

# STATE OF COLORADO



## Division of Securities

Department of Regulatory Agencies

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## PRESS RELEASE

### For Immediate Release

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## TEXAS OIL AND GAS COMPANY SANCTIONED BY SECURITIES COMMISSIONER

**Denver, Colorado** --- Colorado Securities Commissioner Fred J. Joseph announced today that he has entered a final cease and desist order against a Texas oil and gas company for allegedly violating the securities registration, licensing, and anti-fraud provisions of the Colorado Securities Act ("Act") in connection with the offer of securities in and from Colorado.

Named in the Order are **Legacy Capital Energy Group, LLC**, a Texas limited liability company, and its managing member and president, **Sami A. London a.k.a. Sami A. Mahomed**, its vice-president, **Justin W. Werst**, and a sales representative, **Anthony R. Bookman**, all of Colleyville, Texas.

The Staff of the Division of Securities (the "Staff"), which is a division of the Colorado Department of Regulatory Agencies ("DORA"), has alleged that in June of 2008, the Respondents attempted to sell investments in Legacy Capital, an oil and gas company, which would then acquire 100% of a working interest in an oil and gas lease in Falls County, TX. Legacy Capital was attempting to raise \$3.2 million. The Staff alleged that the Respondents failed to register its security offering, failed to license its sales agents,

and engaged in a scheme to defraud potential oil and gas investors by failing to disclose to investors that under Sami London's former name, Sami A. Mahomed, he had previously owned unsuccessful oil and gas companies that had filed for bankruptcy. Respondents further failed to inform investors that they did not have any recorded interests in oil and gas leases as represented to investors.

The cease and desist order orders them to immediately and permanently cease and desist offering or selling any "security" in or from the State of Colorado in violation of the anti-fraud, registration and licensing provisions of the Act or otherwise engaging in conduct in violation of any provision of the Act. The order was made final on September 3, 2008.

*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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