

TRAVIS J. ILES
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Texas State Securities Board

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MEMBER

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IN THE MATTER OF
BRETT KROH

§
§

Order No. ENF-CDO-20-1788

TO: Brett Kroh
1300 Summit Avenue, Suite 650, Fort Worth, Texas 76102

ORDER

Be it remembered that Brett Kroh ("**Respondent**") appeared before the Securities Commissioner of the State of Texas (the "**Securities Commissioner**") and consented to the entry of this Order and the Conclusions of Law and Findings of Fact contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) his right to notice and hearing in this matter, (b) his right to appear and present evidence in this matter, (c) his right to appeal this order, and (d) all other procedural rights granted by the Securities Act, Tex. Rev. Civ. Stat. Ann. Arts. 581-1 to 581-45 (West 2010 & Supp. 2018) (the "**Securities Act**") and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001 to 2001.902 (West 2008 & Supp. 2018).

SERVICE OF RESPONDENT

2. Respondent can be served with process at 1300 Summit Avenue, Suite 650, Fort Worth, Texas 76102. The Enforcement Division of the State Securities Board (the "**Enforcement Division**") has also agreed to provide a certified copy of this order to J. Kevin Edmundson from Brophy Edmundson Shelton & Weiss PLLC, counsel for Respondent.

THE SECURITIES OFFERING

3. Respondent was the Director of Business Development for Woodland Resources, LLC ("**Woodland Resources**").
4. Woodland Resources has been offering working interests in various oil wells in Seminole County, Oklahoma.
5. Respondent, while serving as the Director of Business Development for

Woodland Resources, offered the working interests to potential investors, including Texas residents.

6. Respondent was not registered with the Securities Commissioner as a dealer or agent at any time material to his offer of working interests.
7. Although Respondent claimed to limit the sale of working interests to accredited investors, neither Respondent nor Woodland Resources took reasonable steps to verify that investors were, in fact, accredited investors.

THE EMERGENCY CEASE AND DESIST ORDER

8. On July 10, 2019, the Securities Commissioner entered Emergency Cease and Desist Order No. ENF-19-CDO-1783 (the "**Emergency Order**") against Woodland Resources and other parties involved in the offer of the working interests.
9. The Emergency Order named Respondent as a respondent and accused him of violating the Securities Act.
10. Pursuant to Section 23-2 of the Securities Act, Respondent and the other parties named in the Emergency Order were afforded the opportunity to request a hearing to modify or set aside the Emergency Order.
11. Respondent has agreed to waive his right to a hearing to modify or set aside the Emergency Order.
12. Respondent is cooperating with the Enforcement Division in its investigation of the other parties named as respondents in the Emergency Order.
13. Respondent has agreed to continue to cooperate with the Enforcement Division in its investigation of the other parties named as respondents in the Emergency Order.

CONCLUSIONS OF LAW

1. The working interests are "securities" as that term is defined in Section 4.A of the Securities Act.
2. Respondent violated Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities were not registered with the Securities Commissioner.
3. Respondent violated Section 12 of the Securities Act by acting as an agent without being registered pursuant to the provisions of Section 12 of the Securities Act.
4. The forgoing violation constitutes a basis for the issuance of this agreed order

pursuant to Section 23.A of the Securities Act.

5. The forgoing violation constitutes a basis for the assessment of an administrative fine pursuant to Section 23-1 of the Securities Act.

ORDER

1. It is therefore ORDERED that the Emergency Order is set aside by this order solely as the Emergency Order relates to Respondent.
2. It is further ORDERED that Respondent immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Securities Act.
3. It is further ORDERED that Respondent immediately CEASE AND DESIST from acting as a securities dealer or agent in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from registration under the Securities Act.
4. It is further ORDERED that Respondent shall pay 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 One Thousand Dollars (\$1,000.00), payable to the State of Texas, contemporaneously with the delivery of this order, and delivery of a cashier's check to the Securities Commissioner in the amount of Four Thousand Dollars (\$4,000.00), payable to the State of Texas, within forty-five business days of the entry of this order.

SIGNED AND ENTERED by the Securities Commissioner this 13th day of September 2019.



TRAVIS J. ILES
Securities Commissioner

Respondent:

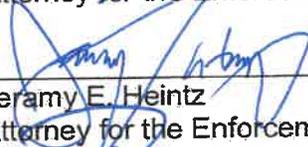


Brett Kroh

Approved as to Form:



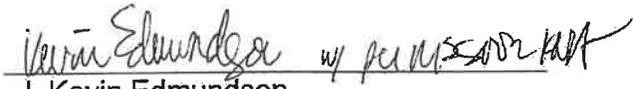
Justin W. Stoll
Attorney for the Enforcement Division



Jeramy E. Heintz
Attorney for the Enforcement Division



Joe Rotunda
Director of the Enforcement Division



J. Kevin Edmundson
Attorney for Respondent