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Texas State Securities Board

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IN THE MATTER OF §
ROCKWALL OIL COMPANY, BLACK LAKE §
ENERGY, INC., D/B/A ROCK WALL OIL §
COMPANY AND WAYNE A. RAND §

Order No. ENF-08-CDO-1663

TO: Black Lake Energy, Inc.
d/b/a Rock Wall Oil Company
104 S. San Jacinto Street
Rockwall, Texas 75087-3704

Rockwall Oil Company
104 S. San Jacinto Street
Rockwall, Texas 75087-3704

Wayne A. Rand
3510 Bermuda Circle
Rowlett, Texas 75088

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2008) ("Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. Black Lake Energy, Inc. d/b/a Rock Wall Oil Company ("Respondent Black Lake") maintains a last known address at 104 S. San Jacinto Street, Rockwall, Texas 75087-3704.
2. Rockwall Oil Company ("Respondent Rockwall Oil") maintains a last known address at 104 S. San Jacinto Street, Rockwall, Texas 75087-3704.

3. Wayne A. Rand ("Respondent Rand") maintains a last known address at 3510 Bermuda Circle, Rowlett, Texas 75088. Respondent Rand is the President and controlling principal of Respondents Black Lake and Rockwall Oil.
4. Respondents are offering for sale and have sold units of interest in an oil and gas well drilling project described as the Rock Wall Oil Company North Atapco Field Extension Arco #3 & Arco #4 Drill sites, a two-well program located in Crane County, Texas (the "RWOC Arco #3 & Arco #4 Program"). Said units of interest are in the RWOC Arco #3 & Arco #4 Joint Venture, which purportedly is to acquire up to 94% of the working interests in the two wells to be drilled. Respondents are using unregistered sales agents to offer the units of interest in the RWOC Arco #3 & Arco #4 Program to the public.
5. In connection with the offer for sale of the above-described units of interest, Respondents are misrepresenting the relevant fact that all initial capital contributions will be held in a non-interest bearing escrow bank account prior to the subscription of thirteen units.
6. In connection with the offer for sale of the above-described units of interest, Respondents are intentionally failing to disclose the following material facts:
 - a. Funds contributed by previous purchasers of units in the RWOC Arco #3 & #4 Program were used by Respondent Rand to pay for personal expenses and expenses unrelated to drilling the Arco #3 and Arco #4 wells.
 - b. Respondent Rand filed for bankruptcy in the Northern District of Texas, Dallas Division, Case No. 08-32243-SGJ13, on or about May 6, 2008.
 - c. Respondents Rand and Black Lake previously had sold interests in the Black Lake Energy, Inc. Four Well Program: the Whopper Prospect--Sunglasses #1 and Legs #1 in Reagan County, Texas, and the Meteorite & Benedict Prospects--Incoming #1 and Comet #1, located in Menard County, Texas, whereby four new wells were to be drilled. Said wells were not drilled, and Respondent Rand used the proceeds from the sale of interests in this oil and gas drilling program to pay for personal expenses and other expenses unrelated to drilling the project wells.
 - d. Respondents Rand and Black Lake previously had sold interests in the Rock Wall Oil Company Whopper Prospect, the Sunglasses #1 & Tush #1 of Reagan County, Texas, whereby two new wells were to be drilled. Said wells were not drilled and Respondent Rand used the proceeds from the sale of interests in this oil and gas drilling program to pay for personal expenses and other expenses unrelated to drilling the project wells.
 - e. Respondents Rand and Black Lake previously had sold interests in the Rock Wall Oil Company North Atapco Field Prospect, in Crane County, Texas, also known as the Rock Wall Oil Company Arco #1 and #2, for which two new wells were to be drilled. The Arco #2 well was not drilled

and Respondent Rand used the proceeds from the sale of interests in this oil and gas drilling program to pay for personal expenses and other expenses unrelated to drilling the project wells.

CONCLUSIONS OF LAW

1. The above-described units of interest in the RWOC Arco #3 & Arco #4 Program are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents are engaging in fraud in connection with the offer for sale of securities.
3. Respondents conduct, acts, and practices threaten immediate and irreparable public harm.
4. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

It is therefore ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31 st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.0 of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 15th day of October, 2008.


DENISE VOIGT CRAWFORD
Securities Commissioner