

EXHIBIT B
to
NOTICE ORDER

ESCROW AGREEMENT

This ESCROW AGREEMENT (the "Agreement") is entered into this 29th day of September, 2006, by and among Plaintiffs and Plaintiffs' Counsel in John Stephen Alford and Joe Larrabee v. Pioneer Natural Resources USA, Inc., Case No. 93 CV 37, in the Twenty-Sixth Judicial District, District Court, Stevens County, Kansas, Pioneer Natural Resources USA, Inc. ("PNR"), and Intrust Bank, N.A., Wichita, Kansas (the "Escrow Agent").

RECITALS

WHEREAS, Plaintiffs' Counsel have been delegated certain duties in the Stipulation of Settlement which is attached to the Notice Order referred to below; and

WHEREAS, on the 29th day of September, 2006, the District Court of Stevens County entered its Notice Order, a copy of which is attached hereto as Exhibit 1; and,

WHEREAS, pursuant to the terms of the Stipulation of Settlement, which is attached as Exhibit A to the Notice Order ("Stipulation"), PNR is obligated to deposit \$20 million in escrow not later than September 30, 2006 and to deposit \$18.5 million in escrow not later than September 30, 2007, which amounts are subject to adjustment under subparagraphs 2.1(c) and 2.1(d) of the Stipulation; and,

WHEREAS, the District Court of Stevens County has approved the form of this Escrow Agreement and the designation of Intrust Bank, N.A., as Escrow Agent hereunder.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants, terms and conditions set forth in this Agreement, the parties hereto agree as follows:

1. Unless otherwise defined herein, the capitalized terms used herein shall have the same meaning as those terms defined in the Stipulation.
2. Appointment of the Escrow Agent. Intrust Bank, N.A. is hereby appointed to serve as Escrow Agent hereunder and agrees to perform the duties set forth herein.
3. Deposit of Escrow Amount. On or before September 30, 2006, PNR will deposit with the Escrow Agent, the sum of \$20 million (\$20,000,000.00), subject to adjustments provided for

in the Stipulation. On or before September 30, 2007, PNR will deposit an additional \$18.5 million (\$18,500,000.00) with the Escrow Agent, subject to adjustments provided for in the Stipulation. The amount of each such deposit is subject to adjustment under the subparagraphs 2.1(c) and 2.1(d) of the Stipulation. Both deposits are hereafter referred to as the "Escrow Amount."

4. The Escrow Fund. The Escrow Amount and all earnings thereon (the "Escrow Fund") shall be held by the Escrow Agent as a trust fund in a separate account on the terms and subject to the conditions of this Agreement.

5. Permitted Disbursement from Escrow Fund. Subject to the limitations described in paragraph 8 below, the Escrow Agent shall take such actions with respect to the Escrow Fund as are authorized from time to time by the District Court of Stevens County, Kansas ("the Court") or by instructions from all or some of the parties hereto, as more particularly described herein. Escrow Agent's sole obligation shall be to comply with such duly approved and executed Orders and with such instructions, and Escrow Agent shall be entitled to rely on certified copies of Orders of the Court and on instructions of the parties as more fully described herein.

6. Investment of the Escrow Fund. The Escrow Agent shall forthwith invest all of the Escrow Amount in Securities Sold under Repurchase Agreements. Securities sold nightly will be invested in either U.S. Government Securities or U.S. Agency Securities. A demand deposit checking account will also be established. Disbursement checks will be drawn on the demand deposit checking account. The remaining Escrow Fund will be swept one hundred percent into Securities Sold Under Repurchase Agreements every night. The interest rate paid on the Securities Sold under Repurchase Agreements will be the Federal Funds Target Rate, as published in the Wall Street Journal, less twenty-five (25) basis points.

7. Termination. This Agreement shall terminate in the event the Court fails to approve the Stipulation at a hearing duly scheduled for such purpose or, in the event the Court does approve same, there is an appeal and the judgment of the Court is reversed or materially modified and the parties to the Stipulation of Settlement do not agree to revise the Stipulation

and proceed with implementation thereof, as more fully set forth in Paragraph 7.3 of the Stipulation. In the event of such termination, Escrow Agent shall refund the balance of the Escrow Fund, including interest earned on the Escrow Fund, to PNR in accordance with Paragraph 7.5 of the Stipulation. The only prerequisite for such refund shall be PNR's service of notice on Plaintiffs' Counsel in accordance with Paragraph 7.5 of the Stipulation.

In the event the Stipulation is approved and does become effective in the manner contemplated therein, this Agreement shall terminate when the entire amount of the Escrow Fund has been distributed.

8. Duties and Obligations of the Escrow Agent. The duties and obligations of the Escrow Agent shall be limited to and determined solely by the provisions of this Escrow Agreement, the Orders issued from time to time by the Court, and written instructions signed by all or some of the parties as more specifically described below. Although a copy of the Stipulation is attached hereto for the convenience of the parties thereto, Escrow Agent is not charged with knowledge of any duties or responsibilities contained therein or in any other agreement or document. In furtherance and not in limitation of the foregoing, the parties to this Escrow Agreement agree that the Escrow Agent shall make distributions in accordance with the following provisions:

(a) The Escrow Agent shall distribute to PNR any portion of the Gross Settlement Fund paid by PNR into the Escrow Account and determined to be attributable to the PNR Royalty Interest pursuant to subparagraphs 2.1(c) and 2.1(d) of the Stipulation, in accordance with the joint written instructions of Plaintiffs' Counsel and PNR, or in the absence of such joint written instructions, in accordance with the Order(s) of the Court;

(b) The Escrow Agent shall reimburse expenses incurred by Plaintiffs' Counsel for expenses chargeable to the Notice and Administration Fund as provided in the Stipulation of Settlement, in accordance with such Orders as may be issued by the Court upon application of Plaintiffs' Counsel, provided that if such expenses exceed

\$25,000, reimbursement of expenses in excess of \$25,000 shall not occur until after the Effective Date, as defined in the Stipulation.

(c) The Escrow Agent shall distribute to PNR that portion of the Gross Settlement Fund that is attributable to those Potential Participating Class Members who opt out of the Settlement or are otherwise excluded from participation in the Settlement and that is to be refunded to PNR pursuant to subparagraph 2.1(e) above, in accordance with the joint written instructions of Plaintiffs and PNR, or in the absence of such joint written instructions, in accordance with the Order(s) of the Court;

(d) The Escrow Agent shall distribute to Plaintiffs' Counsel the attorney's fees and expenses approved by the Court, in accordance with such Orders as may be issued by the Court upon application of Plaintiffs' Counsel, provided that such distribution shall not occur until after the Effective Date, as defined in the Stipulation;

(e) The Escrow Agent shall distribute the Net Settlement Fund to Participating Class Members in accordance with the written instructions of Plaintiffs' Counsel, which shall be in the form of checks made payable to Participating Class Members; provided that such distributions shall not occur until after the Effective Date, as defined in the Stipulation;

(f) The Escrow Agent shall not be liable for any loss of earnings or reduction in the value of the principal resulting from its compliance with the directions contained herein or in any Order issued by the Court, with regard to the investment of the Escrow Amount or the Escrow Fund, including any liquidation of any investment prior to its maturity;

(g) The Escrow Agent shall be fully protected in relying in good faith on the contents of any Order issued by the Court or on the instructions of the parties as provided for herein;

(h) The Escrow Agent shall not be liable for any error of judgment, or for any act done or omitted by it, or for any mistake in fact or law, or for anything it may do or

refrain from doing in connection herewith; provided, however, that notwithstanding any other provision in this Agreement, the Escrow Agent shall be liable for its willful misconduct or gross negligence or breach of this Agreement;

(i) The Escrow Agent may seek the advice of legal counsel selected with reasonable care in the event of any dispute or question as the construction of any of the provisions of this Agreement or its duties hereunder, and it shall incur no liability and shall be fully protected in respect of any action taken, omitted or suffered by it in good faith in accordance with the opinion of such counsel;

(j) The Escrow Agent may execute any of its powers or responsibilities hereunder and exercise any rights hereunder either directly or by or through agents or attorneys selected with reasonable care and shall not be responsible for and shall not be under a duty to examine into or pass upon the validity, binding effect, execution or sufficiency of this Agreement or of any agreement amendatory or supplemental hereto;

(k) The Escrow Agent shall not be responsible for the payment of any taxes on earnings generated by the Escrow Amount or Escrow Fund, and any such liability shall be borne by the recipients of distributions made therefrom in accordance with the Orders of the Court or the written instructions of the parties as provided herein;

(l) The Escrow Agent shall (i) maintain copies of the certified Orders of the Court, the instructions given by the parties pursuant to this Escrow Agreement, and records of all receipts and disbursements, as well as each investment and reinvestment, performed in accordance with such Orders and instructions; and (ii) shall provide copies of such records to Plaintiffs' Counsel and PNR upon request and upon termination of this Agreement.

(m) Any dispute concerning the distribution of funds from the Escrow Account shall be resolved in arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect.

9. Escrow Fees and Expenses. Escrow Agent shall be paid a fee in the amount of five thousand dollars (\$5,000) for services to be rendered under this Agreement. In addition, Escrow Agent shall be entitled to be reimbursed for any and all out-of-pocket expenses incurred by it in connection with the discharge of its duties hereunder. Escrow Agent shall also be indemnified and held harmless against any and all expenses and fees, including reasonable attorney fees, which it may incur under Paragraph 8(i) above, as well as the reasonable costs and expenses of defending against any claim or liability relating to this Agreement; provided, however, Escrow Agent shall not be indemnified or held harmless with regard to a meritorious claim for its own willful misconduct or gross negligence.

10. Limitation of PNR's Liability. PNR shall have no responsibility to oversee, review or approve any distributions made by the Escrow Agent.

11. Resignation or Removal of the Escrow Agent.

(a) The Escrow Agent may resign as such 30 days following the giving of prior written notice thereof to the Plaintiffs' Counsel. In addition, the Escrow Agent may be removed and replaced on a date designated in a written instrument signed by the Plaintiffs' Counsel and PNR and delivered to the Escrow Agent. No such resignation or removal shall become effective until a successor escrow agent has acknowledged its appointment as such as provided in paragraph (c) below. In either event, upon the effective date of such resignation or removal, the Escrow Agent shall deliver the property comprising the Escrow Fund to such successor agent, together with such records maintained by the Escrow Agent in connection with its duties hereunder and other information with respect to the Escrow Fund as such successor may reasonably request.

(b) If a successor escrow agent shall not have acknowledged its appointment as such as provided in paragraph (c) below, in the case of resignation, prior to the expiration of 30 days following the date of a notice of resignation, or in the case of a removal, on the date designated for the Escrow Agent's removal, as the case may be, because Plaintiffs' Counsel have been unable to designate such successor escrow agent, or for any

other reason, the Escrow Agent may select a successor escrow agent and any such resulting appointment shall be binding upon all of the parties to this Agreement.

(c) Upon written acknowledgment by a successor agent appointed in accordance with the foregoing provisions of this Section 10 of its agreement to serve as escrow agent hereunder, and the receipt of the property then comprising the Escrow Fund, the Escrow Agent shall be fully released and relieved of all duties, responsibilities and obligations under this Agreement, subject to the proviso contained in Paragraph 8(h), and such successor escrow agent shall for all purposes hereof be the Escrow Agent.

12. Miscellaneous.

(a) Waiver of Breach. No breach of any provision in this Agreement shall be deemed waived unless expressly waived in writing by the party who might assert such breach. No waiver by any party of any breach or right hereunder shall operate as a waiver of any other breach or right or of the same or a similar breach or right on another occasion.

(b) Entire Agreement/Modification. This Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter hereof and shall supercede all previous oral and written and all contemporaneous oral negotiations, commitments, agreements and understanding relating hereto. Any modification of this Agreement shall be effective only if it is in writing and signed by the parties to this Agreement.

(c) Governing Law. The validity of this Agreement and the interpretation and performance of all its terms shall be governed by the laws of the State of Kansas.

(d) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but together shall constitute one and the same document.

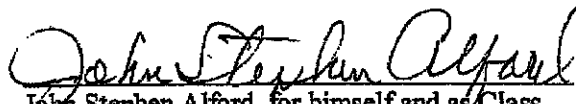
(e) Survival. Each of the provisions of this Agreement shall survive the execution hereof.

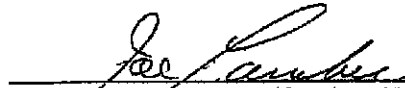
(f) Assignment. This Agreement may not be assigned by the Escrow Agent to a third party without the prior written consent of both Plaintiffs' Counsel and PNR's counsel.

13. Effective Date of this Agreement.

This Agreement shall become effective as of the date on which PNR makes the first deposit referred to above.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered as of the date first written above.


John Stephen Alford, for himself and as Class Representative


Joe Larrabee, for himself and as Class Representative

FLEESON, GOOING, COULSON & KITCH, L.L.C.,
counsel for Plaintiffs and the Class

By: 

KRAMER, NORDLING & NORDLING, LLC,
counsel for Plaintiffs and the Class

By: 

Pioneer Natural Resources USA, Inc.

By: Mark Berg

[Title]

Intrust Bank, N.A.


By: J. V. Lentell
Vice-Chairman

Pioneer Natural Resources USA, Inc.



By: Mark Berg

Executive Vice President & General Counsel
[Title]

Intrust Bank, N.A.

By: _____

[Printed Name and Title]

Exhibit A (Stipulation of Settlement)
to
EXHIBIT B (Escrow Agreement)

(The “Stipulation of Settlement” is set forth in Exhibit A to the Notice Order, and to avoid duplication, the “Stipulation of Settlement” is not reproduced here.)