

# HELMERICH & PAYNE, INC.

## **FORM 8-K** (Current report filing)

Filed 02/27/09 for the Period Ending 02/27/09

Address	1437 S. BOULDER AVE. SUITE 1400 TULSA, OK, 74119
Telephone	918-742-5531
CIK	0000046765
Symbol	HP
SIC Code	1381 - Drilling Oil and Gas Wells
Industry	Oil & Gas Drilling
Sector	Energy
Fiscal Year	09/30

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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 Report (Date of Earliest Event Reported): **February 27, 2009**

**HELMERICH & PAYNE, INC.**

(Exact name of registrant as specified in its charter)

State of Incorporation: **Delaware**

COMMISSION FILE NUMBER **1-4221**

Internal Revenue Service – Employer Identification No. **73-0679879**

**1437 South Boulder Avenue, Suite 1400, Tulsa, Oklahoma 74119  
(918)742-5531**

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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))
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**ITEM 7.01 REGULATION FD DISCLOSURE**

Helmerich & Payne, Inc. will deliver an investor and securities analyst presentation that includes the slides attached as Exhibit 99.1 to this Current Report on Form 8-K, which are incorporated herein by reference.

This information is not “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing made pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended. The furnishing of these slides is not intended to constitute a representation that such information is required by Regulation FD or that the materials they contain include material information that is not otherwise publicly available.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Slides to be shown during an investor and securities analyst presentation.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly authorized the undersigned to sign this report on its behalf.

HELMERICH & PAYNE, INC.  
(Registrant)

/S/ Steven R. Mackey  
Steven R. Mackey  
Executive Vice President

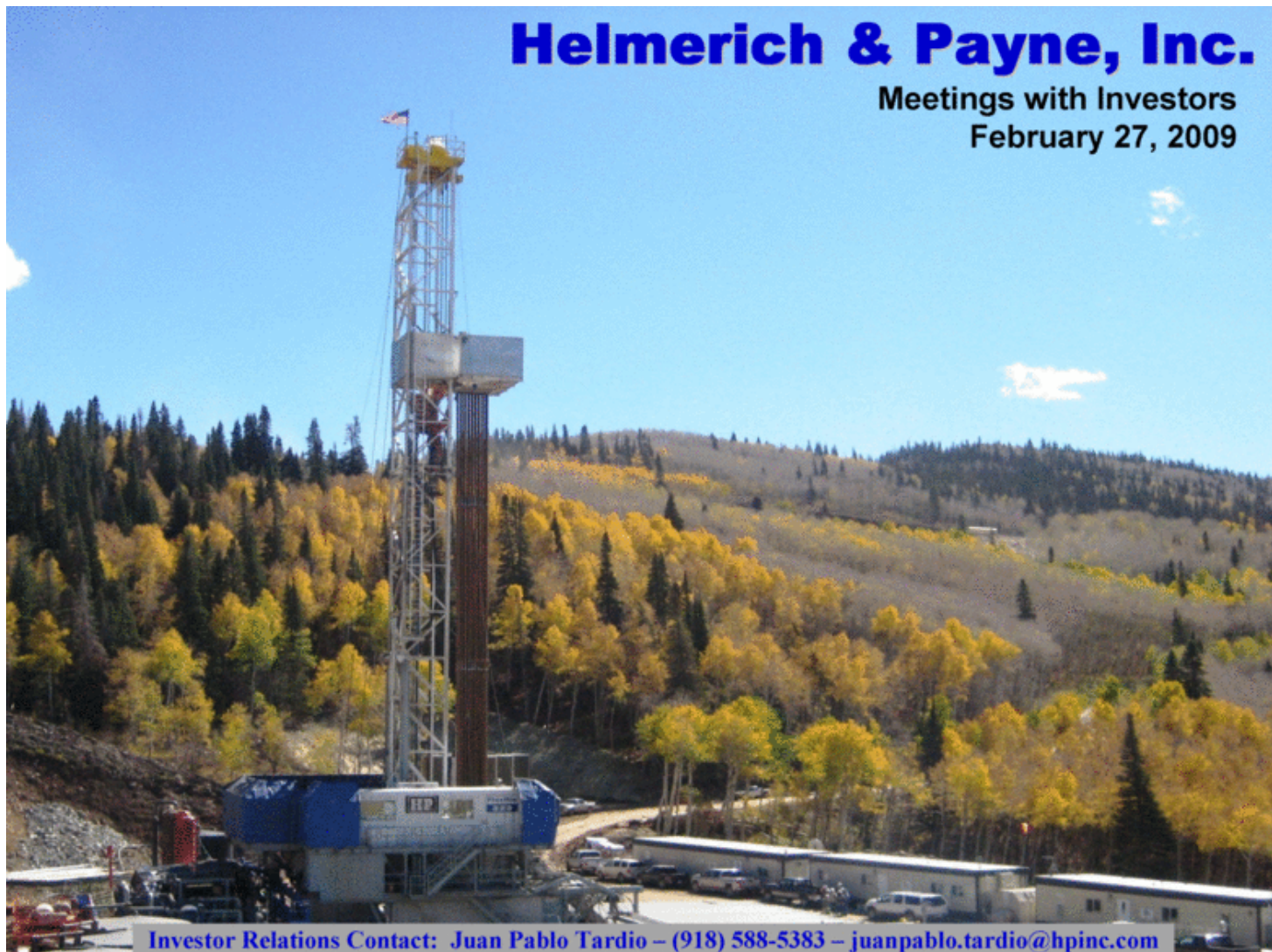
DATE: February 27, 2009

**EXHIBIT INDEX**

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# Helmerich & Payne, Inc.

Meetings with Investors  
February 27, 2009



Investor Relations Contact: Juan Pablo Tardio – (918) 588-5383 – [juanpablo.tardio@hpinc.com](mailto:juanpablo.tardio@hpinc.com)

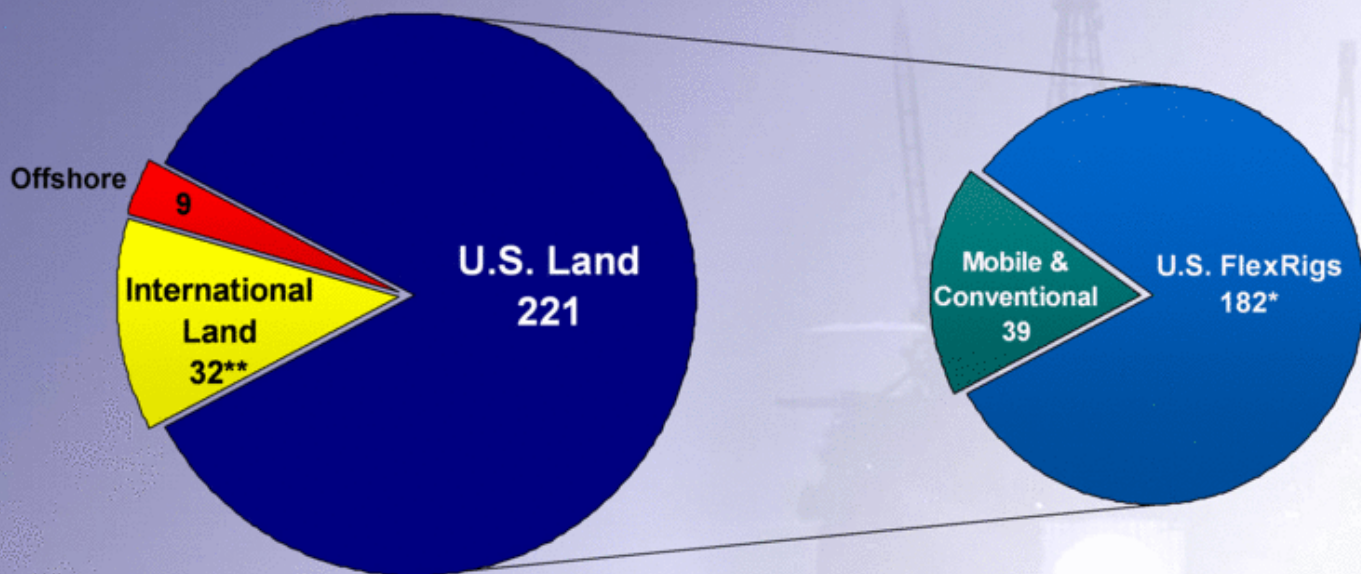


**The information contained within this presentation is forward looking and involves risks and uncertainties that could significantly impact expected results. A discussion of these risks and uncertainties is contained in the Company's Form 10-K filed with the Securities and Exchange Commission on November 26, 2008.**



## H&P's Global Rig Fleet

**262 Total Rigs** (Includes New Build Commitments)

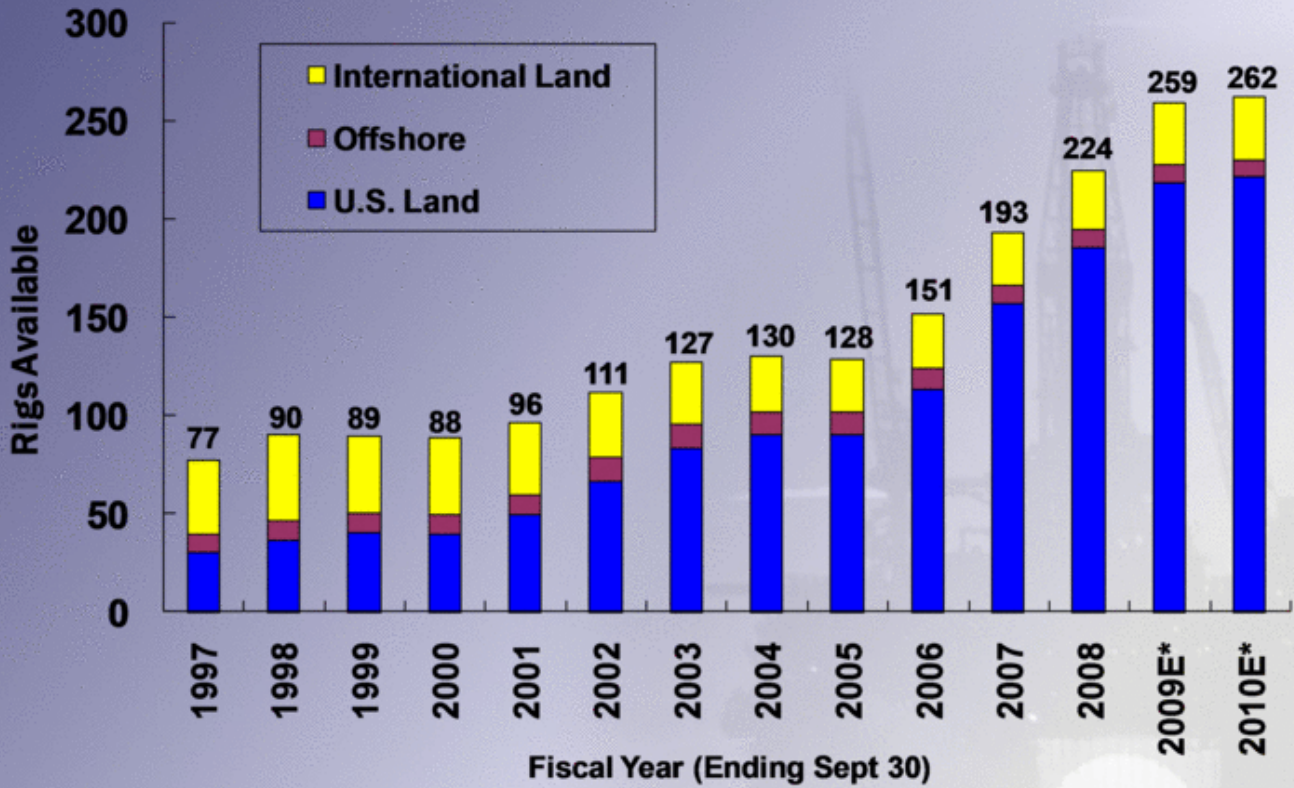


\* Includes 25 rigs under construction as of February 25, 2009, scheduled for completion by the end of calendar 2009.

\*\* Includes 1 FlexRig operating in Tunisia, 3 FlexRigs operating in South America and 4 FlexRigs pending delivery in FY2009.



# H&P's Global Rig Fleet



\* Estimates include existing rigs and announced new build commitments.



## The Market Today

- **Rigs across the board, including FlexRigs, continue to quickly become idle**
- **Next stage will entail a sorting process focused on capturing efficiencies**
- **It is too early to call at this stage when that sorting process will occur**





## H&P's Three Drilling Segments

### ➤ U.S. Land

- The rig count continues to decline
- 132 of 196 rigs are currently contracted, 102 of which are under long-term contracts
- Customers have early terminated about 9% of our remaining contracted revenue days
- We expect to invoice most of the corresponding fees (over \$100 million) in fiscal 2009
- A total of 48 H&P rigs previously in the spot market are now idle (including 22 FlexRigs)
- A total of 16 of 28 FlexRigs with term contracts that were early terminated are now idle
- The number of idle rigs (currently 64) is expected to be at least 83 by quarter-end

### ➤ International Land

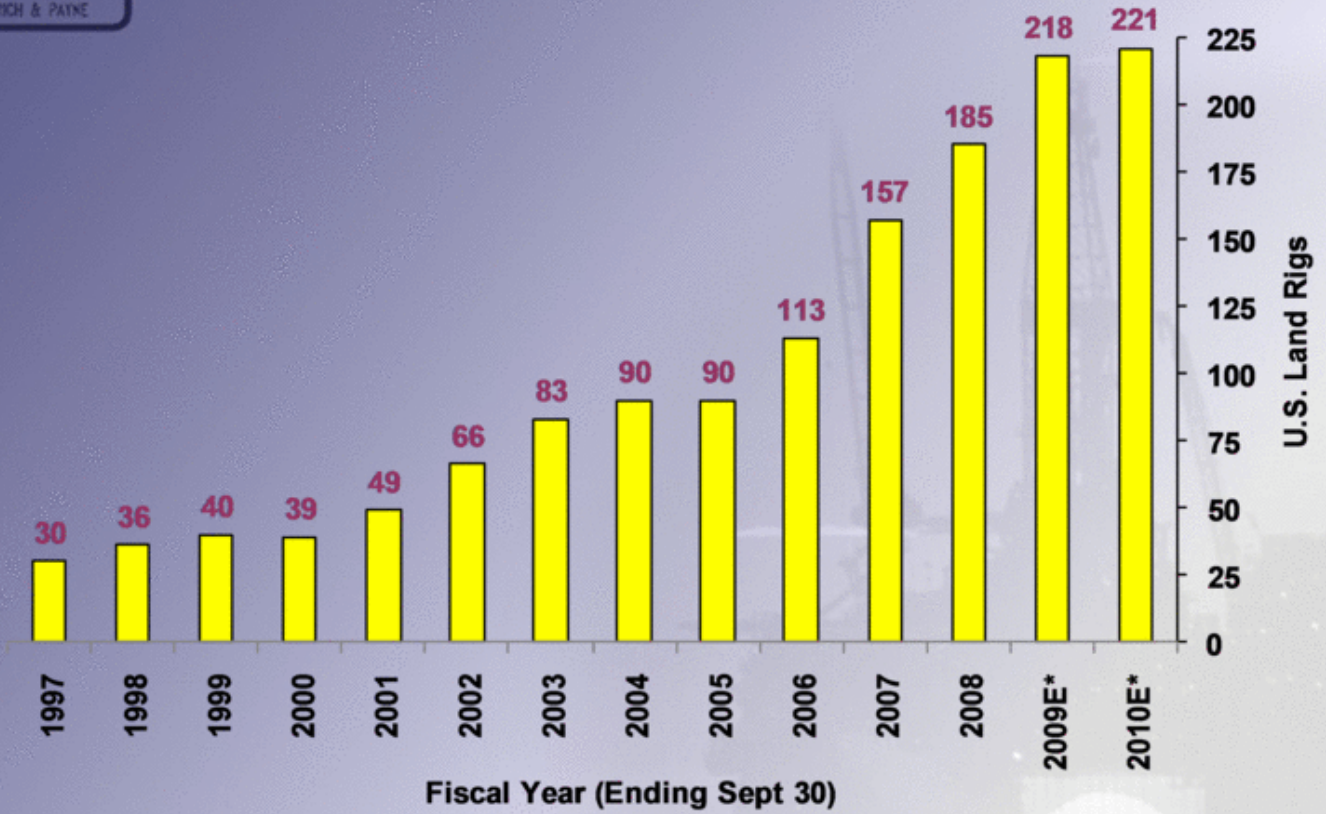
- No progress in terms of receivable collections from PDVSA
- Will continue with previously stated approach as rig contracts expire in Venezuela
- Market conditions in international markets are softening – eight H&P rigs are now idle
- Nine of 32 total rigs are on term contracts (including eight FlexRigs)

### ➤ Offshore

- 100% utilization today
- Strong margins
- Possible softening in second half of fiscal 2009



# H&P's U.S. Land Fleet

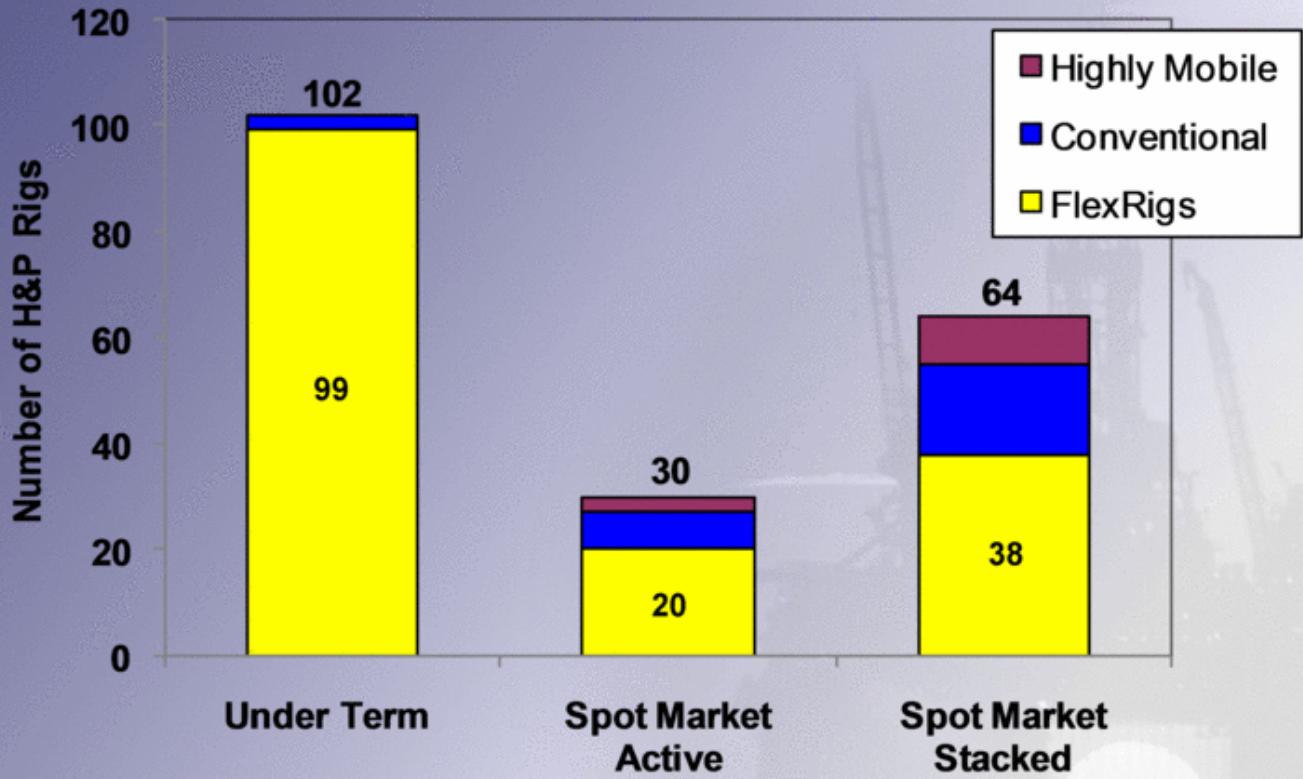


\* Estimates include existing rigs and announced new build commitments.

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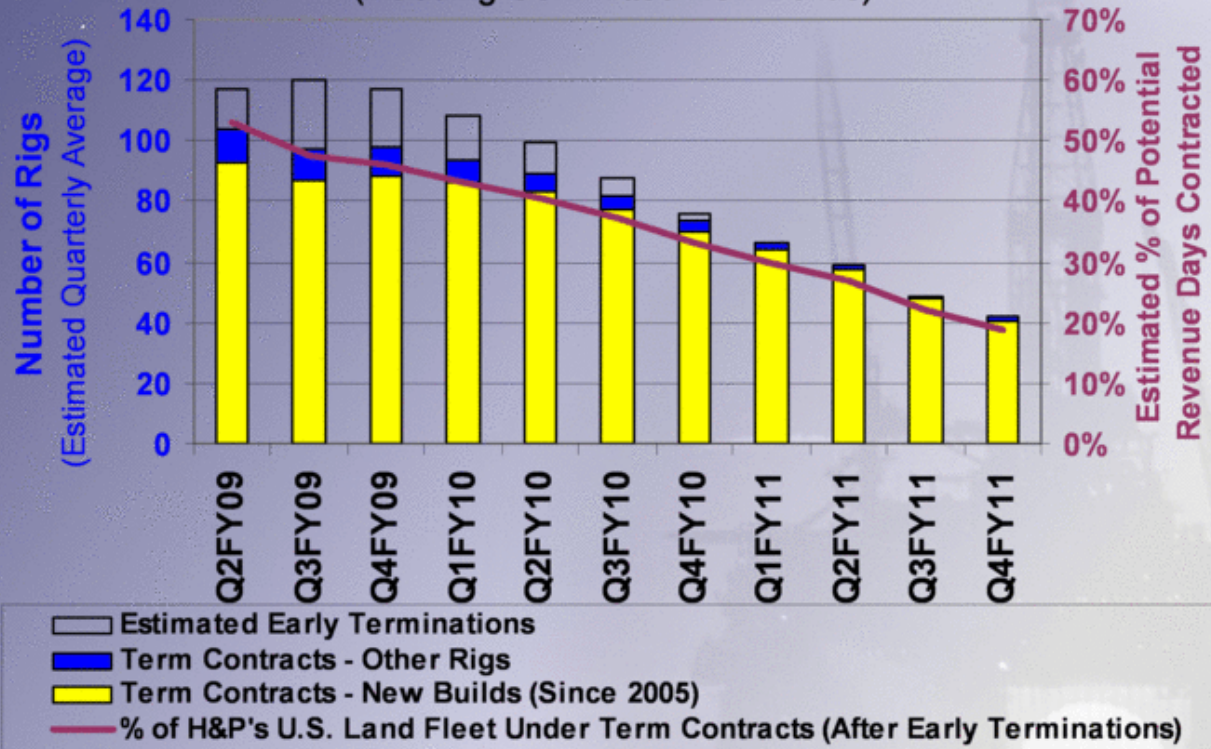
# H&P's U.S. Land Fleet Status (as of 2/25/2009)





# H&P's U.S. Land Fleet Under Term Contracts

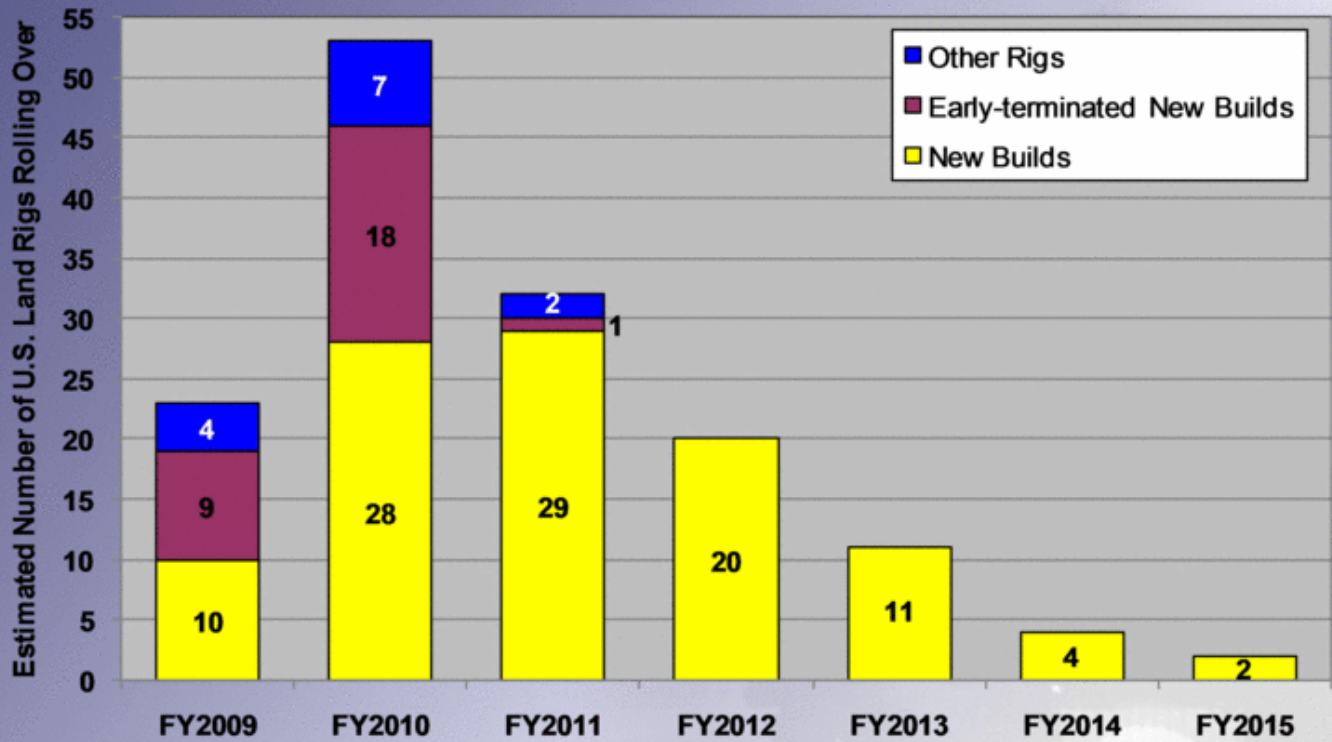
## Term Contract Status - H&P U.S. Land (Including Committed New Builds)





# H&P's U.S. Land Rigs Rolling Off Term Contracts

## 132 New Builds and 13 Other U.S. Rigs Rolling Over From Term Contracts



Note: One new build previously scheduled to roll off contract in FY2009 received a one-year contract extension.



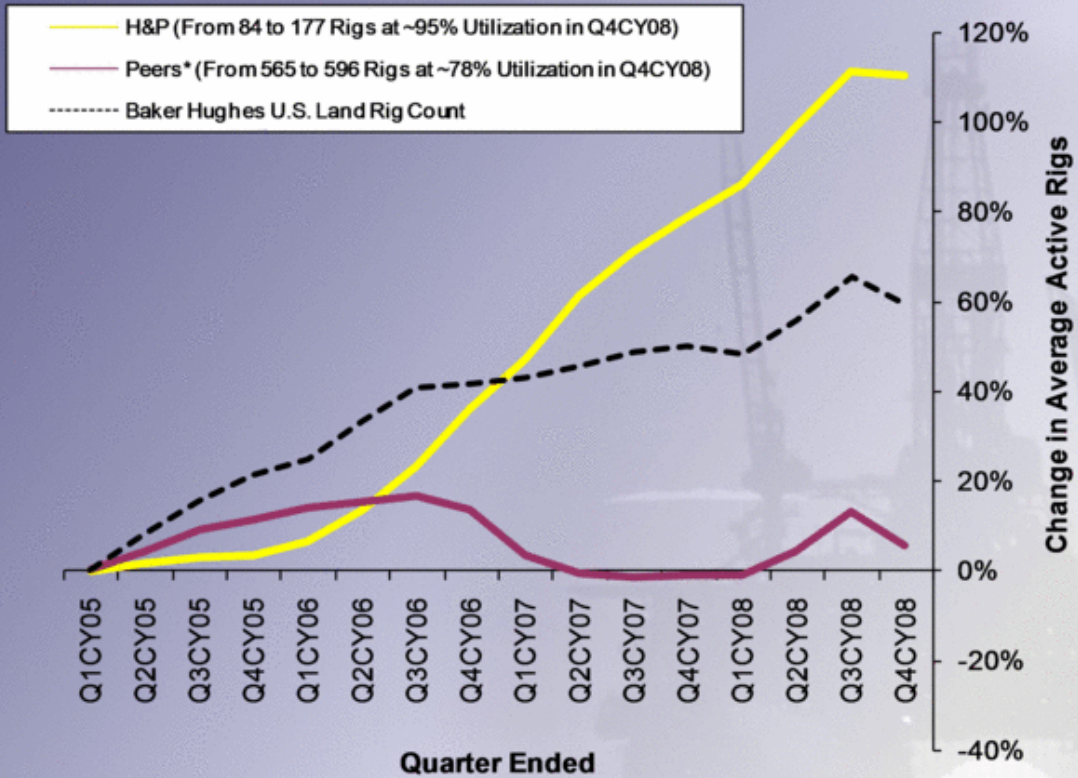
## How is H&P Positioned?

- **Our fleet profile is the newest and most advanced**
- **High level of contracted revenue day protection**
- **Strong position to wait out the storm**
- **We will do what we have done in previous downturns:**
  - Improve our organization
  - Strengthen the brand
  - Prepare for opportunities



# H&P Rapidly Gaining Market Share

## Growth / Decline in U.S. Land Average Rig Activity

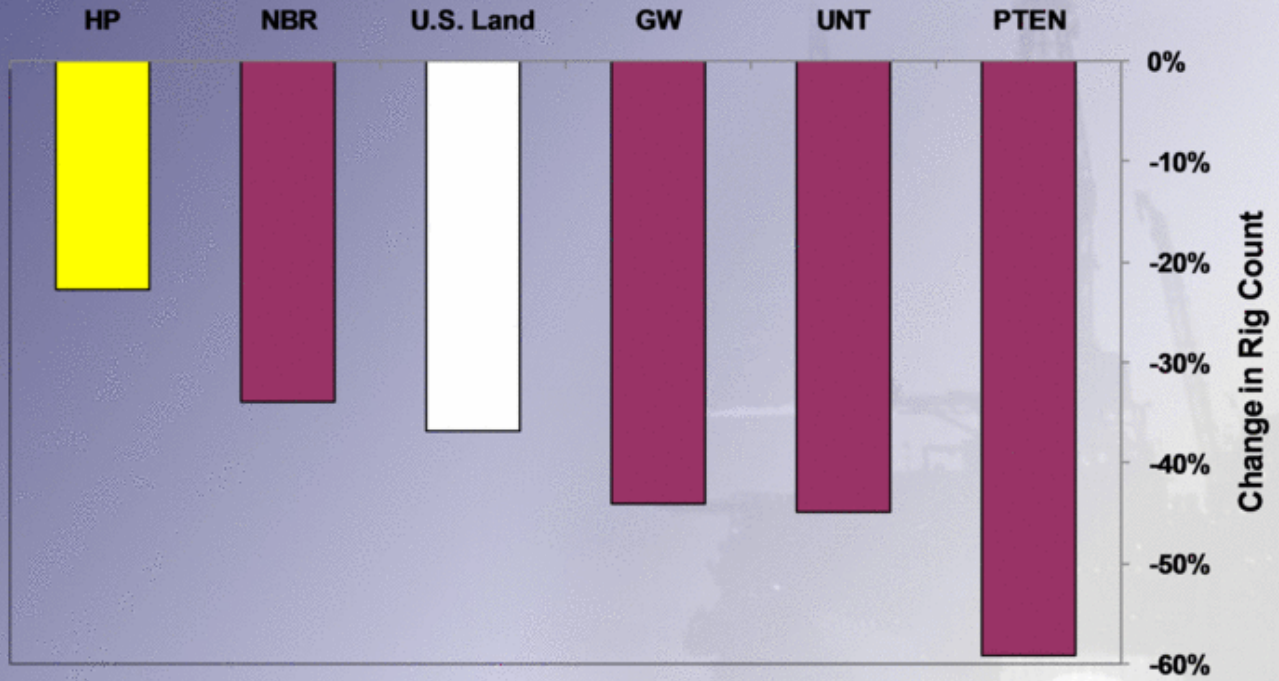


\*Represents average active rigs for PTEN, NBR and UNT.



# Changes in U.S. Land Rig Count

**Estimated Change Since Peak in Active U.S. Land Rigs**  
(Smith Bits Weekly Rig Count - October 17, 2008 to February 20, 2009)



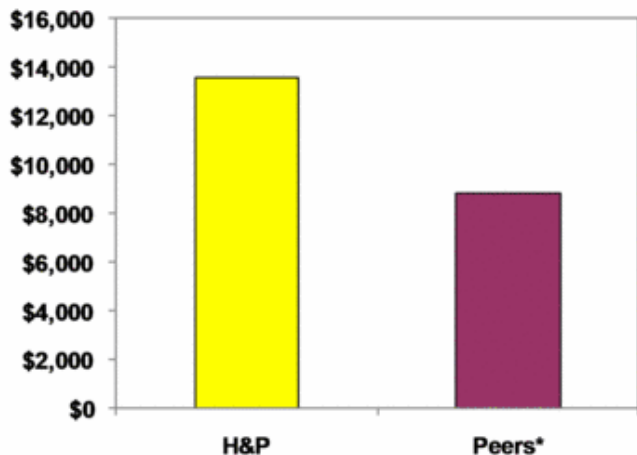




# Technology and Quality Service Make a Difference

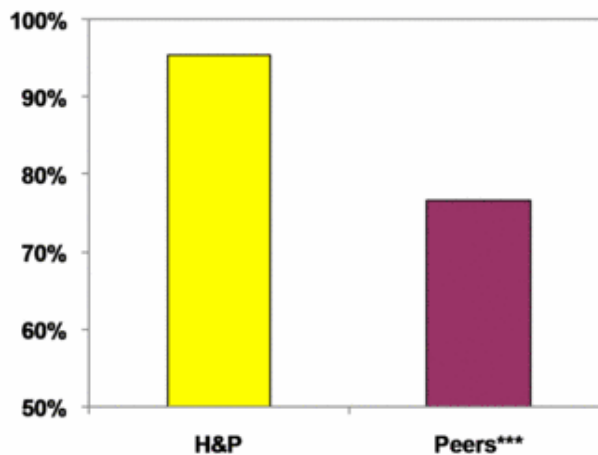
## Rig Margin Premium

**Average U.S. Land Rig Margin per Day**  
(12 Months Ended December 31, 2008)



## Utilization Premium

**Estimated U.S. Land Rig Utilization\*\***  
(12 Months Ended December 31, 2008)



\* Represents weighted-average rig margin per day for PTEN, NBR and UNT.

\*\* Utilization is herein calculated to be average active rigs divided by estimated available marketable rigs during the period.

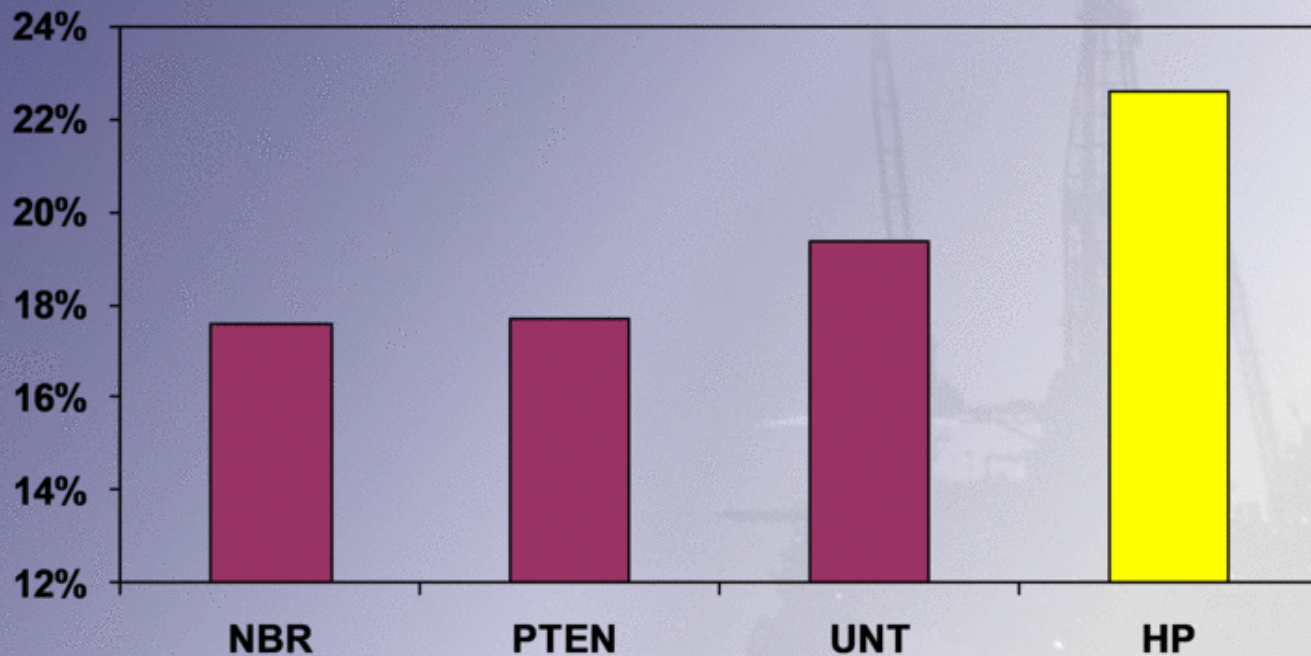
\*\*\* Represents estimated average combined utilization for PTEN, NBR and UNT in the Lower 48.



# Returns are Ultimately Driven by Performance

## Return on Equity\*

12 Months Ended December 31, 2008

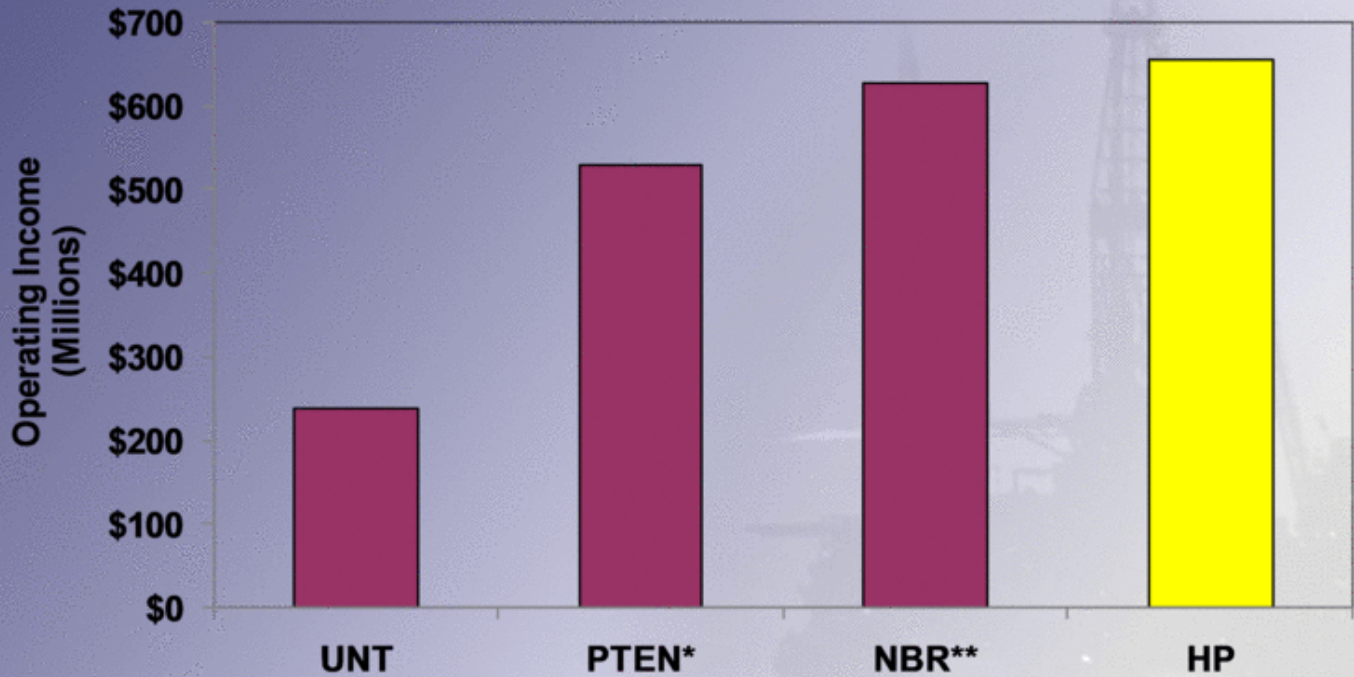


\* NBR's, PTEN's and UNT's calculations exclude Q4CY08 charges that were a result of impairments, including ceiling test write-downs.



# Most Profitable Driller in U.S. Land Business

## U.S. Land Drilling Operating Income 12 Months Ended December 31, 2008



\* PTEN's operating income includes drilling operations in Canada.

\*\* NBR's operating income corresponds to its U.S. Lower 48 Land Drilling segment.

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## New Builds – H&P's FlexRig Program

### The FlexRig Difference: Key Advantages

- **Increased drilling productivity and reliability**
  - Variable frequency (AC) drives with increased precision and measurability
  - Computerized electronic driller that precisely controls weight on bit, rotation and pressure
  - Designed to move quickly from well to well
- **Accelerated well programs and NPV gains**
- **A significantly enhanced and safer workplace**
- **Minimized impact to the environment**
- **Total well cost savings even at premium dayrates**



## A Strong Field Organization

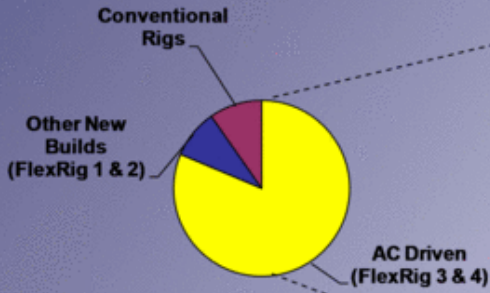
- Performance is not only about better rigs
- It's also about:
  - People
  - Safety
  - Experience
  - Training
  - Culture
  - Supply chain
  - Maintenance
  - Processes
  - Organizational network
  - Support structure



# H&P is Leading the U.S. Land Retooling Effort

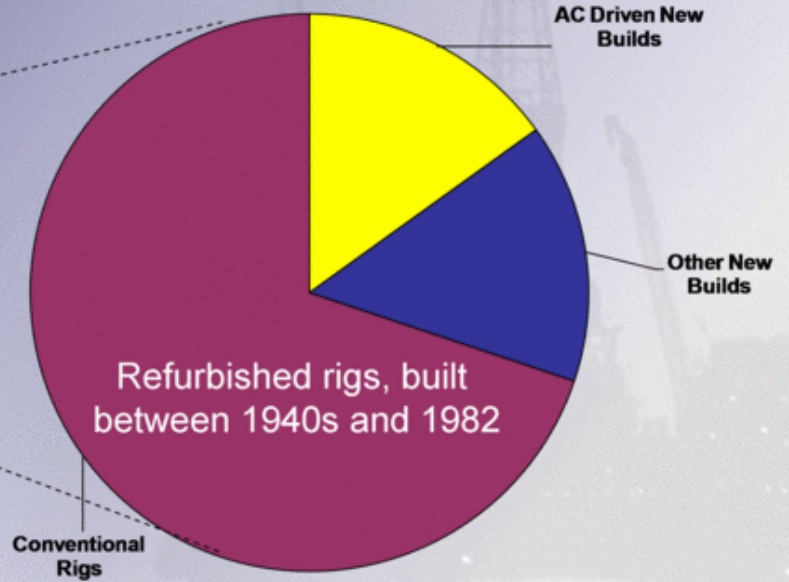
## Active H&P U.S. Land Fleet

(132 Rigs as of 2/25/09)



## Total Active U.S. Land Fleet (Estimates)

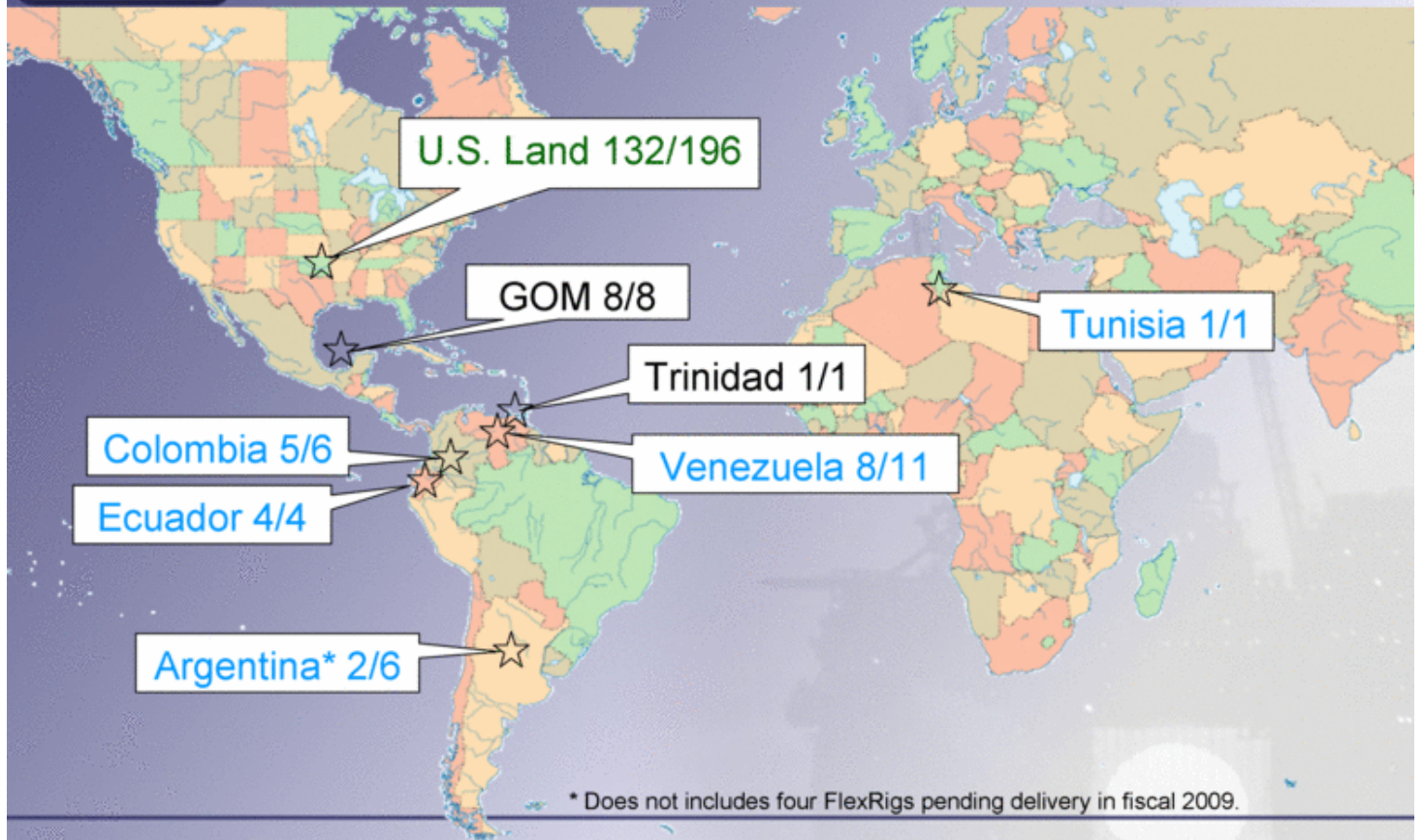
(~1,460 Rigs)





# H&P's Global Fleet

Active/Available (as of February 25, 2009)



\* Does not include four FlexRigs pending delivery in fiscal 2009.

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End of Presentation

