

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Herbert B. Lindberg
Michael Dobbs
Black Gold Energy, Inc.
3001 Red Hill Avenue, 1-205
Costa Mesa, California 92620

Kevin D. Grace
3709 Balboa Boulevard
Newport Beach, CA 92636

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Herbert B. Lindberg (“Lindberg”) was the President and control person of Black Gold Energy, Inc., which identifies itself in a private placement memo (PPM) as “a Nevada corporation.” The principal place of business is listed in the PPM as 3001 Red Hill Ave., Costa Mesa, CA 92620.
2. At all relevant times, Kevin D. Grace (“Grace”) was the Director of Operations and control person of Black Gold Energy, Inc. Grace was also the registered owner and control person of Black Gold Energy, a fictitious business name filed with the county clerk’s office in Orange County, CA on May 11, 2007. Its business address is listed as 3709 Balboa Blvd., Newport Beach, CA 92636.
3. Beginning in or about May 2007, Michael Dobbs (“Dobbs”), an employee of Black Gold Energy, Inc., made cold call solicitations to California investors regarding investment opportunities with Black Gold Energy, Inc.

1 4. Beginning in or about May 2007, Dobbs, Grace, Lindberg and Black Gold Energy, Inc.
2 offered securities in the form of stock. The purported purpose of the offering was to raise up to
3 \$5,000,000 to “acquire heavy equipment to transport oil sands from its licensed sites at the Muskeg
4 River Mine in Alberta, Canada to heavy petroleum upgrading facilities in Fort Saskatchewan,
5 Canada.”

6 5. These securities were offered or sold in this state in issuer transactions. The Department of
7 Corporations has not issued a permit or other form of qualification authorizing any person to offer
8 and sell these securities in this state.

9 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
10 that the stock offered and/or sold by Kevin D. Grace, Herbert B. Lindberg, Michael Dobbs and Black
11 Gold Energy, Inc. are securities subject to qualification under the California Corporations Code and
12 are being or have been offered or sold without being qualified or exempt, in violation of Section
13 25110 of the California Corporations Code.

14 Pursuant to Section 25532 of the California Corporations Code, Kevin D. Grace, Herbert B.
15 Lindberg, Michael Dobbs and Black Gold Energy, Inc. are hereby ordered to desist and refrain from
16 the further offer or sale in the State of California of securities, including but not limited to stocks,
17 unless and until qualification has been made under said law or unless exempt.

18 This Order is necessary, in the public interest, for the protection of investors and consistent
19 with the purposes, policies, and provisions of the California Corporations Code.

20 Dated: January 28, 2008
21 Sacramento, California

22 PRESTON DUFAUCHARD
23 California Corporations Commissioner

24
25 By _____
26 ALAN S. WEINGER
27 Lead Corporations Counsel
28 Enforcement Division