STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF:	North American Pipeline Corporation, and Patrick R. Beason, his/its partners, officers and directors, agents, employees, affiliates, successors and assigns.	**NO. 0500182**

ORDER OF PROHIBITION

TO RESPONDENTS: North American Pipeline Corporation
545 East John Carpenter Freeway
Suite 605
Irving, Texas 75062

Patrick R. Beason
545 East John Carpenter Freeway
Suite 605
Irving, Texas 75062

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on February 9, 2007 which prohibited North American Pipeline Corporation and Patrick R. Beason ("Respondents") from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. That Respondent North American Pipeline Corporation ("NAPC") is a business entity. Its last known address is 545 East John Carpenter Freeway, Suite 605, Irving, Texas 75062.

2. That Respondent Patrick R. Beason ("PB") was at all times relevant a principal officer of NAPC. His last known address is 545 East John Carpenter Freeway, Suite 605, Irving, Texas 75062.

3. That Respondents are in the business of engaging in the acquisition, development, production and marketing of crude oil and natural gas; and in connection therewith, offered for purchase working interests in oil and gas wells located in the State of Illinois (the "Working Interests"). The Working Interests offered by Respondents involved re-entry and well stimulation.

4. That the Working Interests are fractional undivided interests in oil or gas, or investment contracts, and therefore, "securities" as defined in Section 2.1 of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

5. That in 2002 and 2004 Respondents obtained Illinois drilling permits and sold to investors Working Interests in the Illinois wells.

FRAUD

6. That Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for ant person to engage in any transaction, practice or course of business in connection with the purchase or sale of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.

7. That Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

8. That Section 12.I of the Act provides, *inter alia,* that it shall be a violation of the Act for any person to employ any device, scheme, or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.

9. That Respondents took funds from the investors and misrepresented that the investors' funds would be invested in drilling and distribution of oil and gas.

10. That Respondents, rather than using the investors' funds for drilling and distribution of oil and gas, used the funds for their own purposes.

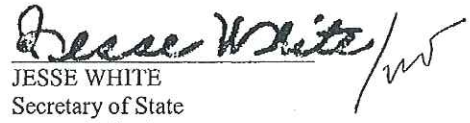
11. That by virtue of the foregoing, Respondents have violated Sections 12.F, 12.G and 12.I of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents North American Pipeline Corporation, and Patrick R. Beason, and their officers and directors, agents, employees, affiliates, successors and assigns are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 19th day of April 2007.



JESSE WHITE
Secretary of State
State of Illinois

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