

HELMERICH & PAYNE, INC.

FORM 8-K (Current report filing)

Filed 11/13/08 for the Period Ending 11/13/08

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

**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 Report (Date of Earliest Event Reported): November 13, 2008

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**

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))
-
-

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

<u>Exhibit No.</u>	<u>Description</u>
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: November 13, 2008

EXHIBIT INDEX

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

Helmerich & Payne, Inc.

Bank of America Energy Conference
November 13-14, 2008



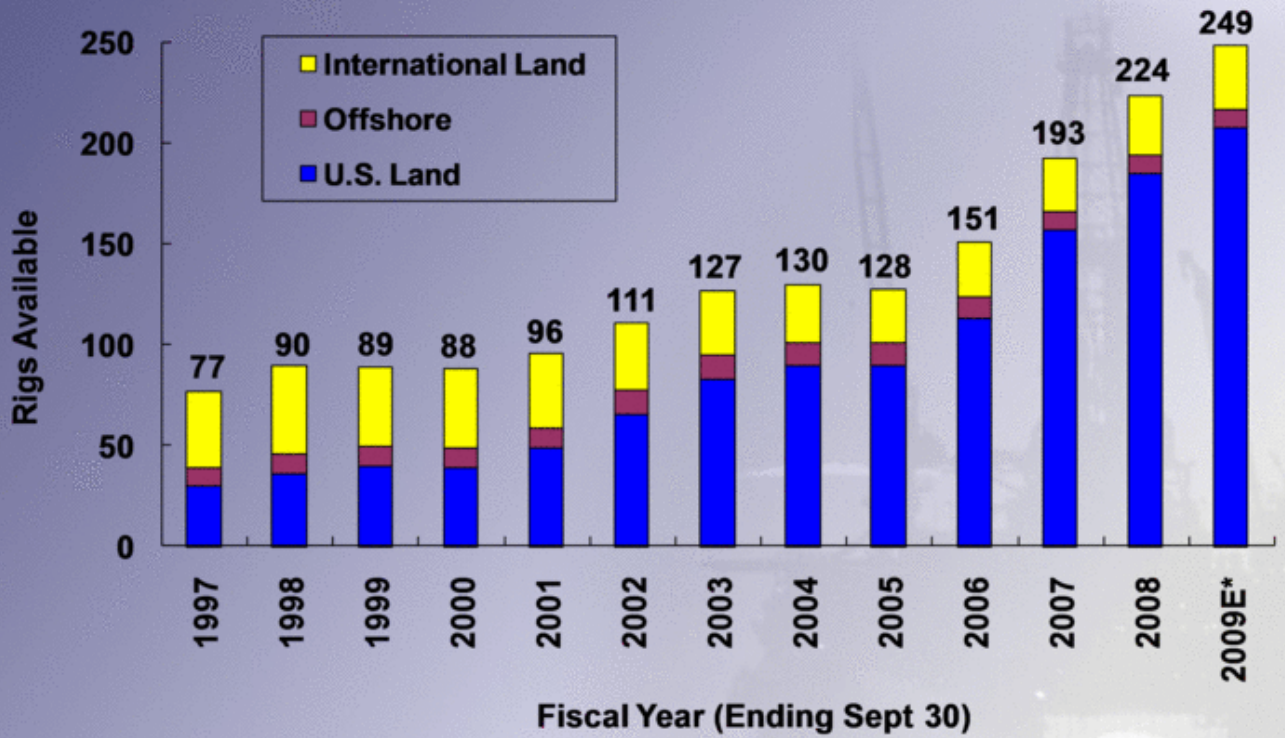
Investor Relations Contact: Juan Pablo Tardio – (918) 588-5383 – juanpablo.tardio@hpinc.com



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 28, 2007.



H&P's Global Rig Fleet

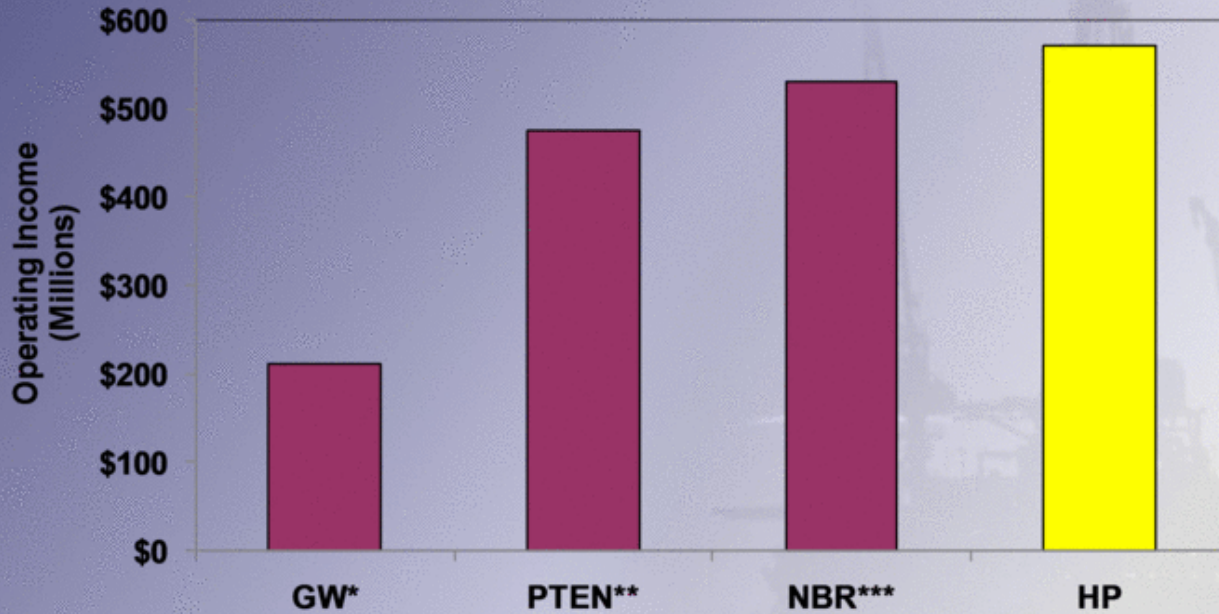


* Includes existing rigs and announced new build commitments.



Most Profitable Driller in U.S. Land Business

U.S. Land Drilling Operating Income 12 Months Ended June 30, 2008



* GW's operating income includes drilling operations in Mexico.

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

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

HELMERICH & PAYNE, INC.

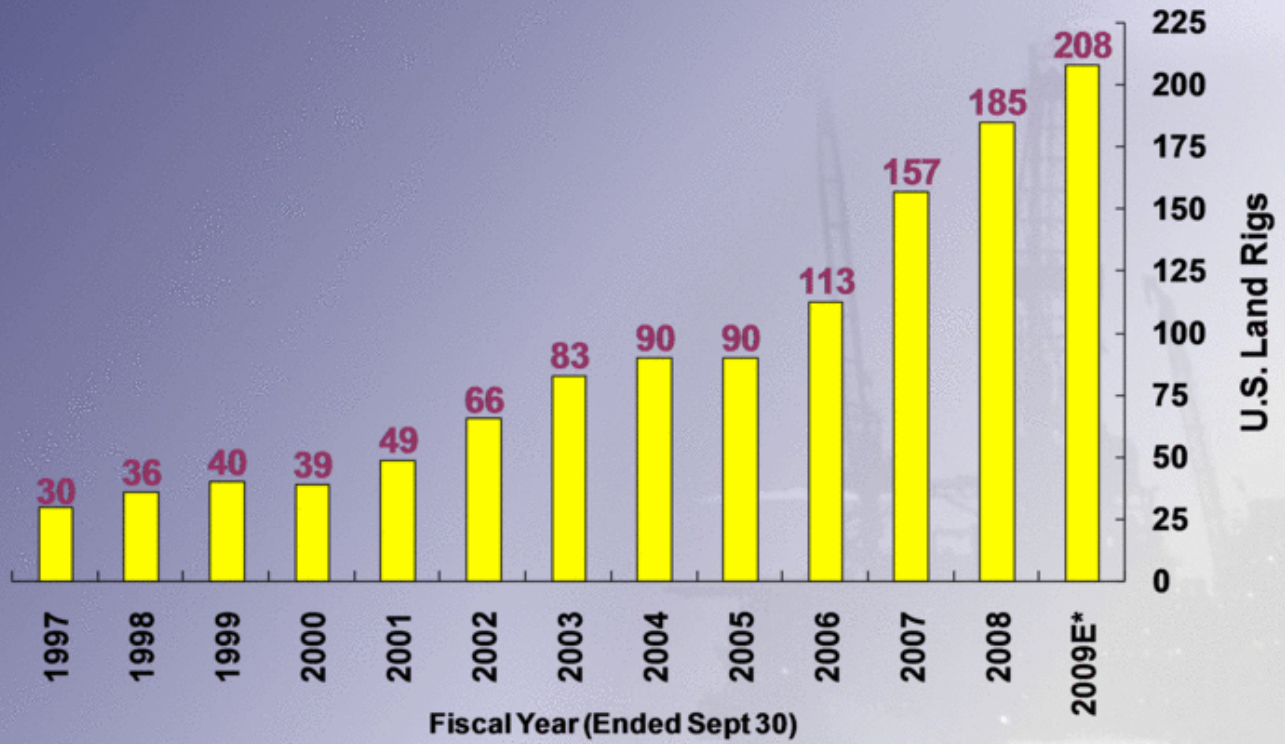


H&P's Differentiated Approach

- **Create value through efficiency and safety**
 - Provide the most innovative and advanced drilling rigs
 - Structure the organization required to support them
- **Drive customers' total well costs down**
- **Seize opportunities to expand market share**
- **Deliver premium margins and sustainable growth to shareholders**



Growth in H&P's U.S. Land Fleet

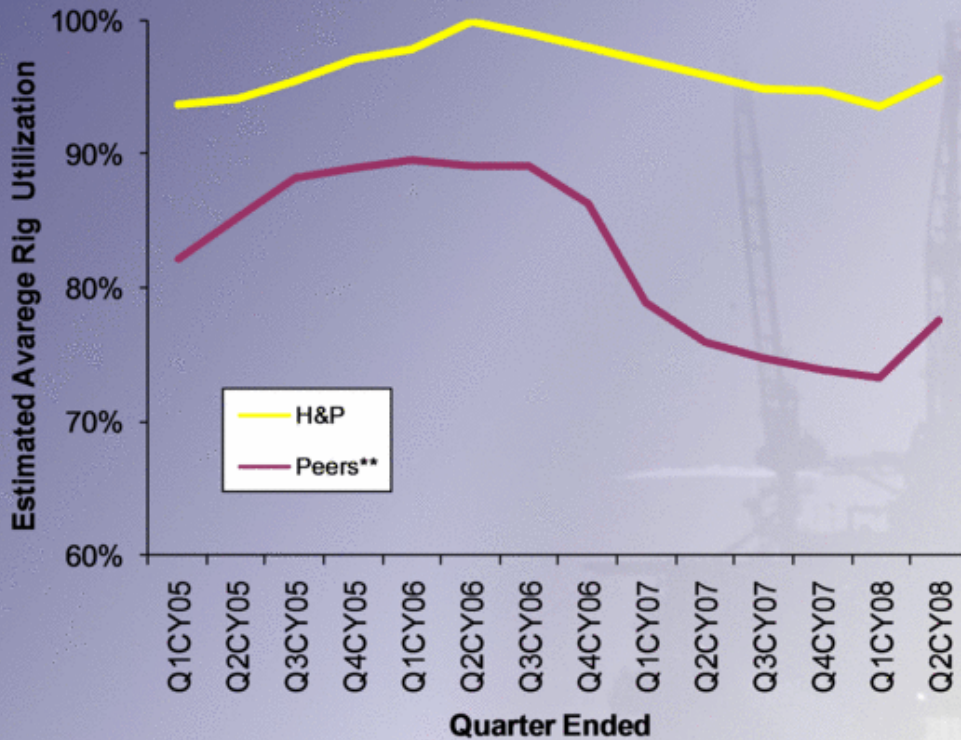


* Includes existing rigs and announced new build commitments only.



Technology and Quality Service Make a Difference

U.S. Land Estimated Average Rig Utilization*



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

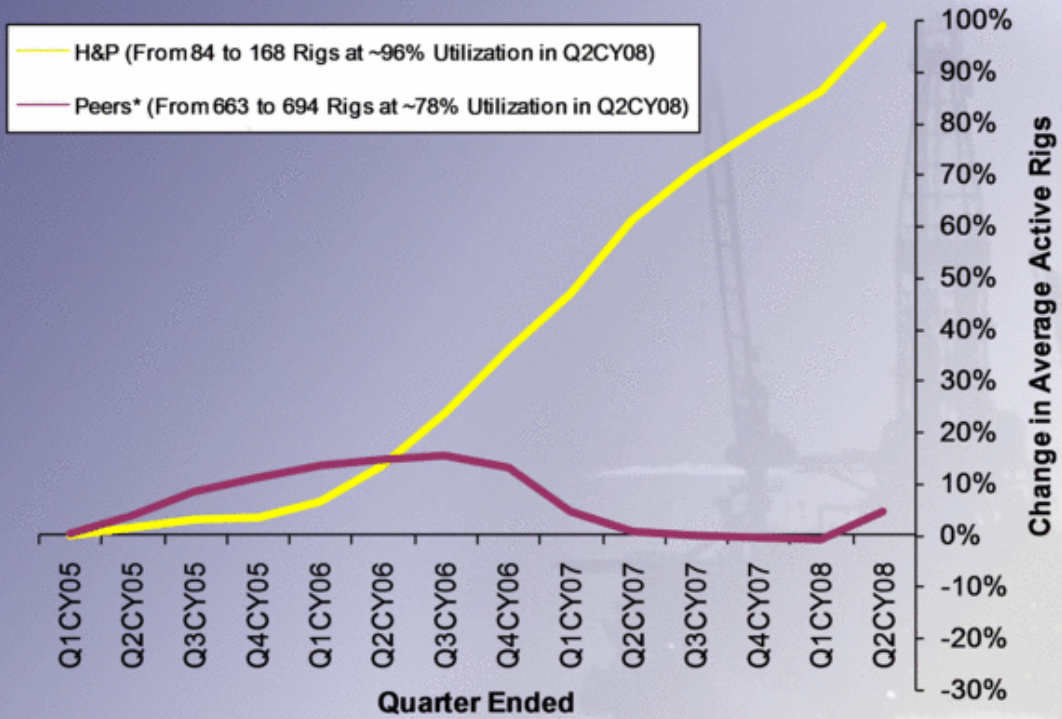
** Represents estimated average combined utilization for PTEN, NBR, UNT and GW in the Lower 48.

HELMERICH & PAYNE, INC.



H&P Rapidly Gaining Market Share

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

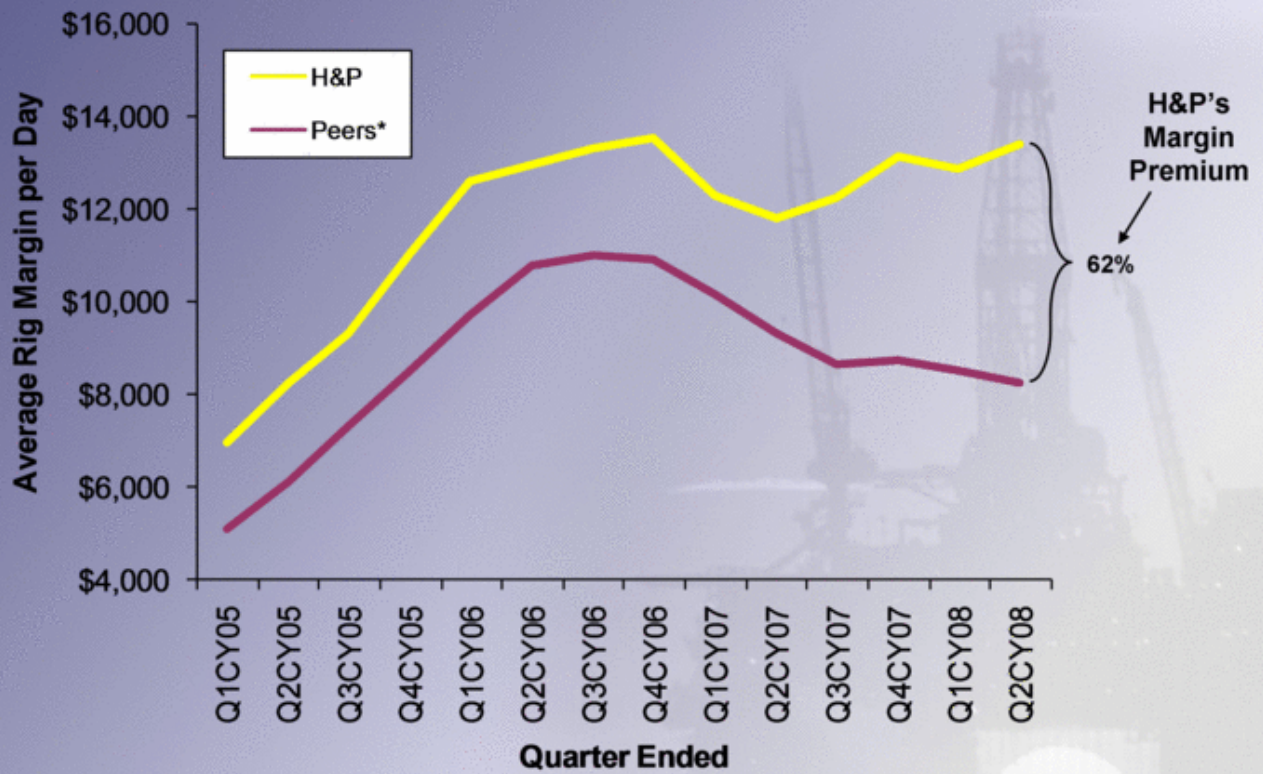


*Represents average active rigs for PTEN, NBR, UNT and GW.



Technology and Quality Service Make a Difference

U.S. Land Average Daywork Margins



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

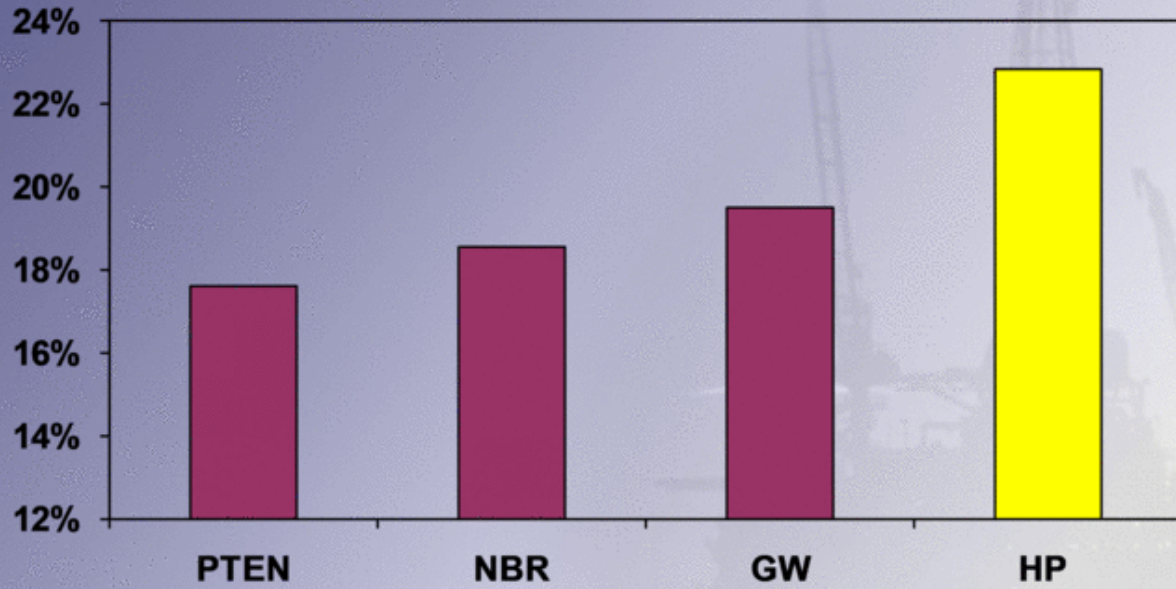
HELMERICH & PAYNE, INC.



Returns are Ultimately Driven by Performance

Return on Equity

12 Months Ended June 30, 2008





Delivering Earnings Growth to Shareholders

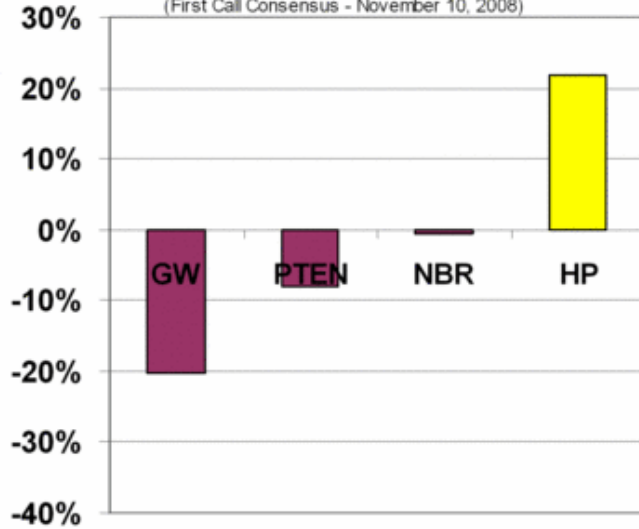
Estimated Growth from 2007-2008 and 2008-2009 (Calendar Years)

Earnings per Share Growth

Analyst Estimates

CY2007-CY2008

(First Call Consensus - November 10, 2008)

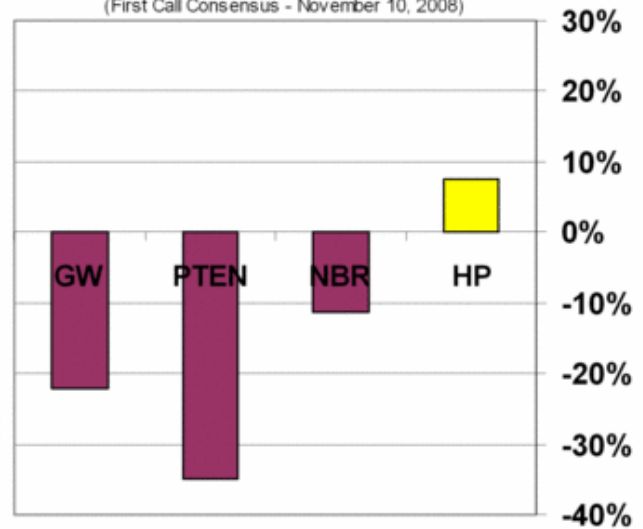


Earnings per Share Growth

Analyst Estimates

CY2008-CY2009

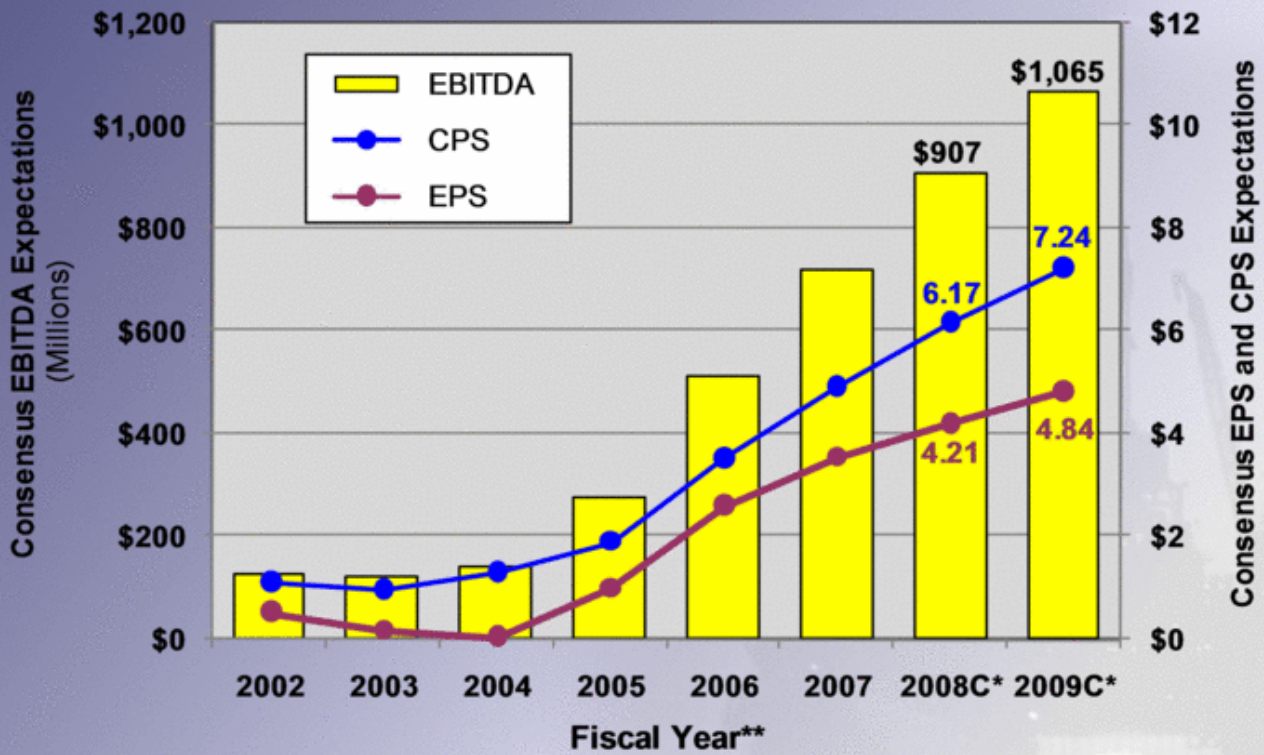
(First Call Consensus - November 10, 2008)





Delivering Growth to Shareholders

Actual and Consensus EPS, CPS and EBITDA



* Represents Thomson First Call consensus expectations as of November 10, 2008.

** Actuals exclude proceeds from the sale of portfolio securities, sale of drilling equipment and insurance settlements.

HELMERICH & PAYNE, INC.



H&P's Active Fleet (11/14/08)

H&P Drilling Segment	Active	New Builds Pending Delivery*	Idle
U.S. Land	180	21	7
International Land	27	5	0
Offshore	8	0	1**

* Includes pending deliveries corresponding to new build commitments announced through 7/31/08

** The idle Offshore rig is contracted and waiting on the customer's platform.



Well Positioned to Cope with Market Volatility

- **Long-term contracts – Over half of our fiscal 2009 potential U.S. land revenue days are already contracted at attractive dayrates**
- **Customer base – About 80% of our U.S. land fleet is operated by majors and very large independents**
- **Over half of H&P's rigs in the U.S. land spot market are FlexRigs**
- **Strong Balance Sheet – Debt-to-cap ratio under 20%**



End of Presentation



Additional References:





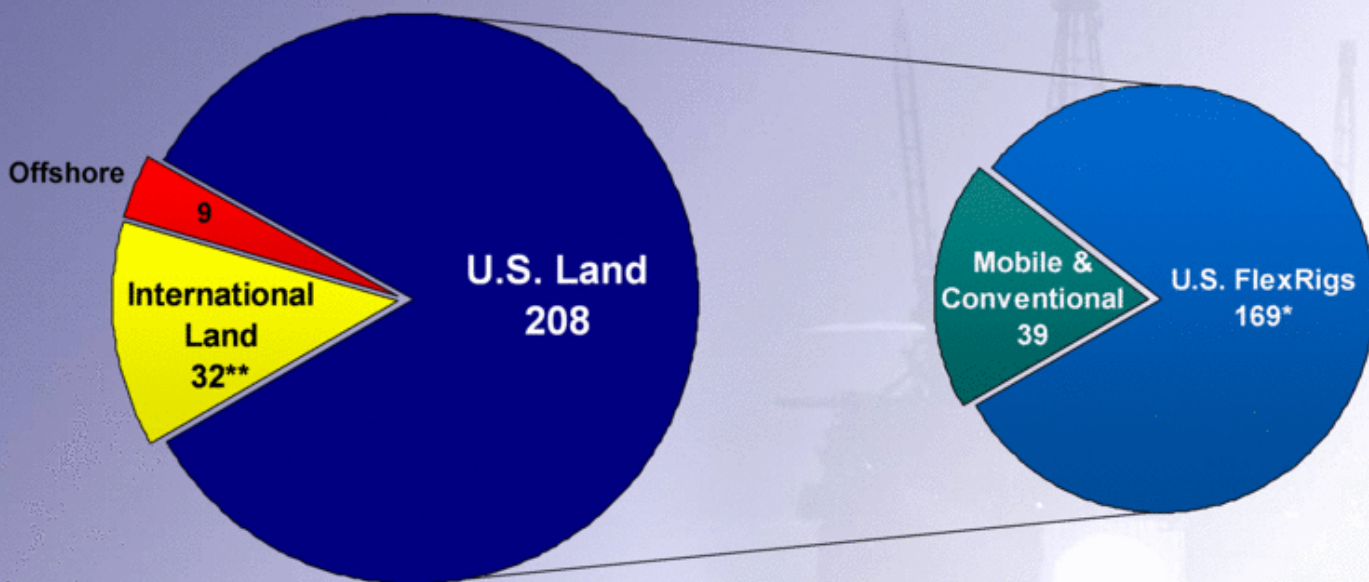
H&P Basics

Founded:	1920
Activity:	Contract Drilling for Oil and Gas
Symbol:	HP (NYSE, Since 1963)
Employees:	7,400 (Worldwide)
Market Cap:	\$2.7 (In Billions, November 12, 2008)
Assets:	\$3.4 (In Billions, June 30, 2008)
EBITDA:	\$849 (In Millions, 12 months ended June 30, 2008)
Debt:	\$455 (In Millions, June 30, 2008)



H&P's Global Rig Fleet

249 Total Rigs (Includes New Build Commitments)



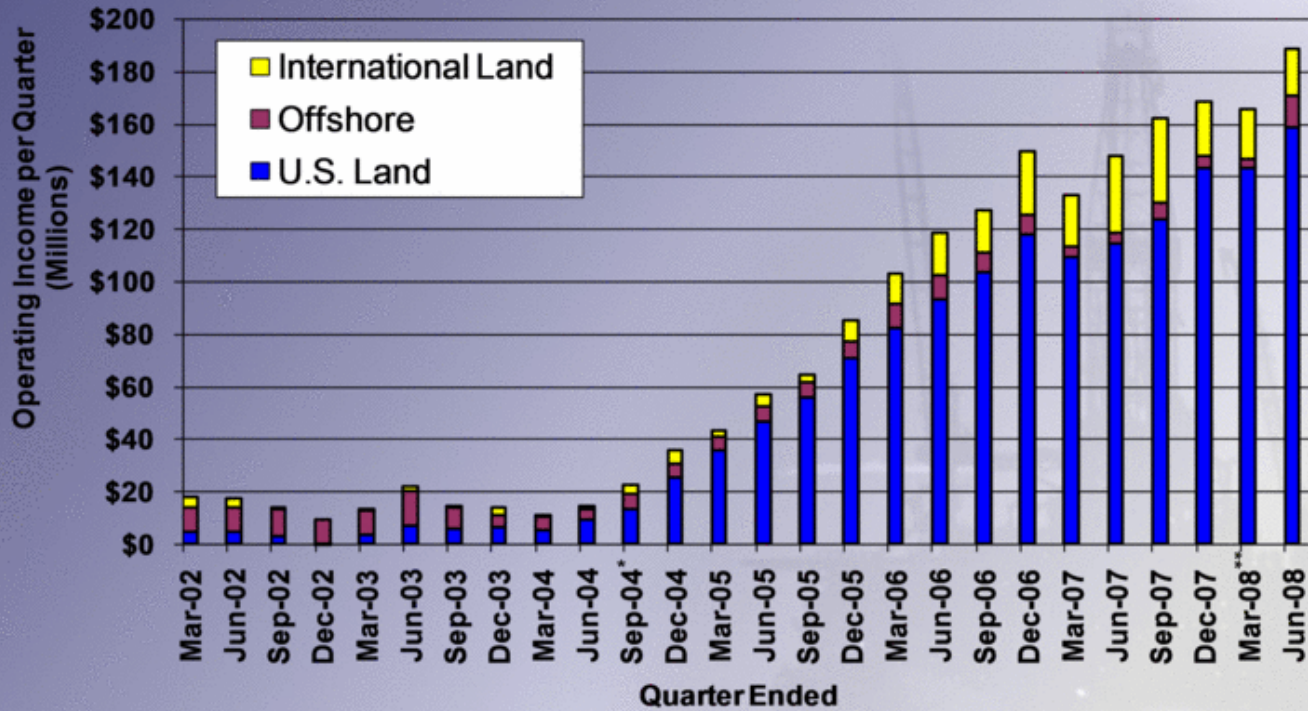
* Includes 23 rigs scheduled for delivery during fiscal 2009 (October 1, 2008 through September 30, 2009).

** Includes 1 FlexRig operating in Tunisia and 7 FlexRigs scheduled for delivery in fiscal 2009.



H&P's Growth in Operating Income

H&P Segment Operating Income



* Excludes asset impairment charge in the Offshore segment.

** Excludes effect of one time depreciation adjustment corresponding to prior years in the International Land segment.



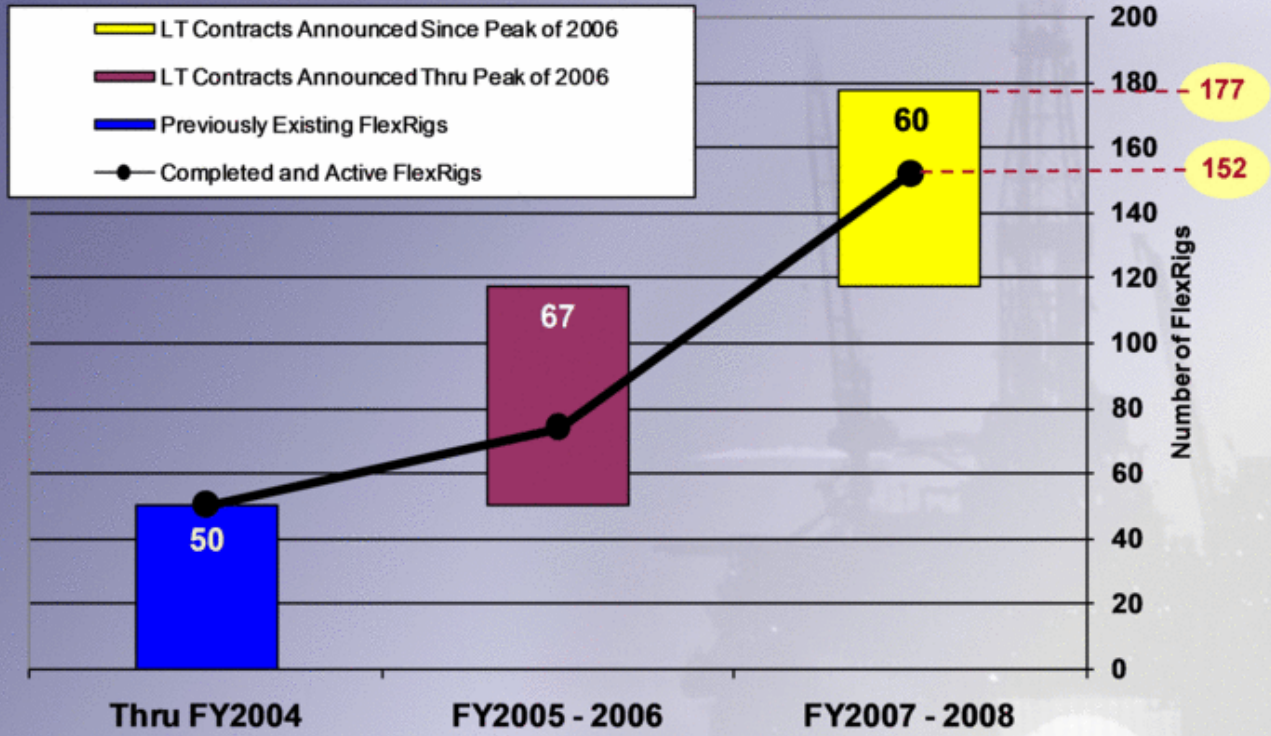
H&P's U.S. Land Operations

- **180 of 187 rigs active as of 11/14/08, including 110 under term contracts**
- **FlexRigs continue to deliver outstanding field performance at 100% utilization**
- **More than half of the segment's potential revenue days for fiscal 2009 are already contracted**
- **Expansion continues through new build program**



The Remarkable Success of the H&P FlexRig

FlexRig Announcements and Completions

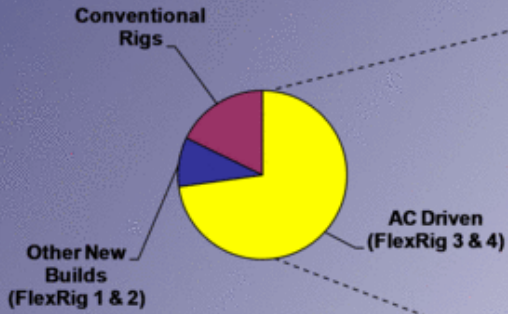




H&P is Leading the U.S. Land Retooling Effort

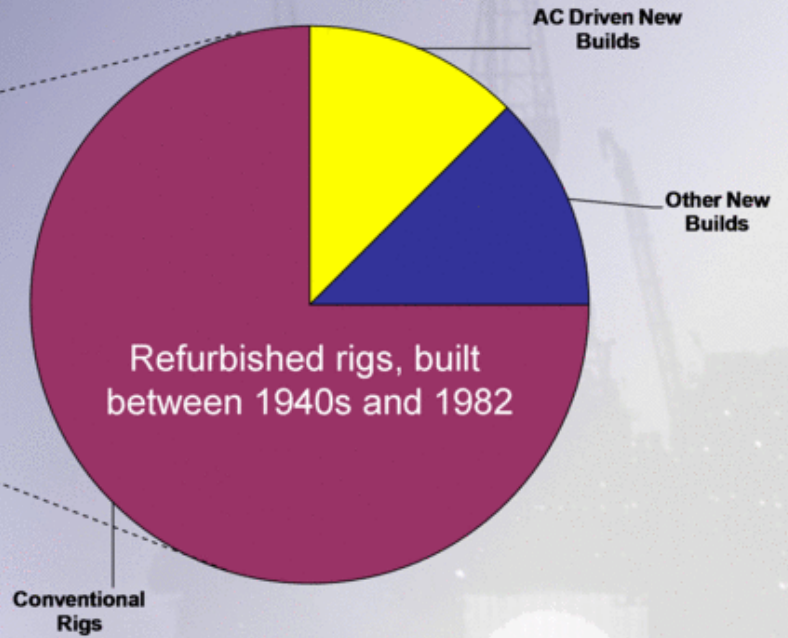
Active H&P U.S. Land Fleet

(180 Rigs as of 11/14/08)



Total Active U.S. Land Fleet (Estimates)

(~2,200 Rigs)



HELMERICH & PAYNE, INC.



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



Value Proposition Example – H&P vs. Competitors

	Estimated Field Competitor Average	H&P FlexRig3 2008
1. Drilling days	13	7.8
Completion days	2	2
Moving days	5	3
Total rig revenue days per well	20	12.8
2. Drilling contractor dayrate	\$19,500	\$26,500
Operator's other intangible cost per day estimate	\$15,000	\$15,000
Total daily cost estimate	\$34,500	\$41,500
Total cost per well (daily services)	\$690,000	\$531,200
3. Total well savings with H&P – per well per year		\$158,800 \$4.5MM



Value Proposition Example – H&P vs. Competitors

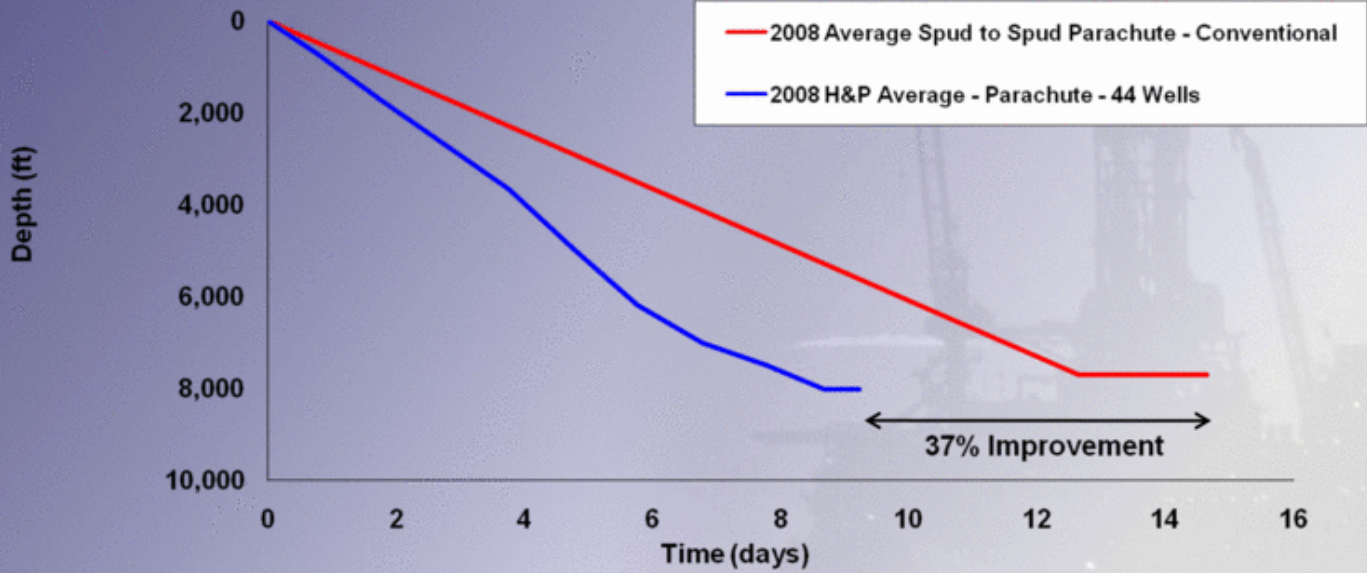
Value added from FlexRig operations

- Significant H&P dayrate premium
- Increased wells per rig per year: 10.3 wells
- Early production: Incremental wells on production
- Lowest total well cost



FlexRig4 – Performance Sample

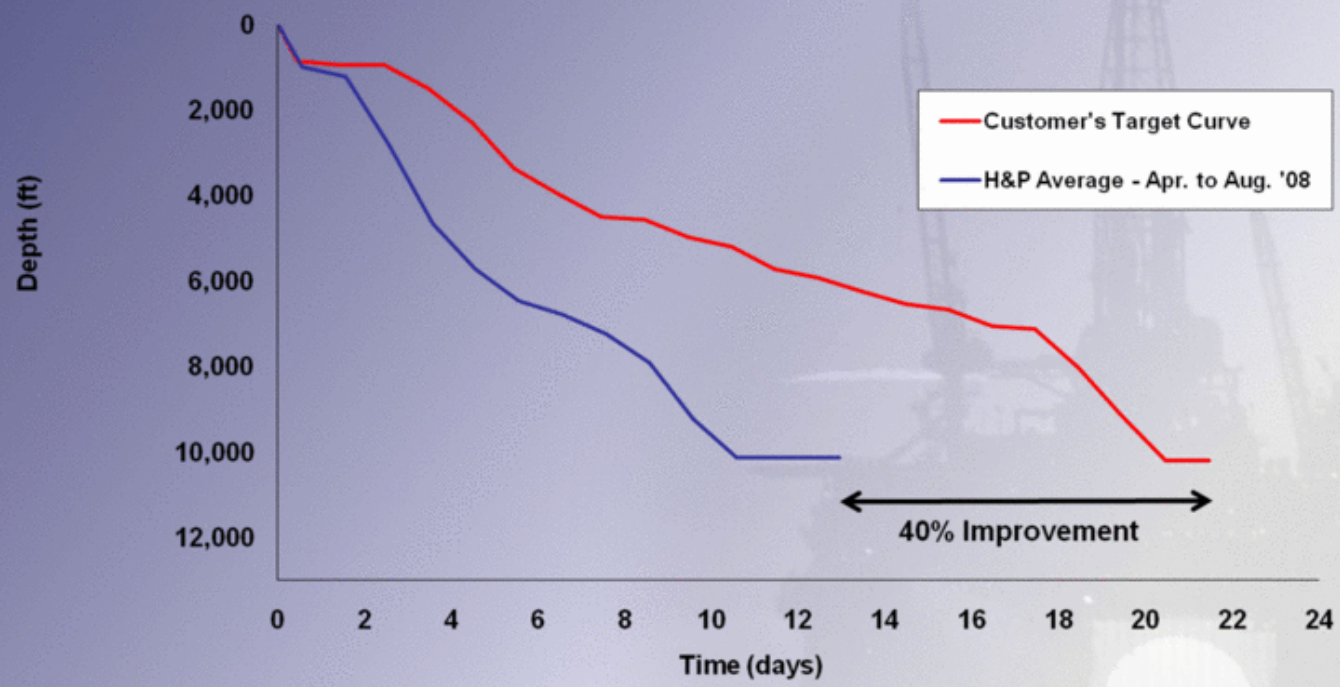
ROCKY MOUNTAINS





FlexRig4 – Performance Sample

**FlexRig4S
Barnett Shale**





H&P's Offshore Operations

- **Strong daily margins**
- **Eight of nine rigs are currently active**
- **The ninth rig is contracted and expected to begin operations in early to mid 2009**



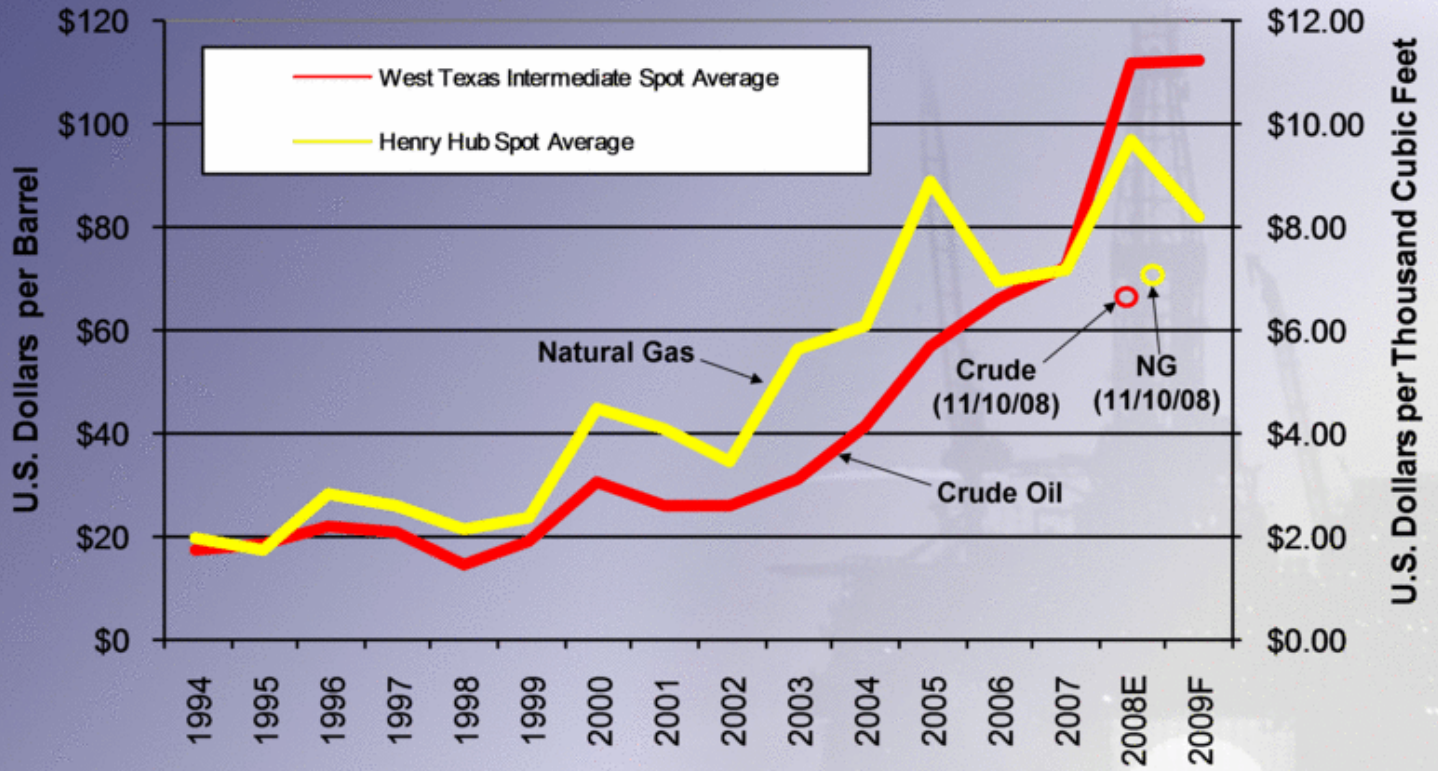
H&P's International Land Operations

- **International industry rig count is increasing**
- **H&P international land rigs currently 100% utilized**
- **Seven new FlexRigs to be delivered in Latin America beginning in early fiscal 2009**
- **Actively seeking additional growth opportunities around the world**



Crude Oil & Natural Gas Prices

Crude Oil & Natural Gas Prices

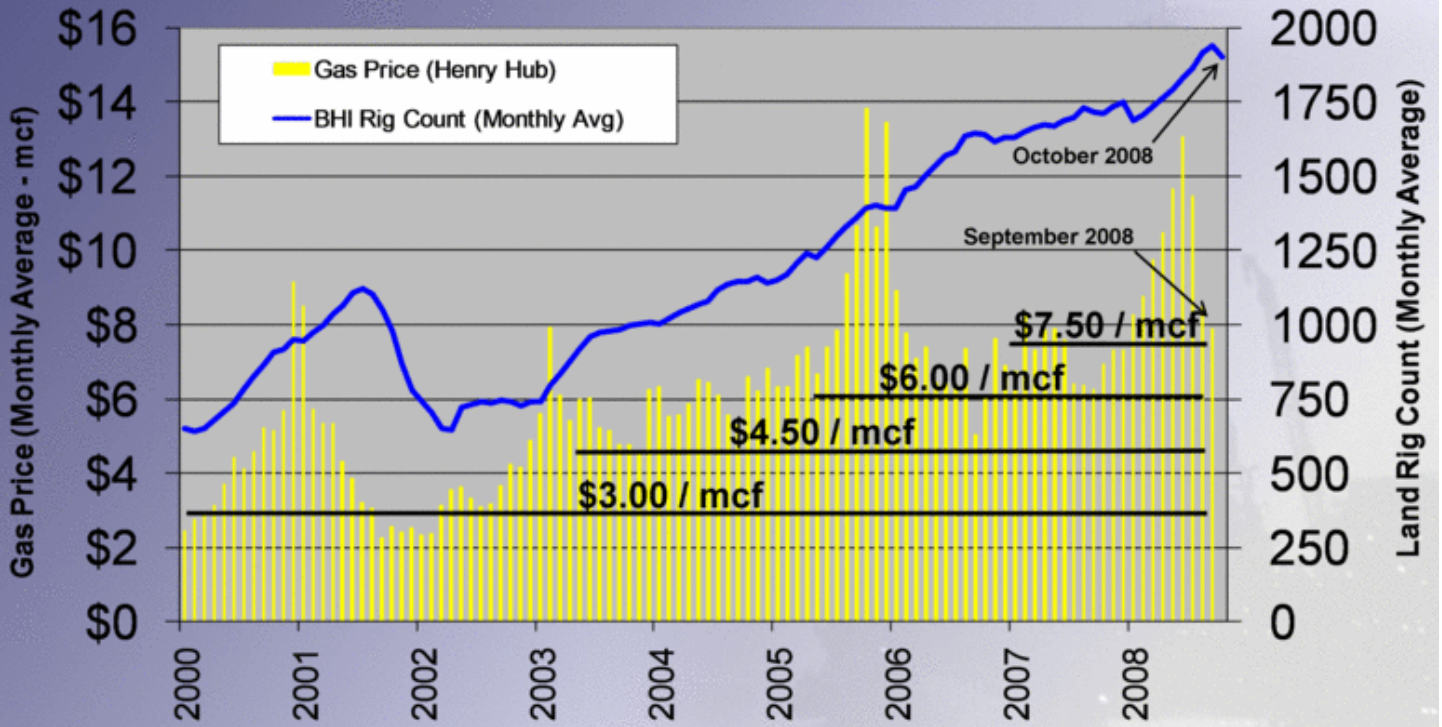


Source: Energy Information Administration, Short-term Energy Outlook as of 10/22/2008.

HELMERICH & PAYNE, INC.



U.S. Land Rig Count vs. Commodity Prices



Source: Energy Information Administration

HELMERICH & PAYNE, INC.



Leader in New Ideas & Applied Technology

Driller's Cabin



Computerized Controls



AC Driven Systems & Integrated Top Drive



Satellite Communications



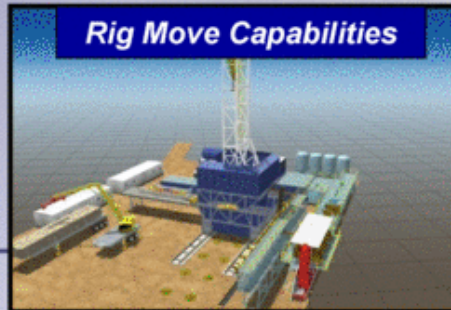
BOP Handling



Mechanized Tubular Handling



Rig Move Capabilities



HELMERICH & PAYNE, INC.



Driller on a Conventional Rig vs. FlexRig



HELMERICH & PAYNE, INC.



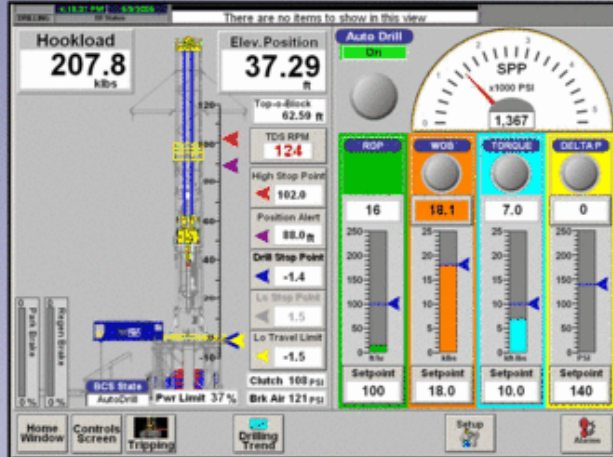
Roughnecks on a Conventional Rig vs. FlexRig



HELMERICH & PAYNE, INC.



H&P's Organizational Support Structure



HELMERICH & PAYNE, INC.



End of Document

