HELMERICH & PAYNE, INC.

FORM 10-Q
(Quarterly Report)

Filed 08/14/03 for the Period Ending 06/30/03

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
(Quarterly Report)

Filed 8/14/2003 For Period Ending 6/30/2003

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

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

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

For quarterly period ended: JUNE 30, 2003

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	OUTSTANDING AT JUNE 30, 2003
Common Stock, $0.10 par value	50,093,019

TOTAL NUMBER OF PAGES - 25

HELMERICH & PAYNE, INC.

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PART I. FINANCIAL INFORMATION
HELMERICH & PAYNE, INC.

Item 1. FINANCIAL STATEMENTS

CONSOLIDATED CONDENSED BALANCE SHEETS

(in thousands)

	(Unaudited) June 30, 2003	September 30, 2002
ASSETS		
Current assets:		
Cash and cash equivalents	$ 26,973	$ 46,883
Accounts receivable, net	107,459	92,604
Inventories	21,799	22,511
Prepaid expenses and other	18,661	16,753
Total current assets	174,892	178,751
Investments	157,764	146,855
Property, plant and equipment, net	1,036,337	897,445
Other assets	31,603	4,262
Total assets	$ 1,400,596	$ 1,227,313
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 40,060	$ 41,045
Accrued liabilities	32,999	31,854
Notes payable	10,000	--
Total current liabilities	83,059	72,899
Noncurrent liabilities:		
Long-term notes payable	200,000	100,000
Deferred income taxes	173,914	131,401
Other	31,855	27,843
Total noncurrent liabilities	405,769	259,244
SHAREHOLDERS' EQUITY		
Common stock, par value $.10 per share	5,353	5,353
Preferred stock, no shares issued	--	--
Additional paid-in capital	82,925	82,489
Retained earnings	838,260	838,929
Unearned compensation	(24)	(190)
Accumulated other comprehensive income	31,732	16,180
	958,246	942,761
Less treasury stock, at cost	46,478	47,591
Total shareholders' equity	911,768	895,170
Total liabilities and shareholders' equity	$ 1,400,596	$ 1,227,313

The accompanying notes are an integral part of these statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Unaudited)

(in thousands, except per share data)

	Three Months Ended June 30		Nine Months Ended June 30	
	2003	2002	2003	2002
REVENUES				
Operating revenues	$ 136,553	$ 126,495	$ 374,516	$ 400,296
Income from investments	472	25,554	2,142	27,980
	137,025	152,049	376,658	428,276
COST AND EXPENSES				
Operating costs	92,258	92,602	269,422	286,251
Depreciation	21,517	15,247	59,696	44,126
General and administrative	5,830	4,591	19,591	15,191
Interest	3,247	(462)	9,049	268
	122,852	111,978	357,758	345,836
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND EQUITY IN INCOME OF AFFILIATES	14,173	40,071	18,900	82,440
PROVISION FOR INCOME TAXES	6,144	18,182	8,176	36,157
EQUITY IN INCOME OF AFFILIATES NET OF INCOME TAXES	133	662	619	2,524
Income from continuing operations	8,162	22,551	11,343	48,807
Income from discontinued operations	--	5,667	--	5,887
NET INCOME	$ 8,162	$ 28,218	$ 11,343	$ 54,694
BASIC EARNINGS PER COMMON SHARE:				
Income from continuing operations	$ 0.16	$ 0.46	$ 0.23	$ 0.98
Income from discontinued operations	--	0.11	--	0.12
Net income	$ 0.16	$ 0.57	$ 0.23	$ 1.10
DILUTED EARNINGS PER COMMON SHARE:				
Income from continuing operations	$ 0.16	$ 0.45	$ 0.22	$ 0.97
Income from discontinued operations	--	0.11	--	0.12
Net income	$ 0.16	$ 0.56	$ 0.22	$ 1.09
CASH DIVIDENDS (NOTE 2)	$ 0.08	$ 0.08	$ 0.24	$ 0.23
AVERAGE COMMON SHARES OUTSTANDING:				
Basic	50,045	49,855	50,016	49,793
Diluted	50,681	50,574	50,563	50,306

The accompanying notes are an integral part of these statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)

	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
OPERATING ACTIVITIES:		
Income from continuing operations	$ 11,343	$ 48,807
Adjustments to reconcile net income from continuing operations to net cash provided by operating activities:		
Depreciation	59,696	44,126
Equity in income of affiliates before income taxes	(996)	(4,071)
Amortization of deferred compensation	166	841
Gain on sale of securities	(306)	(25,078)
Gain on sale of property, plant & equipment	(1,081)	(757)
Other, net	527	(622)
Change in assets and liabilities-		
Accounts Receivables	(14,855)	24,197
Inventories	984	771
Prepaid expenses and other assets	(29,248)	17,718
Accounts payable	(985)	(23,333)
Accrued liabilities	2,332	4,010
Deferred income taxes	34,216	11,344
Other noncurrent liabilities	4,012	3,970
Net Cash Provided by Operating Activities	65,805	101,923
INVESTING ACTIVITIES:		
Capital expenditures	(201,381)	(214,923)
Proceeds from sales of property, plant and equipment	3,877	3,281
Proceeds from sale of securities	12,444	41,489
Net cash used in investing activities	(185,060)	(170,153)
FINANCING ACTIVITIES:		
Proceeds from notes payable	111,026	--
Payments made on notes payable	(1,026)	--
Dividends paid	(12,012)	(11,240)
Proceeds from exercise of stock options	1,357	2,659
Net cash provided by (used in) financing activities	99,345	(8,581)
DISCONTINUED OPERATIONS:		
Net cash provided by operating activities	--	43,277
Net cash used in investing activities	--	(41,228)
Net cash provided by discontinued operations	--	2,049
Net decrease in cash and cash equivalents	(19,910)	(74,762)
Cash and cash equivalents, beginning of period	46,883	122,962
Cash and cash equivalents, end of period	$ 26,973	$ 48,200

The accompanying notes are an integral part of these statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED CONDENSED STATEMENT OF SHAREHOLDERS' EQUITY
(in thousands - except per share data)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Unearned Compensation	Retained Earnings
Balance, September 30, 2002	53,529	$ 5,353	$ 82,489	$ (190)	$838,929
Comprehensive Income:					
Net Income					11,343
Other comprehensive income,					
Unrealized gains on available-for-sale securities, net					
Amortization of unrealized loss on derivative instruments, net					
Total other comprehensive income					
Comprehensive income					
Cash dividends ($0.24 per share)					(12,012)
Exercise of Stock Options			244		
Tax benefit of stock-based awards			192		
Amortization of deferred compensation				166	
Balance, June 30, 2003	53,529	$ 5,353	$ 82,925	$ (24)	$838,260

	Treasury Stock Shares	Treasury Stock Amount	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, September 30, 2002	3,518	$(47,591)	$ 16,180	$895,170
Comprehensive Income:				
Net Income				11,343
Other comprehensive income,				
Unrealized gains on available-for-sale securities, net			14,818	14,818
Amortization of unrealized loss on derivative instruments, net			734	734
Total other comprehensive income				15,552
Comprehensive income				26,895
Cash dividends ($0.24 per share)				(12,012)
Exercise of Stock Options	(82)	1,113		1,357
Tax benefit of stock-based awards				192
Amortization of deferred compensation				166
Balance, June 30, 2003	3,436	$(46,478)	$ 31,732	$911,768

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation -

In the opinion of the Company, the accompanying unaudited consolidated condensed financial statements contain all adjustments, consisting 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, 2003, and June 30, 2002, are not necessarily indicative of the results to be expected for the full year. These consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Registrant's 2002 Annual Report on Form 10-K and the Registrant's 2003 First and Second Quarter Reports on Form 10-Q.

On September 30, 2002, the Company distributed 100 percent of the common stock of Cimarex Energy Co. to the Registrant's shareholders. Cimarex Energy Co. held the Registrant's exploration and production business and has been accounted for as discontinued operations in the accompanying consolidated financial statements. Unless indicated otherwise, the information in the notes to consolidated financial statements relates to the continuing operations of the Company (see Note 8).

2. The $.08 cash dividend declared in March, 2003, was paid June 2, 2003. On June 4, 2003, a cash dividend of $.08 per share was declared for shareholders of record on August 15, 2003, payable September 2, 2003.

3. Inventories consist primarily of replacement parts and supplies held for use in the Company's drilling operations.

4. Net income for the three and nine months ended June 30, 2003 includes a net loss from the sale of available-for-sale securities of $42,000 and a net gain of $140,000, respectively. Cash realized from the sale of available-for-sale securities was $316,000 and $12,444,000 for the three and nine months ended June 30, 2003. Net income for the three and nine months ended June 30, 2002 includes after-tax gains from the sale of available-for-sale securities of $15,246,000 ($0.30 per share) and $15,570,000 ($0.31 per share).

5. The following is a summary of available-for-sale securities, which excludes those accounted for under the equity method of accounting. At June 30, 2003, the Company's investment in securities accounted for under the equity method is $59,942,000.

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Est. Fair Value
		(in thousands)		
Equity Securities 06/30/03	$33,848	$63,987	$ 13	$97,822
Equity Securities 09/30/02	$46,325	$43,846	$3,772	$86,399

6. Comprehensive Income -

Comprehensive income, net of related tax, is as follows (in thousands):

	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
Net income	$ 8,162	$ 28,218	$11,343	$ 54,694
Other comprehensive income:				
Net unrealized gain (loss) on securities	12,869	(33,360)	14,818	(12,881)
Amortization of unrealized loss on derivative instruments	245	--	734	--
Net unrealized gain (loss) on derivative instrument	--	(358)	--	25
Other comprehensive income (loss)	13,114	(33,718)	15,552	(12,856)
Comprehensive income (loss)	$21,276	$ (5,500)	$26,895	$ 41,838

The components of accumulated other comprehensive income, net of related taxes, are as follows (in thousands):

	June 30, 2003	September 30, 2002
Unrealized gain on securities, net	$ 39,664	$ 24,846
Unrealized loss on derivative instruments	(320)	(1,054)
Minimum pension liability	(7,612)	(7,612)
Accumulated other comprehensive income	$ 31,732	$ 16,180

7. Notes payable and long-term debt -

At June 30, 2003, the Company had $200 million in debt outstanding at fixed rates and maturities as summarized in the following table. Funding of the notes occurred on August 15, 2002 and October 15, 2002 in equal amounts of $100 million.

Issue Amount	Maturity Date	Interest Rate
$25,000,000	August 15, 2007	5.51%
$25,000,000	August 15, 2009	5.91%
$75,000,000	August 15, 2012	6.46%
$75,000,000	August 15, 2014	6.56%

The terms of the debt obligations require the Company to maintain a minimum ratio of debt to total capitalization. The $100 million proceeds received on October 15, 2002 were used to pay outstanding balances in accounts payable related to the Company's rig construction program and for other general corporate purposes.

At June 30, 2003, the Company had a committed unsecured line of credit totaling $125 million. Short-term loans totaling $10 million and letters of credit totaling $13.1 million were outstanding against the line, leaving $101.9 million available to borrow. Under terms of the line of credit, the Company must maintain certain financial ratios as defined including debt to total capitalization and debt to earnings before interest, taxes, depreciation, and amortization, and maintain certain levels of liquidity and tangible net worth.

At June 30, 2003, the Company held an unassociated interest rate swap tied to 30-day LIBOR in the amount of $50 million which matures on October 27, 2003. The swap instrument was originally designated as a hedge of a $50 million loan that was paid off in September 2002. The swap liability was valued at approximately $0.6 million on June 30, 2003.

The interest rate swap liability was valued at approximately $1.7 million on the date the $50 million debt was paid off. The $1.7 million is being amortized over the remaining life of the swap as interest expense. In the first nine months of fiscal 2003, $1.2 million was amortized and included in interest expense. Changes to the value of the interest rate swap subsequent to the date the $50 million debt was paid will be recorded to income.

8. Discontinued Operations -

On September 30, 2002, the Company's distribution of 100 percent of the common stock of Cimarex Energy Co. and the subsequent merger of Key Production Company, Inc. with Cimarex was completed. In connection with the distribution, approximately 26.6 million shares of the Cimarex Energy Co. common stock on a diluted basis were distributed to shareholders of the Company of record on September 27, 2002. The Cimarex Energy Co. stock distribution was recorded as a dividend and resulted in a decrease to consolidated shareholders' equity of approximately $152.2 million. The Company does not own any common stock of Cimarex Energy Co.

Summarized results of discontinued operations are as follows:

	Three Months Ended June 30, 2002	Nine Months Ended June 30, 2002
Revenues	$45,758	$119,539
Income from operations:		
Income before income taxes	8,744	9,084
Tax provision	3,077	3,197
Income from discontinued operations	$ 5,667	$ 5,887

9. 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:

	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
Basic weighted-average shares	50,045	49,855	50,016	49,793
Effect of dilutive shares:				
Stock options	633	691	545	498
Restricted stock	3	28	2	15
	636	719	547	513
Diluted weighted-average shares	50,681	50,574	50,563	50,306

10. Income Taxes -

The Company's effective tax rate was 43.3% in the first nine months of fiscal 2003, compared to 43.8% in the first nine months of fiscal 2002. The effective tax rate is impacted by the Company's international drilling operations and state taxes.

For the nine months ended June 30, 2003, the Company's "Other Assets" have increased to $31.6 million from $4.3 million. The $27.3 million increase is primarily the result of the tax benefit created by an estimated tax net operating loss for the fiscal year ending September 30, 2003.

11. Stock-Based Compensation -

The Company has option plans providing for common stock-based awards to employees and to non-employee directors. The plans permit the granting of various types of awards including stock options and restricted stock. The Company accounts for these plans under Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees ("APB No. 25") and has adopted the disclosure-only provisions of Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation ("SFAS No. 123"). Accordingly, no compensation cost for stock options granted has been recognized, as all options granted under these plans had an exercise price equal to the market value of the underlying common stock on the day of grant.

On December 31, 2002, the FASB issued Statement of Financial Accounting Standards No. 148, Accounting for Stock-Based Compensation-Transition and Disclosure ("SFAS No. 148"). SFAS No. 148 amends SFAS No. 123 to provide alternative methods of transition to SFAS No. 123's fair value method of accounting for stock-based employee compensation.

The Company is considering adopting SFAS No. 123's fair value method of accounting for stock-based employee compensation, but has not yet made a final decision on adoption.

Had compensation cost for these plans been determined consistent with the provisions of SFAS No. 123, the Company's stock-based compensation expense, net income and income per share would have been adjusted to the following pro forma amounts (in thousands, except per share amounts):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2003	2002	2003	2002
Stock-based compensation expense - as reported	$ 9	$ 174	$ 103	$ 522
Stock-based compensation expense - pro forma	1,090	940	3,296	2,354
Net income - as reported	8,162	28,218	11,343	54,694
Net income - pro forma	7,081	27,452	8,150	52,862
Income per share - as reported:				
Basic	0.16	0.57	0.23	1.10
Diluted	0.16	0.56	0.22	1.09
Income per share - pro forma				
Basic	0.14	0.55	0.16	1.06
Diluted	0.14	0.54	0.16	1.05

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The weighted average assumptions used for options granted in fiscal 2003 include a dividend yield of .75 percent, expected volatility of approximately 45 percent, a risk-free interest rate of approximately 3.1 percent and expected lives of 4.5 years. The weighted average assumptions used for options granted in fiscal 2002 include a dividend yield of .8 percent, expected volatility of approximately 48 percent, a risk-free interest rate of approximately 4.0 percent and expected lives of 4.5 years.

12. New Accounting Standards -

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations." This Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets. The Statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made, and that the associated asset retirement costs be capitalized as part of the carrying amount of the long-lived asset. There was no impact on the Company's results of operations and financial position upon adoption of SFAS No. 143 at October 1, 2002.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." This Statement supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" and amends Accounting Principles Board Opinion No. 30, "Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business and Extraordinary, Unusual and Infrequently Occurring Events and Transactions."

The Statement retains the basic framework of SFAS No. 121, resolves certain implementation issues of SFAS No. 121, extends applicability to discontinued operations, and broadens the presentation of discontinued operations to include a component of an entity. The Company adopted this Statement October 1, 2002. Since the Company's approach for impairment under SFAS No. 121 was consistent with the provisions under SFAS No. 144, adopting this statement had no impact on the Company's results of operations and financial position.

Included in the Company's operating revenues for the three months and nine months ended June 30, 2003 are reimbursements for "out-of-pocket" expenses of $7.7 million and $23.2 million, respectively. Previously, the Company recognized reimbursements received as a reduction to the related costs. Emerging Issues Task Force (EITF) No. 01-14, "Income Statement Characterization of Reimbursements Received for Out-of-Pocket Expenses Incurred" requires that reimbursements received for "out-of-pocket" expenses be included in operating revenues. The effect of EITF 01-14 resulted in a reclassification to the three months and nine months ended June 30, 2002, that increased operating revenues and operating costs by $12.3 million and $32.6 million, respectively. These reclassifications had no impact on net income.

13. Commitments -

The Company, on a regular basis, makes commitments for the purchase of contract drilling equipment. At June 30, 2003, the Company had commitments outstanding of approximately $75 million for the purchase of drilling equipment.

In July 2003, the Company signed a six-year lease for approximately 114,000 square feet of office space near downtown Tulsa. The lease has an escalating rate that averages approximately $1,200,000 a year. The Company expects to move from its current building to the new location by the end of calendar 2003.

14. Segment information -

The Company operates principally in the contract drilling industry, which includes a Domestic segment and an International segment. The contract drilling operations consist of contracting Company-owned drilling equipment primarily to major oil and gas exploration companies. The Company's primary international areas of operation include Venezuela, Colombia, Ecuador, Argentina and Bolivia. The Company also has a Real Estate segment whose operations are conducted exclusively in the metropolitan area of Tulsa, Oklahoma. The primary areas of operations include a major shopping center and several multi-tenant warehouses. Each reportable segment is a strategic business unit, which is managed separately as an autonomous business. Other includes investments in available-for-sale securities and corporate operations. 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, and depreciation but excludes general and administrative expense, interest expense and corporate depreciation and other income (expense).

Summarized financial information of the Company's reportable segments for the nine months ended June 30, 2003, and 2002, is shown in the following tables:

(in thousands)	External Sales	Inter-Segment	Total Sales	Operating Profit
JUNE 30, 2003				
Contract Drilling				
Domestic	$284,872	$ --	$ 284,872	$39,650
International	82,956	--	82,956	4,540
	367,828	--	367,828	44,190
Real Estate	6,688	1,079	7,767	3,337
Other	2,142	--	2,142	--
Eliminations	--	(1,079)	(1,079)	--
Total	$376,658	$ --	$ 376,658	$47,527

(in thousands)	External Sales	Inter-Segment	Total Sales	Operating Profit
JUNE 30, 2002				
Contract Drilling				
Domestic	$273,432	$ 682	$ 274,114	$55,709
International	120,215	--	120,215	11,840
	393,647	682	394,329	67,549
Real Estate	6,649	1,128	7,777	4,073
Other	27,980	--	27,980	--
Eliminations	--	(1,810)	(1,810)	--
Total	$428,276	$ --	$ 428,276	$71,622

HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - Continued
(Unaudited)

Summarized financial information of the Company's reportable segments for the quarters ended June 30, 2003, and 2002, is shown in the following tables:

(in thousands)	External Sales	Inter-Segment	Total Sales	Operating Profit
JUNE 30, 2003				
Contract Drilling				
Domestic	$104,632	$ --	$ 104,632	$18,757
International	29,981	--	29,981	3,884
	134,613	--	134,613	22,641
Real Estate	1,940	357	2,297	811
Other	472	--	472	--
Eliminations	--	(357)	(357)	--
Total	$137,025	$ --	$ 137,025	$23,452

(in thousands)	External Sales	Inter-Segment	Total Sales	Operating Profit
JUNE 30, 2002				
Contract Drilling				
Domestic	$ 90,046	$ 144	$ 90,190	$14,360
International	34,260	--	34,260	3,547
	124,306	144	124,450	17,907
Real Estate	2,189	368	2,557	1,340
Other	25,554	--	25,554	--
Eliminations	--	(512)	(512)	--
Total	$152,049	$ --	$ 152,049	$19,247

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

	Quarter Ended June 30, 2003	Quarter Ended June 30, 2002	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
Segment operating profit	$ 23,452	$ 19,247	$ 47,527	$ 71,622
Unallocated amounts:				
Income from investments	472	25,554	2,142	27,980
General corporate expense	(5,830)	(4,591)	(19,591)	(15,191)
Interest expense	(3,247)	462	(9,049)	(268)
Corporate depreciation	(616)	(563)	(1,851)	(1,596)
Other corporate expense	(58)	(38)	(278)	(107)
Total unallocated amounts	(9,279)	20,824	(28,627)	10,818
Income before income taxes and equity in income of affiliates	$ 14,173	$ 40,071	$ 18,900	$ 82,440

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

	Quarter Ended June 30, 2003	Quarter Ended June 30, 2002	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
Revenues:				
United States	$107,044	$117,789	$293,702	$308,061
Venezuela	9,248	11,648	22,446	43,774
Ecuador	13,256	11,123	39,618	34,621
Colombia	2,057	2,500	3,936	9,843
Other Foreign	5,420	8,989	16,956	31,977
Total	$137,025	$152,049	$376,658	$428,276

15. Equity Income -

Investments in companies owned from 20 to 50 percent are accounted for using the equity method with the Company recognizing its proportionate share of the income or loss of each investee. The Company owned approximately 22% of Atwood Oceanics, Inc. (Atwood) at both June 30, 2003 and 2002. Summarized financial information of Atwood is as follows:

	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
	(in thousands)			
Revenues	$ 41,847	$37,402	$106,761	$118,376
Operating Income	2,207	9,615	6,009	32,276
Net Income	(82)	6,132	1,455	21,120
H&P's equity in net income net of taxes	(18)	1,002	314	3,543

16. Employee Retirement Plan ("Pension Plan") -

Helmerich & Payne, Inc. has elected to revise the Helmerich & Payne, Inc. Employees Retirement Plan ("Pension Plan") effective October 1, 2003. The revisions to the Pension Plan are as follows:

[ ] Employees hired by Helmerich & Payne, Inc. after September 30, 2003, will not be able to participate in the Pension Plan.

[ ] Effective during the period October 1, 2003 through September 30, 2006, the formula for calculating a monthly benefit will be reduced by 50%; and

[ ] On September 30, 2006, all benefit accruals under the Pension Plan will be frozen. On October 1, 2006, future accruals for Company pension benefits will cease.

The above revisions to the Pension Plan had no effect upon pension expense accruals for fiscal 2003. However, if such revisions to the Pension Plan had been effective during all of fiscal 2003, then pension expense would have been reduced by approximately $3 million.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

June 30, 2003

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 2002 Annual Report on Form 10-K and the Company's fiscal 2003 First and Second Quarter Report on Form 10-Q. 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 and political 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 include 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.

SPIN-OFF AND MERGER TRANSACTIONS

On September 30, 2002, the Company completed its distribution of 100 percent of the common stock of Cimarex Energy Co. to the Company's shareholders and subsequent merger of Key Production Company, Inc. into a subsidiary of Cimarex making Key a wholly-owned subsidiary of Cimarex. The Cimarex Energy Co. stock distribution was recorded as a dividend and resulted in a decrease to consolidated shareholders' equity of approximately $152.2 million. As a result of this transaction, the Company continues to own and operate the contract drilling and real estate businesses, while Cimarex Energy Co. is a separate publicly-traded company that owns and operates the Company's former exploration and production business. The Company does not own any common stock of Cimarex Energy Co. As a result of the transaction, the Company is reporting the results of its former Exploration and Production Division (Cimarex Energy Co.) as discontinued operations.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2003 VS. THREE MONTHS ENDED JUNE 30, 2002

The Company reported net income of $8,162,000 ($0.16 per share) from revenues of $137,025,000 for the third quarter ended June 30, 2003, compared to net income of $28,218,000 ($0.56 per share) from revenues of $152,049,000 for the third quarter of the prior fiscal year. Net income in the third quarter of fiscal 2002 included $5,667,000 ($0.11 per share) from discontinued operations. Net income in the third quarter of fiscal 2002 also included $15,246,000 ($0.30 per share) from the sale of investment securities.

DOMESTIC DRILLING

DOMESTIC DRILLING'S operating profit increased to $18.8 million from $14.4 million in the third quarter of fiscal 2002. Revenues were $104.6 million and $90.2 million in the third quarter of fiscal 2003 and 2002, respectively. The $4.4 million increase in operating profit was primarily a result of higher land rig margins and increased land rig activity partially offset by increased depreciation. Average land rig revenue per day was $11,683 and $11,501 for the third quarter of fiscal 2003 and 2002, respectively. Average margin per day for the same periods was $3,767 and $3,390, respectively. Land rig utilization was 82% and 84% for the third quarter of fiscal 2003 and 2002, respectively. Land rig revenue days for the third quarter of 2003 were 5,912 compared to 4,466 for the same period of 2002, with an average of 65 and 49 rigs working during the third quarter of fiscal 2003 and 2002, respectively. There has been some positive movement in dayrates during the quarter but it is difficult to project the timing or extent of additional increases in the near-term. The Company's FlexRig3's continue to receive premium dayrates, as field results continue to improve and exceed the Company's expectations. Efforts to reduce operating costs have been led by the FlexRig3 operations, where costs per rig per day have been reduced from $8,173 in the fourth quarter of fiscal 2002 to $7,575 in the third quarter of fiscal 2003.

Offshore operations results for the third quarter of 2003 were favorable compared with the same period of fiscal 2002, as higher average rig margins per day were partially offset by reduced revenue days. Revenue days for the third quarter of fiscal 2003 and 2002 were 592 and 839, respectively. Average margins per day for the same periods were $22,125 and $13,025. The increase in margins is the result of two new platform rigs added in May and August 2002 at higher dayrates and the recognition of $1.5 million previously deferred income related to the early termination of a drilling contract on Rig 206 in the Gulf of Mexico. With the release of Rig 206, the Company's total number of active offshore rigs is six. The Company's Rig 100 is scheduled to be released in mid-August with the other five active offshore rigs continuing to work.

Depreciation expense for Domestic Drilling increased to $15.1 million in the third quarter of fiscal 2003 from $9.3 million in the same period of 2002. The increase is the result of additional land rigs added in fiscal 2002 and in the first nine months of fiscal 2003.

At June 30, 2003, the Company had 83 U.S. land rigs and 12 U.S. platform rigs located in the Gulf of Mexico. An additional seven FlexRigs were delivered in the current quarter, which completed the year-long FlexRig3 project. The Company recently announced an extension of the FlexRig3 project with the addition of seven more rigs. The seven rigs will be delivered between July 2003 and March 2004.

INTERNATIONAL DRILLING

INTERNATIONAL DRILLING'S operating profit for the third quarter of fiscal 2003 was $3.9 million, compared to $3.5 million in the same period of fiscal 2002. Revenues decreased to $30.0 million from $34.3 million for the same periods. Rig utilization for international operations averaged 43% and 48% for the third quarter of 2003 and 2002, respectively. Revenue days for the same periods were 1,211 and 1,403, respectively.

Operations in Venezuela were improved over the third quarter of fiscal 2002, as five deep rigs worked for the quarter. An additional deep rig has begun operations in the fourth quarter and two additional deep rigs are committed and scheduled to begin work in the fourth quarter. The Company will also bid two additional deep rigs that could begin operations in the first quarter of fiscal 2004. Currently, the Venezuelan government has established a fixed exchange rate of 1,596 Venezuelan bolivars to one U.S. dollar. Although collections of accounts receivables from PDVSA have improved over the last two months, the Company, as well as other companies, have been prohibited from converting the Venezuelan bolivar into U.S. dollars. As a result, the Company's exposure to any devaluation that might result from the Venezuelan government removing or changing the fixed exchange rate has increased. If there was a devaluation of 50% (2,400 to 1), the resulting expense to the Company for revaluation of its bolivar assets and liabilities would be approximately $3,900,000. The Company is attempting to receive permission from the Venezuelan government to convert its existing bolivar cash balances into dollars as soon as possible. It is difficult to predict if and when this may occur.

Colombia, Argentina and Bolivia had a combined operating loss of $1.8 million in the third quarter of 2003, compared to an operating profit of $0.4 million in the same period in fiscal 2002. The decrease was due to a 60% decline in rig activity. Currently, Colombia has one rig working while Bolivia and Argentina have all eight rigs idle. One rig is expected to begin working in Argentina in the fourth quarter of fiscal 2003 and Bolivia is expected to have one rig begin working in the first quarter of fiscal 2004.

Operating profit in Ecuador for the third quarter of fiscal 2003 and 2002 was $2.4 million and $2.9 million, respectively. Eight rigs were contracted at 83.3% activity for the third quarter of fiscal 2003, compared to 85.7% in the same period of fiscal 2002. The decrease in operating profit was the result of slightly lower margins and an increase in depreciation. The Company is currently operating five rigs in Ecuador with two rigs expected to resume operations in August.

OTHER

Investment income decreased approximately $25.0 million from last year. In the third quarter of fiscal 2002, the Company had a gain from the sale of available-for-sale securities of $24.9 million ($15.2 million net of tax), compared to no material gain in the third quarter of fiscal 2003.

Corporate general and administrative expenses increased to $5.8 million in the third quarter of 2003 from $4.6 million in the same period of 2002. The $1.2 million increase is mainly related to higher pension expense from the Company's defined benefit pension plan and health insurance costs. As disclosed in the Company's July 15, 2003 Form 8-K filing, effective October 1, 2003, the Company will no longer allow new participants into its defined pension plan, and through October 1, 2006 will reduce the formula for pension benefit accruals to plan participants. On October 1, 2006, future accruals for Company pension benefits will cease. General and administrative expenses relating to pension benefits after that date will be dependent upon the performance of the pension fund investments and other actuarial assumptions.

Interest expense was $3.2 million in the third quarter of fiscal 2003, compared to negative $0.5 million in the same period of fiscal 2002. The increase is the result of the $200,000,000 privately placed term notes issued in August ($100,000,000) and October ($100,000,000) 2002. Capitalized interest for the third quarter of fiscal 2003 and 2002 was $0.4 million and $1.2 million, respectively.

NINE MONTHS ENDED JUNE 30, 2003 VS. NINE MONTHS ENDED JUNE 30, 2002

The Company reported net income of $11,343,000 ($0.22 per share) from revenues of $376,658,000 for the nine months ended June 30, 2003, compared with net income of $54,694,000 ($1.09 per share) from revenues of $428,276,000 for the first nine months of the prior fiscal year. Net income in the first nine months of fiscal 2002 included income from discontinued operations of $5,887,000 ($0.12 per share). Net income in the first nine months of fiscal 2002 included $15,792,000 ($0.31 per share) from the sale of investment securities compared with $140,000 ($0.00 per share) for the same period of fiscal 2003.

DOMESTIC DRILLING

DOMESTIC DRILLING'S operating profit was $39.7 million and $55.7 million for the first nine months of fiscal 2003 and fiscal 2002, respectively. Revenues for the same periods were $284.9 million and $273.4, respectively. The decrease in operating profit is due primarily to lower dayrates, with average revenue per day of approximately $11,488 in the first nine months of fiscal 2003, compared with $12,600 in the same period of fiscal 2002. Average land rig margin per day for the same periods was $3,281 and $4,359. Land rig utilization was 80% and 83% for the first nine months of fiscal 2003 and 2002, respectively. Land rig revenue days were 16,284 and 12,640 for the first nine months of fiscal 2003 and 2002, respectively, with an average of 59.6 and 46.3 rigs working for the same periods.

Offshore operating results for the nine months of fiscal 2003 were down 2% for the first nine months of fiscal 2003 compared with the same period of fiscal 2002. Offshore rig utilization was 52% and 90% for the same periods, respectively. Revenue days for the first nine months of 2003 and 2002 were 1,704 and 2,563, respectively. Average margins per day for the same periods were $20,362 and $13,264. The increase in margins is the result of two new platform rigs added in May and August of 2002 at higher dayrates and the recognition of $1.5 million of previously deferred revenue during the third quarter of this year, relating to the early termination of a drilling contract for Rig 206 in the Gulf of Mexico. By mid-August five platform rigs will be working out of 12 available which is not expected to change for the remainder of the calendar year.

Depreciation expense for Domestic Drilling increased to $40.9 million in the first nine months of fiscal 2003 from $26.2 million in the same period of fiscal 2002. The increase is mainly the result of the addition of 25 FlexRig3s over the last year.

INTERNATIONAL DRILLING

INTERNATIONAL DRILLING'S operating profit for the first nine months of fiscal 2003 was $4.5 million, compared to $11.8 million in the same period of fiscal 2002. Revenues decreased to $83.0 million from $120.0 million for the same periods. Rig utilization for international operations averaged 39% and 53% for the first nine months of 2003 and 2002, respectively. Revenue days for the same periods were 3,407 and 4,654, respectively.

Operating profit in Venezuela was $0.6 million in the first nine months of fiscal 2003, compared to $4.0 million for the same period of fiscal 2002. Revenue days were down 40% from fiscal 2002 to 1,065 days in the current period. The outlook for additional rig activity in Venezuela is positive. The Company anticipates that all eight of the Company's 3,000 H&P deep rigs will be working by the end of the fiscal year.

Colombia had an operating loss of $1.0 million in the first nine months of fiscal 2003, compared to an operating profit of $1.1 million in the same period of fiscal 2002. Revenue days decreased to 141 from 283 for the same periods. One rig is currently working in Colombia.

Bolivia and Argentina had a combined operating loss of $4.7 million in the first nine months of fiscal 2003, compared to an operating loss of $0.9 million in the same period of fiscal 2002. Revenue days were 245 and 884 for the same periods. In the first nine months of fiscal 2003, Argentina had a currency exchange gain of $1.0 million compared to a currency exchange loss of $1.2 million in the same period of fiscal 2002.

OTHER

Investment income decreased approximately $26 million over last year, with $25.1 million due to decreased gains from the sale of available-for-sale securities and a $0.7 million decrease in dividend income, also due to the sale of securities.

Interest expense was $9.0 million in the first nine months of fiscal 2003, compared to $0.3 million in the same period of fiscal 2002. The increase is the result of the $200,000,000 privately placed term notes issued in August ($100,000,000) and October ($100,000,000) 2002. Capitalized interest for the first nine months of fiscal 2003 and 2002 was $1.6 million and $1.8 million, respectively.

Corporate general and administrative expense increased from $15.2 million in the first nine months of fiscal 2002 to $19.6 million in the same period of fiscal

2003. The $4.4 million increase is mainly related to higher pension expense of $4.1 million (see note 16 to Consolidated Condensed Financial Statements).

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was $65.8 million for the first nine months of fiscal 2003, compared with $101.9 million for the same period in 2002. Capital expenditures were $201.4 million and $214.9 million for the first nine months of fiscal 2003 and 2002, respectively.

The Company anticipates capital expenditures to be approximately $260 million for fiscal 2003. Internally generated cash flows are projected to be approximately $115 million for fiscal 2003 and cash balances were $27 million at June 30, 2003. The Company's indebtedness totaled $210,000,000 as of June 30, 2003, as described in note 7 to the Consolidated Condensed Financial Statements. It is anticipated that the Company will borrow against its existing line of credit in the fourth quarter or possibly sell a portion of its investment portfolio to fund projected capital expenditures.

The Company incurred short-term loans of $11 million against its unsecured line of credit during the third quarter of fiscal 2003. The proceeds were used to pay outstanding accounts payable balances related to the Company's rig construction program and for other corporate purposes. The Company made a payment of $1 million against the short-term loan during the quarter, leaving a balance of $10 million at June 30, 2003.

Companies have been prohibited from converting the Venezuelan bolivars to U.S. dollars. The Company is attempting to receive permission from the Venezuelan government to convert its existing bolivar cash balances into dollars as soon as possible. The U.S. dollar amount was approximately $8 million at July 31, 2003. It is difficult to predict if and when permission will be granted.

There were no other significant changes in the Company's financial position since September 30, 2002.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a description of the Company's market risks, see "Item 7 (a). Quantitative and Qualitative Disclosures About Market Risk" in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2002, and Note 7 to the Consolidated Condensed Financial Statements contained in Part I hereof. Also refer to the third quarter International Drilling discussion in Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition" on P.17 hereof.

Item 4. CONTROLS AND PROCEDURES

a) Evaluation of disclosure controls and procedures. As of the end of the period covered by this Quarterly Report on Form 10-Q, the Company's management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer believe that:

o the Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms; and o the Company's disclosure controls and procedures operate such that important information flows to appropriate collection and disclosure points in a timely manner and are effective to ensure that such information is accumulated and communicated to the Company's management, and made known to the Company's Chief Executive Officer and Chief Financial Officer, particularly during the period when this Quarterly Report on Form 10-Q was prepared, as appropriate to allow timely decision regarding the required disclosure.

b) Changes in internal controls. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect the Company's internal controls subsequent to their evaluation, nor have there been any corrective actions with regard to significant deficiencies or material weaknesses.

PART II. OTHER INFORMATION

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

31.1 Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

For the three months ended June 30, 2003, Registrant furnished one Form 8-K dated April 24, 2003, reporting information required by Item 12 of Form 8-K under Item 9 by attaching a press release announcing results of operations and certain supplemental information, including financial statements. Registrant also (i) furnished one Form 8-K dated April 29, 2003, reporting information required by Item 12 of Form 8-K under Item 9 by attaching a copy of the Registrant's April 24, 2003 webcast transcript and (ii) filed one Form 8-K dated June 10, 2003, reporting under Item 5 of Form 8-K the text of Registrant's June 10, 2003 press release regarding the construction of additional drilling rigs.

SIGNATURES
HELMERICH & PAYNE, INC.

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: August 14, 2003 *Date: August 14, 2003*

/s/ DOUGLAS E. FEARS
Douglas E. Fears, Chief Financial Officer

Date: August 14, 2003

/s/ HANS C. HELMERICH
Hans C. Helmerich, President

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
31.1	Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

EXHIBIT 31.1

CERTIFICATION

I, Hans Helmerich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Helmerich & Payne, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;

4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

c) disclosed in this quarterly report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ HANS HELMERICH

Hans Helmerich, Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Douglas E. Fears, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Helmerich & Payne, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;

4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

c) disclosed in this quarterly report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

c) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ DOUGLAS E. FEARS
Douglas E. Fears, Chief Financial Officer

EXHIBIT 32

**CERTIFICATION OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO**

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Helmerich & Payne, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Hans Helmerich, as Chief Executive Officer of the Company, and Douglas E. Fears, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ HANS HELMERICH	*/s/ DOUGLAS E. FEARS*
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Hans Helmerich	*Douglas E. Fears*
Chief Executive Officer	*Chief Financial Officer*
August 14, 2003	*August 14, 2003*