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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING  
whether there has been a violation  
of the Securities Act of Washington by:

JASON T. ROSE;  
G. BYRON HOGAN;  
BERKSHIRE RESOURCES LLC;  
BERKSHIRE (4OL) LLP,

Respondents.

Order Number S-06-115-06-SC01

STATEMENT OF CHARGES AND NOTICE  
OF INTENT TO ENTER ORDER TO CEASE  
AND DESIST, IMPOSE FINES, AND  
RECOVER COSTS

THE STATE OF WASHINGTON TO:

Jason T. Rose  
G. Byron Hogan  
Berkshire Resources LLC  
Berkshire (4OL) LLP

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**STATEMENT OF CHARGES**

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Jason T. Rose, G. Byron Hogan, Berkshire Resources LLC, and Berkshire (4OL) LLP, have violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 against each to cease and desist from such violations. The Securities Administrator finds as follows:

**TENTATIVE FINDINGS OF FACT**

Respondents

1. Berkshire Resources LLC (“Berkshire”), a Wyoming Limited Liability Company, was established on April 13, 2006 and is currently conducting business at 109 E. 17th Street, Suite 46, Cheyenne, Wyoming 82001. Berkshire is a development and management company that specializes in oil

1 and gas exploration in the Appalachian Basin, Texas, Oklahoma, and the Gulf Coast. Berkshire  
2 Resources LLC serves as Managing Partner to Berkshire (4OL) LLP.

3 2. Berkshire (4OL) LLP (“Four Wells”), a Wyoming Limited Liability Partnership, was  
4 established on April 13, 2006 and is currently conducting business at 109 E. 17th Street, Suite 46,  
5 Cheyenne, Wyoming 82001. Four Wells is a development company offering partnership units for a four  
6 well project located in Oklahoma and Louisiana.

7 3. Jason T. Rose (“Rose”) is managing member of Berkshire Resources LLC.

8 4. G. Byron Hogan (“Hogan”) is the senior project manager and an agent of Berkshire and  
9 Four Wells with respect to matters set forth herein.

10 Nature of the Offering

11 5. Four Wells, through its agent Berkshire, is conducting an offering in which it seeks to  
12 sell 120 partnership units for \$24,470 per unit. Each unit represents .8333% of the partnership until  
13 payback of investment, at which time the ownership interest will be reduced to a .666664% interest in  
14 the partnership.

15 6. A Washington resident was contacted by Berkshire through an unsolicited phone call.  
16 The phone call concerned investment in the Four Wells partnership. Offering materials were then sent  
17 to the resident in Washington. The offering materials contained a description of the project and  
18 potential returns, a discussion of the tax advantages of oil and gas investments, an executive statement,  
19 a limited liability partnership agreement, a subscription agreement, and application forms for both  
20 accredited and non-accredited investors.

21 7. On June 6, 2006, Berkshire senior project manager G. Byron Hogan called the  
22 Washington resident to follow up on the offering materials. Hogan stated that drilling was going to

1 start in one week and the resident needed to invest before the end of the week. Hogan stated that only  
2 nine units remained. Hogan questioned why it took the resident so long to do due diligence and stated  
3 the resident needed to act fast.

4 Misrepresentations and Omissions

5 8. Respondents failed to provide material information regarding Berkshire and Four Wells,  
6 including but not limited to: a financial statement, the company history, the background of the officers,  
7 and the general and specific risks involved with oil prospects.

8 9. Respondents projected the Four Wells partnership could produce potential returns of  
9 \$3,116,962 in its first year of oil production. Per unit income was projected to be \$25,949, which  
10 would represent a 106% return. Respondents Berkshire and Four Wells formed in 2006 and appear to  
11 lack significant operating history or management experience. Respondents failed to provide a  
12 reasonable basis for their projections.

13 10. The limited liability partnership agreement of Four Wells promotes the drilling record of  
14 Jason T. Rose's prior employer, but fails to name that employer or Jason T. Rose's role at that  
15 company. The executive summary of Four Wells states that Jason T. Rose's family has been involved  
16 in the development and acquisition of "hundreds and hundreds of wells, with an excellent lifetime hit  
17 rate," but fails to state that Jason T. Rose's father is David G. Rose, whose oil and gas companies Robo  
18 Enterprises and enTerra Energy have been the subject of administrative orders in several states.

19 Registration Status

20 11. Four Wells is not currently registered to sell its securities in the State of Washington and  
21 has not previously been registered.

1 12. Jason T. Rose, G. Byron Hogan, and Berkshire are not currently registered as broker-  
2 dealers or securities salespersons in the State of Washington and have not previously been registered.

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4 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

5 **CONCLUSIONS OF LAW**

6 1. The offer and/or sale by Rose, Hogan, and Berkshire of the Four Wells partnership  
7 interests described above constitute the offer and/or sale of a security as defined in RCW  
8 21.20.005(10) and (12).

9 2. The offer and/or sale of said securities were in violation of RCW 21.20.140 because Four  
10 Wells was not registered in the State of Washington and Respondents did not qualify for an exemption  
11 filing.

12 3. Rose, Hogan, and Berkshire violated RCW 21.20.040 by offering or selling said  
13 securities while not registered as broker-dealers or securities salespersons in the State of Washington.

14 4. The offer and/or sale by Rose, Hogan, and Berkshire of the Four Wells securities was  
15 made in violation of RCW 21.20.010 because, as set forth in the Tentative Findings of Fact,  
16 Respondents made misstatements of material facts or omitted to state material facts necessary in order  
17 to make the statements made, in light of circumstances under which they were made, not misleading.

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19 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

20 Based on the above Tentative Findings of Fact and Conclusions of Law, the Securities  
21 Administrator intends to order that Respondents, Jason T. Rose, G. Byron Hogan, Berkshire

1 Resources LLC, Berkshire (4OL) LLP, and their agents and employees, shall each cease and desist from  
2 violations of RCW 21.20.140, RCW 21.20.040, and RCW 21.20.010.

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4 **NOTICE OF INTENT TO IMPOSE FINES**

5 Pursuant to RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of  
6 Law, the Securities Administrator intends to order that Respondents Jason T. Rose, G. Byron Hogan,  
7 Berkshire Resources LLC, and Berkshire (4OL) LLP, shall be jointly and severally liable for and pay a  
8 fine of \$10,000.

9 **NOTICE OF INTENT TO RECOVER COSTS**

10 Pursuant to RCW 21.20.390(5), and based upon the Tentative Finds of Fact and Conclusions of  
11 Law, the Securities Administrator intends to order that the Respondents Jason T. Rose, G. Byron  
12 Hogan, Berkshire Resources LLC, and Berkshire (4OL) LLP shall be liable for and pay the Securities  
13 Division the costs, fees, and other expenses incurred in the conduct of the administrative investigation  
14 and hearing of this matter.

15 **AUTHORITY AND PROCEDURE**

16 This Statement of Charges is entered pursuant to the provisions of the RCW 21.20.390 and  
17 RCW 21.20.395 and is subject to the provisions of RCW 34.05. The Respondents may each make a  
18 written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND  
19 OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

20 If a Respondent does not request a hearing, the Securities Administrator intends to adopt the  
21 above Tentative Findings of Fact and Conclusions of Law as final, enter a permanent cease and desist  
22 order as to that Respondent, and impose the fines and costs sought.

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DATED AND ENTERED this 13th day of October, 2006.



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MICHAEL E. STEVENSON  
Securities Administrator

Approved by:

Presented by:



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Martin Cordell  
Chief of Enforcement



Jill M. Valley  
Financial Legal Examiner