

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

DON A. RASCHKE
DEPUTY SECURITIES COMMISSIONER

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

Phone: (512) 305-8300
Facsimile: (512) 305-8310



Texas State Securities Board

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.state.tx.us

JOSE ADAN TREVINO
CHAIRMAN

NICHOLAS C. TAYLOR
MEMBER

KENNETH W. ANDERSON, JR.
MEMBER

JACK D. LADD
MEMBER

BRYAN K. BROWN
MEMBER

SSB Docket No. 03-036

IN THE MATTER OF
KENNETH PAUL LAWRENCE

§
§

Order No. CDO-1545

TO: Kenneth Paul Lawrence (CRD #4597957)
Enerstar Securities Corp.
740 Lexington Drive
Plano, Texas 75075

AGREED ORDER VACATING ORDER NO. CAF/SUS-1531 AND AGREED CEASE AND DESIST ORDER

Be it remembered that Kenneth Paul Lawrence ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner"), and without admitting or denying the Findings of Fact or Conclusions of Law except as referenced below, consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to appear and present evidence in this matter; (b) Respondent's right to appeal this Order; and (c) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2003) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2003) ("Administrative Procedure Act").
2. From in or about May, 2000, to in or about June, 2003, Respondent, on behalf of Northstar Energy, Inc. ("Northstar"), offered for sale and sold in Texas working interests in drilling programs. Respondent was Vice-President of Northstar at all times relevant to this Order.
3. The working interests in the drilling programs were not registered with the Securities Commissioner by qualification, notification or coordination and no permit was granted for their sales within Texas.

4. Respondent, at all times relevant to this Order, was not registered with the Securities Commissioner as a securities dealer, agent, investment adviser or investment adviser representative.
5. Respondent agrees that this Order shall be admissible to prove the facts and conclusions of law stated herein in any state proceeding brought by or on behalf of the Securities Commissioner.
6. Respondent has failed to meet the agent registration requirements of the Texas Securities Act and therefore agrees that the Disciplinary Order Reprimanding, Suspending and Fining an Agent, Order No. CAF/SUS-1531, entered into by Respondent and issued by the Securities Commissioner on September 2, 2003, should be vacated and replaced by this Order.

CONCLUSIONS OF LAW

1. The working interests in the drilling programs are interests in oil, gas or mining leases and are securities, as the term "securities" is defined in Section 4.A of the Texas Securities Act.
2. Respondent engaged in the offer for sale and sale of securities in Texas, as the terms "offer for sale" and "sale" are defined in Section 4.E of the Texas Securities Act.
3. Respondent violated the Texas Securities Act by offering for sale and selling securities in Texas at a time when the securities were not registered with the Securities Commissioner, as required by Section 7 of the Texas Securities Act.
4. Respondent has acted as a dealer and/or an agent in Texas, as the terms "dealer" and "agent" are defined in Sections 4.C and 4.D of the Texas Securities Act.
5. Respondent violated the Texas Securities Act by offering for sale and selling securities in Texas at a time when Respondent was not registered with the Securities Commissioner, as required by Section 12 of the Texas Securities Act.
6. Pursuant to Section 23.A of the Texas Securities Act, the foregoing violations constitute bases for the issuance of a Cease and Desist Order against Respondent.
7. Pursuant to Section 23-1.A of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order assessing an administrative fine against Respondent.

ORDER

1. It is therefore ORDERED that Order No. CAF/SUS-1531 is vacated.
2. It is further ORDERED that Respondent CEASE AND DESIST from acting as a dealer and/or agent in Texas until he is registered with the Securities Commissioner

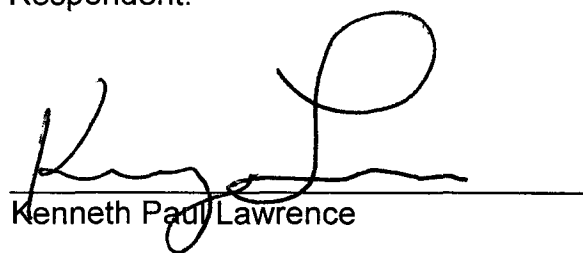
or an available exemption from the dealer and/or agent registration requirements of the Texas Securities Act is utilized.

3. It is further ORDERED that Respondent CEASE AND DESIST from the offer and sale of securities in Texas until the securities are registered with the Securities Commissioner or an available exemption from the securities registration requirements of the Texas Securities Act is utilized.
4. It is further ORDERED that Respondent is hereby assessed AN ADMINISTRATIVE FINE in the amount of Five Thousand Dollars (\$5,000.00). Payment of the fine has been satisfied 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, made contemporaneously with the delivery of Order No. CAF/SUS-1531.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 28th day of October, 2003.


DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent:

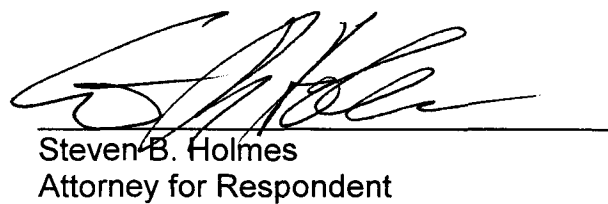


Kenneth Paul Lawrence

Approved as to Form:



John Morgan
Director
Enforcement Division

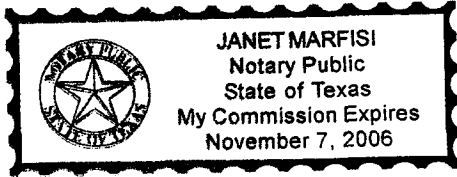


Steven B. Holmes
Attorney for Respondent

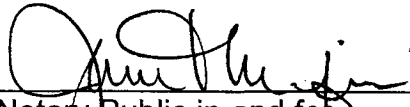
ACKNOWLEDGMENT

On the 21st day of October, 2003, Kenneth Paul Lawrence ("Respondent") personally appeared before me, executed the foregoing Order, and acknowledged that:

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



[affix notary seal here]



Notary Public in and for
The State of Texas

My commission expires on: 11/7/06