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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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Arizona Corporation Commission

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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,

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

MICHAEL LEE CHRISTOPHER (CRD#2695315),
an unmarried man.

Respondents.

SIXTH
PROCEDURAL ORDER
(Schedules Hearing)

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.

1 On June 30, 2011, at the pre-hearing conference, the Division and DEE appeared through
2 counsel. Mr. Munsey appeared on his own behalf. Following a brief discussion, the Division
3 requested that a status conference be scheduled in approximately 90 days while the parties confer to
4 resolve the issues raised by the T.O. and Notice.

5 On July 1, 2011, by Procedural Order, a status conference was scheduled on September 15,
6 2011.

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

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

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

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

22 On January 9, 2012, the Division filed a Stipulation by Respondent Munsey to the Division's
23 Motion which was filed on December 30, 2011. DEE did not file a response.

24 On January 23, 2012, the Motion for Leave to Amend the Notice filed by the Division was
25 granted.

26 On January 27, 2012, the Division filed the Amended Notice.

27 On February 9, 2012, Respondent Michael Lee Christopher filed a request for hearing.

28 On February 16, 2012, the Division and Respondents DEE and Mr. Christopher appeared

1 through counsel at the pre-hearing conference. Counsel for the Division indicated that Respondent
2 Munsey had a family emergency and was unable to attend the proceeding. The Division and
3 Respondents are discussing a possible resolution of the proceeding, but agreed that a hearing should
4 be scheduled in October to allow time to review matters further and to avoid scheduling conflicts.

5 IT IS THEREFORE ORDERED that a **hearing** shall be held on **October 1, 2012, at 10:00**
6 **a.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix,
7 Arizona, as previously ordered.

8 IT IS FURTHER ORDERED that the parties shall also set aside **October 2, 3, 4, and 5, 2012,**
9 **for additional days of hearing**, if necessary.

10 IT IS FURTHER ORDERED that the **Division and Respondents shall exchange copies of**
11 **their Witness Lists and copies of their Exhibits by August 31, 2012**, with courtesy copies
12 provided to the presiding Administrative Law Judge.

13 IT IS FURTHER ORDERED that the **Division shall file a Motion to Vacate the hearing in**
14 **the event that the parties conclude a settlement prior to the scheduled date of the hearing.**

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

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

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

27 ...

28 ...

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

4 DATED this 21st day of February, 2012.

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7 
8 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered
this 21st day of February, 2012 to:

10 Craig Randal Munsey
11 2303 North 44th Street, Suite 14-1071
Phoenix, AZ 85008-2443

12 Robert D. Mitchell
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16 Attorneys for Denver Energy Exploration, LLC
and Michael Lee Christopher

17 Matt Neubert, Director
18 Securities Division
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20 ARIZONA REPORTING SERVICE, INC.
21 2200 North Central Avenue, Suite 502
Phoenix, AZ 85004-1481

22 By: 
Debra Broyles
23 Secretary to Marc E. Stern
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25
26
27
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