STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )
) CONSENT ORDER
WILLIAM JOSEPH HILL ) NO. CO-2010-0011
TRI-CRESCENT ENERGY CORP. )
BRADLEY BURNS )

CONSENT ORDER
AS IT PERTAINS TO WILLIAM JOSEPH HILL ONLY

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:

RESPONDENT

1. 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.

OTHER RELEVANT PARTIES

2. TRI-CRESCENT ENERGY CORP. ("TCE") is a Texas Corporation having a commercial 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. Legal counsel for HILL has represented to the Commission staff that BURNS is no longer employed with the company.
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 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. A review of the Commission files disclosed that TCE did file for an exemption under Regulation D Rule 506 filing with the U.S. Securities and Exchange Commission on November 5, 2008.

6. 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. This conduct is in violation of the United States Securities and Exchange Regulation 230.502(c), regarding Limitation on Manner of Offering. The exemption for registration concerning Reg. D 506 Filing (Limited Offering) is conditional to the issuer abiding by the rules against general solicitations.

7. 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: (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.

8. A review of the files of the Commission conducted on February 16, 2010, disclosed that RESPONDENT HILL and BURNS 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 TCE or W. LOGAN #2 PROSPECT.

9. On March 1, 2010, the Commission issued a Cease and Desist Order (CD-2010-0011) to the RESPONDENT HILL, TCE, and BURNS. The order was received by the RESPONDENT HILL and TCE on March 12, 2010, and by BURNS on August 16, 2010. The Cease and Desist Order was made final as to TCE and BURNS on October 27, 2010.

10. Subsequent to the issuance of the Commission’s Cease and Desist Order, documents obtained by the Commission revealed RESPONDENT HILL, TCE, and BURNS failed to state a material fact in the offering documents mailed to the Alabama investor. The TCE offering documents (CIM) for the W. Logan #2 Prospect published on October 23, 2008, failed to disclose the existence of a State of California Desist and Refrain Order issued to HILL and TCE on December 3, 2007.

11. On April 15, 2010 Brad D’Amico, the attorney for the RESPONDENT HILL, requested an informal meeting with the Commission. On June 22, 2010, the informal meeting was held.

12. During the informal meeting, RESPONDENT HILL represented to the Commission they were never served with the California Desist and Refrain Order and therefore were unaware of the Order’s existence.

13. Subsequently, and over the next several months, RESPONDENT HILL provided documentation, from incomplete records then available to him, indicating three known Alabama investors in other offerings sponsored by TCE, some of which had filed for exemption with the U.S. Securities and Exchange Commission under Reg. D Rule 506 and notice-filed with the Commission. To the contrary, there were four offers resulting in sales of securities to Alabama residents of which there had not been a notice-filing made with the Commission.

14. Further information provided by RESPONDENT HILL, indicated that TCE and HILL filed for Chapter 7 in April 2010. The United States Bankruptcy Court, Northern
District of Texas granted a discharge, as it pertained to RESPONDENT HILL, on September 23, 2010.

CONCLUSIONS OF LAW

15. The units of interest in the W. LOGAN #2 PROSPECT offered by RESPONDENT HILL, TCE, and BURNS 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 by RESPONDENT HILL, TCE, and BURNS designated as “units of general partnership interests” in the “W. LOGAN #2 PROSPECT” are securities under Alabama law.

16. 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 an agent of TCE in effecting or attempting to effect sales of securities.

17. 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 the Act. BURNS acted as agent of TCE under this definition and transacted business in Alabama without benefit of registration in violation of the Act.

18. 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 the Act.

19. 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
The securities offered and sold by RESPONDENT were neither registered nor exempt from registration in Alabama, and were offered and sold in violation of the Act.

WHEREAS, this Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act, and

WHEREAS, RESPONDENT HILL has voluntarily waived all rights to a hearing upon entry of this Order, and have consented to the entry of this Order as a compromise, and

WHEREAS, RESPONDENT HILL may apply to become properly registered in the state of Alabama, once the time period for this Order to Bar has concluded; provided, any such registration, and corresponding application and additional information with respect thereto, shall be subject to the review and discretion of the Commission staff. Such review shall include, but not be limited to, the disciplinary history of RESPONDENT HILL, which shall encompass the events that are the subject of this Order, and

WHEREAS, RESPONDENT HILL has represented the following to the Commission staff: RESPONDENT HILL, through his execution of and solely for the purpose of settling this matter by this Consent Order, acknowledges and does not contest the foregoing allegations of the Commission, including, without limitation to the Commission’s jurisdiction to enter this Order and its findings, and

WHEREAS, nothing contained herein shall affect the rights, claims, privileges of any Alabama investors in any securities offerings sponsored or promoted by RESPONDENT HILL and TCE.

ACCORDINGLY, IT IS HEREBY ORDERED AND AGREED:

1. That RESPONDENT HILL is BARRED from engaging in any securities activities into, within or from the state of Alabama for a period of Five (5) Years from the date this Consent Order is executed.
2. That in accordance with Section 8-6-19(j)(1), Code of Alabama 1975, RESPONDENT HILL shall pay to the State of Alabama an administrative assessment of One-thousand dollars ($1,000.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

3. That in accordance with Section 8-6-19(k)(1), Code of Alabama 1975, RESPONDENT HILL shall pay the Alabama Securities Commission, as partial reimbursement for the Commission’s cost of investigating this matter, One-thousand dollars ($1,000.00), said funds to be tendered in certified funds contemporaneously with the entry of this Order.

4. That the entry of the Order resolves the Cease and Desist Order, Administrative Order No. CD-2010-0011, issued March 1, 2010 to RESPONDENT HILL.

AGREED AND CONSENTED to on the dates indicated:

RESPONDENT:

WILLIAM JOSEPH HILL

BY: [Signature]

DATE: 11-23-12

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APPROVED AND ORDERED this 27th day of November, 2012.

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

BY: [Signature]

Joseph Borg
Director