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REMINGTON OIL & GAS CORP
Form 10-Q/A
December 16, 2003

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 20549

FORM 10-Q/A
AMENDMENT NO. 1

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2003

OR

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

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-11516

REMINGTON OIL AND GAS CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

75-2369148
(IRS employer
identification no.)

8201 PRESTON ROAD, SUITE 600, DALLAS, TEXAS 75225-6211
(Address of principal executive offices)
(Zip code)

(214) 210-2650
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as
defined in Rule 12b-2 of the Exchange Act). Yes ☒ No ☐

There were 26,777,031 outstanding shares of Common Stock, \$0.01 par value,
on August 7, 2003.

REMINGTON OIL AND GAS CORPORATION

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PART I, FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

REMINGTON OIL AND GAS CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

	JUNE 30, 2003	DECEMBER 31, 2002
	-----	-----
	(UNAUDITED)	
	(IN THOUSANDS, EXCEPT SHARE	
	DATA)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents.....	\$ 14,829	\$ 14,929
Accounts receivable.....	38,773	32,555
Prepaid expenses and other current assets.....	7,644	4,978
	-----	-----
TOTAL CURRENT ASSETS.....	61,246	52,462
	-----	-----
PROPERTIES		

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Oil and natural gas properties (successful-efforts method).....	571,918	510,921
Other properties.....	3,253	3,182
Accumulated depreciation, depletion and amortization.....	(299,339)	(279,722)
	-----	-----
TOTAL PROPERTIES.....	275,832	234,381
	-----	-----
OTHER ASSETS.....	2,405	2,150
	-----	-----
TOTAL ASSETS.....	\$ 339,483	\$ 288,993
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities.....	\$ 46,250	\$ 47,523
Short-term notes payable and current portion of other long-term payables.....	2,332	1,715
	-----	-----
TOTAL CURRENT LIABILITIES.....	48,582	49,238
	-----	-----
LONG-TERM LIABILITIES		
Notes payable.....	37,400	37,400
Other long-term payables.....	765	1,503
Asset retirement obligation.....	13,127	--
Deferred income tax liability.....	18,992	7,192
	-----	-----
TOTAL LONG-TERM LIABILITIES.....	70,284	46,095
	-----	-----
TOTAL LIABILITIES.....	118,866	95,333
	-----	-----
Commitments and contingencies (Note 6)		
STOCKHOLDERS' EQUITY		
Preferred stock, \$.01 par value, 25,000,000 shares authorized, no shares outstanding.....	--	--
Common stock, \$.01 par value, 100,000,000 shares authorized, 26,868,417 shares issued and 26,742,672 shares outstanding in 2003, 26,327,195 shares issued and 26,236,459 shares outstanding in 2002.....	268	263
Additional paid-in capital.....	120,576	115,827
Restricted common stock.....	3,505	5,468
Unearned compensation.....	(2,323)	(3,192)
Retained earnings.....	100,222	76,271
Treasury stock.....	(1,631)	(977)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY.....	220,617	193,660
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$ 339,483	\$ 288,993
	=====	=====

See accompanying Notes to Condensed Consolidated Financial Statements.

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REMINGTON OIL AND GAS CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

THREE MONTHS ENDED
JUNE 30,

SIX MONTHS ENDED
JUNE 30,

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	2003	2002	2003	2002
	(UNAUDITED)			
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)			
REVENUES				
Oil sales.....	\$12,584	\$11,356	\$26,237	\$18,4
Gas sales.....	33,196	16,050	61,847	28,3
Gain on sale of assets.....	--	4,087	--	4,0
Other income.....	223	207	256	2
TOTAL REVENUES.....	46,003	31,700	88,340	51,1
COSTS AND EXPENSES				
Operating.....	5,277	4,465	9,669	7,7
Exploration.....	6,366	4,958	13,464	8,6
Depreciation, depletion and amortization.....	12,792	10,250	23,549	19,8
General and administrative.....	2,214	1,945	3,924	3,6
Interest and financing.....	485	464	885	1,2
TOTAL COSTS AND EXPENSES.....	27,134	22,082	51,491	41,1
INCOME BEFORE TAXES.....	18,869	9,618	36,849	10,0
Income tax expense.....	6,605	3,366	12,898	3,5
NET INCOME.....	\$12,264	\$ 6,252	\$23,951	\$ 6,5
BASIC INCOME PER SHARE.....	\$ 0.46	\$ 0.24	\$ 0.91	\$ 0.
DILUTED INCOME PER SHARE.....	\$ 0.44	\$ 0.22	\$ 0.86	\$ 0.
WEIGHTED AVERAGE SHARES OUTSTANDING (BASIC).....	26,533	25,953	26,436	24,4
WEIGHTED AVERAGE SHARES OUTSTANDING (DILUTED).....	27,844	27,889	27,910	26,3

See accompanying Notes to Condensed Consolidated Financial Statements.

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REMINGTON OIL AND GAS CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	SIX MONTHS ENDED JUNE 30,	
	2003	2002
	(UNAUDITED)	
	(IN THOUSANDS)	
CASH FLOW PROVIDED BY OPERATIONS		
NET INCOME.....	\$ 23,951	\$ 6,509
Adjustments to reconcile net income		
Depreciation, depletion and amortization.....	23,549	19,818
Deferred income taxes.....	12,898	3,505

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Amortization of deferred charges.....	116	94
Dry hole and impairment costs.....	12,759	8,278
Cash paid for dismantlement costs.....	(614)	(42)
Stock based compensation.....	792	853
(Gain) on sale of properties.....	--	(4,087)
Changes in working capital		
(Increase) in accounts receivable.....	(6,223)	(10,274)
(Increase) in prepaid expenses and other current assets.....	(2,739)	(1,314)
(Decrease) increase in accounts payable and accrued liabilities.....	(1,273)	6,320
	-----	-----
NET CASH FLOW PROVIDED BY OPERATIONS.....	63,216	29,660
	-----	-----
CASH FROM INVESTING ACTIVITIES		
Payments for capital expenditures.....	(63,460)	(49,704)
Proceeds from property sales.....	--	7,669
	-----	-----
NET CASH (USED IN) INVESTING ACTIVITIES.....	(63,460)	(42,035)
	-----	-----
CASH FROM FINANCING ACTIVITIES		
Proceeds from note payable.....	--	6,600
Loan origination costs.....	(293)	--
Payments on notes payable and other long-term payables.....	(679)	(52,046)
Common stock issued.....	1,770	53,925
Treasury stock acquired.....	(654)	(977)
	-----	-----
NET CASH PROVIDED BY FINANCING ACTIVITIES.....	144	7,502
	-----	-----
NET (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(100)	(4,873)
Cash and cash equivalents at beginning of period.....	14,929	19,377
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	\$ 14,829	\$ 14,504
	=====	=====

See accompanying Notes to Condensed Consolidated Financial Statements.

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REMINGTON OIL AND GAS CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Remington Oil and Gas Corporation is an independent oil and gas exploration and production company incorporated in Delaware. Our oil and gas properties are located in the shallow water offshore Gulf of Mexico and the onshore Gulf Coast.

We prepared these financial statements according to the instructions for Form 10-Q. Therefore, the financial statements do not include all disclosures required by generally accepted accounting principles. However, we have recorded all transactions and adjustments necessary to fairly present the financial statements included in this Form 10-Q/A. The adjustments made are normal and recurring. The following notes describe only the material changes in accounting policies, account details or financial statement notes during the first six months of 2003. Therefore, please read these financial statements and notes to the financial statements together with the audited financial statements and notes to financial statements in our 2002 Form 10-K/A. The income statements for

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the three and six months ended June 30, 2003, cannot necessarily be used to project results for the full year. We have made certain reclassifications to prior year financial statements in order to conform to current year presentations.

NOTE 2. NEW ACCOUNTING POLICIES

We adopted Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations," effective January 1, 2003. The statement requires that we estimate the fair value for our asset retirement obligations (dismantlement and abandonment of oil and gas wells and offshore platforms) in the periods the assets are first placed in service. We then adjust the current estimated obligation for estimated inflation and market risk contingencies to the projected settlement date of the liability. The result is then discounted to a present value from the projected settlement date to the date the asset was first placed in service. We record the present value of the asset retirement obligation as an additional property cost and as an asset retirement liability. A combination of the amortization of the additional property cost (using the unit of production method) and the accretion of the discounted liability is recorded as a periodic expense in our income statement.

Prior to this adoption, we accrued an estimated dismantlement, restoration and abandonment liability using the unit of production method over the life of a property and included the accrued amount in depreciation, depletion and amortization expense. The total accrued liability (\$5.5 million) was reflected as additional accumulated depreciation, depletion and amortization of oil and gas properties on our balance sheet.

In conformity with the new statement we recorded the cumulative effect of this accounting change as of January 1, 2003 as if we had used this method in the prior years. At January 1, 2003, we increased our oil and gas properties by \$9.0 million, recorded \$11.8 million as an Asset Retirement Obligation liability and reduced our accumulated depreciation by \$2.8 million (\$5.5 million accrued dismantlement in prior years less accumulated depreciation, depletion and amortization of \$2.7 million on the increased property costs). The

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REMINGTON OIL AND GAS CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

adoption of the new standard had no material effect on our net income. The following table reflects the reconciliation of the asset retirement obligations during the first six months of 2003.

	CAPITALIZED ASSET RETIREMENT COST	ACCUMULATED DEPRECIATION DEPLETION AND AMORTIZATION	ASSET RETIREMENT OBLIGATION LIABILITY
	-----	-----	-----
	(IN THOUSANDS)		
Balance January 1, 2003.....	\$ 8,985	\$2,692	\$11,807
Property additions.....	2,073	--	2,073
Settlement of liabilities.....	--	--	(614)
Asset retirement expense.....	--	644	419
	-----	-----	-----
Balance June 30, 2003.....	\$11,058	\$3,336	\$13,685
	=====	=====	=====

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Of the total asset retirement obligation, \$558,000 is classified as current due to the anticipated dismantlement and abandonment of East Cameron block 305 during 2003.

SFAS No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Intangible Assets" became effective for us on July 1, 2001, and January 1, 2002, respectively. SFAS No. 141 requires all business combinations initiated after June 30, 2001, to be accounted for using the purchase method. Additionally, SFAS No. 141 requires companies to disaggregate and report separately from goodwill certain intangible assets. SFAS No. 142 establishes new guidelines for accounting for goodwill and other intangible assets. Under SFAS No. 142, goodwill and certain other intangible assets are not amortized, but rather are reviewed annually for impairment. The appropriate application of SFAS Nos. 141 and 142 to oil and gas mineral rights held under lease and other contractual arrangements representing the right to extract such reserves is unclear. Depending on how the accounting and disclosure literature is clarified, these oil and gas mineral rights held under lease and other contractual arrangements representing the right to extract such reserves for both undeveloped and developed leaseholds may be classified separately from oil and gas properties, as intangible assets on our balance sheets. Additional disclosures required by SFAS Nos. 141 and 142 would be included in the notes to financial statements. Historically, we, like many other oil and gas companies, have included these oil and gas mineral rights held under lease and other contractual arrangements representing the right to extract such reserves as part of the oil and gas properties, even after SFAS Nos. 141 and 142 and became effective.

This interpretation of SFAS Nos. 141 and 142 would affect only our balance sheet classification of oil and gas leaseholds. Our results of operations and cash flows would not be affected, since those oil and gas mineral rights held under lease and other contractual arrangements representing the right to extract such reserves would continue to be amortized in accordance with accounting rules for oil and gas companies provided in SFAS No. 19, "Financial Accounting and Reporting by Oil and Gas Producing Companies."

At June 30, 2003, we had net leaseholds cost of approximately \$37.8 million. If we applied the interpretation currently being deliberated, this classification would require us to make the disclosures set forth under SFAS No. 142 related to these interests. We will continue to classify our oil and gas leaseholds as oil and gas properties until further guidance is provided.

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REMINGTON OIL AND GAS CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 3. NET INCOME PER SHARE

The following table presents our calculation of basic and diluted income per share.

THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
2003	2002	2003	2002
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)			

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Net income available for basic income per share.....	\$12,264	\$ 6,252	\$23,951	\$ 6,509
Basic income per share.....	\$ 0.46	\$ 0.24	\$ 0.91	\$ 0.27
	=====	=====	=====	=====
Diluted income per share.....	\$ 0.44	\$ 0.22	\$ 0.86	\$ 0.25
	=====	=====	=====	=====
Weighted average common stock				
Total common shares for basic income per share.....	26,536	25,953	26,436	24,424
Dilutive stock options outstanding (treasury stock method).....	1,019	1,486	1,144	1,442
Restricted common stock grant.....	289	450	330	450
	-----	-----	-----	-----
Total common shares for diluted income per share.....	27,844	27,889	27,910	26,316
	=====	=====	=====	=====

NOTE 4. STOCK BASED COMPENSATION

The following table summarizes relevant information as to the reported results under our intrinsic value method of accounting for stock awards, with supplemental information as if the fair value recognition provision of SFAS No. 123 had been applied:

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2003	2002	2003	2002
	-----	-----	-----	-----
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)			
As reported:				
Net income.....	\$12,264	\$ 6,252	\$23,951	\$ 6,509
Basic income per share.....	\$ 0.46	\$ 0.24	\$ 0.91	\$ 0.27
Diluted income per share.....	\$ 0.44	\$ 0.22	\$ 0.86	\$ 0.25
Stock based compensation (net of tax at statutory rate of 35%) included in net income as reported.....	\$ 242	\$ 257	\$ 515	\$ 554
Stock based compensation (net of tax at statutory rate of 35%) if using the fair value method as applied to all awards.....	\$ 716	\$ 617	\$ 1,462	\$ 1,271
Proforma (if using the fair value method applied to all awards):				
Net income.....	\$11,790	\$ 5,892	\$23,004	\$ 5,792
Basic income per share.....	\$ 0.44	\$ 0.22	\$ 0.87	\$ 0.23
Diluted income per share.....	\$ 0.42	\$ 0.21	\$ 0.82	\$ 0.22
Weighted average shares used in computation				
Basic.....	26,536	25,953	26,436	24,424
Diluted.....	27,844	27,889	27,910	26,316

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Effective May 1, 2003, we agreed with our lenders to increase our borrowing base from \$75.0 million to \$100.0 million and to extend the maturity date of the loan facility from May 3, 2004, to May 3, 2006. As of June 30, 2003, we had \$37.4 million borrowed under the facility. The banks review the borrowing base semi-annually and may decrease or propose an increase to the borrowing base relative to a redetermined estimate of proved oil and gas reserves. Our oil and gas properties are pledged as collateral for the line of credit. Additionally, we have agreed not to pay dividends.

NOTE 6. COMMITMENTS AND CONTINGENCIES

For the period April 1, 2003, through December 31, 2003, we have physical delivery contracts in place to sell 21,500 MMBtu of gas per day and 1,200 barrels of oil per day at the following prices:

PERIOD -----	PRICE PER -----	
	BARREL -----	MMBTU -----
April 1, 2003 through June 30, 2003.....	\$30.92	\$5.16
July 1, 2003 through September 30, 2003.....	\$28.70	\$4.89
October 1, 2003 through December 31, 2003.....	\$27.41	\$4.95

We have no material pending legal proceedings.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion will assist in the understanding of our financial position and results of operations. The information below should be read in conjunction with the financial statements, the related notes to financial statements, and our Form 10-K/A for the year ended December 31, 2002.

Our discussion contains both historical and forward-looking information. We assess the risks and uncertainties about our business, long-term strategy, and financial condition before we make any forward-looking statements, but we cannot guarantee that our assessment is accurate or that our goals and projections can or will be met. Statements concerning results of future exploration, exploitation, development, and acquisition expenditures as well as revenue, expense, and reserve levels are forward-looking statements. We make assumptions about commodity prices, drilling results, production costs, administrative expenses, and interest costs that we believe are reasonable based on currently available information.

This discussion is primarily an update to the Management's Discussion and Analysis of Financial Condition and Results of Operations included in the 2002 Form 10-K/A. We recommend that you read this discussion in conjunction with the Form 10-K/A.

Our long-term strategy is to increase our oil and gas reserves and production while keeping our finding and development costs and operating costs competitive with our industry peers. We will implement this strategy through drilling exploratory and development wells from our inventory of available prospects that we have evaluated for geologic and mechanical risk and future reserve or resource potential. Our drilling program will contain some high

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risk/high reserve potential opportunities as well as some lower risk/lower reserve potential opportunities, in order to achieve a balanced program of reserve and production growth. Success of this strategy is contingent on various risk factors, as discussed in our filings with the Securities and Exchange Commission.

LIQUIDITY AND CAPITAL RESOURCES

The following table summarizes certain contractual obligations and commercial commitments as of June 30, 2003.

	PAYMENTS DUE BY PERIOD				
	TOTAL	LESS THAN 1 YEAR	1-3 YEARS	4-5 YEARS	AFTER 5 YEARS
	-----	-----	-----	-----	-----
	(IN THOUSANDS)				
Contractual obligations					
Bank debt.....	\$37,400	\$ --	\$37,400	\$ --	\$ --
Other payables.....	2,539	1,774	765	--	--
Office lease.....	2,248	441	946	861	--
	-----	-----	-----	-----	-----
Total.....	\$42,187	\$2,215	\$39,111	\$861	\$ --
	=====	=====	=====	=====	=====

On June 30, 2003, our current assets exceeded our current liabilities by \$12.7 million. Our current ratio was 1.26 to 1.

Net cash flow provided by operations increased by \$33.6 million, or 113%, primarily because of higher oil and gas revenues during the first half of 2003 compared to the first half of 2002. Gas sales increased by \$33.5 million, or 118% because average prices increased by 102% and production increased by 8%. In addition, oil sales increased by \$7.8 million, or 42%, because oil prices increased by 35% and oil production increased by 6%.

During the first six months of 2003, our capital expenditures totaled \$63.5 million of which \$59.5 million, or 94%, was spent in the Gulf of Mexico where we incurred costs to drill and complete wells and upgrade and complete platforms and facilities. We have budgeted \$96.1 million for capital expenditures during 2003. This capital and exploration budget includes \$51.3 million for 30 exploratory wells, \$25.8 million for offshore platforms and development drilling, and \$19.0 million for workovers and property and seismic acquisitions. We

expect that our cash, estimated future cash flow from operations, and available bank line of credit will be adequate to fund these expenditures for the remainder of 2003.

If our exploratory drilling results in significant new discoveries, we will have to expend additional capital for the completion, development, and potential additional opportunities generated by our success. We believe that, because of the additional reserves resulting from the exploratory success and our record of reserve growth in recent years, we will be able to acquire sufficient additional capital through additional bank financing and /or offerings of debt or equity securities.

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Effective May 1, 2003, we agreed with our lenders to increase our borrowing base from \$75.0 million to \$100.0 million and to extend the maturity date of the loan facility from May 3, 2004, to May 3, 2006. As of June 30, 2003, we had \$37.4 million borrowed under the facility. The banks review the borrowing base semi-annually and may decrease or propose an increase to the borrowing base relative to a redetermined estimate of proved oil and gas reserves. Our oil and gas properties are pledged as collateral for the line of credit. Additionally, we have agreed not to pay dividends.

On June 19, 2003, we filed a shelf registration statement to issue up to \$200 million of common stock, debt securities, preferred stock, and/or warrants. We expect the registration statement to become effective during the third quarter of this year.

RESULTS OF OPERATIONS

We recorded net income for the three months ended June 30, 2003, of \$12.3 million or \$0.46 basic income per share and \$0.44 diluted income per share compared to \$6.3 million or \$0.24 basic income per share and \$0.22 diluted income per share for the three months ended June 30, 2002. For the first six months of 2003 we recorded net income of \$24.0 million or \$0.91 basic income per share and \$0.86 diluted income per share compared to \$6.5 million or \$0.27 basic income per share and \$0.25 diluted income per share for the first six months of 2002. Net income for the three and six months ended June 30, 2003, was higher than in the prior year primarily because of increased oil and gas revenues, partially offset by higher exploration expenses in 2003 and a \$4.1 million gain from the sale of certain South Texas properties in 2002. The following table reflects the increase or decrease in oil and gas sales revenue due to the changes in prices and volumes.

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2003	2002	2003	2002
	(IN THOUSANDS, EXCEPT PRICES)			
Oil production volume (Bbls).....	447	457	872	825
Oil sales revenue.....	\$12,584	\$11,356	\$26,237	\$18,423
Price per barrel.....	\$ 28.15	\$ 24.85	\$ 30.09	\$ 22.33
Increase (decrease) in oil sales revenue due to:				
Change in prices.....	\$ 1,508		\$ 6,402	
Change in production volume.....	(280)		1,412	
Total increase (decrease) in oil sales revenue.....	\$ 1,228		\$ 7,814	
Gas production volume (Mcf).....	5,855	4,832	10,360	9,587
Gas sales revenue.....	\$33,196	\$16,050	\$61,847	\$28,357
Price per Mcf.....	\$ 5.67	\$ 3.32	\$ 5.97	\$ 2.96
Increase in gas sales revenue due to:				
Change in prices.....	\$11,355		\$28,857	
Change in production volume.....	5,791		4,633	
Total increase in gas sales revenue.....	\$17,146		\$33,490	
Total production Mcfe.....	8,537	7,574	15,592	14,537
Price per Mcfe.....	\$ 5.36	\$ 3.62	\$ 5.65	\$ 3.22

Oil sales revenue for the second quarter of 2003 compared to the same period in 2002 increased by \$1.2 million, or 11%, primarily because oil prices increased by \$3.30 per barrel, or 13%. Oil production from offshore Gulf of Mexico decreased by 25,000 barrels, or 7%, because of natural depletion from several older properties partially offset by production from new properties in the Gulf of Mexico. Oil production from the onshore gulf coast increased by 10,000 barrels primarily due to production from new discoveries, partially offset by natural depletion from several older properties. Average prices increased from \$24.85 during the second quarter of 2002 to \$28.15 during the second quarter of 2003.

Oil sales revenue for the first half of 2003 compared to the first half of 2002 increased by \$7.8 million, or 42%, because oil prices increased by \$7.76, or 35%, and production increased by 47,000 barrels. Oil production from offshore Gulf of Mexico increased by 57,000 barrels, or 9%, because of production from new properties. Oil production from onshore gulf coast properties decreased by 10,000 barrels because of natural depletion of the existing producing properties and the sale of certain properties in South Texas in April 2002, partially offset by production from new properties. Average prices increased from \$22.33 during the first six months of 2002 to \$30.09 during the first six months of 2003, which increased oil revenues by \$6.4 million.

Gas sales revenue for the three months ended June 30, 2003, compared to the same period in 2002 increased by \$17.1 million, or 107% because production increased by 1.0 Bcf, or 21%, and average prices increased by \$2.35, or 71%. Production from the Gulf of Mexico increased by 1.1 Bcf, or 26%, primarily because of gas production from new properties, partially offset by lower production from natural depletion of existing properties in the gulf coast area. Average prices increased from \$3.32 during the second quarter of 2002 to \$5.67 during the second quarter of 2003, increasing revenues by \$11.4 million.

Gas sales revenue for the first half of 2003 compared to the first half of 2002 increased by \$33.5 million, or 118% because production increased by 773,000 Mcf, or 8%, and average prices increased by \$3.01, or 102%. Production from the Gulf of Mexico increased by 1.3 Bcf, or 15%, primarily because of gas production from new properties, partially offset by lower production from natural depletion of existing properties in the gulf coast area. Average prices increased from \$2.96 during the first six months of 2002 to \$5.97 during the first six months of 2003, which increased gas revenues by \$28.9 million.

Other income decreased primarily because we realized a \$4.1 million gain from the sale of properties in South Texas in April 2002.

The following table presents certain expense items per Mcf equivalent (Mcfe) of production. (Barrels of oil are converted to Mcfe at a ratio of one barrel equals six Mcf.)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2003	2002	2003	2002
Operating costs and expenses.....	\$0.62	\$0.59	\$0.62	\$0.53
Depreciation, depletion and amortization.....	\$1.50	\$1.35	\$1.51	\$1.36

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General and administrative expense*.....	\$0.26	\$0.26	\$0.25	\$0.25
Interest and financing expense.....	\$0.06	\$0.06	\$0.06	\$0.09

* Stock based compensation included in general and administrative expense.....	\$0.04	\$0.05	\$0.05	\$0.06
--	--------	--------	--------	--------

Operating costs and expenses for the second quarter of 2003 compared to the second quarter of 2002 increased by \$708,000, or 16%, and for the first six months of 2003 compared to 2002 increased by \$1.8 million, or 24% primarily because of new operated properties in the Gulf of Mexico. In addition, increases in delay rental expense for unproved properties, insurance rates, and repairs expense on existing properties also increased operating costs and expenses and were the primary reason for the increase in the rate per Mcfe.

Exploration expense increased by \$1.4 million during the second quarter of 2003 and by \$4.8 million during the first six months of 2003 primarily because of increased dry hole expense. Dry hole expense for 2003

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includes 6 wells in the Gulf of Mexico, one well in Mississippi and one well in South Texas for a total cost of \$12.3 million compared to \$8.3 million dry hole expense in 2002.

Depreciation, depletion, and amortization expense increased by \$2.5 million during the second quarter of 2003 and by \$3.7 million during the first six months of 2003 compared to the same period in the prior year because of an increase in the number of producing properties.

General and administrative expenses have increased slightly due to employee related expense. Included in general and administrative expenses is stock based compensation expense which includes the amortized compensation cost related to the contingent stock grant and the directors fees paid in common stock.

Interest and financing expenses increased slightly during the second quarter of 2003 compared to the second quarter of 2002 because of higher bank debt during the quarter partially offset by lower rates. During the first six months of 2003 interest and financing expenses decreased by 32% because of lower average bank debt and lower interest rates as compared to the six month period of 2002. In March 2002, we issued 3.0 million shares of common stock at \$18.50 per share. We used \$44.0 million of the net proceeds to reduce outstanding bank debt from \$71.0 million to \$27.0 million.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE RISK

Our revolving bank line of credit is sensitive to changes in interest rates. At June 30, 2003, the unpaid principal balance under the line was \$37.4 million which approximates its fair value. The interest rate on this debt is based on a premium of 150 to 225 basis points over the London Interbank Offered Rate ("Libor"). The rate is reset periodically, usually every three months. If on June 30, 2003, Libor changed by one full percentage point (100 basis points) the fair value of our revolving debt would change by approximately \$93,000. We have not entered into any interest rate hedging contracts.

COMMODITY PRICE RISK

A vast majority of our production is sold on the spot markets. Accordingly, we are at risk for the volatility in the commodity prices inherent in the oil

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and gas industry.

Occasionally we sell forward portions of our production under physical delivery contracts that by their terms cannot be settled in cash or other financial instruments. Such contracts are not subject to the provisions of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities." Accordingly, we do not provide sensitivity analysis for such contracts. For the period January 1, 2003, through March 31, 2003, we did not have any forward sales contracts in place. For the period April 1, 2003, through December 31, 2003, we have physical delivery contracts in place to sell 21,500 MMBtu of gas per day and 1,200 barrels of oil per day at the following prices:

PERIOD -----	PRICE PER -----	
	BARREL -----	MMBTU -----
April 1, 2003 through June 30, 2003.....	\$30.92	\$5.16
July 1, 2003 through September 30, 2003.....	\$28.70	\$4.89
October 1, 2003 through December 31, 2003.....	\$27.41	\$4.95

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, our management, including our Chief Executive Officer and our Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e). Based on that evaluation, our management, including the Chief Executive Officer and the Principal Financial Officer, concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report. Further, during the period covered by this report, there was no significant change in internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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PART II, OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We have no material pending legal proceedings.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 27, 2003, we held our annual stockholders meeting to elect members to the company's board of directors. The stockholders voted as follows:

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	FOR -----	WITHHELD -----
Election of Directors		
John E. Goble, Jr.	21,458,809	128,483
William E. Greenwood.....	21,458,679	128,613
Robert P. Murphy.....	21,458,809	128,483
David E. Preng.....	21,458,709	128,583
Thomas W. Rollins.....	21,458,809	128,483
Alan C. Shapiro.....	21,458,809	128,483
James A. Watt.....	21,458,679	128,613

The members of the board of directors do not serve staggered terms of office. All directors elected at the meeting were already members of the board at the time of election, except Robert P. Murphy. Directors Don D. Box, David H. Hawk, and James Arthur Lyle, whose terms ended as of the annual stockholders meeting, did not stand for re-election.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

3.1#	Certificate of Amendment of Certificate of Incorporation of Remington Oil and Gas Corporation.
3.3###	By-Laws as amended.
10.1++	Pension Plan of Remington Oil and Gas Corporation, as Amended and Restated effective January 1, 2000.
10.2++	Amendment Number One to the Pension Plan of Remington Oil and Gas Corporation.
10.3***	Amendment Number Two to the Pension Plan of Remington Oil and Gas Corporation.
10.4***	Amendment Number Three to the Pension Plan of Remington Oil and Gas Corporation.
10.5*	Box Energy Corporation Severance Plan.
10.6##	Box Energy Corporation 1997 Stock Option Plan (as amended June 17, 1999 and May 23, 2001).
10.7*	Box Energy Corporation Non-Employee Director Stock Purchase Plan.
10.8+	Form of Employment Agreement effective September 30, 1999, by and between Remington Oil and Gas Corporation and two executive officers.

10.9+	Form of Employment Agreement effective September 30, 1999, by and between Remington Corporation and an executive officer.
10.10**	Employment Agreement effective January 31, 2000, by and between Remington Oil and Gas Corporation and James A. Watt.
10.11***	Form of Employment Agreement effective April 30, 2002, by and between Remington Oil and Gas Corporation and an executive officer.
10.12**	Form of Contingent Stock Grant Agreement -- Directors.

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10.13** Form of Contingent Stock Grant Agreement -- Employees.
10.14** Form of Amendment to Contingent Stock Grant Agreement -- Directors.
10.15** Form of Amendment to Contingent Stock Grant Agreement -- Employees.
14.1### Code of Business Conduct and Ethics.
31.1+++ Certification of James A. Watt, Chief Executive Officer, as required pursuant to the Sarbanes-Oxley Act of 2002.
31.2+++ Certification of J. Burke Asher, Principal Financial Officer, as required pursuant to the Sarbanes-Oxley Act of 2002.
32.1+++ Certification of James Watt, Chief Executive Officer, pursuant to 18 U.S.C. Section 1348, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2+++ Certification of J. Burke Asher, Principal Financial Officer, pursuant to 18 U.S.C. Section 1348, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Incorporated by reference to the Company's Form 10-K (file number 1-11516) for the fiscal year ended December 31, 1997, filed with the Commission on March 30, 1998.

Incorporated by reference to the Company's Registration Statement on Form S-4 (file number 333-61513) filed with the Commission and effective on November 27, 1998.

+ Incorporated by reference to the Company's Form 10-Q (file number 1-11516) for the fiscal quarter ended September 30, 1999, filed with the Commission on November 12, 1999.

** Incorporated by reference to the Company's Form 10-K (file number 1-11516) for the fiscal year ended December 31, 1999, filed with the Commission on March 29, 2000.

Incorporated by reference to the Company's Form 10-Q (file number 1-11516) for the fiscal quarter ended September 30, 2001, filed with the Commission on November 9, 2001.

++ Incorporated by reference to the Company's Form 10-K (file number 1-11516) for the fiscal year ended December 31, 2001, filed with the Commission on March 21, 2002.

*** Incorporated by reference to the Company's Form 10-K (file number 1-11516) for the fiscal year ended December 31, 2002, filed with the Commission on March 31, 2003.

Incorporated by reference to the Company's Form 10-Q (file number 1-11516) for the fiscal quarter ended June 30, 2003, filed with the Commission on August 11, 2003.

+++ Filed herewith.

(b) On May 2, 2003, we filed a Form 8-K reporting our first quarter earnings press release under Item 12. Results of Operations and Financial Condition.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this amendment no. 1 to this report to be signed on its behalf by the undersigned thereunto duly authorized.

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REMINGTON OIL AND GAS CORPORATION

By: /s/ JAMES A. WATT

James A. Watt
President and Chief Executive
Officer

Date: December 16, 2003

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- 32.1+++ Certification of James A. Watt, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as required Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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