

PIONEER NATURAL RESOURCES CO
Form 8-K
October 18, 2016

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): October 18, 2016

PIONEER NATURAL RESOURCES COMPANY
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-13245	75-2702753 (Commission (I.R.S. Employer File Number) Identification No.)
5205 N. O'Connor Blvd., Suite 200, Irving, Texas (Address of principal executive offices)		75039 (Zip Code)

Registrant's telephone number, including area code: (972) 444-9001

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

Explanatory note: Pioneer Natural Resources Company and its subsidiaries ("Pioneer" or the "Company") presents in this Item 2.02 information regarding the impact of changes in the fair values of derivative instruments on its results of operations for the three and nine months ended September 30, 2016 and certain other information regarding its derivative instruments.

The following table summarizes the net derivative gains (losses) that the Company expects to report in its earnings for the three and nine months ended September 30, 2016:

DERIVATIVE GAINS (LOSSES), NET
(in millions)

	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2016
Noncash changes in fair value:		
Oil derivative losses	\$ (92)	\$ (549)
NGL derivative gains (losses)	2	(15)
Gas derivative losses	(5)	(58)
Diesel derivative gains	2	2
Interest rate derivative losses	—	(8)
Total noncash derivative losses, net	(93)	(628)
Net cash receipts on settled derivative instruments:		
Oil derivative receipts	168	471
NGL derivative receipts	2	6
Gas derivative receipts	14	56
Total cash derivative receipts, net	184	533
Total derivative gains (losses), net	\$ 91	\$ (95)

Item 7.01 Regulation FD Disclosure

Oil, NGL and gas price derivatives. The following table presents the Company's open commodity oil, NGL and gas derivative positions as of October 14, 2016:

	2016 Fourth Quarter	Year Ending December 31,	
		2017	2018
Average Daily Oil Production Associated with Derivatives (Bbl):			
Collar contracts:			
Volume	—	6,000	—
NYMEX price:			
Ceiling	\$—	\$70.40	\$—
Floor	\$—	\$50.00	\$—
Collar contracts with short puts:			
Volume	112,000	110,014	20,000
NYMEX price:			
Ceiling	\$75.94	\$62.02	\$65.14
Floor	\$65.41	\$49.06	\$50.00
Short put	\$47.03	\$41.03	\$40.00
Basis swap contracts (a):			
Midland-Cushing index swap volume	6,630	—	—
Price differential (\$/Bbl)	\$(0.80)	\$—	\$—
Average Daily NGL Production Associated with Derivatives:			
Propane swap contracts (b):			
Volume (Bbl)	6,000	—	—
Price	\$21.51	\$—	\$—
Ethane collar contracts (c):			
Volume (Bbl)	—	3,000	—
Price:			
Ceiling	\$—	\$11.83	\$—
Floor	\$—	\$8.68	\$—
Ethane basis swap contracts (d):			
Volume (MMBtu)	2,768	—	—
Price	\$0.91	\$—	\$—
Average Daily Gas Production Associated with Derivatives (MMBtu):			
Swap contracts:			
Volume	70,000	—	—
NYMEX price	\$4.06	\$—	\$—
Collar contracts with short puts:			
Volume	180,000	180,000	50,000
NYMEX price:			
Ceiling	\$4.01	\$3.49	\$3.40
Floor	\$3.24	\$2.91	\$2.75
Short put	\$2.78	\$2.43	\$2.25
Basis swap contracts:			