



Pioneer Natural Resources



Falcon & Harrier Development

August 28, 2003

J. D. Hall

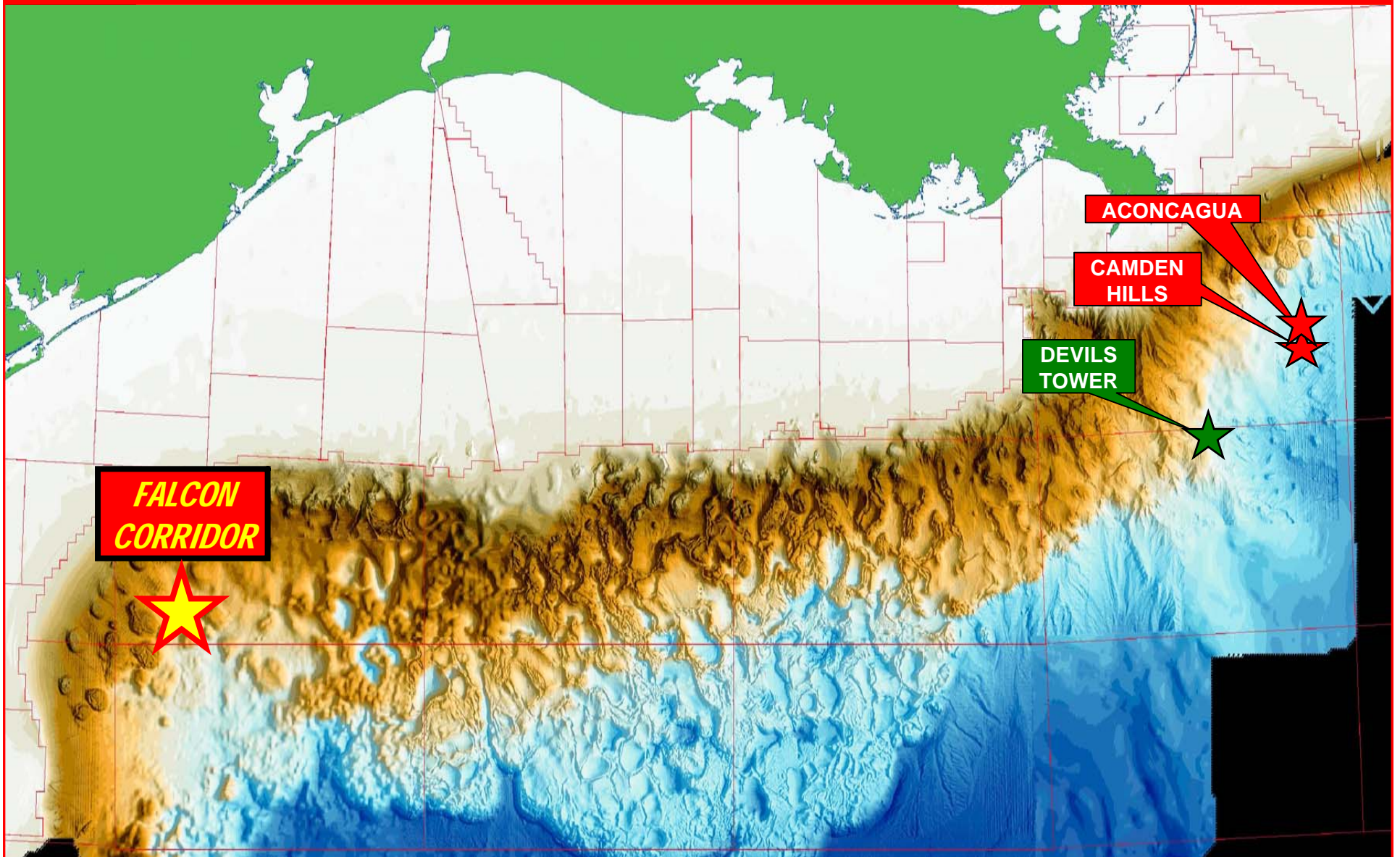
Who is Pioneer Natural Resources??

Pioneer Natural Resources Company was formed through the 1997 merger of Parker & Parsley Petroleum Company and MESA Inc.

AUG 1997 Pioneer Formed
JUN 1998 Sable Discovery
MAR 1999 Aconcagua Discovery
FEB 2000 Devils Tower Discovery
OCT 2000 Camden Hills Added
APR 2001 Falcon Discovery
MAY 2001 Gabon Discovery
OCT 2001 Ozona Deep Discovery
DEC 2001 Spraberry Acquisition
APR 2002 West Panhandle/Falcon Acquisition
JUL 2002 Triton Discovery
SEP 2002 Tunisia Discovery
SEP 2002 Canyon Express First Production
JAN 2003 Harrier Discovery
MAR 2003 Falcon First Production
AUG 2003 Tomahawk Discovery
AUG 2003 Sable First Production

Pioneer and Falcon Background

Pioneer Deepwater Development Projects



History of Falcon

- ***Pioneer farmed in to Falcon at 45% - 1/2/01***
- ***Mariner Spud Falcon Well – 3/16/01***
- ***Mariner Project Sanction – 10/10/01***
- ***Ordered Pipe and Umbilical – 11/01***
- ***Pioneer project sanction – 3/25/02***
- ***Pioneer acquired Interest to become operator at 75% - 3/28/02***
- ***First Gas – March 15, 2003***
- ***Pioneer acquired remaining interest from Mariner – 3/28/03***

Project Execution

Falcon Hub – Subsea Infrastructure

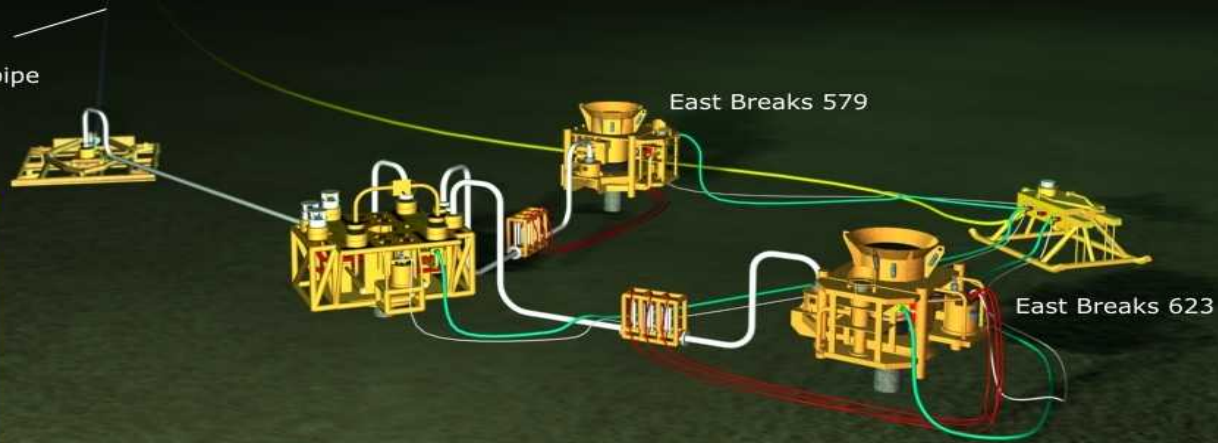


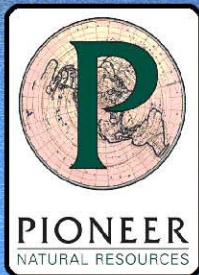
Mustang Island A103



Water Depth: 3,450 feet
Tieback Distance: 32 miles

Falcon Flowline:
10.75" od x .625" wall
API 5L X-65 seamless pipe
Length: 52 Km





BA A133



Falcon Nest Platform MU A103
(389' WD)



Deep Blue



Homer Ferrington

PIONEER FALCON

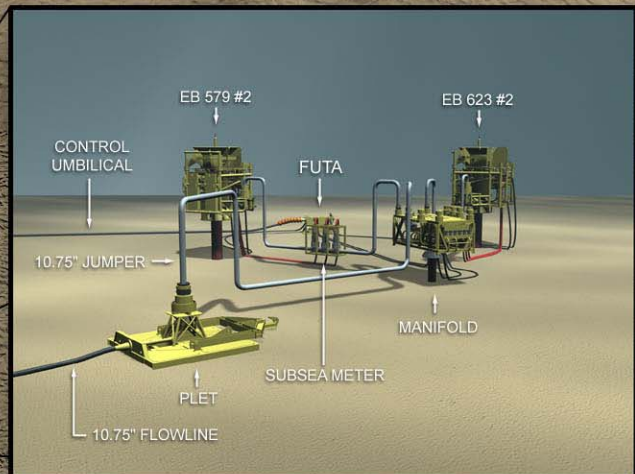


18" Export Pipeline



10.75" Flowline and Control Umbilical

Falcon Field
East Breaks 579/623
Water Depth 3450'
Tieback Distance 32 Miles



Falcon Nest – El Paso



- Processing Capacity
 - Contractual: 300 MMSCFD
 - Actual: 400 MMSCFD
 - Dehydration
 - No Compression
 - 1200 BBL Methanol Storage
 - Lots of Room for Expansion
- Risers
 - In Use
 - 1 – 10" (Flowline)
 - 1 – 18" (Export)
 - 1 – 16" J-Tube (Umbilical)
 - Future
 - 1 – 10" Riser (2nd 10" line)
 - 2 – 24" J-Tubes
 - 3 – 16" J-Tubes
 - 1 – 10" I-Tube
 - 4 – Standoffs

Equipment

Pioneer – Trees

- ***Falcon Trees***

- 4" x 2" – 10,000 psi Cameron Horizontal Trees
- 6 Downhole Hydraulics
- 1 Downhole Electrical
- Tree Chemical Injection
- 4" – 10,000 psi Cameron Crown Style Chokes
- Kvaerner FSSL Control Pods

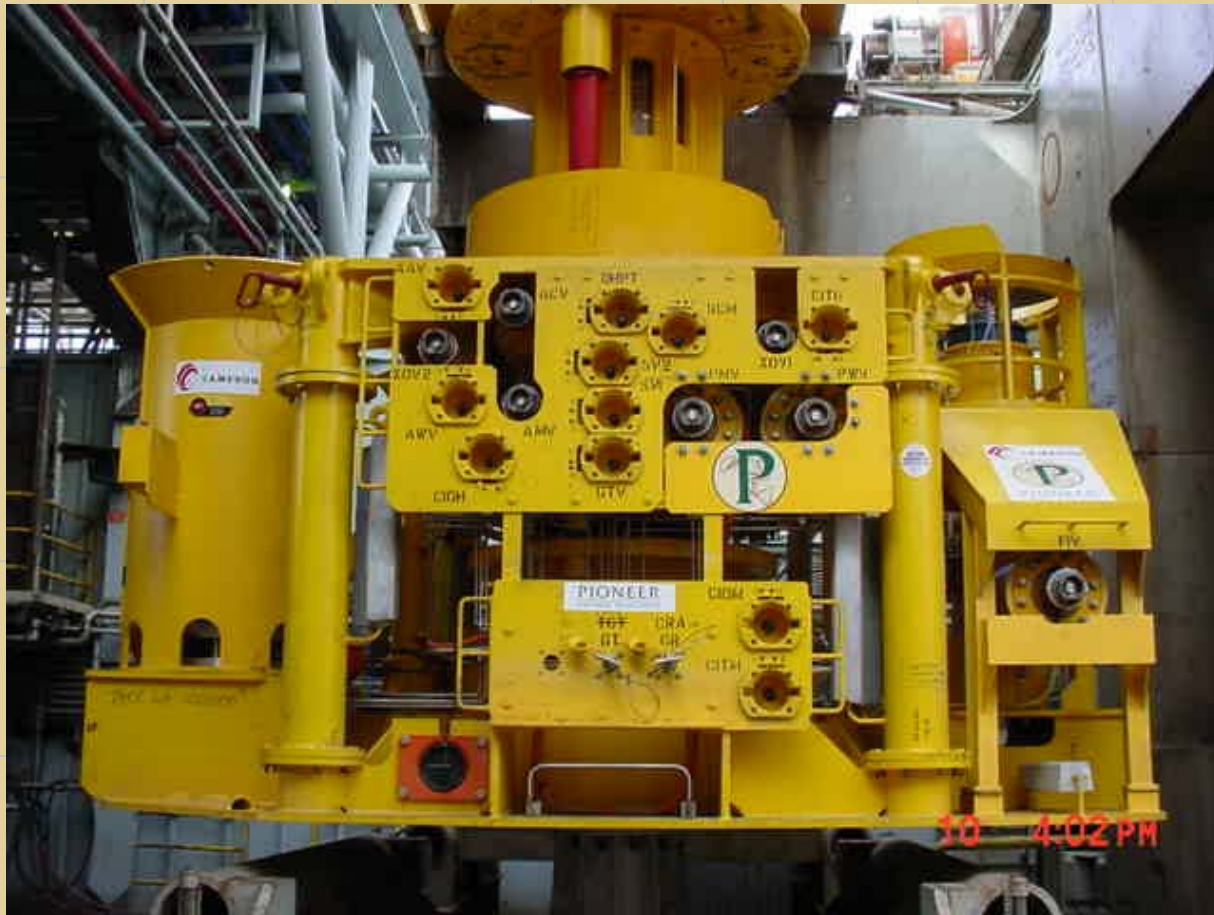
- ***Harrier, Tomahawk & Raptor Trees***

- 5" x 2" – 10,000 psi Cameron Horizontal Trees
- 6 Downhole Hydraulics
- 1 Downhole Electrical
- Tree Chemical Injection
- 4" – 10,000 psi Cameron Crown Style Chokes
- Kvaerner FSSL Control Pods

Pioneer – Harrier Tree



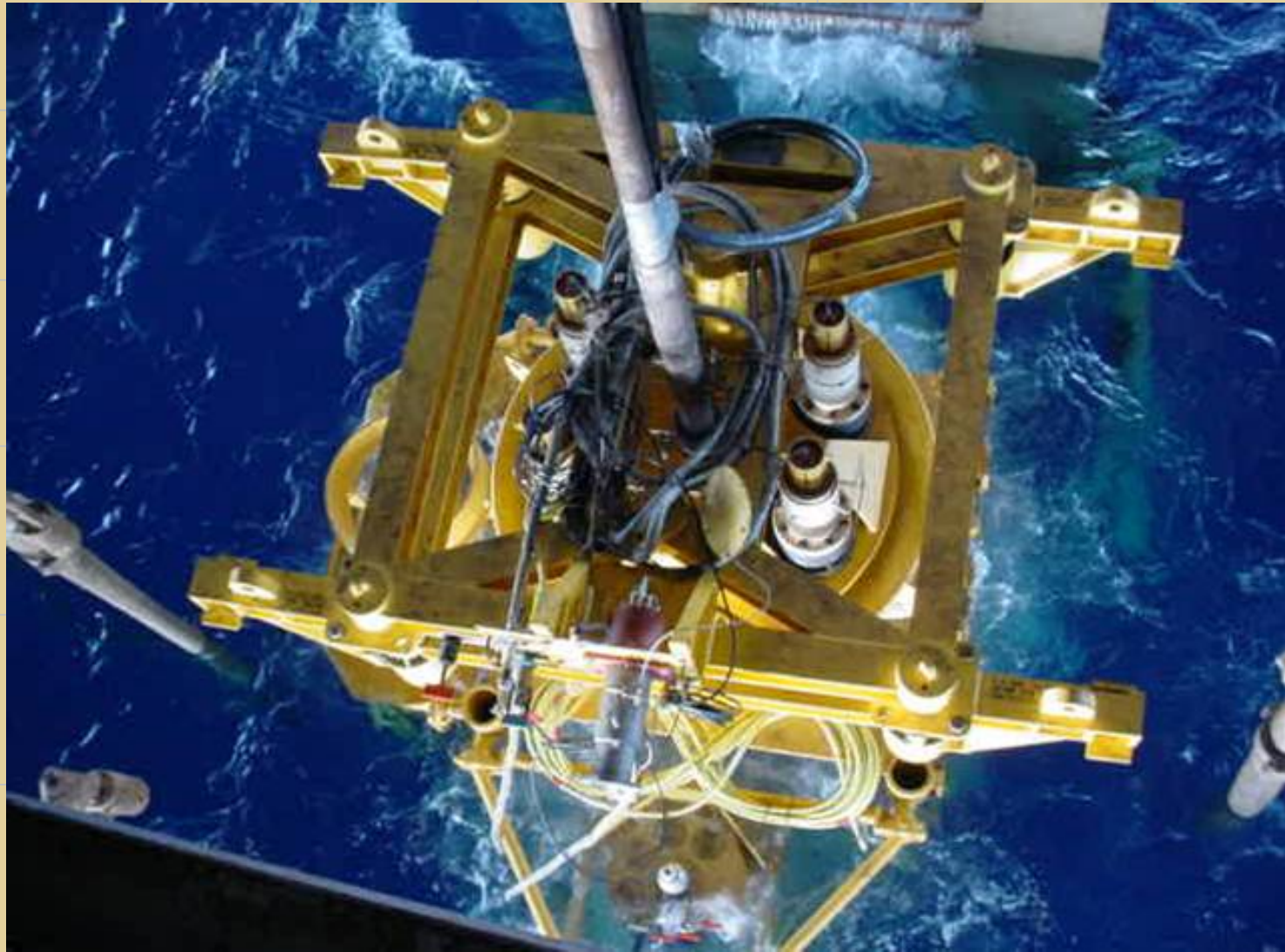
Harrier Tree - Cameron



Falcon Trees - Cameron



Falcon Tree Deployment- Cameron



Manifold - Cameron

- ***Falcon Manifold***
 - 4 Slot Manifold w/ 2 Headers
 - 5" Inlet Valves
 - 9" Header Valves
 - Chemical Injection
 - Pigging Loop
 - 4 Pressure Transducers at each inlet
 - 2 Pressure Transducers per Header Outlet
 - Kvaerner FSSL Control Pod
 - Landed on a Pile Top (Jetted 36" Casing)

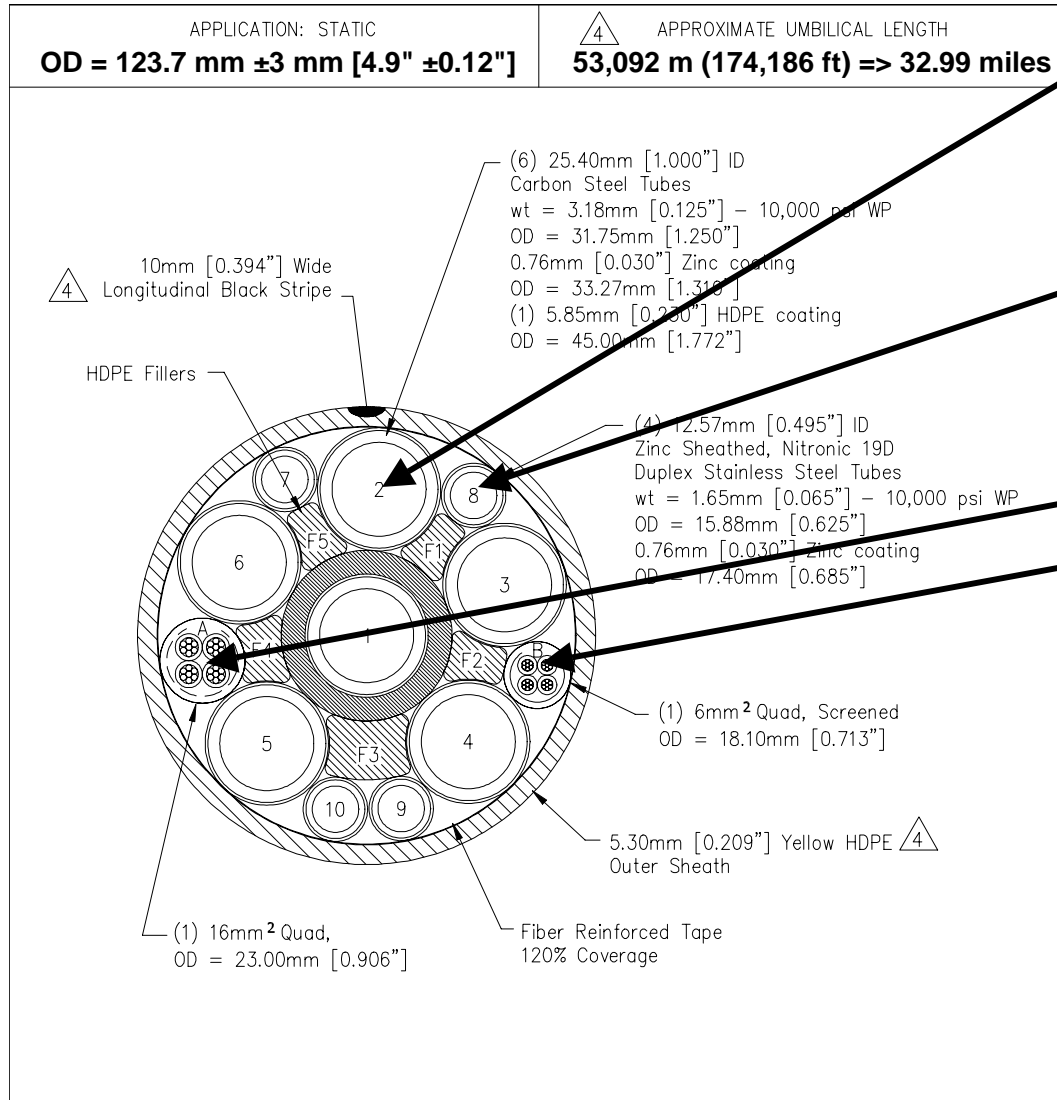
Manifold - Cameron



Falcon Manifold Deployment- Cameron



Umbilical - DUCO



- 6 – 1" SeaCat 10,000 psi tubes**
- 2 – Chemical Injection**
- 1 – Annulus Monitor**
- 3 – Future**
- 4 – ½" 19D 10,000 psi tubes**
- 1 – LP Hydraulic Supply**
- 1 – HP Hydraulic Supply**
- 2 – Future**
- 1 – 16mm² Quad Power Cable**
- 1 – 6mm² Quad Signal Cable**

Controls – Kvaerner FSSL

- ***FSSL Controls Package***

- Control System Designed for Separate Power and Signal
- Tree Control Pods
- Tree Pressure/Temperature Transducers
- Manifold Control Pod
- Manifold Pressure Transducers
- Master Control Station
- HPU
- Flowmeter Flying Leads
- MASCOT Test Set

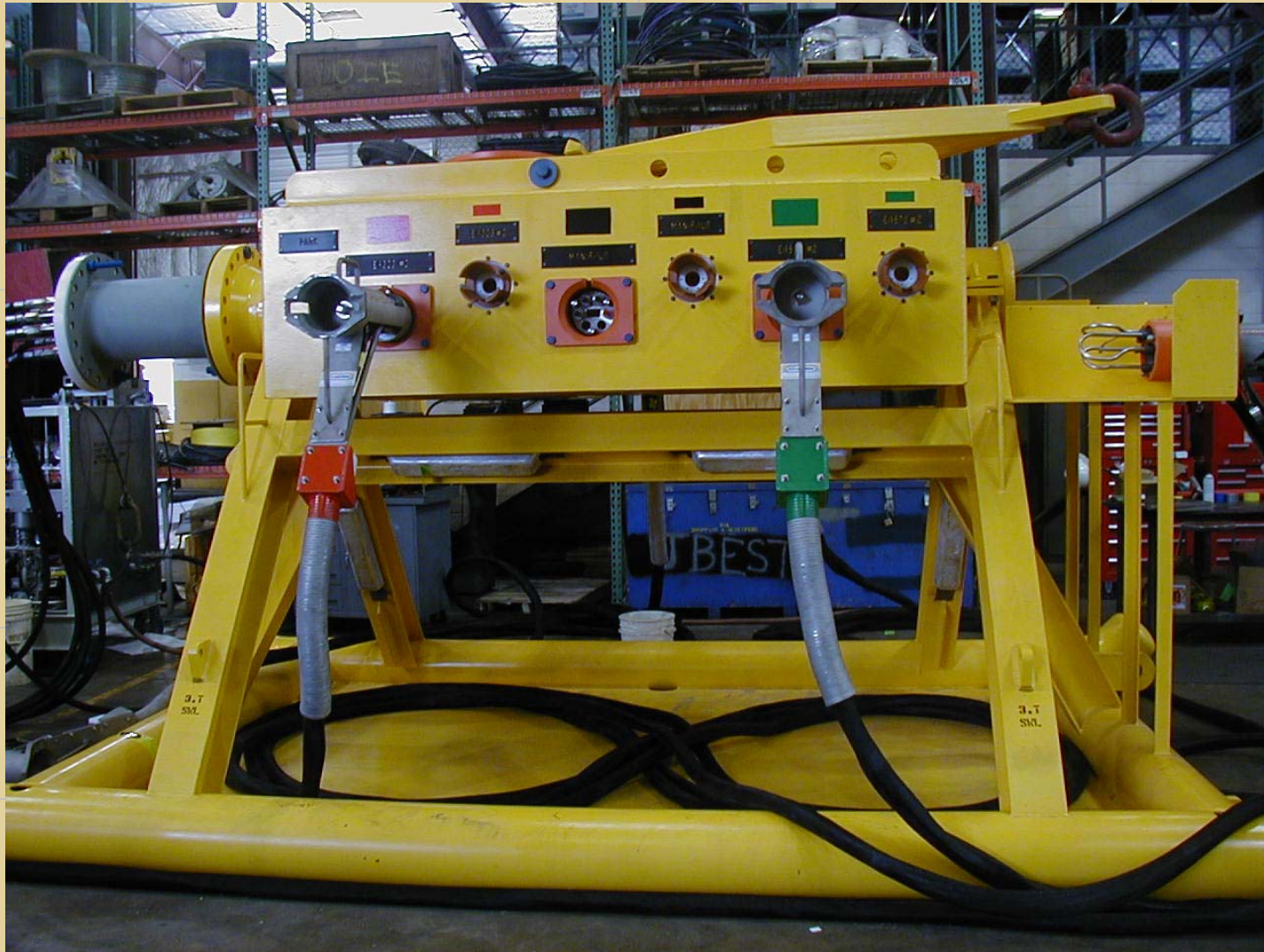
Controls - Kvaerner



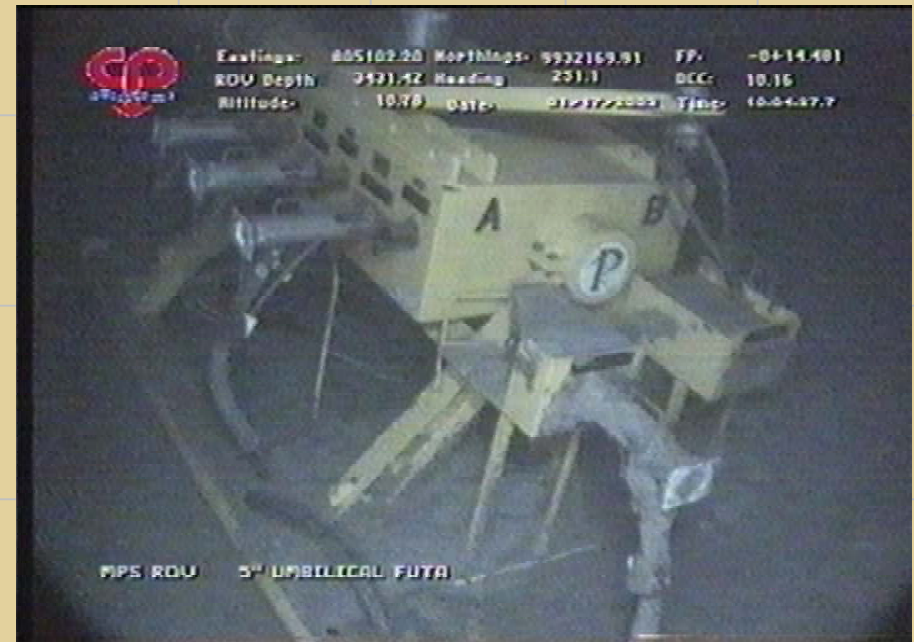
Controls - Oceaneering

- ***Oceaneering Controls Package***
 - Topside UTA (TUTA)
 - Subsea UTA (FUTA)
 - Hydraulic Flying Leads
 - Electrical Flying Leads
 - IWOCs Services

UTAs - Oceaneering



UTA & J-Plates – Oceaneering



Flow Meters – ISA Solartron

- ***Dualstream MK1 Subsea Flow Metering System***
 - Venturi Style Meter
 - Triple Redundancy
 - Utilizes Read Matre P/T Transducers
 - CalSep Data Interpretation Software

Flow Meters – ISA Solartron



Connection System - Cameron

- ***Jumper Connection System***
 - Cameron CVC Flowline Connection System
 - Cameron Jumper Design
 - Cameron Jumper Deployment Equipment (RENTAL)

Connection System - Cameron



Flowline Connection System – Cameron



Installation

Drilling & Completion – Noble Homer Ferrington



Flowline and Umbilical – CSO Deep Blue



Platform Installation - Heerema Hermod



Lifting Capacity

- Crane #1 = 5,000 tons (10 million pounds)
- Crane #2 = 4,000 tons (8 million pounds)

Ballast

- 35,000 gallons/minute
- 4,900 pounds/second

Jumpers, Manifold, and Spool Pieces – Cal Dive



Eclipse – Spool Pieces

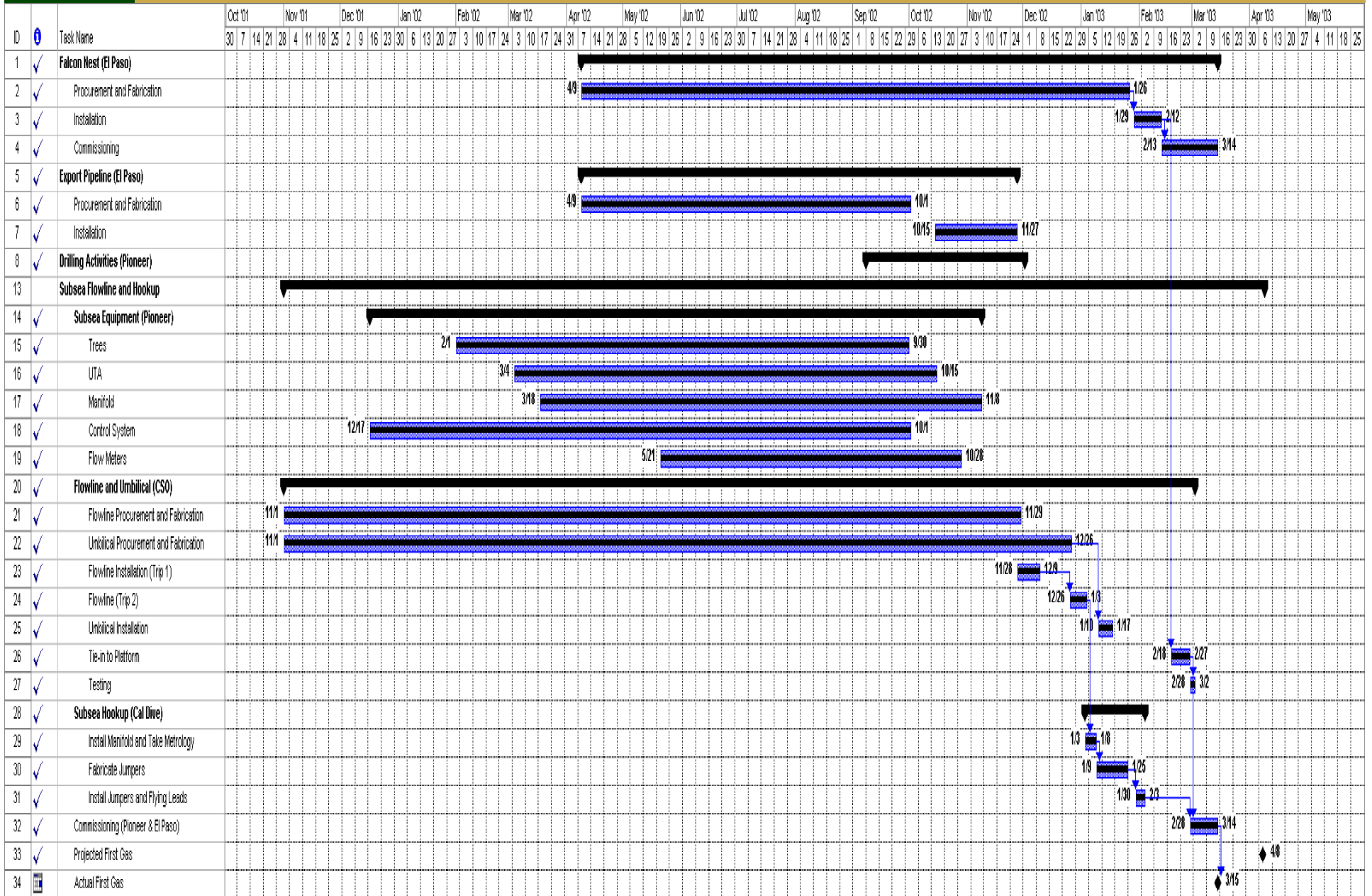


Q-4000 – Jumper Installation



Intrepid – Manifold Installation

Project Schedule - Falcon



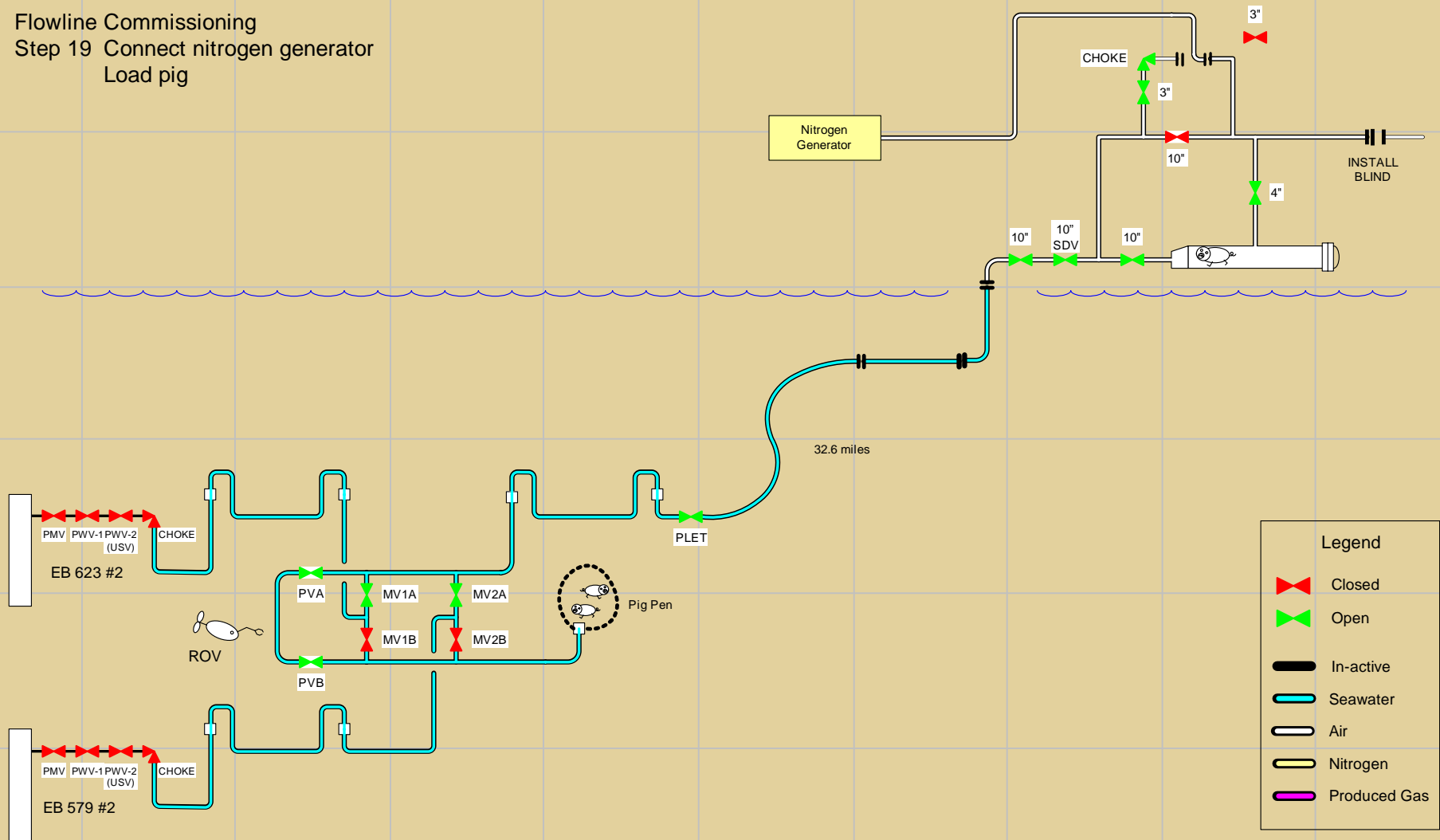
Operational Experience

- ***Falcon Operational Performance***
 - **EB 579 #2** Total Down Time: 112.25 hrs
 - Down Time Due to Storms: 82 hrs
 - **EB 623#2** Total Down Time: 107.25 hrs
 - Down Time Due to Storms: 80 hrs

Challenges and Lessons Learned

Commissioning and Startup

Flowline Commissioning
 Step 19 Connect nitrogen generator
 Load pig



Rev. 0, Feb. 13, 2003

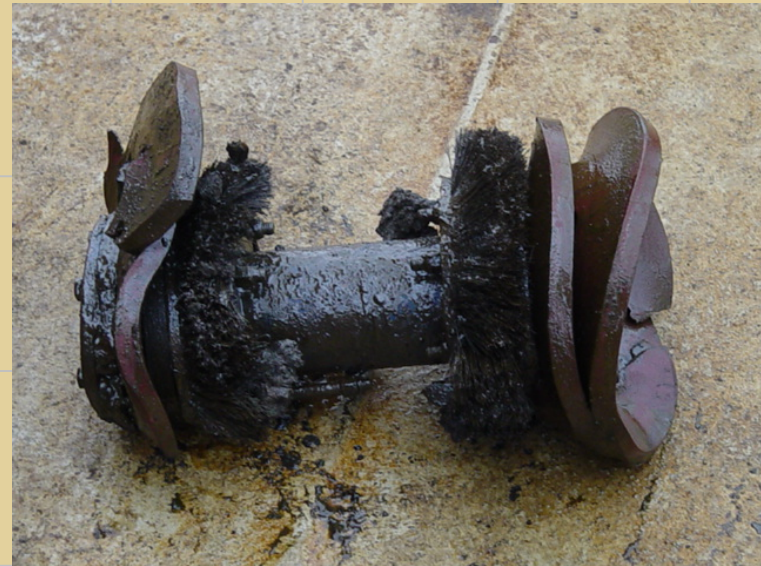
Startup and Commissioning



Falcon Start Up – Chain of Events

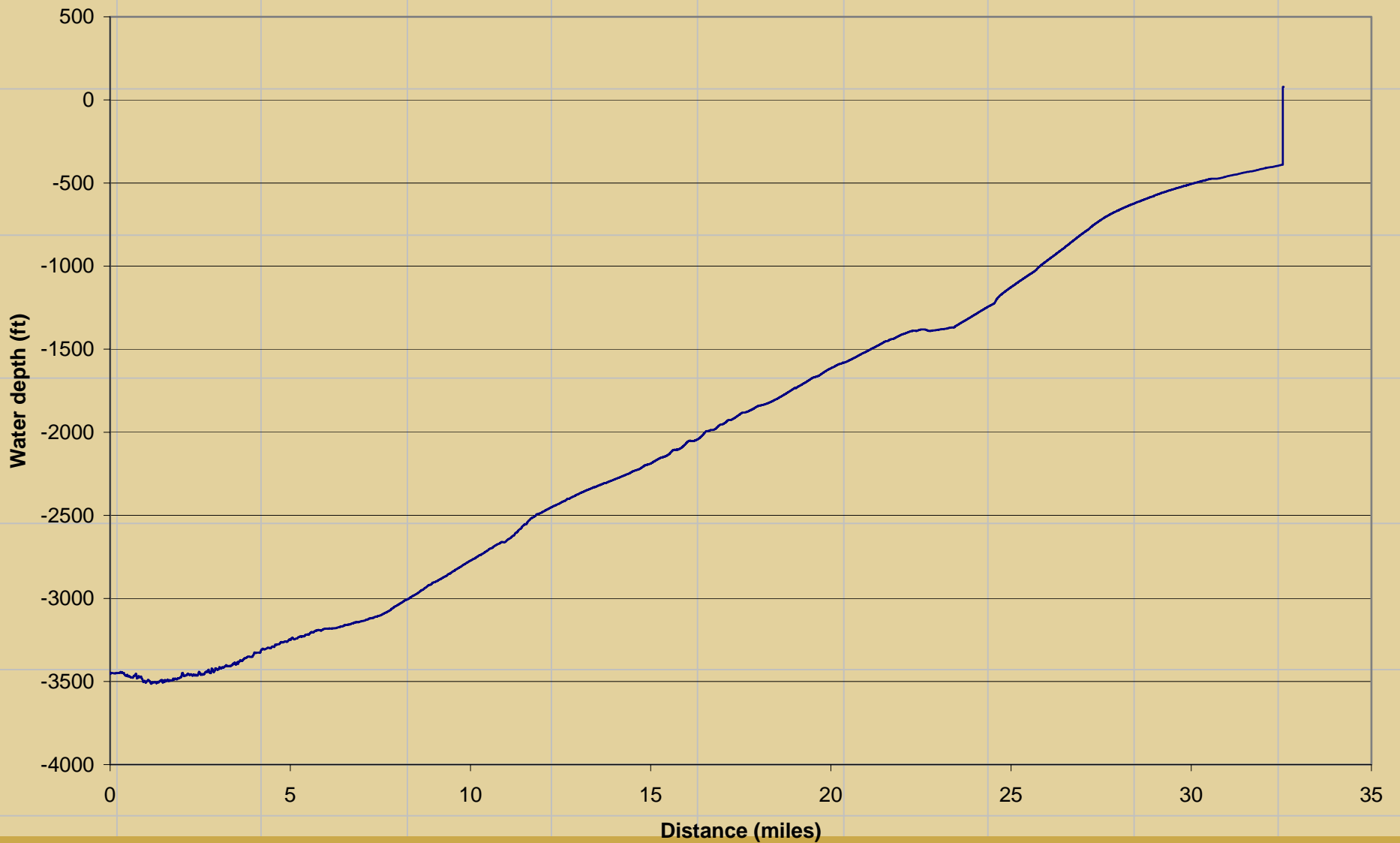
- *Started up EB 623 #2*
- *Pressures tracked normally*
- *Experienced a pressure buildup on well end*
- *Shut well in*
- *Assumed we had stuck pigs*
- *In reality we had formed a hydrate*
- *Bled pipeline down*
- *Hydrate thawed and released*
- *Loaded the line with methanol*
- *Restarted well*
- *Recovered pigs*

Falcon Start Up – The Pigs



Falcon Start Up – Seabed Profile

Falcon to MU A-103 seabed profile



Forever We Build

Harrier

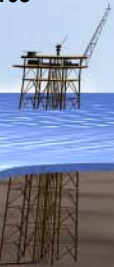
Tomahawk

Raptor (Cross our fingers)



CONCEPTUAL HARRIER DEVELOPMENT

FALCON PLATFORM
MUSTANG ISLAND A103



PROPOSED 10.75" FLOWLINE
(32 MILES)

PROPOSED PLET

PROPOSED PLET

JUMPER

PROPOSED WUTA-F

EXISTING FALCON DEVELOPMENT

EAST BREAKS 579 WATER
DEPTH: 3450 feet

PROPOSED 10.75" HARRIER
FLOWLINE (14.5 MILES)

PROPOSED ELECTRO-
HYDRAULIC UMBILICAL (13.45
MILES)

PROPOSED HARRIER DEVELOPMENT

EAST BREAKS 759 #1 (SURFACE
LOCATION - EAST BREAKS 758)
WATER DEPTH: 4114 feet

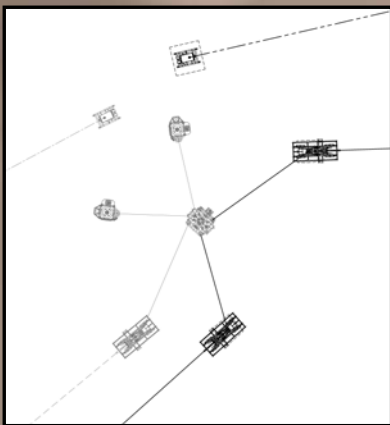
METER

JUMPER

FLYING
LEAD

PROPOSED PLET

PROPOSED
WUTA-T



**PLAN AT FALCON
MANIFOLD**

Harrier Status

- ***Major Equipment nearing completion***
- ***Well Completed***
- ***Pipe Delivered (8/19/03) – Siderca***
- ***Umbilical Completed (SIT in progress) – KOP***
- ***Umbilical Installation – Oceaneering (September)***
- ***Pipeline Installation – Allseas (October/November)***
- ***First Gas – Targeting end of year 2003 or early 2004***

Harrier Status

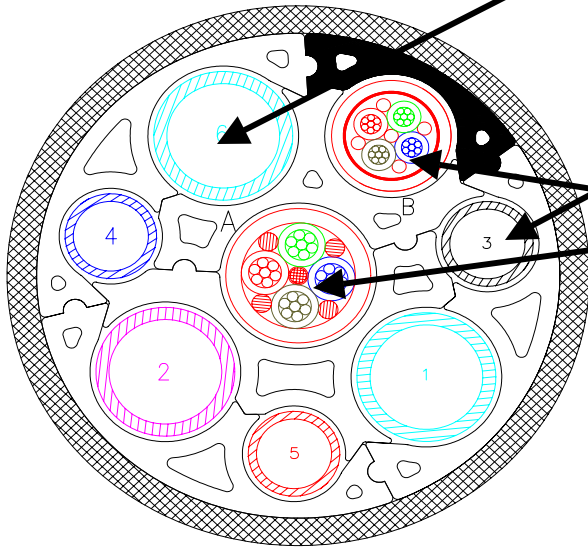
PROJECT THEME SONG:

“I’LL BE HOME FOR CHRISTMAS”

Tomahawk and Raptor Status

- ***Trees pre-ordered.***
 - Raptor Tree SIT is complete
 - Tomahawk Tree due in at the end of September
- ***Complete Raptor in Mid September this year***
- ***Complete Tomahawk in early October this year***
- ***Raw Materials for umbilical already received - KOP***
- ***Route survey complete***
- ***Evaluating pipe bids***
- ***Umbilical Installation – TBD***
- ***Pipeline Installation – TBD***

Harrier, Tomahawk & Raptor - Umbilical

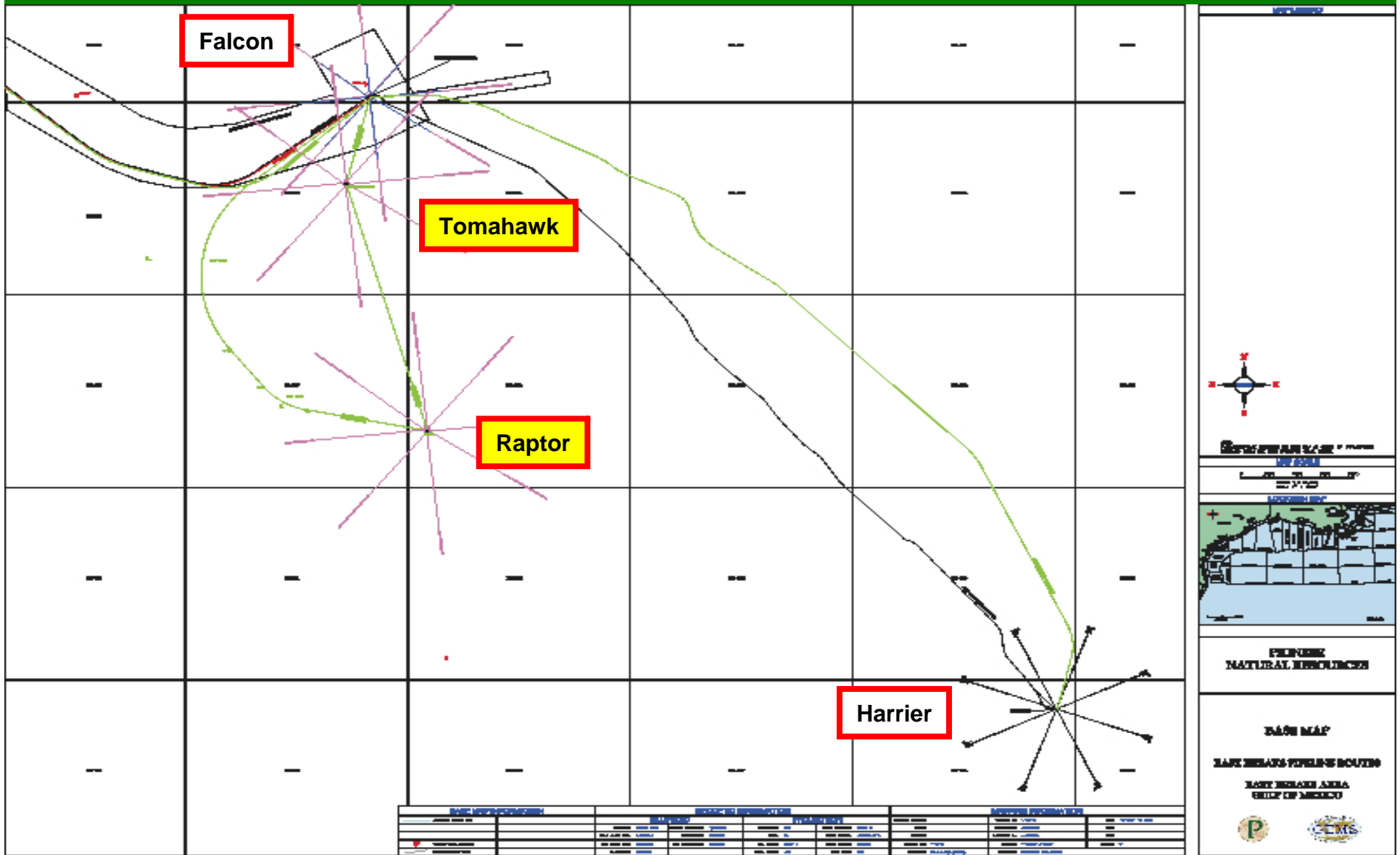


3 – 3/4" SuperDuplex 10K tubes
1 – Chemical Injection
1 – Annulus Monitor
1 – Spare

3 – 1/2" SuperDuplex 10K tubes
1 – LP Hydraulic Supply
1 – HP Hydraulic Supply
1 – Spare

1 – 16mm² Quad Power Cable
1 – 6mm² Quad Signal Cable

Falcon Corridor Raptor / Tomahawk Potential SSTB's



Tomahawk and Raptor Status

Raptor & Tomahawk First Gas:

Targeting mid-2004