



NEWS RELEASE

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TEXAS OIL AND GAS COMPANY SANCTIONED BY SECURITIES COMMISSIONER

Denver, Colorado --- Colorado Securities Commissioner Fred Joseph announced today that he has entered a final cease and desist order against a Texas company, its president, and a sales agent who offered the company's securities in Colorado for allegedly violating the securities registration, licensing and anti-fraud provisions of the Colorado Securities Act ("Act") in connection with the offer and sale of securities in Colorado.

Named in the Order are **Langley Energy, Inc.**, its president, **Mike W. Langley**, both from Dallas, Texas, and one of its salesmen, **Michael R. Murphy**, from McKinney, Texas.

The Staff of the Division of Securities (the "Staff"), alleged that Murphy cold called a Colorado investor, and attempted to solicit the investor to invest in various oil and gas interests being offered by Langley Energy. These interests included oil and gas wells located in Campbell County Wyoming. Projections in the offering documents included estimates of annual returns on an investment from 25.5% to 61.2%.

The Staff alleged that the Respondents failed to register the security offering and, by offering the investment opportunity to the public at large through the use of cold calling prospective investors, Respondents violated the Act. In addition, the Staff alleged that Langley Energy, Langley, and Murphy attempted to sell the stock in Colorado without proper licenses. Finally, the Staff alleged that the Respondents violated the anti-fraud provisions of the act for failing to disclose to prospective investors that the securities were not exempt from registration, and that none of the Respondents were licensed in Colorado to sell securities. Further, it was alleged that Respondents misrepresented to investors their role in management of the joint ventures.

"We continue to see many suspect oil and gas deals come through our office and Colorado investors must show caution," warned Commissioner Joseph. "Oil and gas investments tend to be highly risky and unsuitable for traditional, smaller investors."

The cease and desist order, which all Respondents agreed, orders them to immediately and permanently cease and desist from offering or selling securities in violation of the Act.

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

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