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ATWOOD OCEANICS INC
Form 8-K
July 31, 2002

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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: July 31, 2002

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

COMMISSION FILE NUMBER 1-13167

TEXAS
(State or other jurisdiction of
incorporation or organization)

74-1611874
(I.R.S. Employer Identification No.)

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

77084
(Zip Code)

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

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ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED JULY 31, 2002
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 2002 AND 2001
- EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE QUARTER AND NINE MONTHS ENDED JUNE 30, 2002
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT JUNE 30, 2002 AND SEPTEMBER 30, 2001
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT JULY 31, 2002

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ITEM 9. REGULATION FD DISCLOSURE

ON JULY 31, 2002, THE COMPANY ANNOUNCED ITS EARNINGS FOR THE FISCAL YEAR 2002 THIRD QUARTER ENDED JUNE 30, 2002. 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 5,000 FEET WATER-DEPTH UPGRADE OF THE ATWOOD EAGLE CONTINUES ON SCHEDULE AT A SHIPYARD FACILITY IN GREECE, WITH ESTIMATED COMPLETION IN OCTOBER/NOVEMBER, 2002. THE RICHMOND HAS BEEN AWARDED A CONTRACT TO DRILL ONE FIRM WELL (ESTIMATED TO TAKE 30 DAYS TO COMPLETE) FOLLOWING COMPLETION OF ITS CURRENT CONTRACT. THE RIG'S CURRENT FIRM DRILLING PROGRAMS COULD BE COMPLETED IN LATE SEPTEMBER 2002 UNLESS THE CURRENT OPERATOR EXERCISES AN OPTION TO DRILL ONE MORE WELL. THE OPTION WELL, IF DRILLED, COULD ADD ANOTHER 45 DAYS OF DRILLING COMMITMENTS.

THE VICKSBURG IS CURRENTLY DRILLING FOR CARIGALI-TRITON OPERATING COMPANY ("CTOC") IN THE MALAYSIA-THAILAND JOINT DEVELOPMENT AREA. CTOC HAS ADVISED THE COMPANY THAT IT WILL SUSPEND ITS CURRENT DRILLING ACTIVITIES UPON COMPLETION OF THE CURRENT DRILLING PROGRAM, WHICH IS EXPECTED TO BE CONCLUDED IN SEPTEMBER 2002. THE COMPANY HAS RECEIVED A "NOTICE OF CONTRACT AWARD", SUBJECT TO EXECUTION OF A DEFINITIVE CONTRACT, FOR A TERM DRILLING PROGRAM FOR THE VICKSBURG TO COMMENCE IN MALAYSIA IMMEDIATELY FOLLOWING THE SUSPENSION OF THE RIG'S CURRENT CONTRACT.

ADDITIONAL INFORMATION WITH RESPECT TO THE COMPANY'S CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 2002 AND 2001, AN ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE QUARTER AND NINE MONTHS ENDED JUNE 30, 2002, CONSOLIDATED BALANCE SHEETS AT JUNE 30, 2002 AND SEPTEMBER 30, 2001 AND CONTRACT STATUS SUMMARY AT JULY 31, 2002 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 in upgrade to the Company's rigs; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism; 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, 2001, 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.

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ATWOOD OCEANICS, INC.
(Registrant)

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

DATE: July 31, 2002

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
99.1	Press Release dated July 31, 2002
99.2	Consolidated Statements of Operations for the Three Months and Nine Months ended June 30, 2002 and 2001
99.3	Analysis of Contract Revenues and Drilling Costs for the quarter and nine months ended June 30, 2002
99.4	Consolidated Balance Sheets at June 30, 2002 and September 30, 2001
99.5	Contract Status Summary at July 31, 2002

EXHIBIT 99.1

HOUSTON, TEXAS
31 JULY 2002

FOR IMMEDIATE RELEASE

FOR IMMEDIATE RELEASE:

ATWOOD OCEANICS, INC., HOUSTON-BASED INTERNATIONAL DRILLING CONTRACTOR ANNOUNCED TODAY THAT THE COMPANY AND ITS SUBSIDIARIES REPORTED A NET INCOME OF USD 6,132,000 OR USD .44 PER DILUTED SHARE, ON CONTRACT REVENUES OF USD 37,402,000 FOR THE QUARTER ENDED JUNE 30, 2002, COMPARED TO A NET INCOME OF USD 5,485,000 OR USD .39 PER DILUTED SHARE, ON CONTRACT REVENUES OF USD 34,944,000 FOR THE QUARTER ENDED JUNE 30, 2001. DURING THE FIRST NINE MONTHS OF 2002, THE COMPANY RECORDED A NET INCOME OF USD 21,120,000 OR USD 1.51 PER DILUTED SHARE, ON CONTRACT REVENUES OF USD 118,376,000 COMPARED TO A NET INCOME OF USD 19,555,000 OR USD 1.40 PER DILUTED SHARE, ON CONTRACT REVENUES OF USD

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111,594,000 IN THE FIRST NINE MONTHS OF 2001.

COMPARED FIGURES ARE AS FOLLOWS:

FOR THE QUARTER ENDED JUNE 30:	2002 ----	2001 ----
CONTRACT REVENUES	USD 37,402,000	USD 34,944,000
INCOME BEFORE INCOME TAXES	9,174,000	8,410,000
NET INCOME	6,132,000	5,485,000
EARNINGS PER COMMON SHARE -		
BASIC	.44	.40
DILUTED	.44	.39
WEIGHTED AVERAGE SHARES		
OUTSTANDING -		
BASIC	13,843,000	13,831,000
DILUTED	14,048,000	13,981,000
FOR THE NINE MONTHS ENDED JUNE 30:	2002 ----	2001 ----
CONTRACT REVENUES	USD 118,376,000	USD 111,594,000
INCOME BEFORE INCOME TAXES	32,276,000	30,742,000
NET INCOME	21,120,000	19,555,000
EARNINGS PER COMMON SHARE -		
BASIC	1.53	1.41
DILUTED	1.51	1.40
WEIGHTED AVERAGE SHARES OUTSTANDING -		
BASIC	13,839,000	13,827,000
DILUTED	13,984,000	13,971,000

CONTACT: JIM HOLLAND
(281) 749-7804

EXHIBIT 99.2

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

	Three Months Ended June 30,		Nine Month June
	2002	2001	2002
	(Unaudited)		(Unaudi
REVENUES:			
Contract drilling	\$ 37,402	\$ 34,944	\$118,376
	-----	-----	-----

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COSTS AND EXPENSES:			
Contract drilling	19,493	17,327	58,912
Depreciation	5,958	6,342	18,501
General and administrative	2,336	2,285	7,500
	-----	-----	-----
	27,787	25,954	84,913
	-----	-----	-----
OPERATING INCOME	9,615	8,990	33,463
	-----	-----	-----
OTHER INCOME (EXPENSE)			
Interest expense	(501)	(723)	(1,387)
Interest income	60	273	200
Loss on sale of securities	---	(130)	---
	-----	-----	-----
	(441)	(580)	(1,187)
	-----	-----	-----
INCOME BEFORE INCOME TAXES	9,174	8,410	32,276
PROVISION FOR INCOME TAXES	3,042	2,925	11,156
	-----	-----	-----
NET INCOME	\$ 6,132	\$ 5,485	\$ 21,120
	=====	=====	=====
EARNINGS PER SHARE			
Basic	\$.44	\$.40	\$ 1.53
Diluted	\$.44	\$.39	\$ 1.51
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic	13,843	13,831	13,839
Diluted	14,048	13,981	13,984

(Contract drilling revenues and contract drilling costs for 2001 reflect the gross-up of mobilization revenues and costs, which were reported on a net basis prior to the adoption of Staff Accounting Bulletin 101 in the fourth quarter of 2001.)

EXHIBIT 99.3

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

FOR THE QUARTER ENDED JUNE 30, 2002

CONTRACT
DRILLING

CONTRACT
DRILLING

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	REVENUES -----	COSTS -----
	(In Millions)	
ATWOOD FALCON	\$ 8.3	\$ 3.0
ATWOOD HUNTER	8.0	4.0
ATWOOD SOUTHERN CROSS	6.0	2.8
SEAHAWK	5.9	2.1
VICKSBURG	5.9	2.4
ATWOOD EAGLE	1.9	1.2
RICHMOND	1.0	2.2
OTHER	0.4	1.8
	-----	-----
	\$ 37.4	\$ 19.5
	=====	=====

FOR THE NINE MONTHS ENDED JUNE 30, 2002

	CONTRACT DRILLING REVENUES -----	CONTRACT DRILLING COSTS -----
	(In Millions)	
ATWOOD FALCON	\$ 26.6	\$ 7.9
ATWOOD HUNTER	19.0	9.0
ATWOOD SOUTHERN CROSS	17.2	7.8
VICKSBURG	17.0	6.9
SEAHAWK	16.6	6.2
ATWOOD EAGLE	15.2	9.0
RICHMOND	5.3	7.5
OTHER	1.5	4.6
	-----	-----
	\$118.4	\$ 58.9
	=====	=====

EXHIBIT 99.4
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands)

	JUN. 30, 2002 (Unaudited)	SEP. 30, 2001
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 37,808	\$ 12,621
Accounts receivable	25,821	19,815
Inventories of materials and supplies at lower of average cost or market	9,369	9,111
Deferred tax assets	780	780

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Prepaid expenses	2,744	3,394
	-----	-----
Total Current Assets	76,522	45,721
	-----	-----
PROPERTY AND EQUIPMENT:		
Drilling vessels, equipment and drill pipe	565,072	497,821
Other	9,129	8,768
	-----	-----
	574,201	506,589
Less-accumulated depreciation	218,704	200,335
	-----	-----
Net Property and Equipment	355,497	306,254
	-----	-----
DEFERRED COSTS AND OTHER ASSETS	2,875	1,903
	-----	-----
	434,894	353,878
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of notes payable	---	---
Accounts payable	9,017	8,055
Accrued liabilities	12,623	12,609
	-----	-----
Total Current Liabilities	21,640	20,664
	-----	-----
LONG-TERM NOTES PAYABLE, net of current maturities:	120,000	60,000
	-----	-----
	120,000	60,000
	-----	-----
DEFERRED CREDITS:		
Income taxes	15,850	13,600
Other	8,467	11,978
	-----	-----
	24,317	25,578
	-----	-----
SHAREHOLDER'S EQUITY		
Preferred stock no par value; 1,000,000 shares authorized, none outstanding	---	---
Common stock, \$1 par value, 20,000,000 shares authorized with 13,845,000 and 13,832,000 issued and outstanding at Jun. 30, 2002 and Sep. 30, 2001, respectively	13,845	13,832
Paid-in capital	57,243	57,075
Retained earnings	197,849	176,729
	-----	-----
Total Shareholders' Equity	268,937	247,636

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\$ 434,894
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\$ 353,878
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EXHIBIT 99.5
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONTRACT STATUS SUMMARY
AT JULY 31, 2002

NAME OF RIG -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
SEMISUBMERSIBLES - -----			
ATWOOD FALCON	MALAYSIA	SARAWAK SHELL BERHAD/SABAH SHELL PETROLEUM COMPANY LTD.	The rig is conducting a drilling Shell Berhad and Sabah Shell Pe The drilling contract includes with options to drill five addi completion of the Shell contrac (estimated October 2002), the r commence a program providing fo options to drill three addition
ATWOOD HUNTER	EGYPT	BURULLUS GAS COMPANY	The rig commenced an eleven-wel estimated to be completed in Oc to commence following completio being pursued internationally.
ATWOOD EAGLE	SHIPYARD IN GREECE		The rig is currently undergoing water-depth upgrade and refurbi approximately six months shipya (October/November 2002). Contr following the rig's upgrade are
SEAHAWK	MALAYSIA	EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC.	The rig's current contract term option for the Operator to exte
ATWOOD SOUTHERN CROSS	MEDITERRANEAN SEA	OIL FIELDS LTD./ ENI S.P.A. - AGIP DIVISION	The rig is currently undergoing and upgrades for the AGIP contr one-well contract for Oil Field estimated to take 30 days to co Oil Fields Ltd. contract, the r commence a two-well plus one op - AGIP division, which is estim complete.
SEASCOUT	UNITED STATES GULF OF MEXICO		The SEASCOUT was purchased in D to a tender-assist unit, simila acceptable contract opportunity

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CANTILEVER JACK-UPS -

VICKSBURG

MALAYSIA -
THAILAND
JOINT
DEVELOPMENT
AREA

CARIGALI-TRITON
OPERATING
COMPANY
("CTOC")

The rig's current contract is e
September 2002 due to CTOC susp
activities. The Company has re
Award", subject to execution of
drilling program for the rig to
following the suspension of its

ATWOOD BEACON

UNDER CONSTRUCTION

The Company expects the constru
drilling unit to be completed i

SUBMERSIBLE -

RICHMOND

UNITED STATES
GULF OF MEXICO

EL PASO
PRODUCTION OIL
& GAS

The rig's current contract is e
2002 unless the current operato
more well, which, if drilled co
commitments. The rig has been
Drilling Technology Inc. to dri
30 days to complete) following

MODULAR PLATFORMS -

GOODWYN 'A' /
NORTH RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

There is currently an indefinit
activity for the two client-own
The Company is involved in main
drilling programs.