STATE OF CALIFORNIA BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY DEPARTMENT OF BUSINESS OVERSIGHT

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TO: Dennis R. Kittler, Manager, President Randy Long, Assistant to the President Cheryl Proctor, Assistant to the President Sharon Norsch Kittler, Business Development Director Hermie Flores, Financial Administrator

Lisa A. Kittler, Office, Client Administration, Communications agent Fossil Oil Company, LLC

2500 Wilcrest Drive, Suite 405-415

Houston, TX 77042

DESIST AND REFRAIN ORDER

(For violations of section 25110 of the Corporations Code)

The Commissioner of Business Oversight finds that:

dennis@fossiloil.com and was Manager and President of Fossil Oil Company, LLC (hereinafter "Fossil Oil"), a Texas company using a business address of 2500 Wilcrest Drive, Suite 405-415,

At all relevant times, Dennis R. Kittler (hereinafter "Kittler") used an email address of

- Houston, Texas, and a web address of www.fossiloil.com on the Internet, as well as a phone number of (713) 978-7986 and a toll free number of (877) 822-5802.
- 2. At all relevant times, Randy Long (hereinafter "Long") was Assistant to the President at Fossil Oil and used an email address of randy@fossiloil.com.
- 3. At all relevant times, Cheryl Proctor (hereinafter "Proctor") was Assistant to the President at Fossil Oil and used an email address of cheryl@fossiloil.com.
- 4. At all relevant times, Sharon Norsch Kittler was Business Development Director for Fossil Oil.
- 5. At all relevant times, Hermie Flores (hereinafter "Flores") was Financial Administrator for Fossil Oil and used an email address of hermie@fossiloil.com.

- 1 6. At all relevant times, Lisa Kittler was Office/Client Administration/Communications agent of Fossil Oil and used an email address of lisa@fossiloil.com.
 - 7. Beginning in or about February, 2013, Kittler, Long, Sharon Norsch Kittler, Flores, Lisa Kittler and Fossil Oil offered or sold securities in the form of units of the Fossil-Mississippi Oil Well JV-III to drill an initial oil well.
 - 8. Through posting on the Internet and/or other means of general solicitation, Kittler, Long, Sharon Norsch Kittler, Flores, Lisa Kittler and Fossil Oil offered or sold 40 investment units at \$14,000 per unit to raise \$560,000.00.
 - 9. The purported purpose of the offering was to raise funds for the Fossil-Mississippi Oil Well JV-II in Lincoln County, Mississippi to drill the #1 Lofton Well, a Lower Tuscaloosa A&B sand oil well. Investors were promised a return of 4.3:1 to 11.2:1, or approximately \$900.00 a month, with a payout period ranging from 15-8 months. Investors were told that a successful initial #1 Lofton well will provide them the right to participate in as many as three to four additional offset wells.
 - 10. These securities were offered or sold in this state in issuer transactions. The Department of Business Oversight has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this state.
 - 11. Beginning in or about July, 2013, Kittler, Proctor, Lisa Kittler and Fossil Oil offered or sold securities in the form of units of the Friendship Church Oil Well JV-I to drill an initial well and up to three additional offsetting development wells thereafter.
 - 12. Through emailing, posting on the Internet, and/or other means of general solicitation, Kittler, Proctor, Lisa Kittler and Fossil Oil offered or sold 50 units at \$14,000 per unit to raise \$700,000.
 - 13. The purported purpose of the offering was to raise funds for the Friendship Church Oil Well JV-I in Pike County, Mississippi to drill a 10,800 Lower Tuscaloosa Denkman sand oil well. Investors were promised a return of 7.5:1, with a payout period of 20 months.
 - 14. These securities were offered or sold in this state in issuer transactions. The Department of Business Oversight has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this state.

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Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion that the units of the Fossil-Mississippi Oil Well JV-III and the Friendship Church Oil Well JV-I are securities subject to qualification under the Corporate Securities Law of 1968 (Corp. Code, § 25000 et seq.), and are being or have been offered or sold without being qualified in violation of Corporations Code section 25110. Further, pursuant to section 25403 of the Corporations Code, any person who controls or induces another person to violate a provision of the Corporate Securities Law of 1968, or any person who provides substantial assistance to another person in the violation of the Corporate Securities Law of 1968, shall be liable for the violation. Pursuant to section 25532 of the Corporate Securities Law of 1968, Dennis R. Kittler, Randy Long, Cheryl Proctor, Sharon Norsch Kittler, Hermie Flores, Lisa A. Kittler and Fossil Oil Company, LLC are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities in the form of units, unless and until qualification has been made under the law. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: December 4, 2014 Sacramento, California

> JAN LYNN OWEN Commissioner of Business Oversight

By______ MARY ANN SMITH Deputy Commissioner Enforcement Division