

PLAINS RESOURCES INC
Form SC 13E3/A
July 13, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13E-3

(Rule 13e-100)

**Rule 13e-3 Transaction Statement Under
Section 13(e) of the Securities Exchange Act of 1934**

(Amendment No. 4)

PLAINS RESOURCES INC.

(Name of the Issuer)

**Plains Resources Inc., James C. Flores, John T. Raymond,
Vulcan Energy Corporation, Prime Time Acquisition Corporation, Sable Investments, L.P. and Sable Investments, LLC**

(Name of Person(s) Filing Statement)

Common Stock, Par Value \$0.10 Per Share

(Title of Class of Securities)

726540503

(CUSIP Number of Class of Securities)

E. Lynn Hill

Chief Accounting Officer

Richard Leigh

Vice President and Secretary

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

Plains Resources Inc.

700 Milam, Suite 3100

Houston, TX 77002

(832) 239-6000

copy to:

Michael E. Dillard, P.C.

Julien R. Smythe

Akin Gump Strauss Hauer & Feld LLP

1111 Louisiana Street, 44th Floor

Houston, TX 77002

(713) 220-5800

Vulcan Energy Corporation

505 5th Avenue South

Suite 900

Seattle, WA 98104

(206) 342-2000

copy to:

Frank Ed Bayouth II

Skadden, Arps, Slate, Meagher & Flom LLP

1600 Smith Street, Suite 4400

Houston, TX 77002

(713) 655-5100

(Name, Address and Telephone Number of Persons Authorized to Receive Notices and

Communications on Behalf of Person(s) Filing Statement)

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the transaction, passed upon the merits or the fairness of the transaction or passed upon the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offense.

This statement is filed in connection with (check the appropriate box):

- a. The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b. The filing of a registration statement under the Securities Act of 1933.
- c. A tender offer.
- d. None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

CALCULATION OF FILING FEE*

Transaction value	Amount of Filing Fee
\$385,161,498.00	\$48,799.96

* The filing fee of \$48,799.96 was calculated pursuant to Exchange Act Rule 0-11(c)(1) and is based on (1) the aggregate number of 22,675,700 shares of Plains Resources common stock, \$0.10 par value per share (the **Common Stock**), consisting of 22,599,200 shares of Common Stock outstanding plus the 76,500 restricted units representing the right to purchase Common Stock multiplied by the \$16.75 per share merger consideration; plus (ii) the cash-out value of 1,610,785 options representing the right to purchase Common Stock. The filing fee was then calculated by multiplying the resulting transaction cash value of \$385,161,498.00 by 0.00012670.

- x Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and date of its filing.

Amount Previously Paid: \$48,799.96

Form or Registration No.: Schedule 14A

Filing Party: Plains Resources Inc.

Date Filed: March 2, 2004

INTRODUCTION

This Amendment No. 4 to the Rule 13e-3 Transaction Statement on Schedule 13E-3 (the **Schedule 13E-3**) is being filed with the Securities and Exchange Commission pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the **Exchange Act**) by (1) Plains Resources Inc., a Delaware corporation (**Plains Resources**), (2) James C. Flores and John T. Raymond (together with their affiliates, Sable Investments, L.P. and Sable Investments, LLC, the **Management Stockholders**), (3) Vulcan Energy Corporation, a newly formed Delaware corporation (**Vulcan Energy**) that will be 100% owned by Paul G. Allen and the Management Stockholders following the proposed merger discussed below, and (4) Prime Time Acquisition Corporation, a newly formed Delaware corporation and wholly owned subsidiary of Vulcan Energy (the **Vulcan Merger Subsidiary**). The preceding persons are collectively referred to herein as the **Filing Persons**, and individually as a **Filing Person**.

This Schedule 13E-3 relates to a proposed merger of the Vulcan Merger Subsidiary with and into Plains Resources (the **Merger**) pursuant to an Agreement and Plan of Merger, dated as of February 19, 2004 and amended on July 12, 2004 (the **Merger Agreement**), by and among Vulcan Energy, the Vulcan Merger Subsidiary and Plains Resources. In connection with the Merger:

each share of Plains Resources common stock outstanding at the effective time of the merger (other than shares held directly or indirectly by Vulcan Energy or Plains Resources and other than shares held by dissenting stockholders who exercise and perfect their appraisal rights under Delaware law) will be converted into the right to receive \$17.25 in cash;

each share of restricted common stock of Plains Resources (other than restricted shares held by the Management Stockholders) will become fully vested and will be converted into the right to receive \$17.25 in cash;

each option to purchase shares of Plains Resources common stock (other than stock options held by the Management Stockholders) will become fully vested and exercisable, and each holder of options to purchase shares of Plains Resources common stock (other than the Management Stockholders) will receive, upon exercise of the option, an amount in cash equal to the number of unexercised shares subject to such option times the excess of \$17.25 over the per share exercise price of the option; and

each outstanding restricted stock unit (other than restricted stock units held by the Management Stockholders) will become fully vested and payable and treated as a share of Plains Resources common stock and exchanged for \$17.25 in cash.

As a result of the merger, the stockholders of Plains Resources (other than Vulcan Energy and its affiliates and the Management Stockholders) will no longer have any interest in, and will no longer be stockholders of, Plains Resources and will not participate in the future earnings or growth of Plains Resources, if any.

Kayne Anderson Capital Advisors, L.P., which as of the record date beneficially owned 1,665,300 (or 6.8%) of the outstanding shares of Plains Resources common stock, and EnCap Investments L.L.C., which as of the record date beneficially owned 1,174,219 (or 4.8%) of the outstanding shares of Plains Resources common stock, entered into a voting agreement, dated as of July 12, 2004, with Vulcan Energy. Mr. Robert V. Sinnott, one of our directors, is an affiliate of Kayne Anderson, and Mr. D. Martin Phillips, one of our directors, is an affiliate of EnCap. Pursuant to the voting agreement, Kayne Anderson and EnCap have, among other things, granted Vulcan Energy an irrevocable proxy to vote their respective shares of Plains Resources common stock in favor of approval and adoption of the merger agreement and the merger. Kayne Anderson and EnCap entered into the voting agreement in order to induce Vulcan Energy to agree to increase the merger consideration in the merger; however, neither Kayne Anderson nor EnCap received any separate or additional consideration in connection with the execution and delivery of the voting agreement. Including Messrs. Flores and Raymond's agreement to vote in favor of the merger, holders of approximately 16.4% of the outstanding common stock are contractually committed to vote in favor of the approval and adoption of the merger agreement, as amended, and the merger.

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

Concurrently with the filing of this Schedule 13E-3, Plains Resources is filing under Regulation 14A of the Exchange Act a supplement to its definitive proxy statement pursuant to which Plains Resources stockholders will be given notice of, and be asked to vote with respect to, the approval and adoption of the Merger Agreement and the Merger.

Copies of the proxy statement and the proxy statement supplement are incorporated by reference herein as Exhibit (a)(3) and a copy of the Merger Agreement is attached as Appendix A to the proxy statement. All references in this Schedule 13E-3 to Items numbered 1001 through 1016 are references to Items set forth in Regulation M-A under the Exchange Act.

The cross reference sheet below is being supplied pursuant to General Instruction F to Schedule 13E-3 and shows the location in the proxy statement of the information required to be included in response to the items in this Schedule 13E-3. The information contained in the proxy statement, including all schedules, exhibits, appendices and annexes thereto, is hereby expressly incorporated herein by reference and the responses to each item in this Schedule 13E-3 are qualified in their entirety by the information contained in the proxy statement and the schedules, exhibits, appendices and annexes thereto. Capitalized terms used but not defined in this Schedule 13E-3 shall have the meanings given to them in the proxy statement.

All information contained in, or incorporated by reference in, this Schedule 13E-3 concerning Plains Resources has been supplied by Plains Resources and no other Filing Person takes responsibility for the accuracy of any information not supplied by

such Filing Person. The information contained in this Schedule 13E-3 and/or the proxy statement, as supplemented, concerning each Filing Person other than Plains Resources was supplied by each such Filing Person and no other Filing Person, including Plains Resources, takes responsibility for the accuracy of any information not supplied by such Filing Person.

Item 1. Summary Term Sheet

Regulation M-A

Item 1001

Summary Term Sheet. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Item 2. Subject Company Information

Regulation M-A

Item 1002

- (a) *Name and Address.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Information About the Transaction Participants

- (b) *Securities.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Information Concerning the Special Meeting Record Date

Common Stock Market Price and Dividend Information

- (c) *Trading Market and Price.* The information contained in the proxy statement under the caption Common Stock Market Price and Dividend Information is incorporated herein by reference.

- (d) *Dividends.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Common Stock Market Price and Dividend Information

Merger Agreement Conduct of Business Pending the Merger

- (e) *Prior Public Offerings.* None.

- (f) *Prior Stock Purchases.* The information contained in the proxy statement under the caption Information Regarding Common Stock Transactions Purchases by Plains Resources is incorporated herein by reference.

Item 3. Identity and Background of Filing Persons

Regulation M-A

Item 1003

- (a) *Name and Address.* The business address for Sable Investments, L.P. and Sable Investments, LLC is 700 Milam, Suite 3100, Houston, Texas 77002, and their telephone number is (832) 239-6000. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Current Executive Officers and Directors of Plains Resources

Current Executive Officers and Directors of Vulcan Energy and Vulcan Merger Subsidiary

Information About the Transaction Participants

(b) *Business and Background of Entities.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Information About the Transaction Participants

Certain Relationships and Related Transactions

(c) *Business and Background of Natural Persons.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Current Executive Officers and Directors of Plains Resources

Current Executive Officers and Directors of Vulcan Energy and Vulcan Merger Subsidiary

Information About the Transaction Participants

Item 4. Terms of the Transaction

Regulation M-A

Item 1004

(a)(1) *Material Terms.* Tender Offers. Not applicable.

(a)(2) *Mergers or Similar Transactions.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Information Concerning the Special Meeting

Special Factors Structure of the Transaction

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Material U.S. Federal Income Tax Consequences

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

Merger Agreement

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares

Board Recommendation; No Special Committee Approval

Voting Agreements with Significant Stockholders

Revised Management Arrangements

(c) *Different Terms*. The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Merger Agreement

(d) *Appraisal Rights*. The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Appraisal Rights

Merger Agreement Appraisal Rights

Appendix C

(e) *Provisions for Unaffiliated Security Holders*. The Filing Persons have made no provisions in connection with this transaction to grant unaffiliated security holders access to the respective corporate files of any of the Filing Persons or to obtain counsel or appraisal services at the expense of the Filing Persons.

(f) *Eligibility for Listing or Trading.* Not applicable.

Item 5. Past Contacts, Transactions, Negotiations and Agreements

Regulation M-A

Item 1005

(a) *Transactions.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Information About the Transaction Participants Past Contacts, Transactions, Negotiations and Agreements

(b) *Significant Corporate Events.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Interests of Certain Persons in the Merger

(c) *Negotiations or Contacts.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

(d) *Conflicts of Interest.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

(e) *Agreements Involving the Subject Company's Securities.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Information About the Transaction Participants Past Contacts, Transactions, Negotiations and Agreements

Item 6. Purposes of the Transaction and Plans or Proposals

Regulation M-A

Item 1006

(b) *Use of Securities Acquired.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Structure of the Transaction

Special Factors Agreements with the Management Stockholders

Special Factors Plans for Plains Resources Following the Merger

Merger Agreement

(c)(1)-(8) *Plans.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Special Factors Structure of the Transaction

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Special Factors Plans for Plains Resources Following the Merger

Financing For the Merger

Merger Agreement

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Revised Management Arrangements

Item 7. Purposes, Alternatives, Reasons and Effects

Regulation M-A

Item 1013

(a) *Purposes.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Special Factors Plans For Plains Resources Following the Merger

(b) *Alternatives.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Plans For Plains Resources if the Merger is Not Completed

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Additional Information Leucadia Letter

(c) *Reasons*. The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Special Factors Plans for Plains Resources Following the Merger

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

Board Recommendation; No Special Committee Approval

Voting Agreements with Significant Stockholders

Revised Management Arrangements

(d) *Effects*. The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

Special Factors Plans for Plains Resources Following the Merger

Material U.S. Federal Income Tax Consequences

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Revised Management Arrangements

Item 8. Fairness of the Transaction

Regulation M-A

Item 1014

(a) *Fairness.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Special Factors Interests of Certain Persons in the Merger

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares Background of Amendment to the Merger Agreement

Board Recommendation; No Special Committee Approval

Additional Information Your Vote is Important

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

(b) *Factors Considered in Determining Fairness.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Structure of the Transaction

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Special Factors Purposes of the Merger; Certain Effects of the Merger

Special Factors Interests of Certain Persons in the Merger

Special Factors Agreements with the Management Stockholders

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares Background of Amendment to the Merger Agreement

Board Recommendation; No Special Committee Approval

Voting Agreements with Significant Stockholders

Revised Management Arrangements

Additional Information Leucadia Letter

Additional Information Your Vote is Important

(c) *Approval of Security Holders.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Information Concerning the Special Meeting Vote Required; How Shares Are Voted

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

Board Recommendation; No Special Committee Approval The Special Committee

Board Recommendation; No Special Committee Approval The Board's Recommendation

Additional Information Your Vote is Important

(d) *Unaffiliated Representative*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares Background of Amendment to the Merger Agreement

Board Recommendation; No Special Committee Approval

(e) *Approval of Directors*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares Background of Amendment to the Merger Agreement

Board Recommendation; No Special Committee Approval The Special Committee

Board Recommendation; No Special Committee Approval The Board's Recommendation

Additional Information Your Vote is Important

(f) *Other Offers*. The information contained in the proxy statement under the following captions is incorporated herein by reference:
Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Item 9. Reports, Opinions, Appraisals and Negotiations

Regulation M-A

Item 1015

(a) *Report, Opinion or Appraisal*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Background of the Merger

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Appendix B

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

A Higher Price for Your Shares Background of Amendment to the Merger Agreement

Board Recommendation; No Special Committee Approval

(b) *Preparer and Summary of the Report, Opinion or Appraisal*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Background of the Merger

Special Factors Opinions of Financial Advisor to the Special Committee

Special Factors Fees and Expenses

Appendix B

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Introduction

Board Recommendation; No Special Committee Approval No Fairness Opinion for the Amendment to the Merger Agreement

- (c) *Availability of Documents.* The information contained in the proxy statement under the caption Special Factors Opinion of Financial Advisor to the Special Committee is incorporated herein by reference.

Item 10. Source and Amounts of Funds or Other Consideration

Regulation M-A

Item 1007

(a) *Source of Funds.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Questions and Answers About the Merger

Special Factors Structure of the Transaction

Special Factors Agreements with the Management Stockholders

Financing For the Merger

Merger Agreement

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Revised Management Arrangements

(b) *Conditions.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Special Factors Structure of the Transaction

Special Factors Agreements with the Management Stockholders

Financing For the Merger

Merger Agreement

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Revised Management Arrangements

(c) *Expenses.* The information contained in the proxy statement under the following captions is incorporated herein by reference:
Summary

Information Concerning the Special Meeting Proxy Solicitation

Special Factors Fees and Expenses

Financing For the Merger Requirements

(d) *Borrowed Funds*. Not applicable.

Item 11. Interest in Securities of the Subject Company

Regulation M-A

Item 1008

(a) *Securities Ownership*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Special Factors Interests of Certain Persons in the Merger

Security Ownership of Certain Beneficial Owners and Management of Plains Resources

(b) *Securities Transactions*. The information contained in the proxy statement under the caption Information Regarding Common Stock Transactions is incorporated herein by reference.

Item 12. The Solicitation or Recommendation

Regulation M-A

Item 1012

(d) *Intent to Tender or Vote in a Going-Private Transaction*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Information Concerning the Special Meeting Vote Required; How Shares Are Voted

(e) *Recommendations of Others*. The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Questions and Answers About the Merger

Information Concerning the Special Meeting Proxy Solicitation

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Edgar Filing: PLAINS RESOURCES INC - Form SC 13E3/A

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Board Recommendation; No Special Committee Approval The Board's Recommendation

Additional Information Your Vote is Important

Item 13. Financial Statements

Regulation M-A

Item 1010

- (a) *Financial Information.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Plains Resources Selected Historical Consolidated Financial Data

Miscellaneous Other Information Where You Can Find More Information

The information contained in the proxy statement supplement under the following caption is incorporated herein by reference:

Additional Information Other Information

- (b) *Pro Forma Information.* Not applicable.

Item 14. Persons/Assets, Retained, Employed, Compensated or Used

Regulation M-A

Item 1009

- (a) *Solicitations or Recommendations.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Information Concerning the Special Meeting Proxy Solicitation

Special Factors Recommendations of the Special Committee and the Board of Directors; Reasons for Recommending the Approval and Adoption of the Merger Agreement and the Merger

Special Factors Opinions of the Financial Advisor to the Special Committee

Special Factors Position of Vulcan Energy and the Vulcan Merger Subsidiary as to the Fairness of the Merger to Plains Resources Stockholders

Appendix B

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Board Recommendation; No Special Committee Approval

Additional Information Your Vote is Important

- (b) *Employees and Corporate Assets.* The information contained in the proxy statement under the following captions is incorporated herein by reference:

Summary

Information Concerning the Special Meeting Proxy Solicitation

Special Factors Background of the Merger

Special Factors Interests of Certain Persons in the Merger

The information contained in the proxy statement supplement under the following captions is incorporated herein by reference:

Board Recommendation; No Special Committee Approval No Fairness Opinion for the Amendment to the Merger Agreement

Additional Information Your Vote is Important

Item 15. Additional Information

Regulation M-A

Item 1011

- (b) *Other Material Information.* The entirety of the proxy statement, including all appendices thereto, is incorporated herein by reference.

Item 16. Exhibits

Regulation M-A

Item 1016

- (a)(1) Not applicable.
- (a)(3)(i) Definitive proxy statement, incorporated herein by reference to Schedule 14A as filed with the Securities and Exchange Commission by Plains Resources Inc. on June 23, 2004.
- (a)(3)(ii) Proxy Statement Supplement, incorporated herein by reference to Schedule 14A as filed with the Securities and Exchange Commission by Plains Resources Inc. on July 13, 2004.
- (b) Not applicable.

- (c)(1) February 18, 2004 Presentation to the Board of Directors.*
- (c)(2) Opinion of Petrie Parkman & Co., dated February 18, 2004.**
- (c)(3) February 13, 2004 Presentation to the Special Committee.**
- (c)(4) March 11, 2004 Special Committee Discussion Materials.**
- (c)(5) March 29, 2004 Special Committee Discussion Materials.**
- (c)(6) May 6, 2004 Special Committee Discussion Materials.**
- (c)(7) Standard & Poor's Preliminary Ratings Letter, dated May 6, 2004.**
- (c)(8) Opinion of Petrie Parkman & Co., dated June 7, 2004 (included as Appendix B to the definitive proxy statement).
- (c)(9) Netherland, Sewell & Associates, Inc.'s Letter re: Reserves and Future Revenues of Plains Resources Inc., dated February 11, 2004.**
- (d)(1) Agreement and Plan of Merger, dated as of February 19, 2004, by and among Vulcan Energy Corporation, Prime Time Acquisition Corporation and Plains Resources Inc. (included as Appendix A to the definitive proxy statement).
- (d)(2) Amended and Restated Subscription Agreement, dated as of February 19, 2004, by and among Vulcan Energy Corporation, Paul G. Allen, James C. Flores and John T. Raymond (included as Exhibit 99(a) to the Schedule 13D/A, which was filed by Plains Resources, the Management Stockholders, Mr. Allen and Vulcan Energy on February 26, 2004).
- (d)(3) Form of Stockholders' Agreement, by and among Vulcan Energy Corporation, Paul G. Allen, James C. Flores and John T. Raymond.
- (d)(4) Form of Proposed Consulting Agreement for James C. Flores; Summary of Key Terms.
- (d)(5) Form of Proposed Employment Agreement for John T. Raymond; Summary of Key Terms.
- (d)(6) Amendment No. 1 to Agreement and Plan of Merger, dated as of July 12, 2004, by and among Vulcan Energy Corporation, Prime Time Acquisition Corporation and Plains Resources Inc. (included as Appendix A to Exhibit (a)(3)(ii)).
- (d)(7) Amendment No. 1 to Amended and Restated Subscription Agreement, dated as of July 12, 2004, by and among Vulcan Energy Corporation, Paul G. Allen, James C. Flores and John T. Raymond.
- (f) Section 262 of the Delaware General Corporation Law (included as Appendix C to the definitive proxy statement).
- (g) Not applicable.

* Previously filed on March 2, 2004.

** Previously filed on June 23, 2004.

SIGNATURES

After due inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: July 13, 2004

PLAINS RESOURCES INC.

By: /s/ John T. Raymond

Name: John T. Raymond
Title: Chief Executive Officer

Dated: July 13, 2004

/s/ James C. Flores

James C. Flores

Dated: July 13, 2004

/s/ John T. Raymond

John T. Raymond

Dated: July 13, 2004

PRIME TIME ACQUISITION CORPORATION

By: /s/ David N. Capobianco

Name: David N. Capobianco
Title: Vice President

Dated: July 13, 2004

VULCAN ENERGY CORPORATION

By: /s/ David N. Capobianco

Name: David N. Capobianco
Title: Vice President

Dated: July 13, 2004

SABLE INVESTMENTS, L.P.

By: its general partner,

SABLE INVESTMENTS, LLC

By: /s/ James C. Flores

James C. Flores, its sole member

Dated: July 13, 2004

SABLE INVESTMENTS, LLC

By: /s/ James C. Flores

James C. Flores, its sole member