

PRIMA ENERGY CORP
Form SC 13D/A
July 29, 2004

**UNITED STATES
SECURITIES AND EXCHANGE
COMMISSION**

Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED
PURSUANT TO RULE 13d-1(a) AND AMENDMENTS
THERE TO FILED PURSUANT TO RULE 13d-2(a)

**Under the Securities Exchange Act of 1934
(Amendment No. 2)***

PRIMA ENERGY CORPORATION

(Name of Issuer)

Common Stock, par value \$0.015 per share

(Title of Class of Securities)

741901201

(CUSIP Number)

Robert G. James

80 Ludlow Drive

Chappaqua, New York 10514

Telephone: (914) 666-3774

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

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June 9, 2004

(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 that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 741201901

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
Robert G. James
2. Check the Appropriate Box if a Member of a Group (See Instructions)
 - (a)
 - (b)
3. SEC Use Only
4. Source of Funds (See Instructions)
OO
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
United States of America
7. Sole Voting Power
0
8. Shared Voting Power
0
9. Sole Dispositive Power
0
10. Shared Dispositive Power
0
11. Aggregate Amount Beneficially Owned by Each Reporting Person
0
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
13. Percent of Class Represented by Amount in Row (11)
0%
14. Type of Reporting Person (See Instructions)
IN

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

This Amendment No. 2 (this Amendment) hereby amends the Statement on Schedule 13D filed by Robert G. James on May 3, 1993 and amended by Amendment No. 1 filed on April 3, 2001 (the Schedule 13D).

Item 1. Security and Issuer

This Amendment relates to the common stock, par value \$0.015 per share (Prima Stock), of Prima Energy Corporation, a Delaware corporation (Prima). The principal executive offices of Prima are located at 1099 18th Street, Suite 400, Denver, Colorado 80202.

Item 2. Identity and Background

Item 3. Source and Amount of Funds or Other Consideration

Item 4. Purpose of Transaction

Item 4 of the Schedule 13D is hereby amended to add the following:

The purpose of this filing is to report (a) the transfer by gift of 870,000 shares held by Mr. James to the Robert & Ardis James Foundation, a charitable foundation as defined in Section 509(a) of the Internal Revenue Code of 1986, as amended, on June 28, 2004 and (b) the sale of all shares of Prima Stock beneficially owned by Mr. James pursuant to the (i) Stockholder Agreement, dated June 9, 2004, by and among Mr. James, Petro-Canada (US) Holdings Ltd. (US Holdings), a Delaware corporation and wholly-owned subsidiary of Petro-Canada, a Canadian corporation (Petro-Canada), and Raven Acquisition Corp. (Merger Sub), a Delaware corporation and a wholly-owned subsidiary of US Holdings and indirect wholly-owned subsidiary of Petro-Canada, (ii) Stockholder Agreement, dated June 9, 2004, by and among the Robert & Ardis James Foundation, US Holdings and Merger Sub, and (iii) Stockholder Agreement, dated June 9, 2004, by and among Robert G. James IRA Rollover Account, US Holdings and Merger Sub (collectively, the James Stockholder Agreements). The James Stockholder Agreements, which are set forth as Exhibits 1, 2 and 3 hereto and are incorporated by reference in their entirety into this Item 4, were entered into in connection with that certain Agreement and Plan of Merger, dated June 9, 2004, by and among Prima, US Holdings and Merger Sub (the Merger Agreement).

Merger Agreement

The Merger Agreement provided, among other things, for the commencement by Merger Sub of an offer (the Offer) to purchase all of the issued and outstanding shares of Prima Stock, together with the associated rights to purchase preferred shares (the Rights) issued pursuant to the Rights Agreement, dated May 23, 2001, as amended, between Prima and Computershare Trust Company, Inc., as rights agent (each share of Prima Stock, together with the Rights, is herein referred to as a Share) at a purchase price, subject to any required withholding of taxes, net to the seller in cash, without interest, of \$39.50 per Share (the Offer Price). The Offer commenced on June 23, 2004 and the time period for tendering Shares ended on July 22, 2004, at which time 11,750,484 Shares had been tendered into the Offer and not withdrawn. In addition, 370,221 Shares were tendered into the Offer by receipt of notices of guaranteed delivery. Together, this represents approximately 93% of the total number of Shares outstanding as of July 23, 2004. All Shares validly tendered and not properly withdrawn before the expiration of the Offer period were accepted for purchase on July 23, 2004 at the Offer Price and will be purchased promptly by Merger Sub. All Shares represented by notices of guaranteed delivery, which were received by Merger Sub before the expiration of the offering period, will be purchased promptly after the Shares are delivered. As a result of the Offer, following the completion of the purchase of the tendered Shares, Merger Sub will hold approximately 93% of the number of Shares outstanding as of July 23, 2004.

Under the Merger Agreement, Prima granted to US Holdings the right to designate members of the Board of Directors of Prima effective upon the acceptance by US Holdings or its affiliates of Shares for payment pursuant to the Offer.

Also pursuant to the Merger Agreement, Prima granted to US Holdings and Merger Sub an irrevocable option (the "Top-Up Option") to purchase, at a price per Share equal to the Offer Price, a number of Shares (the "Top-Up Option Shares"), not to exceed 2,596,237 Shares, that, when added to the number of Shares owned by Petro-Canada, US Holdings and Merger Sub or any wholly owned subsidiary thereof at the time of exercise of the Top-Up Option, constitutes one Share more than 90% of the number of Shares that would be outstanding immediately after the issuance of the Top-Up Option Shares. Since US Holdings and Merger Sub will hold more than 90% of the outstanding Shares as a result of the Offer, the Top-Up Option has not been exercised and has expired.

The Merger Agreement also provides that, as soon as practicable after completion of the Offer, US Holdings will cause Merger Sub merge into Prima (the "Merger"). By virtue of the Merger and without any action on the part of US Holdings, Merger Sub, Prima or the holders of Shares, at the effective time of the Merger each Share held immediately prior to the effective time (other than (a) any Shares held by Prima, any wholly-owned subsidiary of Prima, US Holdings, Merger Sub or any other subsidiary of US Holdings, which Shares, by virtue of the Merger, will be cancelled automatically and retired and will cease to exist, and no payment or consideration will be made with respect to such Shares and

(b) Shares held by a holder who has demanded an appraisal for such Shares in accordance with the Delaware General Corporation Law (the "DGCL")) will be converted into the right to receive the Offer Price upon surrender of the Share certificate formally representing that Share. In addition, upon effectiveness of the Merger, each outstanding option to purchase Shares will be cancelled and converted into the right to receive a cash amount equal to the product of (x) the excess of the Offer Price over the exercise price per Share of such option and (y) the number of Shares subject to such option.

The Merger Agreement provides that upon consummation of the Merger, the certificate of incorporation of Prima, as in effect immediately prior to the Merger, will be the certificate of incorporation of the corporation surviving the Merger (the "Surviving Corporation"), and the bylaws of the Merger Sub, as in effect immediately prior to the Merger, will be the bylaws of the Surviving Corporation. Under the terms of the Merger Agreement, upon consummation of the Merger, the directors of Merger Sub immediately prior to the Merger will be the directors of the Surviving Corporation and the officers of Prima immediately prior to the Merger will be the officers of the Surviving Corporation, in each case until their respective death, resignation or removal or until their respective successors are duly elected and qualified, all in accordance with the certificate of incorporation and bylaws of the Surviving Corporation and the DGCL.

The foregoing summary of the Merger Agreement does not purport to be complete and references to and descriptions of the Merger Agreement are qualified in their entirety by reference to the full text of Exhibit 4 hereto, which is incorporated by reference into this Item 4 in its entirety.

Stockholder Agreements

As a condition and inducement for US Holdings and Merger Sub to enter into the Merger Agreement, each of James R. Cummings, Douglas J. Guion, Catherine J. Paglia, George L. Seward, Neil L. Stenbuck, Michael R. Kennedy, Michael J. McGuire, John H. Carpenter, Sandra J. Irlando, Edward L. McLaughlin, Richard H. Lewis, Brakemaka LLLP (an affiliated family-owned limited liability limited partnership of Richard H. Lewis), who are Prima's executive officers and directors, and Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account, who are related and together were a principal stockholder of Prima, (each, a "Subject Stockholder") entered into a stockholder

agreement, dated as of June 9, 2004, with US Holdings and Merger Sub (collectively, the Stockholder Agreements). The Stockholder Agreements covered an aggregate of 2,847,615 Shares owned by the Subject Stockholders, of which an aggregate of 1,399,076 Shares were held by Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account as of June 9, 2004.

Pursuant to the Stockholder Agreements, each Subject Stockholder, among other things, (a) agreed to (i) tender all Shares beneficially owned by it as of the commencement of the Offer (the Subject Stockholder Shares) into the Offer as promptly as practicable and in no event later than the tenth business day following commencement of the Offer, (ii) appear at any meeting of Prima s stockholders or otherwise cause all Subject Stockholder Shares to be counted as present thereat for purposes of establishing a quorum and (iii) vote all the Subject Stockholder Shares (1) in favor of the approval and adoption of the Merger Agreement and approval of the Merger and (2) against (A) any alternative transactions or certain other actions specified therein and (B) any amendment of Prima s certificate of incorporation or bylaws or other proposal, action or transaction involving Prima or any of its subsidiaries or any of its stockholders, which amendment or other proposal, action or transaction could reasonably be expected to prevent, impede or delay the consummation of the Offer, the Merger or the other transactions contemplated by the Merger Agreement or the Stockholder Agreements or to deprive US Holdings or Merger Sub of any material portion of the benefits anticipated by US Holdings or Merger Sub to be received from the consummation of the Offer, the Merger or the other transactions contemplated by the Merger Agreement or the Stockholder Agreements, or change in any manner the voting rights of Shares presented to the stockholders of Prima or in respect of which vote or consent of the stockholders is requested or sought, (b) represented that any arrangements previously entered into or granted with respect to the Subject Stockholder Shares have expired or been revoked, and (c) agreed not to sell, transfer, pledge or otherwise dispose of or convert any of the Subject Stockholder Shares or any interests therein, subject to the exceptions set forth in the Stockholder Agreements. Each Subject Stockholder also agreed that to the extent it exercises options to purchase Shares, such Shares will become Subject Stockholder Shares and will be tendered and voted as set forth above. The Subject Stockholders in the aggregate own options to purchase 884,625 Shares as of July 23, 2004. The covenants and agreements contained in the Stockholder Agreements will terminate upon the termination of the Merger Agreement.

Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account tendered the 1,399,076 Shares beneficially owned by such parties to Merger Sub pursuant to the terms of the Offer and the James Stockholder Agreements. Such Shares were accepted for purchase by Merger Sub on July 23, 2004. None of Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account hold any options to purchase Shares. Since Parent and its affiliates will purchase more than 90% of the outstanding Shares as a result of the Offer, no vote will be required in accordance with the James Stockholder Agreements to effect the Merger.

As a result of entering into the James Stockholder Agreements described above, Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account may be deemed to have formed a group with US Holdings, Merger Sub and Petro-Canada for purposes of Section 13(d)(3) of the Exchange Act and Rule 13d-5(b)(1) thereunder. Mr. James expressly declares that the filing of this Schedule 13D shall not be construed as an admission by him that he has formed a group with US Holdings, Merger Sub and Petro-Canada.

Item 5. Interest in Securities of the Issuer

Item 5 of the Schedule 13D is hereby amended and restated in its entirety as follows:

On June 28, 2004, Mr. James transferred by gift 870,000 Shares held by him to the Robert & Ardis James Foundation and, as of such date, Mr. James no longer held more than 5% of the outstanding

Shares. Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account tendered the 1,399,076 Shares beneficially owned by such parties to Merger Sub pursuant to the terms of the Offer and the James Stockholder Agreements and such Shares were accepted for purchase by Merger Sub on July 23, 2004 at the Offer Price. As of such date, Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account each ceased to be a holder of any Shares. The information contained in Item 4 above is incorporated by reference herein.

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

Item 6 of the Schedule 13D is hereby amended to add the following:

On June 9, 2004, Mr. James, the Robert & Ardis James Foundation and the Robert G. James IRA Rollover Account entered into the James Stockholder Agreements in connection with the execution of the Merger Agreement. The terms of the James Stockholder Agreements and the Merger Agreement set forth in Item 4 above are incorporated by reference herein.

Item 7. Material to Be Filed as Exhibits

Exhibit Number	Exhibit Description
1	Stockholder Agreement, dated as of June 9, 2004, by and among Petro-Canada (US) Holdings Ltd., Raven Acquisition Corp. and Robert G. James (incorporated herein by reference to Exhibit 14 to the Schedule 13D filed on June 18, 2004 by Petro-Canada, Petro-Canada (US) Holdings Ltd. and Raven Acquisition Corp.).
2	Stockholder Agreement, dated as of June 9, 2004, by and among Petro-Canada (US) Holdings Ltd., Raven Acquisition Corp. and Robert & Ardis James Foundation (incorporated herein by reference to Exhibit 15 to the Schedule 13D filed on June 18, 2004 by Petro-Canada, Petro-Canada (US) Holdings Ltd. and Raven Acquisition Corp.).
3	Stockholder Agreement, dated as of June 9, 2004, by and among Petro-Canada (US) Holdings Ltd., Raven Acquisition Corp. and the Robert G. James IRA Rollover Account (incorporated herein by reference to Exhibit 16 to the Schedule 13D filed on June 18, 2004 by Petro-Canada, Petro-Canada (US) Holdings Ltd. and Raven Acquisition Corp.).
4	Agreement and Plan of Merger, dated as of June 9, 2004, by and among Petro-Canada (US) Holdings Ltd., Raven Acquisition Corp. and Prima Energy Corporation (incorporated herein by reference to Exhibit 1 to the Schedule 13D filed on June 18, 2004 by Petro-Canada, Petro-Canada (US) Holdings Ltd. and Raven Acquisition Corp.).

Signature

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.

July 28, 2004

Date

/s/ Robert G. James

Signature

Robert G. James

Name/Title