

Rosetta Resources Inc.
Form 10-Q
November 07, 2008

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 September 30, 2008

OR

Transition Report Pursuant To Section 13 or 15(d) of The Securities Exchange Act of 1934

Commission File Number: 000-51801

ROSETTA RESOURCES INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

43-2083519
(I.R.S. Employer Identification No.)

717 Texas, Suite 2800, Houston, TX
(Address of principal executive offices)

77002
(Zip Code)

(Registrant's telephone number, including area code) (713) 335-4000

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, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934.

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Large accelerated filer

Accelerated filer

Non-Accelerated filer

Smaller Reporting Company

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes No

The number of shares of the registrant's Common Stock, \$.001 par value per share, outstanding as of November 3, 2008 was 51,744,778.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Rosetta Resources Inc.
Consolidated Balance Sheet
(In thousands, except share amounts)

	September 30, 2008 (Unaudited)	December 31, 2007
Assets		
Current assets:		
Cash and cash equivalents	\$ 135,183	\$ 3,216
Accounts receivable	53,504	55,048
Derivative instruments	4,623	3,966
Prepaid expenses	5,550	10,413
Other current assets	4,068	4,249
Total current assets	\$ 202,928	\$ 76,892
Oil and natural gas properties, full cost method, of which \$32.0 million at September 30, 2008 and \$40.9 million at December 31, 2007 were excluded from amortization	1,752,569	1,566,082
Other fixed assets	7,738	6,393
	1,760,307	1,572,475
Accumulated depreciation, depletion, and amortization and impairment	(649,007)	(295,749)
Total property and equipment, net	1,111,300	1,276,726
Deferred loan fees	1,310	2,195
Other assets	1,567	1,401
Total other assets	2,877	3,596
Total assets	\$ 1,317,105	\$ 1,357,214
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 36,995	\$ 33,949
Accrued liabilities	54,078	64,216
Royalties payable	24,065	18,486
Derivative instruments	518	2,032
Prepayment on gas sales	23,078	20,392
Deferred income taxes	1,529	720
Total current liabilities	140,263	139,795
Long-term liabilities:		
Derivative instruments	3,371	13,508
Long-term debt	245,000	245,000
Asset retirement obligation	25,858	18,040
Deferred income taxes	46,730	67,916
Total liabilities	461,222	484,259
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; authorized 5,000,000 shares; no shares issued in 2008 or 2007	-	-