

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

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In the Matter of  
GULFTEX OPERATING INC., MASON #1-H JOINT  
VENTURE, TIMOTHY P. BURROUGHS, DAVID YORK,  
SHERRI K. CECOTTI, THEODORE JAHNS, and  
DEREK S. WALLETS,

PETITION FOR ORDER

Respondent.

File No. S-04151(EX)

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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. Gulftex Operating Inc ("Gulftex") is a Texas corporation with a last known business address of 3030 LBJ Fwy., Ste. 1320, Dallas, TX 75234.
2. Mason #1-H Joint Venture ("Mason") is a prospective joint venture to be formed under Texas partnership law, with a last known business address of 3030 LBJ Fwy., Ste. 1320, Dallas, TX 75234.
3. Timothy P. Burroughs (DOB 10/14/59; CRD #2108227) ("Burroughs") is an individual who at all times material hereto has been President of Gulftex, with a last known business address at that of Gulftex.
4. David York ("York") is an individual who at all times material hereto has been Executive Vice President and Director of Field Operations of Gulftex, with a last known business address at that of Gulftex.
5. Sherri K. Cecotti (DOB 7/3/64) ("Cecotti") is an individual who at all times material hereto has been Secretary-Treasurer of Gulftex, with a last known business address at that of Gulftex.
6. Theodore Jahns ("Jahns") is an individual who at all times material hereto has been an agent of Gulftex, Burroughs, York, and Cecotti, with a last known business address at that of Gulftex.
7. Derek S. Wallets (DOB 8/4/73; CRD #3252965) ("Wallets") is an individual who at all times material hereto has been an agent of Gulftex, Mason, Burroughs, York, and Cecotti, with a last known business address at that of Gulftex.
8. On February 14, 2005, the Division issued Summary Orders of Prohibition and Revocation against the Respondents.
9. Based on information later obtained by the staff of the Division, the staff has determined that it is not necessary to have an order in place in this matter.

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.

 7/28/05

David A. Cohen      Date  
Supervising Attorney  
Registration & Enforcement Bureau