



COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
AGENCY CASE NO. 2017-AH-00036

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

**AGREED ORDER  
TO CEASE AND DESIST**

JEWELL JACKSON OIL AND GAS, LLC

RESPONDENT

\*\*\*\*\*

**STATEMENT OF FACTS**

1. The Kentucky Department of Financial Institutions (“DFI”), is responsible for administering the provisions of Kentucky Revised Statutes (KRS) Chapter 292, the Securities Act of Kentucky (“the Act”), as well as any applicable rules, regulations and Orders entered pursuant to the Act.

2. Jewell Jackson Oil and Gas, LLC (“Jewell Jackson”) is a Kentucky limited liability company organized on February 14, 2012, whose principal office is located at 272 Preston Estate, Paintsville, KY 41240.

3. On February 13, April 3, and April 24, of 2013, the DFI conducted a series of interviews concerning security interests sold by Jewell Jackson. These interviews were conducted in concert with the Ohio Department of Commerce, Department of Securities.

4. As a result of these interviews, the DFI discovered that oil and gas interests which constituted securities under the Act were being issued, but were not registered, licensed or exempt under Kentucky law.

5. The Ohio Department of Commerce, Division of Securities, issued a Cease and Desist Order against Jewell Jackson Oil and Gas, LLC, on May 23, 2014.

### **STATUTORY AUTHORITY**

6. Pursuant to KRS 292.340, “[i]t is unlawful for any person to offer or sell any security in this state, unless the security is registered under this chapter, or the security or transaction is exempt under this chapter, or the security is a covered security.”

7. The Commissioner possesses a range of administrative authority in addressing violations of the Act, including the imposition of fines up to twenty thousand dollars (\$20,000.00) for each violation of the Act. See KRS 292.470 and KRS 292.500.

8. The Commissioner finds that this Agreed Order is in the public interest.

### **CONCLUSIONS OF LAW**

9. Jewell Jackson violated KRS 292.340.

### **AGREEMENT AND ORDER**

10. In the interest of economically and efficiently resolving this matter, the DFI, and Jewell Jackson agree that Jewell Jackson Oil and Gas, LLC will **CEASE AND DESIST** from all activity offering or selling securities interests until it is fully compliant with the Securities Act of Kentucky.

11. Jewell Jackson waives its right to demand a hearing at which it would be entitled to legal representation, to confront and cross-examine witnesses, and to present evidence on its own behalf, or to otherwise appeal or set aside this Order.

12. Jewell Jackson consent to and acknowledges the jurisdiction of the DFI over this matter and that this Order is a matter of public record and may be disseminated as such.

13. In consideration of the execution of this Agreed Order, Jewell Jackson, for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, the DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Jewell Jackson ever had, now have, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

14. By signing below, the parties acknowledge they have read the foregoing Agreed Order know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

IT IS SO ORDERED this 12<sup>th</sup> day of May, 2017.

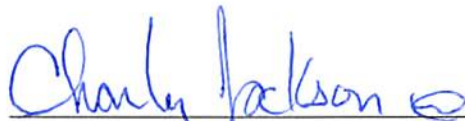
  
\_\_\_\_\_  
CHARLES A. VICE  
COMMISSIONER

**Consented to:**

This 12 day of May, 2017

This 5<sup>th</sup> day of MAY, 2017

  
\_\_\_\_\_  
Shonita Bossier, Director  
Division of Securities  
Department of Financial Institutions

  
\_\_\_\_\_  
Jewell Jackson Oil and Gas, LLC  
By its authorized representative

**ACKNOWLEDGEMENT**

STATE OF KENTUCKY

COUNTY OF FRANKLIN

On this 5th day of May, 2017, before me Gary W. Adkins, Notary Public, the undersigned, Charley Jackson, did personally appear and acknowledge his identity and acknowledged himself to be the authorized representative of Jewell Jackson Oil and Gas, LLC, and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

My Commission Expires: July 7, 2019

  
\_\_\_\_\_  
Notary Public

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of this Agreed Order was served by certified mail, return receipt request, on:


Jewell Jackson Oil and Gas, LLC  
272 Preston Estate  
Paintsville, KY 41240

AND

By hand-delivery to:

Hon. Gary W. Adkins  
Kentucky Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601

On this 12 day of May, 2017.

  
\_\_\_\_\_  
Allison E. Evans  
Kentucky Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601