

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

NOV 21 2014

TIM RHODES  
COURT CLERK

30

OKLAHOMA DEPARTMENT OF )  
SECURITIES, *ex rel.* IRVING L. FAUGHT, )  
ADMINISTRATOR, )

Plaintiff, )

vs. )

Case No. CJ-2013-5023

JASMINE, INC., an Oklahoma corporation; )  
OKLAHOMA ENERGY EXCHANGE, LLC, )  
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. )

**FIRST ANNUAL ACCOUNTING**

The undersigned Receiver for the Estates of 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") (collectively referred to as the "Entities"), submits the following annual account and report of his administration as such Receiver from October 17, 2013, through October 31, 2014.

1. The Receiver has made diligent efforts to determine the identities, last-known addresses, and claims of the Entities' creditors and gave notice to creditors, all as required by this Court's Order.

2. Notice to creditors of the Entities to present claims was duly published and mailed in accordance with this Court's Order, a copy of said notice with proofs of publication thereof as well as the Affidavit of Mailing are attached hereto as **Exhibit A**.

3. The following is a complete statement of all claims against Gates presented to the Receiver:

<u>Name</u>	<u>Amount</u>	<u>Allowed</u>	<u>Rejected</u>
A & A Tank Truck Co.	\$355.33	X	
Bunch Trucking	\$39,380.00	X	
C & H Bit Company	\$10,828.18	X	
Cox's Cash & Dash, LLC	\$2,872.72	X	
Dunn Swan & Cunningham, P.C.	\$1,022.84	X	
DWJS, Inc.	\$45,570.00	X	
Henderson Supply, LLC	\$11,876.19	X	
High Tech Office Systems	\$647.79	X	
Jenkins Oilfield Supply, LLC	\$831.63	X	
John Turner Roustabout	\$17,414.05	X	
McAfee & Taft Receivership Fees	\$38,388.37	X	
McAfee & Taft Bankruptcy Fees	\$56,476.99		X
McDonald Surveying & Mapping, P.C.	\$1,830.00	X	
NELCO (Aaron Worldwide Collections)	\$298.85	X	
S&W Power Systems	\$1,521.80	X	
Scott Coates	\$3,150.00	X	
Sooner Completions	\$7,762.50	X	
<b>TOTAL</b>	<b>\$240,485.08</b>		

4. The following is a complete statement of all claims against Jasmine presented to the Receiver:

<u>Name</u>	<u>Amount</u>	<u>Allowed</u>	<u>Rejected</u>
RD Tank Service	\$4,728.25	X	
First Bank & Trust Co.	\$Unknown <sup>1</sup>		
Oklahoma Corporation Commission	\$Unknown <sup>2</sup>		
<b>TOTAL</b>	<b>\$Unknown</b>		

<sup>1</sup> Unliquidated - amount contingent on deficiency judgment in Stephens County lawsuit, *First Bank & Trust Co., Duncan, Oklahoma v. Jasmine, Inc. et al.*, Case No. CJ-2014-66E.

<sup>2</sup> Unliquidated - amount contingent upon total amounts owed for claims of pollution, plugging, and cleanup liabilities. See Oklahoma Corporation Commission Contempt Citation and Complaint against Jasmine, Inc., Cause No. EN 201400059. The Receiver believes this amount will be in excess of \$100,000.00

5. The following is a complete statement of all claims against Harrisburg/Harrisburg 2 presented to the Receiver:

<u>Name</u>	<u>Amount</u>	<u>Allowed</u>	<u>Rejected</u>
Keystone Production Company	\$3,098.78	X	
<b>TOTAL</b>	<b>\$3,098.78</b>		

6. The following is a complete statement of all claims against OEE presented to the Receiver:

<u>Name</u>	<u>Amount</u>	<u>Allowed</u>	<u>Rejected</u>
Rural Electric Cooperative, Inc.	\$60.76	X	
United Land Company, LLC	\$50,650.11		X
<b>TOTAL</b>	<b>\$50,710.87</b>		

7. Total of all submitted and liquidated creditor claims: \$299,022.98.

8. The following constitute Accounts Payable for all Entities (through 10/31/14):

<u>Name</u>	<u>Amount</u>
Costs of Administration	\$7,314.86
Accumulated Legal Fees	\$109,635.70
Accumulated Receiver Fees	\$49,230.00
First Bank & Trust Co.	\$1,743.00
United States Treasury	\$3,076.65
Oklahoma Tax Commission	\$448.40
United States Post Office	\$91.00
<b>TOTAL</b>	<b>\$171,539.61</b>

9. The following constitute claims of equity holders in the Entities (e.g. investors):

<u>Name</u>	<u>Amount</u>
Investors in Whitebead Prospect	\$1,240,466.00 <sup>3</sup>
Investors in Harrisburg and Harrisburg 2	\$7,278,591.50
<b>TOTAL</b>	<b>\$8,519,057.50</b>

10. The following constitute all receipts for all Entities:

<u>Date</u>	<u>Nature</u>	<u>Amount</u>
October 1, 2013	Gates Operating Account	\$752,175.52
October 1, 2013	Julie Well Revenue	\$37,095.54
October 1, 2013	Harrisburg 2 Account	\$321,987.25

<sup>3</sup> This amount is estimated as the total claim amount by all investors in Whitebead; but limited to funds attributable to the Jack Justice No. 3 Well. The Receiver considers one half of each original investment amount in the Whitebead as expended to drill the RLT No. 2 Well, which was plugged and abandoned as a dry hole.

October 1, 2013	Jasmine Operating Account	\$1,071.28
April 28, 2014	Wiley Post Well Revenue Exceeding Operating Expenses (Gates)	\$1,440.81
May 28, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$7,231.68
May 28, 2014	Wiley Post Well Revenue Exceeding Operating Expenses (Gates)	\$231.77
June 23, 2014	Insurance Refund (Gates)	\$1,111.00
June 23, 2014	Misc. Well Revenue (Gates)	\$115.68
June 23, 2014	Lease Bonus (Gates)	\$1,242.55
June 23, 2014	Electricity Credit (Gates)	\$405.00
June 26, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$9,353.64
June 26, 2014	Wiley Post Well Revenue Exceeding Operating Expenses (Gates)	\$3,132.86
July 10, 2014	Workers Comp Insurance Refund (Gates)	\$32,361.00
July 25, 2014	Rolling Stock Auction Proceeds (Gates)	\$45,023.91
July 25, 2014	Refund of Lease Bonus (Harrisburg)	\$3,000.00
July 29, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$2,501.86
July 31, 2014	Mackenzie Well Cost Reimbursement (Gates)	\$15,642.40
August 6, 2014	Health Insurance Refund (Gates)	\$99.23
August 28, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$2,413.27
August 28, 2014	Mackenzie Well Revenue Exceeding Operating Expenses (Gates)	\$19,336.78
September 5, 2014	Insurance Refund (Gates)	\$1,555.02
September 5, 2014	Insurance Refund (Gates)	\$2,384.00
September 5, 2014	Insurance Refund (Gates)	\$307.00
September 19, 2014	Jasmine Surety/Plugging Bond Release (Jasmine)	\$25,093.61
September 29, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$34.22
September 29, 2014	Mackenzie Well Revenue Exceeding Operating Expenses (Gates)	\$1,216.87

October 20, 2014	Rolling Stock Auction Proceeds (Gates)	\$19,352.73
October 27, 2014	Julie Well Revenue Exceeding Operating Expenses (Gates)	\$2,228.70
November 3, 2014	Insurance Refund (Gates)	\$983.68
<b>TOTAL</b>		<b>\$1,309,145.18</b>

11. The following constitute all disbursements:

<u>Date Cleared</u>	<u>Nature</u>	<u>Amount</u>
October 9, 2013	Workers Comp Insurance Payment (Gates)	\$10,874.03
October 10, 2013	Payroll – Billy V. Dunn – 8/25/13-9/8/13 (Gates)	\$2,323.97
October 10, 2013	Payroll – Billy V. Dunn – Overtime (Gates)	\$229.09
October 10, 2013	Payroll – Casey Hawkins – 8/25/13-9/8/13 (Gates)	\$1,702.13
October 10, 2013	Payroll – Casey Hawkins – Overtime (Gates)	\$588.46
October 10, 2013	Payroll – Randy Doss – 8/25/13-9/8/13 (Gates)	\$1,625.70
October 10, 2013	Payroll – Randy Doss – Overtime (Gates)	\$352.75
October 10, 2013	Payroll – Chad Briscoe – 8/25/13-9/8/13 (Gates)	\$1,798.51
October 10, 2013	Fuel for drilling Mackenzie (Gates)	\$17,321.23
October 11, 2013	Payroll – Robbi Gray – 8/25/13-9/8/13 (Gates)	\$317.92
October 11, 2013	Payroll – Robbi Gray – 9/9/13-9/22/13 (Gates)	\$317.92
October 11, 2013	Payroll – Robbi Gray – 9/23/13-10/6/13 (Gates)	\$317.92
October 11, 2013	Payroll – Mike Gray – 9/23/13-10/6/13 (Gates)	\$1,451.44
October 11, 2013	Payroll – Lyndol Nunley – 8/25/13-9/8/13 (Gates)	\$1,628.26
October 11, 2013	Payroll – Lyndol Nunley – Overtime (Gates)	\$332.39
October 11, 2013	Payroll – Gregory Hawkins – Overtime (Gates)	\$349.39
October 11, 2013	Payroll – Tim Howell – Overtime (Gates)	\$285.29
October 11, 2013	Payroll – Dennis Hawkins – 8/25/13-9/8/13 (Gates)	\$1,932.85

October 11, 2013	Payroll – Dennis Hawkins – Overtime (Gates)	\$627.39
October 14, 2013	Payroll – Lance Bowman – 8/25/13-9/8/13 (Gates)	\$2,979.36
October 14, 2013	Payroll – Kim Davis – 8/25/13-9/8/13 (Gates)	\$1,220.71
October 14, 2013	Payroll – Elizabeth Tucker – 8/25/13-9/8/13 (Gates)	\$742.42
October 14, 2013	Payroll – Kenneth Butler – 8/25/13-9/8/13 (Gates)	\$3,020.68
October 14, 2013	Pumper (Gates)	\$1,000.00
October 14, 2013	Payroll – Lance Bowman – 9/9/13-9/22/13 (Gates)	\$2,979.36
October 14, 2013	Payroll – Kim Davis – 9/9/13- 9/22/13 (Gates)	\$1,220.71
October 14, 2013	Payroll – Lance Bowman – 9/23/13-10/6/13 (Gates)	\$2,979.36
October 14, 2013	Payroll – Kim Davis – 9/23/13-10/6/13 (Gates)	\$1,220.71
October 14, 2013	Payroll – Christopher Breeze – Overtime (Gates)	\$230.95
October 14, 2013	Payroll – Kenneth Butler – Overtime (Gates)	\$396.19
October 14, 2013	Payroll – Tony Clifton – Overtime (Gates)	\$286.29
October 15, 2013	Pumper (Gates)	\$500.00
October 16, 2013	Federal Tax Payment (Gates)	\$17,618.14
October 16, 2013	Oklahoma DHS – Employee Child Support Garnishment (Gates)	\$446.79
October 16, 2013	Oklahoma DHS – Employee Child Support Garnishment (Gates)	\$377.92
October 16, 2013	Welding Service – Mackenzie Well (Gates)	\$1,400.00
October 16, 2013	Payroll – Lyndol Nunley – Overtime (Gates)	\$269.28
October 17, 2013	New Mexico DHS – Employee Child Support Garnishment (Gates)	\$230.77
October 17, 2013	Mailing Expenses (Gates)	\$207.39
October 17, 2013	Payroll – Mike Gray – 8/25/13-9/8/13 (Gates)	\$1,451.44
October 17, 2013	Payroll – Mike Gray – 9/9/13- 9/22/13 (Gates)	\$1,451.44
October 18, 2013	State Tax Payment (Gates)	\$2,286.40

October 21, 2013	Property Insurance Payment – Final before Renewal (Gates)	\$3,889.14
October 23, 2013	Health Insurance Payment (Gates)	\$4,241.37
October 25, 2013	Payroll – Robbi Gray – 10/7/13-10/20/13 (Gates)	\$317.92
October 28, 2013	Payroll – Lance Bowman – 10/7/13-10/20/13 (Gates)	\$2,979.36
October 29, 2013	Payroll – Kim Davis – 10/7/13-10/20/13 (Gates)	\$1,220.71
October 29, 2013	Payroll – Mike Gray – 10/7/13-10/20/13 (Gates)	\$1,451.44
October 29, 2013	Property Insurance Renewal Down Payment (Gates)	\$7,578.25
October 29, 2013	Federal Tax Payment (Gates)	\$1,504.53
October 30, 2013	State Tax Payment (Gates)	\$271.00
November 1, 2013	Payroll – Chad Briscoe – 8/25/13-9/8/13 (Gates)	\$333.39
November 6, 2013	Workers Comp Insurance Payment (Gates)	\$10,341.93
November 12, 2013	Payroll – Robbi Gray – 10/21/13-11/3/13 (Gates)	\$317.92
November 12, 2013	Payroll – Mike Gray – 10/21/13-11/3/13 (Gates)	\$1,451.44
November 13, 2013	Payroll – Lance Bowman – 10/21/13-11/3/13 (Gates)	\$2,979.36
November 14, 2013	Federal Tax Payment (Gates)	\$2,096.72
November 15, 2013	State Tax Payment (Gates)	\$258.00
November 19, 2013	Health Insurance Payment (Gates)	\$262.95
November 20, 2013	Payroll – Lance Bowman – 11/4/13 -11/17/13 (Gates)	\$2,979.36
November 20, 2013	Payroll – Kim Davis –11/4/13 -11/17/13 (Gates)	\$1,220.71
November 20, 2013	Payroll – Robbi Gray – 1/4/13 -11/17/13 (Gates)	\$317.92
November 20, 2013	Payroll – Mike Gray – 11/4/13 -11/17/13 (Gates)	\$1,451.44
November 20, 2013	Pumper (Gates)	\$1,500.00
November 21, 2013	Payroll – Kim Davis – 10/21/13-11/3/13 (Gates)	\$1,220.71
November 21, 2013	Workers Comp Insurance Payment (Gates)	\$2,170.00
November 22, 2013	Property Insurance Payment (Gates)	\$2,529.91

November 27, 2013	Accumulated Legal Fees, plus wire fee (Gates)	\$59,909.08
December 2, 2013	Property Insurance Payment (Gates)	\$532.10
December 2, 2013	Professional Service/Brinley D-4 Well Cleanup (Jasmine)	\$9,676.25
December 17, 2013	Health Insurance Payment (Gates)	\$2,034.73
December 19, 2013	Electricity Payment (Gates)	\$73.54
December 20, 2013	Electricity Cost – Jamie/Mackenzie (Gates)	\$4,195.77
January 13, 2014	Property Insurance Payment (Gates)	\$2,656.41
January 22, 2014	Health Insurance Payment (Gates)	\$2,105.90
January 23, 2014	Electricity Payment (Gates)	\$1,056.19
January 23, 2014	Electricity Payment (Gates)	\$56.56
January 28, 2014	Property Insurance Payment (Gates)	\$2,529.91
January 28, 2014	Electricity Cost – Jamie/Mackenzie (Gates)	\$2,212.97
February 12, 2014	Health Insurance Payment (Gates)	\$2,105.90
February 21, 2014	Electricity Payment (Gates)	\$421.40
February 21, 2014	Electricity Payment (Gates)	\$35.70
February 26, 2014	Property Insurance Payment (Gates)	\$2,529.91
March 13, 2014	Electricity Cost – Jamie/Mackenzie (Gates)	\$506.73
March 13, 2014	Health Insurance Payment (Gates)	\$2,163.55
March 14, 2014	Mackenzie Well Logs (Gates)	\$1,095.78
March 27, 2014	Property Insurance Payment (Gates)	\$2,529.91
March 28, 2014	Back-owed cost for RLT Pooling – Mike Stack (Gates)	\$1,404.34
March 31, 2014	Payroll – Lance Bowman – 11/18/2013-12/29/2013 (Gates)	\$11,538.45
April 7, 2014	Electricity Cost – Jamie/Mackenzie (Gates)	\$506.64
April 27, 2014	Property Tax (Gates)	\$182.32
April 29, 2014	Property Insurance Payment (Gates)	\$2,529.91

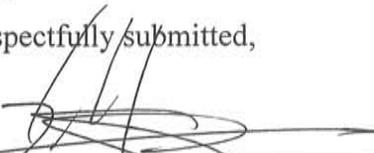
May 2, 2014	Electricity Cost – Jamie/Mackenzie (Gates)	\$502.48
May 27, 2014	Property Insurance Payment (Gates)	\$2,529.91
June 11, 2014	Mackenzie DOTO (Gates)	\$16,886.05
June 16, 2014	Payment for Jamie SWD Workover (Gates)	\$7,717.81
June 24, 2014	Property Insurance Payment (Gates)	\$2,529.91
June 30, 2014	Release of Lien – DWJS/Mackenzie Well (Gates)	\$6,200.00
July 16, 2014	Purchase Checks (Gates)	\$9.25
July 16, 2014	Payment to Working Interest Owner in Julie Well (Gates)	\$59.90
July 21, 2014	Property Insurance Payment (Gates)	\$2,529.91
July 29, 2014	Wiley Post Operating Expenses Exceeding Revenues (Gates)	\$801.74
August 28, 2014	Mackenzie Operating Expenses – Jamie SWD (Gates)	\$20,352.37
August 28, 2014	Wiley Post Operating Expenses Exceeding Revenues (Gates)	\$209.04
September 15, 2014	Harrisburg 2 2013 Tax Return (Harrisburg)	\$1,939.00
September 15, 2014	Harrisburg 2013 Tax Return (Harrisburg)	\$2,841.00
September 15, 2014	Gates 2013 Tax Return (Gates)	\$1,104.50
September 18, 2014	Gates 2013 Oklahoma Franchise Tax Return (Gates)	\$40.00
September 29, 2014	Wiley Post Operating Expenses Exceeding Revenues (Gates)	\$262.27
September 29, 2014	Mackenzie Operating Expenses – Jamie SWD (Gates)	\$412.44
October 23, 2014	Property Insurance Renewal Down Payment – Rig Only (Gates)	\$6,360.00
October 27, 2014	Wiley Post Operating Expenses Exceeding Revenues (Gates)	\$367.43



- h. Miscellaneous drill pipe (non-usable condition) (Gates);
- i. Claim to recover house located in Norman, Oklahoma (OEE);
- j. Claim against brokers for illegal/undisclosed commissions (All Entities);
- k. Claims against Eastern Starlight Energy;
- l. Claims against Jimmy Gray; and
- m. Claims against Greg Gray.

DATED this 21st day of November, 2014.

Respectfully submitted,



Nicholas A. Johnson, OBA # 30123  
 Elias, Books, Brown & Nelson, P.C.  
 Two Leadership Square  
 211 N. Robinson, Suite 1300  
 Oklahoma City, OK 73102  
 Telephone: (405) 232-3722  
 Facsimile: (405) 232-3746  
 Email: njohnson@eliasbooks.com

*Attorney for the Receiver*

State of Oklahoma    )  
                                   ) ss  
 County of Oklahoma )

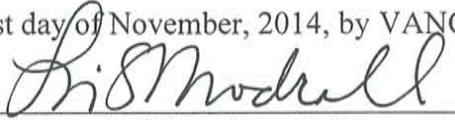
Vance Brown, of lawful age, being first duly sworn upon oath says: that he is the Receiver for of the Entities' Estates, that he has read the above and foregoing annual account and report and that the same is true and correct.



Vance Brown

Subscribed and sworn to before me on the 21st day of November, 2014, by VANCE BROWN.

1-19-15  
 My Commission Expires  
 99016730  
 My Commission Number



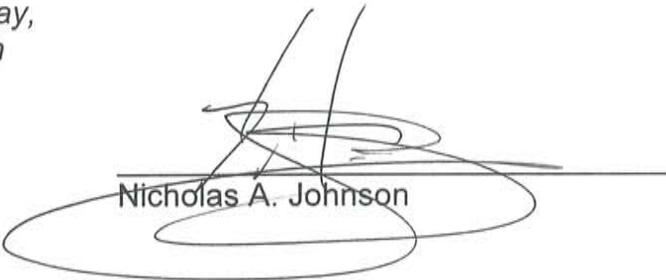
NOTARY PUBLIC

CERTIFICATE OF SERVICE

I hereby certify that a true, correct and complete copy of the above and foregoing was mailed on the 21 day of November, 2014, via first-class U.S. Mail to the following counsel of record:

Irving L. Faught, Esq.  
David Lawson, Esq.  
Robert Fagnant, Esq.  
Oklahoma Department of Securities  
120 North Robinson Avenue, Suite 860  
Oklahoma City, Oklahoma 73102  
*Attorneys for Plaintiffs*

Timothy J. Bomhoff, Esq.  
Michael D. McClintock, Esq.  
McAfee & Taft, a P.C.  
Two Leadership Square, 10<sup>th</sup> Floor  
211 North Robinson  
Oklahoma City, OK 73102  
*Attorneys for Defendants Jimmy W. Gray,  
Michael K. Gray and Lance P. Bowman*



Nicholas A. Johnson

## CERTIFICATE OF SERVICE

I further certify that a true, correct and complete copy of the above and foregoing First Annual Accounting was mailed on the 21 day of November, 2014, via First-Class U.S. Mail, postage prepaid to below-listed entities and persons:

A&A Tank Truck Co.  
P.O. BOX 722588  
NORMAN, OK 73072

BUNCH TRUCKING  
c/o Don Frankenberg, Esq.  
Jason Frankenberg, Esq.  
Frankenberg Law Firm  
502 South Main  
Lindsay, Oklahoma 73052

C & H BIT COMPANY  
P.O. BOX 481  
ADA, OK 73534

COX'S CASH & DASH, LLC  
c/o Jay B. Watkins  
Leach & Sullivan  
P.O. Box 160  
Duncan, OK 73534-0160

Dunn Swan & Cunningham, P.C.  
4832 Richmond Square  
Suite 200  
Oklahoma City, OK 73118-2059

DWJS, Inc.  
c/o Jennifer Bruner, Esq.  
Fulkerson & Fulkerson  
10444 Greenbriar Place, Suite A  
Oklahoma City, OK 73159

Henderson Supply, LLC  
P.O. Box 906  
Duncan, OK 73534

High Tech Office Systems  
1805 N.W. Cache Road  
Lawton, OK 73507

Jenkins Oilfield Supply, LLC  
P.O. Box 536  
Velma, OK 73491

John Turner Roustabout  
c/o John R. Alexander, Esq.  
P.O. Box 386  
Marlow, OK 73055

McDonald Surveying & Mapping, P.C.

P.O. Box 1642  
Duncan, OK 73534

NELCO  
(Aaron Worldwide Collections)  
Claim No. 16739  
P.O. Box 2805  
Grand Rapids, MI 49501-2805

S&W Power Systems  
P.O. Box 94638  
Oklahoma City, OK 73143-4638

Scott Coates  
29761 ECR 1570  
Pauls Valley, OK 73075

Sooner Completions  
P.O. Box 37  
Shawnee, OK 74802

RD Tank Service  
20947 N. County Road 3216  
Pauls Valley, OK 73075-9346

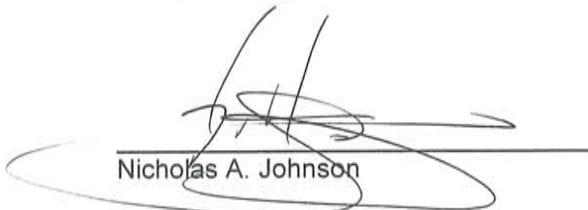
First Bank & Trust Co.  
c/o E.J. Buckholts, II, Esq.  
929 W. Willow – Patterson Building  
Duncan, OK 73533

Oklahoma Corporation Commission  
Attention: Sally Shipley, Esq.  
Keith Thomas, Esq.  
Oil and Gas Conservation Division  
2101 N. Lincoln Boulevard  
Jim Thorpe Building, Room 417  
Oklahoma City, Oklahoma 73105

Keystone Production Company  
1730 W. Camelback Road  
Duncan, OK 73533-9117

Rural Electric Cooperative, Inc.  
P.O. Box 609  
Lindsay, OK 73052-0609

United Land Company  
6801 N. Broadway, Suite 105  
Oklahoma City, OK 73116

  
Nicholas A. Johnson

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN DISTRICT COURT  
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AUG 15 2014

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37

OKLAHOMA DEPARTMENT OF )  
SECURITIES, *ex rel.* IRVING L. FAUGHT, )  
ADMINISTRATOR, )

Plaintiff, )

vs. )

Case No. CJ-2013-5023

JASMINE, INC., *et al.* )

Defendants. )

**AFFIDAVIT OF MAILING NOTICE TO CREDITORS**

STATE OF OKLAHOMA )  
 ) ss  
COUNTY OF OKLAHOMA )

I, Nicholas A. Johnson, of lawful age, being first duly sworn, on oath state:

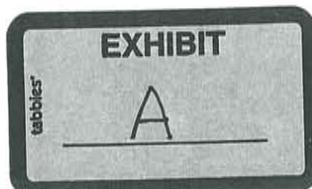
1. That I am the attorney for L. Vance Brown, the duly appointed Receiver for the Estates of **JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD., HARRISBURG PROSPECT LEASE FUND, LLC, and/or HARRISBURG 2 PROSPECT LEASE FUND, LLC** (collectively the "Entities").

2. That on August 11, 2014, the Court made its Order directing the Receiver to issue a Notice to Creditors.

3. That I have made a diligent inquiry and search, after the Receiver's appointment and prior to the filing of the Notice to Creditors herein, to determine all known or reasonably ascertainable creditors of the Estates, their last known addresses, and the amount of their respective claims. Said inquiry and search included, but was not limited to, a search of the books, records and accounts of the Estates that I have been able to locate and examine, as well as inquiry of the prior principals and employees of the Entities.

4. That on August 15, 2014, I mailed by first class mail a file stamped copy of said Notice to Creditors to all said known creditors at their respective last known addresses as indicated on the attached Exhibit A that I have determined to the best of my knowledge might have unpaid claims against the Estates.

5. That attached hereto Exhibit B is a true and correct copy of the Notice to Creditors that was mailed to all known creditors.



A&E TANK TRUCK CO.  
3230 BART CONNER DRIVE  
NORMAN, OK 73072

AT&T COMPANY  
P.O. BOX 105414  
ATLANTA, GA 30348-5414

B&R PUMP & EQUIPMENT, INC.  
4001 SOUTH HIGH AVE.  
OKLAHOMA CITY OK 73129-5241

BANK OF AMERICA  
P.O. BOX 982234  
EL PASO, TX 79998-2234

BIRCH COMMUNICATIONS  
P.O. BOX 105066  
ATLANTA, GA 30348-5066

BLUE MOOSE OUTDOOR PORTABLE  
RENTALS & SEPTIC SERVICE  
21255 N. COUNTY RD. 3130  
ELMORE CITY, OK 73433-9749

BUNCH TRUCKING, LLC  
P.O. BOX 127  
LINDSAY, OK 73052

C & H BIT COMPANY  
P.O. BOX 481  
ADA, OK 73534

COMPSOURCE OKLAHOMA  
C/O JASON McCART, ESQ.  
2200 FIRST NATIONAL CENTER  
120 N. ROBINSON  
OKLAHOMA CITY, OK 73102

LODEAN COOK  
7009 FRANKLIN AVENUE  
WINDSOR HEIGHTS, IA 50324

COTTON ELECTRIC CO-OP, INC.  
226 N. BROADWAY  
WALTERS, OK 73572-1226

CREDIT ONE BANK  
P.O. BOX 98873  
LAS VEGAS, NV 89193-8873

DAVIS AIR CONDITIONING  
335 S. 81 HWY  
DUNCAN, OK 73533

DIRECTORY ONE, INC.  
9135 KATY FREEWAY, #204  
HOUSTON, TX 77024

DUNN, SWAN & CUNNINGHAM  
4832 RICHMOND SQUARE  
SUITE 200  
OKLAHOMA CITY, OK 73118

DWJS CONSTRUCTION  
P.O. BOX 156  
PAOLI, OK 73074

E & M OIL CO., INC.  
3001 SOUTH 13<sup>TH</sup>  
DUNCAN, OK 73533

ENVIRONMENTAL RESOURCE  
TECHNOLOGIES  
13526 CR 3630  
ADA, OK 74820-0722

FRED'S RAT HOLE SERVICE, INC.  
P.O. BOX 741  
LINDSAY, OK 73052-0741

GLOBAL PRODUCTION SOLUTIONS  
35431 HARDESTY ROAD  
SHAWNEE, OK 74801

HENDERSON SUPPLY, LLC  
P.O. BOX 906  
DUNCAN, OK 73534

HIGH TECH OFFICE SYSTEMS  
1805 N.W. CACHE ROAD  
LAWTON, OK 73507

HINES GARAGE & EQUIPMENT  
1400 E. BOIS D'ARC  
DUNCAN, OK 73533

JACK PRATT SCREEN AD CO.  
409 N.E. 40<sup>TH</sup>  
OKLAHOMA CITY, OK 73105

JENKINS OILFIELD SUPPLY, LLC  
P.O. BOX 536  
VELMA, OK 73491

JOHN TURNER ROUSTABOUT SVC.  
RR 2, BOX 308  
DUNCAN, OK 73533

KEE & ARCHER, P.A.  
1102 MAPLE  
DUNCAN, OK 73533

EXHIBIT "A"

KEYSTONE PRODUCTION CO.  
1730 W. CAMELBACK ROAD  
DUNCAN, OK 73533-9117

GREEN'S MUD SERVICE A/K/A  
LAMB TOWING, INC.  
106 RENE PLACE  
SHAWNEE, OK 74804

LYNN BOYER, INC.  
P.O. BOX 1611  
ARDMORE, OK 73402

M&M SUPPLY CO.  
P.O. BOX 870164  
KANSAS CITY, MO 64187-0164

MAGNUM ENERGY, INC.  
2806 BROCE DRIVE  
NORMAN, OK 73072

McDONALD SURVEYING &  
MAPPING, P.C.  
P.O. BOX 1642  
DUNCAN, OK 73534

PHILIP J. McNAIR D/B/A  
McNAIR TIRE AND ALIGNMENT  
RT 5, BOX 100 B  
MARLOW, OK 73055

MJR INVESTMENTS, INC.  
P.O. BOX 1051  
PAULS VALLEY, OK 73075

NELCO C/O AARON WORLDWIDE  
COLLECTIONS, INC.  
P.O. BOX 2805  
GRAND RAPIDS, MI 49501-2805

OILWELL CEMENTERS, INC.  
HEALDTON, OK 73438

OKLAHOMA TURNPIKE AUTHORITY  
ENFORCEMENT BRANCH  
P.O. 11255  
OKLAHOMA CITY, OK 73136-0255

ONSITE OIL TOOLS, INC.  
P.O. BOX 178  
RATLIFF CITY, OK 73481

P & C SERVICES, INC.  
21441 HIGHWAY 74  
ELMORE CITY, OK 73433

PAT ANDERSON PROPANE  
1750 N. NORTH STREET  
DUNCAN, OK 73533

PATRIOT CHEMICALS  
P.O. BOX 149  
RATLIFF CITY, OK 73481

PAUL PIPES  
P.O. BOX 5486  
EDMOND, OK 73083

PITNEY BOWES, INC.  
P.O. BOX 371896  
PITTSBURGH, PA 15250-7896

PITNEY BOWES, INC.  
2225 AMERICAN DRIVE  
NEENAH, WI 54956-1005

RAY MAIER SPORTING GOODS CO.  
P.O. BOX 1027  
DUNCAN, OK 73534

RURAL ELECTRIC COOPERATIVE  
P.O. BOX 609  
LINDSAY, OK 73052-0609

RECON  
3820 N.W. 8<sup>TH</sup> STREET  
OKLAHOMA CITY, OK 73107

RD TANK SERVICE  
20947 N. COUNTY ROAD 3216  
PAULS VALLEY, OK 73075-9346

ROUGHNECK SYSTEMS, INC.  
107 EAST HIGHWAY 80  
FORNEY, TX 75126

S&M PUMPING SERVICE, LLC  
15780 N. COUNTY ROAD 3160  
PAULS VALLEY, OK 73075

S&W POWER SYSTEMS  
4100 SOUTH EASTERN AVENUE  
OKLAHOMA CITY, OK 73129

SCOTT COATES  
29761 E. COUNTY ROAD 1570  
PAULS VALLEY, OK 73075

SECURITY BANKCARD CENTER  
P.O. BOX 6139  
NORMAN, OK 73070-6139

EXHIBIT "A"

SOONER COMPLETIONS, INC.  
P.O. BOX 37  
SHAWNEE, OK 74802

STAR PIPE SERVICE, INC.  
P.O. BOX 6518  
OKLAHOMA CITY, OK 73153

STARLITE WELDING SUPPLIES  
P.O. BOX 1562  
DUNCAN, OK 73534

UNITED LAND COMPANY, LLC  
6801 N. BROADWAY, SUITE 105  
OKLAHOMA CITY, OK 73116

URGENT MED, LLC  
2004 N. HIGHWAY 81  
DUNCAN, OK 73533-1449

U.S. AIRWAYS  
BUSINESS CARD SERVICES  
P.O. BOX 84030  
COLUMBUS, GA 31908-4030

US AIRWAYS  
BUSINESS CARD SERVICES  
P.O. BOX 23066  
COLUMBUS, GA 31902-3066

U.S. CELLULAR C/O DIVERSIFIED  
ADJUSTMENT SERVICE, INC.  
P.O. BOX 32145  
FRIDLEY, MN 55432

U.S. CELLULAR  
DEPT. 0205  
PALATINE, IL 60055-0205

OFFICE OF THE U.S. TRUSTEE  
215 N.W. DEAN A. MCGEE AVENUE  
SUITE 408  
OKLAHOMA CITY, OK 73102-3417

WASTE CONNECTIONS OF  
OKLAHOMA, INC.  
5900 E. HIGHWAY 7  
DUNCAN, OK 73533-7610

WOOLSEY'S OFFICE PRODUCTS  
904 W. MAIN  
DUNCAN, OK 73533

AARON WORLDWIDE COLLECTIONS  
ATTN: CLAIM #16739  
P.O. BOX 2805  
GRAND RAPIDS, MI 49501

SHELL  
3 SOUTH HIGHWAY 81  
DUNCAN, OK 73533

SHELL  
1520 W. PLATO ROAD  
DUNCAN, OK 73533

BIFFLE'S CASH & DASH  
501 WEST ELDER AVENUE  
DUNCAN, OK 73533

KEY'S UPTOWN GROCERY  
116 EAST BROADWAY STREET  
ARDMORE, OK 73401

JIFFY JIM'S  
1000 MEMORIAL DRIVE  
MARIETTA, OK 73448-1602

EXHIBIT "A"

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

OKLAHOMA DEPARTMENT OF  
SECURITIES, *ex rel.* IRVING L. FAUGHT,  
ADMINISTRATOR,

Plaintiff,

vs.

JASMINE, INC., *et al.*

Defendants.

AUG 15 2014

TIM RHODES  
COURT CLERK

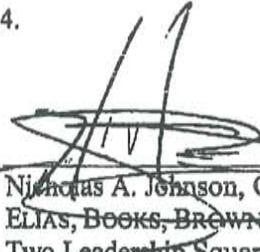
43

Case No. CJ-2013-5023

**NOTICE TO CREDITORS**

All creditors having claims against JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD., HARRISBURG PROSPECT LEASE FUND, LLC, and/or HARRISBURG 2 PROSPECT LEASE FUND, LLC, are required to present the same with a description of all security interests and other collateral (if any) held by each creditor with respect to such claim, to the named Receiver, L. Vance Brown, c/o Nicholas A. Johnson, Elias, Books, Brown & Nelson, P.C., Two Leadership Square, 211 N. Robinson, Suite 1300, Oklahoma City, OK 73102 on or before **OCTOBER 14, 2014**, or the same will be forever barred.

DATED this 15 day of August, 2014.



Nicholas A. Johnson, OBA # 30123  
ELIAS, BOOKS, BROWN & NELSON, P.C.  
Two Leadership Square  
211 N. Robinson, Suite 1300  
Oklahoma City, OK 73102  
Telephone: (405) 232-3722  
Facsimile: (405) 232-3746  
Email: njohnson@eliasbooks.com

*Attorney for the Receiver*

Exhibit "B"

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

AUG 15 2014

TIM RHODES  
COURT CLERK

43 \_\_\_\_\_

OKLAHOMA DEPARTMENT OF )  
SECURITIES, *ex rel.* IRVING L. FAUGHT, )  
ADMINISTRATOR, )  
)  
Plaintiff, )  
)  
vs. )  
)  
JASMINE, INC., *et al.* )  
)  
Defendants. )

Case No. CJ-2013-5023

**NOTICE TO CREDITORS**

All creditors having claims against JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD., HARRISBURG PROSPECT LEASE FUND, LLC, and/or HARRISBURG 2 PROSPECT LEASE FUND, LLC, are required to present the same with a description of all security interests and other collateral (if any) held by each creditor with respect to such claim, to the named Receiver, L. Vance Brown, c/o Nicholas A. Johnson, Elias, Books, Brown & Nelson, P.C., Two Leadership Square, 211 N. Robinson, Suite 1300, Oklahoma City, OK 73102 on or before **OCTOBER 14, 2014**, or the same will be forever barred.

DATED this 15 day of August, 2014.



Nicholas A. Johnson, OBA # 30123  
ELIAS, BOOKS, BROWN & NELSON, P.C.  
Two Leadership Square  
211 N. Robinson, Suite 1300  
Oklahoma City, OK 73102  
Telephone: (405) 232-3722  
Facsimile: (405) 232-3746  
Email: njohnson@eliasbooks.com

*Attorney for the Receiver*

**AFFIDAVIT OF PUBLICATION**

State of Oklahoma )  
                                  ss  
County of Garvin )

Lone' Beasley, of lawful age, being duly sworn and authorized, says that he is the Publisher of Pauls Valley Democrat, a newspaper printed in Pauls Valley, Garvin County, Oklahoma, a newspaper qualified to publish legal notices, advertisements and publications as provided in Section 106 of Title 25, Oklahoma Statutes 1971 as amended, and complies with all other requirements of the laws of Oklahoma with reference to legal publications.

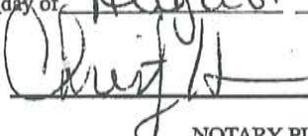
That said notice, a copy of which is hereto, was published in the regular edition of said newspaper during the period and time of publication and not in a supplement on the following dates:

August 17, 24, 2014

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  


Signature

Subscribed and sworn to before me this

26 day of August 2014  


NOTARY PUBLIC

My Commission Expires: 7-17-2016

PUBLISHER'S FEE \$ 79.15



*Pauls Valley*  
**DEMOCRAT**

108 South Willow  
Post Office Box 790  
Pauls Valley, OK 73075

(Published in the Pauls Valley Democrat on August 17, 24, 2014)

IN THE DISTRICT COURT OF OKLAHOMA CITY

STATE OF OKLAHOMA OKLAHOMA

DEPARTMENT OF SECURITIES, ex rel. IRVING L. FAUGHT, ADMINISTRATOR Plaintiff,

Vs. JASMINE, INC., et al. Defendants.

Case No. CJ-2013-5023

NOTICE TO CREDITORS

All creditors having claims against JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD., HARRISBURG

PROSPECT LEASE FUND, LLC, and/or HARRISBURG 2 PROSPECT LEASE FUND, LLC, are required

to present the same with a description of all security interests and other collateral (if any) held by each creditor with respect to such claim, to the named Receiver, L. Vance Brown, c/o Nicholas A. Johnson, Elias, Books, Brown & Nelson, P.C., Two Leadership Square, 211 N. Robinson, Suite 1300, Oklahoma City, OK 73102 on or before OCTOBER 14, 2014, or the same will be forever barred.

DATED this 15th day of August, 2014.

S/Nicholas A. Johnson  
Nicholas A. Johnson,  
OBA#30123  
ELIAS, BOOKS, BROWN & NELSON, P.C.  
Two Leadership Square  
211 N. Robinson, Suite 1300  
Oklahoma City, OK 73102

Telephone: (405) 232-3722

Facsimile: (405) 232-3746

Email: njohnson@ellasbooks.com

Attorney for the Receiver

FILED IN DISTRICT COURT OKLAHOMA COUNTY

AUG 27 2014

TIM RHODES  
COURT CLERK

75\_\_\_\_\_

PROOF OF PUBLICATION  
IN THE DISTRICT COURT  
STEPHENS COUNTY  
STATE OF OKLAHOMA

NOTICE TO CREDITORS  
SS: JASMINE, INC.  
Case No: CJ-2013-5023

I EDWARD C. DARLING, JR., of lawful age, being duly sworn upon oath, deposes and says: That (s)he is the Publisher of The Duncan Banner, a daily newspaper published and published in the city of Duncan, County of Stephens, and State of Oklahoma, and has personal knowledge of the facts herein stated.

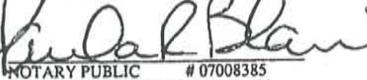
That a printed notice, copy of which is hereto attached, was published in the regular and entire issue of said newspaper and 2 WEEK (s), the first publication thereof being made on WEDNESDAY the 20 day of AUGUST, 2014 and last publication on WEDNESDAY the 27 day of AUGUST, 2014. And that said notice was published in each successive issue of said paper between the dates of the first and last publication of said notice.

That said newspaper has been continuously and uninterrupted published in said county during a period of more than one hundred and four (104) weeks, consecutively and immediately prior to the first publication of the attached notice or advertisement: that the same is published in the English language, and has a paid general circulation within the county aforesaid; that it has entrance into the United States mails as second-class mail matter, and is delivered to the United States mails in the city and county where published: that said newspaper comes within all of the prescriptions and requirements of Senate Bill No. 47 of the 19th Oklahoma Legislature, page 85, Session Laws of 1943; Chapter four (4) 25 O.S. Supp. 1943, Sec. 106 and 108, and meets all other requirements of the laws of the State of Oklahoma with reference to legal publication

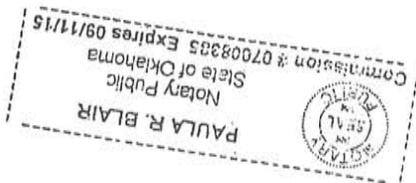
Publication fee: \$72.01



PUBLISHER  
Subscribed and sworn to before me this 27  
day of AUGUST, 2014



NOTARY PUBLIC # 07008385  
My commission expires September 11,  
2015



CJ-2013-5023, (Published in the Wednesday editions of The Duncan Banner, August 20 and 27, 2014-2 times)

IN THE DISTRICT COURT OF OKLAHOMA COUNTY, STATE OF OKLAHOMA DEPARTMENT OF SECURITIES, et rel IRVING L FAUGHT, ADMINISTRATOR  
Plaintiff

vs.  
JASMINE, INC., et al.  
Defendants

Case No. CJ-2013-5023

NOTICE TO CREDITORS

All creditors having claims against JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD, HARRISBURG PROSPECT LEASE FUND, LLC and/or HARRISBURG PROSPECT LEASE FUND, LLC, are required to present the same with a description of all security interests and other collateral (if any) held by each creditor with respect to such claim, to the named Receiver, L Vance Brown, c/o Nicholas A. Johnson, Elias, Books, Brown & Nelson, P.C., Two Leadership Square, 211 N. Robinson, Suite 1300, Oklahoma City, OK 73102 on or before OCTOBER 14, 2014, or the same will be forever barred.

DATED this 15 day of August, 2014.

/s/ Nicholas A. Johnson  
OBA #30123  
ELIAS, BOOKS, BROWN & NELSON, P.C.  
Two Leadership Square  
211 N. Robinson,  
Suite 1300  
Oklahoma City,  
OK 73102  
Telephone:  
(405) 232-3722  
Facsimile:  
(405) 232-3746  
E-mail: njohnson@  
eliasbooks.com  
Attorney for the Receiver

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

AUG 29 2014

30  
TIM RHODES  
COURT CLERK



**Journal Record Publishing Company**  
 101 N Robinson Suite 101  
 Oklahoma City, OK 73102

FILED IN DISTRICT COURT  
 OKLAHOMA COUNTY

AUG 26 2014

TIM RICHARDS  
 Page 29  
 COURT CLERK

**PUBLISHER'S AFFIDAVIT**

CJ-2013-5023

08/18/2014      08/25/2014

Okla Dept of Securities vs Jasmine, Inc

**NUMBER**

**PUBLICATION DATES**

**LEGAL NOTICE**

STATE OF OKLAHOMA      }  
 COUNTY OF OKLAHOMA    } S.S.

I, of lawful age, being duly sworn, am a legal representative of The Journal Record of Oklahoma City, Oklahoma, a daily newspaper of general circulation in Oklahoma County, Oklahoma, printed in the English Language and published in the City of Oklahoma City, in Oklahoma County, State of Oklahoma, continuously and uninterruptedly published in the County for a period of more than 104 consecutive weeks prior to the first publication of the attached notice, and having a paid general subscription circulation therein and with admission to the United States mails as paid second-class mail matter.

That said notice a true copy of which is attached hereto, was published in the regular edition of said newspaper during the period and time of publication and not in a supplement on the ABOVE LISTED DATE(S).

*Terri VanHooser*  
 Terri VanHooser, Business Manager

Subscribed and sworn before me this 25th day of August, 2014

*Pamela Green*  
 Pamela Green, Notary Public

Commission Number: 7006934  
 My Commission Expires: 7/30/2015

(CV105940900)  
**NOTICE TO CREDITORS**  
 Case No. CJ-2013-5023  
 IN THE DISTRICT COURT OF  
 OKLAHOMA COUNTY, STATE OF  
 OKLAHOMA  
 O K L A H O M A  
 DEPARTMENT OF SECURITIES, ex rel. IRVING L. FAUGHT, ADMINISTRATOR, Plaintiff, vs. JASMINE, INC. et al. Defendants.

All creditors having claims against JASMINE, INC., OKLAHOMA ENERGY EXCHANGE, LLC, GATES OIL & GAS, LTD., HARRISBURG PROSPECT LEASE FUND, LLC, and/or HARRISBURG 2 PROSPECT LEASE FUND, LLC, are required to present the same with a description of all security interests and other collateral (if any) held by each creditor with respect to such claim to the named Receiver, L. Vance Brown, c/o Nicholas A. Johnson, Elias, Books, Brown & Nelson, P.C., Two Leadership Square, 211 N. Robinson, Suite 1300, Oklahoma City, OK 73102 on or before OCTOBER 14, 2014, or the same will be forever barred.

DATED this 15th day of August, 2014.

Nicholas A. Johnson, OBA #30123  
 ELIAS, BOOKS, BROWN & NELSON, P.C.  
 Two Leadership Square  
 211 N. Robinson, Suite 1300  
 Oklahoma City, OK 73102  
 Telephone: (405)232-3722  
 Facsimile: (405)232-3746  
 Email: njohnson@eliasbooks.com  
 Attorney for the Receiver  
 (8-18, 8-25-14)

Order Number  
**10594090**

Publisher's Fee  
**\$ 65.28**

For more information  
 directly to publisher.