

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

In the Matter of
THE WOLFCAMP FUND, LLP,
LELAND ENERGY, INC.,
STEPHEN M. THOMPSON,
ROBERT D. MILLIGAN, and MICHAEL ROSS,

PETITION FOR ORDER

Respondents.

File No. 02100(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:

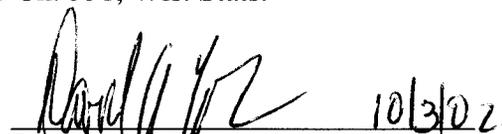
1. The Wolfcamp Fund, LLP ("Wolfcamp") is a Colorado limited liability partnership with a last known business address of 289 S. Robertson Blvd., Beverly Hills, CA 90211.
2. Leland Energy, Inc. ("Leland") is a Nevada corporation that is the managing partner of Wolfcamp, with a last known business address of 289 S. Robertson Blvd., Beverly Hills, CA 90211.
3. Stephen M. Thompson (DOB 8/28/1948) ("Thompson") is an individual who at all times material hereto has been President, Treasurer and Sole Director of Leland, with a last known business address at that of Leland.
4. Robert D. Milligan (DOB 2/10/55) ("Milligan") is an individual who at all times material hereto has been Secretary of Leland, with a last known business address at that of Leland.
5. Michael Ross ("Ross") is an individual who at all times material hereto has been an agent of Wolfcamp, Leland, Thompson and Milligan, with a last known business address at that of Leland.
6. During the period of May, 2002, Ross, on behalf of Wolfcamp, Leland, Thompson and Milligan, by means of an unsolicited telephone call, offered the limited liability partnership units of Wolfcamp to at least one person in Wisconsin.
7. The person in Wisconsin referred to in Paragraph 6 above had no pre-existing relationship with any of the Respondents.
8. Pursuant to the offering materials received by persons in Wisconsin, Wolfcamp will engage in the business of drilling oil and gas wells.
9. During the offer referred to in Paragraph 6, Ross stated to the person in Wisconsin that investors can play a passive role in the company with no duties and responsibilities.
10. Upon information and belief, each investor will not be involved in the day-to-day management of Wolfcamp, since there are too many investors for them to each have any meaningful input, and they do not have the expertise or experience necessary to perform its duties.
11. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the limited liability partnership

units 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.

12. The Wolfcamp investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
13. No exemption from securities registration is available for offers and sales to persons in Wisconsin by means of general solicitations by a commissioned salesperson.
14. During the offer referred to in Paragraph 6, Ross stated to the person in Wisconsin that he receives a 10% "finders fee" for making sales to investors.
15. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
16. In connection with the offers of the securities described above, Ross transacted business in Wisconsin as an "agent" for Wolfcamp, Leland, Thompson and Milligan, as that term is defined by sec. 551.02(2), Wis. Stats.
17. At no time has Ross been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
18. Ross has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
19. Wolfcamp, Leland, Thompson and Milligan have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.
20. On August 11, 1981, the predecessor to the Division of Securities, the Wisconsin Commissioner of Securities, issued an Order of Prohibition ("the Wisconsin Order") against Mattie Cotton Prospect, Ltd., Laxton Prospect, Ltd., Pauline K. Cole Prospect, Ltd., Hutchens Prospect, Ltd., Deer Lodge Prospect, Ltd., and Blankenship Prospect, Ltd. ("the limited partnerships"), and their controlling persons, based on allegations of securities law violations.
21. Thompson was the general partner of and stipulated to the Wisconsin Order on behalf of the limited partnerships and was therefore a "controlling person," subject to the Wisconsin Order.
22. The Wisconsin Order prohibited further offers or sales of unregistered, non-exempt securities to persons in Wisconsin and/or employing an unlicensed securities agent in the offer or sale of securities to persons in Wisconsin.
23. The Wisconsin Order contains a Notice advising that "any willful violation of an Order duly issued by the Commissioner [now Division] of Securities is a criminal offense punishable as a felony under the provisions of sec. 551.58(1), Wis. Stats."
24. Thompson has willfully violated the Wisconsin Order.

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 Date
 Legal Assistant
 Enforcement Unit


 David A. Cohen Date
 Supervising Attorney
 Enforcement Unit