

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

**IN THE MATTER OF:**

**TRI-CRESCENT ENERGY CORP  
WILLIAM JOSEPH HILL  
BRADLEY BURNS**

**ADMINISTRATIVE ORDER  
NO. CD-2010-0011**

**RESPONDENTS**

**CEASE AND DESIST ORDER**

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

**RESPONDENTS**

1. **TRI-CRESCENT ENERGY CORP. ("TCE")** is a Texas Corporation having a commercial address of 545 East John Carpenter Freeway, Suite 1600, Irving, Texas 75062.
2. **WILLIAM JOSEPH HILL ("HILL")**, at all times relevant, acted as Chief Executive Officer of TCE, with a business address of 545 East John Carpenter Freeway, Suite 1600, Irving, Texas 75062.
3. **BRADLEY BURNS ("BURNS")**, at all times relevant, acted as Vice President of TCE, with a business address of 545 East John Carpenter Freeway, Suite 1600, Irving, Texas 75062.

## STATEMENT OF FACTS

4. The Commission is in receipt of information that on or about December, 2008, a representative of **TCE** engaged in the offer of and/or sale of unregistered securities, to wit: units of general partnership interests [Joint Venture] in the W. Logan #2 Prospect, to an Alabama resident.

5. Information made available to the Commission indicates that **BURNS** made a general solicitation ("cold call") to an Alabama resident. The following day offering documents were mailed by representatives of **TCE** to the same Alabama resident. The materials represented **HILL** as the President and Sole Director of **TCE**.

6. The Offering Memorandum describes the investment offered to the Alabama resident as the participation in units of general partnership interest in a joint venture to be formed under Texas partnership law to engage primarily in the business of exploration, production from, and operation of an oil and gas well (the "prospect well") in Erath County, Texas. The investment objectives are stated to be to (1) acquire up to 50% of the Working Interest in the Prospect Well and participate in operations thereon to drill, test and, if appropriate, Complete a Well; (2) provide cash distributions from Operations; and (3) in its initial year(s) of operation, provide current tax benefits to Venturers to offset income from any source.

7. A review of the files of the Commission conducted on February 16, 2010, disclosed that **RESPONDENTS** were neither registered nor exempt from registration to offer and/or sell securities in Alabama and that no security was registered as being offered by **RESPONDENTS** or W. LOGAN #2 PROSPECT.

## CONCLUSIONS OF LAW

8. The units of interest in the W. LOGAN #2 PROSPECT offered and/or sold by **RESPONDENTS** constitute certificates of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such title or lease. Alabama's statutory definition of *security* found at Section 8-6-2(10), Code of Alabama

1975 includes any *certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such title or lease*. The investment offered and/or sold by **RESPONDENTS** designated by **RESPONDENTS** as "units of general partnership interests" in the "W. LOGAN #2 PROSPECT" is a security under Alabama law.

9. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under this article. The definition of agent in Section 8-6-2(2), Code of Alabama 1975, includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. **BURNS** acted as agent of **TCE** under this definition and transacted business in Alabama without benefit of registration in violation of Section 8-6-3(a).

10. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. **TCE** and **HILL** in his capacity as President employed **BURNS** as an agent who was not registered in violation of Section 8-6-3(a), Code.

11. Section 8-6-4, Code of Alabama 1975 states: "It is unlawful for any person to offer or sell any security in this state unless it is registered under this article; the security is exempt from registration under Section 8-6-10; or the transaction is exempt under Section 8-6-11." The securities offered and/or sold by **RESPONDENTS** were neither registered nor exempt from registration in Alabama in violation of Section 8-6-11, Code.

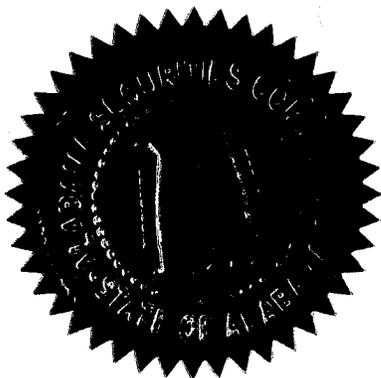
This Order does not prevent the Alabama Securities Commission from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the respondents, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

**ACCORDINGLY, IT IS HEREBY ORDERED** that the RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 1ST day of MARCH, 2010.



ALABAMA SECURITIES COMMISSION  
401 Adams Avenue, Suite 280  
Montgomery, AL 36104-4700  
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Joseph Borg", is written over a horizontal line. The signature is stylized and extends above and below the line.

Joseph Borg  
Director