

SEITEL INC
Form 10-Q
November 09, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2005
OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission File Number 0-14488

SEITEL, INC.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of incorporation or organization)

76-0025431
(IRS Employer Identification Number)

10811 S. Westview Circle
Building C, Suite 100
Houston, Texas
(Address of principal executive offices)

77043
(Zip Code)

Registrant's telephone number, including area code:

(713) 881-8900

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

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Yes No

As of November 7, 2005, there were 153,692,511 shares of the Company's common stock, par value \$.01 per share outstanding.

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SEITEL, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	(Unaudited) September 30, 2005	December 31, 2004
ASSETS		
Cash and equivalents	\$ 49,553	\$ 43,285
Restricted cash	84	162
Receivables		
Trade, net	32,500	41,164
Notes and other, net	252	2,149
Net seismic data library	122,802	151,230
Net property and equipment	9,021	11,077
Oil and gas operations held for sale	191	223
Investment in marketable securities	71	33
Prepaid expenses, deferred charges and other	14,459	14,159
Deferred income taxes	5,689	-
TOTAL ASSETS	\$ 234,622	\$ 263,482
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 17,301	\$ 30,472
Income taxes payable	184	-
Oil and gas operations held for sale	31	28
Debt		
Senior Notes	185,152	188,726
Notes payable	388	697
Obligations under capital leases	4,078	5,294
Deferred income taxes	-	606
Deferred revenue	43,705	53,488
TOTAL LIABILITIES	250,839	279,311
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, par value \$.01 per share; authorized 5,000,000 shares; none issued	-	-
Common stock, par value \$.01 per share; authorized 400,000,000 shares; issued and outstanding 152,716,111 at September 30, 2005 and 151,414,143 at December 31, 2004	1,527	1,514
Additional paid-in capital	237,759	235,081
Retained deficit	(257,566)	(254,384)
Deferred compensation - restricted stock	(2,334)	(1,125)
Notes receivable from officers and employees		

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for stock purchases	(1)	(21)
Accumulated other comprehensive income	4,398	3,106
TOTAL STOCKHOLDERS' DEFICIT	(16,217)	(15,829)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 234,622	\$ 263,482

The accompanying notes are an integral part of these condensed consolidated financial statements.

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SEITEL, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

(In thousands, except per share amounts)

	Three Months Ended September 30,	
	2005	2004
REVENUE	\$ 24,550	\$ 27,404
EXPENSES:		
Depreciation and amortization	19,441	90,771
Cost of sales	55	52
Selling, general and administrative expenses	7,680	7,073
	27,176	97,896