

The background of the slide features two distinct oil field scenes. The upper left scene shows an oil drilling rig with its derrick and various platforms silhouetted against a vibrant sunset sky with orange and red clouds. The lower left scene shows a close-up of an oil pumpjack, with its long walking beam and counterweight silhouetted against a similar sunset sky. The entire slide has a light green background with a faint, white geometric pattern of intersecting lines.

# PIONEER

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## NATURAL RESOURCES

### Investor Presentation

### October 2011

NYSE: PXD  
[www.pxd.com](http://www.pxd.com)

# Forward-Looking Statements

*Except for historical information contained herein, the statements, charts and graphs in this presentation are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements and the business prospects of Pioneer are subject to a number of risks and uncertainties that may cause Pioneer's actual results in future periods to differ materially from the forward-looking statements. These risks and uncertainties include, among other things, volatility of commodity prices, product supply and demand, competition, the ability to obtain environmental and other permits and the timing thereof, other government regulation or action, the ability to obtain approvals from third parties and negotiate agreements with third parties on mutually acceptable terms, litigation, the costs and results of drilling and operations, availability of equipment, services and personnel required to complete the Company's operating activities, access to and availability of transportation, processing and refining facilities, Pioneer's ability to replace reserves, implement its business plans or complete its development activities as scheduled, access to and cost of capital, the financial strength of counterparties to Pioneer's credit facility and derivative contracts and the purchasers of Pioneer's oil, NGL and gas production, uncertainties about estimates of reserves and resource potential and the ability to add proved reserves in the future, the assumptions underlying production forecasts, quality of technical data, environmental and weather risks, including the possible impacts of climate change, international operations and acts of war or terrorism. These and other risks are described in Pioneer's 10-K and 10-Q Reports and other filings with the Securities and Exchange Commission. In addition, Pioneer may be subject to currently unforeseen risks that may have a materially adverse impact on it. Pioneer undertakes no duty to publicly update these statements except as required by law.*

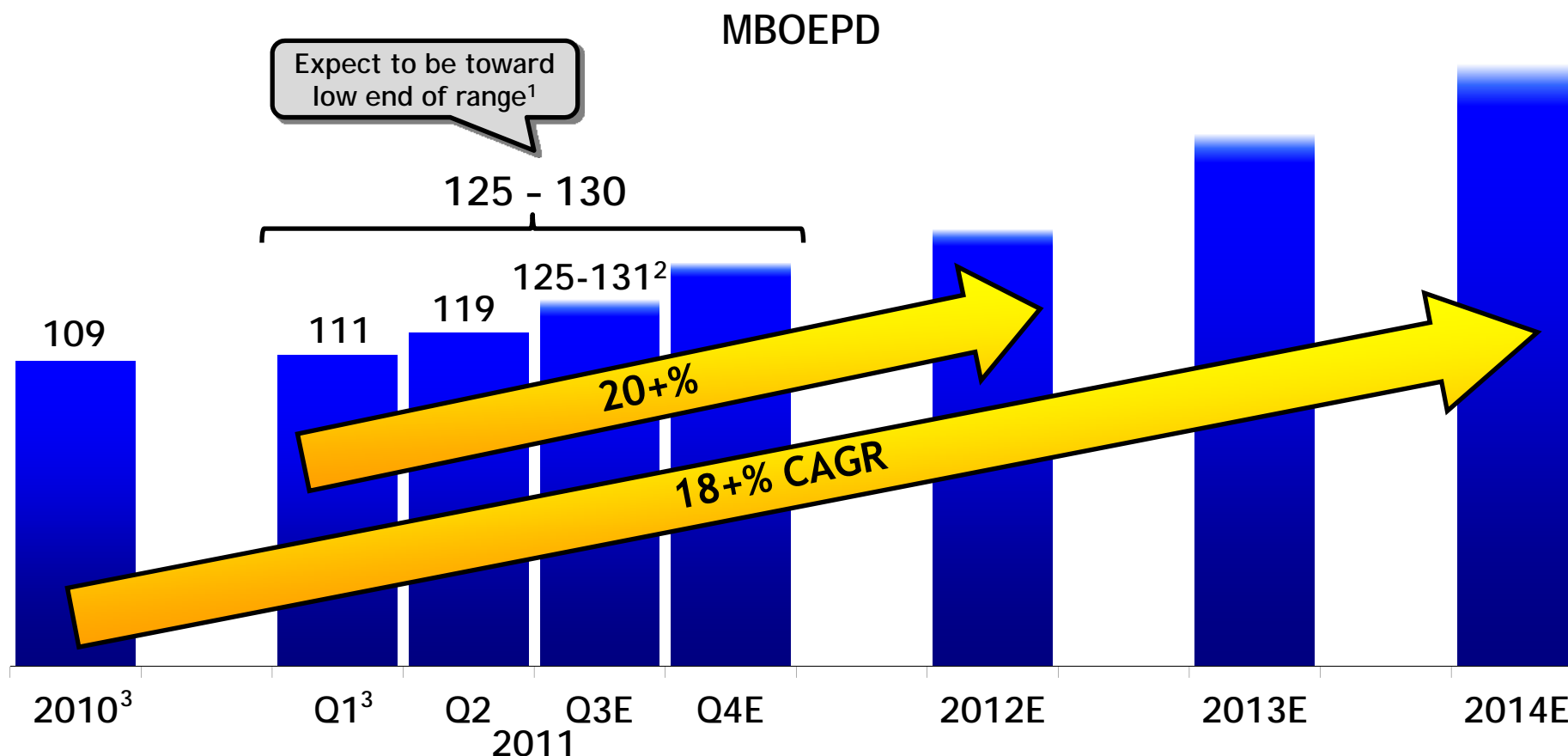
*Please see the Appendix slides included in this presentation for other important information.*

# Investment Highlights

- >20,000 liquids-rich drilling locations in low-risk resource plays
- 2011 drilling program focused in the Spraberry and Eagle Ford Shale
  - Funded from cash flow and redeployment of Tunisia sale proceeds
- Vertical integration substantially improves drilling returns
- Forecasting 18+% compound annual production growth through 2014
- Forecasted production growth generates ~30% compound annual operating cash flow growth for 2011 - 2014
- Attractive derivative positions protect margins; 75% or greater coverage for oil and gas through 2012
- Strong financial position

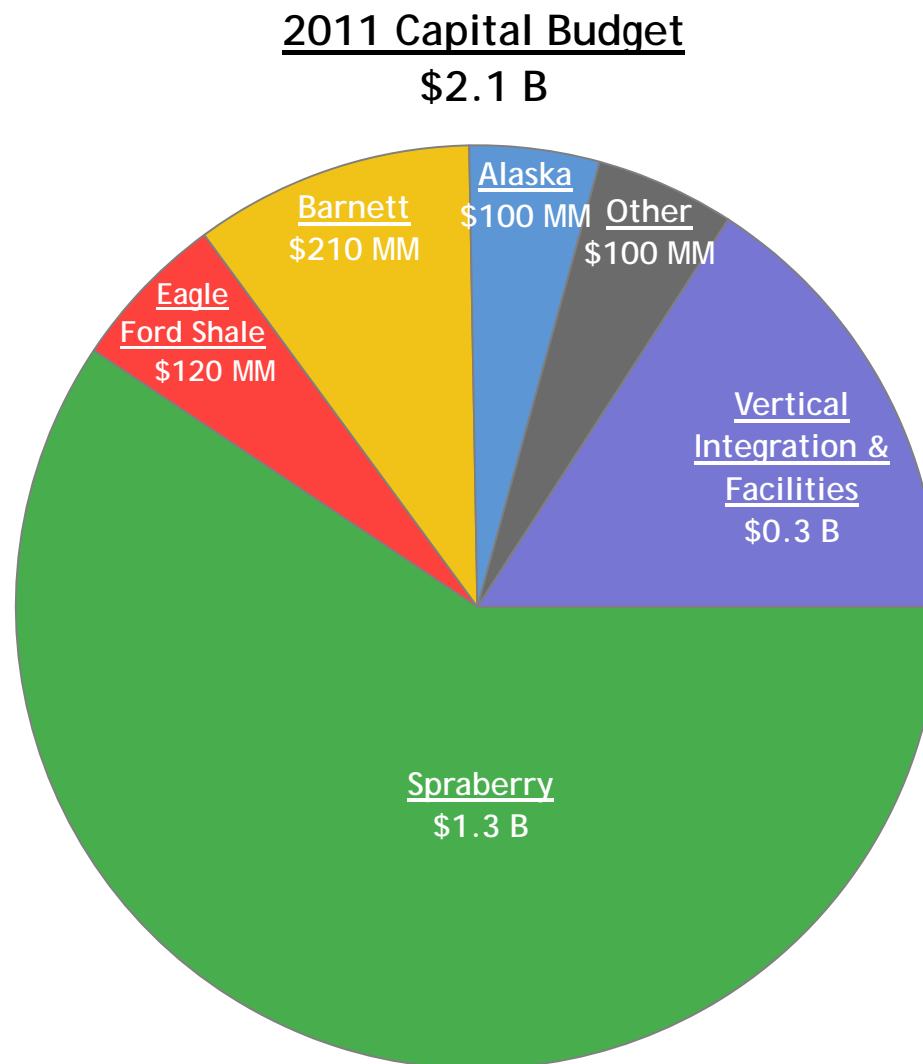
# Targeting 18+% Compound Annual Production Growth For 2011 - 2014

- Forecasting annual production growth of 15+% from 2010 to 2011 and 20+% from 2011 to 2012
- Targeting compound annual production growth of 18+% for 2011 - 2014
- Liquids production increases from ~50% currently to 60% in 2014



1) Reflects severe weather and delayed delivery of frac fleets in Q1, Spraberry oil transport truck shortfall in Q2 and third-party water injection supply shortages in Alaska in 1H, resulting in estimated annual production loss of 2,500 BOEPD - 3,000 BOEPD  
 2) South Africa GTL plant returned to operation and production recommenced as anticipated  
 3) Reflects Tunisia as discontinued operations

# 2011 Capital Budget by Asset<sup>1,2</sup>

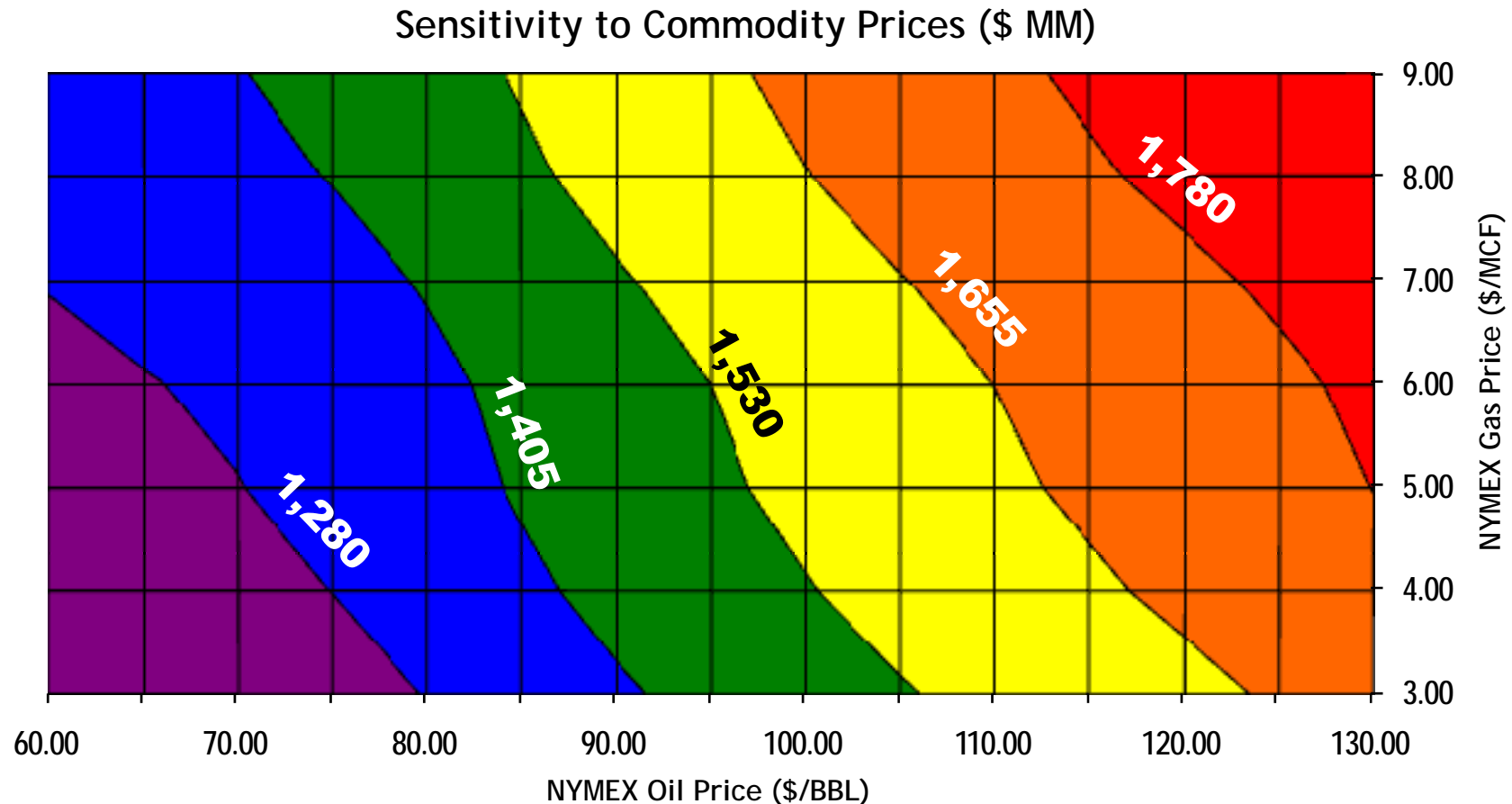


1) Capital spending excludes acquisitions, asset retirement obligations, capitalized interest and G&G G&A

2) Eagle Ford Shale midstream development activities are conducted through an unconsolidated affiliate; infrastructure build-out funded from external debt sources beginning in June 2011

# 2011 Operating Cash Flow

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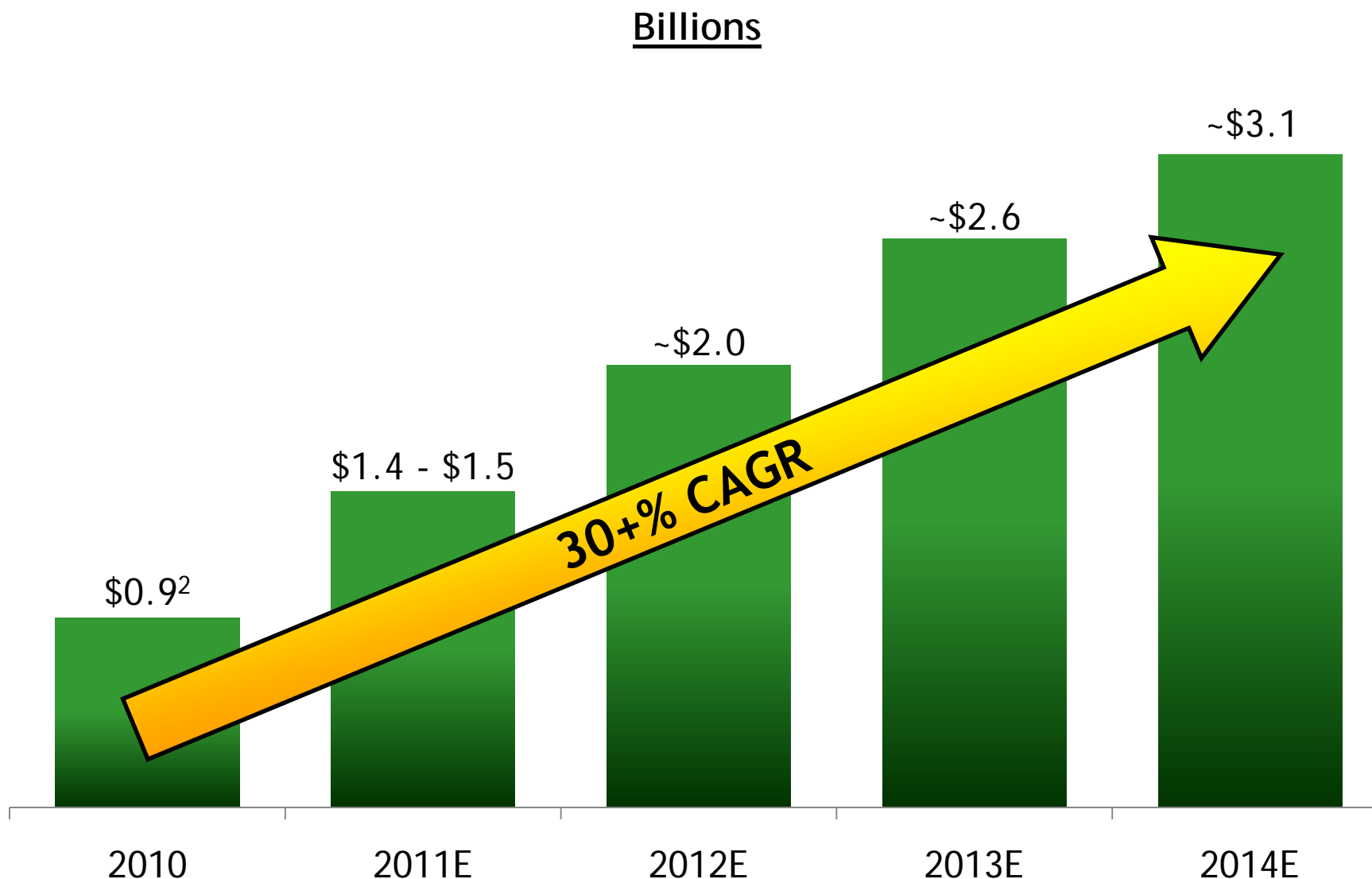


Capital program funded from:

- Operating cash flow of \$1.4 B - \$1.5 B
- Redeployment of Tunisia sale proceeds

# Substantial Operating Cash Flow Growth<sup>1</sup>

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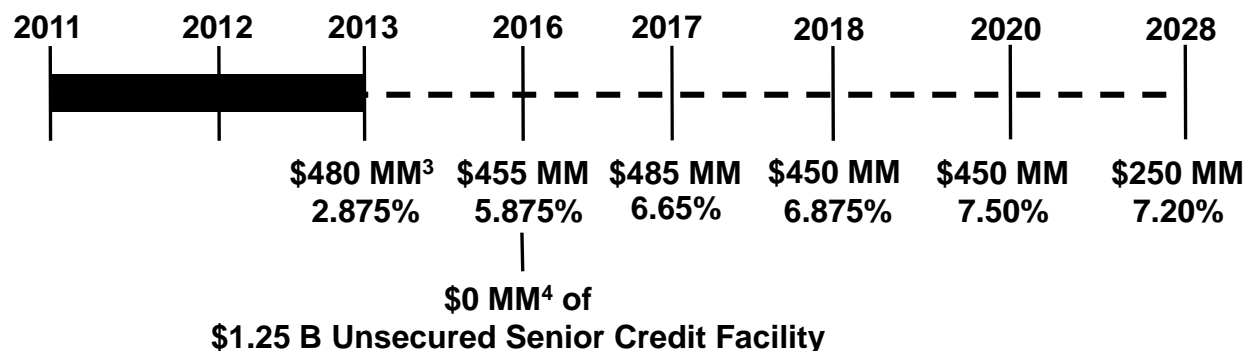


- 1) Based on early October strip pricing for remainder of 2011 and \$100/bbl and \$5/mcf thereafter; includes derivative positions as of August 2, 2011  
2) Excludes \$0.4 B (from reported cash flow of \$1.3 B) attributable to deepwater GOM refunds, insurance recoveries and Tunisia operations

# Liquidity Position (06/30/11)<sup>1</sup>

Net debt (net of cash balance of \$352 MM):	\$2.2 B
Unsecured Senior Credit Facility availability:	\$1.2 B
Net Debt-to-Book Capitalization:	31%

## Maturities and Balances<sup>2</sup>

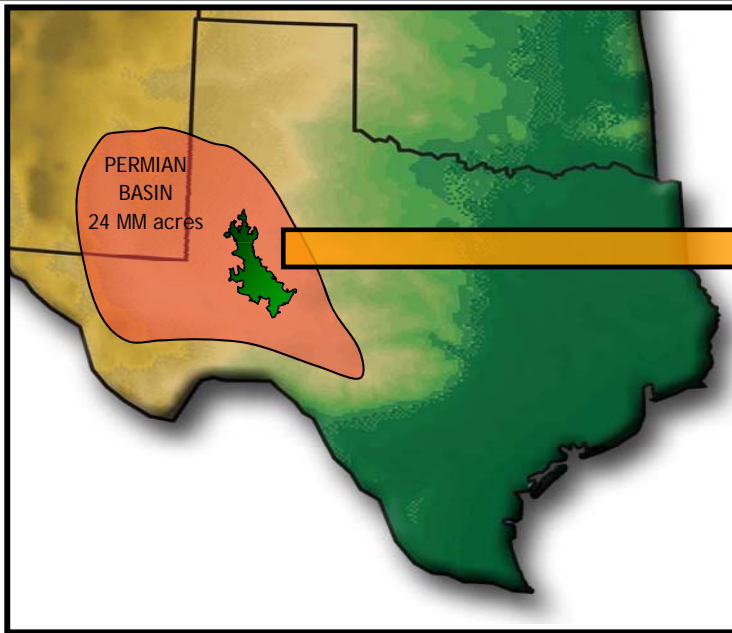


**Unsecured Senior Credit Facility matures in 2016**  
**No bond maturities until 2013**

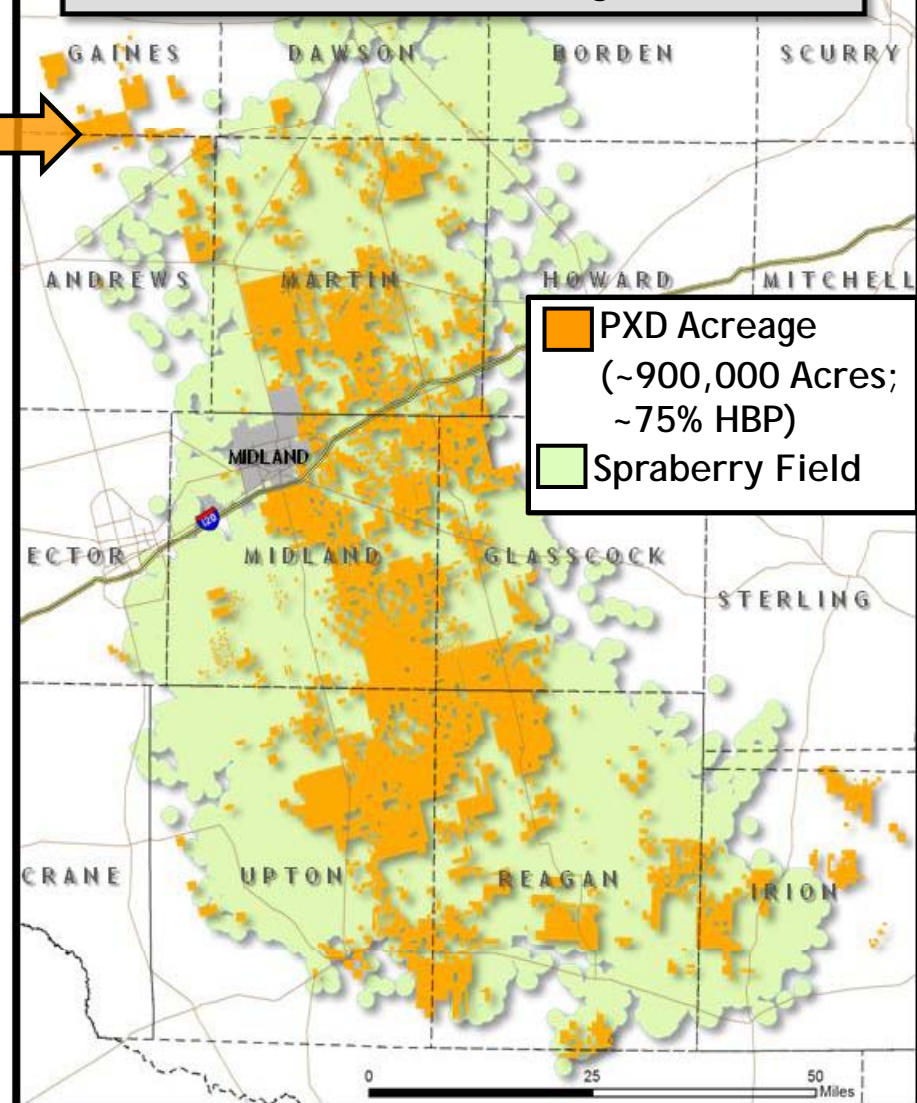
- 1) Excludes \$87 MM of borrowings under PSE's \$300 MM Credit Facility that matures in May 2013
- 2) Excludes net discounts and deferred hedge losses of ~\$86 MM
- 3) Convertible senior notes due 2038, with first put/call in 2013
- 4) Excludes ~\$65 MM of outstanding letters of credit on Senior Credit Facility



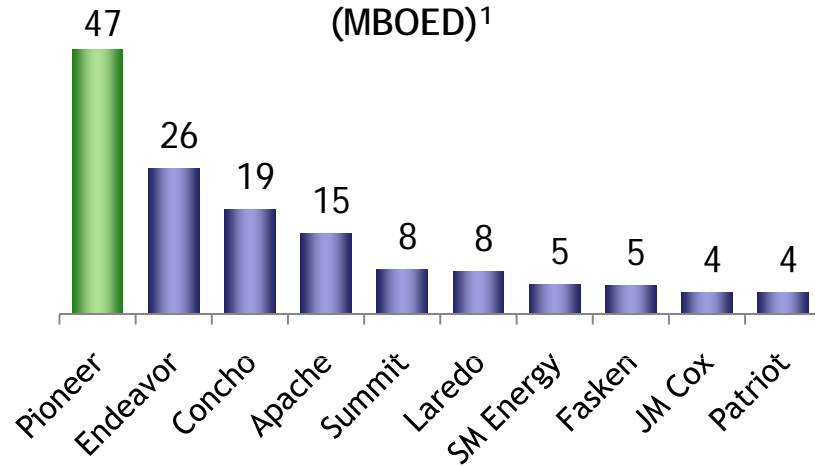
# PXD - Largest Spraberry Acreage Holder, Driller and Producer



20,000+ Future Drilling Locations



Spraberry Field Gross Production by Operator (MBOED)<sup>1</sup>



1) Based on 2010 data from Railroad Commission of Texas

# Deeper Drilling in Spraberry Increasing EURs

Current Spraberry 40-acre type curve EUR including Lower Wolfcamp: 140 MBOE

## Zones Below Lower Wolfcamp

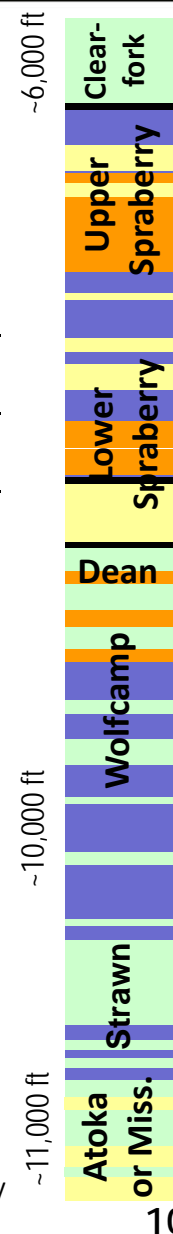
	Wells Completed	Incremental Cost	Single-Zone Peak Rate	Potential Incremental EUR	Prospective PXD Acreage
Strawn	85	\$60 M	70 BOEPD	20 - 40 MBOE	40%
Atoka	2	\$250 M - \$750 M	150 BOEPD	50 - 70 MBOE	25% - 50%
Mississippian	1	\$150 M - \$250 M	105 BOEPD	15 - 30 MBOE	10% - 20%

○ Potential to add up to 110 MBOE to EUR from deeper drilling

## Deeper Drilling Plans

- Strawn: Completing in ~25% of 2011 wells; commingling with upper intervals immediately
- Atoka: Testing interval in ~10 wells during 2011; will commingle with upper intervals following ~6 month test
- Mississippian: ~10 wells in 2011; targeting 24 wells to test play

Limestone Pay  
 Sandstone Pay  
 Non-Organic Shale Non-Pay  
 Organic Rich Shale Pay



# 20-Acre And Waterflood Update

## 20-Acre Drilling (~13,000 locations)

- Drilled 24 wells since 2010; all on production
- Capturing pay from Lower Wolfcamp, Strawn and shale/silt intervals
- Early results indicate production outperforming previous 110 MBOE type curve for a 40-acre Spraberry/Dean well
- Plan to drill 10 - 20 additional wells in 2011

## Waterflood Project

- Full-scale project underway over 7,000 acres
  - Commenced Upper Spraberry water injection Q3 2010
  - 12 injectors and 110 producers
  - Injecting 4,100 BWPB
  - \$6 - \$7 MM capital cost
  - LOE savings from water handling
- Early results encouraging
  - Production decline of project area continues to flatten
  - Early production response observed in several wells
  - No premature water breakthrough
- Ultimate uptick in production expected to be at least 50% from flooded zone (Upper Spraberry)



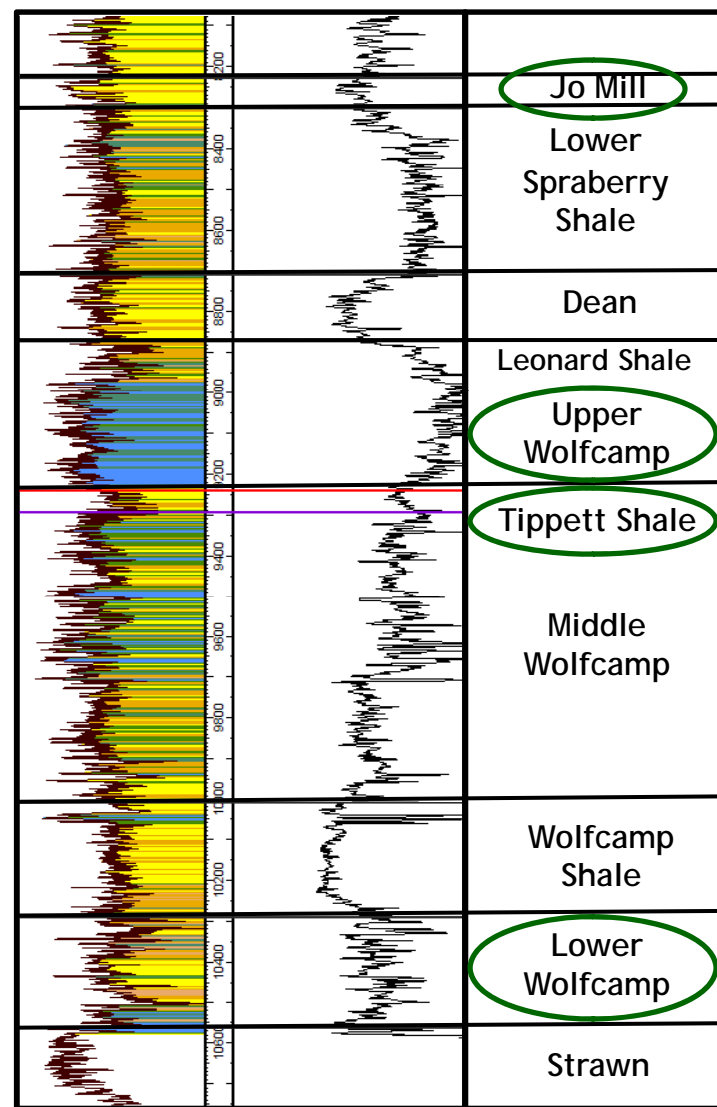
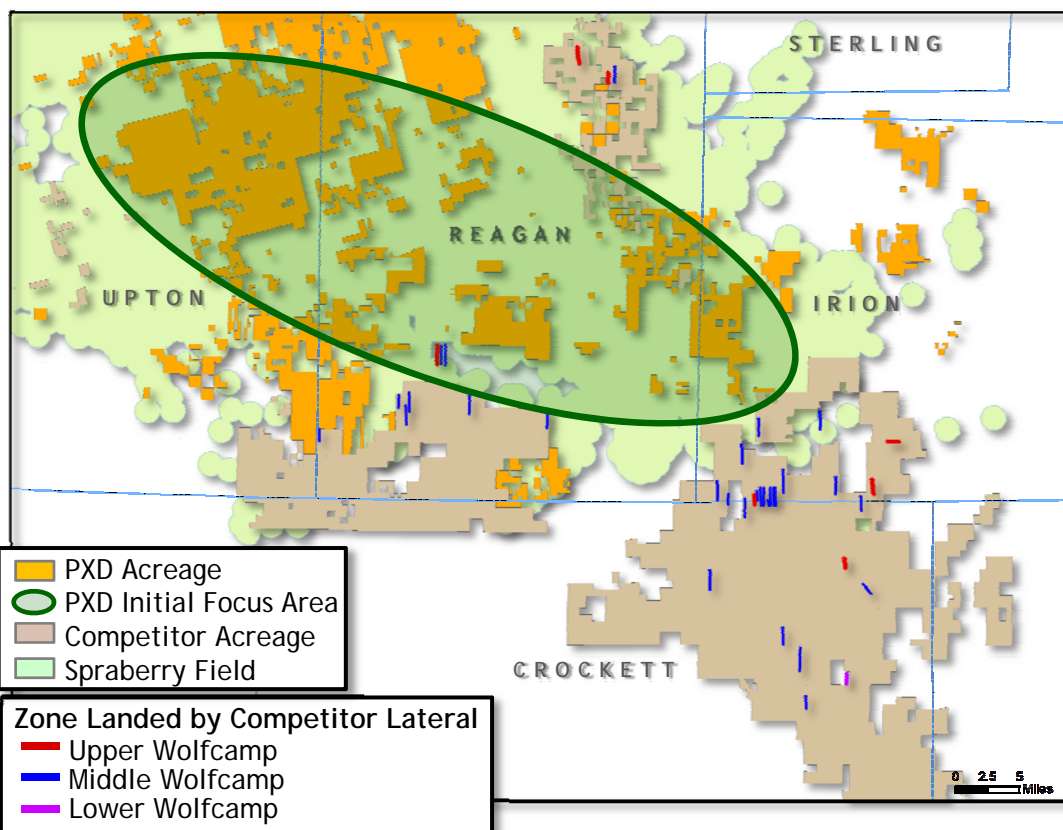
Spraberry Drilling Rig



Waterflood Facilities

# Spraberry Horizontal R&D Program

- Planning to continue 1-rig horizontal R&D program to test multiple formations in the Spraberry field
  - Expect to drill additional 4-5 wells in Wolfcamp Shale zones by year end
- Testing first Tippet Shale horizontal
  - ~6,000 foot lateral with 30-stage completion
- Encouraging results in nearby competitor wells with longer laterals in the Tippet Shale



 PXD Horizontal Targets



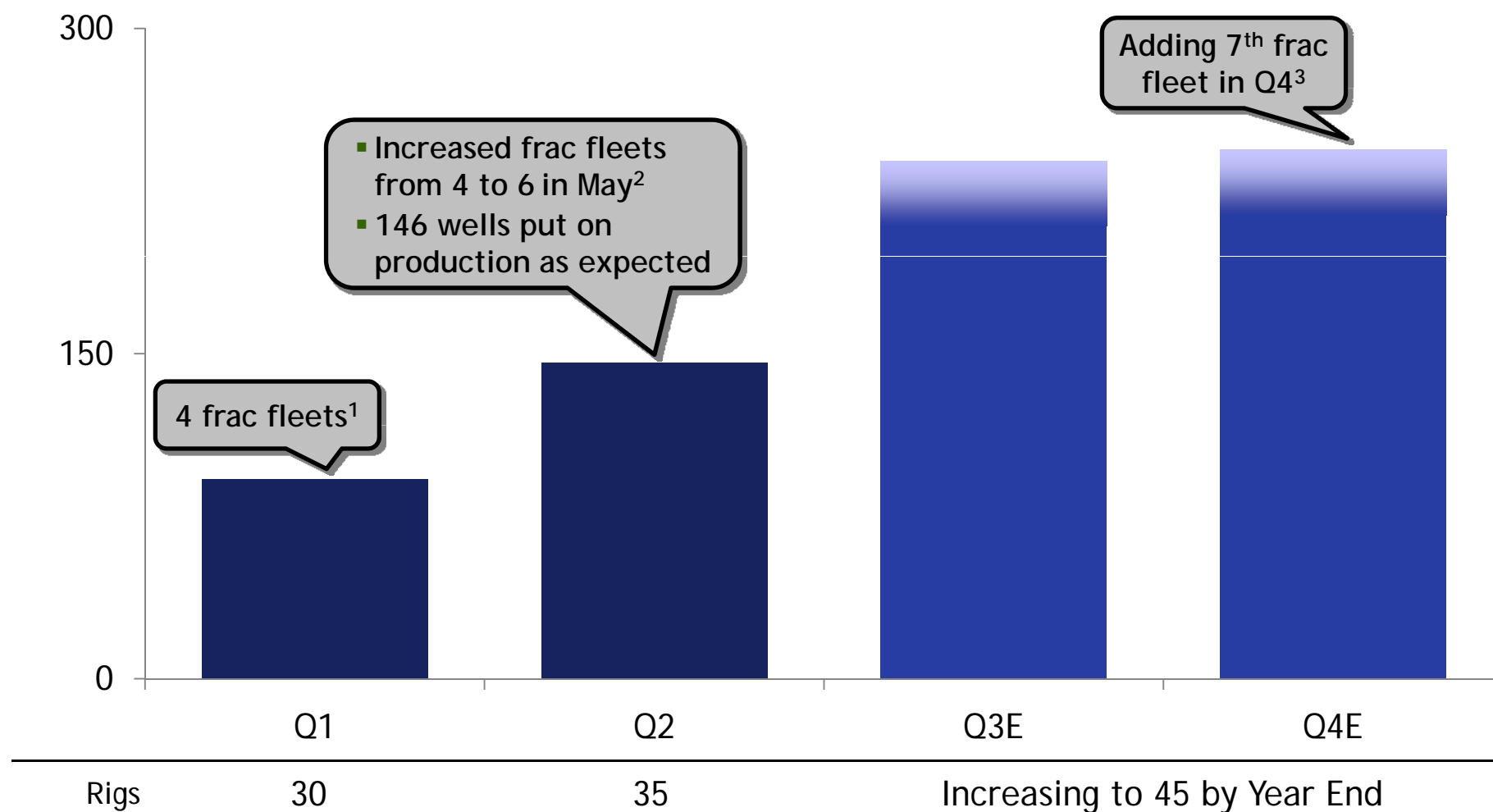
- Vertical Integration (Company-owned services)
  - Rigs, frac fleets, pulling units and other well services
- Sand supply in place through 2015
- Contracted tubulars and pumping units through 2012
- Contracted cementing services through 2016
- 2011 blended Pioneer and third-party well cost of \$1.5 - \$1.6 MM
- ~45% IRR before tax<sup>1</sup>
  - Excludes benefit of Strawn, Atoka and Mississippian



1) Commodity prices of \$100/bbl and \$5/mcf

# Spraberry - Bringing Wells On Production As Expected

## 2011 Spraberry Wells Put On Production Per Quarter



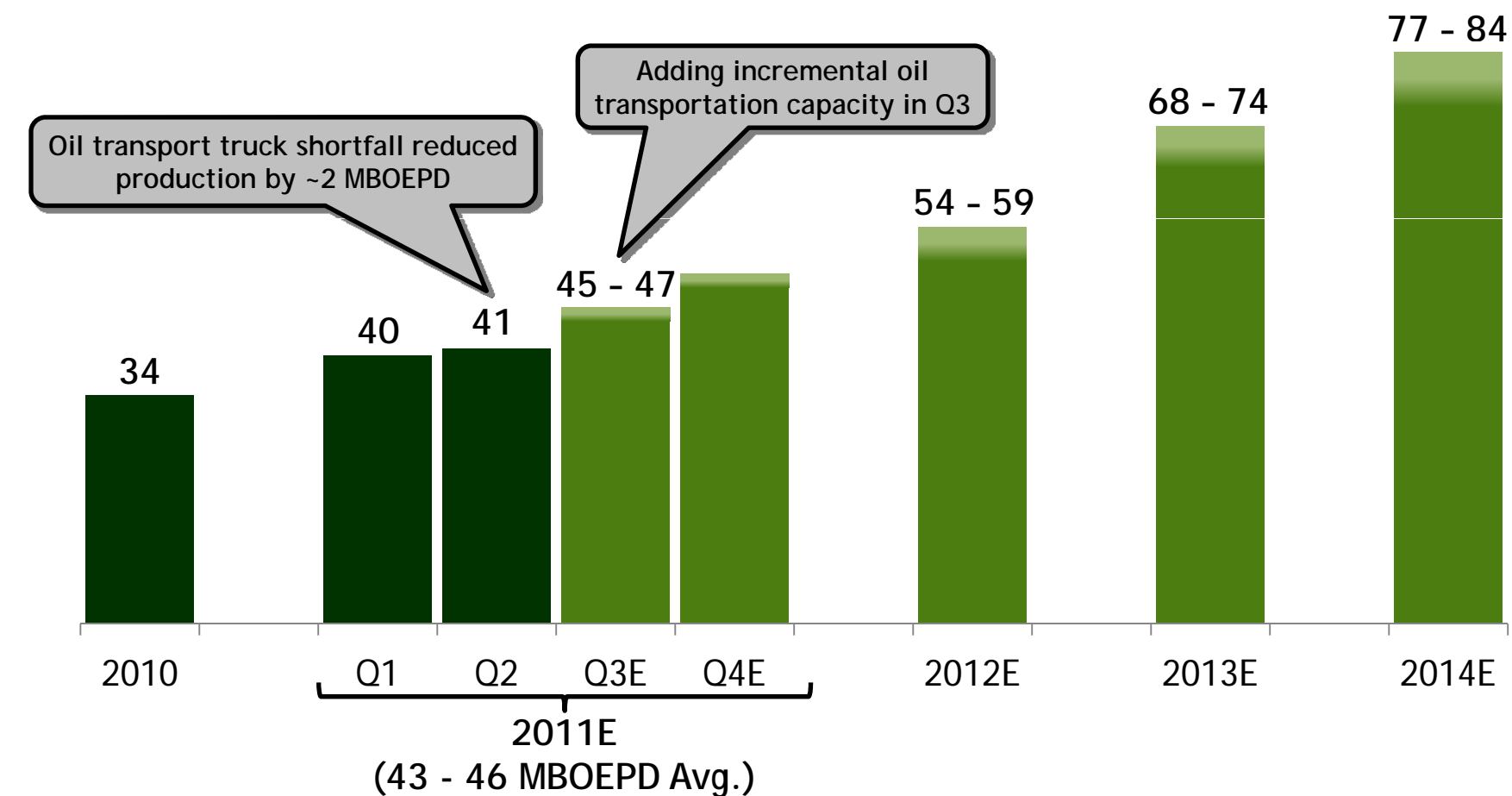
1) Includes 3 Company-owned and 1 dedicated third-party

2) Includes 4 Company-owned and 2 dedicated third-party

3) Includes 5 Company-owned and 2 dedicated third-party

# Continuing to Accelerate Spraberry Development

**Spraberry Net Production<sup>1</sup>**  
(MBOEPD)



Rigs 30 @ YE

35 @ mid year

45

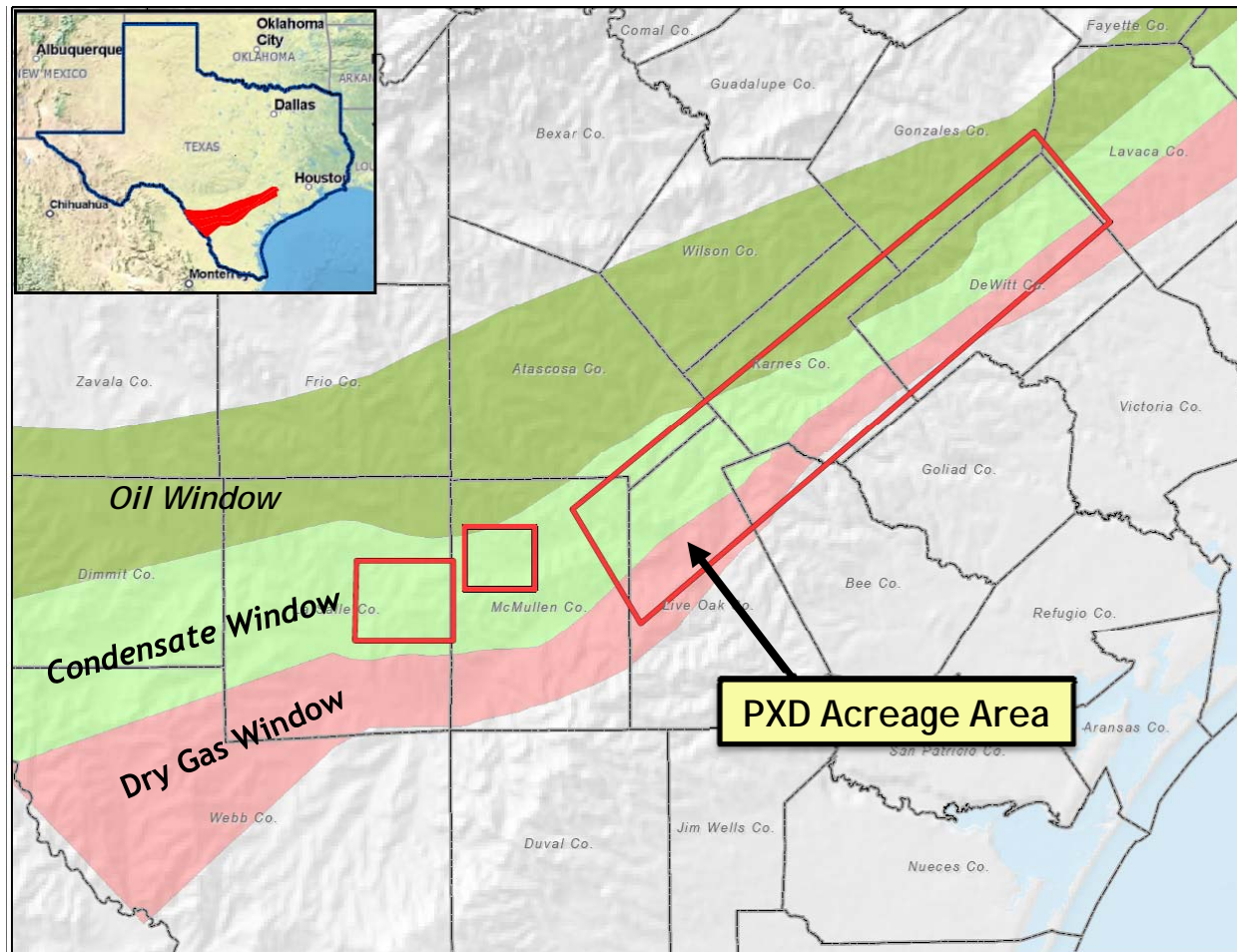
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45

<sup>1</sup>) Includes expiration of VPP commitments (3 MBOEPD @ YE 2010 and 4 MBOEPD @ YE 2012)

# Eagle Ford Shale: A Burgeoning Liquids-Rich Shale Play

- Gross resource potential of play: ~25 BBOE (~150 TCFE)<sup>1</sup>
- Estimated Gross Production of ~3.5 MMBOEPD by 2020<sup>2</sup>
- ~180 rigs currently running in the play



1) Source: Tudor, Pickering, Holt & Co.

2) Source: FBR

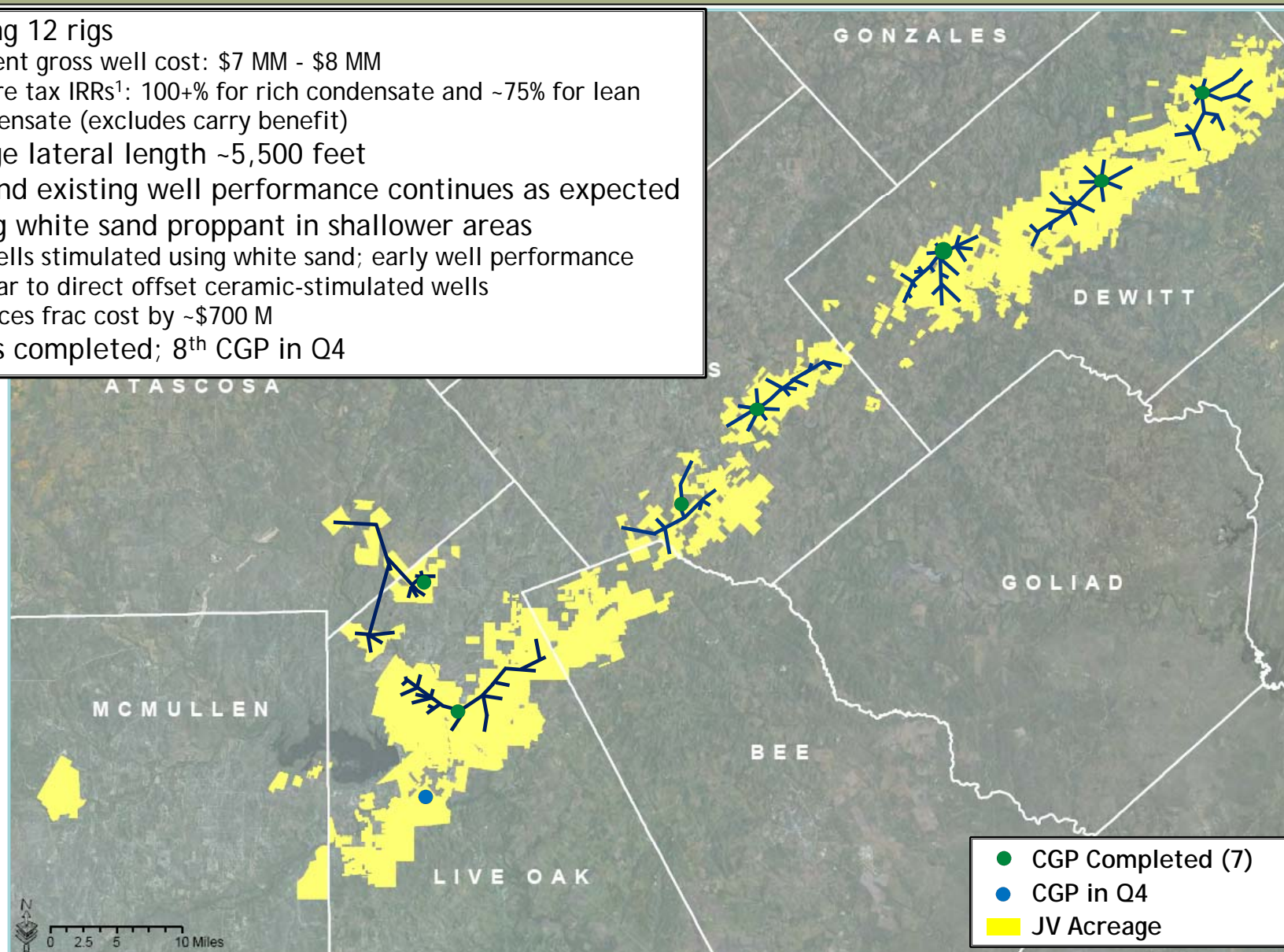
Map source: PXD



# Eagle Ford Shale Operational Update

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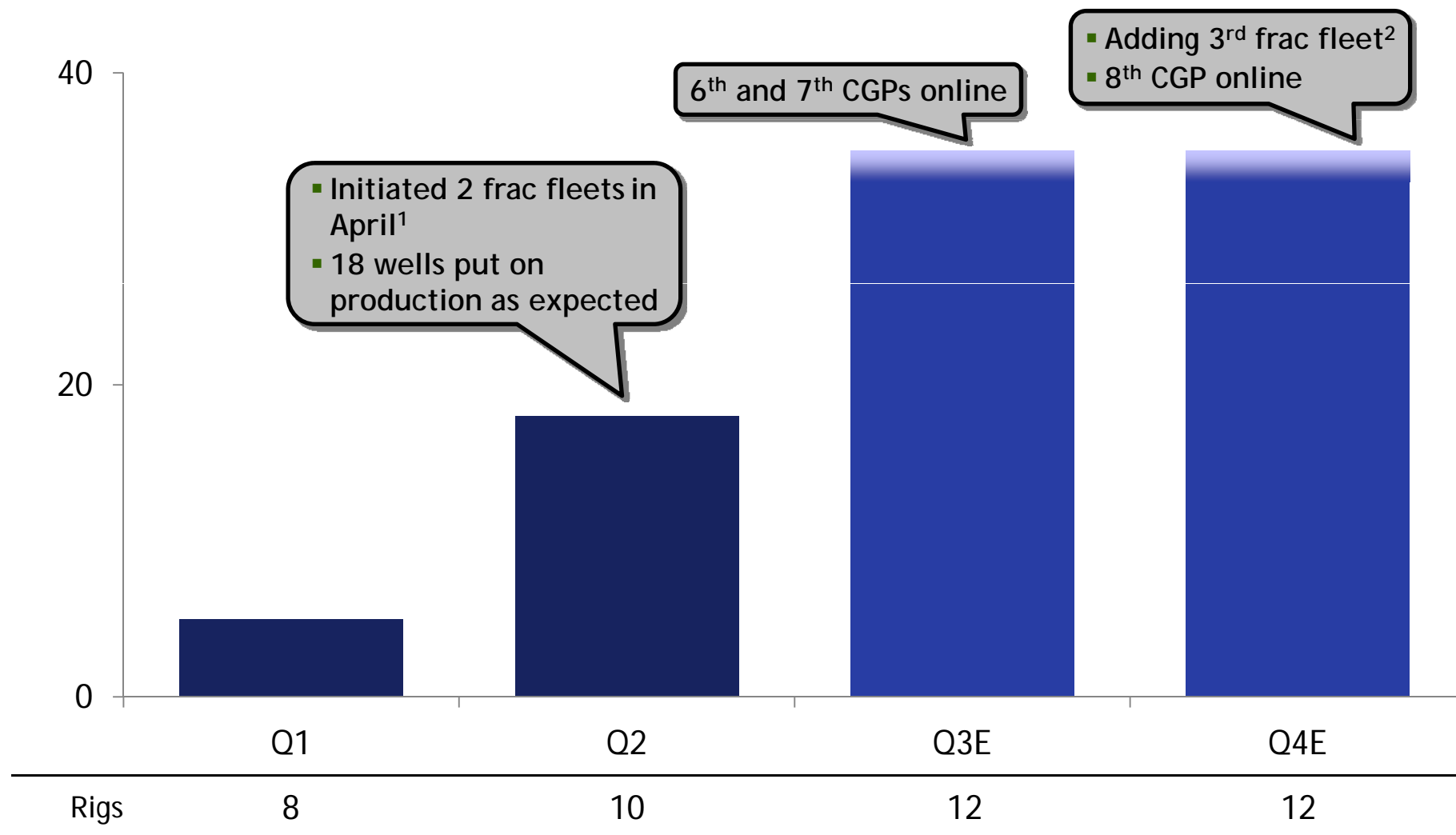
- Running 12 rigs
  - Current gross well cost: \$7 MM - \$8 MM
  - Before tax IRRs<sup>1</sup>: 100+% for rich condensate and ~75% for lean condensate (excludes carry benefit)
- Average lateral length ~5,500 feet
- New and existing well performance continues as expected
- Testing white sand proppant in shallower areas
  - 17 wells stimulated using white sand; early well performance similar to direct offset ceramic-stimulated wells
  - Reduces frac cost by ~\$700 M
- 7 CGPs completed; 8<sup>th</sup> CGP in Q4



1) Commodity prices of \$100/bbl and \$5/mcf

# Eagle Ford Shale – Bringing Wells On Production As Expected

## 2011 Eagle Ford Shale Wells Put On Production Per Quarter



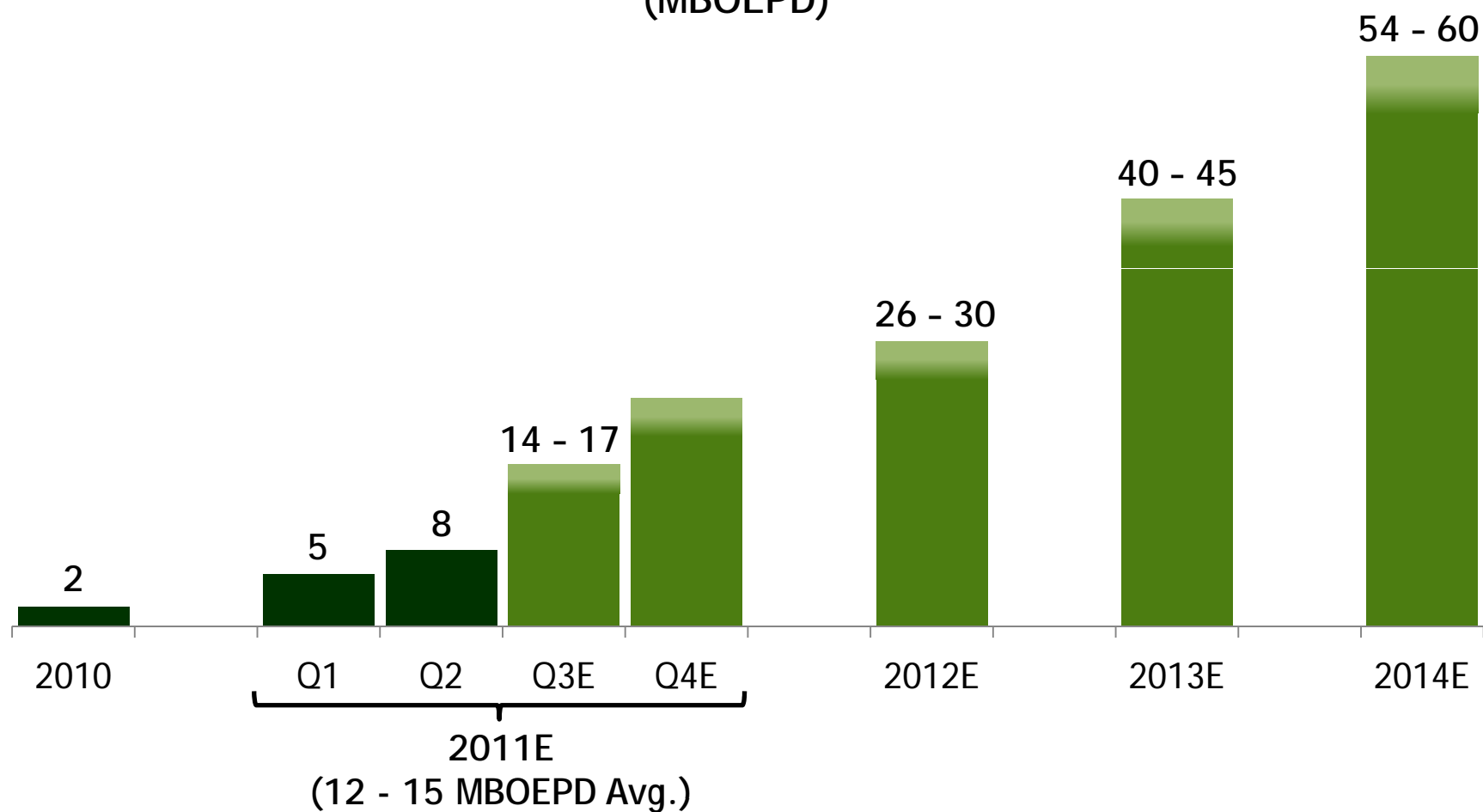
1) Includes 1 Company-owned and 1 dedicated third-party

2) Includes 2 Company-owned and 1 dedicated third-party

# Ramping Up Eagle Ford Shale Development

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Eagle Ford Net Production  
(MBOEPD)



Rigs 7 @ YE

12 currently

14

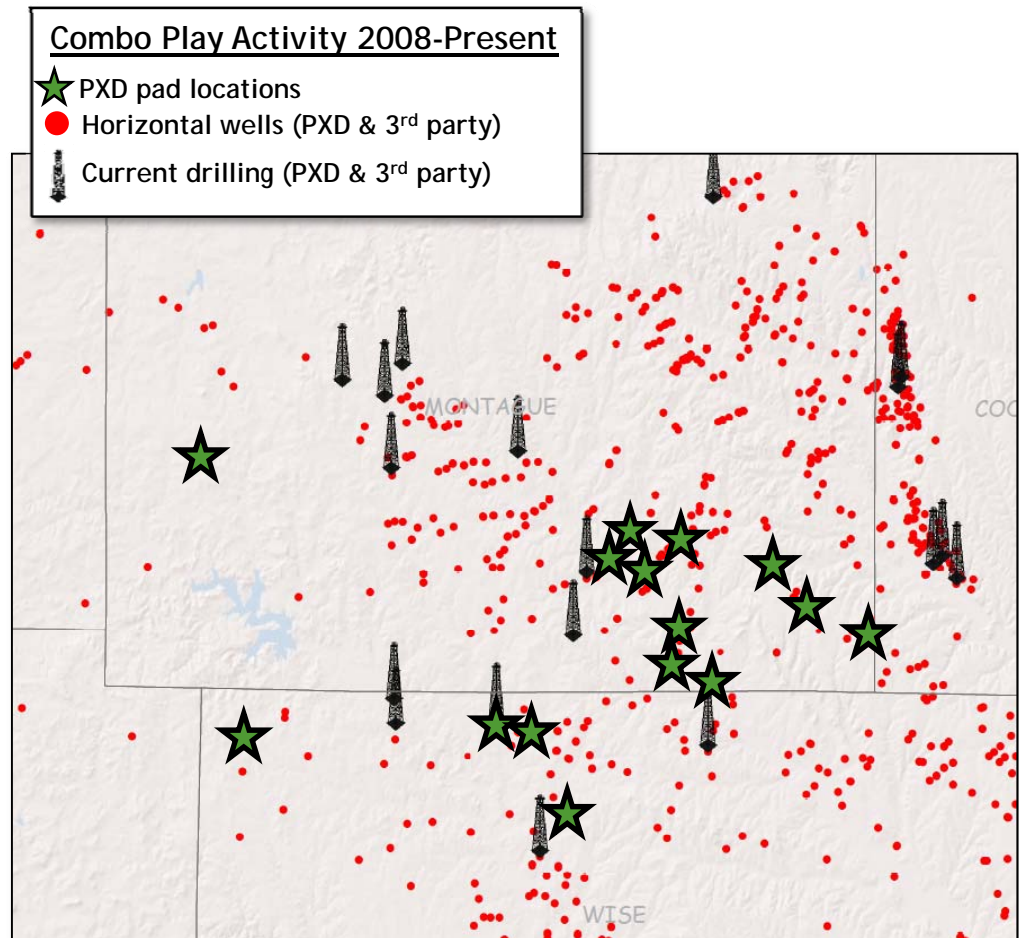
16

19

# Barnett Shale Combo

- Current acreage: ~72 M net acres
  - >600 drilling locations
  - Continuing to grow leasehold position
- Acquired ~160 square miles of 3-D seismic
  - Permitting additional ~190 square miles
- 2 rigs currently drilling
  - 14 wells put on production in Q2
    - Average 7-day IP ~350 BOEPD<sup>1</sup>
  - Lateral length: 3,500 ft - 6,000 ft
  - Well cost: ~\$3 MM
  - Gross EUR: ~320 MBOE
  - ~45% IRR before tax<sup>2</sup>
- Commenced operating Company-owned frac fleet in Q2
- Planning to be at 4 rigs in 2012

## Barnett Shale Liquids-Rich Area (42% gas, 42% NGLs, 16% oil)

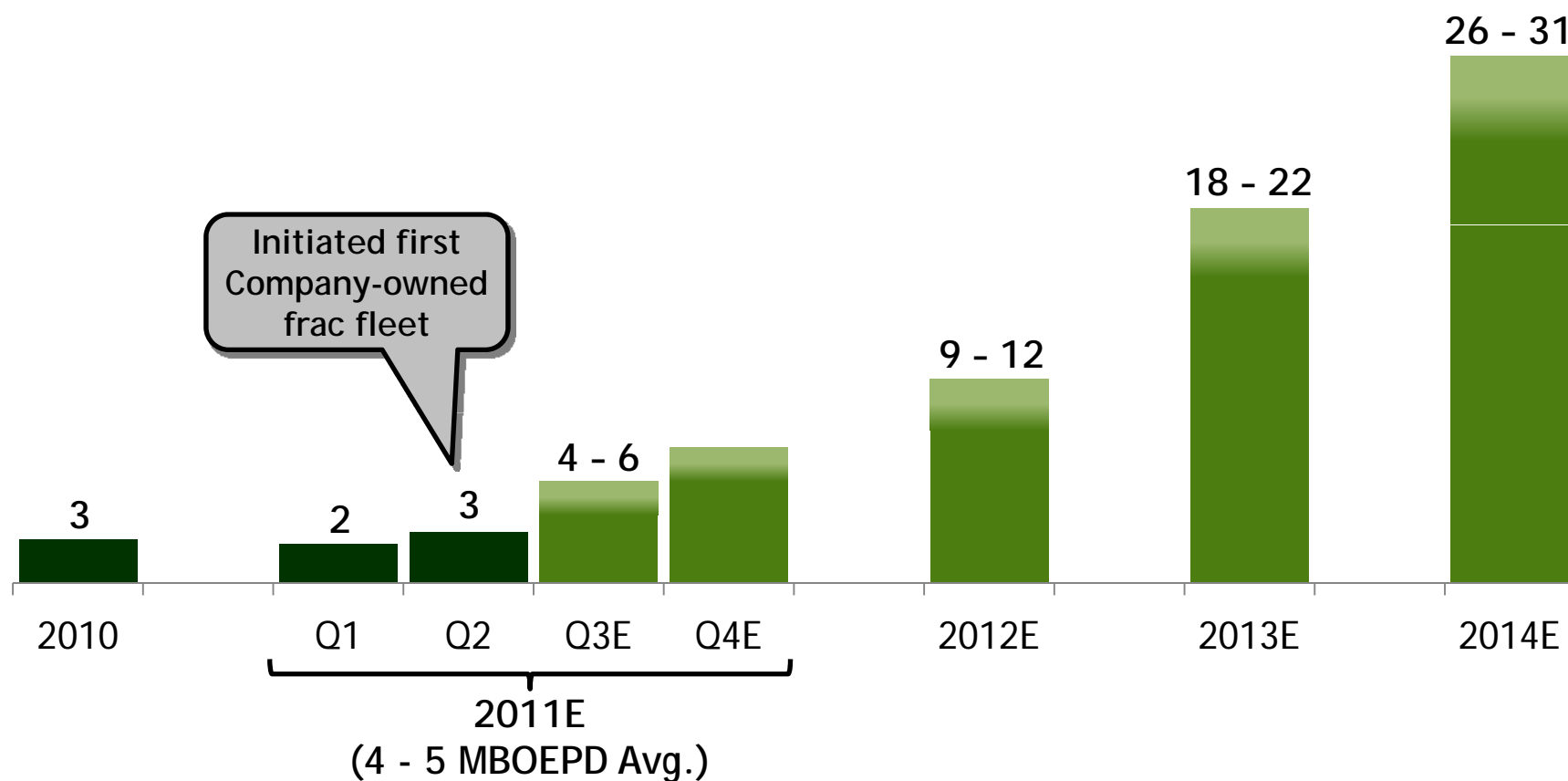


1) Wet gas stream estimated

2) Commodity prices of \$100/bbl and \$5/mcf

# Ramping Up Barnett Shale Combo Development

Barnett Shale Net Production<sup>1</sup>  
(MBOEPD)



Rigs 1 @ year end

2

4

4

4

1) 2010 production reflects legacy Barnett Shale gas production; production growth in 2011 - 2014 driven by Barnett Shale Combo development



# Pioneer's Vertical Integration Improves Returns and Enhances Execution

## Spraberry

4 frac fleets  
(adding 5<sup>th</sup> fleet Q4)  
14 drilling rigs  
Other service equipment<sup>1</sup>

## Eagle Ford Shale

1 frac fleet  
(adding 2<sup>nd</sup> fleet Q4)  
1 coiled tubing unit  
(adding 2<sup>nd</sup> unit Q4)

## Barnett Shale Combo

1 frac fleet  
1 coiled tubing unit

### Year-End 2011

Total Vertical Integration Investment: \$440 MM<sup>2</sup>

Total Frac Horsepower: 225 M



1) Includes pulling units, frac tanks, hot oilers, water trucks, blowout preventers, construction equipment and fishing tools

2) Includes spending in 2011 for additional frac fleets to be delivered mid-2012

# Vertical Integration Significantly Reduces Well Costs

	<u>Spraberry</u>	<u>Eagle Ford Shale</u>	<u>Barnett Shale Combo</u>
<u>Frac Fleets</u>			
Current	4	1	1
By Year-End 2011	5	2	1
Frac/Fleet/Year	~115	~55	~60
Savings Per Frac <sup>1</sup>	\$0.35 MM	\$1.70 MM	\$0.75 MM
Annual Savings <sup>2,3</sup>	\$200 MM	\$185 MM	\$45 MM
<u>Rigs and Other Services<sup>4</sup></u>			
Annual Savings <sup>1</sup>	\$30 MM	-	-
<b>Total Annualized Cash Savings</b>			
At Year-End 2011 Run Rate	\$230 MM	\$185 MM	\$45 MM

**Total PXD Annualized Year-End 2011 Cash Savings: \$460 MM**

1) Generally reflects current savings vs. longer term contract rates

2) Excludes savings from frac fleets scheduled for delivery in mid-2012

3) Includes direct savings to PXD and charges to third-parties

4) Includes 14 rigs and other service equipment including pulling units, frac tanks, hot oilers, water trucks, blowout preventers, construction equipment and fishing tools

# Why Invest In PXD?

## Significant Upside Potential From:

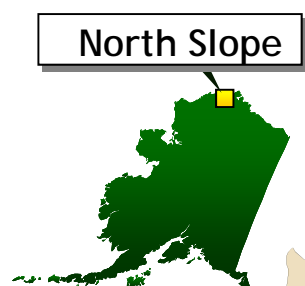
- Oil exposure with large drilling inventory
- Aggressive Spraberry & Eagle Ford Shale drilling program
- 18+% compound annual production growth for 2011 - 2014
- 30+% compound annual operating cash flow growth for 2011 - 2014
- Strong returns from vertical integration
- Margin protection from attractive derivatives
- Strong balance sheet



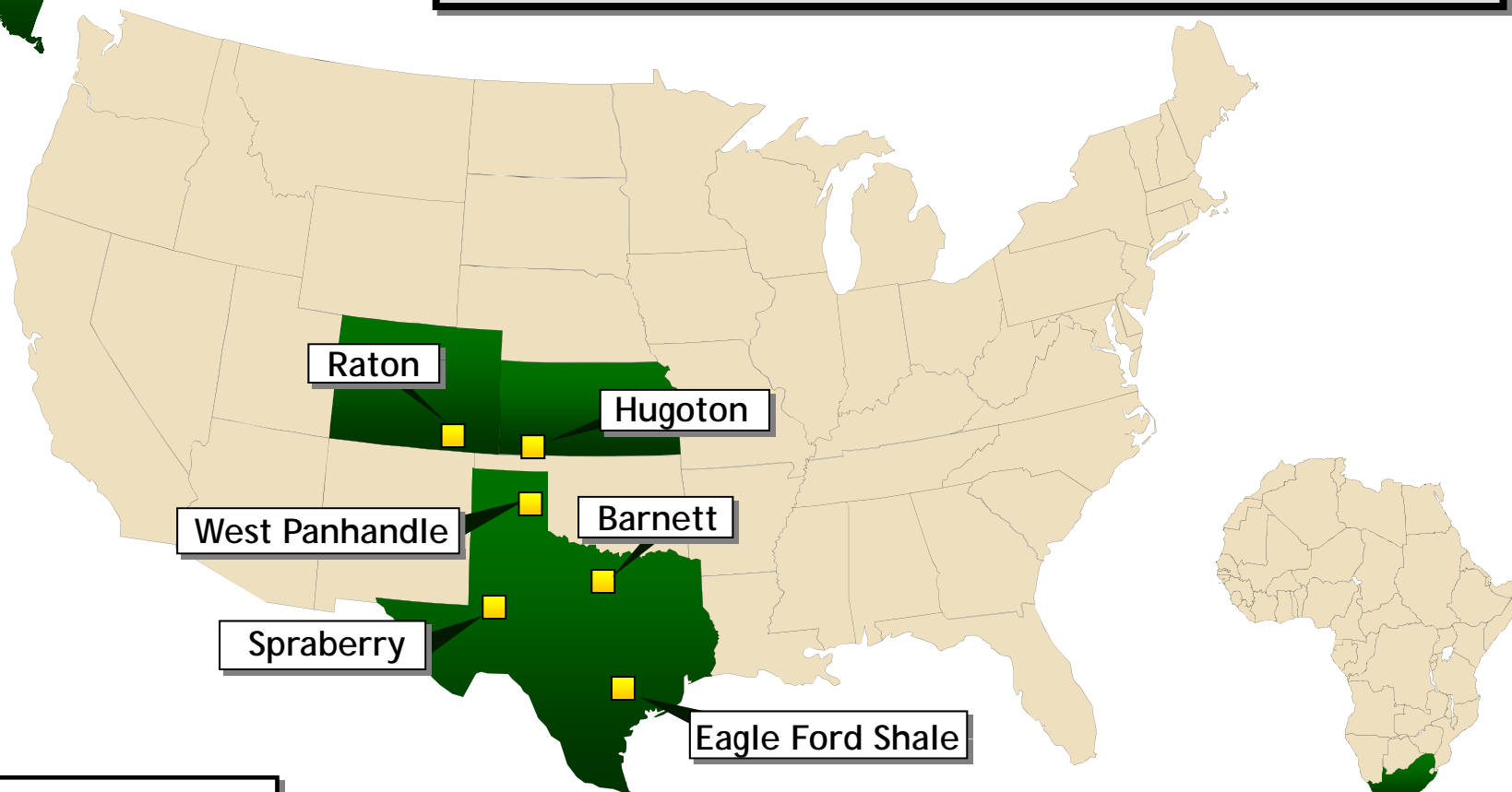
# Appendix

# Pioneer Operations

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Total Enterprise Value (\$B)	\$12
2011 Capital Budget (\$B)	\$2.1
YE 2010 Proved Reserves (BBOE)	~1
YE 2010 Proved + Resource (BBOE)	~3
1H 2011 Production - 48% Liquids/52% Gas (MBOEPD)	115



 2011 Operating Areas



Note: 2010 metrics include Tunisia assets sold Q1 2011; operating cash flow includes \$0.4 B attributable to deepwater GOM refunds, insurance recoveries and Tunisia operations.

# Production (MBOEPD)<sup>1</sup>

	Q2 '10	Q3 '10	Q4 '10	Q1 '11	Q2 '11
Spraberry	32	35	38	40	41
Raton	28	28	28	27	27
Eagle Ford Shale	2	1	2	5	8
South Texas	8	9	9	8	8
Mid-Continent	21	21	20	18 <sup>2</sup>	21 <sup>2</sup>
Barnett	3	2	2	2	3
Alaska	7	7	6	5	5
Other U.S.	1	1	1	2	1
<b>Total N. America</b>	<b>102</b>	<b>104</b>	<b>106</b>	<b>107</b>	<b>114</b>
S. Africa	6	6	5	4	5
<b>Total</b>	<b>108</b>	<b>110</b>	<b>111</b>	<b>111</b>	<b>119</b>

1) All periods presented have been restated to exclude discontinued operations

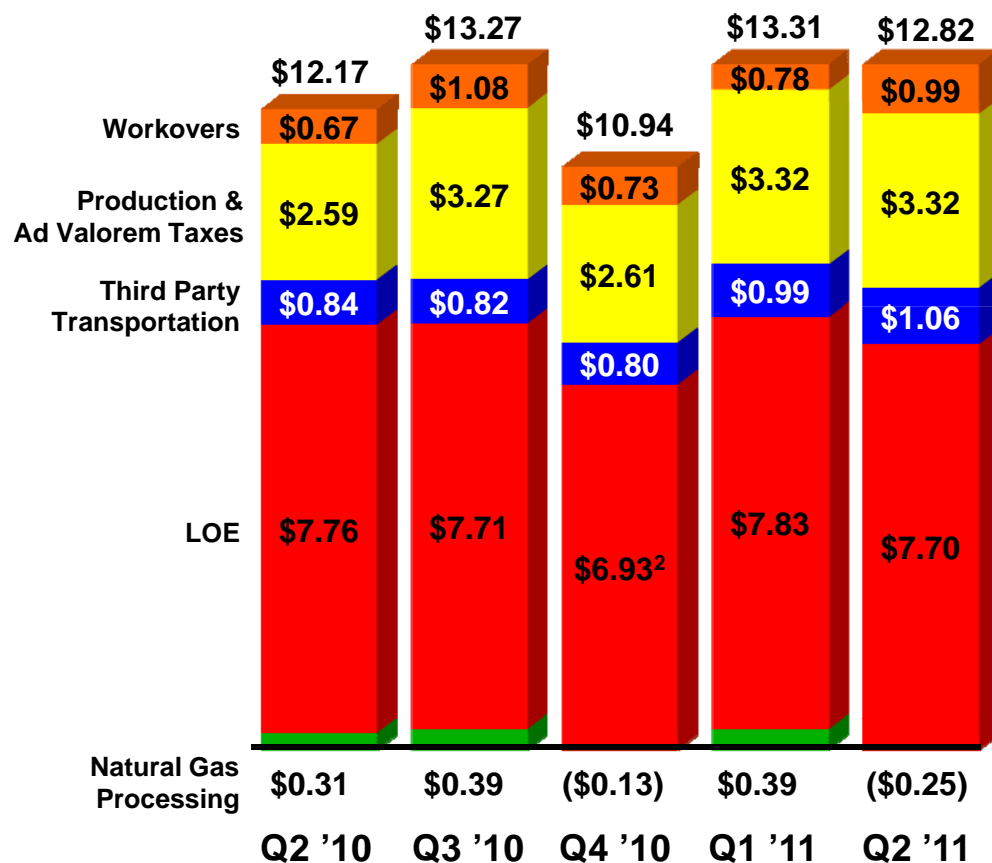
2) ~1 MBPD of NGLs inventoried in Q1 due to third-party fractionator downtime and sold in Q2

# Production (MBOEPD)<sup>1</sup>

		Q2 '10	Q3 '10	Q4 '10	Q1 '11	Q2 '11
Spraberry	Oil (BOPD)	15,917	17,257	20,589	23,512	22,950
	NGL (BOEPD)	10,133	10,857	10,341	9,735	10,714
	Gas (MCFD)	38,421	39,127	40,162	39,981	43,085
	<b>Total (BOEPD)</b>	<b>32,454</b>	<b>34,635</b>	<b>37,624</b>	<b>39,911</b>	<b>40,845</b>
Raton	Oil (BOPD)	-	-	-	-	-
	NGL (BOEPD)	-	-	-	-	-
	Gas (MCFD)	170,290	169,229	168,814	162,036	161,610
	<b>Total (BOEPD)</b>	<b>28,382</b>	<b>28,205</b>	<b>28,136</b>	<b>27,006</b>	<b>26,935</b>
Eagle Ford	Oil (BOPD)	513	336	566	1,741	3,059
	NGL (BOEPD)	347	213	435	1,348	1,645
	Gas (MCFD)	6,530	3,884	6,511	14,099	20,405
	<b>Total (BOEPD)</b>	<b>1,948</b>	<b>1,196</b>	<b>2,086</b>	<b>5,439</b>	<b>8,105</b>
South Texas	Oil (BOPD)	57	53	53	100	112
	NGL (BOEPD)	-	-	-	-	-
	Gas (MCFD)	48,375	50,812	50,762	46,251	47,073
	<b>Total (BOEPD)</b>	<b>8,120</b>	<b>8,522</b>	<b>8,513</b>	<b>7,809</b>	<b>7,958</b>
Mid-Continent	Oil (BOPD)	3,914	4,058	3,584	3,583	4,309
	NGL (BOEPD)	7,309	7,986	7,692	6,134	7,981
	Gas (MCFD)	56,157	52,158	53,908	51,302	52,702
	<b>Total (BOEPD)</b>	<b>20,583</b>	<b>20,737</b>	<b>20,261</b>	<b>18,267</b>	<b>21,074</b>
Alaska	Oil (BOPD)	6,847	7,019	5,657	4,744	4,984
	NGL (BOEPD)	-	-	-	-	-
	Gas (MCFD)	-	-	-	-	-
	<b>Total (BOEPD)</b>	<b>6,847</b>	<b>7,019</b>	<b>5,657</b>	<b>4,744</b>	<b>4,984</b>
Barnett	Oil (BOPD)	115	66	99	147	369
	NGL (BOEPD)	968	880	989	884	996
	Gas (MCFD)	9,179	8,287	8,831	7,399	8,278
	<b>Total (BOEPD)</b>	<b>2,613</b>	<b>2,327</b>	<b>2,560</b>	<b>2,264</b>	<b>2,745</b>
Other US	Oil (BOPD)	84	92	202	100	89
	NGL (BOEPD)	533	590	535	544	504
	Gas (MCFD)	4,965	4,418	4,181	4,102	4,202
	<b>Total (BOEPD)</b>	<b>1,445</b>	<b>1,418</b>	<b>1,434</b>	<b>1,328</b>	<b>1,293</b>
Total U.S.	Oil (MBOPD)	27,447	28,881	30,750	33,927	35,872
	NGL (BOEPD)	19,290	20,526	19,992	18,645	21,840
	Gas (MCFD)	333,917	327,915	333,169	325,170	337,355
	<b>Total (BOEPD)</b>	<b>102,390</b>	<b>104,060</b>	<b>106,271</b>	<b>106,767</b>	<b>113,938</b>
S. Africa	Oil (BOPD)	641	445	280	526	616
	NGL (BOEPD)	-	-	-	-	-
	Gas (MCFD)	28,810	31,069	28,143	23,537	24,193
	<b>Total (BOEPD)</b>	<b>5,443</b>	<b>5,623</b>	<b>4,971</b>	<b>4,449</b>	<b>4,648</b>
Total	Oil (BOPD)	28,088	29,326	31,030	34,453	36,488
	NGL (BOEPD)	19,290	20,526	19,992	18,645	21,840
	Gas (MCFD)	362,727	358,984	361,312	348,707	361,548
	<b>Total (BOEPD)</b>	<b>107,833</b>	<b>109,683</b>	<b>111,241</b>	<b>111,216</b>	<b>118,586</b>

1) All periods presented have been restated to exclude discontinued operations

# Production Costs (per BOE)<sup>1</sup>



## Q2 '11 vs. Q1 '11 Comparison

- Q2 natural gas processing benefited from increased third-party throughput volumes, higher NGL price realizations on third-party volumes and lower gathering system operating costs

<u>VPP-Adjusted<sup>3</sup></u>					
Production Cost	\$11.44	\$12.48	\$10.33	\$12.88	\$12.43

1) All periods presented have been restated to exclude discontinued operations

2) Q4 LOE benefited from a non-recurring \$10 MM Alaska processing fee recovery (~\$1.00/BOE benefit in LOE)

3) See supplemental information slides

# VPP – Adjusted Production Costs<sup>1</sup>

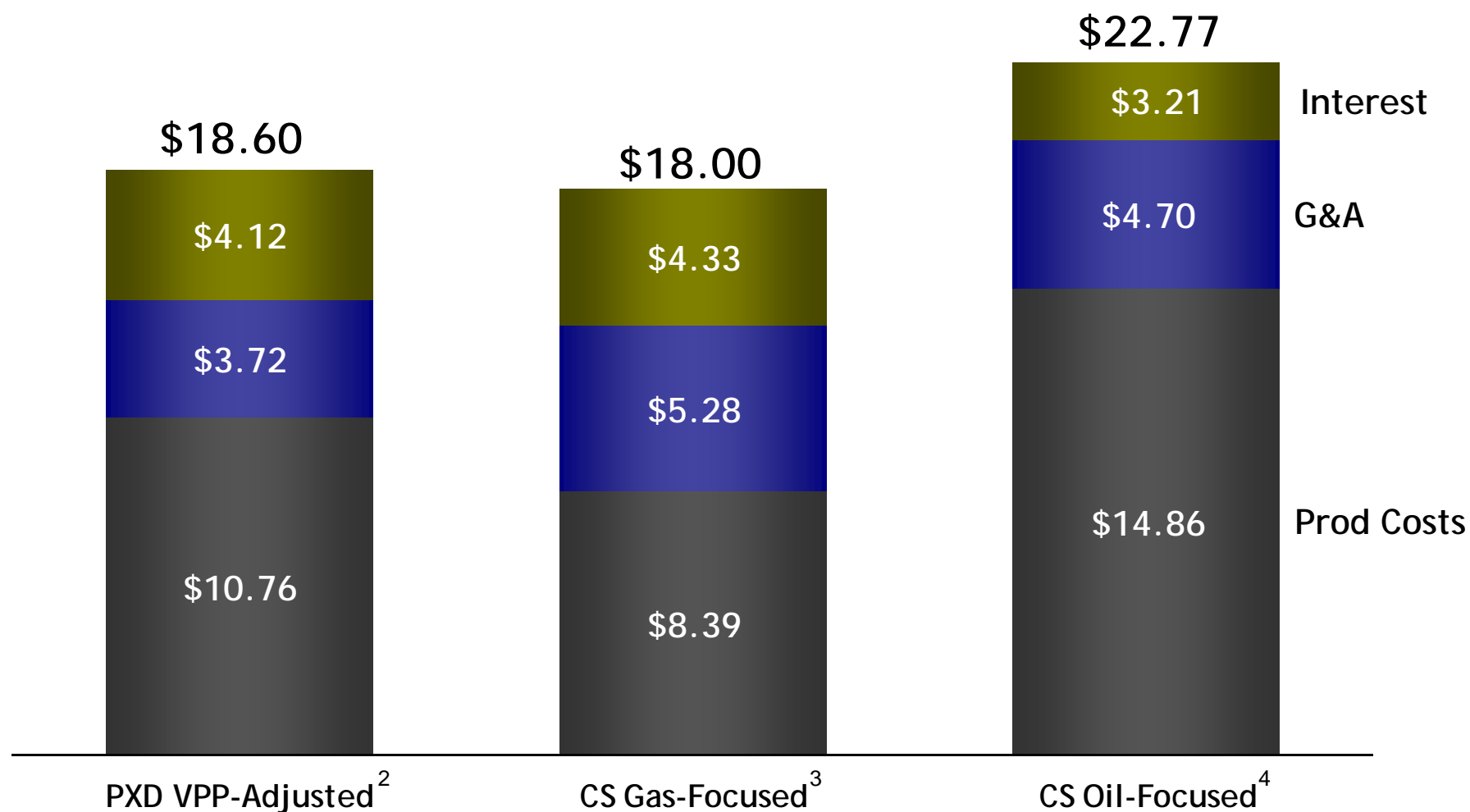
*Pioneer presents VPP-Adjusted Production Costs (per BOE) to assist investors in considering the Company's costs in relation to the total BOEs (reported sales volumes plus VPP delivered volumes) in connection with which those costs were incurred. VPP-Production Costs (per BOE) are calculated as follows:*

	<u>Q2 '10</u>	<u>Q3 '10</u>	<u>Q4 '10</u>	<u>Q1 '11</u>	<u>Q2 '11</u>
Production costs as reported (thousands)	\$ 119,352	\$ 133,757	\$ 112,014	\$ 133,228	\$ 138,319
Production (MBOE):					
As reported	9,813	10,091	10,225	10,009	10,791
VPP deliveries	<u>624</u>	<u>627</u>	<u>622</u>	<u>338</u>	<u>341</u>
VPP-adjusted production	<u>10,437</u>	<u>10,718</u>	<u>10,847</u>	<u>10,347</u>	<u>11,132</u>
Production costs per BOE:					
As reported	\$ 12.17	\$ 13.27	\$ 10.94	\$ 13.31	\$ 12.82
VPP-adjusted	\$ 11.44	\$ 12.48	\$ 10.33	\$ 12.88	\$ 12.43

1) All periods presented have been restated to exclude discontinued operations

# PXD Cash Costs Competitive vs. Peers For 2010

## 2010 Cash Costs (\$ / BOE)<sup>1</sup>



1) Includes production costs, production taxes, G&A (excluding capitalized G&A for full-cost companies), and interest expense

2) Includes Tunisia production volumes and costs

3) Credit Suisse gas-focused companies include APC, CHK, CRK, CRZO, DVN, EOG, EQT, FST, GMXR, HK, KOG, KWK, NFX, PETD, PVA, ROSE, RRC, SD & UPL

4) Credit Suisse oil-focused companies include APA, BEXP, BRY, DNR, MUR, NBL, OXY, PXD, PXP, REXX, SFY, VQ & WLL

Source: Credit Suisse

# 2010 Reserves<sup>1</sup> and F&D

- Year-end 2010 proved reserves of 1,011 MMBOE<sup>2</sup>

	SEC Year-end '10 Proved Reserves (MMBOE)
Spraberry	549
Raton	209
Mid-Continent	106
South Texas	44
Alaska	25
Eagle Ford	24
Barnett Shale	21
Tunisia	24
Other	9
Total	1,011 <sup>2</sup>

- 2010 drillbit F&D of \$9.96/BOE excluding price revisions
- 2010 all-in F&D of \$7.30/BOE including price revisions

1) Reflects 2010 SEC pricing (12-month average) of \$79.28/BBL for oil and \$4.37/MMBTU for gas (NYMEX) as compared to 2009 SEC pricing of \$61.14/BBL for oil and \$3.87/MMBTU for gas (NYMEX)

2) 56% liquids / 44% gas; 57% PD / 43% PUD



# PXD Open Commodity Derivative Positions as of 8/2/2011 (includes PSE)

Oil	Q3 2011	Q4 2011	2012	2013	2014	2015
<b>Swaps - WTI (BPD)</b>	750	750	3,000	3,000	-	-
NYMEX WTI Price (\$/BBL)	\$ 77.25	\$ 77.25	\$ 79.32	\$ 81.02	-	-
<b>Collars - (BPD)</b>	2,000	2,000	2,000	-	-	-
NYMEX Call Price (\$/BBL)	\$ 170.00	\$ 170.00	\$ 127.00	-	-	-
NYMEX Put Price (\$/BBL)	\$ 115.00	\$ 115.00	\$ 90.00	-	-	-
<b>Three Way Collars - (BPD)<sup>1</sup></b>	32,000	32,000	36,000	31,250	22,000	-
NYMEX Call Price (\$/BBL)	\$ 99.33	\$ 99.33	\$ 117.99	\$ 120.62	\$129.76	-
NYMEX Put Price (\$/BBL)	\$ 73.75	\$ 73.75	\$ 80.42	\$ 83.32	\$88.86	-
NYMEX Short Put Price (\$/BBL)	\$ 59.31	\$ 59.31	\$ 65.00	\$ 65.76	\$70.23	-
<b>% Total Oil Production</b>	~85%	~80%	~75%	~50%	~25%	-
<b>Natural Gas Liquids</b>	<b>Q3 2011</b>	<b>Q4 2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Swaps - (BPD)</b>	1,150	1,150	750	-	-	-
Blended Index Price (\$/BBL) <sup>2</sup>	\$ 51.50	\$ 51.50	\$ 35.03	-	-	-
<b>Collars - (BPD)</b>	2,650	2,650	-	-	-	-
NYMEX Call Price (\$/BBL)	\$ 64.23	\$ 64.23	-	-	-	-
NYMEX Put Price (\$/BBL)	\$ 53.29	\$ 53.29	-	-	-	-
<b>% Total NGL Production</b>	~15%	~15%	<5%	-	-	-
<b>% Total Liquids</b>	~60%	~55%	~50%	~30%	~15%	-

1) When NYMEX price is above Call price, PXD receives Call price. When NYMEX price is between Put price and Call price, PXD receives NYMEX price. When NYMEX price is between the Put price and the Short Put price, PXD receives Put price. When NYMEX price is below the Short Put price, PXD receives NYMEX price plus the difference between the Short Put price and Put price

2) Represents weighted average index price of each NGL component price per barrel

## PXD Open Commodity Derivative Positions as of 8/2/2011 (includes PSE)

Gas	Q3 2011	Q4 2011	2012	2013	2014	2015
Swaps - (MMBTUPD)	117,500	117,500	105,000	67,500	50,000	-
NYMEX Price (\$/MMBTU) <sup>1</sup>	\$ 6.13	\$ 6.13	\$ 5.82	\$ 6.11	\$6.05	-
Collars - (MMBTUPD)	-	-	65,000	150,000	140,000	50,000
NYMEX Call Price (\$/MMBTU) <sup>1</sup>	-	-	\$ 6.60	\$ 6.25	\$ 6.44	\$ 7.92
NYMEX Put Price (\$/MMBTU) <sup>1</sup>	-	-	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Three Way Collars - (MMBTUPD) <sup>1,2</sup>	200,000	200,000	190,000	45,000	50,000	-
NYMEX Call Price (\$/MMBTU)	\$ 8.55	\$ 8.55	\$ 7.96	\$ 7.49	\$ 8.08	-
NYMEX Put Price (\$/MMBTU)	\$ 6.32	\$ 6.32	\$ 6.12	\$ 6.00	\$ 6.00	-
NYMEX Short Put Price (\$/MMBTU)	\$ 4.88	\$ 4.88	\$ 4.55	\$ 4.50	\$4.50	-
% U.S. Gas Production	~90%	~85%	~80%	~50%	~40%	~5%

Gas Basis Swaps	Q3 2011	Q4 2011	2012	2013	2014	2015
Spraberry (MMBTUPD)	20,000	20,000	32,500	2,500	-	-
Price Differential (\$/MMBTU)	(0.30)	(0.30)	\$ (0.38)	\$ (0.31)	-	-
Mid-Continent (MMBTUPD)	100,000	100,000	40,000	10,000	-	-
Price Differential (\$/MMBTU)	\$ (0.71)	\$ (0.71)	\$ (0.58)	\$ (0.71)	-	-
Gulf Coast (MMBTUPD)	23,500	23,500	53,500	40,000	20,000	-
Price Differential (\$/MMBTU)	\$ (0.16)	\$ (0.16)	\$ (0.15)	\$ (0.13)	\$ (0.14)	-

1) Represents the NYMEX Henry Hub index price or approximate NYMEX price based on historical differentials to the index price at the time the derivative was entered into

2) When NYMEX price is above Call price, PXD receives Call price. When NYMEX price is between Put price and Call price, PXD receives NYMEX price. When NYMEX price is between the Put price and the Short Put price, PXD receives Put price. When NYMEX price is below the Short Put price, PXD receives NYMEX price plus the difference between Short Put price and Put price

# PSE Derivative Position as of 8/2/2011

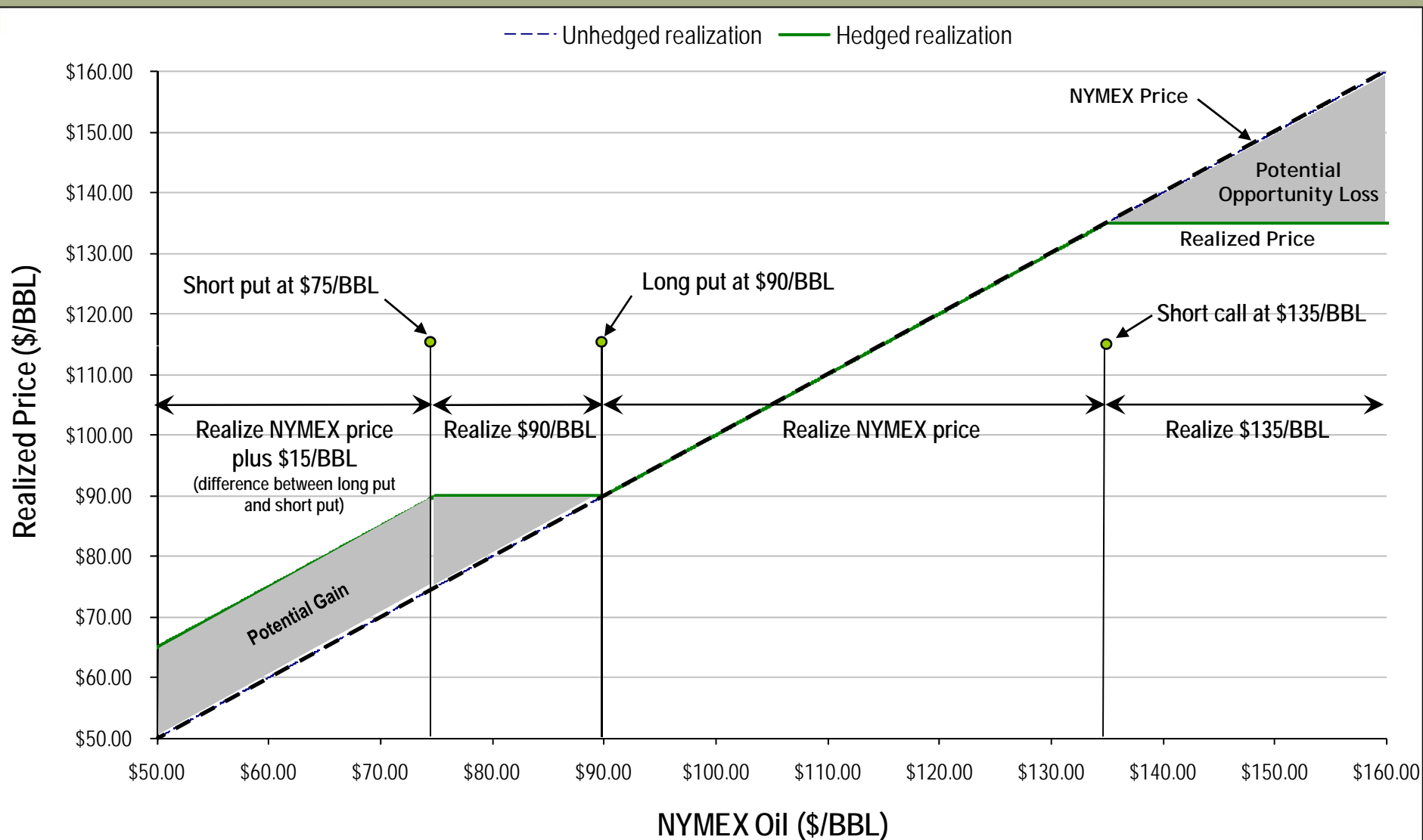
Oil	Q3 2011	Q4 2011	2012	2013	2014
<b>Swaps (BPD)</b>	750	750	3,000	3,000	-
NYMEX Price (\$/BBL)	\$77.25	\$77.25	\$79.32	\$81.02	-
<b>Collars (BPD)</b>	2,000	2,000	-	-	-
NYMEX Call Price (\$/BBL)	\$170.00	\$170.00	-	-	-
NYMEX Put Price (\$/BBL)	\$115.00	\$115.00	-	-	-
<b>Three-Way Collars (BPD)<sup>1</sup></b>	1,000	1,000	1,000	1,000	2,000
NYMEX Call Price (\$/BBL)	\$99.60	\$99.60	\$103.50	\$111.50	\$133.00
NYMEX Put Price (\$/BBL)	\$70.00	\$70.00	\$80.00	\$83.00	\$90.00
NYMEX Short Put Price (\$/BBL)	\$55.00	\$55.00	\$65.00	\$68.00	\$75.00
<b>% Oil Production</b>	~90%	~90%	~90%	~85%	~40%
<b>Natural Gas Liquids</b>					
<b>Swaps (BPD)</b>	750	750	750	-	-
Blended Index Price (\$/BBL) <sup>2</sup>	\$34.65	\$34.65	\$35.03	-	-
<b>% NGLs Production</b>	~50%	~50%	~50%	-	-
<b>Gas</b>					
<b>Swaps (MMBTUPD)</b>	2,500	2,500	5,000	2,500	-
NYMEX Price (\$/MMBTU) <sup>3</sup>	\$6.65	\$6.65	\$6.43	\$6.89	-
<b>% Gas Production</b>	~40%	~40%	~80%	~40%	-
<b>% Total Production</b>	~70%	~70%	~80%	~60%	~25%

1) When NYMEX price is above Call price, PSE receives Call price. When NYMEX price is between Put price and Call price, PSE receives NYMEX price. When NYMEX price is between the Put price and the Short Put price, PSE receives Put price. When NYMEX price is below the Short Put price, PSE receives NYMEX price plus the difference between the Short Put price and Put price

2) Represents the weighted average index price of each NGL component price per Bbl

3) Approximate NYMEX price based on differentials to index prices at the date the derivative was entered into

# Three-Way Collars (\$75 by \$90 by \$135 example)



Three way collars protect downside while providing better upside exposure than traditional collars or swaps

## Future Amortization of Deferred Gains - Discontinued Commodity Hedges<sup>1</sup>

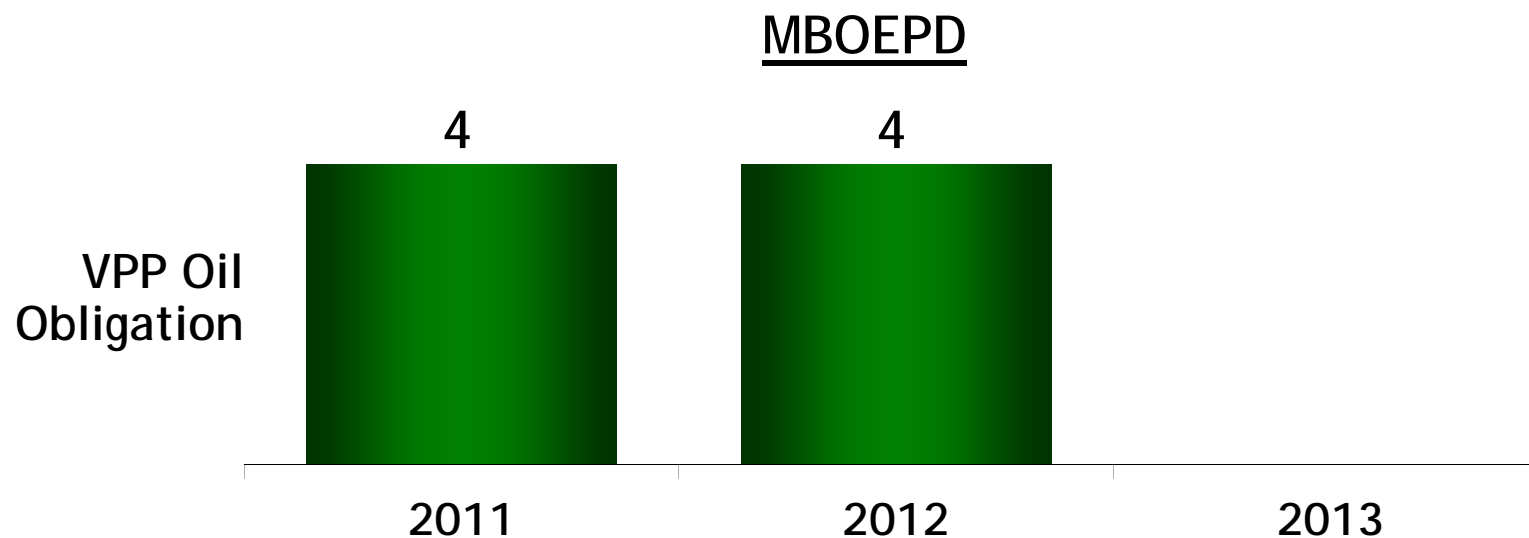
(\$ Millions)

	Oil <u>Total (Cash / Noncash)</u>	Gas <u>Total (Cash / Noncash)</u>	NGL <u>Total (Cash / Noncash)</u>
3 <sup>rd</sup> Qtr 2011	9 [9 / -]	-	-
4 <sup>th</sup> Qtr 2011	9 [9 / -]	-	-

1) Deferred gains will increase oil revenues for the periods shown. Excludes deferred hedge losses associated with derivatives terminated in conjunction with the VPPs

# VPP Expirations

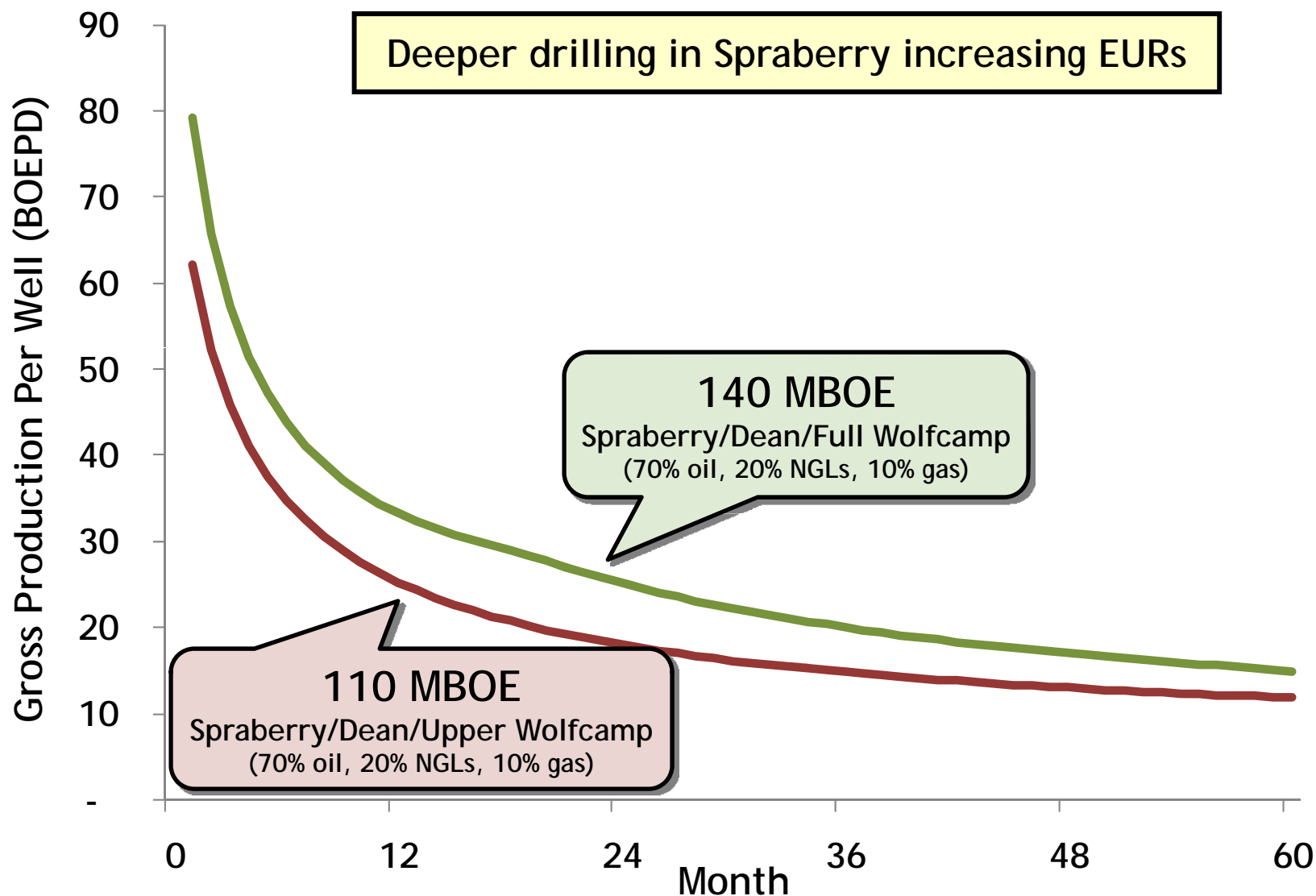
By the end of 2012, the entire VPP commitment will expire and provide a 4 MBOEPD increase in production with no capital requirement



*Schedule of Oil VPP Volumes*

(MMBBLs)	Q1	Q2	Q3	Q4	Total
2011	0.3	0.3	0.4	0.4	1.4
2012	0.3	0.3	0.3	0.3	1.2

# 140 MBOE Spraberry 40-Acre Type Curve

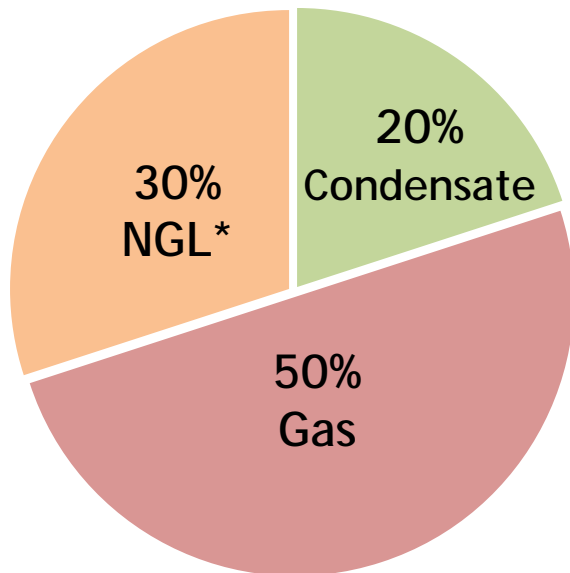


Strawn / Atoka / Mississippian Potential Not Included

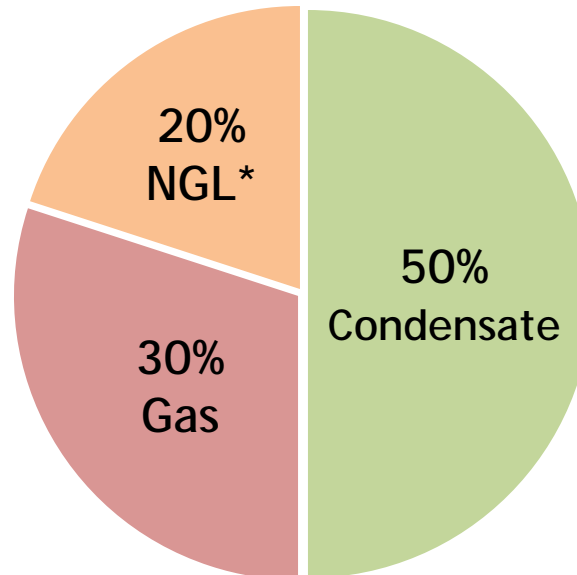
# Eagle Ford Shale Resource Breakdown

PIONEER  
NATURAL RESOURCES

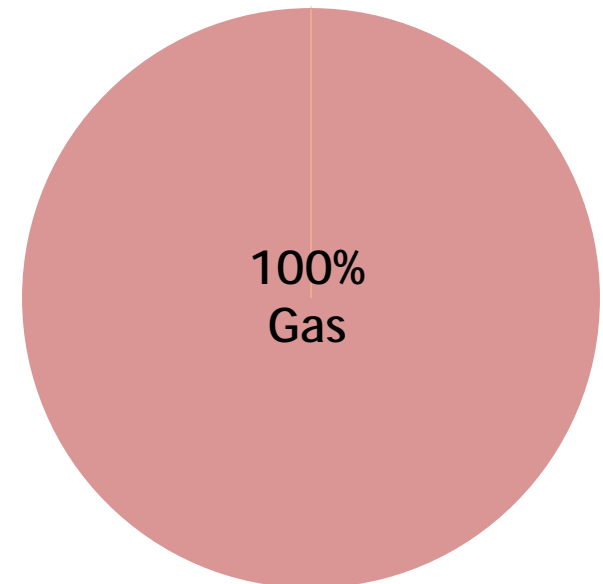
Lean Condensate  
~45% of Acreage  
(60 BBL/MMSCF)



Rich Condensate  
~35% of Acreage  
(200 BBL/MMSCF)



Dry Gas  
~20% of Acreage

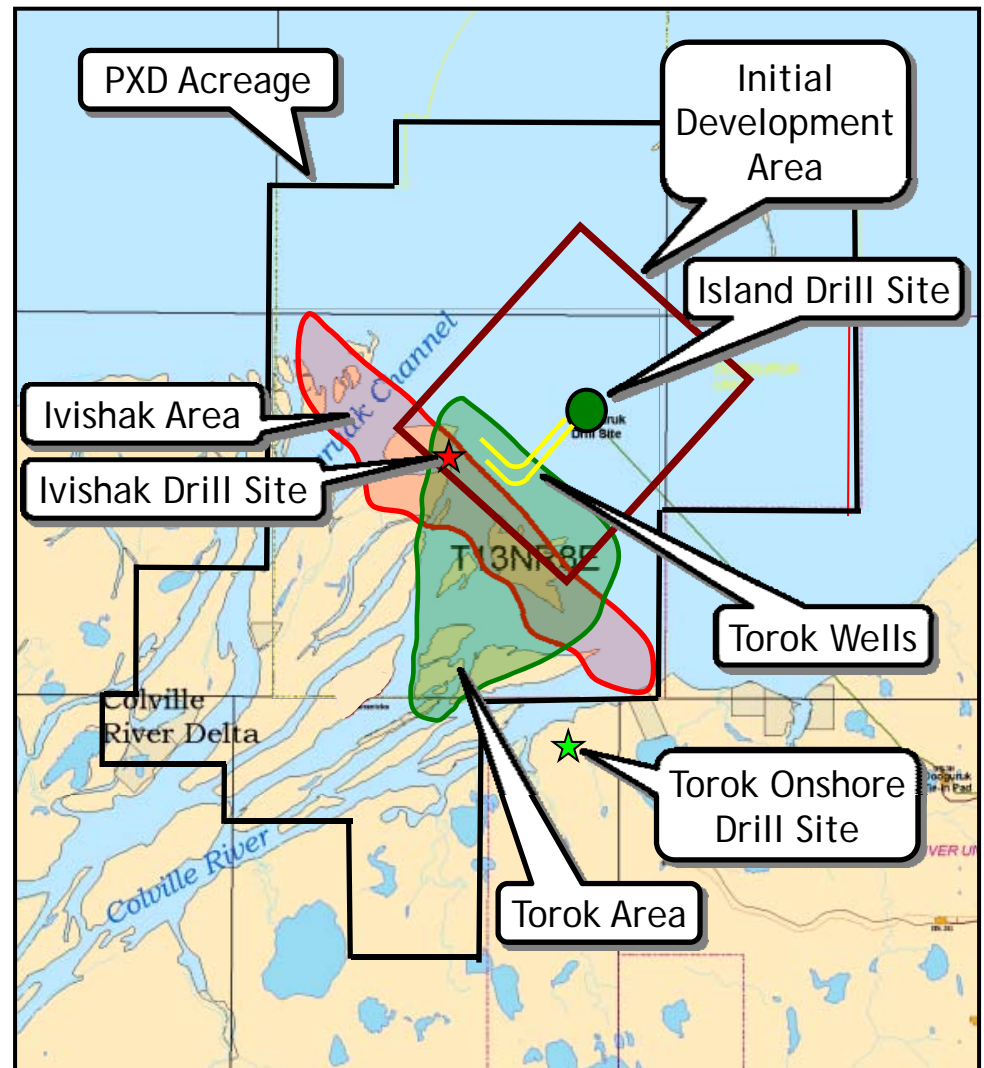


\*NGLs are 50% ethane, 25% propane, 15% butanes and 10% heavier liquids

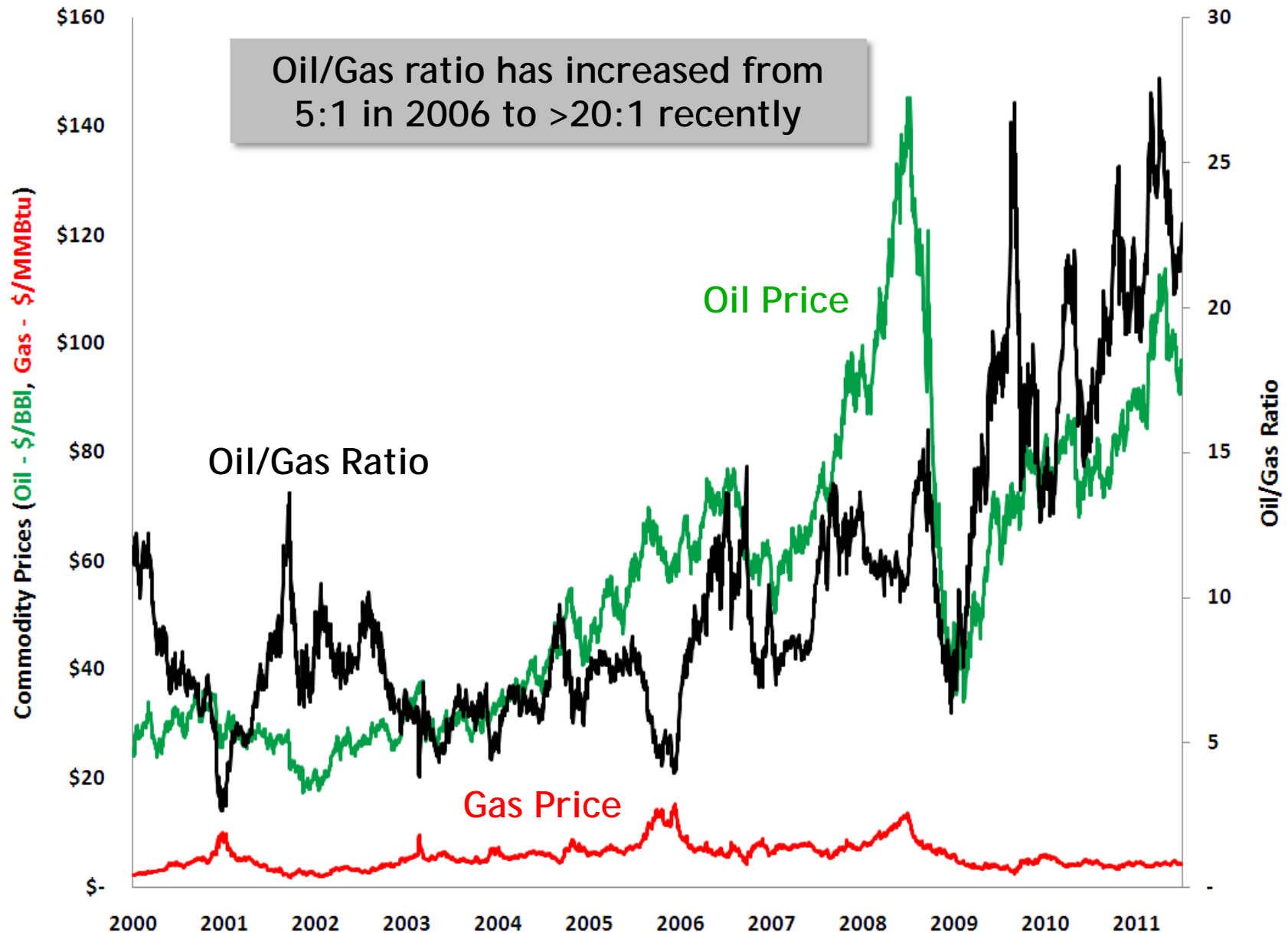


# Alaska - Oooguruk

- 1-rig drilling program continues targeting Kuparuk and Nuiqsut intervals
- Second rig to test Torok zone and a deeper Ivishak zone (main producing zone in Prudhoe Bay) during upcoming winter drilling season



# Oil/Gas Ratio Trending Up Since 2006



*"Finding and development cost per BOE," or "all-in F&D cost per BOE," means total costs incurred divided by the summation of annual proved reserves, on a BOE basis, attributable to revisions of previous estimates, purchases of minerals-in-place, discoveries and extensions and improved recovery. Consistent with industry practice, future capital costs to develop proved undeveloped reserves are not included in costs incurred.*

*"Drillbit finding and development cost per BOE," or "drillbit F&D cost per BOE," means the summation of exploration and development costs incurred divided by the summation of annual proved reserves, on a BOE basis, attributable to technical revisions of previous estimates, discoveries and extensions and improved recovery. Consistent with industry practice, future capital costs to develop proved undeveloped reserves are not included in costs incurred.*

*"Reserve replacement" is the summation of annual proved reserves, on a BOE basis, attributable to revisions of previous estimates, purchases of minerals-in-place, discoveries and extensions and improved recovery divided by annual production of oil, NGLs and gas, on a BOE basis.*

# Certain Reserve Information

Cautionary Note to U.S. Investors --The U.S. Securities and Exchange Commission (the "SEC") prohibits oil and gas companies, in their filings with the SEC, from disclosing estimates of oil or gas resources other than "reserves," as that term is defined by the SEC. In this presentation, Pioneer includes estimates of quantities of oil and gas using certain terms, such as "resource potential," "resource," "EUR" or other descriptions of volumes of reserves, which terms include quantities of oil and gas that may not meet the SEC's definitions of proved, probable and possible reserves, and which the SEC's guidelines strictly prohibit Pioneer from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being recovered by Pioneer. U.S. investors are urged to consider closely the disclosures in the Company's periodic filings with the SEC. Such filings are available from the Company at 5205 N. O'Connor Blvd., Suite 200, Irving, Texas 75039, Attention Investor Relations, and the Company's website at [www.pxd.com](http://www.pxd.com). These filings also can be obtained from the SEC by calling 1-800-SEC-0330.