

IN THE TWENTY-SIXTH JUDICIAL DISTRICT  
DISTRICT COURT, STEVENS COUNTY, KANSAS  
CIVIL DEPARTMENT

JOHN STEPHEN ALFORD and ROBERT  
LARRABEE, individually and on behalf of  
Plaintiff Class as more fully described in the  
Petition,

*Plaintiffs,*

v.

PIONEER NATURAL RESOURCES USA,  
INC.

*Defendants*

Case No. 93 CV 37

RESPONSE BY DEFENDANT PIONEER NATURAL RESOURCES TO  
"PLAINTIFFS' MOTION TO REQUIRE DEFENDANT TO IDENTIFY  
THE THIRD PARTY TO WHOM AN INTEREST IN THE LEASES  
INVOLVED IN THIS CASE HAS BEEN TRANSFERRED"

Defendant has voluntarily identified the third party to whom an interest in the leases has been transferred, and has voluntarily disclosed the nature of the transaction involved, so that there remains no requested relief to be granted.

Defendant Pioneer has provided counsel for the Plaintiffs with copies of the following documents:

Conveyance of Term Overriding Royalty Interest From Pioneer Natural Resources USA, Inc. and Pioneer Natural Resources Properties LP to Royalty Acquisition Company, LLC. [submitted herewith as Exhibit "Pioneer 1"]

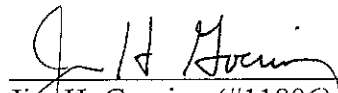
"Exhibit A Property Exhibit. [A list of leases associated with the foregoing document; submitted herewith as Exhibit "Pioneer 2"]

As such documents clearly indicate, Pioneer has conveyed an overriding royalty interest. By definition, an overriding royalty interest is carved out of the working interest, and conveyance of same does not change or affect the obligation to pay royalties. Today, as in the past, Pioneer has the obligation to pay royalties.

Defendant denies that it would be appropriate to add overriding royalty interest owners as Defendants. Exhibit "Pioneer 1" hereto clearly demonstrates that Pioneer continues to have the duty to pay royalties, that the conveyance of the Overriding Royalty Interests are subject to the governing oil and gas leases, and that the Overriding Royalty Owners do not have the obligation to pay royalties (see, e.g., Paragraph 6.1(b), page 16, of Exhibit "Pioneer 1" hereto.) Defendant Pioneer Natural Resources has not transferred its obligation to make royalty payments, and Defendant Pioneer Natural Resources remains the proper party defendant in these proceedings.

Under these facts and circumstances, all the relief requested by the motion has been obtained. The motion is moot.

Respectfully submitted,



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Attorneys for Defendant

Certificate of Service

The undersigned hereby verifies that the foregoing pleading was served upon Plaintiffs by serving a copy upon their counsel of record in the method described below.

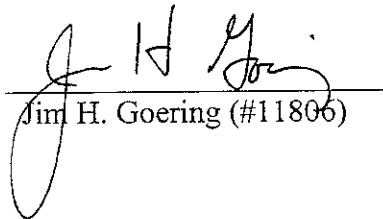
Mr. Thomas D. Kitch  
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Service Method: First Class Mail

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Service Method: First Class Mail

on this 22nd day of February, 2005.

  
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Jim H. Goering (#11806)