
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 10, 2006

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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Item 1.01 Entry Into a Material Definitive Agreement.

Merger Agreement

On May 11, 2006, Range Resources Corporation (“Range”) and Stroud Energy, Inc. (“Stroud”) announced that they had entered into an Agreement and Plan of Merger (the “Merger Agreement”), dated May 10, 2006, by and among Range, Range Acquisition Texas, Inc., a newly formed wholly-owned subsidiary of Range (“Merger Sub”), and Stroud (“Stroud”), whereby Merger Sub will merge with and into Stroud, with Stroud surviving the merger as a wholly-owned subsidiary of Range (the “Merger”).

Under the Merger Agreement, each share of Stroud common stock issued and outstanding immediately prior to the effective time of the Merger (other than shares for which the holder thereof has perfected appraisal rights under Delaware law) will be converted into and exchanged for the right to receive from Range, subject to valid elections by Stroud stockholders and subject to the allocation and adjustment provisions of the Merger Agreement:

- a fractional share of Range common stock (the “Stock Consideration”) equal to:
 - o .909 shares of Range common stock, if the average closing price of a share of Range common stock on the New York Stock Exchange for the fifteen consecutive trading days ending at the close of trading on the fifth trading day before the closing of the Merger (the “average closing price”) is less than \$22.00;
 - o between .909 and .815 shares of Range common stock, if the average closing price of a share of Range common stock is equal to or greater than \$22.00 and less than or equal to \$24.53;
 - o .815 shares of Range common stock, if the average closing price of a share of Range common stock is equal to or greater than \$24.54 and less than or equal to \$30.67;
 - o between .815 and .753 shares of Range common stock, if the average closing price of a share of Range common stock is equal to or greater than \$30.68 and less than or equal to \$33.21; or
 - o .753 shares of Range common stock, if the average closing price of a share of Range common stock is greater than \$33.21; or
- an amount in cash equal to the applicable Stock Consideration multiplied by the average closing price of a share of Range common stock (the “Cash Consideration”); or
- a fraction of a share of Range common stock equal to 50% of the applicable Stock Consideration and an amount in cash equal to 50% of the Cash Consideration (the “Mixed Consideration”).

Only holders of Stroud common stock that Range has determined are eligible under applicable securities laws to receive shares of Range common stock as merger consideration may elect to receive the Stock Consideration or Mixed Consideration.

Stroud, on the one hand, and Range and Merger Sub on the other, have made customary representations, warranties, covenants and agreements in the Merger Agreement.

Stroud has agreed that its board of directors will recommend that its stockholders approve the Merger Agreement and the Merger and, with certain exceptions, not to directly or indirectly solicit, encourage or facilitate proposals relating to alternative business combination transactions. However, the board of directors of Stroud may, subject to payment of the termination fee described below, change its recommendation in favor of the Merger in certain circumstances, including upon a good faith determination by the board of directors of Stroud, after consultation with and receipt of advice from its outside legal counsel, that such change in recommendation is required to comply with its fiduciary duties under applicable law.

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The Merger Agreement is subject to termination by either Range or Stroud for various reasons, including but not limited to: the mutual written consent of Range and Stroud; the failure of the Stroud stockholders to approve the Merger (provided that Stroud cannot terminate for this reason if Stroud's failure to fulfill any covenant or agreement under the Merger Agreement caused such failure); or if the Merger shall have not been consummated by August 1, 2006. Range may terminate the Merger Agreement if, among other reasons, Stroud's board of directors changes its recommendation that the Stroud stockholders approve the Merger Agreement and the Merger or if a material adverse effect occurs with respect to Stroud. Stroud may terminate the Merger Agreement if, among other reasons, a material adverse effect occurs with respect to Range or Stroud accepts a proposal for an alternative business combination transaction that, after consultation with and the receipt of advice from its legal counsel and financial advisor, the board of directors of Stroud has determined is superior, from a financial point of view, to Stroud's stockholders and Range elects not to adjust its offer to be as favorable to Stroud's stockholders from a financial point of view as the alternative proposal. Upon a termination of the Merger Agreement pursuant to certain sections of the Merger Agreement, including if Stroud's board of directors changes its recommendation that the Stroud stockholders approve the Merger or elects to accept a superior proposal, Stroud shall be obligated to pay a termination fee to Range in an amount up to 3% of the aggregate merger consideration.

At the effective time of the Merger, all options to purchase shares of Stroud common stock outstanding at the effective time of the Merger, whether vested or unvested, shall be assumed by Range and converted into options to purchase shares of Range common stock at an exchange ratio calculated in the same manner as the Stock Consideration.

Consummation of the Merger is subject to various closing conditions, including, among others, the requisite approval by Stroud's stockholders and the effectiveness of a Non-Competition Agreement with Patrick J. Noyes, the President and Chief Executive Officer of Stroud, entered into by Range and Mr. Noyes in connection with the Merger Agreement, which restricts his ability to participate in the oil and gas industry in Denton, Wise, Parker, Tarrant, Johnson, Ellis and Hood Counties, Texas, for a period of one year following the effective time of the Merger, as well as other customary closing conditions. In addition, Stroud entered into an amendment to its shareholder rights agreement in order to facilitate the proposed Merger.

Registration Rights Agreement

In connection with the Merger Agreement, Range entered into a Registration Rights Agreement with Stroud, to take effect upon the effective time of the Merger, for benefit of the Stroud stockholders receiving Range common stock in connection with the Merger. Pursuant to this agreement, Range has agreed to file, on or prior to the second business day following the effective time of the Merger, an automatically effective resale shelf registration statement to register resales of the shares of Range common stock issued in the Merger and to maintain the effectiveness of such registration statement for a maximum of one year after the effective time. Range also has agreed to file post-effective amendments or prospectus supplements to the registration statement to name all eligible holders under the Registration Rights Agreement as selling stockholders therein and include in the registration statement all registrable securities issued to or known to be issuable to such holder. Range, however, is not obligated to file a post-effective amendment or prospectus supplement solely for the purpose of adding holders of registrable securities more often than once each calendar week during the first four calendar weeks following the effective time of the Merger and thereafter no more than once in each calendar month.

Range may suspend the use of any resale shelf registration statement for up to 45 days in any 90-day period, or 90 days in any 12-month period, upon the occurrence of an event or upon discussions relating to, or the consummation of, a transaction that Range determines in good faith would (i) require additional disclosure of material information by Range in the shelf registration statement, (ii) as to which Range has a bona fide business purpose for preserving confidentiality or (iii) that renders Range unable to comply with Securities and Exchange Commission requirements.

Stockholder Voting Agreements

In connection with the Merger Agreement and as a condition to Range entering into the Merger Agreement, Range has entered into stock voting agreements with each of Patrick J. Noyes, Stephen M. Clark, G. Christopher Veeder, David B. Miller, Christopher A. Wright, Samuel J. Atkins, Dan M. Krause, Philip S. Smith, Gregory D.

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Frazier, Chris Hammack and Gregory P. Smith. As of the execution of the Merger Agreement, these Stroud stockholders beneficially owned an aggregate of 2,287,280 shares of Stroud common stock, collectively representing 14.1% of the Stroud common shares outstanding on that date.

Under the stock voting agreements, each of the stockholders has agreed, among other things, to vote his shares of Stroud common stock in favor of the approval of the Merger Agreement and the Merger, and all actions in furtherance thereof, and against any other action that is intended or could reasonably be expected to impede, interfere with, delay, postpone or adversely affect in any material respect the Merger and the other transactions contemplated by the Merger Agreement. The stock voting agreements expire upon the earlier of the termination of the Merger Agreement or the effective time of the Merger.

Item 8.01 Other Events.

On May 11, 2006, Range issued a press release announcing the execution of the Merger Agreement, a copy of which is filed as Exhibit 99.1 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, dated May 11, 2006.

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: May 15, 2006

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, dated May 11, 2006.



NEWS RELEASE

RANGE AGREES TO ACQUIRE STROUD ENERGY

FORT WORTH, TEXAS, MAY 11, 2006...RANGE RESOURCES CORPORATION (NYSE: RRC) announced that it has entered into a definitive agreement to acquire Stroud Energy, Inc. for approximately \$450 million, including approximately \$82 million in assumed debt. Stroud is a private Fort Worth based independent oil and gas company with operations located in the Barnett Shale play in North Texas, the Cotton Valley in East Texas and the Austin Chalk in Central Texas. Stroud has interests in 126 producing wells and owns a leasehold position covering 87,200 gross (67,000 net) acres. During the first quarter of 2006, Stroud produced approximately 33 Mmcfe per day, of which approximately one-half was attributable to the Barnett Shale. Range estimates the proved reserves attributable to the Stroud properties total 171 Bcfe and that proven and unproven reserves total 370 Bcfe. Range has identified 236 drilling locations on the Stroud leasehold, of which 182 are attributable to the Barnett Shale acreage. Over 90% of Stroud's Barnett Shale acreage is located in the core or expanding core portions of the Barnett Shale play.

Upon completion of the transaction, Range plans to retain nearly all of Stroud's 27 employees, including those involved in the Barnett Shale play. This will expand Range's Barnett shale team under the leadership of Mark Whitley, Range's Senior Vice President. By adding Stroud's leasehold position, Range will own approximately 42,900 gross (35,300 net) acres in the Barnett Shale play. Range plans to develop the leasehold position with a five-rig drilling program, including the three rigs Stroud is currently running, plus two additional contracted rigs scheduled to arrive in the third quarter.

In announcing the transaction, Range indicated that it will consider divesting of the Austin Chalk properties. These properties produced approximately 16 Mmcfe per day in the first quarter of 2006.

Commenting on the announcement, John Pinkerton, Range's President and CEO, said, "This transaction doubles Range's leasehold position in the Barnett Shale play and our shale play team benefits from the addition of the Stroud employees, who are highly regarded. We believe the expanded Barnett team will enhance and accelerate our shale effort. Excluding the Austin Chalk properties, which we will consider divesting, we estimate that the fully developed cost of the Barnett Shale and East Texas reserves will be approximately \$2.35 per mcfe. The transaction expands our leasehold position with high-quality Barnett acreage, increases our drilling inventory and provides us with a number of additional top-tier people. Importantly, it continues Range's strategy of growing production and reserves at a "top quartile" cost structure. Assuming the transaction closes in late June, we are increasing our 2006 production growth target from 11% to 15%."

The acquisition is structured as a merger pursuant to which Stroud's shareholders who satisfy certain investor suitability standards may individually elect to receive, in exchange for their shares of Stroud common stock, consideration in one of three forms: 100% in Range common stock, 100% in cash or 50% in Range common stock and 50% in cash, subject to adjustments and allocations provided for in the definitive agreement. The exchange ratio for the Stroud stock, and on which the cash consideration will be determined, will be based upon the average closing price for Range's stock for the 15 days ending five days prior to closing. Based on the last 15 day average price of Range's common stock, and assuming all of Stroud's shareholders were to elect to receive Range common stock in the transaction, Range would issue approximately 13.2 million shares of stock, representing approximately 9% of the outstanding Range stock giving effect to such issuance. Stroud shareholders who do not satisfy the investor suitability standards will receive their consideration 100% in cash. Range intends to utilize funds currently available under its bank credit facility

to finance the cash portion of the transaction. The Stroud acquisition is subject to approval by the shareholders of Stroud and other customary closing conditions. Assuming the Stroud shareholders approve the transaction and the other closing conditions are satisfied, closing is expected to occur in late June 2006. There is no assurance the acquisition will be consummated.

The Company will host a conference call on Thursday, May 11, at 10:00 a.m. ET to review the transaction. To participate in the call, please dial 877-207-5526 and ask for the Range Resources conference call. A replay of the call will be available through May 18 at 800-642-1687. The conference ID for the replay is 9244041. A presentation on certain information discussed on the conference call will be made available on the Company's website, www.rangeresources.com, at the time of the conference call.

RANGE RESOURCES CORPORATION (NYSE: RRC) is an independent oil and gas company operating in the Southwestern, Appalachian and Gulf Coast regions of the United States.

Except for historical information, statements made in this release, including those relating to the pending acquisition of Stroud, estimates of oil and gas reserves, and future expenses are forward-looking statements as defined by the Securities and Exchange Commission. The pending acquisition of Stroud is subject to approval of the acquisition by the Stroud shareholders, and these statements assume the Stroud shareholders approve the acquisition and are based on other assumptions and estimates that management believes are reasonable based on currently available information; however, management's assumptions and Range's future performance are subject to a wide range of business risks and uncertainties and there is no assurance that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to, the failure of the Stroud shareholders to approve the acquisition, the volatility of oil and gas prices, the costs and results of drilling and operations, the timing of production, mechanical and other inherent risks associated with oil and gas production, weather, the availability of drilling equipment, changes in interest rates, litigation, uncertainties about reserve estimates, environmental risks and other risks and uncertainties set forth in Item 1.A. of Range's 2006 Annual Report Form 10-K filed with the Securities and Exchange Commission on February 23, 2006. Range undertakes no obligation to publicly update or revise any forward-looking statements. Further information on risks and uncertainties is available in Range's filings with the Securities and Exchange Commission, which are incorporated by reference.

Range's internal estimates of reserves, particularly those in the properties recently acquired or proposed to be acquired where we may have limited review of data or experience with the reserves, may be subject to revision and may be different from estimates by our external reservoir engineers at year-end. Although we believe the expectations and forecasts reflected in these and other forward-looking statements are reasonable, we can give no assurance they will prove to have been correct. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties.

The Securities and Exchange Commission has generally permitted oil and gas companies, in filings made with the Securities and Exchange Commission, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use the terms "probable," "possible" or "unproven" to describe volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's guidelines may prohibit us from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the company. While we believe our calculations of unproven drill sites and estimation of unproven reserves have been appropriately risked and are reasonable, such calculations and estimates have not been reviewed by third-party engineers or appraisers.

The announcement of the proposed issuance of Range common stock pursuant to the pending acquisition of Stroud shall not constitute an offer to sell or a solicitation of an offer to acquire Range securities, and the

securities to be offered to the Stroud shareholders pursuant to the transaction who satisfy the investor suitability standards will be offered only pursuant to a joint proxy statement/offering memorandum of Stroud and Range to be distributed to those shareholders who meet the investor suitability standards. Such securities will not be registered under the Securities Act of 1933 or any state or foreign securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and state laws.

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