

PrimeEnergy Resources Corporation Reports First Quarter 2026 Results; Generates Strong Cash Flow Despite Negative Natural Gas Prices

HOUSTON, May 20, 2026 (GLOBE NEWSWIRE) -- PrimeEnergy Resources Corporation (NASDAQ: PNRG) ("PrimeEnergy" or the "Company") today reported financial and operating results for the quarter ended March 31, 2026.

PrimeEnergy reported first quarter 2026 net income attributable to common stockholders of **\$4.3 million**, or **\$2.67 per basic share**, compared to net income of **\$9.1 million**, or **\$5.40 per basic share**, for the first quarter of 2025.

Despite unprecedented negative natural gas prices in the Permian Basin, the Company generated approximately **\$24 million in cash flow available to fund development activities and other corporate purposes** during the quarter.

First Quarter 2026 Highlights

- Generated net income of **\$4.3 million**
 - Generated approximately **\$24 million in cash flow available to fund development activities**
 - Maintained **zero debt**
 - Retained full access to the Company's **\$115 million revolving credit facility**
 - Repurchased **14,500 shares** of common stock at an average price of **\$180.81 per share**
 - Continued execution of a disciplined capital program focused on high-return horizontal drilling opportunities in West Texas and Oklahoma
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Management Commentary

Charles E. Drimal, Jr., President of PrimeEnergy, commented:

"The first quarter of 2026 demonstrated the resilience of our asset base and the strength of our balance sheet. During the quarter, our realized natural gas price averaged **negative \$0.40 per Mcf**, resulting in negative gas revenue. These unusual pricing conditions were caused by a lack of pipeline capacity in the Permian Basin."

"Based on discussions with our marketing group, we expect this pricing environment may continue throughout 2026 and could become more severe until additional pipeline capacity is placed into service."

"Despite these unprecedented market conditions, PrimeEnergy remained profitable and generated approximately \$24 million in cash flow during the quarter. We ended the quarter with no debt outstanding and full availability under our \$115 million revolving credit facility, providing substantial financial flexibility to continue developing our assets."

"We also continued our long-standing share repurchase program, acquiring 14,500 shares during the quarter at an average price of approximately \$180.81 per share. We believe our common stock continues to trade at a substantial discount to the intrinsic value of our assets, and we remain committed to allocating capital in a manner that maximizes long-term per-share value for our stockholders."

"Apache Corporation has informed us that drilling activity on the Permian Basin project in which we participate is expected to commence in June. We currently expect to invest approximately \$52 million during 2026 in this project and continue to pursue additional attractive horizontal development opportunities in West Texas and Oklahoma."

Commodity Price Impact

Natural gas prices in West Texas were materially impacted by regional takeaway constraints and oversupply conditions during the quarter. PrimeEnergy's realized natural gas price averaged **negative \$0.40 per Mcf**, compared with **positive \$2.52 per Mcf** in the first quarter of 2025.

The negative pricing environment reflects continued growth in Permian Basin associated gas production combined with insufficient pipeline takeaway capacity to transport gas to end markets.

While negative gas prices reduced earnings, the Company's diversified production base, oil-weighted revenues, and disciplined cost structure enabled it to remain profitable and continue generating substantial cash flow.

Liquidity and Capital Resources

PrimeEnergy ended the quarter with:

- **\$19.4 million** in cash and cash equivalents
- **No outstanding bank debt**
- **\$115 million** of unused borrowing capacity under its revolving credit facility

The borrowing base under the Company's revolving credit facility was reaffirmed at **\$115 million** in February 2026.

Share Repurchase Program

During the quarter, the Company repurchased **14,500 shares** of common stock for approximately **\$2.6 million**.

Since inception of the repurchase program, PrimeEnergy has repurchased approximately **3.93 million shares** for an aggregate purchase price of approximately **\$119.6 million**.

PrimeEnergy Resources Corporation is an independent oil and natural gas company actively engaged in acquiring, developing and producing oil and natural gas, and providing oilfield services, primarily in Texas. The Company's common stock is traded on the Nasdaq Stock Market under the symbol PNRG. If you have any questions on this release, please contact Connie Ng at (713) 735-0000 ext 6416.