PRIMEENERGY CORP Form 10-Q/A March 25, 2009

	ND EXCHANGE COMMISSION ashington, D.C. 20549
	FORM 10-Q/A
T Quarterly Report under Section 1	13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended June 30, 2008	
	Or
£ Transition Report Under Section 1	13 or 15(d) of the Securities Exchange Act of 1934
For the Transition Period From to	
Commis	ssion File Number 0-7406
	meEnergy Corporation registrant as specified in its charter)
Delaware (State or other jurisdiction of incorporation organization)	or (IRS employer identification number)
	quare, Stamford, Connecticut 06901 of principal executive offices)
(Registrant's tele	(203) 358-5700 ephone number, including area code)
(Former name, former address a	and former fiscal year, if changed since last report)

Indicated 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

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required to file such reports), and (2) has been subject to such filings required for the past 90 days. Yes T No £

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer" and "smaller reporting company" in Rule 12-B of the Exchange Act.

Large Accelerated Filer £

Non-Accelerated Filer £

(Do not check if smaller reporting company)

Accelerated Filer £

Smaller Reporting Company T

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

The number of shares outstanding of each class of the Registrant's Common Stock as of August 11, 2008 was: Common Stock, \$0.10 par value, 3,050,141 shares.

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# PrimeEnergy Corporation

## Index to Form 10-Q June 30, 2008

### Part I - Financial Information

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#### **EXPLANATORY NOTE**

This Amendment No. 1 on Form 10-Q/A (the "Form 10-Q/A") amends the Quarterly Report on Form 10-Q for the quarter ended June 30, 2008 filed by PrimeEnergy Corporation (the "Company"), originally filed with the Securities and Exchange Commission on August 15, 2008. The Form 10-Q/A includes amended and restated consolidated financial statements and related financial information for the year ended December 31, 2007 and the quarters ended June 30, 2008 and 2007. This information is disclosed in Note 2 to the consolidated financial statements.

The restatement provides detail of the change in accounting method from proportionate consolidation of partnerships that the Company controls to the full consolidation method and the change in the basis of a partnership in which the Company acquired a twenty percent non-controlling interest in 2005.

The following items are included in this amendment:

PART I - ITEM 1. Financial Statements

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

All other information contained in the original Form 10-Q remains unchanged. However, the entire report with all Items is included in this Form 10-Q/A-1 for the convenience of the reader. This Amendment No.1 on Form 10-Q/A does not reflect events occurring after the filing of our Report on Form 10-Q on August 15, 2008 or include, or otherwise modify or update, the disclosure contained therein in any way except as expressly indicated above.

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## PrimeEnergy Corporation Consolidated Balance Sheets June 30, 2008 and December 31, 2007

	June 30,	December 31
	2008	2007
	(Unaudited	(Audited and
	and Restated)	Restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 23,338,000	\$ 25,373,000
Restricted cash and cash equivalents	5,312,000	3,633,000
Accounts receivable (net)	30,386,000	21,311,000
Due from related parties	223,000	32,000
Prepaid expenses	2,009,000	1,391,000
Derivative contracts	418,000	1,332,000
Inventory at cost	5,356,000	3,705,000
Deferred income tax	11,783,000	1,582,000
Total current assets	78,825,000	58,359,000
Property and equipment, at cost		
Oil and gas properties (successful efforts method), net	226,194,000	237,852,000
Field service equipment and other, net	9,001,000	8,209,000
Net property and equipment	235,195,000	246,061,000
Other assets	936,000	1,245,000
Total assets	\$314,956,000	\$ 305,665,000

See accompanying notes to the consolidated financial statements.

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## PrimeEnergy Corporation Consolidated Balance Sheets June 30, 2008 and December 31, 2007

	June 30, 2008 (Unaudited and Restated)	December 31, 2007 (Audited and Restated)
LIABILITIES and STOCKHOLDERS' EQUITY	,	ŕ
Current liabilities:		
Current bank debt	\$ 18,000,000	\$ 34,950,000
Accounts payable	37,225,000	26,780,000
Current portion of asset retirement and other long term obligation	2,171,000	1,065,000
Derivative liability short term	31,765,000	4,340,000
Accrued liabilities	11,394,000	10,032,000
Due to related parties	316,000	520,000
Total current liabilities	100,871,000	77,687,000
Long-term bank debt	101,050,000	120,050,000
Indebtedness to related parties	20,000,000	
Asset retirement obligation	18,822,000	16,936,000
Derivative liability long term	23,847,000	3,369,000
Deferred income taxes	18,993,000	26,022,000
Total liabilities	283,583,000	244,064,000
Minority interest	11,705,000	12,929,000
Stockholders' equity:		
Preferred stock, \$.10 par value, authorized 5,000,000 shares, none issued		
Common stock, \$.10 par value, authorized 10,000,000 shares; issued 7,694,970 in		
2008	769,000	769,000
Paid in capital	11,024,000	11,024,000
Retained earnings	79,635,000	72,885,000
Accumulated other comprehensive income(loss), net	(35,058,000)	(3,618,000)
	56,370,000	81,060,000
Treasury stock, at cost, 4,642,912 common shares at 2008 and 4,558,544 common shares at 2007		