

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

ATWOOD OCEANICS INC

Form 8-K

April 29, 2003

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549
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Form 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF EARLIEST EVENT REPORTED: April 29, 2003

ATWOOD OCEANICS, INC.
(Exact name of registrant as specified in its charter)

COMMISSION FILE NUMBER 1-13167

TEXAS 74-1611874
(State or other jurisdiction of (I.R.S. Employer Identification No.)
incorporation or organization)

15835 Park Ten Place Drive 77084
Houston, Texas (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code:
281-749-7800
N/A

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(Former name or former address, if changed since last report.)
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ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED APRIL 29, 2003
EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND
SIX MONTHS ENDED MARCH 31, 2003 AND 2002
EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR
THE THREE MONTHS AND SIX MONTHS ENDED MARCH 31, 2003
EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT MARCH 31, 2003 AND
SEPTEMBER 30, 2002

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EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT APRIL 29, 2003

### ITEM 9. REGULATION FD DISCLOSURE

On April 29, 2003, the Company announced its earnings for the Fiscal Year 2003 Second Quarter ended March 31, 2003. A copy of the press release summarizing these earnings is filed with this Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The ATWOOD FALCON is drilling the sixth well of an eight well contract with Woodside. The contract is estimated to be completed in June 2003. Immediately upon completion of its work in Australia, the rig will be moved to Malaysia to drill one well for Sarawak Shell. The drilling of the well should commence around July 1, 2003 and should take approximately 60 days to complete, with a dayrate of \$83,000.

The ATWOOD HUNTER is currently drilling one well for Burullus Gas Company, which should take until mid-May 2003 to complete. Upon completion of this well, the rig will move to Israel to drill one well for Samedan, Mediterranean Sea ("Samedan"). The Samedan well should take until the end of July 2003 to complete and will have a dayrate of \$80,000.

The RICHMOND is drilling the first of two firm wells for Ocean Energy, Inc. These wells should take until the end of June 2003 to complete and will have a dayrate of \$24,000.

The construction of the ATWOOD BEACON continues on schedule. The shipyard portion of the construction should be completed by May 2003; additional equipment commissioning and testing may be carried out until July 2003 depending on the schedule for commencing operations. The Company is in discussion for a short-term contract for the rig to commence operation in July/August 2003.

Additional information with respect to the Company's Consolidated Statements of Operations for the three months ended March 31, 2003 and 2002, an analysis of Contract Revenues and Drilling Costs for the quarter ended March 31, 2003, Consolidated Balance Sheets at March 31, 2003 and September 30, 2002 and Contract Status Summary at April 29, 2003 are attached hereto as Exhibits 99.2, 99.3, 99.4 and 99.5, respectively, which are being furnished in accordance with rule 101 (e)(1) under Regulation FD and should not be deemed to be filed.

Statements contained in this report with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors; the Company's dependence on the oil and gas industry; the risks involved the construction of a rig; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism; risks associated with a possible disruption in operations due to a war with Iraq; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company' annual report on Form 10-K for the year ended September 30, 2002, filed with the Securities and Exchange Commission.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATWOOD OCEANICS, INC.  
(Registrant)

/s/ James M. Holland  
James M. Holland  
Senior Vice President

DATE: April 29, 2003

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated April 29, 2003
99.2	Consolidated Statements of Operations for the Three Months and Six Months ended March 31, 2003 and 2002
99.3	Analysis of Contract Revenues and Drilling Costs for the Three Months and Six Months ended March 31, 2003
99.4	Consolidated Balance Sheets at March 31, 2003 and September 30, 2002
99.5	Contract Status Summary at April 29, 2003

EXHIBIT 99.1

Houston, Texas  
29 April 2003

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc., Houston-based International Drilling Contractor, announced today that the Company earned net income of \$587,000 or \$.04 per diluted share, on contract revenues of \$35,073,000 for the quarter ended March 31, 2003, compared to net income of \$6,830,000 or \$.49 per diluted share on contract revenues of \$43,740,000 for the quarter ended March 31, 2002. For the

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six months ended March 31, 2003, the Company earned net income of \$1,537,000 or \$.11 per diluted share, on contract revenues of \$64,914,000 compared to net income of \$14,988,000 or \$1.07 per diluted share, on contract revenues of \$80,974,000 for the six months ended March 31, 2002.

	FOR THE THREE MONTHS ENDED MARCH 31, 2003	2002
	-----	-----
Contract Revenues	\$35,073,000	\$43,740,000
	=====	=====
Income before Income Taxes	1,428,000	10,715,000
Provision for Income Taxes	(841,000)	(3,885,000)
	-----	-----
Net Income	587,000	6,830,000
	=====	=====
Earnings per Common Share -		
Basic	.04	.49
Diluted	.04	.49
Weighted Average Shares		
Outstanding -		
Basic	13,845,000	13,834,000
Diluted	13,900,000	13,978,000

	FOR THE SIX MONTHS ENDED MARCH 31, 2003	2002
	-----	-----
Contract Revenues	\$64,914,000	\$80,974,000
	=====	=====
Income before Income Taxes	3,802,000	23,102,000
Provision for Income Taxes	(2,265,000)	(8,114,000)
	-----	-----
Net Income	1,537,000	14,988,000
	=====	=====
Earnings per Common Share -		
Basic	.11	1.08
Diluted	.11	1.07
Weighted Average Shares		
Outstanding -		
Basic	13,846,000	13,835,000
Diluted	13,903,000	13,948,000

Contact: Jim Holland  
(281) 749-7804

EXHIBIT 99.2

ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share amounts)

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	Three Months Ended March 31,		Six M Mar
	2003	2002	2003
	(Unaudited)		(Una
REVENUES:			
Contract drilling	\$ 35,073	\$ 43,740	\$ 64,914
 COSTS AND EXPENSES:			
Contract drilling	24,114	23,205	43,459
Depreciation	5,850	6,720	11,242
General and administrative	3,119	2,494	5,799
	-----	-----	-----
	33,083	32,419	60,500
	-----	-----	-----
 OPERATING INCOME	 1,990	 11,321	 4,414
	-----	-----	-----
 OTHER INCOME (EXPENSE)			
Interest expense	(598)	(683)	(711)
Interest income	36	77	99
	-----	-----	-----
	(562)	(606)	(612)
 INCOME BEFORE INCOME TAXES	 1,428	 10,715	 3,802
 PROVISION FOR INCOME TAXES	 841	 3,885	 2,265
	-----	-----	-----
 NET INCOME	 \$ 587	 \$ 6,830	 \$ 1,537
	=====	=====	=====
 EARNINGS PER SHARE			
Basic	\$ .04	\$ .49	\$ .11
Diluted	\$ .04	\$ .49	\$ .11
 WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic	13,845	13,834	13,846
Diluted	13,900	13,978	13,903

EXHIBIT 99.3

ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
ANALYSIS OF CONTRACT REVENUES  
AND DRILLING COSTS

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(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2003

	CONTRACT DRILLING REVENUES ----- (In Millions)	CONTRACT DRILLING COSTS -----
ATWOOD FALCON	\$ 8.9	\$ 5.6
VICKSBURG	5.9	2.3
SEAHAWK	5.8	3.0
ATWOOD SOUTHERN CROSS	5.5	4.2
ATWOOD HUNTER	3.5	3.3
ATWOOD EAGLE	2.9	2.2
RICHMOND	2.1	2.0
OTHER	0.5	1.5
	---	---
	\$35.1	\$24.1
	=====	=====

FOR THE SIX MONTHS ENDED MARCH 31, 2003

	CONTRACT DRILLING REVENUES ----- (In Millions)	CONTRACT DRILLING COSTS -----
ATWOOD FALCON	\$15.9	\$ 9.7
VICKSBURG	12.3	4.8
SEAHAWK	11.0	5.4
ATWOOD HUNTER	9.9	6.8
ATWOOD SOUTHERN CROSS	7.9	8.0
RICHMOND	4.1	4.1
ATWOOD EAGLE	2.9	2.2
OTHER	0.9	2.5
	---	---
	\$64.9	\$43.5
	=====	=====

EXHIB

ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(In thousands)

MAR. 31, 2003  
(Unaudited)

SE

ASSETS

CURRENT ASSETS:

Cash and cash equivalents

\$15,266

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Accounts receivable	30,803
Inventories of materials and supplies at lower of average cost or market	10,632
Deferred tax assets	223
Prepaid expenses	3,239
	-----
Total Current Assets	60,163
	-----
PROPERTY AND EQUIPMENT:	
Drilling vessels, equipment and drill pipe	648,850
Other	9,204
	-----
	658,054
	-----
Less-accumulated depreciation	235,191
	-----
Net Property and Equipment	422,863
	-----
DEFERRED COSTS AND OTHER ASSETS	11,990
	-----
	\$495,016
	=====
	=====
LIABILITIES AND SHAREHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Current maturities of notes payable	\$1,430
Accounts payable	3,028
Accrued liabilities	11,599
	-----
Total Current Liabilities	16,057
	-----
LONG-TERM NOTES PAYABLE, net of current maturities:	172,500
	-----
	172,500
	-----
OTHER LIABILITIES	
Deferred tax liabilities	15,895
Deferred credits	12,884
	-----
	28,779
	-----
SHAREHOLDERS' EQUITY:	
Preferred stock, no par value; 1,000,000 shares authorized, none outstanding	0
Common stock, \$1 par value, 20,000,000 shares authorized with 13,847,000 and 13,845,000 issued and outstanding as of March 31, 2003 and September 30, 2002, respectively	13,847
Paid-in capital	57,282
Retained earnings	206,551
	-----
Total Shareholders' Equity	277,680
	-----
	\$495,016

EXHIBIT 99.5

ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
 CONTRACT STATUS SUMMARY  
 AT APRIL 29, 2003

NAME OF RIG ----- SEMISUBMERSIBLES - -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
ATWOOD FALCON	AUSTRALIA	WOODSIDE ENERGY LTD. ("WOODSIDE")	The rig is drilling its eighth well contract with which contract is estimated to complete in 2003. Following completion, the rig will be moved to Malaysia to drill the Sarawak Shell. The drilling should commence around June 2003 and should take approximately 18 months.
ATWOOD HUNTER	EGYPT	BURULLUS GAS COMPANY ("BURULLUS")	The rig is currently drilling the Burullus which is expected to complete in May 2003. Following completion of Burullus work, the rig will be moved to Israel to drill one well in the Mediterranean Sea ("Samedan") which well is estimated to take approximately 18 months to complete, with Samedan having 2003. The rig will also drill one additional well in the Mediterranean Sea.
ATWOOD EAGLE	ANGOLA	ESSO EXPLORATION ANGOLA (BLOCK 15) LIMITED ("ESSO")	The Company has executed a contract for the use of the rig for the drilling of three wells, plus options for five additional wells, off the coast of Angola. The rig arrived in Angola on February 2003 and commenced drilling operations in March 2003. It should take five months to complete and drill the three firm wells.
SEAHAWK	MALAYSIA	EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC.	The rig's current contract with ExxonMobil will terminate in December 2003, with an option for the Operator to extend.
ATWOOD SOUTHERN CROSS	MEDITERRANEAN SEA	ENI S.P.A. - AGIP DIVISION ("AGIP")	The rig is drilling the first well under its contract with AGIP, which was completed in early May 2003. Following completion of the AGIP well, the rig will be available for additional opportunities for additional drilling in the Mediterranean Sea.



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SEASCOUT	UNITED STATES GULF OF MEXICO		The SEASCOUT was purchased for future conversion to unit, similar to the SEAH acceptable contract oppor The rig is currently cold
CANTILEVER JACK-UPS - ----- VICKSBURG	MALAYSIA	EXXONMOBIL EXPLORATION AND PRODUCTION MALAYSIA INC. ("EMEPMI")	In early October 2002, the two-year drilling program EMEPMI for one additional having the right to termi program after one year at days notice period.
ATWOOD BEACON	UNDER CONSTRUCTION		The construction of the A continues on schedule. T of the construction should May 2003; additional equi and testing may be carri 2003 depending on the sch operations. The Company a short-term contract for operation in July/August
SUBMERSIBLE - ----- RICHMOND	UNITED STATES GULF OF MEXICO	OCEAN ENERGY, INC.	The rig is currently drill two firm wells for Ocean two wells should take unt 2003 to complete. Ocea four option wells under t contract contains a 30-da provision.
MODULAR PLATFORMS - ----- GOODWYN 'A' /NORTH RANKIN 'A'	AUSTRALIA	WOODSIDE ENERGY LTD.	There is currently an ind break in drilling activit client-owned rigs managed The Company is involved i two rigs for future drill