EVERGREEN RESOURCES INC
Form DEF 14A
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

EVERGREEN RESOURCES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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EVERGREEN RESOURCES, INC.

1401 17th Street, Suite 1200
Denver, Colorado 80202
303.298.8100

NOTICE OF 2004 ANNUAL MEETING OF SHAREHOLDERS

To Be Held May 7, 2004

TO THE SHAREHOLDERS OF EVERGREEN RESOURCES, INC.:

NOTICE IS HEREBY GIVEN that the 2004 Annual Meeting of Shareholders of Evergreen Resources, Inc., a Colorado corporation (the "Company"), will be held at The Pinnacle Club, 555 17th Street, 38th floor, Denver, Colorado 80202, on May 7, 2004, at 12:00 p.m., Mountain Daylight Time, and at any adjournment thereof (the "Meeting"), for the purpose of considering and acting upon the following matters:

1. The election of three directors of the Company.

2. The ratification of the appointment of BDO Seidman, LLP as independent auditors for the year ending December 31, 2004.

3. The transaction of such other business as may properly come before the Meeting.

This proxy statement and the accompanying proxy are being mailed to the shareholders of the Company on or about April 9, 2004.

Only holders of record of the Company's common stock at the close of business on March 12, 2004, the record date, are entitled to notice of and to vote at the Meeting.

All shareholders, whether or not they expect to attend the Meeting in person, are urged to sign and date the enclosed proxy and return it promptly in the enclosed postage-paid envelope (which requires no additional postage if mailed in the United States) or vote by using the telephone or Internet as soon as possible. Additional information regarding these voting methods is set forth in the proxy statement and in the enclosed proxy. The granting of a proxy will not affect your right to vote in person if you attend the Meeting.

BY ORDER OF THE BOARD OF DIRECTORS.

Kevin R. Collins
Executive Vice President Finance, Chief Financial Officer, Secretary and Treasurer

Denver, Colorado
April 9, 2004

EVERGREEN RESOURCES, INC.

PROXY STATEMENT
2004 ANNUAL MEETING OF SHAREHOLDERS
GENERAL INFORMATION

The enclosed proxy is solicited by and on behalf of the Board of Directors of Evergreen Resources, Inc., a Colorado corporation (the "Company" or "Evergreen"), for use at the Company's 2004 Annual Meeting of Shareholders to be held at The Pinnacle Club, 555 17th Street, 38th floor, Denver, Colorado 80202, on May 7, 2004, at 12:00 p.m., Mountain Daylight Time, and at any adjournment thereof (the "Meeting"). This proxy statement and the accompanying proxy are being mailed to the shareholders of the Company on or about April 9, 2004.

Shares may be voted by completing the enclosed proxy card and mailing it in the enclosed postage-paid envelope, using a toll-free telephone number or using the Internet. Please refer to the proxy card or to the information provided to you by your bank, broker or other holder of record to determine which options are available. Shareholders who vote by using the Internet may incur costs, such as telephone and Internet access charges, for which the shareholder is solely responsible. Proxies submitted by telephone or the Internet must be received by 5:30 p.m., Central Daylight Time, on May 6, 2004. The specific instructions for using the telephone or the Internet to vote are set forth on the enclosed proxy card and are designed to authenticate the shareholder's identity and confirm that the shareholder's instructions are properly recorded. In the event that a shareholder's proxy does not reference telephone or Internet voting information because the shareholder is not the registered owner of the shares, the shareholder should complete and return the paper proxy card in the enclosed postage-paid envelope.

Any person signing and returning the enclosed proxy may revoke it at any time before it is voted by giving written notice of revocation to the Company's stock transfer agent, filing a duly executed proxy bearing a later date (including a proxy given using the telephone or Internet) or by voting in person at the Meeting. Any written notice revoking a proxy should be sent to: Computershare Trust Company, Inc., P.O. Box 1596, Denver, Colorado 80201. The expense of soliciting proxies, including the cost of preparing, assembling and mailing these proxy materials, will be borne by the Company. It is anticipated that solicitations of proxies for the Meeting will be made by use of mail, telephone, fax or the Internet, as well as by the services of the Company's directors, officers and employees, without additional salary or compensation to them. Brokerage houses, custodians, nominees and fiduciaries will be requested to forward the proxy soliciting materials to the beneficial owners of the Company's shares held of record by such persons, and the Company will reimburse such persons for their reasonable out-of-pocket expenses for that purpose.

All shares represented by valid proxies will be voted in accordance therewith at the Meeting. If no direction is made, validly executed and returned proxies will be voted for the election of the nominees for director named below, for ratification of the appointment of independent auditors and in the discretion of the proxy holders with respect to any other matters properly brought before the Meeting.

The Company's Annual Report to Shareholders for the fiscal year ended December 31, 2003 is being mailed along with these proxy materials to the Company's shareholders and contains financial information regarding the Company. See "Financial Information," below.

SHARES OUTSTANDING AND VOTING RIGHTS

All voting rights are vested exclusively in the holders of the Company's no par value common stock (the "Common Stock"), with each share entitled to one vote. Only shareholders of record at the close of business on March 12, 2004, the record date, are entitled to notice of and to vote at the Meeting.

On March 12, 2004, the Company had 43,074,632 shares of Common Stock outstanding, each of which is entitled to one vote on all matters to be voted upon at the Meeting, including the election of directors. No fractional shares are presently outstanding.

A majority of the outstanding shares of Common Stock represented in person or by proxy will constitute a quorum at the Meeting. The three nominees for director receiving the most votes for election will be elected director, provided that a quorum is present. The proposal to ratify the appointment of the independent auditors will be approved if the votes cast in favor of the proposal exceed the votes cast against it, again provided that a quorum is present. Abstentions and broker non-votes will have no effect on the election of directors or the proposal to approve the appointment of the independent auditors, but will be counted for purposes of determining if a quorum is present.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The following table sets forth certain information as of March 12, 2004 regarding the Common Stock beneficially owned by (i) each director and nominee for director; (ii) each executive officer named in the Summary Compensation Table below (the "Named Executive Officers"); and (iii) all directors and executive officers as a group. No shareholder was known to the Company to be the beneficial owner of more than five percent of the outstanding common stock as of March 12, 2004. Beneficial ownership is determined in accordance with rules of the Securities and Exchange Commission (the "SEC"). In computing the number of shares beneficially owned by a person and the percentage ownership of that person, (i) restricted shares held by that person that are vested or may become vested within 60 days of March 12, 2004 and (ii) shares subject to options or warrants held by that person that are currently exercisable or that are or may become exercisable within 60 days of March 12, 2004 are deemed outstanding. These shares, however, are not deemed outstanding for the purposes of computing the percentage ownership of any other person. Except as may be indicated in the footnotes to this table and under applicable community property laws, each person named in the table has sole voting and dispositive power with respect to the shares (as adjusted to reflect the Company's two-for-one stock split on September 16, 2003) set forth opposite the shareholder's name.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class Outstanding
Alain G. Blanchard	98,952 (1)	*
Dennis R. Carlton	423,598 (2)	*
Robert J. Clark	11,114 (3)	*
Kevin R. Collins	456,296 (4)	1.05%
Larry D. Estridge	39,970 (5)	*
Andrew D. Lundquist	8,202 (6)	*
John J. Ryan III	1,329,080 (7)	2.99%
Mark S. Sexton	700,882 (8)	1.60%
Scott D. Sheffield	11,200 (9)	*
Arthur L. Smith	7,200 (10)	*
J. Scott Zimmerman	5,000 (11)	*
All Directors and Executive Officers As a Group (11 Persons)	3,091,494 (12)	6.70%

* Less than 1%

(1)

Includes 4,800 shares issuable pursuant to stock options.

(2) Includes 328,000 shares issuable pursuant to stock options and 10,000 shares issuable pursuant to a restricted stock award.

(3) Includes 8,406 shares issuable pursuant to stock options.

(4) Includes 405,000 shares issuable pursuant to stock options and 10,000 shares issuable pursuant to a restricted stock award.

(5) Includes (i) 20,160 shares issuable pursuant to stock options that are beneficially owned by Mr. Estridge; and (ii) 4,540 shares of common stock held by The Estridge Education Trust, for which Mr. Estridge and his former spouse serve as co-trustees and who share equally the investment and dispositive power with respect to the shares of common stock.

(6) Includes 4,800 shares issuable pursuant to stock options.

(7) Includes 4,800 shares issuable pursuant to stock options.

(8) Includes 471,078 shares issuable pursuant to stock options and 10,000 shares issuable pursuant to a restricted stock award.

(9) Includes 4,800 shares issuable pursuant to stock options.

(10) Includes 4,800 shares issuable pursuant to stock options.

(11) Represents 5,000 shares issuable pursuant to a restricted stock award.

(12) Includes 1,256,644 shares issuable pursuant to stock options and 35,000 shares issuable pursuant to restricted stock awards.

PROPOSAL 1 ELECTION OF DIRECTORS

The Company's articles of incorporation provide that the members of the Board of Directors shall be divided into three classes, each class as nearly equal in number as possible, with one class being elected each year. Directors in each class are elected for three-year terms, or one-year or two-year terms if necessary to equalize the number of directors in each class. The articles of incorporation also provide that the Board will be comprised of at least six members. The Board currently consists of nine members, of which three are to be elected at the Meeting.

The three nominees for director receiving the most votes for their election will be elected directors, assuming a quorum is present. Abstentions and broker non-votes will have no effect on the election of directors. Shareholders do not have the right to cumulate their votes for directors. The persons named in the enclosed form of proxy, unless otherwise directed therein, intend to vote such proxy FOR the election of each of the nominees named below as director for the term specified. If a nominee is unable to serve for any reason, the persons named in the proxy are expected to vote for such nominees as are recommended by management or to reduce the number of persons to be elected (subject to the requirements of the articles of incorporation). Management has no reason to believe that the nominees will be unable or unwilling to serve if elected to office.

The Board of Directors has nominated three persons for election as director at the Meeting to serve for three-year terms. These three nominees are currently serving as directors and have consented to serve for the new terms if re-elected.

The Board of Directors recommends a vote "FOR" the election of each of the nominees identified below as a director for the term indicated.

Present Directors Nominated For Re-Election

Name	Age	Position	Director Since	Term to Expire
Dennis R. Carlton	53	Executive Vice President and Director	1995	2007
Mark S. Sexton	48	President, Chief Executive Officer, Chairman and Director	1995	2007
Arthur L. Smith	51	Director	2000	2007

Directors Continuing in Service

Name	Age	Position	Director Since	Term to Expire
Alain G. Blanchard	63	Director	1989	2006
Robert J. Clark	59	Director	2002	2006
Scott D. Sheffield	51	Director	1996	2006
Larry D. Estridge	60	Director	1989	2005
Andrew D. Lundquist	43	Director	2002	2005
John J. Ryan III	76	Director	1989	2005

There are no family relationships among any directors, executive officers or persons nominated or chosen by Evergreen to become a director or executive officer.

Additional information regarding the nominees for election as directors and the continuing directors of the Company follows:

Nominees

Dennis R. Carlton ***Executive Vice President Exploration, Chief Operating Officer and Director President Evergreen Operating Corporation***

Mr. Carlton joined Evergreen in 1981 and was named a director in March 1995. Mr. Carlton was named Executive Vice President Exploration and Chief Operating Officer in March 2003. He served as Evergreen's Senior Vice President of Exploration and Operations from 1997 until March 2003. Mr. Carlton has also managed the daily activities of Evergreen's operating subsidiary, Evergreen Operating Corp. ("EOC") since July 1995, and has served as President of EOC since 1995. He received a Bachelor of Science degree in geology and a Masters of Science degree in geology from Wichita State University.

Mark S. Sexton ***President, Chief Executive Officer, Chairman and Director Chief Executive Officer Evergreen Operating Corporation***

Mr. Sexton joined Evergreen in 1989 and initially managed the daily operating activities of Evergreen's operating subsidiary, EOC. He has been a director of Evergreen since March 1995 and was named President and Chief Executive Officer in June 1995 and Chairman of the Board of Directors in 1999. He was previously employed in various technical, financial and management positions with Amoco Production Company, Norwest Bank and energy companies specifically targeting coal bed methane development. Mr. Sexton is registered as a professional engineer in Colorado. He graduated from Stanford University in 1978 with a Bachelor of Science degree in mechanical engineering. Mr. Sexton is also a director of KFx Inc. and is a past president of the Colorado Oil & Gas Association, a board member of the Independent Petroleum Association of America, an executive committee member of the Independent Petroleum Association of Mountain States and a member of the Society of Petroleum Engineers. See "Insider Participation and Transactions with Management," below.

Arthur L. Smith Director

Mr. Smith was named a director of Evergreen in June 2000. Since 1984, Mr. Smith has been Chairman and Chief Executive Officer of John S. Herold, Inc., an independent energy research and consulting firm with offices in Houston, Texas and Norwalk, Connecticut. Prior to joining John S. Herold, Inc., he was involved in institutional equity research and corporate finance for Oppenheimer and Co., Inc., The First Boston Corp. and Argus Research Corp. Mr. Smith received a Bachelor of Arts degree from Duke University and an M.B.A. from New York University's Stern School of Business. Mr. Smith, a chartered financial analyst (CFA), is also a director of Plains All American Pipeline, L.P.

Continuing Directors

Alain G. Blanchard Director

Mr. Blanchard was named a director of Evergreen in May 1989. Mr. Blanchard is currently the Chief Executive Officer and a director of SOFICOR-MÄDER, a private industrial coating company. Mr. Blanchard has managed discretionary funds for private and institutional clients for over 26 years. Mr. Blanchard graduated from the University of Paris with a doctorate in economics and a degree in political science.

Robert J. Clark Director

Mr. Clark was named a director of Evergreen in November 2002. Mr. Clark is the President of Bear Cub Energy, LLC, a private gas gathering and processing company. In 1995, Mr. Clark formed a predecessor company, Bear Paw Energy LLC, which was sold in early 2001. From 1988 to 1995, he was President of SOCO Gas Systems, Inc. and Vice President Gas Management for Snyder Oil Corporation. Mr. Clark was Vice President-Gas Gathering, Processing and Marketing of Ladd Petroleum Corporation, an affiliate of General Electric, from 1985 to 1988. Prior to 1985, Mr. Clark held various management positions with NICOR, Inc. and its affiliate NICOR Exploration, Northern Illinois Gas and Reliance Pipeline Company. Mr. Clark is also on the board of Patina Oil and Gas Corporation. Mr. Clark received a Bachelor of Science degree from Bradley University and an M.B.A. from Northern Illinois University.

Scott D. Sheffield Director

Mr. Sheffield was named a director of Evergreen in September 1996. Since April 1985, Mr. Sheffield has served as Chairman, President and Chief Executive Officer of Pioneer Natural Resources Company, an energy company traded on the New York Stock Exchange ("NYSE"), and its predecessor company, Parker & Parsley Petroleum Company. From 1979 to April 1985, he was employed by Parker & Parsley in various engineering positions, including serving from 1981 to 1985 as Vice President of Engineering. Mr. Sheffield obtained a Bachelor of Science degree in petroleum engineering from the University of Texas.

Larry D. Estridge Director

Mr. Estridge was named a director of Evergreen in May 1989. He is a member in the law firm Womble Carlyle Sandridge & Rice, PLLC. Mr. Estridge joined Womble Carlyle in January 1999 and has served since that date as the Managing Member of its Greenville, South Carolina office. Prior to January 1999, he was a partner with Wyche, Burgess, Freeman & Parham, P.A. from July 1972 through December 31, 1998. See "Insider Participation and Transactions with Directors and Management," below. Mr. Estridge received an A.B. degree from Furman University and a J.D. from Harvard University School of Law.

Andrew D. Lundquist Director

Mr. Lundquist was named a director of Evergreen in November 2002. Since March 2002, Mr. Lundquist has served as the President of The Lundquist Group, LLC, a Washington, D.C.-based consulting firm that provides analytic and strategic advice to senior executives of corporations. During 2001, he served as the Director of The White House National Energy Policy Development Group, which directed the cabinet-level task force created by the President and headed by the Vice President that produced the President's National Energy Policy. At that same time, he also served as Senior Advisor to the President and Vice President on energy issues. Mr. Lundquist was the Majority Staff Director of the U.S. Senate Energy and Natural Resources Committee from 1998 to 2001. Mr. Lundquist received a Bachelor of Science degree from the University of Alaska and a J.D. from Catholic University Columbus School of Law.

John J. Ryan III Director

Mr. Ryan was named a director of Evergreen in May 1989. Since 1972 he has been engaged in international tax and investment activities through CISA Trust Company (Switzerland) S.A., of which he is Chairman. Mr. Ryan attended the University of Lausanne, Switzerland in 1946 and the University of Virginia in 1947.

CORPORATE GOVERNANCE MATTERS

The Board periodically reviews the Company's governance policies, practices and procedures in an effort to ensure that the Company meets or exceeds the requirements of applicable laws and rules, including the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), the related rules and regulations of the SEC, and the newly-adopted corporate governance listing standards of the NYSE and the expectations of its shareholders.

Director Independence

Under the Corporate Governance Guidelines adopted by the Board, a minimum of two-thirds of the Company's directors must be "independent," as determined in accordance with NYSE and any other applicable regulatory requirements. The NYSE has adopted new listing standards relating to director independence. In addition to requiring that directors satisfy certain "bright-line" standards in order to be deemed "independent," as that term is defined by the NYSE, the NYSE listing standards permit the Board to adopt categorical standards to assist it in affirmatively determining that the Company's directors have no material relationship with the Company that would impair such directors' independence. The Board has adopted such categorical standards, which are incorporated in the Board's Corporate Governance Guidelines. Under these standards, a director may be considered independent provided that he qualifies as independent under certain NYSE "bright line" standards and his relationships with the Company, if any, comply with each of the following standards:

A director will not be independent if, currently or within the preceding three years: (i) the director is or was employed by the Company; (ii) an immediate family member of the director is or was employed by the Company as an officer; (iii) the director is or was employed by or affiliated with the Company's (present or former) independent auditor; (iv) an immediate family member of the director is or was employed by or affiliated with the Company's (present or former) independent auditor; or (v) a Company executive officer is or was on the compensation committee of the board of directors of a company which employs or employed the director, or which employs or employed an immediate family member of the director.

The following relationships will not be considered to be material relationships that would impair a director's independence: if, currently or within the preceding three years, (i) a Company director is or was an executive officer, partner or principal of another company that does or did business with the Company, and the total amount of payments to or from the Company as a result of such business relationship are or were less than one percent or the annual revenues of both the Company and the company for which the director serves or served as an executive officer, partner or principal; (ii) a Company director is or was an executive officer, partner or principal of another company which is or was indebted to the Company, or to which the Company is or was indebted, and the total amount of either company's indebtedness to the other is or was less than one percent of the total consolidated assets of the company for which the director serves or served as an executive officer, partner or principal; and (iii) a Company director serves or served as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to the organization are or were less than one percent of that organization's total annual charitable receipts. The Board will annually review all relationships of directors.

The Board may determine that, in its judgment, a director who does not meet the guidelines set forth in the subsection above nonetheless does not have a material relationship with the Company that would interfere with his being deemed independent.

In addition to being an independent director, as defined above, each member of the Company's Audit Committee must comply with Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules of the SEC and the NYSE applicable to Audit Committee members and, in particular, must not, except in his capacity as a member of the Audit Committee, the Board or any other Board committee:

Accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company; or

Be an affiliated person of the Company or any Company subsidiary.

The Board has applied the foregoing NYSE and categorical standards to each member of the Board and their immediate family members and has affirmatively determined that, as of the date of such determination, seven of the nine directors and nominees are independent of the Company, as follows: Messrs. Blanchard, Clark, Estridge, Lundquist, Ryan, Sheffield, and Smith. The Company's categorical standards, as well as other corporate governance mandates and initiatives adopted by the Company, are set forth in the Company's Corporate Governance Guidelines and are accessible at http://www.evergreengas.com/corpgovernance.html.

Attendance and Committees of the Board

The Board met four times in 2003. The Board has established three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. The members of these committees are identified below. Each of the members of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee has been determined by the Board to be "independent," as that term is defined by NYSE rules, in accordance with the requirements of the NYSE (including the specific SEC and NYSE independence requirements for Audit Committee members). See "Director Independence," above. A copy of each of the charters of these committees is available for review on the Company's website at http://www.evergreengas.com/corpgovernance.html and will be mailed to shareholders upon written request. The Board and each committee has the authority to retain, compensate and consult with outside counsel, experts and other advisors as necessary. Additionally, under the terms of the Board's Corporate Governance Guidelines and each committee's charter, the Board and each committee are required to annually conduct a review and evaluation of the performance of the Board or the committee, as applicable. The current charter of each committee is reviewed and reassessed annually by the committee to determine its adequacy in light of any changes to applicable rules and regulations. A summary of the responsibilities of each of the committees follows:

Audit Committee. The Audit Committee is presently composed of John J. Ryan III (chairman), Alain G. Blanchard and Robert J. Clark. The Audit Committee assists the Board in fulfilling its responsibilities with respect to matters involving the accounting, financial reporting and internal control functions of the Company and its subsidiaries. This includes assisting the Board in overseeing (i) the integrity of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; (iii) the independent auditor's qualifications and independence; and (iv) the performance of the Company's internal audit function and independent auditor. The committee retains the Company's independent auditors, subject to shareholder ratification, and consults with and reviews the reports of the Company's independent auditors and those of the Company's internal financial staff. The Audit Committee met eight times during 2003. The committee engaged BDO Seidman, LLP as the Company's independent auditor for 2004. See "Proposal 2 Ratification of Appointment of BDO Seidman, LLP as Independent Auditors for 2004," below. See also "Audit Committee Report," below.

The NYSE and the SEC have recently adopted new standards and regulations relating to audit committee composition and functions. The Board has determined that each member is financially literate, as determined in accordance with NYSE standards. In addition, in order to comply with these regulations, the Board has examined the SEC's definition of "audit committee financial expert" and has determined that Robert J. Clark satisfies these regulations and also is independent and has the requisite financial literacy and accounting or related financial management expertise under applicable NYSE standards. Accordingly, Robert J. Clark has been designated by the Board as the Company's audit committee financial expert.

Compensation Committee. The Compensation Committee is presently composed of Arthur L. Smith (chairman), Alain G. Blanchard, Andrew D. Lundquist and Scott D. Sheffield. The Compensation Committee is appointed by the Board to (i) discharge the Board's responsibilities relating to compensation of the Company's directors and officers and (ii) produce an annual report on executive compensation. The committee is responsible for evaluating and approving (or making recommendations to the Board regarding) officer and director compensation plans, policies and programs. To that end, the committee establishes the compensation levels of the Chief Executive Officer; annually reviews and approves, for the Chief Executive Officer and the senior executives of the Company, (i) the annual base salary level, (ii) the annual incentive opportunity level, (iii) the long-term incentive opportunity level, (iv) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate and (v) any special or supplemental benefits; and makes recommendations to the Board with respect to incentive compensation plans and equity-based plans. In addition, the committee makes recommendations to the full Board regarding compensation for directors. See "Compensation Committee Report on Executive Compensation," below. The Compensation Committee met four times during 2003.

Nominating and Governance Committee. The Nominating and Governance Committee is presently composed of Larry D. Estridge (chairman), Andrew D. Lundquist and Scott D. Sheffield. The Nominating and Governance Committee is appointed by the Board to (i) assist the

Board in identifying individuals qualified to become Board members consistent with criteria approved by the Board and to recommend to the Board director nominees for election by the shareholders; (ii) develop and recommend to the Board corporate governance, conflicts of interest and business ethics policies, principles, codes of conduct and guidelines applicable to the Company; (iii) oversee the annual review of the Board's performance; and (iv) serve as the Company's Qualified Legal Compliance Committee for the purpose of Section 307 of the Sarbanes-Oxley Act and the SEC's standards for professional conduct for attorneys appearing and practicing before the SEC in the representation of the Company. The Nominating and Governance Committee met two times during 2003. The committee will consider written nominations of candidates for election to the Board submitted by shareholders to the Secretary of the Company who are nominated in accordance with the Company's policies and bylaws. See "Director Nominations" and "Other Matters Proposals for 2005 Annual Meeting," below.

All directors attended at least 75% of the Board meetings and assigned committee meetings held during 2003 except Alain Blanchard, who attended 70% of the meetings. Directors are expected to attend meetings of the Board and assigned committees, as well as (effective beginning in 2004) the annual meetings of shareholders. Four of the Company's nine directors at the time of the 2003 annual meeting attended the 2003 annual meeting of shareholders.

Executive Sessions

The Company's non-management directors are required to meet in executive session during each of the Board's regularly scheduled meetings without any management directors present. If the group of non-management directors includes directors who are not independent under applicable NYSE rules, the independent directors shall meet at lease once a year in executive session. The non-management directors designate a director to preside at each session. Pursuant to this procedure, Larry Estridge was designated presiding director for the executive sessions held during fiscal year 2003. During fiscal year 2003, the Board met in executive session four times without management present. Interested parties may communicate with the non-management directors as a group by contacting the Secretary of the Company, c/o Evergreen Resources, Inc., 1401 17th Street, Suite 1200, Denver, Colorado 80202. See "Shareholder Communications with the Board," below.

Corporate Governance Guidelines

The Board has adopted written Corporate Governance Guidelines, which are intended to assist the Board in the exercise of its responsibilities. The guidelines reflect the Board's commitment to monitoring the effectiveness of policy- and decision-making, both at the Board and management levels, with a view to enhancing shareholder value. The Corporate Governance Guidelines address a number of matters applicable to directors, including director qualification standards, director independence requirements, board responsibilities, meetings of non-management directors, board compensation and other matters. The Company's Corporate Governance Guidelines are available on the Company's website at http://www.evergreengas.com/corpgovernance.html. A shareholder also may request a copy of the Corporate Governance Guidelines by contacting the Secretary, c/o Evergreen Resources, Inc., 1401 17th Street, Suite 1200, Denver, Colorado 80202.

Code of Business Conduct and Ethics

The Company maintains a Code of Business Conduct and Ethics (the "Code of Ethics") to provide guidance on maintaining the Company's commitment to being honest and ethical in its business endeavors. The Code of Ethics has been adopted by the Board and covers a wide range of business practices, procedures and basic principles regarding corporate and personal conduct. The Code of Ethics is applicable to the employees, officers, directors, agents and representatives of the Company and its affiliates. A copy of the Code of Ethics may be found on the Company's website at http://www.evergreengas.com/corpgovernance.html. A shareholder also may request a copy of the Code of Ethics by contacting the Secretary, c/o Evergreen Resources, Inc., 1401 17th Street, Suite 1200, Denver, Colorado 80202. Any waivers or substantive amendments of the Code of Ethics applicable to the Company's directors and executive officers (including but not limited to the Company's Chief Executive Officer, Chief Financial Officer, Controller and other persons serving in a similar capacity) will be disclosed on the Company's website, by press release and/or on a current report on Form 8-K. Any waiver of the Code of Ethics for executive officers or directors may be made only by the Board or a Board committee.

Shareholder Communications with the Board

Any shareholder desiring to contact the Board of Directors, or any individual director, may do so by telephone call or electronic communication directed to Andrew D. Lundquist, the independent director who has been designated by the Board to receive such communications. His telephone number is 202.589.0015 and his email address is andrew@thelundquistgroup.com. Any communications received that are directed to the Board will be processed by the Secretary and distributed promptly to the Board or individual directors, as appropriate. If it is unclear from the communication received whether it was intended or appropriate for the Board, the Secretary will (subject to any applicable regulatory

requirements) use his or her business judgment to determine whether such communication should be conveyed to the Board.

Director Nominations

As noted above, one of the primary responsibilities of the Nominating and Governance Committee is to assist the Board in identifying and reviewing qualifications of prospective directors of the Company. In connection with its evaluation of potential director nominees, the Nominating and Governance Committee applies the following general and specific criteria:

General Criteria. Director selection should include at least enough independent directors to satisfy the minimum proportion of independent directors to total directors required by the Company's Corporate Governance Guidelines, NYSE rules and other applicable regulatory requirements, and such independent director nominees should have appropriate skills, experiences and other characteristics to provide qualified persons to fill all Board committee positions required to be filled by independent directors. Each director should: (i) be an individual of the highest character, judgment and integrity and have an inquiring mind, vision, a willingness to ask hard questions and the ability to work well with others; (ii) be free of any conflict of interest that would violate any applicable law or regulation or interfere with the proper performance of the responsibilities of a director; (iii) be willing and able to devote sufficient time to the affairs of the Company and be diligent in fulfilling the responsibilities of a director and Board committee member; and (iv) demonstrate the capacity and desire to represent the balanced, best interests of the shareholders as a whole and not primarily a special interest group or constituency.

Specific Criteria. In addition to the foregoing general criteria, the Nominating and Governance Committee is responsible for developing, reevaluating at least annually and modifying as appropriate a set of specific criteria outlining the skills, experiences (whether in business or in other areas such as public service, academia or scientific communities), particular areas of expertise, specific backgrounds and other characteristics that should be represented on the Board to enhance the effectiveness of the Board and Board committees. These specific criteria should take into account any particular current needs of the Company based on its business, size, ownership, growth objectives, community, customers and other characteristics, and may be adjusted and refocused as these Company characteristics change and evolve. These specific criteria also should reflect the Company's belief that diversity of background and experience provides additional perspectives that are helpful. The Nominating and Governance Committee is responsible for preparing at least annually a list of any specific criteria so identified that are not adequately represented on the Board.

The Nominating and Governance Committee will consider qualified candidates for possible nomination that are submitted by shareholders in accordance with the Company's bylaws and policies regarding director nominations. Any shareholder nominations will be evaluated using the same criteria set forth in the Nominating and Governance Committee charter and Corporate Governance Guidelines as are applicable to persons nominated by other sources. See "General Criteria" and "Specific Criteria" above. On February 20, 2004, the Board approved an amendment to the Company's bylaws which modifies the advance notice provisions related to director nominations. The amendment makes the advance notice provisions for shareholder director nominations and other shareholder proposals consistent. The amendment is effective as of May 8, 2004 and is described in greater detail in "Other Matters Proposals for 2005 Annual Meeting," below.

Shareholders wishing to make such a submission may do so by providing all information regarding the nominee that would be required under applicable SEC proxy rules, including (in addition to the information required in the bylaws or by applicable law): (i) the full name and resident address of nominee; (ii) the age of nominee; (iii) the principal occupation of the nominee for the past five years; (iv) any current directorship held on public company boards; (v) the number of shares of Common

Stock held by nominee, if any; and (vi) a signed statement of the nominee consenting to serve if elected. In addition, the shareholder making the nomination and the beneficial owner, if any, on whose behalf the nomination is being made must provide (i) the name and address, as they appear on the corporation's books, of such shareholder and such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such shareholder and such beneficial owner, and (iii) any material interest of the shareholder and/or such beneficial owner in the nominee or the nominee's election as a director. Such information should be sent to the Nominating and Governance Committee, c/o the Secretary of the Company, at the address listed above. See "Other Matters Proposals for 2005 Annual Meeting," below.

In addition to potential director nominees submitted by shareholders, the Nominating and Governance Committee considers candidates submitted by directors, as well as self-nominations by directors and, from time to time in its sole discretion, it may consider candidates submitted by a third-party search firm hired for the purpose of identifying director candidates. The Committee has not retained a third-party

search firm to assist in the identification or evaluation of Board member candidates for election to the board at the Meeting, although it may do so in the future. The Committee investigates potential candidates and their individual qualifications, and all such candidates, including those submitted by shareholders, will be similarly evaluated by the Committee using the board membership criteria described above.

No candidates for director nominations were submitted to the Nominating and Governance Committee by any shareholder in connection with the Annual Meeting. Any shareholder desiring to present a nomination for consideration by the Nominating and Governance Committee prior to the 2005 annual meeting must do so in accordance with the Company's policies and bylaws. See "Other Matters Proposals for 2005 Annual Meeting," below.

Auditing and Accounting Complaint Policy

The Audit Committee has adopted procedures for (i) the receipt, retention and treatment of complaints by employees or third parties regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of complaints or concerns regarding questionable accounting or auditing matters. Employees or third parties may report their concerns (anonymously if they choose) by contacting a toll-free "hotline." The operator of the hotline will generate a report relating to the complaint or concern that will be provided to the Company's Chief Financial Officer or, if the Chief Financial Officer is the subject of the complaint or concern, to the Audit Committee Chairman. The Audit Committee will oversee the review of any complaint that is received and prompt and corrective action will be taken when and as warranted in the judgment of the Audit Committee. The Chief Financial Officer and the Audit Committee Chairman will maintain a log of all complaints and concerns and will prepare a periodic report summarizing their investigation and resolution for submission by the Audit Committee to the Board.

Audit Committee Audit and Non-Audit Services Approval Policy

The Audit Committee has adopted a policy that requires it to approve audit and permitted non-audit services performed by the independent auditors before the service is rendered (including any change in terms, conditions, fees and scope of a service previously approved) in order to assure that the provision of such services does not impair the auditors' independence. Each proposed service that requires approval by the Audit Committee will be submitted to the Audit Committee by both the independent auditors and the Chief Financial Officer in accordance with the procedures and standards set forth in this policy, and must (i) be accompanied by the proposed engagement letter describing each audit or non-audit service, (ii) identify the category of each service and (iii) include a joint statement of the independent auditors and the Chief Financial Officer as to whether, in their view, the services are consistent with the SEC's rules and regulations governing the independence of the auditors. The Audit

Committee may delegate approval authority to one or more of its members, but it may not delegate its responsibilities to approve services performed by the independent auditors to management. The Audit Committee must also approve any non-audit service by any accounting firm other than the independent auditors if the cost of the service is reasonably expected to exceed $10,000. The Audit Committee may, in its sole discretion, establish a list of certain audit or non-audit services that have been pre-approved by the Audit Committee in accordance with SEC rules, regulations and guidance.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors is composed of three directors whom the Board has determined to be independent under applicable NYSE and SEC rules. The Committee operates under a written charter adopted by the Board in June 2000 and most recently amended in February 2004, a copy of which is attached to the proxy materials as Appendix A.

The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities with respect to matters involving the accounting, financial reporting and internal control functions of the Company. The Audit Committee has sole authority to select the Company's independent accountants.

Management is responsible for preparing the Company's financial statements so that they comply with generally accepted accounting principles and fairly present the Company's financial condition, results of operations and cash flows; issuing financial reports that comply with the requirements of the SEC; and establishing and maintaining adequate internal control structures and procedures for financial reporting. The Committee's responsibility is to monitor and oversee these processes.

In this context, the Committee has reviewed and discussed the audited financial statements with management and the independent accountants. The Committee also has discussed with the independent accountants the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees), as currently in effect.

The Company's independent accountants also provided to the Committee the written disclosures and letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), as currently in effect, and the Committee has discussed with the independent accountants that firm's independence. The Committee has considered whether the independent accountants' provision of non-audit services is compatible with maintaining the independence of the accountants.

Based on the above discussions and review with management and the independent accountants, the Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2003 for filing with the SEC.

Respectfully submitted by the Audit Committee of the Board of Directors:

Alain G. Blanchard
Robert J. Clark
John J. Ryan III, Chairman

BUSINESS EXPERIENCE OF OTHER EXECUTIVE OFFICERS

The following provides certain information concerning the executive officers of the Company who are not also directors:

Kevin R. Collins Executive Vice President Finance, Chief Financial Officer, Treasurer and Secretary

Mr. Collins, age 47, was named Executive Vice President in March 2003 and has served as Evergreen's Vice President, Chief Financial Officer and Treasurer since June 1995 and as Secretary since 1999. He has over 13 years of public accounting experience. Mr. Collins received a Bachelor of Science degree in business administration and accounting from the University of Arizona, and, before joining Evergreen, was employed by BDO Seidman, LLP, where he was a senior manager. Mr. Collins is currently the vice president of the Colorado Oil & Gas Association.

J. Scott Zimmerman Vice President Operations and Engineering

Mr. Zimmerman, age 47, joined Evergreen in January 2003. From 1982 until January 2003, Mr. Zimmerman was employed by JM Huber Corp., which specializes in coal bed methane exploration and development in the Rocky Mountain Region and where he most recently served as Vice President Energy Sector. Prior to joining Huber, Mr. Zimmerman was a Production Engineer and Reservoir Engineer with Amoco Production Company. Mr. Zimmerman received a Bachelor of Science degree in petroleum engineering from Texas Tech University in 1979. He is a member of the Society of Petroleum Engineers.

Each officer of the Company holds office until his successor is duly elected and qualified or until his earlier death, resignation or removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors if in its judgment it is in the best interests of the Company.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following information is furnished for the years ended December 31, 2003, 2002 and 2001, for the Company's Chief Executive Officer and the three other executive officers of the Company whose salary and bonus exceeded $100,000 during 2003 (as defined above, the "Named Executive Officers").

		Annual Compensation		Long Term Compensation Awards		
Name and Principal Position	**Year**	**Salary ($)**	**Bonus ($)**	**Value of Restricted Stock ($)**	**Securities Underlying Options (#)(3)**	**All Other Compensation ($)(4)**
Mark S. Sexton	2003	325,000	400,000	917,600(1)		18,250
President and Chief Executive Officer	2002	325,000	375,000			15,808
	2001	250,000	375,000		100,000	14,827
Dennis R. Carlton	2003	275,000	375,000	917,600(1)		18,372
Executive Vice President	2002	275,000	375,000			9,883
Exploration and Chief	2001	215,000	275,000		100,000	8,614
Operating Officer						
Kevin R. Collins	2003	250,000	300,000	917,600(1)		15,579
Executive Vice President Finance,	2002	225,000	225,000			8,629
Chief Financial Officer, Treasurer	2001	175,000	175,000		100,000	7,229
and Secretary						
J. Scott Zimmerman	2003	137,500	32,500	429,200(2)		3,750
Vice President Operations and	2002					
Engineering	2001					

(1) The value of the restricted stock reported in this column as determined using the April 1, 2003 grant date closing price of $22.95 per share for the Common Stock as reported by the NYSE. The restricted stock grants will vest in four equal installments on April 1 of 2004, 2005, 2006 and 2007, provided that each Named Executive Officer remains an employee of the Company.

(2) The value of the restricted stock reported in this column as determined using the February 3, 2003 grant date closing price of $21.46 per share for the Common Stock as reported by the NYSE. The restricted stock grants vest in four equal installments on February 3 of 2004, 2005, 2006 and 2007, provided that each Named Executive Officer remains an employee of the Company.

(3) As adjusted to reflect the Company's two-for-one stock split on September 16, 2003.

(4) Amounts for 2003 include the dollar value of contributions made by the Company to the account of each Named Executive Officer under the Company's 401(k) plan as follows: Mr. Sexton, $12,000; Mr. Carlton, $13,083; Mr. Collins, $11,250; and Mr. Zimmerman, $3,750. The balance of the amounts for 2003 represent amounts paid for untaken leave for each Named Executive Officer.

The following table sets forth information with respect to the Named Executive Officers concerning options exercised during 2003 and the value of unexercised options held as of the end of the last fiscal year (as adjusted to reflect the Company's two-for-one stock split on September 16, 2003).

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values

Name	Shares Acquired on Exercise (#)	Value Realized ($)(1)	Number of Securities Underlying Unexercised Options at December 31, 2003 (#)		Value of Unexercised In-the-Money Options at December 31, 2003 ($)(2)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Mark S. Sexton President and Chief Executive Officer	81,384	$ 1,737,426	444,578	101,500	$ 10,347,849	$ 1,812,390
Dennis R. Carlton Executive Vice President Exploration and Chief Operating Officer	214,464	$ 4,632,707	301,500	101,500	$ 6,430,328	$ 1,812,390
Kevin R. Collins Executive Vice President Finance, Chief Financial Officer, Treasurer and Secretary	58,000	$ 1,207,329	385,000	95,000	$ 8,620,850	$ 1,661,200
J. Scott Zimmerman Vice President Operations and Engineering	0	0	0	0	0	0

(1) Value realized represents the difference between the fair market value of the Common Stock on the date of exercise and the option exercise price.

(2) Value represents the difference between the closing price of the Common Stock on December 31, 2003 ($32.51) and the option exercise price.

There were no option grants to the Named Executive Officers in 2003.

EQUITY COMPENSATION PLAN INFORMATION

The following table summarizes information as of December 31, 2003, relating to the Company's equity compensation plans, under which grants of stock options, restricted stock and other rights to acquire shares of Common Stock may be granted from time to time (as adjusted to reflect the Company's two-for-one stock split on September 16, 2003).

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (A)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) (1) (C)

Equity compensation plans approved by security holders(2)	2,226,144	12.87	1,129,344
Equity compensation plans not approved by security holders(3)	89,284	11.31	23,687
Total	2,315,428	12.81	1,153,031

(1) The 2000 Stock Incentive Plan includes an "evergreen" or "replenishment" formula that provides that the number of shares authorized for issuance may be increased each year by the lesser of either 300,000 shares or an amount determined by the Board of Directors. The shares shown in column (C) may be the subject of awards other than options, warrants or rights granted under the 2000 Stock Incentive Plan.

(2) Includes the Company's Key Employee Equity Plan, Initial Stock Option Plan and 2000 Stock Incentive Plan.

(3) Includes the Carbon Energy Corporation 1999 Stock Option Plan, as amended (the "Carbon Plan"), the outstanding awards of which were assumed by Evergreen in connection with the acquisition of Carbon Energy Corporation (the "Merger") pursuant to that certain Agreement and Plan of Reorganization among Carbon Energy Corporation, Evergreen Resources, Inc. and Evergreen Merger Corporation, dated as of March 31, 2003 (the "Merger Agreement").

Carbon Plan

Under the terms of the Merger Agreement, Evergreen agreed to assume certain options granted under the Carbon Plan which were outstanding at the effective time of the Merger. Evergreen may, but is not obligated to, grant additional awards under the Carbon Plan in the future, subject to the terms of the Carbon Plan. Subsequent to October 29, 2003, options granted under the Carbon Plan are designated as nonqualified stock options unless otherwise permitted under the Carbon Plan.

Background

The effective date of the Carbon Plan was October 14, 1999, and will terminate on September 1, 2009 unless terminated sooner by the Board. Effective October 29, 2003, the Carbon Plan is administered by either the Board of Directors of the Company or by the Compensation Committee of the Company's Board of Directors, which is to consist of two or more non-employee directors. Subject to the terms of the Carbon Plan, the Carbon Plan Administrator (the Board of Directors or, if appointed by the Board of Directors to administer the Plan, the Compensation Committee) has the full and exclusive right to grant and determine the terms and conditions of all options granted under the Carbon Plan and to prescribe, amend and rescind rules for administration of the Carbon Plan.

Eligibility

Effective October 29, 2003, options may only be granted to eligible employees, directors and consultants of the Company and its subsidiaries, unless otherwise permitted under the Carbon Plan and applicable laws, rules and regulations.

Grants of Options

Pursuant to the Merger Agreement, each outstanding Carbon option was converted into an option (an "Evergreen option") to acquire shares of Common Stock. Based on the Merger exchange ratio of 0.55, Evergreen registered with the SEC 248,453 shares of Common Stock which may be issued under the Carbon Plan upon the exercise of such Evergreen options and options granted by Evergreen under the Carbon Plan in the future, if any. If an outstanding option under the Plan expires or for any reason ceases to be exercisable in whole or in part, other than upon exercise of the option, the shares which had been subject to the option but were not issued because the option was never exercised continue to be available under the Carbon Plan. Shares which may be issued under options may consist, in whole or in part, of authorized but unissued stock of

the Company not reserved for any other purpose. The Carbon Plan Administrator may from time to time in its discretion determine which eligible employees, directors and consultants, if any, should receive options in the future.

Option Price

The option price per share of Common Stock under each option is determined by the Carbon Plan Administrator and stated in the option agreement. The option price for nonqualified stock options granted under the Plan cannot be less than 85% of the fair market value (determined as of the date the option is granted) of the shares subject to the option, and the option price for incentive stock options granted under the Plan cannot be less than 100% of the fair market value (determined as of the date the option is granted) of the shares subject to the option; provided, however, that the option price for options assumed by the Company in the Merger were determined as set forth in the Merger Agreement.

Early Exercise

A participant's option agreement may, but need not, provide that the participant may elect to exercise all or any portion of the option prior to its vesting. Any shares purchased upon exercise of an unvested portion of the option will be subject to a right of repurchase in favor of the Company in accordance with the terms of an early exercise stock purchase agreement.

Exercise of Options

To exercise an option, in whole or in part, a participant must deliver written notice of exercise to the Secretary of the Company and satisfy the requirements set forth in the Carbon Plan. As soon as practicable after the participant has given the Company written notice of exercise of an option and has otherwise met the requirements described above, the Company will issue or transfer to the participant the number of shares of Common Stock as to which the option has been exercised and will deliver to the participant a certificate or certificates for those shares, registered in the participant's name.

Effective October 28, 2003, the date that the Carbon shareholders approved the Merger Agreement, all outstanding options to purchase Carbon common stock under the Carbon Plan became immediately exercisable in full.

Expiration, Transfer and Termination of Options

Each option expires on the date set forth in the relevant option agreement, unless it expires earlier as a result of a termination of (1) employment of an employee, (2) a director's service as a member of the board of directors, or (3) a consultant's services, as applicable. Under the Carbon Plan, no option may be granted which may be exercised more than 10 years after the date it was granted.

Options may not be transferred other than by will or the laws of descent and distribution and are exercisable during the participant's lifetime only by the participant. Notwithstanding the foregoing, an option may be transferred by a participant solely to (1) members of the participant's immediate family (children, grandchildren, or spouse); (2) trusts for the benefit of such family members; or (3) partnerships where the only partners are such family members.

Effect of Termination of Employment

Subject to any limits in the applicable option agreement, and so long as a participant's notice of exercise is provided prior to the termination of the option, a participant shall be entitled to exercise his or her option upon termination of the participant's employment with the Company (other than upon death or disability) within three months after the date of a termination of employment other than for cause (as described below). Any vesting of an option will cease upon termination of employment, and the option will be exercisable only to the extent that it was exercisable on the date of termination. Any options not exercisable as of the date of termination, and any options or portions of options not exercised within the specified period, will terminate.

If a participant dies while employed by the Company, or within a period of three months after the termination of employment with the Company for a reason other than cause, the personal representatives of the participant's estate or the persons who have acquired the option from the participant by bequest or inheritance may exercise the option at any time within the year after the date of death but not later than the expiration date of the option. Any vesting of an option will cease upon termination of employment, and the option will be exercisable only to the extent that it was exercisable on the date of such termination. Any options not exercisable as of the date of termination, and options or portions of options not exercised within the specified period, will terminate.

Upon termination of a participant's employment with the Company by reason of the participant's disability (within the meaning of Section 22(e)(3) of the Code), the participant may exercise the option at any time within one year after the date of termination but not later than the expiration date of the option. Any vesting of an option will cease upon termination of employment, and the option will be exercisable only to the extent that it was exercisable on the date of such termination. Any options not exercisable as of the date of termination, and options or portions of options not exercised within the specified period, will terminate.

Notwithstanding anything in the Carbon Plan to the contrary, options granted to a participant will terminate immediately if the participant breaches any obligation under a covenant not to compete with the Company.

Certain U.S. Federal Income Tax Consequences

There will be no federal income tax consequences to the participant or the Company when a nonqualified stock option is granted provided the option does not have a readily ascertainable fair market value. However, upon exercise of a nonqualified stock option, the difference between the fair market value of the stock on the date of exercise and the option price will constitute taxable ordinary income to the participant in the year of exercise or, if the stock is subject to restrictions, when the restrictions lapse (*i.e.*, when the stock is transferable or no longer subject to a substantial risk of forfeiture). The Company generally will be entitled to a deduction in the same year in an amount equal

to the income taxable to the participant. The participant's basis in shares of Common Stock acquired upon exercise of an option will equal the option price plus the amount of taxable income recognized by the participant at the time of exercise. Any subsequent disposition of the stock by the participant will be treated as a capital gain or loss to the participant. If the participant has held the stock for one year or less at the time of sale, the gain or loss realized from the sale will be short-term capital gain or loss and taxed accordingly. On the other hand, if the participant has held the stock for more than one year at the time of sale, the gain or loss will be a long-term capital gain or loss and will be taxed as such.

Incentive stock options granted under the Carbon Plan are intended to qualify as incentive stock options under Section 422 of the Code. Under Section 422, the grant and exercise of an incentive stock option generally will not result in taxable income to the participant (with the possible exception of alternative minimum tax liability) if the participant does not dispose of shares received upon exercise of such option less than one year after the date of exercise and two years after the date of grant, and if the participant has continuously been an employee of the Company from the date of grant to three months before the date of exercise (or 12 months in the event of death or disability). However, the excess of the fair market value of the shares received upon exercise of the incentive stock option over the option price for such shares generally will constitute an item of adjustment in computing the participant's alternative minimum taxable income for the year of exercise. Thus, certain participants may incur federal income tax liability as a result of the exercise of an incentive stock option under the alternative minimum tax rules of the Code.

If permitted by the Carbon Plan

6.89

2005

First Quarter

$

14.90

$

7.90

Second Quarter

12.10

8.40

Third Quarter

13.90

8.40

Fourth Quarter

11.10

8.50

2004

First Quarter

$

5.60

$

3.20

Second Quarter

5.60

3.30

Third Quarter

8.50

4.50

Fourth Quarter

9.40

6.60

The common stock is held by approximately 250 record owners.

USE OF PROCEEDS

There will be no proceeds to us from the sale of shares of common stock in this offering. However, we will receive proceeds from the sale of shares of common stock upon the exercise of any warrants. Any proceeds received upon exercise of warrants will be used for general working capital purposes.

SELLING SHAREHOLDERS

The selling shareholders may offer and sell, from time to time, any or all of the Shares. Because the selling shareholders may offer all or only some portion of the 1,508,402 Shares, no estimate can be given as to the amount or percentage of these Shares that will be held by the selling shareholders upon termination of the offering.

The following table sets forth the name and relationship with us, if any, of certain of the selling shareholders and (i) the maximum number of shares of common stock which may be offered for the account of the selling shareholders under this prospectus, (ii) the amount and percentage of common stock that would be owned by the selling shareholders after completion of the offering, assuming a sale of all of the common stock which may be offered hereunder and (iii) the number of shares of common stock beneficially owned by the selling shareholders as of the date of this prospectus. Except as otherwise noted below, the selling shareholders have not, within the past three years, had any position, office or other material relationship with us. Each selling shareholder identified below as an affiliate of a broker-dealer has confirmed to us that they purchased the securities included in this prospectus in the ordinary course of business and that at the time of purchase such shareholder had no agreements or understandings, directly or indirectly, with any party to distribute the securities

Beneficial ownership is determined under the rules of the Securities and Exchange Commission. The number of shares beneficially owned by a person includes shares of common stock subject to options, warrants and preferred stock held by that person that are currently convertible or exercisable or convertible or exercisable within 60 days of the date of this prospectus. The shares issuable under these securities are treated as if outstanding for computing the percentage ownership of the person holding these securities but are not treated as if outstanding for the purposes of computing the percentage ownership of any other person.

Name and Address of Selling Security Holder	**Total Shares Registered**	**Amount and % of Ownership**	**Total Shares Owned[1]**
Drawbridge Special Opportunities Fund, L.P [2, 3]	100,912	1,455	102,367
1251 Avenue of the Americas			
16th Floor		*	
New York, NY 10020			
D.B. Zwirn Special Opportunities Fund, L.P. [2, 4]	100,912	1,455	102,367
745 5th Avenue			
18th Floor		*	
New York, NY 10151			
Petro Capital Advisors[5, 6]	76,538	0	76,538
3838 Oak Lawn Ave., Suite 1775			
Dallas, TX 75201		*	

Petro Capital Holdings LLC [7]	30,000	0	30,000
c/o Jefferies & Co. Inc.			
Harborside Financial Center		*	
705 Plaza 3			
P.O. Box 469			
Jersey City, NJ 07311			
Virgil Waggoner[8]	653,572	921,333	1,574,905
6605 Cypresswood Drive, Suite 250			
Spring, TX 77379		22.30%	
Patrick Parker Scarbrough Building, 6th and Congress, 101 W. 6th St. Suite 610 Austin, TX 78701	59,714	4,500 *	64,214
Douglas Moreland 1655 East Layton Drive Englewood, CO 80100	93,000	8,078 *	101,078
XMen, LLC [9] 520 Lake Cook Road, Suite105 Deerfield, IL 60015	127,590	0 *	127,589
Bruce Goldstein 1934 Deercrest Lane Northbrook, IL 60062	7,714	300 *	8,014
Barry S. Cohn Revocable Trust [10] 2505 Astor Court Glenview, IL 60025	21,429	1,125 *	22,554
Bargus Partnership [11]	12,377	1,179	13,556
(Gus Schultes)664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
Schultes Family Partnership LP[12]	12,443	1,012	13,455

(Ed Schultes) 664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
Richard Schultes 664 South Evergreen Ave Woodbury Heights, NJ 08097	12,443	1,012 *	13,455
4-Sibs, LLC[13] 664 South Evergreen Ave Woodbury Heights, NJ 08097	12,443	1,012 *	13,455

William Jefferys	2,129	203	2,332
664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
John T. O Brien and Linda O Brien	2,529	203	2,732
(JTWROS)			
664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
Robert Collison	2,529	203	2,732
664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
David Hartman	2,529	204	2,733
664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
Jeffrey DeMatte	1,457	204	1,661
664 South Evergreen Ave Woodbury Heights, NJ 08097		*	
Edwin J. Hagerty[14] 13355 Noel Road, Suite 1400 Dallas, TX 75248	37,143	1,950	39,093
		*	
ST Advisory Corp./John E. Loehr[15] 16300 Addison Rd., Suite 300 Addison, TX 75001	27,000	750	27,750
		*	
Thomas R, Kaetzer[16] 480 N. Sam Houston Parkway, Suite 300 Houston, TX 77060	10,000	40,886	50,886
		1.85%	
Jim C. Bigham[17] 1051 Hatchell Lane	10,000	18,599	28,599
Denham Spring, LA. 70726		*	

Marshall A. Smith III[18] 480 N. Sam Houston Parkway, Suite 300 Houston, TX 77060	27,000	59,371	86,371
Steven M. Morris P.O. Box 941828 Houston, TX 77094	50,000	1.43% 0 *	50,000

John Kruljac[19] 8873 E. Bayou Gulch Road Parker, CO 80134	2,000	0 *	2,000
USGT Investors [20] 1845 Woodall Rodgers, Suite 1700 Dallas, TX 75201	3,000	0 *	3,000

* 1% or less
1 Includes shares registered hereunder.
2 The selling shareholder is a former lender.
3 Mr. Constantine Dakolias makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
4 Mr. Daniel Zwirn makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
5 The selling shareholder is a former investment advisor and affiliated with Petro Capital Securities, LLC, a registered broker-dealer.
6 Mr. Tracy Turner makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
7 The selling shareholder is affiliated with Petro Capital Securities, LLC, a registered broker-dealer. Mr. Rosser Newton makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
8 Mr. Waggoner is a former director of the Company.
9 Mr. James Schneider makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
10 Mr. Barry S. Cohn makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
11 Mr. Gus Schultes makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
12 Mr. Ed Schultes makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
13 Mr. Ed Schultes makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.
14 The selling shareholder is affiliated with Petro Capital Securities, LLC, a registered broker-dealer.
15 Mr. Loehr is a former director and officer of the Company. Reflects 27,000 shares issuable to Mr. Loehr pursuant to immediately exercisable warrants and 20,000 shares issued upon exchange of preferred stock held by ST Advisory Corp. ST Advisory Corp. is owned by John E. Loehr who makes voting and investment decisions with respect to the securities that may be resold by such entity.
16 Mr. Kaetzer is a former Senior Vice President of Operations of the Company.
17 Mr. Bigham is a former Vice President and Secretary of the Company.
18 Mr. Smith was a director of the Company.
19 The selling shareholder is affiliated with Bathgate Capital Partners, a registered broker-dealer.
20 Mr. Robert Bachman makes voting and investment decisions with respect to the securities that may be resold by the selling shareholder.

PLAN OF DISTRIBUTION

The selling shareholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling shareholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell all or a portion of the shares of common stock on any market upon which the common stock may be quoted (currently the OTC Bulletin Board), in privately negotiated transactions or otherwise. Such sales may be at fixed prices prevailing at the time of sale, at prices related to the market prices or at negotiated prices. The shares of common stock being offered by this prospectus may be sold by the selling shareholders using one or more of the following methods, without limitation:

(a) block trades in which the broker or dealer so engaged will attempt to sell the shares of common stock as agent but may position and resell a portion of the block as principal to facilitate the transaction;
(b) purchases by a broker or dealer as principal and resale by the broker or dealer for its account pursuant to this prospectus;
(c) an exchange distribution in accordance with the rules of the applicable exchange;
(d) ordinary brokerage transactions and transactions in which the broker solicits purchasers;
(e) privately negotiated transactions;
(f) market sales (both long and short to the extent permitted under the federal securities laws);
(g) at the market to or through market makers or into an existing market for the shares;
(h) through transactions in options, swaps or other derivatives (whether exchange listed or otherwise); and
(i) a combination of any aforementioned methods of sale.

The selling shareholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment or supplement to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933 amending the list of selling shareholders to include the pledgee, transferee or other successors-in-interest as selling shareholders under this prospectus. The selling shareholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors-in-interest will be the selling beneficial owners for purposes of this prospectus.

In effecting sales, brokers and dealers engaged by a selling shareholder may arrange for other brokers or dealers to participate. Brokers or dealers may receive commissions or discounts from the selling shareholder or, if any of the broker-dealers act as an agent for the purchaser of such shares, from the purchaser in amounts to be negotiated which are not expected to exceed those customary in the types of transactions involved. Broker-dealers may agree with a selling shareholder to sell a specified number of the shares of common stock at a stipulated price per share. Such an agreement may also require the broker-dealer to purchase as principal any unsold shares of common stock at the price required to fulfill

the broker-dealer commitment to the selling shareholder if such broker-dealer is unable to sell the shares on behalf of the selling shareholder. Broker-dealers who acquire shares of common stock as principal may thereafter resell the shares of common stock from time to time in transactions which may involve block transactions and sales to and through other broker-dealers, including transactions of the nature described above. Such sales by a broker-dealer could be at prices and on terms then prevailing at the time of sale, at prices related to the then-current market price or in negotiated transactions. In connection with such resales, the broker-dealer may pay to or receive from the purchasers of the shares commissions as described above.

A selling shareholder and any broker-dealers or agents that participate with that selling shareholder in the sale of the shares of common stock may be deemed to be underwriters within the meaning of the Securities Act of 1933, as amended, in connection with these sales. In that event, any commissions received by the broker-dealers or agents and any profit on the resale of the shares of common stock purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act of 1933, as amended.

In connection with the sale of our common stock or interests therein, the selling shareholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling shareholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling shareholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

To the extent required under the Securities Act of 1933, a prospectus supplement or, if appropriate, a post effective amendment to this registration statement will be filed, disclosing the name of any broker-dealers, the number of shares of common stock involved, the price at which the common stock is to be sold, the commissions paid or discounts or concessions allowed to such broker-dealers and, where applicable, that such broker-dealers did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus and other facts material to the transaction.

We and the selling shareholders will be subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations under it, including, without limitation, Rule 10b-5 and, insofar as a selling shareholder is a distribution participant and we, under certain circumstances, may be a distribution participant, under Regulation M. All of the foregoing may affect the marketability of the common stock.

All expenses of the registration statement including, but not limited to, legal, accounting, printing and mailing fees are and will be borne by us. Any commissions, discounts or other fees payable to brokers or dealers in connection with any sale of the shares of common stock will be borne by the selling shareholder, the purchasers participating in such transaction, or both. We have agreed to indemnify certain of the selling shareholders against liabilities, including liabilities under the Securities Act of 1933, relating to the registration of the shares offered by this prospectus.

Any shares of common stock covered by this prospectus that qualify for sale pursuant to Rule 144 under the Securities Act of 1933, as amended, may be sold under Rule 144 rather than pursuant to this prospectus.

CERTAIN RELATIONSHIPS AND

RELATED TRANSACTIONS

On February 28, 2005, OCM GW Holdings purchased 81,000 shares of Series G Preferred Stock and 2,000 shares of Series A Preferred Stock for $42 million. In addition, on May 17, 2005, we executed a promissory note for the benefit of OCM GW Holdings, in the principal amount of $1 million, payable on the earlier of July 17, 2005 and the day on which we are able to make draws under a credit facility under which greater than $1 million may be borrowed. Interest on the unpaid principal accrued at 4.59% per annum. We repaid the note in full on July 19, 2005 from borrowings under our new $100 million senior secured revolving credit facility. Skardon F. Baker, a director, is a vice president of and B. James Ford, also a director, is a managing director of Oaktree Capital Management, LLC, the ultimate parent of OCM GW Holdings.

In connection with our April 2004 financing, J. Virgil Waggoner, a former director and beneficial owner of over 5% of our common stock, and Star-Tex Trading Co., an entity managed by John E. Loehr, an officer and a director at the time, purchased 3,000 shares and 200 shares, respectively, of Series A Preferred Stock at a price of $500 per share. The shares of common stock underlying such Series A and Series H Preferred Stock (which the Series A Preferred Stock was exchanged for) are included in this prospectus. On November 6, 2002, Mr. J. Virgil Waggoner, a director, provided us a loan in the initial amount of $1,200,000, which was subsequently increased to a total of $1,500,000, which was outstanding at February 28, 2005. We issued Mr. Waggoner a promissory note with interest at the prime rate (prime rate 4.0% at May 26, 2004), secured by common stock of our of wholly-owned subsidiary, DutchWest Oil Company. Mr. Waggoner also received warrants to purchase approximately 63,000 shares of our common stock at an exercise price of $7.50 per share. Those underlying shares are included in this prospectus. The note with accrued interest was paid off in connection with the February 2005 offering, for a total payment amount of $1,727,655.

In December 2001, the Company and Summit Investment Group Texas L.L.C., entered into an agreement (the Summit Agreement) relating to the development of oil and gas properties in several counties in Texas. On March 5, 2004, we entered into an Option Agreement for the Purchase of Oil and Gas Leases (the Addison Agreement) with W. L. Addison Investments L.L.C., a private company owned by Mr. J. Virgil Waggoner and Mr. John E. Loehr, two of our former directors (Addison). Under the Addison Agreement, Addison agreed to pay Summit, on our behalf, the non-recouped and outstanding advanced funds under the agreement amounting to $1,200,000, thereby retiring the Summit Agreement except for certain surviving obligations with respect to areas of mutual interest and lease bank agreements expiring in 2008 and Summit retained the right to participate up to a 25% working interest in the drilling of any wells on the leases acquired by Addison. For consideration of such payment, Addison acquired certain oil and gas leases and wellbores from Summit but agreed to grant us a 180-day redemption option (which was extended by mutual consent on July 15, 2004) to purchase the same for $1,200,000, plus interest at the prime rate plus 2%. In substitution for an account payable to Summit, we granted Addison a promissory note for $600,000, with interest at the prime rate plus 2%. The Addison promissory note would be considered paid in full if we exercised the redemption option by paying the $1,200,000, plus interest. We exercised the redemption option and Addison received $1,275,353 at the closing of the February 2005 offering and waived its rights under the agreement to retain up to a 25% working interest under the leases.

As part of the April 2004 refinancing, a former lender agreed to return all 2,000 shares of our Series F Preferred Stock held by it. Rather than receive the shares as treasury shares (which would have meant cancellation of the series) at our request the former lender transferred 400 of the shares to ST Advisory Corp., an entity owned by John E. Loehr, our former Chief Executive Officer and also a former director, 400 of the shares to a financial advisor to the Company, and 200 of the shares to Thomas R.

Kaetzer, our President and a director at that time and 1,000 shares to Intermarket Management LLC, an entity partially owned by M. Scott Manolis, one of our directors at that time. These transfers were to compensate Mr. Kaetzer, the financial advisor and the entities controlled by Mr. Loehr and Mr. Manolis for service to the Company. The shares of common stock underlying such shares of Series F Preferred Stock are included in this prospectus.

As part of the closing of the February 2005 offering, the investor and the Company agreed to pay certain legal, accounting and other due diligence costs and, also certain closing fees which totaled approximately $3.75 million. Of this certain related parties received the following fees: OCM GW Holdings, LLC $1,000,000; Intermarket Management LLC $500,000 (Mr. Manolis, one of our directors at the time, is an owner of Intermarket Management); Mr. Allan D. Keel $300,000 (which was used to invest in the subject offering). In January 2005, Allan D. Keel and another individual lent an aggregate of $200,000, $120,000 of which is attributable to Mr. Keel, to the Company, which was repaid in full out of the proceeds of the sale of the Series G Preferred Stock described above. Mr. Keel received warrants to purchase approximately 3,000 shares of Common Stock at $0.10 a share in connection with this transaction.

Gregory P. Pipkin, a former shareholder of Core, which was acquired by us in March 2006 pursuant to a merger of Core into one of our wholly owned subsidiaries, received as a result of the merger (directly and through an entity of which he is the sole member) approximately 285,000 shares of our common stock and approximately $600,000 in cash, in addition to approximately 46,000 shares issued by us for an overriding royalty interest. Of the $2,045,258 of Core indebtedness paid off at closing, approximately $1.8 million was attributable to Mr. Pipkin. As a result of the transaction (in which the Core shareholders were also granted limited piggyback registration rights) Mr. Pipkin became a beneficial holder of over 5% of our common stock. Mr. Pipkin s brother, Richard K. Pipkin, received approximately 13,000 shares of our common stock and $28,000 in cash, and approximately $81,000 of indebtedness paid off at closing was attributable to him. See Recent Transactions Core Merger for a summary of the transaction. The acquisition was negotiated by our executive officers and we believe was on an arms length basis. The acquisition price paid by us was based primarily on, and comparable to, prevailing market prices at the time of the acquisition for mineral interests in the area in which the interests are located. Based on publicly available information, we believe the leases held by Core were acquired by it or its affiliates for approximately $2.6 million, including the overriding royalty interest. Although significantly less than the price for which the property was sold to us, we believe the lower price to Core and its affiliates was the result of lower prevailing prices at the time Core or its affiliates acquired their interests, in addition to special favorable circumstances at the time of acquisition that permitted them to acquire the interests at below market price.

DESCRIPTION OF SECURITIES

General

The following descriptions are summaries of material terms of our common stock, preferred stock, certificate of incorporation and bylaws. This summary is qualified by reference to our certificate of incorporation, bylaws and the designations of our preferred stock, which have been previously filed as exhibits to our public filings with the Securities and Exchange Commission, and by the provisions of applicable law.

We are authorized to issue 200 million shares of common stock, par value $.001 per share. As of November 15, 2006, there were 3,356,918 shares of our sole class of common stock issued and outstanding and held by approximately 250 record owners. On an as converted basis, if all of the common stock underlying our various convertible and derivative securities, including warrants and granted employee stock options, outstanding at November15, 2006 is issued by us, the number of our outstanding shares of common stock will increase to approximately 9.94 million shares.

Our common stock is traded over-the-counter (OTC) under the symbol CXPO . Fidelity Transfer Company, 1800 South West Temple, Suite 301, Box 53, Salt Lake City, Utah 84115, (801) 484-7222 is the transfer agent for the common stock.

Our Common Stock

The holders of our common stock are entitled, among other things, to one vote per share on each matter submitted to a vote of shareholders and, in the event of liquidation, to share ratably in the distribution of assets remaining after payment of liabilities (including preferential distribution and dividend rights of holders of preferred stock). The common stock does not have cumulative voting rights. The holders of the outstanding shares of the common stock, voting with the holders of the Series H Preferred Stock on an as converted basis, elect, by plurality vote, all of the directors not entitled to be elected by holders of the Series G Preferred Stock voting as a class, who are entitled to elect a majority of our Board of Directors.

Holders of common stock have no preemptive or other rights to subscribe for shares. Holders of common stock are entitled to such dividends as may be declared by the Board out of funds legally available therefor. We have never paid cash dividends on the common stock and do not anticipate paying any cash dividends in the foreseeable future. As described below, the terms of our preferred stock may limit our ability to declare and pay dividends on the common stock.

Our Preferred Stock

Our board of directors is authorized, without further shareholder action, to issue preferred stock in one or more series and to designate the dividend rate, voting rights and other rights, preferences and restrictions of each such series.

As of November 15, 2006, there were 103,230 shares of preferred stock, par value $0.01 per share, issued and outstanding in four series, including 8,000 shares of Series D Preferred Stock (the Series D Preferred Stock), 9,000 shares of Cumulative Convertible Preferred Stock, Series E (the Series E Preferred Stock), 81,000 shares of Series G Convertible Preferred Stock (the Series G Preferred Stock) and 5,230 shares of Series H Preferred Stock (the Series H Preferred Stock ; collectively, Preferred Stock). The 8,000 shares of Series D Preferred Stock are held by a former director, as are the 9,000 shares of Series E Preferred Stock. The 81,000 shares of Series G Preferred

Stock are held by OCM GW Holdings, an officer, and 11 other investors. The 5,230 shares of Series H Preferred Stock are held by 11 parties including 3,000 shares by a former director and 2,000 shares by OCM GW Holdings. Our preferred stock is senior to our common stock regarding liquidation. All of our Series F Preferred Stock and GulfWest Oil & Gas Company s Series A Preferred Stock has either converted to or been exchanged for common stock or, in the case of the Series A Preferred Stock exchanged for Series H Preferred Stock.

The Series D Preferred Stock does not have voting rights except as required by law, is not entitled to dividends, nor is it redeemable. However it is convertible to common stock at any time. None of the 8,000 outstanding shares of Series D Preferred Stock has been converted. On a fully converted basis, the 8,000 shares of Series D Preferred Stock would convert to 50,000 shares of common stock. The Series D Preferred Stock is of equal priority with the Series E Preferred Stock as to liquidation, and has a $500 per share liquidation value.

The Series E Preferred Stock is entitled to receive cumulative dividends at the rate of 6% per year, expressed as a percentage of the stock s $500 liquidation value plus accrued and unpaid dividends, payable quarterly. Except as permitted in the certificate of designation for the Series E Preferred Stock, dividends may not be paid on the common stock or other junior stock unless dividends on the Series E Preferred Stock have been paid. Dividends on the Series E Preferred Stock will accrue but not be paid until March 31, 2009, at which time we will commence quarterly dividend payments. Deferred dividends on the Series E Preferred Stock may be paid to the extent the board of directors elects to do so or dividends on the Series G Preferred Stock are paid for a quarter. Accrued dividends on the Series E Preferred Stock may be converted to common stock at a conversion price of $9.00. Accrued and unpaid deferred dividends are to be paid on liquidation or, at our option, with the consent of the holders affected, at any time.

The Series E Preferred Stock is redeemable in whole or in part at any time, at our option, at a price of $500 per share, plus all accrued and undeclared or unpaid dividends; except that, prior to our redemption, the holders of record shall be given a 60-day written notice of our intent to redeem and the opportunity to convert the Series E Preferred Stock to common stock. The conversion price for the Series E Preferred Stock is based on $20.00 per share of common stock, except with respect to accrued dividends described above. Upon a change of control, the Series E Preferred Stock is redeemable at the holder s election at the same redemption price, provided that holders may convert their shares to common stock prior to the redemption date. The Series E Preferred Stock automatically converts to common stock to the extent OCM GW Holdings and its affiliates convert their shares of Series G Preferred Stock. The consent of a majority of the Series E Preferred Stock is required to amend, alter, waive or repeal our charter or bylaws, if the result would adversely affect the Series E Preferred Stock, or to increase the number of directors above nine. None of the 9,000 outstanding shares of Series E Preferred Stock has been redeemed or converted. On a fully converted basis, the 9,000 shares of Series E Preferred Stock would convert to 225,000 shares of common stock, or approximately 272,590 shares, including dividends accrued to the last dividend payment date.

The Series G Preferred Stock ranks senior to all outstanding classes of capital stock. The Series G Preferred Stock provides for an 8% cumulative cash dividend, expressed as a percentage of the stock s $500 liquidation value plus accrued and unpaid dividends, which will accrue but not be paid until the dividend owing April 1, 2009 is required to be paid, at which time we will commence quarterly dividend payments. Deferred dividends may be paid to the extent the board of directors elects to do so. Accrued dividends on the Series G Preferred Stock may be converted to common stock at a conversion price of $9.00. Accrued and unpaid deferred dividends are to be paid on liquidation or, at our option, with the consent of the holders affected, at any time. The Series G Preferred Stock may be redeemed by us after February 28, 2009 if a share of the underlying common stock trades at a price greater than then current (as

adjusted) conversion price for 30 consecutive trading days, at a price per share of Series G Preferred Stock equal to $500 plus accrued and unpaid dividends. In addition, we may be required to redeem the Series G Preferred Stock upon a change of control or if requested by a majority of holders if we breach the document governing the Series G Preferred Stock or if OCM GW Holdings and its affiliates suffer more than $3 million in damages arising from our breaches of covenants, representations or warranties under the Series G Preferred Stock subscription agreement or Shareholders Rights Agreement between us and OCM GW Holdings, provided that holders may convert their shares to common stock prior to the redemption date. If a dividend, other than a common stock dividend, is declared on our common stock we will be required to declare a similar distribution with respect to shares of Series G Preferred Stock on an as-converted basis. The consent of a majority of the Series G Preferred Stock is required to pay a dividend or make a distribution on or make any other payment with respect to the capital stock of the company, except as permitted in the certificate of designation for the Series G Preferred Stock, or to effect a change in control. In addition, the consent of the majority of the Series G preferred Stock is required to issue senior stock or parity stock or to amend, modify or repeal the Series G certificate of designation or any other preferred stock certificate of designation, or the charter or bylaws if the result could reasonably be expected to adversely affect the Series G Preferred Stock. On a fully converted basis, the 81,000 shares of Series G Preferred Stock would convert to approximately 4,500,000 shares of common stock, or approximately 5,071,079 shares, including dividends accrued up to the last dividend payment date.

The Series H Preferred Stock is convertible into common stock at a conversion price of $3.50 a share and ranks junior to the Series G Preferred Stock as to dividends and liquidation but senior to all other outstanding classes of preferred stock of the Company. Holders of the Series H Preferred Stock are entitled to cumulative quarterly dividends of one share of common stock per share of Series H Preferred Stock, or four shares of common stock annually per share of Series H Preferred Stock. The Series H Preferred Stock may be redeemed by us if we elect to redeem the Series G Preferred Stock, at a price per share of $500, the amount each share is entitled to upon liquidation, provided that holders may convert their shares to common stock prior to the redemption date. The Series H Preferred Stock automatically converts to common stock to the extent OCM GW Holdings and its affiliates convert their Series G Preferred Stock. The consent of a majority of the Series H Preferred Stock is required to amend, modify or repeal the certificate of designation for the Series H Preferred Stock, or the charter if the result could reasonably be expected to adversely affect the Series H Preferred Stock. In addition, the consent of a majority of the Series H Preferred Stock is required to pay a dividend or make a distribution on or make any other payment with respect to our capital stock, except as permitted in the certificate of designation for the Series H Preferred Stock. On a fully converted basis, the 5,230 shares of Series H Preferred Stock would convert into approximately 750,000 shares of common stock.

Holders of both the Series G Preferred Stock and Series H Preferred Stock vote on an as-converted basis with the holders of the common stock. The Series G Preferred Stock, voting as a class, has the right to elect a majority of our board. The Series E Preferred Stock has the right to appoint two additional directors in the event of two or more dividend defaults or our insolvency or similar events. The conversion rights of each series of preferred stock are subject to anti-dilution adjustments set forth in the certificate of designation for each series.

Outstanding Options and Warrants

At November 15 , 2006, we had outstanding warrants and options for the purchase of 2,394,800 shares of common stock at prices ranging from $0.10 to $18.10 per share, including employee stock options to purchase 2,327,000 shares at prices ranging from $4.50 to $18.10 per share. If we issue additional shares, the existing shareholders percentage ownership of the Company may be further diluted.

Anti-Takeover Effects of Delaware Laws and Our Charter and Bylaws Provisions

Certificate of Incorporation and Bylaws. Certain provisions in our Certificate of Incorporation and Bylaws summarized below may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a shareholder might consider to be in its best interests, including attempts that might result in a premium being paid over the market price for the shares held by shareholders.

Our Certificate of Incorporation and Bylaws contain provisions that (unless, as a general matter, a preferred stock designation provides otherwise for that series of preferred stock):

- permit us to issue, without any further vote or action by the shareholders, additional shares of preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting powers (if any) of the shares of the series, and the preferences and relative, participating, optional and other special rights, if any, and any qualification, limitations or restrictions, of the shares of such series;
- require special meetings of the shareholders to be called by the Chairman of the Board, the Chief Executive Officer, the President or by resolution of a majority of the Board;
- require business at special meetings to be limited to the stated purpose or purposes of that meeting;
- require that shareholder action be taken at a meeting rather than by written consent, unless approved by our board of directors;
- require that shareholders follow certain procedures, including advance notice procedures, to bring certain matters before an annual meeting or to nominate a director for election; and
- permit directors to fill vacancies in our Board of Directors.

The foregoing provisions of our Certificate of Incorporation and Bylaws could discourage potential acquisition proposals and could delay or prevent a change in control. These provisions are intended to enhance the likelihood of continuity and stability in the composition of the board of directors and in the policies formulated by the board of directors and to discourage certain types of transactions that may involve an actual or threatened change of control. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our common stock that could result form actual or rumored takeover attempts. Such provisions also may have the effect of preventing changes in our management.

Limitation on Liability of Directors

Section 145 of the Delaware General Corporation Law permits us to indemnify directors, officers, employees or agents, or persons serving in such capacity at our request at another entity, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred, other than an action by or in the right of the company, to which such director, officer, employee or agent may be a party, provided such person shall have acted in good faith and shall have reasonably

believed that his conduct was in or not opposed to our best interests and, in the case of a criminal proceeding, that he had no reasonable cause to believe his conduct was unlawful. In connection with an action by or in the right of the company against a director, officer, employee or agent, we have the power to indemnify such director, officer, employee or agent for actual and reasonable expenses (including attorneys fees) incurred in connection with the defense or settlement of such suit (a) if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interest, and (b) if found liable to us only if ordered by a court of law. Section 145 provides that such section is not exclusive of any other indemnification rights granted by us to directors, officers, employees or agents. The Delaware General Corporation Law provides for mandatory indemnification of directors and officers where such director or officer is successful on the merits in the types of proceedings discussed above.

Our Certificate of Incorporation and Bylaws provide for mandatory indemnification of directors to the fullest extent authorized or permitted by applicable law. The right to indemnification is a contract right and includes the right to be paid by us the expenses incurred in defending any such proceeding in advance of its final disposition. Our Bylaws provide that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by a director in his capacity as a director or officer may be made only upon delivery to us of an undertaking to repay all advanced amounts if it is ultimately determined by final nonappealable judicial decision that such person is not entitled to be indemnified for those expenses. Such provisions may have the effect of preventing changes in our management.

Our Certificate of Incorporation also contains a provision eliminating the liability of a director to us or our shareholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted by the Delaware General Corporation Law. The inclusion of these provisions in our Certificate of Incorporation may have the effect of reducing the likelihood of derivative litigation against directors and may discourage or deter shareholders or management from bringing lawsuits against directors for breach of their duty of care, even though such an action, if successful, might otherwise have benefited us and our shareholders.

Additionally, we have entered into director indemnification agreements with all of our directors and our executive officers named in this prospectus providing for indemnification and advancement of expenses in connection with legal proceedings. We also maintain directors and officers liability insurance for our officers and directors.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

INCORPORATION OF DOCUMENTS BY REFERENCE

The Securities and Exchange Commission allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. We incorporate by reference the documents listed below.

Our Annual Report on Form 10-K for the year ended December 31, 2005, filed March 31, 2006, as amended on Form 10-K/A on April 27, 2006, on June 9, 2006 and on July 18, 2006
Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, filed May 16, 2006, as amended on Form 10-Q/A on July 18, 2006

Our Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed August 14, 2006

Our Quarterly Report on Form 10-Q for the quarter ended September 30, 2006, filed November 14, 2006

Our Current Report on Form 8-K filed October 13, 2006

Our Current Report on Form 8-K filed September 21, 2006

Our Current Report on Form 8-K filed September 7, 2006

Our Current Report on Form 8-K filed June 9, 2006

Our Current Report on Form 8-K filed March 27, 2006

Our Current Report on Form 8-K filed March 21, 2006

Our Preliminary Information Statement on Schedule 14C filed August 7, 2006

Our Definitive Information Statement on Schedule 14C filed August 18, 2006

Our Definitive Proxy Statement on Schedule 14A filed April 12, 2006

Our Registration Statement on Form 8-A/A filed July 26, 2005, including any amendment or report filed for the purpose of updating such description

A copy of these filings will be provided at no cost to each person, including any beneficial owner, to whom a prospectus is delivered, upon request by writing or orally to E. Joseph Grady, Senior Vice President and Chief Financial Officer, at the following address: Crimson Exploration Inc., 480 N. Sam Houston Parkway, Suite 300, Houston, Texas 77060, telephone number (281) 820-1919. These filings may also be accessed on our web site, the address of which is www.crimsonexploration.com.

You should rely only on the information incorporated by reference or provided in this prospectus or any supplement. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus or any supplement is accurate as of any date other than the date on the front of those documents.

LEGAL MATTERS

The validity of the securities offered by this prospectus have been passed upon for us by Akin Gump Strauss Hauer & Feld LLP, Houston, Texas.

EXPERTS

The financial statements and schedule of Crimson Exploration Inc. and subsidiaries as of December 31, 2005 and 2004 and for the years then ended incorporated by reference in this prospectus have been audited by Grant Thornton LLP, independent registered public accountants as indicated in their reports with respect thereto, and are incorporated herein in reliance upon the authority of said firm as experts in accounting and auditing in giving said reports. The consolidated statements of operations, stockholders equity and cash flows of Crimson Exploration Inc. and related financial statement schedule

for the year ended December 31, 2003 have been incorporated by reference in this prospectus in reliance upon the report of Weaver and Tidwell, L.L.P., independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

CRIMSON EXPLORATION INC.

1,498,403 Shares

Common Stock

, 2006

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the expenses to be paid by the Company in connection with the offering described in this Registration Statement. All amounts are estimates, except the Securities and Exchange Commission Registration Fee.

SEC Registration Fee*	$ 924
Legal Fees and Expenses	40,000
Accounting Fees and Expenses	20,000
Miscellaneous	4,076
Total	$ 65,000

*The registration fee was paid in connection with the initial filing of the registration statement. No additional fee is required in connection with this post-effective amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law permits the Registrant to indemnify directors, officers, employees or agents, or persons serving in such capacity at the Registrant s request at another entity, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred, other than an action by or in the right of the Registrant, to which such director, officer, employee or agent may be a party, provided such person shall have acted in good faith and shall have reasonably believed that his conduct was in or not opposed to the best interests of the Registrant and, in the case of a criminal proceeding, that he had no reasonable cause to believe his conduct was unlawful. In connection with an action by or in the right of the Registrant against a director, officer, employee or agent, the Registrant has the power to indemnify such director, officer, employee or agent for actual and reasonable expenses (including attorneys fees) incurred in connection with the defense or settlement of such suit (a) if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Registrant, and (b) if found liable to the Registrant, only if ordered by a court of law. Section 145 provides that such section is not exclusive of any other indemnification rights granted by the Registrant to directors, officers, employees or agents. The Delaware General Corporation law provides for mandatory indemnification of directors and officers where such director or officer is successful on the merits in the types of proceedings discussed above.

The Certificate of Incorporation and Bylaws of the Registrant provides for mandatory indemnification of directors to the fullest extent authorized or permitted by applicable law. The right to indemnification is a contract right and includes the right to be paid by the Registrant the expenses incurred in defending any such proceeding in advance of its final disposition. Our Bylaws provide that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by a director in his capacity as a director or officer of the Registrant may be made only upon delivery to the Registrant of an undertaking to repay all advanced amounts if it is ultimately determined by final nonappealable judicial decision that such person is not entitled to be indemnified for those expenses.

The Certificate of Incorporation of the Registrant also contains a provision eliminating the liability of a director to the Registrant or its stockholders for monetary damages for breach of fiduciary

duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted by the Delaware General Corporation Law.

The Registrant has obtained insurance on behalf of the Registrant and its directors and officers individually against certain liabilities. In addition, all of the Registrant s directors and executive officers have entered into director indemnification agreements with our predecessor providing for indemnification and advancement of expenses in connection with legal proceedings, and, furthermore, the terms of the agreements providing for the filing of this registration statement or inclusion of shares thereon by certain of the selling shareholders provide for cross-indemnification of the selling shareholders, on the one hand, and the Registrant, its directors and officers, on the other hand, for liabilities arising under the Securities Act of 1933 relating to this registration statement.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES; USE OF PROCEEDS FROM REGISTERED SECURITIES.

As shown in the table that follows, during 2003, 2004 and 2005, we sold preferred stock convertible to Common Stock, and also issued shares of Common Stock, not registered under the Securities Act of 1933, as amended, and exempt under Section 4(2) of the Act. Unless otherwise noted in this Item, we believe that other issuances described in this Item would be private placements exempt under Section 4(2) of the Act due to the nature of each transaction, representations and warranties of such investors and/or the relationship of such investors with us and their knowledge of the company, except for conversions and exchanges of outstanding securities with our security holders referred to below, which we believe are exempt from registration pursuant to Section 3(a)(9) of the Act. No underwriters were used, and no underwriting discounts or commissions were paid in connection with the sales.

Date	Security	Holder(s)	Shares/ Underlying Shares	Exercise/ Conversion Price	Consideration
06/12/03	Preferred Stock	Lender	100,000	$10.00	Loan Penalty
04/27/04	Preferred Stock	Accredited Investors	1,142,858	$ 3.50	$4,000,000
01/10/05	Warrants	Lenders	5,000	$ 0.10	$200,000 Loan
01/21/05	Common Stock	Lender Preferred Holders	2,910	N/A	Loan Extension
02/28/05	Preferred Stock	Accredited Investor	35,625	N/A	Settlement
2/28/05	Preferred Stock	Accredited Investor	4,500,000	$ 9.00	$40,500,000
	Stock	Investor	2,857,143	$ 3.50	$ 1,500,000

From July 15, 2002 to February 12, 2003, we issued promissory notes to two accredited investors in the total amount of $300,000, with interest at 8% per annum and warrants to purchase a total of 10,000 shares of our Common Stock at $7.50 per share; a promissory note to one accredited investor in the total amount of $300,000 with an original interest rate of 8% that increased to 12% on January 1, 2003 and warrants to purchase 15,000 shares of our Common Stock at an exercise price of $7.50 per share; and a promissory note to a director in the amount of $1,200,000, with interest at the prime rate and warrants to purchase 62,500 shares of our Common Stock at $7.50 per share. In December 2002 we sold 9,000 shares of Series E Preferred Stock to a director for $800,000, the terms of which were amended on February 28,

2005 to provide for, among other things, a 6% rather than $30 annual dividend, which may be deferred until 2009 by us.

On April 27, 2004, we completed an $18,000,000 financing package with new energy lenders, resulting in the return to the Company of 2,000 shares of Series F Preferred Stock with an aggregate liquidation preference of $1,000,000. This preferred stock, at the request of the Company, was transferred by the previous lender to a financial advisor to the Company and to two companies affiliated with two directors of the Company in satisfaction of Company obligations to them, and 140 of the 400 shares of Series F Preferred Stock held by the financial advisor were transferred to three investors. In October 2004, 60 shares of Series F Preferred Stock had converted into 3,000 shares of Common Stock. On December 22, 2004, 1,600 shares of Series F Preferred Stock held by three investors converted to 80,000 shares of Common Stock, and on March 11 and March 15, 2005, the remaining 340 shares of Series F Preferred Stock converted to 17,000 shares of Common Stock. We issued the new lenders warrants to purchase 203,563 shares of our Common Stock at an exercise price of $0.10 per share, expiring in five years, and on April 1 and April 4, 2005, the warrants were exercised for an aggregate of 201,823 shares of Common Stock by cashless exercise.

Simultaneously, GulfWest Oil & Gas Company completed the initial phase of a private offering of its Series A Preferred Stock for $4,000,000. As part of an advisory fee, we issued $500,000 of the Series A Preferred Stock to a financial advisor. One of our former directors acquired $1,500,000 of the Series A Preferred Stock. In October 2004, 50 shares of the Series A Preferred Stock had been exchanged by one investor for 7,143 shares of our Common Stock. By March 15, 2005, pursuant to a charter amendment, five holders holding 6,700 shares of Series A Preferred Stock had elected to exchange their shares of Series A Preferred Stock for Series H Preferred Stock, convertible into common stock on the same basis as the Series A Preferred Stock, and the remainder not previously exchanged had converted into 464,286 shares of Common Stock. One such holder affiliated with a director immediately elected, upon exchange of the Series A Preferred Stock for Series H Preferred Stock on February 28, 2005, to convert its 200 Series H shares to 28,572 shares of Common Stock, and on April 22, 2005 an additional 1,250 shares of Series H Preferred Stock converted into approximately 180,000 shares of Common Stock. An additional 20 total shares of Series H Preferred Stock converted into approximately 2,858 shares of Common Stock pursuant to transactions conducted on October 10, 2006 and October 25, 2006.

On January 7, 2005, we amended our April 2004 credit agreement to extend the target date for repayment to February 28, 2005. We exercised this option on January 26, 2005. We issued 2,910 shares of our Common Stock to our lender on February 15, 2005 in an exempt private placement in connection with this amendment.

On January 21, 2005 we issued 35,625 shares of Common Stock to certain holders of the Series A Preferred Stock in settlement of a dispute regarding the terms of the Series A Preferred Stock.

In January 2005, a current officer and another individual lent an aggregate of $200,000 to us, which was repaid in full on February 28, 2005. In connection with that loan we issued warrants to purchase 5,000 shares of our common stock; on March 22, 2005 one of the individuals exercised his warrants and received 2,000 shares of our Common Stock.

On February 28, 2005, we sold in a private placement, 81,000 shares of our Series G Preferred Stock to OCM GW Holdings, LLC for an aggregate offering price of $40.5 million. In addition, GulfWest Oil & Gas Company issued, in a private placement, 2,000 shares of our Series A Preferred Stock, having a liquidation preference of $1.0 million, to OCM GW Holdings, LLC for $1.5 million, which by March 15, 2005 had been exchanged for 2,000 shares of Series H Preferred Stock pursuant to a charter amendment.

At the June 1, 2005 meeting of the Company s board of directors, each non-employee director, B. James Ford, Skardon F. Baker, Lee B. Backsen and Lon McCain, in accordance with our director compensation plan, was granted a restricted stock award representing 1,705 shares of the Company s Common Stock. However, B. James Ford and Skardon F. Baker elected not to receive such awards and they were subsequently rescinded by the board of directors. Effective March 1, 2006**,** the Company issued restricted stock awards representing 26,234 shares of our Common Stock to our executive officers. Effective May 12, 2006, the Company issued restricted stock awards representing 2,410 shares of our Common Stock to two members of our Board of Directors.

In connection with our acquisition of Core Natural Resources, Inc. in March 2006, we issued 323,563 shares of our Common Stock to six shareholders of the company. We also issued an additional 46,224 shares of Common Stock to a Core shareholder as consideration for the assignment of a 2% overriding royalty interest owned by that shareholder in the oil and gas leases.

ITEM 16 Exhibits and Financial Statement Schedules.

(a) The following documents are filed as part of this Registration Statement:

Number	Description
2.1	Agreement and Plan of Merger, dated March 14, 2006, among Crimson Exploration, Inc., Crimson Exploration Operating, Inc., Core Natural Resources, Inc. and its stockholders. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2005, File No. 000-21644 filed with the Commission on March 31, 2006.)
3.1	Certificate of Incorporation of the Registrant. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.2	Certificate of Designation, Preferences and Rights of Series D Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.3	Certificate of Designation, Preferences and Rights of Cumulative Convertible Preferred Stock, Series E. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.4	Certificate of Designation, Preferences and Rights of Series G Convertible Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.5	Certificate of Designation, Preferences and Rights of Series H Convertible Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.6	Bylaws of the Registrant. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.7	Certificate of Amendment to the Certificate of Incorporation. (Previously filed as Annex A to our definitive information statement on Schedule 14C filed August 18, 2006.)
4.1	Letter Agreement by and among GulfWest Energy Inc., a Texas corporation, GulfWest Oil & Gas Company and the investors listed on the signature page thereof, dated April 22, 2004. (Previously filed with our Current Report on Form 8-K, dated April 29, 2004 and filed with the Commission on May 10, 2004.)
4.2	Warrant Agreement made by and between GulfWest Energy Inc., and Highbridge/Zwirn Special Opportunities Fund, L.P., and Drawbridge Special Opportunities Fund LP, Grantees, dated and effective April 29, 2004. (Previously filed with our Current Report on Form 8-K dated April 29, 2004 and filed with the

Commission on May 10, 2004.)

4.3 Shareholders Rights Agreement between GulfWest Energy Inc. and OCM GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)

4.4 Omnibus and Release Agreement among GulfWest Energy Inc., OCM GW Holdings, LLC and those signatories set forth on the signature page thereto, dated as of February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)

4.5	Share Transfer Restriction Agreement between J. Virgil Waggoner and OCM GW Holdings, LLC, dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
4.6	Irrevocable Proxy executed by J. Virgil Waggoner dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.7	Exchange Agreement between GulfWest Energy Inc. and GulfWest Oil & Gas Company, dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.8	Letter Agreement among OCM GW Holdings, LLC, OCM Principal Opportunities Fund III, L.P., OCM Principal Opportunities Fund III GP, LLC, Oaktree Capital Management, LLC, GulfWest Energy Inc., GulfWest Oil & Gas Company and J. Virgil Waggoner dated February 28, 2005 (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.9	Subscription Agreement among OCM GW Holdings, LLC, Allan D. Keel and those individuals listed on the signature page thereto, dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
4.10	First Amendment to Warrant Agreement among GulfWest Energy Inc., D.B. Zwirn Special Opportunities Fund, L.P. and Drawbridge Special Opportunities Fund, dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.11	Registration Rights Agreement, dated March 20, 2006, among Crimson Exploration Inc. and the stockholders of Core Natural Resources, Inc. (Previously filed with our Annual Report on Form 10-K, as amended, for the year ended December 31, 2005, File No. 000-21644 initially filed with the Commission on March 31, 2006.)

5.1*	Opinion of Akin Gump Strauss Hauer & Feld LLP
10.1	Employment Agreement between Allan D. Keel and GulfWest Energy, Inc., dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.2	Employment Agreement between E. Joseph Grady and GulfWest Energy, Inc., dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.3	GulfWest Oil Company 1994 Stock Option and Compensation Plan, amended and restated as of April 1, 2001 and approved by the shareholders on May 18, 2001. (Previously filed with our Proxy Statement on Form DEF 14A, filed with the Commission on April 16, 2001.)

10.4	GulfWest Energy Inc. 2004 Stock Option Incentive Plan. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.5	GulfWest Energy Inc. 2005 Stock Option Incentive Plan. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.6	Form of 2005 Stock Incentive Plan Stock Option Agreement. (Previously filed with our Annual Report on Form 10-K, as amended, for the year ended December 31, 2005, File No. 000-21644 initially filed with the Commission on March 31, 2006.)
10.7	Form of Warrant Agreement. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.8	Form of Indemnification Agreement for directors and officers. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.9	Letter Agreement among D.B. Zwirn Special Opportunities Fund, LP, GulfWest Oil & Gas Company, and Drawbridge Special Opportunities Fund, LP, dated January 7, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.10	Series G Subscription Agreement between GulfWest Energy Inc. and OCM GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
10.11	Series A Subscription Agreement between GulfWest Oil & Gas Company and OCW GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
10.12	Letter Agreement between W.L. Addison Investment, L.L.C., GulfWest Energy Inc., and Setex Oil and Gas Company dated February 24, 2005 extending Option Agreement for the Purchase of Oil and Gas Leases dated March 5, 2004. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31,

	2005.)
10.13	Letter Agreement between W.L. Addison Investment, L.L.C., GulfWest Energy Inc., and Setex Oil and Gas Company dated July 15, 2004 extending Option Agreement for the Purchase of Oil and Gas Leases dated March 5, 2004. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.14*	Oil and Gas Property Acquisition, Exploration and Development Agreement with Summit Investment Group-Texas, L.L.C. effective December 1, 2001.
10.15*	Credit Facility between GulfWest Energy Inc. and Highbridge/Zwirn Special Opportunities Fund, L.P., and Drawbridge Special Opportunities Fund LP, Grantees, dated and effective April 29, 2004.
10.16*	Employment Agreement between Tracy Price and GulfWest Energy Inc., dated April 1, 2005.

10.17*	Employment Agreement between Tommy Atkins and GulfWest Energy Inc., dated April 1, 2005.
10.18*	Employment Agreement between Jay S. Mengle and GulfWest Energy Inc., dated April 1, 2005.
10.19*	Employment Agreement between Thomas R. Kaetzer and GulfWest Energy Inc., dated April 1, 2005.
10.20*	Summary terms of June 2005 Director Compensation Plan.
10.21	Credit Agreement, dated July 15, 2005, among Crimson Exploration Inc., Wells Fargo, N.A., as agent and a lender, and each lender from time to time a party thereto. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.22	Form of director restricted stock grant. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.23	First Amendment to Credit Agreement, dated as of March 6, 2006, among Crimson Exploration, Inc., Crimson Exploration Operating, Inc., LTW Pipeline Co., and Wells Fargo Bank, National Association. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2005, File No. 000-21644 filed with the Commission on March 31, 2006.)
10.24	Subordinate Credit Agreement, dated as of August 31, 2006, among Crimson Exploration Inc., Wells Fargo Energy Capital, Inc., as agent and a lender, and each lender from time to time party thereto. (Previously filed with our Form 8-K, Reg. No. 000-21644, filed with the Commission on September 7, 2006.)
10.25	Second Amendment to Credit Agreement, dated as of August 31, 2006, among Crimson Exploration Inc., Crimson Exploration Operating, Inc. LTW Pipeline Co., and Wells Fargo Bank, N.A. (Previously filed with our Form 8-K, Reg. No. 000-21644, filed with the Commission on September 7, 2006.)
21.1*	Subsidiaries of the Registrant.
23.1	Consent of Akin Gump Strauss Hauer & Feld LLP. (Included in Exhibit 5.1.)
23.2**	Consent of Grant Thornton LLP
23.3**	Consent of Weaver and Tidwell, L.L.P.
25*	Power of Attorney

* Previously Filed

**Filed Herewith

ITEM 17. UNDERTAKINGS.

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director,

officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

S I G N A T U R E S

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Post Effective Amendment No. 5 to this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 16th day of November, 2006.

CRIMSON EXPLORATION INC.

By: /s/ Allan D. Keel
Allan D. Keel, President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Post Effective Amendment No. 5 to the Registration Statement has been signed below by the following persons and in the capacities and on the dates indicated.

Signature	**Title**	**Date**
/s/ Allan D. Keel Allan D. Keel	President, Chief Executive Officer and Director	November 16, 2006
/s/ E. Joseph Grady E. Joseph Grady	Senior Vice President and Chief Financial Officer	November 16, 2006
/s/ Richard L. Creel Richard L. Creel	Vice President of Finance and Controller	November 16, 2006
/s/ B. James Ford* B. James Ford	Director	November 16, 2006
/s/ Skardon F. Baker * Skardon F. Baker	Director	November 16, 2006
/s/ Lee B. Backsen* Lee B. Backsen	Director	November 16, 2006
/s/ Lon McCain* Lon McCain	Director	November 16, 2006

*By:/s/ Allan D. Keel
Allan D. Keel
Attorney-in-fact
pursuant to a power of
attorney previously filed

Index to Exhibits

The following documents are filed as part of this Registration Statement:

Number	Description
2.1	Agreement and Plan of Merger, dated March 14, 2006, among Crimson Exploration, Inc., Crimson Exploration Operating, Inc., Core Natural Resources, Inc. and its stockholders. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2005, File No. 000-21644 filed with the Commission on March 31, 2006.)
3.1	Certificate of Incorporation of the Registrant. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.2	Certificate of Designation, Preferences and Rights of Series D Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.3	Certificate of Designation, Preferences and Rights of Cumulative Convertible Preferred Stock, Series E. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.4	Certificate of Designation, Preferences and Rights of Series G Convertible Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.5	Certificate of Designation, Preferences and Rights of Series H Convertible Preferred Stock. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.6	Bylaws of the Registrant. (Previously filed on our current report on Form 8-K filed July 5, 2005.)
3.7	Certificate of Amendment to the Certificate of Incorporation. (Previously filed as Annex A to our definitive information statement on Schedule 14C filed August 18, 2006.)
4.1	Letter Agreement by and among GulfWest Energy Inc., a Texas corporation, GulfWest Oil & Gas Company and the investors listed on the signature page thereof, dated April 22, 2004. (Previously filed with our Current Report on Form 8-K, dated April 29, 2004 and filed with the Commission on May 10, 2004.)
4.2	Warrant Agreement made by and between GulfWest Energy Inc., and Highbridge/Zwirn Special Opportunities Fund, L.P., and Drawbridge Special Opportunities Fund LP, Grantees, dated and effective April 29, 2004. (Previously filed with our Current Report on Form 8-K dated April 29, 2004 and filed with the Commission on May 10, 2004.)
4.3	Shareholders Rights Agreement between GulfWest Energy Inc. and OCM GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)

4.4	Omnibus and Release Agreement among GulfWest Energy Inc., OCM GW Holdings, LLC and those signatories set forth on the signature page thereto, dated as of February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
4.5	Share Transfer Restriction Agreement between J. Virgil Waggoner and OCM GW Holdings, LLC, dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
4.6	Irrevocable Proxy executed by J. Virgil Waggoner dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.7	Exchange Agreement between GulfWest Energy Inc. and GulfWest Oil & Gas Company, dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.8	Letter Agreement among OCM GW Holdings, LLC, OCM Principal Opportunities Fund III, L.P., OCM Principal Opportunities Fund III GP, LLC, Oaktree Capital Management, LLC, GulfWest Energy Inc., GulfWest Oil & Gas Company and J. Virgil Waggoner dated February 28, 2005 (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.9	Subscription Agreement among OCM GW Holdings, LLC, Allan D. Keel and those individuals listed on the signature page thereto, dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
4.10	First Amendment to Warrant Agreement among GulfWest Energy Inc., D.B. Zwirn Special Opportunities Fund, L.P. and Drawbridge Special Opportunities Fund, dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
4.11	Registration Rights Agreement, dated March 20, 2006, among Crimson Exploration Inc. and the stockholders of Core Natural Resources, Inc. (Previously filed with our Annual Report on Form 10-K, as amended, for the year ended December 31, 2005, File No. 000-21644 initially filed with the Commission on March 31, 2006.)
5.1*	Opinion of Akin Gump Strauss Hauer & Feld LLP
10.1	Employment Agreement between Allan D. Keel and GulfWest Energy, Inc., dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.2	Employment Agreement between E. Joseph Grady and GulfWest Energy, Inc., dated February 28, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)

10.3	GulfWest Oil Company 1994 Stock Option and Compensation Plan, amended and restated as of April 1, 2001 and approved by the shareholders on May 18, 2001. (Previously filed with our Proxy Statement on Form DEF 14A, filed with the Commission on April 16, 2001.)
10.4	GulfWest Energy Inc. 2004 Stock Option Incentive Plan. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.5	GulfWest Energy Inc. 2005 Stock Option Incentive Plan. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.6	Form of 2005 Stock Incentive Plan Stock Option Agreement. (Previously filed with our Annual Report on Form 10-K, as amended, for the year ended December 31, 2005, File No. 000-21644 initially filed with the Commission on March 31, 2006.)
10.7	Form of Warrant Agreement. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.8	Form of Indemnification Agreement for directors and officers. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.9	Letter Agreement among D.B. Zwirn Special Opportunities Fund, LP, GulfWest Oil & Gas Company, and Drawbridge Special Opportunities Fund, LP, dated January 7, 2005. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.10	Series G Subscription Agreement between GulfWest Energy Inc. and OCM GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
10.11	Series A Subscription Agreement between GulfWest Oil & Gas Company and OCW GW Holdings, LLC dated February 28, 2005. (Previously filed with the Form 13D, Reg. No. 005-54301, filed with the Commission on March 10, 2005.)
10.12	Letter Agreement between W.L. Addison Investment, L.L.C., GulfWest Energy Inc., and Setex Oil and Gas Company dated February 24, 2005 extending Option Agreement for the Purchase of Oil and Gas Leases dated March 5, 2004. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)
10.13	Letter Agreement between W.L. Addison Investment, L.L.C., GulfWest Energy Inc., and Setex Oil and Gas Company dated July 15, 2004 extending Option Agreement for the Purchase of Oil and Gas Leases dated March 5, 2004. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2004, File No. 001-12108, filed with the Commission on March 31, 2005.)

10.14*	Oil and Gas Property Acquisition, Exploration and Development Agreement with Summit Investment Group-Texas, L.L.C. effective December 1, 2001.
10.15*	Credit Facility between GulfWest Energy Inc. and Highbridge/Zwirn Special Opportunities Fund, L.P., and Drawbridge Special Opportunities Fund LP, Grantees, dated and effective April 29, 2004.
10.16*	Employment Agreement between Tracy Price and GulfWest Energy Inc., dated April 1, 2005.
10.17*	Employment Agreement between Tommy Atkins and GulfWest Energy Inc., dated April 1, 2005.
10.18*	Employment Agreement between Jay S. Mengle and GulfWest Energy Inc., dated April 1, 2005.
10.19*	Employment Agreement between Thomas R. Kaetzer and GulfWest Energy Inc., dated April 1, 2005.
10.20*	Summary terms of June 2005 Director Compensation Plan.
10.21	Credit Agreement, dated July 15, 2005, among Crimson Exploration Inc., Wells Fargo, N.A., as agent and a lender, and each lender from time to time a party thereto. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.22	Form of director restricted stock grant. (Previously filed with our Form 8-K, Reg. No. 001-12108, filed with the Commission on July 21, 2005.)
10.23	First Amendment to Credit Agreement, dated as of March 6, 2006, among Crimson Exploration, Inc., Crimson Exploration Operating, Inc., LTW Pipeline Co., and Wells Fargo Bank, National Association. (Previously filed with our Annual Report on Form 10-K for the year ended December 31, 2005, File No. 000-21644 filed with the Commission on March 31, 2006.)
10.24	Subordinate Credit Agreement, dated as of August 31, 2006, among Crimson Exploration Inc., Wells Fargo Energy Capital, Inc., as agent and a lender, and each lender from time to time party thereto. (Previously filed with our Form 8-K, Reg. No. 000-21644, filed with the Commission on September 7, 2006.)
10.25	Second Amendment to Credit Agreement, dated as of August 31, 2006, among Crimson Exploration Inc., Crimson Exploration Operating, Inc. LTW Pipeline Co., and Wells Fargo Bank, N.A. (Previously filed with our Form 8-K, Reg. No. 000-21644, filed with the Commission on September 7, 2006.)
21.1*	Subsidiaries of the Registrant.
23.1	Consent of Akin Gump Strauss Hauer & Feld LLP. (Included in Exhibit 5.1.)
23.2**	Consent of Grant Thornton LLP.
23.3**	Consent of Weaver and Tidwell, L.L.P.
25*	Power of Attorney

* Previously Filed

**Filed Herewith