

JW - 070803 (AT)
5-23-07

**Oasis Water Corporation
PO Box 4766
Pasco WA 99302**

RECEIVED
RECORDS MANAGEMENT

07 APR 26 AM 11:04

STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

**Carole J. Washburn
Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250**

RE: Stock sale of Oasis Water Corporation

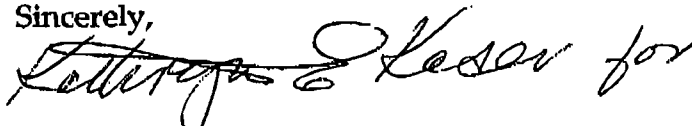
Dear Secretary:

Enclosed you will find the joint application of the above-referenced sale and transfer application to include:

1. Application for transfer (with exhibits),
2. New Tariff Adopting existing rates and prices,
3. Signed copy of Instrument of Transfer,
4. Income Statement, Balance Sheet, Asset Listing, Depreciation Schedule, and Summary of outstanding securities for the new company,
5. Copy of customer notice telling them of sale and transfer of water system.

If you have any question, please call me at 509-586-7335.

Sincerely,



Dale Nichols

Enclosures as noted

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

| | | |
|--|---|------------------------|
| In the matter of the Application for the |) | |
| Sale and Transfer of Assets |) | DOCKET _____ |
| From |) | |
| Oasis Water Corporation |) | APPLICATION FOR SALE |
| To |) | AND TRANSFER OF ASSETS |
| Oasis Water Corporation |) | AND TARIFF ADOPTION |

RECEIVED
 RECORDS MANAGEMENT
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 STATE OF WASH
 UTIL. AND TRANS
 COMMISSION

BACKGROUND

Application is hereby made to the WUTC for an Order authorizing the transfer of stock and assets to new owners, Paul and Melinda Christensen under the provisions of Chapter 480.143.

INTRODUCTION

Oasis Water Corporation (OWC) is a Washington corporation formed to act as a small, private utility service company. OWC serves an area west of Benton City in Benton County, Washington State comprising 168 customers. The water system stock encompasses the ownership of assets consisting of wells, pumps, transmission mains, storage reservoir, hydrants, distribution mains, meters, appurtenances, and land, and water rights Permit No. G4-2688P that continues to serve the 168 Oasis water customers.

The water system is currently operating under a red operating permit issued by the Washington State Department of Health.

As a result of this sale and transfer of stock to new owners, Paul and Melinda Christensen, Oasis Water Corporation are maintaining the current water rates/tariff in effect for OWC.

EXHIBITS

Pursuant to WAC 480-143 please find the following exhibits:

Exhibit 1—Instrument of Transfer: sales agreement dated March 31, 2007.

**Exhibit 2—Oasis Water Corp under ownership of
Nicholas Thompson, Dale Nichols, and Kathryn Kaser
Income Statement, Balance Sheet, Asset Listing, Depreciation Schedule, and
Summary of outstanding securities as of December 31, 2006.**

**Exhibit 3—Adoption of Tariff Notice: no change, tariff remains the same as under prior
ownership**

**Exhibit 4—Customer notice of sale and transfer of water system to ownership by Paul
and Melinda Christensen, dated March 28, 2007.**

METHOD OF FINANCE

The purchase of Oasis Water Corporation shareholders' stock was by private sales contract between the selling stockholders and the purchasing stockholders.

TRANSFER IS IN THE PUBLIC INTEREST

The benefits of this transfer of ownership of stock and assets include in-house engineering and water quality staff to provide all aspects of water system design, repair, and operations. The former shareholders of Oasis Water Corporation no longer desire to own and operate the water system. Customers were notified of the sale and transfer two days prior to their billing for March 2007, which was dated March 30, 2007. The tariff adoption bears an effective date of April 1, 2007. This date of stock and assets sale coincided with company billing periods and allows a mutually agreed closing date at the end of the first quarter of 2007. For accounting purposes the bookkeeping records are considered transferred and effective on that date. The tariff dated August 1, 1999 and its subsequent revisions remain in effect.

SALE AND TRANSFER APPLICATION

The former owners of Oasis Water Corporation shall no longer continue the operation and maintenance of the water system; however, the new owners are qualified to continue operating and maintaining Oasis Water System and are currently doing so.

As a result of the sale and transfer of corporate stocks, the water rates and service charges will not change. The new owners continue with the full tariff of Oasis Water Corporation without any rate change or charge contained therein as occasioned by this transfer of stock Paul and Melinda Christensen. The name of the corporation remains the same. The Christensens do not own any other water system(s). This sale/purchase is not a merger. This transaction is not a sale/purchase of one utility buying another utility.

REQUEST

Based on the foregoing, the Applicants request approval of their application, respectfully submitted as of this 26th day of April, 2007.

Oasis Water Company
Signed under protest:

Oasis Water Corporation
Signed under protest:

Kathryn E. Kaser

Paul Christensen

Secretary/Treasurer and
Registered Agent
until April 1, 2007

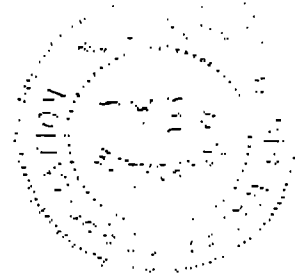
President
as of April 1, 2007

Sale and Transfer Application

Form of Verification for Application

State of Washington

County of Franklin



KATHRYN E KASER and PAUL CHRISTENSEN, being first duly sworn, do both depose and say that she was the agent and officer and he is the President of Oasis Water Corporation, the applicants in the proceeding entitled above, that they have read the foregoing application and know the contents thereof; that the same is true of their own knowledge, except as to the matters that are therein stated on information or belief, and as to those matters they believe them to be true.

Kathryn E. Kaser

Paul Christensen

Secretary/Treasurer and
Registered Agent

President

Subscribed and sworn to before me the 26th day of April, 2007

Ruth A. Harms

Notary Public in and for the State of Washington, residing at

Blanco, Washington

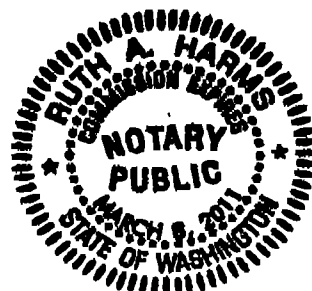


EXHIBIT 1

final
COPY**AGREEMENT FOR PURCHASE AND SALE
OF CORPORATE STOCK**

THIS AGREEMENT is entered into this 20th day of March, 2007, between NICHOLAS L. THOMPSON, a single man, DALE E. NICHOLS, a single man, and KATHRYN E. KASER, a single lady, hereinafter referred to collectively as "sellers", and PAUL AND MELINDA CHRISTENSEN, husband and wife, hereinafter referred to as "buyers".

RECITALS

A. Nicholas L. Thompson owns fifty percent (50%) of the stock in the Washington corporation, Oasis Water Corporation. Dale E. Nichols owns twenty-five percent (25%) of the stock in Oasis Water Corporation. Kathryn E. Kaser owns twenty-five percent (25%) of the stock in Oasis Water Corporation. Oasis Water Corporation is engaged in the business of providing domestic water to customers in an area located west of Benton City, Washington.

B. Buyers desires to purchase all of the outstanding stock in Oasis Water Corporation. Each seller wishes to sell all of his or her stock in Oasis Water Corporation.

AGREEMENT

1. Purchase and Sale of Stock: Sellers hereby agree to sell, and buyers hereby agree to purchase all of the outstanding shares in Oasis Water Corporation.

2. **Purchase Price:** The purchase price to be paid, for all outstanding stock, to the sellers by the buyers, is one hundred thousand dollars (\$100,000) payable as follows: Ten Thousand Dollars (\$10,000) to be paid at closing and the remaining Ninety Thousand Dollars (\$90,000) to be paid in equal monthly installments beginning May 15, 2007, and the 15th of each month thereafter. The payments will be amortized over fifteen years. Interest shall begin to run at eight percent (8%) per annum, beginning May 1, 2007, on any unpaid balance. No interest shall accrue on any unpaid amount until May 1, 2007. Buyers may prepay any amount of interest or principal without any prepayment penalty. Any amount owed, on April 1, 2017, shall be paid in full.

Buyers shall send all payments to: K. Kaser Company, Inc., 229 North Fruitland, Kennewick, Washington 99336. Upon receipt of payment at 229 North Fruitland, the sellers shall divide the payment amongst themselves as the sellers deem appropriate. Each seller releases buyers from any claim that, once the money is received at K. Kaser Company Inc., the money is not appropriately divided among the sellers.

3. **Collateral:** As collateral for amounts owed, the sellers shall hold a mortgage on the real property owned by Oasis Water Corporation, which real property is: Lot 1, Short Plat 2724, of the records of Benton County, Washington, Tax Parcel ID #112964012724001. Sellers warrant to buyers that the real property is free and clear of any liens or mortgages, except the three mortgages to Dale Nichols, to K. Kaser Company, Inc., and to Mountain Vista, Inc., that is currently in existence. Satisfaction of each of these mortgages shall be recorded by the respective creditors, upon payment by the buyers of all amounts owed under this agreement. Nevertheless,

the buyers and Oasis Water Corporation shall have no obligation to pay any amounts owed on the three mortgages, other than the \$100,000 owed under the contract. A mortgage shall be signed by Oasis Water Corporation, upon closing.

4. Water Rights: The sellers represent and warrant that Oasis Water Corporation owns and holds all water rights previously owned by Desert Water Company and purchased from Desert Water Company by Oasis Water Corporation, on February 3, 1999. This ownership includes, but is not limited to, Water Right Permit G4-26886P, with an annual consumption of 450 acre-/feet and an instantaneous consumption of 1200 gallons per minute. If such water rights are not in the name of Oasis Water Corporation, the sellers shall make sure that the water rights are transferred immediately to Oasis Water Corporation. A copy of the water right permit shall be shown to buyers before closing. The sellers recognize that the buyers would not purchase the stock in Oasis Water Corporation without Oasis Water Corporation holding an undivided appropriation of permits as issued by the Washington State Department of Ecology under Permit G4-26886P, with an annual consumption of 450 acre-feet and an instantaneous consumption of 1200 gallons per minute. Proceeds of the sale of any water rights shall be paid to K. Kaser

Company, Inc., and will be applied to the \$100,000 purchase price.

Such sale or transfer of such water rights shall be approved by sellers prior to

5. Resignations: All sellers agree, upon closing, to resign from all offices and from employment with Oasis Water Corporation. All sellers agree to insure that all current employees of Oasis Water Corporation will resign, upon closing. *payme in full of purch price.*

6. Sellers' Warranties: Sellers warrant and represent that they are the sole shareholders

NT M. K&I Paul

of Oasis Water Corporation. Sellers warrant and represent that, upon closing, Oasis Water Corporation shall have no debts to any third parties, other than the debt owed to the Washington Department of Community, Trade, and Economic Development, described as Washington Public Works Board Loan Number 99-65199-038, and prorations of monthly utilities, such as Benton County PUD, and Verizon. Sellers warrant and represent that, upon closing, all debt to any and all purveyors of electricity shall be retired. Sellers warrant and represent that, upon closing, none of the assets of Oasis Water Corporation shall be encumbered, except for the real property, which shall be encumbered only to the sellers for the purchase price of the stock, and only according to the three mortgages in favor of D. Nichols, K. Kaser Company, Inc., and Mountain Vista, Inc., and corporation equipment presently encumbered for the debt owed to the Washington Department of Community, Trade, and Economic Development (CTED), described as Washington Public Works Board Loan Number 99-65199-038. Sellers warrant and represent that, upon closing, Oasis Water Corporation will be in compliance with all laws, regulations, and ordinances applicable to the corporation and applicable to any company providing domestic water. Sellers warrant and represent that, upon closing, there will not be any pending litigation or threatened litigation against Oasis Water Corporation, except for the default of the loan from Washington Department of CTED. Sellers warrant and represent that they have full authority to transfer and sell the stock in Oasis Water Corporation to the buyers. Sellers warrant and represent that Oasis Water Corporation is a Washington corporation in good standing, now and at the time of closing. Sellers warrant and represent that Oasis Water Corporation has in its

ownership and possession all water meters, meter boxes, meter box extensions, meter yokes, meter reading equipment, and meter reading software previously purchased from Fergusson Enterprises, Inc., under Invoice Numbers 219857, 219957, and 220046, all dated December 23, 2004. The meter reading equipment and meter reading software purchased in the previous stated invoices is still in the possession of Fergusson Enterprises, Inc. Sellers warrant and represent that sellers have maintained to the best of their abilities all wells, well pumps, storage facilities, pumping equipment, back-up generators, buildings, and operation equipment owned and purchased by Oasis Water Corporation through the loan from the Washington Department of CTED, and administered by the Washington Public Works Board. Sellers warrant and represent that all easements pertaining to the placement, operation, maintenance, and ingress and egress needed for the operation of Oasis Water Corporation shall remain in the ownership of Oasis Water Corporation, at the time of closing. These easements include, but are not limited to, the easement for the water main and reservoir overflow line, lying within Lot 2 of Short Plat 2724, records of Benton County, Washington. Sellers warrant and represent that all infrastructure, including, but not limited to, distribution piping, service lines, meters, fire hydrants, and valves now used by Oasis Water Corporation shall be in the ownership of Oasis Water Corporation, and shall be transferred with the stock in "AS-IS condition, at closing. Sellers warrant and represent that all franchise agreements with Benton County, for the placement, operation, and maintenance, of the water facility infrastructure, with attendant public rights of way under Benton County jurisdiction, shall remain in the ownership of Oasis Water Corporation, at the time of closing.

Sellers warrant and represent that abandoned well site #2, located on Whan Road, including the well's building, pumps, tanks and piping shall be in the ownership of Oasis Water Corporation, at closing.

Buyers are aware that the loan 99-65199-038 from Washington Department of CTED is in default at the time of closing.

Sellers Dale E. Nichols and Kathryn E. Kaser, also owners of Tract A Development, Inc., the corporation that owns Lot 2 Shot 2724, warrant that the sale of Lot 2, Short Plat 2724, shall contain a deed restriction for protection of the 100' diameter restricted covenant around the wells owned by Oasis Water Corporation. If such a covenant does not exist, a covenant shall be signed by Tract A Development, Inc., at closing. Oasis Water Corporation shall pay, after closing, the costs of preparation of the covenant document.

7. Assets of Corporation: All assets of Oasis Water Corporation shall remain in the ownership and possession of Oasis Water Corporation from the date of this agreement until after closing. Sellers agree no damage will be caused to those assets between the signing of this agreement and closing. Upon closing, the assets of the corporation shall include, but not be limited to its name, the wells used by Oasis Water Corporation, the current telephone number of Oasis Water Corporation, all maps, drawings, and plans of Oasis Water Corporation, the pump station used by Oasis Water Corporation, the reservoir used by Oasis Water Corporation, the billing software of Oasis Water Corporation, the real property currently owned by Oasis Water Corporation, with existing mortgages, and the current equipment and meters owned by Oasis

Water Corporation. Seller shall insure that all debts of Oasis Water Corporation, except the debt to the Washington Department of Community, Trade, and Economic Development, and the mortgages to D Nichols, K. Kaser Company, Inc., and Mountain Vista, Inc., will be paid before closing. In the event any unpaid bills are received by Oasis Water Corporation, after closing for debts incurred before closing, buyers may, at buyers' option, pay the bill and deduct the amount paid from the debt owed for the purchase of the stock. At the closing, the existing bank account for Oasis Water Corporation shall have sufficient funds to pay the proration of property taxes, irrigation assessments, electricity bills, telephone bills, and the first quarter Washington State Department of Revenue Combined Excise Tax Return, and prepaid water invoices. All accounts receivable owed Oasis Water Corporation, at closing, shall remain the property of Oasis Water Corporation, after closing. At closing, sellers shall release to buyers any documentation concerning equipment, development plans, records of repairs, contracts, and any other records relevant to the operation of the Oasis Water Corporation water system. Buyers shall make certain that Oasis Water corporation continues to hold fire and casualty insurance upon the full insurable value of corporate assets, until the debt for the purchase of the stock is paid in full.

8. **Existing Contracts:** Before closing, the sellers shall insure that any debt owed by Oasis Water Corporation to any third party, except the mortgage debt to D Nichols, K. Kaser Company, Inc., and Mountain Vista, Inc., is satisfied. Before closing, the sellers shall also insure that any contracts between Oasis Water Corporation, on the one hand, and any third party, on the other hand, including, but not limited to Mountain Vista, Inc., and K. Kaser Company, Inc., are

terminated, except for the mortgage debt to D. Nichols, K. Kaser Company, Inc., and Mountain Vista, Inc.

9. Closing Date; Transfers: This sale shall close on or before March 31, 2007. At closing, the sellers shall tender their respective resignations as officers and employees of Oasis Water Corporation. The sellers shall transfer all shares of stock in Oasis Water Corporation to the buyers. Oasis Water Corporation shall execute a mortgage to the sellers, which mortgage should provide security for the unpaid purchase price. The mortgage debt shall be personally guaranteed by each buyer. Oasis Water Corporation shall pay for the fees incurred in recording the mortgage. The truthfulness of all warranties and representations of sellers, at the time of closing, shall be a condition precedent to buyers' obligation to close the transaction.

10. Survival of Representations and Warranties: All representations and warranties given by the sellers under this agreement shall survive the closing of this transaction and the transfer of the stock to the buyers.

11. Corporate Records: Between now and closing, sellers shall make available to buyers any and all records of Oasis Water Corporation requested by buyers.

12. Default: In the event of any default in payment by buyers, seller shall give buyers twenty days written notice before exercising any remedies. In the event of any default or breach of representation or warranty by sellers, buyers shall have rights and remedies available under law and in equity.

13. Operation of Corporation: Between the signing of this agreement and closing,

sellers shall operate the corporation in the ordinary course and in the manner consistent with prior operations and without changing the manner and scope thereof and without adverse change to the net asset position of the corporation.

14. Modification: This agreement may not be amended, modified, superseded or canceled, and none of the terms, covenants, representations, warranties or conditions may be waived, except by written instrument executed by sellers and buyers. All prior negotiations and understandings between the parties are merged into this agreement. The failure of any party at any time or times to require strict performance of any provision hereof shall not in any manner effect the right of such party to at a later time to enforce the same. No waiver of any nature, whether by conduct, course of dealing or otherwise, in any one (1) or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or breach, or as a waiver of any other condition or any other breach of any other term, covenant, representation or warranty of this agreement.

15. Waiver of Securities Laws: The parties recognize and agree that this transaction may be covered by federal and state securities laws, rules and regulations, and each party waives the application of all such rules and regulations with regard to this sale.

16. Arbitration and Attorney's Fees: The parties shall submit any dispute, arising out of or relating to this agreement, to binding arbitration. Upon the occurrence of any controversy, claim or breach of this agreement, either party may demand arbitration by giving written notice to the other of such demand. The parties shall agree to an arbitrator within twenty days of the

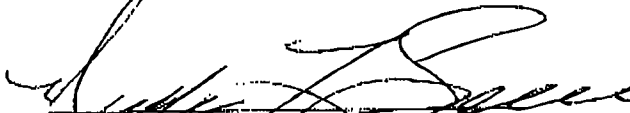
service of the demand for arbitration. In the event the parties can not agree to one arbitrator, either party may petition the Superior Court of Benton County for the appointment of an arbitrator. The arbitrator shall hold a hearing within one hundred twenty days of his/her appointment. The arbitrator shall issue a written decision within two weeks of the last day of the hearing. The arbitrator shall award, to the prevailing party, reasonable attorneys fees and costs incurred because of the dispute and arbitration process.

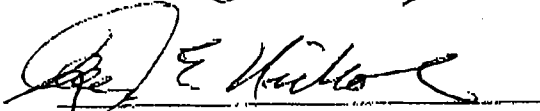
17. Successors in Interest: This agreement shall be binding upon the parties, their heirs, legal representatives, successors and assigns.

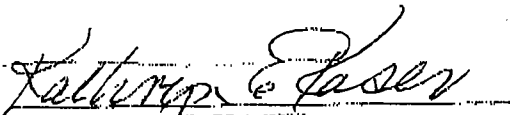
18. Drafter: This agreement has been drafted by George Fearing, of Leavy, Schultz, Davis & Fearing, P.S. In drafting this agreement, George Fearing and his law firm have acted only as the attorneys for the buyers and not as attorneys for the sellers. The sellers have been advised to seek review of this agreement, before signing, with another attorney of their choice.

Dated this 20 day of March, 2007.

Sellers:


NICHOLAS L. THOMPSON


DALE E. NICHOLS


KATHRYN E. KASER

Buyers:


PAUL CHRISTENSEN


MELINDA CHRISTENSEN

EXHIBIT 2

INCOME STATEMENT
TRANSFER OF PROPERTY
 For the Calendar Year 2006

| Account | | | | Total |
|------------------------------------|--------------|---------------------------------------|----------------|----------------|
| No. | Account Name | Water | Other | Company |
| (a) | (b) | (c) | (d) | (e) |
| REVENUES | | | | |
| 1 | 400 | Operating Revenue Accounts | \$ 105,375.00 | \$ 105,375.00 |
| 2 | 471 | Miscellaneous Revenue Accounts | 4,063.00 | 4,063.00 |
| 3 | 474 | Other Revenue Accounts | | |
| 4 | | Utility Operating Revenue | \$ 109,438.00 | \$ 109,438.00 |
| EXPENSES | | | | |
| 5 | 401 | Operating Expense Accounts | 113,574.00 | 113,574.00 |
| 6 | 403 | Depreciation Expense | 42,228.00 | 42,228.00 |
| 7 | 406 | Amortization Expense | | |
| 8 | 408 | Other Tax & License | | |
| 9 | 409 | Income Taxes | | |
| 10 | | Utility Operating Expense | \$ 155,802.00 | \$ 155,802.00 |
| 11 | | Utility Operating Income (Loss) | \$ (46,384.00) | \$ (46,384.00) |
| OTHER INCOME AND DEDUCTIONS | | | | |
| Other Income: | | | | |
| 12 | 414 | Gain (Loss) From Disposition Of Plant | | |
| 13 | 415-416 | Jobbing and Contract Work | | |
| 14 | 419 | Interest & Dividend Income | | |
| 15 | 421 | Nonutility Income | | |
| 16 | | Total Other Income | \$ | |
| Other Deductions: | | | | |
| 17 | 426 | Miscellaneous Nonutility Expenses | | |
| 18 | 427 | Interest Expense | 3,531.00 | 3,531.00 |
| 19 | 433 | Extraordinary Income/Deduction | | |
| | | | 3,531.00 | 3,531.00 |
| 20 | | Total Other Deductions | \$ (49,915.00) | \$ (49,915.00) |
| 21 | | Net Income (Loss) | \$ | \$ |

IS_S&T

EXHIBIT 2

COMPARATIVE BALANCE SHEET
TRANSFER OF PROPERTY

| Account No. | Account Name | PRIOR TO TRANSFER | AFTER TRANSFER |
|--|---|-------------------|-----------------|
| (a) | (b) | (c) | (d) |
| ASSETS: | | | |
| 1 | 101-105 Utility Plant | \$ 1,547,053.00 | \$ 1,547,053.00 |
| 2 | 108 Less: Accumulated Depreciation | (355,451.00) | (355,451.00) |
| 3 | 110 Accumulated Amortization | | |
| 4 | 114 Utility Plant Acquisition Adjustment | (78,679.00) | (78,679.00) |
| 5 | Net Utility Plant | \$ 1,112,923.00 | \$ 1,112,923.00 |
| 6 | 124 Utility Investments | | |
| 7 | 127 Special funds (Surcharges, Facility Charges) | | |
| 8 | 131 Cash | 3,162.00 | 3,162.00 |
| 9 | 141 Customer Accounts Receivable | 15,801.00 | 15,801.00 |
| 10 | 151 Plant Materials and Supplies | | |
| 11 | 162 Prepayments | | |
| 12 | 186 Other Deferred Debits | | |
| 13 | Other Assets (Specify) | | |
| 14 | Total Assets | \$ 1,131,886.00 | \$ 1,131,886.00 |
| EQUITY CAPITAL AND LIABILITIES: | | | |
| 15 | 201-204 Capital Stock Issued | \$ 20,000.00 | \$ 20,000.00 |
| 16 | 211 Other Paid In Capital | 25,344.00 | 25,344.00 |
| 17 | 214-215 Retained Earnings | (141,782.00) | (141,782.00) |
| 18 | 218 Proprietary Capital | | |
| 19 | Total Equity Capital | \$ (96,438.00) | \$ (96,438.00) |
| 20 | 224 Long-Term Debt | 1,174,003.00 | 1,174,003.00 |
| 21 | 231 Accounts Payable | 11,080.00 | 11,080.00 |
| 22 | 232 Notes Payable | | |
| 23 | 235 Customer Deposits | | |
| 24 | 236 Accrued Taxes | | |
| 25 | 253 Other Deferred Credits | | |
| 26 | 265 Miscellaneous Operating Reserves | | |
| 27 | 271 Contributions In Aid Of Construction (CIAC) | 22,018.00 | 22,018.00 |
| 28 | 272 Less: Accumulated Amortization Of CIAC | (7,263.00) | (7,263.00) |
| 29 | Other Liabilities (Specify) ACCRUED INTEREST | 28,486.00 | 28,486.00 |
| 30 | Total Liabilities | \$ 1,228,324.00 | \$ 1,228,324.00 |
| 31 | Total Equity Capital and Liabilities | \$ 1,131,886.00 | \$ 1,131,886.00 |

BS_S&T

EXHIBIT 2 ASSET LISTING

WATER UTILITY PLANT (101-105)
TRANSFER OF PROPERTY

| Account | | Balance | Additions | Retirements | Balance |
|---------|---------------------------------------|-----------------|-----------|-------------|-----------------|
| No. | Account Name | PRIOR TO | (d) | (e) | AFTER |
| (a) | (b) | (c) | | | (f) |
| 1 | 301 Organization | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| 2 | 302 Franchises | _____ | _____ | _____ | _____ |
| 3 | 303 Land and Water Rights | 14,264.00 | _____ | _____ | 14,264.00 |
| 4 | 304 Structures and Improvements | 1,532,789.00 | _____ | _____ | 1,532,789.00 |
| 5 | 305 Tanks and Reservoirs | _____ | _____ | _____ | _____ |
| 6 | 306 Lake, River and other intakes | _____ | _____ | _____ | _____ |
| 7 | 307 Wells and Springs | _____ | _____ | _____ | _____ |
| 8 | 309 Supply Mains | _____ | _____ | _____ | _____ |
| 9 | 310 Power Generation Equipment | _____ | _____ | _____ | _____ |
| 10 | 311 Pumping Equipment | _____ | _____ | _____ | _____ |
| 11 | 320 Water Treatment Equipment | _____ | _____ | _____ | _____ |
| 12 | 330 Reservoirs and Standpipes | _____ | _____ | _____ | _____ |
| 13 | 331 Transmission / Distribution Mains | _____ | _____ | _____ | _____ |
| 14 | 333 Services | _____ | _____ | _____ | _____ |
| 15 | 334 Meters and Meter Installation | _____ | _____ | _____ | _____ |
| 16 | 335 Hydrants | _____ | _____ | _____ | _____ |
| 17 | 339 Other Plant and Misc Equipment | _____ | _____ | _____ | _____ |
| 18 | 340 Office Furniture and Equipment | _____ | _____ | _____ | _____ |
| 19 | 341 Transportation Equipment | _____ | _____ | _____ | _____ |
| 20 | 343 Tools and Equipment | _____ | _____ | _____ | _____ |
| 21 | 345 Power Operated Equipment | _____ | _____ | _____ | _____ |
| 22 | 348 Other Tangible Plant | _____ | _____ | _____ | _____ |
| | Water System Plan | _____ | _____ | _____ | _____ |
| 23 | 101 Utility Plant Total | \$ 1,547,053.00 | \$ _____ | \$ _____ | \$ 1,547,053.00 |

Plant S&T

EXHIBIT B

ACCUMULATED DEPRECIATION OF NON-CONTRIBUTED PLANT
TRANSFER OF PROPERTY

| Account No. (a) | Account Name (b) | Company Service Life (c) | Accumulated Balance PRIOR TO Transfer (d) | Additions (e) | Retirements (f) | Yearly Depreciation (g) | Accumulated Balance AFTER Transfer (h) |
|-----------------|---------------------------------------|--------------------------|---|---------------|-----------------|-------------------------|--|
| 1 | 301 Organization | 15 | \$ 5,086.00 | \$ | \$ | 679.00 | \$ 5,086.00 |
| 2 | 302 Franchises | xxx | | | | xxx | |
| 3 | 303 Land and Water Rights | xxx | 14,264.00 | | | xxx | 14,264.00 |
| 4 | 304 Structures and Improvements | 39 | 19,349.00 | | | 512.00 | 19,349.00 |
| 5 | 305 Tanks and Reservoirs | 7 | 7,652.00 | | | 3,061.00 | 7,652.00 |
| 6 | 306 Lake, River and other intakes | | | | | | |
| 7 | 307 Wells and Springs | 39 | 727,538.00 | | | 19,874.00 | 727,538.00 |
| 8 | 309 Supply Mains | 7 | 8,535.00 | | | 4,191.00 | 8,535.00 |
| 9 | 310 Power Generation Equipment | 15 | 99,714.00 | | | 7,406.00 | 99,714.00 |
| 10 | 311 Pumping Equipment | See 307 | | | | | |
| 11 | 320 Water Treatment Equipment | See 310 | | | | | |
| 12 | 330 Reservoirs and Standpipes | | | | | | |
| 13 | 331 Transmission / Distribution Mains | 7 | | | | | |
| 14 | 333 Services | See 310 | | | | | |
| 15 | 334 Meters and Meter Installation | See 310 | | | | | |
| 16 | 335 Hydrants | 15 | 75,850.00 | | | 5,633.00 | 75,850.00 |
| 17 | 339 Other Plant and Misc Equipment | 7 | 2,738.00 | | | 2,001.00 | 2,738.00 |
| 18 | 340 Office Furniture and Equipment | | | | | | |
| 19 | 341 Transportation Equipment | | | | | | |
| 20 | 343 Tools and Equipment | | | | | | |
| 21 | 345 Power Operated Equipment | | 22,018.00 | | | | 22,018.00 |
| 22 | 348 Other Tangible Plant | # | | | | 553.00 | |
| | Other | 34 | 178,073.00 | | | 6,004.00 | 178,073.00 |
| 23 | 101 Utility Plant Total | | \$ 1,160,817.00 | \$ | \$ | 49,914.00 | \$ 1,160,817.00 |

DPN_S&I

EXHIBIT 2



Oasis Water Corp.

OASIS WATER CORPORATION

229 N. Fruitland, Kennewick, WA 99336

509/583-1337 fax: 509/382-6330

SUMMARY OF OUTSTANDING SECURITIES

As of
DECEMBER 31, 2006

| | |
|---------------------|---------------|
| NICHOLAS L THOMPSON | 10,000 SHARES |
| DALE E NICHOLS | 5,000 SHARES |
| KATHRYN E KASER | 5,000 SHARES |

EXHIBIT 3

Adoption Notice

ADOPTION OF TARIFFS, ETC.

The new stockholders of Oasis Water Corporation

Hereby adopt, ratify, and make their own in every respect, as if the same had been originally filed by it, all tariffs, rules, notices, concurrences, provisions, authorities, powers of attorney or whatsoever other instruments filed with the Washington Utilities and Transportation Commission or its predecessors by Oasis Water Corporation, prior to April 1, 2007, the beginning of its possession. By this notice, it also adopts and ratifies all supplements or amendments to any of the above tariffs, etc., which have heretofore been filed with the Washington Utilities and Transportation Commission or its predecessors.

This adoption notice relates only to the following water systems:

My Water system DOH WFI# 19069T

Tariff Revision Adopted:

WN U -

Tariff Pages Adopted

Transfer Authorized

By Order No.

Issued May 28, 1999 Effective July 1, 1999

Issued by Oasis Water Corporation

By Paul Christensen Title Owner

Address PO Box 4766, Pasco WA 99302

EXHIBIT 4

Oasis Water Corporation
PO Box 4766
Pasco, WA 99302
Phone: (509) 585-1337 Cell: (509) 378-5977

March 28, 2007

IMPORTANT NOTICE

Oasis Water Corporation has requested permission from the Washington Utilities and Transportation Commission (WUTC) for the transfer of ownership from Nick Thompson, Dale Nichols and Kathryn Kaser to Paul and Melinda Christensen. This transfer is contingent upon approval by WUTC. The proposed effective date of this transfer, if approved, would be May 1, 2007.

Paul is a civil engineer with 30 years of experience, including work in water system design. Melinda (Mel) is an engineering technician who works with small water systems. Together we bring a technical expertise which will benefit the growth and operation of the water system.

Your current water rates will not change because of this water system sale and transfer.

If you have any questions about how this sale may affect you, please call the company at 585-1337.

If you would like to comment on this filing or have questions about the commission's process, please use the contact information below. You may also comment in person at an open meeting in Olympia at 9:30 a.m. on April 27, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting. If you comment in writing, please do so by April 18.

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250, Olympia, WA 98504-7250
E-mail: comments@wutc.wa.gov
Telephone: 1-800-562-6150

Sincerely,

Paul & Mel Christensen

Paul & Mel Christensen
Oasis Water Corporation