

HELMERICH & PAYNE, INC.

FORM 10-Q/A (Amended Quarterly Report)

Filed 12/19/00 for the Period Ending 12/31/99

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 12/31/1999

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: DECEMBER 31, 1999

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 X NO

CLASS
Common Stock, .10 par value

OUTSTANDING AT DECEMBER 31, 1999
49,655,900

TOTAL NUMBER OF PAGES 17

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 December 31, 1999 to reflect the restatement of its unaudited interim Consolidated Condensed Financial Statements for the three months ended December 31, 1999. 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)

	December 31, 1999 (Restated- See Note 12) Unaudited	September 30 1999
	-----	-----
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 38,544	\$ 21,758
Accounts receivable, net	96,719	99,598
Inventories	24,421	25,187
Prepaid expenses and other	18,983	14,081
	-----	-----
Total Current Assets	178,667	160,624
	-----	-----
Investments	255,558	238,475
Property, Plant and Equipment, net	684,832	691,215
Other Assets	19,051	19,385
	-----	-----
Total Assets	\$ 1,138,108	\$ 1,109,699
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 25,778	\$ 25,704
Accrued liabilities	43,986	41,200
Notes payable	--	5,000
	-----	-----
Total Current Liabilities	69,764	71,904
	-----	-----
Noncurrent Liabilities		
Long-term notes payable	50,000	50,000
Deferred income taxes	125,272	116,588
Other	23,448	23,098
	-----	-----
Total Noncurrent Liabilities	198,720	189,686
	-----	-----
SHAREHOLDERS' EQUITY		
Common stock, par value \$.10 per share	5,353	5,353
Preferred stock, no shares issued	--	--
Additional paid-in capital	61,724	61,411
Retained earnings	762,959	745,956
Unearned compensation	(4,376)	(4,487)
Accumulated other comprehensive income	78,996	75,182
	-----	-----
Less treasury stock, at cost	904,656	883,415
	35,032	35,306
	-----	-----
Total Shareholders' Equity	869,624	848,109
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 1,138,108	\$ 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)

	Three Months Ended	
	(Restated- See Note 12)	
	12/31/99	12/31/98
	-----	-----
REVENUES:		
Sales and other operating revenues	\$135,194	\$142,518
Income from investments	14,387	1,346
	-----	-----
	149,581	143,864
	-----	-----
COST AND EXPENSES:		
Operating costs	76,697	86,614
Depreciation, depletion and amortization	26,138	23,999
Dry holes and abandonments	2,382	1,759
Taxes, other than income taxes	6,512	6,421
General and administrative	2,821	3,590
Interest	821	1,602
	-----	-----
	115,371	123,985
	-----	-----
INCOME BEFORE INCOME TAXES AND EQUITY IN INCOME OF AFFILIATE	34,210	19,879
INCOME TAX EXPENSE	14,259	7,862
EQUITY IN INCOME OF AFFILIATE, net of income taxes	510	794
	-----	-----
NET INCOME	\$ 20,461	\$ 12,811
	=====	=====
EARNINGS PER COMMON SHARE:		
Basic	\$ 0.41	\$ 0.26
Diluted	\$ 0.41	\$ 0.26
CASH DIVIDENDS (Note 2)	\$ 0.07	\$ 0.07
AVERAGE COMMON SHARES OUTSTANDING:		
Basic	49,427	49,182
Diluted	49,764	49,664

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)

	Three Months Ended	
	(Restated- See Note 12)	
	12/31/99	12/31/98
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 20,461	\$ 12,811
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	26,138	23,999
Dry holes and abandonments	2,382	1,759
Equity in income of affiliate before income taxes	(823)	(1,281)
Amortization of deferred compensation	377	386
Gain on sale of securities and non-monetary investment income	(13,089)	(116)
Gain on sale of property, plant & equipment	(24)	(4,957)
Other, net	300	287
Change in assets and liabilities-		
Accounts receivable	2,879	2,502
Inventories	766	(1,581)
Prepaid expenses and other	(4,564)	(10,852)
Accounts payable	74	(8,749)
Accrued liabilities	2,786	1,770
Deferred income taxes	6,347	675
Other noncurrent liabilities	350	(539)
	-----	-----
Total adjustments	23,899	3,303
	-----	-----
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 44,360	 16,114
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures, including dry hole costs	(22,377)	(44,418)
Proceeds from sales of property, plant and equipment	304	6,248
Purchase of investments	--	15
Proceeds from sale of investments	2,833	53
	-----	-----
 NET CASH USED IN INVESTING ACTIVITIES	 (19,240)	 (38,102)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	--	58,000
Payments made on notes payable	(5,000)	(29,300)
Dividends paid	(3,476)	(3,458)
Proceeds from exercise of stock options	142	160
	-----	-----
 NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	 (8,334)	 25,402
	-----	-----
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 16,786	 3,414
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	21,758	24,476
	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 38,544	\$ 27,890
	=====	=====

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					20,461				20,461
Other comprehensive income, net of tax - Unrealized gains on available-for-sale securities								3,814	3,814
Comprehensive income									24,275
Cash dividends (\$0.07 per share)					(3,476)				(3,476)
Exercise of Stock Options			156			(20)	183		339
Stock issued under Restricted Stock Award Plan			157	(248)		(10)	91		--
Amortization of deferred compensation				359	18				377
Balance, December 31, 1999	53,529	\$5,353	\$61,724	\$(4,376)	\$762,959	3,873	\$(35,032)	\$ 78,996	\$869,624

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. In the opinion of the Company, the accompanying unaudited condensed 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 months ended December 31, 1999, and December 31, 1998, 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 10K.

2. The \$.07 cash dividend declared in September, 1999, was paid December 1, 1999. On December 1, 1999, a cash dividend of \$.07 per share was declared for shareholders of record on February 15, 2000, payable March 1, 2000.

3. Inventories consist of materials and supplies.

4. Income from investments includes \$2,861,000 and \$116,000 from gains on sales of available-for-sale securities during the first quarter of fiscal years 2000 and 1999, respectively. Also included in income from investments for the first quarter 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 (\$.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 recorded investment in securities accounted for under the equity method is \$41,980,010.

	Cost	(Restated-See Note 12)		Est. Fair Value
	-----	Gross Unrealized Gains	Gross Unrealized Losses	-----
		(in thousands)		
Equity Securities 12/31/99	\$ 86,166	\$129,993	\$ 2,581	213,578
Equity Securities 09/30/99	\$ 76,057	\$122,369	\$ 1,108	197,318

6. Comprehensive Income -

The components of comprehensive income, net of related tax, for the three month periods ended December 31, 1999, and 1998, are as follows (in thousands):

	(Restated- See Note 12) Fiscal 2000	Fiscal 1999
	-----	-----
Net Income	\$20,461	\$12,811
Unrealized gain(loss) on securities	3,814	(1,511)
Comprehensive income	\$24,275	\$11,300
	=====	=====

The only component of accumulated other 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. At December 31, 1999, the Company had committed bank lines of credit totaling \$120 million; \$70 million expires in May 2000 and \$50 million expires in October 2003. Additionally, the Company had uncommitted credit facilities totaling \$35 million. The Company had \$50 million in outstanding borrowings under its committed bank line of credit that expires in October 2003. The Company also has outstanding letters of credit totaling \$8.5 million against these lines at December 31, 1999. The average rate on the borrowings at December 31, 1999, was 7.0 percent. However, concurrent with a \$50 million borrowing under one of its committed facilities, the Company 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	
	12-31-99	12-31-98
Basic weighted-average shares	49,427	49,182
Effect of dilutive shares:		
Stock options	335	472
Restricted stock	2	10
	337	482
Diluted weighted-average shares	49,764	49,664
	=====	=====

Restricted stock of 190,000 shares at a weighted-average price of \$37.02 and options to purchase 1,686,000 shares of common stock at a weighted-average price of \$28.92 were outstanding at December 31, 1999, 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.

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.

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

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.

Summarized financial information of the Company's reportable segments for the quarters ended December 31, 1999 and 1998 is shown in the following table:

(Restated-See Note 12) (in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit
-----	-----	-----	-----	-----
December 31, 1999				
CONTRACT DRILLING				
Domestic	\$ 50,219	\$ 509	\$ 50,728	\$ 6,511
International	34,201	--	34,201	2,510
	-----	-----	-----	-----
	84,420	509	84,929	9,021
	-----	-----	-----	-----
OIL & GAS OPERATIONS				
Exploration & Prod	30,118	--	30,118	12,694
Natural Gas Mktg	18,315	--	18,315	950
	-----	-----	-----	-----
	48,433	--	48,433	13,644
	-----	-----	-----	-----
REAL ESTATE	2,242	388	2,630	1,385
OTHER	14,486	--	14,486	--
ELIMINATIONS	--	(897)	(897)	--
	-----	-----	-----	-----
TOTAL	\$ 149,581	\$ --	\$ 149,581	\$ 24,050
	=====	=====	=====	=====

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

(in thousands)	External Sales	Inter- Segment	Total Sales	Operating Profit
December 31, 1998				
CONTRACT DRILLING				
Domestic	\$ 45,985	\$ 1,392	\$ 47,377	\$ 7,664
International	54,685	--	54,685	9,941
	-----	-----	-----	-----
	100,670	1,392	102,062	17,605
	-----	-----	-----	-----
OIL & GAS OPERATIONS				
Exploration & Prod.	26,428	--	26,428	4,505
Natural Gas Mktg.	13,175	--	13,175	941
	-----	-----	-----	-----
	39,603	--	39,603	5,446
	-----	-----	-----	-----
REAL ESTATE	2,193	385	2,578	1,391
OTHER	1,398	--	1,398	--
ELIMINATIONS	--	(1,777)	(1,777)	--
	-----	-----	-----	-----
TOTAL	\$ 143,864	\$ --	\$ 143,864	\$ 24,442
	=====	=====	=====	=====

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).

Quarters Ended December 31,	(Restated-See Note 12)	
-----	1999	1998
-----	-----	-----
Segment operating profit	\$ 24,050	\$ 24,442
Unallocated amounts:		
Income from investments	14,387	1,346
General corporate expense	(2,821)	(3,590)
Interest expense	(821)	(1,602)
Corporate depreciation	(405)	(361)
Other corporate expense	(180)	(356)
	-----	-----
Total unallocated amounts	\$ 10,160	\$ (4,563)
	-----	-----
Income before income taxes and equity in Income of affiliate	\$ 34,210	\$ 19,879
	=====	=====

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

Quarters Ended December 31,	(Restated-See Note 12)	
-----	1999	1998
-----	-----	-----
Revenues		
United States	\$115,380	\$ 89,179
Venezuela	9,047	22,318
Colombia	12,244	17,131
Other Foreign	12,910	15,236
	-----	-----
Total	\$149,581	\$143,864
	=====	=====

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)

	Three Months Ended	
	(Restated- See Note 12)	
	12/31/99	12/31/98
	-----	-----
SALES AND OTHER REVENUES:		
Contract Drilling-Domestic	\$ 50,219	\$ 45,985
Contract Drilling-International	34,201	54,685
	-----	-----
Total Contract Drilling	84,420	100,670
	-----	-----
Exploration and Production	30,118	26,428
Natural Gas Marketing	18,315	13,175
	-----	-----
Total Oil & Gas Operations	48,433	39,603
	-----	-----
Real Estate	2,242	2,193
Other	14,486	1,398
	-----	-----
TOTAL REVENUES	\$ 149,581	\$ 143,864
	=====	=====
OPERATING PROFIT:		
Contract Drilling-Domestic	\$ 6,511	\$ 7,664
Contract Drilling-International	2,510	9,941
	-----	-----
Total Contract Drilling	9,021	17,605
	-----	-----
Exploration and Production	12,694	4,505
Natural Gas Marketing	950	941
	-----	-----
Total Oil & Gas Operations	13,644	5,446
	-----	-----
Real Estate	1,385	1,391
	-----	-----
Total Operating Profit	24,050	24,442
	-----	-----
OTHER	10,160	(4,563)
	-----	-----
INCOME BEFORE INCOME TAXES AND EQUITY IN INCOME OF AFFILIATE	\$ 34,210	\$ 19,879
	=====	=====

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION
DECEMBER 31, 1999

RISK FACTORS AND FORWARD-LOOKING STATEMENTS

The following discussion should be read in conjunction with the consolidated condensed financial statements and related notes included elsewhere herein and the consolidated financial statements and notes thereto included in the Company's 1999 Annual Report on Form 10-K. 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 three month period ended December 31, 1999. 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

First Quarter 2000 vs. First Quarter 1999

The Company reported net income of \$20,461,000 (\$0.41 per share) from revenues of \$149,581,000 for the first quarter ended December 31, 1999, compared with net income of \$12,811,000 (\$0.26 per share) from revenues of \$143,864,000 for the first quarter of the prior fiscal year. Net income in the first quarter of fiscal 2000 included \$1,754,000 (\$0.04 per share) from the sale of investment securities versus \$71,000 in the same period of last year. Also included in income from investments for the first quarter 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).

EXPLORATION and PRODUCTION

Exploration and Production reported operating profit of \$12,694,000 for the first quarter compared with \$4,505,000 for the same period of fiscal 1999. Oil & gas revenues increased to \$30.1 million from \$26.4 million.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION
DECEMBER 31, 1999
(continued)

Natural gas revenues increased \$6.5 million, or 33 percent, due primarily to higher gas prices (28 percent) and natural gas volumes (4 percent). Oil revenues increased \$1.9 million, or 95 percent, as oil prices more than doubled from the first quarter of fiscal 1999. Natural gas prices averaged \$2.28 per mcf and \$1.78 per mcf for the first quarter of fiscal 2000 and 1999, respectively. Natural gas volumes averaged 124.5 mmcf/d and 120.0 mmcf/d, respectively. Crude oil prices averaged \$23.26 per bbl and \$11.26 per bbl for the first quarter of fiscal 2000 and 1999, respectively. Crude oil volumes averaged 1,793 bbls/d and 1,821 bbls/d, respectively.

Included in revenues in the first quarter of fiscal 1999 were gains from the sale of producing properties of approximately \$4.6 million. Segment operating profit was increased by a reduction in geophysical expense of \$4.9 million.

As previously announced, the Company has completed, or was in the process of completing during the first quarter, 28 out of 29 wells in which the Company has participated. It is estimated that the aggregate net initial production from those wells would total approximately 25 mmcf/d and 500 barrels of oil per day. However, because of normal production declines of both existing and new production, and the timing of the new completions, the affect of the new production will be spread over several months. Additional exploratory and developmental drilling is planned in these same areas of interest, as well as, in other prospects currently being developed.

DOMESTIC DRILLING

Domestic Drilling's operating profit decreased \$1.2 million, due primarily to lower margins and rig utilization in land operations, a \$1.5 million increase in depreciation, or 21 percent, offset by increased activity in offshore operations. Land rig utilization was 75% for the quarter compared with 85% in the first quarter of fiscal 1999, but was improved over rates of 53% and 65% for the third and fourth quarters of fiscal 1999. Average dayrates for the current quarter also improved approximately 4% over the fourth quarter of fiscal 1999. Domestic offshore platform rig activity was at 100% for the first quarter of fiscal 2000 and 1999.

INTERNATIONAL DRILLING

International Drilling's operating profit decreased to \$2.5 million from \$9.9 million. Revenues decreased to \$34.2 million from \$54.7 million. The decrease in operating profit is due primarily to lower rig utilization in Venezuela, Colombia and Australia and lower dayrates in Venezuela and Colombia. International rig utilization averaged 47% during the first quarter and 65% during last year's first quarter. Some improvement is anticipated in Ecuador, Argentina and Bolivia for the remainder of the fiscal year, but low activity may continue in Venezuela where 19 of the Company's 40 rigs are located and rig utilization has averaged 28% for the past three quarters.

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION
DECEMBER 31, 1999
(continued)

OTHER

Revenues increased approximately \$13 million over last year, with \$2.8 million due to gains from the sale of available-for-sale securities. 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 (\$.13 per diluted share). See Note 12 regarding restated financials related to these transactions. Expenses were reduced, with interest expense decreasing to \$.8 million from \$1.6 million because of a substantial reduction in debt compared to the first quarter of fiscal 1999 and corporate general and administrative expense decreasing by 21% to \$2.8 million, due primarily to lower airplane expense and advertising costs.

The Company's effective income tax rate increased to 43% for the quarter compared to 39.5% for the first quarter of last year. The increase is due primarily to a larger proportionate income in higher-tax-rate jurisdictions in the Company's international drilling operations. The effective tax rate of 43% for fiscal 2000 could increase slightly, if projected operating results are not achieved.

Liquidity and Capital Resources

Net cash provided by operating activities was \$44,360,000 for the first quarter of fiscal 2000, compared with \$16,114,000 for the same period in 1999. Capital expenditures were \$22,377,000 and \$44,418,000 for the first quarter of fiscal 2000 and 1999, respectively.

The Company anticipates capital expenditures to be approximately \$150 million for fiscal 2000, which is less than projected internally generated cash flows. During the quarter, the Company reduced borrowings by \$5,000,000. The Company's indebtedness totaled \$50,000,000 as of December 31, 1999, as described in note 7 to the Consolidated Condensed Financial Statements.

The Company's Board of Directors, at its December 1, 1999, quarterly Board meeting, approved an extension of the Company's previously approved stock repurchase program to allow the repurchase of up to an additional 1,000,000 shares of the Company's common stock. The original program authorized the repurchase of up to 2,000,000 shares or approximately four percent of its common stock. The Company repurchased 999,100 shares under the original program. The Company intends to periodically purchase additional shares in the open market or in private transactions. The repurchased shares will be held in treasury and used for general corporate purposes including use in the Company's benefit plans.

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

PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION
DECEMBER 31, 1999

YEAR 2000 COMPLIANCE

During the past year the Company implemented various initiatives in an attempt to ensure that its hardware, software and equipment function properly with respect to dates before and after January 1, 2000 (the "Y2K Project"). The Company implemented the Y2K Project in four phases: identification, assessment, remediation and testing. The Company completed identification and assessment of all major systems that it believed could be affected by the Year 2000 issue. In response to the identification and assessment, the Company completed the remediation phase for all major Information Technology and Non-Information Technology systems. The Company completed system testing and implementation of all Y2K Project initiatives before the end of 1999.

Additionally, the Company canvassed important raw material and service suppliers for Year 2000 compliance. The search did not reveal any irreplaceable suppliers that would materially impact our results of operations, liquidity or capital resources.

The total cost of our Year 2000 project was approximately \$800,000, which was funded through the Company's general funds.

To date, the Company has not experienced any significant Year 2000 related system failures nor, to our knowledge, have any of our irreplaceable suppliers. The Company intends to continue to monitor and test its systems for ongoing Year 2000 compliance; however, we cannot guarantee that our computer system or the systems of other companies upon which our operations rely will not be adversely affected by problems associated with the Year 2000 issue.

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 December 31, 1999.

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	3 MOS
FISCAL YEAR END	SEP 30 2000
PERIOD START	OCT 01 1999
PERIOD END	DEC 31 1999
CASH	38,544
SECURITIES	255,558
RECEIVABLES	99,525
ALLOWANCES	2,806
INVENTORY	24,421
CURRENT ASSETS	178,667
PP&E	1,466,985
DEPRECIATION	782,153
TOTAL ASSETS	1,138,108
CURRENT LIABILITIES	69,764
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	5,353
OTHER SE	864,271
TOTAL LIABILITY AND EQUITY	1,138,108
SALES	135,194
TOTAL REVENUES	149,581
CGS	108,058
TOTAL COSTS	108,058
OTHER EXPENSES	3,671
LOSS PROVISION	0
INTEREST EXPENSE	821
INCOME PRETAX	34,210
INCOME TAX	14,259
INCOME CONTINUING	20,461
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	20,461
EPS BASIC	0.41
EPS DILUTED	0.41

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