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PIONEER NATURAL RESOURCES CO

Form 8-K

January 10, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 9, 2002

PIONEER NATURAL RESOURCES COMPANY

(Exact name of Registrant as specified in its charter)

| | | |
|---|---------------------------|--|
| DELAWARE | 1-13245 | 75-2702753 |
| ----- | ----- | ----- |
| (State or other jurisdiction of incorporation or organization) | Commission File Number | (I.R.S. Employer Identification Number) |
| 5205 N. O'CONNOR BLVD., SUITE 1400, IRVING, TEXAS | | 75039 |
| ----- | | ----- |
| (Address of principal executive offices) | | (Zip code) |

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

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

PIONEER NATURAL RESOURCES COMPANY

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PIONEER NATURAL RESOURCES COMPANY

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

(c) Exhibits

99.1 Press Release dated January 9, 2002

ITEM 9. REGULATION FD DISCLOSURE

The information in this document includes forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements, and the business prospects of Pioneer Natural Resources Company (the "Company"), are subject to a number of risks and uncertainties which may cause the Company's actual results in future periods to differ materially from the forward-looking statements. These risks and uncertainties include, among other things, volatility of oil and gas prices, product supply and demand, competition, government regulation or action, litigation, the costs and results of drilling and operations, the Company's ability to replace reserves or implement its business plans, access to and cost of capital, uncertainties about estimates of reserves, quality of technical data, and environmental risks. These and other risks are described in the Company's 2000 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q that are available from the Company or the Securities and Exchange Commission.

Within this Current Report on Form 8-K, the following oil and gas terms have specific meanings: "Bbl" means a standard barrel of 42 United States gallons; "MMBtu" means one million British thermal units and is an energy equivalent measure of natural gas; "Mcf" means one thousand cubic feet and is a measure of natural gas volume; and, "NYMEX" means The New York Mercantile Exchange.

On January 9, 2002, the Company issued a news release updating its fourth quarter 2001 outlook based on current expectations and partial quarter actual results, outlined recent developments in Argentina and other areas of operation, and provided information on the status of its hedging program. The news release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

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The following table summarizes, as of January 9, 2002, the Company's (i) open oil hedge positions, (ii) open gas hedge positions and (iii) deferred gains and losses on terminated commodity hedges. Deferred gains and losses on terminated commodity hedges will be recognized as increases or decreases to oil and gas revenues during the periods in which the hedges were originally scheduled to mature.

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PIONEER NATURAL RESOURCES COMPANY
SUPPLEMENTAL COMMODITY HEDGE INFORMATION
AS OF JANUARY 9, 2002

Open Oil Hedge Positions

| | 2002 | | | | | 2003 |
|-----------------------|------------------|-------------------|------------------|-------------------|----------|-------------------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Year | First & Second Quarters |
| Daily oil production: | | | | | | |
| Swaps: | | | | | | |
| Volume (Bbl)..... | 17,000 | 8,000 | 12,000 | 9,000 | 11,479 | 6,000 |
| NYMEX price..... | \$ 27.41 | \$ 26.35 | \$ 23.69 | \$ 23.16 | \$ 25.40 | \$ 24.02 |
| Collars: | | | | | | |
| Volume (Bbl)..... | 6,000 | 6,000 | - | - | 2,975 | - |
| NYMEX price: | | | | | | |
| Ceiling..... | \$ 28.61 | \$ 28.61 | | | \$ 28.61 | |
| Floor..... | \$ 25.00 | \$ 25.00 | | | \$ 25.00 | |

Open Gas Hedge Positions

| | 2002 | | | | | 2003 | 200 |
|-------------------------|------------------|-------------------|------------------|-------------------|---------|---------|------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Year | | |
| Daily gas production: | | | | | | | |
| Swaps: | | | | | | | |
| Volume (Mcf)..... | 140,000 | 140,000 | 190,000 | 190,000 | 165,205 | 117,500 | 105, |
| NYMEX Price* (MMBtu) .. | \$ 4.35 | \$ 4.35 | \$ 4.25 | \$ 4.25 | \$ 4.30 | \$ 3.70 | \$ 3 |

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Collars:

| | | | | | | |
|-----------------------|---------|---------|---------|---------|---------|---|
| Volume (Mcf)..... | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | - |
| NYMEX Price* (MMBtu): | | | | | | |
| Ceiling..... | \$ 6.00 | \$ 6.00 | \$ 6.00 | \$ 6.00 | \$ 6.00 | |
| Floor..... | \$ 4.50 | \$ 4.50 | \$ 4.50 | \$ 4.50 | \$ 4.50 | |

Deferred Gains (Losses) on Terminated Commodity Hedges

| | 2002 | | | | | 2003 | 200 |
|------------|------------------|-------------------|------------------|-------------------|-------------|-----------|--------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Year | | |
| Oil**..... | \$ 680 | \$ - | \$ - | \$ - | \$ 680 | \$ - | \$ - |
| Gas**..... | (11,390) | (11,516) | (11,643) | (11,643) | (46,192) | 49,014 | 30, |
| | \$ (10,710) | \$ (11,516) | \$ (11,643) | \$ (11,643) | \$ (45,512) | \$ 49,014 | \$ 30, |

* Approximate, based on historical differentials to index prices.

** Cash has been paid on deferred hedge losses and received on deferred hedge gains except for the following: (i) a \$680 thousand receivable for the 2002 oil hedge gains, (ii) a \$30.3 million payable for certain 2002 gas hedge losses and (iii) a \$1.3 million receivable for certain of the 2003 gas hedge gains.

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PIONEER NATURAL RESOURCES COMPANY

S I G N A T U R E S

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

PIONEER NATURAL RESOURCES COMPANY

Date: January 9, 2002

By: /s/ RICH DEALY

Rich Dealy

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Vice President and Chief Accounting Officer

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EXHIBIT INDEX

| Exhibit No. ----- | Description ----- |
|----------------------|-------------------------------------|
| 99.1* | Press Release dated January 9, 2001 |

* filed herewith

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