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PRIMEENERGY CORP
Form SC 13D/A
May 06, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 5)

PRIMEENERGY CORPORATION

(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.10

(Title of Class of Securities)

74158E104

(CUSIP Number)

Michael H. Wehrle
McJunkin Corporation
P. O. Box 513
Charleston, WV 25322
(304) 348-1804

Copy to: Sandra N. Murphy, Esquire
Bowles Rice McDavid Graft & Love LLP
P. O. Box 1386
Charleston, WV 25325-1386
(304) 347-1100

(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications)

April 29, 2005

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box. []

Check the following box if a fee is being paid with the statement. [] (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.)

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CUSIP NO. 74158E104

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
MCJUNKIN CORPORATION
55-0229830

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS

Not Applicable; SEE ITEM 3

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(E) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

WEST VIRGINIA

NUMBER OF 7 SOLE VOTING POWER
SHARES
623,521

BENEFICIALLY 8 SHARED VOTING POWER
OWNED - 0 -

BY EACH 9 SOLE DISPOSITIVE POWER
REPORTING PERSON
623,521

WITH 10 SHARED DISPOSITIVE POWER
- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
623,521

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

[]

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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

18.3%

14 TYPE OF REPORTING PERSON

CO

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Item 1. Security and Issuer.

The class of equity securities to which this Statement relates is the Common Stock, par value \$0.10 per shares (the "Shares"), of Prime Energy Corporation, formerly, K.R.M. Petroleum Corporation, a Delaware corporation (the "Company"), whose principal executive offices are at One Landmark Square, Stamford, CT 06901.

Item 2. Identity and Background.

(a)-(c); (f) McJunkin Corporation, a West Virginia corporation ("McJunkin"), is an industrial distributor of pipe, valves and fittings with investments in oil and gas and real estate. McJunkin's principal executive offices are located at 835 Hillcrest Road, Charleston, West Virginia 25311.

The name, business address, present principal occupation or employment (including the name, principal business and address of any corporation or other organization in which such employment is conducted) and citizenship of each director and executive officer of McJunkin are set forth in Schedule A to this statement and are incorporated herein by reference.

(d)-(e) During the last five years, neither McJunkin, nor to McJunkin's best knowledge, any of the persons listed on Schedule A, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which any such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

The funds used for the original acquisition of 1,127,221 Shares (\$2,000,000 paid on September 10, 1984 and \$4,000,000-\$6,000,000 paid subsequently) were obtained from McJunkin's lines of credit with banks. McJunkin utilized credit available under lines of credit with the following banks: Morgan Guaranty Trust Company, Chase Manhattan Bank, Pittsburgh National Bank, Charleston National Bank, North Carolina National Bank, Canadian Imperial Bank of Commerce, Bank of Dunbar and National Bank of Commerce. It was impossible to attribute the funds borrowed to purchase the Shares to any particular line of credit as McJunkin draws down funds for general corporate purposes under several lines of credit each day.

In Amendment No. 1, a disposition of 400,000 shares was reported.

Item 4. Purpose of Transaction.

The original purpose of the purchase of 1,127,221 Shares by McJunkin on

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September 10, 1984 was to acquire an equity position in the Company which could have permitted McJunkin to control the Company. After the original purchase of the Shares, McJunkin was in a position to make a determination as to whether to acquire all or a portion of the remaining equity interest in the Company. McJunkin's

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determination to acquire all or a portion of the remaining equity interest in the Company was to be based upon various factors including, but not limited to, developments with respect to the business of the Company and with respect to McJunkin's business, other business opportunities available to McJunkin, general economic conditions and money and stock market conditions.

In addition, depending on market conditions and other factors, McJunkin could have made additional acquisitions of Shares by means of transactions in the over-the-counter market or in private transactions, if appropriate opportunities to do so had become available.

Since the time of the original purchase in 1984, McJunkin has not acquired additional Shares. A 1996 transaction reported in Amendment No. 1 involved disposition of 400,000 Shares.

This Amendment No. 5 is filed to report the disposition of 25,000 Shares on July 2, 2004, and the disposition of 50,000 Shares on April 29, 2005.

McJunkin does not have any present plans or proposals which relate to or would result in: (i) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company; (ii) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; (iii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; (iv) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (v) any material change in the present capitalization or dividend policy of the Company; (vi) any other material change in the Company's business or corporate structure; (vii) changes in the Company's charter, by-laws, or other instruments corresponding Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (ix) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g) (4) of the Securities Exchange Act of 1934; or (x) any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer.

(a) McJunkin owns 623,521 Shares (18.3%). McJunkin owned 1,127,221 Shares (49.99% of the Shares outstanding on September 10, 1984).

(b) McJunkin Corporation has the sole power to vote and dispose of the Shares owned by such person or entity.

(c) On May 31, 1996, McJunkin Corporation sold 400,000 Shares to the Company. On September 10, 1984, McJunkin Corporation purchased 1,127,221 Shares from Callahan Mining Corporation, an Arizona corporation ("Callahan"), for an aggregate purchase price of \$8,000,000, subject to reduction to no less than \$6,000,000. On July 2, 2004, and April 29, 2005, McJunkin Corporation sold to the Company 25,000 and 50,000 Shares, respectively.

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(d) Not applicable.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Other than Exhibit 2 hereto, there are no contracts, arrangements, understandings or relationships among McJunkin and the persons named in Schedule A hereto and any other person with respect to any securities of the Company. Exhibit 2 consists of the Stock Purchase and Option Agreement, dated as of October 7, 1987, between KRM Petroleum Corporation and The American Energy Group which contains an agreement relating to representatives designated by McJunkin Corporation to be nominated for as candidates for the Company's board of directors. Pursuant to this

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agreement, 2,900,000 Shares were sold to The American Energy Group and KRM Petroleum Corporation (now PrimeEnergy Corporation) agreed to use its best efforts to cause two (2) persons designated by McJunkin Corporation to be nominated and elected to its board of directors for as long as McJunkin Corporation owns 10% or more of the Shares. E. Gaines Wehrle, an executive vice-president of McJunkin Corporation, serves as a director of the Company.

Item 7. Material to be Filed as Exhibits.

2. Stock Purchase and Option Agreement, dated as of October 7, 1987, between KRM Petroleum Corporation and The American Energy Group is incorporated by reference to Exhibit 2 to Amendment No. 1 to Schedule 13D filed by McJunkin on June 10, 1996.

SIGNATURE TO AMENDMENT NO. 5 TO SCHEDULE 13D

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: May 5, 2005.

MCJUNKIN CORPORATION

By: /s/ Michael H. Wehrle

Michael H. Wehrle

Its: Chief Financial Officer

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SCHEDULE A*

EXECUTIVE OFFICERS

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H. B. Wehrle, III
President and CEO
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

Michael H. Wehrle
Chairman of the Board and CFO
McJunkin Corporation
835 Hillcrest Drive
Charleston, West Virginia 25311

Stephen D. Wehrle
Executive Vice President
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

E. Gaines Wehrle
Executive Vice President
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

BOARD OF DIRECTORS

Michael H. Wehrle
Chairman of the Board and CFO
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

W. Marston Becker
Hales & Company
One Financial Plaza 12th Floor
755 Main Street
Hartford, CT 06102

Russell L. Isaacs
Russell L. Isaacs & Company
Suite 1523, 300 Summers Street
Charleston, WV 25301

George C. Kern, Jr.
Sullivan & Cromwell
830 Park Avenue
New York, New York 10021

Sam Rovit
Bain & Company, Inc.
233 South Wacker Drive, Suite 4400
Chicago, Illinois 60606

H. B. Wehrle, III
President and CEO
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

Martha G. Wehrle
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

H. B. Wehrle, Jr.
Chairman of the Board - Emeritus
McJunkin Corporation
835 Hillcrest Drive
Charleston, WV 25311

James Warren
2241 Lazy River Drive
Charleston, SC 29414

Rick Fantham
EMCO Corporation
620 Richmond St.
London, Ontario N6A 5JR

*Except for Mr. Fantham, all individuals listed above are citizens of the United States. Mr. Fantham is a Canadian citizen.

INDEX TO EXHIBITS

No.	Exhibit
(2)	Stock Purchase and Option Agreement dated October 7, 1987, between K.R.M. Petroleum Corporation and The American Energy Group.

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(Incorporated by reference to Exhibit 2 to Amendment No. 1 to Schedule 13D filed by McJunkin on June 10, 1996. File No. 0-7406)