

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Portison Energy, Inc. and
Robbie Harrison,

Respondents.

ODS File No. 12-083

ORDER TO CEASE AND DESIST
AND
NOTICE OF OPPORTUNITY FOR HEARING

Order to Cease and Desist

Pursuant to the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), an investigation was conducted by the Oklahoma Department of Securities (Department) into the activities of Portison Energy, Inc. (Portison) and Robbie Harrison (Harrison) (collectively, "Respondents"), in connection with the offer, sale and/or purchase of securities in and/or from Oklahoma. Based thereon, the following Findings of Fact, Authorities, and Conclusions of Law are presented in support of this Order.

Findings of Fact

1. Portison, an Oklahoma corporation formed in August 2006, was suspended by the Oklahoma Tax Commission in April 2007. To date, Portison's active status as a corporation has not be reinstated. At all times relevant hereto, Portison purported to be an incorporated entity operating out of Duncan, Oklahoma. Portison is not, and at all times material hereto was not, registered in any capacity under the Act.

2. Harrison, an Oklahoma resident, represented himself on the Internet and in Portison offering documents, agreements, and correspondence to be the Chief Executive Officer (CEO) of Portison. Harrison is not, and at all times material hereto, was not registered in any capacity under the Act.

3. On or about April 2012, Respondents began to advertise an energy investment online using Craigslist.

4. Respondents offered interests in a joint venture to be called "PEI Feedstock JV" (Joint Venture). The invested funds were to be used "to purchase feedstock that [would] be refined and resold daily for 8 consecutive weeks."

5. Respondents represented to investors that an investment of \$1,000 in the Joint Venture would return 500% within 60 days.

6. Respondents also represented to investors that an investment of \$20,000 in the Joint Venture would return 100% quarterly.

7. Respondents sold interests in the Joint Venture to at least three individuals in April 2012. The sales proceeds totaled nine thousand seven hundred and fifty-five dollars (\$9,755). These funds were deposited into a bank account opened in April 2012 that was controlled by Harrison's wife, Shannon Harrison.

8. Shannon Harrison immediately withdrew the investment funds from the bank and closed the account. The deposit and withdrawal of the investor funds were the only activities in the bank account.

9. After entering into the Joint Venture agreements, Respondents contacted at least two investors to inform them that the agreements incorrectly stated Portison was an incorporated entity and that the agreements would be revised and re-issued. These investors did not receive a revised Joint Venture agreement.

10. At all times material hereto, Portison did not have a business location in Duncan, Oklahoma.

11. Respondents provided fictitious accounting statements to the investors showing purported returns earned on their investments.

12. Portison has not provided any return of principal or any investment returns to the investors.

13. The interests in the Joint Venture were not registered under the Act and no filing to claim an exemption from registration was filed under the Act.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

Authorities

1. Section 1-102 of the Act provides in pertinent part:

2. "Agent" means an individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities or represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. A partner, officer, or director of a broker-dealer or issuer, or an individual having a similar status or performing similar functions is an agent only if the individual otherwise comes within the term.

* * *

19. "Issuer" means a person that issues or proposes to issue a security[.]

* * *

32. "Security" means a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a "security," or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. The term:

* * *

d. includes as an "investment contract" an investment in a common enterprise with the expectation of profits to be derived primarily from the efforts of a person other than the investor and a "common enterprise" means an enterprise in which the fortunes of the investor are interwoven with those of either the person offering the investment, a third party, or other investors[.]

2. Section 1-301 of the Act provides in part:

It is unlawful for a person to offer or sell a security in this state unless:

1. The security is a federal covered security;
2. The security, transaction, or offer is exempted from registration under Sections 6 through 8 of this act [Sections 1-201 through 1-203 of this title]; or
3. The security is registered under this act.

3. Section 1-402 of the Act provides in pertinent part:

A. It is unlawful for an individual to transact business in this state as an agent unless the individual is registered under this act as an agent or is exempt from registration as an agent under subsection B of this section.

* * *

D. It is unlawful for a broker-dealer, or an issuer engaged in offering, selling, or purchasing securities in this state, to employ or associate with an agent who transacts business in this state on behalf of broker-dealers or issuers unless the agent is registered under subsection A of this section or exempt from registration under subsection B of this section.

4. Section 1-501 of the Act provides:

It is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly:

1. To employ a device, scheme, or artifice to defraud;
2. To make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it is made, not misleading; or
3. To engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

5. Section 1-602 of the Act provides in part:

A. The Administrator may:

1. Conduct public or private investigations within or outside of this state which the Administrator considers necessary or appropriate to determine whether a person has violated, is violating, or is about to violate this act or a rule adopted or order issued under this act, or to aid in the enforcement of this act or in the adoption of rules and forms under this act[.]

6. Section 1-604 of the Act provides in pertinent part:

A. If the Administrator determines that a person has engaged, is engaging, or is about to engage in an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice or that a person has materially aided, is materially aiding, or is about to materially aid an act, practice, or course of business constituting a violation of this act or a rule adopted or order issued under this act or constituting a dishonest or unethical practice, the Administrator may:

1. Issue an order directing the person to cease and desist from engaging in the act, practice, or course of business or to

take other action necessary or appropriate to comply with this act[.]

* * *

B. An order under subsection A of this section is effective on the date of issuance. Upon issuance of the order, the Administrator shall promptly serve each person subject to the order with a copy of the order and a notice that the order has been entered. The order must include a statement whether the Administrator will seek a civil penalty or costs of the investigation, a statement of the reasons for the order, and notice that, within fifteen (15) days after receipt of a request in a record from the person, the matter will be scheduled for a hearing and the hearing shall be commenced within fifteen (15) days of the matter being set for hearing. If a person subject to the order does not request a hearing and none is ordered by the Administrator, within thirty (30) days after the date of service of the order, the order, that may include a civil penalty or costs of the investigation if a civil penalty or costs were sought in the statement accompanying the order, becomes final as to that person by operation of law. If a hearing is requested or ordered, the Administrator, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate the order or extend it until final determination.

C. If a hearing is requested or ordered pursuant to subsection B of this section, a hearing must be held pursuant to the Administrative Procedures Act. A final order may not be issued unless the Administrator makes findings of fact and conclusions of law in a record in accordance with the Administrative Procedures Act. The final order may make final, vacate, or modify the order issued under subsection A of this section.

D. In a final order under subsection C of this section, the Administrator may impose a civil penalty up to a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or up to Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations in a single proceeding or a series of related proceedings.

E. In a final order, the Administrator may charge the actual cost of an investigation or proceeding for a violation of this act or a rule adopted or order issued under this act.

Conclusions of Law

1. An interest in the Joint Venture is a security as defined by Section 1-102 of the Act.
2. Respondents offered and/or sold securities in and/or from the state of Oklahoma.
3. Respondents offered and/or sold unregistered securities in and/or from this state, in violation of Section 1-301 of the Act.

4. Respondent Portison employed one or more unregistered agents who transacted business in and/or from this state, in violation of Section 1-402 of the Act.

5. Respondent Harrison transacted business as an unregistered agent in and/or from this state, in violation of 1-402 of the Act.

6. Respondents made untrue statements of material fact and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in connection with the offer and/or sale of securities, in violation of Section 1-501 of the Act.

7. The Administrator has the authority to order Respondents to cease and desist from engaging in acts, practices, or a course of business constituting a violation of the Act.

8. It is in the public interest to order Respondents to cease and desist from engaging in acts, practices, or a course of business constituting a violation of the Act and to pay a civil penalty in the amount of Five Thousand Dollars (\$5,000.00) each.

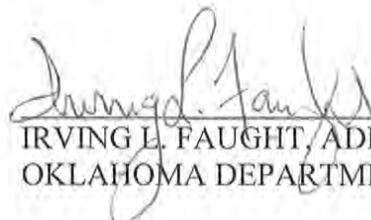
To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

Order

Based on Section 1-604 of the Act and the Findings of Fact, Authorities, and Conclusions of Law set forth above, IT IS HEREBY ORDERED that Respondents Portison Energy, Inc. and Robbie Harrison immediately cease and desist from engaging in any act, practice, or course of business constituting a violation of the Act or a rule adopted or order issued under the Act.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 5th of ~~October~~ **November**, 2012.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

Notice of Opportunity for Hearing

Pursuant to Section 1-604 of the Act, the Administrator hereby gives notice to Respondents of their right to request a hearing. The request for hearing must be received by the Administrator within thirty (30) days after service of the Order to Cease and Desist (Order). The request for hearing must be in writing and Respondents shall specifically admit or deny each allegation that is contained in the Order.

Within fifteen (15) days after receipt of a request for hearing from Portison Energy, Inc. and/or Robbie Harrison this matter will be scheduled for hearing. The hearing shall commence within fifteen (15) days of the matter being set for hearing. Notice of the date, time and location of the hearing shall be given to the Respondent(s) requesting the hearing. If a hearing is requested, the Administrator, after notice of and opportunity for hearing, may modify or vacate the Order or extend it until final determination.

If a Respondent does not request a hearing within thirty (30) days after the date of service of the Order and none is ordered by the Administrator, the Order becomes final by operation of law as to each such Respondent.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 5th day of ~~October~~ **November**, 2012.

(SEAL)



IRVING L. HAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Portison Energy, Inc. and
Robbie Harrison,

Respondents.

ODS File No. 12-083

NOTICE OF SERVICE ON THE ADMINISTRATOR
AND
AFFIDAVIT OF COMPLIANCE

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities (Department).
2. That a copy of the attached *Order to Cease and Desist and Notice of Opportunity for Hearing* (Order) was delivered to Affiant in the office of the Administrator of the Department (Administrator) pursuant to Section 1-611 of the Oklahoma Uniform Securities Act (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011).
3. That the Administrator has received service of process on behalf of Portison Energy, Inc. and Robbie Harrison pursuant to Section 1-611 of the Act.
4. That a copy of the Order, and a copy of this *Notice of Service on the Administrator and Affidavit of Compliance*, are being sent this 5th day of November, 2012, by certified mail, return receipt requested, delivery restricted, to the last known address of each Respondent, in compliance with Section 1-611 of the Act.
5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 1-611 of the Act.

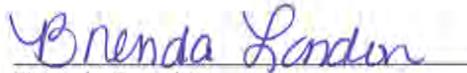
CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 5th day of November, 2012, a true and correct copy of the above and foregoing *Order to Cease and Desist and Notice of Opportunity for Hearing* was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Portison Energy, Inc.
1609 SW 9th St.
Lawton, OK 73502

Portison Energy, Inc.
4829 SE Brown St.
Lawton, OK 73501

Robbie Harrison
517 NW Woodridge Dr.
Lawton, OK 73507-2265


Brenda London
Paralegal