PIONEER NATURAL RESOURCES CO
Form 11-K
June 23, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

/ x / ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to _________

Commission File Number: 333-39249

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Pioneer Natural Resources Company
5205 North O'Connor Blvd., Suite 200
Irving, Texas 75039

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

Financial Statements and Supplemental Schedule

As of December 31, 2013 and 2012 and for the year ended December 31, 2013

With Reports of Independent Registered Public Accounting Firms

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

TABLE OF CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and the Plan Administrator
Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan

We have audited the accompanying statement of net assets available for benefits of the Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan (the "Plan") as of December 31, 2013 and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan as of December 31, 2013, and the changes in its net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan’s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Whitley Penn LLP

Dallas, Texas
June 23, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM

To the Participants and the Plan Administrator of
Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan:

We have audited the accompanying statement of net assets available for benefits of Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan as of December 31, 2012. This financial statement is the responsibility of the Plan's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the net assets available for benefits of the Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan at December 31, 2012, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

Fort Worth, Texas
June 24, 2013

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

Statements of Net Assets Available for Benefits

	December 31, 2013	2012
Investments at fair value	$453,598,456	$345,147,181
Notes receivable from participants	12,035,013	10,600,968
Contributions receivable	4,615	125,215
Total assets	465,638,084	355,873,364
Accrued administrative expenses	(23,248)	(17,732)
Net assets reflecting all investments at fair value	465,614,836	355,855,632
Adjustment from fair value to contract value for fully benefit-responsive investment contracts held by a common/collective trust	(594,943)	(1,102,743)
Net assets available for benefits	$465,019,893	$354,752,889

See accompanying notes to financial statements.

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2013

Additions to net assets available for benefits:	
Net appreciation in fair value of investments	$73,063,930
Employer contributions	30,390,590
Participants' contributions	24,477,449
Interest and dividend income	11,001,362
Rollovers	2,156,653
Other additions	23,575
Total additions	141,113,559
Deductions from net assets available for benefits:	
Distributions to participants	30,609,825
Administrative expenses	236,730
Total deductions	30,846,555
Net increase in net assets available for benefits	110,267,004
Net assets available for benefits, beginning of year	354,752,889
Net assets available for benefits, end of year	$465,019,893

See accompanying notes to financial statements.

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Note 1. Description of Plan

The following description of the Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan (the "Plan") provides only general information. A more complete description of the Plan is accessible to each participant and beneficiary through the Plan's website maintained for the Plan at www.vanguard.com. Access to the website is only available to each participant and beneficiary. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

General

The Plan is a defined contribution plan established on January 1, 1990 under Section 401 of the Internal Revenue Code of 1986, as amended (the "Code"). The Plan was established for the benefit of the employees of Pioneer Natural Resources USA, Inc., a wholly-owned subsidiary of Pioneer Natural Resources Company (the "Company"), and any affiliate of Pioneer Natural Resources USA, Inc. that has adopted the Plan pursuant to the terms of the Plan (collectively referred to as the "Employer"). All regular full-time and part-time employees of the Employer are eligible to participate in the Plan on the first payroll date following their date of hire. A temporary employee is eligible to participate in the Plan upon the earlier of (1) the first day of the Plan year after the employee completes one year of eligibility service (which is the period of twelve consecutive months commencing on the employee's employment date or any Plan year commencing after the employee's employment date, during which the employee completes at least 1,000 hours of service) or (2) the date that is six months after the employee completes one year of eligibility service, unless the employee has separated from service before that time. The Company closed operations at the Company's Glass Rock plant in Ohio and terminated all members of the Glass, Molders, Pottery, Plastics & Allied Workers' International Union - Local Union Number 191 on December 31, 2012. In February 2013, the Company sold certain assets in Orange County, California; as a result, members of the Glass, Molders, Pottery, Plastics & Allied Workers' International Union - Local Union Number 137 (the "Orange County Union") and nonunion members (representing approximately fifty employees) ceased to be employees of the Company. The Plan's assets are held in a trust and certain administrative functions are performed by Vanguard Fiduciary Trust Company, the trustee of the Plan (the "Trustee"). The Plan is administered by the Pioneer Natural Resources USA, Inc. 401(k) and Matching Plan Committee (the "Plan Administrator").

Contributions

Participants may elect to contribute to the Plan an amount up to 80 percent of their pre-tax basic compensation per pay period or the applicable legal limit per the Code. Additionally, participants may elect to make after-tax contributions to the Plan. Participants may also make Roth contributions to the Plan, which allow a participant to pay federal income taxes on a portion of their contributions to the Plan and take related distributions from the Plan free of federal income tax. A participant's combined pre-tax, Roth contributions and after-tax contributions to the Plan cannot exceed 80 percent of the participant's basic compensation per pay period or the applicable legal limit. Certain participants may make catch-up contributions to the Plan in accordance with Section 414(v) of the Code. Pre-tax, Roth, after-tax and catch-up contributions are hereinafter referred to as "Participant Contributions."

In general, matching contributions are made in cash by the Employer on behalf of a participant in an amount equal to 200 percent of the pre-tax contributions made by the participant that do not exceed five percent of the participant's annual basic compensation (as defined in the Plan) (the "Matching Contributions"), except for certain union employees of the Company. With regard to these employees, the Plan provides the following:

- members of the Glass, Molders, Pottery, Plastics & Allied Workers' International Union - Local Union Number 164 (the "Millwood Union") receive a matching contribution equal to 50 percent of the first six percent of pre-tax contributions and pre-tax contributions designated as Roth contributions; and
- members of the Orange County Union received a matching contribution equal to 100 percent of the first four percent and 50 percent of the next two percent of pre-tax contributions and pre-tax contributions designated as Roth

contributions, through the sale of the assets in February 2013.

The Plan also provides for the automatic enrollment of certain employees. The automatic enrollment applies to employees who (1) became eligible for participation in the Plan on February 1, 2012 or later, (2) were previously eligible for participation in the Plan but never filed an affirmative election not to participate and (3) are not members of certain unions. These employees will be automatically enrolled in the Plan at a contribution rate of three percent of the employee's pre-tax basic compensation unless the employee opts out of participation or makes an alternative election within 30 days of the date the employee is eligible. Additionally, the contribution rate for an employee who has been automatically enrolled

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

in the Plan will increase by one percentage point each Plan year up to a maximum deferral rate of five percent. All contributions are subject to certain limitations of the Code.

Participant Accounts and Investment Options

Participants' accounts are credited with their Participant Contributions and Matching Contributions. In accordance with Section 404(c) of ERISA and the Plan's Investment Policy Statement, participants exercise individual control over their accounts and are provided a broad range of investment funds in which they may choose to invest their Participant Contributions and Matching Contributions. Earnings and losses attributable to the participants' chosen investments are allocated to the participants' accounts, along with any investment fees charged by the funds. The benefit to which a participant is entitled is the benefit that can be realized from the participant's vested account. See Note 3 for additional information regarding investment risks and uncertainties.

Vesting

Participants are immediately vested in their Participant Contributions and any earnings thereon. Participants who are not members of a union vest in twenty-five percent of their Matching Contributions and earnings thereon for each full year of completed service to the Company over a four-year period that begins with the participant's date of hire. The Plan also provides that participants who are members of the Millwood Union vest in 33 percent of their Matching Contribution and earnings thereon for service completed in years one and three and 34 percent of their Matching Contribution in year two of the period that begins with the participant's date of hire. Participants' account balances that were merged into the Plan from predecessor plans are fully vested.

Payments of Benefits

A participant may receive a distribution of the vested amount credited to the participant's accounts under the Plan upon one of the following events:

- retirement (which means separation from employment on or after the participant's 65th birthday),
- permanent disability,
- death, or
- other separation from employment.

Vested balances > $5,000. If the total value of the vested portion of a participant's accounts (other than rollover amounts) exceeds $5,000, unless otherwise elected, payments will begin no later than 60 days after the end of the Plan year in which the participant becomes entitled to a distribution. In addition, the law requires that distributions must begin no later than April 1 of the calendar year following the calendar year in which a participant reaches age 70½ or, if later, when the participant retires. Distributions of the vested portion of the account of a terminated, retired or disabled participant can be in the form of a single distribution or monthly, quarterly or annual installment distributions over a period of two or more years, but no longer than one of the following periods (as selected by the participant): (i) the participant's life, (ii) the lives of the participant and his or her designated beneficiary, (iii) a period not extending beyond the participant's life expectancy, or (iv) a period not extending beyond the joint life and last survivor expectancy of the participant and his or her designated beneficiary. Upon the termination of employment, retirement or disability of a participant, such participant's vested account balances attributable to predecessor plans shall be distributed in the form of a joint and survivor annuity unless the participant directs the Plan Administrator to distribute the benefits in the form of a single distribution or installment distributions.

Vested balances ≤ $5,000. If the total value of the vested portion of the participant's accounts is $5,000 or less but more than $1,000 (not including amounts in the participant's rollover account, if any) the treatment of distributions will depend on how the participant separated from service. If the participant separates from service as a result of the participant's retirement, permanent disability, death or transfer to an affiliate of the Employer, the vested portion will be distributed to the participant in a single distribution. If the participant separates from service for any reason other than the participant's retirement, permanent disability, death or transfer to an affiliate of the Employer; and the distribution is an eligible rollover distribution, the Plan will automatically pay the distribution in a direct rollover to an individual retirement account designated by the Plan Administrator unless the participant elects to have it paid directly to the participant in a single distribution or rolled over to another eligible retirement plan. If the total value of the vested portion of the participant's accounts is $1,000 or less, payment will be made in a single distribution as soon as administratively possible.

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

In either case, vested amounts that are invested in the Pioneer Natural Resources Stock Fund may, at the election of the participant, be distributed in the form of the Company's common stock with cash distributed in lieu of fractional shares of stock. Under the Plan, a participant's beneficiary will receive the participant's account balances in the event of the participant's death.

In-Service Withdrawals

A current employee of the Employer may withdraw (i) all or a portion of the participant's account balances derived from after-tax Participant Contributions or rollover contributions; (ii) pre-tax Participant Contributions (excluding earnings and qualified non-elective contributions allocated to the participant's pre-tax Participant Contributions accounts) under certain hardship conditions specified in the Plan document; or (iii), if the participant has attained the age of 59-1/2, all or a portion of the participant's account balances (excluding certain accounts containing Employer Matching Contributions). In addition, certain withdrawals may be made by (i) a participant who is a reservist or national guardsman called to active duty for a period in excess of 179 days or for an indefinite period of time after September 11, 2001 and (ii) a participant who is performing qualified military service for more than 30 days and who is receiving differential wage payments from the Employer.

Participant Loans

Participants may borrow from their accounts a maximum of the lesser of (i) $50,000 (reduced by the excess, if any, of the highest total outstanding balance of all other Plan loans to the participant during the one-year period ending on the day before the date a new loan is made, over the outstanding balance of those other loans on the date the new loan is made) or (ii) 50 percent of their accounts' vested balances. The loans are secured by the balance in the participants' accounts. Participants' loans bear interest at an annual rate equal to the prime borrowing rate at the inception of the loan plus one percent. When the loan is repaid, both principal and interest are deposited into the participant's account. Loan principal and interest are paid ratably through payroll deductions over a period not to exceed five years unless the loan is for the purpose of acquiring the principal residence of the participant, which is not to exceed a period of 25 years. A participant may not have more than two participant loans outstanding at any time, one of which may be a principal residence loan. Loans to participants are valued at their unpaid principal balance plus any accrued but unpaid interest.

Forfeitures

Upon termination of employment, the unvested portion of a participant's account is forfeited to the Plan. Forfeitures are used to restore previously forfeited amounts to participants upon rehire as required by the Plan, pay for administrative expenses incurred by the Plan, or reduce subsequent Matching Contributions made to the Plan by the Employer.

Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan, subject to the provisions of ERISA, to discontinue its Matching Contributions at any time or to terminate the Plan. In the event of the Plan's termination or the complete discontinuance of any Matching Contributions to the Plan, participants will immediately become fully vested in their accounts.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared under the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America ("GAAP").

Distributions of Benefits

Distributions of benefits to participants are recorded when paid.

PIONEER NATURAL RESOURCES USA, INC. 401(k) AND MATCHING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

Investment Valuation

The Plan's investments are stated at fair value in the accompanying Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012, as reported by the Trustee. See Note 4 for additional information about fair value.

Security Transactions and Investment Income

Security transactions are accounted for on a trade-date basis. Expenses incurred with transactions, if any, are added to the purchase price or deducted from the selling price at the time of the transactions. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as investments held during the year.

Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Use of Estimates

The preparation of the accompanying financial statements in conformity with GAAP requires the Plan's management to make estimates that affect the amounts reported in the financial statements, accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Note 3. Investments

The Trustee holds the Plan's investments and executes all investment transactions.

The fair values of individual investments that represent five percent or more of the Plan's net assets available for benefits at December 31, 2013 and 2012 are as follows:

	December 31,	
	2013	2012
Pioneer Natural Resources Stock Fund	$53,159,844	$29,687,636
Vanguard PRIMECAP Fund	$49,042,224	$37,531,942
Vanguard 500 Index Fund	$40,864,485	$30,106,969
Vanguard Windsor II Fund	$27,388,758	$20,962,676
Vanguard Retirement Savings Trust V ("VRSTV")*	**	$21,909,217