

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

In the Matter of

U.S. ENERGY RESOURCES, INC.,
U.S.E.R. SOUTHEAST TEXAS L.P.,
SCOTT BOURELLE, and
ROBERT NEWMAN,
Respondents.

PETITION FOR ORDER

File No. S-09089(EX)

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

1. U.S. Energy Resources, Inc. ("USER"), is an Oregon corporation with a last known business address of One World Trade Center, 121 S.W. Salmon Street, Portland, Oregon, 97204.
2. U.S.E.R. Southeast Texas L.P., ("USER TX") is a Delaware limited partnership with a last known business address of U.S. Energy Resources, Inc., of which USER is the general partner.
3. Scott Bourelle ("Bourelle") is an individual who at all times material hereto has been an agent, owner, officer, or controlling person of USER, with a last known business address at USER.
4. Robert Newman ("Newman") is an individual who at all times material hereto has been an agent, owner, officer, or controlling person of USER with a last known business address at USER.
5. During 2008, Newman, on behalf of himself and USER as its VP/Sales and Marketing, offered and sold a limited partnership interest of USER TX, an oil and gas well development project managed by USER as general partner, to at least one person in Wisconsin.
6. As a limited partnership, investors are passive with no duties and responsibilities for the day-to-day management of the oil and gas wells of USER TX; further, the investors have no meaningful input, nor do they have the expertise or experience necessary to perform the necessary duties.
7. Since the limited partners are involved in a common enterprise with the expectation of profit to be derived from the essential managerial efforts of others, the limited partnership interests of USER TX offered and sold by the Respondents are securities as defined by § 551.02(13), Wis. Stats.
8. The USER TX limited partnership interests have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

9. Staff of the Bureau of Enforcement wrote to the Respondents requesting information and documents about their securities-related activities with persons in Wisconsin on August 4, 2009, but to date have gotten no response.

10. According to information provided by the State of Oregon, Division of Finance and Corporate Securities, the offices of USER are located at an address where "virtual office space" is provided to clients, which includes a mailing address, telephone number and a receptionist.

11. According to the Wisconsin investor, after investing, the investor received only two checks in small amounts as return on investment, and when he attempts to reach the company by phone, had not been able to talk to a company representative, but has only been able to talk to an answering service of USER.

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

Dated this 24th day of March, 2010.



Mark Dorman
Senior Examiner
Bureau of Enforcement



Leslie M. Van Buskirk
Attorney Supervisor
Bureau of Enforcement