

BEFORE THE  
DIVISION OF SECURITIES  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
STATE OF WISCONSIN

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In the Matter of  
EDWARDS DEVELOPMENT CORP.  
d/b/a EDWARDS PETROLEUM,  
EDWARDS EXPLORATION CORP., LLC,  
SPENCER E. EDWARDS, DOUG COOPER, and  
COLEY W. CHAUDOIN,

PETITION FOR ORDER

Respondent.

File No. S-01232(EX)

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The staff of the Bureau of Registration & Enforcement, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Edwards Development Corp. d/b/a Edwards Petroleum ("EDC") is a foreign business entity with a last known business address of 2404 Cedar Springs, Ste. 100, Dallas, TX 75201.
2. Edwards Exploration Corp., LLC ("LLC") is a foreign business entity with a last known business address at that of EDC.
3. Spencer E. Edwards (DOB 1/10/63) ("Edwards") is an individual who at all times material hereto has been CEO of EDC, with a last known business address at that of EDC.
4. Doug Cooper ("Cooper") is an individual who at all times material hereto has been President of EDC, with a last known business address at that of EDC.
5. Coley W. Chaudoin (DOB 3/20/43) ("Chaudoin") is an individual who at all times material hereto has been an agent of EDC, with a last known business address at that of EDC.
6. During the period of September and October, 2001, Chaudoin, on behalf of EDC, LLC, Edwards, and Cooper, offered to at least one person in Wisconsin ("the offeree") fractional, undivided working interests in an oil and gas well venture.
7. The offeree had no pre-existing relationship with any of the Respondents.
8. Pursuant to the "Joint Venture Private Placement Memorandum" received by the offeree, the "Managing Venturer" of the offering will be EDC.
9. Pursuant to the "Application and Subscription Agreement" received by the offeree, the "Managing Venturer" of the offering will be LLC.
10. The "Joint Venture Private Placement Memorandum" received by the offeree does not identify LLC in any way.
11. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.
12. The working interests offered by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.

