

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

JUL 12 2017

RICK WARREN  
COURT CLERK

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OKLAHOMA DEPARTMENT OF )  
SECURITIES, *ex rel.* IRVING L. FAUGHT, )  
ADMINISTRATOR, )  
) )  
Plaintiff, )  
) )  
vs. )  
) )  
JASMINE, INC., *et al.* )  
) )  
Defendants. )

Case No. CJ-2013-5023

**APPLICATION FOR ORDER TO SELL RECEIVERSHIP PROPERTY**

COMES NOW, L. Vance Brown, the duly appointed Receiver (“Receiver”) for Jasmine, Inc. (“Jasmine”), Oklahoma Energy Exchange, LLC, Harrisburg Prospect Lease Fund, LLC, Gates Oil & Gas, LTD., and Harrisburg 2 Prospect Lease Fund, LLC, and hereby represents and states as follows:

1. The Receiver has received an offer to sell and assign approximately 40 acres of oil and gas leasehold interest owned by Jasmine in Section 8, Township 1 South, Range 4 West of the I.M., Stephens County, Oklahoma, as to all depths below 5,524 feet, being one-hundred feet (100’) below the base of the Dornick Hills Formation as found in the Davis #1 well, delivering a 78.515625% net revenue interest (the “Leasehold Interest”) for \$700.00 per net mineral acre.

2. The Receiver believes this Leasehold Interest was acquired by Jasmine’s in the early 1990s, pre-dating the misappropriation by Jasmine’s principals that resulted in the filing of this Receivership proceeding. Accordingly, none of the investors in Jasmine have any direct claim to ownership in this Leasehold Interest.

3. Since receiving the offer, the Receiver solicited bids from other oil and gas operators in the region to sell the Leasehold Interest, however none of these operators had any interest in submitting bids.

4. Accordingly, the Receiver does not believe the Leasehold Interest has any marketable value outside the current offer. The Receiver believes the offer of \$700.00 per net mineral acre is fair and reasonable.

5. The sale of this Leasehold Interest is proper and beneficial to the Receivership estate because:

- a. There are no investors that would claim an ownership in it;
- b. Selling it should net a significant sum to the Receivership Estate for the payment of outstanding trade creditors and investors; and
- c. \$700.00 per net mineral acre is a fair and reasonable price for the sale of the Leasehold Interest.

WHEREFORE, the Receiver asks that this Court issue its Order:

- d. Approving the sale of the Leasehold Interest for \$700.00 per net mineral acre.
- e. Directing the Receiver to sell the Subject Property for \$700.00 per net mineral acre and divest all its 78.515625% net revenue interest in the above described Leasehold Estate.



Wyatt D. Swinford, OBA # 32520  
Elias, Books, Brown & Nelson, P.C.  
Two Leadership Square  
211 N. Robinson, Suite 1300  
Oklahoma City, OK 73102  
Telephone: (405) 232-3722  
Facsimile: (405) 232-3746  
Email: wswinford@eliasbooks.com

*Attorney for the Receiver*

**CERTIFICATE OF SERVICE**

I hereby certify that a true, correct and complete copy of the above and foregoing was mailed on the 12 day of July, 2017, via first-class U.S. Mail to the following counsel of record:

Irving L. Faught, Esq.  
David Lawson, Esq.  
Robert Fagnant, Esq.  
Oklahoma Department of Securities  
204 North Robinson Avenue, Suite 400  
Oklahoma City, Oklahoma 73102  
*Attorneys for Plaintiff*

Timothy J. Bomhoff, Esq.  
McAfee & Taft, a P.C.  
Two Leadership Square, 10<sup>th</sup> Floor  
211 North Robinson  
Oklahoma City, OK 73102  
*Attorneys for Defendants Jimmy W. Gray,  
Michael K. Gray and Lance P. Bowman*



Wyatt D. Swinford