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SEP 16 2008
FRANKLIN CIRCUIT COURT
SALLY JUMP, CLERK

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
DIVISION NO. I
CIVIL ACTION NO. 07-CI-1987

Executive Director,
Office of Financial Institutions
Commonwealth of Kentucky

PETITIONER

v.

Global Energy Group, LTD

RESPONDENT

ORDER OF CONTEMPT
AND
ORDER TO CEASE AND DESIST

* * * * * * * *

On May 21, 2008, a show cause hearing was held before the Court on the Petitioner's motion for contempt. The Petitioner's motion requested the Court to find the Respondent in contempt for failing to produce documents in response to Petitioner's administrative subpoena as directed in the Court's order of April 8, 2008. In support of its motion, the Petitioner offered an affidavit of the Enforcement Branch Manager for the Petitioner who swore that the Petitioner had received no documentation from the Respondent in response to the subpoena.

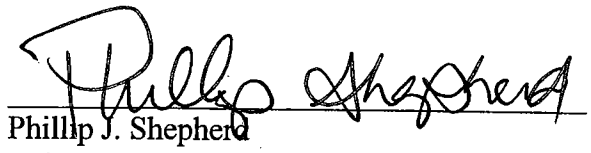
After the Petitioner filed its motion for contempt, the Respondent submitted a list of investors in various oil and gas drilling programs sold by the Respondent in response to subpoena. This list constitutes only partial compliance with one item requested in the Petitioner's subpoena and does not represent a good faith effort to comply with the subpoena. Further, the Court's order setting the show cause hearing directed the Respondent to designate an officer, authorized to speak on behalf of the company, to personally appear before the Court. The Respondent filed a Response indicating that the Respondent has no officers, directors, or any other persons who can speak on behalf of the company located within the United States and,

therefore, no one would appear before the Court at the show cause hearing. No one, in fact, appeared on behalf of the Respondent at the show cause hearing. At the hearing, counsel for the Petitioner advised the Court that the Respondent has not provided any information that would enable the Petitioner to assess the extent or nature of the Respondent's activities in Kentucky even though the Respondent appears to still be holding itself out to investors as having an office in Lexington, Kentucky.

Based on the foregoing, the Court **FINDS** the Respondent in contempt of its order of April 8, 2008, for failing to produce documentation in response to the Petitioner's subpoena and, further, **FINDS** the Respondent in contempt of the Court's order of May 13, 2008, for failing to designate an officer to appear before the Court to respond to the show cause order. The Respondent may purge itself of this finding of contempt by producing an authorized representative to appear before the Petitioner to answer questions under oath and to produce information responsive to the Petitioner's subpoena.

The Court further **ORDERS** the Respondent, and any person acting in concert with the Respondent, to cease and desist from offering or selling any securities to or from Kentucky, or marketing, offering, or selling any interests in oil or gas properties located in Kentucky.

So ORDERED this the 15th day of Sept., 2008.



Phillip J. Shepherd
Judge, Franklin Circuit Court