

IN THE MATTER OF:

RESPONDENTS

CEASE AND DESIST ORDER

RESPONDENTS

1. During all times relevant to the transactions referenced in this order, MID-AMERICA ENERGY INC (MID-AMERICA) was a Nevada Corporation with a principal business address of 6100 Neil Road, Reno, Nevada 89511.
2. During all times relevant to the transactions referenced in this order, BLACK GOLD OIL #7 LLP (BLACK GOLD OIL) was a Tennessee Limited Liability Partnership with a principal business address of 321 Victor Reiter Parkway, Portland, Tennessee 37178.
3. During all times relevant to the transactions referenced in this order, EAGLE OIL #5 LLP (EAGLE OIL #5) was a Tennessee Limited Liability Partnership with a principal business address of 129 Haven Street, Unit A, Hendersonville, Tennessee 37075.

4. During all times relevant to the transactions referenced in this order, EAGLE OIL #7 LLP (EAGLE OIL #7) was a Tennessee Limited Liability Partnership with a principal business address of 321 Victor Reiter Parkway, Portland, Tennessee 37178.

5. During all times relevant to the transactions referenced in this order, FORT KNOX OIL #10 LLP (FORT KNOX OIL) was a Tennessee Limited Liability Partnership with a principal business address of 321 Victor Reiter Parkway, Portland, Tennessee 37178.

6. During all times relevant to the transactions referenced in this order, MID-AMERICA was the managing partner for BLACK GOLD OIL, EAGLE OIL #5, EAGLE OIL #7, and FORT KNOX OIL

7. During all times relevant to the transactions referenced in this order, GARY MILBY (MILBY) was the President of MID-AMERICA. MILBY has a residential address of 904 Plantation Way, Gallatin, Tennessee 37066.

8. During all times relevant to the transactions referenced in this order, SCOTTY COOKE (COOKE) was a sales representative of MID-AMERICA. COOKE has a business address of 129 Haven Street, Unit A, Hendersonville, Tennessee 37075.

9. During all times relevant to the transactions referenced in this order, ERIC ROGERS (ROGERS) was a sales representative of MID-AMERICA. ROGERS has a business address of 321 Victor Reiter Parkway, Portland, Tennessee 37178.

STATEMENT OF FACTS

10. The Commission received information that in October 2005, MID-AMERICA solicited investors in a radio advertisement on XM Satellite Radio. An Alabama resident heard this advertisement and contacted MID-AMERICA at the toll free phone number listed in the advertisement. In October 2005, MID-AMERICA, MILBY, COOKE and ROGERS offered and sold a Certificate of Ownership for a 2.0% net revenue interest in FORT KNOX OIL to the Alabama resident.

11. In January 2006, MILBY and MID-AMERICA offered and sold Certificates of Ownership for 2.0% net revenue interests in EAGLE OIL #5 and BLACK GOLD OIL to the Alabama resident.

12. In March 2006, MILBY and MID-AMERICA offered and sold a Certificate of Ownership for a 2.0% net revenue interest in EAGLE OIL #7 to the Alabama resident.

13. A search of the U.S. SEC's Edgar website revealed SEC Reg D, Rule 506 filings by BLACK GOLD, EAGLE OIL #5 and EAGLE OIL #7. The filing for BLACK GOLD was received by the SEC on May 5, 2006. The filings for EAGLE OIL #5 and EAGLE OIL #7 were received by the SEC on May 10, 2006.

14. A search of the SEC's Edgar website disclosed no record of a Reg D, Rule 506 filing by FORT KNOX OIL.

15. A review of the files of the Registration Division of Commission was conducted on September 25, 2006 disclosing Reg D, Rule 506 notice filings for Certificates of Ownership for BLACK GOLD OIL, EAGLE OIL #5, EAGLE OIL #7 AND FORT KNOX OIL, in the state of Alabama. The Commission records disclosed that the Notice Filing for BLACK GOLD was acknowledged on April 28, 2006. The Notice Filing for EAGLE OIL #5 was acknowledged on May 4, 2006. The Notice Filing for EAGLE OIL #7 was acknowledged on May 15, 2006. The Notice Filing for FORT KNOX OIL was acknowledged on December 28, 2005. The Federal Filing Type for all four securities is "Reg D, Rule 506."

16. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on September 25, 2006 disclosing no record of registration for MILBY, COOKE or ROGERS as broker dealer agents, investment advisors, or investment advisor representatives in the state of Alabama.

17. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on September 25, 2006 disclosing no record of registration for MID-AMERICA as a broker dealer in the state of Alabama.

18. On December 6, 2005, The Pennsylvania Securities Commission issued a Summary Order to Cease and Desist against MID-AMERICA, MILBY and others for the offer and sale of unregistered securities in the form of working interests in an offering called Black Gold #4, LLP. The respondents cold-called at least one Pennsylvania resident.

19. On February 28, 2006, the Arizona Corporation Commission issued a Temporary Order to Cease and Desist and Notice of Opportunity for Hearing against MID-AMERICA, Mid America Oil & Gas, MILBY, and others for offering unregistered securities in the form of investment contracts in oil and gas opportunities. The respondents solicited Arizona investors through newspaper ads and through the use of a website.

20. On May 5, 2006, The Department of Corporations of the State of California issued a Desist and Refrain Order against MID-AMERICA, MILBY, and others for offering and selling unregistered securities in the form of limited liability partnership units in oil and gas development well projects. The respondents offered and sold the securities through a website and radio advertisements on XM Satellite Radio.

CONCLUSIONS OF LAW

21. Pursuant to Section 8-6-2 (10), Code of Alabama 1975, a 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 is a security. The Certificates of Ownership for 2.0% net revenue interests in BLACK GOLD OIL, EAGLE OIL #5, EAGLE OIL #7 AND FORT KNOX OIL are securities under the Act.

22. MILBY, COOKE and ROGERS were not registered as broker dealer agents, investment advisors, or investment advisor representatives in the state of Alabama. 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. MILBY, COOKE and ROGERS unlawfully effected transactions in securities while not registered under the Act.

23. MID-AMERICA was not registered as a broker dealer in the state of Alabama. 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. MID-AMERICA unlawfully acted in the capacity of a broker dealer while not registered under the Act.

24. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security in this state unless the security is registered under the Act, exempt from such registration, or the transaction in which the security is offered and/or sold is exempt under the Act. Pursuant to SEC Reg D, Rule 502(c), neither the issuer nor any person acting on its behalf shall offer or sell securities by any form of general solicitation. BLACK GOLD OIL, EAGLE OIL #5, EAGLE OIL #7 and FORT KNOX OIL advertised their securities for sale on XM Satellite Radio. Such advertisement constitutes a general solicitation in violation of SEC Reg D, Rule 502(c), and disqualifies the issuer's securities from sale under SEC Reg D, Rule 506. The securities of BLACK GOLD OIL, EAGLE OIL #5, EAGLE OIL #7 AND FORT KNOX OIL sold in Alabama were neither registered under the act, subject to any perfected exemption, nor qualified under any federal preemption from registration, in violation of Section 8-6-4 of the Act.

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

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

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, AL, this 28th day of December, 2006.



ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
Montgomery, AL 36130-4700
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "J. P. Borg", is written over a horizontal line. The signature is fluid and cursive, with a long, sweeping underline that extends below the line.

JOSEPH P. BORG
Director