

THE STATE OF TEXAS  
VS.

James Dean French  
913 Bell Oak Drive  
Kennedale, TX 76060

SPN: 02834317  
DATE PREPARED: 11.10.2015

D.A. LOG NUMBER: 2209088  
CJIS TRACKING NO.:  
BY: cg DA NO:  
AGENCY: HCDAO  
O/R NO:  
ARREST DATE:

NCIC CODE: 2611 01

RELATED CASES:

FELONY CHARGE: Securities Fraud  
CAUSE NO:  
HARRIS COUNTY DISTRICT COURT NO:  
FIRST SETTING DATE:

1496939  
230

BAIL: \$\$208,000  
PRIOR CAUSE NO:

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

The duly organized Grand Jury of Harris County, Texas, presents in the District Court of Harris County, Texas, that in Harris County, Texas, James Dean French, hereafter styled the Defendant, heretofore on or about various dates between June 1, 2010 and December 1, 2014, did then and there unlawfully, engage in fraud, individually and by and through his corporation, Morning Tower Ltd., hereinafter styled the Company, in connection with the offer for sale and/or sale of fractionalized units of undivided interest in the Swede Church Development Project, those being securities, to wit: certificates and/or any instruments representing any interest in or under an oil, gas, or mining lease, to one or more of the below named persons, hereinafter styled Complainants, by:

- Intentionally failing to disclose that funds previously paid by investors to purchase units in C.G. Hooks and J.F. Gauldung wells were comingled, despite stating otherwise in the offering documents, said information being a material fact; and/or
- Intentionally failing to disclose that funds paid by investors in previous oil and gas projects were used for purposes other than those for which they were invested, namely purchasing a personal residence, said information being a material fact; and/or
- Intentionally failing to disclose that the Internal Revenue Service filed a lien, Instrument #D210153780, in Tarrant County, Texas against the Defendant, in the amount of \$655,827.59, said information being a material fact; and/or
- Knowingly misrepresenting that the Company was not party to any pending material legal proceedings that might have an adverse effect on the project, said information being a misrepresentation of a relevant fact; and/or
- Knowingly misrepresenting that investor funds would be used to finance operations, to wit: drilling two (2) new wells and stimulating two (2) existing oil wells in Jones County, Texas, said information being a misrepresentation of a relevant fact;

and the amounts obtained from the sale of the said securities were obtained pursuant to one scheme and continuing course of conduct and the aggregate amount obtained was \$100,000 or more.

Complainants:

Anthony Azar  
William Holder II  
William Holder III  
Robert Hardy, Jr.

AGAINST THE PEACE AND DIGNITY OF THE STATE.

*Handwritten initials*

**FILED**

Chris Daniel  
District Clerk

JAN 23 2016 1:29:16

Time: 1:20  
Harris County, Texas

By: *Handwritten signature*  
Deputy

Foreman

263rd

*Handwritten signature of Foreman*

FOREMAN OF THE GRAND JURY

INDICTMENT

RECORDER'S MEMORANDUM  
This instrument is of poor quality  
at the time of imaging

IMAGED



I, Chris Daniel, District Clerk of Harris County, Texas certify that this is a true and correct copy of the original record filed and or recorded in my office, electronically or hard copy, as it appears on this date.  
Witness my official hand and seal of office  
this June 4, 2018

Certified Document Number: 79702704 Total Pages: 1

Chris Daniel, DISTRICT CLERK  
HARRIS COUNTY, TEXAS

**In accordance with Texas Government Code 406.013 electronically transmitted authenticated documents are valid. If there is a question regarding the validity of this document and or seal please e-mail [support@hcdistrictclerk.com](mailto:support@hcdistrictclerk.com)**