DENISE VOIGT CRAWFORD SECURITIES COMMISSIONER

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Texas State Securities Board

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BETH ANN BLACKWOOD CHAIR

> BRYAN K. BROWN MEMBER

EDWARD ESCUDERO MEMBER

DERRICK MITCHELL MEMBER

E. WALLY KINNEY MEMBER

IN THE MATTER OF ALERIS PETROLEUM, LLC, AND ARTHUR "ART" WILSON

Order No. ENF-10-CDO-1696

TO: Aleris Petroleum, LLC 8204 Dock Street, Frisco, Texas 75035

> Arthur "Art" Wilson 2905 Hagen Drive, Plano, Texas 75205 and 8204 Dock Street, Frisco, Texas 75035

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN.art. 581-1 et seq.(Vernon Supp. 2009) ("Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

- 1. Aleris Petroleum, LLC ("Respondent Aleris") maintains a last known address at 8204 Dock Street, Frisco, Texas 75035.
- Arthur "Art" Wilson ("Respondent Wilson") is the Managing Member and Chief Executive Officer of Respondent Aleris. He maintains last known addresses at 2905 Hagen Drive, Plano, Texas 75025 and 8204 Dock Street, Frisco, Texas 75035.
- 3. Respondents Aleris and Wilson (collectively "Respondents") are offering for sale investments in an oil and gas well drilling project described as the Sabine Parish

Prospect Wells 4 and 5, located in Sabine Parish, Louisiana (the "Sabine Parish Investment").

- 4. In connection with the offer for sale of the Sabine Parish Investment, Respondents are misrepresenting the relevant fact that Respondent Wilson is a "registered member with the Texas State Securities Board."
- 5. In connection with the offer for sale of the Sabine Parish Investment, Respondents are intentionally failing to disclose the following material facts:
 - A. The Enforcement Division of the Texas State Securities Board is conducting an investigation of Respondent Wilson, doing business as Millionaire Energy Group, LLC, to detect and prevent violations of the Securities Act.
 - B. Respondent Wilson, doing business as Millionaire Energy Group, LLC, previously sold an investment in an oil and gas well drilling project to an investor for \$150,000, and failed to drill the well and refund the investor's contribution.
 - C. Respondent Wilson, doing business as Millionaire Energy Group, LLC, was previously locked out of his office by the lease management company.
- 6. Respondents are touting Respondent Wilson's experience and qualifications, which is materially misleading or otherwise likely to deceive the public because Respondents are misrepresenting and failing to disclose the information contained in the preceding paragraphs.

CONCLUSIONS OF LAW

- 1. The Sabine Parish Investment is a "security" as that term is defined by Section 4.A of the Texas Securities Act.
- 2. Respondents are engaging in fraud in connection with the offer for sale of securities.
- 3. Respondents are making an offer containing statements that are materially misleading or otherwise likely to deceive the public.
- 4. Respondents conduct, acts, and practices threaten immediate and irreparable public harm.
- 5. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

<u>ORDER</u>

- 1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
- 2. It further ORDERED that Respondents immediately CEASE AND DESIST from making offers in Texas that contain statements that are materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 20^{44} day of October, 2010.

Denise Voigt Crawford

DENISE VOIGT CRAWFORD Securities Commissioner