

Pursuant to RSA 421-B:26, the Secretary of State has the authority to impose administrative penalties of up to \$2,500.00 for each violation of the securities laws and rules of New Hampshire.

NOTICE OF RIGHT TO REQUEST A HEARING

The above-named respondent has the right to request a hearing on this order to cease and desist and to show cause, as well as the right to be represented by counsel. Any such request for a hearing shall be in writing, shall be signed by the respondent, or by the duly authorized agent of the above-named respondent, and shall be delivered either by hand or certified mail, return receipt requested, to the Bureau of Securities Regulation, Department of State, 25 Capitol Street, Concord, New Hampshire 03301.

Under the provisions of RSA 421-B:23, I, if respondent fails to request a hearing on this order within 30 calendar days of receipt of this order, respondents shall be deemed in default, and this order shall, on the thirty-first day, become permanent.

Upon request for a hearing being received by the Bureau of Securities Regulation, in the manner and form indicated above, a hearing shall be held not later than ten days after such request is received by the Bureau, after which hearing, and within 20 days of the date of the hearing, the Secretary of State, or such other person authorized by statute, shall issue a further order vacating or modifying this order, or making it permanent, as the circumstance require.

STATEMENT OF ALLEGATIONS

The allegations contained in the Staff Petition for Relief dated June 28, 2012 (a copy of which is attached hereto) are incorporated by reference hereto.

ORDER

WHEREAS, finding it necessary and appropriate and in the public interest, and for the protection of investors and consistent with the intent and purposes of the New Hampshire securities laws, and

WHEREAS, finding that the allegations in the Staff Petition, if proved true and correct, form the legal basis of the relief requested.

It is hereby ORDERED, that:

1. The Respondents are hereby ordered to immediately cease and desist from the above indicated acts and from in any other way violating RSA 421-B;
2. The Respondents shall, in accordance with RSA 421-B:26, III, be jointly and severally liable for administrative penalties in the amount of \$15,000;
3. Any registration privileges of Respondents are hereby denied, suspended, or revoked pursuant to RSA 421-B:26, III and 421-B:26, III-a;
4. The Respondents, in accordance with RSA 421-B:26 and RSA 421-B:26-a, are hereby barred from selling any securities in the State of New Hampshire;
5. The Respondents shall, in accordance with RSA 421-B:26, V, pay rescission, restitution, or disgorgement in the amount of \$51,562.50;

6. The Respondents are hereby ordered to show cause why the administrative penalties requested in the Staff Petition should not be imposed;
7. Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered, including imposition of fines and penalties upon the defaulting Respondents.

WILLIAM M. GARDNER
SECRETARY OF STATE
BY HIS DESIGNEE:

Dated: _____

6/28/12



Kevin B. Moquin, Senior Staff Attorney
Presiding Officer

**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
DEPARTMENT OF STATE
CONCORD, NEW HAMPSHIRE**

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)	
STAFF PETITION FOR RELIEF)	
IN THE MATTER OF:)	
)	
Kevin Boyles,)	
School Creek Production and)	
Development Fund I, Partnership)	INV.2012-0014
and Team Resources, Inc.)	
)	
Respondents)	

STATEMENT OF FACTS

I. The Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as “the Bureau”), hereby petitions the Director, and makes the following statements of fact:

1. Team Resources, Inc. (Team) is an oil and gas venture company formed in California 2002 and based at 3160 Telegraph Road, Suite 202, Ventura, California 93003. Team forms limited partnership affiliates for the purpose of oil and gas exploration and solicits the sale of limited partnership interests through the officers of Team. Kevin Boyles (“Boyles”) is Team’s President and Chief Executive Officer. Boyles is the general partner of the partnerships. The partnerships drill for oil and gas in the State of Kansas, and the limited partners share in any profit from the sale of the oil and gas produced. The partnership interests are high risk because the partnerships are formed before the oil and gas production levels are known and the investor must make an investment decision based upon projections. Much of the drilling and exploration occurs on land that has been previously explored by the large oil and gas companies and Team is engaged in redeveloping wells and creating new wells with the aid of new technology.
2. From 2008 to the present, Team has filed with the Bureau a series of oil and gas partnership offerings pursuant to Securities and Exchange Commission Regulation D, Rule 506, and New Hampshire statute 421-B:21:11,I-a(e). Regulation D, Rule 506 allows the sale of private placements that are unregistered securities so long as the conditions of Regulation D are complied with in full. New Hampshire law requires that the issuer file with

the Bureau the Regulation D offering at least 15 days from the date of the first sale made in New Hampshire, however, Team filed two partnerships late. School Creek Production & Development Fund I (“School”) also based at 3160 Telegraph Road, Suite 202, Ventura, California was filed on 1/29/2009 but the date of the first sale made in New Hampshire was on 8/20/2008 to Investor #1 and on 10/27/2008 to Investor #2 a married man from Windham who purchased a one-eighth Unit interest. On or about 4/24/2008, Team filed Kansas Select Natural Gas & Oil Choice Development Fund I (“Kansas”), and the date of the first sale was on 12/28/2007. Bureau records show that School was not terminated or renewed. A letter was sent to Team dated 7/25/2011 regarding these delinquent filings, and Team has to date not paid the required delinquency fees under RSA 421-B:31,IV.

3. Investor #1, a married woman from Somersworth, New Hampshire, was induced by Boyles to buy a one-half unit of School following Investor #1 responding to an on-line advertisement posted on Forbes website asking for investors in a venture called Mobile Diagnostics Centers LP. When Investor #1 called to inquire about Mobile Diagnostics Centers in a series of phone calls, she was solicited to invest in Team by a Michael Belson in and around July or August 2008. Following telephone conversations with Michael Belson, Investor #1 spoke to Boyles who immediately sent a package of information by mail about School to Investor #1 and solicited her investment in School. The materials about School stated that School was offering 75 Units at a cost of \$82,500 per Unit, that School was seeking a total capitalization of \$6,187,500, and that one Unit represents a one percent interest in nineteen oil and gas wells to be drilled in Kansas. Investor #1 purchased the one-half unit in School on or about 8/20/2008 for \$41,250. The solicitation of Investor #1 was in the nature of a general advertisement and or general solicitation which is prohibited by Regulation D, and New Hampshire RSA 421-B:11 and Investor #1 did not have a substantial and pre-existing relationship with Team or School prior to the solicitation.
4. Team, School and Boyles violated a condition of Regulation D in that they engaged in a general solicitation and general advertisement, and therefore, the offering was unregistered and nonexempt.
5. On or about 1/19/2009, Team, School and Boyles were sanction by the State of Pennsylvania for similar conduct that involved cold calling and the solicitation of a Pennsylvania resident for the purchase of an investment in School.

STATEMENTS OF LAW

II. The Bureau hereby petitions the Director and makes the following statements of law under the New Hampshire Revised Statutes Annotated, RSA 421-B, and regulations thereunder (hereinafter referred to as the Act):

1. Team, School and Boyles, are each a "Person" within the meaning of RSA 421-B:2.
2. The partnership Units sold to Investor #1 and Investor #2 are "securities" within the meaning of RSA 421-B:2.
3. The distribution of the securities listed above constitute "sales" within the meaning of RSA 421-B:2.
4. Boyles was an agent of Team and School pursuant to RSA 421-B:2.
5. Pursuant to RSA 421-B:6, no person shall act an agent as defined by RSA 421-B:2 unless specifically authorized by the Bureau. Boyles has violated this section.
6. Pursuant to RSA 421-B:11, I, it is unlawful for any person to offer or sell any security in this state unless it is registered under RSA 421-B, exempt under RSA 421-B:17, or a federal covered security for which the fee has been paid and notice has been filed as required by RSA 421-B:11,I-a. Team, School and Boyles, are in violation of this section for distributing securities in New Hampshire to Investor #1 and #2 that were not registered, exempt from registration, or federal covered securities.
7. Pursuant to RSA 421-B:17,V, and RSA 421-B:11,I-b(a) and (c), the burden of proving an exemption, preemption, or an exception from a definition is upon the person claiming it.
8. Pursuant to RSA 421-B:23, whenever it appears to the secretary of state that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule under this chapter, he shall have the power to issue and cause to be served upon such person an order requiring the person to cease and desist from violations of this chapter. Team, School and Boyles, are subject to this section for violations of RSA 421-B:6, 421-B:11, and 421-B:31.
9. Pursuant to RSA 421-B:26,III, any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, or an administrative fine not to exceed \$2,500, or both. Each of the acts

specified shall constitute a separate violation. Team, School and Boyles are subject to a suspension, revocation, or denial, and a fine for violations of RSA 421-B:6, 421-B:11 and 421-B:31.

10. Pursuant to RSA 421-B:26,III-a, every person who directly or indirectly controls a person liable under paragraph III, every principal executive officer, or director of such person, may, upon hearing, and in addition to any other penalty provided by law, be subject to such suspension, revocation, or denial of any registration or license, or administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation, and such administrative action or fine may be imposed in addition to any criminal penalties imposed pursuant to RSA 421-B:24 or civil liabilities imposed pursuant to RSA 421-B:25. Team, School and Boyles are subject to this section.
11. Pursuant to RSA 421-B:26,V, after notice and hearing, the Secretary of State may enter an order of rescission, restitution, or disgorgement directed to a person who has violated RSA 421-B. Team, School and Boyles are subject to his section for violations of RSA 421-B.
12. Pursuant to RSA 421-B:31,IV, Respondents are required to either renew or terminate School. Team, School and Boyles are subject to this provision.
13. Pursuant to RSA 421-B:31,IV, Respondents are required to pay delinquency fees for late Rule 506 filings. Team, School and Boyles are subject to this provision.

RELIEF REQUESTED

III. The Bureau makes the following requests for relief in the above-referenced matter as permitted under the Act.

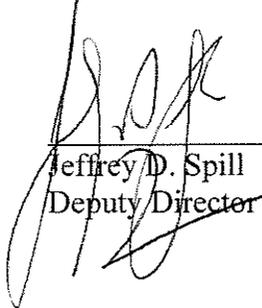
1. Find as fact the statements contained in section I of the Statements of Fact.
2. Make conclusions of law relative to the statements contained in section II of the Statements of Law.
3. Pursuant to RSA 421-B:23, issue an order to cease and desist against Team, School and Boyles, for violations under the Act pursuant to RSA 421-B:23.
4. Assess administrative fines and penalties of \$2,500 per violation against Team, School and Boyles totaling \$15,000 jointly and severally, for the above-referenced violations under the Act.

5. Issue an order denying, suspending, and revoking, any registration privileges of the Respondents pursuant to RSA 421-B:26,III and 421-B:26,III-a.
6. Take any other just and equitable relief as permitted under the Act including but not limited to rescission, restitution, or disgorgement pursuant to RSA 421-B:26,V totaling \$51,562.50.
7. Bar Team, School and Boyles from selling any securities in the State of New Hampshire pursuant to RSA 421-B:26 and 421-B:26-a.
8. Pay delinquent fees of \$2,000 and penalties for non-termination and renewal.

RIGHT TO AMEND

The Bureau's staff reserves the right to amend this Petition for Relief and requests that the Director of Securities Regulation take further enforcement action.

Respectfully submitted by:



Jeffrey D. Spill
Deputy Director

6/28/12
Date