

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): February 5, 2020

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

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-13245**  
(Commission  
File Number)

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

**777 Hidden Ridge**  
**Irving, Texas 75038**  
(Address of principal executive offices and zip code)

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

**5205 N. O'Connor Blvd., Suite 200**  
**Irving, Texas 75039**  
(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))

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common Stock, par value \$.01 per share	PXD	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## 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 certain information for the three and twelve months ended December 31, 2019 regarding (i) the impact of changes in the fair value of derivative instruments on its results of operations and certain other information regarding its derivative instruments, (ii) the impact of the change in fair value of divestiture contingent consideration on its results of operations, (iii) the impact of the change in fair value of investment in affiliate on its results of operations and (iv) the net effect of third party purchases and sales of oil and gas.*

### Derivative Activity

The following table summarizes the net derivative loss and gain that the Company expects to report in its earnings for the three and twelve months ended December 31, 2019, respectively:

	Three Months Ended December 31, 2019	Twelve Months Ended December 31, 2019
	(in millions)	
Noncash changes in fair value:		
Oil derivative loss, net	\$ (134)	\$ (34)
Gas derivative gain, net	5	21
Total noncash derivative loss, net	(129)	(13)
Net cash receipts on settled derivative instruments:		
Oil derivative receipts	20	75
Gas derivative payments	(7)	(28)
Total cash receipts on settled derivative instruments, net	13	47
Total derivative gain (loss), net	\$ (116)	\$ 34

### Divestiture Contingent Consideration

The Company is entitled to receive contingent consideration associated with the sale of its Eagle Ford and other remaining assets in South Texas of up to \$450 million based on annual oil and NGL prices realized during each of the next five years (2020 to 2024). The divestiture contingent consideration is measured at fair value on a recurring basis. The Company expects to report a noncash divestiture contingent consideration gain of \$16 million in its earnings for the three months ended December 31, 2019 and a net loss of \$45 million in its earnings during the twelve months ended December 31, 2019.

### Investment in Affiliate

The Company owns 16.6 million shares of ProPetro Holding Corp. ("ProPetro"), which is measured on a recurring basis at fair value. The Company expects to report noncash gains on its investment in ProPetro for the three and twelve months ended December 31, 2019 of \$36 million and \$14 million, respectively.

### Sales of Purchased Oil and Gas

The Company enters into pipeline capacity commitments in order to secure available oil, NGL and gas transportation capacity from the Company's areas of production. The Company enters into purchase transactions with third parties and separate sale transactions with third parties to diversify a portion of the Company's oil sales to the Gulf Coast refinery or international export markets and to satisfy unused oil and gas pipeline capacity commitments. For the three and twelve months ended December 31, 2019, the Company expects the net effect of third party purchases and sales of oil and gas to result in income of \$4 million and \$283 million, respectively.

**Item 7.01 Regulation FD Disclosure**

The Company's open commodity oil and gas derivative positions as of February 4, 2020 are as follows:

	2020				Year Ending December 31, 2021
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
<b>Average daily oil production associated with derivatives (Bbl)</b>					
<b>Brent swap contracts:</b>					
Volume	3,407	—	—	—	—
Price	\$ 60.86	\$ —	\$ —	\$ —	\$ —
<b>Brent collar contracts with short puts:</b>					
Volume	145,500	135,500	115,500	115,500	7,000
Price:					
Ceiling	\$ 68.46	\$ 68.84	\$ 69.78	\$ 69.78	\$ 65.37
Floor	\$ 61.64	\$ 61.76	\$ 62.06	\$ 62.06	\$ 60.00
Short put	\$ 53.45	\$ 53.48	\$ 53.56	\$ 53.56	\$ 52.00
<b>Brent call contracts sold:</b>					
Volume per day (Bbl) (a)	—	—	—	—	13,000
Price per Bbl	\$ —	\$ —	\$ —	\$ —	\$ 72.10
<b>Average daily gas production associated with derivatives (MMBtu)</b>					
<b>Swap contracts:</b>					
Volume	—	30,000	30,000	16,739	2,466
NYMEX price	\$ —	\$ 2.41	\$ 2.41	\$ 2.43	\$ 2.46
<b>Basis swap contracts:</b>					
Permian Basin index swap volume (b)	—	30,000	30,000	16,739	2,466
Price differential (\$/MMBtu)	\$ —	\$ (1.68)	\$ (1.68)	\$ (1.59)	\$ (1.46)

(a) The referenced call contracts were sold in exchange for higher ceiling prices on certain 2020 collar contracts.

(b) The referenced basis swap contracts fix the basis differentials between the index price at which the Company sells its Permian Basin gas and the NYMEX index price used in swap contracts.

### **Cautionary Statement Concerning Forward-Looking Statements**

*Except for historical information contained herein, the statements in this Current Report on Form 8-K 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 the Company are subject to a number of risks and uncertainties that 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 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, completion of planned divestitures, litigation, the costs and results of drilling and operations, availability of equipment, services, resources and personnel required to perform the Company's drilling and operating activities, access to and availability of transportation, processing, fractionation, refining and export 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, investment instruments and derivative contracts and the purchasers of Pioneer's oil, natural gas liquid and gas production, uncertainties about estimates of reserves, identification of drilling locations 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, cybersecurity risks, the ability to implement planned stock repurchases, the risks associated with the ownership and operation of the Company's oilfield services businesses and acts of war or terrorism. These and other risks are described in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. In addition, the Company may be subject to currently unforeseen risks that may have a materially adverse impact on it. Accordingly, no assurances can be given that the actual events and results will not be materially different than the anticipated results described in the forward-looking statements. The Company undertakes no duty to publicly update these statements except as required by law.*

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**SIGNATURES**

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**

By: /s/ Margaret M. Montemayor \_\_\_\_\_

Margaret M. Montemayor

Vice President and Chief Accounting Officer

Date: February 5, 2020