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 MARCH 31, 2003

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.)

1401 Enclave Parkway, Suite 600, Houston, Texas 77077
(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code (281) 406-2000

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 [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2 of the Exchange Act of 1934). Yes [X] No [ ]

As of April 30, 2003, 92,946,676 common shares were outstanding.

PARKER DRILLING COMPANY

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

<TABLE>
<CAPTION>

<S>	March 31, 2003 <C>	December 31, 2002 <C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 84,402	$ 51,982
Accounts and notes receivable, net	84,458	89,363
Rig materials and supplies	16,734	17,161
Other current assets	2,302	8,631
Total current assets	187,896	167,137
Property, plant and equipment less accumulated depreciation and amortization of $625,581 at March 31, 2003 and $604,813 at December 31, 2002	622,388	641,278
Goodwill, net of accumulated amortization of $108,412 at March 31, 2003 and December 31, 2002	115,983	115,983
Other noncurrent assets	26,140	28,927
Total assets	$ 952,407	$ 953,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	$ 6,603	$ 6,486
Accounts payable and accrued liabilities	63,099	50,742

Accrued income taxes	6,501	4,347
Total current liabilities	76,203	61,575
Long-term debt	581,733	583,444
Other long-term liabilities	9,897	7,680
Contingencies (Note 6)		
Stockholders' equity:		
Common stock	15,491	15,465
Capital in excess of par value	435,333	434,998
Accumulated other comprehensive income - net unrealized gain on investments available for sale	452	664
Accumulated deficit	(166,702)	(150,501)
Total stockholders' equity	284,574	300,626
Total liabilities and stockholders' equity ..	$ 952,407	$ 953,325

</TABLE>

See accompanying notes to unaudited consolidated condensed financial statements.

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

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
	2003	2002
<S>	<C>	<C>
Drilling and rental revenues:		
U.S. drilling	$ 28,261	$ 22,705
International drilling	54,254	71,593
Rental tools	12,613	12,111
Total drilling and rental revenues	95,128	106,409
Drilling and rental operating expenses:		
U.S. drilling	21,898	20,246
International drilling	37,670	48,487
Rental tools	5,416	5,609
Total drilling and rental operating expenses	64,984	74,342
Drilling and rental gross margins	30,144	32,067
Construction contract revenue	2,266	17,652
Construction contract expense	2,266	16,398
Construction contract gross margin (Note 5)	--	1,254
Depreciation and amortization	24,502	23,599
General and administrative expense	5,085	6,913
Total operating income	557	2,809
Other income and (expense):		
Interest expense	(13,444)	(12,460)
Interest income	206	352
Gain on disposition of assets	676	923
Minority interest expense	73	--
Other income (expense) - net	81	(142)
Total other income and (expense)	(12,408)	(11,327)
Loss before income taxes and cumulative effect of change in accounting principle	(11,851)	(8,518)

Income tax expense (benefit):		
Current	4,350	7,751
Deferred	--	(5,200)
Income tax expense	4,350	2,551
Loss before cumulative effect of change in accounting principle	(16,201)	(11,069)
Cumulative effect of change in accounting principle	--	(73,144)
Net loss	$ (16,201)	$ (84,213)
Loss per share - basic:		
Before cumulative effect of change in accounting principle	$ (0.17)	$ (0.12)
Cumulative effect of change in accounting principle	$ --	$ (0.79)
Net loss	$ (0.17)	$ (0.91)
Loss per share - diluted:		
Before cumulative effect of change in accounting principle	$ (0.17)	$ (0.12)
Cumulative effect of change in accounting principle	$ --	$ (0.79)
Net loss	$ (0.17)	$ (0.91)
Number of common shares used in computing earnings per share:		
Basic	92,848,131	92,227,213
Diluted	92,848,131	92,227,213

</TABLE>

See accompanying notes to unaudited consolidated condensed financial statements.

PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
	2003	2002
<S>	<C>	<C>
Cash flows from operating activities:		
Net loss	$(16,201)	$(84,213)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	24,502	23,599
Gain on disposition of assets	(676)	(923)
Cumulative effect of change in accounting principle	--	73,144
Expenses not requiring cash	1,216	1,976
Deferred income taxes	--	(5,200)
Change in operating assets and liabilities	29,872	3,843
Net cash provided by operating activities	38,713	12,226
Cash flows from investing activities:		
Capital expenditures	(6,935)	(12,706)
Proceeds from the sale of equipment	2,289	2,275
Net cash used in investing activities	(4,646)	(10,431)
Cash flows from financing activities:		
Principal payments under debt obligations	(1,647)	(1,209)
Other	--	(67)
Net cash used in financing activities	(1,647)	(1,276)

Net change in cash and cash equivalents	32,420	519
Cash and cash equivalents at beginning of period	51,982	60,400
Cash and cash equivalents at end of period	$ 84,402	$ 60,919
Supplemental cash flow information:		
Interest paid	$ 3,982	$ 5,111
Income taxes paid	$ 3,480	$ 1,302
Supplemental noncash investing activity:		
Net unrealized gain (loss) on investments available for sale (net of taxes $0 in 2003 and $(10) in 2002)	$ (212)	$ (19)
Change in fair value of interest rate swap	$ --	$ 1,685
Capital lease obligation	$ 290	$ --

</TABLE>

See accompanying notes to unaudited consolidated condensed financial statements.

PARKER DRILLING COMPANY AND SUBSIDIARIES

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

1. General - 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 March 31, 2003 and December 31, 2002, (2) the results of operations for the three months ended March 31, 2003 and 2002, and (3) cash flows for the three months ended March 31, 2003 and 2002. Results for the three months ended March 31, 2003 are not necessarily indicative of the results which will be realized for the year ending December 31, 2003. The financial statements should be read in conjunction with the Company's Form 10-K for the year ended December 31, 2002.

   Our independent accountants have performed a review of these interim financial statements in accordance with standards established by the American Institute of Certified Public Accountants. Pursuant to Rule 436(c) under the Securities Act of 1933, their report of that review should not be considered a report within the meaning of Section 7 and 11 of that Act, and the independent accountants liability under Section 11 does not extend to it.

   Stock-Based Compensation - The Company's stock-based employee compensation plan is accounted for under the recognition and measurement principles of the Accounting Principles Board Opinion ("APB") No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation cost related to stock options is reflected in net loss, as all options granted under the plan had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net loss and loss per share if the Company had applied the fair value recognition provisions of the Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation.

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
	2003	2002
	(Dollars in Thousands, Except Per Share Amounts)	
<S>	<C>	<C>
Loss before cumulative effect of change in accounting principle	$ (16,201)	$ (11,069)
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards	(392)	(717)
Pro forma loss before cumulative effect of change in accounting principle	$ (16,593)	$ (11,786)

	==========	==========
Loss per share before cumulative effect of change in accounting principle		
Basic as reported	$ (0.17)	$ (0.12)
Basic pro forma	$ (0.18)	$ (0.13)
Diluted-as reported	$ (0.17)	$ (0.12)
Diluted-pro forma	$ (0.18)	$ (0.13)

</TABLE>

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions for both quarters: no dividend yield; expected volatility of 56.9%; risk-free interest rate of 4.88%; and expected lives of options, 5-7 years.

2. Earnings Per Share -

RECONCILIATION OF INCOME AND NUMBER OF SHARES USED
TO CALCULATE BASIC AND DILUTED EARNINGS PER SHARE (EPS)

<TABLE>
<CAPTION>

	For the Three Months Ended March 31, 2003		
	Loss (Numerator)	Shares (Denominator)	Per Share Amount
<S>	<C>	<C>	<C>
Basic EPS:			
Net loss	$(16,201,000)	92,848,131	$ (0.17)
Effect of dilutive securities:			
Stock options and grants	--	--	--
Diluted EPS:			
Net loss	$(16,201,000)	92,848,131	$ (0.17)
	============	==========	========

</TABLE>

<TABLE>
<CAPTION>

	For the Three Months Ended March 31, 2002		
	Loss (Numerator)	Shares (Denominator)	Per-Share Amount
<S>	<C>	<C>	<C>
Basic EPS:			
Loss before cumulative effect of change in accounting principle	$(11,069,000)	92,227,213	$ (0.12)
Cumulative effect of change in accounting principle	$(73,144,000)	92,227,213	$ (0.79)
Net loss	$(84,213,000)	92,227,213	$ (0.91)
Effect of dilutive securities:			
Stock options and grants	--	--	--
Diluted EPS:			
Loss before cumulative effect of change in accounting principle	$(11,069,000)	92,227,213	$ (0.12)
Cumulative effect of change in accounting principle	$(73,144,000)	92,227,213	$ (0.79)
Net loss	$(84,213,000)	92,227,213	$ (0.91)
	============	==========	========

</TABLE>

The Company has outstanding $124,509,000 of 5.5% Convertible Subordinated Notes which are convertible into 8,090,254 shares of common stock at $15.39 per share. The notes have been outstanding since their issuance in July 1997 but were not included in the computation of diluted EPS because the assumed conversion of the notes would have had an anti-dilutive effect on EPS. For the three months ended March 31, 2003, options to purchases 9,553,809 shares of common stock at prices ranging from $2.24 to $12.1875, were outstanding but not included in the computation of diluted EPS because the assumed exercise of the options would have had an anti-dilutive effect on EPS due to the net loss incurred during the period. For the three months ended March 31, 2002, options to purchase 8,463,810 shares of common stock at prices ranging from $2.25 to $12.1875, were outstanding but not included in the computation of diluted EPS because the assumed exercise of the options would have had an anti-dilutive effect on EPS due to the net loss incurred during the period.

3. Business Segments - The primary services the Company provides are as follows: U.S. drilling, international drilling and rental tools. Information regarding the Company's operations by industry segment for the three-months ended March 31, 2003 and 2002 is as follows (dollars in thousands):

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
	2003	2002
<S>	<C>	<C>
Drilling and rental revenues:		
U.S. drilling	$ 28,261	$ 22,705
International drilling	54,254	71,593
Rental tools	12,613	12,111
Total drilling and rental revenues ..	95,128	106,409
Operating income (loss):		
U.S. drilling	(3,536)	(7,577)
International drilling	5,203	12,541
Rental tools	3,975	3,504
Total operating income by segment(1).	5,642	8,468
Construction contract gross margin ..	--	1,254
General and administrative expense ..	(5,085)	(6,913)
Total operating income	557	2,809
Interest expense	(13,444)	(12,460)
Minority interest expense	73	--
Other income (expense) - net	963	1,133
Loss before income taxes	$ (11,851)	$ (8,518)

</TABLE>

(1) Operating income by segment is calculated by excluding net construction contract operating income and general and administrative expense from operating income, as reported in the consolidated condensed statements of operations.

4. Reclassifications - Effective the first quarter of 2003 the Company changed its accounting for reimbursable costs. In prior years, the Company net the reimbursement with the cost in the Statement of Operations. Beginning in the current quarter, the Company reflected the reimbursements as operating revenues and the costs in operating expense. There is no effect on total operating income. The prior quarter presented has been reclassified to conform to the current presentation. The effect of making this change was an increase in both total drilling and rental revenues and total drilling and rental operating expenses of $9.1 million and $10.2 million for the quarter ended March 31, 2003 and 2002, respectively.

5. Construction Contract - The Company historically only constructed drilling rigs for its own use. At the request of one of its significant customers, the Company entered into a contract to design, construct, mobilize and sell ("construction contract") a specialized drilling rig to drill extended reach wells to offshore targets from a land-based location on Sakhalin Island, Russia, for an international consortium of oil and gas companies. The Company also entered into a contract to subsequently operate the rig on behalf of the consortium. Generally Accepted Accounting Principles ("GAAP") requires that revenues received and costs incurred related to the construction contract be accounted for and reported on a gross basis and income for the related fees should be recognized on a percentage of completion basis. Because this construction contract is not a part of the Company's historical or normal operations, the revenues and costs related to this contract have been shown as a separate component in the statement of operations.

6. Contingency - On July 6, 2001, the Ministry of State Revenues of Kazakhstan ("MSR") issued an Act of Audit to the Kazakhstan branch ("PKD Kazakhstan") of Parker Drilling Company International Limited ("PDCIL"), a wholly owned subsidiary of the Company, assessing additional taxes of approximately $29.0 million for the years 1998-2000. The assessment consisted primarily of adjustments in corporate income tax based on a determination by the Kazakhstan tax authorities that payments by Offshore Kazakhstan International Operating Company, ("OKIOC"), to PDCIL of $99.0 million, in reimbursement of costs for modifications to Rig 257, performed by PDCIL prior to the importation of the drilling rig into Kazakhstan, are income to PKD Kazakhstan, and therefore, taxable to PKD Kazakhstan. PKD Kazakhstan filed an Act of Non-Agreement that such reimbursements should not be taxable and requested that the Act of Audit be revised accordingly. In November 2001, the MSR rejected PKD Kazakhstan's Act of Non-Agreement, prompting PKD Kazakhstan to seek judicial review of the assessment. On December 28, 2001, the Astana City Court issued a judgment in favor of PKD Kazakhstan, finding that the reimbursements to PDCIL were not income to PKD Kazakhstan and not otherwise subject to tax based on the U.S.-Kazakhstan Tax Treaty. The MSR appealed the decision of the Astana City Court to the Civil Panel of the Supreme Court, which confirmed the decision of the Astana City Court that the reimbursements were not income to PKD Kazakhstan in March 2002. Although the court agreed with the MSR's position on certain minor issues, no additional taxes were payable as a result of this assessment. The MSR had until the end of March 2003 to appeal the decision of the Civil Panel to the Supervisory Panel of the Supreme Court of Kazakhstan. As of April 30, 2003, no appeal has been made by the MSR, but the MSR may petition the Supreme Court of Kazakhstan to reopen the case if material new evidence is discovered. In addition, PDCIL has filed a petition with the U.S. Treasury Department for competent authority review, which is a tax treaty procedure to resolve disputes as to which country may tax income covered under the treaty. The U.S. Treasury Department has granted our petition and has initiated proceedings with the MSR which are ongoing.

7. Goodwill - Effective January 1, 2002, the Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets." In accordance with this accounting principle, goodwill is no longer amortized but will be assessed for impairment on an annual basis.

As an initial step in the implementation process, the Company identified four reporting units which had unamortized goodwill that would be tested for impairment. The four units qualify as reporting units in that they are one level below an operating segment, or an individual operating segment and discrete financial information exists for each unit. The four reporting units identified by its respective segment are as follows:

<TABLE>

<S>	<C>
U.S. drilling segment:	Barge rigs
	Jackup and Platform rigs(1)
International drilling segment:	Nigeria barge rigs

Rental tools segment: Rental tools business
</TABLE>

(1) The jackup and platform rigs were aggregated due to the similarities in the markets served.

As required under the transitional accounting provisions of SFAS No. 142, the Company completed both steps required to identify and measure goodwill impairment at each reporting unit. The first step involved identifying all reporting units with carrying values (including goodwill) in excess of fair value, which was estimated by an independent business valuation consultant using the present value of estimated future cash flows. The reporting units for which the carrying value exceeded fair value were then measured for impairment by comparing the implied fair value of the reporting unit goodwill, determined in the same manner as in a business combination, with the carrying amount of goodwill. The jackup and platform rigs reporting unit was the only unit where impairment was identified. As a result, goodwill related to the jackup and platform rigs was impaired by $73.1 million and was recognized as a cumulative effect of a change in accounting principle retroactive to the first quarter of 2002. The Company performed its annual impairment review during the fourth quarter of 2002 with no additional impairment required.

8. Recent Accounting Pronouncements - In June 2001, the Financial Accounting Standard Board ("FASB") issued SFAS No. 143, "Accounting for Asset Retirement Obligations." SFAS No. 143 is effective for fiscal years beginning after June 15, 2002 and establishes an accounting standard requiring the recording of the fair value of liabilities associated with the retirement of long-term assets in the period in which the liability is incurred. Accordingly, we adopted this standard in the first quarter of 2003 and it did not have a material impact on our financial position or results of operations.

In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, No. 44, and No. 64, Amendment of FASB Statement No. 13, and Technical Corrections." SFAS No. 145 is effective for fiscal years beginning after May 15, 2002. We adopted this standard in the first quarter of 2003 and it did not have a significant effect on our results of operations or our financial position.

On December 31, 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure - An Amendment of SFAS No. 123." The standard provides additional transition guidance for companies that elect to voluntarily adopt the accounting provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." SFAS No. 148 does not change the provisions of SFAS No. 123 that permit entities to continue to apply the intrinsic value method of APB No. 25, "Accounting for Stock Issued to Employees." As we continue to follow APB No. 25, our accounting for stock-based compensation will not change as a result of SFAS No. 148. SFAS No. 148 does require certain new disclosures in both annual and interim financial statements. The interim disclosure provisions have been included as Note 1.

In March 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." This Statement amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under FASB Statement No. 133, Accounting for Derivative Instruments and Hedging Activities. This Statement will be effective for contracts entered into, modified or designated as hedges after June 30, 2003. We will adopt this standard in July 2003 and do not expect it to have a significant effect on our results of operations or our financial position.

On January 17, 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities, An Interpretation of Accounting Research Bulletin No. 51." The primary objectives of FIN 46 are to provide guidance on how to identify entities for which control is achieved through means other than through voting rights (variable interest entities ("VIE")) and how to determine when and which business enterprise should consolidate the VIE. This new model for consolidation applies to an entity in which either (1) the equity investors do not have a controlling financial interest or (2) the equity investment at risk is insufficient to finance that entity's activities without receiving additional subordinated financial support from other parties. See Note 10 regarding our consolidation of AralParker, a company in which we own a 50 percent equity interest. We are consolidating AralParker because we exert significant influence and have a financial interest in the form of a loan, in addition to our equity interest.

9. Derivative Financial Instruments - The Company is exposed to interest rate risk from its fixed-rate debt. The Company hedged against a portion of the risk of changes in fair value associated with its $214.2 million 9.75% Senior Notes by entering into three fixed-to-variable interest rate swap agreements with a total notional amount of $150.0 million. The Company assumed no ineffectiveness as each interest rate swap agreement met the short-cut method requirements under SFAS No. 133 for fair value hedges of debt instruments. As a result, changes in the fair value of the interest rate swap agreements were offset by changes in the fair value of the debt and no net gain or loss was recognized in earnings. During the first quarter ended March 31, 2002, the interest rate swap agreements reduced interest expense by $1.1 million.

   On July 24, 2002, the Company terminated all the interest rate swap agreements and received $3.5 million. A gain totaling $2.6 million will be recognized as a reduction to interest expense over the remaining term (ending November 2006) of the debt instrument, of which $0.2 million was recognized during the first quarter of 2003.

10. Guarantor/Non-Guarantor Consolidating Condensed Financial Statements - Set forth on the following pages are the consolidating condensed financial statements of the restricted subsidiaries and our subsidiaries which are not restricted by the Senior Notes. All of the Company's Senior Notes are guaranteed by substantially all wholly owned subsidiaries of Parker Drilling. There are currently no restrictions on the ability of the subsidiaries to transfer funds to Parker Drilling in the form of cash dividends, loans or advances. Parker Drilling is a holding company with no operations, other than through its subsidiaries. In prior years, the non-guarantors were inconsequential, individually and in the aggregate, to the consolidated financial statements and separate financial statements of the guarantors were not presented because management had determined that they would not be material to investors.

    In August, 2002, Parker Drilling Company International Limited ("PDCIL") sold two of its rigs in Kazakhstan to AralParker, a Kazakhstan closed joint stock company which is owned 50 percent by PDCIL and 50 percent by a Kazakhstan company, Aralnedra, CJSC. Because PDCIL has significant influence over the business affairs of AralParker, its financial statements are consolidated with those of the Company.

    AralParker, Casuarina Limited (a wholly owned captive insurance company) and Parker Drilling Investment Company are all non-guarantor subsidiaries whose aggregate financial position and results of operations are no longer deemed to be inconsequential and, accordingly the Company is providing consolidating condensed financial information of the parent, Parker Drilling, the guarantor subsidiaries, and the non-guarantor subsidiaries as of March 31, 2003 and for the three months ended March 31, 2003.

PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATING CONDENSED STATEMENTS OF OPERATIONS
(Dollars in Thousands)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended March 31, 2003				
	Parent	Guarantor	Non-Guarantor	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Drilling and rental revenues:					
U.S. drilling	$ --	$ 28,261	$ --	$ --	$ 28,261
International drilling	--	41,902	12,937	(585)	54,254
Rental tools	--	12,613	--	--	12,613
Total drilling and rental revenues	--	82,776	12,937	(585)	95,128
Drilling and rental operating expenses:					
U.S. drilling	3	21,895	--	--	21,898
International drilling	--	27,681	10,586	(597)	37,670
Rental tools	--	5,416	--	--	5,416
Total drilling and rental operating expenses	3	54,992	10,586	(597)	64,984
Drilling and rental gross margins	(3)	27,784	2,351	12	30,144
Construction contract revenue	--	2,266	--	--	2,266
Construction contract expense	--	2,266	--	--	2,266
Construction contract gross margin	--	--	--	--	--
Depreciation and amortization expense	--	22,936	1,566	--	24,502
General and administrative expense	37	5,048	--	--	5,085
Total operating income (loss)	(40)	(200)	785	12	557
Other income and (expense):					
Interest expense	(14,636)	(11,660)	(1,110)	13,962	(13,444)
Interest income	12,845	901	422	(13,962)	206
Gain on disposition of assets	--	677	(1)	--	676
Minority interest expense	--	--	73	--	73
Other income (expense) - net	--	81	12	(12)	81
Equity in net earnings of subsidiaries ...	(13,498)	--	--	13,498	--
Total other income and (expense)	(15,289)	(10,001)	(604)	13,486	(12,408)
Income (loss) before income taxes and cumulative effect of change in accounting principle	(15,329)	(10,201)	181	13,498	(11,851)
Income tax expense:					
Current	872	3,478	--	--	4,350
Deferred	--	--	--	--	--
Income tax expense	872	3,478	--	--	4,350
Net income (loss)	$ (16,201)	$ (13,679)	$ 181	$ 13,498	$ (16,201)

</TABLE>

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

<TABLE>
<CAPTION>

	March 31, 2003				
	Parent	Guarantor	Non-Guarantor	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
ASSETS					

Current Assets:					
Cash and cash equivalents	$ 77,541	$ 5,002	$ 1,859	$ --	$ 84,402
Accounts and notes receivable, net	90,552	98,624	17,909	(122,627)	84,458
Rig materials and supplies	--	16,734	--	--	16,734
Other current assets and short-term investments	1	2,223	28	50	2,302
Total current assets	168,094	122,583	19,796	(122,577)	187,896
Property, plant and equipment, net	152	596,714	39,116	(13,594)	622,388
Goodwill, net	--	115,983	--	--	115,983
Investment in subsidiaries and intercompany advances	752,401	558,200	21,253	(1,331,854)	--
Other noncurrent assets	19,433	14,210	146	(7,649)	26,140
Total assets	$ 940,080	$ 1,407,690	$ 80,311	$(1,475,674)	$ 952,407
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities:					
Current portion of long-term debt	$ 5,673	$ 930	$ --	$ --	$ 6,603
Accounts payable and accrued liabilities	37,542	168,712	7,288	(143,942)	69,600
Total current liabilities	43,215	169,642	7,288	(143,942)	76,203
Long-term debt	581,733	--	--	--	581,733
Deferred income tax	(45,300)	45,300	--	--	--
Other long-term liabilities and minority interest	1,275	8,622	--	--	9,897
Intercompany payables	74,583	497,709	40,773	(613,065)	--
Contingencies (Note 6)					
Stockholders' equity:					
Common stock and capital in excess of par value	450,824	1,078,708	5,451	(1,084,159)	450,824
Accumulated other comprehensive income	452	--	--	--	452
Accumulated deficit	(166,702)	(392,291)	26,799	365,492	(166,702)
Total stockholders' equity	284,574	686,417	32,250	(718,667)	284,574
Total liabilities and stockholders' equity	$ 940,080	$ 1,407,690	$ 80,311	$(1,475,674)	$ 952,407

</TABLE>

PARKER DRILLING COMPANY AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended March 31, 2003				
	Parent	Guarantor	Non-Guarantor	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Cash flows from operating activities:					
Net income (loss)	$(16,201)	$(13,679)	$ 181	$ 13,498	$(16,201)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation and amortization	--	22,936	1,566	--	24,502
Gain on disposition of assets	--	(677)	1	--	(676)
Expenses not requiring cash	237	(7,303)	--	8,282	1,216
Equity in net earnings of subsidiaries	56,383	--	--	(56,383)	--
Change in operating assets and liabilities	(4,485)	20,730	1,171	12,456	29,872
Net cash (used in) provided by operating activities	35,934	22,007	2,919	(22,147)	38,713
Cash flows from investing activities:					
Proceeds from the sale of equipment	--	2,289	--	--	2,289
Capital expenditures	--	(6,881)	(54)	--	(6,935)
Net cash used in investing activities	--	(4,592)	(54)	--	(4,646)

Cash flows from financing activities:					
Principal payments under debt obligations	(1,647)	--	--	--	(1,647)
Intercompany advances, net	--	(18,631)	(3,516)	22,147	--
Net cash used in financing activities	(1,647)	(18,631)	(3,516)	22,147	(1,647)
Net change in cash and cash equivalents	34,287	(1,216)	(651)	--	32,420
Cash and cash equivalents at beginning of period	43,254	6,218	2,510	--	51,982
Cash and cash equivalents at end of period	$ 77,541	$ 5,002	$ 1,859	$ --	$ 84,402

</TABLE>

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 March 31, 2003 and the related consolidated condensed statements of operations and cash flows for the three-month periods ended March 31, 2003 and 2002. 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 auditing standards generally accepted in the United States, 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 consolidated condensed financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet as of December 31, 2002, and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein); and in our report, dated January 29, 2003, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated condensed balance sheet as of December 31, 2002, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Tulsa, Oklahoma
April 28, 2003

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Form 10-Q contains certain statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934. These statements may be made in this document, or may be "incorporated by reference," which means the statements are contained in other documents filed by the Company with the Securities and Exchange Commission. All statements included in this document, other than statements of historical facts, that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future are "forward-looking statements," including without limitation:

*future operating results,

*future rig utilization, dayrates and rental tool activity,

*future capital expenditures and investments in the acquisition and refurbishment of rigs and equipment,

*repayment of debt,

*future sales of assets

*maintenance of the Company's revolver borrowing base, and

*expansion and growth of operations.

Forward-looking statements are based on certain assumptions and analyses made by the management of the Company in light of their experience and perception of historical trends, current conditions, expected future developments and other factors it believes are relevant. Although management of the Company believes that its assumptions are reasonable based on current information available, they are subject to certain risks and uncertainties, many of which are outside the control of the Company. These risks and uncertainties include:

*worldwide economic and business conditions that adversely affect market conditions and/or the cost of doing business,

*the pace of recovery in the U.S. economy and the demand for natural gas,

*fluctuations in the market prices of oil and gas,

*imposition of unanticipated trade restrictions and political instability,

*operating hazards and uninsured risks,

*political instability

*governmental regulations that adversely affect the cost of doing business,

*adverse environmental events,

*adverse weather conditions,

*changes in concentration of customer and supplier relationships,

*unexpected cost increases for upgrade and refurbishment projects,

*unanticipated cancellation of contracts by operators without cause,

*changes in competition, and

*other similar factors (some of which are discussed in documents referred to in this Form 10-Q).

Because the forward-looking statements are subject to risks and uncertainties, the actual results of operations and actions taken by the Company may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties are referenced in connection with forward-looking statements that are included from time to time in this document. Each forward-looking statement speaks only as of the date of this Form 10-Q, and the Company undertakes no obligation to publicly update or revise any forward-looking statement.

OUTLOOK AND OVERVIEW

The Company's financial results for the first quarter of 2003 reflect a continuation of the depressed market conditions in both the Gulf of Mexico and international drilling markets. Rig utilization and dayrates have remained depressed in the Gulf of Mexico since the fourth quarter of 2001. The Company's international land drilling and offshore drilling markets experienced further weakness in the first quarter of 2003 compared to the fourth quarter of 2002. The Company's rental tool business improved during the quarter compared to both the fourth quarter of 2002 and the first quarter of 2002.

While the downward trend in drilling activity in the Gulf of Mexico that began in late 2001 was in response to declining demand and prices for natural gas, due in part to the economic recession in the United States, this reduced level of activity continued through 2002 and the first quarter of 2003 even as the price for crude oil and natural gas increased. The continued decline in activity is most likely attributable to several factors, including a focus by exploration and production companies on improving their balance sheets by directing cash to debt reduction, the lack of acceptable well prospects and in some cases funding issues for independent operators. Due to the reduction in drilling activity in the first quarter of 2003, barge rig utilization decreased from 58 percent in the fourth quarter of 2002 to 52 percent in the first quarter of 2003, which was an improvement versus the 44 percent experienced in the first quarter of 2002 with average dayrates declining by approximately eight percent and 11 percent versus the fourth quarter of 2002 and the first quarter of 2002, respectively. Utilization for the jackup rigs decreased from 93 percent in the fourth quarter of 2002 to 75 percent during the first quarter of 2003, which was an improvement compared to the 53 percent experienced in the first quarter of 2002. Average dayrates for the jackup rigs improved by approximately four percent and 15 percent when compared to the fourth quarter of 2002 and the first quarter of 2002, respectively. The Company's rental tool business experienced an improvement in activity versus both the fourth quarter of 2002 and the first quarter of 2002. Rental tool revenues increased by 22 percent compared to the fourth quarter of 2002 and by four percent compared to the first quarter of 2002, and gross margins increased to 57 percent from 50 percent in the fourth quarter of 2002 and 54 percent in the first quarter of 2002.

Our drilling operations in the Commonwealth of Independent States (the former Soviet Union, referred to hereinafter as the "CIS"), which includes Kazakhstan and Russia, are a significant part of our current international operations and the Company believes the region has potential for additional growth in the future. Since 1993, our operations in Kazakhstan have grown from providing labor to our principal customer to owning or managing 11 drilling rigs for several operators, currently six drilling rigs are operating. In response to the Kazakhstan government's request to incorporate local content and in order to take advantage of the growth potential and remain a preferred vendor in Kazakhstan, Parker partnered with a local company in July 2002. As a result of the agreement with AralParker, a Kazakhstan closed joint stock company which is owned 50 percent by Parker Drilling Company International Limited ("PDCIL") and 50 percent by a Kazakhstan company, Aralnedra CJSC, AralParker purchased two rigs from PDCIL and PDCIL assigned the contract associated with such rigs to AralParker. The purchase of the rigs by AralParker was financed by Parker Drilling over a five-year period. In addition, PDCIL is leasing a third rig to AralParker, and is operating the joint venture company pursuant to a management and technical services contract. In light of the Company's significant influence over the business affairs of AralParker, its financial statements are consolidated with the Company's financial statements in accordance with generally accepted accounting principles. Although Aralnedra effectively owns 50 percent of the two rigs, PDCIL receives approximately 90 percent of the cash flow generated by the current five-year drilling contract, effective February 2002, through the proceeds of repayment of the loan and the management and technical services contract.

In November 2002, the Company and AralParker received notification from TengizChevroil ("TCO") to suspend drilling operations upon completion of wells being drilled in Kazakhstan's Tengiz field pending agreement on funding issues facing the TCO partners. On January 27, 2003, the Company and AralParker received notification to resume normal drilling operations in the Tengiz field, except for a labor contract on a TCO-owned rig. While we received notification of the suspension in mid-November, the rigs and crews were instructed to continue drilling wells in progress as of the date of the suspension notice. As a result, operations continued at near normal operating rates throughout most of the suspension period, resulting in a minimal financial impact to the Company and AralParker.

In the first quarter of 2003, international revenues declined by $6.2 million as compared to the fourth quarter of 2002 and by $17.3 million versus the first quarter of 2002 with gross margins declining in the first quarter $4.5 million as compared to the fourth quarter of 2002 and $6.5 million versus the first quarter of 2002. The decline in revenues and gross margins in the first quarter of 2003 as compared to the fourth quarter of 2002 is attributable to the CIS and Asia Pacific regions, with CIS accounting for approximately 80 percent of the gross margin difference. The gross margin decline in the CIS is attributable to approximately equal declines in both the Tengiz and Karachaganak areas. During the fourth quarter the Company recognized a termination fee for one rig in Karachaganak accounting for the reduction in gross margin. Currently the Company is working one rig in Karachaganak down from three Company rigs operating during the first quarter of 2002. While the Company does not anticipate either of these areas will return to the level experienced in the fourth quarter in the near future, it is optimistic that other areas of opportunity will be available in the CIS. The decline of $17.3 million in revenues during the first quarter of 2003 versus the first quarter of 2002 generally occurred across all areas of operation; however, 85 percent of the $6.5 million decline in gross margin for the same period is related almost equally to Latin America and Asia Pacific.

During the first quarter of 2003, cash flow from operations was $38.7 million versus $12.2 million for the first quarter of 2002. Management has continued its efforts that began in 2002 to significantly reduce capital expenditures, which were $45.2 million in 2002 as compared to $122.0 million in 2001. During the first quarter of 2003 the Company spent $6.9 million for capital expenditures compared to $12.7 million in the first quarter of 2002. In addition, management has continued to actively pursue the cost reduction program that began in 2002, including its focus on reducing the level of working capital required for day-to-day operations. As a result, the Company's cash position improved to $84.4 million at March 31, 2003 from $52.0 million at year end. Management anticipates that working capital needs and funds required for capital spending in 2003 will be met with cash provided by operations. Based on anticipated cash requirements for capital spending of less than $50.0 million in 2003, it is management's current intention to hold capital expenditures at or below this level and to apply available free cash flow to repay long-term debt. The amount of debt that can be repaid is dependent on the results of operations and the proceeds from the sale of assets in 2003. Should new opportunities requiring additional capital arise, that are not contemplated in management's current capital expenditure budget, the Company will utilize existing cash and, if necessary, borrowings under its revolving credit facility (this facility terminates on October 22, 2003, see Liquidity and Capital Resources section for additional information). In addition, the Company may seek project financing or equity participation from outside alliance partners or customers. The Company cannot predict whether such financing or equity participation would be available on terms acceptable to the Company.

During the Company's first quarter conference call with investors, management revised its previously announced guidance for 2003 to a net loss range of $0.26 to $0.30 per share. This estimate is based on management's belief that both dayrates and utilization will increase modestly during the last half of the year on the basis that current prices and expected demand for oil and gas will stimulate an increase in drilling activity. Also, during the conference call the Company reaffirmed its plan to sell assets by mid-year. Though the exact assets that ultimately will be sold have not been identified, management believes that the net proceeds after transaction fees and taxes of the assets ultimately sold will allow the Company to reduce its long-term debt by $200 million. The Company has retained an investment banker to assist with the sale of assets, but has not entered into any sales agreements at this time. The guidance for 2003 does not reflect the impact of any asset sales. While there are no assurances that the Company will be successful in its plan to sell assets, the Company continues to believe that it will achieve its target.

If the Company is not successful in achieving at least a portion of the targeted amount of proceeds from the assets sales, the Company does not currently have the liquidity required to retire the Convertible Subordinated

Notes payable in August 2004; therefore, the Company is actively pursuing alternate sources of liquidity to address this risk.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2003 Compared with Three Months Ended March 31, 2002

The Company recorded a net loss of $16.2 million for the three months ended March 31, 2003 compared to a net loss of $11.1 million before the cumulative change in accounting principle recorded for the three months ended March 31, 2002. The net loss in the first quarter of 2003 is reflective of lower utilization in the Company's international land operations.

<TABLE>
<CAPTION>

	Three Months Ended March 31,			
	2003		2002	
Drilling and rental revenues:	(Dollars in Thousands)			
<S>	<C>	<C>	<C>	<C>
U.S. drilling	$28,261	30%	$ 22,705	21%
International drilling	54,254	57%	71,593	67%
Rental tools	12,613	13%	12,111	12%
Total drilling and rental revenues	$95,128	100%	$106,409	100%

</TABLE>

The Company's drilling and rental revenues decreased $11.3 million to $95.1 million in the current quarter as compared to the first quarter of 2002. U.S. drilling revenues increased $5.6 million due to increased utilization partially offset by declining dayrates related to the barge rigs. Total barge rig revenues increased $1.4 million in the current quarter, as a result of an increase in utilization from 44 percent to 52 percent offset by an 11 percent decrease in average dayrates. Jackup rig revenues increased $4.2 million in the current quarter as compared to the first quarter of 2002 due to a 15 percent increase in dayrates and utilization increased from 53 percent to 75 percent.

International drilling revenues decreased $17.3 million to $54.3 million in the current quarter as compared to the first quarter of 2002. International land drilling revenues decreased $13.9 million while international offshore drilling revenues decreased $3.4 million. All international land locations experienced a decrease in revenues in the first quarter of 2003 as compared to 2002. Land revenues in the CIS region decreased $3.9 million primarily attributed to our Kazakhstan operations. During the first quarter 2002 the Company had three rigs operating in the Karachaganak field in Kazakhstan, two of these rigs were released during the latter half of 2002. The reduction of two rigs resulted in decreased revenues of $2.4 million. The Company's operations in Tengiz accounted for the remainder of the reduced revenues. Upon resumption of operations in January of 2003, TCO released one rig, owned by TCO, which the Company provided labor services resulting in a decrease of revenues of $0.9 million. Revenues in Latin America decreased $7.2 million primarily due to declining utilization in Colombia. During the first quarter of 2002 the Latin America region averaged 7.5 rigs operating as compared to an average of 3.5 rigs working during the first quarter of 2003. During the second quarter of 2002, a customer released four rigs in Colombia and currently only one rig has resumed operations. At this time the Company does not expect the customer to resume its previous level of activity. Revenues in our Asia Pacific region decreased by $3.4 million due primarily to three fewer rigs operating in the first quarter of 2003 as compared to the first quarter of 2002. In Indonesia revenues decreased $1.2 million as the Company operated three rigs in 2002 compared to one rig during the first quarter of 2003. In Papua New Guinea revenues decreased $2.1 million due to a one rig decrease in utilization and reduced labor contract days.

The decrease of $3.4 million in international offshore drilling revenues was due to reduced utilization in Nigeria. During the current quarter, three of the four Nigerian barge rigs were on contract as compared to 100 percent utilization during the first quarter of 2002. One barge rig has been stacked since the completion of its contract during the third quarter of 2002. In addition, during the current quarter two of the three barge rigs under contract had drilling suspended due to civil unrest in the area. Both barge rigs remained on force majeure rates which approximate 90 percent of the full dayrate. One barge rig returned to full operations at the end of April 2003. The second barge rig is expected to be placed on standby, (at a rate approximating 45 percent of full dayrate) until late in the third quarter of 2003.

Rental tool revenues increased $0.5 million as Quail Tools reported revenues in the current quarter of $12.6 million. Revenues increased $0.4 million from the New Iberia, Louisiana operations, decreased $0.1 million from the Victoria, Texas operations, decreased $0.1 million from the Odessa, Texas operations and generated $0.3 million from its new operation in Evanston, Wyoming.

<TABLE>
<CAPTION>

Three Months Ended March 31,

	2003		2002	
Drilling and rental gross margin:	(Dollars in Thousands)			
<S>	<C>	<C>	<C>	<C>
U.S. drilling	$ 6,363	23%	$ 2,459	11%
International drilling	16,584	31%	23,106	32%
Rental tools	7,197	57%	6,502	54%
Total drilling and rental gross margin	30,144	32%	32,067	30%
Depreciation and amortization	(24,502)		(23,599)	
Construction contract gross margin	--		1,254	
General and administrative expense	(5,085)		(6,913)	
Total operating income	$ 557		$ 2,809	

</TABLE>

(Drilling and rental gross margin - drilling and rental revenues less direct drilling and rental operating expenses; drilling and rental gross margin percentages - drilling and rental gross margin as a percent of drilling and rental revenues.)

Drilling and rental gross margin of $30.1 million in the current quarter reflected a decrease of $1.9 million from the first quarter of 2002. In the U.S. drilling market, gross margin increased $3.9 million. U.S. gross margin was positively impacted during the current quarter by higher utilization and dayrates in the Gulf of Mexico from the jackup rigs and increased utilization from the barge rigs as previously discussed. Average dayrates for the jackup rigs increased approximately 15 percent in the current quarter when compared to the first quarter of 2002. Jackup rig utilization increased from 53 percent in 2002 to 75 percent in 2003. Barge rig utilization increased from 44 percent in 2002 to 52 percent in 2003.

International drilling gross margin decreased $6.5 million in the current quarter as compared to the first quarter of 2002. International land drilling gross margin decreased $6.2 million to $9.9 million during the current quarter due to declining utilization in the Company's Latin America, Asia Pacific and CIS regions as previously discussed. In Latin America where the gross margin decreased $2.8 million, five rigs were working in Colombia in 2002, with only two in 2003. One rig worked the entire first quarter of 2002 in Ecuador, but the project was completed late in 2002. Partially offsetting Colombia and Ecuador, Peru had one rig working the entire first quarter of 2003 compared to no rigs operating in 2002. The Asia Pacific region gross margin decreased $2.7 million in 2003. Indonesia had three rigs operating in 2002 compared to one in 2003. Utilization in Papua New Guinea and New Zealand declined from 52 percent and 72 percent respectively in 2002, to 36 percent and 62 percent in 2003. The CIS region gross margin for land operations decreased $1.0 million in 2003, entirely due to a reduction in utilization in the Karachaganak field from three rigs in 2002 to one rig in 2003. The international offshore gross margin decreased $0.3 million to $6.7 million in the current quarter. This decrease is attributable to 75 percent utilization of the Nigeria barge rigs in 2003 compared to 100 percent utilization in 2002.

Rental tool gross margin increased $0.7 million to $7.2 million during the current quarter as compared to the first quarter of 2002. Gross margin percentage increased to 57 percent during the current quarter as compared to 54 percent for the first quarter of 2002, due to a slight increase in revenues and a three percent decrease in operating expenses.

Depreciation and amortization expense increased $0.9 million to $24.5 million in the current quarter. Depreciation expense increased due to capital additions during 2002.

During the first quarter of 2002, the Company announced a new contract to design, construct, mobilize and sell a rig to drill extended reach wells to offshore targets from a land-based location on Sakhalin Island, Russia for an international consortium. The Company also entered into a contract to subsequently operate the rig on behalf of the international consortium. The revenue and expense for the project are recognized as construction contract revenue and expense. The estimated profit from the engineering, construction, mobilization and rig-up fees is calculated on a percentage of completion basis. For the first quarter ended March 31, 2003 there was no estimated profit recognized as compared to $1.3 million for the first quarter of 2002. The total estimated profit recognized to date under the design, construction, mobilization and rig-up contract is $2.5 million all recognized during 2002. It is anticipated that the rig will commence drilling in June 2003.

General and Administrative expense decreased $1.8 million to $5.1 million in the current quarter as compared to the first quarter of 2002. The decrease is attributed to the following: salaries and wages decreased $0.5 million as a result of the reduction in force in June 2002; professional and legal fees decreased $0.6 million; unscheduled maintenance of $0.2 million on the former corporate headquarters in Tulsa during 2002; and the remaining decrease is a result of the ongoing cost reduction program implemented last year.

Interest expense increased $1.0 million in the first quarter of 2003 as compared to the first quarter of 2002. During the first quarter of 2002 the Company entered into three $50.0 million swap agreements that resulted in $1.1 million in interest savings. The swap agreements were terminated during the third quarter of 2002. In addition, interest expense increased due to the exchange of $235.6 million in principal amount of new 10.125% Senior Notes due 2009 for a like amount of its 9.75% Senior Notes due 2006. The exchange offer was effective July 1, 2002.

Income tax expense consists of foreign tax expense of $4.4 million for the first quarter of 2003. For the first quarter of 2002 income tax expense consisted of foreign tax expense of $7.8 million and a deferred tax benefit of $5.2 million. Foreign taxes decreased $3.4 million due primarily to $3.1 million in additional taxes paid in Colombia during the first quarter of 2002, some of which was attributable to prior years. The deferred tax benefit recognized during the first quarter of 2002 was due to the loss generated. For the first quarter of 2003 the Company incurred a net loss, however, no additional deferred tax benefit was recognized since the sum of the Company's deferred tax assets, principally the net operating loss carryforwards, exceeds the deferred tax liabilities, principally the excess of tax depreciation over book depreciation. This additional deferred tax asset was fully reserved through a valuation allowance in the current quarter.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2003, the Company had cash and cash equivalents of $84.4 million, an increase of $32.4 million from December 31, 2002. The primary sources of cash for the three-month period as reflected on the Consolidated Condensed Statement of Cash Flows were $38.7 million provided by operating activities and $2.3 million from the disposition of equipment.

The primary uses of cash for the three-month period ended March 31, 2003 were $6.9 million for capital expenditures and $1.6 million for repayment of debt. Major projects during the current three-month period included expenditures on drill pipe and tubulars for Quail Tools.

As of March 31, 2002, the Company had cash and cash equivalents of $60.9 million, an increase of $0.5 million from December 31, 2001. The primary sources of cash for the three-month period as reflected on the Consolidated Condensed Statement of Cash Flows were $12.2 million provided by operating activities and $2.3 million from the disposition of equipment.

The primary uses of cash for the three-month period ended March 31, 2002 were $12.7 million for capital expenditures and $1.2 million for repayment of debt. Major projects during the three-month period ended March 31, 2002 included expenditures on Rig 228 operating in Peru and completion of spending on two rigs in the CIS region.

The Company has total long-term debt of $588.3 million, including the current portion of $6.6 million at March 31, 2003. The Company has a $50.0 million revolving credit facility with a group of banks led by Bank of America. This facility is available for working capital requirements, general corporate purposes and to support letters of credit. The revolver is collateralized by accounts receivable, inventory, and certain barge rigs located in the Gulf of Mexico. The facility contains customary affirmative and negative covenants. Availability under the revolving credit facility is subject to certain borrowing base limitations based on 80 percent of eligible receivables plus 50 percent of supplies in inventory. Currently, the borrowing base is $37.2 million, of which none has been drawn down, and $12.2 million has been reserved for letters of credit resulting in available revolving credit of $25.0 million. The revolver terminates on October 22, 2003. The Company is in the process of renewing or replacing the existing revolver with a larger facility, which would include a term loan portion. The Company is seeking to obtain that facility so that a portion of the proceeds available from the new facility could be used as a source of funds in the event that the Convertible Subordinated Notes payable in August 2004 have not been refinanced or retired. There are no assurances that the Company will be successful in obtaining this facility.

The Company anticipates the working capital needs and funds required for capital spending will be met from existing cash and cash provided by operations. It is management's present intention to limit capital spending, net of reimbursements from customers, to approximately $50 million in 2003. Should new opportunities requiring additional capital arise, the Company may utilize the revolving credit facility. In addition, the Company may seek project financing or equity participation from outside alliance partners or customers. The Company cannot predict whether such financing or equity participation would be available on terms acceptable to the Company.

The following tables summarize the Company's future contractual cash obligations and other commercial commitments as of March 31, 2003.

<TABLE>
<CAPTION>

	1 Year	2 - 3 Years	4 - 5 Years	After 5 Years	Total
		(Dollars in Thousands)			
<S>	<C>	<C>	<C>	<C>	<C>
Contractual cash obligations:					
Long-term debt - principal (1)	$ 6,603	$128,092	$214,192	$235,612	$584,499
Long-term debt - interest (1)	52,266	91,884	60,764	38,766	243,680
Operating leases (2)	3,317	4,281	3,432	1,816	12,846
Total contractual cash obligations	$62,186	$224,257	$278,388	$276,194	$841,025
Commercial commitments:					
Revolving credit facility (3)	$ --	$ --	$ --	$ --	$ --

Standby letters of credit (3)	12,167	--	--	--	12,167
Total commercial commitments	$12,167	$ --	$ --	$ --	$ 12,167

</TABLE>

(1) Long-term debt includes the principal and interest cash obligations of the 9.75% Senior Notes, the 10.125% Senior Notes, the 5.5% Convertible Subordinated Notes, the secured 10.1278% promissory note and the capital leases. Premiums related to the Senior Notes and interest rate swap to market gain (see Note 9) are not included in the contractual cash obligations schedule.

(2) Operating leases consist of lease agreements in excess of one year for office space, equipment, vehicles and personal property.

(3) The Company has a $50.0 million revolving credit facility with an available borrowing base of $37.2 million. As of March 31, 2003, none has been drawn down, but $12.2 million of availability has been used to support letters of credit that have been issued. The revolving credit facility expires in October 2003.

The Company does not have any unconsolidated special-purpose entities, off-balance-sheet financing arrangements or guarantees of third-party financial obligations. The Company has no energy or commodity contracts.

OTHER MATTERS

Critical Accounting Policies

The Company considers certain accounting policies related to impairment of property, plant and equipment, impairment of goodwill, the valuation of deferred tax assets and revenue recognition to be critical accounting policies due to the estimation processes involved in each.

Impairment of property, plant and equipment - Management periodically evaluates the Company's property, plant and equipment to determine that their net carrying value is not in excess of their net realizable value. These evaluations are performed when the Company has realized sustained significant declines in utilization and dayrates and recovery is not contemplated in the near future. Management considers a number of factors such as estimated future cash flows, appraisals and current market value analysis in determining net realizable value. Assets are written down to their fair value if it is below its net carrying value.

Impairment of goodwill - Management periodically assesses whether the excess of cost over net assets acquired is impaired based on the estimated fair value of the operation to which it relates, which value is generally determined based on estimated future cash flows of that operation. If the estimated fair value is in excess of the carrying value of the operation, no further analysis is performed. If the fair value of each operation, to which goodwill has been assigned, is less than the carrying value, we will deduct the fair value of the tangible and intangible assets and compare the residual amount to the carrying value of the goodwill to determine if an impairment should be recorded.

In 2002, SFAS No. 142, "Goodwill and Other Intangible Assets," became effective and as a result, the Company discontinued the amortization of $189.1 million of goodwill. In lieu of amortization, the Company performed an initial impairment review of goodwill and as a result impaired goodwill by $73.1 million. The Company will perform an annual impairment review, in December, hereafter. The impairment was recognized as a cumulative effect of a change in accounting principle. The Company performed its annual impairment review during the fourth quarter of 2002 with no additional impairment required.

Accounting for income taxes - As part of the process of preparing the consolidated financial statements, the Company is required to estimate the income taxes in each of the jurisdictions in which the Company operates. This process involves estimating the actual current tax exposure together with assessing temporary differences resulting from differing treatment of items, such as depreciation, amortization and certain accrued liabilities for tax and accounting purposes. These differences and the net operating loss carryforwards result in deferred tax assets and liabilities, which are included within the Company's consolidated balance sheet. The Company must then assess the likelihood that the deferred tax assets will be recovered from future taxable income, and to the extent the Company believes that recovery is not likely, the Company must establish a valuation allowance. To the extent the Company establishes a valuation allowance or increases or decreases this allowance in a period, the Company must include an expense or reduction of expense within the tax provision in the statement of operations.

Revenue recognition - The Company recognizes revenues and expenses on dayrate contracts as the drilling progresses (percentage of completion method) because the Company does not bear the risk of completion of the well. For meterage contracts, the Company recognizes the revenues and expenses upon completion of the well (completed contract method). Revenues from rental activities are recognized ratably over the rental term which is generally less than six months.

Recent Accounting Pronouncements

In June 2001, the Financial Accounting Standard Board ("FASB") issued SFAS No. 143, "Accounting for Asset Retirement Obligations." SFAS No. 143 is effective for fiscal years beginning after June 15, 2002 and establishes an accounting standard requiring the recording of the fair value of liabilities associated with the retirement of long-term assets in the period in which the liability is incurred. Accordingly, we adopted this standard in the first quarter of 2003 and it did not have a material impact on our financial position or results of operations.

In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, No. 44, and No. 64, Amendment of FASB Statement No. 13, and Technical Corrections." SFAS No. 145 is effective for fiscal years beginning after May 15, 2002. We adopted this standard in the first quarter of 2003 and it did not have a material impact on our results of operations or our financial position.

On December 31, 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure-An Amendment of SFAS No. 123." The standard provides additional transition guidance for companies that elect to voluntarily adopt the accounting provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." SFAS No. 148 does not change the provisions of SFAS No. 123 that permit entities to continue to apply the intrinsic value method of APB No. 25, "Accounting for Stock Issued to Employees." As we continue to follow APB No. 25, our accounting for stock-based compensation will not change as a result of SFAS No. 148. SFAS No. 148 does require certain new disclosures in both annual and interim financial statements. The interim disclosure provisions have been included as Note 10.

In March 2003, the FASB issued SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." This Statement amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under FASB Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement will be effective for contracts entered into, modified or designated as hedges after June 30, 2003. We will adopt this standard in July 2003 and do not expect it to have a material impact on our results of operations or our financial position.

On January 17, 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities, An Interpretation of Accounting Research Bulletin No. 51." The primary objectives of FIN 46 are to provide guidance on how to identify entities for which control is achieved through means other than through voting rights (variable interest entities ("VIE")) and how to determine when and which business enterprise should consolidate the VIE. This new model for consolidation applies to an entity in which either (1) the equity investors do not have a controlling financial interest or (2) the equity investment at risk is insufficient to finance that entity's activities without receiving additional subordinated financial support from other parties. See Note 10 regarding our consolidation of AralParker, a company in which we own a 50 percent equity interest. We are consolidating AralParker because we exert significant influence and have a financial interest in the form of a loan, in addition to our equity interest.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

The Company is exposed to interest rate risk from its fixed-rate debt. The Company hedged against a portion of the risk of changes in fair value associated with its $214.2 million 9.75% Senior Notes by entering into three fixed-to-variable interest rate swap agreements with a total notional amount of $150.0 million. The Company assumed no ineffectiveness as each interest rate swap agreement met the short-cut method requirements under SFAS No. 133 for fair value hedges of debt instruments. As a result, changes in the fair value of the interest rate swap agreements were offset by changes in the fair value of the debt and no net gain or loss was recognized in earnings. During the first quarter ended March 31, 2002, the interest rate swap agreements reduced interest expense by $1.1 million.

On July 24, 2002, the Company terminated all the interest rate swap agreements and received $3.5 million. A gain totaling $2.6 million will be recognized as a reduction to interest expense over the remaining term (ending November 2006) of the debt instrument, of which $0.2 million was recognized during the first quarter of 2003.

ITEM 4. CONTROLS AND PROCEDURES

Within the 90-day period prior to the filing of this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-14 (c) under the Securities Exchange Act of 1934). Based upon that evaluation, the chief executive officer and chief financial officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company (including its consolidated subsidiaries) required to be included in the Company's periodic SEC filings.

There have been no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES OR DIVIDEND ARREARAGES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Annual Meeting of Stockholders held on April 30, 2003 there were represented in person or by proxy 81,756,157 shares out of 92,896,060 entitled to vote as of March 12, 2003, the record date, constituting a quorum. The two matters voted upon at the Annual Meeting were:

Election of Directors: The Stockholders elected two class I directors to the board of directors of Parker Drilling Company to serve for a three-year term, until 2006:

<TABLE>
<S> <C>

John W. Gibson Jr.	
Votes cast in favor:	75,040,741
Votes withheld:	6,715,416
R. Rudolph Reinfrank	
Votes cast in favor:	74,753,227
Votes withheld:	7,002,930

</TABLE>

Election of independent accountants: PricewaterhouseCoopers LLP was approved as the independent accountants for 2003 with:

<TABLE>
<S> <C>

Votes cast in favor:	66,191,323
Votes against:	15,136,726

</TABLE>

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:
The following exhibits are filed as a part of this report:

<TABLE>
<CAPTION>

Exhibit Number - ------	Description -----------
<S>	<C>
4.1	First Supplemental Indenture effective as of May 2, 2002 among the Company, as issuer, certain subsidiary Guarantors (as defined therein) and JPMorgan Chase Bank, as Trustee, respecting the 10 1/8% Senior Notes due 2009
15	Letter re Unaudited Interim Financial Information
99.1	Section 906 Certification - Chief Executive Officer
99.2	Section 906 Certification - Chief Financial Officer

</TABLE>

(b) Reports on Form 8-K:
The Company filed a Form 8-K on April 28, 2003 announcing its operating results for the quarter ended March 31, 2003, and revised 2003 outlook.

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.

<TABLE>
<S> <C>

Parker Drilling Company

Registrant

Date: May 13, 2003

By: /s/ James W. Whalen

James W. Whalen
Senior Vice President and

Chief Financial Officer

By: /s/ W. Kirk Brassfield

W. Kirk Brassfield
Vice President and Controller

</TABLE>

PARKER DRILLING COMPANY
OFFICER CERTIFICATION

I, Robert L. Parker Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Parker Drilling Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 7, 2003

/s/ Robert L. Parker Jr.

Robert L. Parker Jr.
President and Chief Executive
Officer and Director

PARKER DRILLING COMPANY
OFFICER CERTIFICATION

I, James W. Whalen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Parker Drilling Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 7, 2003

/s/ James W. Whalen

James W. Whalen
Senior Vice President and
Chief Financial Officer

INDEX TO EXHIBITS

<TABLE>
<CAPTION>

Exhibit Number	Description
<S>	<C>
4.1	First Supplemental Indenture effective as of May 2, 2002 among the Company, as issuer, certain subsidiary Guarantors (as defined therein) and JPMorgan Chase Bank, as Trustee, respecting the 10 1/8% Senior Notes due 2009
15	Letter re Unaudited Interim Financial Information
99.1	Section 906 Certification - Chief Executive Officer
99.2	Section 906 Certification - Chief Financial Officer

</TABLE>

EXHIBIT 4.1

PARKER DRILLING COMPANY

and Subsidiary Guarantors

10 1/8% SENIOR NOTES DUE 2009

FIRST SUPPLEMENTAL INDENTURE

Dated and effective as of May 2, 2002

Supplementing the Indenture dated as of May 2, 2002

JPMORGAN CHASE BANK,

as Trustee

FIRST SUPPLEMENTAL INDENTURE

This First Supplemental Indenture dated and effective as of May 2, 2002 (the "First Supplemental Indenture") is made and entered into by and among Parker Drilling Company, a Delaware corporation (the "Company"), each of the parties identified under the caption "Subsidiary Guarantors" on the signature pages hereof (the "Subsidiary Guarantors"), Parker Drilling Company of Colombia Limited, a Nevada corporation, and International Equipment Leasing Company, a Nevada corporation, which are wholly owned subsidiaries of the Company (the "New Guarantors") and JPMorgan Chase Bank, a New York banking organization, as Trustee (the "Trustee").

RECITALS:

WHEREAS, the Company, the Subsidiary Guarantors and the Trustee have executed and delivered an Indenture dated as of May 2, 2002, by and among the Company, the Subsidiary Guarantors and the Trustee (the "2002 Indenture") for the benefit of one another and for the ratable benefit of the Holders of the 10 1/8% Senior Notes due 2009, (the "Notes") and pursuant to which the Subsidiary Guarantors have agreed, jointly and severally, to unconditionally guarantee the due and punctual payment of the principal of, premium, if any, and interest on the Notes and all other amounts due and payable under the 2002 Indenture and the Notes by the Company; and

WHEREAS, Section 9.01(a)(vi) of the 2002 Indenture provides that under certain conditions the Company, the Subsidiary Guarantors and the Trustee may, without the consent of any Holder of a note, amend or supplement the 2002 Indenture to add any Restricted Subsidiary as an additional Subsidiary Guarantor as provided in Section 10.02 of the 2002 Indenture; and

WHEREAS, the Company has determined that the New Guarantors are required to be added as Subsidiary Guarantors pursuant to Section 10.02 of the 2002 Indenture; and

WHEREAS, Section 10.02 of the 2002 Indenture provides that the following is required: (i) the execution and delivery by the New Guarantors of this First Supplemental Indenture whereby the New Guarantors agree to be bound by the terms of the 2002 Indenture as applicable to a Subsidiary Guarantor; and (ii) the execution by the New Guarantors of a Subsidiary Guarantee in the form prescribed by the 2002 Indenture; and

WHEREAS, the execution and delivery of this First Supplemental Indenture has been authorized by resolution of the board of directors of the Company and the Subsidiary Guarantors and the board of directors of each of the New Guarantors has authorized this First Supplemental Indenture and the execution of a Subsidiary Guarantee;

WHEREAS, all conditions and requirements necessary to make this First Supplemental Indenture valid and binding upon the Company, the Subsidiary Guarantors and New Guarantors, and enforceable against the New Guarantors in accordance with its terms, have been performed and fulfilled;

NOW, THEREFORE, in consideration of the above premises, the parties hereto mutually covenant and agree for the equal and ratable benefit of the respective Holders of the Notes, as follows:

SECTION 1. Certain Terms Defined in the 2002 Indenture. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the 2002 Indenture.

SECTION 2. Additional Guarantors; Subsidiary Guarantee.

Section 2.1. The New Guarantors, by execution and delivery of this First Supplemental Indenture, hereby agree to be bound by the terms of the 2002 Indenture as a Subsidiary Guarantor.

Section 2.2 Attached hereto as Exhibit A is the form of the Subsidiary Guarantee to be executed by each New Guarantor as prescribed by the 2002 Indenture, by which each New Guarantor agrees to guarantee the obligations of the Company under the 2002 Indenture as set forth in the Subsidiary Guarantee.

SECTION 3. Effectiveness. This First Supplemental Indenture shall become effective upon:

(a) the execution and delivery of this First Supplemental Indenture by the Company, the Subsidiary Guarantors and the Trustee; and

(b) the delivery by the Company to the Trustee of the Opinion of Counsel and an Officers' Certificate as required pursuant to Sections 11.04 and 11.05 of the 2002 Indenture and addressing the matters required pursuant to such sections.

SECTION 4. Particular Representations and Covenants.

Section 4.1. Authority. The Company, the Subsidiary Guarantors and the New Guarantors are duly authorized to execute and deliver this First Supplemental Indenture, and all corporate action on their part required for the execution and delivery of this First Supplemental Indenture has been duly and effectively taken.

Section 4.2. Correctness of Recitals. The Company and the Subsidiary Guarantors and the New Guarantors represent and warrant that all recitals and statements in this First Supplemental Indenture are true and correct.

SECTION 5. Concerning the Trustee.

Section 5.1 Acceptance of Trusts. The Trustee accepts the trusts hereunder and agrees to perform same, but only upon the terms and conditions set forth in the Indenture.

Section 5.2 Responsibility for Recitals. The recitals and statements contained in this First Supplemental Indenture shall be taken as recitals and statements of the Company, the Subsidiary Guarantors and the New Guarantors and the Trustee assumes no responsibility for the correctness of same. The Trustee makes no representations as to the validity or sufficiency of this First Supplemental Indenture, except that the Trustee is duly authorized to execute and deliver it.

SECTION 6. Miscellaneous Provisions.

Section 6.1 Counterparts. This First Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

Section 6.2 Compliance with Trust Indenture Act. This First Supplemental Indenture shall be interpreted to comply in every respect with the Trust Indenture Act of 1939, as amended, (the "TIA"). If any provision of this First Supplemental Indenture limits, qualifies or conflicts with the duties imposed by the TIA, the imposed duties shall control.

Section 6.3 Headings. The section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.4 Binding Effect. All covenants and agreements in this First Supplemental Indenture by the Company or by any of the Subsidiary Guarantors shall bind their successors and assigns, whether so expressed or not.

Section 6.5 Governing Law. The internal laws of the State of New York shall govern and be used to construe this First Supplemental Indenture.

Section 6.6 Continuation of 2002 Indenture. Except as amended by this First Supplemental Indenture, the terms and conditions of the 2002 Indenture shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed, all as of the date first above written.

PARKER DRILLING COMPANY

By:

Name: James J. Davis
Title: Sr. Vice President-Finance and
Chief Financial Officer

JPMORGAN CHASE BANK, as Trustee

By:

Name:
Title:

SUBSIDIARY GUARANTORS :

Parker Drilling Company of Oklahoma,
Incorporated
Parker Drilling Company Limited (Nevada)
Parker Drilling Company Limited (Oklahoma)
Choctaw International Rig Corp.
Parker Drilling Company of New Guinea,
Inc.
Parker Drilling Company North America, Inc.
Parker-VSE, Inc. (formerly Vance Systems
Engineering, Inc.)
DGH, Inc.
Parker Drilling Company International
Limited
Parker USA Drilling Company (formerly
Parcan Limited)
Parker Technology, Inc.
Parker Drilling U.S.A. Ltd.
Parker Drilling Offshore Corporation
(formerly Hercules
Offshore Corporation)
Parker Drilling Offshore International, Inc.
Anachoreta, Inc.
Pardril, Inc.
Parker Aviation, Inc.
Parker Drilling (Kazakstan), Ltd.
Parker Drilling Company of Niger
Parker North America Operations, Inc.
Selective Drilling Corporation

Universal Rig Service Corp.
Creek International Rig Corp.

By:

Name: David W. Tucker
Its: Vice President & Treasurer

Parker Technology, L.L.C.

By:

Name: David W. Tucker
Its: Vice President & Manager

Parker Drilling Offshore USA, L.L.C.
(formerly Mallard Bay Drilling, L.L.C.)

By:

Name: David W. Tucker
Its: Treasurer & Manager

Parker Drilling Management Services, Inc.

By:

Name: David W. Tucker
Its: President

Quail Tools, L.LP.

By:

Name: James J. Davis
Its: Vice President & Treasurer

NEW GUARANTORS:

Parker Drilling Company of Colombia Limited

By:

Name:
Its:

International Equipment Leasing Company

By:

Name: David W. Tucker
Its: Vice President & Treasurer

EXHIBIT 15

May 13, 2003

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

Re: Parker Drilling Company Registration on Form S-8 and Form S-3

We are aware that our report dated April 28, 2003, on our review of the interim financial information of Parker Drilling Company for the three month periods ended March, 2003 and 2002 and included in this Form 10-Q for the quarter ended March 31, 2003 is incorporated by reference in the Company's registration statements on Form S-8 (File No. 33-57345, 333-59132, 333-70444, 333-41369, 333-84069 and 333-99187) and Form S-3 (File No. 333-36498).

/s/ PricewaterhouseCoopers LLP
- ------------------------------
PricewaterhouseCoopers LLP

EXHIBIT 99.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Parker Drilling Company (the "Company") on Form 10-Q for the three months ending March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert L. Parker Jr., President and Chief Executive Officer and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Robert L. Parker Jr.
- ---
Robert L. Parker Jr.
President and Chief Executive
Officer and Director

EXHIBIT 99.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Parker Drilling Company (the "Company") on Form 10-Q for the three months ending March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James W. Whalen, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ James W. Whalen
- ----------------------------
James W. Whalen
Senior Vice President
and Chief Financial Officer