

RANGE RESOURCES CORP

Form 8-K

July 07, 2005

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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):
July 7, 2005 (June 30, 2005)

RANGE RESOURCES CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

0-9592
(Commission
File Number)

34-1312571
(IRS Employer
Identification No.)

777 Main Street, Suite 800
Ft. Worth, Texas
(Address of principal
executive offices)

76102
(Zip Code)

Registrant's telephone number, including area code: (817) 870-2601

(Former name or former address, if changed since last report): Not applicable

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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ITEMS 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT
SIGNATURES

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On June 30, 2005, the Compensation Committee of the Board of Directors of Range Resources Corporation (the Company) approved the acceleration of vesting of certain unvested options to acquire shares of the Company's common stock. All unvested options held by the Company's executive officers and all other employees with vesting dates between January 1, 2006 and April 1, 2006 were accelerated such that they will vest on December 31, 2005, a weighted average vesting acceleration of 46 days. These options were previously awarded under the Company's Amended and Restated 1999 Stock Option Plan. Options to purchase 1,190,121 shares of common stock at exercise prices between \$4.43 and \$23.28 are subject to this acceleration. The Compensation Committee's practice has been to grant options to all full-time employees of the Company. Therefore, only 36% of the accelerated options are associated with our executive officers and none are associated with non-employee directors. The option agreements underlying the options subject to acceleration will be amended to reflect the acceleration and all other terms and conditions applicable to outstanding stock option grants, including all existing vesting dates after April 1, 2006, will remain in effect.

Of the 1,190,121 options affected by the acceleration, options to purchase 426,270 shares of common stock were held by our executive officers as set forth below:

| Name | Position | Number of Options Accelerated |
|----------------|---|--|
| John Pinkerton | President and Chief Executive Officer | 195,875 |
| Jeff Ventura | Executive Vice President and Chief Operating Officer | 42,600 |
| Steve Grose | Senior Vice President | 4,500 |
| Roger Manny | Senior Vice President | 24,525 |
| Herb Newhouse | Senior Vice President | 54,185 |
| Chad Stephens | Senior Vice President | 51,795 |
| Rodney Waller | Senior Vice President | 52,790 |
| | | 426,270 |

The acceleration of the vesting of these options is being undertaken primarily to eliminate the related future stock-based compensation expense. Upon the commencement of fiscal year 2006, on January 1, 2006, the Company will be required to adopt the provisions of Statement of Financial Accounting Standard No. 123R Share Based Payment (SFAS 123R) which requires the recognition of stock-based compensation associated with stock options as an expense in financial statements. Had we not accelerated, we estimate that the stock-based compensation expense associated with the accelerated options would amount to approximately \$7.6 million on a pre-tax basis (\$5.5 million in fiscal year 2006, \$1.9 million in fiscal year 2007 and \$0.2 million in fiscal year 2008).

Certain information included in this report contains certain statements (other than statements of historical fact) that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements include, without limitation, those related to the Company's expectations regarding the impact of accelerated vesting of options on its financial results in future periods. When used herein, the words budget, budgeted, assumes, should, goal, anticipates, expects,

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believes, seeks, plans, estimates, intends, projects or targets and similar expressions that convey the uncertainty of future events or outcomes are intended to identify forward-looking statements. Where any forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, we caution that while we believe these assumptions or bases to be reasonable and to be made in good faith, assumed facts or bases almost always vary from actual results and the difference between assumed facts or bases and the actual results could be material, depending on the circumstances. It is important to note that our actual results could differ materially from those projected by such forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable and such forward-looking statements are based upon the best data available at the date this report is filed with the SEC, we cannot assure you that such expectations will prove correct. Factors that could cause our results to differ materially from the results discussed in such forward-looking statements include, but are not limited to, the following: the possibility that SFAS 123R could be changed, amended or interpreted in a manner that would change the Company's current assessment of the adoption of SFAS 123R on the acceleration of vesting of stock options and the final results of closing the Company's books for future financial periods; as well as other risks detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2005. All such forward-looking statements in this document are expressly qualified in their entirety by the cautionary statements in this paragraph, and the Company undertakes no obligation to publicly update or revise any forward-looking statements.

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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.

RANGE RESOURCES CORPORATION

By: /s/ Rodney L. Waller
Rodney L. Waller
Senior Vice President

Date: July 7, 2005