

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: William J. Hill, Owner/President
Brian J. Polito, CFO
Tri-Crescent Energy Corporation
Tri-Crescent Noble # 5 Joint Venture
3117 Birch Avenue
Grapevine, TX 76051

DESIST AND REFRAIN ORDER
(For violations of section 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, William J. Hill (hereinafter "Hill") was Owner, President, and Director of Tri-Crescent Energy Corporation (hereinafter "Tri-Crescent Energy"), a Texas corporation formed on April 12, 2000 with a registered address of 3117 Birch Avenue, Grapevine, Texas, a business address of 389 West Fork, Suite 3711, Irving, Texas, and operating a website on the Internet at www.tricrescent.com. Further, at all relevant times, Brian J. Polito (hereinafter "Polito"), was Chief Financial Officer of Tri-Crescent Energy.

2. At all relevant times, Tri-Crescent Energy served as the Managing Venturer of a venture called Tri-Crescent Noble #5 Joint Venture, to be formed under Texas general partnership law.

///

///

1 3. Beginning in or about December, 2006, Hill, Polito, Tri-Crescent Energy, and Tri-Crescent
2 Noble #5 Joint Venture offered or sold securities in the form of investment contracts in Units of Joint
3 Venture Interests in Tri-Crescent Noble #5 Joint Venture.

4
5 4. Through cold-calling and other means of general solicitation, Hill, Polito, Tri-Crescent
6 Energy, and Tri-Crescent Noble #5 Joint Venture offered or sold 15 Units of Joint Venture Interests
7 at \$52,000 per unit to raise \$780,000.

8
9 5. The purported purpose of the offering was to raise funds to explore, produce, and operate an
10 oil and/or gas well referred to as the "Prospect Well", or Noble #5 Prospect, in Sabine Parish,
11 Louisiana, and to acquire up to 15% working interest in the Noble # 5 Prospect. Investors are told
12 that Tri-Crescent Energy will serve as the drilling contractor which investors will pay for its drilling
13 and completion costs, as well as lease acquisition and organization costs for the right to develop the
14 prospect. An independent oil and gas company not affiliated with Tri-Crescent Energy is to serve as
15 the "operator-of-record" for the Noble # 5 Prospect, and will be responsible for overseeing all
16 operations. Investors are also told that TMR Exploration, Inc. is the generator of the prospect well
17 and the operator of record. Pursuant to an agreement between Tri-Crescent Energy and TMR
18 Exploration, Inc., the joint venture pays for 15% of all lease acquisition costs, and 15% of costs for
19 drilling, testing, completing, and equipping the prospect well. Tri-Crescent Energy, pursuant to an
20 agreement with the venture, is responsible for making the joint venture's payments for such costs.

21
22 6. These securities were offered or sold in this state in issuer transactions. The Department of
23 Corporations has not issued a permit or other form of qualification authorizing any person to offer
24 and sell these securities in this state.

25
26 7. In connection with these offers and sales, Hill, Polito, Tri-Crescent Energy, and Tri-Crescent
27 Noble #5 Joint Venture omitted to disclose to investors that Hill offered and sold securities for Reef
28 Exploration at a time when he was not registered as an agent, and upon application to the

1 Texas State Securities Board in 1999, his registration was granted with a one-day suspension and 180
2 days of probation.

3 Based upon the foregoing findings, the California Corporations Commissioner is of
4 the opinion that the units of Tri-Crescent Noble #5 Joint Venture are securities subject to
5 qualification under the California Corporate Securities Law of 1968 and are being or have been
6 offered or sold without being qualified in violation of Corporations Code section 25110. Pursuant to
7 section 25532 of the Corporate Securities Law of 1968, William J. Hill, Brian J. Polito, Tri-Crescent
8 Energy Corporation, and Tri-Crescent Noble #5 Joint Venture are hereby ordered to desist and refrain
9 from the further offer or sale in the State of California of securities, including but not limited to
10 investment contracts in the form of units, unless and until qualification has been made under the law,
11 unless exempt.

12
13 Further, the California Corporations Commissioner is of the opinion that the securities of Tri-
14 Crescent Noble # 5 Joint Venture were offered or sold in this state by means of written or oral
15 communications which included an untrue statement of a material fact or omitted to state a material
16 fact necessary in order to make the statements made, in the light of the circumstances under which
17 they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of
18 1968. Pursuant to section 25532 of the Corporate Securities Law of 1968, William J. Hill, Brian J.
19 Polito, Tri-Crescent Energy Corporation, and Tri-Crescent Noble #5 Joint Venture are hereby ordered
20 to desist and refrain from offering or selling or buying or offering to buy any security in the State of
21 California, including but not limited to investment contracts in the form of units, by means of any
22 written or oral communication which includes an untrue statement of a material fact or omits to state
23 a material fact necessary in order to make the statements made, in the light of the circumstances
24 under which they were made, not misleading.

25 ///
26 ///
27 ///
28 ///

