

PIONEER NATURAL RESOURCES CO
Form 8-K
July 18, 2017

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): July 17, 2017

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

Delaware (State or other jurisdiction of incorporation)	1-13245 (Commission (I.R.S. Employer File Number) Identification No.)	75-2702753
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))

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 regarding the impact of changes in the fair values of derivative instruments on its results of operations for the three and six months ended June 30, 2017 and certain other information regarding its derivative instruments.

The following table summarizes the net derivative gains that the Company expects to report in its earnings for the three and six months ended June 30, 2017:

DERIVATIVE GAINS, NET

(in millions)

	Three Months Ended June 30, 2017	Six Months Ended June 30, 2017
Noncash changes in fair value:		
Oil derivative gains	\$ 103	\$ 220
NGL derivative gains	—	3
Gas derivative gains	10	29
Diesel derivative losses	(1)	—
Interest rate derivative losses	(1)	(1)
Total noncash derivative gains, net	111	251
Net cash receipts on settled derivative instruments:		
Oil derivative receipts	21	33
NGL derivative receipts	1	1
Gas derivative receipts	1	—
Diesel derivative receipts	1	1
Total cash receipts on settled derivative instruments, net	24	35
Total derivative gains, net	\$ 135	\$ 286

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 July 14, 2017:

	2017		Year Ending December 31,	
	Third Quarter	Fourth Quarter	2018	2019
Average Daily Oil Production Associated with Derivatives (Bbl):				
Collar contracts:				
Volume	6,000	6,000	—	—
NYMEX price:				
Ceiling	\$70.40	\$70.40	\$—	\$—
Floor	\$50.00	\$50.00	\$—	\$—
Collar contracts with short puts:				
Volume	147,000	155,000	71,000	—
NYMEX price:				
Ceiling	\$62.03	\$62.12	\$60.38	\$—
Floor	\$49.81	\$49.82	\$50.07	\$—
Short put	\$41.07	\$41.02	\$40.00	\$—
Average Daily NGL Production Associated with Derivatives:				
Butane collar contracts with short puts (a):				
Volume (Bbl)	2,000	—	—	—
Index price:				
Ceiling	\$36.12	\$—	\$—	\$—
Floor	\$29.25	\$—	\$—	\$—
Short put	\$23.40	\$—	\$—	\$—
Ethane collar contracts (b):				
Volume (Bbl)	3,000	3,000	—	—
Index price:				
Ceiling	\$11.83	\$11.83	\$—	\$—
Floor	\$8.68	\$8.68	\$—	\$—
Ethane basis swap contracts (c):				
Volume (MMBtu)	6,920	6,920	6,920	6,920
Index price	\$1.60	\$1.60	\$1.60	\$1.60
Average Daily Gas Production Associated with Derivatives (MMBtu):				
Collar contracts with short puts:				