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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2007 JAN 30 A 11:07

- JEFF HATCH-MILLER, Chairman
- WILLIAM A. MUNDELL AZ CORP COMMISSION
- MIKE GLEASON DOCUMENT CONTROL
- KRISTIN K. MAYES
- BARRY WONG

IN THE MATTER OF:

DOCKET NO. S-20437A-05-0925

Reserve Oil & Gas, Inc., a Nevada corporation
3507 North Central Avenue, Ste. 503
Phoenix, AZ 85012

Arizona Corporation Commission
DOCKETED

Allen and Jane Doe Stout, Sr., husband and wife
1309 West Portland Street
Phoenix, AZ 85007-2102

JAN 30 2007

Allen and Jane Doe Stout, Jr., husband and wife
1309 West Portland Street
Phoenix, AZ 85007-2102

DOCKETED BY	NR
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Respondents.

SEVENTH
PROCEDURAL ORDER

BY THE COMMISSION:

On December 30, 2005, 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 Reserve Oil & Gas, Inc. (ROG), Allen and Jane Doe Stout, Sr., and Allen and Jane Doe Stout, Jr. (collectively "Respondents"), in which the Division alleged that the Respondents committed multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts. As a result of the T.O., the Respondents were immediately ordered to cease and desist from violating the Act.

Respondents were duly served with copies of the Notice.

On January 19, 2006, Respondents filed a request for hearing. Subsequently, by Procedural Order, a pre-hearing conference was scheduled for February 7, 2006.

On February 7, 2006, the pre-hearing conference was convened as scheduled. The Division and Respondents were present with counsel. The Division requested another pre-hearing conference be scheduled and additional time be taken for the preparation of its case and further discovery. By

1 Procedural Order, another pre-hearing conference was scheduled for April 27, 2006.

2 On March 20, 2006, a Stipulation for Substitution of Counsel for Respondents was filed with
3 the Commission.

4 On April 27, 2006, the Division appeared through counsel. Respondents did not enter an
5 appearance. Subsequently, counsel for the Respondents advised the Hearing Division that prior
6 counsel failed to advise him of the April 27, 2006, pre-hearing conference which had previously been
7 scheduled.

8 On April 28, 2006, by Procedural Order, a pre-hearing conference was scheduled.

9 On May 25, 2006, the Division and Respondents appeared through counsel. The parties
10 stipulated that another pre-hearing be scheduled in approximately 60 days during which time
11 discovery and a possible resolution of the issues raised by the Notice could be discussed.

12 On May 26, 2006, by Procedural Order, a pre-hearing conference was scheduled for August
13 10, 2006. However this date caused a scheduling conflict and required rescheduling.

14 On July 26, 2006, by Procedural Order, the pre-hearing conference scheduled for August 10,
15 2006, was rescheduled to August 31, 2006.

16 On August 31, 2006, the Division and Respondents appeared through counsel. The Division
17 requested that a hearing be scheduled because the parties had been unable to agree on a settlement of
18 the issues raised in the T.O. and Notice. Subsequently, by Procedural Order, a hearing was scheduled
19 on November 7, 2006, and the exchange of witness lists and exhibits was ordered.

20 On November 7, 2006, a hearing was convened before a duly authorized Administrative Law
21 Judge of the Commission and its offices in Phoenix, Arizona. The Division and Respondents
22 appeared through counsel. Due to a number of outstanding motions and issues raised at the outset of
23 the hearing, the proceeding was recessed to allow counsel for Respondents to take the deposition of a
24 Division witness who resides in Colorado. It was determined that pending motions would be
25 addressed after the deposition was concluded.

26 On November 9, 2006, Respondents filed a Motion to Set a Settlement Conference and
27 requested that Assistant Chief Law Judge, Dwight Nodes preside over the proceeding. The Division
28 did not oppose Respondent's Motion.

1 On November 30, 2006, by Procedural Order, a settlement conference was scheduled for
2 December 13, 2006. However, the parties were unable to conclude a settlement.

3 Accordingly, a status conference should be scheduled.

4 IT IS THEREFORE ORDERED that a **status conference** shall be held on **February 15,**
5 **2007, at 9:30 a.m.,** at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona.

6 Dated this 30th day of January, 2007

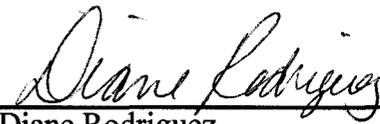
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8 
9 MARC E. STERN
10 ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered
12 this 30th day of January, 2007 to:

13 Paul J. Roshka, Jr.
14 ROSHKA, DeWULF & PATTEN
15 400 East Van Buren Street, Ste. 800
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17 Attorney for Respondents

18 Matt Neubert, Director
19 Securities Division
20 ARIZONA CORPORATION COMMISSION
21 1200 West Washington Street
22 Phoenix, AZ 85007

23 ARIZONA REPORTING SERVICE, INC.
24 2627 N. Third Street, Ste. Three
25 Phoenix, Arizona 85004-1104

26
27 By: 
28 Diane Rodriguez
Secretary to Marc E. Stern