

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
)	
ASCHERE ENERGY LLC.)	
AMG ENERGY LLC)	ADMINISTRATIVE ORDER
LEON ALI PARVIZIAN)	NO. CD-2020-0018
ALFREDO GONZALEZ)	
)	
)	
<u>RESPONDENTS</u>)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power 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. ASCHERE ENERGY LLC. ("ASCHERE") is a Texas corporation, having business address of 5055 Keller Springs Road Suite 200 Addison, Texas 75001.
2. AMG ENERGY LLC. ("AMG") is a Texas company, having a business address of 3227 McKinney Avenue Suite 201 Dallas, Texas 75204.
3. LEON ALI PARVIZIAN ("PARVIZIAN") at all times relevant, was President of ASCHERE having a business address of 5055 Keller Springs Road Suite 200 Addison, Texas 75001.
4. ALFREDO GONZALEZ ("GONZALEZ") at all times relevant, was President of AMG having a business address of 3227 McKinney Avenue Suite 201 Dallas, Texas 75204.

STATEMENT OF FACTS

5. The Commission received information that in March 2012 **GONZALEZ**, President of **AMG**, while working as a contracted sales agent on behalf of **ASCHERE**, solicited an Alabama resident via cold call to offer to investment in drilling multiple 3-D oil and gas wells utilizing vertical and directional drilling techniques. The project, called Scarborough Fields Joint Venture had a price per unit of \$132,200 with up to 42 units of available joint venture interests.

6. The Alabama resident made the following payments for various investments in the Scarborough Fields Joint Venture:

March 1, 2012	\$33,050.00 for 0.25 units
June 26, 2012	\$33,050.00 for 0.25 units
December 26, 2012	\$40,000.00
February 6, 2014	\$2,970.00
September 15, 2015	\$5,108.00

7. The Alabama resident received confirmation letters memorializing their investments in the Scarborough Fields joint venture. The **ASCHERE** confirmation letters were signed and issued by **PARVIZIAN**.

8. The Scarborough Fields Joint Venture agreements describe the investment offered to the Alabama resident as the participation in units of interest in a joint venture formed under the Texas Partnership Act to engage primarily in the business of participation in the drilling of oil and gas wells. The joint venture agreements list **ASCHERE** as the managing venture for Scarborough Fields Joint Venture.

9. According to a March 2017 Order and Final Judgement court filing by the Securities and Exchange Commission in the United States District Court of the Northern District of Texas, in 2010 **PARVIZIAN** consented to a five-year bar from registering as a securities agent with the Texas State Securities Board (“TSSB”). **PARVIZIAN** further consented to a permanent bar from association with any Financial Industry Regulatory Authority (“FINRA”) member.”

10. **PARVIZIAN** did not disclose to the Alabama investor the 2010 bar by the Texas State Securities Board or his permanent bar from association with any FINRA member.

11. The U.S. Securities and Exchange Commission's Edgar database disclosed that on December 02, 2011 a filing Form D for Rule 506(b) exemption was completed by **PARVIZIAN** for the Scarborough Fields Joint Venture.

12. A review of the files of the Registration Division of the Alabama Securities Commission on March 20, 2020, disclosed no record of registration and/or exemption from registration for **PARVIZIAN or GONZALEZ** as a broker agent, investment advisor, or investment advisor representative in the State of Alabama.

13. A review of the files of the Registration Division of the Alabama Securities Commission on March 20, 2020 disclosed no record of registration and/or exemption from registration for **ASCHERE or AMG** as broker dealer in the State of Alabama.

CONCLUSIONS OF LAW

14. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of "security" includes any "...participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease...". The joint venture interests sold by **ASCHERE** are based on returns from the production of oil, gas or other mining interests and are securities under the Act.

15. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless it is registered or exempt under this Act. A review of the Alabama Securities Commission files disclosed no record of registration for the securities offered and sold by **ASCHERE**. **ASCHERE, PARVIZIAN and GONZALEZ** offered and sold securities to an Alabama resident without benefit of registration or exemption from registration is a violation of the Act.

16. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of “agent” includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. By soliciting and effecting sales of joint venture working interests in **ASCHERE** offerings to an Alabama resident, **PARVIZIAN** and **GONZALEZ** are securities “agents” as defined by the Act.

17. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of “issuer:” includes “every person who promotes to issue, has issued, or shall hereafter issue any security.” **ASCHERE** caused securities to be issued and is an Issuer as defined by the Act.

18. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to employ any person to transact business in the state as a dealer or agent for the offer or sale of securities unless they are registered under the Act. **ASCHERE** and **PARVIZIAN** employed **GONZALEZ** as an agent who was not registered with the Commission in violation of the ACT.

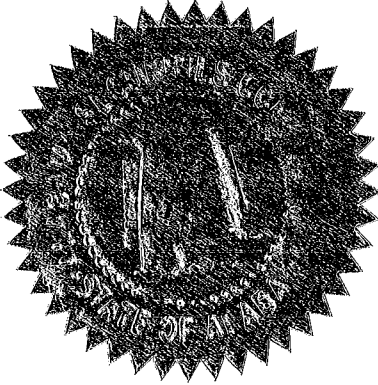
This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

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 a 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 the **RESPONDENTS**, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against the **RESPONDENTS**, and a permanent order to bar the **RESPONDENTS** from participation in any securities related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **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 15th day of December, 2020.



ALABAMA SECURITIES COMMISSION
445 Dexter Avenue, Suite 12000
Montgomery, AL 36104
(334) 242-2984
BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is stylized and somewhat cursive.

JOSEPH P. BORG
DIRECTOR