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BEFORE THE ARIZONA CORPORATION COMMISSION

25FD

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG

2006 SEP -6 A 11: 09

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

Arizona Corporation Commission
DOCKETED

SEP 06 2006

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

DOCKETED BY [Signature]

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

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

FIFTH
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. By Procedural Order, a
16 hearing was scheduled to commence on October 24, 2006.

17 On August 14, 2006, the Division filed a Motion to Amend the T.O. and Notice ("Motion").
18 Attached to the Motion as Exhibit "A" was a copy of the Proposed First Amended T.O. and Notice
19 which corrects the names of the spouses of certain previously named Respondents, names additional
20 Respondents, and adds additional allegations. There have been no objections filed to the Division's
21 Motion.

22 Accordingly, the Motion of the Division should be granted.

23 IT IS THEREFORE ORDERED that the Division's Motion to file an Amended Temporary
24 Order and Notice is hereby granted.

25 IT IS FURTHER ORDERED that the Division shall file and serve the Amended Temporary
26 Order and Notice upon all parties and the additional named Respondents.

27 IT IS FURTHER ORDERED that the Division shall serve a copy of the Fourth Procedural
28 Order filed July 18, 2006 upon the additional named Respondents.

1 IT IS FURTHER ORDERED that all previous orders shall remain in effect unless otherwise
2 ordered.

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

5 Dated this 6TH day of September, 2006

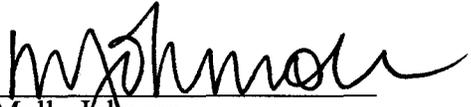
6
7
8 
9 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

10 Copies of the foregoing mailed/delivered
11 this 6 day of September, 2006 to:

12 Paul L. Stoller
13 BIVENS & NORE
14 3003 North Central Avenue, Ste. 1200
15 Phoenix, AZ 85012-2915
16 Attorney for Mid America Energy, Inc.

17 Michael R. Ross
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19 2575 E. Camelback Road
20 Phoenix, AZ 85016
21 Attorneys for Jim Whatcott and John Blitz

22 Matt Neubert, Director
23 Securities Division
24 ARIZONA CORPORATION COMMISSION
25 1200 West Washington Street
26 Phoenix, AZ 85007

27 By: 
28 Molly Johnson
Secretary to Marc E. Stern