

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

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DEPUTY SECURITIES COMMISSIONER

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Texas State Securities Board

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JACK D. LADD
MEMBER

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MEMBER

BETH ANN BLACKWOOD
MEMBER

WILLIAM R. SMITH
MEMBER

IN THE MATTER OF
ENERGY SEARCH, INC.,
AND STANLEY J. FORTENBERRY

§
§
§

Order No. ~~ENF-04-CDO-1577~~

TO: Energy Search, Inc.
221 S. Abe St.
San Angelo, TX 76903

Stanley J. Fortenberry
221 S. Abe St.
San Angelo, TX 76903

AGREED CEASE AND DESIST ORDER

Be it remembered that Energy Search, Inc. and Stanley J. Fortenberry ("Respondents") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

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. 2004-05) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2004) ("Administrative Procedure Act").
2. Respondent Energy Search, Inc. is a Texas corporation whose last known address is 221 S. Abe St., San Angelo, TX 76903.
3. Respondent Stanley J. Fortenberry ("Respondent Fortenberry") is a Texas resident whose last known address is 221 S. Abe St., San Angelo, TX 76903. Respondent Fortenberry is the owner of AVM Capital Group.

4. Respondent offered for sale and sold working interests in the East Sharon Ridge Reef Project in Scurry County, Texas.
5. The working interests described above have not been registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
6. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.
7. In connection with the offer for sale of the above-described working interests, Respondents intentionally failed to disclose the following material facts:
 - (A) Information regarding the assets, liabilities, profits, losses, cash flow, and operating history of the issuer sufficient to enable a prospective investor to make an informed decision regarding the risks associated with the offering.
 - (B) The specific risks associated with an investment in the East Sharon Ridge Reef Project, including the risk that a working interest owner may be liable for costs or claims in excess of the amount of his or her investment.
 - (C) Respondent Fortenberry was convicted of theft in cause number 309,091 in the County Court at Law No. 7, Travis County, Texas on February 2, 1990.
 - (D) Respondent Fortenberry filed for Chapter 13 bankruptcy in the United States Bankruptcy Court, Northern District of Texas, Lubbock Division, on August 3, 1992, in case number 92-50525, and said bankruptcy was dismissed on March 21, 1994 by motion of the Trustee.
 - (E) Respondent Fortenberry filed for Chapter 13 bankruptcy in the United States Bankruptcy Court, Northern District of Texas, Lubbock Division, on December 16, 1993, in case number 93-50785, and said bankruptcy was dismissed on September 30, 1994 by motion of the Trustee.

CONCLUSIONS OF LAW

1. The above-described working interests are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents violated Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities were not registered with the Securities Commissioner.
3. Respondents violated Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
4. Respondents engaged in fraud in connection with the offer for sale of securities.
5. The foregoing violations constitute bases for the issuance of a cease and desist order pursuant to Section 23.A of the Texas Securities Act.

ORDER

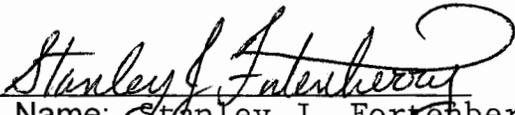
1. It is therefore ORDERED that Respondents CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED that Respondents CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.

SIGNED AND ENTERED by the Securities Commissioner this 30th day of November, 2004.


DENISE VOIGT CRAWFORD
Securities Commissioner

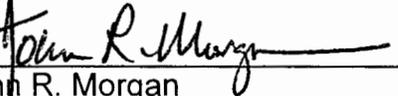
Respondents:

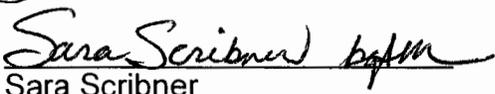
Energy Search, Inc.

By: 
Printed Name: Stanley J. Fortenberry
Title: Vice-President


Stanley J. Fortenberry, Individually

Approved as to Form:


John R. Morgan
Director
Enforcement Division

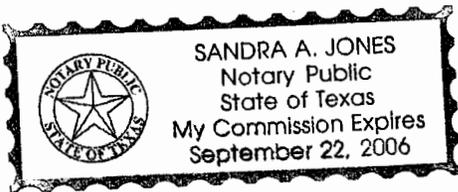

Sara Scribner
Enforcement Attorney


Moge Lovelle
Enforcement Attorney

ACKNOWLEDGMENT

On the 18 day of November, 2004, Energy Search, Inc. ("Respondent"), by and through Stanley J. Fortenberry, Vice-President, personally appeared before me, executed the foregoing Order and acknowledged that:

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



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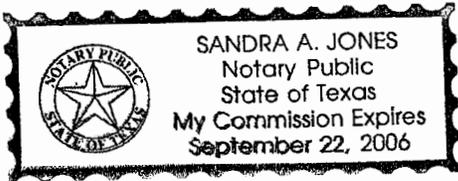
Sandra A Jones
Notary Public in and for
the State of Texas

My commission expires on: 9-22-2006

ACKNOWLEDGMENT

On the 18 day of November, 2004, Stanley J. Fortenberry ("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 therein; 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]

Sandra A Jones
Notary Public in and for
the State of Texas

My commission expires on: 9-22-2006