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Texas State Securities Board

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MEMBER

IN THE MATTER OF §
RARE EARTH EXPLORATION, LLC; HELIUM HUNTERS; §
BRADLEY SHERMAN HAYCRAFT; TIMOTHY P. TAYLOR; §
BILL WEBBER; TIMELESS PROTECT, LLC; DUANE LEE; §
SUNIL JOSEPH AKA JOSEPH SUNIL AND PAUL JAMES §

Order No. ENF-CDO-20-1794

Rare Earth Exploration, LLC is being served by certified mail, return receipt requested, to 1111 Beltline Road, Suite 200, Garland, Texas 75040, and by certified mail, return receipt requested, to Andrew Nichols, its Registered Agent for Service of Process, at 990 S. Sherman Street, Richardson, Texas 75081.

Helium Hunters is being served by certified mail, return receipt requested, to its attention at the address for Rare Earth Exploration, LLC, and by certified mail, return receipt requested, addressed to the Registered Agent for Service of Process for Rare Earth Exploration, LLC.

Bradley Sherman Haycraft is being served by certified mail, return receipt requested, to its attention at the address for Rare Earth Exploration, LLC, by certified mail, return receipt requested, addressed to the Registered Agent for Service of Process for Rare Earth Exploration, LLC, and by certified mail, return receipt requested, to 6106 Shadywood Lane, Garland, Texas 75043.

Timothy P. Taylor is being served by certified mail, return receipt requested, to its attention at the address for Rare Earth Exploration, LLC, by certified mail, return receipt requested, addressed to the Registered Agent for Service of Process for Rare Earth Exploration, LLC, and by certified mail, return receipt requested, to 3008 Hilltop Lane, Plano, Texas 75075.

Bill Webber is being served by certified mail, return receipt requested, to the address for Rare Earth Exploration and by certified mail, return receipt requested, to the Registered Agent for Service of Process for Rare Earth Exploration, LLC.

Timeless Protect, LLC, is being served by certified mail, return receipt requested, to 519 Cooper Industrial Parkway, Apopka, Florida 32703; 2000 Argentia Road Plaza One, Suite 301, Mississauga, Ontario, Canada L5N 1P7 and 618 East South Street, Suite 500, Orlando, Florida 32801, and by certified mail, return receipt requested, to Duane Lee, its Registered Agent for Service of Process in Florida, at 6965 Piazza Grande Avenue, Suite 407, Orlando, Florida 32835.

Duane Lee is being served by certified mail, return receipt requested, to his attention at the addresses for Timeless Protect, LLC, and by certified mail, return receipt requested, addressed the Registered Agent for Service of Process for Timeless Protect, LLC.

Sunil Joseph aka Joseph Sunil is being served by certified mail, return receipt requested, to his attention at the addresses for Timeless Protect, LLC, and by certified mail, return receipt requested, addressed the Registered Agent for Service of Process for Timeless Protect, LLC.

Paul James is being served by certified mail, return receipt requested, to his attention at the addresses for Timeless Protect, LLC, and by certified mail, return receipt requested, addressed the Registered Agent for Service of Process for Timeless Protect, LLC.

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas (the "**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stat. Ann. arts. 581-1 to 581-45 (West, Westlaw through 2019 R. Sess.) (the "**Securities Act**").

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

FINDINGS OF FACT

1. Rare Earth Exploration, LLC ("**Respondent Rare Earth Exploration**"), is a domestic limited liability company that can be served with process at 1111 Beltline Road, Suite 200, Garland, Texas 75040, and through Andrew Nichols, its Registered Agent for Service of Process, at 990 S. Sherman Street, Richardson, Texas 75081.
2. Helium Hunters ("**Respondent Helium Hunters**") is an unincorporated entity acting as an agent for Respondent Rare Earth Exploration. It can be served with process at the address for Respondent Rare Earth Exploration and through the Registered Agent for Service of Process for Respondent Rare Earth Exploration.
3. Bradley Sherman Haycraft ("**Respondent Haycraft**") is President of Respondent Rare Earth Exploration and part of Respondent Helium Hunters. He can be served with process at the address for Respondent Rare Earth Exploration, through the Registered Agent for Service of Process for Respondent Rare Earth Exploration, and at 6106 Shadywood Lane, Garland, Texas 75043.
4. Timothy P. Taylor ("**Respondent Taylor**") is Chief Executive Officer of Respondent Rare Earth Exploration and he is part of Respondent Helium Hunters. He can be served with process at the same address for Respondent Rare Earth Exploration, through the Registered Agent for Service of Process for Respondent Rare Earth Exploration, and at 3008 Hilltop Lane, Plano, Texas 75075.

5. Bill Webber (“**Respondent Webber**”) is a sales agent for Respondents Rare Earth Exploration and Helium Hunters. He can be served with process at the address for Respondent Rare Earth Exploration and through the Registered Agent for Service of Process for Respondent Rare Earth Exploration.
6. Timeless Protect, LLC (“**Respondent Timeless Protect**”), is a Florida Limited Liability Company that can be served with process at 519 Cooper Industrial Parkway, Apopka, Florida 32703, and 2000 Argentia Road Plaza One, Suite 301, Mississauga, Ontario, Canada L5N 1P7. It can also be served with process through Duane Lee, its Registered Agent for Service of Process in Florida, at 6965 Piazza Grande Avenue, Suite 407, Orlando, Florida 32835.
7. Duane Lee (“**Respondent Lee**”) claims to be the Chief Executive Officer of Respondent Timeless Protect and is the Florida Registered Agent for Service of Process for Respondent Timeless Protect. He can be served with process at the addresses for Respondent Timeless Protect and in his capacity as Registered Agent for Service of Process for Respondent Timeless Protect.
8. Sunil Joseph aka Joseph Sunil (“**Respondent Joseph**”) is a Manager of Respondent Timeless Protect. He can be served with process at the addresses for Respondent Timeless Protect and through the Registered Agent for Service of Process for Respondent Timeless Protect.
9. Paul James (“**Respondent James**”) is a Manager of Respondent Timeless Protect. He can be served with process at the addresses for Respondent Timeless Protect and through the Registered Agent for Service of Process for Respondent Timeless Protect.

THE BUSINESS OF RESPONDENTS RARE EARTH EXPLORATION AND HELIUM HUNTERS

10. Respondents Rare Earth Exploration and Helium Hunters are representing they focus on the extraction, development, and production of helium, natural gas, oil and other inert gases.
11. Respondents Rare Earth Exploration and Helium Hunters are claiming to offer a broad range of investment opportunities in oil, natural gas, and helium resources.
12. Despite representing that Respondents Rare Earth Exploration and Helium Hunters are offering investments in both oil and gas, Respondents Rare Earth Exploration and Helium Hunters are primarily touting the profitability of investments in helium wells.

THE PUBLIC ADVERTISEMENTS AND THE RADIO SHOW

13. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, and Taylor are publicly advertising investments in helium through social media, including Twitter and Facebook, as well as through the Helium Hunters radio program.

14. The Helium Hunters radio program is hosted by Respondents Haycraft and Taylor, and it is airing on KRLD New Radio 1080 AM in Dallas, Texas. The public can also access the radio program on demand through the website maintained by KRLD at <https://krld.radio.com/media/podcast/helium-hunters>.
15. Respondents Rare Earth Exploration, Helium Hunters, Haycraft and Taylor are representing the radio show serves as a platform to “interview industry experts, discuss the current helium crisis and offer up incredible investment opportunities.”
16. Despite the description of the radio show, Respondents Rare Earth Exploration, Helium Hunters, Haycraft and Taylor are using the radio show to offer only those investments sold by Respondent Rare Earth Exploration.
17. Respondents Rare Earth Exploration, Helium Hunters, Haycraft and Taylor are directing potential investors to an internet website accessible by the public at <https://www.heliumhunters.com> (the “**Helium Hunters Website**”) for more information. The Helium Hunters Website states that Helium Hunters is “[a] Rare Earth Exploration company” and contains links to Respondent Rare Earth Exploration’s website accessible by the public at <https://www.rareearthex.com> (“**Rare Earth Exploration Website**”).
18. Both the Rare Earth Exploration Website and the Helium Hunters Website publicly advertise investments in a helium drilling project located in the Petrified Forest National Park (“**Petrified Forest Prospect**”).

THE UNPROTECTED UNITS IN A HELIUM
DRILLING PROJECT IN THE PETRIFIED FOREST NATIONAL PARK IN ARIZONA

19. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are offering investments in the Petrified Forest Prospect (the “**unprotected units**”).
20. The unprotected units constitute working interests in a helium drilling project in the Petrified Forest National Park in Arizona.
21. Respondents Rare Earth Exploration, Haycraft, Taylor and Webber are describing the unprotected units as follows:
 - A. The Petrified Forest Prospect is a three-well drilling project located in the Petrified Forest National Park in Apache County and Navajo County, Arizona;
 - B. The issuer will sell a maximum of 50 units in the Petrified Forest Prospect;
 - C. The total purchase price of the investment is \$55,500.00 per unit for a total estimated capital to be raised of \$2,775,000.00;

- D. Each unprotected unit is the equivalent of a 2% working interest and a 1.5% net revenue interest in the well; and
 - E. Investors have no meaningful duty to manage the investment. Respondents Rare Earth Exploration, Haycraft, and Taylor will have exclusive responsibility for and control over the management and operations of the Petrified Forest Prospect.
22. Respondents Rare Earth Exploration, Haycraft, Taylor and Webber are claiming Respondent Rare Earth Exploration has leases to drill on 4,317 acres in the Petrified Forest National Park in Arizona. The leases associated with this project are in T18N, R24E, Sections 17, 18, 19, 29, and 32 and in T18N, R23E, Sections 14 and 16.

THE PROTECTED UNITS IN A HELIUM
DRILLING PROJECT IN THE PETRIFIED FOREST NATIONAL PARK IN ARIZONA

23. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are also offering units in the Petrified Forest Prospect that are purportedly protected by Respondent Timeless Protect (“**the protected units**”).
24. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are offering the protected units for \$55,500.00 per protected unit payable to Respondent Rare Earth Exploration and an additional \$19,425.00 per protected unit payable to Respondent Timeless Protect.
25. The protected units are the same as the unprotected units except that purchasers of protected units are being enrolled in a Cash Back Program managed by Respondents Timeless Protect, Lee, Joseph and James.

THE CASH BACK PROGRAM
AND GUARANTEED PAYMENTS TO PURCHASERS OF PROTECTED UNITS

26. Respondents Timeless Protect and Lee are describing Respondent Timeless Protect and its Cash Back Program as follows:
- A. Respondent Timeless Protect’s directors and founders have more than 50 years of experience in the investment, property development, sales, marketing, and structured finance industry.
 - B. Respondent Timeless Protect has operated for around three years, is involved in 25 to 30 different industries and is active in 30 countries, and its business continues to grow because of its “bulletproof” structure.
 - C. Respondent Timeless Protect now deals with 13 companies involved in oil and gas drilling and exploration.

- D. Respondent Timeless Protect recognizes that oil and gas drilling and exploration involves an element of risk and the Cash Back Program eliminates the risk.
 - E. The Cash Back Program is not insurance, but it serves as an “absolute guarantee” that money will be paid to the investor at the end of the term, even if Respondent Timeless Protect and affiliated companies go out of business and the associated wells cease to exist.
27. Respondent Timeless Protect, as managed by Respondents Lee, Joseph, and James, is the administrator of the Cash Back Program.
28. Principal sent to Respondent Timeless Protect for the Cash Back Program, less an eight percent fee, is purportedly held in a trust account.
29. The Cash Back Program entitles purchasers of protected units to the following payments regardless of the success or profitability of the Petrified Forest Prospect:
- A. After a three-year term, purchasers of protected units may elect an early withdrawal from the Cash Back Program that pays an amount equal to 25 percent of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
 - B. After a six-year term, purchasers of protected units may elect an early withdrawal from the Cash Back Program that pays an amount equal to 50 percent of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
 - C. After a twelve-year term, purchasers of protected units may elect to receive a full return of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
30. The trust account is purportedly fully insured by a corporate insurance policy issued by Aspen Re, a syndicate of Lloyds of London, and includes a financial guarantee policy that lists clients as beneficiaries. The corporate insurance policy is described in greater details as follows:
- A. The corporate insurance policy for the trust account expires on June 25, 2020.
 - B. The corporate insurance policy for the trust account only covers instances of breach of duty, fraud and other misconduct of Clariant Capital Corporation as the manager of the trust, and only up to \$3 million.

THE PROTECTED AND UNPROTECTED UNITS
PURPORTEDLY GENERATE LUCRATIVE RETURNS

31. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of the unprotected and protected units and claiming they will generate lucrative returns.
32. Respondents Rare Earth Exploration, Helium Hunters and Webber are representing the working interests should provide a minimum return of 100 percent in anywhere between 6 and 12 months and that the average well produces returns for 10 years.
33. Respondents Rare Earth Exploration, Helium Hunters and Webber are also representing that the Petrified Forest Prospect should be drilled by January 2020 and that returns should be realized sixty days later.

THE REGULATORY FRAMEWORK FOR OIL AND GAS
OPERATIONS WITHIN THE PETRIFIED FOREST NATIONAL PARK

34. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are claiming the protected and unprotected units relate to the drilling of three wells in the Petrified Forest National Park. The Petrified Forest National Park is a National Park under the purview of a federal bureau, the National Park Service ("**NPS**").
35. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not disclosing that the NPS regulates access to oil and natural gas in the Petrified Forest National Park.
36. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are also not disclosing that federal law requires operators conducting non-federal oil and gas operations within the Petrified Forest National Park to obtain an operations permit before conducting operations. The information required in an operations permit application includes, among other things:
 - A. Description of the natural and cultural resource conditions within the proposed area of operations;
 - B. Description of proposed steps to mitigate adverse environmental impacts on park resources and values, including but not limited to, the park's land features, fish and wildlife, vegetation, soils, and air quality; and
 - C. A spill control and emergency preparedness plan.
37. As of November 7, 2019, Respondents Rare Earth Exploration, Haycraft, and Taylor have not applied for an operations permit for the Petrified Forest Prospect.

38. While Respondents Rare Earth Exploration, Haycraft, and Taylor are representing the Petrified Forest Prospect should be commenced by January 2020 and that returns should be realized sixty days later, they are not disclosing that Respondents Rare Earth Exploration, Haycraft and Taylor have not yet applied for an operations permit to drill wells in the Petrified Forest Prospect.

THE PREVIOUS INVESTMENT IN THE PETRIFIED FOREST PROSPECT AND THE "MONEY BACK GUARANTEE"

39. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of working interests in the Petrified Forest Prospect, representing the wells should be commenced by January 2020 and that returns should be realized sixty days later.
40. Although Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of working interests in the Petrified Forest Prospect, representing the wells should be commenced by January 2020 and that returns should be realized sixty days later, they are not disclosing the following information:
- A. In April 2018, Respondents Rare Earth Exploration, Haycraft, and Taylor sold overriding royalty interests in the Petrified Forest Prospect to a previous investor with a written agreement that if at least two wells were not drilled within one year, the investor would receive all of his money back.
 - B. Respondents Rare Earth Exploration, Haycraft, and Taylor represented to the previous investor that they were unable to drill the Petrified Forest Prospect as they had been unable to secure permits to drill within the Petrified Forest National Park.
 - C. Respondents Rare Earth Exploration, Haycraft, and Taylor did not drill two wells within one year as promised and to date, they refused to return the previous investor's money per the terms of the money back guarantee.

THE CRIMINAL HISTORY OF AND STATE ENFORCEMENT ACTIONS FILED AGAINST RESPONDENT HAYCRAFT

41. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of the working interests in the Petrified Forest Prospect.
42. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not, however, providing potential investors with the following information about the criminal prosecution of Respondent Haycraft:
- A. On or around January 25, 2018, Respondent Haycraft pleaded guilty to possession of methamphetamine, PG 1<1G, a state jail felony, in State of Texas vs. Bradley Sherman Haycraft, Cause No. 199-83184-2017, in the

199th District Court, Collin County, Texas. The Court ordered him to serve deferred adjudication community supervision for five years and to pay \$500.00 in fines, \$324.00 in court costs, and \$180.00 in restitution. On September 26, 2018, October 25, 2018, and November 28, 2018, Respondent Haycraft violated the terms of his community supervision by testing positive for methamphetamine. Respondent Haycraft did not report to his community supervision officer in December 2018, but was admitted to thirty-day inpatient drug treatment program in January 2019. After completing the drug treatment program, he was sanctioned to return to the specialized caseload for substance abusers. Respondent Haycraft will remain under community supervision until July 13, 2022.

- B. On or around October 22, 2015, Respondent Haycraft pleaded guilty to driving with a suspended license, a Class B misdemeanor, in State of Texas vs. Bradley Sherman Haycraft, Cause No. CR15-1100 in the County Court at Law, Rockwall County, Texas. He was sentenced to twelve days confinement in the county jail and was ordered to pay a \$500.00 fine.
 - C. On or around June 11, 2015, Respondent Haycraft pleaded guilty to theft of services, greater than or equal to \$20.00 but less than \$500.00, a Class B misdemeanor, in State of Texas vs. Bradley Sherman Haycraft, Cause No. CR14-1086, in County Court at Law, Rockwall County, Texas. He was sentenced to thirty days confinement in the county jail and was ordered to pay a \$500.00 fine and \$277.00 in court costs.
 - D. On or around July 10, 2008, Respondent Haycraft pleaded guilty to robbery, a second-degree felony, in State of Texas vs. Bradley Sherman Haycraft, Cause No. 2-08-129, in the 382nd District Court, Rockwall County, Texas. He was ordered to serve probation and pay a \$1,500.00 fine and \$230.00 in court costs. Respondent Haycraft violated the conditions of his probation by testing positive for marijuana and cocaine on August 20, 2008 and methamphetamine on June 20, 2012. As a result of these violations, on March 7, 2013, Respondent Haycraft's probation was extended by one year and he was ordered to serve thirty-one days in the county jail and to attend and complete an Intensive Out-Patient Treatment Program.
43. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are also not providing potential investors with the following information about a state securities action filed against Respondent Haycraft:
- A. On or about January 15, 2008, the Texas State Securities Board entered an administrative order against Respondent Haycraft styled In the Matter of Crescent Development, LLC, GulfSouth Energy, LLC, Bradley Sherman Haycraft, and Johnny Mack Ross aka John Ross, Order No. ENF-08-CDO-1646 (the "**prior administrative action**").
 - B. Respondent Haycraft and others engaged in fraud in connection with the offer for sale of securities; and

- C. Respondent Haycraft and others were ordered to immediately cease and desist from engaging in fraud in connection the offer for sale of any security in Texas.

UNDISCLOSED INFORMATION RELATING TO THE TERMS OF THE CASH BACK PROGRAM AND THE RISKS ASSOCIATED WITH THE PROTECTED UNITS

- 44. As described herein, Respondents are claiming purchasers of protected units are being enrolled in a Cash Back Program administered by Respondent Timeless Protect.
- 45. As also described herein, principal from purchasers of protected units is purportedly deposited in a trust account and the trust account is fully insured by a corporate insurance policy issued by Aspen Re, a syndicate of Lloyds of London, and includes a financial guarantee policy that lists clients as beneficiaries. The insurance premiums for the insurance policies are purportedly pre-paid by Respondent Timeless Protect.
- 46. Investors are not being provided with the following information about the Cash Back Program and its trust account:
 - A. Investors are not being told the trust account is managed by Clariant Capital Corporation and Respondent Joseph, its chairman, and they are not being provided information material to Clariant Capital Corporation, including the identity of its principals, its principal place of business, its qualifications to manage the trust or its authority to manage funds maintained in the trust.
 - B. Investors are not being provided information about other sources of funds commingled with their funds or the amount of funds from other sources commingled with their funds.
 - C. Investors are not being provided with the value of funds managed by the trust or any other information that shows their funds will be covered by the \$3 million limitation on liability purportedly afforded by the corporate policy.
 - D. Investors are not being told the corporate insurance policy for the trust account expires on June 25, 2020.
 - E. Investors are not being told the corporate insurance policy for the trust account only covers instances of breach of duty, fraud and other misconduct of Clariant Capital Corporation as the manager of the trust account.
 - F. Investor are not being told the strategy for managing funds maintained in the trust account.

THE UNDISCLOSED UNDERTAKING FILED BY RESPONDENT JAMES

47. The Ontario Securities Commission investigated Respondent James and others suspected of violating securities laws.
48. Respondent James filed an undertaking relating to his dealings in securities with the Ontario Securities Commission.
49. Respondents Timeless Protect and James are not disclosing the undertaking to potential purchasers of protected units.

REGISTRATION VIOLATIONS

50. Respondents have not been registered as dealers or agents in Texas at any time material hereto.
51. The unprotected and protected units have not been registered by notification, coordination, or qualification and no permit has been issued for their sale in Texas.
52. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are relying on Regulation D, Rule 506. This federal regulation serves as a basis for preempting the Texas State Securities Board from administering a state law that protects investors by requiring the registration of securities.
53. Although Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor, and Webber are relying on Regulation D, Rule 506, the protected and unprotected units do not qualify for safe harbor pursuant to Regulation D, Rule 506, because:
 - A. Respondents Rare Earth Exploration, Haycraft, and Taylor are selling unprotected units and protected units to unaccredited investors.
 - B. Respondents Rare Earth Exploration, Haycraft, and Taylor are not taking reasonable steps to verify that all purchasers of protected units and unprotected units are, in fact, accredited investors.

FRAUD AN DECEIT AND THE FAILURE TO SECURE A PERMIT TO DRILL IN THE PETRIFIED FOREST NATIONAL PARK

54. In connection with the offer of unprotected units and protected units, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, and Taylor are intentionally failing to disclose that they do not have an operations permit from the NPS for oil and gas operations within the Petrified Forest National Park, and this information constitutes a material fact.
55. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of the unprotected and protected units, representing that wells should be drilled before the end of January 2020 and claiming the unprotected and protected units should pay immediate

returns to investors. These statements are materially misleading or otherwise likely to deceive the public because Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not disclosing that they do not have an operations permit from the NPS for oil and gas operations within the Petrified Forest National Park.

FRAUD AND DECEIT AND THE PREVIOUS INVESTMENT SCHEME

56. In connection with the offer of unprotected units and protected units, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, and Taylor are intentionally failing to disclose the profitability of working interests in the Petrified Forest Prospect previously sold to the public, and this information constitutes a material fact.
57. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are touting the profitability of working interests in the Petrified Forest Prospect, representing that wells should be drilled before the end of January 2020 and claiming the unprotected and protected units should pay immediate returns to investors. These statements are materially misleading or otherwise likely to deceive the public because Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not disclosing the profitability of working interests in the Petrified Forest Prospect previously sold to the public.

FRAUD AND DECEIT AND THE CRIMINAL HISTORY OF RESPONDENT HAYCRAFT

58. In connection with the offer of unprotected and protected units, Respondents Rare Earth Exploration, Helium Hunters and Haycraft are intentionally failing to disclose the following information about the criminal prosecutions of Respondent Haycraft:
 - A. In connection with the offer of unprotected and protected units, they are intentionally failing to disclose the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. 199-83184-2017, in the 199th District Court, Collin County, Texas, and this information constitutes a material fact.
 - B. In connection with the offer of unprotected and protected units, they are intentionally failing to disclose the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. CR15-1100 in the County Court at Law, Rockwall County, Texas, and this information constitutes a material fact.
 - C. In connection with the offer of unprotected and protected units, they are intentionally failing to disclose the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. CR14-1086, in County Court at Law, Rockwall County, Texas, and this information constitutes a material fact.

- D. In connection with the offer of unprotected and protected units, they are intentionally failing to disclose the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. 2-08-129, in the 382nd District Court, Rockwall County, Texas, and this information constitutes a material fact.
59. As described herein, Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are representing that Respondent Rare Earth Exploration Company, as controlled by Respondent Haycraft, will have exclusive responsibility and control over the management and operations of the Petrified Forest Project. These statements are materially misleading or otherwise likely to deceive the public because Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not disclosing the following information that relates to the criminal prosecutions of Respondent Haycraft:
- A. They are not disclosing the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. 199-83184-2017, in the 199th District Court, Collin County, Texas.
- B. They are not disclosing the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. CR15-1100 in the County Court at Law, Rockwall County, Texas.
- C. They are not disclosing the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. CR14-1086, in County Court at Law, Rockwall County, Texas.
- D. They are not disclosing the information set forth herein relating to State of Texas vs. Bradley Sherman Haycraft, Cause No. 2-08-129, in the 382nd District Court, Rockwall County, Texas.

FRAUD AND DECEIT AND
THE PRIOR STATE SECURITIES ACTION AGAINST RESPONDENT HAYCRAFT

60. In connection with the offer of unprotected and protected units, Respondents Rare Earth Exploration, Helium Hunters and Haycraft are intentionally failing to disclose the information set forth herein relating to the prior administrative action, and this information constitutes a material fact.
61. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are representing that Respondent Rare Earth Exploration Company, as controlled by Respondent Haycraft, will have exclusive responsibility and control over the management and operations of the Petrified Forest Project. These statements are materially misleading or otherwise likely to deceive the public because Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are not disclosing the information set forth herein relating to the prior administrative action.

**FRAUD AND DECEIT AND CONCEALMENT OF THE
IDENTITY OF THE PRINCIPALS OF RESPONDENT TIMELESS PROTECT**

62. As described herein, Respondent Timeless Protect, as managed by Respondents Lee, Joseph, and James, is the administrator of the Cash Back Program for purchasers of protected units.
63. Respondents Timeless Protect, Lee, Joseph, and James and intentionally failing to disclose the following information about their identity and management of Respondent Timeless Protect:
- A. They are intentionally failing to disclose the identity of all managerial officers of Respondent Timeless Protect, and this information constitutes material facts.
 - B. They are intentionally failing to disclose the business repute and qualifications of all managerial officers of Respondent Timeless Protect, and this information constitutes material facts.
 - C. They are intentionally failing to disclose the experience of the managerial officers of Respondent Timeless Protect in administering trusts and managing funds that generate returns for investors, and this information constitutes material facts.
64. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are offering protected units coupled with the Cash Back Program managed by Respondent Timeless Protect, and their statements are materially misleading or otherwise likely to deceive the public because they are not disclosing the following information about the identity and management of Respondent Timeless Protect:
- A. They are failing to disclose the identity of Respondents Lee, Joseph, and James, as well as any other managerial officers of Respondent Timeless Protect.
 - B. They are failing to disclose the business repute and qualifications of Respondents Lee, Joseph, and James, as well as any other managerial officers of Respondent Timeless Protect, and this information constitutes material facts.
 - C. They are failing to disclose the experience of Respondents Lee, Joseph, and James in managing funds that generate returns for investors.

**FRAUD AND DECEIT AND CONCEALMENT OF THE STRATEGY FOR
GENERATING PAYMENTS FOR PURCHASERS OF PROTECTED UNITS**

65. As described herein, the Cash Back Program entitles purchasers of protected units the following payments regardless of the success or profitability of the Petrified Forest Prospect:
- A. After a three-year term, purchasers of protected units may elect an early withdrawal from the Cash Back Program that pays an amount equal to 25 percent of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
 - B. After a six-year term, purchasers of protected units may elect an early withdrawal from the Cash Back Program that pays an amount equal to 50 percent of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
 - C. After a twelve-year term, purchasers of protected units may elect to receive a full return of principal invested with Respondents Rare Earth Exploration and Timeless Protect.
66. In connection with the offer of the protected units, Respondents Timeless Protect, Lee, Joseph, and James are intentionally failing to disclose the strategy for managing funds to generate payments equal to the principal invested with Respondents Rare Earth Exploration and Timeless Protect.
67. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor and Webber are offering protected units, and their statements are materially misleading or otherwise likely to deceive the public because they are not providing purchasers of protected units with material information relating to the strategy Respondent Timeless Protect's strategy for managing funds to generate payments equal to the principal invested with Respondents Rare Earth Exploration and Timeless Protect.

FRAUD AND DECEPTIVE PRACTICES IN CONNECTION
WITH THE MANAGEMENT OF INVESTOR FUNDS IN A TRUST ACCOUNT

68. As described herein, principal sent to Respondent Timeless Protect for the Cash Back Program is purportedly held in a trust account, the trust account is purportedly fully insured by Lloyds of London and the insurance premiums for the trust account were purportedly pre-paid by Respondent Timeless Protect.
69. In connection with the offer of protected units, Respondents Timeless Protect, Lee, Joseph, and James are intentionally failing to disclose the following information:
- A. They are intentionally failing to disclose any material information about Clariant Capital Corporation and its qualifications to manage the trust or its authority to manage funds maintained in the trust, and this information constitutes material facts.
 - B. They are intentionally failing to disclose the sources of other funds that are commingled with principal used to purchase protected units and the amount

of other funds that will be commingled with principal used to purchase protected units.

70. Respondents Rare Earth Exploration, Haycraft, and Taylor are offering protected units, and their statements are materially misleading or otherwise likely to deceive the public because they are not disclosing the following information:
- A. They are not disclosing that the trust account is managed by Clariant Capital Corporation.
 - B. They are not disclosing any material information about Clariant Capital Corporation, including the identity of Respondent Joseph and its principals, its principal place of business, its qualifications to manage the trust or its authority to manage funds maintained in the trust.
 - C. They are not disclosing information about the commingling of their funds with other sources, including the identity of the sources of other funds and the amount of funds from other sources.
 - D. They are not disclosing that the aggregate limit of liability on the insurance policy for the trust account is \$3 million, inclusive of all funds held in trust.
 - E. They are not disclosing the insurance policy for the trust account expires on June 25, 2020.
 - F. They are not disclosing the insurance policy for the trust account only covers instances of breach of duty, fraud and other misconduct of Clariant Capital Corporation as the manager of the trust account.

DECEIT AND THE PROMISE OF PAYMENTS

71. As described herein, Respondents are promising purchasers of protected units they may elect to receive payments from Respondent Timeless Protect after three, six, and twelve years.
72. These statements are materially misleading or otherwise likely to deceive the public because Respondent Timeless Protect actually retains the contractual right to unilaterally amend, modify, append, and/or change the terms of the Cash Back Program and the benefits for purchasers of protected units.

FRAUD AND DECEIT AND CONCEALMENT OF THE UNDERTAKING BY THE ONTARIO SECURITIES COMMISSION

73. As described herein, the Ontario Securities Commission investigated Respondent James and Respondent James filed an undertaking relating to his dealings in securities with the Ontario Securities Commission.

74. In connection with the offer of protected units, Respondents Timeless Protect and James are intentionally failing to disclose the undertaking to prospective purchasers of protected units, and this information constitutes a material fact.
75. Respondents Timeless Protect and James are offering protected units to the public and describing the business of Respondent Timeless Protect and the authority of Respondent James, and their statements are materially misleading or otherwise likely to deceive the public because they are not disclosing the undertaking.

CONCLUSIONS OF LAW

1. The protected and unprotected units in the Petrified Forest Prospect are securities as the term is defined by Section 4.A of the Securities Act.
2. Respondents are violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondents are violating Section 12 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of the Securities Act
4. Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor, Timeless Protect, Lee, James and Joseph are engaging in fraud in connection with the offer for sale of securities.
5. Respondents have made an offer containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
7. The foregoing Conclusions of Law constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Securities Act.

ORDER

1. It is therefore ORDERED Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Securities Act.
2. It is further ORDERED Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Securities Act.

3. It is further ORDERED Respondents Rare Earth Exploration, Helium Hunters, Haycraft, Taylor, Timeless Protect, Lee, James and Joseph immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the 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 Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for two to ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 22nd day of November, 2019.



TRAVIS J. ILES
Securities Commissioner