

2. BAYSIDE PETROLEUM COMPANY, INC. (BAYSIDE) is listed as the LOMA manager with a business address of 14875 Landmark Blvd., Suite 203, Dallas, Texas 75254. NUECES VALLEY RESOURCES, Inc. is a Texas Corporation organized in September, 2005, with a principal business address of 2351 W. Northwest Highway, Suite #3337, Dallas, Texas 75220. Effective September 22, 2009 NUECES merged with BAYSIDE.

3. GORDON H. JOHNSON (JOHNSON) during all times relevant was represented to be President and Director of BAYSIDE with a principal business address of 14875 Landmark Blvd., Suite 203, Dallas, Texas 75254.

4. GEORGE C. BURRELL (BURRELL) during all times relevant was represented to be Vice President and a Director of NUECES with a principal business address of 2351 West Northwest Highway, Suite 3337, Dallas, Texas 75220.

5. JAMES T. LING (LING) during all times relevant was represented to be Vice President and Director of BAYSIDE with a business address of 14875 Landmark Blvd., Suite 203, Dallas, Texas 75254.

6. JANET CUNNINGHAM (CUNNINGHAM) during all times relevant was represented to be a Director and Director of Marketing of NUECES with a business address of 310 Evergreen Road, Suite 102, Louisville, Kentucky 40243.

7. JOHN L. GRIFFITHS JR. (GRIFFITHS) during all times relevant was represented to be Manager, Engineering of BAYSIDE with a business address of 14875 Landmark Blvd., Suite 203, Dallas, Texas 75254.

8. SAM E. NICHOLSON (NICHOLSON) during all times relevant was represented to be Controller of BAYSIDE with a business address of 14875 Landmark Blvd., Suite 203, Dallas, Texas 75254.

9. MIKE FISHER (FISHER) during all times relevant was represented to be Director of Client Services of NUECES, with a business address of 310 Evergreen Road, Suite 102, Louisville, KY 40243.

STATEMENT OF FACTS

10. On March 22, 2010, in response to an inquiry from the Commission, JOHNSON, representing BAYSIDE, reported one sale of LOMA NOVIA JOINT VENTURE (LOMA) to an Alabama resident. The date of the sale was October 29, 2009, in the amount of \$36,700.00. BAYSIDE also provided the Commission a copy of the LOMA Confidential Private Placement Memorandum (PPM).

11. The Commission received information that in September of 2009, FISHER representing NUECES, cold called an Alabama resident, with whom neither FISHER nor any other RESPONDENT had a previous business relationship, to offer an investment in a joint venture called LOMA NOVIA JOINT VENTURE. FISHER made subsequent phone calls to the Alabama resident.

12. In September 2009, FISHER sent a PPM and subscription documents to the Alabama resident. The subscription documents included a joint venture agreement, a subscription agreement and a purchaser questionnaire.

13. The PPM stated that "the joint venture will acquire 75.00% of the working interest in two wells in the Loma Novia prospect in Duval County, Texas."

14. The PPM identified BAYSIDE as the Joint Venture Manager.

15. The PPM identified the following RESPONDENTS as part of the management of BAYSIDE: JOHNSON, President and Director; BURRELL, Vice President; LING, Vice President and Director; CUNNINGHAM, Director of Marketing; GRIFFITHS, Manager of Engineering; NICHOLSON, Controller; and FISHER, Director of Client Services.

16. The LOMA Project Overview describes the investment offered to the Alabama resident as the participation in units of interest in a joint venture to be formed under the laws of the State of Texas. The primary investment objective for the Joint Venture is the acquisition of 75.0% of the Working Interest, which is a 56.25% Net

Revenue Interest in one existing oil and gas well on a total of 80 acres of oil and gas leases in Duval County, Texas. The lease is the 80 acre Loma Novia lease in Duval County. In addition, the Joint Venture will drill one additional oil and gas well on the 80 acres. The Joint Venturers will be afforded a right of first refusal on any future wells drilled on the remaining acreage on terms to be provided by the Joint Venture Manager. The Venturers will be entitled to those tax advantages, if any, which may accrue them as a result of such activities by the Joint Venture.

17. On June 17, 2010, a search of the United States Securities and Exchange Commission's EDGAR database website, disclosed two FORM D filings by LOMA for the joint venture interests. A filing made on November 11, 2009 lists BURRELL, LING, CUNNINGHAM and JOHNSON as executive officers for LOMA. Another filing made on February 17, 2010, lists BURRELL and JOHNSON as executive officers for LOMA.

18. On June 21, 2010, a review of the Commission's registration files disclosed a Reg. D, Rule 506 Notice Filing in the State of Alabama for LOMA. The date of the Notice Filing is November 13, 2009.

19. On June 21, 2010, a review of the Commission's registration files disclosed no record of registration for FISHER as a broker dealer agent, investment advisor, or investment advisor representative in the state of Alabama.

CONCLUSIONS OF LAW

20. 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 interests in LOMA offered by the RESPONDENTS 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 investment offered by the RESPONDENTS as units of interest in LOMA are securities under the Act.

21. 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. An agent is any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. FISHER by soliciting securities, to wit; the interests in LOMA, to an Alabama resident is an "Agent" as defined by the Act.

22. 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. FISHER solicited or caused a solicitation for sale of securities to an Alabama resident while not registered as an agent with the Commission in violation of the Act.

23 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. a person to transact business in this state as a dealer or agent for securities unless such person is registered under the Act. JOHNSON, BURRELL, LING, CUNNINGHAM, GRIFFITHS and NICHOLSON as company officers employed FISHER while unregistered as an agent with the Commission in violation of the Act.

24. RESPONDENTS offered securities to an Alabama resident pursuant to a notice filing in Alabama which claimed an exemption from registration for limited offering of securities under Regulation D, Rule 506 of the Securities Act of 1933. FISHER made a cold call to an Alabama resident in violation of United States Securities and Exchange Commission Regulation 230.502(c) regarding Limitation on Manner of Offering which prohibits any type of general solicitation in the offer of securities subject to the exemption. Based on RESPONDENTS violation of SEC Rule 230.502(c), RESPONDENTS are not eligible for, nor were the securities offered subject to any perfected exemption.

25. 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 and sold, to wit; the interests in LOMA by the RESPONDENTS were neither registered nor subject to a perfected exemption from registration in Alabama in violation 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.

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 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 23rd day of August, 2010.



ALABAMA SECURITIES COMMISSION
401 Adams Ave., Suite 280
Montgomery, AL 36130-4700
(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 with loops and a long, sweeping tail.

JOSEPH P. BORG
Director