

NABORS INDUSTRIES INC
Form S-4/A
May 09, 2014
[Table of Contents](#)

As filed with the Securities and Exchange Commission on May 9, 2014

Registration No. 333-194646

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1

to

Form S-4

REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

Nabors Industries, Inc.
Nabors Industries Ltd.

(Exact name of registrant as specified in its charter)

NABORS INDUSTRIES, INC.
DELAWARE
(State or other jurisdiction of
organization of incorporation)

1381
(Primary Standard Industrial
Classification Code Number)

NABORS INDUSTRIES LTD.
BERMUDA
(State or other jurisdiction of
organization of incorporation)

1381
(Primary Standard Industrial
Classification Code Number)

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

93-0711613

(I.R.S. Employer Identification No.)

98-0363970

(I.R.S. Employer Identification No.)

**515 WEST GREENS ROAD, SUITE 1200
HOUSTON, TEXAS 77067**

TELEPHONE: (281) 874-0035

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive
offices)

**CROWN HOUSE
4 PAR-LA-VILLE ROAD
SECOND FLOOR
HAMILTON, HM08
BERMUDA**

TELEPHONE: (441) 292-1510

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive
offices)

**Laura W. Doerre
Vice President and General Counsel
Nabors Corporate Services, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Telephone: (281) 874-0035**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

Arnold B. Peinado, III, Esq.
Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

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 the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
2.35% Senior Notes due 2016	\$ 350,000,000	100%	\$ 350,000,000	\$ 45,080
Guarantees of 2.35% Senior Notes due 2016	N/A	N/A	N/A	(3)
5.10% Senior Notes due 2023	\$ 350,000,000	100%	\$ 350,000,000	\$ 45,080
Guarantees of 5.10% Senior Notes due 2023	N/A	N/A	N/A	(3)

(1) Estimated solely for purposes of calculating the amount of the registration fee in accordance with Rule 475(f) under the Securities Act of 1933, as amended (the Securities Act).

(2) Calculated pursuant to Rule 457(f) under the Securities Act.

(3) No additional registration fee is due for the guarantees pursuant to Rule 457(n) under the Securities Act.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. We may not complete the exchange offer and issue the securities until the registration statement filed with the Securities and Exchange Commission relating to these securities is effective. This prospectus is not an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 9, 2014

PROSPECTUS

Nabors Industries, Inc.

Nabors Industries Ltd.

OFFER TO EXCHANGE

\$350,000,000 OF 2.35% SENIOR NOTES DUE 2016

REGISTERED UNDER THE SECURITIES ACT

FOR

\$350,000,000 OF 2.35% SENIOR NOTES DUE 2016

AND

\$350,000,000 OF 5.10% SENIOR NOTES DUE 2023

REGISTERED UNDER THE SECURITIES ACT

FOR

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

\$350,000,000 OF 5.10% SENIOR NOTES DUE 2023

This is an offer to exchange up to \$350,000,000 of 2.35% Senior Notes due 2016 (the New 2016 Notes) that have been registered under the Securities Act of 1933, as amended (the Securities Act) for a like principal amount of 2.35% Senior Notes due 2016 (the Old 2016 Notes) that you now hold and up to \$350,000,000 of 5.10% Senior Notes due 2023 (the New 2023 Notes and, together with the New 2016 Notes, the new notes) that have been registered under the Securities Act for a like principal amount of 5.10% Senior Notes due 2023 (the Old 2023 Notes and, together with the Old 2016 Notes, the old notes) that you now hold.

The exchange of outstanding old notes for new notes of the same series in the exchange offer will not constitute a taxable event for United States federal income tax purposes. The terms of the new notes to be issued in the exchange offer are substantially identical to the old notes of the same series, except that the new notes will be freely tradable and will not need (or benefit from) the registration and related rights pursuant to which we are conducting this exchange offer, including an increase in the interest rate related to defaults in our agreement to carry out this exchange offer. All untendered old notes will continue to be subject to the restrictions on transfer set forth in the old notes and in the applicable indenture.

There is no existing public market for your old notes, and there is currently no public market for the new notes of the same series to be issued to you in the exchange offer.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes of either series received in exchange for old notes of such series where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed to make this prospectus available for a period of 180 days from the effective date of the registration statement for the exchange offer (or such shorter period during which broker-dealers are required by law to deliver this prospectus) to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

See Risk Factors beginning on page 11 for a description of the business and financial risks associated with the new notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2014.

Table of Contents

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to exchange the notes only in jurisdictions where these offers and exchanges are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus.

TABLE OF CONTENTS

	Page
<u>Prospectus Summary</u>	1
<u>Forward-Looking Statements</u>	10
<u>Risk Factors</u>	11
<u>Use of Proceeds</u>	15
<u>Ratio of Earnings to Fixed Charges</u>	15
<u>Selected Historical Consolidated Financial Data</u>	16
<u>The Exchange Offer</u>	18
<u>Description of the New Notes</u>	26
<u>Book-Entry System</u>	39
<u>Certain U.S. Federal Income Tax Considerations</u>	42
<u>Certain ERISA Considerations</u>	46
<u>Plan of Distribution</u>	48
<u>Incorporation By Reference</u>	49
<u>Legal Matters</u>	49
<u>Independent Registered Public Accounting Firm</u>	50
<u>Experts</u>	50

In this prospectus, unless otherwise indicated or the context otherwise requires, references to (1) Nabors mean Nabors Industries Ltd., a Bermuda exempted company, (2) we, our and us generally mean Nabors, together with its consolidated subsidiaries, and (3) Nabors Delaware mean Nabors Industries, Inc., a Delaware corporation, wholly owned indirect subsidiary of Nabors and the issuer of the old and new notes.

The old notes were issued on September 12, 2013 and are sometimes referred to collectively with the new notes offered pursuant to this prospectus as the notes.

Rather than repeat certain information in this prospectus that we have already included in reports filed with the Securities and Exchange Commission, we are incorporating this information by reference, which means that we can disclose important business, financial and other information to you by referring to those publicly filed documents that contain the information. The information incorporated by reference is not included in or delivered with this prospectus. See Incorporation by Reference.

We will provide without charge to each person to whom this prospectus is delivered, including each beneficial owner of old notes, upon written or oral request of such person, a copy of any or all documents that are incorporated into this prospectus by reference, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into the documents that this prospectus incorporates. You should direct such requests to: Nabors Corporate Services, Inc., 515 West Greens Road, Suite 1200, Houston, Texas 77067, Attention: Investor Relations, phone number (281) 874-0035.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights the information contained elsewhere in or incorporated by reference into this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. You should read the following summary together with the more detailed information and consolidated financial statements and the notes to those statements included elsewhere in or incorporated by reference in this prospectus.

Nabors Industries, Inc.

Nabors Delaware is a Delaware holding company and an indirect, wholly owned subsidiary of Nabors. Prior to the corporate reorganization that was completed on June 24, 2002, Nabors Delaware was a publicly traded corporation. Nabors Delaware was incorporated in Delaware on May 3, 1978. Nabors Delaware's principal executive offices are located at 515 West Greens Road, Suite 1200, Houston, Texas 77067, and its telephone number at that address is (281) 874-0035.

Nabors Industries Ltd.

Nabors became the publicly traded parent company of the Nabors group of companies, effective June 24, 2002, pursuant to a corporate reorganization. Nabors' common shares are traded on the New York Stock Exchange under the symbol NBR.

We have grown from a land drilling business centered in the United States and Canada to a global business aimed at optimizing the entire well life cycle, with operations on land and offshore in most of the major oil and gas markets in the world. The majority of our business is conducted through two business lines:

Drilling & Rig Services

This business line is comprised of our global drilling rig operations and drilling-related services, consisting of equipment manufacturing, instrumentation optimization software and directional drilling services.

Completion & Production Services

This business line is comprised of our operations involved in the completion, life-of-well maintenance and eventual plugging and abandonment of a well. These services include stimulation, coiled-tubing, cementing, wireline, workover, well-servicing and fluids management.

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

As a global provider of services for land-based and offshore oil and natural gas wells, as of March 31, 2014 our fleet of rigs and equipment included:

- 493 actively marketed land drilling rigs for oil and gas land drilling operations in the United States, Canada and over 20 other countries throughout the world.
- 445 actively marketed rigs for land well-servicing and workover services in the United States and approximately 98 rigs for land well-servicing and workover services in Canada.
- 39 platform, 7 jackup and 4 barge rigs actively marketed in the United States and multiple international markets.
- Approximately 800,000 hydraulic horsepower for hydraulic fracturing, cementing, nitrogen and acid pressure pumping services in key basins throughout the United States and Canada.

In addition:

- We offer a wide range of ancillary well-site services, including engineering, transportation and disposal, construction, maintenance, well logging, directional drilling, rig instrumentation, data collection and other support services in select U.S. and international markets.

Table of Contents

- We manufacture and lease or sell top drives for a broad range of drilling applications, directional drilling systems, rig instrumentation and data collection equipment, pipeline handling equipment and rig reporting software.
- We have a 51% ownership interest in a joint venture in Saudi Arabia, which owns and actively markets 5 rigs in addition to the rigs we lease to the joint venture.

Corporate Information

Nabors was formed as a Bermuda exempted company on December 11, 2001. Through predecessors and acquired entities, Nabors has been continuously operating in the drilling sector since the early 1900s. Nabors' principal executive offices are located at Crown House, 4 Par-La-Ville Road, Second Floor, Hamilton, HM08, Bermuda and its telephone number at that address is (441) 292-1510.

Table of Contents

The Exchange Offer

Notes Offered for Exchange Nabors Delaware is offering up to \$350,000,000 in aggregate principal amount of its new 2.35% Senior Notes due 2016 in exchange for an equal aggregate principal amount of its old 2.35% Senior Notes due 2016, and up to \$350,000,000 in aggregate principal amount of its new 5.10% Senior Notes due 2023 in exchange for an equal aggregate principal amount of its old 5.10% Senior Notes due 2023, in each case on a one-for-one basis and in satisfaction of Nabors Delaware's obligations under the relevant registration rights agreement.

We issued the old notes in a private transaction for resale pursuant to Rule 144A and Regulation S under the Securities Act. The new notes have substantially the same terms as the old notes you hold, except that the new notes have been registered under the Securities Act, and therefore will be freely tradeable and will not need (or benefit from) the registration and related rights pursuant to which Nabors Delaware is conducting this exchange offer, including an increase in the interest rate related to defaults in our agreement to carry out this exchange offer.

The Exchange Offer Nabors Delaware is offering to exchange (1) \$1,000 principal amount at maturity of New 2016 Notes for each \$1,000 principal amount at maturity of your Old 2016 Notes and (2) \$1,000 principal amount at maturity of New 2023 Notes for each \$1,000 principal amount at maturity of your Old 2023 Notes. In order to be exchanged, your old notes must be properly tendered and accepted. All old notes that are validly tendered and not withdrawn will be exchanged.

Required Representations By tendering your old notes to Nabors Delaware, you represent that:

- (i) any new notes received by you will be acquired in the ordinary course of your business;
- (ii) you have no arrangement or understanding with anyone to participate in the distribution of the old notes or the new notes within the meaning of the Securities Act;
- (iii) you are not an affiliate, within the meaning of Rule 501(b) of Regulation D of the Securities Act, of Nabors Delaware or Nabors;
- (iv) you are not engaged in, and do not intend to engage in, the distribution of the new notes; and
- (v) if you are a broker-dealer, you will receive new notes for your own account in exchange for old notes that were acquired as a result of market-making activities or other trading activities and that you will deliver a prospectus in connection with any resale of such new notes.

See **The Exchange Offer Representations Nabors Delaware Needs From You Before You May Participate in the Exchange Offer** and **Plan of Distribution**.

Those Excluded from the Exchange Offer You may not participate in the exchange offer if you are:

- a holder of old notes in any jurisdiction in which the exchange offer is not, or your acceptance will not be, legal under the applicable securities or blue sky laws of that jurisdiction; or
- a holder of old notes who is an affiliate, within the meaning of Rule 501(b) of Regulation D of the Securities Act, of Nabors Delaware or Nabors.

Table of Contents

Consequences of Failure to Properly Tender Old Notes in the Exchange

After the exchange offer is complete, you will no longer be entitled to exchange your old notes for registered notes. If you do not exchange your old notes for new notes in the exchange offer, your old notes will continue to have the restrictions on transfer contained in the old notes and in the Indenture dated as of September 12, 2013 among Nabors Delaware, Nabors, Wilmington Trust, National Association, as trustee, and Citibank, N.A., as securities administrator, referred to as the Indenture. In general, your old notes may not be offered or sold unless registered under the Securities Act, or if there is an exemption from, or the transaction is not governed by, the Securities Act and applicable state securities laws. Nabors Delaware has no current plans to register your old notes under the Securities Act.

If a substantial amount of the old notes is exchanged for a like amount of the new notes, the liquidity and the trading market for your untendered old notes could be adversely affected. See The Exchange Offer Consequences of Failure to Properly Tender Old Notes in the Exchange. We will not be responsible for or indemnify you against any liability you may incur under the Securities Act.

Under some circumstances, however, holders of the old notes, including holders who are not permitted to participate in the exchange offer or who may not freely sell new notes received in the exchange offer, may require Nabors Delaware to file, and to cause to become effective, a shelf registration statement covering resales of the old notes by these holders.

Expiration Date

The exchange offer expires at 5:00 p.m., Eastern time, on _____, 2014, the expiration date, unless Nabors Delaware extends the offer (the Expiration Date). Nabors Delaware does not currently intend to extend the expiration date.

Conditions to the Exchange Offer

The exchange offer has customary conditions that may be waived by Nabors Delaware. There is no minimum amount of old notes that must be tendered to complete the exchange offer.

Procedures for Tendering Your Old Notes

If you wish to tender your old notes for exchange in the exchange offer, you or the custodial entity through which you hold your notes must send to Citibank, N.A., referred to as Citibank, the exchange agent, on or before the Expiration Date of the exchange offer:

- a properly completed and executed letter of transmittal, which has been provided to you with this prospectus, together with your old notes and any other documentation requested by the letter of transmittal; and
- for holders who hold their positions through The Depository Trust Company (DTC):
 - an Agent s Message (as defined in this prospectus) from DTC stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer;
 - your old notes by timely confirmation of book-entry transfer through DTC; and

Table of Contents

- all other documents required by the letter of transmittal.

Holders who hold their positions through Euroclear or Clearstream, Luxembourg must adhere to the procedures described in The Exchange Offer Procedures for Tendering Your Old Notes.

Special Procedures for
Beneficial Owners

If you beneficially own old notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your old notes in the exchange offer, you should contact the registered holder promptly and instruct it to tender on your behalf.

Guaranteed Delivery
Procedures for Tendering Old
Notes

If you wish to tender your old notes and the old notes are not immediately available, or time will not permit your old notes or other required documents to reach Citibank before the Expiration Date, or the procedure for book-entry transfer cannot be completed on a timely basis, you may tender your old notes according to the guaranteed delivery procedures set forth under The Exchange Offer Guaranteed Delivery Procedures.

Withdrawal Rights

You may withdraw the tender of your old notes at any time prior to 5:00 p.m., Eastern time, on the Expiration Date by delivering a written notice of withdrawal to the exchange agent in conformity with the procedures discussed under The Exchange Offer Withdrawal Rights.

U.S. Tax Considerations

The exchange of your old notes for new notes will not constitute a taxable event for U.S. federal income tax purposes. Rather, the new notes you receive in the exchange offer will be treated as a continuation of your investment in the old notes. For additional information regarding U.S. federal income tax considerations, you should read the discussion under Certain U.S. Federal Income Tax Considerations.

Use of Proceeds

Nabors Delaware will not receive any proceeds from the issuance of the new notes in the exchange offer. Nabors Delaware will pay all expenses incidental to the exchange offer.

Registration Rights
Agreements

When Nabors Delaware issued the old notes on September 12, 2013, it entered into separate registration rights agreement with the initial purchasers of both the Old 2016 Notes and the Old 2023 Notes. Under the terms of these agreements, Nabors Delaware agreed to file with the Securities and Exchange Commission (the "SEC") and use its reasonable best efforts to cause to become effective by May 12, 2014, a registration statement relating to an offer to exchange the new notes for the old notes.

If Nabors Delaware does not complete the exchange offer by June 9, 2014, the interest rate borne by each of the Old 2016 Notes and the Old 2023 Notes will be increased 0.25% per annum until the exchange offer is completed or until the old notes of the applicable series are freely transferable under Rule 144 of the Securities Act. In addition, if the exchange offer registration statement ceases to be effective or usable in connection with resales of the new notes of either series during periods specified in the registration rights agreement, the interest rate borne by the notes of such series will be increased 0.25% per annum until the registration defects are cured.

Resales

Based on interpretations by the staff of the SEC, as set forth in no-action letters issued to third parties, Nabors Delaware believes that the new notes

Table of Contents

issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act as long as:

- any new notes you receive in the exchange offer will be acquired by you in the ordinary course of your business;
- you have no arrangement or understanding with any person to participate in the distribution (as defined in the Securities Act) of the old notes or the new notes; and
- you are not our affiliate (as defined in Rule 501(b) of Regulation D of the Securities Act).

If you are an affiliate of Nabors Delaware or Nabors, are engaged in or intend to engage in or have any arrangement or understanding with any person to participate in the distribution of the new notes:

- you cannot rely on the applicable interpretations of the staff of the SEC; and
- you must comply with the registration requirements of the Securities Act in connection with any resale transaction.

Each broker or dealer that receives new notes for its own account in exchange for old notes that were acquired as a result of market-making or other trading activities may be a statutory underwriter and must acknowledge that it will comply with the registration and prospectus delivery requirements of the Securities Act in connection with any offer, resale, or other transfer of the new notes issued in the exchange offer, including information with respect to any selling holder required by the Securities Act in connection with any resale of the new notes, and must confirm that it has not entered into any arrangement or understanding with Nabors Delaware, Nabors or any of their affiliates to distribute the new notes.

Furthermore, any broker-dealer that acquired any of its old notes directly from Nabors Delaware:

- may not rely on the applicable interpretation of the position of the staff of the SEC set forth in the Shearman & Sterling (available July 2, 1993), Morgan Stanley & Co. Incorporated (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988) no-action letters and similar no-action letters (collectively, the Exxon Capital Letters); and
- must also be named as a selling noteholder in connection with the registration and prospectus delivery requirements of the Securities Act relating to any resale transaction.

See Plan of Distribution and The Exchange Offer Purpose and Effect of Exchange Offer Registration Rights.

Broker-Dealers

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will comply with the registration and prospectus delivery requirements of the Securities Act in connection with any offer, resale or other

Table of Contents

transfer of such new notes, including information with respect to any selling holder required by the Securities Act in connection with the resale of the new notes and must confirm that it has not entered into any arrangement or understanding with Nabors Delaware or Nabors or any of their affiliates to distribute the new notes. Nabors Delaware has agreed that for a period of 180 days after the effective date of the registration statement for the exchange offer (or such shorter period during which broker-dealers are required by law to deliver this prospectus), it will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

Exchange Agent

Citibank is serving as the exchange agent. Its address, telephone number and facsimile number are:

Citibank, N.A.
480 Washington Boulevard, 30th Floor
Jersey City, New Jersey 07310
Telephone: (800) 422-2066
Fax: (201) 258-3567

Please review the information under the heading "The Exchange Offer" for more detailed information concerning the exchange offer.

Table of Contents

The New Notes

The summary below describes the principal terms of the new notes to be issued in exchange for the old notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the New Notes section of the prospectus contains a more detailed description of the terms and conditions of the New Notes.

Issuer	Nabors Industries, Inc.
Guarantor	Nabors Industries Ltd.
Securities Offered	<p>\$350,000,000 aggregate principal amount of 2.35% Senior Notes due 2016.</p> <p>\$350,000,000 aggregate principal amount of 5.10% Senior Notes due 2023.</p> <p>The terms of the New 2016 Notes will be identical in all material respects to the terms of the Old 2016 Notes, and the terms of the New 2023 Notes will be identical in all material respects to the terms of the Old 2023 Notes, except that in each case the new notes have been registered under the Securities Act, and therefore will not contain transfer restrictions and related legends, the new notes will bear a different CUSIP number the new notes will not contain the provisions for an increase in the interest rate related to defaults in the agreement to carry out this exchange offer.</p>
Maturity	<p>2016 Notes: September 15, 2016.</p> <p>2023 Notes: September 15, 2023.</p>
Interest Rate	<p>2016 Notes: 2.35% per annum.</p> <p>2023 Notes: 5.10% per annum.</p>
Interest Payment Dates	March 15 and September 15 of each year. Interest on the new notes will begin to accrue upon the last interest payment date on which interest was paid on the old notes surrendered in exchange for the new notes or, if no interest has been paid on such old notes, from September 12, 2013.
Guarantee	<p>Nabors will fully and unconditionally guarantee the due and punctual payment of the principal of, premium, if any, interest on the new notes and any other obligations of Nabors Delaware under the new notes when and as they become due and payable, whether at maturity, upon redemption, by acceleration or otherwise if Nabors Delaware is unable to satisfy these obligations. The guarantee provides that, in the event of a default on the new notes, the holders of the new notes may institute legal proceedings directly against Nabors to enforce the guarantee without first proceeding against Nabors Delaware. See Description of the New Notes Guarantee.</p>
Ranking	<p>The new notes will:</p> <ul style="list-style-type: none"> • be unsecured; • be effectively junior in right of payment to any of our future secured debt;

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

- rank equally in right of payment with any of Nabors Delaware s existing and future unsubordinated debt; and
- be senior in right of payment to any of Nabors Delaware s existing and future senior subordinated or subordinated debt.

Nabors guarantee of Nabors Delaware s obligations under the new notes will be a direct, unsecured and unsubordinated obligation of the guarantor and will

Table of Contents

have the same ranking with respect to indebtedness of Nabors as the new notes will have with respect to our indebtedness. See Description of the New Notes Guarantee.

Optional Redemption	Nabors Delaware may, at its option, redeem some or all of the new notes, in whole or in part, at any time, at make-whole prices described in this prospectus, plus accrued and unpaid interest to the redemption date. See Description of the New Notes Optional Redemption.
Change of Control Offer	If a change of control triggering event as described herein occurs, each holder of the new notes may require Nabors Delaware to purchase all or a portion of such holder's new notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase. See Description of the Notes Change of Control Offer.
Use of Proceeds	Nabors Delaware will not receive any cash proceeds from the exchange offer. See Use of Proceeds.
Covenants	Nabors Delaware will issue the new notes under the Indenture. The Indenture limits the ability of Nabors and its subsidiaries to incur liens and to enter into sale and lease-back transactions, subject to significant exceptions. In addition, the Indenture limits both Nabors Delaware's and Nabors' ability to enter into mergers, consolidations, amalgamations or transfers of substantially all of our or its assets as an entirety unless the successor company assumes Nabors Delaware's or Nabors' obligations under the Indenture. These covenants are subject to a number of important qualifications and limitations. See Description of the Notes Covenants.
No Prior Market	There is currently no established trading market for either series of the new notes. The new notes generally will be freely transferable but will also be new securities for which there will not initially be a market. Accordingly, there can be no assurance as to the development or liquidity of any market for the new notes. Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Mizuho Securities USA Inc., Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mitsubishi UFJ Securities (USA), Inc., PNC Capital Markets LLC, BBVA Securities Inc., Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc. and SMBC Nikko Securities America, Inc., the initial purchasers of the old notes, have advised us that they currently intend to make a market in the new notes. However, none are obligated to do so, and any market-making with respect to the new notes may be discontinued without notice. Nabors Delaware does not intend to apply for a listing of the new notes on any securities exchange or an automated dealer quotation system.

Table of Contents

FORWARD-LOOKING STATEMENTS

We often discuss expectations regarding our future markets, demand for our products and services, and our performance in our offering memoranda, registration statements, prospectuses, annual, quarterly and current reports, press releases, and other written and oral statements. Statements relating to matters that are not historical facts are forward-looking statements. These forward-looking statements are based on an analysis of currently available competitive, financial and economic data and our operating plans. They are inherently uncertain and investors should recognize that events and actual results could turn out to be significantly different from our expectations. By way of illustration, when used in this document, words such as anticipate, believe, expect, plan, intend, estimate, project, will, should, could, may, expressions are intended to identify forward-looking statements.

You should consider the following key factors when evaluating these forward-looking statements:

- fluctuations in worldwide prices of and demand for oil and natural gas;
- fluctuations in levels of oil and natural gas exploration and development activities;
- fluctuations in the demand for our services;
- the existence of competitors, technological changes and developments in the oilfield services industry;
- the existence of operating risks inherent in the oilfield services industry;
- the possibility of changes in tax and other laws and regulations;
- the possibility of political instability, war or acts of terrorism; and
- general economic conditions including the capital and credit markets.

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

Our businesses depend to a large degree on the level of spending by oil and gas companies for exploration, development and production activities. Therefore, a sustained increase or decrease in the price of oil or natural gas that has a material impact on exploration, development or production activities could also materially affect our financial position, results of operations and cash flows.

The above description of risks and uncertainties is by no means all-inclusive, but highlights certain factors that we believe are important for your consideration. For a more detailed description of risk factors, please see the section entitled "Risk Factors" below and in Nabors' Annual Report on Form 10-K for the year ended December 31, 2013 filed with the SEC on March 3, 2014.

All forward-looking statements contained or incorporated by reference in this prospectus are based on information available to us at the time made. We do not intend to update or revise any forward-looking statements that we may make in this prospectus or the documents incorporated herein by reference, whether as a result of new information, future events or otherwise.

Table of Contents

RISK FACTORS

You should carefully consider the risks described below and in the documents incorporated herein by reference, including the risks described under Item 1A Risk Factors in Nabors Annual Report on Form 10-K for year ended December 31, 2013 filed with the SEC on March 3, 2014, before tendering your old notes in the exchange offer. The risks described below and incorporated by reference are not the only ones facing us. Additional risks not currently known to us or that we currently deem immaterial may also impair our business operations.

Risks Related to the Offering

Nabors significant level of consolidated debt could adversely affect its consolidated financial condition and prevent it and Nabors Delaware from fulfilling their respective obligations under the Indenture and the New Notes.

As of March 31, 2014, Nabors outstanding consolidated total indebtedness was \$3.8 billion, resulting in a gross debt to capital ratio of 0.39:1 and a net debt to capital ratio of 0.36:1. The gross debt to capital ratio is calculated by dividing (x) total debt by (y) total capital. Total capital is defined as total debt plus shareholders equity. The net debt to capital ratio is calculated by dividing (x) net debt by (y) net capital. Net debt is total debt minus the sum of cash and cash equivalents and short-term investments. Net capital is the sum of net debt plus shareholders equity. The gross debt to capital ratio and the net debt to capital ratio are not measures of operating performance or liquidity defined by accounting principles generally accepted in the United States (GAAP) and may not be comparable to similarly titled measures presented by other companies. Both of these ratios are methods for calculating the amount of leverage a company has in relation to its capital. Nabors level of consolidated indebtedness could adversely affect its consolidated financial condition, financial and operational flexibility and prevent it and Nabors Delaware from fulfilling their respective obligations under the Indenture and the notes. In addition, Nabors and its subsidiaries have various commitments for leases, firm transportation and processing and purchase commitments, which could further affect our financial condition and liquidity. Our ability to service our debt and other obligations, including the notes, depends in large part upon the level of cash flows generated by our subsidiaries operations, possible dispositions of non-core assets, availability under our unsecured revolving credit facility and our ability to access the capital markets.

Nabors and its subsidiaries may still be able to incur substantially more debt. The terms of the Indenture governing the new notes and the agreements governing Nabors other indebtedness permit additional borrowings and any such borrowings may be effectively senior in right of payment to the new notes and the related guarantee. Nabors incurrence of additional debt could further exacerbate the risks described in this prospectus.

If you do not elect to exchange your old notes for new notes, you will hold securities that are not registered and that contain restrictions on transfer.

The old notes that are not tendered and exchanged will remain restricted securities. If the exchange offer is completed, Nabors Delaware will not be required to register any remaining old notes, except in the very limited circumstances described in the registration rights agreement for each series of old notes. That means that if you wish to offer, sell, pledge or otherwise transfer your old notes at some future time, they may be offered, sold, pledged or transferred only if an exemption from registration under the Securities Act is available or, outside of the United States, to non-U.S. persons in accordance with the requirements of Regulation S under the Securities Act. Any remaining old notes will continue to

bear a legend restricting transfer in the absence of registration or an exemption from registration.

To the extent that old notes are tendered and accepted in connection with the exchange offer, any trading market for remaining old notes could be adversely affected.

You must comply with the exchange offer procedures in order to receive freely tradeable, new notes.

Delivery of new notes in exchange for old notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of the following:

- certificates for old notes or a book-entry confirmation of a book-entry transfer of old notes into the exchange agent's account at DTC, New York, New York as a depository, including an Agent's Message if the tendering holder does not deliver a letter of transmittal;

Table of Contents

- a completed and signed letter of transmittal (or facsimile thereof), with any required signature guarantees, or, in the case of a book-entry transfer, an Agent's Message in lieu of the letter of transmittal; and
- any other documents required by the letter of transmittal.

Therefore, holders of old notes who would like to tender old notes in exchange for new notes should be sure to allow enough time for the old notes to be delivered on time. Nabors Delaware is not required to notify you of defects or irregularities in tenders of old notes for exchange. Old notes that are not tendered or that are tendered but that Nabors Delaware does not accept for exchange will, following consummation of the exchange offer, continue to be subject to the existing transfer restrictions under the Securities Act and, upon consummation of the exchange offer, certain registration and other rights under the registration rights agreement will terminate. See *The Exchange Offer Procedures for Tendering Your Old Notes* and *The Exchange Offer Consequences of Exchanging or Failing to Exchange Old Notes*.

Some holders who exchange their old notes may be deemed to be underwriters, and these holders will be required to comply with the registration and prospectus delivery requirements in connection with any resale transaction.

If you exchange your old notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Although the new notes are designated as Senior, your right to receive payment on the new notes and the guarantee is unsecured and will be effectively subordinated to any existing and future secured debt of Nabors Delaware, in the case of the new notes, and Nabors, in the case of the guarantee, to the extent of the value of the collateral therefor, and the new notes and the guarantee will be effectively subordinated to future indebtedness and other liabilities of Nabors Delaware and Nabors subsidiaries, respectively.

The new notes are general senior unsecured obligations and therefore will be effectively subordinated in right of payment to Nabors Delaware's future secured indebtedness, and Nabors' guarantee is effectively subordinated in right of payment to the claims of future secured creditors of Nabors, in each case, to the extent of the collateral therefor. If Nabors Delaware defaults on the new notes or certain other indebtedness, or becomes bankrupt, liquidates or reorganizes, any secured creditors could use their collateral to satisfy their secured indebtedness before you would receive any payment on the new notes. If the value of such collateral is not sufficient to pay any secured indebtedness in full, Nabors Delaware's secured creditors would share the value of its other assets, if any, with you and the holders of other claims against Nabors Delaware which rank equally with the new notes. The guarantee of the new notes will have a similar ranking with respect to secured indebtedness of Nabors as the new notes do with respect to Nabors Delaware's secured indebtedness.

In addition, Nabors Delaware and Nabors derive substantially all their income from, and hold substantially all their assets through, their respective subsidiaries, none of which will guarantee the new notes. As a result, Nabors Delaware and Nabors will depend on distributions from each of their subsidiaries in order to meet payment obligations under any debt securities, including the new notes and the guarantee and Nabors Delaware's and Nabors' other obligations. Accordingly, Nabors Delaware's and Nabors' rights to receive any assets of any subsidiary, and therefore the right of Nabors Delaware's and Nabors' creditors to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors.

As holding companies, Nabors Delaware and Nabors depend on subsidiaries to meet their financial obligations.

Nabors Delaware and Nabors are holding companies with no significant assets other than the stock of their subsidiaries. In order to meet their financial needs and obligations, including any obligation to make payments on the new notes offered hereby, they rely exclusively on repayments of interest and principal on intercompany loans that they have made to operating subsidiaries and income from dividends and other cash flow from such subsidiaries. There can be no assurance that such operating subsidiaries will generate sufficient net income to pay dividends or sufficient cash flow to make payments of interest and principal to Nabors Delaware or Nabors, as applicable, in respect of their intercompany loans. In addition, from time to time, such operating subsidiaries may enter into financing arrangements that contractually restrict or prohibit these types of upstream payments to Nabors Delaware and Nabors.

Table of Contents

There may also be adverse tax consequences associated with such operating subsidiaries paying dividends.

Nabors' guarantee of the new notes could be voided or subordinated by federal bankruptcy law or comparable foreign and state law provisions.

Nabors Delaware's obligations under the new notes are guaranteed by Nabors. Under federal bankruptcy law and comparable provisions of foreign and state fraudulent transfer laws, the Nabors guarantee could be voided, or claims in respect of such guarantee could be subordinated to all other debts of Nabors if, among other things, Nabors, at the time it incurred the indebtedness evidenced by its guarantee, received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee; and

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by Nabors pursuant to its guarantee could be voided and required to be returned to Nabors or to a fund for the benefit of the creditors of Nabors.

The measure of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, were greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets were less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

Edgar Filing: NABORS INDUSTRIES INC - Form S-4/A

Nabors Delaware cannot be sure as to the standards a court would use to determine whether or not Nabors were solvent at the relevant time, or, regardless of the standard that the court used, that the issuance of the guarantee of the new notes would not be voided or the guarantee of the new notes would not be subordinated to Nabors' other debt.

If the guarantee were legally challenged, such guarantee could also be subject to the claim that, since the guarantee was incurred for Nabors Delaware's benefit, and only indirectly for the benefit of Nabors, the obligations of Nabors were incurred for less than fair consideration.

A court could thus void the obligations under the guarantee or subordinate the guarantee to Nabors' other debt or take other action detrimental to holders of the new notes.

Nabors Delaware may not have sufficient funds to purchase the new notes upon a Change of Control Triggering Event as required by the Indenture governing the new notes. The Change of Control Offer covenant provides limited protection.

Holders of the new notes may require Nabors Delaware to purchase their new notes upon a Change of Control Triggering Event as defined under Description of the New Notes Change of Control Offer. A Change of Control (as defined under Description of the New Notes Change of Control Offer) may also result in holders of certain of Nabors Delaware's other outstanding notes or future indebtedness having the right to require Nabors Delaware to purchase notes or repay indebtedness issued under one or more indentures or other agreements, including under the indentures governing our outstanding 6.15% senior notes due 2018, 9.25% senior notes due 2019, 5.0% senior notes due 2020 and 4.625% senior notes due 2021, as well as the Indenture as it relates to the old notes. Nabors Delaware cannot assure you that it would have sufficient financial resources, or would be able to arrange financing, to pay the purchase price of the new notes and any other notes and repay indebtedness that may be tendered by the holders thereof in such a circumstance.

Table of Contents

Furthermore, the terms of our then-existing indebtedness or other agreements may contain covenants, events of default or other provisions that could be violated if a Change of Control were to occur or if Nabors Delaware were required to purchase the new notes and other notes and repay indebtedness containing a similar repurchase or repayment requirement.

The Change of Control Offer covenant is a result of negotiations between Nabors Delaware and the initial purchasers of the old notes and is limited to the transactions specified in Description of the Notes Change of Control Offer. Nabors has no current intention to engage in a transaction involving a Change of Control Triggering Event, although it is possible that Nabors could decide to do so in the future. Nabors could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control Triggering Event under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the capital structure or the credit ratings of Nabors or Nabors Delaware.

Your ability to transfer the notes may be limited by the absence of a trading market for the new notes.

There is no established trading market for the new notes, and Nabors Delaware has no plans to list the new notes on a securities exchange or automated dealer. Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Mizuho Securities USA Inc., Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mitsubishi UFJ Securities (USA), Inc., PNC Capital Markets LLC, BBVA Securities Inc., Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc. and SMBC Nikko Securities America, Inc., the initial purchasers of the old notes, have advised Nabors Delaware that they intend to make a market in the new notes. However, none are obligated to do so. Any market-making activity, if initiated, may be discontinued at any time, for any reason, without notice. If the initial purchasers ceased to act as market makers for the new notes for any reason, we cannot assure you that another firm or person would make a market in the new notes. The liquidity of any market for the new notes will depend upon the number of holders of the new notes, our results of operations and financial condition, the market for similar securities, the interest of securities dealers in making a market in the new notes and other factors. An active or liquid trading market may not develop for the new notes.

Table of Contents**USE OF PROCEEDS**

Nabors Delaware will not receive any proceeds from the issuance of the new notes in this exchange offer. Any old notes that are properly tendered and exchanged pursuant to the exchange offer will be retired and cancelled. Nabors Delaware will pay all expenses in connection with the exchange offer.

RATIO OF EARNINGS TO FIXED CHARGES

For purposes of calculating the ratio of earnings to fixed charges, earnings consist of income (loss) from continuing operations before income taxes and noncontrolling interests less undistributed earnings (losses) from unconsolidated affiliates (net of dividends) and subsidiary preferred stock dividends plus amortization of capitalized interest and fixed charges (excluding capitalized interest). Fixed charges consist of interest incurred (whether expensed or capitalized), amortization of debt expense, and that portion of rental expense on operating leases deemed to be the equivalent of interest. The following table sets forth Nabors' ratio of earnings to fixed charges for each of the periods indicated.

Nabors Industries Ltd. and Subsidiaries

	Three Months Ended March 31,		Year Ended December 31,				
	2014	2013	2013	2012	2011	2010	2009
Ratio of earnings to fixed charges	2.21x	2.51x	1.42x	3.03x	2.15x	1.94x	1.79x

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following selected financial data should be read in conjunction with Nabors' consolidated financial statements and related notes incorporated by reference into this prospectus. The selected consolidated operating data for the years ended December 31, 2013, 2012 and 2011 and the selected consolidated balance sheet data as of December 31, 2013 and 2012 are derived from Nabors' audited consolidated financial statements included in Nabors' Annual Report on Form 10-K for the year ended December 31, 2013 and incorporated by reference into this prospectus. The selected consolidated operating data for the three months ended March 31, 2014 and 2013 and the selected consolidated balance sheet data as of March 31, 2014 are derived from Nabors' unaudited consolidated financial statements included in Nabors' Quarterly Report on Form 10-Q for the three months ended March 31, 2014 and incorporated by reference into this prospectus. The selected consolidated operating data for the years ended December 31, 2010 and 2009 and the selected consolidated balance sheet data as of December 31, 2011, 2010 and 2009 are derived from Nabors' audited consolidated financial statements not incorporated by reference into this prospectus. The selected financial data has been recast to reflect certain discontinued operations as discussed in footnote (1) below. Our historical results are not necessarily indicative of future operating results.

Operating Data (1)(2)