

IN THE DISTRICT COURT OF OKLAHOMA COUNTY SEP 28 2007
STATE OF OKLAHOMA

PATRICIA PRESLEY, COURT CLERK
by _____
Deputy

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)
)
v.)
)
enTerra Energy, LLC, et al.,)
)
Defendants.)

Case No. CJ-2007-1082

**FINAL ORDER, JUDGMENT AND PERMANENT INJUNCTION AGAINST
DEFENDENTS ENTERRA ENERGY, LLC; DAVID G. ROSE; DAVID G. ROSE DBA
ENERGY ASSOCIATES; MCKEAN COUNTY 3 WELL, LLP; PENNSYLVANIA 3
WELL DEVELOPMENT, LLP; GREAT OKLAHOMA OIL DEAL, LLP; LOT
DEVELOPMENT WELLS, LLP; ENTERRA SEVEN, LLP; PROSPECT 87, LLP;
KAT-5, LLP; AND KEN-TEX, LLP**

This matter came on for hearing this 28th day of September, 2007, before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, upon Plaintiff's *Petition*. The *Petition* was filed pursuant to Section 1-603 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), and Section 406.1 of the Oklahoma Securities Act ("Predecessor Act"), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 & Supp. 2003). After a review of the pleadings and evidence, this Court finds:

On February 6, 2007, Plaintiff filed the *Petition* alleging that Defendants engaged in violations of the Act and the Predecessor Act in connection with the offer and/or sale of securities in and/or from the state of Oklahoma.



Defendants enTerra Energy, LLC, David G. Rose, David G. Rose *dba* Energy Associates, McKean County 3 Well, LLP, Pennsylvania 3 Well Development, LLP, Great Oklahoma Oil Deal, LLP, LOT Development Wells, LLP, enTerra Seven, LLP, Prospect 87, LLP, KAT-5, LLP, and Ken-Tex, LLP, have executed the *Stipulation and Consent to Permanent Injunction against Defendants enTerra Energy, LLC; David G. Rose; David G. Rose dba Energy Associates; McKean County 3 Well, LLP; Pennsylvania 3 Well Development, LLP; Great Oklahoma Oil Deal, LLP; LOT Development Wells, LLP; enTerra Seven, LLP; Prospect 87, LLP; KAT-5, LLP; and Ken-Tex, LLP* (“Stipulation and Consent”) attached hereto as “Exhibit A” and made a part hereof. Plaintiff has no objection to the terms of the Stipulation and Consent and agrees to the entry of this Final Order.

Based on the pleadings, evidence, and the execution of the Stipulation and Consent, this Court finds that this Final Order should be entered, and therefore:

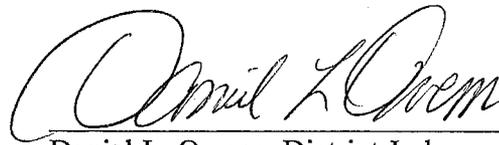
IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants enTerra Energy, LLC, David G. Rose, David G. Rose *dba* Energy Associates, McKean County 3 Well, LLP, Pennsylvania 3 Well Development, LLP, Great Oklahoma Oil Deal, LLP, LOT Development Wells, LLP, enTerra Seven, LLP, Prospect 87, LLP, KAT-5, LLP, and Ken-Tex, LLP, be and hereby are permanently enjoined from transacting business in and/or from the state of Oklahoma as an issuer, issuer agent, broker-dealer, broker-dealer agent, investment adviser, and/or investment adviser representative.

IT IS FURTHER ORDERED that this Court will retain jurisdiction of this matter for the purpose of enforcement of this Final Order and the Stipulation and Consent.

IT IS SO ORDERED.

A handwritten signature in black ink, appearing to be the initials 'DR' or similar, located at the bottom right of the page.

Dated this 28th day of September, 2007.



Daniel L. Owens, District Judge

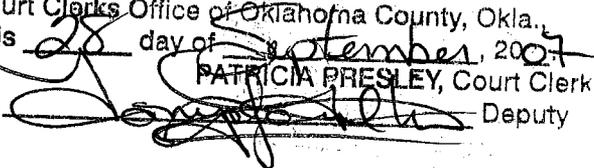
Approved:


Terra Shamas Bonnell (OBA #20838)
Patricia Labarthe (OBA #10391)
Oklahoma Department of Securities
120 North Robinson Avenue, Suite 860
Oklahoma City, OK 73102
Telephone: (405) 280-7700
Facsimile: (405) 280-7742
ATTORNEYS FOR PLAINTIFF



D. Michael O'Neil (OBA #6784)
Bruce W. Day (OBA #2238)
Bill Powell Guest (OBA #6784)
Day, Edwards, Propester & Christensen, P.C.
2900 Oklahoma Tower
210 West Park Avenue
Oklahoma City, OK 73102-5605
405-239-2121; 405-236-1012 (Telecopier)

ATTORNEYS FOR DEFENDANTS ENTERRA ENERGY, LLC, DAVID G. ROSE, DAVID G. ROSE DBA ENERGY ASSOCIATES, MCKEAN COUNTY 3 WELL, LLP, PENNSYLVANIA 3 WELL DEVELOPMENT, LLP, GREAT OKLAHOMA OIL DEAL, LLP, LOT DEVELOPMENT WELLS, LLP, ENTERRA SEVEN, LLP, PROSPECT 87, LLP, KAT-5, LLP, AND KEN-TEX, LLP

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., Hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerks Office of Oklahoma County, Okla.,
This 28 day of September, 2007
By  PATRICIA PRESLEY, Court Clerk
Deputy



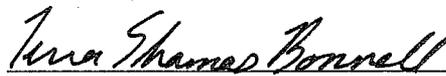
CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 28th day of September, 2007, a true and correct copy of the Final Order, Judgment and Permanent Injunction, with attached Exhibit A, the Stipulation and Consent were mailed by first class mail with postage prepaid thereon addressed to:

Robert P. Malone
3402 Rowena Road
Louisville, KY 40218
(Defendant)

Richard D. Martin
2211 Larch Drive
Clarksville, IN 47129
(Defendant)

D. Michael O'Neil, Esq.
Bill P. Guest, Esq.
Bruce W. Day, Esq.
Day, Edwards, Propester, & Christensen, P.C.
Suite 2900, Oklahoma Tower
210 Park Avenue
Oklahoma City, OK 73102-5605
(Counsel for Remaining Defendants)



Terra Shamas Bonnell

**IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA**

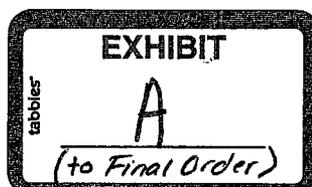
Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
 Administrator,)
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 Plaintiff,)
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 v.)
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 enTerra Energy, LLC, *et al.*,)
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 Defendants.)

Case No. CJ-2007-1082

**STIPULATION AND CONSENT TO PERMANENT INJUNCTION AGAINST
DEFENDENTS ENTERRA ENERGY, LLC; DAVID G. ROSE; DAVID G. ROSE DBA
ENERGY ASSOCIATES; MCKEAN COUNTY 3 WELL, LLP; PENNSYLVANIA 3
WELL DEVELOPMENT, LLP; GREAT OKLAHOMA OIL DEAL, LLP; LOT
DEVELOPMENT WELLS, LLP; ENTERRA SEVEN, LLP;
PROSPECT 87, LLP; KAT-5, LLP; AND KEN-TEX, LLP**

Defendants enTerra Energy, LLC (“enTerra Energy”), David G. Rose (“David Rose”), David G. Rose *dba* Energy Associates (“David Rose”), McKean County 3 Well, LLP, Pennsylvania 3 Well Development, LLP, Great Oklahoma Oil Deal, LLP, LOT Development Wells, LLP, enTerra Seven, LLP, Prospect 87, LLP, KAT-5, LLP, and Ken-Tex, LLP hereby stipulate to the following:

1. Defendants enTerra Energy and David Rose offered and/or sold limited liability partnership interests in the following partnerships (“Defendant Partnerships”) in and/or from the state of Oklahoma (“Interests”), during the years 2003 through 2006: McKean County 3 Well, LLP; Pennsylvania 3 Well Development, LLP; Great Oklahoma Oil Deal, LLP; LOT Development Wells, LLP; enTerra Seven LLP; Prospect 87, LLP; KAT-5, LLP; and Ken-Tex, LLP.



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2. The Interests are securities in the nature of investment contracts as defined by Section 2 of the Oklahoma Securities Act ("Predecessor Act"), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (2001 and Supp. 2003), and Section 1-102 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003).

3. Plaintiff is the proper party to bring this action seeking the relief requested in the *Petition*.

4. Defendants enTerra Energy and David Rose and the Defendant Partnerships are subject to the jurisdiction of this Court by receipt of proper service of a summons and the *Petition*, their appearance in this matter, and the reservation of time filed on their behalf pursuant to 12 O.S. §2012(A).

5. In the *Petition*, Plaintiff alleges that Defendants enTerra Energy and David Rose and the Defendant Partnerships engaged in violations of the Predecessor Act and the Act in connection with the offer and/or sale of the Interests.

6. Except as otherwise provided above, Defendants enTerra Energy and David Rose and the Defendant Partnerships enter this Stipulation and Consent without admitting or denying the allegations made in the *Petition*.

Defendants enTerra Energy and David Rose and the Defendant Partnerships hereby undertake as follows:

1. Defendants enTerra Energy and David Rose and the Defendant Partnerships consent to the entry of the *Final Order, Judgment and Permanent Injunction against Defendants enTerra Energy, LLC; David G. Rose; David G. Rose dba Energy Associates; McKean County 3 Well, LLP; Pennsylvania 3 Well Development, LLP; Great Oklahoma Oil Deal, LLP; LOT*



Development Wells, LLP; enTerra Seven, LLP; Prospect 87, LLP; KAT-5, LLP; and Ken-Tex, LLP (“Final Order”), in the form attached as “Exhibit A” hereto.

2. Defendants enTerra Energy and David Rose and the Defendant Partnerships state that this Stipulation and Consent is entered into voluntarily and that no threat or promise of immunity of any kind has been made by Plaintiff, the Administrator of the Oklahoma Department of Securities, or any employee of the Oklahoma Department of Securities, to induce Defendant enTerra Energy, Defendant David Rose, and/or the Defendant Partnerships to enter this Stipulation and Consent.

3. Defendants enTerra Energy and David Rose and the Defendant Partnerships waive any right to appeal from the Final Order.

4. Defendants enTerra Energy and David Rose and the Defendant Partnerships agree that the provisions of this Stipulation and Consent shall be incorporated by reference into the Final Order as though set forth in full therein.

5. Defendants enTerra Energy and David Rose and the Defendant Partnerships agree not to transact business in and/or from the state of Oklahoma as an issuer, issuer agent, broker-dealer, broker-dealer agent, investment adviser, and/or investment adviser representative.

6. Defendants enTerra Energy and David Rose and the Defendant Partnerships agree that this Court will retain jurisdiction of this matter for the purpose of enforcement of the Final Order and this Stipulation and Consent.

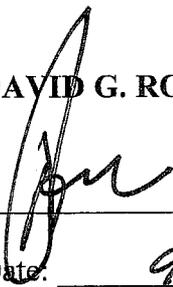
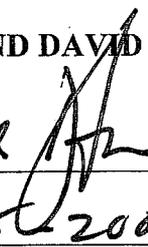
7. Defendants enTerra Energy and David Rose and the Defendant Partnerships understand that Plaintiff will take action as authorized by law including, but not limited to, an enforcement action under the Act, for their failure to comply with the terms of the Final Order and this Stipulation and Consent in any material respect or for any future violation of the Act.



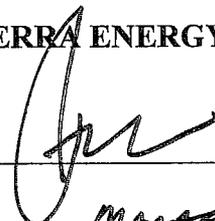
8. Defendants enTerra Energy and David Rose and the Defendant Partnerships agree to the presentation of this Stipulation and Consent and the Final Order, to the Court to be entered without further notice to them.

IN WITNESS WHEREOF, Defendants enTerra Energy and David Rose and the Defendant Partnerships have executed this Stipulation and Consent as of the date and year set forth below their signatures hereto.

DAVID G. ROSE AND DAVID G. ROSE DBA ENERGY ASSOCIATES

 and  DBA Energy Associates
Date: 9-25-2007

ENTERRA ENERGY, LLC

By: 
Title: Managing Member
Date: 9-25-2007

MCKEAN COUNTY 3 WELL, LLP; PENNSYLVANIA 3 WELL DEVELOPMENT, LLP;
GREAT OKLAHOMA OIL DEAL, LLP; LOT DEVELOPMENT WELLS, LLP;
ENTERRA SEVEN, LLP; PROSPECT 87, LLP; KAT-5, LLP; AND KEN-TEX, LLP

By: Enterra Energy, LLC
Title: Managing Partner
Date: by  Managing Member
of Managing Partner
9-25-2007



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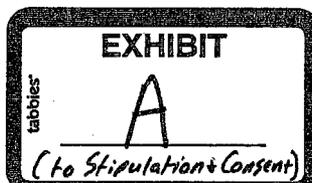
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IT IS FURTHER ORDERED that this Court will retain jurisdiction of this matter for the purpose of enforcement of this Final Order and the Stipulation and Consent.

IT IS SO ORDERED.

Dated this _____ day of _____, 2007.

Daniel L. Owens, District Judge

Approved:

Terra Shamas Bonnell (OBA #20838)
Patricia Labarthe (OBA #10391)
Oklahoma Department of Securities
120 North Robinson Avenue, Suite 860
Oklahoma City, OK 73102
Telephone: (405) 280-7700
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LLP, AND KEN-TEX, LLP