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

TO: Clement I. Ejedawe
Rosewood Energy, Inc.
d/b/a Rosewood Energy, LLC
Ashford/Grapeland Joint Venture
3225 Wilshire Blvd., Suite 1004
Los Angeles, CA 90010

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

The California Corporations Commissioner finds that:

1. At all relevant times, Rosewood Energy, Inc. d/b/a/ Rosewood Energy, LLC (“Rosewood”) is or was a business entity operating from and within California.
2. Rosewood, a Nevada corporation, served as the Joint Venture Manager, issuer and offeror of “Joint Venture Units” in the Ashford/Grapeland Joint Venture (“Ashland/Grapeland”), which was formed, managed, and operated as a joint venture under the laws of the State of California.
3. At all relevant times Rosewood and Ashford/Grapeland conducted business at 3225 Wilshire Blvd., Suite 1004, Los Angeles, California 90010.
4. At all relevant times Clement I. Ejedawe (“Ejedawe”) a/ka/ Clem Chad is or was a control person and principal of Rosewood acting as President, Registered Agent and Manager.
5. Ejedawe used an address of: P.O. Box 4826, Inglewood, California 90309.
6. Rosewood, Ashford/Grapeland and Ejedawe are offering for sale fractional working interests (“Units”) in two (“2”) oil and gas drilling projects (the “Program”) known as Nettie Murl Cade 3-D/Horizontal Re-Entry and West Stringfield 3-D Prospect (collectively, the “Wells”). The Wells are purportedly located in Texas.

1 7. Beginning in or about April 2003 and continuing to about April 2004, Rosewood,
2 Ashford/Grapeland and Ejedawe cold-called investors and then mailed offering materials to
3 potential and actual investors which indicated the following:

- 4 a) Offerings of Units for sale in oil properties;
- 5 b) In order to purchase a Unit, an investor must complete the Participation Agreement
6 included in the offering materials and submit a check payable to Rosewood;
- 7 c) The minimum price is \$50,000 for one Unit; and
- 8 d) Rosewood will be the Project Manager of the Program.
- 9 e) Participants would acquire working interests in currently producing oil wells that were
10 owned by or to be acquired by Rosewood.

11 8. The purported business of Rosewood, Ashford/Grapeland and Ejedawe is the
12 development of oil properties, which Rosewood, Ashford/Grapeland and Ejedawe believe
13 have a high potential for oil production and on the pursuit of stable oil and gas projects,
14 which will maximize the return of capital.

15 9. Rosewood, Ashford/Grapeland and Ejedawe offered or sold securities in the form of
16 joint venture agreements and investment contracts. Rosewood, Ashford/Grapeland and
17 Ejedawe intended to raise \$1,600,000.

18 10. The securities offered and sold by Rosewood, Ashford/Grapeland and Ejedawe were
19 never qualified with the Commissioner, nor are they exempt.

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

23 Based on the foregoing findings, the California Corporations Commissioner is of the
24 opinion that the joint venture agreements and investment contracts offered and sold by
25 Rosewood, Ashford/Grapeland and Ejedawe are securities subject to qualification under the
26 California Corporate Securities Law of 1968 and are being or have been offered or sold in
27 violation of California Corporations Code section 25110.
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Pursuant to Section 25532 of the Corporate Securities Law of 1968, Clement I. Ejedawe, Rosewood Energy, Inc. d/b/a/ Rosewood Energy, LLC and Ashford/Grapeland Joint Venture are hereby ordered to desist and refrain from the further offer or sale in the State of California, of securities including but not limited to joint venture agreements and investment contracts, unless and until qualification has been made under the law or unless exempt.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: February 15, 2006
Los Angeles, California

WAYNE STRUMPFER
Acting California Corporations Commissioner

By: _____
ALAN S. WEINGER
Acting Deputy Commissioner
Enforcement Division