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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED NOVEMBER 30, 1994

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 1-7573

PARKER DRILLING COMPANY
(Exact name of registrant as specified in its charter)

Delaware	73-0618660
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Parker Building, Eight East Third Street, Tulsa, Oklahoma 74103

(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code (918) 585-8221

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 X No

As of December 31, 1994, 55,129,888 common shares were outstanding.

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PARKER DRILLING COMPANY

INDEX

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PART 1. FINANCIAL INFORMATION

PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

<CAPTION>

ASSETS	November 30, 1994	August 31, 1994
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Current assets:		
Cash and cash equivalents	$ 19,697	$ 10,660
Other short-term investments	3,825	3,811
Accounts and notes receivable	28,955	34,675
Rig materials and supplies	9,201	9,117
Other current assets	4,703	4,029
Total current assets	66,381	62,292
Property, plant and equipment less accumulated depreciation, depletion and amortization of $439,587 at November 30, 1994, and $454,763 at August 31, 1994	122,689	127,178
Other noncurrent assets	18,292	19,878
Total assets	$207,362	$209,348

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LIABILITIES AND STOCKHOLDERS' EQUITY		
<S>	<C>	<C>
Current liabilities:		
Current portion of long-term debt	$ 264	$ -
Accounts payable and accrued liabilities	15,584	16,569
Accrued income taxes	5,057	5,053
Total current liabilities	20,905	21,622

Long-term debt	1,586	-
Deferred income tax	294	294
Other long-term liabilities	3,672	3,596
Minority interest	665	3,253
Common stock, $.16 2/3 par value	9,187	9,185
Capital in excess of par value	202,455	202,403
Retained earnings (accumulated deficit)	(29,400)	(28,307)
Other	(2,002)	(2,698)
Total stockholders equity	180,240	180,583
Total liabilities and stockholders' equity	$207,362	$209,348

See accompanying notes to consolidated condensed financial statements.

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PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Dollars in Thousands Except Per Share Amounts)
(Unaudited)

<CAPTION>

	Three Months Ended November 30,	
	1994	1993
<S>	<C>	<C>
Revenue:		
Drilling contracts	$ 32,055	$39,396
Other	1,228	647
Gross operating revenue	33,283	40,043
Operating expense:		
Drilling	24,769	27,994
Other	1,450	1,084
Depreciation, depletion and amortization	5,506	4,922
General and administrative	5,015	4,049
	36,740	38,049
Operating income (loss)	(3,457)	1,994
Other income and (expense):		
Interest expense	(2)	(3)
Interest income	260	357
Other income (expense) - net	2,901	40
	3,159	394
Income (loss) before income taxes	(298)	2,388
Income tax expense	795	780
Net income (loss)	(1,093)	1,608
Earnings (loss) per share, primary and fully diluted	$ (.02)	$ .03
Number of common shares used in computing earnings (loss) per share	--------	-------

Primary	54,518,336	54,490,360
Fully diluted	54,518,336	54,511,673

See accompanying notes to consolidated condensed financial statements.

/TABLE
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PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
Increase (Decrease) in Cash and Cash Equivalents
(Dollars in Thousands)
(Unaudited)

<CAPTION>

	Three Months Ended November 30, 1994	1993
<S>	<C>	<C>
Cash flows from operating activities:		
Net income (loss)	$(1,093)	$ 1,608
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion and amortization	5,506	4,922
Expenses not requiring cash	(939)	910
Change in operating assets and liabilities	4,607	(6,607)
Other-net	(1,144)	(83)
Net cash provided by operating activities	6,937	750
Cash flows from investing activities:		
Capital expenditures	(3,183)	(9,967)
Proceeds from the sale of equipment	4,604	171
Decrease (increase) in short-term investments	(14)	10,803
Other-net	786	-
Net cash provided by investing activities	2,193	1,007
Cash flows from financing activities:		
Other	(93)	(312)
Net cash provided (used) by financing activities	(93)	(312)
Net increase in cash and cash equivalents	9,037	1,445
Cash and cash equivalents at beginning of period	10,660	12,570
Cash and cash equivalents at end of period	$19,697	$14,015
Supplemental disclosure:		
Interest paid	$ 2	$ 3
Taxes paid	$ 791	$ 526

Supplemental noncash financing activity:
In November, 1994, the Company acquired a limited partner's ownership interest in two consolidated partnerships in exchange for a promissory note in the amount of $1,850,000.

See accompanying notes to consolidated condensed financial statements.

/TABLE

PARKER DRILLING COMPANY AND SUBSIDIARIES

1. In the opinion of the Company, the accompanying unaudited consolidated condensed financial statements reflect all adjustments (of a normally recurring nature) which are necessary for a fair presentation of (1) the financial position as of November 30, 1994 and August 31, 1994, (2) the results of operations for the three months ended November 30, 1994 and November 30, 1993, and (3) cash flows for the three months ended November 30, 1994 and November 30, 1993. Results for the three months ended November 30, 1994, are not necessarily indicative of the results which will be realized for the year ending August 31, 1995. The year-end consolidated condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. The financial statements should be read in conjunction with the Company's Form 10-K for the year ended August 31, 1994.

   The Company reclassified division office expenses of $1,913,000 and $1,762,000 from general and administrative expense to either drilling or other operating expense for the three months ended November 30, 1994 and 1993 respectively.

2. Earnings per common share is based on the weighted average number of common shares and common share equivalents outstanding during the period. Common shares granted under the 1969 Key Employee Stock Grant Plan, 1980 Incentive Career Stock Plan and the 1991 Stock Grant Plan are issued and outstanding but are not considered in the computation of weighted average shares outstanding until the restrictions lapse. However, they are considered common stock equivalents.

3. In November 1994 the Company acquired a limited partner's ownership interest in two consolidated partnerships, PCA I Limited ("PCA I") and PCA II Limited ("PCA II"), in exchange for a promissory note of $1.8 million. Through this transaction the Company acquired all of the limited partnership interest in PCA I and the Partnership was dissolved.

   The acquisition was accounted for under the purchase method of accounting. The estimated fair value of the net assets acquired exceeded the cost of acquisition. After the net book value of long-term assets acquired was written down to zero, negative goodwill of $1.2 million was recorded. This negative goodwill is being amortized on the straight-line basis over 3 years, which is the remaining estimated useful lives of the assets acquired.

   The promissory note is payable in seven equal annual installments beginning November 1995, with interest at 5 3/4%.

   In December 1994, the Company acquired the remaining limited partnership interest in PCA II and dissolved the partnership.

Report of Independent Accountants

To the Board of Directors and Shareholders
Parker Drilling Company

We have reviewed the consolidated condensed balance sheet of Parker Drilling Company and subsidiaries as of November 30, 1994, and the related consolidated condensed statements of operations for the three month periods ended November 30, 1994 and 1993 and consolidated condensed statements of cash flows for the three month periods ended November 30, 1994 and 1993. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of August 31, 1994, and the related consolidated statements of operations, redeemable preferred stock and stockholders' equity and cash flows for the year then ended (not presented herein); and in our report, dated October 18, 1994, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of August 31, 1994, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

COOPERS & LYBRAND L.L.P.

Tulsa, Oklahoma
January 12, 1995

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The Company's net loss of $1.1 million for the first quarter of fiscal 1995 represented a decline of $2.7 million from fiscal 1994's first quarter net income of $1.6 million. The decline was primarily attributable to a decline in drilling margin and an increase in general and administrative expense, partially offset by an increase in other income.

Drilling revenue in the first quarter of fiscal 1995 was $32.1 million, a decline of $7.3 million from the first quarter of fiscal 1994. International utilization for the first quarter of fiscal 1995 was 53% compared to 61% in the first quarter of fiscal 1994 and overall utilization declined from 44% to 39%. (Fiscal 1994 utilization has been adjusted to reflect rigs removed from the rig fleet at the end of fiscal 1994.)

Western Hemisphere international drilling revenue in the first quarter of fiscal 1995 increased $5.1 million over the comparable period of the prior year. The increase in revenue was the result of an increase in utilization in Colombia and an increase in the number of operating rigs in the country of Argentina. This increase was partially offset by a decline in utilization in

Ecuador and Peru.

Drilling revenue from operations in Africa, the Middle East and Commonwealth of Independent States ("CIS") declined a combined $7.1 million in the first quarter of fiscal 1995 when compared to the first quarter of fiscal 1994. In fiscal 1994 the Company completed one rig contracts in the Congo and Yemen and both of these rigs have been redeployed to the Argentina market. In addition, during the first quarter of fiscal 1994 the Company had two workover rigs operating in the Russian Republic. These rigs completed their contracts in fiscal 1994 and were redeployed to the country of Kazakhstan in the first quarter of fiscal 1995.

International drilling revenue from operations in Asia and the Pacific declined $2.3 million due primarily to a decline in utilization in Papua New Guinea. Domestic drilling revenue declined $3.1 million as the Company's specialized arctic rig did not operate during the first three months of fiscal 1995. This rig resumed operations again at the beginning of the second quarter of fiscal 1995.

Drilling margin (drilling revenue less drilling expense) as a percent of drilling revenue was 23% for the first three months of fiscal 1995 compared to 29% for the same period of fiscal 1994. The primary reason for the decline is operations in Argentina where the Company has encountered drilling problems which have resulted in slower-than-expected drilling progress on some of the footage rate contracts. Management continues to take steps to resolve the drilling problems and improve drilling margins in this country.

Depreciation expense increased $.6 million, the result of an increase in the level of capital expenditures during fiscal 1994. General and administrative expense increased $1.0 million due primarily to an increase in the amortization of deferred compensation and an increase in legal expense. Other income (expense) in the first quarter of fiscal 1995 increased $2.8 million as the Company recognized a $1.5 million gain on reversal of a prior years foreign currency accrual. In addition, gain on sale of fixed assets increased $1.1 million over the first quarter of fiscal 1994. Income tax expense consists primarily of foreign income taxes.

LIQUIDITY AND CAPITAL RESOURCES

During the first three months of fiscal 1995, cash generated from operations and sale of fixed assets were the primary reasons for an increase of $9.1 million in cash and other short-term investments. Proceeds from the sale of fixed assets included $2.9 million from the sale of one domestic and one international rig.

Capital expenditures in the first quarter of fiscal 1995 totalled $3.2 million. The Company's capital spending is below fiscal 1994 levels reflecting a decline in international activity. Management currently forecasts capital expenditures for fiscal 1995 to be approximately $14.0 million. In the event the Company obtains additional contracts that require the purchase or construction of new or specialized rigs, or significant modifications to existing rigs, capital expenditures could increase further. Any significant increase in capital expenditures would be subject to any restrictions imposed on the Company as specified below.

The Company has a credit agreement with a bank which provides for a $7.5 million revolving credit facility, all of which was available for drawdown as of November 30, 1994. The credit agreement, which expires March 1, 1996, contains restrictions on annual capital expenditures and certain senior and subordinated indebtedness which can be incurred by Parker Drilling Company and certain subsidiaries designated in the credit agreement. These designated subsidiaries comprise the operating subsidiaries through which the Company performs the majority of its drilling operations. The credit facility also limits payment of dividends on the Company's common stock to the lesser of 40% of consolidated net income for the preceding year, or $2.6 million. The remaining subsidiaries of the Company are not a party to the credit facility and are able to make capital expenditures and obtain independent financing from lenders that have no recourse to Parker Drilling Company and the designated subsidiaries, subject only to an overall limitation of indebtedness.

The restrictions in the credit agreement are not anticipated to restrict growth or investment opportunities in the foreseeable future.

In November 1994, the Company acquired a limited partner's ownership interest in two consolidated partnerships in exchange for a promissory note totalling $1.8 million. (See Note 3 of Notes to Unaudited Consolidated Condensed Financial Statements.) The promissory note is payable in seven equal annual installments beginning November 1995, with interest at 5 3/4%.

Management believes that the current level of cash and short-term investments, together with cash generated from operations, should be sufficient to meet the company's immediate capital needs. However, in the event the Company obtains additional contracts requiring further significant capital expenditures or acquires equipment or companies in the drilling service industry, management believes the Company would likely meet both short-term and long-term capital needs through a combination of cash generated from operations, borrowings under the bank credit agreement and either equity or long-term debt financing.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a)Exhibits:

	Page
Exhibit 15 Letter re Unaudited Interim Financial Information	11
Exhibit 27 Financial Data Schedule	

(b)Reports on Form 8-K - There were no reports on Form 8-K filed during the three months ended November 30, 1994.

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 thereunto duly authorized.

Parker Drilling Company

Registrant

Date: January 12, 1995

By: /s/James J. Davis

James J. Davis
Vice President, Finance and
Chief Financial Officer

By: /s/Randy Ellis

Randy Ellis
Controller and
Chief Accounting Officer

Exhibit 15

January 12, 1995

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 10549

Re: Parker Drilling Company
Registration on Form S-8

We are aware that our report dated January 12, 1995, on our review of the interim financial information of Parker Drilling Company for the period ended November 30, 1994, and included in this Form 10-Q is incorporated by reference in the Company's registration statements on Form S-8 (File No. 2-87944, 33-24155 and 33-56698). Pursuant to Rule 436(c) under the Securities Act of 1933, this report should not be considered a part of the registration statement prepared or certified by us within the meaning of Section 7 and 11 of that Act.

COOPERS & LYBRAND L.L.P.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED CONDENSED BALANCE SHEET AS OF NOVEMBER 30,1994 AND THE CONSOLIDATED CONDENSED STATEMENT OF OPERATIONS FOR THE THREE MONTHS ENDED NOVEMBER 30,1994 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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