

NOBLE ENERGY INC
Form 10-Q
May 04, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 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 March 31, 2007

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: 001-07964

NOBLE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State of incorporation)

73-0785597

(I.R.S. employer identification number)

100 Glenborough Drive, Suite 100

Houston, Texas

(Address of principal executive offices)

77067

(Zip Code)

(281) 872-3100

(Registrant's telephone number, including area code)

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 a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

Yes No

Number of shares of common stock outstanding as of April 25, 2007: 170,862,159

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Noble Energy, Inc. and Subsidiaries

Consolidated Balance Sheets

(in thousands, except share amounts)

	(Unaudited) March 31, 2007	December 31, 2006
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 249,219	\$ 153,408
Accounts receivable - trade, net	633,250	586,882
Probable insurance claims	72,160	101,233
Deferred income taxes	51,247	99,835
Other current assets	89,333	127,188
Total current assets	1,095,209	1,068,546
Property, plant and equipment		
Oil and gas properties (successful efforts method of accounting)	9,114,554	8,867,639
Other property, plant and equipment	81,535	79,646
	9,196,089	8,947,285
Accumulated depreciation, depletion and amortization	(1,936,758)	(1,776,528)
Total property, plant and equipment, net	7,259,331	7,170,757
Other noncurrent assets	579,437	568,032
Goodwill	767,214	781,290
Total Assets	\$ 9,701,191	\$ 9,588,625
LIABILITIES AND SHAREHOLDERS EQUITY		
Current Liabilities		
Accounts payable - trade	\$ 530,290	\$ 518,609
Derivative instruments	330,586	254,625
Income taxes	134,698	107,136
Short-term borrowings	100,000	
Asset retirement obligations	31,204	68,500
Other current liabilities	188,641	235,392
Total current liabilities	1,315,419	1,184,262
Deferred income taxes	1,704,274	1,758,452
Asset retirement obligations	120,884	127,689
Derivative instruments	293,150	328,875
Other noncurrent liabilities	300,069	274,720
Long-term debt	1,800,879	1,800,810
Total Liabilities	5,534,675	5,474,808
Commitments and Contingencies		
Shareholders Equity		
Preferred stock - par value \$1.00; 4,000,000 shares authorized, none issued		
Common stock - par value \$3.33 1/3; 250,000,000 shares authorized; 190,103,659 and 188,808,087 shares issued, respectively	633,681	629,360
Capital in excess of par value	2,063,018	2,041,048
Accumulated other comprehensive loss	(211,436)	(140,509)
Treasury stock, at cost: 18,580,865 and 16,574,384 shares, respectively	(612,976)	(511,443)

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Retained earnings	2,294,229	2,095,361
Total Shareholders' Equity	4,166,516	4,113,817
Total Liabilities and Shareholders' Equity	\$ 9,701,191	\$ 9,588,625

The accompanying notes are an integral part of these financial statements

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Noble Energy, Inc. and Subsidiaries
Consolidated Statements of Operations
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31,	
	2007	2006
Revenues		
Oil and gas sales	\$ 667,042	\$ 646,252
Income from equity method investments	45,563	39,650
Other revenues	29,940	26,095
Total Revenues	742,545	711,997
Costs and Expenses		
Lease operating costs	78,875	82,193
Production and ad valorem taxes	25,167	25,453
Transportation costs	11,034	5,061
Exploration costs	45,241	32,022
Depreciation, depletion and amortization	163,960	124,465
General and administrative	45,089	35,398
Accretion of discount on asset retirement obligations	2,387	3,318
Interest, net of amount capitalized	26,872	33,168
Other expense, net	40,068	21,566
Total Costs and Expenses	438,693	362,644
Income Before Taxes	303,852	349,353
Income Tax Provision	92,040	123,266
Net Income	\$ 211,812	\$ 226,087