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ATWOOD OCEANICS INC
Form 8-K
January 06, 2005

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

DATE OF EARLIEST EVENT REPORTED: January 6, 2005

ATWOOD OCEANICS, INC.
(Exact name of registrant as specified in its charter)

COMMISSION FILE NUMBER 1-13167

Internal Revenue Service - Employer Identification No. 74-1611874

15835 Park Ten Place Drive, Houston, Texas, 77084
(281) 749-7800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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ITEM 7.01 - REGULATION FD DISCLOSURE

Repairs to the ATWOOD BEACON from damaged incurred in July 2004 have been completed, with a leg length of 489 feet. During an appropriate period between future contracts, we plan to increase the leg length to 517 feet, giving the rig a nominal water depth rate of 400 feet, as per the original design. The rig is preparing to commence its mobilization to Vietnam for its drilling commitment with HOANG LONG and HOAN VU Joint Operating Companies to drill three firm wells, with options to drill three additional wells. Drilling of the three firm wells is expected to take 200 days to complete and if all of the option wells are drilled the drilling program could be extended another 200 days. The dayrate for the three firm wells is \$62,000, with a dayrate of \$77,000 for any option wells drilled.

The ATWOOD SOUTHERN CROSS has completed its drilling program for Murphy Sarawak Oil Company, Ltd. and is preparing to move to Myanmar to commence work under its contract with Daewoo International Corporation ("Daewoo") to drill two (2) firm wells, with an option to drill one (1) additional well. The Daewoo work is expected to take 90 days to complete. The dayrate for the two firm wells is \$35,000 and if the option well is drilled, the dayrate will be \$40,000. Following completion of the Daewoo work, the rig is expected to be idle up to four weeks for certain equipment upgrades and required maintenance. Additional work for the rig is being pursued in Southeast Asia and other parts of the world.

The SEAHAWK is currently drilling at a dayrate of \$45,900 the first of its two well drilling program for Sarawak Shell Berhad ("Shell"). This drilling program is expected to extend into February 2005. Following completion of the current Shell work, the rig is expected to be idle for approximately four weeks for certain maintenance work. Additional work for the rig is being pursued in Southeast Asia, as well as other areas of the world.

The RICHMOND is currently preparing to commence drilling the fifth well under its contract with Helis Oil & Gas Company ("Helis"). Upon completion of this well, the rig will have three (3) additional firm wells to drill for Helis, with Helis having an option to drill two additional wells. The drilling of the remaining firm wells is estimated to be completed in July/August 2005 and, if the option wells are drilled, the contract could extend into November 2005. The dayrate to apply during the fifth and sixth wells is \$30,000 and the dayrate to apply to the seventh and eighth wells is \$32,500. The dayrate for the option wells will be \$39,500.

Additional information with respect to the Company's Contract Status Summary at January 6, 2005 is attached as Exhibit 99.2, which is being furnished in accordance with rule 101 (e) (i) under Regulation FD and should not be deemed to be filed.

ITEM 8.01 OTHER EVENTS

On January 6, 2005, the Company announced that the ATWOOD EAGLE has recently completed the first of three consecutive wells for BHP Billiton Petroleum Pty. ("BHP") in Australia after BHP exercised its two remaining options in its current drilling program. The drilling of these three wells is estimated to take until the end of February 2005 to complete. With the exercise of the options by BHP to drill two additional wells, the rig will not have any idle time between completion of the current BHP drilling program and commencement of its next drilling program for Woodside Energy Ltd. ("Woodside"). Immediately following the completion of drilling of the three wells for BHP, the rig will commence its drilling commitment with Woodside to drill four firm wells with options to drill three additional wells off the coast of Australia. The drilling of the four firm wells is expected to take approximately four months to complete. The dayrates for the wells to be drilled under the current BHP and

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Woodside drilling programs are \$89,500 for wells drilled in water depths below 600 meters and \$109,000 for wells drilled in water depths of 600 meters or more

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except that the first well drilled in water depth between 600 meters and 700 meters for Woodside will have a dayrate of \$99,000.

The Company also announced that the ATWOOD EAGLE has been awarded additional work by BHP following the completion of its contract with Woodside to drill one (1) firm well with an option to drill one (1) additional well. The dayrate for the additional BHP work is a split currency rate of US \$120,000 plus Australian \$40,000, which equates to a total dayrate of approximately US \$150,000.

A copy of the press release announcing the additional work awarded to the ATWOOD EAGLE is filed with the Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

ITEM 9.01 EXHIBITS

EXHIBIT NO.

EX-99.1 Press Release dated January 6, 2005

EX-99.2 Contract Status Summary at January 6, 2005

Statements contained in this report with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors: the Company's dependence on the oil and gas industry; the risks involved in the construction and repair of a rig; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism; risks associated with a possible disruption in operations due to war; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company's annual report on Form 10-K for the year ended September 30, 2004, filed with the Securities and Exchange Commission.

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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 hereunto duly authorized.

ATWOOD OCEANICS, INC.
(Registrant)

/s/ James M. Holland
James M. Holland

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Senior Vice President

DATE: January 6, 2005

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
EX - 99.1	Press Release dated January 6, 2005
EX - 99.2	Contract Status Summary at January 6, 2005

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EXHIBIT EX. - 99.1

ATWOOD ANNOUNCES ADDITIONAL WORK AWARDED TO THE ATWOOD EAGLE

Houston, Texas
06 January 2005

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc. (Houston-based International Offshore Drilling Contractor - NYSE: ATW) announced today that the ATWOOD EAGLE has recently completed the first of three consecutive wells for BHP Billiton Petroleum Pty. ("BHP") in Australia after BHP exercised its two remaining options in its current drilling program. The drilling of these three wells is estimated to take until the end of February 2005 to complete. With the exercise of the options by BHP to drill two additional wells, the rig will not have any idle time between completion of the current BHP drilling program and commencement of its next drilling program for Woodside Energy Ltd. ("Woodside"). Immediately following the completion of drilling of the three wells for BHP, the rig will commence its drilling commitment with Woodside to drill four firm wells with options to drill three additional wells off the coast of Australia. The drilling of the four firm wells is expected to take approximately four months to complete. The dayrates for the wells to be drilled under the current BHP and Woodside drilling programs are \$89,500 for wells drilled in water depths below 600 meters and \$109,000 for wells drilled in water depths of 600 meters or more except that the first well drilled in water depth between 600 meters and 700 meters for Woodside will have a dayrate of \$99,000.

The Company also announced that the ATWOOD EAGLE has been awarded additional work by BHP following the completion of its contract with Woodside to drill one (1) firm well with an option to drill one (1) additional well. The dayrate for the additional BHP work is a split currency rate of US \$120,000 plus Australian \$40,000, which equates to a total dayrate of approximately US \$150,000.

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Statements contained in this release with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors; the Company's dependence on the oil and gas industry; the risks involved in upgrade to the Company's rigs; competition; operating risks; risks involved in foreign operations; risks associated with possible disruptions in operations due to terrorism; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company's Annual Report on Form 10-K for the year ended September 30, 2004, filed with the Securities and Exchange Commission.

Contact: Jim Holland
(281) 749-7804

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EXHIBIT 99.2
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONTRACT STATUS SUMMARY
AT JANUARY 6, 2005

NAME OF RIG ----- SEMISUBMERSIBLES - -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
ATWOOD FALCON	MALAYSIA	SARAWAK SHELL BERHAD ("SHELL")	The rig continues to work with the rig currently drilling firm wells after Shell exercises options provided under the contract currently anticipated to expire. One option remains under contract. Immediately upon completion of the rig will be moved to Japan for the program for Japan Energy for the drilling of these two wells expected to start approximately August 2005.
ATWOOD HUNTER	EGYPT	BURULLUS GAS CO. ("BURULLUS")	On December 31, 2003, the contract for Burullus which provides for six options will be a drilling of sixteen wells. The drilling is expected to take until approximately complete.
ATWOOD EAGLE	AUSTRALIA	BHP BILLITON PETROLEUM ("BHP")	The rig is currently drilling consecutive wells for BHP until the end of February. Immediately upon completion of the rig will commence a contract with Woodside Ltd. ("Woodside") to drill options to drill three additional wells in Australia. The drilling is expected to take approximately

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			complete, and if all the Woodside work would be completed. Upon completion of the Woodside program, the rig will return to work for Shell. The rig will drill one well (expected to take 30 days) and has an option to drill one (1) additional well.
SEAHAWK	MALAYSIA	SARAWAK SHELL BERHAD ("SHELL")	The rig is drilling the first well under the program for Shell. The rig is expected to extend into mid February 2004 following the Shell contract award in Southeast Asia as well as the completion of the Woodside work.
ATWOOD SOUTHERN CROSS	MALAYSIA	DAEWOO INTERNATIONAL CORPORATION ("DAEWOO")	The rig is preparing to mobilize to commence the Daewoo contract for the drilling of two (2) firm wells and one (1) additional well. The rig is expected to take 90 days to complete. The first well drilled, would have a duration of 90 days. Additional work, for the rig, is being pursued in Southeast Asia.
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SEASCOUT	UNITED STATES GULF OF MEXICO		The SEASCOUT was purchased for conversion to a tender-assisted rig. The SEASCOUT is currently coldstacked in the Gulf of Mexico.
CANTILEVER JACK-UPS - ----- VICKSBURG	MALAYSIA	EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI")	In May 2004, the rig's contract was suspended and the rig mobilized to the drilling program for Chevron in Malaysia. This program has been suspended. The rig has been relocated back to the Gulf of Mexico and the contract reinstated. The contract includes the five months of suspension plus an extension of twelve months for a total of seventeen months. EMEPMI retains its right to terminate the contract providing 120 days notice.
ATWOOD BEACON	SINGAPORE	HOANG LONG AND HOAN VU JOINT OPERATING COMPANIES ("HOANG LONG")	Repairs to the rig from the 2003 contract have been completed, with the rig mobilized to Vietnam. During an appropriate period, we plan to increase the length of the rig a nominal water depth to the original design. The rig is mobilizing to Vietnam for a contract with HOANG LONG for the drilling of three (3) firm wells and three (3) additional wells. The combined expected duration of the contract option wells are drilled, is approximately another 200 days.
SUBMERSIBLE - ----- RICHMOND	UNITED STATES GULF OF MEXICO	HELIS OIL & GAS COMPANY ("HELIS")	The rig is preparing to mobilize to drill one well under the Helis contract in the Gulf of Mexico.

this well, the rig will h
drill for Helis, with Hel
drill two (2) additional
four firm wells is expect
2005 to complete and if t
the contract could extend

MODULAR PLATFORMS -

GOODWYN 'A' /NORTH
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

There is currently an ind
drilling activity for the
managed by the Company.
maintenance of the two ri
programs.