

ATWOOD OCEANICS INC
Form 8-K
January 19, 2011

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 14, 2011

ATWOOD OCEANICS, INC.
(Exact Name of Registrant as Specified in Its Charter)

TEXAS
(State or Other Jurisdiction of Incorporation or Organization)

COMMISSION FILE NUMBER 1-13167

Internal Revenue Service – Employer Identification No. 74-1611874

15835 Park Ten Place Drive, Houston, Texas, 77084
(Address of Principal Executive Offices)

(281) 749-7800
(Registrant's Telephone Number,
Including Area Code)

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))

SECTION 1 – REGISTRANT’S BUSINESS AND OPERATIONS

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On January 14, 2011, Atwood Oceanics Pacific Limited (“AOPL”), a wholly-owned subsidiary of Atwood Oceanics, Inc. (the “Company”), exercised the first of three option agreements and executed a turnkey construction agreement to construct a third Pacific Class 400 jack-up drilling unit with PPL Shipyard PTE LTD (“PPL”). As with the jack-up drilling units disclosed in our October 5, 2010 Form 8-K filing, this rig will have a rated water depth of 400 feet, accommodations for 150 personnel and significant offline handling features. The total cost, including project management, drilling and handling tools, spares and capitalized interest, will be approximately \$190 million, with a down payment at signing and the balance due upon delivery. The rig is scheduled for delivery on June 30, 2013. Financing for the construction of this rig is expected to be provided from a combination of ongoing cash flows of AOPL and debt, as necessary, from AOPL’s current senior credit facilities. The Company will consider whether any additional debt may be necessary in connection with fleet expansion.

Upon delivery, this rig will become the fourteenth mobile offshore drilling unit owned by the Company group. AOPL and PPL have remaining option agreements for up to two (2) additional Pacific Class 400 jack-up drilling units which require AOPL commitment by June 30, 2011 and December 31, 2011, respectively. No determination has been made at this time whether any of the two (2) remaining options will be exercised.

SECTION 2 – FINANCIAL INFORMATION

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT

On January 14, 2011, the Company’s wholly-owned subsidiary, AOPL, entered into agreements more specifically described in Item 1.01 in this Current Report on Form 8-K, which description is incorporated by reference in this item 2.03.

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) EXHIBITS

99.1 Press Release dated January 19, 2011

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 including the Company's dependence on the oil and gas industry; the risks involved in the construction of a rig and commencement of operations of the rig following delivery; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism, acts of piracy, embargoes, war or other military operations; and governmental and industry 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, 2010, filed with the Securities and Exchange Commission.

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated January 19, 2011

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/ Mark L. Mey
Mark L. Mey
Senior Vice President

DATE: January 19, 2011