

**IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA**

OKLAHOMA DEPARTMENT OF SECURITIES)
ex rel. Irving L. Faught, Administrator,)

Plaintiff,)

v.)

No. CJ-2007-1082

enTERRA ENERGY, LLC, DAVID G. ROSE, DAVID)
G. ROSE dba ENERGY ASSOCIATES, ROBERT P.)
MALONE, RICHARD D. MARTIN, COLIN PURCELL)
aka "PATRICK RYAN," BRIAN C. ROSE, GARY S.)
TARBIS, McKEAN COUNTY 3 WELL, LLP,)
PENNSYLVANIA 3 WELL DEVELOPMENT, LLP,)
GREAT OKLAHOMA OIL DEAL, LLP, LOT)
DEVELOPMENT WELLS, LLP, enTERRA SEVEN,)
LLP, PROSPECT 87, LLP, KAT-5, LLP, and)
KEN-TEX, LLP,)

Defendants.)

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

JUN 22 2007

PATRICIA PRESLEY, COURT CLERK
by _____ DEPUTY

ANSWER OF DEFENDANT COLIN PURCELL

For his Answer to the Petition filed by Defendant OKLAHOMA DEPARTMENT OF SECURITIES ex rel. Irving L. Faught, Administrator, ("ODS"), Defendant Colin Purcell (Mr. Purcell) alleges and states as follows:

ANSWER TO ALLEGATIONS REGARDING DEFENDANTS

1. Mr. Purcell is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 1 of the Petition as to the legal status of or legal filings relating to Defendant enTerra Energy or Defendant David C. Rose.

2. Mr. Purcell admits that a part of the business of enTerra Energy was the sale of limited liability Partnerships for the purpose of drilling oil and gas wells, but Mr.

Purcell has insufficient knowledge or information to form a belief as to the truth of the remaining allegations in paragraph 2.

3. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 3, and states that the allegations of this paragraph do not relate to him.

4. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 4, and states that the allegations of this paragraph do not relate to him.

5. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 5, and states that the allegations of this paragraph do not relate to him.

6. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 6, and states that the allegations of this paragraph do not relate to him.

7. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 7, and states that the allegations of this paragraph do not relate to him.

8. Mr. Purcell admits he is a resident of Kentucky and states that his full name is Colin Patrick Ryan Purcell. He denies using the name, Patrick Ryan, as an alias. Mr. Purcell is without knowledge and information sufficient to form a belief as to the truth of the allegations regarding how his phone calls were routed or whether or not he faxed documents to Mr. Scott. Mr. Purcell admits the contacts described in paragraph 8 with Mr. Scott, but he denies any offer or sale to Mr. Scott and further states that all of the

described transactions are exempt from regulation by ODS under the Oklahoma Securities Act.

9. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 9, and states that the allegations of this paragraph do not relate to him.

10. Other than the allegations concerning his contact with Investor Scott in section (b) for which he has already answered (see No. 8, above), Mr. Purcell denies making any offer or sale to Mr. Scott and has insufficient knowledge or information to form a belief as to the truth of the remaining allegations in paragraph 10.

11. Mr. Purcell admits employment but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 11.

ANSWER TO JURISDICTION AND VENUE

12. Mr. Purcell denies the jurisdiction of the ODS.

13. Mr. Purcell denies the allegations of paragraph 13.

14. Mr. Purcell denies the allegations of paragraph 14.

15. Mr. Purcell denies the allegations of paragraph 15.

FACTUAL ALLEGATIONS

16. Mr. Purcell adopts and incorporates by reference paragraphs 1 through 15 above.

17. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 17, and states that the allegations of this paragraph do not relate to him.

18. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 18, and states that the allegations of this paragraph do not relate to him.

19. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 19, and states that the allegations of this paragraph do not relate to him.

20. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 20, and states that the allegations of this paragraph do not relate to him.

21. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 21, and states that the allegations of this paragraph do not relate to him.

22. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 22, and states that the allegations of this paragraph do not relate to him.

23. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 23, and states that the allegations of this paragraph do not relate to him.

24. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 24.

25. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 25.

26. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 26, and states that the allegations of this paragraph do not relate to him.

27. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 27.

28. For answer to paragraph 28, Mr. Purcell denies distributing any written materials in Oklahoma regarding the mentioned Defendant LLPs. As to the remaining allegations in said paragraph, Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations.

29. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 29, and states that the allegations of this paragraph do not relate to him.

30. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 30, and states that the allegations of this paragraph do not relate to him.

ANSWER TO FIRST CLAIM (Violation of Section 301 of the Predecessor Act and Section 1-301 of the Act: Offering and/or Selling Unregistered Securities)

31. For answer to paragraph 31, Mr. Purcell adopts and incorporates by reference his answers to paragraphs 1 through 30.

32. Mr. Purcell denies the allegations of paragraph 32.

33. Mr. Purcell denies the allegations of paragraph 33.

34. Mr. Purcell denies the allegations of paragraph 34.

35. Mr. Purcell denies the allegations of paragraph 35

ANSWER TO SECOND CLAIM (Violation of Section 201 of the

Predecessor Act and section 1-402 of the Act: Failure to Register as Agents and Employing Unregistered Agents)

36. For answer to paragraph 36, Mr. Purcell adopts and incorporates by reference his answers to paragraphs 1 through 35.

37. Mr. Purcell denies the allegations in paragraph 37, and states that the allegations of this paragraph do not relate to him.

38. Mr. Purcell denies the allegations of paragraph 38.

39. Mr. Purcell admits he has not registered as an issuer agent in Oklahoma, but denies he is or was required to so register. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the remaining allegations of said paragraph.

40. Mr. Purcell denies all allegations in paragraph 40 as to the necessity for him to register as an issuer agent in Oklahoma, and further states that he has insufficient knowledge or information to form a belief as to the truth of the remaining allegations of said paragraph.

ANSWER TO THIRD CLAIM (Violation of Section 101 of the Predecessor Act and Section 1-501 of the Act: Untrue Statements of Material Fact and Omissions of Material Fact in Connection with Offer, Sale or Purchase of Securities)

41. For answer to paragraph 41, Mr. Purcell adopts and incorporates by reference his answers to paragraphs 1 through 40.

42. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 42, and states that the allegations of this paragraph do not relate to him.

43. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 43, and states that the allegations of this paragraph do not relate to him.

44. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 44, and states that the allegations of this paragraph do not relate to him.

45. Mr. Purcell denies the allegations of paragraph 45.

46. Mr. Purcell denies the allegations of paragraph 46.

47. Mr. Purcell denies the allegations of paragraph 47.

48. Mr. Purcell denies the allegations of paragraph 48.

ANSWER TO FOURTH CLAIM: (Violation of Section 101 of the Predecessor Act and Section 1-501 of the Act, Practice, or Course of Business which Operates or Would Operate as a Fraud or Deceit upon any Person)

49. For answer to paragraph 49, Mr. Purcell adopts and incorporates paragraphs 1 through 48 above.

50. Mr. Purcell denies the allegations of paragraph 50.

51. Mr. Purcell denies the allegations of paragraph 51.

ANSWER TO FIFTH CLAIM: (Violation of Section 1-505 of the Act: Misleading Filings).

52. For answer to paragraph 52, Mr. Purcell adopts and incorporates paragraphs 1 through 51 above.

53. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 53, and further states that the allegations of said paragraph do not relate to him.

54. Mr. Purcell has insufficient knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 54, and further states that the allegations of said paragraph do not relate to him.

55. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 55, and further states that the allegations of said paragraph do not relate to him.

ANSWER TO PLEADING IN THE ALTERNATIVE

56. For answer to paragraph 56, Mr. Purcell adopts and incorporates paragraphs 1 through 55 above.

57. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 57, and further states that the allegations of said paragraph do not relate to him.

58. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 58, and further states that the allegations of said paragraph do not relate to him.

59. Mr. Purcell has insufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 59, and further states that the allegations of said paragraph do not relate to him.

ANSWER TO REMAINING ALLEGATIONS

60. Any allegations in the Petition that Mr. Purcell has not admitted or denied herein are hereby denied by Mr. Purcell.

AFFIRMATIVE DEFENSES

1. The Petition fails to state a claim for relief against Mr. Purcell upon which relief can be granted.
2. ODS lacks subject matter jurisdiction. The offering of Interests described in the Petition are preempted from state law and state regulation by The National Securities Markets Improvement Act of 1996, the Securities Act of 1933, as amended, and Rule 506 of Regulation D promulgated under the Securities Act of 1933.
3. The Interests described in the Petition were "Federal Covered Securities", offered and sold in a manner consistent with the requirements of Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended.
4. The Interests described in the Petition were not offered or sold through a "general solicitation" of investors.
5. The Interests described in the Petition were offered and sold by officers and directors of enTerra who were exempt from registration as agents under Oklahoma Law.
6. ODS lacks subject matter jurisdiction. The Interests described in the Petition were not investment contracts or securities.
7. Lack of jurisdiction over Mr. Purcell.
8. Mr. Purcell did not offer or sell the Interests alleged in the Petition.
9. Mr. Purcell did not possess the requisite intent or *scienter* required to establish a material misrepresentation or omission claim under the Oklahoma Securities Act.

10. Recovery on claims raised in the Petition is barred by the running of statutes of limitations.

Respectfully submitted,



Bruce W. Day (OBA #2238)
Bill Powell Guest (OBA #16230)
D. Michael O'Neil (OBA #6784)
**DAY, EDWARDS, PROPESTER &
CHRISTENSEN, P.C.**
2900 Oklahoma Tower
210 West Park Avenue
Oklahoma City, Oklahoma 73102-5605
405-239-2121
405-236-1012 (Telecopier)
bruceday@dayedwards.com
bguest@dayedwards.com
dmoneil@dayedwards.com
**ATTORNEYS FOR DEFENDANT, COLIN
PURCELL**

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 22nd day of June, 2007, a true and correct copy of the above and foregoing was mailed with postage prepaid, to:

Terra Shamas (OBA#20838)
Patricia LaBarthe (OBA #10391)
Oklahoma Department of Securities
120 North Robinson Avenue, Suite 860
Oklahoma City, OK 73102
405-280-7700
405-280-7742 - facsimile
ATTORNEYS FOR PLAINTIFF

