

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

In the Matter of:

Martin Drilling Company  
427 7<sup>th</sup> St.  
Perry, OK 73077

Bill M. Martin  
427 7<sup>th</sup> St.  
Perry, OK 73077

Respondents.

File No. ODS 01-173

**STIPULATION, CONSENT AND UNDERTAKING**

Respondents Martin Drilling Company, an Oklahoma corporation, ("Martin Drilling") and Bill M. Martin ("Martin") (collectively, "Respondents"), hereby submit this Stipulation, Consent and Undertaking ("Stipulation and Consent") to the Administrator of the Oklahoma Department of Securities ("Department"). Respondents submit this Consent and Undertaking solely for the purpose of resolving the issues raised by the Department as the result of an investigation into their activities in connection with the offer and/or sale of securities. The investigation was conducted pursuant to Section 405 of the Oklahoma Securities Act ("Act") Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 and Supp. 2000).

Respondents hereby stipulate, consent and undertake the following:

1. Respondents consent to the entry of the Order to Cease and Desist ("Order") attached hereto.
2. Respondents voluntarily waive their right to notice and hearing as required by the Act, the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules"), and the Oklahoma Administrative Procedures Act, Okla. Stat. tit. 75, § 250 *et seq.*

3. Respondents voluntarily waive any right they may have to appeal from entry of the Order.

4. Respondents will comply with all provisions of the Act and the Rules including, but not limited to, Section 301 of the Act in connection with the offer and/or sale of securities in and/or from the state of Oklahoma.

5. In connection with any offer and/or sale of securities in and/or from the state of Oklahoma effected pursuant to any exemption from registration under the Act, Respondents will use no public or general advertising or general solicitation if prohibited by the terms of such relied upon exemption(s).

6. Respondents consent to the initiation of administrative and/or civil proceedings based on the subject matter of the Order should Respondents fail to comply with any provision of this Stipulation and Consent or the Order.

7. Respondents agree that the Order may be entered without further notice.

Respectfully Submitted,

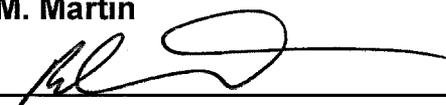
**Martin Drilling Company**

By:   
Bill M. Martin, President

Attest: \_\_\_\_\_

Date: 12-18-01

Address: 427 7<sup>th</sup> St.  
Perry, OK 73077

**Bill M. Martin**  


Date: 12-18-01

Address: 427 7<sup>th</sup> St.  
Perry, OK 73077