

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER

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DEPUTY SECURITIES COMMISSIONER

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Texas State Securities Board

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IN THE MATTER OF
SUNDANCE RESOURCES, INC.,
MICHAEL E. PATMAN, AND
D. KIRK JOHNSON

§
§
§
§

Order No. ENF-06-CDO-1623

TO: Sundance Resources, Inc.
4925 N. O'Connor Blvd., Suite 101
Irving, Texas 75062

Michael E. Patman
4925 N. O'Connor Blvd., Suite 101
Irving, Texas 75062

D. Kirk Johnson
4925 N. O'Connor Blvd., Suite 101
Irving, Texas 75062

AGREED CEASE AND DESIST ORDER

Be it remembered that Sundance Resources, Inc., by and through its president, Michael E. Patman; Michael E. Patman, individually; and D. Kirk Johnson, individually ("Respondents"), appeared before the Securities Commissioner 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 a 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. 581-1et ~~seq.~~ (Vernon 1964 & Supp. 2006) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 ~~et seq.~~ (Vernon 2000 and Supp. 2006) ("Administrative Procedure Act").

2. Respondent Sundance Resources, Inc. ("Respondent Sundance") is a Texas corporation that maintains a last known address of 4925 N. O'Connor Blvd., Suite 101, Irving, Texas 75062.
3. Respondent Michael E. Patman is the president of Respondent Sundance and maintains a last known address of 4925 N. O'Connor Blvd., Suite 101, Irving, Texas 75062.
4. Respondent D. Kirk Johnson is the vice president of Respondent Sundance and maintains a last known address of 4925 N. O'Connor Blvd., Suite 101, Irving, Texas 75062.
5. Respondents have sold and offered for sale in Texas working interests in oil and gas drilling projects.
6. The working interests were not registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
7. Respondents were not registered with the Securities Commissioner as dealers or agents at any time material hereto.

CONCLUSIONS OF LAW

1. The above-described working interests are "securities" as that term is defined in Section 4.A of the Texas Securities Act.
2. Respondents have 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 have 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. 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.

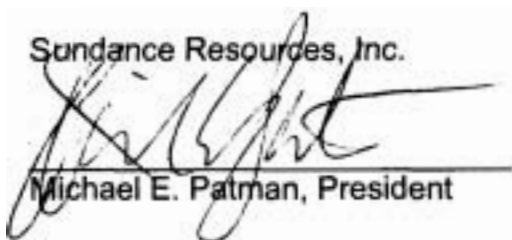
2. It is further ORDERED that Respondents CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.

SIGNED AND ENTERED by the Securities Commissioner this 22nd day of December, 2006.

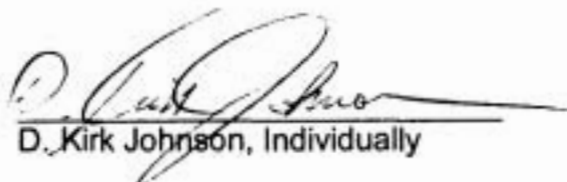

DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

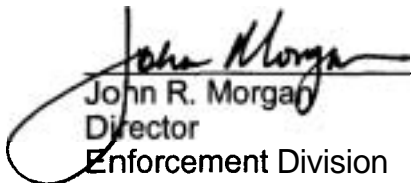
Sundance Resources, Inc.

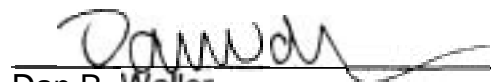

Michael E. Patman, President


Michael E. Patman, Individually


D. Kirk Johnson, Individually

Approved as to Form:


John R. Morgan
Director
Enforcement Division

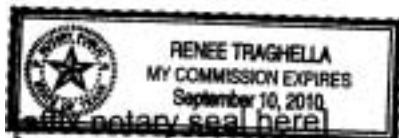

Dan R. Waller
Secore and Waller, LLP
12221 Merit Dr., Suite 1100
Dallas, Texas 75251
Attorney for Respondents


Sara Scribner
Enforcement Attorney
Enforcement Division

ACKNOWLEDGMENT

On the 1st day of December, 2006. Sundance Resources, Inc. ("Respondent"), by and through its president, Michael E. Patman, personally appeared before me, executed the foregoing Order and acknowledged that:

1. Michael E. Patman is duly authorized to enter into the foregoing Order on behalf of Respondent;
2. Michael E. Patman 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.



Renee Traghella
Notary Public in and for
the State of Texas

My commission expires on: Sept. 10, 2010

ACKNOWLEDGMENT

On the 1st day of December, 2006, Michael E. Patman, individually ("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.



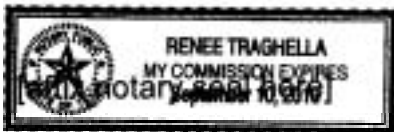
Renee Traghella
Notary Public in and for
the State of Texas

My commission expires on: Sept. 10, 2010

ACKNOWLEDGMENT

On the 1ST day of DECEMBER, 2006, D. Kirk Johnson, individually ("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 right 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 her rights as set forth therein.



Renee Traghella
Notary Public in and for
the State of Texas

My commission expires on: Sept. 10, 2010