

PETROLEUM DEVELOPMENT CORP  
Form 10-Q  
August 09, 2007

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

**FORM 10-Q**

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
**For the quarterly period ended June 30, 2007**

**OR**

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the transition period from \_ to

**Commission File Number 000-07246**

**PETROLEUM DEVELOPMENT CORPORATION**  
(Exact name of registrant as specified in its charter)

**Nevada**  
(State of incorporation)

**95-2636730**  
(I.R.S. Employer Identification No.)

**120 Genesis Boulevard**  
**Bridgeport, West Virginia 26330**  
(Address of principal executive offices) (Zip code)

**Registrant's telephone number, including area code: (304) 842-3597**

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

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

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

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable

date: 14,898,285 shares of the Company's Common Stock (\$.01 par value) were outstanding as of July 31, 2007.

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PETROLEUM DEVELOPMENT CORPORATION

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Condensed Consolidated Balance Sheets

*(in thousands, except share data)*

	June 30, 2007	December 31, 2006*
Assets		
Current assets:		
Cash and cash equivalents	\$ 21,586	\$ 194,326
Restricted cash - current	14,903	519
Accounts receivable, net	47,550	42,600
Accounts receivable - affiliates	13,906	9,235
Inventories	5,775	3,345
Fair value of derivatives	12,785	15,012
Other current assets	15,650	5,977
Total current assets	132,155	271,014
Properties and equipment, net	698,525	394,217
Restricted cash - long term	1,295	192,451
Other assets	4,708	26,605
Total assets	\$ 836,683	\$ 884,287
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 81,258	\$ 67,675
Short term debt	-	20,000
Production tax liability	14,271	11,497
Other accrued expenses	10,887	9,685
Accounts payable - affiliates	8,943	7,595
Deferred gain on sale of leaseholds	-	8,000
Federal and state income taxes payable	2,145	28,698
Fair value of derivatives	3,692	2,545
Advances for future drilling contracts	3,526	54,772
Funds held for future distribution	44,090	31,367
Total current liabilities	168,812	241,834
Long-term debt	124,000	117,000
Deferred gain on sale of leaseholds	-	17,600
Other liabilities	17,810	19,400
Deferred income taxes	126,557	116,393
Asset retirement obligation	17,459	11,916
Total liabilities	454,638	524,143
Commitments and contingencies		
Minority interest in consolidated limited liability company	792	-
Shareholders' equity:		

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Common stock, shares issued: 14,893,070 in 2007 and 14,834,871 in 2006	149	148
Additional paid-in capital	908	64
Retained earnings	380,386	360,102
Treasury shares, at cost: 5,158 in 2007 and 4,706 in 2006	(190)	(170)
Total shareholders' equity	381,253	360,144
Total liabilities and shareholders' equity	\$ 836,683	\$ 884,287

*\*Derived from audited 2006 balance sheet.*

*See accompanying notes to condensed consolidated financial statements.*

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**PETROLEUM DEVELOPMENT CORPORATION**

Condensed Consolidated Statements of Income  
*(unaudited; in thousands except per share data)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006 <i>Revised*</i>	2007	2006 <i>Revised*</i>
Revenues:				