

PIONEER NATURAL RESOURCES COMPANY

CONDENSED CONSOLIDATED BALANCE SHEET

(in thousands)

| | December 31, | |
|------------------------------------------------------|---------------------------|---------------------------|
| | <u>1999</u> | <u>1998</u> |
| ASSETS | | |
| Oil and gas properties | \$3,254,918 | \$3,964,219 |
| Accumulated depletion, depreciation and amortization | (751,956) | (930,111) |
| Deferred income taxes | 89,200 | 103,900 |
| Other assets | <u>337,311</u> | <u>343,306</u> |
| | <u><u>\$2,929,473</u></u> | <u><u>\$3,481,314</u></u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Debt | \$1,745,935 | \$2,175,265 |
| Other liabilities | 365,424 | 452,772 |
| Deferred income taxes | 43,500 | 64,200 |
| Stockholders' equity | <u>774,614</u> | <u>789,077</u> |
| | <u><u>\$2,929,473</u></u> | <u><u>\$3,481,314</u></u> |

PIONEER NATURAL RESOURCES COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except for per share data)

| | Three months ended December 31, | | Year ended December 31, | |
|-----------------------------------------------------------|------------------------------------|---------------------|----------------------------|---------------------|
| | <u>1999</u> | <u>1998</u> | <u>1999</u> | <u>1998</u> |
| Revenues: | | | | |
| Oil and gas | \$ 163,409 | \$ 157,014 | \$ 644,646 | \$ 711,492 |
| Interest and other | 8,518 | 2,261 | 89,657 | 10,452 |
| Loss on disposition of assets, net | <u>(2,892)</u> | <u>(309)</u> | <u>(24,168)</u> | <u>(445)</u> |
| | <u>169,035</u> | <u>158,966</u> | <u>710,135</u> | <u>721,499</u> |
| Costs and expenses: | | | | |
| Oil and gas production | 36,069 | 54,043 | 159,530 | 223,551 |
| Depletion, depreciation and amortization - oil and gas | 47,196 | 85,231 | 218,250 | 322,294 |
| Depletion, depreciation and amortization - other | 4,263 | 4,869 | 17,797 | 15,014 |
| Impairment of oil and gas properties | - | 459,519 | 17,894 | 459,519 |
| Exploration and abandonments | 24,382 | 35,709 | 65,974 | 121,858 |
| General and administrative | 11,009 | 16,352 | 40,241 | 73,000 |
| Reorganization | 729 | 12,041 | 8,534 | 33,199 |
| Interest | 39,918 | 41,968 | 170,344 | 164,285 |
| Other | <u>(1,660)</u> | <u>21,105</u> | <u>34,631</u> | <u>39,605</u> |
| | <u>161,906</u> | <u>730,837</u> | <u>733,195</u> | <u>1,452,325</u> |
| Income (loss) before income taxes | 7,129 | (571,871) | (23,060) | (730,826) |
| Income tax (provision) benefit | <u>1,100</u> | <u>(71,000)</u> | <u>600</u> | <u>(15,600)</u> |
| Net income (loss) | <u>\$ 8,229</u> | <u>\$ (642,871)</u> | <u>\$ (22,460)</u> | <u>\$ (746,426)</u> |
| Net income (loss) per share: | | | | |
| Basic | <u>\$.08</u> | <u>\$ (6.41)</u> | <u>\$ (.22)</u> | <u>\$ (7.46)</u> |
| Diluted | <u>\$.08</u> | <u>\$ (6.41)</u> | <u>\$ (.22)</u> | <u>\$ (7.46)</u> |
| Dividends declared per share | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$.10</u> |
| Weighted average shares outstanding | <u>100,319</u> | <u>100,291</u> | <u>100,307</u> | <u>100,055</u> |

PIONEER NATURAL RESOURCES COMPANY

SUMMARY PRODUCTION AND PRICE DATA

| | | Three months ended December 31, | | Year ended December 31, | |
|------------------------------|-----------|------------------------------------|----------|----------------------------|----------|
| | | 1999 | 1998 | 1999 | 1998 |
| Average Daily Production: | | | | | |
| Oil (Bbls) - | U.S. | 26,068 | 39,121 | 31,366 | 41,555 |
| | Argentina | 7,948 | 7,540 | 6,443 | 8,415 |
| | Canada | 833 | 8,178 | 4,530 | 9,082 |
| | Total | 34,849 | 54,839 | 42,339 | 59,052 |
| Natural gas liquids (Bbls) - | U.S. | 22,281 | 27,646 | 23,875 | 27,835 |
| | Argentina | 542 | 648 | 594 | 626 |
| | Canada | 714 | 810 | 839 | 770 |
| | Total | 23,537 | 29,104 | 25,308 | 29,231 |
| Gas (Mcf) - | U.S. | 239,695 | 350,648 | 290,670 | 377,373 |
| | Argentina | 86,652 | 80,103 | 94,457 | 73,427 |
| | Canada | 36,560 | 61,216 | 49,003 | 53,072 |
| | Total | 362,907 | 491,967 | 434,130 | 503,872 |
| Total Production: | | | | | |
| Oil (Mbbls) | | 3,206 | 5,045 | 15,454 | 21,554 |
| Natural gas liquids (Mbbls) | | 2,165 | 2,678 | 9,237 | 10,669 |
| Gas (Mmcf) | | 33,387 | 45,261 | 158,457 | 183,913 |
| Equivalent barrels (MBOE) | | 10,936 | 15,266 | 51,101 | 62,875 |
| Average Price: | | | | | |
| Oil - | U.S. | \$ 17.88 | \$ 13.20 | \$ 15.03 | \$ 13.96 |
| | Argentina | \$ 22.84 | \$ 9.73 | \$ 18.41 | \$ 11.00 |
| | Canada | \$ 21.13 | \$ 9.81 | \$ 13.28 | \$ 10.96 |
| | Average | \$ 19.09 | \$ 12.22 | \$ 15.36 | \$ 13.08 |
| Natural gas liquids - | U.S. | \$ 15.47 | \$ 7.33 | \$ 11.61 | \$ 8.86 |
| | Argentina | \$ 19.98 | \$ 6.91 | \$ 11.30 | \$ 9.83 |
| | Canada | \$ 21.56 | \$ 8.69 | \$ 12.62 | \$ 9.54 |
| | Average | \$ 15.76 | \$ 7.35 | \$ 11.64 | \$ 8.90 |
| Gas - | U.S. | \$ 2.37 | \$ 1.82 | \$ 2.17 | \$ 2.01 |
| | Argentina | \$ 1.08 | \$ 1.05 | \$ 1.10 | \$ 1.09 |
| | Canada | \$ 2.15 | \$ 1.64 | \$ 1.82 | \$ 1.45 |
| | Average | \$ 2.04 | \$ 1.67 | \$ 1.90 | \$ 1.82 |