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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Edwin Sano, President
Reserve Petroleum California, Inc.
Progressive California Oil & Gas Income Fund, LP
1337 Third Street
Second Floor, Suite 200
Santa Monica, CA 90401
or
220 Broadway, Suite 200
Santa Monica, CA 90401
or
227 Broadway, Suite 200
Santa Monica, CA 90401
or
1520 Second Street, Second Floor
Santa Monica, CA 90401

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Reserve Petroleum California, Inc, (hereinafter, "Reserve Petroleum") is a California Corporation, incorporated on August 5, 2004. Reserve Petroleum's address listed with the California Secretary of State is 220 Broadway, Suite 200, Santa Monica, CA 90401. However, Reserve Petroleum's website, www.reservepetroleumcalifornia.com, currently lists its address as 1337 Third Street, Second Floor, Suite 200, Santa Monica, CA 90401.
2. Progressive California Oil & Gas Income Fund, LP, (hereinafter, "Progressive California") is a California limited partnership, formed on November 4, 2005. Progressive California's address listed with the California Secretary of State is 227 Broadway, Suite 200, Santa Monica, CA 90401. However, in the private placement memorandum ("PPM") that describes the offering of securities in Progressive California, the address is listed as 1520 Second Street, Second Floor, Santa Monica, CA 90401.

1 3. At all relevant times, Edwin Sano, (hereinafter, "Sano"), a natural person and a resident of
2 California, was and is President of Reserve Petroleum. Further, Reserve Petroleum was and is the
3 General Partner of Progressive California. Edwin Sano's business address is 1337 Third Street,
4 Second Floor, Suite 200, Santa Monica, CA 90401.

5 4. Beginning on or about September 15, 2004, Sano and Reserve Petroleum offered and/or sold
6 securities in the form of limited partnership units in Progressive California.

7 5. Through general solicitation, including cold call solicitations and its aforementioned web site,
8 Sano and Reserve Petroleum offered and/or sold the above-described securities at \$20,000 per unit
9 with the intention of raising \$20,000,000.

10 6. The purported purpose of the offering was to raise funds to allow Progressive California to
11 acquire working interests in existing oil wells, drill additional wells, and acquire the rights to other
12 sites within Kern County, California, with the goal of making profits for the partnership and its
13 investors.

14 7. These securities were offered or sold in this state in issuer transactions. The California
15 Corporations Commissioner has not issued a permit or other form of qualification authorizing any
16 person to offer and sell these securities in this state.

17
18 Based upon the foregoing findings, the California Corporations Commissioner is of the
19 opinion that the limited partnership units of Progressive California Oil & Gas Income Fund, LP are
20 securities subject to qualification under the California Corporate Securities Law of 1968 and are or
21 were being offered and/or sold by Edwin Sano and Reserve Petroleum California, Inc. without being
22 qualified in violation of Corporations Code section 25110.

23 Pursuant to section 25532 of the Corporate Securities Law of 1968, Edwin Sano, Reserve
24 Petroleum California, Inc., and Progressive California Oil & Gas Income Fund, LP, are hereby
25 ordered to desist and refrain from the further offer or sale in the State of California of securities,
26 including but not limited to investment contracts in the form of limited partnership units, in the State
27 of California until qualification has been made under the California Corporate Securities Law of
28 1968, or unless exempt.

