

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

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

T Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended June 30, 2008

Or

£ Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Transition Period From to

Commission File Number 0-7406

PrimeEnergy Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

84-0637348
(IRS employer identification number)

One Landmark Square, Stamford, Connecticut 06901
(Address of principal executive offices)

(203) 358-5700
(Registrant's telephone number, including area code)

(Former name, former address 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

Edgar Filing: PRIMEENERGY CORP - Form 10-Q/A

required to file such reports), and (2) has been subject to such filings required for the past 90 days. Yes 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 <input type="checkbox"/>	Accelerated Filer <input type="checkbox"/>
Non-Accelerated Filer <input type="checkbox"/>	Smaller Reporting Company <input type="checkbox"/>

(Do not check if smaller reporting company)

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

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.

PrimeEnergy Corporation

Index to Form 10-Q
June 30, 2008

Part I - Financial Information

Item 1. Financial Statements (restated)

<u>Consolidated Balance Sheets – June 30, 2008 and December 31, 2007</u>	3-4
<u>Consolidated Statements of Operations for the six and three months ended June 30, 2008 and 2007</u>	5-6
<u>Consolidated Statement of Stockholders' Equity for the six months ended June 30, 2008 and for the year ended December 31, 2007</u>	7
<u>Consolidated Statements of Cash Flows for the six months ended June 30, 2008 and 2007</u>	8
<u>Notes to Consolidated Financial Statements</u>	9-31
<u>Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operation</u>	32-34
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	28-29
<u>Item 4T. Controls and Procedures</u>	36
Part II - Other Information	
<u>Item 1. Legal Proceedings</u>	37
<u>Item 1A. Risk Factors</u>	37
<u>Item 2. Changes in Securities and Use of Proceeds</u>	37
<u>Item 3. Defaults Upon Senior Securities</u>	37
<u>Item 4T. Submission of Matters to a Vote of Security Holders</u>	38
<u>Item 5. Other Information</u>	38
<u>Item 6. Exhibits</u>	39
<u>Signatures</u>	40

Index

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

	June 30, 2008 (Unaudited and Restated)	December 31 2007 (Audited and 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.

Index

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		
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		