 31, 1997
M. Garrett Smith		
*	Director	December 31, 1997
R. Hartwell Gardner		
*	Director	December 31, 1997
Kenneth A. Hersh		
*	Director	December 31, 1997
James L. Houghton		
*	Director	December 31, 1997
Jerry P. Jones		
*	Director	December 31, 1997
Charles E. Ramsey, Jr.		
*	Director	December 31, 1997
Philip B. Smith		
*	Director	December 31, 1997
Robert L. Stillwell		
*	Director	December 31, 1997
Michael D. Wortley		
*By: /s/ M. GARRETT SMITH		
M. Garrett Smith		
Attorney-in-Fact		

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Irving, Texas, on December 31, 1997.

PIONEER NATURAL RESOURCES USA, INC.

By: /s/ SCOTT D. SHEFFIELD

Scott D. Sheffield,

President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated. Each person whose signature appears below hereby authorizes and appoints Scott D. Sheffield, Mark L. Withrow and M. Garrett Smith, or any of them, as his attorney-in-fact to sign on his behalf individually and in the capacity stated below all amendments and post-effective amendments to this Registration Statement (including any additional registration statement filed pursuant to Rule 462 of the Securities Act of 1933 with respect to this Registration Statement) as that attorney-in-fact may deem necessary or appropriate.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	DATE
<C>	<S>	<C>
/s/ SCOTT D. SHEFFIELD Scott D. Sheffield	Director and President (principal executive officer)	December 31, 1997
/s/ M. GARRETT SMITH M. Garrett Smith	Director and Senior Vice President-Finance (principal financial and accounting officer)	December 31, 1997
Timothy L. Dove	Director	December 31, 1997
Dennis E. Fagerstone	Director	December 31, 1997
/s/ MARK L. WITHROW Mark L. Withrow	Director	December 31, 1997

</TABLE>

INDEX TO EXHIBITS

<TABLE>
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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
1.1*	-- Underwriting Agreement.
2.1	-- Amended and Restated Agreement and Plan of Merger, dated as of April 6, 1997, by and among MESA Inc. ("Mesa"), Mesa Operating Co. ("MOC"), MXP Reincorporation Corp. and Parker & Parsley Petroleum Company ("Parker & Parsley") (incorporated by reference to Exhibit 2.1 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
2.2+	-- Combination Agreement, dated as of September 3, 1997, between the Company and Chauvco Resources Ltd.

("Chauvco").

2.3	--	Plan of Arrangement under Section 186 of the Business Corporations Act (Alberta) (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.4	--	Support Agreement between the Company and Pioneer Natural Resources (Canada) Ltd. (incorporated by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.5	--	Voting and Exchange Trust Agreement among the Company, Pioneer Natural Resources (Canada) Ltd. and Montreal Trust Company of Canada, as Trustee (incorporated by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
2.6+	--	Amended and Restated Shareholders Agreement, dated as of September 3, 1997, by and among the Company and Guy J. Turcotte.
2.7	--	Shareholders Agreement, dated as of September 3, 1997, by and among the Company, Chauvco, DNR-MESA Holdings, L.P. ("DNR"), Scott D. Sheffield and I. Jon Brumley (incorporated by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on October 2, 1997).
2.8	--	Shareholders Agreement, dated as of September 3, 1997, by and among the Company, Trimac Corporation and Gendis Inc. (incorporated by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on October 2, 1997).
3.1	--	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
3.2	--	Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
3.3+	--	Certificate of Designations of Special Preferred Voting Stock.
3.4	--	Terms and Conditions of Exchangeable Shares (incorporated by reference to Annex F to the Definitive Joint Management Information Circular and Proxy Statement of the Company and Chauvco Resources Ltd., File No. 001-13245, filed with the SEC on November 17, 1997).
4.1	--	Form of Certificate of Common Stock, par value $.01 per share, of the Company (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-4, Registration No. 333-26951).
4.2**	--	Form of Indenture between the Company and one or more commercial banks to be named, as trustee.
4.3*	--	Form of Senior Debt Security.

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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
4.4*	--	Form of Subordinated Debt Security.
4.5*	--	Form of Deposit Agreement.
4.6*	--	Form of Depositary Receipt.
4.7*	--	Form of Warrant Agreement.
4.8*	--	Form of Warrant Certificate.
4.9*	--	Form of Guarantee.
4.10	--	Form of Certificate of Special Preferred Voting Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
4.11	--	Form of Certificate of Exchangeable Shares (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
5.1**	--	Form of opinion of Vinson & Elkins L.L.P. as to the legality of the securities to be registered.
9.1	--	Shareholder Agreement, dated as of April 6, 1997, between Mesa, Boone Pickens and Parker & Parsley (incorporated by reference to Exhibit 2.4 of Mesa's Form 8-K filed April 8, 1997).

9.2	--	Shareholders Agreement, dated as of April 6, 1997, between DNR and Mesa (incorporated by reference to Exhibit 2.2 of Mesa's Form 8-K filed April 8, 1997).
10.1	--	Indenture, dated July 2, 1996, among Pioneer Natural Resources USA, Inc. ("Pioneer USA") (formerly MOC), as Issuer, the Company (Mesa's successor), as Guarantor, and Harris Trust and Savings Bank, as Trustee, relating to the 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 4.17 of Mesa's Form 10-Q dated August 13, 1996).
10.2	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.1 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.3	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.1 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.4	--	Indenture, dated July 2, 1996, among Pioneer USA (formerly MOC), as Issuer, the Company (Mesa's successor), as Guarantor, and Harris Trust and Savings Bank, as Trustee, relating to 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 4.18 of Mesa's Form 10-Q, dated August 13, 1996).
10.5	--	First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.4 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).

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EXHIBIT NUMBER		DESCRIPTION
<C>		<S>
10.6	--	Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the indenture identified above as Exhibit 10.4 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.7	--	Indentures relating to $50,000,000 principal amount of 8 1/2% Convertible Subordinated Debentures due 2005 of Dorchester Master Limited Partnership ($3,762,000 principal amount of which were outstanding and held by non affiliates at December 31, 1996) and $100,000,000 principal amount of 9 1/2% Senior Notes due 2000 of Bridge Oil (U.S.A.) Inc. ($2,063,000 principal amount of which were outstanding at December 31, 1996) have been omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K. The Company hereby agrees to furnish a copy of the indentures to the Securities and Exchange Commission upon request (incorporated by reference to Parker & Parsley's Form 10-K, dated December 31, 1996).
10.8	--	Indenture, dated April 12, 1995, between Pioneer USA (successor to Parker & Parsley), and The Chase Manhattan Bank (National Association), as Trustee (incorporated by reference to Exhibit 4.1 to Parker & Parsley's Current Report on Form 8-K, dated April 12, 1995, File No. 1-10695).
10.9	--	First Supplemental Indenture, dated as of August 7, 1997, among Parker & Parsley, The Chase Manhattan Bank, as Trustee, and Pioneer USA, with respect to the indenture identified above as Exhibit 10.8 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the period ended September 30,

1997, File No. 001-13245).

10.10 -- Form of 8 7/8% Senior Notes Due 2005, dated as of April 12, 1995, in the aggregate principal amount of $150,000,000, together with Officers' Certificate dated April 12, 1995, establishing the terms of the 8 7/8% Senior Notes Due 2005 pursuant to the indenture identified above as Exhibit 10.8 (incorporated by reference to Exhibit 4.2 to Parker & Parsley's Quarterly Report on Form 10-Q for the period ended June 30, 1995, File No. 1-10695).

10.11 -- Form of 8 1/4% Senior Notes due 2007, dated as of August 22, 1995, in the aggregate principal amount of $150,000,000, together with Officers' Certificate, dated August 22, 1995, establishing the terms of the 8 1/4% Senior Notes due 2007 pursuant to the indenture identified above as Exhibit 10.8 (incorporated by reference to Exhibit 1.2 to Parker & Parsley's Current Report on Form 8-K, dated August 17, 1995, File No. 1-10695).

10.12 -- Agreement of Sale between Pioneer Corporation and Cabot Corporation, dated August 29, 1984 (incorporated by reference to Exhibit 10.5 to Pioneer Corporation's Form 10-K, dated December 31, 1985).

10.13 -- Settlement Agreement, dated March 15, 1989, by and among Mesa Operating Limited Partnership and Mesa Limited Partnership, et al., Energas Company and the City of Amarillo (incorporated by reference to Exhibit 10(k) to Mesa Limited Partnership's Form 10-K, dated December 31, 1990).

10.14 -- Gas Purchase Agreement, dated December 1, 1989, between Williams Natural Gas Company and Mesa Operating Limited Partnership acting on behalf of itself and as agent for Mesa Midcontinent Limited Partnership (incorporated by reference to Exhibit 10.1 to Registration Statement of Mesa Limited Partnership on Form S-3, Registration No. 33-32978).

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.15	-- "B" Contract Production Allocation Agreement, dated July 29, 1991, and effective as of January 1, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(r) to Mesa's Form 10-K, dated December 31, 1991).
10.16	-- Amendment to "B" Contract Production Allocation Agreement effective as of January 1, 1993, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10.24 to Mesa's Registration Statement on Form S-1, Registration No. 033-51909).
10.17	-- Amended Peak Day Gas Purchase Agreement, dated effective June 19, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(t) to Mesa's Form 10-K, dated December 31, 1991).
10.18	-- Omnibus Amendment to Collateral Instruments to Supplemental Stipulation and Agreement, dated June 19, 1991, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10(u) to Mesa's Form 10-K, dated December 31, 1991).
10.19	-- Amarillo Supply Agreement between Mesa Operating Limited Partnership, Seller, and Energas Company, a division of Atmos Energy Corporation, Buyer, dated effective January 2, 1993 (incorporated by reference to Exhibit 10.14 to Mesa's Form 10-K dated, December 31, 1995).
10.20	-- Gas Supply Agreement, dated May 11, 1994, between MOC, as successor to Mesa Operating Limited Partnership, acting on behalf of itself and as agent for Hugoton Capital Limited Partnership, and Williams Gas Marketing Company, and Gas Supply Guarantee, dated May 11, 1994 (incorporated by reference to Exhibit 10.16 to Mesa's Form 10-K, dated December 31, 1995).
10.21	-- Gas Transportation Agreement, dated June 14, 1994, between Western Resources, Inc. and MOC, acting on behalf of itself and as agent for Hugoton Capital Limited Partnership (incorporated by reference to Exhibit 10.24

to Mesa's Form 10-K, dated December 31, 1994).

10.22 -- 1991 Stock Option Plan of Mesa (incorporated by reference to Exhibit 10(v) to Mesa's Form 10-K, dated December 31, 1991).

10.23 -- Interruptible Gas Transportation and Sales Agreement, dated January 1, 1991, between Mesa Operating Limited Partnership and Energas Company and Amendment, dated January 1, 1995 (incorporated by reference to Exhibit 10.22 to Mesa's Form 10-K, dated December 31, 1995).

10.24 -- "B" Contract Operating Agreement, dated January 1, 1988, between Mesa Operating Limited Partnership and Colorado Interstate Gas Company (incorporated by reference to Exhibit 10.23 to Mesa's Form 10-K, dated December 31, 1995).

10.25 -- Gathering Agreement, dated May 29, 1987, between Mesa Operating Limited Partnership and Colorado Interstate Gas Company (incorporated by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).

10.26 -- Amendment to Gathering Agreement, dated July 15, 1990, between Colorado Interstate Gas Company and Mesa Operating Limited Partnership (incorporated by reference to Exhibit 10.24 to Mesa's Form 10-K, dated December 31, 1995).

</TABLE>

<TABLE>
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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.27	-- Amendment to 1990 Gathering Agreement Amendment, dated September 1, 1997, between Colorado Interstate Gas Company and Pioneer USA (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.28	-- Gas Purchase Agreement, dated January 1, 1996, between MOC, as Seller, and KN Marketing L.P., as Buyer, and Amendment, dated August 1, 1995 (incorporated by reference to Exhibit 10.25 to Mesa's Form 10-K, dated December 31, 1995).
10.29	-- Employment Agreement, dated as of August 21, 1996, between Mesa and I. Jon Brumley (incorporated by reference to Exhibit 10.26 of Mesa's Form 10-K, dated December 31, 1996).
10.30	-- Stock Purchase Agreement, dated April 26, 1996, between Mesa and DNR (incorporated by reference to Exhibit No. 10 to Mesa's Form 8-K filed on April 29, 1996).
10.31	-- 1996 Incentive Plan of Mesa (incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
10.32	-- Mesa Management Severance Plan, dated April 4, 1997, including a Schedule of Participants on Schedule A for the purpose of defining the payment of certain benefits upon the termination of the officer's employment under certain circumstances (incorporated by reference to Exhibit 10.29 to the Company's Registration Statement on Form S-4, dated June 27, 1997, Registration No. 333-26951).
10.33	-- Parker & Parsley Petroleum Company Long-Term Incentive Plan, dated February 19, 1991 (incorporated by reference to Exhibit 4.1 to Parker & Parsley's Registration Statement on Form S-8, Registration No. 33-38971).
10.34	-- First Amendment to the Parker & Parsley Petroleum Company Long-Term Incentive Plan, dated August 23, 1991 (incorporated by reference to Exhibit 10.2 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.35	-- Agreement of Partnership of P&P Employees 89-B Conv., L.P. (formerly P&P Employees 89-B GP), dated October 31, 1989, among Parker & Parsley, Ltd. and the Investor Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.50 to Parker & Parsley's Registration Statement on

Form S-4, dated December 31, 1990, Registration No. 33-38436).

10.36 -- Amendment to Agreement of Partnership of P&P Employees 89-B GP, dated May 31, 1990, among Parker & Parsley, Ltd. and the Investor Partners (as defined therein, which includes individuals who are directors and executives officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ form the foregoing document (incorporated by reference to Exhibit 10.51 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).

</TABLE>

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.37	-- Schedule identifying additional documents substantially identical to the Amendment to Agreement of Partnership of P&P Employees 89-B GP included as Exhibit 10.5 and setting forth the material details in which those documents differ from that document (incorporated by reference to Exhibit 10.52 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.38	-- Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, dated October 16, 1990, among Parker & Parsley, Ltd., James D. Moring, and the General Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), and form of Amendment to Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.52 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).
10.39	-- Amendment to Agreement of Partnership of Parker & Parsley 90-A GP, dated February 19, 1991, among Parker & Parsley Development Company and the Investor Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.58 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.40	-- Agreement of Partnership of P&P Employees 91-A, GP, dated September 30, 1991, among Parker & Parsley Development Company, James D. Moring, and the General Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.61 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.41	-- Development Drilling Program Agreement of Parker & Parsley 91-A Development Drilling Program, dated September 30, 1991, among Parker & Parsley Development Company, the P&P Employee Participants (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley), P&P Employees 91-A, GP, and Parker & Parsley 91-A, L.P., together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.63 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.42	-- Development Drilling Program Agreement, dated August 1, 1989, among Parker & Parsley, Ltd., Parker & Parsley

Development Partners L.P., certain key employees of Parker & Parsley, Ltd. (which includes individuals who are directors and executive officers of Parker & Parsley), and related persons, P&P Employees 89-A GP, and Parker & Parsley 89-A, GP, and Parker & Parsley 89-A, L.P., together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.56 to Parker & Parsley's Registration Statement on Form S-4, dated December 31, 1990, Registration No. 33-38436).

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.43	-- Amendment to Development Drilling Program Agreement, dated February 19, 1991, amending the Development Drilling Program Agreement included in Exhibit 10.11, together with a schedule identifying substantially identical documents and setting forth the material details in which those documents differ from the foregoing document (incorporated by reference to Exhibit 10.66 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.44	-- Amendment to Agreement of Partnership of P&P Employees 90 Spraberry Private Development GP, dated April 22, 1991, among the Partners (as defined therein, which includes individuals who are directors and executive officers of Parker & Parsley) (incorporated by reference to Exhibit 10.67 to Parker & Parsley's Registration Statement on Form S-1, dated February 28, 1992, Registration No. 33-46082).
10.45	-- Agreement of Limited Partnership of Parker & Parsley 1992 Direct Investment Program, Ltd., dated as of July 24, 1992, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.57 to Parker Parsley's Annual Report on Form 10-K for the year ended December 31, 1993, Commission File No. 1-10695).
10.46	-- Agreement of Limited Partnership of Parker & Parsley 1993 Direct Investment Program, Ltd., dated as of January 1, 1993, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.49 to Parker & Parsley's Annual Report on Form 10-K for the year ended December 31, 1993, Commission File No. 1-10695).
10.47	-- Agreement of Limited Partnership of Parker & Parsley 1994 Direct Investment Program, Ltd., dated as of January 1, 1994, among Parker & Parsley Development Company, as managing general partner, and certain key employees of Parker & Parsley (including individuals who are directors and executive officers of Parker & Parsley), as non-managing general partners and limited partners (incorporated by reference to Exhibit 10.20 to Parker & Parsley's Annual Report on Form 10-K for the year ended December 31, 1994, Commission File No. 1-10695).
10.48+	-- Stock Acquisition Loan Agreements entered into as of June 15, 1995, between Parker & Parsley and Scott D. Sheffield, together with Schedule I identifying named executive officers with substantially identical agreements providing for Parker & Parsley's loans to such officers.
10.49	-- Omnibus Amendment to Nonstatutory Stock Option Agreements, included as part of the Long-Term Incentive Plan, dated as of November 16, 1995, between Parker & Parsley and Named Executive Officers identified on Schedule 1 setting forth additional details relating to the Long-Term Incentive Plan (incorporated by reference to Parker & Parsley's Annual Report on Form 10-K for the

year ended December 31, 1995, Commission File No. 1-10695).

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EXHIBIT NUMBER	DESCRIPTION
<C>	<S>
10.50	-- Severance Agreement, dated as of August 8, 1997, between the Company and Scott D. Sheffield, together with a schedule identifying substantially identical agreements between the Company and each of the other named executive officers identified on Schedule I for the purpose of defining the payment of certain benefits upon the termination of the officer's employment under certain circumstances (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.51	-- Indemnification Agreement, dated as of August 8, 1997, between the Company and Scott D. Sheffield, together with a schedule identifying substantially identical agreements between the Company and each of the Company's other directors and named executive officers identified on Schedule I (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1997, File No. 001-13245).
10.52	-- Pioneer Natural Resources Company Long-Term Incentive Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-35087).
10.53	-- Pioneer Natural Resources Company Employee Stock Purchase Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-35165).
10.54	-- Pioneer Natural Resources Company Deferred Compensation Retirement Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-39153).
10.55	-- Pioneer Natural Resources USA, Inc. 401(k) Plan (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, Registration No. 333-39249).
10.56	-- Amended and Restated Credit Facility Agreement (Primary Facility), dated as of December 18, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, and The Chase Manhattan Bank, as Syndication Agent; and the other Co-Agents and Lenders named therein (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.57	-- Amended and Restated Credit Facility Agreement (364 Day Facility), dated as of December 18, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, and The Chase Manhattan Bank, as Syndication Agent; and the other Co-Agents and Lenders named therein (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.58	-- Credit Agreement, dated as of December 18, 1997, among Chauvco, Canadian Imperial Bank of Commerce, as Agent, and the other Lenders named therein (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).

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EXHIBIT NUMBER	DESCRIPTION

<C> <S>

10.59	-- First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC.), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 10.5 to Pioneer's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.60	-- Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the 10 5/8% Senior Subordinated Notes Due 2006 (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.61	-- Third Supplemental Indenture, dated as of December 18, 1997, among Pioneer USA, the Subsidiary Guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.62	-- Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA, a Delaware corporation, the Company, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.63	-- Fifth Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, Pioneer, a Delaware corporation, Pioneer DebtCo, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.64	-- Sixth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc. (as successor to Pioneer NewSubl, Inc.), a Texas corporation, the Company, a Delaware corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 10 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.65	-- First Supplemental Indenture, dated as of April 15, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, Pioneer, and Harris Trust and Savings Bank, as Trustee, with respect to the 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).

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EXHIBIT NUMBER	DESCRIPTION

<C> <S>

10.66	-- Second Supplemental Indenture, dated as of August 7, 1997, among Pioneer USA (formerly MOC), as Issuer, Mesa, the subsidiary guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the 11 5/8% Senior Subordinated Discount Notes Due

		2006 (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.67	--	Third Supplemental Indenture, dated as of December 18, 1997, among Pioneer USA, the Subsidiary Guarantors named therein, the Company, and Harris Trust and Savings Bank, as Trustee, with respect to the Indenture, dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Notes due 2006 (incorporated by reference to Exhibit 10.12 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.68	--	Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA (formerly known as MOC), a Delaware corporation, the Company, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due (incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.69	--	Fifth Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, the Company, a Delaware corporation, Pioneer DebtCo, Inc., a Texas corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.14 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.70	--	Sixth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc.(as successor to Pioneer NewSub1, Inc.), a Texas corporation, the Company, a Delaware corporation, and Harris Trust and Savings Bank, an Illinois corporation, as Trustee, with respect to the Indenture dated as of July 2, 1996, as amended, relating to Pioneer USA's 11 5/8% Senior Subordinated Discount Notes Due 2006 (incorporated by reference to Exhibit 10.15 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.71	--	First Supplemental Indenture, dated as of August 7, 1997, among Parker & Parsley, The Chase Manhattan Bank, as Trustee, and Pioneer USA, with respect to the Indenture, dated April 12, 1995, between Pioneer USA (successor to Parker & Parsley), and The Chase Manhattan Bank (National Association), as Trustee (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-3, Registration No. 333-39381, filed with the SEC on November 3, 1997).
10.72	--	Second Supplemental Indenture, dated as of December 30, 1997, among Pioneer USA, a Delaware corporation, Pioneer NewSubl, Inc., a Texas corporation, and The Chase Manhattan Bank, a New York banking association, as Trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by reference to Exhibit 10.17 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).

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EXHIBIT NUMBER		DESCRIPTION
<C>	<S>	
10.73	--	Third Supplemental Indenture, dated as of December 30, 1997, among Pioneer NewSubl, Inc. (as successor to Pioneer USA), a Texas corporation, Pioneer DebtCo, Inc., a Texas corporation, and The Chase Manhattan Bank, a New York banking association, as Trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by

		reference to Exhibit 10.18 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.74	--	Fourth Supplemental Indenture, dated as of December 30, 1997, among Pioneer DebtCo, Inc. (as successor to Pioneer NewSubl, Inc., as successor to Pioneer USA), a Texas corporation, the Company, a Delaware corporation, Pioneer USA, a Delaware corporation, and The Chase Manhattan Bank, a New York banking association, as trustee, with respect to the Indenture, dated as of April 12, 1995, as amended, relating to Pioneer USA's 8 7/8% Senior Notes Due 2005 and 8 1/4% Senior Notes Due 2007 (incorporated by reference to Exhibit 10.19 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.75	--	Guarantee, dated as of December 30, 1997, by Pioneer USA relating to the $150,000,000 in aggregate principal amount of 8 7/8% Senior Notes Due 2005 and $150,000,000 in aggregate principal amount of 8 1/4% Senior Notes Due 2007 issued under the Indenture, dated as of April 12, 1995, between Pioneer USA and The Chase Manhattan Bank, a New York banking association, as Trustee (incorporated by reference to Exhibit 10.20 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.76	--	Note, dated December 22, 1997, between the Company, as Borrower, and NationsBank of Texas, N.A., as Lender (incorporated by reference to Exhibit 10.21 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
10.77	--	Purchase and Sale Agreement, dated as of October 22, 1997, between Cometra Energy, L.P., and Pioneer USA (incorporated by reference to Exhibit 10.22 to the Company's Current Report on Form 8-K, File No. 001-13245, filed with the SEC on January 2, 1998).
12.1**	--	Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends.
23.1**	--	Consent of KPMG Peat Marwick LLP.
23.2**	--	Consent of Arthur Andersen LLP.
23.3**	--	Consent of Price Waterhouse, chartered accountants.
23.4**	--	Consent of Coopers & Lybrand L.L.P.
23.5**	--	Consent of Netherland, Sewell & Associates, Inc.
23.6**	--	Consent of Williamson Petroleum Consultants, Inc.
23.7**	--	Consent of Miller and Lents, Ltd.
23.8+	--	Consent of Gilbert Lausten Jung Associates, Ltd.

EXHIBIT NUMBER		DESCRIPTION
23.9**	--	Consent of Martin Petroleum and Associates.
23.10*	--	Consent of Vinson & Elkins L.L.P. (included in the opinion filed as Exhibit 5.1 to this Registration Statement).
24.1+	--	Powers of Attorney of directors and officers of the Company.
24.2**	--	Powers of Attorney of Pioneer USA (included on page II-16 to this Registration Statement).
25.1*	--	Form T-1 Statement for eligibility under the Trust Indenture Act of 1939 of trustee.

+ Previously filed.

* To be filed.
** Filed herewith.

EXHIBIT 4.2

PIONEER NATURAL RESOURCES COMPANY

AND

[ ],
AS TRUSTEE

INDENTURE

DATED AS OF [ ]

DEBT SECURITIES

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ARTICLE X

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

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ARTICLE XI

SATISFACTION AND DISCHARGE OF
INDENTURE; DEFEASANCE; UNCLAIMED MONEYS

ARTICLE XII

SUBORDINATION OF DEBT SECURITIES

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ARTICLE XIII

MISCELLANEOUS PROVISIONS

INDENTURE dated as of _____, between PIONEER NATURAL RESOURCES COMPANY, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter sometimes called the "Company"), and _____, an association duly incorporated and existing under the Federal laws of the United States (hereinafter sometimes called the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its debentures, notes, bonds or other evidences of indebtedness to be issued in one or more series unlimited as to principal amount (herein called the "Debt Securities"), as in this Indenture provided.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH

That in order to declare the terms and conditions upon which the Debt Securities are authenticated, issued and delivered, and in consideration of the premises, and of the purchase and acceptance of the Debt Securities by the holders thereof, the Company and the Trustee covenant and agree with each other, for the benefit of the respective Holders from time to time of the Debt Securities or any series thereof, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. CERTAIN TERMS DEFINED. The terms defined in this Section 1.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any Indenture supplemental hereto shall have the respective meanings specified in this

Section 1.01. All other terms used in this Indenture which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires), shall have the meanings assigned to such terms in the Trust Indenture Act and in the Securities Act as in force as of the date of original execution of this Indenture.

"Adjusted Consolidated Net Tangible Assets" means (without duplication), as of the date of determination, the remainder of:

(a) the sum of (i) discounted future net revenues from proved oil and gas reserves of the Company and its Subsidiaries calculated in accordance with SEC guidelines before any provincial, territorial, state, Federal or foreign income taxes, as estimated by the Company in a reserve report prepared as of the end of the Company's most recently completed fiscal year for which audited financial statements are available, as increased by, as of the date of determination, the estimated discounted future net revenues from (A) estimated proved oil and gas reserves acquired since such year end, which reserves were not reflected in such year end reserve report, and (B) estimated oil and gas reserves attributable to upward revisions of estimates of proved oil and gas reserves since such year end due to exploration, development or exploitation activities, in each case calculated in accordance with SEC guidelines (utilizing the prices utilized in such year end reserve report), and decreased by, as of the date of determination, the estimated discounted future net revenues from (C) estimated proved oil and gas reserves produced or disposed of since such year end, and (D) estimated oil and gas reserves attributable to downward revisions of estimates of proved oil and gas reserves since such year end due to changes in geological conditions or other factors which would, in accordance with standard industry practice, cause such revisions, in each case calculated on a pre-tax basis and substantially in accordance with SEC guidelines (utilizing the prices utilized in such year end reserve report), in each case as estimated by the Company's petroleum engineers or any independent petroleum engineers engaged by the Company for that purpose; (ii) the capitalized costs that are attributable to oil and gas properties of the Company and its Subsidiaries to which no proved oil and gas reserves are attributable, based on the Company's books and records as of a date no earlier than the date of the Company's latest available annual or quarterly financial statements, (iii) the Net Working Capital on a date no earlier than the date of the Company's latest annual or quarterly financial statements, and (iv) the greater of (A) the net book value on a date no earlier than the date of the Company's latest annual or quarterly financial statement, and (B) the appraised value, as estimated by independent appraisers, of other tangible assets of the Company and its Subsidiaries, as of the date no earlier than the date of the Company's latest audited financial statements; minus

(b) the sum of (i) Minority Interests; (ii) any net gas balancing liabilities of the Company and its Subsidiaries reflected in the Company's latest audited financial statements; (iii) to the extent included in (a)(i) above, the discounted future net revenues, calculated in accordance with SEC guidelines (utilizing the prices utilized in the Company's year end reserve report), attributable to reserves which are required to be delivered to third parties to fully satisfy the obligations of the Company and its Subsidiaries with respect to Volumetric Production Payments (determined, if applicable, using the schedules specified with respect thereto); and (iv) the discounted future net revenues, calculated in accordance with SEC guidelines, attributable to reserves subject to Dollar-Denominated Production Payments which, based on the estimates of production and price assumptions included in determining the discounted future net revenues specified (a)(i) above, would be necessary to fully satisfy the payment obligations of the Company and its Subsidiaries with respect to Dollar-Denominated Production Payments (determined, if applicable, using the schedules specified with respect thereto).

If the Company changes its method of accounting from the successful efforts method to the full cost or a similar method of accounting, "Adjusted Consolidated Net Tangible Assets" will continue to be calculated as if the Company were still using the successful efforts method of accounting.

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership

of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Authorized Newspaper" means a newspaper in an official language of the country of publication customarily published at least once a day, and customarily published for at least five days in each calendar week, and of general circulation in such city or cities specified pursuant to Section 2.03 with respect to the Debt Securities of any series. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any business day in such city.

"Attributable Indebtedness" in respect of a Sale and Leaseback Transaction means, as of the time of determination, (a) if the obligation in respect of such Sale and Leaseback Transaction is a Capitalized Lease Obligation, the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP and included in the financial statements of the lessee or (b) if the obligation in respect of such Sale and Leaseback Transaction is not a Capitalized Lease Obligation, the total Net Amount of Rent required to be paid by the lessee under such lease during the remaining term thereof (including any period for which the lease has been extended), discounted from the respective due dates thereof to such determination date at the rate per annum borne by the applicable series of Debt Securities compounded semi-annually.

"Bank Indebtedness" means any and all amounts payable under or in respect of the Credit Agreements, as supplemented amended or modified from time to time, including principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Company whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, guarantees and all other amounts payable thereunder or in respect thereof.

"Banks" means the Lenders, as such term is defined in the Credit Agreement.

"Bearer Holder" means, with respect to any Bearer Security or Coupon, the bearer thereof.

"Bearer Security" means any Debt Security (with or without Coupons), title to which passes by delivery only, but does not include any Coupons.

"Board of Directors" means either the Board of Directors of the Company or any duly authorized committee or subcommittee of such Board, except as the context may otherwise require.

"business day" means, when used with respect to any Place of Payment specified pursuant to Section 2.03, any day that is not a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies in such Place of Payment are authorized or obligated by law to close, except as otherwise specified pursuant to Section 2.03.

"Capitalized Lease Obligation" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests (including partnership interests) in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Commodity Price Protection Agreement" means, in respect of any Person, any forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices.

"Common Stock" means the common stock, par value $.01 per share, of the Company, which stock is currently listed on the New York Stock Exchange.

"Company" means Pioneer Natural Resources Company, a Delaware corporation, and, subject to the provisions of Article X, shall also include its successors and assigns.

"Company Order" means a written order of the Company, signed by its Chairman of the Board, Vice Chairman, President or any Vice President and by its Treasurer, Secretary, any Assistant Treasurer or any Assistant Secretary.

"Consolidated Net Worth" means the total of the amounts shown on the balance sheet of the Company and its consolidated Subsidiaries, determined on a consolidated basis in accordance with GAAP, as of the end of the most recent fiscal quarter of the Company ending at least 45 days prior to the taking of any action for the purpose of which the determination is being made, as (a) the par or stated value of all outstanding Capital Stock of the Company plus (b) paid-in capital or capital surplus relating to such Capital Stock plus (c) any retained earnings or earned surplus less (i) any accumulated deficit and (ii) any amounts attributable to Disqualified Stock.

"corporate trust office of the trustee" or other similar term means the office of the Trustee at which the corporate trust business of the Trustee shall, at any particular time, be principally administered in the United States of America, except that with respect to the presentation of Debt Securities for payment or for registration of transfer and exchange, such term shall also mean the office of the Trustee or the Trustee's agent in the Borough of Manhattan, the city and state of New York, at which at any particular time its corporate agency business shall be conducted.

"Coupon" means any interest coupon appertaining to any Bearer Security.

"Coupon Security" means any Bearer Security authenticated and delivered with one or more Coupons appertaining thereto.

"Credit Agreements" means (i) the Amended and Restated Credit Facility Agreement (Primary Facility), dated as of December 18, 1997, among the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, The Chase Manhattan Bank, as Syndication Agent, and the Co-Agents and Lenders party thereto; (ii) the Amended and Restated Credit Facility Agreement (364 Day Facility), dated as of December 18, 1997, among the Company, as Borrower, and NationsBank of Texas, N.A., as Administrative Agent, CIBC Inc., as Documentation Agent, Morgan Guaranty Trust Company of New York, as Documentation Agent, The Chase Manhattan Bank, as Syndication Agent, and the Co-Agents and Lenders party thereto; (iii) the Term Note, dated as of December 22, 1997, executed by the Company and payable to NationsBank of Texas, N.A., in the original principal amount of $100 million; and (iv) the Credit Agreement, dated as of December 18, 1997, among Chauvco Resources Ltd., Canadian Imperial Bank of Commerce, and the other lenders signatory thereto; as supplemented, amended or modified from time to time.

"Currency" means Dollars or Foreign Currency.

"Currency Exchange Protection Agreement" means, in respect of any Person, any foreign exchange contract, currency swap agreement, currency option or other similar agreement or arrangement designed to protect such Person against fluctuations in currency exchange rates.

"Debt Security" or "Debt Securities" has the meaning stated in the first recital of this Indenture and more particularly means any debt security or debt securities, as the case may be of any series authenticated and delivered under this Indenture.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Depositary" means, unless otherwise specified by the Company pursuant to either Section 2.03 or 2.15, with respect to registered Debt Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, The Depository Trust Company, New York, New York, or any successor thereto registered as a clearing agency under the Exchange Act or other applicable statute or regulations.

"Designated Senior Indebtedness" means (a) the Bank Indebtedness and (b) any other Senior Indebtedness which, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $100 million and is specifically designated by the Company in the instrument evidencing or governing such Senior Indebtedness as "Designated Senior Indebtedness" for purposes of this Indenture and has been designated as "Designated Senior Indebtedness" for purposes of this Indenture in an Officers' Certificate received by the Trustee.

"Disqualified Stock" of a Person means Redeemable Stock of such Person as to which the maturity, mandatory redemption, conversion or exchange or redemption at the option of the holder thereof occurs, or may occur, on or prior to the first anniversary of the Stated Maturity of the applicable series of Debt Securities.

"Dollar" or "$" means such currency of the United States as at the time of payment is legal tender for the payment of public and private debts.

"Dollar-Denominated Production Payments" means production payment obligations recorded as liabilities in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Dollar Equivalent" means, with respect to any monetary amount in a Foreign Currency, at any time for the determination thereof, the amount of Dollars obtained by converting such Foreign Currency involved in such computation into Dollars at the spot rate for the purchase of Dollars with the applicable Foreign Currency as quoted by Bankers Trust Company (unless another comparable financial institution is designated by the Company) in New York, New York at approximately 11:00 a.m. (New York time) on the date two business days prior to such determination.

"European Currency Units" has the meaning assigned to it from time to time by the Council of the European Communities, or its successor in the European Union.

"European Communities" means the European Economic Community, the European Coal and Steel Community and the European Atomic Energy Community, or their successors in the European Union.

"Event of Default" has the meaning specified in Section 6.01.

"Exchange Act" means the Securities Exchange Act of 1934.

"Floating Rate Security" means a Debt Security that provides for the payment of interest at a variable rate determined periodically by reference to an interest rate index specified pursuant to Section 2.03.

"Foreign Currency" means a currency issued by the government of any country other than the United States or a composite currency the value of which is determined by reference to the values of the currencies of any group of countries.

"GAAP" means generally accepted accounting principles in the United States as in effect as of the date on which the Debt Securities of the applicable series are issued, including those set forth in (i) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, (ii) statements and pronouncements of the Financial Accounting Standards Board, (iii) such other statements by such other entity as approved by a significant segment of the accounting profession, and (iv) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC. All ratios and computations based on GAAP contained in this Indenture shall be computed in conformity with GAAP consistently applied.

"Global Security" means with respect to any series of Debt Securities issued hereunder, a Debt Security which is executed by the Company and authenticated and delivered by the Trustee to the Depositary or pursuant to the Depositary's instruction, all in accordance with this Indenture and

any Indentures supplemental hereto, or resolution of the Board of Directors and set forth in an Officers' Certificate, which shall be registered in the name of the Depositary or its nominee and which shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all the Outstanding Debt Securities of such series or any portion thereof, in either case having the same terms, including, without limitation, the same original issue date, date or dates on which principal is due and interest rate or method of determining interest.

"Government Contract Lien" means any Lien required by any contract, statute, regulation or order in order to permit the Company or any of its

Subsidiaries to perform any contract or subcontract made by it with or at the request of the United States or any State thereof or any department, agency or instrumentality of either or to secure partial, progress, advance or other payments by the Company or any of its Subsidiaries to the United States or any State thereof or any department, agency or instrumentality of either pursuant to the provisions of any contract, statute, regulation or order.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Protection Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement or other similar agreement.

"Holder," "Holder of Debt Securities" or other similar terms means, with respect to a Registered Security, the Registered Holder and, with respect to a Bearer Security or a Coupon, the Bearer Holder.

"Incur" means issue, assume, Guarantee, incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be incurred by such Subsidiary at the time it becomes a Subsidiary. The terms "Incurred", "Incurrence" and "Incurring" shall each have a correlative meaning.

"Indebtedness" means, with respect to any Person, at any date, any of the following, without duplication: (i) any liability, contingent or otherwise, of such Person (A) for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof), (B) evidenced by a note, bond, debenture or similar instrument, or (C) for the payment of money relating to a Capitalized Lease Obligation or other obligation (whether issued or assumed) relating to the deferred purchase price of property; (ii) all conditional sale obligations and all obligations under any title retention agreement (even if the rights and remedies of the seller under such agreement in the event of default are limited to repossession or sale of such property); (iii) all obligations for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction other than entered into in the ordinary course of business; (iv) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on any asset or property (including, without limitation, leasehold interests and any other tangible or intangible property) of such Person, whether or not such indebtedness is assumed by such Person or is not otherwise such Person's legal liability; provided that if the obligations so secured have not been assumed in full by such Person or are otherwise not such Person's legal liability in full, the amount of such indebtedness for the purposes of this definition shall be limited to the lesser of the amount of such indebtedness secured by such Lien or the fair market value of the assets of the property securing such lien; (v) all indebtedness of others (including all interest and dividends on any Indebtedness or Preferred Stock of any other Person for the payment of which is) guaranteed, directly or indirectly, by such Person or that is otherwise its legal liability or which such Person has agreed to purchase or repurchase or in respect of which such Person has agreed contingently to supply or advance funds; and (vi) to the extent not otherwise included in this definition, obligations in respect of Hedging Obligations. Indebtedness shall not include (a) accounts payable arising in the ordinary course of business, and (b) any obligations in respect of

prepayments for gas or oil production or gas or oil imbalances.

"Indenture" means this instrument as originally executed, or, if amended or supplemented as herein provided, as so amended or supplemented and shall include the form and terms of particular series of Debt Securities as contemplated hereunder, whether or not a supplemental Indenture is entered into with respect thereto.

"Interest" includes, when used with respect to a Bearer Security, any additional interest payable on such Bearer Security pursuant to Section 3.02 or 4.06.

"Interest Rate Protection Agreement" means, in respect of any Person, any interest rate swap agreement, interest rate option agreement, interest rate cap agreement, interest rate collar agreement, interest rate floor agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in interest rates.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"Minority Interest" means the percentage interest represented by any shares of stock of any class of a Subsidiary that are not owned by the Company or a Subsidiary.

"Net Amount of Rent" as to any lease for any period means the aggregate amount of rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as payable under such lease subsequent to the first date upon which it may be so terminated.

"Net Working Capital" means (a) all current assets of the Company and its Subsidiaries, less (b) all current liabilities of the Company and its Subsidiaries, except current liabilities included in Indebtedness, in each case as set forth in consolidated financial statements of the Company prepared in accordance with GAAP.

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Vice Chairman, the President or any Vice President and by the Treasurer, the Secretary or any Assistant Treasurer or Assistant Secretary of the Company. Each such certificate shall include the statements provided for in Section 13.05, if applicable.

"Opinion of Counsel" means an opinion in writing signed by legal counsel for the Company (which counsel may be an employee of the Company), or outside counsel for the Company. Each such opinion shall include the statements provided for in Section 13.05, if applicable.

"Original Issue Discount Debt Security" means any Debt Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to Section 6.01.

"Outstanding", when used with respect to any series of Debt Securities, means, as of the date of determination, all Debt Securities of that series theretofore authenticated and delivered under this Indenture, except:

(a) Debt Securities of that series theretofore canceled by the Trustee or delivered to the Trustee for cancelation;

(b) Debt Securities of that series for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any paying agent (other than

the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own paying agent) for the Holders of such Debt Securities; provided, that, if such Debt Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(c) Debt Securities of that series which have been paid pursuant to Section 2.09 or in exchange for or in lieu of which other Debt Securities have been authenticated and delivered pursuant to this Indenture, other than any such Debt Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Debt Securities are held by a bona fide purchaser in whose hands such Debt Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Debt Securities of any series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Debt Securities owned by the Company or any other obligor upon the Debt Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Debt Securities which the Trustee knows to be so owned shall be so disregarded. Debt Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Debt Securities and that the pledgee is not the Company or any other obligor upon the Debt Securities or an Affiliate of the Company or of such other obligor. In determining whether the Holders of the requisite principal amount of Outstanding Debt Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of an Original Issue Discount Debt Security that shall be deemed to be Outstanding for such purposes shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the maturity thereof pursuant to Section 6.01. In determining whether the Holders of the requisite principal amount of the Outstanding Debt Securities of any series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of a Debt Security denominated in one or more foreign currencies or currency units that shall be deemed to be Outstanding for such purposes shall be the Dollar Equivalent, determined in the manner provided as contemplated by Section 2.03 on the date of original issuance of such Debt Security, of the principal amount (or, in the case of any Original Issue Discount Security, the Dollar Equivalent on the date of original issuance of such Security of the amount determined as provided in the preceding sentence above) of such Debt Security.

"pari passu", as applied to the ranking of any Indebtedness of a Person in relation to other Indebtedness of such Person, means that each such Indebtedness either (a) is not subordinate in right of payment to any Indebtedness or (b) is subordinate in right of payment to the same Indebtedness as is the other, and is so subordinate to the same extent, and is not subordinate in right of payment to each other or to any Indebtedness as to which the other is not so subordinate.

"Permitted Liens" means, with respect to any Person, (a) pledges or deposits by such Person under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness)

or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or United States government bonds to secure performance, surety or appeal bonds to which such Person is a party or which are otherwise required of such Person, or deposits as security for contested taxes or import duties or for the payment of rent or other obligations of like nature, in each case Incurred in the ordinary course of business; (b) Liens imposed by law, such as carriers', warehousemen's, laborers', materialmen's, landlords', vendors', workmen's, operators', producers' (including those arising pursuant to Article 9.319 of the Texas Uniform Commercial Code or other similar statutory provisions of other states with respect to production purchased from others) and mechanics' Liens, in each case for sums not yet due or being contested in good faith by appropriate proceedings; (c) Liens for property taxes, assessments and other governmental charges or levies not yet delinquent or subject to penalties for non-payment or which are being contested in good faith by appropriate proceedings; (d) minor survey exceptions, minor encumbrances, easements or reservations of or with respect to, or rights of others for or with respect to, licenses, rights-of-way, sewers, electric and other utility lines and usages, telegraph and telephone lines, pipelines, surface use, operation of equipment, permits, servitudes and other similar matters, or zoning or other restrictions as to the use of real property or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which were not Incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person; (e) Liens existing on or provided for under the terms of agreements existing on the Issue Date (including, without limitation, under the Credit Agreements); (f) Liens on property or assets of, or any shares of stock of or secured debt of, any Person at the time the Company or any of its Subsidiaries acquired the property or the Person owning such property, including any acquisition by means of a merger or consolidation with or into the Company or any of its Subsidiaries; (g) Liens securing a Hedging Obligation so long as such Hedging Obligation is of the type customarily entered into in connection with, and is entered into for the purpose of, limiting risk; (h) Liens upon specific properties of the Company or any of its Subsidiaries securing Indebtedness Incurred in the ordinary course of business to provide all or part of the funds for the exploration, drilling or development of those properties; (i) Purchase Money Liens; (j) Liens securing only Indebtedness of a wholly owned Subsidiary of the Company to the Company or to one or more wholly owned Subsidiaries of the Company; (k) Liens on any property to secure bonds for the construction, installation or financing of pollution control or abatement facilities or other forms of industrial revenue bond financing or Indebtedness issued or Guaranteed by the United States, any state or any department, agency or instrumentality thereof; (l) Government Contract Liens; (m) Liens in respect of Production Payments and Reserve Sales; (n) Liens resulting from the deposit of funds or evidences of Indebtedness in trust for the purpose of defeasing Indebtedness of the Company or any of its Subsidiaries; (o) legal or equitable encumbrances deemed to exist by reason of negative pledges or the existence of any litigation or other legal proceeding and any related lis pendens filing (excluding any attachment prior to judgment, judgment lien or attachment lien in aid of execution on a judgment); (p) rights of a common owner of any interest in property held by such Person; (q) farmout, carried working interest, joint operating, unitization, royalty, overriding royalty, sales and similar agreements relating to the exploration or development of, or production from, oil and gas

properties entered into the ordinary course of business; (r) any defects, irregularities or deficiencies in title to easements, rights-of-way or other properties which do not in the aggregate materially adversely affect the value of such properties or materially impair their use in the operation

of the business of such Person; and (s) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements), as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (e) through (m); provided, however, that (i) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property) and (ii) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (e) through (m) at the time the original Lien became a Permitted Lien under this Indenture and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Place of Payment" means, when used with respect to the Debt Securities of any series, the place or places where the principal of, and premium, if any, and interest on, the Debt Securities of that series are payable as specified pursuant to Section 2.03.

"Preferred Stock", as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"Principal Property" means any interest owned by the Company or any of its Subsidiaries in property situated in or outside of the United States and any shares of capital stock or Indebtedness of a Subsidiary of the Company that owns or leases Principal Property.

"Production Payments and Reserve Sales" means the grant or transfer by the Company or a Subsidiary of the Company to any Person of a royalty, overriding royalty, net profits interest, production payment (whether volumetric or dollar denominated), partnership or other interest in oil and gas properties, reserves or the right to receive all or a portion of the production or the proceeds from the sale of production attributable to such properties, including any such grants or transfers pursuant to incentive compensation programs on terms that are reasonably customary in the Oil and Gas Business for geologists, geophysicists and other providers of technical services to the Company or a Subsidiary of the Company.

"Purchase Money Lien" means a Lien on property securing Indebtedness Incurred by the Company or any of its Subsidiaries to provide funds for all or any portion of the cost of acquiring, constructing, altering, expanding, improving or repairing such property or assets used in connection with such property.

"Redeemable Stock" of any Person means any equity security of such Person that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or otherwise (including on the happening of an event), is or could become required to be redeemed for cash or other property or is or could become redeemable for cash or other property at

the option of the holder thereof, in whole or in part, on or prior to the first anniversary of the stated maturity of the applicable series of Notes; or is or could become exchangeable at the option of the holder thereof for Indebtedness at any time in whole or in part, on or prior to the first anniversary of the stated maturity of the applicable series of Debt Securities; provided, however, that Redeemable Stock shall not include any security that may be exchanged or converted at the option of the holder for Capital Stock of the Company having no preference as to dividends or liquidation over any other Capital Stock of the Company.

"Registered Holder" means the Person in whose name a Registered Security is registered in the Debt Security Register (as defined in Section 2.07(a)).

"Registered Security" means any Debt Security registered as to principal and interest in the Debt Security Register (as defined in Section 2.07(a)).

"Registrar" has the meaning set forth in Section 2.07(a).

"Representative" means the trustee, agent or representative (if any) for an issue of Senior Indebtedness.

"responsible officer", when used with respect to the Trustee, means any Account Manager or any officer within the [NAME OF TRUSTEE'S INSTITUTIONAL TRUST GROUP] of the Trustee, including any Vice President, any Second Vice President, any trust officer or any other officer of the Trustee performing functions similar to those performed by the persons who at the time shall be such officers, and any other officer of the Trustee to whom corporate trust matters are referred because of his knowledge of and familiarity with the particular subject.

"Sale and Leaseback Transaction" means any arrangement with any Person pursuant to which the Company or any Subsidiary leases any Principal Property that has been or is to be sold or transferred by the Company or the Subsidiary to such Person, other than (i) temporary leases for a term, including renewals at the option of the lessee, of not more than five years, (ii) leases between the Company and a Subsidiary or between Subsidiaries, (iii) leases of Principal Property executed by the time of, or within 12 months after the latest of, the acquisition, the completion of construction or improvement, or the commencement of commercial operation of the Principal Property, and (iv) arrangements pursuant to any provision of law with an effect similar to the former Section 168(f)(8) of the Internal Revenue Code of 1954.

"Secured Indebtedness" means any Indebtedness of the Company secured by a Lien.

"Securities Act" means the Securities Act of 1933.

"Senior Indebtedness" means, as to any series of Debt Securities subordinated pursuant to the provisions of Article XII, the Indebtedness of the Company identified as Senior Indebtedness in the resolution of the Board of Directors and accompanying Officers' Certificate or supplemental Indenture setting forth the terms, including as to Subordination, of such series.

"Significant Subsidiary" means a Subsidiary of any Person that would be a "significant subsidiary" as defined in Rule 405 under the Securities Act as in effect on the date of this Indenture.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory

redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred).

"Subsidiary" of any Person means (i) any Person of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more of the Subsidiaries of that Person or a combination thereof, and (ii) any partnership, joint venture or other Person in which such Person or one or more of the Subsidiaries of that Person or a combination thereof has the power to control by contract or otherwise the board of directors or equivalent governing body or otherwise controls such entity.

"Temporary Cash Investments" means any of the following: (a) investments in U.S. Government Obligations maturing within 90 days of the date of acquisition thereof, (b) investments in time deposit accounts, certificates of deposit and money market deposits maturing within 90 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States, any State thereof or any foreign country recognized by the United States having capital, surplus and undivided profits aggregating in excess of $500,000,000 (or the Dollar Equivalent thereof) and whose long-term debt is rated "A" or higher according to Moody's Investors Service, Inc. (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)), (c) repurchase obligations with a term of not more than 7 days for underlying securities of the types described in clause (a) above entered into with a bank meeting the qualifications described in clause (b) above and (d) investments in commercial paper, maturing not more than 90 days after the date of acquisition, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States or any foreign country recognized by the United States with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's Investors Service, Inc. or "A-1" (or higher) according to Standard and Poor's Corporation.

"Trade Payables" means, with respect to any Person, any accounts payable or any Indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person arising in the ordinary course of business of such Person in connection with the acquisition of goods or services.

"Trustee" initially means [TRUSTEE] and any other Person or Persons appointed as such from time to time pursuant to Section 7.08, and, subject to the provisions of Article VII, includes its or their successors and assigns. If at any time there is more than one such Person, "Trustee" as used with respect to the Debt Securities of any series shall mean the Trustee with respect to the Debt Securities of that series.

"Trust Indenture Act" (except as herein otherwise expressly provided) means the Trust Indenture Act of 1939 as in force at the date of this Indenture as originally executed and, to the extent required by law, as amended.

"United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"United States Alien" means any Person who, for United States Federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more members of which is, for United States Federal

income tax purposes, a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

"U.S. Government Obligations" means securities that are (a) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof.

"Volumetric Production Payments" means production payment obligations recorded as deferred revenue in accordance with GAAP, together with all undertakings and obligations in connection therewith.

"Yield to Maturity" means the yield to maturity, calculated at the time of issuance of a series of Debt Securities, or, if applicable, at the most recent redetermination of interest on such series and calculated in accordance with accepted financial practice.

Section 1.02. INCORPORATION BY REFERENCE OF TRUST INDENTURE ACT. This Indenture is subject to the mandatory provisions of the Trust Indenture Act which are incorporated by reference in and made a part of this Indenture. The following Trust Indenture Act terms have the following meanings:

"indenture securities" means the Debt Securities.

"indenture security holder" means a Holder.

"indenture to be qualified" means this Indenture.

"indenture trustee" or "institutional trustee" means the Trustee.

"obligor" on the indenture securities means the Company and any other obligor on the Debt Securities.

All other Trust Indenture Act terms used in this Indenture that are defined by the Trust Indenture Act, reference to another statute or defined by rules of the Securities and Exchange Commission have the meanings assigned to them by such definitions.

Section 1.03. RULES OF CONSTRUCTION. Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) "or" is not exclusive;

(d) "including" means including without limitation;

(e) words in the singular include the plural and words in the plural include the singular;

(f) if the applicable series of Debt Securities are subordinated pursuant to Article XII, unsecured Indebtedness shall not be deemed to be subordinate or junior to Secured Indebtedness merely by virtue of its nature as unsecured Indebtedness;

(g) the principal amount of any noninterest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with GAAP; and

(h) the principal amount of any Preferred Stock shall be the greater of (i) the maximum liquidation value of such Preferred Stock or (ii) the maximum mandatory redemption or mandatory repurchase price with respect to such Preferred Stock.

ARTICLE II

DEBT SECURITIES

Section 2.01. FORMS GENERALLY. The Debt Securities and Coupons, if any, of each series shall be in substantially the form established without the approval of any Holder by or pursuant to a resolution of the Board of Directors or in one or more Indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as the Company may deem appropriate (and, if not contained in a supplemental Indenture entered into in accordance with Article IX, as are not prohibited by the provisions of this Indenture) or as may be required or appropriate to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange on which such series of Debt Securities may be listed, or to conform to general usage, or as may, consistently herewith, be determined by the officers executing such Debt Securities and Coupons, as evidenced by their execution of the Debt Securities and Coupons.

The definitive Debt Securities of each series and Coupons, if any, shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Debt Securities and Coupons, as evidenced by their execution of such Debt Securities and Coupons.

Each Bearer Security and each Coupon shall bear a legend substantially to the following effect: "Any United States Person who holds this obligation will be subject to limitations under the United States Federal income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Section 2.02. FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION. The Trustee's Certificate of Authentication on all Debt Securities authenticated by the Trustee shall be in substantially the following form:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

[TRUSTEE],
As Trustee

By:

Authorized Signature

Section 2.03. PRINCIPAL AMOUNT; ISSUABLE IN SERIES. The aggregate principal amount of Debt Securities which may be issued, executed, authenticated, delivered and outstanding under this Indenture is unlimited.

The Debt Securities may be issued in one or more series. There shall be established, without the approval of any Holders, in or pursuant to a resolution of the Board of Directors and set forth in an Officers' Certificate, or established in one or more Indentures supplemental hereto, prior to the issuance of Debt Securities of any series any or all of the following:

(a) the title of the Debt Securities of the series (which shall distinguish the Debt Securities of the series from all other Debt Securities);

(b) any limit upon the aggregate principal amount of the Debt Securities of the series which may be authenticated and delivered under this Indenture (except for Debt Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Debt Securities of the series pursuant to this Article II);

(c) the date or dates on which the principal and premium, if any, of the Debt Securities of the series are payable;

(d) the rate or rates (which may be fixed or variable) at which the Debt Securities of the series shall bear interest, if any, or the method of determining such rate or rates, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable, or the method by which such date will be determined, in the case of Registered Securities, the record dates for the determination of Holders thereof to whom such interest is payable; and the basis upon which interest will be calculated if other than that of a 360-day year of twelve thirty-day months;

(e) the place or places, if any, in addition to or instead of the corporate trust office of the Trustee (in the case of Registered Securities) or the principal London office of the Trustee (in the case of Bearer Securities), where the principal of, and premium, if any, and interest on, Debt Securities of the series shall be payable;

(f) the price or prices at which, the period or periods within which and the terms and conditions upon which Debt Securities of the series may be redeemed, in whole or in part, at the option of the Company or otherwise;

(g) whether Debt Securities of the series are to be issued as Registered Securities or Bearer Securities or both, and, if Bearer Securities are to be issued, whether Coupons will be attached thereto, whether Bearer Securities of the series may be exchanged for Registered Securities of the

series and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

(h) if any Debt Securities of the series are to be issued as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (i) whether the provisions of Sections 3.02 and 4.06 or other provisions for payment of additional interest or tax redemptions shall apply and, if other provisions shall apply, such other provisions; (ii) whether interest in respect of any portion of a temporary Bearer Security of the series (delivered pursuant to Section 2.08) payable in respect of any interest payment date prior to the exchange of such temporary Bearer Security for definitive Bearer Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such interest payment date; and (iii) the terms upon which a temporary Bearer Security may be exchanged for one or more definitive Bearer Securities of the series;

(i) the obligation, if any, of the Company to redeem, purchase or repay Debt Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof, and the price or prices at which and the period or periods within which and the terms and conditions upon which Debt Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

(j) the terms, if any, upon which the Debt Securities of the series may be convertible into or exchanged for Common Stock, Preferred Stock (which may be represented by depositary shares), other Debt Securities or warrants for Common Stock, Preferred Stock or Indebtedness or other securities of any kind of the Company or any other obligor and the terms and conditions upon which such conversion or exchange shall be effected, including the initial conversion or exchange price or rate, the conversion or exchange period and any other provision in addition to or in lieu of those described herein;

(k) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which Debt Securities of the series shall be issuable;

(l) if the amount of principal of or any premium or interest on Debt Securities of the series may be determined with reference to an index or pursuant to a formula, the manner in which such amounts will be determined;

(m) if the principal amount payable at the Stated Maturity of Debt Securities of the series will not be determinable as of any one or more dates prior to such Stated Maturity, the amount which will be deemed to be such principal amount as of any such date for any purpose, including the principal amount thereof which will be due and payable upon any maturity other than the Stated Maturity or which will be deemed to be Outstanding as of any such date (or, in any such case, the manner in which such deemed principal amount is to be determined); and the manner of determining the equivalent thereof in the currency of the United States of America for purposes of the definition of Dollar Equivalent;

(n) any changes or additions to Article XI, including the addition of additional covenants that may be subject to the covenant defeasance option pursuant to Section 11.02(b)(ii);

(o) if other than such coin or Currency of the United States as at the time of payment is legal tender for payment of public and private debts, the coin or Currency or Currencies or units of two or more Currencies in which payment of the principal of, and premium, if any, and interest on, Debt Securities of the series shall be payable;

(p) if other than the principal amount thereof, the portion of the principal amount of Debt Securities of the series which shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 6.01 or provable in bankruptcy pursuant to Section 6.02;

(q) the terms, if any, of the transfer, mortgage, pledge or assignment as security for the Debt Securities of the series of any properties, assets, moneys, proceeds, securities or other collateral, including whether certain provisions of the Trust Indenture Act are applicable and any corresponding changes to provisions of this Indenture as currently in effect;

(r) any addition to or change in the Events of Default with respect to the Debt Securities of the series and any change in the right of the Trustee or the Holders to declare the principal of, and premium and interest on, such Debt Securities due and payable;

(s) if the Debt Securities of the series shall be issued in whole or in part in the form of a Global Security or Securities, the terms and conditions, if any, upon which such Global Security or Securities may be exchanged in whole or in part for other individual Debt Securities in definitive registered form; and the Depositary for such Global Security or Securities and the form of any legend or legends to be borne by any such Global Security or Securities in addition to or in lieu of the legend referred to in Section 2.15;

(t) any trustees, authenticating or paying agents, transfer agents or registrars;

(u) the applicability of, and any addition to or change in the covenants and definitions currently set forth in this Indenture or in the terms currently set forth in Article X,

including conditioning any merger, conveyance, transfer or lease permitted by Article X upon the satisfaction of an Indebtedness coverage standard by the Company and Successor Company (as defined in Article X);

(v) the terms, if any, of any Guarantee of the payment of principal of, and premium, if any, and interest on, Debt Securities of the series and any corresponding changes to the provisions of this Indenture as currently in effect;

(w) the subordination, if any, of the Debt Securities of the series pursuant to Article XII and any changes or additions to Article XII;

(x) with regard to Debt Securities of the series that do not bear interest, the dates for certain required reports to the Trustee; and

(y) any other terms of the Debt Securities of the series (which terms shall not be prohibited by the provisions of this Indenture).

All Debt Securities of any one series and the Coupons, if any, appertaining thereto shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to such resolution of the Board of Directors and as set forth in such Officers' Certificate or in any

such Indenture supplemental hereto.

Section 2.04. EXECUTION OF DEBT SECURITIES. The Debt Securities and the Coupons, if any, shall be signed on behalf of the Company by its Chairman of the Board, its Vice Chairman, its President or a Vice President and by its Secretary, an Assistant Secretary, a Treasurer or an Assistant Treasurer. Such signatures upon the Debt Securities and Coupons may be the manual or facsimile signatures of the present or any future such authorized officers and may be imprinted or otherwise reproduced on the Debt Securities and Coupons. The seal of the Company, if any, may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Debt Securities and Coupons.

Only such Debt Securities and Coupons as shall bear thereon a certificate of authentication substantially in the form hereinbefore recited, signed manually by the Trustee, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Debt Security or Coupon executed by the Company shall be conclusive evidence that the Debt Security or Coupon so authenticated has been duly authenticated and delivered hereunder.

In case any officer of the Company who shall have signed any of the Debt Securities or Coupons shall cease to be such officer before the Debt Securities or Coupons so signed shall have been authenticated and delivered by the Trustee, or disposed of by the Company, such Debt Securities or Coupons nevertheless may be authenticated and delivered or disposed of as though the Person who signed such Debt Securities or Coupons had not ceased to be such officer of the Company; and any Debt Security or Coupon may be signed on behalf of the Company by such Persons as, at the actual date of the execution of such Debt Security or Coupon, shall be the proper

officers of the Company, although at the date of such Debt Security or Coupon or of the execution of this Indenture any such Person was not such officer.

Section 2.05. AUTHENTICATION AND DELIVERY OF DEBT SECURITIES. At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Debt Securities, with appropriate Coupons, if any, of any series executed by the Company to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver said Debt Securities and Coupons to or upon a Company Order. In authenticating such Debt Securities and Coupons, and accepting the additional responsibilities under this Indenture in relation to such Debt Securities and Coupons, the Trustee shall be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon:

(a) a copy of any resolution or resolutions of the Board of Directors, certified by the Secretary or Assistant Secretary of the Company, authorizing the terms of issuance of any series of Debt Securities and Coupons;

(b) an executed supplemental Indenture, if any;

(c) an Officers' Certificate; and

(d) an Opinion of Counsel prepared in accordance with Section 13.05 which shall also state:

(i) that the form of such Debt Securities and Coupons has been established by or pursuant to a resolution of the Board of Directors or by a supplemental Indenture as permitted by Section 2.01 in conformity with the provisions of this Indenture;

(ii) that the terms of such Debt Securities and Coupons have been established by or pursuant to a resolution of the Board of Directors or by a supplemental Indenture as permitted by Section 2.03 in conformity with the provisions of this Indenture;

(iii) that such Debt Securities and Coupons, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms except as (A) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and (B) rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability;

(iv) that the Company has the corporate power to issue such Debt Securities and Coupons and has duly taken all necessary corporate action with respect to such issuance;

(v) that the issuance of such Debt Securities and Coupons will not contravene the charter or by-laws of the Company or result in any material violation of any

of the terms or provisions of any law or regulation or of any indenture, mortgage or other agreement known to such counsel by which the Company is bound;

(vi) that authentication and delivery of such Debt Securities and Coupons and the execution and delivery of any supplemental Indenture will not violate the terms of this Indenture; and

(vii) such other matters as the Trustee may reasonably request.

Such Opinion of Counsel need express no opinion as to whether a court in the United States would render a money judgment in a currency other than that of the United States.

The Trustee shall have the right to decline to authenticate and deliver any Debt Securities or Coupons under this Section 2.05 if the Trustee, being advised by counsel, determines that such action may not lawfully be taken or if the Trustee in good faith by its board of directors or trustees, executive committee or a trust committee of directors, trustees or vice presidents shall determine that such action would expose the Trustee to personal liability to existing Holders.

The Trustee may appoint an authenticating agent reasonably acceptable to the Company to authenticate Debt Securities and Coupons, if any, of any series. Unless limited by the terms of such appointment, an authenticating agent may authenticate Debt Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as any Registrar, paying agent or agent for service of notices and demands.

Unless otherwise provided in the form of Debt Security for any series, each Debt Security shall be dated the date of its authentication.

Section 2.06. DENOMINATION OF DEBT SECURITIES. Unless otherwise provided in the form of Debt Security for any series, the Debt Securities of each series shall be issuable only as Registered Securities in such denominations as shall be specified or contemplated by Section 2.03. In the absence of any such specification with respect to the Debt Securities of any series, the Debt Securities of such series shall be issuable in denominations of $1,000 and any integral multiple thereof.

Section 2.07. REGISTRATION OF TRANSFER AND EXCHANGE. (a) The Company shall keep or cause to be kept a register for each series of Registered Securities issued hereunder (hereinafter collectively referred to as the "Debt Security Register"), in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Registered Securities and the transfer of Registered Securities as in this Article II provided. At all reasonable times the Debt Security Register shall be open for inspection by the Trustee. Subject to Section 2.15, upon due presentment for registration of transfer of any Registered Security at any office or agency to be maintained by the Company in accordance with the provisions of Section 4.02, the Company shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Registered Security or Registered Securities of authorized denominations for a like

aggregate principal amount. In no event may Registered Securities, including Registered Securities received in exchange for Bearer Securities, be exchanged for Bearer Securities.

Unless and until otherwise determined by the Company by resolution of the Board of Directors, the register of the Company for the purpose of registration, exchange or registration of transfer of the Registered Securities shall be kept at the corporate trust office of the Trustee and, for this purpose, the Trustee shall be designated "Registrar".

Registered Securities of any series (other than a Global Security, except as set forth below) may be exchanged for a like aggregate principal amount of Registered Securities of the same series of other authorized denominations. Subject to Section 2.15, Registered Securities to be exchanged shall be surrendered at the office or agency to be maintained by the Company as provided in Section 4.02, and the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor the Registered Security or Registered Securities which the Holder making the exchange shall be entitled to receive.

At the option of the Holder of Bearer Securities of any series, except as otherwise specified as contemplated by Section 2.03(8) or 2.03(19) with respect to a Global Security representing Bearer Securities, Bearer Securities of such series may be exchanged for Registered Securities (if the Debt Securities of such series are issuable as Registered Securities) or Bearer Securities of the same series, of any authorized denomination or denominations, of like tenor and aggregate principal amount, upon surrender of the Bearer Securities to be exchanged at the office or agency of the Company maintained for such purpose, with all unmatured Coupons and all matured Coupons in Default thereto appertaining; provided, however, that delivery of a Bearer Security shall occur only outside the United States. If such Holder is unable to produce any such unmatured Coupon or Coupons or matured Coupon or Coupons in Default, such exchange may be effected if such Holder's Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing Coupon or Coupons, or the surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any paying agent harmless. If thereafter

such Holder shall surrender to any paying agent any such missing Coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 2.12, interest represented by Coupons shall be payable only upon presentation and surrender of those Cou pons at an office or agency located outside the United States.

Whenever any Debt Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Debt Securities that the Holder making the exchange is entitled to receive.

Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to Debt Securities in effect at the time of such exchange.

(b) All Registered Securities presented or surrendered for registration of transfer, exchange or payment shall (if so required by the Company, the Trustee or the Registrar) be duly endorsed or be accompanied by a written instrument or instruments of transfer, in form satisfactory to the Company, the Trustee and the Registrar, duly executed by the Registered Holder or his attorney duly authorized in writing.

All Debt Securities issued in exchange for or upon transfer of Debt Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture as the Debt Securities surrendered for such exchange or transfer.

No service charge shall be made for any exchange or registration of transfer of Debt Securities (except as provided by Section 2.09), but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto, other than those expressly provided in this Indenture to be made at the Company's own expense or without expense or without charge to the Holders.

The Company shall not be required (i) to issue, register the transfer of or exchange any Debt Securities for a period of 15 days next preceding any mailing of notice of redemption of Debt Securities of such series or (ii) to register the transfer of or exchange any Debt Securities selected, called or being called for redemption; provided, however, that, if specified pursuant to Section 2.03, any Bearer Securities of any series that are exchangeable for Registered Securities and that are called for redemption pursuant to Section 3.02 may, to the extent permitted by applicable law, be exchanged for one or more Registered Securities of such series during the period preceding the redemption date therefor.

Prior to the due presentation for registration of transfer of any Debt Security, the Company, the Trustee, any paying agent or any Registrar may deem and treat the Person in whose name a Debt Security is registered as the absolute owner of such Debt Security for the purpose of receiving payment of principal of, and premium, if any, and interest on, such Debt Security and for all other purposes whatsoever, whether or not such Debt Security is overdue, and none of the Company, the Trustee, any paying agent or Registrar shall be affected by notice to the contrary.

None of the Company, the Trustee, any agent of the Trustee, any paying agent or any Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial

ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 2.08. TEMPORARY DEBT SECURITIES. Pending the preparation of definitive Debt Securities of any series, the Company may execute and the Trustee shall authenticate and deliver temporary Debt Securities (printed, lithographed, photocopied, typewritten or otherwise produced) of any authorized denomination, and substantially in the form of the definitive Debt Securities in lieu of which they are issued, in registered form or, if authorized, in bearer form with one or more Coupons or without Coupons, and with such omissions, insertions and variations as may be appropriate for temporary Debt Securities and Coupons, all as may be determined by the Company with the concurrence of the Trustee. Temporary Debt Securities and Coupons may contain such

reference to any provisions of this Indenture as may be appropriate. Every temporary Debt Security shall be executed by the Company and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Debt Securities.

If temporary Debt Securities of any series are issued, the Company will cause definitive Debt Securities of such series to be prepared without unreasonable delay. Except as otherwise specified as contemplated by Section 2.03(8)(z) with respect to a series of Debt Securities issuable as Bearer Securities or as one or more Global Securities representing individual Bearer Securities of the series, (a) after the preparation of definitive Debt Securities of such series, the temporary Debt Securities of such series shall be exchangeable for definitive Debt Securities of such series upon surrender of the temporary Debt Securities of such series at the office or agency of the Company at a Place of Payment for such series, without charge to the Holder thereof, except as provided in Section 2.07 in connection with a transfer and except that a Person receiving definitive Bearer Securities shall bear the cost of insurance, postage, transportation and the like unless otherwise specified pursuant to Section 2.03, and (b) upon surrender for cancelation of any one or more temporary Debt Securities of any series (accompanied by any unmatured Coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Debt Securities of the same series of authorized denominations and of like tenor; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided, further, however, that delivery of a Global Security representing individual Bearer Securities or a Bearer Security shall occur only outside the United States. Until so exchanged, temporary Debt Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Debt Securities of such series, except as otherwise specified as contemplated by Section 2.03(8)(y) with respect to the payment of interest on Global Securities in temporary form.

Unless otherwise specified pursuant to Section 2.03, the Company will execute and deliver each definitive Global Security representing individual Bearer Securities and each Bearer Security to the Trustee at its principal office in London or such other place outside the United States specified pursuant to Section 2.03.

Upon any exchange of a portion of a temporary Global Security for a definitive Global Security or for the individual Debt Securities represented thereby pursuant to Section 2.07 or this Section 2.08, the temporary Global Security shall be endorsed by the Trustee to reflect the reduction of the principal amount evidenced thereby, whereupon the principal amount of such temporary Global Security shall be reduced for all purposes by the amount to be

exchanged and endorsed.

Section 2.09. MUTILATED, DESTROYED, LOST OR STOLEN DEBT SECURITIES. If (a) any mutilated Debt Security or any mutilated Coupon with the Coupon Security to which it appertains (and all unmatured Coupons attached thereto) is surrendered to the Trustee at its corporate trust office (in the case of Registered Securities) or at its principal London office (in the case of Bearer Securities) or (b) the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Debt Security or any Coupon, and there is delivered to the Company and the Trustee such security or indemnity as may be required by them to save each of them and any paying agent harmless, and neither the Company nor the Trustee receives notice that such Debt Security or

Coupon has been acquired by a bona fide purchaser, then the Company shall execute and, upon a Company Order, the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Debt Security or in exchange for the Coupon Security to which such mutilated, destroyed, lost or stolen Coupon appertained, a new Debt Security of the same series of like tenor, form, terms and principal amount, bearing a number not contemporaneously Outstanding, and, in the case of a Coupon Security, with such Coupons attached thereto that neither gain nor loss in interest shall result from such exchange or substitution. Upon the issuance of any substituted Debt Security, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith. In case any Debt Security or Coupon which has matured or is about to mature or which has been called for redemption shall become mutilated or be destroyed, lost or stolen, the Company may, instead of issuing a substituted Debt Security or Coupon, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Debt Security or Coupon) if the applicant for such payment shall furnish the Company and the Trustee with such security or indemnity as either may require to save it harmless from all risk, however remote, and, in case of destruction, loss or theft, evidence to the satisfaction of the Company and the Trustee of the destruction, loss or theft of such Debt Security or Coupon and of the ownership thereof; provided, however, that payment of principal of, and premium, if any, and interest on, Bearer Securities or Coupons shall, except as otherwise provided in Section 2.12, be payable only at an office or agency located outside the United States.

Every substituted Debt Security of any series, with its Coupons, if any, issued pursuant to the provisions of this Section 2.09 by virtue of the fact that any Debt Security or Coupon is destroyed, lost or stolen shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Debt Security or Coupon shall be found at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Debt Securities of that series and Coupons, if any, duly issued hereunder. All Debt Securities and Coupons, if any, shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Debt Securities or Coupons, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.10. CANCELATION OF SURRENDERED DEBT SECURITIES. All Debt Securities surrendered for payment, redemption, registration of transfer or exchange and all Coupons surrendered for payment or exchange shall, if surrendered to the Company or any paying agent or a Registrar, be delivered to

the Trustee for cancelation by it, or if surrendered to the Trustee, shall be canceled by it, and no Debt Securities or Coupons shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Indenture. All canceled Debt Securities and Coupons held by the Trustee shall be destroyed (subject to the record retention requirements of the Exchange Act) and certification of their destruction delivered to the Company, unless otherwise directed. On request of the Company, the Trustee shall deliver to the Company canceled Debt Securities and Coupons held by the Trustee. If the Company shall acquire any of the Debt Securities or Coupons, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented thereby unless and until the same are delivered or surrendered to the

Trustee for cancelation. The Company may not issue new Debt Securities or Coupons to replace Debt Securities or Coupons it has redeemed, paid or delivered to the Trustee for cancelation.

Section 2.11. PROVISIONS OF THE INDENTURE AND DEBT SECURITIES FOR THE SOLE BENEFIT OF THE PARTIES AND THE HOLDERS. Nothing in this Indenture or in the Debt Securities or Coupons, expressed or implied, shall give or be construed to give to any Person, other than the parties hereto, the Holders or any Registrar or paying agent, any legal or equitable right, remedy or claim under or in respect of this Indenture, or under any covenant, condition or provision herein contained; all its covenants, conditions and provisions being for the sole benefit of the parties hereto, the Holders and any Registrar and paying agents.

Section 2.12. PAYMENT OF INTEREST; INTEREST RIGHTS PRESERVED. (a) Interest on any Registered Security that is payable and is punctually paid or duly provided for on any interest payment date shall be paid to the Person in whose name such Registered Security is registered at the close of business on the regular record date for such interest notwithstanding the cancelation of such Registered Security upon any transfer or exchange subsequent to the regular record date. In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any regular record date and before the opening of business (at such office or agency) on the next succeeding interest payment date, such Coupon Security shall be surrendered without the Coupon relating to such interest payment date and interest will not be payable on such interest payment date in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the Holder of such Coupon when due in accordance with the provisions of this Indenture. Payment of interest on Registered Securities shall be made at the corporate trust office of the Trustee (except as otherwise specified pursuant to Section 2.03), or at the option of the Company, by check mailed to the address of the Person entitled thereto as such address shall appear in the Debt Security Register or, if provided pursuant to Section 2.03 and in accordance with arrangements satisfactory to the Trustee, at the option of the Registered Holder by wire transfer to an account designated by the Registered Holder.

(b) No interest shall be payable with respect to a Bearer Security or Coupon unless such certification requirements as are specified pursuant to Section 2.03(8)(z) are satisfied with respect to such Bearer Security or Coupon. Interest on any Coupon Security that is payable and is punctually paid or duly provided for on any interest payment date shall be paid

to the Holder of the Coupon that has matured on such interest payment date upon surrender of such Coupon on such interest payment date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 2.03.

Interest on any Bearer Security (other than a Coupon Security) that is payable and is punctually paid or duly provided for on any interest payment date shall be paid to the Holder of the Bearer Security upon presentation of such Bearer Security and notation thereon on such interest payment date at the principal London office of the Trustee or at such other Place of Payment outside the United States specified pursuant to Section 2.03.

Unless otherwise specified pursuant to Section 2.03, at the direction of the Holder of any Bearer Security or Coupon payable in Dollars, and subject to applicable laws and regulations, payments in respect of such Bearer Security or Coupon will be made by check drawn on a bank in New York, New York, or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to a Dollar account maintained by such Holder with a bank outside the United States. If such payment at the offices of all paying agents outside the United States becomes illegal or is effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in Dollars, then, to the extent permitted by United States tax law, the Company will appoint an office or agent in the United States at which such payment may be made. Unless otherwise specified pursuant to Section 2.03, at the direction of the Holder of any Bearer Security or Coupon payable in a Foreign Currency, payment on such Bearer Security or Coupon will be made by a check drawn on a bank outside the United States or, in accordance with arrangements satisfactory to the Trustee, by wire transfer to an appropriate account maintained by such Holder outside the United States. Except as provided in this paragraph, no payment on any Bearer Security or Coupon will be made by mail to an address in the United States or by transfer to an account in the United States.

(c) Subject to the foregoing provisions of this Section 2.12 and Section 2.17, each Debt Security of a particular series delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Debt Security of the same series shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Debt Security.

Section 2.13. SECURITIES DENOMINATED IN FOREIGN CURRENCIES. (a) Except as otherwise specified pursuant to Section 2.03 for Bearer Securities of any series, payment of the principal of, and premium, if any, and interest on, Bearer Securities of such series denominated in any Currency will be made in such Currency.

(b) Except as otherwise specified pursuant to Section 2.03 for Registered Securities of any series, payment of the principal of, and premium, if any, and interest on, Registered Securities of such series will be made in Dollars.

(c) For the purposes of calculating the principal amount of Debt Securities of any series denominated in a Foreign Currency or in units of two or more Foreign Currencies (including European Currency Units) for any purpose under this Indenture, the principal amount of such Debt Securities at any time Outstanding shall be deemed to be the Dollar Equivalent of such principal amount as of the date of any such calculation.

In the event any Foreign Currency or currencies or units of two or

more Currencies in which any payment with respect to any series of Debt Securities may be made ceases to be a freely convertible Currency on United States Currency markets, for any date thereafter on which payment of principal of, or premium, if any, or interest on, the Debt Securities of a series is due, the Company shall select the Currency of payment for use on such date, all as provided in the Debt Securities of such series. In such event, the Company shall, as provided in the Debt Securities of such series, notify the Trustee of the Currency which it has selected to constitute the funds necessary to meet the Company's obligations on such payment date and of the amount of such Currency to be paid. Such

amount shall be determined as provided in the Debt Securities of such series. The payment to the Trustee with respect to such payment date shall be made by the Company solely in the Currency so selected.

Section 2.14. WIRE TRANSFERS. Notwithstanding any other provision to the contrary in this Indenture, the Company may make any payment of monies required to be deposited with the Trustee on account of principal of, or premium, if any, or interest on, the Debt Securities (whether pursuant to optional or mandatory redemption payments, interest payments or otherwise) by wire transfer in immediately available funds to an account designated by the Trustee on or before the date such moneys are to be paid to the Holders of the Debt Securities in accordance with the terms hereof.

Section 2.15. SECURITIES ISSUABLE IN THE FORM OF A GLOBAL SECURITY. (a) If the Company shall establish pursuant to Sections 2.01 and 2.03 that the Debt Securities of a particular series are to be issued in whole or in part in the form of one or more Global Securities, then the Company shall execute and the Trustee or its agent shall, in accordance with Section 2.05, authenticate and deliver, such Global Security or Securities, which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, the Outstanding Debt Securities of such series to be represented by such Global Security or Securities, or such portion thereof as the Company shall specify in an Officer's Certificate, (ii) shall be registered in the name of the Depositary for such Global Security or Securities or its nominee, (iii) shall be delivered by the Trustee or its agent to the Depositary or pursuant to the Depositary's instruction and (iv) shall bear a legend substantially to the following effect: 'Unless and until it is exchanged in whole or in part for the individual Debt Securities represented hereby, this Global Security may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary', or such other legend as may then be required by the Depositary for such Global Security or Securities.

(b) Notwithstanding any other provision of this Section 2.15 or of Section 2.07 to the contrary, and subject to the provisions of paragraph (c) below, unless the terms of a Global Security expressly permit such Global Security to be exchanged in whole or in part for definitive Debt Securities in registered form, a Global Security may be transferred, in whole but not in part and in the manner provided in Section 2.07, only by the Depositary to a nominee of the Depositary for such Global Security, or by a nominee of the Depositary to the Depositary or another nominee of the Depositary, or by the Depositary or a nominee of the Depositary to a successor Depositary for such Global Security selected or approved by the Company, or to a nominee of such successor Depositary.

(c) (i) If at any time the Depositary for a Global Security or Securities notifies the Company that it is unwilling or unable to continue as Depositary for such Global Security or Securities or if at

any time the Depositary for the Debt Securities for such series shall no longer be eligible or in good standing under the Exchange Act or other applicable statute, rule or regulation, the Company shall appoint a successor Depositary with respect to such Global Security or Securities. If a successor Depositary for such Global Security or Securities is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such ineligibility, the Company shall execute, and the Trustee

or its agent, upon receipt of a Company Order for the authentication and delivery of such individual Debt Securities of such series in exchange for such Global Security, will authenticate and deliver, individual Debt Securities of such series of like tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of the Global Security in exchange for such Global Security or Securities.

(ii) The Company may at any time and in its sole discretion determine that the Debt Securities of any series or portion thereof issued or issuable in the form of one or more Global Securities shall no longer be represented by such Global Security or Securities. In such event the Company will execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of individual Debt Securities of such series in exchange in whole or in part for such Global Security, will authenticate and deliver individual Debt Securities of such series of like tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of such series or portion thereof in exchange for such Global Security or Securities.

(iii) If specified by the Company pursuant to Sections 2.01 and 2.03 with respect to Debt Securities issued or issuable in the form of a Global Security, the Depositary for such Global Security may surrender such Global Security in exchange in whole or in part for individual Debt Securities of such series of like tenor and terms in definitive form on such terms as are acceptable to the Company, the Trustee and such Depositary. Thereupon the Company shall execute, and the Trustee or its agent upon receipt of a Company Order for the authentication and delivery of definitive Debt Securities of such series shall authenticate and deliver, without service charge, (A) to each Person specified by such Depositary a new Debt Security or Securities of the same series of like tenor and terms and of any authorized denomination as requested by such Person in aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Global Security; and (B) to such Depositary a new Global Security of like tenor and terms and in an authorized denomination equal to the difference, if any, between the principal amount of the surrendered Global Security and the aggregate principal amount of Debt Securities delivered to Holders thereof.

(iv) In any exchange provided for in any of the preceding three paragraphs, the Company will execute and the Trustee or its agent will authenticate and deliver individual Debt Securities. In case a Coupon Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any special record date and before the opening of business (at such office or agency) on the related proposed date of payment of Defaulted Interest, such Coupon Security shall be surrendered without the Coupon

relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the Holder of such Coupon when due in accordance with the provisions of this Indenture. Upon the exchange of the entire principal amount of a Global Security for individual Debt Securities, such Global Security shall be canceled by the Trustee or its agent. Except as provided in the preceding paragraph,

Registered Securities issued in exchange for a Global Security pursuant to this Section 2.15 shall be registered in such names and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee or the Registrar. The Trustee or the Registrar shall deliver such Registered Securities to the Persons in whose names such Registered Securities are so registered.

(v) Payments in respect of the principal of and interest on any Debt Securities registered in the name of the Depositary or its nominee will be payable to the Depositary or such nominee in its capacity as the registered owner of such Global Security. The Company and the Trustee may treat the Person in whose name the Debt Securities, including the Global Security, are registered as the owner thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. None of the Company, the Trustee, any Registrar, the paying agent or any agent of the Company or the Trustee will have any responsibility or liability for (A) any aspect of the records relating to or payments made on account of the beneficial ownership interests of the Global Security by the Depositary or its nominee or any of the Depositary's direct or indirect participants, or for maintaining, supervising or reviewing any records of the Depositary, its nominee or any of its direct or indirect participants relating to the beneficial ownership interests of the Global Security, (B) the payments to the beneficial owners of the Global Security of amounts paid to the Depositary or its nominee, or (C) any other matter relating to the actions and practices of the Depositary, its nominee or any of its direct or indirect participants. None of the Company, the Trustee or any such agent will be liable for any delay by the Depositary, its nominee, or any of its direct or indirect participants in identifying the beneficial owners of the Debt Securities, and the Company and the Trustee may conclusively rely on, and will be protected in relying on, instructions from the Depositary or its nominee for all purposes (including with respect to the registration and delivery, and the respective principal amounts, of the Debt Securities to be issued).

The Trustee shall deliver individual Bearer Securities issued in exchange for a Global Security pursuant to this Section 2.15 to the Persons and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee; provided, however, that individual Bearer Securities shall be delivered in exchange for a Global Security only in accordance with the procedures as may be specified pursuant to Section 2.03.

Notwithstanding the foregoing, the exchange of Bearer Securities for Registered Securities will be subject to the provisions of United States income tax laws and regulations applicable to debt Securities in effect at the time of such exchange.

Section 2.16. MEDIUM TERM SECURITIES. Notwithstanding any contrary provision herein, if all Debt Securities of a series are not to be originally issued at one time, it shall not be necessary for the Company to deliver to the Trustee an Officers' Certificate, resolutions of the Board of Directors, supplemental Indenture, Opinion of Counsel or written order or any other document otherwise required pursuant to Section 2.01, 2.03, 2.05 or 13.05 at or prior to the time of

authentication of each Debt Security of such series if such documents are delivered to the Trustee or its agent at or prior to the authentication upon original issuance of the first such Debt Security of such series to be issued; provided, that any subsequent request by the Company to the Trustee to authenticate Debt Securities of such series upon original issuance shall constitute a representation and warranty by the Company that, as of the date of such request, the statements made in the Officers' Certificate delivered pursuant to Section 2.05 or 13.05 shall be true and correct as if made on such date and that the Opinion of Counsel delivered at or prior to such time of authentication of an original issuance of Debt Securities shall specifically state that it shall relate to all subsequent issuances of Debt Securities of such series that are identical to the Debt Securities issued in the first issuance of Debt Securities of such series.

A Company Order delivered by the Company to the Trustee in the circumstances set forth in the preceding paragraph, may provide that Debt Securities which are the subject thereof will be authenticated and delivered by the Trustee or its agent on original issue from time to time upon the telephonic or written order of Persons designated in such written order (any such telephonic instructions to be promptly confirmed in writing by such Person) and that such Persons are authorized to determine, consistent with the Officers' Certificate, supplemental Indenture or resolution of the Board of Directors relating to such written order, such terms and conditions of such Debt Securities as are specified in such Officers' Certificate, supplemental Indenture or such resolution.

Section 2.17. DEFAULTED INTEREST. (a) Any interest on any Debt Security of a particular series which is payable, but is not punctually paid or duly provided for, on the dates and in the manner provided in the Debt Securities of such series and in this Indenture (herein called "Defaulted Interest") shall, if such Debt Security is a Registered Security, forthwith cease to be payable to the Registered Holder thereof on the relevant record date by virtue of having been such Registered Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities of such series are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a special record date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10

days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such special record date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the special record

date therefor to be mailed, first class postage pre-paid, to each Holder thereof at its address as it appears in the Security Register, not less than 10 days prior to such special record date. Notice of the proposed payment of such Defaulted Interest and the special record date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Registered Securities of such series are registered at the close of business on such special record date. In case a Coupon Security of any such series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any special record date and before the opening of business (at such office or agency) on the related proposed date of payment of Defaulted Interest, such Coupon Security shall be surrendered without the Coupon relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Coupon Security, but will be payable only to the Holder of such Coupon when due in accordance with the provisions of this Indenture.

(ii) The Company may make payment of any Defaulted Interest on the Registered Securities of such series in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Registered Securities of such series may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

(b) Any Defaulted Interest payable in respect of Bearer Securities of any series shall be payable pursuant to such procedures as may be satisfactory to the Trustee in such manner that there is no discrimination between the Holders of Registered Securities (if any) and Bearer Securities of such series, and notice of the payment date therefor shall be given by the Trustee, in the name and at the expense of the Company, in the manner provided in Section 13.03 not more than 25 days and not less than 20 days prior to the date of the proposed payment.

Section 2.18. JUDGMENTS. The Company may provide pursuant to Section 2.03 for Debt Securities of any series that (a) the obligation, if any, of the Company to pay the principal of, and premium, if any, and interest on, the Debt Securities of any series in a Foreign Currency or Dollars (the "Designated Currency") as may be specified pursuant to Section 2.03 is of the essence and agrees that, to the fullest extent possible under applicable law, judgments in respect of Debt Securities of such series shall be given in the Designated Currency; (b) the obligation of the Company to make payments in the Designated Currency of the principal of, and premium, if any, and interest on, such Debt Securities shall, notwithstanding any payment in any other Currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the Designated Currency that the Holder receiving such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other Currency (after any premium and cost of exchange) on the business day in the country of issue of the Designated Currency or in the international banking community (in the case of a composite currency) immediately following

the day on which such Holder receives such payment; (c) if the amount in the Designated Currency that may be so purchased for any reason falls short of the amount originally due, the Company shall pay such additional amounts as may be necessary to compensate for such shortfall; and (d) any obligation

of the Company not discharged by such payment shall be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

ARTICLE III

REDEMPTION OF DEBT SECURITIES

Section 3.01. APPLICABILITY OF ARTICLE. The provisions of this Article shall be applicable to the Debt Securities of any series which are redeemable before their Stated Maturity except as otherwise specified as contemplated by Section 2.03 for Debt Securities of such series.

Section 3.02. TAX REDEMPTION; SPECIAL TAX REDEMPTION. (a) Unless otherwise specified pursuant to Section 2.03, Bearer Securities of any series may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 or more than 60 days' notice in accordance with Section 3.03 (which notice shall be irrevocable), at the redemption price thereof (calculated without premium), if the Company has or will become obligated to pay additional interest on such Bearer Securities pursuant to Section 4.06 as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which any Person (including any Person acting as underwriter, broker or dealer) agrees to purchase any of such Bearer Securities pursuant to their original issuance, and such obligation cannot be avoided by the Company taking reasonable measures available to it; provided, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay such additional interest were a payment in respect of the Bearer Securities of that series then due. Prior to the publication of any notice of redemption pursuant to this Section 3.02(a), the Company shall deliver to the Trustee (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Company so to redeem have occurred and (ii) an Opinion of Counsel to the effect that the Company has or will become obligated to pay such additional interest as a result of such change or amendment.

(b) Unless otherwise specified pursuant to Section 2.03, if the Company shall determine that any payment made outside the United States by the Company or any of its paying agents in respect of any Bearer Security or Coupon would, under any present or future laws or regulations of the United States, be subject to any certification, documentation, information or other reporting requirement of any kind, the effect of which requirement is the disclosure to the Company, any paying agent or any governmental authority of the nationality, residence or identity of a beneficial owner of such Bearer Security or Coupon that is a United States Alien (other than such a requirement (i) that would not be applicable to a payment made by the Company or any one of its paying agents (A) directly to the beneficial owner or (B) to a custodian, nominee or other agent of the beneficial owner, or (ii) that can be satisfied by such custodian, nominee or other agent certifying to the effect that the beneficial owner is a United States Alien; provided, that, in any case referred

to in clause (i)(B) or (ii), payment by the custodian, nominee or agent to the beneficial owner is not

otherwise subject to any such requirement), then the Company shall elect either (A) to redeem such Bearer Security or Coupon in whole, but not in part, at the redemption price thereof (calculated without premium) or (B) if the conditions of the next succeeding paragraph are satisfied, to pay the additional interest specified in such paragraph. The Company shall make such determination as soon as practicable and publish prompt notice thereof (the "Determination Notice"), stating the effective date of such certification, documentation, information or other reporting requirement, whether the Company elects to redeem the Bearer Security or Coupon or to pay the additional interest specified in the next succeeding paragraph and (if applicable) the last date by which the redemption of the Bearer Security or Coupon must take place, as provided in the next succeeding sentence. If any Bearer Security or Coupon is to be redeemed pursuant to this paragraph, the redemption shall take place on such date, not later than one year after the publication of the Determination Notice, as the Company shall specify by notice given to the Trustee at least 60 days before the redemption date. Notice of such redemption shall be given by the Company to the Holders of the Bearer Security or Coupon not more than 60 days or less than 30 days prior to the redemption date. Notwithstanding the foregoing, the Company shall not so redeem the Bearer Security or Coupon if the Company shall subsequently determine, not less than 30 days prior to the redemption date, that subsequent payments on the Bearer Security or Coupon would not be subject to any such certification, documentation, information or other reporting requirement, in which case the Company shall publish prompt notice of such subsequent determination, and any earlier redemption notice given pursuant to this paragraph shall be revoked and of no further effect. Prior to the publication of any Determination Notice pursuant to this paragraph, the Company shall deliver to the Trustee (1) an Officers' Certificate stating that the Company is entitled to make such determination and setting forth a statement of facts showing that the conditions precedent to the obligation of the Company to redeem the Bearer Security or Coupon or to pay the additional interest specified in the next succeeding paragraph have occurred and (2) an Opinion of Counsel to the effect that such conditions have occurred.

If and so long as the certification, documentation, information or other reporting requirement referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Company may elect to pay as additional interest such amounts as may be necessary so that every net payment made outside the United States following the effective date of such requirement by the Company or any of its paying agents in respect of any Bearer Security or Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to the Company, any paying agent or any governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge that (x) would not be applicable in the circumstances referred to in the parenthetical clause of the first sentence of the preceding paragraph or (y) is imposed as a result of presentation of any such Bearer Security or Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurred later), will not be less than the amount provided in any such Bearer Security or Coupon to be then due and payable. If the Company elects to pay additional interest pursuant to this paragraph, the Company shall have the right to redeem the Bearer Security or Coupon at any time in whole, but not in part, at the redemption price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. If the Company elects to pay additional interest pursuant to this paragraph and the condition specified in the first sentence of this paragraph should no

longer be satisfied, then the

Company shall redeem the Bearer Security or Coupon in whole, but not in part, at the redemption price thereof (calculated without premium), subject to the provisions of the last three sentences of the immediately preceding paragraph. Any redemption payments made by the Company pursuant to the two immediately preceding sentences shall be subject to the continuing obligation of the Company to pay additional interest pursuant to this paragraph. If the Company elects to, or is required to, redeem the Bearer Security or Coupon pursuant to this paragraph, it shall publish prompt notice thereof. If the Bearer Security or Coupon is to be redeemed pursuant to this paragraph, the redemption shall take place on such date, not later than one year after publication of the notice of redemption, as the Company shall specify by notice to the Trustee at least 60 days prior to the redemption date.

Section 3.03. NOTICE OF REDEMPTION; SELECTION OF DEBT SECURITIES. In case the Company shall desire to exercise the right to redeem all or, as the case may be, any part of the Debt Securities of any series in accordance with their terms, a resolution of the Board of Directors of the Company or a supplemental Indenture, the Company shall fix a date for redemption and shall give notice of such redemption at least 30 and not more than 60 days prior to the date fixed for redemption to the Holders of Debt Securities of such series so to be redeemed as a whole or in part, in the manner provided in Section 13.03. The notice if given in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. In any case, failure to give such notice or any defect in the notice to the Holder of any Debt Security of a series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Debt Security of such series.

Each such notice of redemption shall specify the date fixed for redemption, the redemption price at which Debt Securities of such series are to be redeemed, the Place or Places of Payment that payment will be made upon presentation and surrender of such Debt Securities, that any interest accrued to the date fixed for redemption will be paid as specified in said notice, that the redemption is for a sinking fund payment (if applicable), that, unless otherwise specified in such notice, Coupon Securities of any series, if any, surrendered for redemption must be accompanied by all Coupons maturing subsequent to the date fixed for redemption, failing which the amount of any such missing Coupon or Coupons will be deducted from the redemption price, if the Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such Bearer Securities may be exchanged for Registered Securities not subject to redemption on the applicable redemption date pursuant to Section 2.15(c) or otherwise, the last date on which such exchanges may be made, that, if the Company defaults in making such redemption payment or if the Debt Securities of that series are subordinated pursuant to the terms of Article XII, the paying agent is prohibited from making such payment pursuant to the terms of this Indenture, that on and after said date any interest thereon or on the portions thereof to be redeemed will cease to accrue, that in the case of Original Issue Discount Securities original issue discount accrued after the date fixed for redemption will cease to accrue, the terms of the Debt Securities of that series pursuant to which the Debt Securities of that series are being redeemed and that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Debt Securities of that series. If less than all the Debt Securities of a series are to be redeemed the notice of redemption shall specify the CUSIP numbers of the Debt Securities of that series to be redeemed. In case any Debt Security of a series is to be redeemed in part only, the notice of redemption shall

state the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for redemption, upon surrender of such Debt Security, a new Debt Security or Debt Securities of that series in principal amount equal to the unredeemed portion thereof, and in the case of a Bearer Security with appropriate Coupons, if any, will be issued.

At least 60 days before the redemption date unless the Trustee consents to a shorter period, the Company shall give notice to the Trustee of the redemption date, the principal amount of Debt Securities to be redeemed and the series and terms of the Debt Securities pursuant to which such redemption will occur. Such notice shall be accompanied by an Officers' Certificate and an Opinion of Counsel from the Company to the effect that such redemption will comply with the conditions herein. If fewer than all the Debt Securities of a series are to be redeemed, the record date relating to such redemption shall be selected by the Company and given to the Trustee, which record date shall be not less than 15 days after the date of notice to the Trustee.

On or prior to the redemption date for any Registered Securities, the Company shall deposit with the Trustee or with a paying agent (or, if the Company is acting as its own paying agent, segregate and hold in trust) an amount of money in the Currency in which such Debt Securities are denominated (except as provided pursuant to Section 2.03) sufficient to pay the redemption price of such Registered Securities or any portions thereof that are to be redeemed on that date. In the case of any redemption pertaining to Bearer Securities or Coupon Securities, the Company shall, no later than the business day prior to such redemption date, deposit with the Trustee or with a paying agent (other than the Company) an amount of money in the Currency in which such Debt Securities are denominated (except as provided pursuant to Section 2.03) sufficient to pay the redemption price of such Bearer or Coupon Securities or any portion thereof that are to be redeemed on the redemption date.

If less than all the Debt Securities of like tenor and terms of a series are to be redeemed (other than pursuant to mandatory sinking fund redemptions) the Trustee shall select, in such manner as in its sole discretion it shall deem appropriate and fair, the Debt Securities of that series or portions thereof (in multiples of $1,000) to be redeemed. In any case where more than one Registered Security of such series is registered in the same name, the Trustee in its discretion may treat the aggregate principal amount so registered as if it were represented by one Registered Security of such series. The Trustee shall promptly notify the Company in writing of the Debt Securities selected for redemption and, in the case of any Debt Securities selected for partial redemption, the principal amount thereof to be redeemed. If any Debt Security called for redemption shall not be so paid upon surrender thereof on such redemption date, the principal, premium, if any, and interest shall bear interest until paid from the redemption date at the rate borne by the Debt Securities of that series. If less than all the Debt Securities of unlike tenor and terms of a series are to be redeemed, the particular Debt Securities to be redeemed shall be selected by the Company. Provisions of this Indenture that apply to Debt Securities called for redemption also apply to portions of Debt Securities called for redemption.

Section 3.04. PAYMENT OF DEBT SECURITIES CALLED FOR REDEMPTION. If notice of redemption has been given as provided in Section 3.03, the Debt Securities or portions of Debt Securities of the series with respect to which such notice has been given shall become due and

payable on the date and at the Place or Places of Payment stated in such notice at the applicable redemption price, together with any interest accrued to the date fixed for redemption, and on and after said date (unless the Company shall default in the payment of such Debt Securities at the applicable redemption price, together with any interest accrued to said date) any interest on the Debt Securities or portions of Debt Securities of any series so called for redemption shall cease to accrue, any original issue discount in the case of Original Issue Discount Securities shall cease to accrue and any Coupons for such interest appertaining to any Coupon Securities to be redeemed, except to the extent described below, shall be void. On presentation and surrender of such Debt Securities at the Place or Places of Payment in said notice specified, the said Debt Securities or the specified portions thereof shall be paid and redeemed by the Company at the applicable redemption price, together with any interest accrued thereon to the date fixed for redemption.

If any Coupon Security surrendered for redemption shall not be accompanied by all Coupons appertaining thereto maturing on or after the applicable redemption date, the redemption price for such Coupon Security may be reduced by an amount equal to the face amount of all such missing Coupons. If thereafter the Holder of such Coupon shall surrender to any paying agent outside the United States any such missing Coupon in respect of which a deduction shall have been made from the redemption price, such Holder shall be entitled to receive the amount so deducted. The surrender of such missing Coupon or Coupons may be waived by the Company and the Trustee, if there be furnished to them such security or indemnity as they may require to save each of them and any paying agent harmless.

Any Debt Security that is to be redeemed only in part shall be surrendered at the corporate trust office or such other office or agency of the Company as is specified pursuant to Section 2.03 (in the case of Registered Securities) and at the principal London office of the Trustee or such other office or agency of the Company outside the United States as is specified pursuant to Section 2.03 (in the case of Bearer Securities) with, if the Company, the Registrar or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company, the Registrar and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing, and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Debt Security without service charge, a new Debt Security or Debt Securities of the same series, of like tenor and form, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Debt Security so surrendered, and, in the case of a Coupon Security, with appropriate Coupons attached; except that if a Global Security is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the Depositary for such Global Security, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered. In the case of a Debt Security providing appropriate space for such notation, at the option of the Holder thereof, the Trustee, in lieu of delivering a new Debt Security or Debt Securities as aforesaid, may make a notation on such Debt Security of the payment of the redeemed portion thereof.

Section 3.05. MANDATORY AND OPTIONAL SINKING FUNDS. The minimum amount of any sinking fund payment provided for by the terms of Debt Securities of any series, resolution of the Board of Directors or a supplemental Indenture is herein referred to as a "mandatory sinking fund

payment", and any payment in excess of such minimum amount provided for by the terms of Debt Securities of any series, resolution of the Board of Directors or a supplemental Indenture is herein referred to as an "optional sinking fund payment".

In lieu of making all or any part of any mandatory sinking fund payment with respect to any Debt Securities of a series in cash, the Company may at its option (a) deliver to the Trustee Debt Securities of that series (together with the unmatured Coupons, if any, appertaining thereto) theretofore purchased or otherwise acquired by the Company or (b) receive credit for the principal amount of Debt Securities of that series which have been redeemed either at the election of the Company pursuant to the terms of such Debt Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Debt Securities, resolution or supplemental Indenture; provided, that such Debt Securities have not been previously so credited. Such Debt Securities shall be received and credited for such purpose by the Trustee at the redemption price specified in such Debt Securities, resolution or supplemental Indenture for redemption through operation of the sinking fund and the amount of such mandatory sinking fund payment shall be reduced accordingly.

Section 3.06. REDEMPTION OF DEBT SECURITIES FOR SINKING FUND. Not less than 60 days prior to each sinking fund payment date for any series of Debt Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, any resolution or supplemental Indenture, the portion thereof, if any, which is to be satisfied by payment of cash in the Currency in which the Debt Securities of such series are denominated (except as provided pursuant to Section 2.03) and the portion thereof, if any, which is to be satisfied by delivering and crediting Debt Securities of that series pursuant to this Section 3.06 (which Debt Securities, if not previously redeemed, will accompany such certificate) and whether the Company intends to exercise its right to make any permitted optional sinking fund payment with respect to such series. Such certificate shall also state that no Event of Default has occurred and is continuing with respect to such series. Such certificate shall be irrevocable and upon its delivery the Company shall be obligated to make the cash payment or payments therein referred to, if any, on or before the next succeeding sinking fund payment date. Failure of the Company to deliver such certificate (or to deliver the Debt Securities and Coupons, if any, specified in this paragraph) shall not constitute a Default, but such failure shall require that the sinking fund payment due on the next succeeding sinking fund payment date for that series shall be paid entirely in cash and shall be sufficient to redeem the principal amount of such Debt Securities subject to a mandatory sinking fund payment without the option to deliver or credit Debt Securities as provided in this Section 3.06 and without the right to make any optional sinking fund payment, if any, with respect to such series.

Any sinking fund payment or payments (mandatory or optional) made in cash plus any unused balance of any preceding sinking fund payments made in cash which shall equal or exceed $100,000 (or a lesser sum if the Company shall so request) with respect to the Debt Securities of any particular series shall be applied by the Trustee on the sinking fund payment date on which such payment is made (or, if such payment is made before a sinking fund payment date, on the sinking fund payment date following the date of such payment) to the redemption of such Debt Securities at the Redemption Price specified in such Debt Securities, resolution or supplemental Indenture for

operation of the sinking fund together with any accrued interest to the date fixed for redemption. Any sinking fund moneys not so applied or allocated by

the Trustee to the redemption of Debt Securities shall be added to the next cash sinking fund payment received by the Trustee for such series and, together with such payment, shall be applied in accordance with the provisions of this Section 3.06. Any and all sinking fund moneys with respect to the Debt Securities of any particular series held by the Trustee on the last sinking fund payment date with respect to Debt Securities of such series and not held for the payment or redemption of particular Debt Securities shall be applied by the Trustee, together with other moneys, if necessary, to be deposited sufficient for the purpose, to the payment of the principal of the Debt Securities of that series at its Stated Maturity.

The Trustee shall select the Debt Securities to be redeemed upon such sinking fund payment date in the manner specified in the last paragraph of Section 3.03 and the Company shall cause notice of the redemption thereof to be given in the manner provided in Section 3.03 except that the notice of redemption shall also state that the Debt Securities are being redeemed by operation of the sinking fund. Such notice having been duly given, the redemption of such Debt Securities shall be made upon the terms and in the manner stated in Section 3.04.

At least one business day before each sinking fund payment date, the Company shall pay to the Trustee (or, if the Company is acting as its own paying agent, the Company shall segregate and hold in trust) in cash a sum in the Currency in which the Debt Securities of such series are denominated (except as provided pursuant to Section 2.03) equal to any interest accrued to the date fixed for redemption of Debt Securities or portions thereof to be redeemed on such sinking fund payment date pursuant to this Section 3.06.

The Trustee shall not redeem any Debt Securities of a series with sinking fund moneys or mail any notice of redemption of such Debt Securities by operation of the sinking fund for such series during the continuance of a Default in payment of interest on such Debt Securities or of any Event of Default (other than an Event of Default occurring as a consequence of this paragraph) with respect to such Debt Securities, except that if the notice of redemption of any such Debt Securities shall theretofore have been mailed in accordance with the provisions hereof, the Trustee shall redeem such Debt Securities if cash sufficient for that purpose shall be deposited with the Trustee for that purpose in accordance with the terms of this Article III. Except as aforesaid, any moneys in the sinking fund for such series at the time when any such Default or Event of Default shall occur and any moneys thereafter paid into such sinking fund shall, during the continuance of such Default or Event of Default, be held as security for the payment of such Debt Securities; provided, however, that in case such Event of Default or Default shall have been cured or waived as provided herein, such moneys shall thereafter be applied on the next sinking fund payment date for such Debt Securities on which such moneys may be applied pursuant to the provisions of this Section 3.06.

ARTICLE IV

PARTICULAR COVENANTS OF THE COMPANY

Section 4.01. PAYMENT OF PRINCIPAL OF, AND PREMIUM, IF ANY, AND INTEREST ON, DEBT SECURITIES. The Company, for the benefit of each series of Debt Securities, will duly and punctually pay or cause to be paid the principal of, and premium, if any, and interest on, each of the Debt Securities and pay any Coupons at the place, at the respective times and in the manner provided herein, in the Debt Securities and in the Coupons. Each installment of interest on the Debt Securities may at the Company's option be paid by mailing checks

for such interest payable to the Person entitled thereto pursuant to Section 2.07(a) to the address of such Person as it appears on the Debt Security Register. Any interest due on Coupon Securities on or before the Stated Maturity of the related Debt Security, other than additional interest, if any, payable as provided in Section 4.06 in respect of principal of, or premium, if any, on such a Debt Security, shall be payable only upon presentation and surrender of the several Coupons for such interest installments as are evidenced thereby as they severally mature.

Principal, premium and interest of Debt Securities of any series shall be considered paid on the date due if on such date the Trustee or any paying agent holds in accordance with this Indenture money sufficient to pay in the Currency in which the Debt Securities of such series are denominated (except as provided pursuant to Section 2.03) all principal, premium and interest then due and, in the case of Debt Securities subordinated pursuant to the terms of Article XII, the Trustee or such paying agent, as the case may be, is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture.

The Company shall pay interest on overdue principal at the rate specified therefor in the Debt Securities and it shall pay interest on overdue installments of interest at the same rate to the extent lawful.

Section 4.02. MAINTENANCE OF OFFICES OR AGENCIES FOR REGISTRATION OF TRANSFER, EXCHANGE AND PAYMENT OF DEBT SECURITIES. The Company will maintain in each Place of Payment for any series of Debt Securities and Coupons, if any, an office or agency where Debt Securities and Coupons of such series (but, except as otherwise provided in Section 2.12, unless such Place of Payment is located outside the United States, not Bearer Securities or Coupons) may be presented or surrendered for payment, where Debt Securities of such series may be surrendered for transfer or exchange and where notices and demands to or upon the Company in respect of the Debt Securities and Coupons of such series and this Indenture may be served. So long as any Bearer Securities of any series remain outstanding, the Company will maintain for such purposes one or more offices or agencies outside the United States in such city or cities specified pursuant to Section 2.03 and, if any Bearer Securities are listed on a securities exchange that requires an office or agency for the payment of principal of, and premium, if any, or interest on, such Bearer Securities in a location other than the location of an office or agency specified pursuant to Section 2.03, the Company will maintain for such purposes an office or agency in such location so long as any Bearer Securities are listed on such securities exchange and such exchange so requires. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at

any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the corporate trust office of the Trustee (in the case of Registered Securities) and at the principal London office of the Trustee (in the case of Bearer Securities), and the Company hereby appoints the Trustee as its agent to receive all presentations, surrenders, notices and demands.

The Company may also from time to time designate different or additional offices or agencies to be maintained for such purposes (in or outside of such Place of Payment), and may from time to time rescind any such designation; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligations described in the preceding paragraph. The Company will give prompt written notice to the Trustee of any such additional designation or rescission of designation and any change in the

location of any such different or additional office or agency.

Section 4.03. APPOINTMENT TO FILL A VACANCY IN THE OFFICE OF TRUSTEE. The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.10, a Trustee, so that there shall at all times be a Trustee hereunder with respect to each series of Debt Securities.

Section 4.04. DUTIES OF PAYING AGENTS, ETC. (a) The Company shall cause each paying agent, if any, other than the Trustee, to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 4.04,

(i) that it will hold all sums held by it as such agent for the payment of the principal of, and premium, if any, or interest on, the Debt Securities of any series and the payment of any related Coupons (whether such sums have been paid to it by the Company or by any other obligor on the Debt Securities or Coupons of such series) in trust for the benefit of the Holders of the Debt Securities and Coupons of such series;

(ii) that it will give the Trustee notice of any failure by the Company (or by any other obligor on the Debt Securities or Coupons of such series) to make any payment of the principal of, and premium, if any, or interest on, the Debt Securities of such series or any payment on any related Coupons when the same shall be due and payable; and

(iii) that it will at any time during the continuance of an Event of Default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held by it as such agent.

(b) If the Company shall act as its own paying agent, it will, on or before each due date of the principal of, and premium, if any, or interest on, the Debt Securities and Coupons, if any, of any series, set aside, segregate and hold in trust for the benefit of the Holders of the Debt Securities and Coupons of such series a sum sufficient to pay such principal, premium, if any, or interest so becoming due. The Company will promptly notify the Trustee of any failure by the Company to take such action or the failure by any other obligor on such Debt Securities or Coupons

to make any payment of the principal of, and premium, if any, or interest on, such Debt Securities or Coupons when the same shall be due and payable.

(c) Anything in this Section 4.04 to the contrary notwithstanding, the Company may, at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture, or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by it or any paying agent, as required by this Section 4.04, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such paying agent.

(d) Whenever the Company shall have one or more paying agents with respect to any series of Debt Securities and Coupons, it will, prior to each due date of the principal of, and premium, if any, or interest on, any Debt Securities of such series, deposit with any such paying agent a sum sufficient to pay the principal, premium or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled thereto, and (unless any such paying agent is the Trustee) the Company will promptly notify

the Trustee of its action or failure so to act.

(e) Anything in this Section 4.04 to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section 4.04 is subject to the provisions of Section 11.05.

Section 4.05. STATEMENT BY OFFICERS AS TO DEFAULT. The Company will deliver to the Trustee, on or before a date not more than four months after the end of each fiscal year of the Company (currently on a calendar year basis) ending after the date hereof, an Officers' Certificate stating, as to each officer signing such certificate, that (a) in the course of his performance of his duties as an officer of the Company he would normally have knowledge of any Default, (b) whether or not to the best of his knowledge any Default occurred during such year and (c) if to the best of his knowledge the Company is in Default, specifying all such Defaults and what action the Company is taking or proposes to take with respect thereto. The Company also shall comply with Section 314(a)(4) of the Trust Indenture Act.

Section 4.06. PAYMENT OF ADDITIONAL INTEREST. Unless otherwise provided pursuant to Section 2.03, the provisions of this Section 4.06 shall be applicable to Bearer Securities of any series.

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest to the Holder of any Bearer Security or Coupon that is a United States Alien such amounts as may be necessary so that every net payment on such Bearer Security or Coupon, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States (or any political subdivision or taxing authority thereof or therein), will not be less than the amount provided in such Bearer Security or Coupon to be then due and payable. However, the Company will not be required to make any such payment of additional interest for or on account of:

(a) any tax, assessment or other governmental charge that would not have been imposed but for (i) the existence of any present or former connection between such Holder (or between a fiduciary, settlor or beneficiary of, or a Person holding a power over, such Holder, if such Holder is an estate or a trust, or a member or shareholder of such Holder, if such Holder is a

partnership or corporation) and the United States, including such Holder (or such fiduciary, settlor, beneficiary, Person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (ii) such Holder's past or present status for United States Federal income tax purposes as a personal holding company, foreign personal holding company or private foundation or other tax-exempt organization with respect to the United States or as a corporation that accumulates earnings to avoid United States Federal income tax;

(b) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, assessment or other governmental charge;

(c) any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of a Bearer Security or Coupon for payment more than 15 days after the date on which such payment became due and payable or on which payment thereof was duly provided for, whichever occurs later;

(d) any tax, assessment or other governmental charge that is

payable otherwise than by deduction or withholding from a payment on a Bearer Security or Coupon;

(e) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, information or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the Holder or beneficial owner of a Bearer Security or Coupon if, without regard to any tax treaty, such compliance is required by statute or regulation of the United States as a precondition to relief or exemption from such tax, assessment or other governmental charge; or

(f) any tax, assessment or other governmental charge imposed on a Holder that actually or constructively owns ten percent or more of the combined voting power of all classes of stock of the Company or that is a controlled foreign corporation related to the Company through stock ownership;

nor shall additional interest be paid with respect to a payment on a Bearer Security or Coupon to a Holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the Holder of such Bearer Security or Coupon.

Whenever in this Indenture there is mentioned, in any context, the payment of the principal of, or premium, if any, or interest on, any Debt Security or payment with respect to any Coupon of any series, such mention shall be deemed to include mention of the payment of additional interest provided for in the terms of such Debt Securities and this Section 4.06 to the extent that, in such context, additional interest is, was or would be payable in respect thereof pursuant to the provisions of this Section 4.06 and express mention of the payment of additional interest (if applicable) in any provisions hereof shall not be construed as excluding additional interest in those provisions hereof where such express mention is not made.

If the payment of additional interest becomes required in respect of the Debt Securities or Coupons of a series, at least ten days prior to the first interest payment date with respect to which such additional interest will be payable (or if the Debt Securities of that series will not bear interest prior to its Stated Maturity, the first day on which a payment of principal, and premium, if any, is made and on which such additional interest will be payable), and at least ten days prior to each date of payment of principal, and premium, if any, or interest if there has been any change with respect to the matters set forth in the below-mentioned Officers' Certificate, the Company will furnish the Trustee and each paying agent with an Officers' Certificate that shall specify by country the amount, if any, required to be withheld on such payments to Holders of Debt Securities or Coupons that are United States Aliens, and the Company will pay to the Trustee or such paying agent the additional interest, if any, required by the terms of such Debt Securities and this Section 4.06. The Company covenants to indemnify the Trustee and any paying agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officers' Certificate furnished pursuant to this Section 4.06.

Section 4.07. FURTHER INSTRUMENTS AND ACTS. The Company will, upon request of the Trustee, execute and deliver such further instruments and do such further acts as may reasonably be necessary or proper to carry out more effectually the purposes of this Indenture.

Section 4.08. EXISTENCE. Subject to Article X, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

Section 4.09. MAINTENANCE OF PROPERTIES. The Company will cause all properties used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent the Company from discontinuing the operation or maintenance of any of such properties if such discontinuance is, in the judgment of the Company, desirable in the conduct of its business or the business of any Subsidiary and not disadvantageous in any material respect to the Holders.

Section 4.10. PAYMENT OF TAXES AND OTHER CLAIMS. The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (a) all taxes, assessments and governmental charges levied or imposed upon the Company or any Subsidiary or upon the income, profits or property of the Company or any Subsidiary, and (b) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Company or any Subsidiary; provided, however, that the Company shall not be required to pay or

discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

Section 4.11. LIMITATION ON LIENS. The Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, create or permit to exist any Lien on any Principal Property, whether owned on the Issue Date or thereafter acquired, securing any obligation unless the Company contemporaneously secures the Debt Securities equally and ratably with (or prior to) such obligation. The preceding sentence shall not require the Company to secure the Debt Securities if the Lien consists of the following:

(a) Permitted Liens; or

(b) Liens securing Indebtedness if, after giving pro forma effect to the Incurrence of such Indebtedness (and the receipt and application of the proceeds thereof) or the securing of outstanding Indebtedness, the sum of (without duplication) (i) all Indebtedness of the Company and its Subsidiaries secured by Liens on Principal Property (other than Permitted Liens) and (ii) all Attributable Indebtedness in respect of Sale and Leaseback Transactions with respect to any Principal Property, at the time of determination does not exceed 15% of Adjusted Consolidated Net Tangible Assets.

Section 4.12. LIMITATION ON SALE/LEASEBACK TRANSACTIONS. The Company shall not, and shall not permit any of its Subsidiaries to, enter into any Sale and Leaseback Transaction with respect to any Principal Property unless (a) the Company or such Subsidiary would be entitled to create a Lien on such Principal Property securing Indebtedness in an amount equal to the Attributable

Indebtedness with respect to such Sale and Leaseback Transaction without securing the Debt Securities pursuant to Section 4.11 or (b) the Company, within six months from the effective date of such Sale and Leaseback Transaction, applies to the voluntary defeasance or retirement of Debt Securities or other Indebtedness an amount equal to the Attributable Indebtedness in respect of such Sale and Leaseback Transaction.

ARTICLE V

HOLDERS' LISTS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 5.01. COMPANY TO FURNISH TRUSTEE INFORMATION AS TO NAMES AND ADDRESSES OF HOLDERS; PRESERVATION OF INFORMATION. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee with respect to the Registered Securities of each series:

(a) not more than 15 days after each record date with respect to the payment of interest, if any, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Registered Holders as of such record date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and contents as of a date not more than 15 days prior to the time such list is furnished;

provided, however, that so long as the Trustee shall be the Registrar, such lists shall not be required to be furnished.

The Company shall also be required to furnish to the Trustee at all such times set forth above all information in the possession or control of the Company or any of its paying agents other than the Trustee as to the names and addresses of the Bearer Holders of all series; provided, however, that the Company shall have no obligation to investigate any matter relating to any Bearer Holders.

The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders (i) contained in the most recent list furnished to it as provided in this Section 5.01 or (ii) received by it in the capacity of paying agent or Registrar (if so acting) hereunder.

The Trustee may destroy any list furnished to it as provided in this Section 5.01 upon receipt of a new list so furnished.

Section 5.02. COMMUNICATIONS TO HOLDERS. Holders may communicate pursuant to Section 312(b) of the Trust Indenture Act with other Holders with respect to their rights under this Indenture or the Debt Securities. The Company, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the Trust Indenture Act.

Section 5.03. REPORTS BY COMPANY. (a) The Company covenants and agrees, and any obligor hereunder shall covenant and agree, to file with the Trustee and the Holders (in the manner and to the extent provided in Section 5.04), within 15 days after the Company or such obligor, as the case may be, is required to file the same with the Securities and Exchange Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as said Commission may from

time to time by rules and regulations prescribe) which the Company or such obligor, as the case may be, may be required to file with said Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company or such obligor, as the case may be, is not required to file information, documents or reports pursuant to either of such Sections, then to file with the Trustee, the Holders (in the manner and to the extent provided in Section 5.04) and said Commission, in accordance with rules and regulations prescribed from time to time by said Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations.

(b) The Company covenants and agrees, and any obligor hereunder shall covenant and agree, to file with the Trustee, the Holders (in the manner and to the extent provided in Section 5.04) and the Securities and Exchange Commission, in accordance with the rules and regulations prescribed from time to time by said Commission, such additional information,

documents, and reports with respect to compliance by the Company or such obligor, as the case may be, with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations.

Section 5.04. REPORTS BY TRUSTEE. As promptly as practicable after each January 1 beginning with the January 1 following the date of this Indenture, and in any event prior to February 15 in each year, the Trustee shall mail to each Holder a brief report dated as of that complies with Section 313(a) of the Trust Indenture Act. The Trustee also shall comply with Section 313(b) of the Trust Indenture Act.

Reports pursuant to this Section 5.04 shall be transmitted by mail:

(a) to all Registered Holders, as the names and addresses of such Holders appear in the Debt Security Register;

(b) to such Bearer Holders of any series as have, within two years preceding such transmission, filed their names and addresses with the Trustee for such series for that purpose; and

(c) except in the cases of reports under Section 313(b)(2) of the Trust Indenture Act, to each Holder of a Debt Security of any series whose name and address appear in the information preserved at the time by the Trustee in accordance with Section 5.02.

A copy of each report at the time of its mailing to Holders shall be filed with the Securities and Exchange Commission and each stock exchange (if any) on which the Debt Securities of any series are listed. The Company agrees to notify promptly the Trustee whenever the Debt Securities of any series become listed on any stock exchange and of any delisting thereof.

Section 5.05. RECORD DATES FOR ACTION BY HOLDERS. If the Company shall solicit from the holders of Debt Securities of any series any action (including the making of any demand or request, the giving of any direction, notice, consent or waiver or the taking of any other action), the Company may, at its option, by resolution of the Board of Directors, fix in advance a record date for the determination of Holders of Debt Securities entitled to take such action, but the Company shall have no obligation to do so. Any such record date shall be fixed at the Company's discretion. If such a record date is fixed, such action may be sought or given before or after the record date, but only

the Holders of Debt Securities of record at the close of business on such record date shall be deemed to be Holders of Debt Securities for the purpose of determining whether Holders of the requisite proportion of Debt Securities of such series Outstanding have authorized or agreed or consented to such action, and for that purpose the Debt Securities of such series Outstanding shall be computed as of such record date.

ARTICLE VI

REMEDIES OF THE TRUSTEE AND HOLDERS IN EVENT OF DEFAULT

Section 6.01. EVENTS OF DEFAULT. If any one or more of the following shall have occurred and be continuing with respect to Debt Securities of any series (each of the following, an "Event of Default"):

(a) default in the payment of any installment of interest upon any Debt Securities of that series or any payment with respect to the related Coupons, if any, as and when the same shall become due and payable, whether or not such payment shall be prohibited by Article XII, if applicable, and continuance of such default for a period of 30 days; or

(b) default in the payment of the principal of or premium, if any, on any Debt Securities of that series as and when the same shall become due and payable, whether at maturity, upon redemption, by declaration, upon required repurchase or otherwise, whether or not such payment shall be prohibited by Article XII, if applicable; or

(c) default in the payment of any sinking fund payment with respect to any Debt Securities of that series as and when the same shall become due and payable; or

(d) failure on the part of the Company to comply with Article X; or

(e) failure on the part of the Company duly to observe or perform any other of the covenants or agreements on the part of the Company in the Debt Securities of that series, in any resolution of the Board of Directors authorizing the issuance of that series of Debt Securities, in this Indenture with respect to such series or in any supplemental Indenture with respect to such series (other than a covenant a default in the performance of which is elsewhere in this Section specifically dealt with), continuing for a period of 60 days after the date on which written notice specifying such failure and requiring the Company to remedy the same shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time Outstanding; or

(f) Indebtedness of the Company or any Subsidiary of the Company is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default, the total amount of such Indebtedness unpaid or accelerated exceeds $20,000,000 or its Dollar Equivalent at the time and such default remains uncured or such acceleration is not rescinded for 10 days after the date on which written notice specifying such failure and requiring the Company to remedy the same shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time Outstanding; or

(g) the Company or any of its Significant Subsidiaries shall (i) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code

or any other Federal or State bankruptcy, insolvency or similar law, (ii) consent to the institution of, or fail to controvert within the time and in the manner prescribed by law, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Company or any such Significant Subsidiary or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) admit in writing its inability or fail generally to pay its debts as they become due, (vii) take corporate action for the purpose of effecting any of the foregoing, or (viii) take any comparable action under any foreign laws relating to insolvency; or

(h) the entry of an order or decree by a court having competent jurisdiction in the premises for (i) relief in respect of the Company or any of its Significant Subsidiaries or a substantial part of any of their property under Title 11 of the United States Code or any other Federal or State bankruptcy, insolvency or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Company or any such Significant Subsidiary or for a substantial part of any of their property (except any decree or order appointing such official of any Significant Subsidiary pursuant to a plan under which the assets and operations of such Significant Subsidiary are transferred to or combined with another Subsidiary or Subsidiaries of the Company or to the Company) or (iii) the winding-up or liquidation of the Company or any such Significant Subsidiary (except any decree or order approving or ordering the winding up or liquidation of the affairs of a Significant Subsidiary pursuant to a plan under which the assets and operations of such Significant Subsidiary are transferred to or combined with another Subsidiary or Subsidiaries of the Company or to the Company); and such order or decree shall continue unstayed and in effect for 60 consecutive days; or any similar relief is granted under any foreign laws and the order or decree stays in effect for 60 consecutive days; or

(i) any judgment or decree for the payment of money in excess of $20,000,000 or its Dollar Equivalent at the time is entered against the Company or any Subsidiary of the Company by a court or courts of competent jurisdiction, which judgment is not covered by insurance, and is not discharged and either (i) an enforcement proceeding has been commenced by any creditor upon such judgment or decree or (ii) there is a period of 60 days following the entry of such judgment or decree during which such judgment or decree is not discharged, waived or the execution thereof stayed and, in the case of (i) or (ii), such default continues for 10 days after the date on which written notice specifying such failure and requiring the Company to remedy the same shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the Debt Securities of that series at the time Outstanding; or

(j) any other Event of Default provided with respect to Debt Securities of that series;

then and in each and every case that an Event of Default described in clause (a), (b), (c), (d), (e), (f), (i) or (j) with respect to Debt Securities of that series at the time Outstanding occurs and is continuing, unless the principal of and interest on all the Debt Securities of that series shall have already become due and payable, either the Trustee or the Holders of not less

principal amount of the Debt Securities of that series then Outstanding hereunder, by notice in writing to the Company (and to the Trustee if given by Holders), may declare the principal of (or, if the Debt Securities of that series are Original Issue Discount Debt Securities, such portion of the principal amount as may be specified in the terms of that series) and interest on all the Debt Securities of that series to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Debt Securities or Coupons appertaining thereto of that series contained to the contrary notwithstanding. If an Event of Default described in clause (g) or (h) occurs, then and in each and every such case, unless the principal of and interest on all the Debt Securities shall have become due and payable, the principal of (or, if any Debt Securities are Original Issue Discount Debt Securities, such portion of the principal amount as may be specified in the terms thereto) and interest on all the Debt Securities then Outstanding hereunder shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders, anything in this Indenture or in the Debt Securities contained to the contrary notwithstanding.

The Holders of a majority in principal amount of the Debt Securities of a particular series by notice to the Trustee may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree already rendered and if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of acceleration. Upon any such rescission, the parties hereto shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the parties hereto shall continue as though no such proceeding had been taken.

In case the Trustee or any Holder shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of such rescission or annulment or for any other reason or shall have been determined adversely to the Trustee or such Holder, then and in every such case the parties hereto shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the parties hereto shall continue as though no such proceeding had been taken.

The foregoing Events of Default shall constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

The Company shall deliver to the Trustee, within 30 days after the occurrence thereof, written notice in the form of an Officers' Certificate of any event which with the giving of notice and the lapse of time would become an Event of Default under clause (c), (d), (e), (f), (i) or (j), its status and what action the Company is taking or proposes to take with respect thereto.

Section 6.02. COLLECTION OF INDEBTEDNESS BY TRUSTEE, ETC. If an Event of Default occurs and is continuing, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid or enforce the performance of any provision of the Debt Securities of the affected series or this Indenture, and may prosecute any such action or proceedings to judgment or

final decree, and may enforce any such judgment or final decree against the Company or any other obligor upon the Debt Securities, and the Coupons, if any, appertaining thereto, of such series (and collect in the manner provided by law out of the property of the Company or any other obligor upon the Debt Securities and Coupons of such series wherever situated the moneys adjudged or decreed to be payable).

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor upon the Debt Securities and Coupons, if any, of any series under Title 11 of the United States Code or any other Federal or State bankruptcy, insolvency or similar law, or in case a receiver, trustee or other similar official shall have been appointed for its property, or in case of any other similar judicial proceedings relative to the Company or any other obligor upon the Debt Securities of any series, its creditors or its property, the Trustee, irrespective of whether the principal of Debt Securities and Coupons, if any, of any series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 6.02, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal, premium, if any, and interest (or, if the Debt Securities of such series are Original Issue Discount Debt Securities, such portion of the principal amount as may be specified in the terms of such series) owing and unpaid in respect of the Debt Securities and Coupons of such series, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities Incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith) and of the Holders thereof allowed in any such judicial proceedings relative to the Company, or any other obligor upon the Debt Securities and Coupons of such series, its creditors or its property, and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of such Holders and of the Trustee on their behalf, and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of such Holders to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to such Holders, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other reasonable expenses and liabilities Incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

All rights of action and of asserting claims under this Indenture, or under any of the Debt Securities and the Coupons, if any, appertaining thereto, of any series, may be enforced by the Trustee without the possession of any such Debt Securities or Coupons, or the production thereof in any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment (except for any amounts payable to the Trustee pursuant to Section 7.06) shall be for the ratable benefit of the Holders of all the Debt Securities or Coupons in respect of which such action was taken.

In case of an Event of Default hereunder the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the

Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 6.03. APPLICATION OF MONEYS COLLECTED BY TRUSTEE. Any moneys or other property collected by the Trustee pursuant to Section 6.02 with respect to Debt Securities and Coupons, if any, of any series shall be applied, after giving effect to the provisions of Article XII, if applicable, in the order following, at the date or dates fixed by the Trustee for the distribution of such moneys or other property, upon presentation of the several Debt Securities or Coupons of such series in respect of which moneys or other property have been collected, and the notation thereon of the payment, if only partially paid, and upon surrender thereof if fully paid:

FIRST: To the payment of all money due the Trustee pursuant to Section 7.06;

SECOND: In case the principal of the Outstanding Debt Securities in respect of which such moneys have been collected shall not have become due, to the payment of interest on the Debt Securities or Coupons of such series in the order of the maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest at the rate or Yield to Maturity (in the case of Original Issue Discount Debt Securities) borne by the Debt Securities or Coupons of such series, such payments to be made ratably to the Persons entitled thereto, without discrimination or preference;

THIRD: In case the principal of the Outstanding Debt Securities in respect of which such moneys have been collected shall have become due, by declaration or otherwise, to the payment of the whole amount then owing and unpaid upon the Debt Securities or Coupons of such series for principal and premium, if any, and interest, with interest on the overdue principal and premium, if any, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest at the rate or Yield to Maturity (in the case of Original Issue Discount Debt Securities) borne by the Debt Securities or Coupons of such series; and, in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid upon the Debt Securities and Coupons of such series, then to the payment of such principal and premium, if any, and interest, without preference or priority of principal and premium, if any, over interest, or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Debt Security or Coupon of such series over any Debt Security or Coupon of such series, ratably to the aggregate of such principal and premium, if any, and interest; and

FOURTH: The remainder, if any, shall be paid to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.03. At least 15 days before such record date, the Company shall mail to each Holder and the Trustee a notice that states the record date, the payment date and amount to be paid.

Section 6.04. LIMITATION ON SUITS BY HOLDERS. No Holder of any Debt Security or Coupon of any series shall have any right by virtue or by availing of any provision of this Indenture to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, upon or under or with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of an Event of Default with respect to Debt Securities of that same series and of the continuance thereof and unless the Holders of not less than 25% in aggregate principal amount of the Outstanding Debt Securities of that series shall have made written request upon the Trustee to institute such action or proceedings in respect of such Event of Default in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be Incurred therein or thereby, and the Trustee, for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 6.06; it being understood and intended, and being expressly covenanted by the Holder of every Debt Security or Coupon with every other Holder and the Trustee, that no one or more Holders shall have any right in any manner whatever by virtue or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any Holders, or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all such Holders. For the protection and enforcement of the provisions of this Section 6.04, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provision in this Indenture, however, the right of any Holder of any Debt Security or Coupon to receive payment of the principal of, and premium, if any, and (subject to Section 2.12) interest on, such Debt Security or Coupon, on or after the respective due dates expressed in such Debt Security, and to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.05. REMEDIES CUMULATIVE; DELAY OR OMISSION IN EXERCISE OF RIGHTS NOT A WAIVER OF DEFAULT. All powers and remedies given by this Article VI to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder to exercise any right or power accruing upon any Default occurring and continuing as aforesaid, shall impair any such right or power, or shall be construed to be a waiver of any such Default or an acquiescence therein; and, subject to the provisions of Section 6.04, every power and remedy given by this Article VI or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 6.06. RIGHTS OF HOLDERS OF MAJORITY IN PRINCIPAL AMOUNT OF DEBT SECURITIES TO DIRECT TRUSTEE AND TO WAIVE DEFAULT. The Holders of a majority in aggregate principal amount of the Debt Securities of any series at the time Outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or

exercising any trust or power conferred on the Trustee, with respect to the Debt Securities of such series; provided, however, that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that subject to the provisions of Section 7.01, the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel shall determine that the action so directed may not lawfully be taken, or if the Trustee shall by a responsible officer or officers determine that the action so directed would involve it in personal liability or would be unjustly prejudicial to Holders of Debt Securities of such series not taking part in such direction; and provided, further, however, that nothing in this Indenture contained shall impair the right of the Trustee to take any action deemed proper by the Trustee and which is not inconsistent with such direction by such Holders. Prior to the acceleration of the maturity of the Debt Securities of any series, as provided in Section 6.01, the Holders of a majority in aggregate principal amount of the Debt Securities of that series at the time Outstanding may on behalf of the Holders of all the Debt Securities and any related Coupons of that series waive any past Default or Event of Default and its consequences for that series specified in the terms thereof as contemplated by Section 2.03, except (a) a Default in the payment of the principal of, and premium, if any, or interest on, any of the Debt Securities or in the payment of any related Coupon and (b) a Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Holder affected thereby. In case of any such waiver, such Default shall cease to exist, any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture, and the Company, the Trustee and the Holders of the Debt Securities of that series shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.07. TRUSTEE TO GIVE NOTICE OF DEFAULTS KNOWN TO IT, BUT MAY WITHHOLD SUCH NOTICE IN CERTAIN CIRCUMSTANCES. The Trustee shall, within 90 days after the occurrence of a Default known to it with respect to a series of Debt Securities or Coupons, if any, give to the Holders thereof, in the manner provided in Section 13.03, notice of all Defaults with respect to such series known to the Trustee, unless such Defaults shall have been cured or waived before the giving of such notice; provided, that, except in the case of Default in the payment of the principal of, or premium, if any, or interest on, any of the Debt Securities or Coupons of such series or in the making of any sinking fund payment with respect to the Debt Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a committee of directors or responsible officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders thereof.

Section 6.08. REQUIREMENT OF AN UNDERTAKING TO PAY COSTS IN CERTAIN SUITS UNDER THE INDENTURE OR AGAINST THE TRUSTEE. All parties to this Indenture agree, and each Holder of any Debt Security or Coupon by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit in the manner and to the extent provided in the Trust Indenture Act, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 6.08 shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder,

or group of Holders, holding in the aggregate more than ten percent in principal amount of the Outstanding Debt Securities of that series or to any suit instituted by any Holder for the enforcement of the payment of the principal of, or premium, if any, or interest on, any Debt Security or Coupon on or after the due date for such payment expressed in such Debt Security or Coupon.

ARTICLE VII

CONCERNING THE TRUSTEE

Section 7.01. CERTAIN DUTIES AND RESPONSIBILITIES. The Trustee, prior to the occurrence of an Event of Default and after the curing or waiving of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that:

(a) this subsection shall not be construed to limit the effect of the first paragraph of this Section 7.01;

(b) prior to the occurrence of an Event of Default with respect to the Debt Securities of a series and after the curing or waiving of all Events of Default with respect to such series which may have occurred:

(i) the duties and obligations of the Trustee with respect to Debt Securities and Coupons, if any, of any series shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations with respect to such series as are specifically set forth in this Indenture, and no implied covenants or obligations with respect to such series shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture; but the Trustee shall examine the evidence furnished to it pursuant to Section 5.03 to determine whether or not such evidence conforms to the requirement of this Indenture;

(iii) the Trustee shall not be liable for an error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the

pertinent facts; and

(iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it with respect to Debt Securities of any series in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of the Outstanding Debt Securities of that series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to Debt Securities of such series.

None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any Personal financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 7.02. CERTAIN RIGHTS OF TRUSTEE. Except as otherwise provided in Section 7.01:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by a Company Order (unless other evidence in respect thereof be herein specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company;

(c) the Trustee may consult with counsel, and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders of Debt Securities or Coupons of any series pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be Incurred therein or thereby;

(e) the Trustee shall not be liable for any action taken or omitted by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(f) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice,

request, direction, consent, order, approval or other paper or document, unless requested in writing to do so by the Holders of a majority in aggregate principal amount of the then Outstanding Debt Securities of a series affected by such matter; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be Incurred by it in the making of such investigation is not, in the opinion of the Trustee, reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such costs, expenses or liabilities as a condition to so proceeding. The reasonable expense of every such investigation shall be paid by the Company or, if paid by the Trustee, shall be repaid by the Company upon demand;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it with due care hereunder; and

(h) if any property other than cash shall at any time be subject to a Lien in favor of the Holders, the Trustee, if and to the extent authorized by a receivership or bankruptcy court of competent jurisdiction or by the supplemental instrument subjecting such property to such lien, shall be entitled to make advances for the purpose of preserving such property or of discharging tax Liens or other prior Liens or encumbrances thereon.

Section 7.03. TRUSTEE NOT LIABLE FOR RECITALS IN INDENTURE OR IN DEBT SECURITIES. The recitals contained herein, in the Debt Securities (except the Trustee's certificate of authentication) and in any Coupons shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Debt Securities or Coupons, if any, of any series, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Debt Securities and perform its obligations hereunder, and that the statements made by it or to be made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate. The Trustee shall not be accountable for the use or application by the Company of any of the Debt Securities or of the proceeds thereof.

Section 7.04. TRUSTEE, PAYING AGENT OR REGISTRAR MAY OWN DEBT SECURITIES. The Trustee or any paying agent or Registrar, in its individual or any other capacity, may become the owner or pledgee of Debt Securities or Coupons and subject to the provisions of the Trust Indenture Act relating to conflicts of interest and preferential claims may otherwise deal with the Company with the same rights it would have if it were not Trustee, paying agent or Registrar.

Section 7.05. MONEYS RECEIVED BY TRUSTEE TO BE HELD IN TRUST. Subject to the provisions of Section 11.05, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any moneys received by it hereunder. So long as no Event of Default shall have occurred and be continuing, all interest allowed on any such moneys shall be paid from time to time to the Company upon a Company Order.

Section 7.06. COMPENSATION AND REIMBURSEMENT. The Company covenants and agrees to pay in Dollars to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it

hereunder (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and, except as otherwise expressly provided herein, the Company will pay or reimburse in Dollars the Trustee upon its request for all reasonable expenses, disbursements and advances Incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents, attorneys and counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advances as may arise from its negligence or bad faith. The Company also covenants to indemnify in Dollars the Trustee for, and to hold it harmless against, any loss, liability or expense Incurred without negligence, wilful misconduct or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust or trusts hereunder, including the reasonable costs and expenses of defending itself against any claim of liability in connection with the exercise or performance of any of its powers or duties hereunder. The obligations of the Company under this Section 7.06 to compensate and indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture. The Company and the Holders agree that such additional indebtedness shall be secured by a Lien prior to that of the Debt Securities and Coupons, if any, upon all property and funds held or collected by the Trustee, as such, except funds held in trust for the payment of principal of, and premium, if any, or interest on, particular Debt Securities and Coupons.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(g) or (h) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any bankruptcy, insolvency, reorganization or other similar law.

Section 7.07. RIGHT OF TRUSTEE TO RELY ON AN OFFICERS' CERTIFICATE WHERE NO OTHER EVIDENCE SPECIFICALLY PRESCRIBED. Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee and such certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

Section 7.08. SEPARATE TRUSTEE; REPLACEMENT OF TRUSTEE. The Company may, but need not, appoint a separate Trustee for any one or more series of Debt Securities. The Trustee may resign with respect to one or more or all series of Debt Securities at any time by giving notice to the Company. The Holders of a majority in principal amount of the Debt Securities of a particular series may remove the Trustee for such series and only such series by so notifying the Trustee and may appoint a successor Trustee. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10;

(b) the Trustee is adjudged bankrupt or insolvent;

(c) a receiver or other public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns, is removed by the Company or by the Holders of a majority in principal amount of the Debt Securities of a particular series and such Holders do not reasonably promptly appoint a successor Trustee, or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Company shall promptly appoint a successor Trustee. No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of this Section 7.08.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of Debt Securities of each applicable series. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the Lien provided for in Section 7.06.

If a successor Trustee does not take office within 60 days after the retiring Trustee gives notice of resignation or is removed, the retiring Trustee or the Holders of 25% in principal amount of the Debt Securities of any applicable series may petition any court of competent jurisdiction for the appointment of a successor Trustee for the Debt Securities of such series.

If the Trustee fails to comply with Section 7.10, any Holder of Debt Securities of any applicable series may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee for the Debt Securities of such series.

Notwithstanding the replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.06 shall continue for the benefit of the retiring Trustee.

In the case of the appointment hereunder of a separate or successor trustee with respect to the Debt Securities of one or more series, the Company, any retiring Trustee and each successor or

separate Trustee with respect to the Debt Securities of any applicable series shall execute and deliver an Indenture supplemental hereto (i) which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of any retiring Trustee with respect to the Debt Securities of any series as to which any such retiring Trustee is not retiring shall continue to be vested in such retiring Trustee and (ii) that shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one trustee, it being understood that nothing herein or in such supplemental Indenture shall constitute such Trustees co-trustees of the same trust and that each such separate, retiring or successor Trustee shall be Trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee.

Section 7.09. SUCCESSOR TRUSTEE BY MERGER. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation or banking

association without any further act shall be the successor Trustee.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture any of the Debt Securities shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Debt Securities so authenticated; and in case at that time any of the Debt Securities shall not have been authenticated, any successor to the Trustee may authenticate such Debt Securities either in the name of any predecessor hereunder or in the name of the successor to the Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Debt Securities or in this Indenture provided that the certificate of the Trustee shall have.

Section 7.10. ELIGIBILITY; DISQUALIFICATION. The Trustee shall at all times satisfy the requirements of Section 310(a) of the Trust Indenture Act. The Trustee shall have a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition. No obligor upon the Debt Securities or Coupons, if any, of a particular series or Person directly or indirectly controlling, controlled by or under common control with such obligor shall serve as Trustee upon the Debt Securities and Coupons of such series. The Trustee shall comply with Section 310(b) of the Trust Indenture Act; provided, however, that there shall be excluded from the operation of Section 310(b)(1) of the Trust Indenture Act this Indenture or any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding if the requirements for such exclusion set forth in Section 310(b)(1) of the Trust Indenture Act are met.

Section 7.11. PREFERENTIAL COLLECTION OF CLAIMS AGAINST COMPANY. The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of the Trust Indenture Act to the extent indicated therein.

Section 7.12. COMPLIANCE WITH TAX LAWS. The Trustee hereby agrees to comply with all U.S. Federal income tax information reporting and withholding requirements applicable to it with

respect to payments of premium (if any) and interest on the Debt Securities, whether acting as Trustee, Security Registrar, paying agent or otherwise with respect to the Debt Securities.

ARTICLE VIII

CONCERNING THE HOLDERS

Section 8.01. EVIDENCE OF ACTION BY HOLDERS. Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the Debt Securities of any or all series may take action (including the making of any demand or request, the giving of any direction, notice, consent or waiver or the taking of any other action) the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by Holders in Person or by agent or proxy appointed in writing, (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Section 5.02 or (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders.

Section 8.02. PROOF OF EXECUTION OF INSTRUMENTS AND OF HOLDING OF DEBT SECURITIES. Subject to the provisions of Sections 7.01, 7.02 and 13.11, proof of the execution of any instrument by a Holder or his agent or proxy shall be sufficient if made in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee.

The ownership of Registered Securities of any series shall be proved by the Debt Security Register or by a certificate of the Registrar for such series.

The ownership of Bearer Securities shall be proved by production of such Bearer Securities or by a certificate executed by any bank or trust company, which certificate shall be dated and shall state on the date thereof a Bearer Security bearing a specified identifying number or other mark was deposited with or exhibited to the Person executing such certificate by the Person named in such certificate, or by any other proof of possession reasonably satisfactory to the Trustee. The holding by the Person named in any such certificate of any Bearer Security specified therein shall be presumed to continue for a period of one year unless at the time of determination of such holding (a) another certificate bearing a later date issued in respect of the same Bearer Security shall be produced, (b) such Bearer Security shall be produced by some other Person, (c) such Bearer Security shall have been registered on the Debt Security Register, if, pursuant to Section 2.03, such Bearer Security can be so registered, or (d) such Bearer Security shall have been canceled or paid.

The Trustee may require such additional proof of any matter referred to in this Section 8.02 as it shall deem necessary.

Section 8.03. WHO MAY BE DEEMED OWNER OF DEBT SECURITIES. Prior to due presentment for registration of transfer of any Registered Security, the Company, the Trustee, any paying agent

and any Registrar may deem and treat the Person in whose name any Registered Security shall be registered upon the books of the Company as the absolute owner of such Registered Security (whether or not such Registered Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and premium, if any, and (subject to Section 2.03) interest on such Registered Security and for all other purposes, and neither the Company nor the Trustee nor any paying agent nor any Registrar shall be affected by any notice to the contrary; and all such payments so made to any such Holder for the time being, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Registered Security.

The Company, the Trustee and any paying agent may deem and treat the Holder of any Bearer Security or Coupon as the absolute owner of such Bearer Security or Coupon (whether or not such Debt Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and premium, if any, and (subject to Section 2.03) interest on such Bearer Security or Coupon and for all other purposes, and neither the Company nor the Trustee nor any paying agent shall be affected by any notice to the contrary; and all such payments so made to any such Holder for the time being, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bearer Security or Coupon.

None of the Company, the Trustee, any paying agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 8.04. INSTRUMENTS EXECUTED BY HOLDERS BIND FUTURE HOLDERS. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Debt Securities of any series specified in this Indenture in connection with such action and subject to the following paragraph, any Holder of a Debt Security which is shown by the evidence to be included in the Debt Securities the Holders of which have consented to such action may, by filing written notice with the Trustee at its corporate trust office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Debt Security. Except as aforesaid any such action taken by the Holder of any Debt Security shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Debt Security and all past, present and future Holders of Coupons, if any, appertaining thereto, and of any Debt Security issued upon transfer thereof or in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Debt Security or such other Debt Securities or Coupons. Any action taken by the Holders of the percentage in aggregate principal amount of the Debt Securities of any series specified in this Indenture in connection with such action shall be conclusively binding upon the Company, the Trustee and the Holders of all the Securities and Coupons of such series.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders of Registered Securities entitled to give their consent or take any other

action required or permitted to be taken pursuant to this Indenture. If a record date is fixed, then notwithstanding the immediately preceding paragraph, those Persons who were Holders of Registered Securities at such record date (or their duly designated proxies), and only those Persons, shall be entitled to give such consent or to revoke any consent previously given or to take any such action, whether or not such Persons continue to be Holders of Registered Securities after such record date. No such consent shall be valid or effective for more than 120 days after such record date unless the consent of the Holders of the percentage in aggregate principal amount of the Debt Securities of such series specified in this Indenture shall have been received within such 120-day period.

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 9.01. PURPOSES FOR WHICH SUPPLEMENTAL INDENTURE MAY BE ENTERED INTO WITHOUT CONSENT OF HOLDERS. The Company, when authorized by a resolution of the Board of Directors, and the Trustee may from time to time and at any time, without the consent of Holders, enter into an Indenture or Indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as in force at the date of the execution thereof) for one or more of the following purposes:

(a) to evidence the succession pursuant to Article X of another Person to the Company, or successive successions, and the assumption by

the Successor Company (as defined in Section 10.01) of the covenants, agreements and obligations of the Company in this Indenture and in the Debt Securities;

(b) to surrender any right or power herein conferred upon the Company, to add to the covenants of the Company such further covenants, restrictions, conditions or provisions for the protection of the Holders of all or any series of Debt Securities and the Coupons, if any, appertaining thereto (and if such covenants are to be for the benefit of less than all series of Debt Securities, stating that such covenants are expressly being included solely for the benefit of such series) as the Board of Directors shall consider to be for the protection of the Holders of such Debt Securities, and to make the occurrence, or the occurrence and continuance, of a Default in any of such additional covenants, restrictions, conditions or provisions a Default or an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture; provided, that in respect of any such additional covenant, restriction, condition or provision such supplemental Indenture may provide for a particular period of grace after Default (which period may be shorter or longer than that allowed in the case of other Defaults) or may provide for an immediate enforcement upon such Default or may limit the remedies available to the Trustee upon such Default or may limit the right of the Holders of a majority in aggregate principal amount of any or all series of Debt Securities to waive such default;

(c) to cure any ambiguity or omission or to correct or supplement any provision contained herein, in any supplemental Indenture or in any Debt Securities of any series that may be defective or inconsistent with any other provision contained herein, in any supplemental Indenture or in the

Debt Securities of such series; to convey, transfer, assign, mortgage or pledge any property to or with the Trustee, or to make such other provisions in regard to matters or questions arising under this Indenture as shall not adversely affect the interests of any Holders of Debt Securities of any series;

(d) to modify or amend this Indenture in such a manner as to permit the qualification of this Indenture or any Indenture supplemental hereto under the Trust Indenture Act as then in effect, except that nothing herein contained shall permit or authorize the inclusion in any Indenture supplemental hereto of the provisions referred to in Section 316(a)(2) of the Trust Indenture Act;

(e) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registerable as to principal, to change or eliminate any restrictions on the payment of principal of, or premium, if any, on, Registered Securities or of principal of, or premium, if any, or interest on, Bearer Securities or to permit Registered Securities to be exchanged for Bearer Securities; provided, that any such action shall not adversely affect the interests of the Holders of Debt Securities or any Coupons of any series in any material respect or permit or facilitate the issuance of Debt Securities of any series in uncertificated form;

(f) to comply with Article X;

(g) in the case of any Debt Securities and Coupons, if any, appertaining thereto subordinated pursuant to Article XII, to make any change in Article XII that would limit or terminate the benefits available to any holder of Senior Indebtedness (or Representatives therefor) under Article XII;

(h) to add Guarantees with respect to any or all of the Debt

Securities or to secure any or all of the Debt Securities;

(i) to make any change that does not adversely affect the rights of any Holder;

(j) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Debt Securities; provided, however, that any such addition, change or elimination not otherwise permitted under this Section 9.01 shall (i) neither (A) apply to any Debt Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (B) modify the rights of the Holder of any such Debt Security with respect to such provision or (ii) shall become effective only when there is no such Debt Security Outstanding;

(k) to evidence and provide for the acceptance of appointment hereunder by a successor or separate Trustee with respect to the Debt Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee;

(l) to establish the form or terms of Debt Securities and Coupons, if any, of any series as permitted by Sections 2.01 and 2.03; and

(m) to provide for uncertificated Debt Securities in addition to or in place of certificated Debt Securities (provided that the uncertificated Debt Securities are issued in registered form for purposes of Section 163(f) of the Internal Revenue Code of 1986, as amended, or in a manner such that the uncertificated Debt Securities are described in Section 163(f)(2)(B) of the Internal Revenue Code of 1986, as amended).

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental Indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder, but the Trustee shall not be obligated to enter into any such supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Any supplemental Indenture authorized by the provisions of this Section 9.01 may be executed by the Company and the Trustee without the consent of the Holders of any of the Debt Securities or Coupons, if any, appertaining thereto at the time Outstanding, notwithstanding any of the provisions of Section 9.02.

In the case of Debt Securities or Coupons, if any, appertaining thereto subordinated pursuant to Article XII, an amendment under this Section 9.01 may not make any change that adversely affects the rights under Article XII of any holder of Senior Indebtedness then outstanding unless the holders of such Senior Indebtedness (or any group or Representative thereof authorized to give a consent) consent to such change.

After an amendment under this Section 9.01 becomes effective, the Company shall mail to Holders of Debt Securities of each series affected thereby a notice briefly describing such amendment. The failure to give such notice to all such Holders, or any defect therein, shall not impair or affect the validity of an amendment under this Section 9.01.

Section 9.02. MODIFICATION OF INDENTURE WITH CONSENT OF HOLDERS OF DEBT SECURITIES. Without notice to any Holder but with the consent (evidenced as provided in Section 8.01) of the Holders of not less than a majority in aggregate principal amount of the Outstanding Debt Securities of each series

affected by such supplemental Indenture, the Company, when authorized by a resolution of the Board of Directors, and the Trustee may from time to time and at any time enter into an Indenture or Indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act as in force at the date of execution thereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental Indenture or of modifying in any manner the rights of the Holders of the Debt Securities of such series; provided, that no such supplemental Indenture, without the consent of the Holders of each Debt Security so affected, shall (a) reduce the percentage in principal amount of Debt Securities of any series whose Holders must consent to an amendment; (b) reduce the rate of or extend the time for payment of interest on any Debt Security or Coupon or reduce the amount of any payment to be made with respect to any Coupon; (c) reduce the principal of or extend the Stated Maturity of any Debt Security; (d) reduce the premium payable upon the redemption of any Debt Security or change the time at which any Debt Security may or shall be redeemed in accordance with Article III; (e) make any Debt Security or Coupon payable in Currency other than that stated in the Debt Security; (f) in the case of any Debt Security or Coupons, if any, appertaining thereto subordinated pursuant to Article XII, make any change in Article XII that adversely affects the rights of any Holder under Article XII; (g) release any security that may have been granted in respect of the Debt Securities; (h) make any change in Section 6.06 or this Section 9.02; (i) change any obligation of the Company to pay additional interest pursuant to Section 4.06; or (j) limit the obligation of the

Company to maintain a paying agency outside the United States for payment on Bearer Securities as provided in Section 4.02 or limit the obligation of the Company to redeem a Bearer Security as provided in Section 3.02(b).

A supplemental Indenture which changes or eliminates any covenant or other provision of this Indenture which has been expressly included solely for the benefit of one or more particular series of Debt Securities and Coupons, if any, or which modifies the rights of the Holders of Debt Securities and Coupons of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Debt Securities and Coupons, if any, of any other series.

Upon the request of the Company, accompanied by a copy of a resolution of the Board of Directors authorizing the execution of any such supplemental Indenture, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental Indenture unless such supplemental Indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion but shall not be obligated to enter into such supplemental Indenture.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

In the case of any Debt Securities or Coupons, if any, appertaining thereto, subordinated pursuant to Article XII, an amendment under this Section 9.02 may not make any change that adversely affects the rights under Article XII of any holder of Senior Indebtedness then outstanding unless the holders of such Senior Indebtedness (or any group or Representative thereof authorized to give a consent) consent to such change.

After an amendment under this Section 9.02 becomes effective, the

Company shall mail to Holders of Debt Securities of each series affected thereby a notice briefly describing such amendment. The failure to give such notice to all such Holders, or any defect therein, shall not impair or affect the validity of an amendment under this Section 9.02.

Section 9.03. EFFECT OF SUPPLEMENTAL INDENTURES. Upon the execution of any supplemental Indenture pursuant to the provisions of this Article IX, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental Indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

The Trustee, subject to the provisions of Sections 7.01 and 7.02, may receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any such supplemental Indenture complies with the provisions of this Article IX.

Section 9.04. DEBT SECURITIES MAY BEAR NOTATION OF CHANGES BY SUPPLEMENTAL INDENTURES. Debt Securities and Coupons, if any, of any series authenticated and delivered after the execution of any supplemental Indenture pursuant to the provisions of this Article IX may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental Indenture. New Debt Securities and Coupons of any series so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental Indenture may be prepared and executed by the Company, authenticated by the Trustee and delivered in exchange for the Debt Securities and Coupons of such series then Outstanding. Failure to make the appropriate notation or to issue a new Debt Security or Coupon of such series shall not affect the validity of such amendment.

Section 9.05. PAYMENT FOR CONSENT. Neither the Company nor any Affiliate of the Company shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Debt Securities or Coupons, if any, appertaining thereto unless such consideration is offered to be paid to all Holders that so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or agreement.

ARTICLE X

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

Section 10.01. CONSOLIDATIONS AND MERGERS OF THE COMPANY. The Company shall not consolidate with or merge with or into any Person, or convey, transfer or lease all or substantially all its assets, unless: (a) either (i) the Company shall be the continuing Person in the case of a merger or (ii) the resulting, surviving or transferee Person if other than the Company (the "Successor Company") shall be a corporation organized and existing under the laws of the United States, any State thereof or the District of Columbia and the Successor Company shall expressly assume, by an Indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of the Company under the Debt Securities and Coupons, if any, according to their tenor, and this Indenture; (b) immediately after giving effect to such transaction (and treating any Indebtedness which

becomes an obligation of the Successor Company or any Subsidiary of the Company as a result of such transaction as having been Incurred by the Successor Company or such Subsidiary at the time of such transaction), no Default or Event of Default would occur or be continuing; (c) the Successor Company waives any right to redeem any Bearer Security under circumstances in which the Successor Company would be entitled to redeem such Bearer Security but the Company would not have been so entitled to redeem if the consolidation, merger, conveyance, transfer or lease had not occurred; and (d) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental Indenture (if any) comply with this Indenture.

Section 10.02. RIGHTS AND DUTIES OF SUCCESSOR CORPORATION. In case of any consolidation or merger, or conveyance or transfer of the assets of the Company as an entirety or virtually as an

entirety in accordance with Section 10.01, the Successor Company shall succeed to and be substituted for the Company, with the same effect as if it had been named herein as the party of the first part, and the predecessor corporation shall be relieved of any further obligation under the Indenture and the Securities. The Successor Company thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any or all the Debt Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of the Successor Company, instead of the Company, and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Debt Securities and Coupons, if any, appertaining thereto, which previously shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Debt Securities and Coupons, if any, appertaining thereto, which the Successor Company thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Debt Securities and Coupons, if any, appertaining thereto so issued shall in all respects have the same legal rank and benefit under this Indenture as the Debt Securities and Coupons, if any, appertaining thereto theretofore or thereafter issued in accordance with the terms of this Indenture as though all such Debt Securities and Coupons had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in the Debt Securities and Coupons, if any, appertaining thereto thereafter to be issued as may be appropriate.

ARTICLE XI

SATISFACTION AND DISCHARGE OF INDENTURE; DEFEASANCE; UNCLAIMED MONEYS

Section 11.01. APPLICABILITY OF ARTICLE. If, pursuant to Section 2.03, provision is made for the defeasance of Debt Securities of a series and if the Debt Securities of such series are Registered Securities and denominated and payable only in Dollars (except as provided pursuant to Section 2.03), then the provisions of this Article XI relating to defeasance of Debt Securities shall be applicable except as otherwise specified pursuant to Section 2.03 for Debt Securities of such series. Defeasance provisions, if any, for Debt Securities denominated in a Foreign Currency or for Bearer Securities may be specified pursuant to Section 2.03.

Section 11.02. SATISFACTION AND DISCHARGE OF INDENTURE; DEFEASANCE. (a) If at any time (i) the Company shall have delivered to the Trustee for

cancelation all Debt Securities of any series theretofore authenticated and delivered (other than (A) Coupons appertaining to Bearer Securities of such series called for redemption and maturing after the relevant redemption date, surrender of which has been waived, (B) any Debt Securities and Coupons of such series which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.09 and (C) Debt Securities and Coupons for whose payment money has theretofore been deposited in trust and thereafter repaid to the Company as provided in Section 11.05) or (ii) all Debt Securities and the Coupons, if any, of such series not theretofore delivered to the Trustee for cancelation shall have become due and payable, or are by their terms to become due and payable within one year or are to

be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and the Company shall deposit with the Trustee as trust funds the entire amount in the Currency in which such Debt Securities are denominated (except as otherwise provided pursuant to Section 2.03) sufficient to pay at maturity or upon redemption all Debt Securities of such series not theretofore delivered to the Trustee for cancelation, including principal and premium, if any, and interest due or to become due on such date of maturity or redemption date, as the case may be, and if in either case the Company shall also pay or cause to be paid all other sums payable hereunder by the Company, then this Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of such Debt Securities herein expressly provided for and rights to receive payments of principal of, and premium, if any, and interest on, such Debt Securities and any right to receive additional interest as provided in Section 4.06) with respect to the Debt Securities of such series, and the Trustee, on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture.

(b) Subject to Sections 11.02(c), 11.03 and 11.07, the Company at any time may terminate, with respect to Debt Securities of a particular series, (i) all its obligations under the Debt Securities of such series and this Indenture with respect to the Debt Securities of such series ("legal defeasance option") or (ii) its obligations with respect to the Debt Securities of such series under clause (c) of Section 10.01 and the related operation of Section 6.01(d) and the operation of Sections 6.01(e), (f), (i) and (j) ("covenant defeasance option"). The Company may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option.

If the Company exercises its legal defeasance option, payment of the Debt Securities of the defeased series may not be accelerated because of an Event of Default. If the Company exercises its covenant defeasance option, payment of the Debt Securities of the defeased series may not be accelerated because of an Event of Default specified in Sections 6.01(d), (e), (f), (i) and (j) (except to the extent covenants or agreements referenced in such Sections remain applicable).

Upon satisfaction of the conditions set forth herein and upon request of the Company, the Trustee shall acknowledge in writing the discharge of those obligations that the Company terminates.

(c) Notwithstanding clauses (a) and (b) above, the Company's obligations in Sections 2.07, 2.09, 4.02, 4.04, 5.01, 7.06, 7.10, 11.05, 11.06 and 11.07 shall survive until the Debt Securities of the defeased series have been paid in full. Thereafter, the Company's obligations in Sections 7.06, 11.05 and 11.06 shall survive.

Section 11.03. CONDITIONS OF DEFEASANCE. The Company may exercise its legal defeasance option or its covenant defeasance option with respect to Debt Securities of a particular series only if:

(a) the Company irrevocably deposits in trust with the Trustee money or U.S. Government Obligations for the payment of principal of, and premium, if any, and interest on, the Debt Securities of such series to maturity or redemption, as the case may be;

(b) the Company delivers to the Trustee a certificate from a nationally recognized firm of independent accountants expressing their opinion that the payments of principal and interest when due and without reinvestment on the deposited U.S. Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as will be sufficient to pay the principal, premium and interest when due on all the Debt Securities of such series to maturity or redemption, as the case may be;

(c) 123 days pass after the deposit is made and during the 123-day period no Default specified in Section 6.01(g) or (h) with respect to the Company occurs which is continuing at the end of the period;

(d) no Default has occurred and is continuing on the date of such deposit and after giving effect thereto;

(e) the deposit does not constitute a default under any other agreement binding on the Company and, if the Debt Securities of such series are subordinated pursuant to Article XII, is not prohibited by Article XII;

(f) the Company delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940;

(g) in the event of the legal defeasance option, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (i) the Company has received from the Internal Revenue Service a ruling, or (ii) since the date of this Indenture there has been a change in the applicable Federal income tax law, in either case of the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of Debt Securities of such series will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred;

(h) in the event of the covenant defeasance option, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of Debt Securities of such series will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred; and

(i) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance and discharge of the Debt Securities of such series as contemplated by this Article XI have been complied with.

Before or after a deposit, the Company may make arrangements satisfactory to the Trustee for the redemption of Debt Securities of such

series at a future date in accordance with Article III.

Section 11.04. APPLICATION OF TRUST MONEY. The Trustee shall hold in trust money or U.S. Government Obligations deposited with it pursuant to this Article XI. It shall apply the deposited money and the money from U.S. Government Obligations through any paying agent and in accordance with this Indenture to the payment of principal of, and premium, if any, and interest on, the Debt Securities and Coupons, if any, of the defeased series. In the event the Debt Securities and Coupons, if any, of the defeased series are subordinated pursuant to Article XII, money and securities so held in trust are not subject to Article XII.

Section 11.05. REPAYMENT TO COMPANY. The Trustee and any paying agent shall promptly turn over to the Company upon request any excess money or securities held by them at any time.

Subject to any applicable abandoned property law, the Trustee and any paying agent shall pay to the Company upon request any money held by them for the payment of principal, premium or interest that remains unclaimed for two years, and, thereafter, Holders entitled to such money must look to the Company for payment as general creditors.

Section 11.06. INDEMNITY FOR U.S. GOVERNMENT OBLIGATIONS. The Company shall pay and shall indemnify the Trustee and the Holders against any tax, fee or other change imposed on or assessed against deposited U.S. Government Obligations or the principal and interest received on such U.S. Government Obligations.

Section 11.07. REINSTATEMENT. If the Trustee or any paying agent is unable to apply any money or U.S. Government Obligations in accordance with this Article XI by reason of any legal proceeding or by reason of any order or judgment of any court or government authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Debt Securities of the defeased series shall be revived and reinstated as though no deposit had occurred pursuant to this Article XI until such time as the Trustee or any paying agent is permitted to apply all such money or U.S. Government Obligations in accordance with this Article XI.

ARTICLE XII

SUBORDINATION OF DEBT SECURITIES

Section 12.01. APPLICABILITY OF ARTICLE; AGREEMENT TO SUBORDINATE. The provisions of this Article XII shall be applicable to the Debt Securities of any series (Debt Securities of such series referred to in this Article XII as "Subordinated Debt Securities") designated, pursuant to Section 2.03, as subordinated to Senior Indebtedness. Each Holder by accepting a Subordinated Debt Security agrees that the Indebtedness evidenced by such Subordinated Debt Security is subordinated in right of payment, to the extent and in the manner provided in this Article XII, to the prior payment of all Senior Indebtedness and that the subordination is for the benefit of and enforceable by the holders of Senior Indebtedness. All provisions of this Article XII shall be subject to Section 12.12.

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Section 12.02. LIQUIDATION, DISSOLUTION, BANKRUPTCY. Upon any payment or distribution of the assets of the Company to creditors upon a total or partial liquidation or a total or partial dissolution of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property:

(a) holders of Senior Indebtedness shall be entitled to receive payment in full in cash of the Senior Indebtedness (including interest (if any), accruing on or after the commencement of a proceeding in bankruptcy, whether or not allowed as a claim against the Company in such bankruptcy proceeding) before Holders of Subordinated Debt Securities shall be entitled to receive any payment of principal of, or premium, if any, or interest on, the Subordinated Debt Securities; and

(b) until the Senior Indebtedness is paid in full, any distribution to which Holders of Subordinated Debt Securities would be entitled but for this Article XII shall be made to holders of Senior Indebtedness as their interests may appear, except that such Holders may receive shares of stock and any debt securities that are subordinated to Senior Indebtedness to at least the same extent as the Subordinated Debt Securities.

Section 12.03. DEFAULT ON SENIOR INDEBTEDNESS. The Company may not pay the principal of, or premium, if any, or interest on, the Subordinated Debt Securities or make any deposit pursuant to Article XI and may not repurchase, redeem or otherwise retire (except, in the case of Subordinated Debt Securities that provide for a mandatory sinking fund pursuant to Section 3.05, by the delivery of Subordinated Debt Securities by the Company to the Trustee pursuant to the first paragraph of Section 3.06) any Debt Securities (collectively, "pay the Subordinated Debt Securities") if (a) any principal, premium or interest in respect of Senior Indebtedness is not paid within any applicable grace period (including at maturity) or (b) any other default on Senior Indebtedness occurs and the maturity of such Senior Indebtedness is accelerated in accordance with its terms unless, in either case, (i) the default has been cured or waived and any such acceleration has been rescinded or (ii) such Senior Indebtedness has been paid in full in cash; provided, however, that the Company may pay the Subordinated Debt Securities without regard to the foregoing if the Company and the Trustee receive written notice approving such payment from the Representative of each issue of Designated Senior Indebtedness. During the continuance of any default (other than a default described in clause (a) or (b) of the preceding sentence) with respect to any Senior Indebtedness pursuant to which the maturity thereof may be accelerated immediately without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods, the Company may not pay the Subordinated Debt Securities for a period (a "Payment Blockage Period") commencing upon the receipt by the Company and the Trustee of written notice of such default from the Representative of any Designated Senior Indebtedness specifying an election to effect a Payment Blockage Period (a "Blockage Notice") and ending 179 days thereafter (or earlier if such Payment Blockage Period is terminated (A) by written notice to the Trustee and the Company from the Person or Persons who gave such Blockage Notice, (B) by repayment in full in cash of such Designated Senior Indebtedness or (C) because the default giving rise to such Blockage Notice is no longer continuing). Notwithstanding the provisions described in the immediately preceding sentence (but subject to the provisions contained in the first sentence of this Section 12.03), unless the holders of such Designated Senior Indebtedness or the Representative of such holders shall have accelerated the maturity of such Designated Senior Indebtedness, the Company may resume payments on the

Subordinated Debt Securities after such Payment Blockage Period. Not more than one Blockage Notice may be given in any consecutive 360-day period, irrespective of the number of defaults with respect to any number of issues of Senior Indebtedness during such period; provided, however, that if any Blockage Notice within such 360-day period is given by or on behalf of any holders of Designated Senior Indebtedness (other than the Bank Indebtedness), the Representative of the Bank Indebtedness may give another Blockage Notice within such period; provided, further, however, that in no event may the total number of days during which any Payment Blockage Period or Periods is in effect exceed 179 days in the aggregate during any 360 consecutive day period. For purposes of this Section 12.03, no default or event of default which existed or was continuing on the date of the commencement of any Payment Blockage Period with respect to the Senior Indebtedness initiating such Payment Blockage Period shall be, or be made, the basis of the commencement of a subsequent Payment Blockage Period by the Representative of such Senior Indebtedness, whether or not within a period of 360 consecutive days, unless such default or event of default shall have been cured or waived for a period of not less than 90 consecutive days.

Section 12.04. ACCELERATION OF PAYMENT OF DEBT SECURITIES. If payment of the Subordinated Debt Securities is accelerated because of an Event of Default, the Company or the Trustee shall promptly notify the holders of the Designated Senior Indebtedness (or their Representatives) of the acceleration.

Section 12.05. WHEN DISTRIBUTION MUST BE PAID OVER. If a distribution is made to Holders of Subordinated Debt Securities that because of this Article XII should not have been made to them, the Holders who receive such distribution shall hold it in trust for holders of Senior Indebtedness and pay it over to them as their interests may appear.

Section 12.06. SUBROGATION. After all Senior Indebtedness is paid in full and until the Subordinated Debt Securities are paid in full, Holders thereof shall be subrogated to the rights of holders of Senior Indebtedness to receive distributions applicable to Senior Indebtedness. A distribution made under this Article XII to holders of Senior Indebtedness which otherwise would have been made to Holders of Subordinated Debt Securities is not, as between the Company and such Holders, a payment by the Company on Senior Indebtedness.

Section 12.07. RELATIVE RIGHTS. This Article XII defines the relative rights of Holders of Subordinated Debt Securities and holders of Senior Indebtedness. Nothing in this Indenture shall:

(a) impair, as between the Company and Holders of either Subordinated Debt Securities or Debt Securities, the obligation of the Company, which is absolute and unconditional, to pay principal of, and premium, if any, and interest on, the Subordinated Debt Securities and the Debt Securities in accordance with their terms; or

(b) prevent the Trustee or any Holder of either Subordinated Debt Securities or Debt Securities from exercising its available remedies upon a Default, subject to the rights of holders of Senior Indebtedness to receive distributions otherwise payable to Holders of Subordinated Debt Securities.

Section 12.08. SUBORDINATION MAY NOT BE IMPAIRED BY COMPANY. No right of any holder of Senior Indebtedness to enforce the subordination of the

Indebtedness evidenced by the Subordinated Debt Securities shall be impaired by any act or failure to act by the Company or by its failure to comply with this Indenture.

Section 12.09. RIGHTS OF TRUSTEE AND PAYING AGENT. Notwithstanding Section 12.03, the Trustee or any paying agent may continue to make payments on Subordinated Debt Securities and shall not be charged with knowledge of the existence of facts that would prohibit the making of any such payments unless, not less than two business days prior to the date of such payment, a responsible officer of the Trustee receives notice satisfactory to it that payments may not be made under this Article XII. The Company, the Registrar, any paying agent, a Representative or a holder of Senior Indebtedness may give the notice; provided, however, that, if an issue of Senior Indebtedness has a Representative, only the Representative may give the notice.

The Trustee in its individual or any other capacity may hold Senior Indebtedness with the same rights it would have if it were not Trustee. The Registrar and any paying agent may do the same with like rights. The Trustee shall be entitled to all the rights set forth in this Article XII with respect to any Senior Indebtedness which may at any time be held by it, to the same extent as any other holder of Senior Indebtedness; and nothing in Article VII shall deprive the Trustee of any of its rights as such holder. Nothing in this Article XII shall apply to claims of, or payments to, the Trustee under or pursuant to Section 7.06.

Section 12.10. DISTRIBUTION OR NOTICE TO REPRESENTATIVE. Whenever a distribution is to be made or a notice given to holders of Senior Indebtedness, the distribution may be made and the notice given to their Representative (if any).

Section 12.11. ARTICLE XII NOT TO PREVENT DEFAULTS OR LIMIT RIGHT TO ACCELERATE. The failure to make a payment pursuant to the Debt Securities by reason of any provision in this Article XII shall not be construed as preventing the occurrence of a Default. Nothing in this Article XII shall have any effect on the right of the Holders or the Trustee to accelerate the maturity of either the Subordinated Debt Securities or the Debt Securities, as the case may be.

Section 12.12. TRUST MONEYS NOT SUBORDINATED. Notwithstanding anything contained herein to the contrary, payments from money or the proceeds of U.S. Government Obligations held in trust under Article XI by the Trustee for the payment of principal of, and premium, if any, and interest on, the Subordinated Debt Securities or the Debt Securities shall not be subordinated to the prior payment of any Senior Indebtedness or subject to the restrictions set forth in this Article XII, and none of the Holders thereof shall be obligated to pay over any such amount to the Company or any holder of Senior Indebtedness of the Company or any other creditor of the Company.

Section 12.13. TRUSTEE ENTITLED TO RELY. Upon any payment or distribution pursuant to this Article XII, the Trustee and the Holders shall be entitled to rely (a) upon any order or decree of a court of competent jurisdiction in which any proceedings of the nature referred to in Section 12.02 are pending, (b) upon a certificate of the liquidating trustee or agent or other Person making such payment or distribution to the Trustee or to such Holders or (c) upon the Representatives for the

holders of Senior Indebtedness for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other Indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all

other facts pertinent thereto or to this Article XII. In the event that the Trustee determines, in good faith, that evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article XII, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and other facts pertinent to the rights of such Person under this Article XII, and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment. The provisions of Sections 7.01 and 7.02 shall be applicable to all actions or omissions of actions by the Trustee pursuant to this Article XII.

Section 12.14. TRUSTEE TO EFFECTUATE SUBORDINATION. Each Holder by accepting a Subordinated Debt Security authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination between the Holders of Subordinated Debt Securities and the holders of Senior Indebtedness as provided in this Article XII and appoints the Trustee as attorney-in-fact for any and all such purposes.

Section 12.15. TRUSTEE NOT FIDUCIARY FOR HOLDERS OF SENIOR INDEBTEDNESS. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and shall not be liable to any such holders if it shall mistakenly pay over or distribute to Holders of Subordinated Debt Securities or the Company or any other Person, money or assets to which any holders of Senior Indebtedness shall be entitled by virtue of this Article XII or otherwise.

Section 12.16. RELIANCE BY HOLDERS OF SENIOR INDEBTEDNESS ON SUBORDINATION PROVISIONS. Each Holder by accepting a Subordinated Debt Security acknowledges and agrees that the foregoing subordination provisions are, and are intended to be, an inducement and a consideration to each holder of any Senior Indebtedness, whether such Senior Indebtedness was created or acquired before or after the issuance of the Subordinated Debt Securities, to acquire and continue to hold, or to continue to hold, such Senior Indebtedness and such holder of Senior Indebtedness shall be deemed conclusively to have relied on such subordination provisions in acquiring and continuing to hold, or in continuing to hold, such Senior Indebtedness.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.01. SUCCESSORS AND ASSIGNS OF COMPANY BOUND BY INDENTURE. All the covenants, stipulations, promises and agreements in this Indenture contained by or in behalf of the Company or the Trustee shall bind its successors and assigns, whether so expressed or not.

Section 13.02. ACTS OF BOARD, COMMITTEE OR OFFICER OF SUCCESSOR COMPANY VALID. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any Successor Company.

Section 13.03. REQUIRED NOTICES OR DEMANDS. Except as otherwise expressly provided in this Indenture, any notice or demand which by any

provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders to or on the Company may be given or served by being deposited postage prepaid in a post office letter box in the United States addressed (until another address is filed by the Company with the Trustee) as follows: Pioneer Natural Resources Company, 1400 Williams Square West, 5205 North O'Connor Boulevard, Irving, Texas 75039, Attention: Chief Financial Officer. Except as otherwise expressly provided in this Indenture, any notice, direction, request or demand by the Company or by any Holder to or upon the Trustee may be given or made, for all purposes, by being deposited postage prepaid in a post office letter box in the United States addressed to the corporate trust office of the Trustee initially at [TRUSTEE ADDRESS]. The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice required or permitted to a Registered Holder by the Company or the Trustee pursuant to the provisions of this Indenture shall be deemed to be properly mailed by being deposited postage prepaid in a post office letter box in the United States addressed to such Holder at the address of such Holder as shown on the Debt Security Register. Any report pursuant to Section 313 of the Trust Indenture Act shall be transmitted in compliance with subsection (c) therein.

Any notice required or permitted to a Bearer Holder by the Company or the Trustee pursuant to this Indenture shall be deemed to be properly given if published on two separate business days in an Authorized Newspaper or Newspapers in such Place or Places of Payment specified pursuant to Section 2.03, the first such publication to be not earlier than the earliest date and not later than two business days prior to the latest date prescribed for the giving of such notice. Notwithstanding the foregoing, any notice to Holders of Floating Rate Debt Securities regarding the determination of a periodic rate of interest, if such notice is required pursuant to Section 2.03, shall be sufficiently given if given in the manner specified pursuant to Section 2.03.

In the event of suspension of regular mail service or by reason of any other cause it shall be impracticable to give notice by mail, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

In the event of suspension of publication of any Authorized Newspaper or by reason of any other cause it shall be impracticable to give notice by publication, then such notification as shall be given with the approval of the Trustee shall constitute sufficient notice for every purpose hereunder.

Failure to mail a notice or communication to a Holder or any defect in it or any defect in any notice by publication as to a Holder shall not affect the sufficiency of such notice with respect to other Holders. If a notice or communication is mailed or published in the manner provided above, it is conclusively presumed duly given.

Section 13.04. INDENTURE AND DEBT SECURITIES TO BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. This Indenture, each Debt Security and each Coupon shall be deemed to be New York contracts, and for all purposes shall be construed in accordance with the laws of said State (without reference to principles of conflicts of law).

Section 13.05. OFFICERS' CERTIFICATE AND OPINION OF COUNSEL TO BE FURNISHED UPON APPLICATION OR DEMAND BY THE COMPANY. Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in

this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such document is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the Person making such certificate or opinion has read such covenant or condition, (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based, (c) a statement that, in the opinion of such Person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with and (d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

Section 13.06. PAYMENTS DUE ON LEGAL HOLIDAYS. In any case where the date of maturity of interest on or principal of and premium, if any, on the Debt Securities of a series or the date fixed for redemption or repayment of any Debt Security or the making of any sinking fund payment shall not be a business day at any Place of Payment for the Debt Securities of such series, then payment of interest or principal and premium, if any, or the making of such sinking fund payment need not be made on such date at such Place of Payment, but may be made on the next succeeding business day at such Place of Payment with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date. If a record date is not a business day, the record date shall not be affected.

Section 13.07. PROVISIONS REQUIRED BY TRUST INDENTURE ACT TO CONTROL. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture which is required to be included in this Indenture by any of Sections 310 to 318, inclusive, of the Trust Indenture Act, such required provision shall control.

Section 13.08. COMPUTATION OF INTEREST ON DEBT SECURITIES. Interest, if any, on the Debt Securities shall be computed on the basis of a 360-day year of twelve 30-day months, except as may otherwise be provided pursuant to Section 2.03.

Section 13.09. RULES BY TRUSTEE, PAYING AGENT AND REGISTRAR. The Trustee may make reasonable rules for action by or a meeting of Holders. The Registrar and any paying agent may make reasonable rules for their functions.

Section 13.10. NO RECOURSE AGAINST OTHERS. An incorporator or any past, present or future director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Debt Securities, the Coupons or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Debt Security or Coupon, each Holder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Debt Securities and Coupons.

Section 13.11. SEVERABILITY. In case any provision in this Indenture, the Debt Securities or the Coupons shall be invalid, illegal or unenforceable,

the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.12. EFFECT OF HEADINGS. The article and section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 13.13. INDENTURE MAY BE EXECUTED IN COUNTERPARTS. This Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

The Trustee hereby accepts the trusts in this Indenture upon the terms and conditions herein set forth.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly signed as of the date first written above.

PIONEER NATURAL RESOURCES COMPANY,

By:

Name:
Title:

[TRUSTEE],

By:

Name: [SIGNATORY NAME]
Title: [SIGNATORY TITLE]

EXHIBIT 5.1

[VINSON & ELKINS L.L.P. LETTERHEAD]

December 31, 1997

(214) 220-7700 (214) 220-7716

Pioneer Natural Resources Company
Pioneer Natural Resources USA, Inc.
1400 Williams Square West
5205 North O'Connor Blvd.
Irving, Texas 75309

Re: Pioneer Natural Resources Company
Pioneer Natural Resources USA, Inc.
Registration Statement on Form S-3 (No. 333-42315)
Debt Securities
Preferred Stock, par value $.01 per share
Depositary Shares
Common Stock, par value $.01 per share
Warrants
Guarantees of Debt Securities

Ladies and Gentlemen:

We have acted as counsel for Pioneer Natural Resources Company, a Delaware corporation (the "Company"), and Pioneer Natural Resources USA, Inc. a Delaware corporation (the "Guarantor"), in connection with the registration under the Securities Act of 1933 (the "Securities Act"), on a Registration Statement on Form S-3 (No. 333-42315) (the "Registration Statement") of the offer and sale from time to time pursuant to Rule 415 under the Securities Act of the following securities for an aggregate initial offering price not to exceed $1,400,000,000: (i) debt securities of the Company ("Debt Securities"); (ii) shares of preferred stock, par value $.01 per share, of the Company ("Preferred Stock"); (iii) depositary shares representing fractional interests in Preferred Stock ("Depositary Shares"); (iv) shares of common stock, par value $.01 per share, of the Company ("Common Stock"); (v) warrants to purchase

Debt Securities, Preferred Stock or Common Stock (the "Warrants"); and (vi) guarantees of Debt Securities (the "Guarantees" and, together with the Debt Securities, Preferred Stock, Depositary Shares, Common Stock and Warrants, the "Securities").

For purposes of rendering the opinions contained in this letter, we have reviewed those agreements, records, documents, and matters of law as we have deemed relevant in order to render the opinions set forth herein, including but not limited to (a) the Certificate of Incorporation and the Bylaws of the Company, (b) resolutions adopted by the Board of Directors of the Company, (c) the Certificate of Incorporation and the Bylaws of the Guarantor, (d) resolutions adopted by the Board of Directors of the Guarantor, and (e) the Indenture in the form of Exhibit 4.2 to the Registration Statement to be

executed by the Company and the trustee (the "Indenture"), pursuant to which Debt Securities may be issued.

As to certain questions of fact material to our opinions, we have relied upon certificates from officers of the Company and the Guarantor and other persons, as appropriate, and upon certificates of public officials.

Based upon and subject to the foregoing and subject further to the assumptions, exceptions and qualifications hereinafter stated, we express the following opinions:

1. With respect to Debt Securities to be issued under the Indenture, when (A) the Indenture has been duly authorized and validly executed and delivered by the Company to the trustee, (B) the Indenture has been duly qualified under the Trust Indenture Act of 1939, (C) the Company's Board has taken all necessary corporate action to approve the issuance and terms of such Debt Securities, the terms of the offering thereof and related matters, and (D) such Debt Securities have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture and the applicable definitive purchase, underwriting or similar agreement approved by the Company's Board upon payment of the consideration therefor provided for therein, such Debt Securities will be legally issued and will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as such enforcement is subject to any applicable bankruptcy, insolvency, reorganization or other law relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such

enforceability is considered in a proceeding in equity or at law).

2. With respect to shares of Preferred Stock, when both (A) the Company's Board has taken all necessary corporate action to approve the issuance and terms of the shares of Preferred Stock, the terms of the offering thereof, and related matters, including the adoption of a Certificate of Designation relating to such Preferred Stock (a "Certificate") and the filing of the Certificate with the Secretary of State of the State of Delaware, and (B) certificates representing the shares of Preferred Stock have been duly executed, countersigned, registered and delivered either (i) in accordance with the applicable definitive purchase, underwriting or similar agreement approved by the Company's Board upon payment of the consideration therefor (not less than the par value of the Preferred Stock) provided for therein or (ii) upon conversion or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exercise as approved by the Company's Board, for the consideration approved by the Board (not less than the par value of the Preferred Stock), then the shares of Preferred Stock will be legally issued, fully paid and non assessable.

3. With respect to Depositary Shares, when (A) the Company's Board has taken all necessary corporate action to approve the issuance and terms of the Depositary Shares, the terms of the offering thereof, and related matters, including the adoption of a Certificate relating to the Preferred Stock

underlying such Depositary Shares and the filing of the Certificate with the Secretary of State of the State of Delaware, (B) the Depositary Agreement or Agreements relating to the Depositary Shares and the related Depositary Receipts have been duly authorized and validly executed and delivered by the Company and the Depositary appointed by the Company, (C) the shares of Preferred Stock underlying such Depositary Shares have been deposited with a bank or trust company (which meets the requirements for the Depositary set forth in the Registration Statement) under the applicable Depositary Agreements, and (D) the Depositary Receipts representing the Depositary Shares have been duly executed, countersigned, registered and delivered in accordance with the appropriate Depositary Agreement and the applicable definitive purchase, underwriting or similar agreements approved by the Company's Board upon payment of the consideration therefore provided for therein, the Depositary Shares will be legally issued.

4. With respect to shares of Common Stock, when both (A) the Board of Directors of the Company or, to the extent permitted by Section 141(c) of the General Corporation Law of the State of Delaware, a duly constituted and acting committee thereof (such Board of Directors or committee being hereinafter referred to as the "Board") has taken all necessary corporate action to approve the issuance of and the terms of the offering of the shares of Common Stock and related matters and (B) certificates representing the shares of Common Stock have been duly executed, countersigned, registered and delivered either (i) in accordance with the applicable definitive purchase, underwriting or similar agreement approved by the Company's Board upon payment of the consideration therefor (not less than the par value of the Common Stock) provided for therein or (ii) upon conversion or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exercise as approved by the Board, for the consideration approved by the Company's Board (not less than the par value of the Common Stock), then the shares of Common Stock will be legally issued, fully paid and nonassessable.

5. With respect to the Warrants, when (A) the Company's Board has taken all necessary corporate action to approve the creation of and the issuance and terms of the Warrants, the terms of the offering thereof, and related matters, (B) the warrant agreement or agreements relating to the Warrants have been duly authorized and validly executed and delivered by the Company and the warrant agent appointed by the Company, and (C) the Warrants or certificates representing the Warrants have been duly executed, countersigned, registered and delivered in accordance with the appropriate warrant agreement or agreements and the applicable definitive purchase, underwriting or similar agreement approved by the Company's Board upon payment of the consideration therefor provided for therein, the Warrants will be legally issued.

6. With respect to Guarantees, when (A) the Indenture or an appropriate supplemental indenture, if any, has been duly authorized and validly executed and delivered by the Guarantor to the Trustee, (B) the Guarantor's Board has taken all necessary corporate action to approve the issuance and terms of such Guarantees, the terms of the offering thereof and related matters, (C) the related Debt Securities have been properly issued as contemplated in paragraph 1 of this opinion, and (D) the Guarantees have been duly executed, issued and delivered in accordance with the provisions of the Indenture (if applicable) and the applicable definitive purchase, underwriting or similar agreement approved by the Guarantor's Board upon the payment of the consideration therefor provided for therein, such Guarantees will be legally issued and will constitute valued and binding obligations of the Guarantor, enforceable against the Guarantor in accordance with their terms, except as such enforcement is subject to any applicable bankruptcy, insolvency, reorganization, or other law relating to or affecting creditor's rights generally and general principals of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

The opinions expressed above are subject in all respects to the following assumptions, exceptions and qualifications:

a. We have assumed (i) all information contained in all documents reviewed by us is true and correct, (ii) the genuineness of all signatures on all documents reviewed by us, (iii) the authenticity and completeness of all documents submitted to us as originals, (iv) the conformity to authentic originals of all documents submitted to us as certified or photostatic copies, (v) each natural person signing any document reviewed by us had the legal capacity to do so, (vi) each person signing in a representative capacity any document reviewed by us had authority to sign in such capacity, and (vii) the laws of any jurisdiction other than Texas that govern any of the documents reviewed by us or referenced in this opinion letter (other than the Company's Composite Certificate of Incorporation and Bylaws) do not modify the terms that appear in any such document.

b. We have assumed that (i) the Registration Statement and any amendments thereto (including post-effective amendments) will have become effective and comply with all applicable laws; (ii) the Registration Statement will be effective and will comply with all applicable laws at the time the Securities are offered or issued as contemplated by the Registration Statement (if such offering or issuance requires the delivery of a prospectus under the Securities Act or pursuant to any other law); (iii) a Prospectus Supplement will have been prepared and filed with the Securities and Exchange Commission describing the Securities offered thereby and will comply with all applicable laws; (iv) all Securities will be issued and sold in compliance with applicable federal and state securities laws and in the manner stated in the Registration Statement and the appropriate Prospectus Supplement; (v) a definitive purchase, underwriting or similar agreement with respect to any Securities offered or issued will have been duly authorized and validly executed and delivered by the Company and the other parties thereto; and (vi) any Securities issuable upon conversion, exchange or exercise of any Security being offered or issued will be duly authorized, created and, if appropriate, reserved for issuance upon such conversion, exchange or exercise.

c. In rendering the opinions in paragraph 1 and 6, we have assumed that the trustee is or, at the time the Indenture is signed, will be qualified to act as trustee under the Indenture and that the trustee has or will have duly executed and delivered the Indenture.

d. We express no opinion with respect to (i) the enforceability of provisions in the Indenture, Guarantees, or any other agreement or instrument with respect to delay or omission of enforcement of rights or remedies, or waivers of defenses, or waivers of benefits of stay, extension, moratorium, redemption, statutes of limitation, or other nonwaivable benefits bestowed by

operation of law; or (ii) the enforceability of indemnification provisions to the extent they purport to relate to liabilities resulting from or based upon negligence or any violation of federal or state securities or blue sky laws.

e. We express no opinion as to the requirements of or compliance with federal or state securities laws or regulations.

f. We note that the Indenture by its terms purports to be governed by the laws of the State of New York and that the terms of the Warrants and Guarantees, when determined, may be governed by the laws of a jurisdiction other than the State of Texas or other than the General Corporation Law of the State of Delaware. While we express no opinion with respect to the laws of the State of New York or such other jurisdictions in rendering these opinions, we have assumed that the internal laws of the State of New York and such other jurisdictions are the same as the internal laws of the State of Texas. We have not conducted any analysis to determine whether that assumption is correct.

g. The opinions expressed in this letter are limited to the laws of the State of Texas, the General Corporation Law of the State of Delaware, and the federal laws of the United States of America. You should be aware that we are not admitted to the practice of law in the State of Delaware.

We consent to the filing of this opinion of counsel as Exhibit 5 to the Registration Statement. We also consent to the reference to this firm under the heading "Legal Opinions" in the Prospectus forming a part of the Registration Statement. In giving this consent, we do not admit that this firm is in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

We disclaim any duty to advise you regarding any changes in, or otherwise communicate with you with respect to, the matters addressed herein.

Very truly yours,

/s/ VINSON & ELKINS L.L.P.

EXHIBIT 12.1

PARKER & PARSLEY PETROLEUM COMPANY

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

<TABLE>
<CAPTION>

	NINE MONTHS ENDED SEP. 30, 1997	NINE MONTHS ENDED SEP. 30, 1996	YEAR ENDED DECEMBER 31, 1996	1995	1994	1993	1992	PRO FORMA NINE MONTHS ENDED SEP. 30, 1997	PRO FORMA YEAR ENDED DECEMBER 31, 1996
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
PRETAX EARNINGS	23,478	163,031	200,348	(150,007)	(20,491)	48,403	30,146	(35,076)	78,808
ADJUSTMENTS:									
ADD FIXED CHARGES AND PREFERRED STOCK DIVIDENDS:									
INTEREST:									
EXPENSED	44,264	36,105	46,155	65,449	50,552	23,338	14,708	106,406	138,580
CAPITALIZED	0		0	0	0	0	733	0	157
RENTAL EXPENSE ATTRIBUTABLE TO INTEREST	724	724	965	1,200	500	567	367	724	965
PREFERRED STOCK DIVIDENDS OF SUBSIDIARY	0	0	0	0	0	0	0	0	0
PREFERRED STOCK DIVIDENDS OF THE COMPANY	0	0	0	0	0	0	0	0	0
TOTAL FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	44,988	36,829	47,120	66,649	51,052	23,905	15,808	107,130	139,702
DEDUCT:									
INTEREST CAPITALIZED	0	0	0	0	0	0	733	0	157
PREFERRED STOCK DIVIDENDS OF SUBSIDIARY	0	0	0	0	0	0	0	0	0
TOTAL DEDUCTS	0	0	0	0	0	0	733	0	157
ADJUSTED EARNINGS	68,466	199,860	247,468	(83,358)	30,561	72,306	45,221	72,054	218,353
RATIO OF EARNINGS TO FIXED CHARGES	1.52	5.43	5.25	(1.25)	0.60	3.02	2.86	0.67	1.56
RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS (C)	1.52	5.43	5.25	(1.25)	0.60	3.02	2.86	0.67	1.56
RATIO OF EARNINGS TO FIXED CHARGES DISCLOSURE	1.5	5.4	5.3	(b)	(b)	3.0	2.9	(b)	1.6
DEFICIENCY, IF ANY				150,007	20,491			35,076	

</TABLE>

(A) FOR PURPOSES OF COMPUTING SUCH RATIO, ADJUSTED EARNINGS CONSIST OF INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE PLUS FIXED CHARGES AND PREFERRED STOCK DIVIDENDS, NET OF PREFERRED STOCK DIVIDENDS OF SUBSIDIARY AND INTEREST CAPITALIZED. FIXED CHARGES AND PREFERRED STOCK DIVIDENDS CONSIST OF INTEREST EXPENSE, INTEREST CAPITALIZED, THE PORTION OF RENTAL EXPENSE ATTRIBUTABLE TO INTEREST, PREFERRED STOCK DIVIDENDS OF SUBSIDIARY AND PREFERRED STOCK DIVIDENDS OF THE COMPANY. THE DIVIDENDS ON THE MIPS ARE RECORDED AS INTEREST EXPENSE FOR FINANCIAL REPORTING PURPOSES.

(B) THE RATIO INDICATES A LESS THAN ONE-TO-ONE COVERAGE BECAUSE THE EARNINGS ARE INADEQUATE TO COVER THE FIXED CHARGES FOR THE PERIOD. PRO FORMA COMBINED EARNINGS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1997, AND THE COMPANY'S

HISTORICAL EARNINGS FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994, WERE INSUFFICIENT TO COVER ITS FIXED CHARGES. THE AMOUNTS OF THE DEFICIENCIES WERE $27.6 MILLION, $150 MILLION AND $20.5 MILLION, RESPECTIVELY.

(C) FOR PURPOSES OF COMPUTING THE RATIO, ADJUSTED EARNINGS CONSIST OF INCOME BEFORE INCOME TAXES AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE PLUS FIXED CHARGES AND PREFERRED STOCK DIVIDENDS, NET OF PREFERRED STOCK DIVIDENDS OF SUBSIDIARY AND INTEREST CAPITALIZED, AND FIXED CHARGES AND PREFERRED STOCK DIVIDENDS CONSIST OF INTEREST EXPENSE, INTEREST CAPITALIZED, THE PORTION OF RENTAL EXPENSE ATTRIBUTABLE TO INTEREST, PREFERRED STOCK DIVIDENDS OF SUBSIDIARY, AND PREFERRED STOCK DIVIDENDS. THE DIVIDENDS ON THE 6 1/4% CUMULATIVE GUARANTEED MONTHLY INCOME CONVERTIBLE PREFERRED SHARES OF PARKER & PARSLEY CAPITAL LLC, A SUBSIDIARY OF PARKER & PARSLEY, WERE RECORDED AS INTEREST EXPENSE FOR FINANCIAL REPORTING PURPOSES UNTIL THOSE SHARES WERE CONVERTED INTO COMMON STOCK OF PARKER & PARSLEY ON JULY 28, 1997.

EXHIBIT 23.1

CONSENT OF KPMG PEAT MARWICK LLP

The Board of Directors and Stockholders
Pioneer Natural Resources Company

We consent to the use of our reports on the consolidated financial statements of Pioneer Natural Resources Company incorporated herein by reference and to the reference to our firm under the heading "Experts" in the registration statement. Our reports refer to a change in the method of accounting for the impairment of long-lived assets and for long-lived assets to be disposed of and a change in the method of accounting for income taxes.

/s/ KPMG PEAT MARWICK LLP

KPMG PEAT MARWICK LLP

Midland, Texas
January 2, 1998

EXHIBIT 23.2

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our reports and to all references to our Firm included in or made a part of this Registration Statement (no. 333-42315).

/s/ ARTHUR ANDERSEN LLP
Arthur Andersen LLP

Dallas, Texas
December 31, 1997

EXHIBIT 23.3

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this Amendment No. 1 to Form S-3 registration statement (no. 333-42315) of Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc. of our report dated February 14, 1997 except for Notes 12(b) and (c) which are as of September 3, 1997 and October 29, 1997, respectively, on our audit of the consolidated financial statements of Chauvco Resources Ltd. as at December 31, 1996 and 1995 and for each of the years in the three year period ended December 31, 1996, and to all references to our firm included in or made a part of this registration statement.

/s/ Price Waterhouse
Chartered Accountants

Calgary, Alberta
December 31, 1997

EXHIBIT 23.4

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this Amendment No. 1 to Form S-3 registration statement (no. 333-42315) of Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc. of our report dated July 26, 1996, on our audit of the financial statements of Greenhill Petroleum Corporation as of June 30, 1996, and for the year ended. We also consent to the reference to our firm under the caption "Expert".

/s/ Coopers & Lybrand L.L.P.

Coopers & Lybrand L.L.P.

Houston, Texas
December 31, 1997

EXHIBIT 23.5

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

We hereby consent to the use of our audit letter prepared for Parker & Parsley Petroleum Company, effective December 31, 1996, and to all references to our firm included in or made a part of this Amendment No. 1 to the Registration Statement on Form S-3 of Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

NETHERLAND, SEWELL & ASSOCIATES, INC.

By: /s/ Frederic D. Sewell

Frederic D. Sewell
President

Dallas, Texas
December 31, 1997

EXHIBIT 23.6

CONSENT OF INDEPENDENT ENGINEERS AND GEOLOGISTS

Williamson Petroleum Consultants, Inc. (Williamson) hereby consents to the incorporation by reference to our report entitled "Evaluation and Review of Oil and Gas Reserves to the Interests of Mesa Inc. in the Hugoton Area, Various Counties, Kansas and West Panhandle Area, Various Counties, Texas, Effective December 31, 1996, for Disclosure to the Securities and Exchange Commission, Williamson Project 6.8421" dated March 17, 1997, with respect to Mesa Inc. and to all references to our firm included in or made a part of the Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc. Amendment No. 1 to the Registration Statement on Form S-3 to be filed on or before January 5, 1998.

/s/ Williamson Petroleum Consultants, Inc.

WILLIAMSON PETROLEUM CONSULTANTS, INC.

Houston, Texas
December 31, 1997

EXHIBIT 23.7

[MILLER AND LENTS, LTD. LETTERHEAD]

December 31, 1997

Pioneer Natural Resources Company
1400 Williams Square West
5205 N. O'Connor Blvd.
Irving, Texas 75039-3746

Re: Consent of Independent Petroleum Engineers and Geology

Gentlemen:

We hereby consent to the incorporation by reference of our report dated February 24, 1997 entitled "Reserve and Net Revenue Forecast as of December 31, 1996, SEC Price Case" with respect to Greenhill Petroleum Corporation and MESA Inc. and to all references to our firm included in or made a part of the Amendment No. 1 to the Registration Statement on Form S-3 of Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

Very truly yours,

MILLER AND LENTS, LTD.

By: /s/ P.G. Von Tungeln
P.G. Von Tungeln
Chairman

EXHIBIT 23.9

CONSENT OF INDEPENDENT ENGINEERS AND GEOLOGISTS

We hereby consent to the incorporation by reference of our report entitled "Audit of Evaluation of Oil and Gas Reserves of Chauvco Resources Ltd." prepared for Chauvco Resources Ltd. dated February 8, 1997 and to all references to our firm included in or made a part of this Amendment No. 1 to Registration Statement on Form S-3 of Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

MARTIN PETROLEUM & ASSOCIATES

By: /s/ John M. Hewitt

John M. Hewitt, M.A., P.Eng.
Associate Partner

Calgary, Alberta
December 31, 1997