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

TO: Clinton C. Goff
Frank J. Morones
Newton A. Barnett aka N.A. Barnett
Warren Exploration, L.L.C.
Roane County Shale, L.L.P.
Warren Exploration West Virginia Shale, L.L.P.
Hillbilly Oil #1, L.L.P.
100 Kelly Court
Bowling Green, KY 42101

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

The California Corporations Commissioner finds that:

1. At all relevant times, Clinton C. Goff (“Goff”) was the President, Chief Executive Officer and Managing Partner of Warren Exploration, L.L.C., a Kentucky limited liability company, formed on May 30, 2001. Warren Exploration, L.L.C. is also a Nevada limited liability company formed on June 25, 2004. According to records of the Kentucky and Nevada Secretaries of State, Warren Exploration, L.L.C.’s principal place of business is at 100 Kelly Court, Bowling Green, KY 42101.

2. At all relevant times, Frank J. Morones (“Morones”) was the Executive Vice President of Project Research and a salesperson for Warren Exploration, L.L.C.

3. At all relevant times, Newton A. Barnett, also known as N.A. Barnett (“Barnett”), was the Project Coordinator and a salesperson for Warren Exploration, L.L.C.

1 4. Beginning in or about September 2001, Goff, Morones, Barnett and Warren Exploration,
2 L.L.C. offered and sold securities such as investment contracts in the form of limited liability
3 partnership interests, in oil and gas developmental well projects such as Roane County Shale, L.L.P.,
4 Warren Exploration West Virginia Shale, L.L.P. and Hillbilly Oil #1, L.L.P., all of which are
5 Kentucky limited liability partnerships, to California residents.

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7 5. Through general solicitations in the form of telephone cold-calls, Goff, Morones, Barnett, and
8 Warren Exploration, L.L.C. offered and sold limited liability partnership interests in oil and gas
9 developmental well projects.

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11 6. According to a Warren Exploration, L.L.C. Private Placement Memorandum, dated June 27,
12 2001, the limited liability partnership interests are "SECURITIES," and are not registered under
13 federal law or the California Corporations Code "BY REASON OF SPECIFIC EXEMPTIONS
14 THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING."

15
16 7. In the text of a Warren Exploration, L.L.C. advertising packet, Goff invites investors to "join
17 our team at Warren Exploration for what I believe will be a long and prosperous relationship for all
18 concerned."

19
20 8. In a Warren Exploration, L.L.C. sales presentation DVD Goff admits, "I bring in the venture
21 money and apply it to the project."

22
23 9. On or about July 10, 2001, Goff, as Chief Executive Officer of Warren Exploration West
24 Virginia Shale, L.L.P., executed a Form D Uniform Limited Offering Exemption notice in reliance on
25 Regulation D, Rule 506, claiming an exemption from qualification for the offer and sale of \$1,100,000
26 worth of securities in the form of partnership interests. On or about September 15, 2003, Goff, as
27 President of Hillbilly Oil #1, L.L.P., executed a Form D Uniform Limited Offering Exemption notice
28 in reliance on Regulation D, Rule 506, claiming an exemption from qualification for the offer and sale

1 of \$975,000 worth of securities in the form of partnership interests. This exemption is not available to
2 Goff, Morones, Barnett, Warren Exploration, L.L.C., Warren Exploration West Virginia Shale, L.L.P.
3 or Hillbilly Oil #1, L.L.P. as a result of their use of general solicitations, in the form of telephone cold-
4 calls.

5
6 Based upon the foregoing findings, the California Corporations Commissioner is of the opinion
7 that the investments that are being or have been offered and sold by Clinton C. Goff, Frank J.
8 Morones, Newton A. Barnett and Warren Exploration, L.L.C., Roane County Shale, L.L.P., Warren
9 Exploration West Virginia Shale, L.L.P. and Hillbilly Oil #1, L.L.P. are securities subject to
10 qualification under the California Corporate Securities Law of 1968 (California Corporations Code
11 section 25000 et seq.) and are being or have been offered and sold without being qualified in violation
12 of Corporations Code section 25110. Pursuant to section 25532 of the Corporate Securities Law of
13 1968, Clinton C. Goff, Frank J. Morones, Newton A. Barnett, and Warren Exploration, L.L.C., Roane
14 County Shale, L.L.P., Warren Exploration West Virginia Shale, L.L.P. and Hillbilly Oil #1, L.L.P. are
15 hereby ordered to desist and refrain from the further offer or sale in the State of California of
16 securities, including but not limited to investment contracts in the form of limited liability partnership
17 units in oil and gas well projects.

18
19 This Order is necessary, in the public interest, for the protection of investors and consistent
20 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

21
22 Dated: November 28, 2007
23 Los Angeles, California

24 PRESTON DuFAUCAHRD
25 California Corporations Commissioner

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