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MORTENSEN JENS H
Form SC 13D/A
March 24, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 1)*

Allis-Chalmers Corporation
(NAME OF ISSUER)

Common Stock, par value \$0.15 per share
(TITLE OF CLASS OF SECURITIES)

019645407
(CUSIP NUMBER)

Joseph P. Bartlett, Esq.
Spolin Silverman Cohen & Bartlett LLP
1620 26th Street, Suite 2000 North
Santa Monica, California 90404
(310) 586 - 2400
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON
AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS)

March 22, 2004
(DATE OF EVENT WHICH REQUIRES FILING
OF THIS STATEMENT)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of ss.ss. 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box [].

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1. Name of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Jens H. Mortensen, Jr.

2. Check the Appropriate Box If a Member of a Group (See Instructions)
(a)
(b)

3. SEC Use Only

4. Source of Funds (See Instructions)
OO

5. Check If Disclosure of Legal Proceedings Is Required Pursuant to
Items 2(d) or 2(e)

6. Citizenship or Place of Organization
United States

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

7. Sole Voting Power	7,210,428
8. Shared Voting Power	0
9. Sole Dispositive Power	7,210,428
10. Shared Dispositive Power	0

11. Aggregate Amount Beneficially Owned by Each Reporting Person
7,210,428

12. Check Box If the Aggregate Amount in Row (11) Excludes Certain Shares
(See Instructions)

13. Percent of Class Represented by Amount in Row (11)
28.3%

14. Type of Reporting Person (See Instructions)
IN

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ITEM 1. SECURITY AND ISSUER SECURITIES ACQUIRED.

ITEM 1 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

Security: Common Stock of Allis-Chalmers Corporation ("Common Stock").

Issuer: Allis-Chalmers Corporation ("Issuer"), 7660 Woodway, Suite 200, Houston, TX 77063

ITEM 2. IDENTITY AND BACKGROUND.

ITEM 2 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

Pursuant to Rule 13d-1(a) of Regulation 13D-G of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"), this Schedule 13D Statement is hereby filed by Jens H. Mortensen, Jr., a United States citizen.

Mr. Mortensen is President of Jens Oilfield Service, Inc. ("JOS"), a Texas corporation approximately 81% of the capital stock of which is owned by the Issuer. Mr. Mortensen's business address is 3 1/2 Mile West Highway 107, Edinburg, TX 78539.

During the last five years, Mr. Mortensen (i) has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and (ii) was not a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

ITEM 3 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

Mr. Mortensen acquired 1,397,849 shares of Issuer's Common Stock in exchange for 81% of the capital stock of JOS. See Item 4 below.

ITEM 4. PURPOSE OF TRANSACTION.

ITEM 4 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

Pursuant to the terms of the Stock Purchase Agreement dated February 1, 2002, which is incorporated by reference to Exhibit 7.1 to the Schedule 13D filed by the Reporting Person on March 21, 2002, between the Issuer and Mr. Mortensen, which transaction was closed on February 6, 2002, Mr. Mortensen sold 81% of his capital stock in JOS to the Issuer in exchange for (i) \$10,250,000 in cash, (ii) a \$4,000,000 secured promissory note with interest payable quarterly and the principal due in four years, (iii) an additional payment, currently estimated at \$1,000,000 to \$1,250,000, to be paid following the review of the Issuer's results of operations for the period ended January 31, 2002, which will be based upon the performance of certain contracts of JOS, (iv) \$1,000,000 for a

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non-compete agreement payable monthly for five years, and (v) 1,397,849 shares of Common Stock of the Issuer. As of February 1, 2003, Mortensen has the option to convert the JOS shares retained by him into a number of shares of Common Stock of the Issuer equal to a fraction, the numerator of which is 4.6 multiplied by the trailing 12 month EBITDA (as defined below) of JOS, less any net intercompany loans to and third party investments in JOS, multiplied by 0.19, and the denominator of which is the average closing bid price for the Issuer's Common Stock during the thirty days prior to the date of the exercise of the option. For purposes of the foregoing calculation, EBITDA means JOS' earnings before interest, taxes, depreciation and amortization and any payments made to the Issuer in respect of the Issuer's overhead. At March 2, 2004, the number of shares of the Issuer's Common Stock into which Mr. Mortensen had the right to convert his JOS shares was 5,645,912.

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On March 22, 2004, Mr. Mortensen as granted an option to acquire 500,000 shares of the Issuer's Common Stock, of which options to acquire 166,667 shares vested immediately and 166,666 shares will vest on each of December 16, 2004 and December 16, 2005.

Mr. Mortensen acquired the shares of Common Stock as an investment.

Mr. Mortensen reserves the right to (i) dispose of all or part of his investment in the Stock at any time, (ii) acquire additional equity securities of the Issuer or its affiliates, in the open market, in private transactions or otherwise, (iii) propose a merger or other business combination with the Issuer or its affiliates, or (iv) to take any other action with respect to the Issuer. Any such purchases will depend upon the market prices for the shares of Common Stock, the number of shares which may become available for purchase at prices which he regards as attractive and various other factors which he may determine to be relevant.

Except as set forth in this Item 4, Mr. Mortensen has no present plans or proposals that relate to or that would result in any of the actions or events described in paragraphs (a) through (j) of Item 4 of Schedule 13D. However, Mr. Mortensen retains his right to modify his plans with respect to the transactions described in this Item 4, to acquire or dispose of securities of the Issuer and to formulate plans and proposals which could result in the occurrence of any such events, subject to applicable laws and regulations.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

ITEM 5 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

(a) - (c). Mr. Mortensen is the beneficial owner of 7,210,428 shares of the Common Stock, which constituted approximately 28.3% of the shares of the Common Stock outstanding on March 22, 2004, according to information provided by the Issuer (the "Outstanding Shares"). Mr. Mortensen has the sole power to vote and to dispose of such shares of Common Stock. The number of shares of Common Stock beneficially owned by Mr. Mortensen includes: (i) 1,327,957 shares of Common Stock acquired in the transaction described in Item 4; (ii) an option to acquire 5,645,912 shares of Common Stock upon conversion of his JOS shares, as described in Item 4; and (iii) an option to purchase 166,667 shares of Common Stock at an exercise price of \$0.55 per share, which is currently exercisable.

On March 22, 2003, the Company issued Mr. Mortensen an option to acquire 500,000

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shares of the Issuer's Common Stock, at an exercise price of \$0.55 per share, which is currently exercisable for 166,667 shares. The option will be exercisable for an additional 166,667 shares as of December 16, 2004, and the remaining 166,666 shares as of December 16, 2005.

(d) Not applicable

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

ITEM 6 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

To the best knowledge of Mr. Mortensen, there are no other contracts, arrangements, understandings or relationships (legal or otherwise) between Mr. Mortensen and any other person with respect to any securities of the Issuer, including but not limited to, transfer or voting of any of the securities of the Issuer, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, or a pledge or contingency the occurrence of which would give another person voting power over the securities of the Issuer, except for the following:

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Mortensen, JOS and the Issuer have entered into a Shareholders Agreement which provides, among other things, (i) that Mortensen shall have the right to demand that the Issuer register his shares of Common Stock under the Securities Act of 1933 in certain circumstances, as well as the right to participate in other registrations by the issuer, (ii) in the event shareholders holding 51% or more of the JOS Common Stock propose to sell such stock to a third party, Mortensen and the Issuer shall each have the right to require that Mortensen participate in such transaction on the same terms as other shareholders, and (iii) that Mortensen has the option to exchange his JOS Shares of Common Stock as described in Item 5. As of March 2, 2004, Mr. Mortensen had the right to acquire 5,645,912 shares pursuant to this right.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

ITEM 7 IS HEREBY AMENDED AND RESTATED TO READ IN ITS ENTIRETY AS FOLLOWS:

None.

SIGNATURES

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certify that the information set forth in this statement is true, complete and correct.

Pursuant to Rule 13d-1(k)(1)(iii) of Regulation 13D-G of the General Rules and Regulations of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the undersigned agree that the attached statement is filed on behalf of each of them in the capacities set forth below.

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DATED: March 24, 2004

/s/ JENS H. MORTENSEN

JENS H. MORTENSEN