

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

DEC 21 2015

TIM RHODES  
COURT CLERK

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|                                   |   |
|-----------------------------------|---|
| Oklahoma Department of Securities | ) |
| <i>ex rel.</i> Irving L. Faught,  | ) |
| Administrator,                    | ) |
|                                   | ) |
| Plaintiff,                        | ) |
|                                   | ) |
| v.                                | ) |
|                                   | ) |
| Secure Operations Group, LLC, and | ) |
| George Franklin Conner,           | ) |
|                                   | ) |
| Defendants.                       | ) |

Case No. CV-2015-568  
Judge Thomas E. Prince

**PLAINTIFF’S APPLICATION FOR CONTEMPT, INJUNCTION AND CIVIL PENALTY**  
**AND**  
**AUTHORITY IN SUPPORT**

Plaintiff, Oklahoma Department of Securities (“Department”) *ex rel.* Irving L. Faught, Administrator, moves the Court for an order finding Secure Operations Group, LLC (“SOG”) and George Franklin Conner (“Conner”) in contempt; enjoining SOG and Conner (collectively, the “Defendants”) from the offer or sale of securities in and/or from Oklahoma; and imposing a civil penalty. The Defendants failed to comply with a subpoena issued on August 4, 2014, pursuant to Section 1-602(B) of the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011) (the “Subpoena”). Exhibit A. The Defendants then failed to comply with the *Order Enforcing Administrative Subpoena* issued by this Court on October 30, 2015. Exhibit B.

**BACKGROUND**

1. Due to the Defendants’ failure to comply with the Subpoena, the Department, on March 31, 2015, filed with the Court, and personally served on the

Defendants, the *Plaintiff's Application to Enforce Subpoena Compliance and Authority in Support* ("Application to Enforce"), incorporated herein by reference. Exhibit C.

2. Notice of the hearing on the Application to Enforce was filed with this Court on September 23, 2015, and served on the Defendants. Exhibit D.

3. On October 30, 2015, a hearing was held—at which the Defendants did not appear—and an order was issued by the Court obligating the Defendants to produce all documents required by the Subpoena no later than November 30, 2015 (the "Order"). Exhibit B. The Order was properly served on the Defendants in accordance with 12 O.S. § 2005. *Id.*

4. As of the filing of this application, the Department has not received production in accordance with the Order or the Subpoena nor been contacted by the Defendants. Exhibit E.

#### AUTHORITY

Indirect contempt is defined in 21 O.S. § 565, in part, as willful disobedience of any order lawfully issued or made by a court. Proof of disobedience of the order must be made by clear and convincing evidence. *Hadley v. Hadley*, 1928 OK 111, ¶6, 280 P. 1097, 1100 (citation omitted). "Willful", in the context of contempt, is determined by whether the charged party could have, but refused, to comply. *Collins v. Collins*, 1995 OK CIV APP 56, ¶7, 898 P.2d 1316, 1319 (citation omitted).

A "command to [a] corporation is in effect a command to those who are officially responsible for the conduct of its affairs"; entities can "only act by and through their officers, members and agents." *Wilson v. United States*, 221 U.S. 361, 376 (1911); *Clark v. Most Worshipful St. John's Grand Lodge of Ancient Free & Accepted Masons of*

Okl., 1947 OK 84, ¶6, 181 P.2d 229, 231. Therefore, "individual members are punished in their natural capacities for failure to do what the law requires of them as the representatives of the corporation" and may be held in contempt of court. *Bd. of Comm'rs of Leavenworth Cnty. v. Sellew*, 99 U.S. 624, 627 (1878); *Clark*, 1947 OK at ¶6.

The Administrator has the authority to apply to this Court for an order imposing an injunction and a civil penalty against the Defendants for their failure to comply with the Subpoena. Subsection (C) of Section 1-602 of the Act provides as follows:

If a person does not . . . obey a subpoena as required by the Administrator under this act, the Administrator may apply to the district court of Oklahoma County . . . to enforce compliance. The court may:

\* \* \*

5. Grant injunctive relief, including restricting or prohibiting the offer or sale of securities or the providing of investment advice;
6. Impose a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations in a single proceeding or a series of related proceedings; and
7. Grant any other necessary or appropriate relief.

The Defendants had proper service and notice of the Order and Subpoena as detailed in Item No. 3, above, and Item No. 7 of the Application to Enforce, Exhibit C, respectively. The Defendants willfully disregarded the Order and Subpoena by not producing any documents to the Department; what is more, the Defendants never responded to the Application to Enforce nor appeared before this Court. Finally, and

pursuant to *Wilson, Sellew and Clark*, Conner may be held responsible for SOG's disobedience of both the Order and the Subpoena. Enforcement of the Order and the Subpoena is necessary for the effective enforcement of the Act by the Administrator.

**WHEREFORE**, the Department requests the Court issue an order finding the Defendants in contempt, granting an injunction prohibiting the Defendants from the offer or sales of securities, in and/or from Oklahoma, imposing a civil penalty against the Defendants—jointly and severally—in the amount of Ten Thousand Dollars (\$10,000) and granting such other relief as the Court deems appropriate.

Respectfully submitted,

OKLAHOMA DEPARTMENT OF SECURITIES  
IRVING L. FAUGHT, ADMINISTRATOR

By:



Robert Fagnant, OBA # 30548  
Oklahoma Department of Securities  
204 North Robinson, Suite 400  
Oklahoma City, Oklahoma 73102  
Telephone (405) 280-7700  
Fax (405) 280-7742  
Email: rfagnant@securities.ok.gov

STATE OF OKLAHOMA            )  
  )  
COUNTY OF OKLAHOMA        )        SS.

Melanie Hall, of lawful age, being first duly sworn deposes and states: that she is the Deputy Administrator of the Oklahoma Department of Securities, that she has read the foregoing *Application for Contempt, Injunction and Civil Penalty and Authority in Support* and knows the contents thereof, and that the matters and things stated therein have been provided to her by staff members of the Department under her authority and direction, and are true and correct to the best of her knowledge, information, and belief.

(SEAL)

Melanie Hall  
MELANIE HALL, DEPUTY ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES  
204 North Robinson, Suite 400  
Oklahoma City, Oklahoma 73102  
(405) 280-7700

Subscribed and sworn to before me this 21 day of December, 2015.

(SEAL)

Lisa D. Halstied  
Notary Public



**OUR FIRM FILE NUMBER:**

Client: DEPT OF SECURITIES

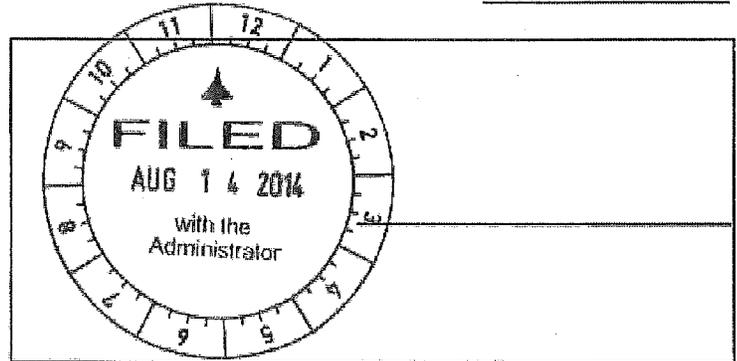
County:

Case Number: 14-046

- Plaintiff(s)

vs

SECURE OPERATIONS GROUP, LLC - Defendant(s)



Date Served: 8/8/2014 8:03:00 PM

Served By: PERRY BELL (PSS-2012-5)

County of Origin:

### **Proof of Service**

Case Number: 14-046

**DOCUMENTS SERVED:** I, being duly sworn, certify that I received the forgoing, to wit:

- \*Subpoena Duces Tecum
- \*Letter

**METHOD OF SERVICE:**

And served the same according to the law in the following manner, to wit:

Corporation/Partnership, Etc. by delivering a true copy of said process to  
 GEORGE FRANKLIN  
 CONNER (REGISTERED AGENT) he/she/it,  
 being the service agent, agent in charge, an  
 officer or partner of said entity, to wit:  
 SECURE OPERATIONS GROUP, LLC at  
 1506 CLAREMORE, PAWHUSKA, OK  
 74056. Date and Time: 8/8/2014 8:03:00 PM

Other Information:

Subscribed and sworn to before me this

day of AUGUST # 11910823 2014  
 EXP. 11/15/17

*[Signature]*  
 Notary Public  
 (SEAL OF OKLAHOMA)  
 PUBLIC COMMISSION Exp.

Undersigned declares under penalty of perjury that the foregoing is true and correct.

*[Signature]*  
 Name of Server  
11/14/2014  
 (date)

**EXHIBIT**  
A

IRVING L. FAUGHT  
ADMINISTRATOR



MARY FALLIN  
GOVERNOR

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES

August 4, 2014

VIA PERSONAL SERVICE

Secure Operations Group, LLC  
c/o George Franklin Conner, Registered Agent

Re: ODS File No. 14-046

Mr. Conner:

Pursuant to an investigation being conducted by the Oklahoma Department of Securities ("Department"), the Deputy Administrator of the Department has issued the attached Subpoena Duces Tecum ("Subpoena").

The Subpoena requires the production of certain documents on or before the date specified in the Subpoena. ***Documents required by this Subpoena must be produced in an electronic and native format in accordance with the Definitions and Instructions sections of the Subpoena.***

Please be advised that you have the right to consult with and be represented by counsel in connection with this matter. If you have any questions about the attached Subpoena, please contact the undersigned at (405) 280-7718.

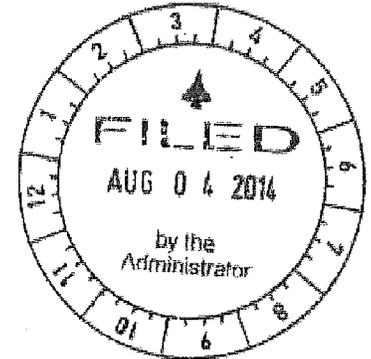
Respectfully,

A handwritten signature in black ink, appearing to read "Rob Fagnant".

Rob Fagnant  
Enforcement Attorney

Attachment

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



**SUBPOENA DUCES TECUM**  
ODS File No. 14-046

To: Secure Operations Group, LLC  
c/o George Franklin Conner, Registered Agent

**IN THE NAME OF THE STATE OF OKLAHOMA**, and pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), **YOU ARE COMMANDED TO PRODUCE**, in compliance with the Definitions and Instructions sections included herein, all documents, records, and materials described in Appendix "A", attached hereto and incorporated herein by reference, before the Administrator of the Oklahoma Department of Securities, or his designated representative, at 120 North Robinson, First National Center, Suite 860, Oklahoma City, County of Oklahoma, State of Oklahoma, or via electronic upload at <http://www.securities.ok.gov/DocumentDelivery>, **on or before August 29, 2014, at 5:00 p.m.**

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 4<sup>th</sup> day of August, 2014.

(SEAL)

Melanie Hall, Deputy Administrator  
Oklahoma Department of Securities  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102  
(405) 280-7700

**STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102**

**Definitions**

1. As used herein, the terms "you" or "your" refers to **Secure Operations Group, LLC ("SOG")**, and all entities in which such person has or has had a controlling interest; all affiliates thereof; all principals and employees thereof; and all agents, representatives, attorneys or other persons acting or purporting to act on behalf SOG.
2. As used herein, the term "Department" shall refer to the Oklahoma Department of Securities.
3. As used herein, the term "person" shall refer to any natural person, association, partnership, limited liability company, corporation, business trust, estate, trust, joint venture, or other form of business entity, or any government or any agency, subdivision or instrumentality thereof.
4. As used herein, the term "affiliates" when used to indicate a relationship with any person, shall mean (a) a corporation or organization of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities; (b) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and, (c) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the entity or any of its parents or subsidiaries.
5. As used herein, the terms "identification," "identify," or "identity," when used in reference to (a) a natural individual, require you to state his or her full name and residential, business and electronic mail addresses and telephone numbers; (b) a firm, association, partnership, limited liability company, corporation or other form of business entity, require you to state its full name and any names under which it does business, its state of organization, the address of its principal place of business, and the addresses of all of its offices; (c) a business, require you to state the full name or style under which the business is conducted, its business address or addresses, the types of businesses in which it is engaged, the geographic areas in which it conducts those businesses, and the identity of the person or persons who own, operate, and/or control the business; (d) a communication, requires you, if any part of the communication was written, to identify the document(s) which refer to or evidence the communication, and, to the extent that the communication was non-written, to identify the persons participating in the

communication and to state the date, manner, place, and substance of the communication.

6. "Hydrocarbon" refers to any molecule formed entirely of carbon and hydrogen atoms and includes, but is not limited to, oil (any variation, classification, density or concentration thereof) and/or gas (including, but not limited to, methane, ethane, propane, butane, hexane and/or heptane), whether wet or dry.

7. As used herein, "Electronically Stored Information" ("ESI") shall mean all stored computer generated data, and associated metadata, including, but not limited to, word processing, spreadsheet, database, instant message, graphic, chart and presentation, electronic mail message, electronic facsimile, any digital form for representing an electronic document (such as the ISO 32000 format) and scanned material files regardless of its storage method including, but not limited to, removable hard drives, removable storage media, optical disks, flash memory, personal digital assistants, smart phones, online and/or "cloud" storage, backup and archive tape cartridges, reels and cassettes, or fixed storage media, including, but not limited to, internal hard drives, external hard drives, and Local Area Network drives.

8. As used herein, the term "document" or "writing" means, any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation; any ESI item, invoice, bill, order form, receipt, financial statement, account statement, accounting entry, diary, written material, book, file, note, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting), calendar, telex, telegram, cable, report, record, contract, agreement, study, handwritten note, working paper, chart, print, laboratory record, drawing, sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced.

9. As used herein, the terms "relation," "pertaining to," "relating to," "related to," or "related" mean pertaining in any way to, referring to, reflecting, recording, memorializing, mentioning, constituting, describing, or concerning, directly or indirectly.

10. The following rules of construction apply to this subpoena:

(a) the connectives "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the attachment all responses that might otherwise be construed to be outside of its scope; and

(b) the use of the singular form of any word includes the plural and vice versa.

## Instructions

1. Documents required by the subpoena shall be accompanied by a list briefly identifying each document or other material, its custodian, and the item or items of the subpoena to which it relates.
2. Documents required by the subpoena must be produced in an electronic format. The documents shall be in their native format with all associated metadata.<sup>1</sup>
3. Files shall be given a meaningful name in relation to their content (e.g. Smith\_ChkBnk\_Stmnt\_1-1-12.xlsx, SmithContract\_1-1-12.tiff) and NOT a generic file name (e.g. Bnk\_0001.xlsx).
4. File names shall be unique and non-duplicative.
5. Electronic mail messages shall be produced to the Department in their native format (e.g. as a .pst, .msg, etc. file).
6. Imaged productions in the TIFF format will be accepted, when the documents requested are ordinarily used and maintained as such, if:
  - a. Images are at least 300 Dots Per Inch in resolution; and
  - b. The file type lends itself to imaging. If it does not, the production must include copies of the original file in its native format (for example, spreadsheets shall be produced as .xls or .xlsx files).
7. Adobe PDF files are acceptable as native file productions *only* when they have been used and maintained as PDF files in the normal course of business.
8. Instant Message production should be in the Yahoo!™ Messenger version 6.x to 8 format or must:
  - a. Be in a tab delimited, quotation mark (") text qualified, text file;
  - b. Include, at a minimum, the following fields: DATE, TIME, FROM, TO, CONVERSATION TEXT, CONVERSATION INDEX; and
  - c. Include field names in the first row of the text file.
9. Audio and video file production must:
  - a. Be produced in a format that is playable using Microsoft Windows Media Player™; and

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<sup>1</sup> Assistance complying with subpoenaal technical requirements may be attained by calling the Department's IT office at (405) 280-7710. The subpoenaed person shall, at all times, retain the legal obligation and responsibility of complying with the *Subpoena Duces Tecum*.

b. For telephonic recordings, include a tab delimited, quotation mark (") text qualified, text file with the following metadata fields, at a minimum: CALLER\_NAME, CALLING\_NUMBER, DATE, TIME, CALLED\_PARTY, CALLED\_NUMBER and FILENAME. The filename must match exactly the name used to name the corresponding audio file. The field names must be included in the first row of the text file.

10. Files shall NOT be individually password protected. Password protection shall be applied only to the media the file(s) is stored upon when produced to the Department. Provide passwords to the Department via a separate, mailed or hand-delivered response.

11. Exception files shall be provided to the Department. The Exception file shall list, at a minimum: (a) the error(s) preventing the production of the file(s); (b) the file(s) name(s) and extension(s); (c) the file(s) creator(s), custodian(s) and date(s) of creation; and (d) a brief summary of the file(s) content.

12. Files that are listed in the Exception file shall temporarily satisfy the Subpoena, until such time as the file can be produced electronically, by producing the file in a hardcopy format to the Department.

13. Should any document(s), required to be produced by the subpoena, be withheld pursuant to a claim of privilege or for any other reason, submit a list stating: (a) the nature of the documents, communications, or information not being produced; (b) the creator(s) and date(s) of creation of the documents, communications, or information; (c) their present, or last known custodian; and (d) the reason(s) the documents are not produced.

14. Should any document(s) required to be produced by the subpoena have been destroyed for any reason, provide a detailed statement describing such document(s) and setting forth when, how, and why the document(s) were destroyed. If the destruction occurred as a result of a document retention policy, provide a copy of that document retention policy with the detailed explanation.

15. Place a mark on all media, including, but not limited, to optical disks, flash drives and/or hard drives, containing files submitted by you identifying the media/files as having been provided by you.

16. Place a mark on all hardcopy documents submitted by you identifying them as having been provided by you.

17. Indicate by separate affidavit whether a diligent search has been made for the subpoenaed documents and whether you have produced all of the documents required by the subpoena.

## Appendix "A"

**You are commanded to produce** the following items within your possession, custody or control:

1. All promotional materials or literature, advertisements, newsletters, reports, solicitation letters, prospectuses, private placement memorandums, subscription agreements, and any other document used in connection with the offer or sale of any interest in SOG, or any of such entity's programs or projects including, but not limited to, the X Bar Tract 1, Jennings Horizontal Tract 21 and 23, Begley-Oller 10-1 and all Sleeper #3 Tracts.

2. Documents identifying each purchaser or offeree of any interest identified in the documents provided in response to Item Number 1, as well as the date of each purchase or offer and the amount of each purchase.

3. Documents identifying each person involved in the offer or sale of any interest identified in the documents provided in response to Item Number 1, as well as documents identifying all commissions or other remuneration paid to each such person.

4. All documents utilized by any person identified in Item Number 3 in the offer or sale of any interest identified in the documents provided in response to Item Number 1 including, but not limited to, personal notes or memoranda, sales scripts, sales literature, newsletters, correspondence, advertisements, sales training materials, or sales manuals.

5. All documents evidencing the source of information utilized to contact potential purchasers including, but not limited to, lead cards, lead sheets, profiles, and similar informational reports.

6. Documents detailing your ownership history of all mineral rights, including, but not limited to, hydrocarbon rights, in which you have, or have had, an interest from January 1, 2012, to the present ("Properties"), to include:

- a. the date(s) the Properties were acquired and/or disposed of by you;
- b. the Properties' legal descriptions;
- c. any and all executed legal instruments (including deeds, assignments, etc.) evidencing your ownership, or your transfer, of the Properties; and
- d. the location, if any, where the legal instruments provided in response to Item Number 6.c., above, are filed with a governmental unit and/or agency.

7. Documents identifying any and all hydrocarbon wells, regardless of their current or past status and/or condition, located in and/or on the Properties.

8. Documents identifying any and all operator entities you have utilized and/or hired to initiate and supervise any and all facets of drilling, completion, maintenance and/or production of the wells identified in response to Item Number 7 above.

9. Records and/or reports evidencing production for all the wells identified in response to Item Number 7 above ("Production Records").

Include, at a minimum, Production Records:

- a. provided to you from any source;
- b. provided by you, or on your behalf, to any and all purchasers of the Interests;
- c. posted by you, or on your behalf, on any website. Identify the website address and the relevant timeframe of their posting;
- d. provided by you, or on your behalf, to any governmental unit, within or without the state of Oklahoma, including, but not limited to, the Oklahoma Tax Commission and the Oklahoma Corporation Commission; and/or
- e. provided by you or on your behalf to, or provided to you by, any purchaser of hydrocarbons.

10. Documents identifying any and all persons that purchased hydrocarbons produced by any and all of the wells identified in response to Item Number 7 above.

11. Any document identifying the exemption from registration under the Act, if any, you rely upon in connection with the offer and/or sale of any interest identified in the documents provided in response to Item Number 1.

12. All documents utilized to determine whether an actual or potential offeree or purchaser of any interest identified in the documents provided in response to Item Number 1 is "accredited" as that term is defined in Rule 501 of Regulation D (17 C.F.R. § 230.501), promulgated by the United States Securities and Exchange Commission.

13. Documentation identifying all open and closed accounts into which funds received from persons identified in Item Number 2 were deposited or transferred including, but not limited to, checking, savings, credit card, certificate of deposit, loan, safe deposit box, trust, and escrow, by the name the account is carried in, the name and mailing address of the financial institution, the account number, the type of account, and the name(s) of person(s) authorized to sign on the account.

14. All organizational documents of SOG, including, but not limited to, articles of organization, operating agreements and all amendments thereto, annual certificates, minutes, resolutions, business plans, and other similar documents.

15. Documentation identifying all contractors, vendors, members, managers, and employees of SOG, as well as the title, job responsibilities, and time period of employment or service of each such contractor, vendor, member, manager, or employee.

16. All documents relating to any contract or agreement for work or services provided by any contractor, vendor, member, manager, or employee identified in Item Number 15.

17. All financial statements, audited or unaudited, monthly, quarterly or annual, of SOG for the last two years.

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

OCT 30 2015

TIM RHODES  
COURT CLERK

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|                                   |   |
|-----------------------------------|---|
| Oklahoma Department of Securities | ) |
| <i>ex rel.</i> Irving L. Faught,  | ) |
| Administrator,                    | ) |
|                                   | ) |
| Plaintiff,                        | ) |
|                                   | ) |
| v.                                | ) |
|                                   | ) |
| Secure Operations Group, LLC, and | ) |
| George Franklin Conner,           | ) |
|                                   | ) |
| Defendants.                       | ) |

Case No. CV-2015-568  
Judge Thomas E. Prince

**ORDER ENFORCING ADMINISTRATIVE SUBPOENA**

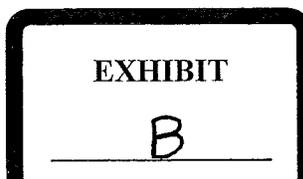
This matter came for hearing before this Court on the 30th day of October, 2015, on Plaintiff's *Application to Enforce Subpoena Compliance and Authority in Support* ("Application to Enforce") seeking the production of documents from the Defendants. After consideration of the evidence, the Court finds that good cause exists for the granting of said Application to Enforce.

IT IS THEREFORE ORDERED, ADJUGED AND DECREED that the Defendants produce all documents required by the subpoena issued by the Oklahoma Department of Securities on August 4, 2014, no later than the 30 day of Nov., 2015.

Dated this 30th day of October, 2015.

THOMAS E. PRINCE

\_\_\_\_\_  
DISTRICT JUDGE



APPROVED



---

Robert Fagnant, OBA #30548  
Oklahoma Department of Securities  
204 North Robinson Avenue, Suite 400  
Oklahoma City, Oklahoma 73102  
Telephone (405) 280-7700  
Fax (405) 280-7742  
Email: rfagnant@securities.ok.gov  
*Attorney for Plaintiff*

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 30th day of October, 2015, a true and correct copy of the above and foregoing *Order Enforcing Administrative Subpoena* was mailed with postage prepaid thereon, addressed to:

George Franklin Conner  
1223 E. 8th Street  
Pawhuska, OK 74056

Secure Operations Group, LLC  
1223 E. 8th Street  
Pawhuska, OK 74056

  
Robert Fagnant

eventID

**OUR FIRM FILE NUMBER:**

Client: DEPT OF SECURITIES

County: Oklahoma

Case Number: CV-2015-568

**OKLAHOMA DEPARTMENT OF SECURITIES EX REL. -**

**Plaintiff(s)**

**vs**

**SECURE OPERATIONS GROUP LLC ET AL., -**

**Defendant(s)**

Date Served: 8/23/2015 12:20:00 PM

Served By: PERRY BELL (PSS-2015-11)

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

AUG 27 2015

TIM RHODES  
COURT CLERK

26

County of Origin: Oklahoma

### Proof of Service

Case Number: CV-2015-568

|  |  |
|--|--|
| <p><b>DOCUMENTS SERVED:</b> I, being duly sworn, certify that I received the forgoing, to wit:</p> <ul style="list-style-type: none"> <li>*Summons</li> <li>*Plaintiff's Application To Enforce Subpoena Compliance And Authority In Support</li> <li>*Exhibits</li> </ul> | <p><b>METHOD OF SERVICE:</b><br/>And served the same according to the law in the following manner, to wit:</p> <p>Corporation/Partnership , Etc.      by delivering a true copy of said process to GEORGE FRANKIN CONNER (OWNER) he/she/it, being the service agent, agent in charge, an officer or partner of said entity, to wit: SECURE OPERATIONS GROUP LLC at 1223 E 8TH STREET, PAWHUSKA , OK 74056. Date and Time: 8/23/2015 12:20:00 PM</p> <p>Other information:      SKIP HOME</p> |
|--|--|

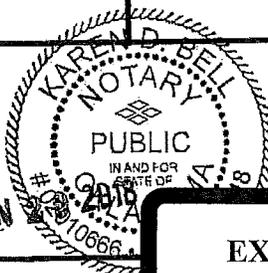
244501

Subscribed and sworn to before me this AUG 24 2015

day of \_\_\_\_\_

*Karen D. Bell*  
Notary Public      Commission Expires \_\_\_\_\_

(SEAL)



Undersigned declares under penalty of perjury that the foregoing is true and correct.

*[Signature]*

\_\_\_\_\_  
Name of Server

AUG 24 2015

\_\_\_\_\_  
(date)

**EXHIBIT**

C

eventID

OUR FIRM FILE NUMBER:

Client: DEPT OF SECURITIES

County: Oklahoma

Case Number: CV-2015-568

OKLAHOMA DEPARTMENT OF SECURITIES EX REL. -

Plaintiff(s)

vs

GEORGE FRANKLIN CONNER ET AL., - Defendant(s)

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

AUG 27 2015

TIM RHODES  
COURT CLERK

26

Date Served: 8/23/2015 12:20:00 PM

Served By: PERRY BELL (PSS-2015-11)

County of Origin: Oklahoma

### Proof of Service

Case Number: CV-2015-568

**DOCUMENTS SERVED:** I, being duly sworn, certify that I received the foregoing, to wit:

- \*Summons with Petition
- \*Plaintiff's Application To Enforce Subpoena Compliance And Authority In Support

**METHOD OF SERVICE:**

And served the same according to the law in the following manner, to wit:

Personal Service

by delivering a true copy of said process personally to GEORGE FRANKLIN CONNER at 1223 E 8TH STREET, PAWHUSKA, OK 74056. Date and Time: 8/23/2015 12:20:00 PM

Other Information:

SKIP HOME

244502

Subscribed and sworn to before me this

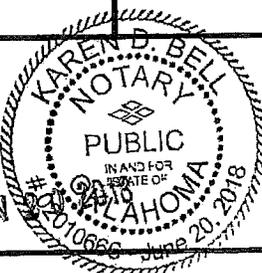
AUG 24 2015

day of

*Karen D. Bell*  
Notary Public

Commission Exp. JUN 2016

(SEAL)



Undersigned declares under penalty of perjury that the foregoing is true and correct.

*[Signature]*

Name of Server

AUG 24 2015

(date)

IN THE DISTRICT COURT OF OKLAHOMA COUNTY     MAR 31 2015  
STATE OF OKLAHOMA

TIM RHODES  
COURT CLERK  
35

Oklahoma Department of Securities     )  
ex rel. Irving L. Faught,                )  
Administrator,                            )  
  Plaintiff,                                )  
  )     )  
v.    )  
  )     )  
Secure Operations Group, LLC, and     )  
George Franklin Conner,                 )  
  )     )  
  Defendants.                                )

Case No. **CV-2015-568**

**PLAINTIFF'S APPLICATION TO ENFORCE SUBPOENA COMPLIANCE**  
**AND**  
**AUTHORITY IN SUPPORT**

Plaintiff, Oklahoma Department of Securities ("Department") ex rel. Irving L. Faught, Administrator, moves this Court for an order enforcing compliance with a subpoena duces tecum issued pursuant to Section 1-602(B) of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), to Secure Operations Group, LLC ("SOG"). The subpoena was issued for the purpose of obtaining documents necessary to the Department's investigation of possible violations of the Act.

**BACKGROUND**

1. SOG is an Oklahoma limited liability company. SOG, on information and belief, operates from Fairfax, Oklahoma. The addresses for SOG and its registered agent on file with the Oklahoma Secretary of State are located in Fairfax, Oklahoma. George Franklin Conner ("Conner") is SOG's registered agent. See Exhibit A.

2. Conner, on information and belief, is an Oklahoma resident and a managing member of SOG. See Exhibits B (excerpts from a SOG executive summary and a SOG letter to investors) and C (CLEAR printout excerpt).

3. Based on information received by the Department, SOG and Conner (collectively, the "Defendants") may have violated, may be continuing to violate, and/or may have aided, or are materially aiding, violations of the Act.

4. The Department has initiated an investigation of securities transactions in which Defendants have participated. Section 1-602 of the Act sets out the authority of the Administrator of the Department ("Administrator") to investigate as follows:

(A) The Administrator may:

(1) Conduct public or private investigations within or outside of this state which the Administrator considers necessary or appropriate to determine whether a person has violated, is violating, or is about to violate this act or a rule adopted or order issued under this act, or to aid in the enforcement of this act or in the adoption of rules and forms under this act[.]

5. Subsection (B) of Section 1-602 of the Act authorizes the Administrator to subpoena witnesses and require production of documents as follows:

For the purpose of an investigation or proceeding under this act, the Administrator or its designated officer may administer oaths and affirmations, subpoena witnesses, seek compulsion of attendance, take evidence, require the filing of statements, and require the production of any records that the Administrator considers relevant or material to the investigation or proceeding.

6. On July 2, 2014, the Department issued a subpoena duces tecum to SOG (the "July Subpoena"). See Exhibit D. Service of the July Subpoena on SOG was attempted via certified mail, return receipt requested, with postage prepaid thereon, in

accordance with 660:2-7-3(e) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules"), Okla. Admin. Code §§ 660:1-1-1 through 660:25-7-1<sup>1</sup>, to SOG's listed registered agent's address. The July Subpoena was unclaimed, not able to be forwarded and returned to the Department by the USPS. *Id.*

7. On August 4, 2014, the Department reissued the July Subpoena with a production deadline of August 29, 2014 (the "August Subpoena"). The August Subpoena was served on SOG via personal service to its registered agent, Conner, on August 8, 2014, in Pawhuska, Oklahoma. See Exhibit E.

8. On September 22, 2014, the Department sent the Defendants a letter, to Conner's Pawhuska address, requesting compliance with the August Subpoena and establishing a new production date of October 6, 2014 (the "Letter"). See Exhibit F.

9. To date, the Department has not received a response to the August Subpoena or the Letter. See Exhibit G.

#### AUTHORITY

Pursuant to Section 1-602 of the Act, the Administrator has the authority to apply to this Court to enforce compliance with the August Subpoena. Subsection (C) of Section 1-602 of the Act provides as follows:

If a person does not . . . obey a subpoena as required by the Administrator under this act, the Administrator may apply to the district court of Oklahoma County . . . to enforce compliance. The court may:

1. Hold the person in contempt;

---

<sup>1</sup>660:2-7-3(e) of the Rules states: "Subpoenas shall be served in the manner provided by law." Subpoenas commanding production of documents and things before trial shall be served on a party in accordance with 12 O.S. § 2005.B. 12 O.S. § 2004.1.B.1. Service upon the attorney or upon a party shall be made by . . . mailing it[.] [S]ervice by mail is complete upon mailing[.] 12 O.S. § 2005.B.

\*\*\*

4. Order the production of records;
5. Grant injunctive relief, *including* restricting or prohibiting the offer or sale of securities or the providing of investment advice (emphasis added);
6. Impose a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations in a single proceeding or a series of related proceedings; and
7. Grant any other necessary or appropriate relief.

Enforcement of the August Subpoena under Section 1-602 is necessary for the effective enforcement of the Act by the Administrator.

**WHEREFORE**, the Department requests this Court order Defendants to produce the records requested by the August Subpoena and grant such other relief as this Court deems appropriate.

Respectfully submitted,

OKLAHOMA DEPARTMENT OF SECURITIES  
IRVING L. FAUGHT, ADMINISTRATOR

By: 

Robert Fagnant, OBA # 30548  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, Oklahoma 73102  
Telephone (405) 280-7700  
Fax (405) 280-7742  
Email: rfagnant@securities.ok.gov

**Corporate Records & Business Registrations****Source Information**

**This Record Last Updated:** 12/15/2013  
**Database Last Updated:** 03/10/2014  
**Update Frequency:** WEEKLY  
**Current Date:** 03/13/2014  
**Source:** AS REPORTED BY THE SECRETARY OF STATE OR OTHER  
OFFICIAL SOURCE

**Company Information**

**Name:** SECURE OPERATIONS GROUP, L.L.C.  
**Address:** 39 LITTLE STAR DR.  
FAIRFAX, OK 74637  
UNITED STATES OF AMERICA

**Filing Information**

**Filing Number:** 3512368269  
**Filing Date:** 08/02/2012  
**State of Incorporation:** OKLAHOMA  
**Date Incorporated:** 08/02/2012  
**Expiration Date:** 12/31/9999  
**Duration:** PERPETUAL  
**Status:** IN EXISTENCE  
**Business Type:** DOMESTIC LIMITED LIABILITY COMPANY  
**Report Due Date:** 07/01/2013  
**Where Filed:** SECRETARY OF STATE/CORPORATE DIVISION  
STATE CAPITOL  
OKLAHOMA CITY, OK 73105

**Registered Agent Information**

**Name:** GEORGE CONNER  
**Address:** 39 LITTLE STAR DR  
FAIRFAX, OK 74637  
USA

**Appointed Date:** 08/02/2012

**Amendment Information**

**Amendments:** 12/04/2013 CHANGE OF REGISTERED AGENT AND/OR  
OFFICE AND/OR PRINCIPAL OFFICE  
06/05/2013 ANNUAL CERTIFICATES  
08/02/2012 ARTICLES OF ORGANIZATION

The preceding public record data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

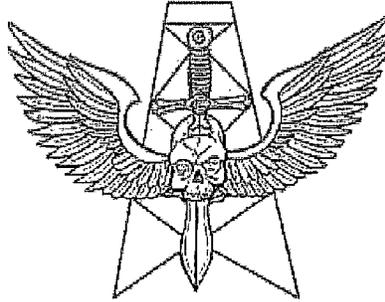
The public record items reported above may have been paid, terminated, vacated or released prior to today's date.

**Order Documents**

Call Westlaw CourtExpress at 1-877-DOC-RETR (1-877-362-7387)  
for on-site manual retrieval of documents related to this or other matters.  
Additional charges apply.

END OF DOCUMENT

# SECURE OPERATIONS GROUP



OKLAHOMA ALGERIA AUSTRALIA YEMEN

## X BAR TRACT 1

A LOW RISK DEVELOPMENT DRILLING PROGRAM  
WITH CURRENT HORIZONTAL AND VERTICAL WELLS

SECURE OPERATIONS GROUP, LLC.

39 LITTLE STAR DR.

FAIRFAX, OK. 74637

918-642-3444

## TABLE OF CONTENTS

|   |    |
|---|----|
| Executive Summary                           | 2  |
| X Bar Tract 1 Map                           | 4  |
| X Bar Tract 1 Well Information              | 5  |
| Jennings Tract 21                           | 5  |
| Begley-Oller 10-1                           | 10 |
| Jennings Tract 23                           | 13 |
| Begley-Oller 10-2 and 10-3                  | 14 |
| AFE (Cost Estimate)                         | 17 |
| Securities                                  | 20 |
| Risks                                       | 22 |
| Managing Members of Secure Operations Group | 24 |
| Consultants and Contractors                 | 24 |
| Geological and Engineering Workups          | 28 |
| Geological Prognosis for Jennings Area      | 31 |
| Joshi Technologies Engineering Report       | 33 |
| Petroleum Information Article               | 49 |
| Oil and Gas Journal Article                 | 50 |
| Spaced Bartlesville Horizontal Tracts       | 52 |
| Bartlesville Sand Stone Net Isopach Map     | 53 |
| Top Bartlesville Sand Stone Structure Map   | 54 |
| Red Fork Sand Stone Net Isopach Map         | 55 |
| Red Fork Sand Horizontal Tracts             | 56 |

**MANAGING MEMBERS OF  
SECURE OPERATIONS GROUP LLC.**

**CODY BELITZ**

Cody Belitz entered the Marine Corps upon graduation from high school. In the Marine Corps, Cody graduated from training as an equipment and machinery maintenance specialist. After finishing his equipment specialty training, Cody completed combat readiness school and deployed for Iraq. After his tours in the Marine Corps and Iraq, Cody enrolled in college. He graduated from college in the spring of 2012. Cody will be working in field maintenance on a contractual basis so he can attend Petroleum Engineering classes in Tulsa. The company is excited to have Cody on contract, as he is the next generation of Secure Operations Group. Email: [cody@secureoperationsgroup.com](mailto:cody@secureoperationsgroup.com).

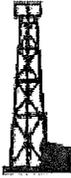
**GEORGE CONNER**

George graduated with a Chemical Engineering degree from Fresno State in California. Since graduation George has spent 23 years in the oil field in California, New Mexico, Texas, Kansas and Oklahoma. In that time he worked primarily as a completion engineer and drilling engineer. He did work for Nabors Drilling as the drilling superintendent in the Permian Basin in Texas. The other companies he worked for was Performance Petroleum out of California and LexPro of New Mexico. George has owned and drilled numerous wells for his own account in Oklahoma and Kansas. Over the years George has drilled over 400 wells and worked on completions for just over 300 wells. We are proud to have George with us and look at him as the next generation in this company. George is a member of the Society of Petroleum Engineers. Email: [george@secureoperationsgroup.com](mailto:george@secureoperationsgroup.com).

**CONSULTANTS AND CONTRACTORS TO  
SECURE OPERATIONS GROUP**

**J.E. MCALPINE**

John E. McAlpine of Tulsa Oklahoma, Petroleum Engineer, retired. Mr. McAlpine started his oil career as the oil boy for J. Paul Getty on the Mayo Hotel trading floor. He studied Petroleum Engineering at the University of Tulsa and Oklahoma A and M. After returning from his service in the United States Air Force, he returned to the oil field to work for Getty as his personal drilling engineer. In his career he has been the production engineer for Champlin Petroleum, with the responsibility of maintaining 400 wells; senior drilling engineer for Geodyne Energy where he drilled wells with a depth in excess of 24,000 feet and 7000 psi shut in pressure; and consulting engineer



SECURE OPERATIONS GROUP, LLC.

39 LITTLE STAR DR. FAIRFAX, OK. 74637

918-642-3444

email: [George@secureoperationsgroup.com](mailto:George@secureoperationsgroup.com)

November 24, 2013

Re: Update and Cash Call

Gentlemen,

In the past 67 days there has been one major ecological problem, the Mystery Well, which impacted the operations of Tracts 1, 2, 3, and 5. Subsequent to the major problem the State Inspector requested, which is an unwritten order, that we move the injection zone in our disposal well and resubmit the UIC filings, this would be a requirement cause by the ecological problem.

On November 8<sup>th</sup> well 2-1 had a section of their flow line cut out and this allowed oil to run into the creeks next to well 2-1. We had just started turning back on the wells from the ecological problem when the EPA was required to come out to the project for an inspection. The wells were shut down again for the 8 days the EPA inspector was on location.

On November 15<sup>th</sup> and 16<sup>th</sup> the wells were once again in the process of being turned back on when the float level mercury switch was changed creating a spill in the SPCC containment. The switch was changed from 8 feet to 20 feet. The tank is only 15 feet high so the salt water shot out of the top of the tank filling the containment and burning out the injection pump motor. All is cleaned up, a new motor in place and the wells are once again in the process of being turned on.

Secure Operations Group has to date has funded, out of company resources, most of the work and operations of Tracts 1, 2, and 3. Tract 5 has produced almost enough to cover its shares of all clean up costs and operations, but it will have a cash call for the shortfall. The costs on the other tracts, along with the gas gun reworks are the cause of the cash call.

Each partner from each tract is receiving an individual billing. In compliance with the terms of the Operating Agreement each billing statement is due in full in 5 days. Failure to make payment by

partners in a given tract could result in the tract being shut down. Secure Operations Group does not have the cash liquidity to continue covering the costs alone.

At the November 8<sup>th</sup> members meeting at the Mayo, one of the broker members brought up the prospect of having a cash call to once again liquefy SOG. On that date with the wells being turned back on, George was prepared to operate without a cash call. However, with the wells again off and invoices coming due, the company is required to make the cash call.

The following paperwork details the call for each partner, on each of the tracts they are involved in. These cash calls are for expenses and are 100% deductible on your 2013 taxes.

Should you have any questions about the cash call please call your broker/member. They will be happy to answer any questions you may have. Remember this is a short week for Thanksgiving so your broker/member may be hard to reach.

A separate X Bar Tract 1 update will be sent before Thanksgiving.

All the folks here at Secure Operations Group would like to take this time to wish you and yours a good Thanksgiving.

George Conner

Managing Member

Report Section Summary

- User-Supplied Information (1)
- Subject (1)
- Possible AKAs (3)
- Possible Other Records/Names Associated with Subject's SSN (1)
- Possible Addresses Associated with Subject (15)
- Possible Utility Services (2)
- Possible Property Owners of Subject's Addresses (1)
- Possible Criminal Records, Warrants & Traffic Citations (8)
- Possible Liens & Judgments (1)
- Possible Lawsuits (2)
- Possible Relatives (5)
- Possible Associates (2)

User-Supplied Information

Name: CONNER, GEORGE F  
DOB: [REDACTED]  
SSN: [REDACTED]  
Address: [REDACTED]  
PAWHUSKA, OK 74056

Subject

GEORGE CONNER

SSN: [REDACTED] issued in OK between 1985-1987  
DOB (Age): [REDACTED] 43)



Possible AKAs

| Name                    | SSN        | DOB        |
|-------------------------|------------|------------|
| CONNER, GEORGE F        | [REDACTED] | [REDACTED] |
| CONNER, GEORGE FRANKLIN | [REDACTED] | [REDACTED] |
| CONNOR, GEORGE F        | [REDACTED] | [REDACTED] |

Possible Other Records/Names Associated with Subject's SSN

| Name             | SSN        | DOB        | Age        |
|------------------|------------|------------|------------|
| CONNER, GEROGE F | [REDACTED] | [REDACTED] | [REDACTED] |

Possible Addresses Associated with Subject



| Date Range              | Address  | Source(s)                                  | Reported Date(s)  |
|-------------------------|--|--|---|
| 09/08/2006 - 06/12/2013 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian                                   | 09/08/2006 - 06/12/2013   |
| 01/10/2013 - 03/16/2013 | [REDACTED]<br>PAWHUSKA, OK 74056<br>Phone: [REDACTED]<br>Line Type: Cellular<br>Phone: [REDACTED]<br>Line Type: Residence<br>Phone: [REDACTED] | Utility<br>Experian Gateway<br>Experian    | 01/10/2013 - 03/16/2013<br>02/02/2013 - 02/02/2013<br>02/02/2013 - 02/02/2013 |
| 12/31/2010 - 07/01/2011 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian Gateway<br>Experian<br>Utility    | 07/01/2011 - 07/01/2011<br>07/01/2011 - 07/01/2011<br>12/31/2010 - 01/02/2011 |
| 02/18/2009 - 02/18/2009 | [REDACTED]<br>BARNSDALL, OK 74002  | Experian Gateway<br>Experian               | 02/18/2009 - 02/18/2009<br>02/18/2009 - 02/18/2009                            |
| 06/01/2008 - 10/15/2008 | [REDACTED]<br>BARNSDALL, OK 74002  | Experian                                   | 06/01/2008 - 10/15/2008   |
| 04/02/2008 - 04/02/2008 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian                                   | 04/02/2008 - 04/02/2008   |
| 08/01/2001 - 02/26/2008 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian Gateway<br>Experian<br>TransUnion | 09/18/2001 - 02/26/2008<br>09/18/2001 - 02/26/2008<br>08/01/2001 - 08/01/2001 |
| 09/06/2007 - 09/06/2007 | [REDACTED]<br>PONCA CITY, OK 74601   | Experian Gateway<br>Experian               | 09/06/2007 - 09/06/2007<br>09/06/2007 - 09/06/2007                            |
| 07/28/2004 - 07/28/2004 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian Gateway<br>Experian               | 07/28/2004 - 07/28/2004<br>07/28/2004 - 07/28/2004                            |
| 05/14/2004 - 05/14/2004 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian Gateway<br>Experian               | 05/14/2004 - 05/14/2004<br>05/14/2004 - 05/14/2004                            |
| 01/08/2004 - 01/08/2004 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian                                   | 01/08/2004 - 01/08/2004   |
| 07/20/2003 - 07/20/2003 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian                                   | 07/20/2003 - 07/20/2003   |
| 12/20/2001 - 01/22/2002 | [REDACTED]<br>PAWHUSKA, OK 74056   | Experian Gateway                           | 12/20/2001 - 01/22/2002   |
| 10/24/1999 - 10/24/1999 | [REDACTED]<br>CHOWCHILLA, CA 93610   | Experian                                   | 10/24/1999 - 10/24/1999   |

**CERTIFIED MAIL**  
GENERAL INVESTMENT CITY



7000 0520 0022 7150 4483

OKLAHOMA DEPARTMENT OF SECURITIES  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102

RECEIVED  
OKLAHOMA DEPT.  
OF SECURITIES  
2019 JUL 28 PM 2

1201  
No  
7/15  
M 7/15

Secure Operations Group, LLC  
c/o George Conner, Regd Agent  
39 L<sup>th</sup> St. NW  
Fairfax

MI XIE 311 SE 1009 0807/27/14  
RETURN TO SENDER  
UNLESS AS NOTED  
UNABLE TO FORWARD

RC: 73102750999 #0857-04079-02-38  
73102750999

EXHIBIT  
D

IRVING L. FAUGHT  
ADMINISTRATOR



MARY FALLIN  
GOVERNOR

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES

July 2, 2014

VIA CERTIFIED MAIL

Secure Operations Group, LLC  
c/o George Conner, Registered Agent  
39 Little Star Drive  
Fairfax, OK 74637

Re: ODS File No. 14-046

Mr. Conner:

Pursuant to an investigation being conducted by the Oklahoma Department of Securities ("Department"), the Deputy Administrator of the Department has issued the attached Subpoena Duces Tecum ("Subpoena").

The Subpoena requires the production of certain documents on or before the date specified in the Subpoena. *Documents required by this Subpoena must be produced in an electronic and native format in accordance with the Definitions and Instructions sections of the Subpoena.*

Please be advised that you have the right to consult with and be represented by counsel in connection with this matter. If you have any questions about the attached Subpoena, please contact the undersigned at (405) 280-7718.

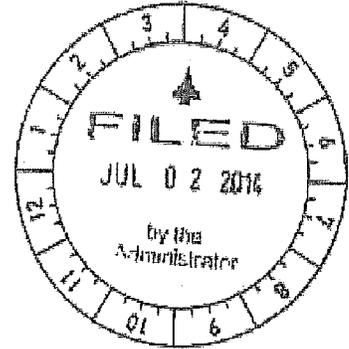
Respectfully,

A handwritten signature in black ink, appearing to read "Rob Fagnant", written over a horizontal line.

Rob Fagnant  
Enforcement Attorney

Attachment

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102



SUBPOENA DUCES TECUM  
ODS File No. 14-046

To: Secure Operations Group, LLC

IN THE NAME OF THE STATE OF OKLAHOMA, and pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), **YOU ARE COMMANDED TO PRODUCE**, in compliance with the Definitions and Instructions sections included herein, all documents, records, and materials described in Appendix "A", attached hereto and incorporated herein by reference, before the Administrator of the Oklahoma Department of Securities, or his designated representative, at 120 North Robinson, First National Center, Suite 860, Oklahoma City, County of Oklahoma, State of Oklahoma, or via electronic upload at <http://www.securities.ok.gov/DocumentDelivery>, **on or before August 1, 2014, at 5:00 p.m.**

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 2<sup>nd</sup> day of July, 2014.

(SEAL)

A handwritten signature in cursive script that reads "Melanie Hall".

Melanie Hall, Deputy Administrator  
Oklahoma Department of Securities  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102  
(405) 280-7700

**STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102**

**Definitions**

1. As used herein, the terms "you" or "your" refers to Secure Operations Group, LLC ("SOG"), and all entities in which such person has or has had a controlling interest; all affiliates thereof; all principals and employees thereof; and all agents, representatives, attorneys or other persons acting or purporting to act on behalf SOG.
2. As used herein, the term "Department" shall refer to the Oklahoma Department of Securities.
3. As used herein, the term "person" shall refer to any natural person, association, partnership, limited liability company, corporation, business trust, estate, trust, joint venture, or other form of business entity, or any government or any agency, subdivision or instrumentality thereof.
4. As used herein, the term "affiliates" when used to indicate a relationship with any person, shall mean (a) a corporation or organization of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities; (b) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and, (c) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the entity or any of its parents or subsidiaries.
5. As used herein, the terms "identification," "identify," or "identity," when used in reference to (a) a natural individual, require you to state his or her full name and residential, business and electronic mail addresses and telephone numbers; (b) a firm, association, partnership, limited liability company, corporation or other form of business entity, require you to state its full name and any names under which it does business, its state of organization, the address of its principal place of business, and the addresses of all of its offices; (c) a business, require you to state the full name or style under which the business is conducted, its business address or addresses, the types of businesses in which it is engaged, the geographic areas in which it conducts those businesses, and the identity of the person or persons who own, operate, and/or control the business; (d) a communication, requires you, if any part of the communication was written, to identify the document(s) which refer to or evidence the communication, and, to the extent that the communication was non-written, to identify the persons participating in the

communication and to state the date, manner, place, and substance of the communication.

6. "Hydrocarbon" refers to any molecule formed entirely of carbon and hydrogen atoms and includes, but is not limited to, oil (any variation, classification, density or concentration thereof) and/or gas (including, but not limited to, methane, ethane, propane, butane, hexane and/or heptane), whether wet or dry.

7. As used herein, "Electronically Stored Information" ("ESI") shall mean all stored computer generated data, and associated metadata, including, but not limited to, word processing, spreadsheet, database, instant message, graphic, chart and presentation, electronic mail message, electronic facsimile, any digital form for representing an electronic document (such as the ISO 32000 format) and scanned material files regardless of its storage method including, but not limited to, removable hard drives, removable storage media, optical disks, flash memory, personal digital assistants, smart phones, online and/or "cloud" storage, backup and archive tape cartridges, reels and cassettes, or fixed storage media, including, but not limited to, internal hard drives, external hard drives, and Local Area Network drives.

8. As used herein, the term "document" or "writing" means, any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation; any ESI item, invoice, bill, order form, receipt, financial statement, account statement, accounting entry, diary, written material, book, file, note, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting), calendar, telex, telegram, cable, report, record, contract, agreement, study, handwritten note, working paper, chart, print, laboratory record, drawing, sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced.

9. As used herein, the terms "relation," "pertaining to," "relating to," "related to," or "related" mean pertaining in any way to, referring to, reflecting, recording, memorializing, mentioning, constituting, describing, or concerning, directly or indirectly.

10. The following rules of construction apply to this subpoena:

(a) the connectives "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the attachment all responses that might otherwise be construed to be outside of its scope; and

(b) the use of the singular form of any word includes the plural and vice versa.

## Instructions

1. Documents required by the subpoena shall be accompanied by a list briefly identifying each document or other material, its custodian, and the item or items of the subpoena to which it relates.
2. Documents required by the subpoena must be produced in an electronic format. The documents shall be in their native format with all associated metadata.<sup>1</sup>
3. Files shall be given a meaningful name in relation to their content (e.g. Smith\_ChkBnk\_Strmnt\_1-1-12.xlsx, SmithContract\_1-1-12.tiff) and NOT a generic file name (e.g. Bnk\_0001.xlsx).
4. File names shall be unique and non-duplicative.
5. Electronic mail messages shall be produced to the Department in their native format (e.g. as a .pst, .msg, etc. file).
6. Imaged productions in the TIFF format will be accepted, when the documents requested are ordinarily used and maintained as such, if:
  - a. Images are at least 300 Dots Per Inch in resolution; and
  - b. The file type lends itself to imaging. If it does not, the production must include copies of the original file in its native format (for example, spreadsheets shall be produced as .xls or .xlsx files).
7. Adobe PDF files are acceptable as native file productions *only* when they have been used and maintained as PDF files in the normal course of business.
8. Instant Message production should be in the Yahoo!™ Messenger version 6.x to 8 format or must:
  - a. Be in a tab delimited, quotation mark (") text qualified, text file;
  - b. Include, at a minimum, the following fields: DATE, TIME, FROM, TO, CONVERSATION TEXT, CONVERSATION INDEX; and
  - c. Include field names in the first row of the text file.
9. Audio and video file production must:
  - a. Be produced in a format that is playable using Microsoft Windows Media Player™; and

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<sup>1</sup> Assistance complying with subpoenaal technical requirements may be attained by calling the Department's IT office at (405) 280-7710. The subpoenaed person shall, at all times, retain the legal obligation and responsibility of complying with the *Subpoena Duces Tecum*.

- b. For telephonic recordings, include a tab delimited, quotation mark ("") text qualified, text file with the following metadata fields, at a minimum: CALLER\_NAME, CALLING\_NUMBER, DATE, TIME, CALLED\_PARTY, CALLED\_NUMBER and FILENAME. The filename must match exactly the name used to name the corresponding audio file. The field names must be included in the first row of the text file.
10. Files shall NOT be individually password protected. Password protection shall be applied only to the media the file(s) is stored upon when produced to the Department. Provide passwords to the Department via a separate, mailed or hand-delivered response.
11. Exception files shall be provided to the Department. The Exception file shall list, at a minimum: (a) the error(s) preventing the production of the file(s); (b) the file(s) name(s) and extension(s); (c) the file(s) creator(s), custodian(s) and date(s) of creation; and (d) a brief summary of the file(s) content.
12. Files that are listed in the Exception file shall temporarily satisfy the Subpoena, until such time as the file can be produced electronically, by producing the file in a hardcopy format to the Department.
13. Should any document(s), required to be produced by the subpoena, be withheld pursuant to a claim of privilege or for any other reason, submit a list stating: (a) the nature of the documents, communications, or information not being produced; (b) the creator(s) and date(s) of creation of the documents, communications, or information; (c) their present, or last known custodian; and (d) the reason(s) the documents are not produced.
14. Should any document(s) required to be produced by the subpoena have been destroyed for any reason, provide a detailed statement describing such document(s) and setting forth when, how, and why the document(s) were destroyed. If the destruction occurred as a result of a document retention policy, provide a copy of that document retention policy with the detailed explanation.
15. Place a mark on all media, including, but not limited, to optical disks, flash drives and/or hard drives, containing files submitted by you identifying the media/files as having been provided by you.
16. Place a mark on all hardcopy documents submitted by you identifying them as having been provided by you.
17. Indicate by separate affidavit whether a diligent search has been made for the subpoenaed documents and whether you have produced all of the documents required by the subpoena.

## Appendix "A"

You are commanded to produce the following items within your possession, custody or control:

1. All promotional materials or literature, advertisements, newsletters, reports, solicitation letters, prospectuses, private placement memorandums, subscription agreements, and any other document used in connection with the offer or sale of any interest in SOG, or any of such entity's programs or projects including, but not limited to, the X Bar Tract 1, Jennings Horizontal Tract 21 and 23, Begley-Oller 10-1 and all Sleeper #3 Tracts.
2. Documents identifying each purchaser or offeree of any interest identified in the documents provided in response to Item Number 1, as well as the date of each purchase or offer and the amount of each purchase.
3. Documents identifying each person involved in the offer or sale of any interest identified in the documents provided in response to Item Number 1, as well as documents identifying all commissions or other remuneration paid to each such person.
4. All documents utilized by any person identified in Item Number 3 in the offer or sale of any interest identified in the documents provided in response to Item Number 1 including, but not limited to, personal notes or memoranda, sales scripts, sales literature, newsletters, correspondence, advertisements, sales training materials, or sales manuals.
5. All documents evidencing the source of information utilized to contact potential purchasers including, but not limited to, lead cards, lead sheets, profiles, and similar informational reports.
6. Documents detailing your ownership history of all mineral rights, including, but not limited to, hydrocarbon rights, in which you have, or have had, an interest from January 1, 2012, to the present ("Properties"), to include:
  - a. the date(s) the Properties were acquired and/or disposed of by you;
  - b. the Properties' legal descriptions;
  - c. any and all executed legal instruments (including deeds, assignments, etc.) evidencing your ownership, or your transfer, of the Properties; and
  - d. the location, if any, where the legal instruments provided in response to Item Number 6.c., above, are filed with a governmental unit and/or agency.
7. Documents identifying any and all hydrocarbon wells, regardless of their current or past status and/or condition, located in and/or on the Properties.

8. Documents identifying any and all operator entities you have utilized and/or hired to initiate and supervise any and all facets of drilling, completion, maintenance and/or production of the wells identified in response to Item Number 7 above.

9. Records and/or reports evidencing production for all the wells identified in response to Item Number 7 above ("Production Records").

Include, at a minimum, Production Records:

- a. provided to you from any source;
- b. provided by you, or on your behalf, to any and all purchasers of the Interests;
- c. posted by you, or on your behalf, on any website. Identify the website address and the relevant timeframe of their posting;
- d. provided by you, or on your behalf, to any governmental unit, within or without the state of Oklahoma, including, but not limited to, the Oklahoma Tax Commission and the Oklahoma Corporation Commission; and/or
- e. provided by you or on your behalf to, or provided to you by, any purchaser of hydrocarbons.

10. Documents identifying any and all persons that purchased hydrocarbons produced by any and all of the wells identified in response to Item Number 7 above.

11. Any document identifying the exemption from registration under the Act, if any, you rely upon in connection with the offer and/or sale of any interest identified in the documents provided in response to Item Number 1.

12. All documents utilized to determine whether an actual or potential offeree or purchaser of any interest identified in the documents provided in response to Item Number 1 is "accredited" as that term is defined in Rule 501 of Regulation D (17 C.F.R. § 230.501), promulgated by the United States Securities and Exchange Commission.

13. Documentation identifying all open and closed accounts into which funds received from persons identified in Item Number 2 were deposited or transferred including, but not limited to, checking, savings, credit card, certificate of deposit, loan, safe deposit box, trust, and escrow, by the name the account is carried in, the name and mailing address of the financial institution, the account number, the type of account, and the name(s) of person(s) authorized to sign on the account.

14. All organizational documents of SOG, including, but not limited to, articles of organization, operating agreements and all amendments thereto, annual certificates, minutes, resolutions, business plans, and other similar documents.

15. Documentation identifying all contractors, vendors, members, managers, and employees of SOG, as well as the title, job responsibilities, and time period of employment or service of each such contractor, vendor, member, manager, or employee.

16. All documents relating to any contract or agreement for work or services provided by any contractor, vendor, member, manager, or employee identified in Item Number 15.

17. All financial statements, audited or unaudited, monthly, quarterly or annual, of SOG for the last two years.

CERTIFICATE OF SERVICE

I certify that on July 2, 2014, I mailed the above and foregoing *Subpoena Duces Tecum* via certified mail, return receipt requested, delivery restricted, to the following:

Secure Operations Group, LLC  
c/o George Conner, Registered Agent  
39 Little Star Drive  
Fairfax, OK 74637

Brenda London  
Brenda London, Paralegal

OUR FIRM FILE NUMBER:

Client: DEPT OF SECURITIES

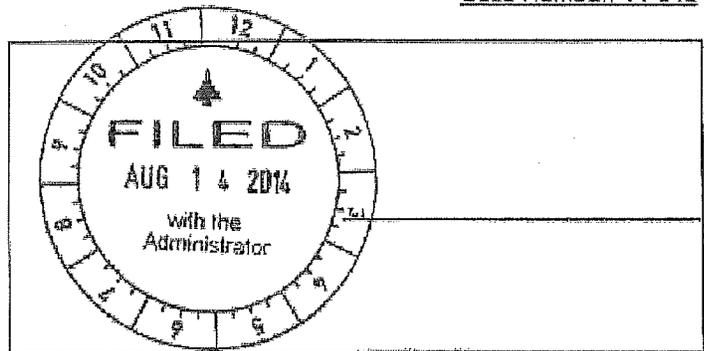
County:

Case Number: 14-046

- Plaintiff(s)

vs

SECURE OPERATIONS GROUP,LLC - Defendant(s)



Date Served: 8/8/2014 8:03:00 PM

Served By: PERRY BELL (PSS-2012-5)

County of Origin:

### Proof of Service

Case Number: 14-046

**DOCUMENTS SERVED:** I, being duly sworn, certify that I received the forgoing, to wit:

- \*Subpoena Duces Tecum
- \*Letter

**METHOD OF SERVICE:**

And served the same according to the law in the following manner, to wit:

Corporation/Partnership , Etc. by delivering a true copy of said process to  
 GEORGE FRANKLIN  
 CONNER(REGISTERED AGENT) he/she/it,  
 being the service agent, agent in charge, an  
 officer or partner of said entity, to wit;  
 SECURE OPERATIONS GROUP,LLC at  
 1506 CLAREMORE, PAWHUSKA, OK  
 74066. Date and Time: 8/8/2014 8:03:00 PM

Other Information:

Subscribed and sworn to before me this  
 day of AUGUST # 11010223 2014  
 EXP. 11/15/15

Notary Public  
 JOHN SHADID  
 PUBLIC COMMISSIONER  
 STATE OF OKLAHOMA  
 (SEAL)

Undersigned declares under penalty of perjury that the foregoing is true and correct.

*[Signature]*  
 Name of Server (date) 8/8/2014

EXHIBIT

E

IRVING L. FAUGHT  
ADMINISTRATOR



MARY FALLIN  
GOVERNOR

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES

August 4, 2014

VIA PERSONAL SERVICE

Secure Operations Group, LLC  
c/o George Franklin Conner, Registered Agent

Re: ODS File No. 14-046

Mr. Conner:

Pursuant to an investigation being conducted by the Oklahoma Department of Securities ("Department"), the Deputy Administrator of the Department has issued the attached Subpoena Duces Tecum ("Subpoena").

The Subpoena requires the production of certain documents on or before the date specified in the Subpoena. *Documents required by this Subpoena must be produced in an electronic and native format in accordance with the Definitions and Instructions sections of the Subpoena.*

Please be advised that you have the right to consult with and be represented by counsel in connection with this matter. If you have any questions about the attached Subpoena, please contact the undersigned at (405) 280-7718.

Respectfully,

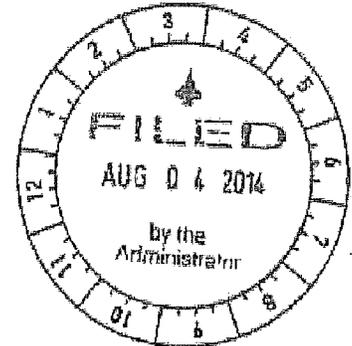
A handwritten signature in black ink, appearing to read "Rob Fagnant".

Rob Fagnant  
Enforcement Attorney

Attachment

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102

SUBPOENA DUCES TECUM  
ODS File No. 14-046



To: Secure Operations Group, LLC  
c/o George Franklin Conner, Registered Agent

IN THE NAME OF THE STATE OF OKLAHOMA, and pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), **YOU ARE COMMANDED TO PRODUCE**, in compliance with the Definitions and Instructions sections included herein, all documents, records, and materials described in Appendix "A", attached hereto and incorporated herein by reference, before the Administrator of the Oklahoma Department of Securities, or his designated representative, at 120 North Robinson, First National Center, Suite 860, Oklahoma City, County of Oklahoma, State of Oklahoma, or via electronic upload at <http://www.securities.ok.gov/DocumentDelivery>, on or before **August 29, 2014, at 5:00 p.m.**

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 4<sup>th</sup> day of August, 2014.

(SEAL)

A handwritten signature in cursive script, appearing to read "Melanie Hall".

Melanie Hall, Deputy Administrator  
Oklahoma Department of Securities  
First National Center, Suite 860  
120 North Robinson  
Oklahoma City, Oklahoma 73102  
(405) 280-7700

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
FIRST NATIONAL CENTER, SUITE 860  
120 NORTH ROBINSON  
OKLAHOMA CITY, OKLAHOMA 73102

Definitions

1. As used herein, the terms "you" or "your" refers to **Secure Operations Group, LLC ("SOG")**, and all entities in which such person has or has had a controlling interest; all affiliates thereof; all principals and employees thereof; and all agents, representatives, attorneys or other persons acting or purporting to act on behalf SOG.
2. As used herein, the term "Department" shall refer to the Oklahoma Department of Securities.
3. As used herein, the term "person" shall refer to any natural person, association, partnership, limited liability company, corporation, business trust, estate, trust, joint venture, or other form of business entity, or any government or any agency, subdivision or instrumentality thereof.
4. As used herein, the term "affiliates" when used to indicate a relationship with any person, shall mean (a) a corporation or organization of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities; (b) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and, (c) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the entity or any of its parents or subsidiaries.
5. As used herein, the terms "identification," "identify," or "identity," when used in reference to (a) a natural individual, require you to state his or her full name and residential, business and electronic mail addresses and telephone numbers; (b) a firm, association, partnership, limited liability company, corporation or other form of business entity, require you to state its full name and any names under which it does business, its state of organization, the address of its principal place of business, and the addresses of all of its offices; (c) a business, require you to state the full name or style under which the business is conducted, its business address or addresses, the types of businesses in which it is engaged, the geographic areas in which it conducts those businesses, and the identity of the person or persons who own, operate, and/or control the business; (d) a communication, requires you, if any part of the communication was written, to identify the document(s) which refer to or evidence the communication, and, to the extent that the communication was non-written, to identify the persons participating in the

communication and to state the date, manner, place, and substance of the communication.

6. "Hydrocarbon" refers to any molecule formed entirely of carbon and hydrogen atoms and includes, but is not limited to, oil (any variation, classification, density or concentration thereof) and/or gas (including, but not limited to, methane, ethane, propane, butane, hexane and/or heptane), whether wet or dry.

7. As used herein, "Electronically Stored Information" ("ESI") shall mean all stored computer generated data, and associated metadata, including, but not limited to, word processing, spreadsheet, database, instant message, graphic, chart and presentation, electronic mail message, electronic facsimile, any digital form for representing an electronic document (such as the ISO 32000 format) and scanned material files regardless of its storage method including, but not limited to, removable hard drives, removable storage media, optical disks, flash memory, personal digital assistants, smart phones, online and/or "cloud" storage, backup and archive tape cartridges, reels and cassettes, or fixed storage media, including, but not limited to, internal hard drives, external hard drives, and Local Area Network drives.

8. As used herein, the term "document" or "writing" means, any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation; any ESI item, invoice, bill, order form, receipt, financial statement, account statement, accounting entry, diary, written material, book, file, note, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting), calendar, telex, telegram, cable, report, record, contract, agreement, study, handwritten note, working paper, chart, print, laboratory record, drawing, sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced.

9. As used herein, the terms "relation," "pertaining to," "relating to," "related to," or "related" mean pertaining in any way to, referring to, reflecting, recording, memorializing, mentioning, constituting, describing, or concerning, directly or indirectly.

10. The following rules of construction apply to this subpoena:

(a) the connectives "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the attachment all responses that might otherwise be construed to be outside of its scope; and

(b) the use of the singular form of any word includes the plural and vice versa.

## Instructions

1. Documents required by the subpoena shall be accompanied by a list briefly identifying each document or other material, its custodian, and the item or items of the subpoena to which it relates.
2. Documents required by the subpoena must be produced in an electronic format. The documents shall be in their native format with all associated metadata.<sup>1</sup>
3. Files shall be given a meaningful name in relation to their content (e.g. Smith\_ChkBnk\_Strmnt\_1-1-12.xlsx, SmithContract\_1-1-12.tiff) and NOT a generic file name (e.g. Bnk\_0001.xlsx).
4. File names shall be unique and non-duplicative.
5. Electronic mail messages shall be produced to the Department in their native format (e.g. as a .pst, .msg, etc. file).
6. Imaged productions in the TIFF format will be accepted, when the documents requested are ordinarily used and maintained as such, if:
  - a. Images are at least 300 Dots Per Inch in resolution; and
  - b. The file type lends itself to imaging. If it does not, the production must include copies of the original file in its native format (for example, spreadsheets shall be produced as .xls or .xlsx files).
7. Adobe PDF files are acceptable as native file productions *only* when they have been used and maintained as PDF files in the normal course of business.
8. Instant Message production should be in the Yahoo!™ Messenger version 6.x to 8 format or must:
  - a. Be in a tab delimited, quotation mark (") text qualified, text file;
  - b. Include, at a minimum, the following fields: DATE, TIME, FROM, TO, CONVERSATION TEXT, CONVERSATION INDEX; and
  - c. Include field names in the first row of the text file.
9. Audio and video file production must:
  - a. Be produced in a format that is playable using Microsoft Windows Media Player™; and

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<sup>1</sup> Assistance complying with subpoenaal technical requirements may be attained by calling the Department's IT office at (405) 280-7710. The subpoenaed person shall, at all times, retain the legal obligation and responsibility of complying with the *Subpoena Duces Tecum*.

b. For telephonic recordings, include a tab delimited, quotation mark (") text qualified, text file with the following metadata fields, at a minimum: CALLER\_NAME, CALLING\_NUMBER, DATE, TIME, CALLED\_PARTY, CALLED\_NUMBER and FILENAME. The filename must match exactly the name used to name the corresponding audio file. The field names must be included in the first row of the text file.

10. Files shall NOT be individually password protected. Password protection shall be applied only to the media the file(s) is stored upon when produced to the Department. Provide passwords to the Department via a separate, mailed or hand-delivered response.

11. Exception files shall be provided to the Department. The Exception file shall list, at a minimum: (a) the error(s) preventing the production of the file(s); (b) the file(s) name(s) and extension(s); (c) the file(s) creator(s), custodian(s) and date(s) of creation; and (d) a brief summary of the file(s) content.

12. Files that are listed in the Exception file shall temporarily satisfy the Subpoena, until such time as the file can be produced electronically, by producing the file in a hardcopy format to the Department.

13. Should any document(s), required to be produced by the subpoena, be withheld pursuant to a claim of privilege or for any other reason, submit a list stating: (a) the nature of the documents, communications, or information not being produced; (b) the creator(s) and date(s) of creation of the documents, communications, or information; (c) their present, or last known custodian; and (d) the reason(s) the documents are not produced.

14. Should any document(s) required to be produced by the subpoena have been destroyed for any reason, provide a detailed statement describing such document(s) and setting forth when, how, and why the document(s) were destroyed. If the destruction occurred as a result of a document retention policy, provide a copy of that document retention policy with the detailed explanation.

15. Place a mark on all media, including, but not limited, to optical disks, flash drives and/or hard drives, containing files submitted by you identifying the media/files as having been provided by you.

16. Place a mark on all hardcopy documents submitted by you identifying them as having been provided by you.

17. Indicate by separate affidavit whether a diligent search has been made for the subpoenaed documents and whether you have produced all of the documents required by the subpoena.

## Appendix "A"

You are commanded to produce the following items within your possession, custody or control:

1. All promotional materials or literature, advertisements, newsletters, reports, solicitation letters, prospectuses, private placement memorandums, subscription agreements, and any other document used in connection with the offer or sale of any interest in SOG, or any of such entity's programs or projects including, but not limited to, the X Bar Tract 1, Jennings Horizontal Tract 21 and 23, Begley-Oller 10-1 and all Sleeper #3 Tracts.
2. Documents identifying each purchaser or offeree of any interest identified in the documents provided in response to Item Number 1, as well as the date of each purchase or offer and the amount of each purchase.
3. Documents identifying each person involved in the offer or sale of any interest identified in the documents provided in response to Item Number 1, as well as documents identifying all commissions or other remuneration paid to each such person.
4. All documents utilized by any person identified in Item Number 3 in the offer or sale of any interest identified in the documents provided in response to Item Number 1 including, but not limited to, personal notes or memoranda, sales scripts, sales literature, newsletters, correspondence, advertisements, sales training materials, or sales manuals.
5. All documents evidencing the source of information utilized to contact potential purchasers including, but not limited to, lead cards, lead sheets, profiles, and similar informational reports.
6. Documents detailing your ownership history of all mineral rights, including, but not limited to, hydrocarbon rights, in which you have, or have had, an interest from January 1, 2012, to the present ("Properties"), to include:
  - a. the date(s) the Properties were acquired and/or disposed of by you;
  - b. the Properties' legal descriptions;
  - c. any and all executed legal instruments (including deeds, assignments, etc.) evidencing your ownership, or your transfer, of the Properties; and
  - d. the location, if any, where the legal instruments provided in response to Item Number 6.c., above, are filed with a governmental unit and/or agency.
7. Documents identifying any and all hydrocarbon wells, regardless of their current or past status and/or condition, located in and/or on the Properties.

8. Documents identifying any and all operator entities you have utilized and/or hired to initiate and supervise any and all facets of drilling, completion, maintenance and/or production of the wells identified in response to Item Number 7 above.

9. Records and/or reports evidencing production for all the wells identified in response to Item Number 7 above ("Production Records").

Include, at a minimum, Production Records:

- a. provided to you from any source;
- b. provided by you, or on your behalf, to any and all purchasers of the Interests;
- c. posted by you, or on your behalf, on any website. Identify the website address and the relevant timeframe of their posting;
- d. provided by you, or on your behalf, to any governmental unit, within or without the state of Oklahoma, including, but not limited to, the Oklahoma Tax Commission and the Oklahoma Corporation Commission; and/or
- e. provided by you or on your behalf to, or provided to you by, any purchaser of hydrocarbons.

10. Documents identifying any and all persons that purchased hydrocarbons produced by any and all of the wells identified in response to Item Number 7 above.

11. Any document identifying the exemption from registration under the Act, if any, you rely upon in connection with the offer and/or sale of any interest identified in the documents provided in response to Item Number 1.

12. All documents utilized to determine whether an actual or potential offeree or purchaser of any interest identified in the documents provided in response to Item Number 1 is "accredited" as that term is defined in Rule 501 of Regulation D (17 C.F.R. § 230.501), promulgated by the United States Securities and Exchange Commission.

13. Documentation identifying all open and closed accounts into which funds received from persons identified in Item Number 2 were deposited or transferred including, but not limited to, checking, savings, credit card, certificate of deposit, loan, safe deposit box, trust, and escrow, by the name the account is carried in, the name and mailing address of the financial institution, the account number, the type of account, and the name(s) of person(s) authorized to sign on the account.

14. All organizational documents of SOG, including, but not limited to, articles of organization, operating agreements and all amendments thereto, annual certificates, minutes, resolutions, business plans, and other similar documents.

15. Documentation identifying all contractors, vendors, members, managers, and employees of SOG, as well as the title, job responsibilities, and time period of employment or service of each such contractor, vendor, member, manager, or employee.

16. All documents relating to any contract or agreement for work or services provided by any contractor, vendor, member, manager, or employee identified in Item Number 15.

17. All financial statements, audited or unaudited, monthly, quarterly or annual, of SOG for the last two years.

IRVING L. FAUGHT  
ADMINISTRATOR



MARY FALLIN  
GOVERNOR

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES

September 22, 2014

VIA FIRST CLASS MAIL

George Franklin Conner  
Secure Operations Group, LLC  
1506 Claremore Avenue  
Pawhuska, OK 74056

Re: ODS 14-036 - Subpoena Duces Tecum

Mr. Conner:

On August 4, 2014, the Oklahoma Department of Securities ("Department") issued a subpoena duces tecum to Secure Operations Group, LLC ("SOG"), pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), with a production date of August 29, 2014 ("Subpoena").

On August 8, 2014, the Subpoena was served on you via personal service at 1506 Claremore Avenue, Pawhuska, Oklahoma. The personal service of the Subpoena is evidenced by the filing of a "Proof of Service" with the Administrator of the Department by the process server.

As of the date of this letter, the Department has not received any documents, or communications, in response to the Subpoena. **Please produce documents responsive to the Subpoena and an affidavit, in accordance with Instruction No. 17 of the Subpoena, to the Department no later than October 6, 2014.**

Under Section 1-602(C) of the Act, failure to comply with the Subpoena may result in a court order finding you and/or SOG in contempt, ordering injunctive relief, including restricting or prohibiting the offer or sale of securities, and/or a civil penalty.



Subpoena Follow Up  
September 22, 2014  
Page 2 of 2

If you have any questions, please contact the undersigned at (405) 280-7718 or by email at [rfagnant@securities.ok.gov](mailto:rfagnant@securities.ok.gov).

Respectfully,

A handwritten signature in black ink, appearing to read 'RF', with a long, sweeping horizontal line extending to the right.

Rob Fagnant  
Enforcement Attorney

AFFIDAVIT OF BRENDA LONDON

STATE OF OKLAHOMA )  
 )  
COUNTY OF OKLAHOMA ) ss:

Brenda London, of lawful age, being first duly sworn, upon oath states as follows:

1. I am a Paralegal for the Oklahoma Department of Securities ("Department") and the custodian of records for the Enforcement Division of the Department.
2. In the course of its regularly conducted business activity, it is the regular practice of the Enforcement Division to make a record of the receipt of all incoming mail and hand-delivered items relating to an investigation or proceeding. These records are made at or near the time the Department receives the mail or hand-delivered items, by an employee of the Department with knowledge of the Department's receipt of the mail or items. The Enforcement Division preserves these records for an indefinite period of time.
3. The Enforcement Division also preserves, in an electronic file, all documents, relating to an investigation or proceeding, submitted by electronic upload through the Department's website.
4. After a diligent search of the Enforcement Division's records and electronic files relating to Secure Operating Group, LLC ("SOG"), I have determined: the Department has not received any of the documents listed on Appendix "A" of the subpoena duces tecum issued by the Administrator of the Department to SOG on August 4, 2014 (the "Subpoena"), and the Department has not received any correspondence from George Franklin Conner regarding the Subpoena.

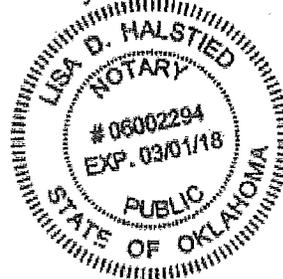
FURTHER AFFIANT SAITH NOT.

Brenda London  
Brenda London

Subscribed and sworn to before me this 31 day of March, 2015, by Brenda London.

Lisa D. Halstied  
Notary Public

My Commission No.: 06002294  
My Commission Expires: 03-01-2018  
(SEAL)



IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

SEP 23 2015

TIM RHODES  
COURT CLERK

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

Plaintiff,

v.

Secure Operations Group, LLC, and  
George Franklin Conner,

Defendants.

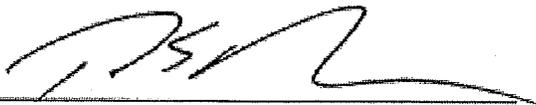
Case No. CV-2015-568  
Judge Thomas E. Prince

**NOTICE OF HEARING**  
**ON**  
**APPLICATION TO ENFORCE SUBPOENA COMPLIANCE**

TAKE NOTICE that the hearing on *Plaintiff's Application to Enforce Subpoena Compliance and Authority in Support* is set for the 30<sup>th</sup> day of October, 2015, at 9:00 a.m. before Judge Thomas E. Prince, Oklahoma County Courthouse, Oklahoma City, Oklahoma.

Respectfully submitted,

By:

  
Robert Fagnant, OBA # 30548  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, Oklahoma 73102  
Telephone (405) 280-7700  
Fax (405) 280-7742  
Email: rfagnant@securities.ok.gov  
*Attorney for Plaintiff*

EXHIBIT

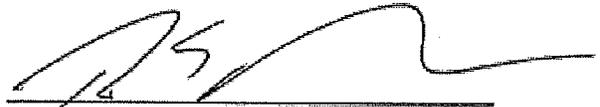
D

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 23<sup>d</sup> day of September, 2015, a true and correct copy of the above and foregoing *Notice of Hearing on Application to Enforce Subpoena Compliance* mailed with postage prepaid thereon, via first-class US mail, addressed to:

George Franklin Conner  
1223 E. 8<sup>th</sup> Street  
Pawhuska, OK 74056

Secure Operations Group, LLC  
1223 E. 8<sup>th</sup> Street  
Pawhuska, OK 74056



Robert Fagnant

**AFFIDAVIT OF BRENDA LONDON**

STATE OF OKLAHOMA            )  
  )  
COUNTY OF OKLAHOMA        )

ss:

Brenda London, of lawful age, being first duly sworn, upon oath states as follows:

1. I am a Paralegal for the Oklahoma Department of Securities ("Department") and the custodian of records for the Enforcement Division of the Department.
2. In the course of its regularly conducted business activity, it is the regular practice of the Enforcement Division to make a record of the receipt of all incoming mail and hand-delivered items relating to an investigation or proceeding. These records are made at or near the time the Department receives the mail or hand-delivered items, by an employee of the Department with knowledge of the Department's receipt of the mail or items. The Enforcement Division preserves these records for an indefinite period of time.
3. The Enforcement Division also preserves, in an electronic file, all documents, relating to an investigation or proceeding, submitted by electronic upload through the Department's website.
4. After a diligent search of the Enforcement Division's records and electronic files relating to Secure Operating Group, LLC ("SOG"), I have determined: the Department has not received any of the documents listed on Appendix "A" of the subpoena duces tecum issued by the Administrator of the Department to SOG on August 4, 2014 (the "Subpoena"), any correspondence from George Franklin Conner ("Conner") regarding the Subpoena nor any documents or correspondence regarding the *Order Enforcing Administrative Subpoena* issued by District Court Judge Thomas E. Prince on October 30, 2015, from either SOG or Conner.

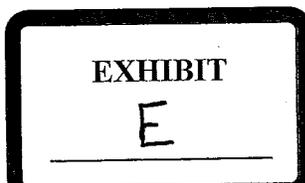
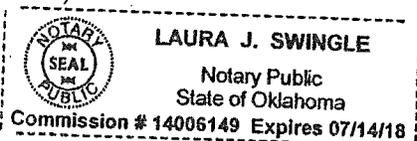
FURTHER AFFIANT SAITH NOT.

Brenda London  
Brenda London

Subscribed and sworn to before me this 18<sup>th</sup> day of December, 2015, by Brenda London.

Laura J. Swingle  
Notary Public

My Commission No.: 14006149  
My Commission Expires: 7/14/18  
(SEAL)



**OUR FIRM FILE NUMBER:**

Client: DEPT OF SECURITIES

County: Oklahoma

Case Number: CV-2015-568

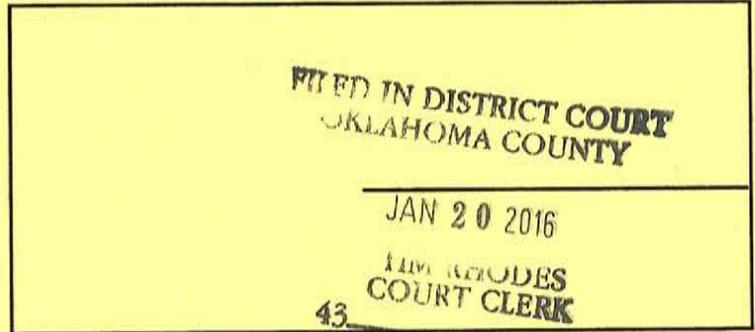
**OKLAHOMA DEPARTMENT OF SECURITIES - Plaintiff(s)**

**vs**

**SECURE OPERATIONS GROUP, LLC, C/O GEORGE FRANKLIN - Defendant(s)**

Date Served: 1/15/2016 4:36:00 PM

Served By: PERRY BELL (PSS-2015-11)



County of Origin: Oklahoma

### Proof of Service

Case Number: CV-2015-568

**DOCUMENTS SERVED:** I, being duly sworn, certify that I received the forgoing, to wit:

- \*Citation for Contempt
- \*Notice of Hearing
- \*Application For Contempt Of Court
- \*Exhibits

**METHOD OF SERVICE:**

And served the same according to the law in the following manner, to wit:

Corporation/Partnership, Etc.

by delivering a true copy of said process to GEORGE FRANKLIN CONNER he/she/it, being the service agent, agent in charge, an officer or partner of said entity, to wit: SECURE OPERATIONS GROUP, LLC, C/O GEORGE FRANKLIN CONNER at 1223 E 8TH ST, PAWHUSKA, OK 74056-0000. Date and Time: 1/15/2016 4:36:00 PM

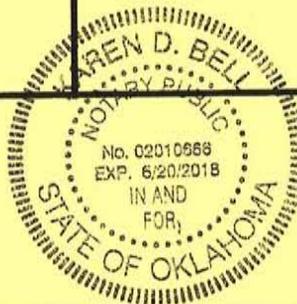
Other Information:

256125

Subscribed and sworn to before me this

day of JAN 18 2016

Lisa Grodes  
Notary Public Commission Exp. (SEAL)



Undersigned declares under penalty of perjury that the foregoing is true and correct.

[Signature]  
Name of Server

JAN 18 2016  
(date)