

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

In the Matter of
PHOENIX EXPLORATION LLC,
SHERMAN HAYCRAFT, and
TAYLOR L. BRANNON,

PETITION FOR ORDER

Respondents.

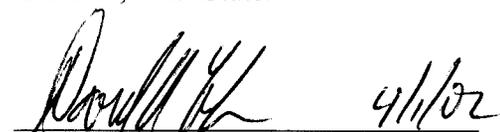
File No. S-01281(EX)

The staff of the Enforcement Unit, 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. Phoenix Exploration LLC ("Phoenix") is a foreign business entity with a last known business address of 350 Oaks Tr., Ste. 209, Garland, TX 75043.
2. Sherman Haycraft (DOB 6/27/21) ("Haycraft") is an individual who at all times material hereto has been the President and owner of Phoenix, with a last known business address at that of Phoenix.
3. Taylor L. Brannon (CRD#2997939; DOB 12/21/70) ("Brannon") is an individual who at all times material hereto has been Associate Vice President of Phoenix, with a last known business address at that of Phoenix.
4. During the period of November 2001, Brannon, on behalf of Phoenix, Haycraft, and himself, offered to at least one person in Wisconsin working interests in oil and gas wells.
5. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.
6. 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.
7. The Phoenix investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
8. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.


Susan A. Kittel Moore 4/1/02
Legal Assistant Date
Enforcement Unit


David A. Cohen 4/1/02
Supervising Attorney Date
Enforcement Unit