

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

254

COMMISSIONERS

2006 JUL 18 P 3:17

- JEFF HATCH-MILLER, Chairman
- WILLIAM A. MUNDELL
- MARC SPITZER
- MIKE GLEASON
- KRISTIN K. MAYES

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF:

DOCKET NO. S-20442A-06-0110

Mid America Energy, Inc.,  
a Nevada Corporation  
129 Haven Street, Unit A  
Hendersonville, TN 37075

Mid America Oil & Gas  
A Tennessee Limited Liability Company  
2023 Earl Pearce Cir.  
Mount Juliet, TN 37122-1328

Arizona Corporation Commission

DOCKETED

JUL 18 2006

Gary M. Milby a.k.a  
Gary Moss Milby a/k/a  
Gary M. Milley and  
Jane Doe Milby  
husband and wife  
129 Haven Street, Unit A  
Hendersonville, TN 37075

DOCKETED BY	<i>me</i>
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Jim and Jane Doe Whatcott,  
husband and wife  
129 Haven Street, Unit A  
Hendersonville, TN 37075

John and Jane Doe Blitz  
husband and wife  
129 Haven Street, Unit A  
Hendersonville, TN 37075

**FOURTH**  
**PROCEDURAL ORDER**

Respondents.

BY THE COMMISSION:

On February 28, 2006, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Mid America Energy, Inc. ("MAE"), Mid America Oil & Gas ("MAO&G"), Gary M. Milby a/k/a Gary Moss Milby a/k/a Gary M. Milley and Jane Doe Milby, husband and wife, Jim and Jane Doe Whatcott, husband and wife, John and Jane Doe Blitz, husband and wife (collectively "Respondents"), in which the Division alleged that the Respondents committed

1 multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of  
2 securities in the form of investment contracts. As a result of the T.O., the Respondents were  
3 immediately ordered to cease and desist from violating the Act.

4 Respondents were duly served with copies of the Notice.

5 On March 27, 2006, Respondents filed a request for hearing. Answers were also filed.

6 On March 28, 2006, by Procedural Order, a pre-hearing conference was scheduled for April  
7 20, 1006.

8 On April 20, 2006, at the pre-hearing, the Division and Respondents appeared with counsel.  
9 After a brief discussion of the issues raised by the T.O. and Notice, the parties agreed that another  
10 pre-hearing be scheduled.

11 On April 21, 2006, by Procedural Order, another pre-hearing conference was scheduled for  
12 July 18, 2006.

13 On July 18, 2006, the Division and Respondents appeared through counsel. The Division  
14 indicated that a parallel proceeding may be brought and the T.O. and Notice may be amended. The  
15 Division and the parties stipulated to a hearing being scheduled in October.

16 Accordingly, a hearing should be scheduled.

17 IT IS THEREFORE ORDERED that a **hearing** shall be held on **October 24, 2006, at 9:30**  
18 **a.m.** at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona.

19 IT IS FURTHER ORDERED that the parties shall also reserve October 25, 2006, for an  
20 additional day of hearing, if necessary.

21 IT IS FURTHER ORDERED that the parties shall exchange witness lists and copies of  
22 exhibits with courtesy copies to the presiding Administrative Law Judge by September 22, 2006.

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1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3 Dated this 18<sup>th</sup> day of July, 2006



6 MARC E. STERN  
7 ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/delivered  
9 this 18 day of July, 2006 to:

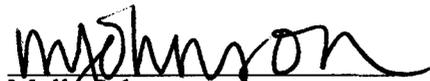
9 Paul L. Stoller  
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13 Attorney for Mid America Energy, Inc.

12 Michael R. Ross  
13 GALLAGHER & KENNEDY  
14 2575 E. Camelback Road  
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16 Attorneys for Jim Whatcott and John Blitz

15 Matt Neubert, Director  
16 Securities Division  
17 ARIZONA CORPORATION COMMISSION  
18 1200 West Washington Street  
19 Phoenix, AZ 85007

18 ARIZONA REPORTING SERVICE, INC.  
19 2627 N. Third Street, Ste. Three  
20 Phoenix, Arizona 85004-1104

20 By:



21 Molly Johnson  
22 Secretary to Marc E. Stern