

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

JAN - 8 2015

TIM RHODES
COURT CLERK

75

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)

Plaintiff,)

v.)

Case No. CJ-2013-5023

Jasmine, Inc., an Oklahoma corporation;)
Oklahoma Energy Exchange, LLC, an)
Oklahoma limited liability company;)
Harrisburg Prospect Lease Fund, LLC, an)
Oklahoma limited liability company; Gates)
Oil & Gas, LTD, an Oklahoma corporation;)
Harrisburg 2 Prospect Lease Fund, LLC,)
an Oklahoma limited liability company;)
Jimmy W. Gray, an individual; Greg L.)
Gray, an individual; Michael K. Gray, an)
individual; and Lance P. Bowman, an)
individual,)

Defendants.)

CONSENT OF DEFENDANT MICHAEL K. GRAY

1. Defendant Michael K. Gray ("M. Gray") admits that the Plaintiff, Oklahoma Department of Securities ("Department"), ex rel. Irving L. Faught, Administrator, is the proper party to bring this action seeking the relief requested in the verified *Petition for Permanent Injunction and Other Relief* ("Petition") filed in this matter and that M. Gray is subject to the jurisdiction of this Court.

2. M. Gray hereby consents to the entry of the *Agreed Judgment as to Defendant Michael K. Gray* ("Agreed Judgment") in the form attached hereto and incorporated by reference herein, that, among other things, restrains and enjoins M.

Gray from, directly or indirectly, participating in or facilitating, the offer and/or sale of any security in and/or from this state for a five-year period commencing December 28, 2014 and ending December 27, 2019.

3. M. Gray agrees to disclaim and relinquish, and agrees to the entry of an order by the Court to disclaim and relinquish, all legal and equitable right, title, claim, or interest in Jasmine, Inc. ("Jasmine"), Oklahoma Energy Exchange, LLC ("OEE"), Harrisburg Prospect Lease Fund, LLC ("Harrisburg"), Gates Oil & Gas, LTD ("Gates"), and Harrisburg 2 Prospect Lease Fund, LLC ("Harrisburg 2"), including: all subsidiaries or affiliates of such entities, whether incorporated or unincorporated; all business operations of such entities; all business names under which such entities do business; and all assets in such entities' possession, custody, or control, including assets held in accounts in any financial institution.

4. M. Gray agrees to take no action, directly or indirectly, to hinder or obstruct the Receiver appointed by this Court for Jasmine, OEE, Harrisburg, Gates, and Harrisburg 2 in the conduct of his duties or to interfere in any manner, directly or indirectly, with the custody, possession, or control exercised by said Receiver.

5. M. Gray agrees that this *Consent of Defendant Michael K. Gray* ("Consent") shall be incorporated into the Agreed Judgment with the same force and effect as if fully set forth therein.

6. M. Gray enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Department or Receiver, or any officer, employee, agent, or representative thereof, to induce M. Gray to enter into this Consent.

7. M. Gray acknowledges that no promise or representation has been made by the Department or any officer, employee, agent, or representative of the Department with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability.

8. M. Gray agrees to not take any action or make or permit to be made any future public statement denying, directly or indirectly, any allegation in the Petition or creating the impression that the Petition is without factual basis.

9. M. Gray agrees to cooperate fully and truthfully with the Department and Receiver in connection with this action and any related judicial or administrative proceeding or investigation commenced by the Department or to which the Department is a party, regardless of the time period in which cooperation is required. The full, truthful, and continuing cooperation of Defendant shall include, but not be limited to:

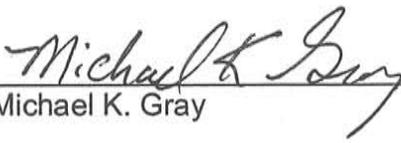
- a. producing all non-privileged documents and other materials to the Department when requested by counsel for the Department, wherever located, in the possession, custody, or control of M. Gray;
- b. appearing for interviews, at such times and places, when requested by counsel for the Department;
- c. responding fully and truthfully to all inquiries, when requested to do so by counsel for the Department; and
- d. testifying in person at trial or other judicial proceedings or by written declaration or affidavit, when requested to do so by counsel for the Department.

10. M. Gray agrees to waive any right to appeal the Agreed Judgment.

11. M. Gray agrees that the Department may present the Agreed Judgment to the Court to be entered without further notice.

12. M. Gray agrees that this Court shall retain jurisdiction of this matter for all purposes, including the enforcement of this Consent and the Agreed Judgment.

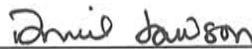
IN WITNESS WHEREOF, Defendant Michael K. Gray has executed this Consent as of the date and year set forth below his signature hereto.



Michael K. Gray

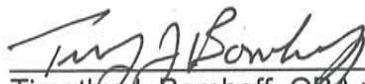
Date: 12-28-2014

APPROVED



David Lawson, OBA #31130
Robert Fagnant, OBA #30548
Oklahoma Department of Securities
120 North Robinson Avenue, Suite 860
Oklahoma City, Oklahoma 73102
Telephone: (405) 280-7700
Facsimile: (405) 280-7742
ATTORNEYS FOR PLAINTIFF

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT
JAN - 8 2015
TIM RHODES Court Clerk
Oklahoma County

Timothy J. Bomhoff, OBA #13172
Michael D. McClintock, OBA #18105
McAfee & Taft, A Professional Corporation
10th Floor, Two Leadership Square
211 North Robinson Avenue
Oklahoma City, Oklahoma 73102
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Facsimile: (405) 228-7339
ATTORNEYS FOR DEFENDANT Michael K. Gray

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

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)

Plaintiff,)

v.)

Case No. CJ-2013-5023

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Oklahoma limited liability company;)
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Oklahoma limited liability company; Gates)
Oil & Gas, LTD, an Oklahoma corporation;)
Harrisburg 2 Prospect Lease Fund, LLC,)
an Oklahoma limited liability company;)
Jimmy W. Gray, an individual; Greg L.)
Gray, an individual; Michael K. Gray, an)
individual; and Lance P. Bowman, an)
individual,)

Defendants.)

AGREED JUDGMENT AS TO DEFENDANT MICHAEL K. GRAY

On this _____ day of _____, 2015, Plaintiff Oklahoma Department of Securities *ex rel.* Irving L. Faught, Administrator, and Defendant Michael K. Gray ("M. Gray") agree to the entry of this Order.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that M. Gray is restrained and enjoined from, directly or indirectly, participating in or facilitating, the offer and/or sale of any security in and/or from this state for a five year period commencing _____, 2014 and ending _____, 2019.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that M. Gray shall disclaim and relinquish all legal and equitable right, title, claim, or interest in Jasmine, Inc., Oklahoma Energy Exchange, LLC, Harrisburg Prospect Lease Fund, LLC, Gates Oil & Gas, LTD, and Harrisburg 2 Prospect Lease Fund, LLC, including: all subsidiaries or affiliates of such entities, whether incorporated or unincorporated; all business operations of such entities; all business names under which such entities do business; and all assets in such entities' possession, custody, or control, including assets held in accounts in any financial institution.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the *Consent of Defendant Michael K. Gray* ("Consent") is incorporated herein with the same force and effect as if fully set forth herein, and that M. Gray shall comply with all of the undertakings and agreements set forth therein.

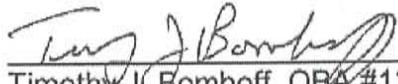
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including the enforcement of this Order and the Consent.

THIS ORDER IS ENTERED this ____ day of _____, 2015, at
____:____, __.m.

DISTRICT COURT JUDGE

APPROVED

David Lawson, OBA #31130
Robert Fagnant, OBA #30548
Oklahoma Department of Securities
120 North Robinson Avenue, Suite 860
Oklahoma City, Oklahoma 73102
Telephone: (405) 280-7700
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ATTORNEYS FOR DEFENDANT Michael K. Gray

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 8th day of January, 2015, pursuant to 12 O.S. § 2005, a true and correct copy of the *Consent of Defendant Michael K. Gray*, filed with this Court on this same day, was mailed, with postage prepaid thereon, addressed to:

Timothy J. Bomhoff, OBA #13172
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10th Floor, Two Leadership Square
211 North Robinson Avenue
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Telephone: (405) 235-9621
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ATTORNEY FOR DEFENDANTS Jimmy W. Gray and Michael K. Gray

Greg L. Gray
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Nicholas A. Johnson, Esq.
Elias, Books, Brown & Nelson, P.C.
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211 North Robinson, Suite 1300
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ATTORNEY FOR RECEIVER FOR DEFENDANTS Jasmine, Inc., Oklahoma Energy Exchange, LLC, Harrisburg Prospect Lease Fund, LLC, Gates Oil & Gas, LTD, and Harrisburg 2 Prospect Lease Fund, LLC

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