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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

Date of report (date of earliest event reported): May 3, 2005

**DAWSON GEOPHYSICAL COMPANY**

(Exact name of Registrant as specified in its charter)

**TEXAS**  
(State of incorporation  
or organization)

**2-71058**  
(Commission file number)

**75-0970548**  
(I.R.S. employer identification number)

**508 West Wall, Suite 800  
Midland, Texas 79701**  
(Address of principal executive offices)

**(432) 684-3000**  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On May 3, 2005, the Registrant issued a press release announcing its operating results for the second quarter of its 2005 fiscal year ending March 31, 2005. The Registrant hereby incorporates by reference into this Item 2.02 the information set forth in such press release, a copy of which is furnished as an exhibit to this Current Report. Pursuant to the rules and regulations of the Securities and Exchange Commission, such exhibit and the information set forth therein and herein are deemed to be furnished and shall not be deemed to be “filed” under the Securities Act of 1934.

**Item 9.01. Financial Statements and Exhibits.****(c) Exhibits**

In accordance with General Instruction B.2 of Form 8-K, the information set forth in the attached Exhibit 99.1 is deemed to be “furnished” and not be deemed to be “filed” for purposes of Section 18 of the Exchange Act.

<u>EXHIBIT</u> <u>NUMBER</u>	<u>DESCRIPTION</u>
99.1	— Press release dated May 3, 2005.

## 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 hereunto duly authorized.

DAWSON GEOPHYSICAL COMPANY

Date: May 4, 2005

By: /s/ CHRISTINA W. HAGAN

Christina W. Hagan  
Chief Financial Officer

## INDEX TO EXHIBITS

EXHIBIT  
NUMBER  
99.1

— DESCRIPTION  
Press release dated May 3, 2005.

## Dawson Geophysical Company Reports Second Quarter Results

MIDLAND, Texas, May 3, 2005/PRNewswire/-Dawson Geophysical Company (NASDAQ DWSN) today reported revenues of \$26,515,000 for the second quarter of its 2005 fiscal year ending March 31, 2005 compared to \$15,203,000 in the same quarter of fiscal 2004, an increase of 74 percent. The Company's growth in revenue is due to the rapid expansion from six seismic data acquisition crews in March of 2004 to the current level of ten, price improvements in the markets for its services, and more favorable contract terms with its clients.

Net income for the second quarter of fiscal 2005 was \$2,327,000 (\$0.37 per share) compared to \$1,999,000 (\$0.36 per share) in the same quarter of fiscal 2004. Earnings for the March 2005 quarter were impacted by extraordinarily wet weather conditions which impair the Company's operations. Income before income tax for the second quarter of fiscal 2005 was \$2,753,000 as compared to \$1,999,000 in the same quarter of the prior year. The tax expense of \$426,000 in the second quarter of fiscal 2005 negatively impacted earnings per share by \$0.07 on a fully diluted basis. Reflected in the second quarter of fiscal 2005 per share data is the effect of an additional 1,800,000 shares of common stock the Company issued in a public offering completed in March. The Company's EBITDA for the second quarter of fiscal 2005 was \$4,480,000 as compared to \$3,116,000 in the same quarter of fiscal 2004.

Demand for the Company's high resolution 3-D seismic surveys continues at record levels as a result of increased exploration and development activity by domestic oil and gas companies due to higher oil and natural gas prices. The Company believes it has a sufficient order book to operate at full capacity for the remainder of calendar year 2005. In response, the Company's eleventh seismic data acquisition crew will be added as previously announced and is scheduled to commence operations in mid-May.

In addition, the Company announced that its Board of Directors has approved an additional \$2,000,000 of capital expenditures for fiscal 2005 to replace and upgrade vibrator energy source units on an existing crew. This brings the approved capital budget for 2005 to \$32,000,000. Capital expenditures through the first two quarters of fiscal 2005 were \$21,408,000, consisting of payments to field a tenth seismic data acquisition crew and for vibrator energy source units, data acquisition capability expansions, automotive units and miscellaneous ancillary equipment required for data acquisition. These expenditures, along with the repayment of \$10,000,000 under the Company's revolving line of credit loan agreement, were funded by the \$41.1 million of net proceeds from the Company's recent public offering.

Dawson Geophysical Company is the leading provider of U.S. onshore seismic data acquisition services as measured by the number of active data acquisition crews. Founded in 1952, Dawson acquires and processes 2-D, 3-D, and multi-component seismic data solely for its clients, ranging from major oil and gas companies to independent oil and gas operators as well as providers of multi-client data libraries.

This press release contains information about the Company's EBITDA. The Company defines EBITDA as net income plus interest expense, income taxes, depreciation and amortization expense. The Company uses EBITDA as a supplemental financial measure to assess:

- the financial performance of its assets without regard to financing methods, capital structures, taxes or historical cost basis;
  - its liquidity and operating performance over time in relation to other companies that own similar assets and that the Company believes calculate EBITDA in a similar manner; and
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- the ability of the Company's assets to generate cash sufficient for the Company to pay potential interest costs.

The Company also understands that such data are used by investors to assess the Company's performance. However, the term EBITDA is not defined under generally accepted accounting principles and EBITDA is not a measure of operating income, operating performance or liquidity presented in accordance with generally accepted accounting principles. When assessing the Company's operating performance or liquidity, investors and others should not consider this data in isolation or as a substitute for net income, cash flow from operating activities or other cash flow data calculated in accordance with generally accepted accounting principles. In addition, the Company's EBITDA may not be comparable to EBITDA or similar titled measures utilized by other companies since such other companies may not calculate EBITDA in the same manner as the Company. Further, the results presented by EBITDA cannot be achieved without incurring the costs that the measure excludes: interest, taxes, depreciation and amortization. A reconciliation of the Company's EBITDA to its net income is presented in the table following the text of this press release.

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, Dawson Geophysical Company cautions that statements in this press release which are forward-looking and which provide other than historical information involve risks and uncertainties that may materially affect the Company's actual results of operations. These risks include, but are not limited to, dependence upon energy industry spending, the volatility of oil and gas prices, weather interruptions, the ability to obtain land access rights of way and the availability of capital resources. A discussion of these and other factors, including risks and uncertainties, is set forth in the Company's Form 10-K for the fiscal year ended September 30, 2004. Dawson Geophysical Company disclaims any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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**STATEMENTS OF OPERATIONS**  
(Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2005	2004	2005	2004
Operating revenues	\$ 26,515,000	\$ 15,203,000	\$ 48,074,000	\$ 30,678,000
Operating costs:				
Operating expenses	21,378,000	11,642,000	38,222,000	24,953,000
General and administrative	989,000	601,000	1,783,000	1,219,000
Depreciation	<u>1,662,000</u>	<u>1,117,000</u>	<u>3,132,000</u>	<u>2,225,000</u>
	24,029,000	13,360,000	43,137,000	28,397,000
Income from operations	2,486,000	1,843,000	4,937,000	2,281,000
Other income:				
Interest income	99,000	48,000	123,000	117,000
Interest expense	(65,000)	—	(65,000)	—
Loss on disposal of assets	—	—	—	(3,000)
Other	<u>233,000</u>	<u>108,000</u>	<u>239,000</u>	<u>110,000</u>
Income before income tax	2,753,000	1,999,000	5,234,000	2,505,000
Income tax (expense) benefit:				
Current	(733,000)	—	(733,000)	—
Deferred	<u>307,000</u>	<u>—</u>	<u>(574,000)</u>	<u>—</u>
	(426,000)	—	(1,307,000)	—
Net income	<u>\$ 2,327,000</u>	<u>\$ 1,999,000</u>	<u>\$ 3,927,000</u>	<u>\$ 2,505,000</u>
Net income per common share	<u>\$ 0.37</u>	<u>\$ 0.36</u>	<u>\$ 0.66</u>	<u>\$ 0.45</u>
Net income per common share-assuming dilution	<u>\$ 0.37</u>	<u>\$ 0.36</u>	<u>\$ 0.65</u>	<u>\$ 0.45</u>
Weighted average equivalent common shares outstanding	<u>6,262,794</u>	<u>5,535,514</u>	<u>5,947,148</u>	<u>5,511,524</u>
Weighted average equivalent common shares outstanding-assuming dilution	<u>6,360,345</u>	<u>5,596,164</u>	<u>6,051,413</u>	<u>5,552,206</u>



**BALANCE SHEETS**

	March 31, 2005 (Unaudited)	September 30, 2004
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 11,644,000	\$ 3,587,000
Short-term investments	25,260,000	4,130,000
Accounts receivable, net of allowance for doubtful accounts of \$236,000 in 2005 and \$199,000 in 2004	15,224,000	16,979,000
Prepaid expenses and other assets	570,000	440,000
Current deferred tax asset	3,425,000	—
Total current assets	56,123,000	25,136,000
Deferred tax asset	—	1,648,000
Property, plant and equipment	115,458,000	94,050,000
Less accumulated depreciation	(67,207,000)	(64,075,000)
Net property, plant and equipment	48,251,000	29,975,000
	<u>\$ 104,374,000</u>	<u>\$ 56,759,000</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 3,612,000	\$ 3,357,000
<b>Accrued liabilities:</b>		
Payroll costs and other taxes	424,000	742,000
Other	1,072,000	971,000
Deferred revenue	1,774,000	1,407,000
Total current liabilities	6,882,000	6,477,000
Deferred tax liability	2,351,000	—
<b>Stockholders' equity:</b>		
Preferred stock-par value \$1.00 per share; 5,000,000 shares authorized, none outstanding	—	—
Common stock-par value \$.33 1/3 per share; 10,000,000 shares authorized, 7,442,794 and 5,633,794 shares issued and outstanding in each period	2,481,000	1,878,000
Additional paid-in capital	80,422,000	39,949,000
Other comprehensive income, net of tax	(172,000)	(28,000)
Retained earnings	12,410,000	8,483,000
Total stockholders' equity	95,141,000	50,282,000
	<u>\$ 104,374,000</u>	<u>\$ 56,759,000</u>

**Non GAAP Financial Numbers:**  
**Reconciliation of EBITDA to Net Income**

(Unaudited)

	Three Months Ended	
	March 31,	
	2005	2004
	(in thousands)	
Net Income	\$ 2,327	\$ 1,999
Depreciation	1,662	1,117
Interest expense	65	—
Income tax (benefit) expense	426	—
EBITDA	<u>\$ 4,480</u>	<u>\$ 3,116</u>

For additional information, please contact:

L. Decker Dawson, Chairman and CEO

Christina W. Hagan, Executive Vice President and CFO

1-800-332-9766