

partnership interests issued by Defendants Vendetta Partners, Vesta Partners and Iron Rock Partners. Helms and Kaelin controlled these entities through their respective general partners -- Defendants Vendetta Management, Vesta Management and Iron Rock Management. The Commission further alleged that Helms and Kaelin implemented a Ponzi scheme through the entity Defendants.

Vendetta Partners was formed in or about 2009. At or about that time, Vendetta Partners acquired certain oil and gas royalty interests, along with limited partners, from another limited partnership associated with Helms and Kaelin, Robro Partners Ltd. (“Robro”). The oil and gas royalty interests initially acquired by Vendetta Partners from Robro, along with other liabilities converted to equity, gave Vendetta Partners an initial equity of approximately \$7,400,000.

Subsequently, the Defendants raised approximately \$34,000,000 in cash proceeds from investors through the offer and sale of limited partnership interests. In this regard, the forensic accounting firm engaged by the Receiver, D. Supkis Cheek, PLLC (“DSC PLLC”) has identified 121 investors in Vendetta Partners and related entities commencing in January 2009. These proceeds include approximately \$24,340,000 from investors in the books and records of Vendetta Partners. Additional cash proceeds raised from investors and found in the books and records of Haley Oil, Barefoot Minerals and Iron Rock partners total approximately \$9,563,000. In all, it appears that the Defendants raised approximately \$34,000,000 in cash proceeds from investors. In regard to equity outflows, ongoing analysis by DSC PLLC has revealed significant intra-equity movements between and among the Defendant entities. Based upon analysis of the Receivership entities’ books and records it appears that cash outflows to investors total approximately \$6,400,000.¹

¹ These numbers do not include cash outflows to Defendants Helms, Kaelin, or Vendetta

The Receivership Estate is comprised of all of the assets of the entity Defendants (including claims which may be asserted by the entities in Receivership) and the assets of the individual Defendants who have been placed in Receivership.²

II. Financial Condition of the Receivership Estate

A. Cash/Liquid Assets at Inception

Immediately prior to the commencement of the action, the Staff of the Commission undertook to identify, to the extent possible, all accounts at financial institutions held in the names of the Receivership entities and individuals. Immediately following entry of this Court's Order Appointing Receiver, the Staff of the Commission served that Order upon all of the financial institutions identified. Although twenty-eight accounts were immediately frozen after this Court's issuance, under seal, of the Order Appointing Receiver, cash balances in the frozen accounts were *de minimis* in view of the size and scope of business operations and obligations of the entity Defendants.

Although payroll payments had been disbursed in the week prior to the initiation of the Receivership, Vendetta Management's check for payment of withholding taxes associated with that payroll was returned for insufficient funds. Accounts for administrative services (i.e. utilities, internet, telephone, software support, etc.) were unpaid and in arrears; and there were no funds on account for payment of salaries and other administrative costs going forward.

Management, but do include certain family members of Helms and Kaelin and other employees of related entities. Cash outflows to Helms, Kaelin and Vendetta Management total approximately \$225,000. However, this amount does not include the extensive improper payment of personal expenses on behalf of Helms, Kaelin and their family members by Vendetta Partners and related entities.

² The Receiver has filed a Motion to Amend the Order Appointing Receiver (Dkt. 60), in which he seeks to modify the language of the Order Appointing Receiver for the purpose of consolidating the assets already under the Court's and Receiver's possession and control into a single "Receivership Estate." *See infra*, at p. 10.

Moreover, as described, *infra*, the Defendants had followed a pattern and practice of disbursing numerous payments for various expenses not related to the legitimate business of the entities in Receivership; the Receiver discovered numerous unpaid invoices for these charges and expenses which, in fact, should not have been charged to the Receivership entities in the first instance.

Notwithstanding the imminent financial collapse and mismanagement of the Receivership entities prior to the inception of the Receivership, the underlying oil and gas interests which comprise the investment portfolio of Vendetta Partners (and related entities) has generated and will continue to generate significant cash flow (albeit grossly insufficient to operate the entities on an ongoing basis as they previously had been operated). As described in more detail below, Vendetta Partners -- and to a much lesser extent Technicolor Minerals -- received royalty payments and other disbursements upon what is roughly estimated, at this juncture, to be approximately 9,000 royalty interests arising from mineral leases in various counties of Texas and in other states.

B. Cash/Liquid Assets to Date

During the first calendar quarter of 2014, the Receivership entities received royalty payments in the amount of \$175,239.14. From the inception of the Receivership through March 31, 2014, the Receivership entities have received royalty payments in the amount of \$207,687.36 and frozen funds transferred to the Estate in the amount of \$33,549.22. Including disbursements for business operations, the Receivership Estate's cash on hand totals \$346,417.37 as of the date of this Report.³ Attached hereto as **Exhibit A** is a schedule of all the Receiver's receipts and disbursements for the first calendar quarter of 2014 and for the Receivership Estate to date.

³ This amount includes funds received after the calendar quarter ending March 31, 2014, which funds are not represented in the schedule of the Receiver's receipts and disbursements attached as **Exhibit A**. The attached schedule only includes figures through March 31, 2014.

C. The Oil and Gas Portfolio of Vendetta Partners and Related Entities

As previously reported to this Court, the records related to the portfolio of oil and gas interests owned by Vendetta Partners and other related Receivership entities (the “Vendetta Partners Portfolio”) -- and recordkeeping generally at the Cameron Road offices in Austin -- were incomplete, inadequate and not current. Recordkeeping and oversight of acquisitions of assets was random at best. The state of these records makes the determination of the interests contained in the Vendetta Partners Portfolio extremely difficult.⁴ In the first quarter, the Receiver continued to work with personnel most knowledgeable about the contents and status of the Vendetta Partners Portfolio to detail its contents. It is still not possible to state with certainty whether some transfers (which were “in the pipeline”) were (1) concluded or (2) appropriately titled to the entities to which they were supposedly destined. Moreover, the pervasive transfer of funds between and among the various entities raises unanswered questions. Third-parties engaged by Vendetta Partners have indicated that the Vendetta Partners Portfolio consists of approximately 9,000 producing properties and approximately 1,200 potential upside properties located primarily in various Texas counties but encompassing properties across approximately sixteen states.

Prior to the inception of the Receivership, Vendetta Partners had engaged Scott Marshall, a third-party oil and gas engineering analyst, to perform an independent economic valuation of the Vendetta Partners Portfolio in preparation for its sale. As previously reported to this Court, the Receiver has retained Mr. Marshall to perform the analysis for which he was initially

⁴ This poor recordkeeping is compounded by the falsification of purported title documents by the Defendants related to assets purportedly held in the Vendetta Partners Portfolio. Moreover, the valuation of the Vendetta Partners Portfolio has been hindered because the Defendants never established value through authentic analysis. In this regard, Defendants disseminated a forged reserve report -- purportedly completed by a legitimate engineering firm -- which misrepresented the value of the royalty interests in the portfolio.

engaged, and for which he has previously completed a significant amount of work. Retaining Mr. Marshall will provide a significant benefit to the Receivership Estate and enable the sale of the Vendetta Partners Portfolio. Mr. Marshall, with the assistance of retained former employees of Vendetta Partners and related entities, has continued to progress towards completion of his independent economic valuation of the Vendetta Partners Portfolio, with a view toward the sale of the portfolio and / or its components.

D. Haley Oil Company, Inc.

As previously reported to this Court, Haley Oil is an Illinois corporation⁵ doing business in Illinois as the owner/assignee and operator of working interests⁶ in oil and gas production leases. Defendant Helms was Haley Oil's president, although day-to-day operations in Illinois were conducted from Mattoon, Illinois by Charles Martin "Marty" Kaelin ("Marty Kaelin"), the husband of Defendant Kaelin. Haley Oil's registered agent was Diana Ratts, Defendant Helms' mother, who lives in Mattoon, Illinois.

The Receiver's representative traveled to Illinois on January 8, 2014 to inspect the Haley properties and interview contract employees and trade creditors regarding Haley Oil's properties and operations. The Haley properties were in varying degrees of production, disrepair, abandonment and environmentally unsound and unsafe conditions at the inception of the Receivership. Upon the advice of personnel in Illinois, well pumps on approximately six Haley

⁵ The Secretary of State of Illinois involuntarily dissolved Haley Oil on June 14, 2013 for failing to file an annual report and pay annual franchise taxes as required by the Illinois Business Corporations Act. See 805 I.L.C.S. 5/12.35(a). Accordingly, the dissolution of Haley Oil terminated its corporate existence and the principals thereafter carried on its business operations unlawfully and without the authority to do so. See 805 I.L.C.S. 5/12.40(c).

⁶ Unlike the other entities placed in Receivership, Haley Oil acquired oil and gas related working interests, which obligated it to operate the mineral leases it purchased, rather than acquiring royalty interests which consisted of cash-flow from mineral leases operated by others.

properties have been shut down due to the safety and environmental hazards of continued operations without proper supervision. It appears that Haley Oil's operations were, at best, substandard. Moreover, Haley Oil was operated in violation of various Illinois environmental and regulatory statutes, receiving multiple notices of violation from the Illinois Department of Natural Resources ("IDNR") and the Illinois Environmental Protection Agency ("IEPA"). The cost to remediate the more serious of these violations was close to \$100,000, with the majority of those costs still unpaid to creditors.⁷ The Receiver continues to evaluate the Haley Oil properties in regard to their sale, and his representatives have conferred with persons in Illinois, Oklahoma and Texas regarding the potential market for these properties.

The Receiver and his forensic accountants have also investigated the use of investor funds by Haley Oil, including allegations made by the Commission in its Complaint (Dkt. 1) regarding roundtrip transfers to and from Haley Oil associated with purported distributions to Vendetta Partners investors. *Id.* at ¶ 44. Interviews with trade creditors and Receivership records indicate that Haley Oil liabilities were often paid by Vendetta Partners and Barefoot Minerals; in several instances utility accounts in Illinois connected to Haley Oil wells were placed in the name of Barefoot Minerals. Additionally, approximately \$2,900,000 in transactions have been

⁷ Litigation related to the IEPA and IDNR violations was also initiated against Haley Oil prior to the Receivership. Haley Oil was sued in the action styled *Environmental Audits and Consultants, Inc. v. Haley Oil Company, Inc. and CountryMark Refining and Logistics, LLC*, Case No. 13-CH-14, in the Circuit Court of the Second Judicial Circuit, Shelby County, Illinois, by a company engaged to remediate an environmental violation arising from an oil spill. The Plaintiff has asserted damages for unpaid invoices in the amount of approximately \$40,000. Relatedly, Haley Oil was sued in the action styled *Landfill 33, Ltd. v. Haley Oil Company, Inc.*, Case No. 12-L-41, in the Circuit Court of the Fourth Judicial Circuit, Effingham County, Illinois. Plaintiff in that action, the landfill company which received contaminated soil from Environmental Audits and Consultants, Inc., obtained a judgment against Haley Oil for \$48,067.25 on November 14, 2013. Both plaintiffs above have each asserted that they recorded a lien against certain Haley Oil production proceeds; the Receiver continues to investigate the existence and validity of these liens.

identified in the accounting records of Vendetta Partners and Barefoot Minerals which appear to be related to mineral interest assets of Haley Oil. *See* Dkt. 60-2 at p. 12. Moreover, Mrs. Ratts, the mother of Defendant Helms, and Marty Kaelin, the husband of Defendant Kaelin, each were involved in the operations, management and financial affairs of Haley Oil at one point in time. Transfers to Mrs. Ratts of approximately \$190,000 have been identified in the books and records of various Receivership entities, including without limitation Haley Oil, Vendetta Partners and Technicolor Minerals. The Receiver is investigating the purposes of these transfers and other transactions which appear to be related to Haley Oil assets and operations.

E. Assets of the Individual Defendants

The Receiver's representatives and members of the Commission visited and inspected the residential premises of Defendants Helms and Kaelin on December 4, 2013 at the inception of the Receivership. The Receiver permitted Mrs. Kaelin, Mr. Helms and their family members to remain in the residence on an interim basis, subject to the exercise in the future of the Receiver's rights to the property as a Receivership Asset. The home does not appear to be a viable asset for the Receivership Estate, as there is little to no equity in the home. The cost to the Receivership Estate to maintain and liquidate the residence would likely result in little to no positive value for the Estate following the payment of the outstanding mortgage and other expenses. The Receiver has spoken with counsel for Amegy Bank in regard to the residence and will work with the mortgage holder to divest the Receivership Estate of the residence in a manner beneficial to the Estate and its claimants.

The Receiver's representative also took possession of a 2008 Mercedes-Benz S550, which was purchased by Kaelin in 2011 as a gift for Helms, and is titled to Defendants Helms and Kaelin notwithstanding that it was purchased with Receivership entity funds. The Receiver

obtained title to the vehicle from Helms and Kaelin and on March 6, 2014 sold the vehicle for \$24,000.

Pursuant to the Order Appointing Receiver, the individual Defendants must file with the Court sworn statements and an accounting of their assets. *Id.* at ¶¶ 9-10. The Preliminary Injunction⁸ (Dkt. 37) required these statements to be filed with this Court by January 31, 2014; however as of the filing of this Report, the Defendants have failed to comply with the Court's Order. The Receiver will make further investigation into the personal assets of the Defendants upon the filing of these sworn statements and accountings of personal assets, followed by depositions under subpoena pursuant to the Order Appointing Receiver.

III. Updated Results of Forensic Accounting

As previously reported, Receiver engaged the forensic accounting firm DSC PLLC to preform forensic analysis of the financial records of the Defendants to aid in the Receiver's investigation of the assets of the Receivership Estate. DSC PLLC has made substantial progress during the period covered by this Status Report in its analysis of the books and records of the Defendants, including the flow of funds between and among the various individual and entity Defendants. The forensic accountants' analysis to date has uncovered numerous transactions among and between the entity and individual Defendants and further demonstrates that intercompany payables and receivables do not adequately reconcile.

⁸ This Court entered the Preliminary Injunction by consent against all of the Defendants on December 18, 2014. The Receiver consented to the Preliminary Injunction as to the entity Defendants.

A. Inter-company Transactions and the Receiver's Motion to Amend the Order Appointing Receiver

DSC PLLC has performed extensive analysis of the inter-company transactions among and between the Defendants. To date, DSC PLLC has identified over 4,500 discrete transactions in the QuickBooks files and banking records of the Defendants which represent related-party movements of funds, including the payables and receivables of Defendants Helms and Kaelin.⁹

These transactions show a continuing flow of funds among and between the Receivership entities and Defendants Helms and Kaelin. DSC PLLC is unable to definitively reconcile all of these intercompany transactions due to inaccurate and poorly kept records by the Defendants. In fact, approximately \$2,750,000 in transfers among and between the Defendants cannot be reconciled based on the books and records available to the Receiver -- this amount should reconcile to \$0 if all records were accurate and complete, and is currently unaccounted for. While the work performed by DSC PLLC is ongoing, these transactions offer an accurate cash flow perspective of transactions between the Receivership entities.¹⁰ *See e.g.*, Dkt. 60-2, Table 5, Figure 1.

Based upon review of DSC PLLC's analysis of inter-company movements of funds, the Receiver filed a Motion before this Court on April 23, 2014 seeking to amend the Order Appointing Receiver (Dkt. 60) to consolidate all assets of the Defendants into a single

⁹ Analysis performed by DSC PLLC in this regard was summarized in the Affidavit of Danielle Supkis Cheek, president of DSC PLLC, which was filed in support of the Receiver's Motion to Amend the Order Appointing Receiver (Dkt. 60). *See* Dkt. 60-2.

¹⁰ In addition to these inter-company transactions, DSC PLLC has identified numerous examples of Vendetta Partners and other Receivership entities making payments of personal expenses on behalf of Defendants Helms and Kaelin, Grady Vaughn III and members of their families for, among other things, household utilities and other bills, school tuition payments and rent, mortgage and car loan payments. In many cases, these personal expenses were identified in QuickBooks as "promotional expenses." The Receiver's review of transfers made from the Receivership entities for personal and other expenses is ongoing.

Receivership Estate. These entities have been inextricably intertwined by Defendants Helms and Kaelin and should be treated as a single entity for the purposes of marshaling the assets of which this Court has taken exclusive possession. The modifications requested by the Receiver will ensure that he is able to carry out his duties to marshal, preserve and liquidate the Receivership Assets of all of the Defendants in the most efficient manner possible, and with the least cost incurred. This is particularly true in regard to the sale of the Vendetta Partners Portfolio. *See infra* at p. 14.

B. Investors

As stated above, the Receiver's forensic accountants have identified that Vendetta Partners and related entities raised approximately \$34,000,000¹¹ in cash proceeds from 121 investors through the offer and sale of limited partnership interests. The investor proceeds include approximately \$24,340,000 in the books and records of Vendetta Partners, and approximately \$9,563,000 found in the books and records of Haley Oil, Barefoot Minerals and Iron Rock Partners. In regard to equity outflows, ongoing analysis by DSC PLLC has revealed cash outflows to investors total approximately \$6,400,000.¹² From these preliminary calculations, it may be assumed that potential claims by investors against the Receivership Estate could total approximately \$27,600,000 solely as to net out-of-pocket losses of principal invested.¹³

¹¹ This amount includes \$8,071,305.67 of transactions in which DSC PLLC uncovered that incorrect accounting entries reduced the value of mineral interest assets across the Receivership entities by this amount. These entries incorrectly credited the above amount to fixed assets, rather than being credited to equity.

¹² These numbers do not include cash outflows to Defendants Helms, Kaelin, or Vendetta Management, but do include certain family members of Helms and Kaelin and other employees of related entities.

¹³ Claims by family members of Helms and Kaelin, and other potential insiders to the alleged

C. Ponzi Analysis

The preliminary analysis by DSC PLLC of the Receivership entities supports the allegations of the Commission that Helms and Kaelin operated a Ponzi scheme. A Ponzi scheme is:

an illegal business practice in which new investor's money is used to make payments to earlier investors. In accounting terms, money paid to Ponzi investors, described as income, is actually a distribution of capital. Instead of returning profits, the Ponzi schemer is spending cash reserves, all for the purposes of raising more funds. Where a basic investment scam raises money and disappears the Ponzi scheme stays in business by circulating investor funds.

Wells, Dr. Joseph T., *Encyclopedia of Fraud* (3d Ed.); see also *Janvey v. Democratic Senatorial Campaign Comm., Inc.*, 712 F.3d 185, 189 (5th Cir. 2013) (“A ‘Ponzi scheme’ typically describes a pyramid scheme where earlier investors are paid from the investments of more recent investors, rather than from any underlying business concern, until the scheme ceases to attract new investors and the pyramid collapses.”).

Most investors invest in a company expecting that the value of the company will grow. Growth is demonstrated by net equity growing at a greater rate than inflows of equity from more recent investors. In the case of the Receivership entities, equity inflows first approach, and then surpass, the entities' net equity amounts.

Furthermore, the Receivership entities' consolidated cash position is poor compared to their equity cash inflows. A legitimate entity would cite that funds raised in equity are being invested into mineral assets that are revenue-producing. However, the books and records of the

fraud, will be scrutinized by the Receiver in the Claims process as to whether these claimants acted in good faith in making their investments. The Receiver will recommend to the Court that claims of Defendants, insiders, and others who knew or should have known of the fraud be disallowed under any Proposed Plan of Distribution.

Receivership entities show a deterioration of book value, which indicates that mineral interest assets are not being purchased.¹⁴ To the extent a legitimate company could claim that the value of the investments are held at book value, and there is a depletion expense related to holding the mineral interests, the Receivership entities do not have any such deletion expenses on their income statements. To the extent a legitimate company could claim that accumulated losses from operations have eaten into the value of the company, the expenses of the Receivership entities appear not to have been used to fund legitimate operations, but rather to fund the payment of commissions and fees which were not disclosed to investors, and for payment of the personal expenses of Helms, Kaelin, their family and other insiders and confederates. The overlap in personal expenses labeled “promotional expenses” in the accounting records is of particular importance in this regard.

Equity distributions to investors are typically made from cash flows generated from operations. However, the accumulated losses of the Receivership entities show that their operations were not funding distributions. Additionally, because cash reserves were always relatively low, they could not have been a source of funding for distributions to investors. Therefore, the initial hypothesis of DSC PLLC is that the only source of cash remaining to pay the distributions to investors would have been through the equity cash inflows from more recent investors, which is consistent with a Ponzi scheme.

¹⁴ In this regard, the books and records of the various Receivership entities show an increase in the book value of mineral interest assets (over the initial balance at the time of Vendetta Partners’ formation) of approximately \$17.7 million. To the extent that \$17.7 million was actually used to purchase mineral interest assets -- which initial analysis by DSC PLLC calls into question -- this would only account for 52% of the total proceeds raised from investors being invested in mineral interest assets as represented in the partnerships’ placement memoranda.

D. Commissions, Expenses and Other Payments Made by Receivership Entities

DSC PLLC has identified payments of commissions, finder's fees and other transfers which were made to at least fourteen individuals and entities. These payments total approximately \$2,050,000. Many of these related transactions were identified in the books and records of the Receivership entities as expenses related to the promotion of Vendetta Partners and other entities, but appear to be personal expenses paid on behalf of individuals who promoted the Vendetta and related offerings. Others are commission payments which DSC PLLC has been able to reconcile with specific investments made in the Vendetta Partners and other offerings. However, the purpose of many of these payments and accounting entries are unclear. The Receiver and DSC PLLC continue to investigate the purposes of these transfers, and whether they represent viable claims for fraudulent transfer clawback litigation on behalf of the Receivership Estate. Demand for the re-payment of these transfers has already been transmitted to certain of these individuals; additional demands will be transmitted shortly. *See infra* at p. 21.

IV. Receiver's Proposed Liquidation Plan and the Sale of the Vendetta Partners Portfolio

On March 3, 2014 the Receiver filed with this Court his Proposed Liquidation Plan (Dkt. 50), detailing the steps which the Receiver will take to evaluate, value, market and liquidate the Vendetta Partners Portfolio. The Receiver's Proposed Liquidation Plan outlines the process by which the Receiver would engage a marketing organization to assist the Receiver in (1) reviewing and analyzing the asset characteristics of the portfolio and assess which of the assets can be packaged to advantage and which might be more beneficially sold separately; (2) recommend transaction structure, determine valuation parameters and establish a timeline for presentation of the properties; (3) in conjunction with Mr. Marshall and Vendetta Partners personnel already engaged in the valuation of the assets, accumulate, organize, validate and

present data leading to an efficient and accurate valuation process; (4) develop a comprehensive executive summary of the assets for review by potential purchasers and construct some form of virtual data room and documentary presentation for prospective buyers; (5) publish the proposed offering of the assets and distribution of notification of the proposed transactions to a broad audience of potential individuals and institutional purchasers and response to inquiries; (6) assist the Receiver in successfully negotiating the terms of a final transaction and facilitation of due diligence requests; and (7) provide the Receiver with the support necessary to successfully close the deal.

In accordance with the steps outlined in the Receiver's Proposed Liquidation Plan, the Receiver has interviewed brokers for oil and gas interests, marketing firms and consultants, and web-based exchanges which are employed to market oil and gas assets. In this regard, the Receiver has reviewed written presentations and marketing materials from seven large and well-recognized organizations which generally are qualified to undertake the disposition of the oil and gas assets of the Vendetta Partners Portfolio. The Receiver has conducted one or more in-person meetings with five of these firms. Based upon the review of these detailed written presentations and meetings, the Receiver has determined that the best-situated marketing organization for disposition of the Vendetta Partners Portfolio assets is EnergyNet.com, Inc. ("EnergyNet"), a professional and reputable firm that specializes in oil and gas divestitures.

The Receiver is currently in negotiations with EnergyNet in regard to final details of a proposed marketing services agreement which will govern the marketing and sale of the Vendetta Partners Portfolio. The Receiver and EnergyNet expect to finalize an agreement within the coming week. Upon completion of the proposed marketing services agreement, Receiver will

present the agreement to this Court for approval and request leave to commence the marketing and sale of the Receivership's oil and gas assets.

V. Business Operations Pending Implementation of Receiver's Plan of Liquidation

From inception, the Receiver has taken steps (1) to minimize the disruption of cash flow from the asset base; and (2) to initiate a resumption of professional services related to the engineering and title work which will be essential in attempting to maximize the value of the Vendetta Partners Portfolio upon liquidation. In this regard, the following steps have been taken since the inception of the Receivership on December 3, 2013:

1. Post office boxes and mail service associated with the entities have been maintained without change to avoid disruption of delivery of a substantial volume of correspondence (including royalty payments in varying denominations).
2. Vendetta Partners' business premises have been reduced from three suites at the Cameron Road office location to a single suite, and arrangements have been made with the landlord for payment of rent going forward at a reduced price.
3. Although all Vendetta Partners personnel were initially terminated upon inception of the Receivership on December 3, the Receiver has since that date engaged -- on a contract basis -- five individuals who have been determined to be essential to maintaining and servicing the oil and gas portfolio.
4. As discussed, *supra* at p. 5, the Receiver has engaged Scott Marshall, the engineering professional previously engaged to analyze and evaluate the oil and gas portfolio, to resume his evaluation activities with a view to the anticipated sale of the portfolio pursuant to procedures which will be recommended by the Receiver to this Court.

5. As discussed, *supra* at p. 6, the Receiver's representative inspected the Haley properties in Illinois and has interviewed Haley Oil contract employees and trade creditors with regard to its operations. Because of extant environmental violations, the deplorable condition of essential equipment and the unavailability of qualified personnel on site, the Receiver has determined that it is not economically feasible or prudent to attempt to initiate production on any of the Haley Oil wells at this juncture.

VI. Groups Materially Affected

Three categories of persons and entities are affected by the Defendants' conduct and by the Receivership: (1) investors in the securities offered and sold by Vendetta Partners and related individuals and entities; (2) individuals or entities who have done business with Defendants as landlords, vendors, service providers or creditors; and (3) employees. Each category has presented issues that have required the Receiver's attention.

A. Investors in the Oil and Gas Program of Vendetta Partners and Related Entities

As stated above, the Receiver's forensic accountants have identified that Vendetta Partners and related entities raised approximately \$34,000,000¹⁵ in cash proceeds from 121 investors through the offer and sale of limited partnership interests. The investor proceeds include approximately \$24,340,000 in the books and records of Vendetta Partners, and approximately \$9,563,000 found in the books and records of Haley Oil, Barefoot Minerals and Iron Rock Partners. In regard to equity outflows, ongoing analysis by DSC PLLC has revealed

¹⁵ This amount includes \$8,071,305.67 of transactions in which DSC PLLC uncovered that incorrectly inputted accounting entries reduced the value of mineral interest assets across the Receivership entities by this amount. These entries incorrectly credited the above amount to fixed assets, rather than being credited to equity.

cash outflows to investors total approximately \$6,400,000.¹⁶ Based upon these preliminary calculations, potential claims by investors against the Receivership Estate could total approximately \$27,600,000 solely as to net out-of-pocket losses of principal invested.

Of the 121 investors, five were from the Helms and Kaelin families by surname (Janniece Kaelin, Blake Kaelin, Robert A. Helms, Steven Helms, and Robert W. Helms Jr.). These five investors had combined equity cash inflows of \$13,250¹⁷ and a combined equity outflow of \$280,725.64¹⁸. At this juncture, two investors have been identified who received more distributions from Vendetta Partners than they paid in per equity flows. The Receiver and DSC PLLC continue to investigate the details of the transactions related to these investors, and any potential claims that the Receivership Estate may hold in regard to any funds held by these investors.

B. Vendors/Service Providers and Other Creditors

a. Unsecured Creditors

Attached hereto as **Exhibit B** is a list of all potential creditors found among the Receivership entities' books and records, or who have contacted the Receiver, and the amounts of their potential claims. This list is based upon preliminary review of records available; accordingly, it is not comprehensive. Claim totals are unverified, and will be subject to

¹⁶ These numbers do not include cash outflows to Defendants Helms, Kaelin, or Vendetta Management, but do include certain family members of Helms and Kaelin and other employees of related entities. Claims by family members of Helms and Kaelin, and other potential insiders to the alleged fraud, will be scrutinized by the Receiver in the Claims process as to whether these claimants acted in good faith in making their investments. The Receiver will recommend to the Court that claims of Defendants, insiders, and others who knew or should have known of the fraud be disallowed under any Proposed Plan of Distribution.

¹⁷ An additional \$52,680 had not been identified as cash inflow versus internally general equity (*i.e.*, from the 'conversion' of liabilities to equity).

¹⁸ An additional \$43,302 has not been identified as cash inflow versus internally distributed equity (*i.e.*, through 'rebalancing' journal entries).

confirmation procedures established in the Claims process in the unlikely event that payments to unsecured creditors are provided for in the Plan of Distribution.

b. Potentially Secured Creditors

Certain creditors have asserted that their claims against the Receivership Estate are secured, in whole or in part, by Receivership Assets. These creditors include the plaintiff and judgment plaintiff discussed above in regard to Haley Oil, *see* p. 7 n.7, each of which have asserted they hold recorded liens against certain Haley Oil production proceeds. The Receiver has undertaken to investigate these claims, and further to investigate potential counter-claims of Haley Oil against plaintiff Environmental Audits and Consultants, Inc.

Amegy Bank (“Amegy”) has asserted that its claim for approximately \$3,133,000 is secured by certain Vendetta Partners assets, including proceeds of oil and gas royalty payments which comprise, in part, the Vendetta Partners Portfolio. Amegy’s claim arises from a loan to Vendetta Partners of approximately \$5,400,000, which was extended in or about 2009, near in time to the formation of Vendetta Partners. The Receiver has received documentation from Amegy regarding its loan to Vendetta Partners and its asserted secured interest in Vendetta Partners assets; the Receiver and counsel are reviewing Amegy’s claims which will, of course, be addressed in connection with any proposed sale of the Vendetta Praters Portfolio assets.

In the course of his investigation of the assets of the Receivership Estate, Receiver has discovered that Defendants Helms and Kaelin purported to convey a security interest in certain Receivership Assets to Clovis Capital Ventures, LLC (“Clovis”) in connection with Clovis’ subscription and limited partnership investment in Vendetta Partners. In this transaction, Clovis invested cash in Vendetta Partners in the same format as other limited partners but -- unlike other Vendetta Partners limited partners -- a “side letter” was executed purportedly conveying to

Clovis security interests in overriding royalty interest assignments for two properties located in Crockett County and Schleicher County, Texas. The Receiver has contacted Clovis and related parties and informed them not to convey -- or otherwise interfere with -- Receivership Assets, including purported security interests. The Receiver has informed Clovis that, to the extent any security interest was actually created in any Receivership Assets, such conveyances would operate as a fraud upon other Vendetta Partners limited partners who preceded Clovis. The Receiver accordingly requested that Clovis relinquish any and all claims of a secured interest in Receivership Assets. Clovis has informed the Receiver that, at this time, it will not disclaim or disavow the purported security interests it claims to hold. The Receiver is continuing to investigate the Clovis transaction and potential claims the Receivership Estate holds in regard to the transaction including, without limitation, claims under applicable fraudulent transfer statutes. Litigation may be necessary to protect the Receivership Assets related to the Clovis transaction and the Receiver will seek specific authorization from this Court should circumstances require it.

C. Employees

It is the Receiver's understanding that at inception of the Receivership, employees and contract workers for the Receivership entities had been paid for the last payroll period ending November 30. As set forth above, Vendetta Management's check in payment for withholding taxes was dishonored. However, the Receiver has remitted those payroll taxes from current receipts. No employee related claims have been received by the Receiver to date and he is aware of no unasserted claims.

VII. Clawback Litigation and Potential Claims Against Third Parties

This Court found the appointment of the Receiver "necessary and appropriate for the purposes of marshaling and preserving all ... Recoverable Assets," including assets that "were

fraudulently transferred by the Defendants.” Order Appointing Receiver, at p. 2. The Receiver’s investigation has identified numerous fraudulent transfers among the books and records of the entities in Receivership. The Receiver will demand that all of these transfers be returned to the Receivership Estate -- in several instances these demands have been transmitted to the recipients of the identified transfers and funds have been returned. If necessary, the Receiver is prepared, upon approval of this Court, to commence litigation against any party who refuses to return fraudulently transferred funds pursuant to the Texas Uniform Fraudulent Transfer Act, TEX. BUS. & COM. CODE §§ 24.001, *et seq.* (“TUFTA”) and other applicable law seeking to avoid all fraudulent transfers that were made by the entities in Receivership. These “clawback” actions are appropriate in regard to (1) all commissions, finder’s fees and expenses paid by the Receivership Entities in connection with the recruitment of investors into the Vendetta Partners/Iron Rock Partners investment scheme; (2) all expenses paid by the Receivership Entities on behalf of others, including the payment of personal expenses; (3) all distributions made to investors in excess of their principal investments; and (4) all distributions made to investors who were insiders or otherwise cannot establish that they received such transfers in good faith.

Several individuals -- some of whom are also investors -- were authorized by Defendants and compensated to recruit investors to participate in the offerings by Vendetta Partners and other entities in Receivership. Under the fraudulent conveyance statutes and applicable case law these payments, by definition, are avoidable as fraudulent transfers and are required to be returned to the Receivership Estate for the benefit of defrauded investors. Under applicable decisions of the U.S. Court of Appeals for the Fifth Circuit, providing services in furtherance of a Ponzi scheme, including brokerage-type services, does not confer “reasonably equivalent value” and commissions or other compensation paid for those services are avoidable. *See*

Warfield v. Byron, 436 F.3d at 555, 560 (5th Cir. 2006). The Receiver will seek the return of all such transfers made in connection with the recruitment of investors into the Vendetta Partners/Iron Rock Partners investment scheme.

DSC PLLC has identified payments of commissions, finder's fees and other related transactions which were paid to at least ten individuals and entities related to the promotion of the offerings of Vendetta Partners and other related entities. These payments total approximately \$1,480,000, however this number could be higher or lower due to the conflation in the books and records of commission payments with other payments of "expenses." The Receiver and DSC PLLC continue to investigate the purposes of these transfers and the others detailed herein.

A. Clawback Demands Made by the Receiver and Funds Recovered to Date

The Receiver has made demand on certain individuals and entities identified as recipients of fraudulent transfers for the return of these Recoverable Assets to the Receivership Estate. Of these demands, four individuals have complied, making payments in satisfaction of the transfers they received from the Defendants. The payments by these four individuals total approximately \$198,000.

The Receiver has served subpoenas for the production of documents and for the appearance at deposition to Grady Vaughn III and Grady Vaughn IV, who were involved in the offer and sale to the public of Vendetta Partners limited partnership interests. The Receiver deposed Grady Vaughn IV on January 9, 2014; scheduling of the deposition of Grady Vaughn III is pending. The books and records of the Receivership entities are replete with entries related to transfers to and on behalf of members of the Vaughn family. The Receiver's forensic accountants have attributed transfers exceeding \$965,000 from the Receivership entities to the Vaughns and related parties and entities.

The Receiver also has served a subpoena for the production of documents and for the appearance at deposition to William Brock. The books and records of the Receivership entities contain numerous entries related to Mr. Brock, including transfers potentially exceeding \$270,000 as commissions, finder's fees and related expenses. Demand has been made upon Mr. Brock for the return of \$209,290 in transfers from Vendetta Partners. The existence of additional transfers from other Receivership entities are currently being investigated.

The Receiver discovered through a review of the books and records that Vendetta Partners had transferred \$45,241.48 to a law firm engaged by Defendant Helms as a retainer for legal work in which Mr. Helms (rather than Vendetta Partners) is identified as the client. The Receiver made demand on the law firm for the return of these funds to Receivership Estate. The law firm and Receiver exchanged counter offers, the last of which, for \$35,523.98, was agreed upon by both parties. This amount, which represents the recovery of approximately 80% of the Receiver's initial demand, has been transferred to the Receivership Estate.

B. Personal Expenses Paid by Receivership Entities on Behalf of Others

The Receiver's investigation and forensic accounting efforts have uncovered numerous payments made by Receivership Entities on behalf of Vendetta Partners insiders, their family members and others, including individuals who were compensated for recruiting investors. These payments of personal expenses include rent and mortgage payments, household utilities and other bills, school tuition, and car lease payments. The calculation of these amounts is ongoing, as the Receiver and DSC PLLC continue to scrutinize the voluminous payments to, or on behalf of, Helms, Kaelin, and others. In regard to third-parties who helped promote the offerings of Vendetta Partners and other related entities, Receiver believes at this time that transfers of at least \$565,000 for expenses have been made by Receivership entities. However, the Receiver's

review of transfers from the Receivership entities is ongoing, and additional transfers may still be discovered. The Receiver will pursue the return of all payments of personal expenses from those persons for whose benefit payments were made.

C. Net Winner Investors

As the Commission has alleged in its pleadings, investors in the Vendetta Partners/Iron Rock Partners offerings were paid principal and interest, in part, from the principal investments of other, later-in-time investors in the Vendetta Partners/Iron Rock Partners offerings. *See, e.g.*, Complaint at ¶¶ 42, 44. In a few instances it appears that certain investors may have received distributions from the Receivership Entities in excess of the amount of principal which they invested (“net winners”). The Receiver will endeavor to ensure that all investors are treated fairly and equitably and to ensure that no investor or group of investors will benefit from receipt of “profits” which were, in reality, funds invested by other investors. To this end, the Receiver will request the return of these excess amounts from all “net winners,” so that an equitable *pro rata* distribution may be achieved. If the Receiver determines that is beneficial to the Receivership Estate, he will commence litigation seeking to avoid any transfer of these false “profits.”

D. Insiders and Investors Who Cannot Demonstrate Objective Good Faith

Several investors in the Vendetta Partners/Iron Rock Partners offerings are insiders and other persons whose knowledge of the alleged investment scheme will be placed in dispute by evidence from the Receiver’s and Commission’s investigations. In addition to disallowing all claims against the Receivership Estate by persons with knowledge of the fraudulent scheme underlying the Vendetta Partners/Iron Rock Partners offerings, the Receiver will pursue the avoidance of all distributions and transfers previously made to persons who are unable to objectively demonstrate good faith, even if such persons are able to demonstrate an exchange of

reasonably equivalent value for the distributions they received. *See* TUFTA § 24.009(a) (“A transfer ... is not voidable under Section 24.005(a)(1) of this code against a person who took in good faith **and** for a reasonably equivalent value”) (emphasis added).

The Receiver and counsel are also reviewing potential claims of the Receivership Estate for negligence and breach of fiduciary duty against insiders, their confederates and third-parties involved in the operations of the Receivership entities -- or those parties who may have assisted the Defendants in carrying out the fraudulent scheme alleged by the Commission. If necessary, the Receiver is prepared, upon approval of this Court, to commence litigation against any party who may have breached duties owed to the Receivership entities or otherwise engaged in tortious behavior which caused harm to the Receivership Estate.

VIII. Communications with Investors

The Receiver has established a website, www.vendettaroyaltyreceivership.com, which is expected to be the primary source of information for investors in the oil and gas interests of Vendetta Partners and related entities. The website contains affiliated email accounts to receive claims and related communications. The format of the website includes general information and summary of the Receivership and the Order Appointing Receiver, complete Court Filings in the case and a Frequently Asked Questions page. When established, the Receiver will post procedures for submission of claims by investors and creditors through the website.

As previously reported, the Receiver conducted a telephone conference with Vendetta Partners investors. Notice of the conference call was given to all known investors for whom contact information was available. Prior to the commencement of the call, investors were afforded an opportunity to submit questions. Approximately 60 questions were presented and the Receiver made every effort to address those questions during the call. Based upon tracking

information supplied by AT Conference, it is the Receiver's understanding that 84 investors attended and monitored the presentation. During the conference call the Receiver provided investors with a detailed overview of the conduct of the Receivership to date and a description of the resolution process which would be initiated during the pendency of the Receivership.

IX. Professionals Engaged by the Receiver

The Order Appointing Receiver authorizes the Receiver to employ professionals such as consultants, investigators, attorneys and accountants as he judges necessary to perform his duties. *Id.* at ¶ 58. The following professionals and experts have been retained to assist the Receiver to date:


1. The Taylor Law Offices, P.C. – the Receiver's law firm;
2. Ballard & Littlefield, LLP – a law firm experienced in securities litigation and enforcement matters as well as commercial litigation;
3. D. Supkis Cheek, PLLC – a Certified Public Accountant and Certified Fraud Examiner to perform forensic analysis of the financial records of the Defendants and to aid in the Receiver's investigation of the assets of the Receivership Estate; and
4. Tom Gossett CPA P.C. – a tax accountant whose services will be necessary to comply with various filing requirements and taxation issues related to the Receivership entities and to the Receivership Estate.

DATED: April 30, 2014

Respectfully submitted,

Thomas L. Taylor III, Receiver

THE TAYLOR LAW OFFICES, P.C.

By: 

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COUNSEL FOR RECEIVER

CERTIFICATE OF SERVICE

On April 30, 2014, I electronically submitted the foregoing document with the clerk of court for the U.S. District Court, Western District of Texas, using the electronic case filing system. I hereby certify that I have provided copies to all counsel of record and *pro se* parties electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/ Andrew M. Goforth
Andrew M. Goforth

Exhibit A

Vendetta Royalty Receivership**Receipts and Disbursements****Q1 2014**

	Since Inception	Q1 2014
Income		
Business Income		
Lease Extension Income - VRP	3.53	3.53
Pooling Bonus - VRP	35.83	35.83
Royalty Income - Technicolor	2,204.50	2,204.50
Royalty Income - VRP	202,025.71	169,577.49
Royalty Income - Barefoot	3,417.79	3,417.79
Business Income - Other	0.00	0.00
Total Business Income	207,687.36	175,239.14
Frozen Funds	33,549.22	2,389.50
Interest/Dividend Income	0.00	0.00
Business Asset Liquidation	0.00	0.00
Personal Asset Liquidation	24,000.00	24,000.00
3rd Party Litigation Income	98,523.98	98,523.98
Other Income	0.00	0.00
Total Income	363,760.56	300,152.62
Cost of Goods Sold		
Cost of Goods Sold	0.00	0.00
Total COGS	0.00	0.00
Gross Profit	363,760.56	300,152.62
Expense		
Disbrsmt to Receiver/Prof	0.00	0.00
Bus. Asset/Operating Exps		
Administrative/Office	111.34	111.34
Austin Travel Expenses	291.96	291.96
Bank Fees	61.67	61.67
Contract Labor	32,079.61	32,079.61
Court Fees		
Certified Filings	168.50	168.50
Filing Fees	46.00	46.00
Court Fees - Other	0.00	0.00
Total Court Fees	214.50	214.50
Electricity	2,275.24	2,275.24
Insurance		
Property Insurance	170.32	170.32
Insurance - Other	0.00	0.00
Total Insurance	170.32	170.32

Vendetta Royalty Receivership**Receipts and Disbursements****Q1 2014**

	Since Inception	Q1 2014
Office Rent	10,103.20	10,103.20
Oil/Gas Interest Expense	17.71	17.71
Payroll Expenses	0.00	0.00
Phone-pay fee	6.98	6.98
Phone/Internet	1,899.50	1,899.50
Postage/Delivery		
Courier	106.00	106.00
FedEx	235.97	235.97
Postage/Delivery - Other	0.00	0.00
Total Postage/Delivery	341.97	341.97
Receivership Initiation Expense		
Bank Fees	135.16	-480.96
Locks	447.57	0.00
Travel	2,141.65	0.00
Receivership Initiation Expense - Other	0.00	0.00
Total Receivership Initiation Expense	2,724.38	-480.96
Receivership Website	89.06	0.00
Sale of Business Assets	0.00	0.00
Software/Computer Expenses	10,882.25	10,882.25
Storage Rent	1,177.80	1,177.80
Taxes		
Payroll Taxes	45.48	45.48
Property Taxes	538.76	538.76
Taxes - Other	0.00	0.00
Total Taxes	584.24	584.24
Bus. Asset/Operating Exps - Other	6,999.21	6,999.21
Total Bus. Asset/Operating Exps	70,030.94	66,736.54
Personal Asset Exps	0.00	0.00
Investment Expenses	0.00	0.00
3rd Party Litigation Exp	1,144.85	1,144.85
Federal and State Taxes	0.00	0.00
Dist Plan Development	0.00	0.00
Dist Plan Implementation	0.00	0.00
Total Expense	71,175.79	67,881.39
Net Income	292,584.77	232,271.23

Exhibit B

Vendetta Royalty Partners Receivership
 Creditors of Receivership Defendants
 Updated 4/30/14

Vendor	Address 1	Address 2	Invoice Amount
Abner Trucking Company	207 S 1st St SE	Clay City, IL 62824	\$3,780.00
A-Excellence Wrecker	1510 Brandi Lane	Round Rock, TX 78681	\$555.90
Amegy Bank	1801 Main	Houston, TX 77002	\$3,132,945.07
Amegy Bank	PO Box 3016	Houston, TX 77253-3016	\$270.65
Ameren Illinois	PO Box 66893	St. Louis, MO 63166	\$134.15
Bank of America	PO Box 53157	Phoenix, AZ 85072-3137	\$5.31
Big 4 Propane	945 S 1st St SE	Clay City, IL, 62824	\$2,100.00
Bradford Supply Company	19150 U.S. 50	Clay City, IL 62824	\$5,200.00
Brook Hollow Golf Club	8301 Harry Hines Blvd.	Dallas, TX 75235	\$1,040.58
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$66.36
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$64.35
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$64.35
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$35.02
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$33.68
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$21.36
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$18.01
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$7.03
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$5.02
Central Texas Regional Mobility Authority	PO Box 16777	Austin, TX 78761-6777	\$1.67
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$4,717.42
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$4,656.66
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$4,617.09
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$4,556.33
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$3,503.54
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$3,470.16
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$1,734.54
City of Austin	PO Box 2267	Austin, TX 78783-2267	\$1,728.54
City of Commerce	1119 Alamo	Commerce, TX 75428	\$82.01
Coles-Moultrie Electric Cooperative	PO Box 709	Mattoon, IL 61938-0709	\$108.27
Comcast	PO Box 105257	Atlanta, GA 30348-5257	\$110.31
CT Corporation	8040 Excelsior Drive Suite 200	Madison, WI 53717	\$395.00
CT Corporation	8040 Excelsior Drive Suite 200	Madison, WI 53717	\$314.00
E-K Petroleum	211 N. Market	Sullivan, IL 61951	\$549.48
E-K Petroleum	211 N. Market	Sullivan, IL 61951	\$504.13
E-K Petroleum	211 N. Market	Sullivan, IL 61951	\$294.11
Environmental Audits and Consultants, Inc.	204E. Main St.	Salem, IL 62881	\$37,077.41
FedEx	5935 Rivers Avenue, Suite 102	North Charleston, SC 29419	\$61.65
Gore Petroleum Land & Environmental Co.	P.O. Box 4061	Edmond, OK 73083	\$2,000.00
IHS Global Inc.	15 Inverness Way East	Englewood, CO 80112	\$375.23
Impact Supply	5025 Princeton Ave. Ste 6	Midland, TX 79703	\$1,694.42
Landfill 33, Ltd.	303 South Seventh, P.O. Box 399	Vandalia, IL 62471	\$48,067.25
Lasser Inc.	2312 E. Loop 820, Suite A	Fort Worth, TX 76112	\$3,392.45
Oildex	633 17th Street Suite 2000	Denver, CO 80202	\$3,265.96
Ozarka Direct	#215 6661 Dixie Highway, Suite 4	Louisville, KY 40258	\$87.73
Pearl River Valley Electric Power Association	PO Box 1217	Columbia, MS 39429-1217	\$235.00
Purple Land Management	100 E. 15th Street, Suite 320	Fort Worth, TX 76102	\$847,647.99
Quill Corporation	PO Box 37600	Philadelphia, PA 19101-0600	\$1,000.60
Rod Franklin Well Service	PO Box 317	Clay City, IL 62450	\$7,900.00
Scott Marshall	6653 Park Lane	Houston, Texas 77023-4015	\$50,782.85
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$428.24
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$200.04
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$164.25
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$140.19
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$128.22
Shelby Electric Cooperative	PO Box 560	Shelbyville, IL 62565-0560	\$110.25
T Mobile	PO Box 629025	El Dorado Hills, CA 95762	\$1,356.49
T Mobile	PO Box 660252	Dallas, TX 75266-0252	\$90.92
Texas Department of Transportation	507 Prudential Road	Horsham, PA 19044	\$136.25
Texas Tollways	PO Box 650749	Dallas, TX 75265-0749	\$29.00
Texas Tollways	PO Box 650749	Dallas, TX 75265-0749	\$20.30
Texas Tollways	PO Box 650749	Dallas, TX 75265-0749	\$12.45
Time Warner Cable	PO Box 60074	City of Industry, CA 91716-0074	\$1,797.50
Time Warner Cable	PO Box 60074	City of Industry, CA 91716-0074	\$579.65
Tri-State Acid, Inc.	PO Box 343	Clay City, Illinois 62824	\$1,470.00
Tri-State Acid, Inc.	PO Box 343	Clay City, Illinois 62824	\$1,220.00
Wells Fargo Dealer Services	15750 Alton Parkway	Irvine, CA 92618	\$923.07
Wilson Well Service LLC.	PO Box 222	Clay City, IL 62824	\$600.00
CWS Corporate Housing	9606 N. Mopac Expressway, Ste. 500	Austin, TX 75759	\$6,200.00
Effingham Asphalt	3301 Elmdale St.	Mattoon, IL 61938	\$43,675.79
Roberts Termite & Pest Control, Inc	1800 S. Lamar Blvd.	Austin, TX 78704	\$81.19
W.E.C. Land Services	1021 University Drive East, PO Drawer DT	College Station, TX 77840	\$457,249.34
Paychex Branch	382 Main Street	Salem, NH 03079	\$97.40
Texas Tollways	PO Box 650749	Dallas, TX 75265-0749	\$29.00
Time Warner Cable	PO Box 118288	Carrollton, TX 75011	\$1,797.50
North Texas Tollway Authority	4120 International Pkwy, Suite 1100	Carrollton, TX 75007	\$69.06
Austin Telco	8929 Shoal Creed Blvd	Austin, TX 78757	
Texas Tollways	PO Box 16777	Austin, TX 78761	\$1,036.77

** This list is based upon preliminary review of records available, and is not comprehensive. Claim totals are unverified, and will be subject to confirmation procedures established in the Claims process.