STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

OKLAHOMA FORCE POOL JOINT VENTURE #3
BLUEPAC MANAGEMENT LLC
STANLEY ROSE
JEFF QUIANE

RESPONDENTS

ADMINISTRATIVE ORDER
NO. CO 2010-0025

LIMITED CONSENT ORDER AS IT PERTAINS TO
BLUEPAC MANAGEMENT LLC, OKLAHOMA FORCE POOL JOINT VENTURE #3
AND STANLEY ROSE

The Alabama Securities Commission ("Commission"), having the 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 of securities into the state of Alabama, has determined as follows:

RESPONDENTS

1. OKLAHOMA FORCE POOL JOINT VENTURE #3 ("OFPJV") is a Colorado joint venture with a former principal business address of 6455 North Union Boulevard, Suite 200, Colorado Springs, Colorado 80918; and a current principal business address of 17120 Dallas Pkwy, Suite 235 Dallas TX 75248.

2. BLUEPAC MANAGEMENT LLC ("BLUEPAC") was a Colorado corporation with a former principal business addresses of 6455 North Union Boulevard, Suite 200, Colorado Springs, Colorado 80918 and 17120 Dallas Pkwy, Suite 235, Dallas TX 75248. In November 2011, BLUEPAC dissolved as a Colorado limited liability company ("CO LLC") and reformed as a Texas limited liability company ("TX LLC"). It is the
purpose of the IX LLC to continue the business and operations of the dissolved CO LLC. BLUEPAC is the Managing Venturer of OFPJV.

3. STANLEY ROSE ("ROSE") during all times relevant was represented in BLUEPAC documents to be and currently is CEO and President of BLUEPAC with a former principal business addresses of 6455 North Union Boulevard, Suite 200, Colorado Springs, Colorado 80918 and 17120 Dallas Pkwy, Suite 235, Dallas TX 75248.

4. JEFF QUIANE ("QUIANE") during all times relevant was represented in BLUEPAC documents to be and formerly was Associate Vice President of BLUEPAC whose then principal business address was 6455 North Union Boulevard, Suite 200, Colorado Springs, Colorado 80918. QUIANE is no longer associated with BLUEPAC.

STATEMENT OF FACTS

5. The Commission received information that in or about January 2009, QUIANE, representing BLUEPAC, cold called an Alabama resident, with whom neither QUIANE nor any other RESPONDENT had a previous business relationship, to offer an investment in a joint venture called Oklahoma Force Pool JV #3 (OFPJV). QUIANE also sent a letter, dated January 13, 2009 with a Confidential Information Memorandum ("CIM") and subscription documents to the Alabama resident. The letter identifies QUIANE as Associate Vice President of BLUEPAC. The letter states, "I am excited to be able to put this project in front of you. Per our conversation, I will only require ten to fifteen minutes of your time to step you through the highlights of this package and show you how you can benefit from our drilling program." The offering documents included a CIM, a joint venture agreement, an application agreement and a confidential questionnaire.

6. The CIM identified OFPJV as a "Colorado Joint Venture". The total offering was $1,600,000, which involved 16 Units of Joint Venture Interest at $100,000 per Unit. The minimum participation was ½ Unit at $50,000, which included a "completion
assessment" of $12,500.

7. The CIM stated, in part, "The purposes for which the Joint Venture is organized are: (a) to acquire all or part of the working interest in those certain oil/gas prospects more fully described in the Memorandum and relating to this Joint Venture..."

8. The CIM identified BLUEPAC as the Managing Venturer of the joint venture identified as OFPJV.

9. The CIM identified ROSE as the majority shareholder, CEO and President of BLUEPAC.

10. On January 10, 2010, a review of the Commission’s registration files disclosed neither record of registration nor any perfected exemption from registration for the OFPJV Units of Joint Venture Interest in the State of Alabama.

11. On January 10, 2010, a review of the Commission’s registration files disclosed no record of registration for the RESPONDENTS as a Dealer or Agent for securities in the State of Alabama.

12. On February 8, 2010, a search of the United States Securities and Exchange Commission, EDGAR database website, ascertained that no Form D filing had been made by OFPJV or BLUEPAC for the Units of Joint Venture Interest.

13. On February 9, 2010, the Oklahoma Corporations Commission, Oil and Gas Complaints and Information Section, reported no listing for BLUEPAC or ROSE in their oil and gas operator and purchaser database.

14. On September 21, 2010, an informal meeting was held between the Commission staff and the attorney representing, OFPJV, BLUEPAC, and ROSE. During this meeting, additional information was provided relating to offers of these joint venture interests in OFPJV to Alabama residents. This information included a list of
Alabama residents, in which offers for sale of the units of joint venture interest in OFPJV were made, during the time period of January 2008 and July 2009. Also during this meeting, the Commission staff requested supplemental information regarding the wells and operations of BLUEPAC and OFPJV, which was later communicated in correspondence to the RESPONDENTS' attorney on September 23, 2010.

15. On October 27, 2010, the RESPONDENTS BLUEPAC and ROSE, by and through their legal counsel, represented to the Commission staff that there were no sales of the units of joint venture interest in OFPJV made to Alabama residents, only that multiple offers were made.

16. The joint venture, OFPJV, consists of the managing joint venturer, BLUEPAC, and the individual joint venture participants. As represented to Commission staff by RESPONDENTS OFPJV, BLUEPAC, and ROSE, it was employees or representatives of BLUEPAC, and not the individual joint venture participants that engaged in the offer of unregistered securities to Alabama residents.

CONCLUSIONS OF LAW

17. Pursuant to Section 8-6-2(10), Code of Alabama, 1975, Alabama's statutory definition of a security 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 Units of Joint Venture Interest in OFPJV offered by RESPONDENTS BLUEPAC and ROSE constitute certificates of interest or participation in an oil, gas or mining title lease or in payments out of production under such title or lease. The investments offered by RESPONDENTS as units of interest in OFPJV are securities under the Act.

18. Pursuant to Section 8-6-2(2), Code of Alabama, 1975, the definition of “agent” includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. QUIANE, by soliciting the sale of securities, to wit; the units of joint venture interest in OFPJV, to an Alabama resident is an “agent” as defined by the Act.
19. Pursuant to Section 8-6-3(a), Code of Alabama, 1975, it is unlawful for a person to transact business in this state as a dealer or agent for securities unless such person is registered under the Act. QUIANE acted in the capacity as an agent, while not being properly registered in the state of Alabama in violation of the Act.

20. 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. BLUEPAC and ROSE unlawfully employed an agent, QUIANE, who was not registered in Alabama in violation of the Act.

21. 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 the Act; the security is exempt from registration under Section 8-6-10; or the transaction is exempt under Section 8-6-11. The securities offered, to wit; the units of joint venture interest in OFPJV by the RESPONDENTS BLUEPAC and QUIANE, were neither registered nor exempt from registration in Alabama in violation of the Act.

WHEREAS, RESPONDENTS BLUEPAC and ROSE have fully cooperated with the Commission's investigation, and provided all the information requested by the Commission, and

WHEREAS, RESPONDENTS BLUEPAC and ROSE admit that the units of joint venture interest described in paragraph 6 were not registered prior to being offered and wish to continue to cooperate fully with the Commission and resolve these issues by consenting to this Order, and

WHEREAS, RESPONDENTS BLUEPAC and ROSE recognize that the Commission relied upon information and assertions of RESPONDENTS in its determination to consent to this Order, and that should the information provided or assertions made by the RESPONDENTS prove to be incorrect or misrepresented, the
Commission may seek such other administrative, civil or criminal remedies that may be available to it under the provisions of the Act, and

WHEREAS, **RESPONDENTS BLUEPAC** and **ROSE** have 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, the Commission finds this Order necessary and appropriate in the public interest for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act, and

WHEREAS, **RESPONDENTS BLUEPAC** and **ROSE** have represented the following to the Commission staff: BluePac Management, LLC and Stanley Rose, through their execution of and solely for the purpose of settling this matter by this Consent Order, acknowledge and do not contest the foregoing allegations of the Commission, including, without limitation to the Commission’s jurisdiction to enter this Order and its findings.

**ACCORDINGLY, IT IS HEREBY AGREED:**

1. That **RESPONDENTS BLUEPAC** and **ROSE** shall, until such time as properly registered in the state of Alabama, refrain from effecting securities transactions into, within or from the state of Alabama.

2. That **RESPONDENTS BLUEPAC** and **ROSE** shall not employ or allow anyone to act on their behalf, as an agent, in connection with such transaction, unless properly registered under the Act.

3. That this Order does not constitute a bar from **RESPONDENTS BLUEPAC** and **ROSE** becoming properly registered in the state of Alabama, and from thereafter effecting securities transactions into, within or from the state of Alabama; provided, any such registration, and corresponding application and additional information with respect
thereto, shall be subject to review by Commission staff who shall not deny such registration based on RESPONDENTS BLUEPAC and ROSE entering into this Order.

4. That RESPONDENTS BLUEPAC and ROSE shall ensure that proper procedures are in place to preclude any future non-compliance with the Act.

5. That in accordance with Section 8-6-19(j)(1), Code of Alabama, 1975, RESPONDENTS BLUEPAC and ROSE shall pay to the State of Alabama, an administrative assessment in the total sum of $3,500.00, said funds to be tendered in certified funds contemporaneously with the entry of this Order.

6. That in accordance with Section 8-6-19(k)(1), Code of Alabama, 1975, RESPONDENTS BLUEPAC and ROSE have agreed to pay to the Alabama Securities Commission, as reimbursement for the Commission’s cost of investigating this matter, the sum of $3,500.00, said funds to be tendered in certified funds contemporaneously with the entry of this Order.

7. This Consent Order is being entered into for the sole purpose of settling Administrative Order No. CD-2010-0025 and it is not intended to be used for any other purpose.

8. This Consent Order hereby resolves the matter as it pertains to OFPJV, BLUEPAC and ROSE.

AGREED AND CONSENTED to on the dates indicated:

RESPONDENTS:
BLUEPAC MANAGEMENT LLC

BY: 

TITLE: Managing Member

DATE: 6/15/12

STANLEY ROSE

BY: Stanley Rose

TITLE: Managing Member

DATE: 6/15/12

OKLAHOMA FORCE POOL JOINT VENTURE #3

BY: 

TITLE: Managing Member

DATE: 6/15/12

* * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * * *

APPROVED AND AGREED this 3rd day of July, 2012

ALABAMA SECURITIES COMMISSION
P. O. Box 304700
Montgomery, AL 36130-4700
(334) 242-2984

BY:

JOSEPH BORG
Director