

ORIGINAL



0000133602

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

JAN 23 2012

2012 JAN 23 A 10: 36

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED BY [Signature]

COMMISSIONERS

GARY PIERCE - Chairman  
BOB STUMP  
SANDRA D. KENNEDY  
PAUL NEWMAN  
BRENDA BURNS

In the matter of:

DOCKET NO. S-20804A-11-0208

CRAIG RANDAL MUNSEY and JANE DOE  
MUNSEY, husband and wife,

MARKETING RELIABILITY CONSULTING,  
LLC, an Arizona limited liability company, and

DENVER ENERGY EXPLORATION, LLC,  
a Texas limited liability company,

Respondents.

**FIFTH**  
**PROCEDURAL ORDER**  
**(Grants Motion for Leave**  
**to Amend Notice)**

BY THE COMMISSION:

On May 23, 2011, 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 Craig Randal Munsey and Jane Doe Munsey, husband and wife, Marketing Reliability Consulting, LLC dba "MRC LLC" ("MRC"), an Arizona limited liability company, and Denver Energy Exploration, LLC ("DEE"), a Texas limited liability company, (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts. Respondent spouse, Jane Doe Munsey, was joined in the action for the purpose of determining the liability of the marital community.

The Respondents were duly served with copies of the T.O. and Notice.

On June 9, 2011, Respondent DEE's manager filed a request for hearing in this matter.

On June 14, 2011, by Procedural Order, a pre-hearing conference was scheduled on June 30, 2011.

On June 16, 2011, Respondent Craig Munsey also filed a request for a hearing.

On June 30, 2011, at the pre-hearing conference, the Division and DEE appeared through counsel. Mr. Munsey appeared on his own behalf. Following a brief discussion, the Division

1 requested that a status conference be scheduled in approximately 90 days while the parties confer to  
2 resolve the issues raised by the T.O. and Notice.

3 On July 1, 2011, by Procedural Order, a status conference was scheduled on September 15,  
4 2011.

5 On September 15, 2011, the Division and DEE appeared through counsel. Mr. Munsey  
6 appeared on his own behalf. The Division and the Respondents were attempting to negotiate a  
7 settlement of the proceeding, but the Division requested that an additional status conference be  
8 scheduled in December in the event that the parties did not conclude a settlement.

9 On September 16, 2011, by Procedural Order, a status conference was scheduled on  
10 December 15, 2011.

11 On December 15, 2011, the Division and DEE appeared through counsel. Mr. Munsey  
12 appeared on his own behalf. The Division and the Respondents were continuing to negotiate a  
13 settlement of the proceeding, but it was indicated that the Division intended to file an amended T.O.  
14 and Notice in the near future and had discussed this filing with Respondents. The Division requested  
15 that an additional status conference be scheduled in February 2012 in the event that the parties did not  
16 conclude a settlement which would be submitted for approval by the Commission.

17 On December 30, 2011, the Division filed a Motion for Leave to Amend the Notice due to the  
18 Division's ongoing investigation in order to add a Respondent and to make other necessary additions  
19 and corrections.

20 On January 9, 2012, the Division filed a Stipulation by Respondent Munsey to the Division's  
21 Motion which was filed on December 30, 2011. DEE has not filed a response.

22 Accordingly, the Motion for Leave to Amend the Notice filed by the Division should be  
23 granted.

24 IT IS THEREFORE ORDERED that the Motion for Leave to Amend the Notice filed by the  
25 Division on December 30, 2011, is hereby granted.

26 IT IS FURTHER ORDERED a **status conference** shall be held on **February 16, 2012, at**  
27 **9:30 a.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room No. 2,  
28 Phoenix, Arizona, as previously ordered..

1 IT IS FURTHER ORDERED that the Division shall file a Motion to Vacate the status  
2 conference in the event that the parties conclude settlement prior to the scheduled date of the status  
3 conference.

4 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
5 Communications) is in effect and shall remain in effect until the Commission's Decision in this  
6 matter is final and non-appealable.

7 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
8 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
9 *pro hac vice*.

10 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
11 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
12 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
13 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
14 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
15 Administrative Law Judge or the Commission.

16 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,  
17 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
18 ruling at hearing.

19 DATED this 23<sup>rd</sup> day of January, 2012.

20  
21   
22 \_\_\_\_\_  
23 MARC E. STERN  
24 ADMINISTRATIVE LAW JUDGE  
25  
26  
27  
28

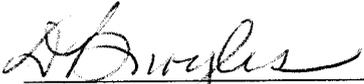
1 Copies of the foregoing mailed/delivered  
2 this 23<sup>rd</sup> day of January, 2012 to:

3 Craig Randal Munsey  
4 2303 North 44<sup>th</sup> Street, Suite 14-1071  
5 Phoenix, AZ 85008

6 Robert D. Mitchell  
7 MITCHELL & ASSOCIATES  
8 1850 North Central Avenue, Suite 2030  
9 Phoenix, AZ 85004  
10 Attorneys for Denver Energy Exploration, LLC

11 Matt Neubert, Director  
12 Securities Division  
13 ARIZONA CORPORATION COMMISSION  
14 1300 West Washington Street  
15 Phoenix, AZ 85007

16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

11 By:   
12 Debra Broyles  
13 Secretary to Marc E. Stern