

HELMERICH & PAYNE, INC.

FORM 10-Q/A (Amended Quarterly Report)

Filed 12/19/00 for the Period Ending 06/30/00

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 10-Q/A (Amended Quarterly Report)

Filed 12/19/2000 For Period Ending 6/30/2000

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

FORM 10-Q/A

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 30549

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For quarterly period ended: JUNE 30, 2000

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 1-4221

HELMERICH & PAYNE, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

73-0679879

(I.R.S. Employer I.D. Number)

UTICA AT TWENTY-FIRST STREET, TULSA, OKLAHOMA 74114

(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code: (918) 742-5531

Former name, former address and former fiscal year, if changed since last
report:
NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

CLASS
Common Stock, .10 par value

OUTSTANDING AT JUNE 30, 2000
49,857,738

TOTAL NUMBER OF PAGES 19

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HELMERICH & PAYNE, INC.

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EXPLANATORY NOTE

Helmerich & Payne, Inc. is filing this Amendment No. 1 on Form 10-Q/A to its Quarterly Report of Form 10-Q for the quarter ended June 30, 2000 to reflect the restatement of its unaudited interim Consolidated Condensed Financial Statements for the nine months ended June 30, 2000. See the Financial Information and Note 12 thereto included elsewhere herein.

PART I. FINANCIAL INFORMATION

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PART I. FINANCIAL INFORMATION

HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in thousands)

	June 30, 2000 (Restated- See Note 12) Unaudited	September 30 1999
	-----	-----
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 88,699	\$ 21,758
Accounts receivable, net	99,690	99,598
Inventories	25,006	25,187
Prepaid expenses and other	18,857	14,081
	-----	-----
Total Current Assets	232,252	160,624
	-----	-----
Investments	276,671	238,475
Property, plant and equipment, net	670,141	691,215
Other assets	17,911	19,385
	-----	-----
Total Assets	\$ 1,196,975	\$ 1,109,699
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 27,165	\$ 25,704
Accrued liabilities	38,555	41,200
Notes payable	--	5,000
	-----	-----
Total Current Liabilities	65,720	71,904
	-----	-----
Noncurrent Liabilities		
Long-term notes payable	50,000	50,000
Deferred income taxes	143,031	116,588
Other	23,023	23,098
	-----	-----
Total Noncurrent Liabilities	216,054	189,686
	-----	-----
SHAREHOLDERS' EQUITY		
Common stock, par value, \$.10 per share	5,353	5,353
Preferred stock, no shares issued	--	--
Additional paid-in capital	63,151	61,411
Retained earnings	793,605	745,956
Unearned compensation	(3,644)	(4,487)
Accumulated other comprehensive income	90,193	75,182
	-----	-----
	948,658	883,415
Less treasury stock, at cost	33,457	35,306
	-----	-----
Total Shareholders' Equity	915,201	848,109
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 1,196,975	\$ 1,109,699
	=====	=====

The accompanying notes are an integral part of these statements.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Unaudited)

(in thousands except per share data)

	Quarter Ended June 30		Nine Months Ended June 30 (Restated- See Note 12)	
	2000	1999	2000	1999
REVENUES:				
Sales and other operating revenues	\$149,760	\$129,284	\$425,195	\$425,844
Income from investments	2,208	2,515	28,202	5,193
	151,968	131,799	453,397	431,037
COST AND EXPENSES:				
Operating costs	77,124	73,888	229,536	256,793
Depreciation, depletion and amortization	26,712	25,341	80,552	82,711
Dry holes and abandonments	7,811	3,063	14,638	6,956
Taxes, other than income taxes	7,716	5,975	21,958	19,050
General and administrative	2,466	3,296	8,621	11,413
Interest	767	1,928	2,389	5,407
	122,596	113,491	357,694	382,330
INCOME BEFORE INCOME TAXES AND EQUITY IN INCOME OF AFFILIATE	29,372	18,308	95,703	48,707
INCOME TAX EXPENSE	11,648	7,293	39,790	19,190
EQUITY IN INCOME OF AFFILIATE, net of income taxes	833	1,181	2,378	2,842
NET INCOME	\$ 18,557	\$ 12,196	\$ 58,291	\$ 32,359
EARNINGS PER COMMON SHARE:				
Basic	\$ 0.37	\$ 0.25	\$ 1.18	\$ 0.66
Diluted	\$ 0.37	\$ 0.24	\$ 1.17	\$ 0.65
CASH DIVIDENDS (Note 2)	\$ 0.075	\$ 0.07	\$ 0.215	\$ 0.21
AVERAGE COMMON SHARES OUTSTANDING:				
Basic	49,571	49,252	49,480	49,211
Diluted	50,227	49,933	49,940	49,730

The accompanying notes are an integral part of these statements.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)

	Nine Months Ended	
	(Restated- See Note 12)	
	06/30/00	06/30/99
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 58,291	\$ 32,359
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	80,552	82,711
Dry holes and abandonments	14,638	6,956
Equity in income of affiliate before income taxes	(3,836)	(4,583)
Amortization of deferred compensation	1,148	1,177
Gain on sale of securities and non-monetary investment income	(22,804)	(1,310)
Gain on sale of property, plant & equipment	(1,368)	(6,984)
Other, net	588	923
Change in assets and liabilities-		
Accounts receivable	(92)	21,057
Inventories	181	(1,062)
Prepaid expenses and other	(3,318)	(6,826)
Account payable	1,461	(17,346)
Accrued liabilities	(2,645)	(3,776)
Deferred income taxes	17,243	2,511
Other noncurrent liabilities	(75)	(2,103)
	-----	-----
Total adjustments	81,673	71,345
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	139,964	103,704
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures, including dry hole costs	(76,676)	(93,150)
Proceeds from sales of property, plant and equipment	3,639	9,405
Purchase of investments	--	(725)
Proceeds from sale of investments	12,569	1,285
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	(60,468)	(83,185)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	--	99,000
Payments made on notes payable	(5,000)	(107,800)
Dividends paid	(10,699)	(10,389)
Purchases of stock for treasury	(450)	--
Proceeds from exercise of stock options	3,594	1,249
	-----	-----
NET CASH USED IN FINANCING ACTIVITIES	(12,555)	(17,940)
	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS	66,941	2,579
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	21,758	24,476
	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 88,699	\$ 27,055
	=====	=====

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENT OF SHAREHOLDERS' EQUITY
(Restated-See Note 12)

(in thousands - except per share data)

	Common Stock		Additional Paid-In Capital	Unearned Compensation	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income	Total
	Shares	Amount				Shares	Amount		
Balance, September 30, 1999	53,529	\$ 5,353	\$ 61,411	\$ (4,487)	\$745,956	3,903	\$ (35,306)	\$75,182	\$848,109
Comprehensive Income:									
Net Income					58,291				58,291
Other comprehensive income, net of tax - unrealized gains on available-for-sale securities								15,011	15,011
Comprehensive income									73,302
Cash dividends (\$0.215 per share)					(10,699)				(10,699)
Exercise of Stock Options			1,583			(243)	2,208		3,791
Purchase of stock for treasury						21	(450)		(450)
Stock issued under Restricted Stock Award Plan			157	(248)		(10)	91		--
Amortization of deferred compensation				1,091	57				1,148
Balance, June 30, 2000	53,529	\$ 5,353	\$ 63,151	\$ (3,644)	\$793,605	3,671	\$ (33,457)	\$90,193	\$915,201

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments, which other than the restatement adjustments described in Note 12, consist only of those of a normal recurring nature, necessary to present fairly the results of the periods presented. The results of operations for the three and nine months ended June 30, 2000, and June 30, 1999, are not necessarily indicative of the results to be expected for the full year. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Company's 1999 Annual Report on Form 10-K and the Company's 2000 First and Second Quarter Reports on Form 10-Q.

2. The \$.07 cash dividend declared in March, 2000, was paid June 1, 2000. On June 1, 2000, a cash dividend of \$.075 per share was declared for shareholders of record on August 15, 2000, payable September 1, 2000.

3. Inventories consist of materials and supplies.

4. Income from investments includes \$-0- and \$8,152,000 after-tax gains from sales of available-for-sale securities during the third quarter and first nine months of fiscal 2000, respectively. After-tax gains from security sales were \$732,000 and \$803,000 for the same periods in fiscal 1999. Also included in income from investments for the first nine months of fiscal 2000 were gains related to a non-monetary dividend (\$9,509,000) and a non-monetary gain (\$719,000) on the conversion of shares of common stock of a Company investee pursuant to that investee being acquired. Net income from these two transactions was approximately \$6.3 million (\$0.13 per diluted share).

5. The following is a summary of available-for-sale securities, which excludes those accounted for under the equity method of accounting. The Company's investment in securities accounted for under the equity method is \$44,993,000.

(in thousands)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Est. Fair Value
-----	-----	-----	-----	-----
Equity Securities 06/30/00	\$86,207	\$148,297	\$ 2,826	\$231,678
Equity Securities 09/30/99	\$76,057	\$122,369	\$ 1,108	\$197,318

6. Comprehensive Income -

Comprehensive income, net of related tax, is as follows:

(in thousands)	Three Months Ended June 30		Nine Months Ended June 30	
-----	2000	1999	(Restated- See Note 12) 2000	1999
-----	-----	-----	-----	-----
Net Income	\$18,557	\$12,196	\$58,291	\$32,359
Net unrealized gains(losses) on available-for-sale securities	(9,936)	11,214	15,011	20,449
Comprehensive Income	\$ 8,621	\$23,410	\$73,302	\$52,808
	=====	=====	=====	=====

The only component of accumulated comprehensive income is unrealized gains on available-for-sale securities.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

7. Notes payable and Long-term Debt -

At June 30, 2000, the Company had committed bank lines of credit totaling \$85 million; \$35 million may be borrowed through May 2001, and \$50 million may be borrowed through October 2003. Additionally, the Company had uncommitted credit facilities totaling \$60 million. Collectively, the Company had \$50 million in outstanding borrowings and outstanding letters of credit totaling \$8.3 million at June 30, 2000. The average rate on the borrowings at June 30, 2000 was 5.38%, including the estimated effect of an interest rate swap described below.

Concurrent with a \$50 million borrowing under one of its committed facilities, the Company has entered into a 5-year, \$50 million interest rate swap, which closely correlates with the terms and maturity of the facility. The swap effectively fixes the interest rate on this facility at 5.38% for the entire 5-year term of the note.

8. Earnings per Share -

Basic earnings per share is based on the weighted-average number of common shares outstanding during the period. Diluted earnings per share include the dilutive effect of stock options and restricted stock.

A reconciliation of the weighted-average common shares outstanding on a basic and diluted basis is as follows:

(in thousands)	Three Months Ended		Nine Months Ended	
	June 30		June 30	
-----	2000	1999	2000	1999
-----	-----	-----	-----	-----
Basic weighted-average shares	49,571	49,252	49,480	49,211
Effect of dilutive shares:				
Stock options	644	666	452	506
Restricted stock	12	15	8	13
	-----	-----	-----	-----
	656	681	460	519
	-----	-----	-----	-----
Diluted weighted-average shares	50,227	49,933	49,940	49,730
	=====	=====	=====	=====

Restricted stock of 180,000 shares at a weighted-average price of \$37.73 and options to purchase 538,000 shares of common stock at a weighted-average price of \$36.84 were outstanding at June 30, 2000, but were not included in the computation of diluted earnings per common share. Inclusion of these shares would be antidilutive, as the exercise prices of the options exceed the average market price of the common shares.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

9. New Accounting Pronouncements -

The Financial Accounting Standards Board has issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", (SFAS 133). SFAS 133 is effective for fiscal years beginning after June 15, 2000. This standard requires that all derivatives be recognized as assets or liabilities in the balance sheet and that those instruments be measured at fair value. The Company has not yet determined what the effect of SFAS 133 will be on the earnings and the financial position of the Company.

10. Restricted Stock Awards -

In the first quarter of fiscal year 2000, the Company issued to certain employees 10,000 shares of treasury stock as restricted stock awards under the 1996 Stock Incentive Plan. The Company recognized unearned compensation of \$248,000, which was the fair market value of the stock at the time of issuance. Treasury stock was reduced by the book value of the shares issued (\$90,451) with the difference recognized as an increase in paid-in-capital. The unearned compensation is being amortized over a five-year period as compensation expense.

11. Segment Information -

The Company evaluates performance of its segments based upon operating profit or loss from operations before income taxes, which includes revenues from external and internal customers; operating costs; depreciation, depletion and amortization; dry holes and abandonments; and taxes other than income taxes. Intersegment sales are accounted for in the same manner as sales to unaffiliated customers. Other includes investments in available-for-sale securities, equity owned investments, as well as corporate operations.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

Summarized financial information of the Company's reportable segments for the nine months ended June 30, 2000, and 1999, is shown in the following table:

(Restated-See Note 12) (in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit
-----	-----	-----	-----	-----
JUNE 30, 2000				
Contract Drilling				
Domestic	\$ 156,686	\$ 2,213	\$ 158,899	\$ 24,719
International	99,345	--	99,345	5,632
	-----	-----	-----	-----
	256,031	2,213	258,244	30,351
	-----	-----	-----	-----
Oil & Gas Operations				
Exploration & Prod.	105,716	--	105,716	42,054
Natural Gas Marketing	56,159	--	56,159	3,987
	-----	-----	-----	-----
	161,875	--	161,875	46,041
	-----	-----	-----	-----
Real Estate	6,684	1,157	7,841	4,017
Other	28,807	--	28,807	--
Eliminations	--	(3,370)	(3,370)	--
	-----	-----	-----	-----
Total	\$ 453,397	\$ --	\$ 453,397	\$ 80,409
	=====	=====	=====	=====
(in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit
-----	-----	-----	-----	-----
JUNE 30, 1999				
Contract Drilling				
Domestic	\$ 165,983	\$ 2,433	\$ 168,416	\$ 25,700
International	147,066	--	147,066	26,330
	-----	-----	-----	-----
	313,049	2,433	315,482	52,030
	-----	-----	-----	-----
Oil & Gas Operations				
Exploration & Prod.	67,641	--	67,641	3,680
Natural Gas Marketing	38,649	--	38,649	3,003
	-----	-----	-----	-----
	106,290	--	106,290	6,683
	-----	-----	-----	-----
Real Estate	6,476	1,147	7,623	3,994
Other	5,222	--	5,222	--
Eliminations	--	(3,580)	(3,580)	--
	-----	-----	-----	-----
Total	\$ 431,037	\$ --	\$ 431,037	\$ 62,707
	=====	=====	=====	=====

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

Summarized financial information of the Company's reportable segments for the quarters ended June 30, 2000, and 1999, is shown in the following table:

(in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit

JUNE 30, 2000				
Contract Drilling				
Domestic	\$ 53,050	\$ 1,012	\$ 54,062	\$ 10,047
International	32,977	--	32,977	1,819
	-----	-----	-----	-----
	86,027	1,012	87,039	11,866
	-----	-----	-----	-----
Oil & Gas Operations				
Exploration & Prod.	41,458	--	41,458	16,915
Natural Gas Marketing	20,010	--	20,010	1,203
	-----	-----	-----	-----
	61,468	--	61,468	18,118
	-----	-----	-----	-----
Real Estate	2,204	382	2,586	1,289
Other	2,269	--	2,269	--
Eliminations	--	(1,394)	(1,394)	--
	-----	-----	-----	-----
Total	\$ 151,968	\$ --	\$ 151,968	\$ 31,273
	=====	=====	=====	=====
(in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit

JUNE 30, 1999				
Contract Drilling				
Domestic	\$ 47,848	\$ 487	\$ 48,335	\$ 6,332
International	42,528	--	42,528	7,307
	-----	-----	-----	-----
	90,376	487	90,863	13,639
	-----	-----	-----	-----
Oil & Gas Operations				
Exploration & Prod.	22,364	--	22,364	5,445
Natural Gas Marketing	13,993	--	13,993	1,023
	-----	-----	-----	-----
	36,357	--	36,357	6,468
	-----	-----	-----	-----
Real Estate	2,188	385	2,573	1,333
Other	2,878	--	2,878	--
Eliminations	--	(872)	(872)	--
	-----	-----	-----	-----
Total	\$ 131,799	\$ --	\$ 131,799	\$ 21,440
	=====	=====	=====	=====

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

The following table reconciles segment operating profit per the table above to income before income taxes and equity in income of affiliate as reported on the Consolidated Condensed Statements of Income.

(in thousands)	Quarter Ended		Nine Months Ended (Restated- See Note 12)	
	06/30/00	06/30/99	06/30/00	06/30/99
Segment operating profit	\$ 31,273	\$ 21,440	\$ 80,409	\$ 62,707
Unallocated amounts:				
Income from investments	2,208	2,515	28,202	5,193
General corporate expense	(2,466)	(3,296)	(8,621)	(11,413)
Interest expense	(767)	(1,928)	(2,389)	(5,407)
Corporate depreciation	(430)	(398)	(1,234)	(1,091)
Other corporate expense	(446)	(25)	(664)	(1,282)
Total unallocated amounts	(1,901)	(3,132)	15,294	(14,000)
Income before income taxes and equity in income of affiliate	\$ 29,372	\$ 18,308	\$ 95,703	\$ 48,707

The following table presents revenues from external customers by country based on the location of service provided.

(in thousands)	Quarter Ended		Nine Months Ended (Restated- See Note 12)	
	06/30/00	06/30/99	06/30/00	06/30/99
Revenues				
United States	\$ 118,991	\$ 89,271	\$ 354,052	\$ 283,971
Venezuela	8,098	11,413	25,980	49,331
Colombia	9,736	13,972	33,184	48,618
Other Foreign	15,143	17,143	40,181	49,117
Total	\$ 151,968	\$ 131,799	\$ 453,397	\$ 431,037

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Continued)

12. Restatement of Amounts Previously Reported -

Subsequent to the issuance of the Company's financial statements as of and for the three and nine month periods ended June 30, 2000, the Company determined that the results of operations for the quarterly period ended December 31, 1999 and the year-to-date results of operations and financial position as of and for December 31, 1999, March 31, 2000, and June 30, 2000, required restatement. The restatements are the result of treating certain non-monetary investment transactions which occurred in the first quarter of fiscal 2000 as unrealized gains in other comprehensive income, when they should have been treated as realized gains in the Consolidated Condensed Statements of Income. The impact of the restatement was to increase first quarter and year-to-date income from investments by \$10,228,000 and net income by \$6,341,000 (\$0.13 per diluted share) with a corresponding reduction to other comprehensive income. All related amounts and disclosures herein reflect the results of this restatement. See Note 4 for additional discussion.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
REVENUES AND INCOME BY BUSINESS SEGMENTS
(UNAUDITED)

(in thousands)

	FISCAL YEAR 2000			Nine Mos. (Restated- See Note 12)	Nine Mos. 06/30/99
	(Restated- See Note 12) 1st Qtr	2nd Qtr	3rd Qtr	06/30/00	06/30/99
	-----	-----	-----	-----	-----
SALES AND OTHER REVENUES:					
Contract Drilling-Domestic	\$ 50,219	\$ 53,417	\$ 53,050	\$156,686	\$165,983
Contract Drilling-Internat'l	34,201	32,167	32,977	99,345	147,066
	-----	-----	-----	-----	-----
Total Contract Drilling	84,420	85,584	86,027	256,031	313,049
	-----	-----	-----	-----	-----
Exploration and Production	30,118	34,140	41,458	105,716	67,641
Natural Gas Marketing	18,315	17,834	20,010	56,159	38,649
	-----	-----	-----	-----	-----
Total Oil & Gas Operations	48,433	51,974	61,468	161,875	106,290
	-----	-----	-----	-----	-----
Real Estate	2,242	2,238	2,204	6,684	6,476
Other	14,486	12,052	2,269	28,807	5,222
	-----	-----	-----	-----	-----
Total Revenues	\$149,581	\$151,848	\$151,968	\$453,397	\$431,037
	=====	=====	=====	=====	=====
OPERATING PROFIT:					
Contract Drilling-Domestic	\$ 6,511	\$ 8,161	\$ 10,047	\$ 24,719	\$ 25,700
Contract Drilling-Internat'l	2,510	1,303	1,819	5,632	26,330
	-----	-----	-----	-----	-----
Total Contract Drilling	9,021	9,464	11,866	30,351	52,030
	-----	-----	-----	-----	-----
Exploration and Production	12,694	12,445	16,915	42,054	3,680
Natural Gas Marketing	950	1,834	1,203	3,987	3,003
	-----	-----	-----	-----	-----
Total Oil & Gas Operations	13,644	14,279	18,118	46,041	6,683
	-----	-----	-----	-----	-----
Real Estate	1,385	1,343	1,289	4,017	3,994
	-----	-----	-----	-----	-----
Total Operating Profit	24,050	25,086	31,273	80,409	62,707
	-----	-----	-----	-----	-----
OTHER	10,160	7,035	(1,901)	15,294	(14,000)
	-----	-----	-----	-----	-----
INCOME BEFORE INCOME TAXES AND EQUITY IN INCOME OF AFFILIATE	\$ 34,210	\$ 32,121	\$ 29,372	\$ 95,703	\$ 48,707
	=====	=====	=====	=====	=====

See accompanying notes to financial statements.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION**
JUNE 30, 2000

RISK FACTORS AND FORWARD-LOOKING STATEMENTS

The following discussion should be read in conjunction with the consolidated financial statements, notes and management's narrative analysis contained in the Company's 1999 Annual Report on Form 10-K and the condensed consolidated financial statements included in the Company's 2000 First and Second Quarter Reports on Form 10-Q and related notes included elsewhere herein. See Note 12 of the Notes to Consolidated Condensed Financial Statements for a discussion of the effects of the restatement of the financial statements as of and for the nine month period ended June 30, 2000. The Company's future operating results may be affected by various trends and factors, which are beyond the Company's control. These include, among other factors, fluctuations in natural gas and crude oil prices, expiration or termination of drilling contracts, currency exchange losses, changes in general economic conditions, rapid or unexpected changes in technologies and uncertain business conditions that affect the Company's businesses. Accordingly, past results and trends should not be used by investors to anticipate future results or trends.

With the exception of historical information, the matters discussed in Management's Discussion & Analysis of Results of Operations and Financial Condition includes forward-looking statements. These forward-looking statements are based on various assumptions. The Company cautions that, while it believes such assumptions to be reasonable and makes them in good faith, assumed facts almost always vary from actual results. The differences between assumed facts and actual results can be material. The Company is including this cautionary statement to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by, or on behalf of, the Company. The factors identified in this cautionary statement are important factors (but not necessarily all important factors) that could cause actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, the Company.

RESULTS OF OPERATIONS

THIRD QUARTER 2000 VS THIRD QUARTER 1999

The Company reported net income of \$18,557,000 (\$0.37 per share) from revenues of \$151,968,000 for the third quarter ended June 30, 2000, compared with net income of \$12,196,000 (\$0.24 per share) from revenues of \$131,799,000 for the third quarter of the prior fiscal year. Net income in the third quarter of fiscal 1999 included \$732,000 (\$0.01 per share) from the sale of investment securities. There were no sales of investment securities in the third quarter of fiscal 2000.

EXPLORATION & PRODUCTION

Exploration and Production reported operating profit of \$16.9 million for the third quarter of fiscal 2000, compared with \$5.4 million for the same period of fiscal 1999. Oil and gas revenues increased to \$41.5 million, compared with \$22.4 million in 1999.

Natural gas revenues increased 72% to \$34.5 million from \$20.0 million in 1999, due primarily to a 63% increase in the average gas price. Natural gas volumes were up 5%. Oil revenues increased to \$6.5 million from \$2.5 million in 1999 as the result of higher oil prices and volumes. Natural gas prices averaged \$2.95

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION
JUNE 30, 2000
(Continued)

per mcf and \$1.81 per mcf for the third quarter of fiscal 2000 and 1999, respectively. Natural gas volumes averaged 128.0 mmcf/d and 121.4 mmcf/d, respectively. Crude oil prices averaged \$27.93 per bbl and \$15.77 per bbl for the third quarter of fiscal 2000 and 1999, respectively. Crude oil volumes averaged 2,410 bbls/d and 1,689 bbls/d, respectively.

Exploration expenses increased in the current quarter as the result of increased dry hole costs, geophysical expense and impairment charges. Dry hole costs were \$4.6 million for the quarter compared with \$1.0 for the third quarter of 1999, geophysical expense was \$1.6 million, compared with \$0.2 million and impairment of undeveloped leases was \$3.2 million, compared with \$2.0 million. Operating expenses increased \$1.4 million as production taxes increased with higher oil and gas revenues.

The Company participated in an additional 16 wells during the third quarter, bringing the total wells drilled during the fiscal year to 57. Drilling activity was primarily in South Texas and Oklahoma. Eleven new wells are producing or are in the process of completion, and five were deemed to be dry holes. The Company also sold 69 oil and gas properties, including two waterfloods, at auction in July, 2000, for \$1.5 million.

DOMESTIC DRILLING

Domestic contract drilling revenues for the third quarter of 2000 and 1999 were \$53.0 million and \$47.8 million, respectively. Revenues included rig construction revenues of \$0.1 million and \$10.4 million for the same periods. Operating profit increased \$3.7 million to \$10.0 million for the third quarter of fiscal 2000, due primarily to improved results from land operations, as dayrates increased and land rig utilization averaged 89% during the current quarter, compared with 53% for last year's third quarter. Operating profit from offshore operations increased slightly as rig utilization was 90% during the third quarter, compared with 83% utilization in the third quarter of fiscal 1999. Operating profit in the third quarter of fiscal 1999 included \$2.3 million from the Company's Jade construction project.

The Company recently announced that it had exercised its option to order four new land rigs and placed a further order for four additional new land rigs. The Company has ordered a total of twelve new land rigs since March 2000. The Company expects the first of the new highly-mobile, medium depth (8-18,000') rigs to commence operations in the first quarter of fiscal 2001, and all should be operational by mid-fiscal 2002. The cost of the first four rigs should be approximately \$7.5 million each, with the last rigs costing approximately \$8.25 million each.

INTERNATIONAL DRILLING

International Drilling's operating profit decreased to \$1.8 million in the third quarter of fiscal 2000, from \$7.3 million in the third quarter of fiscal 1999. Revenues in the third quarter of fiscal 2000 decreased to \$33.0 million from \$42.5 million in the third quarter of fiscal 1999. The decrease in operating profit is due primarily to lower rig utilization in Bolivia and Australia and lower margins

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
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JUNE 30, 2000
(Continued)

in Bolivia and Argentina. International rig utilization averaged 47% during the current third quarter and 49% during last year's third quarter. In Venezuela, where the Company's largest international operation is located, the oil service market remained stagnant, clearly affected by the country's uncertain political environment.

OTHER

Other revenues decreased approximately \$0.6 million over last year, with a \$1.2 million reduction in gains from the sale of available-for-sale securities and a \$0.9 million increase in interest income. Interest expense decreased to \$0.8 million from \$1.9 million because of a substantial reduction in short-term debt. Corporate general and administrative costs decreased to \$2.5 million from \$3.3 million, due primarily to lower aircraft maintenance expense and increased allocation to domestic drilling operations as a result of increased domestic rig activity.

The Company's effective income tax rate was 39.6% for the quarter, compared to 43% for the first and second quarters of fiscal 2000. The overall reduction in the Company's tax rate from 43% at March 31, 2000, to 42% at June 30, 2000, reduced the effective tax rate for the third quarter accordingly. The lower effective tax rate for the current quarter is the result of increased operating profit in the Company's oil and gas and domestic drilling operations.

NINE MONTHS ENDED JUNE 30, 2000 VS NINE MONTHS ENDED JUNE 30, 1999

The Company reported net income of \$58,291,000 (\$1.17 per share) from revenues of \$453,397,000 for the nine months ended June 30, 2000, compared with net income of \$32,359,000 (\$0.65 per share) from revenues of \$431,037,000 for the first nine months of the prior fiscal year. Net income in the first nine months of fiscal 2000, included \$8,152,000 (\$0.16 per share) from the sale of investment securities, compared with \$803,000 (\$0.02 per share) for the same period of fiscal 1999.

EXPLORATION AND PRODUCTION

Exploration and Production reported an operating profit of \$42,054,000 for the first nine months of fiscal 2000, compared with an operating profit of \$3,680,000 for the same period of fiscal 1999. Oil and gas revenues increased to \$105.7 million from \$67.6 million.

Natural gas revenues increased \$31.7 million, or 56%, due primarily to higher gas prices (48%) and natural gas volumes (6%). Oil revenues increased \$10.5 million, or 173%, as oil prices more than doubled, compared to the first nine months of fiscal 1999. Natural gas prices averaged \$2.50 per mcf and \$1.69 per mcf for the first nine months of fiscal 2000 and 1999, respectively. Natural gas volumes averaged 129.2 mmcf/d and 122.2 mmcf/d, respectively. Crude oil prices averaged \$26.65 per bbl and \$12.71 per bbl for the first nine months of fiscal 2000 and 1999, respectively. Crude oil volumes averaged 2,259 bbls/d and 1,733 bbls/d, respectively.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
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JUNE 30, 2000
(Continued)

Included in revenues for the first nine months of fiscal 1999, were gains from the sale of producing properties of approximately \$4.6 million. Fiscal 1999 also included a \$9.6 million impairment charge, which is included in depreciation, depletion and amortization expense. Fiscal 2000 exploration expenses were higher, including increases in dry hole costs (\$5.7 million), impairment of undeveloped leases (\$2.2 million), and depreciation, depletion and amortization expense (\$2.0 million). Geophysical expense decreased to \$4.0 million from \$9.2 million in fiscal 1999.

DOMESTIC DRILLING

Revenues for the first nine months of fiscal 2000 and 1999, were \$156.7 million and \$166.0 million, respectively. Contract drilling revenues for the nine months of 2000 increased to \$152.1 million from \$128.5 million in 1999, while rig construction revenues decreased to \$4.1 million in 2000 from \$36.4 million in 1999.

Domestic Drilling's operating profit decreased \$1.0 million, due primarily to lower earnings from the Company's Jade construction project (\$0.9 million in fiscal 2000 vs \$4.9 million in 1999), which was partially offset by improved results in the Company's land operations. Depreciation expense for the first nine months of fiscal 2000 increased to \$26.0 million from \$22.9 in fiscal 1999. The increase is the result of additional rigs put in service in the second half of fiscal 1999. Land rig utilization for the first nine months of fiscal 2000 was 82%, compared with 71% in 1999. Offshore rig utilization was 94% for the first nine months of both fiscal 2000 and 1999.

INTERNATIONAL DRILLING

International Drilling's operating profit decreased to \$5.6 million from \$26.3 million. Revenues decreased to \$99.3 million from \$147.1 million. The significant decrease in revenues and operating profit is due primarily to lower rig utilization in Venezuela, Colombia and Australia and an overall reduction in dayrates and margins. International rig utilization averaged 46% during the first nine months of fiscal 2000 and 56% during the first nine months of fiscal 1999.

OTHER

Other revenues increased approximately \$13 million over last year, with \$11.3 million due to gains from the sale of available-for-sale securities and \$1.4 million due to an increase in interest income. The increase also includes gains related to a non-monetary dividend (\$9.5 million) and a non-monetary gain (\$.7 million) on the conversion of shares of common stock of a Company investee pursuant to that investee being acquired. Net income from these two transactions was approximately \$6.3 million (\$0.13 per diluted share). See Note 12 regarding restated financials related to these transactions. Interest expense decreased to \$2.4 million from \$5.4 million because of a substantial reduction in short-term debt. Corporate general and administrative costs decreased to \$8.6 million from \$11.4 million, due primarily to lower aircraft maintenance expense and increased allocation to domestic drilling operations as the result of increased domestic rig activity.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
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JUNE 30, 2000
(Continued)

The Company's effective income tax rate increased to 42%, compared to 39% for the first nine months of 1999. The increase is due primarily to a larger proportionate income earned in higher tax-rate jurisdictions in the Company's international drilling operations. The effective tax rate for the year was reduced to 42% at June 30, 2000, from the 43% rate used at March 31, 2000. This decrease in the effective tax rate compared to the March 31, 2000 effective tax rate is the result of increased operating profit from the Company's oil and gas and domestic drilling operations.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was \$139,964,000 for the first nine months of fiscal 2000, compared with \$103,704,000 for the same period in 1999. Capital expenditures were \$76,676,000 and \$93,150,000 for the first nine months of fiscal 2000 and 1999, respectively.

The Company anticipates capital expenditures to be approximately \$125 million for fiscal 2000, which is less than projected for internally generated cash flows. The Company's indebtedness totaled \$50,000,000 as of June 30, 2000, as described in note 7 to the Consolidated Condensed Financial Statements.

During the second quarter of fiscal 2000, the Company purchased 20,600 shares of the Company's common stock under the previously approved stock repurchase program that authorizes the purchase of up to an additional 1,000,000 shares of the Company's common stock. No shares were purchased in the third quarter of fiscal 2000.

There were no other significant changes in the Company's financial position since September 30, 1999.

PART II. OTHER INFORMATION
HELMERICH & PAYNE, INC.

Item 6(b) REPORTS ON FORM 8-K

There were no reports on Form 8-K for the three months ended June 30, 2000.

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 thereunto duly authorized.

Date: DECEMBER 19, 2000

/s/ DOUGLAS E. FEARS

Douglas E. Fears, Chief Financial Officer

Date: DECEMBER 19, 2000

/s/ HANS C. HELMERICH

Hans C. Helmerich, President

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
27	Financial Data Schedule

ARTICLE 5

RESTATED - SEE NOTE 12 TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

RESTATED:

MULTIPLIER: 1,000

PERIOD TYPE	9 MOS
FISCAL YEAR END	SEP 30 2000
PERIOD START	OCT 01 1999
PERIOD END	JUN 30 2000
CASH	88,699
SECURITIES	276,671
RECEIVABLES	102,193
ALLOWANCES	2,503
INVENTORY	25,006
CURRENT ASSETS	232,252
PP&E	1,493,943
DEPRECIATION	823,802
TOTAL ASSETS	1,196,975
CURRENT LIABILITIES	65,720
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	5,353
OTHER SE	909,848
TOTAL LIABILITY AND EQUITY	1,196,975
SALES	425,195
TOTAL REVENUES	453,397
CGS	340,398
TOTAL COSTS	340,398
OTHER EXPENSES	6,586
LOSS PROVISION	(300)
INTEREST EXPENSE	2,389
INCOME PRETAX	95,703
INCOME TAX	39,790
INCOME CONTINUING	58,291
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	58,291
EPS BASIC	1.18
EPS DILUTED	1.17

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