## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION

UNITED STATES SECURITIES § § AND EXCHANGE COMMISSION, § § Plaintiff, § v. § THE HEARTLAND GROUP VENTURES, LLC; **HEARTLAND PRODUCTION AND RECOVERY** HEARTLAND PRODUCTION **RECOVERY FUND** LLC: HEARTLAND PRODUCTION AND RECOVERY FUND II LLC; THE HEARTLAND GROUP FUND III, LLC; HEARTLAND DRILLING FUND I, LP; CARSON OIL FIELD DEVELOPMENT FUND II, LP; ALTERNATIVE OFFICE SOLUTIONS, LLC; ARCOOIL CORP.; BARRON PETROLEUM § LLC; JAMES IKEY; JOHN MURATORE; THOMAS BRAD PEARSEY; MANJIT SINGH § No. 4-21CV-1310-O-BP ROGER) **SAHOTA**; § and RUSTIN BRUNSON, § § Defendants, § § § § and § DODSON PRAIRIE OIL & GAS LLC; PANTHER CITY ENERGY LLC; MURATORE FINANCIAL SERVICES, INC.; BRIDY IKEY; ENCYPHER BASTION, LLC; IGROUP ENTERPRISES LLC; HARPRIT SAHOTA; MONROSE SAHOTA; SAHOTA; **BARRON SUNNY ENERGY** CORPORATION; DALLAS RESOURCES INC.; LEADING EDGE ENERGY, LLC; SAHOTA CAPITAL LLC; and 1178137 B.C. LTD., § § § Relief Defendants. §

# RECEIVER'S REPORT REGARDING DISPOSITION OF ASSETS AT SECOND AUCTION OF PERSONAL PROPERTY BY VOGT AUCTION GALLERIES

Deborah D. Williamson, in her capacity as the Court-appointed Receiver (the "Receiver") for the Receivership Parties (as defined in the Court's December 2, 2021 *Order Appointing Receiver* [ECF No. 17] (the "Receivership Order")) and receivership estates (collectively, the "Estates") in the above-captioned case (the "Case" or "Receivership"), hereby files this *Receiver's Report Regarding Disposition of Assets at Second Auction of Personal Property by Vogt Auction Galleries*. <sup>1</sup>

### I. BACKGROUND

- 1. On December 1, 2021 (the "Application Date"), the Securities and Exchange Commission filed its *Emergency Motion for a Temporary Restraining Order and Emergency Ancillary Relief* [ECF No. 3] which included an application for the appointment of a receiver for the Receivership Parties (the "Application").
- 2. On December 2, 2021, this Court determined that entry of an order appointing a receiver over the Receivership Parties was both necessary and appropriate to marshal, conserve, hold, and operate all of the Receivership Parties' assets (the "Receivership Assets") pending further order of this Court. Accordingly, the Court entered the Receivership Order on December 2, 2021, appointing Deborah D. Williamson as the Receiver over the Estates in this Case.
- 3. On May 17, 2022, the Receiver filed the *Receiver's Motion for Order Governing Procedures for the Sale or Abandonment of Personal Property and Brief in Support* [ECF No. 203]

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<sup>&</sup>lt;sup>1</sup> Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Receivership Order or the Auction Order, as applicable.

(the "<u>Auction Motion</u>"), requesting Court approval of the procedures for the sale or abandonment of personal property.

- 4. On June 9, 2022, the Court entered an *Order* granting the Receiver's Auction Motion [ECF No. 217] (the "Auction Order").
- 5. On July 26, 2023, the Receiver filed the *Receiver's Motion to Approve Sale of Certain Jewelry Obtained From Eldorado Ranch Owned By Receivership Party Dallas Resources, Inc.* [ECF No. 381] (the "Jewelry Sale Motion"), requesting Court approval to sell certain jewelry.
- 6. On August 23, 2023, the Court entered an *Order* [ECF No. 399] granting the Receiver's Jewelry Sale Motion.
- 7. On October 24, 2023, the Receiver filed the *Notice of Proposed Public Auction of Personal Property* [ECF No. 424] (the "<u>Auction Notice</u>") in accordance with the Court-approved sale procedures enumerated in the Auction Order.
- 8. On November 8, 2023, the Receiver filed the *Certificate of No Objection* [ECF No. 433] regarding the Auction Notice.

#### II. <u>REPORT</u>

- 9. Vogt Auction Galleries ("<u>Vogt</u>") held an in-person and online public auction of the personal property detailed on Exhibit A to the Auction Notice beginning on January 1, 2024, at 1:00 p.m. Central (the "<u>Second Personal Property Auction</u>").
- 10. The gross proceeds from the Second Personal Property Auction were \$6,310.00. After payment of the contractual auctioneer fees in the amount of \$1,262.00, the net proceeds from the Second Personal Property Auction to the Receiver for the benefit of the Estates totaled \$5,048.00.
- 11. On January 12, 2024, Vogt delivered \$5,048.00 to the Receiver, which has been deposited in a Receivership bank account.

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Dated: January 17, 2024 Respectfully submitted,

## By: /s/ Danielle Rushing Behrends

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**COUNSEL TO RECEIVER** 

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#### **CERTIFICATE OF SERVICE**

I hereby certify that on January 17, 2024, the foregoing document was served via CM/ECF on all parties appearing in this case and via email on the following unrepresented parties on this Court's docket:

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