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

In the Matter of
AMPAK OIL COMPANY,
MOHAMMED GULNAWAZ KHAN,
and JEFF ACKERMANN,

Respondents.

PETITION FOR ORDER

File No. S-04042(EX)

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

1. Ampak Oil Company ("Ampak") is a foreign business entity with a last known business address of 801 E. Plano Pkwy., Suite 230, Plano, TX 75074-6764.

2. Mohammed Gulnawaz Khan ("Khan") is an individual who at all times material hereto has been the President of Ampak, with a last known business address at that of Ampak.

3. Jeff Ackermann ("Ackermann") is an individual who at all times material hereto has been an agent of Ampak and Khan, with a last known business address at that of Ampak.

4. During the period from January 1, 2001, to the present, unknown agents, on behalf of Ampak and Khan, offered to at least six and sold to at least two persons in Wisconsin fractional undivided working interests in oil and gas wells.

5. During the period from January 1, 2001, to the present, Ackermann, on behalf of Ampak and Khan, offered to at least seven and sold to at least two persons in Wisconsin fractional undivided working interests in oil and gas wells.

6. During the period of February 2004, Ackermann, on behalf of Ampak and Khan, offered to at least one person in Wisconsin fractional undivided working interests in an oil and gas well, the E. Mathis Field Prospect Jackson Ranch #2 Well ("the well").

7. The person in Wisconsin referred to in paragraph 6 above had no preexisting relationship with any of the Respondents.

8. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.

9. Upon information and belief, each investor will not be involved in the day-to-day management of Ampak or the well, 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.

10. 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 "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.

11. The Ampak investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

12. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

13. In connection with the offers of the securities described above, Ackermann transacted business in Wisconsin as an "agent" for Ampak and Khan, as that term is defined by sec. 551.02(2), Wis. Stats.

14. At no time has Ackermann been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.

15. Ackermann has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.

16. Ampak and Khan have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

17. On August 24, 1994, the State of Kansas issued an Administrative Order against Ampak and Khan, based on allegations of selling unregistered interests in oil and gas programs.

18. On September 5, 1995, the State of South Dakota issued a Cease and Desist Order against Ampak, based on allegations of offering unregistered oil and gas interests.

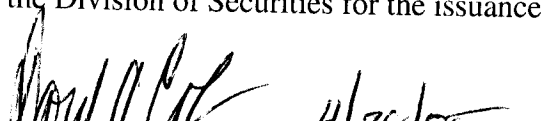
19. On July 22, 1998, the State of Pennsylvania issued a Permanent Cease and Desist Order against Ampak and Khan and barred them for 60 days from offering or selling securities in Pennsylvania, based on allegations of unregistered fractional undivided working interests in a Texas drilling project.

20. In connection with the offer of the securities described in Paragraph 6, the Respondents omitted to disclose the issuance of the orders referred to in Paragraphs 17 through 19.

21. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.

22. In letters to the Respondents dated February 17, 2004, and March 24, 2004, Division staff requested the names and addresses of the Wisconsin residents who were offered and/or sold the oil and gas well interests of Ampak, and the identities of the salespersons who did so, but to date no such information has been provided.

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



4/28/05

David A. Cohen Date
Supervising Attorney
Bureau of Registration & Enforcement