

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

Oklahoma Department of Securities )  
*ex rel.* Irving L. Faught, )  
Administrator, )  
Plaintiff, )  
v. )  
Gregory L. Gray, )  
Defendant. )

AUG - 2 2013

TIM RHODES  
COURT CLERK

Case No.

34

CV-2013-1606

**APPLICATION FOR ORDER ENFORCING ADMINISTRATIVE SUBPOENA**  
**AND**  
**AUTHORITY IN SUPPORT**

Plaintiff, Oklahoma Department of Securities ("Department") *ex rel.* Irving L. Faught, Administrator, moves this Court for an order enforcing the subpoena ad testificandum ("Subpoena") issued to Gregory L. Gray ("Defendant"), pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011).

**BACKGROUND**

1. The Department has received information indicating that violations of the Act may have occurred in connection with the offer and sale of securities on behalf of three related Oklahoma entities: Jasmine, Inc. ("Jasmine"), Oklahoma Energy Exchange, LLC ("OEE"), and Gates Oil & Gas, LTD ("Gates").

2. The Department has initiated an investigation of the offer and sale of securities on behalf of Jasmine, OEE, and Gates pursuant to Section 1-602(A) of the Act, which provides:

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[.]

3. Defendant served as president of OEE at all times material to the Department's investigation. Defendant is also the son of Jimmy W. Gray, president of Jasmine, and the brother of Michael K. Gray, president of Gates.

4. On June 28, 2013, the Department issued a Subpoena, attached hereto as *Exhibit "A"*, pursuant to Section 1-602(B) of the Act, which provides:

For the purpose of an investigation or proceeding under this act, the Administrator or its designated officer may administer oaths and affirmations, subpoena witnesses, seek compulsion of attendance, take evidence, require the filing of statements, and require the production of any records that the Administrator considers relevant or material to the investigation or proceeding.

5. The Subpoena required the Defendant to appear and testify in an oral deposition at the offices of the Department on July 29, 2013, at 1:30 p.m. The deposition was subsequently rescheduled for July 31, 2013, at 2:00 p.m. by agreement between the Department and Michael Arnett, attorney for Defendant and registered agent for OEE.

6. The Department mailed notice of the Subpoena and rescheduled deposition to John R. Green ("Green"), attorney for J.D. "Butch" Whitten ("Whitten")—Receiver appointed for OEE by the District Court of Stephens County in CJ-2012-232E—and James L. Kee, registered agent for Jasmine and Gates.

7. On July 31, 2013, Defendant appeared at the offices of the Department at the agreed time, but refused to testify in the presence of Green, Whitten, and Kee.

## AUTHORITY

1. The Court has the authority to enforce the Subpoena pursuant to Section 1-602(C), which provides:

If a person does not appear or refuses to testify, . . . the Administrator may apply to the district court of Oklahoma County or the district court in any other county where service can be obtained or a court of another state to enforce compliance. The court may:

\* \* \*

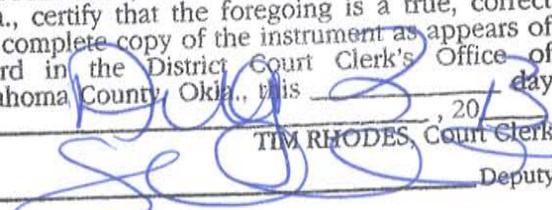
2. Order the person to appear before the Administrator or an officer designated by the Administrator; [and]

3. Order the person to testify about the matter under investigation or in question[.]

2. Enforcement of, and compliance with, the Subpoena is necessary for the effective enforcement of the Act by the Administrator.

**WHEREFORE**, the Department requests that this Court issue an order enforcing compliance with the Department's Subpoena by requiring Defendant to appear and testify about the matter under investigation or in question.

I, **TIM RHODES**, Court Clerk for Oklahoma County, Okla., certify that the foregoing is a true, correct and complete copy of the instrument as appears of record in the District Court Clerk's Office of Oklahoma County, Okla., this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

  
\_\_\_\_\_  
TIM RHODES, Court Clerk

By \_\_\_\_\_ Deputy

Respectfully submitted,

OKLAHOMA DEPARTMENT OF SECURITIES  
IRVING L. FAUGHT, ADMINISTRATOR

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