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SECURITIES COMMISSIONER



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

*Texas State Securities Board*

EDWARD ESCUDERO  
MEMBER

Phone: (512) 305-8300  
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208 E. 10th Street, 5th Floor  
Austin, Texas 78701-2407  
www.ssb.state.tx.us

DERRICK MITCHELL  
MEMBER

E. WALLY KINNEY  
MEMBER

**SOAH DOCKET NO. 312-11-5246**

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IN THE MATTER OF  
  
KEVIN R. GATEWOOD

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§

IN THE STATE OFFICE OF  
  
ADMINISTRATIVE HEARINGS

**TO: KEVIN R. GATEWOOD**  
641 Spillway Dr., Little Elm, Texas 75068

**NOTICE OF HEARING**

This is your OFFICIAL NOTICE that a hearing will be held at the State Office of Administrative Hearings, in the William P. Clements Building, 300 W. 15th Street, 4th Floor, Austin, Texas, before an Administrative Law Judge, **on the 6<sup>th</sup> day of June, 2011, at 9:00 a.m.**, for the purpose of determining whether to affirm, modify or set aside Emergency Cease and Desist Order No. ENF-10-CDO-1694 (hereinafter referred to as the "Emergency Order"), attached hereto as **Exhibit 1** and incorporated herein, solely as it relates to Kevin R. Gatewood ("Respondent Gatewood").

This hearing will be held pursuant to The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon Supp. 2010) ("Texas Securities Act"); the Rules and Regulations of the State Securities Board, 7 Tex. Admin. Code Chapter 101 et seq. (Vernon Supp. 2009) ("Board Rules"); the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2009); and the Rules of Practice and Procedure of the State Office of Administrative Hearings, 1 Tex. Admin. Code Chapter 155 (Vernon Supp. 2009) ("SOAH Rules"). Legal authority and jurisdiction for this matter exist under Sections 23-2 and 24 of the Texas Securities Act, Section 2003.021(b) of the Texas Government Code, and Section 155.51 of the SOAH Rules.

**IF YOU FAIL TO ATTEND THE HEARING, THE FACTUAL ALLEGATIONS IN THIS NOTICE WILL BE DEEMED ADMITTED, AND THE SECURITIES COMMISSIONER MAY DISPOSE OF THIS CASE WITHOUT A HEARING AND GRANT THE RELIEF SOUGHT IN THIS NOTICE.**

## CONTACT INFORMATION

Nancy S. Elmilady  
Attorney, Enforcement Division  
State Securities Board  
State Bar No. 24043111  
208 E. 10th Street, 5th Floor  
Austin, Texas 78701  
Telephone: 512-305-8392  
Facsimile: 512-305-8398  
Electronic mail: nelmilady@ssb.state.tx.us

Docketing Office  
State Office of Administrative Hearings  
300 W. 15th Street, Suite 504  
Austin, Texas 78701  
Telephone: 512-475-3445  
Facsimile: 512-475-4994

## SECURITIES COMMISSIONER'S REPRESENTATIVE

Pursuant to Section 105.9 of the Board Rules, all documents filed by any party, other than business records and transcripts, and all documents issued by the Administrative Law Judge must be contemporaneously served upon the Securities Commissioner's Representative as identified below:

Sonia Ferguson  
Securities Commissioner's Representative  
Texas State Securities Board  
208 E. 10th Street, 5th Floor  
Austin, Texas 78701  
512-305-8300  
512-305-8336 (fax)

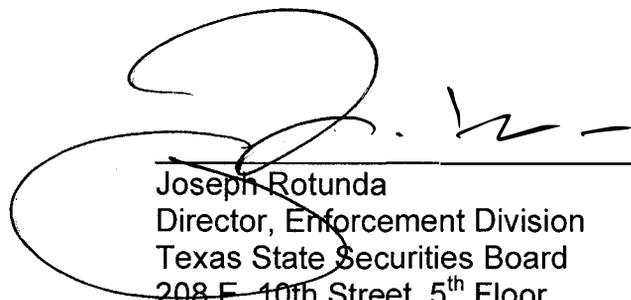
## NATURE OF THIS ACTION

1. On October 5, 2010, the Deputy Securities Commissioner entered an Emergency Order against Remington Oil and Gas, Inc., Rodney K. Williams, Respondent Gatewood and Byron L. Winbush. The Deputy Securities Commissioner concluded therein, among other things, that all Respondents were engaging in fraud in connection with the offer for sale of securities, making an offer containing a statement that was materially misleading or otherwise likely to deceive the public, and violating the registration requirements of Sections 7 and 12 of the Texas Securities Act.
2. On November 30, 2010, Respondent Gatewood requested that his involvement with Rodney K. Williams and Remington Oil and Gas, Inc., be set aside from any final judgment relating to the Emergency Order. A true and correct copy of said request is attached hereto and incorporated herein as **Exhibit 2**.
3. Section 23-2 of the Texas Securities Act requires that a hearing be held not later than the tenth day after the receipt of a request for hearing, unless the parties otherwise agree to a later hearing date. Respondent Gatewood requested that the hearing be held outside of the ten day hearing requirement and the

Enforcement Division agreed to honor this request. Attached hereto and incorporated herein as **Exhibit 3** is a true and correct copy of Respondent Gatewood's request that the hearing date be extended beyond the ten day requirement.

4. A hearing has therefore been set at the State Office of Administrative Hearings, in the William P. Clements Building, 300 W. 15th Street, 4th Floor, Austin, Texas, on the 6th day of June, 2011, at 9:00 a.m.
5. At the hearing, the Enforcement Division will present evidence in support of the Emergency Order and will pray for a finding that will affirm the entirety of the Findings of Fact, Conclusions of Law and Order entered against Respondent Gatewood. Respondent Gatewood may appear personally, with, without, or through counsel, and present evidence relating to the matters set forth in this Notice of Hearing.
6. None of the other Respondents have requested such a hearing, and the Enforcement Division therefore understands that the Emergency Order is final and not subject to appeal as it relates to them. Accordingly, this contested case is set for a hearing only to determine whether the Emergency Order should be affirmed or set aside as it relates solely to Respondent Gatewood.
7. The Enforcement Division is filing this Notice of Hearing without waiving any challenge to the timeliness of Respondent Gatewood's request for a hearing or any challenge to his satisfaction of the statutory prerequisites to obtain the requested relief.

Signed this 13<sup>th</sup> day of May, 2011.



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Joseph Rotunda  
Director, Enforcement Division  
Texas State Securities Board  
208 E. 10th Street, 5<sup>th</sup> Floor  
Austin, Texas 78701  
Texas Bar No. 24029808  
Telephone: 512-305-8392  
Facsimile: 512-305-8398  
Electronic mail: [jrotunda@ssb.state.tx.us](mailto:jrotunda@ssb.state.tx.us)

## CERTIFICATE OF SERVICE

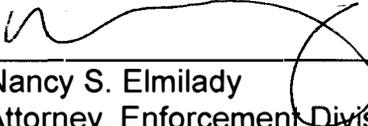
I hereby certify that on this, the 13<sup>th</sup> day of May, 2011, true and correct copies of the foregoing Notice of Hearing and the Exhibits thereto have been sent to Kevin R. Gatewood and the Securities Commissioner's Representative by the means indicated within this Certificate of Service.

**to KEVIN R. GATEWOOD, via certified mail, return receipt requested and electronic mail, at:**

641 Spillway Dr., Little Elm, Texas 75068  
kevingatewood90@yahoo.com

**to SONIA FERGERSON, the SECURITIES COMMISSIONER'S REPRESENTATIVE, via hand delivery, at:**

208 E. 10th Street, 5th Floor, Austin, Texas 78701



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Nancy S. Elmilady  
Attorney, Enforcement Division  
Texas State Securities Board  
208 E. 10th Street, 5<sup>th</sup> Floor  
Austin, Texas 78701  
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DENISE VOIGT CRAWFORD  
SECURITIES COMMISSIONER

JOHN R. MORGAN  
DEPUTY SECURITIES COMMISSIONER

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IN THE MATTER OF §  
REMINGTON OIL AND GAS, INC., §  
RODNEY K. WILLIAMS, §  
KEVIN R. GATEWOOD §  
AND BYRON L. WINBUSH §

Order No. ENF-10-CD0-1694

TO: Remington Oil and Gas, Inc.  
3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234 and  
c/o Registered Agents of America, Inc., 1802 N. Carson Street, Suite 108, Carson  
City, Nevada, 89701

Rodney K. Williams  
3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234 and  
5603 Chippewa Trail, Frisco, Texas 75034

Kevin R. Gatewood  
3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234 and  
3775 Brookhaven, Club 106, Addison, Texas 75229

Byron L. Winbush  
3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234 and  
2600 Whisper Meadow, #1708, Arlington, Texas 76006

### EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Deputy Securities Commissioner of the State of Texas ("Deputy Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon Supp. 2009) ("Texas Securities Act").

The Staff of the Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Deputy Securities Commissioner to find that:

## FINDINGS OF FACT

1. Remington Oil and Gas, Inc. ("Respondent Remington") is a Nevada Corporation that maintains a last known address at 3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234. The Registered Agent of Respondent Remington is Registered Agents of America, Inc., and this company maintains a last known address at 1802 N. Carson Street, Suite 108, Carson City, Nevada, 89701.
2. Rodney K. Williams ("Respondent Williams") maintains last known addresses at 3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234, and 5603 Chippewa Trail, Frisco, Texas 75034. Respondent Williams is President, Chief Executive Officer, Director, Treasurer and Chairman of Respondent Remington and Kevin L. Jones is the company's Secretary.
3. Kevin R. Gatewood ("Respondent Gatewood") maintains last known addresses at 3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234, and 3775 Brookhaven, Club 106, Addison, Texas 75229. Respondent Gatewood is the Head of Investor Relations of Respondent Remington.
4. Byron L. Winbush ("Respondent Winbush") maintains last known addresses at 3010 L.B.J. Freeway, Suite 730, Dallas, Texas 75234, and 2600 Whisper Meadow, #1708, Arlington, Texas 76006. Respondent Winbush is an agent of Respondent Remington.
5. Respondent Remington is a company that purportedly engages in the re-entry and re-working of existing oil and gas wells. It is offering up to 10,000,000 shares of common stock at a current cost of twenty-five cents per share. Respondent Remington is telling prospective investors that their money will be used for working capital, to pay for legal and accounting services and for general operating expenses.
6. The common stock has not been registered by qualification, notification or coordination and no permit has been granted for its sale in Texas.
7. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.
8. In connection with the offer for sale of the common stock, Respondents Remington and Williams are misrepresenting relevant facts, to wit:
  - A. Respondent Williams was conferred a Criminal Justice degree from the University of Texas at Arlington, when in truth and fact Respondent Williams neither completed course credit at nor received a degree from the University of Texas at Arlington.
  - B. Investors' funds will be transferred to a specific escrow account requiring dual signatures for the issuance of any checks from said account and that investor funds deposited into the escrow account are identified and reported to the U.S. Securities and Exchange Commission, when in truth and in fact

the aforementioned account does not require dual signatures for the issuance of any checks and a additional account utilized by Respondent Remington for receipt of investor funds designates Respondent Williams as the account's sole authorized individual.

9. In connection with the offer for sale of the common stock, Respondents Remington, Gatewood and Winbush are misrepresenting a relevant fact by telling prospective investors that the common stock may be purchased only by accredited investors, when in truth and in fact Respondents Remington, Gatewood and Winbush are offering the common stock to persons known to be unaccredited investors.
10. In connection with the offer for sale of the common stock, Respondents Remington and Williams are intentionally failing to disclose one or more material facts, to wit:
  - A. Respondent Williams was the subject of a permanent injunction entered on or about June 15, 2005, in a suit styled City of Dallas, Texas, v. R.K. Interest, Inc. d/b/a bony Eyez and Rodney K. Williams, Cause No. 04-12112, filed in the 160 Judicial District Court of Dallas, County, Texas, wherein Respondent Williams and R.K. Interest, Inc., were permanently enjoined from operating or causing to be operated a sexually oriented business without a license for the specified location.
  - B. Respondent Williams was the subject of a final judgment in the amount of \$189,342.59 entered on or about March 6, 2006, in a suit styled Blake Stovall v. Rodney K. Williams, Cause No. 05-6156-C, filed in the 68<sup>th</sup> District Court of Dallas County, Texas, and based in part on allegations of fraud in the inducement of a real estate contract with Respondent Williams.
  - C. Respondent Williams and his company R.K. Interest, Inc., were the subject of a default judgment in the amount of \$555,000.00 in compensatory damages and \$1,110,000.00 in exemplary damages entered on or about May 2, 2006, in a suit styled Stephanie Middleton v. Rodney Keith Williams, R.K. Interest, Inc., et al., Cause No. DC-05-12265-C, filed in the 68<sup>th</sup> District Court of Dallas, County, Texas, and based in part on allegations of fraud, breach of contract, deceptive trade practices, invasion of privacy, breach of fiduciary duty and civil conspiracy relating to real estate transactions.
  - D. Respondent Williams was the subject of a default judgment in the amount of \$306,000.00 entered on or about August 9, 2006, in a suit styled Robert Kevin Hamby and Mary Teresa Hamby v. Rodney K. Williams, R.K. Interests, Inc., R.K. Williams, Inc. and Sun West Mortgage, Inc., Cause No. DC-05-07531-I, filed in the 162<sup>nd</sup> District Court of Dallas County, Texas, and based in part on allegations of a false filing of a lien and statutory and common law fraud in connection with a real estate transaction.
  - E. A Texas State Tax Lien was issued against Respondent Williams in Collin County, Texas, for the amount of \$3,768.71 on or about June 7, 2007.

- F. Respondent Williams was the subject of a final judgment in the amount of \$45,000.00 entered on or about August 13, 2008, in a suit styled J&J Sports Productions, Inc., as a Broadcast Licensee of the September 17, 2005, Barrera/Peden Event v. Rodney Keith Williams, individually and d/b/a Ebony Eyez a/k/a Ebony Eyez Club, Cause No. DC-07-11167-C, filed in the 68<sup>th</sup> District Court of Dallas County, Texas, and based in part on allegations that the defendants violated Plaintiff's rights and federal and state law by willfully intercepting and/or receiving the televised Barrera/Peden event.
11. Respondents are making statements that are materially misleading or otherwise likely to deceive the public, to wit:
- A. Respondents Remington and Williams are representing that Respondent Williams has been a successful business professional in the Dallas metropolitan area since 1997 but they are not disclosing to prospective investors the injunction, judgments and lien described in paragraph 10 of this Order.
- B. Respondents Remington and Williams are representing that Respondent Williams was the President and CEO of Sun West Mortgage, Inc., a Texas Mortgage Brokerage Firm, but they are not telling prospective investors that on or about September 29, 2005, the Commissioner of the Texas Department of Savings and Mortgage Lending revoked Respondent Williams' mortgage broker license.
- C. Respondent Gatewood is touting the profitability of the common stock by representing that the common stock should be publically traded on the AMEX with an opening valuation of approximately \$4.00 by year's end, even though Respondent Remington's written offering materials indicate only that Respondent Remington intends to apply for listing on the Over-the-Counter Electronic Bulletin Board, explain that Respondent Remington can not offer any assurances that the shares will qualify for listing and set forth risks associated with the process.
- D. Respondents are touting the common stock while either misrepresenting or failing to disclose the facts set forth herein.

#### CONCLUSIONS OF LAW

1. The shares of common stock are "securities" as that term is defined by Section 4.A of the Texas Securities Act.
2. Respondents are violating Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.

3. Respondents are violating 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 are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

#### ORDER

1. It is therefore ORDERED that Respondents 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 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 immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

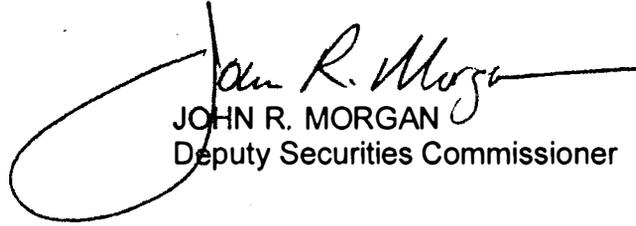
#### NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more

than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Deputy Securities Commissioner this 5<sup>th</sup> day of October, 2010.

  
JOHN R. MORGAN  
Deputy Securities Commissioner