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SECURITIES COMMISSIONER



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MAIL: P.O. BOX 13167
AUSTIN, TEXAS 78711-3167

208 E. 30th Street, 5th Floor
Austin, Texas 78701
Phone (512) 305-8300
FAX (512) 305-8310
<http://www.ssb.state.tx.us>

JACK D. LADD
MEMBER

SSB Docket No. 02-01

IN THE MATTER OF
GLOBEX EXPLORATION, INC.
AND
KEVIN SETH CLIFTON HILLIARD

§
§
§
§

Order No. CDO/FIN-1446

TO: Mr. Kevin Seth Clifton Hilliard, President
Globex Exploration, Inc.
2220 San Jacinto Boulevard, Suite 105
Denton, Texas 76205

Mr. Kevin Seth Clifton Hilliard
2220 San Jacinto Boulevard, Suite 105
Denton, Texas 76205

CEASE AND DESIST ORDER

Be it remembered that Globex Exploration, Inc. ("Respondent Globex"), by and through its President, Kevin Seth Clifton Hilliard, and Kevin Seth Clifton Hilliard, individually ("Respondent Hilliard"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and Undertaking and, without admitting or denying them, the Findings of Fact and Conclusions of Law contained herein, except Findings of Fact one and two which are admitted.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to notice and hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2002) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2002) ("Administrative Procedure Act").

2. Respondent Globex is a Texas corporation with its principal office located at 2220 San Jacinto Boulevard, Suite 105, Denton, Texas 76205. Respondent Hilliard is president of Respondent Globex with the same business address as Respondent Globex.
3. From September 1997 to October 2001, Respondent Hilliard, on behalf of Respondent Globex, contacted potential investors and made available for purchase working interests in or under oil and/or gas leases and Respondents accepted funds from investors as consideration for the assignment of said leases.
4. The interests in the oil and gas leases were not registered with the Securities Commissioner by qualification, notification or coordination and no permit was granted for the sale of the interests in the State of Texas.

UNDERTAKING

1. Respondents hereby undertake and agree that they will not offer for sale or sell securities from within the State of Texas or to a Texas resident unless the securities are registered with the Securities Commissioner as required by Section 7 of the Texas Securities Act, or are exempt from the registration requirements thereof.
2. Respondents further undertake and agree to disclose the foregoing Order to potential investors in all future offerings.

CONCLUSIONS OF LAW

1. The above-referenced interests in the oil and gas leases are securities as defined in Section 4.A of the Texas Securities Act.
2. The conduct of the Respondents described in the Findings of Fact constitutes the offer for sale and sale of securities as defined by Section 4.E of the Texas Securities Act.
3. Respondent violated Section 7 of the Texas Securities Act by offering for sale in Texas the above-described securities without being registered with the Securities Commissioner.
4. The foregoing violations constitute bases for the issuance of a cease and desist order pursuant to Section 23.A of the Texas Securities Act.
5. The foregoing violations constitute bases for the issuance of an order assessing an administrative fine pursuant to Section 23-1 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondent Globex and Respondent Hilliard CEASE AND DESIST from the offer for sale and sale of securities until the securities are registered with the Securities Commissioner or exempt from the securities registration requirements of the Texas Securities Act.
2. It is further ORDERED that Respondent Globex is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Five Thousand Dollars (\$5,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.
3. It is further ORDERED that Respondent Globex and Respondent Hilliard COMPLY with the terms of the Undertaking set forth herein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this ^{6th} ~~10th~~ day
of February, 2002.

Denise Voigt Crawford
DENISE VOIGT CRAWFORD
Securities Commissioner


Respondents:

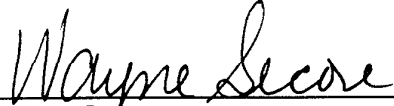
Globex Exploration, Inc.

By: 
Kevin Seth Hilliard, President


Kevin Seth Hilliard, Individually

Approved as to Form:

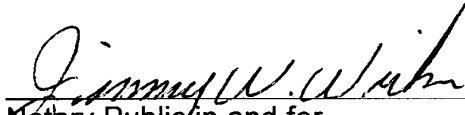

David Grauer
Director
Enforcement Division


Wayne Secore
Attorney for Respondents

ACKNOWLEDGMENT

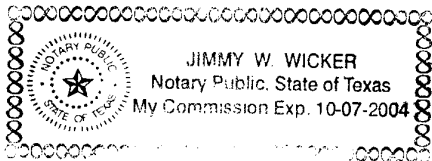
On the 5 day of Feb, 2002, Globex Exploration, Inc. ("Respondent Globex"), by and through Kevin Seth Clifton Hilliard, its President, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Kevin Seth Clifton Hilliard is duly authorized to enter into the foregoing Order on behalf of Respondent Globex;
2. Kevin Seth Clifton Hilliard has read the foregoing Order;
3. Respondent Globex has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent Globex knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and the Findings of Fact and Conclusions of Law contained therein; and,
5. Respondent Globex, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.


Notary Public in and for
the State of TX

[affix notary seal here]

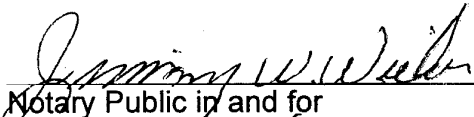
My commission expires on: 10-07-2004



ACKNOWLEDGMENT

On the 5 day of Feb, 2002, Kevin Seth Clifton Hilliard ("Respondent Hilliard"), personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Hilliard has read the foregoing Order;
2. Respondent Hilliard has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Hilliard knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent Hilliard, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



Notary Public in and for
the State of TX

[affix notary seal here]

My commission expires on: 10-07-2004

