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ATWOOD OCEANICS INC
Form 8-K
October 01, 2003

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

Form 8-K

CURRENT REPORT

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

DATE OF EARLIEST EVENT REPORTED: October 1, 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 incorporation or organization) | (I.R.S. Employer Identification No.) |

| | |
|--|------------|
| 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

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

EXHIBIT 99.1 CONTRACT STATUS SUMMARY AT OCTOBER 1, 2003

ITEM 9. REGULATION FD DISCLOSURE

The ATWOOD EAGLE has completed its contractual work for ExxonMobil and is preparing to commence in early October 2003 a one-well drilling program for CNR Ranger (Angola) Limited. The drilling program is estimated to take between 40 and 106 days to complete, with a dayrate of \$90,000.

At the time that the ATWOOD EAGLE commenced working for ExxonMobil in Angola in March 2003, the Company expected work under that contract to extend

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into the second quarter of 2004. Based upon this expectation, the mobilization costs to move the drilling unit from Greece to Angola were being amortized over a one-year period. The Company bid the CNR work as an assignment of the ExxonMobil contract; however, a separate contract was executed with CNR instead of an assignment. Thus, as the ExxonMobil contract was not assigned to CNR, the remaining unamortized balance of the ATWOOD EAGLE mobilization costs (approximately \$2 million) will be expensed in September 2003. With this additional mobilization expense coupled with idle time incurred by the ATWOOD SOUTHERN CROSS and ATWOOD HUNTER during the quarter ending September 30, 2003, we expect to incur a total loss in the fourth quarter of fiscal year 2003 of \$8 to \$9 million.

The ATWOOD HUNTER is expected to complete its one-well program in Israel in early October 2003. Upon completion of this work, the rig may incur some idle time while waiting for its next contract opportunity. Contract opportunities for additional work are being pursued in the Mediterranean area, as well as outside of the Mediterranean.

In September 2003, the RICHMOND commenced a two-well plus one option well contract for Union Oil Company of California. Drilling of the two firm wells is expected to take around 50 days to complete.

Additional information with respect to the Company's Contract Status Summary October 1, 2003 is attached hereto as Exhibit 99.1 which is 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 in 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 war; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company's annual report on Form 10-K for the year ended September 30, 2002, filed with the Securities and Exchange Commission.

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

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Senior Vice President

DATE: October 1, 2003

EXHIBIT INDEX

| | |
|-------------|--|
| EXHIBIT NO. | DESCRIPTION |
| 99.1 | Contract Status Summary at October 1, 2003 |

EXHIBIT 99.1
 ATWOOD OCEANICS, INC. AND SUBSIDIARIES
 CONTRACT STATUS SUMMARY
 AT OCTOBER 1, 2003

| NAME OF RIG ----- SEMISUBMERSIBLES - ----- | LOCATION ----- | CUSTOMER ----- | CONTRACT STATUS ----- |
|---|-------------------|-------------------------|--|
| ATWOOD FALCON | MALAYSIA | SARAWAK SHELL ("SHELL") | The rig is currently work program in Malaysia to dr Shell. The drilling of t estimated to take until m complete. Following comp in Malaysia, the rig will to drill two wells estima 120 days to complete. |
| ATWOOD HUNTER | ISRAEL | ISRAMCO, INC. | The rig is expected to co program in Israel in mid- completion of this work, while waiting for its nex opportunity. Future cont for additional work are b Mediterranean area, as we of the Mediterranean. |
| ATWOOD EAGLE | ANGOLA | CNR RANGER (ANGOLA) | On September 22, 2003, th |

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LIMITED ("CNR")

work for ExxonMobil and is preparing to commence in 2003 a one-well drilling which is expected to take complete. Contract opportunities for additional work in Angola and West Africa are being pursued.

| | | | |
|---|------------------------------|--|---|
| SEAHAWK | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | The rig's current contract expires in December 2004, with an option for the Operator to extend. EMEPMI has the right to terminate the contract after the expiration of the first six months of the contract period (which commences in December 2003) with 120 days written notice. |
| ATWOOD SOUTHERN CROSS | EGYPT | | The rig is currently stacked in the Red Sea waiting for its next contract. Contract opportunities for the rig are being pursued in the Mediterranean and well as areas outside of the Red Sea. |
| SEASCOUT | UNITED STATES GULF OF MEXICO | | The SEASCOUT was purchased for future conversion to a unit, similar to the SEAHAWK. The rig is currently cold stack. Acceptable contract opportunities are being pursued. The rig is currently cold stack. |
| CANTILEVER JACK-UPS - ----- VICKSBURG | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | In October 2002, the rig was awarded a contract for a drilling program (with an option for one additional year), the right to terminate the contract after one year with at least 120 days written notice period. |
| ATWOOD BEACON | MALAYSIA | MURPHY SARAWAK OIL COMPANY, LTD. ("MURPHY") | In early August 2003, the rig was awarded a contract working under a contract for the drilling of eight wells plus options to drill five wells off the coast of Malaysia. The rig has exercised its option to drill five wells for the additional five wells. The rig will take until January/February 2004 to complete the drilling of the eight wells. Contract opportunities for additional work are being pursued. The rig is currently cold stack. |
| SUBMERSIBLE - ----- RICHMOND | UNITED STATES GULF OF MEXICO | UNION OIL COMPANY OR CALIFORNIA ("UNION") | In September 2003, the rig was awarded a contract for two-well plus one option. |

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MODULAR PLATFORMS -

GOODWYN 'A' /NORTH
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

UNION. Drilling of the t
expected to take around 5

There is currently an ind
break in drilling activit
client-owned rigs managed
The Company is involved i
two rigs for future drill