

# HELMERICH & PAYNE, INC.

## FORM DEF 14A (Proxy Statement (definitive))

Filed 01/26/95 for the Period Ending 03/01/95

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

# HELMERICH & PAYNE INC

## FORM DEF 14A (Proxy Statement (definitive))

Filed 1/26/1995 For Period Ending 3/1/1995

Address	UTICA AT 21ST ST TULSA, Oklahoma 74114
Telephone	918-742-5531
CIK	0000046765
Industry	Oil Well Services & Equipment
Sector	Energy
Fiscal Year	09/30

**SCHEDULE 14A**  
(RULE 14A-101)

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES  
EXCHANGE ACT OF 1934 (AMENDMENT NO. )**

Filed by the registrant /X/  
Filed by a party other than the registrant //  
Check the appropriate box:  
// Preliminary proxy statement  
/X/ Definitive proxy statement  
// Definitive additional materials  
// Soliciting material pursuant to Rule 14a-11(c) or Rule 14a-12

**HELMERICH & PAYNE, INC.**

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(Name of Registrant as Specified in Its Charter)

**HELMERICH & PAYNE, INC.**

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(Name of Person(s) Filing Proxy Statement)

Payment of filing fee (Check the appropriate box):  
/X/ \$125 per Exchange Act Rule 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2).  
// \$500 per each party to the controversy pursuant to Exchange Act Rule  
14a-6(i)(3).  
// Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and  
0-11.

(1) Title of each class of securities to which transaction applies:

N/A

(2) Aggregate number of securities to which transactions applies:

N/A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:(1)

N/A

(4) Proposed maximum aggregate value of transaction:

N/A

// Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

N/A

(2) Form, schedule or registration statement no.:

N/A

(3) Filing party:

N/A

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(4) Date filed:

N/A

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(1) Set forth the amount on which the filing fee is calculated and state how it was determined.

(LOGO--HELMERICH & PAYNE, INC.)

**UTICA AT TWENTY-FIRST  
TULSA, OKLAHOMA 74114**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

Notice is hereby given that the Annual Meeting of Stockholders of Helmerich & Payne, Inc., will be held on the 41st Floor of the First National Tower Building, 15 East 5th Street, Tulsa, Oklahoma, at 12:00 noon, Tulsa time, on Wednesday, March 1, 1995, for the following purposes:

1. To elect three Directors comprising the class of Directors of the Corporation known as the "First Class" for a three-year term expiring in 1998.
2. To consider and transact any other business which properly may come before the meeting or any adjournment thereof.

In accordance with the By-Laws, the close of business on January 6, 1995, has been fixed as the record date for the determination of the stockholders entitled to notice of, and to vote at, said meeting. The stock transfer books will not close.

The Corporation's Proxy Statement is submitted herewith. The annual report for the year ended September 30, 1994, has been previously mailed to all stockholders.

STOCKHOLDERS WHO DO NOT EXPECT TO ATTEND IN PERSON, BUT WISH THEIR STOCK TO BE VOTED ON MATTERS TO BE TRANSACTED, ARE URGED TO SIGN, DATE, AND MAIL THE ENCLOSED PROXY IN THE ACCOMPANYING ENVELOPE, TO WHICH NO POSTAGE NEED BE AFFIXED IF MAILED IN THE UNITED STATES. THE PROMPT RETURN OF YOUR SIGNED PROXY, REGARDLESS OF THE NUMBER OF SHARES YOU HOLD, WILL AID THE CORPORATION IN REDUCING THE EXPENSE OF ADDITIONAL PROXY SOLICITATION. THE GIVING OF SUCH PROXY DOES NOT AFFECT YOUR RIGHT TO VOTE IN PERSON IN THE EVENT YOU ATTEND THE MEETING.

**By Order of the Board of Directors**

*/s/ STEVEN R. MACKEY  
STEVEN R. MACKEY  
Secretary*

*Tulsa, Oklahoma  
January 26, 1995*

**UTICA AT TWENTY-FIRST  
TULSA, OKLAHOMA 74114**

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**PROXY STATEMENT**

**GENERAL INFORMATION**

The enclosed proxy is being solicited by and on behalf of the management of Helmerich & Payne, Inc., hereinafter referred to as the "Corporation," and will be voted at the Annual Meeting of Stockholders on March 1, 1995. This statement and the accompanying proxy are first being sent or given to stockholders on or about January 26, 1995.

Any stockholder giving a proxy may revoke it at any time before it is voted by voting in person at the Annual Meeting or by delivery of a later-dated proxy.

The cost of this solicitation will be paid by the Corporation. In addition to solicitation by mail, arrangements may be made with brokerage houses and other custodians, nominees and fiduciaries to send proxies and proxy material to their principals. No solicitation is to be made by specially engaged employees or other paid solicitors.

At the close of business on January 6, 1995, there were 26,764,476 issued and outstanding shares of the common stock of the Corporation, the holders of which, except the Corporation which is the holder of 2,045,816 shares of treasury stock, are entitled to one vote per share on all matters. There is no other class of securities of the Corporation entitled to vote at the meeting. Only stockholders of record at the close of business on January 6, 1995, will be entitled to vote at the Annual Meeting.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

The following table sets forth the name and address of each stockholder of the Corporation who beneficially owns more than 5% of the Corporation's common stock, the number of shares beneficially owned by each, and the percentage of outstanding stock so owned, as of January 6, 1995.

TITLE OF CLASS	NAME AND ADDRESS OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP(1)	PERCENT OF CLASS
Common Stock	FMR Corp. 82 Devonshire Street Boston, Massachusetts 02109	2,502,026(2)	10.122%
Common Stock	The Capital Group, Inc. 333 South Hope Street Los Angeles, California 90071	2,372,400(3)	9.598%

TITLE OF CLASS	NAME AND ADDRESS OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP(1)	PERCENT OF CLASS
Common Stock	State Farm Mutual Automobile Insurance Company One State Farm Plaza Bloomington, Illinois 61710	2,064,300	8.351%
Common Stock	W. H. Helmerich, III 1579 East 21st Street Tulsa, Oklahoma 74114	1,499,310(4)	6.065%

(1) Unless otherwise indicated, all shares are owned directly by the named person or entity, with such person or entity possessing sole voting and investment power with respect to such shares.

(2) Includes 2,472,028 shares owned by Fidelity Management & Research Company and 29,998 shares owned by Fidelity Management Trust Company. Edward C. Johnson 3d, FMR Corp., through its control of Fidelity Management & Research Company, and Fidelity Management & Research Company each has the sole power to dispose of 2,472,028 shares owned by Fidelity Management & Research Company. FMR Corp., through its control of Fidelity Management Trust Company, has sole voting and dispositive power over 29,998 shares. This information is based upon FMR's Schedule 13G dated February 11, 1994.

(3) Capital Guardian Trust Company and Capital Research and Management Company, operating subsidiaries of The Capital Group, Inc., exercise investment discretion with respect to 1,472,400 and 900,000 shares, respectively. This information is based upon The Capital Group, Inc.'s Schedule 13G dated February 11, 1994.

(4) Includes 11,710 shares held by Mr. W. H. Helmerich, III, as Trustee in a trust for a member of his immediate family; 300,000 shares owned by The Helmerich Foundation, an Oklahoma charitable trust, for which Mr. Helmerich is Trustee; 10,000 shares owned by Ivy League, Inc., of which Mr. Helmerich is President and Director; and 15,450 shares held by The Helmerich Trust, an Oklahoma charitable trust, for which Mr. Helmerich is Trustee. Mr. Helmerich possesses sole voting and investment power over all indirectly owned shares.

## SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth the total number of shares of common stock beneficially owned by each of the present Directors and nominees, the Corporation's Chief Executive Officer ("CEO") and the other four most highly compensated executive officers (the Chief Executive Officer and other four most highly compensated executive officers collectively, the "named executive officers"), and all Directors and Executive Officers as a group, and the percent of the outstanding common stock so owned by each as of January 6, 1995.

DIRECTORS AND NAMED EXECUTIVE OFFICERS	TITLE OF CLASS	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP (1)	PERCENT OF CLASS
W. H. Helmerich, III	Common Stock	1,499,310 (2)	6.065%
Hans Helmerich	Common Stock	167,263 (3)	.677%
George S. Dotson	Common Stock	94,096 (4)	.381%
Allen S. Braumiller	Common Stock	37,416 (5)	.151%
Steven R. Shaw	Common Stock	36,351 (6)	.147%
Douglas E. Fears	Common Stock	30,383 (7)	.123%
H. W. Todd	Common Stock	2,000	.008%
John D. Zeglis	Common Stock	1,500	.006%
Glenn A. Cox	Common Stock	1,000 (8)	.004%
George A. Schaefer	Common Stock	1,000	.004%
William L. Armstrong	Common Stock	1,000	.004%
C. W. Flint, Jr.	Common Stock	--	--
All Directors and Executive Officers as a Group (15)	Common Stock	1,907,280 (9)	7.713%

(1) Unless otherwise indicated, all shares are owned directly by the named person, and he has sole voting and investment power with respect to such shares.

(2) Includes 11,710 shares held by Mr. W. H. Helmerich, III, as Trustee in a trust for a member of his immediate family; 300,000 shares owned by The Helmerich Foundation, an Oklahoma charitable trust, for which Mr. Helmerich is Trustee; 10,000 shares owned by Ivy League, Inc., of which Mr. Helmerich is President and Director; and 15,450 shares held by The Helmerich Trust, an Oklahoma charitable trust, for which Mr. Helmerich is Trustee. Mr. Helmerich possesses sole voting and investment power over all indirectly owned shares.

(3) Includes options to purchase 3,096 shares exercisable within 60 days; 36,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; 2,887 shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994; 10,325 shares owned by Mr. Hans Helmerich's wife, with respect to which he has disclaimed all beneficial ownership; 7,400 shares held by Mr. Helmerich as Trustee for various trusts for members of his immediate family, as to which he has sole voting and investment power; and 1,000 shares held by Mr. Helmerich as a Co-trustee for a family trust for which he shares voting and investment power.

(4) Includes options to purchase 3,096 shares exercisable within 60 days; 27,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; 5,917



shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994; 950 shares held in a trust for a family member for which Mr. Dotson, as a Co-trustee, shares voting and investment power; 1,100 shares held by Mr. Dotson as custodian for his children under the Uniform Gifts to Minors Act; and 450 shares owned by Mr. Dotson's wife, with respect to which he has disclaimed all beneficial ownership.

(5) Includes options to purchase 1,053 shares exercisable within 60 days; 12,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; and 5,063 shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994.

(6) Includes options to purchase 1,032 shares exercisable within 60 days; 24,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; and 2,256 shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994.

(7) Includes options to purchase 1,200 shares exercisable within 60 days; 21,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; and 1,384 shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994.

(8) All shares are held in a revocable trust known as the Glenn A. Cox Trust, UTA, with respect to which voting and investment power are shared with Mr. Cox's wife.

(9) Includes options to purchase 10,289 shares exercisable within 60 days; 151,000 shares subject to restricted stock awards under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc.; and 21,656 shares fully vested under the Helmerich & Payne, Inc. 401(k) Plan as of September 30, 1994.

### **NOMINEES AND DIRECTORS**

The Board of Directors of the Corporation is divided into three classes -- First Class, Second Class, and Third Class -- whose terms expire in different years. The terms of the Directors of the First Class expire this year, and their successors are to be elected at this Annual Meeting. The terms of the Directors of the Second Class and the Third Class do not expire until 1996 and 1997, respectively, and consequently their successors are not to be elected at this Annual Meeting. Upon the conclusion of this Annual Meeting, each of the First, Second and Third Classes will be comprised of three Directors.

The Directors belonging to the Second Class and the Third Class, which are not up for election at this meeting, and the Nominees for Directors of the First Class, are as follows:

**DIRECTORS OF THE SECOND CLASS**

NAME	AGE	EXPIRATION OF PRESENT TERM	PRINCIPAL OCCUPATION AND CURRENT DIRECTORSHIPS	YEAR FIRST BECAME DIRECTOR
C. W. Flint, Jr.  (PHOTOGRAPH)	73	1996	Retired Chairman of Flint Industries, Inc. (oil field construction services, general construction contractor and environmental consulting, and electronics manufacturing). Director of Liberty Bancorp, Inc.; Liberty Bank and Trust Company of Tulsa, N.A.; Pennzoil Co.; and Liberty Bank and Trust Company of Oklahoma City, N.A.	1968
H. W. Todd  (PHOTOGRAPH)	72	1996	Managing Partner, Carlisle Enterprises, L.P. (acquisitions and mergers within the aerospace, defense, and industrial sectors). Director of Pacific Scientific Co.; and Garrett Aviation Services	1971
John D. Zeglis  (PHOTOGRAPH)	47	1996	Senior Vice President -- General Counsel and Government Affairs of American Telephone and Telegraph Company (provides products, services, and systems for the movement and management of information, including U.S. and international long-distance telecommunications services, telecommunications products for businesses and consumers, network transmission systems and equipment, computers, and electronic components). Director of Illinova Corp.; and Illinois Power Co.	1989

**DIRECTORS OF THE THIRD CLASS**

NAME	AGE	EXPIRATION OF PRESENT TERM	PRINCIPAL OCCUPATION AND CURRENT DIRECTORSHIPS	YEAR FIRST BECAME DIRECTOR
W. H. Helmerich, III (PHOTOGRAPH)	72	1997	Chairman of the Board of the Corporation. Director of Atwood Oceanics, Inc.; Liberty Bancorp, Inc.; Liberty Bank and Trust Company of Tulsa, N.A.; Caterpillar Inc.; and Liberty Bank and Trust Company of Oklahoma City, N.A.	1949
William L. Armstrong (PHOTOGRAPH)	57	1997	Chairman of Ambassador Media Corporation and Cherry Creek Mortgage Company (television broadcasting and mortgage banking). Director of International Family Entertainment, Inc.; NaTec Resources, Inc.; Provident Life & Accident Insurance Company of America; and Storage Technology Corporation	1992
Glenn A. Cox (PHOTOGRAPH)	65	1997	Retired President and Chief Operating Officer of Phillips Petroleum Company (large integrated oil company). Director of Bank of Oklahoma, N.A.; BOK Financial Corporation; The Williams Companies, Inc.; and Union Texas Petroleum Holdings, Inc.	1992

**NOMINEES FOR THE DIRECTORS OF THE FIRST CLASS**

NAME -----	AGE -----	EXPIRATION OF PRESENT TERM -----	PRINCIPAL OCCUPATION AND CURRENT DIRECTORSHIPS -----	YEAR FIRST BECAME DIRECTOR -----
Hans Helmerich  (PHOTOGRAPH)	36	1995	President of the Corporation and Chief Executive Officer; holds similar positions as Chairman or President and as Chief Executive Officer of subsidiary companies. Director of Atwood Oceanics, Inc.	1987
George S. Dotson  (PHOTOGRAPH)	54	1995	Vice President of the Corporation and President and Chief Operating Officer of Helmerich & Payne International Drilling Co.; holds similar positions as President and Chief Operating Officer of Helmerich & Payne International Drilling Co. subsidiary companies. Director of Atwood Oceanics, Inc.	1990
George A. Schaefer  (PHOTOGRAPH)	66	1995	Retired Chairman and Chief Executive Officer of Caterpillar Inc. (manufacturer of earthmoving, construction, and materials-handling machinery and equipment). Director of Aon Corporation; McDonnell Douglas Corporation; Morton International; and Caterpillar Inc.	1988

With regard to the election of the Directors, stockholders may vote in favor of all nominees, withhold their votes as to all nominees, or withhold their votes as to specific nominees. Unless otherwise specified, the

proxies on the enclosed form which are executed and returned will be voted for the nominees listed above as "Nominees for Directors of the First Class." The proxies executed and returned on the enclosed form can be voted only for the named nominees. If any one of the nominees is not a candidate at the Annual Meeting, an event which management does not anticipate, the proxies will be voted for a substitute nominee. The election of Directors will require the affirmative vote of a plurality of the shares of common stock voting in person or by proxy at the Annual Meeting. Abstentions and broker nonvotes shall not be counted except for purposes of determining the presence of a quorum at the meeting.

The Corporation's transfer agent will tabulate all votes which are received prior to the date of the Annual Meeting. The Corporation has appointed two employee inspectors of the elections to receive the transfer agent's tabulation, to tabulate all other votes, and to certify the results of the elections.

The principal occupation of each of the Directors and the Nominees for Directors of the First Class is as set forth in the tables above and has been the same occupation for the past five years except with respect to: (i) Mr. William L. Armstrong, who was a United States Senator from Colorado from 1978 through 1990; (ii) Mr. George A. Schaefer, who retired effective June 30, 1990, after being Chairman of the Board and Chief Executive Officer of Caterpillar Inc. since 1985; (iii) Mr. H. W. Todd, who retired effective January 1, 1990, after being Chairman of the Board, Chief Executive Officer, and President of Rohr Industries, Inc., for more than the past five years; (iv) Mr. Glenn A. Cox, who retired effective December 23, 1991, after being President and Chief Operating Officer of Phillips Petroleum Company since 1985; and (v) Mr. C. W. Flint, Jr., who retired effective June 16, 1992, after being Chairman of Flint Industries, Inc., for more than the past five years. Mr. Hans Helmerich is a son of Mr. W. H. Helmerich, III.

## **ATTENDANCE**

There were four regularly scheduled meetings of the Board of Directors held during fiscal 1994. No Director attended fewer than 75% of the aggregate of the total number of meetings of the Board of Directors and its committees held during fiscal 1994.

## **COMMITTEES**

Mr. C. W. Flint, Jr. and Mr. Glenn A. Cox are members of the Audit Committee. The functions of the Audit Committee include: (i) reviewing with management and the Corporation's independent accountants the scope of the various audits to be conducted during the coming year; (ii) reviewing with management and the independent accountants the results of such audits, including the auditor's comments on the Corporation's accounting policies and the adequacy of the internal controls; (iii) discussing with management and the independent accountants the Corporation's annual financial statements; (iv) reviewing fees paid to, and the scope of services provided by, the independent accountants; (v) reviewing the independence of the independent accountants; (vi) recommending to the full Board the engagement or discharge of the independent accountants; and (vii) monitoring compliance with the Foreign Corrupt Practices Act. During the year ended September 30, 1994, the Audit Committee held three meetings.

During fiscal 1994, Mr. John D. Zeglis, Mr. George A. Schaefer, Mr. W. H. Helmerich, III and Mr. W. F. Martin were members of the Human Resources Committee. Mr. W. H. Helmerich, III and Mr. W. F. Martin were members of such Committee from October 1, 1993 through November 30, 1993, and October 1, 1993 through March 2, 1994, respectively. Mr. William L. Armstrong was appointed to such

Committee on December 5, 1994 and participated in decisions regarding fiscal 1994 compensation of the named executive officers. The functions of the Human Resources Committee are to review and make recommendations or decisions regarding: (i) the election and salaries of officers and key management employees; (ii) bonus awards, stock option plans and awards, and other fringe benefit plans; and (iii) management succession. During the year ended September 30, 1994, the Human Resources Committee held one meeting.

## EXECUTIVE COMPENSATION AND OTHER INFORMATION

### SUMMARY OF CASH AND CERTAIN OTHER COMPENSATION

The information contained in the following Summary Compensation Table for fiscal years 1994, 1993, and 1992 is furnished with respect to the named executive officers.

### SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION			LONG-TERM COMPENSATION				
		SALARY(\$)	BONUS(\$)	(1) OTHER ANNUAL COMPENSATION (\$)	AWARDS		PAYOUTS		(4) ALL OTHER COMPENSATION (\$)
					(2) RESTRICTED STOCK AWARDS (\$)	(3) SECURITIES UNDERLYING OPTIONS (#)	LTIP PAYOUTS (\$)		
Hans Helmerich President and CEO	1994	247,925	75,000	635	--	--	--	9,562	
	1993	223,463	75,000	720	--	--	--	8,501	
	1992	210,313	75,000	648	--	--	--	9,703	
George S. Dotson Vice President and President of Drilling Subsidiary	1994	219,800	70,000	650	--	--	--	8,430	
	1993	201,850	70,000	720	--	--	--	7,680	
	1992	186,500	70,000	648	--	--	--	9,361	
Steven R. Shaw Vice President Production	1994	170,000	35,000	632	--	--	--	6,807	
	1993	160,375	35,000	720	--	--	--	6,484	
	1992	151,750	35,000	648	--	--	--	9,502	
Allen S. Braumiller Vice President Exploration	1994	159,525	20,000	458	--	--	--	34,234	
	1993	148,263	20,000	720	--	--	--	35,157	
	1992	140,813	20,000	648	--	--	--	39,505	
Douglas E. Fears Vice President Finance	1994	140,600	15,000	630	--	--	--	5,921	
	1993	131,513	15,000	720	--	--	--	6,797	
	1992	125,062	15,000	648	--	--	--	7,038	

(1) The amounts specified in this column represent payments of estimated tax liability with respect to company-provided health and retirement benefits. The aggregate amount of perquisites and other personal benefits was less than either \$50,000 or 10% of the total annual salary and bonus reported for each of the named executive officers.

(2) As of September 30, 1994, Messrs. Helmerich, Dotson, Shaw, Braumiller, and Fears held 36,000, 27,000, 24,000, 12,000, and 21,000 shares of restricted stock, respectively, with the value thereof on September 30, 1994 being \$1,012,500, \$759,375, \$675,000, \$337,500, and \$590,625, respectively. Notwithstanding these reported amounts, the actual value of the restricted stock held by the named executive officers will depend on the market value of the Corporation's stock at a future date. The terms of the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc. (the "Restricted Stock Plan") provide for vesting of 20% of the total number of shares awarded the participant on each of the third, fourth, fifth, sixth, and seventh anniversary dates of the award. The Restricted Stock Plan prohibits a subsequent grant under such Plan until the restrictions upon any former grant have completely expired. If the participant for any reason ceases to be an employee of the Corporation, all shares then subject to restriction will be forfeited. Dividends will be payable on shares if and to the extent dividends are paid on the Corporation's stock generally.

(3) The references to "SARs" in the Summary Compensation Table and all other tables in this Proxy Statement have been omitted, since the Corporation has never authorized any SARs.

(4) With respect to each of the named executive officers except Mr. Braumiller, the amounts specified in this column represent only the Corporation's matching contributions to its 401(k) Plan in behalf of each such executive officer. With respect to Mr. Braumiller, \$6,725, \$6,104 and \$7,922 were contributed to the 401(k) Plan by the Corporation in Mr. Braumiller's behalf in each of fiscal years 1994, 1993, and 1992, respectively. In each of fiscal years 1994, 1993, and 1992, Mr. Braumiller was paid \$27,509, \$29,053 and \$31,583, respectively, pursuant to an overriding royalty plan applicable only to geologists and geophysicists. Since Mr. Braumiller has previously satisfied all vesting requirements under the overriding royalty plan, he shall continue to receive payments thereunder regardless of whether Mr. Braumiller continues in the employment of the Corporation. The overriding royalty plan requires payments to be made to participants at least semi-annually. Currently, payments are being made to Mr. Braumiller on a quarterly basis. Although the overriding royalty plan was terminated effective September 30, 1985, Mr. Braumiller's share of all overriding royalties earned under such plan prior to September 30, 1985, will continue to be paid to him until production in commercial quantities ceases.

**STOCK OPTION GRANTS**

**OPTION GRANTS IN LAST FISCAL YEAR**

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED (#)
----- Hans Helmerich.....	None
George S. Dotson.....	None
Steven R. Shaw.....	None
Allen S. Braumiller.....	None
Douglas E. Fears.....	None

## OPTION EXERCISES AND HOLDINGS

The following table sets forth information with respect to the named executive officers of the Corporation concerning the exercise of options during the last fiscal year and unexercised options held as of the end of the fiscal year:

### AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FY-END (#) EXERCISABLE/ UNEXERCISABLE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FY-END (\$) (1) EXERCISABLE/ UNEXERCISABLE (2)
Hans Helmerich.....	4,494	14,044	3,096/ 18,540	27,090/ 94,654
George S. Dotson.....	4,494	12,920	3,096/ 18,540	27,090/ 94,654
Steven R. Shaw.....	--	--	1,032/ 18,540	9,030/ 94,654
Allen S. Braumiller.....	--	--	1,053/ 6,458	9,609/ 28,817
Douglas E. Fears.....	--	--	1,200/(3) 9,600	-- / 28,687

(1) Fair market value used for computations in this column was \$28.125 per share, which was the Corporation's closing price of its common stock on September 30, 1994.

(2) The Incentive Stock Option Plan pursuant to which certain options noted in this table were granted contains a cumulative restriction feature requiring sequential exercise of options granted under such plan. Therefore, certain out-of-the-money options must be exercised prior to certain in-the-money options.

(3) These options were out-of-the-money as of September 30, 1994.



**LONG-TERM INCENTIVE PLANS**

**LONG-TERM INCENTIVE PLANS -- AWARDS IN LAST FISCAL YEAR**

NAME	NUMBER OF SHARES, UNITS OR OTHER RIGHTS (#)
-----	-----
Hans Helmerich.....	None
George S. Dotson.....	None
Steven R. Shaw.....	None
Allen S. Braumiller.....	None
Douglas E. Fears.....	None

**PENSION PLANS**

The pension plan benefit under the Corporation's retirement plan is calculated pursuant to the following formula:

**Compensation X 1.5% = Annual Pension Benefit.**

Pension benefits, which are accrued annually, are determined based on compensation received throughout a participant's career. "Compensation" includes salary, bonus, vacation pay, sick pay, Section 401(k) elective deferrals, and Section 125 "cafeteria plan" deferrals. Therefore, the pension benefit is not determined primarily by final compensation and years of service.

Based upon this formula, an assumed annual salary growth rate of 6%, and an age 62 retirement date, the estimated annual benefits payable to each named executive officer at retirement are:

NAME	CURRENT AGE	ANNUAL RETIREMENT BENEFIT (1)
-----	-----	-----
Hans Helmerich.....	36	\$364,845
George S. Dotson.....	54	\$129,855
Steven R. Shaw.....	44	\$126,338
Allen S. Braumiller.....	60	\$ 52,689
Douglas E. Fears.....	45	\$ 84,408

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(1) The annual retirement benefit has not been reduced for statutory compensation and benefit limits, as amounts over these limits would be payable pursuant to the Supplemental Retirement Income Plan for Salaried Employees of Helmerich & Payne, Inc. The benefits listed above are computed as a straight single life annuity and are not subject to any reduction for Social Security or other offset amounts.

**REPORT ON REPRICING OF OPTIONS**

**TEN-YEAR OPTION REPRICINGS**

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS REPRICED OR AMENDED (#)
----- Hans Helmerich.....	None
George S. Dotson.....	None
Steven R. Shaw.....	None
Allen S. Braumiller.....	None
Douglas E. Fears.....	None

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

During fiscal 1994, the members of the Corporation's Human Resources Committee (which functions as the Corporation's compensation committee) were Mr. George A. Schaefer, Mr. John D. Zeglis, Mr. W. H. Helmerich, III, and Mr. W. F. Martin. Messrs. Helmerich and Martin served on such Committee from October 1, 1993 through November 30, 1993, and October 1, 1993 through March 2, 1994, respectively. Mr. William L. Armstrong was appointed to such Committee on December 5, 1994 and participated in decisions regarding fiscal 1994 compensation of the named executive officers. No executive officer of the Corporation has any relationship covered by the Compensation Committee Interlock regulations.

Mr. W. H. Helmerich, III, Chairman of the Board, retired from the Corporation in December of 1989. Pursuant to a consulting agreement with the Corporation, he receives \$154,800 per year for a one-year term commencing January 1, 1990, plus reimbursement of reasonable business, travel, and other expenses in consideration of his agreement to provide advisory and consulting services (exclusive of services rendered by Mr. Helmerich as Chairman of the Board) to the Corporation. The consulting agreement is automatically renewed for successive one-year terms unless terminated by the Corporation or Mr. W. H. Helmerich, III.

**EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT  
AND CHANGE-OF-CONTROL ARRANGEMENTS**

The Helmerich & Payne, Inc., 1990 Stock Option Plan contains a provision whereby all stock options will automatically become fully vested and immediately exercisable without the requirement of any further act by the Corporation or participant in the event of a "change of control" of the Corporation, as defined in such plan. Pursuant to an agreement between the Corporation and the participants under the Restricted Stock Plan for Senior Executives of Helmerich & Payne, Inc., all restricted shares will automatically become fully vested, free of restrictions, without the requirement of any further act by the Corporation or a participant in the event of a "change of control" of the Corporation, as defined in such agreement.

If a named executive officer dies prior to age 65 while employed by the Corporation or after having retired under the Corporation's pension plan, then pursuant to an agreement with each named executive officer the surviving spouse of such deceased executive will be paid \$2,250 per month for 120 consecutive months, commencing upon the date of death. Alternatively, if the named executive officer remains in the employment

of the Corporation until age 65 or has retired under the provisions of the Corporation's pension plan, then commencing on his 65th birthday such executive officer shall be paid \$225 per month for 120 consecutive months.

## **HUMAN RESOURCES COMMITTEE REPORT**

Decisions with regard to the compensation of the Corporation's executive officers are generally made by the Human Resources Committee of the Board of Directors ("Committee"). Each member of the Committee is a non-employee director. Decisions about awards under the Corporation's stock-based compensation plans are made by the Committee and reported to the Board. All other decisions by the Committee relating to compensation of the Corporation's executive officers are reviewed by the Board. Generally, the Committee meets in December following the end of a particular fiscal year to consider prospective calendar-year salary adjustments, as well as to consider bonus compensation for executive officers during the prior calendar year.

### **Executive Officer Compensation Policies**

The Corporation's executive compensation policies are designed to provide competitive levels of compensation that integrate pay with the Corporation's performance, recognize individual initiative and achievements, and assist the Corporation in attracting and retaining qualified executives. The Committee relies in large part on compensation studies for the determination of competitive compensation. These studies include salary and bonus compensation data from several competitor companies including that contained within the S&P Oil and Gas Drilling Index on page 16 of this Proxy Statement. Also, when the Committee contemplates the awarding of stock grants or options to its executives, it considers the nature and amount of stock awards made by competitor companies to their executive officers. In order to implement these objectives, the Corporation has developed a straightforward compensation package consisting of salary, annual bonus, and periodic awards of stock options and/or restricted stock. Each element of the compensation package serves a particular purpose. Salary and bonus are primarily designed to award current and past performance. Awards of stock options and restricted stock are primarily designed to tie a portion of each executive's compensation to long-term future performance of the Corporation. The value of these awards will increase or decrease based upon the future price of the Corporation's stock. Base salaries are conservatively set to recognize individual performance while attempting to approximate the average level of base salaries among the Corporation's competitors. Annual bonuses to executive officers are awarded based upon corporate performance criteria, competitive considerations, and the Committee's subjective determination of individual performance.

In determining executive compensation for fiscal 1994, the Committee considered the Corporation's overall historical performance and its future objectives and challenges rather than utilizing a formula based on any particular performance measure in a single year. The Committee believes that this policy provides a certain degree of stability in executive compensation considering the cyclical nature of the Corporation's businesses. Within this framework, the Committee considered the following equally weighted performance factors in making its compensation decisions in fiscal 1994: earnings per share; cash flow from operations; return on operating assets; and status of the

Corporation's competitive position. The Committee determined that these performance factors met its expectations during fiscal 1994.

Section 162(m) of the Internal Revenue Code, effective January 1, 1994, provides that certain compensation to certain executive officers in excess of \$1 million will not be deductible for federal income tax purposes. The current compensation levels of the Corporation's executive officers are well below the \$1 million threshold. In the event that the Corporation's compensation levels approach the \$1 million deduction cap, the Committee will further analyze Section 162(m) and take such action as it deems appropriate.

### **Stock Plans**

The Committee believes that stock ownership by management through stock-based compensation arrangements is beneficial in aligning management's and stockholders' interests. Although the named executive officers did not receive any grants under the Corporation's Restricted Stock Plan in fiscal 1994, the Committee believes that by making infrequent stock awards for a significant number of shares, as was done with restricted stock in 1990, the participant will be motivated to increase the Corporation's profits, asset values, and stock price over the long term. The Restricted Stock Plan provides for vesting of 20% of the total number of shares awarded to the participant on each of the third, fourth, fifth, sixth, and seventh anniversary dates of the award. The Restricted Stock Plan prohibits a subsequent grant under such Plan until all restrictions attributable to any former grant have expired. If the participant for any reason ceases to be an employee of the Corporation prior to the expiration of all restrictions, all shares then subject to restriction will be forfeited. Further, since the date of the restricted stock grants, no stock options have been awarded to any of the Restricted Stock Plan participants.

### **Compensation Paid to the Chief Executive Officer**

Compensation paid to the CEO in fiscal 1994 consisted primarily of base salary and annual bonus. In fiscal 1994, Mr. Helmerich received a \$75,000 bonus. The amount of such annual bonus has remained unchanged for the past three years. In addition, Mr. Helmerich received an 8.2% salary increase from the amount of salary and bonus received in fiscal year 1993. The increase in CEO compensation was made in light of the Committee's subjective assessment of the quality of leadership displayed by Mr. Helmerich during a period of instability in the energy industry, and in consideration of the continued profitability of the Corporation.

### **SUBMITTED BY THE HUMAN RESOURCES COMMITTEE**

William L. Armstrong W. H. Helmerich, III W. F. Martin George A. Schaefer John D. Zeglis

## PERFORMANCE GRAPH

The following performance graph reflects yearly percentage change in the Corporation's cumulative total stockholder return on common stock as compared with the cumulative total return of the S&P 500 Stock Index and the S&P Oil & Gas Drilling Index. All cumulative returns assume reinvestment of dividends and are calculated on a fiscal year basis ending on September 30 of each year.

### CUMULATIVE TOTAL RETURN TO SHAREHOLDERS

MEASUREMENT PERIOD (FISCAL YEAR COVERED)	1989	1990	1991	1992	1993	1994
HELMERICH & PAYNE	100.00	105.32	83.49	98.45	125.98	106.13
S&P 500 INDEX	100.00	90.76	119.04	132.20	149.39	154.89
S&P OIL & GAS DRILLING INDEX	100.00	132.53	85.26	95.70	116.74	93.77

## DIRECTOR COMPENSATION

Each Director not regularly employed by the Corporation presently receives a retainer of \$2,500 per quarter on each December 1, March 1, June 1, and September 1 that he is a Director and an attendance fee of \$2,500 for each regularly scheduled meeting that he attends, plus expenses incurred in connection with attending meetings. Mr. W. H. Helmerich, III receives no compensation from the Corporation for serving as its Chairman of the Board. In addition, members of the Audit Committee and the Human Resources Committee (other than Mr. W. H. Helmerich, III) receive a fee of \$500 per meeting attended, plus expenses incurred in connection with attending meetings. It is anticipated that there will be four regularly scheduled meetings of the Board of Directors during fiscal 1995.

## TRANSACTIONS WITH MANAGEMENT AND OTHERS

Mr. W. H. Helmerich, III acts as a consultant to the Corporation pursuant to a consulting agreement described under "Compensation Committee Interlocks and Insider Participation."

## **COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT**

For the fiscal year ended September 30, 1994, all required reports were filed on a timely basis with the Securities and Exchange Commission. In making this disclosure, the Corporation has relied solely upon the written representations of its directors and executive officers and copies of the reports they have filed with the Securities and Exchange Commission.

## **INDEPENDENT ACCOUNTANTS**

The Audit Committee of the Corporation's Board of Directors on April 5, 1994, approved the dismissal of Arthur Andersen LLP as the Corporation's certifying accountant and on such date appointed Ernst & Young LLP as the Corporation's new certifying accountant.

Arthur Andersen LLP's report on the financial statements for the past two fiscal years contained no adverse opinion or disclaimer of opinion or was qualified or modified as to uncertainty, audit scope or accounting principles. Further, during fiscal years 1992 and 1993 and that portion of fiscal 1994 ending April 5, 1994, there were no disagreements with Arthur Andersen LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

For the Corporation's fiscal years 1992 and 1993 and that portion of fiscal 1994 ending April 5, 1994, there were no reportable events as described in Item 304(a)(1)(v)(A) through (D) of Regulation S-K.

The Corporation has not during fiscal years 1992 and 1993 and that portion of fiscal 1994 ending April 5, 1994 consulted with Ernst & Young LLP regarding any matters described in Item 304(a)(2) of Regulation S-K.

The independent public accounting firm selected by the Corporation for the current year which audited the accounts of the Corporation for the fiscal year most recently completed is Ernst & Young LLP. Representatives of Ernst & Young LLP are expected to be present at the stockholders' meeting with the opportunity to make a statement if they so desire and to respond to appropriate questions.

## **STOCKHOLDER PROPOSALS**

The Corporation's annual meeting for 1996 will be held Wednesday, March 6, 1996. Any stockholder wishing to submit a proposal to the vote of the stockholders at such 1996 annual meeting must submit such proposal or proposals in writing to the Corporation at its executive office in Tulsa, Oklahoma, Attention: Corporate Secretary, on or before September 30, 1995.

**OTHER MATTERS**

As of this date, management knows of no business which will come before the meeting other than that set forth in the notice of said meeting. If any other matter properly comes before the meeting, the persons named as proxies will vote on it in accordance with their best judgment.

**By Order of the Board of Directors**

*/s/ STEVEN R. MACKEY  
STEVEN R. MACKEY  
Secretary*

*Dated: January 26, 1995*

**NOTICE OF ANNUAL MEETING**

**OF STOCKHOLDERS**

**TO BE HELD**

MARCH 1, 1995

**AND**

**PROXY STATEMENT**

(HELMERICH & PAYNE, INC. LOGO)

**HELMERICH & PAYNE, INC.  
UTICA AT TWENTY-FIRST  
TULSA, OKLAHOMA 74114**

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**APPENDIX TO ELECTRONIC FILING**

**LIST OF IMAGE INFORMATION NOT  
FILED ELECTRONICALLY**

Photographs of the Directors and Nominees for Directors have been omitted from Pages 5 through 7 of this Proxy Statement.

A graphic representation of the Performance Graph described on Page 16 of this Proxy Statement has been omitted.

PROXY FOR ANNUAL MEETING  
HELMERICH & PAYNE, INC.

THIS PROXY IS SOLICITED BY AND ON BEHALF OF THE BOARD OF DIRECTORS.  
The undersigned hereby appoints as his/her proxies, with powers of substitution and revocation, W. H. Helmerich, III, Hans Helmerich, and Steven R. Mackey, or each of them, to vote all shares of Helmerich & Payne, Inc., which the undersigned would be entitled to vote at the Annual Meeting of Stockholders of Helmerich & Payne, Inc., to be held on the 41st Floor of the First National Tower Building, 15 East Fifth Street, Tulsa, Oklahoma, on Wednesday, March 1, 1995, at 12:00 noon, Tulsa time, and all adjournments thereof.

1. Nominees for Directors of the "First Class" for a three-year term are Hans Helmerich, George S. Dotson, and George A. Schaefer.  
**DIRECTORS RECOMMEND A VOTE FOR ITEM 1.**

/ / FOR all listed nominees

/ / WITHHOLD vote from  
all listed nominees

/ / WITHHOLD vote only from \_\_\_\_\_

(Continued on Next Page)

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(Continued from First Page)

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE WISHES OF THE STOCKHOLDER AS SPECIFIED IN THE SQUARES AND ON THE LINE PROVIDED ON THE REVERSE SIDE HEREOF; HOWEVER, IF NO SPECIFICATION IS MADE IN THE SQUARES OR ON THE LINE PROVIDED, THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE FULL SLATE OF DIRECTORS.

**PLEASE COMPLETE, SIGN, DATE, AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE.**

Dated: , 1995.

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(Sign here exactly as name appears. When signing as attorney, executor, administrator, guardian, or corporate official, please give

your full title as such.)

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**End of Filing**

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