

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

ATWOOD OCEANICS INC  
Form 8-K  
November 16, 2004

=====

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: November 16, 2004

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

COMMISSION FILE NUMBER 1-13167

Internal Revenue Service - Employer Identification No. 74-1611874

15835 Park Ten Place Drive, Houston, Texas, 77084  
(281) 749-7800

-----

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

### ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED NOVEMBER 16, 2004
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND YEAR ENDED SEPTEMBER 30, 2004 AND 2003
- EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE THREE MONTHS AND YEAR ENDED SEPTEMBER 30, 2004
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT SEPTEMBER 30, 2004 AND SEPTEMBER 30, 2003
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT NOVEMBER 16, 2004

### ITEM 9. REGULATION FD DISCLOSURE

On November 16, 2004, the Company announced its earnings for the Fiscal Year and Fourth Quarter ended September 30, 2004. 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 continues to work under its drilling contract with Sarawak Shell Berhad ("Shell"). This contract is expected to extend into February 2005. Immediately upon completion of the Shell contract, the rig will be moved to Japan to commence a drilling program for Japan Energy Development Co., Ltd. ("Japan") which now includes two firm wells after Japan exercised its one option well. The Japan drilling program could take until approximately August 2005 to complete.

The ATWOOD HUNTER continues to work under its drilling contract with Burullus Gas Co., ("Burullus"). The initial contract with Burullus included the drilling of ten (10) firm wells and options to drill six additional wells. Burullus has now exercised options to drill all six of these additional wells. The dayrate for all wells drilled will be \$62,400. This contract is expected to extend into approximately September 2005.

The SEAHAWK has completed its minor modifications and equipment change-out at the Kemanan Supply Base, Malaysia and has commenced its two well drilling program for Sarawak Shell Berhad ("Shell"). This drilling program is expected to extend into late January 2005. Additional work, following the Shell contract, is being pursued in Southeast Asia as well as other areas of the world.

Additional information with respect to the Company's Consolidated Statements of Operations for the three months and year ended September 30, 2004 and 2003, an analysis of Contract Revenues and Drilling Costs for the three months and year ended September 30, 2004, Consolidated Balance Sheets at September 30, 2004 and 2003 and Contract Status Summary at November 16, 2004 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

## Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

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, 2003, filed with the Securities and Exchange Commission.

Page 3

### 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: November 16, 2004

Page 4

### EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated November 16, 2004
99.2	Consolidated Statements of Operations for the Three Months and Year ended September 30, 2004 and 2003
99.3	Analysis of Contract Revenues and Drilling Costs for the Three Months and Year ended September 30, 2004
99.4	Consolidated Balance Sheets at September 30, 2004 and September 30, 2003
99.5	Contract Status Summary at November 16, 2004

Page 5

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

EXHIBIT 99.1

Houston, Texas  
16 November 2004

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc., Houston-based International Drilling Contractor, announced today that the Company earned net income of \$3,344,000 or \$.24 per diluted share, on revenues of \$42,933,000 for the quarter ended September 30, 2004, compared to a net loss of (\$14,257,000) or (\$1.03) per diluted share on revenues of \$38,004,000 for the quarter ended September 30, 2003. For the twelve months ended September 30, 2004, the Company earned net income of \$7,587,000 or \$.54 per diluted share, on revenues of \$163,454,000 compared to a net loss of (\$12,802,000) or (\$.92) per diluted share, on revenues of \$144,765,000 for the twelve months ended September 30, 2003.

	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2004	(unaudited)	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2003
	-----		-----
Contract Revenues	\$42,933,000		\$ 38,004,000
	=====		=====
Income (Loss) before Income Taxes	1,642,000		(4,373,000)
Provision (Benefit) for Income Taxes	( 1,702,000)		9,884,000
	-----		-----
Net Income (Loss)	3,344,000		(14,257,000)
	=====		=====
Earnings (Loss) per Common Share -			
Basic	.24		(1.03)
Diluted	.24		(1.03)
Weighted Average Shares			
Outstanding -			
Basic	13,869,000		13,848,000
Diluted	14,139,000		13,848,000
	FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2004	(unaudited)	FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2003
	-----		-----
Contract Revenues	\$163,454,000		\$144,765,000
	=====		=====
Income before Income Taxes	12,402,000		1,636,000
Provision for Income Taxes	4,815,000		(14,438,000)
	-----		-----
Net Income (Loss)	7,587,000		(12,802,000)
	=====		=====
Earnings (Loss) per Common Share -			
Basic	.55		(.92)
Diluted	.54		(.92)
Weighted Average Shares			
Outstanding -			
Basic	13,859,000		13,846,000
Diluted	14,032,000		13,846,000

Contact: Jim Holland  
(281) 749-7804

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

Page 6

EXHIBIT 99.2  
 ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
 CONSOLIDATED STATEMENTS OF OPERATIONS  
 (In thousands, except per share amounts)

	Three Months Ended		Twelve Months	
	----- September 30, 2004                      2003 ----- (Unaudited)		----- September 3 2004 ----- (Unaudited)	
REVENUES:				
Contract drilling	\$40,553	\$38,004	\$161,074	\$1
Business interruption proceeds	2,380	0	2,380	
	-----	-----	-----	-----
	\$42,933	\$38,004	\$163,454	\$1
	-----	-----	-----	-----
COSTS AND EXPENSES:				
Contract drilling	28,417	27,406	98,936	
Depreciation	7,995	7,733	31,582	
General and administrative	2,706	5,193	11,389	
	-----	-----	-----	-----
	39,118	40,332	141,907	1
	-----	-----	-----	-----
OPERATING INCOME	3,815	(2,328)	21,547	
	-----	-----	-----	-----
OTHER INCOME (EXPENSE)				
Interest expense	(2,204)	(2,064)	(9,202)	
Interest income	31	19	57	
	-----	-----	-----	-----
	(2,173)	(2,045)	(9,145)	
	-----	-----	-----	-----
INCOME BEFORE INCOME TAXES	1,642	(4,373)	12,402	
PROVISION (BENEFIT) FOR INCOME TAXES	(1,702)	9,884	4,815	
	-----	-----	-----	-----
NET INCOME (LOSS)	\$3,344	(\$14,257)	\$7,587	(\$
	=====	=====	=====	=====
EARNINGS (LOSS) PER SHARE				
Basic	\$0.24	(\$1.03)	\$0.55	
Diluted	\$0.24	(\$1.03)	\$0.54	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
Basic	13,869	13,848	13,859	
Diluted	14,139	13,848	14,032	

Page 7

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

EXHIBIT 99.3

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

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2004

	CONTRACT DRILLING REVENUES		CONTRACT DRILLING COSTS
	-----		-----
		(In Millions)	
ATWOOD BEACON	\$5.5		\$3.4
ATWOOD EAGLE	10.5		6.6
ATWOOD FALCON	4.4		5.3
ATWOOD HUNTER	5.3		3.0
ATWOOD SOUTHERN CROSS	3.4		2.7
RICHMOND	2.6		2.0
SEAHAWK	4.6		2.7
VICKSBURG	6.1		1.8
OTHER	0.5		0.9
	-----		-----
	\$42.9		\$28.4
	=====		=====

FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2004

	CONTRACT DRILLING REVENUES		CONTRACT DRILLING COSTS
	-----		-----
		(In Millions)	
ATWOOD BEACON	\$20.7		\$10.2
ATWOOD EAGLE	30.4		20.7
ATWOOD FALCON	26.0		15.1
ATWOOD HUNTER	19.4		12.0
ATWOOD SOUTHERN CROSS	12.5		12.3
RICHMOND	9.6		7.9
SEAHAWK	18.6		9.0
VICKSBURG	24.3		8.3
OTHER	2.0		3.4
	-----		-----
	\$163.5		\$98.9
	=====		=====

EXHIBIT 99.4

ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

# Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

(In thousands)

	Sep. 30, 2004	SEP. 30, 2003
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$16,416	
Accounts receivable	32,475	
Insurance receivable	25,433	
Income tax receivable	0	
Inventories of materials and supplies at lower of average cost or market	12,648	
Deferred tax assets	290	
Prepaid expenses and other	5,704	
	92,966	
PROPERTY AND EQUIPMENT:		
Drilling vessels, equipment and drill pipe	618,824	
Other	7,635	
	626,459	
Less-accumulated depreciation	225,318	
	401,141	
DEFERRED COSTS AND OTHER ASSETS		
	4,829	
	\$498,936	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of notes payable	\$36,000	
Accounts payable	9,398	
Accrued liabilities	13,822	
Deferred credits	833	
	60,053	
LONG-TERM NOTES PAYABLE, net of current maturities:	145,000	
	145,000	
OTHER LONG TERM LIABILITIES		

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

Deferred income taxes	18,930
Deferred credits and other	3,364
	-----
	22,294
	-----
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 13,883,000 issued and outstanding	13,883
Paid-in capital	57,907
Retained earnings	199,799
	-----
Total Shareholders' Equity	271,589
	-----
	\$498,936
	=====

Page 9

EXHIBIT 99.5  
ATWOOD OCEANICS, INC. AND SUBSIDIARIES  
CONTRACT STATUS SUMMARY  
AT NOVEMBER 16, 2004

NAME OF RIG -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
SEMISUBMERSIBLES -			
ATWOOD FALCON	MALAYSIA	SARAWAK SHELL BERHAD ("SHELL")	The rig continues to work with the rig currently drilling firm wells after Shell exercises options provided under the contract. Currently anticipated to be completed in early 2005. One option remains under contract. Immediately upon completion of the contract, the rig will be moved to Japan for the program for Japan Energy for the drilling of these two wells. The drilling is expected to be completed approximately August 2005.
ATWOOD HUNTER	EGYPT	BURULLUS GAS CO. ("BURULLUS")	On December 31, 2003, the contract for Burullus was completed. The program for Burullus which includes six options will be a drilling program for sixteen wells. The drilling is expected to take until approximately August 2005 complete.
ATWOOD EAGLE	AUSTRALIA	WOODSIDE ENERGY, LTD. ("WOODSIDE")	The rig has commenced drilling firm wells for Woodside.



drilling program is expected to commence in November 2004 to complete the program by early 2005. BHP Petroleum Pty. ("BHP"), the rig's primary contractor, has granted three option wells to the rig. The completion of the Woodside wells is subject to mutual agreement between the rig and BHP. If BHP exercises one of their three option wells, the drilling of this well to commence is expected to be completed by the completion of the Woodside wells. The rig is expected to take approximately 30 days to be repositioned and retains the right to drill the rig. The rig has been awarded a contract with its current contract with BHP to drill two wells with option to drill two more wells on the coast of Australia. The rig's current drilling program is expected to complete, and if all three option wells, the contract could extend to three months. The rig's current drilling program with BHP are expected to be completed by early 2005. The additional work on the rig is expected to commence until February 1, 2005.

SEAHAWK MALAYSIA SARAWAK SHELL BERHAD ("SHELL")

The rig has completed its change-out at the Kemanan and has commenced its two well drilling program with Shell. The drilling program is expected to be completed by late January 2005. The rig's current contract, is being extended to include as well as other areas of

Page 10

ATWOOD SOUTHERN CROSS MALAYSIA MURPHY SARAWAK OIL COMPANY, LTD. ("MURPHY")

The rig continues to work with the rig currently drilling two firm wells with Murphy repositioned. This contract is currently being completed by December 2004. The rig has been awarded a contract with Daewoo International Corp to drill two firm wells plus an option well offshore Myanmar. The rig is expected to be repositioned immediately after completion of the current contract. The rig is expected to take 90 days to be repositioned.

SEASCOUT UNITED STATES GULF OF MEXICO

The SEASCOUT was purchased by Atwood Oceanics and converted to a tender-assessment rig. There are currently no wells being drilled. The rig is currently coldstacked.

CANTILEVER JACK-UPS -  
-----  
VICKSBURG

MALAYSIA EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI")

In May 2004, the rig's contract was suspended and the rig moved to Malaysia. The rig's drilling program for Chevron Limited. This program has been relocated back to Malaysia. The contract was reinstated. The rig's current contract includes the five months of the contract that was suspended plus an extension of twelve months for a total of seventeen months. The rig's current contract with EMEPMI retains its right to be repositioned providing 120 days notice.

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

ATWOOD BEACON

UNDER REPAIR AT  
A SINGAPORE  
SHIPYARD

The process of repairing ATWOOD BEACON on July 25, 2005. The rig is expected to be repaired by HOANG LONG and HOAN VU to drill three firm wells, with additional wells, offshore. The wells have a combined expected life of 200 days and if all option wells are drilled, the program must commence by April 15, 2005.

SUBMERSIBLE -

-----

RICHMOND

UNITED STATES  
GULF OF MEXICO

APPLIED DRILLING  
TECHNOLOGY INC. ("ADTI")

The rig is currently drilling which was assigned from Helis ("Helis"). Upon completion, the rig will have three firm wells to drill, retaining one option to drill. The drilling of the three firm wells is expected to take until February and if the option wells are drilled, the program could extend to June/July.

Page 11

MODULAR PLATFORMS -

-----

GOODWYN 'A' /NORTH  
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

There is currently an independent drilling activity for the platforms managed by the Company. The rig is currently in maintenance of the two rig programs.

Page 12