TO: Innova Energy, L.L.C.
    Innova Leasing & Management, L.L.C.
    Clement Chad a.k.a. Clem Chad
    Clement L. Ejedawe
    Dennis Tower
    Frank Reynolds
    Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect

1200 Smith Street, Suite 1600
Houston, Texas 77002
and
3255 Wilshire Blvd., Suite 2204
Los Angeles, CA 90010-1404

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Innova Energy, L.L.C. and Innova Leasing & Management, L.L.C.
   (herein, collectively “Innova”) are or were Nevada domestic limited liability companies with their
   principal place of business located at 1200 Smith Street, Suite 1600, Houston, Texas, 77002, and at
   3255 Wilshire Blvd., Suite 2204, Los Angeles, California, 90010, and doing business in California,
   Pennsylvania, and Texas. Innova purportedly did or does operate oil and gas wells, as well as oil and
   gas drilling operations on various properties located in Texas and in Pennsylvania.

2. In or about 2007, Innova participated in a drilling joint venture as the promoter, operator, and
   “prospect manager” of oil and gas wells known as the “Bluff Creek Prospect Wells Joint Venture”
   a.k.a. “Bluff Creek 3D Prospect”, (herein “Bluff Creek Venture”). The Bluff Creek Venture was or
   is a project that involved the drilling of oil and gas from at least ten (10) wells located on real
property parcels or “zones” known as “Coleman”, “Sedgwick”, “Camp Colorado”, “Saddle Creek”, and “Bluff Creek” located in or about Shackelford, Texas.

3. At all relevant times, Frank Reynolds (herein “Reynolds”) and Clement L. Ejedawe (herein “Ejedawe”) are or were representatives of Innova. Specifically, Ejedawe is or was the manager of Innova Leasing & Management, L.L.C.

4. At all relevant times, Clement Chad a.k.a. Clem Chad, (herein “Chad”) and Dennis Tower (herein “Tower”) are or were representatives of Innova Energy, L.L.C. Specifically, Chad is the managing director of Innova Energy, L.L.C. and Tower is or was a “senior accounts executive” of Innova Energy, L.L.C.

5. Beginning in at least or about 2007, Innova, Chad, Tower, Reynolds, and Ejedawe offered and sold securities in the form of certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease in the Bluff Creek Venture.

6. The purported purpose of the offering was to fund the maintenance, drilling and production of the Bluff Creek Venture. The offering would also pay for any administrative expenses associated with the Bluff Creek Venture. In return, investors would receive monthly income payments, based on their investment interest, from the purported profits of the Bluff Creek Venture.

7. Beginning in at least or about 2007, Innova, Chad, Tower, Reynolds, and Ejedawe offered and sold the above-described securities in California to investors by way of making general solicitations through telemarketing or by making “cold calls”.

8. These securities were offered or sold in California in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer and sell these securities, including but not limited to securities in the form of certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease in the Bluff Creek Venture in California.

9. Beginning in or about 2008, Innova, Chad, Tower, Reynolds, and Ejedawe represented to investors that Innova had applied for and secured the necessary permits from The Railroad Commission of the State of Texas to promptly begin drilling for oil in June or July of 2008. The Railroad Commission of the State of Texas regulates the Texas oil and gas industry and issues...
permits for the mining of oil and gas in the State of Texas. The Railroad Commission of the State of Texas had or has no record of any applications received from or permits issued to Innova as of the date of this Desist and Refrain Order.

Based on the foregoing findings, the California Corporations Commissioner finds that the certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease in the Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect sold by Innova Energy, L.L.C., Innova Leasing & Management, L.L.C., Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect, Frank Reynolds, Clement L. Ejedawe, Clement Chad a.k.a. Clem Chad, and Dennis Tower, are securities subject to qualification under the California Corporations Code. These securities are or were offered and sold without being qualified or exempt, in violation of Section 25110 of the California Corporations Code.

Further, the California Corporations Commissioner is of the opinion that securities in the form of certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease in the Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect were offered or sold in California by means of a written or oral communication which included an untrue statement of material fact or omitted to state a material fact necessary to make the statement made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

Pursuant to section 25532 of the Corporate Securities Law of 1968, Innova Energy, L.L.C., Innova Leasing & Management, L.L.C., Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect, Frank Reynolds, Clement L. Ejedawe, Clement Chad a.k.a. Clem Chad, and Dennis Tower are hereby ordered to desist and refrain from offering or selling or buying or offering to buy any security in the State of California, including but not limited to certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease, by means of any written or oral communication which include untrue statements of material fact or omits to state a material fact necessary in order to make the statements made, in the light of circumstances under which they were made, not misleading.
Pursuant to Section 25532 of the California Corporations Code, Innova Energy, L.L.C., Innova Leasing & Management, L.L.C., Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect, Frank Reynolds, Clement L. Ejedawe, Clement Chad a.k.a. Clem Chad, and Dennis Tower are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including, but not limited to certificates of interest or participation in an oil, gas or mining title or lease or in payments out of production under that title or lease in the Bluff Creek Prospect Wells Joint Venture a.k.a. Bluff Creek 3D Prospect, unless and until qualification has been made under said law or unless exempt.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the California Corporations Code.

Dated: May 29, 2008
Sacramento, California

PRESTON DUFUAUCHARD
California Corporations Commissioner

By

ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division