

**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
LLC; HEARTLAND PRODUCTION AND
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;
ARCOIL CORP.; BARRON PETROLEUM
LLC; JAMES IKEY; JOHN MURATORE;
THOMAS BRAD PEARSEY; MANJIT SINGH
(AKA 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;
SUNNY SAHOTA; BARRON ENERGY
CORPORATION; DALLAS RESOURCES INC.;
LEADING EDGE ENERGY, LLC; SAHOTA
CAPITAL LLC; and 1178137 B.C. LTD.,**

Relief Defendants.

No. 4-21CV-1310-O-BP

**¹ RECEIVER’S AMENDED MOTION TO APPROVE PROCEDURES
FOR TERMINATING BUSINESS RECEIVERSHIP ENTITIES**

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 with the Receivership Parties, the “Estates”) in the above-captioned case (the “Case” or “Receivership”), hereby files this *Receiver’s Amended Motion to Approve Procedures for Terminating Business Receivership Entities*. (the “Motion”)².

I. BACKGROUND

1. On December 1, 2021 (the “Application Date”), the U.S. 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. As of the filing of this Motion, the Receiver believes she has disposed of substantially all real and personal property of the Estates. Initial distributions have also begun.

¹ Amended to correct scrivener’s error.

² Capitalized terms used but not otherwise defined herein have the meanings respectively ascribed to them in the Receivership Order or the Auction Order, as applicable.

Remaining outstanding matters include potential litigation to recover property and potential abandonment of assets.

4. Thirteen (13) of the Defendants and Relief Defendants are Texas business entities (collectively, the “Texas Entities”):

The Heartland Group Ventures, LLC
The Heartland Group Fund III, LLC
Carson Oil Field Development Fund II, LP
Alternative Office Solutions, LLC
ArcoOil Corp.
Dodson Prairie Oil & Gas LLC
Panther City Energy LLC
Encypher Bastion, LLC
IGroup Enterprises LLC
Dallas Resources, Inc.
Leading Edge Energy, LLC
Sahota Capital LLC

5. Four (4) are Delaware business entities (collectively, the “Delaware Entities”):

Heartland Production and Recovery LLC
Heartland Production and Recovery Fund LLC
Heartland Production and Recovery Fund II LLC
Heartland Drilling Fund I, LP

6. Barron Energy Corp. is a Wyoming business entity.

7. 1178137 B.C. Ltd. is a Canadian business entity.

8. The Receiver has the responsibility for filing federal and state tax returns for the following entities:

The Heartland Group Ventures, LLC
The Heartland Group Fund III, LLC
Sahota Capital LLC
Heartland Drilling Fund I LP
Encypher Bastion LLC
Dallas Resources Inc.
Carson Oil Field Development Fund II, LP
Barron Energy Corp.
ArcoOil Corp.
Alternative Office Solutions, LLC
Dodson Prairie Oil & Gas LLC

Panther City Energy LLC

9. In addition, while the Receiver is not responsible for filing tax returns, she has provided certain financial information so that the responsible parties can file the appropriate returns (collectively, the “Pass Through Entities”) for certain entities. Specifically:

Barron Petroleum LLC
Leading Edge LLC

10. The Receiver also has the responsibility to file tax returns for payroll taxes for entities which had employees prior to December 2, 2021. Specifically:

Barron Petroleum, LLC
Alternative Office Solutions, LLC
Heartland Group Ventures LLC

11. As the Receivership progresses, obtaining court approval and direction regarding certain procedural and administrative matters preserves the Receivership Assets and ensures the Receiver conducts the Receivership consistent with the Court’s instructions. Accordingly, the Receiver requests that the Court enter the Proposed Order (**EXHIBIT A**) granting this Motion which, as described below, includes general procedures for giving notice and service regarding termination or cancellation of the business of Receivership entities.

12. As operations are wound down and assets are liquidated, there are certain actions that need to be taken in order to relieve the Estates of the costs of preparing federal and state tax returns and/or complying with the requirements of other federal and state agencies.

13. The actions required include filing a “final” federal tax return. The filing of a final federal tax return is the outside date for beginning the three (3) year audit period. 26 U.S.C. § 6501(a).

14. To satisfy all requirements to terminate an entity registered with the Texas Secretary of State (“Texas SOS”), the State of Texas requires the following actions:

a. Step 1. Make a Reasonable Effort to Pay All Creditors, Current and Foreseeable.

A dissolving Corporation, LLC, or LP must first use its assets to pay all known debts to creditors. If that property is not sufficient to discharge all liabilities and obligations, the entity must make adequate provision for the discharge of its liabilities and obligations.³

b. Step 2. Obtain the express will of a majority-in-interest of the partners who have an interest in the entity.⁴

c. Step 3. File any unfiled Annual Franchise Tax and (Public or Ownership) Information Report forms.⁵

d. Step 4. Pay any tax, penalty, and interest payments due.

e. Step 5. File a Final Franchise Tax Report to report an entity’s accounting data starting the day after its last annual report accounting period ended to within 60 days of the entity’s termination date.

f. Step 6. Complete and submit Form 05-359, Request for Certificate of Account Status to Terminate a Taxable Entity’s Existence in Texas or Registration (PDF) or request the certificate online using Webfile. Then, submit these items to the Texas SOS (*see* Connecting with the Secretary of State section below) by the filing deadline: on or before closing time the last business day of the year (usually Dec. 31) that an entity is terminating/withdrawing/merging.

g. Step 7. Submit Form 05-305, Certificate of Account Status to Terminate Texas Registration, once received from the Texas Comptroller’s office. This certificate is valid only through Dec. 31 of the year issued.

h. Step 8. Complete and submit SOS Termination forms.

i. Step 9. Pay Texas SOS filing fees.

³ Tex. Bus. Orgs. Code § 11.053(a)-(b)(1).

⁴ Tex. Bus. Orgs. Code § 11.057(a).

⁵ Tex. Bus. Orgs. Code § 11.356(a); Tex. Bus. Orgs. Code § 11.101(b). *See also* Texas Comptroller’s Website (<https://comptroller.texas.gov/taxes/franchise/reinstate-terminate.php>).

15. To satisfy all requirements to terminate or cancel⁶ an LLC or LP, the State of Delaware “Delaware SOS” requires the following actions:

a. Step 1. Take a Vote.⁷

Section 17-801(2) of Title 6 of the Delaware Code does not require the appointment of a Manager, rather the “vote or consent of (i) all general and (ii) limited partners” is enough for nonjudicial dissolution and winding up of a Limited Partnership.⁸

b. Step 2. Appoint a manager to Wind up the LLC or LP’s affairs.⁹

c. Step 3. Make a Reasonable Effort to Pay All Creditors, Current and Foreseeable.

A dissolving LLC [or LP] must first use its assets to pay all known debts to creditors. In addition, it must make reasonable provisions for any contingent obligations and obligations that have not yet matured as well as reasonable provisions for unknown liabilities that could arise in the next 10 years.¹⁰

d. Step 4. Pay the Delaware Franchise Tax. The entity needs to pay its Delaware franchise tax (<https://www.incnow.com/faq/what-is-delaware-franchise-tax/>) balance before filing the Certificate of Cancellation. The total balance must be paid, including the current calendar year franchise tax, even if the cancellation is filed on January 1, or the Delaware Division of Corporations will not accept the cancellation filing.

The franchise tax is an annual fee not influenced by the entity’s income or business conducted. If the entity generated no income during the past year, or ever, the company still needs to pay the annual franchise tax, plus any back taxes, penalties, and interest due to the Delaware Secretary of State. The entity cannot be canceled until all Delaware franchise taxes are paid.

⁶ Cancellation (<https://www.incnow.com/dissolutions/>) is the term that Delaware uses to describe the process of closing a Delaware entity.

⁷ Del. Code Ann. tit. 8, § 275.

⁸ Del. Code Ann. tit. 6, § 17-804.

⁹ Paragraph 5 of the Receivership Order grants to the Receiver “all powers, authorities, rights, and privileges heretofore possessed by ... managers and general and limited partners of any Receivership Entity. The Receiver will provide notice to such parties, but will not solicit any votes as members no longer have the authority to vote or to approve any action by any Receivership Entity.

¹⁰ Del. Code Ann. tit. 6, § 18-804.

Delaware franchise tax is not prorated. As a result, the entity will need to pay the full Delaware franchise tax for the year if the entity is not canceled before January 1.

e. Step 5. Pay the LP or LLC Members. Members need to be paid proportional to each Member's interest in the entity if funds are available.

f. Step 6. Cancel registration with foreign jurisdictions, if any. A dissolving LLC or LP must also withdraw from other states or jurisdictions where it conducts business [*i.e.* Texas]. Cancellation of registration follows the laws of the jurisdiction where the LLC or LP has registered to do business.¹¹

g. Step 7. Close Business Account with the IRS. For a multi-member LLC, the IRS can close the LLC's federal tax record (after taxes have been filed and the LLC has indicated to the IRS that the return is a final return). The LLC should also send a final return to the State Division of Revenue authorities anywhere income taxes are due. The IRS should be sent a letter that includes the full legal name of the LLC, the EIN, the LLC address, and the reason for closing the account (*i.e.*, canceling the LLC). If the LLC retained a copy of the original notice issued from the IRS when the LLC's EIN was assigned, include that too.

Most LLCs are single-member LLCs which do not have tax returns, but instead report on the single member's Schedule C for self-employment income on the individual's Form 1040 personal return. Most others file Forms 1065 partnership tax returns which will need to be filed as a final return in addition to state income tax returns where the company did business.

It is advisable to formally cancel a Delaware LLC if the company has ever been used in any capacity. The LLC will continue to accrue Delaware franchise tax (<https://www.incnow.com/faq/what-is-delaware-franchise-tax/>) year after year if the company is not properly canceled.

The public cancellation filing stops the LLC from accruing future franchise tax, penalties, and interest. Should a Certificate of Cancellation be filed in error, a Certificate of Correction can be filed to undo the cancellation retroactively and restore Good Standing status.

h. Step 8. File a Certificate of Cancellation. The Certificate of Cancellation is a document that is filed with the state of Delaware in order to officially cancel the entity. The Certificate of Cancellation should only be filed after the entity has "wound down" its affairs completely.

i. Step 9. Pay Delaware SOS filing fees.

¹¹ Heartland Production and Recovery LLC and Heartland Drilling Fund I, LP are operating as foreign entities in other jurisdictions and therefore must be dissolved and/or wound down in both Delaware and Texas and/or California.

16. To satisfy all requirements to dissolve an entity registered with the Wyoming Secretary of State (“Wyoming SOS”), the State of Wyoming requires the following actions:

- a. Step 1. Authorize Dissolution. The corporation must notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with W.S. § 17-16-705. The notice must state that the purpose of the meeting is to consider dissolving the corporation.¹²
- b. Step 2. File articles of dissolution with the Wyoming SOS.¹³
- c. Step 3. Pay Wyoming SOS filing fees.
- d. Step 4. Wind up entities affairs. After dissolution, the entity continues to exist solely for the purpose for winding up its affairs and liquidate its business.¹⁴ After dissolving, the entity may dispose of the unknown claims against it by publishing one (1) time in a newspaper of general circulation in the country where the dissolved corporations principal office was located. The statute of limitations is three (3) years, or the applicable statute of limitations after posting of the notice.¹⁵
- e. Step 5. File final tax return with the IRS and with the appropriate state tax authorities.
- f. Step 6. Pay any tax, penalty, and interest payments due after filing final tax returns with the IRS and appropriate state tax authorities.

17. Termination of an entity with the respective state’s Secretary of State is not intended to allocate or otherwise liability for any members, managers, officers, or equity members.

18. A determination where a former officer, director, or other person may be exposed to increased financial or liability upon termination may be a factor by the Receiver when determining whether to terminate an entity, but not a determinative factor.

19. The Receivership Order authorizes the Receiver to take certain actions regarding Receivership Parties. Paragraph 8D of the Receivership Order specifically allows the Receiver “to

¹² Wyo. Stat. Ann. § 17-16-1401.

¹³ Wyo. Stat. Ann. § 17-16-1403(a).

¹⁴ Wyo. Stat. Ann. § 17-16-1405(a).

¹⁵ Wyo. Stat. Ann. § 17-16-1407.

terminate, continue and/or modify any business operation”. No other person or entity has authority to act on behalf of a Receivership Party. In addition, other provisions of the Receivership Order relevant to this Motion include:

Paragraph 5:

The Receiver shall have all powers, authorities, rights and privileges heretofore possessed by the officers, directors, managers and general and limited partners of the entity Receivership Parties under applicable state and federal law, by the governing charters, bylaws, articles and/or agreements in addition to all powers and authority of a receiver at equity, and all powers conferred upon a receiver by the provisions of 28 U.S.C. §§ 754, 959 and 1692, and Fed. R. Civ. P. 66.

Paragraph 6:

The trustees, directors, officers, managers, employees, investment advisors, accountants, attorneys, and other agents of the Receivership Parties are hereby dismissed and the powers of any general partners, officers, directors and/or managers are hereby suspended. Such persons and entities shall have no authority with respect to the Receivership Parties’ operations or assets, except to the extent as may hereafter be expressly granted by the Receiver. The Receiver shall assume and control the operation of the Receivership Parties and shall pursue and preserve all of their claims.

Paragraph 7:

No person holding or claiming any position of any sort with any of the Receivership Parties shall possess any authority to act by or on behalf of any of the Receivership Parties.

II. RELIEF REQUESTED, AUTHORITY, AND ARGUMENT

20. As the Receivership progresses, obtaining Court approval and direction regarding certain procedural and administrative matters preserves the Receivership Assets and ensures the Receiver conducts the Receivership consistent with the Court’s instructions. Accordingly, the Receiver requests that the Court enter the Proposed Order (**EXHIBIT A**) granting this Motion, which includes general procedures for giving notice and service regarding termination or cancellation of the business of Receivership entities. A brief summation of the Objection Procedure timeline is below.

<u>Receiver's Relief Requested</u>	<u>Requested Timeline</u>
Objection Date	Ten (10) calendar days following the filing of the Notice with the Court.
Receiver's Reply, If Necessary	Ten (10) calendar days following the filing of the Objection.

21. The Court may establish procedures governing the termination of a business. The Receiver recommends that she have the authority to terminate a business in accordance with the procedures set forth herein. The Receivership Estates will suffer unnecessary delay and expense if the Receiver is required to file a pleading with this Court each time she seeks to terminate a business. Additionally, the Receiver seeks to avoid burdening the Court with routine and ministerial Receivership matters if an acceptable procedure for termination of a business can be established.

22. It is well-settled that a receivership's primary goal is to provide a conduit through which assets can be held, liquidated, and distributed to the receivership beneficiaries. *See, e.g., SEC v. Safety Fin. Serv., Inc.*, 674 F.2d 369, 371 (5th Cir. 1982). In this Case, the beneficiaries include the numerous investors and creditors of the Defendants and the Relief Defendants who orchestrated and operated a scheme that divested investors of tens of millions of dollars.

23. A receiver is neither plaintiff nor defendant, but instead acts as the Court's agent with respect to the administration of property. *Clark v. Clark*, 58 U.S. 315, 331 (1855); *FSLIC v. PSL Realty Co.*, 630 F.2d 515, 521 (7th Cir. 1980), *cert. denied*, 452 U.S. 961 (1981) (explaining the "receiver is an officer of the court and subject to its order in relation to the property for which he is responsible until discharged by the court"); *Fed. Home Loan Mortg. Corp. v. Spark Tarrytown, Inc.*, 829 F. Supp. 82, 85 (S.D.N.Y. 1993). The orders of the appointing court are the

sole source of a receiver's authority, and receivers are thus authorized to petition the appointing court on matters related to the receivership's administration. *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994); *see also Liberte Capital Grp., LLC v. Capwill*, 248 Fed. App'x 650, 655 (6th Cir. 2007); *PSL Realty Co.*, 630 F.2d at 521. Nevertheless, if the order appointing the receiver is silent on an aspect of the receivership's administration, courts look to the common law governing receiverships that has arisen and evolved over the centuries. Only if *both* the order appointing the receiver and federal receivership common law are silent on the determinative issues should courts look to other bodies of law for guidance. *See, e.g., Janvey v. Alguire*, No. 3:09-CV-0724-N, 2014 U.S. Dist. LEXIS, at *103–04 (N.D. Tex. Jul. 30, 2014) (noting the dearth of guidance available from existing case law on the interplay between the Federal Arbitration Act and federal equity receiverships and, as a result, looking to bankruptcy case law for guidance).

24. While case law involving district courts' administration of an equity receivership is "sparse," two basic principles emerge from cases involving receiverships. *SEC v. Hardy*, 803 F.2d 1034, 1037 (9th Cir. 1986). First, courts have "extremely broad" powers and discretion to "determine the appropriate action to be taken in the administration of the receivership." *Id.*; *see SEC v. Safety Fin. Serv., Inc.*, 674 F.2d 368, 373 (5th Cir. 1982) (holding that the court overseeing the receivership is given "wide discretionary power" in light of "the concern for orderly administration"). Second, a "primary purpose" of receivership is to promote the orderly and efficient administration of the estate. *Id.*

25. "[R]easonable procedures instituted by the district court that serve [receivership's] purpose[s]" are generally upheld. *Hardy*, 803 F.2d at 1038. Actions by a court supervising a receivership will not be disturbed unless there is a clear showing of abuse. *Safety Fin. Serv.*, 674 F.2d at 372 (citing *SEC v. Arkansas Loan & Thrift Corp.*, 427 F.2d 1171, 1172 (8th Cir. 1980)).

The procedures detailed herein, in the Receiver's reasonable business judgment, are in the best interest of the Estates and their creditors.

26. The Receiver will pay from the Receivership Assets all reasonable and customary costs incurred in connection with the terminations and cancellations, without necessity of obtaining this Court's further authorization.

A. PROPOSED PROCEDURES

27. The Receiver requests approval of the following procedures regarding the termination, cancellation, or dissolution (collectively, the "Termination") of any Defendant and/or Relief Defendant. These procedures shall give the Receiver the right, but not the obligation, to terminate, cancel, or dissolve any Defendant and/or Relief Defendant.

28. The effect of Termination of any Defendant and Relief Defendant shall be to (a) appoint the Receiver as Manager to wind up the entity's affairs, (b) deem creditors (current and foreseeable) to have been paid, (c) waive any right of any member or partner to any payment on distribution, and (d) otherwise deem full compliance with all applicable state requirements. For the avoidance of doubt, Termination shall not allocate any liability for any members, managers, officers, or equity members.

29. The Receiver shall file a written notice of the proposed Termination ("Notice") and post the Notice on the Receivership website, www.heartlandreceivership.com. The Notice shall describe the entity to be terminated.

a. Notice Date

30. The Notice shall be filed with the Court and posted to the Case website, (www.heartlandreceivership.com).

31. The Receiver will also serve by first-class U.S. mail the written Notice described above on every person who has made a written request to the Receiver and any members or

partners as of December 2, 2021. The Receiver may in her discretion provide additional notice as she deems appropriate, including any required notices by publication.

b. Objection Procedure

32. Any person who wishes to object to the Notice must file a written response with this Court setting forth the objection (and claim of ownership or interest in the Receivership entity, identifying the source of such claim) and shall file and serve the response on the Receiver within (10) calendar days of the date the Notice is filed with the Court. The objection or claim must state why the Notice should not be approved by the Court and the basis for such belief (an “Objection”). The Receiver may request an expedited hearing on any Objection.

33. If no Objection is timely filed and served, the Receiver may terminate the entity without further Order of the Court, in accordance with these procedures and as described in the Notice.

34. If an Objection is timely filed and served, the Notice will not be completed until such Objection has been ruled upon by the Court.

35. The Receiver’s reply to an Objection to the Notice must be filed within ten (10) calendar days of the Objection’s filing.

36. The Court may thereafter determine, with or without a hearing, whether to (i) overrule an Objection, or (ii) sustain an Objection.

III. CONCLUSION

37. The Receiver, in her reasonable business judgment, believes the procedures described above are in the best interests of the Receivership Estates.

WHEREFORE, PREMISES CONSIDERED, the Receiver respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as **EXHIBIT A**, approving the procedures outlined above, and for such other relief, general, or special, at law or in equity, to which she may show herself justly entitled.

Dated: November 1, 2024

Respectfully submitted,

By: /s/ Dominique A. Douglas

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COUNSEL TO RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on November 1, 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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/s/ Dominique A. Douglas
Dominique A. Douglas

EXHIBIT A

**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
LLC; HEARTLAND PRODUCTION AND
RECOVERY FUND LLC; HEARTLAND
PRODUCTION AND RECOVERY FUND II LLC;
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LLC; JAMES IKEY; JOHN MURATORE;
THOMAS BRAD PEARSEY; MANJIT SINGH
(AKA 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;
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LEADING EDGE ENERGY, LLC; SAHOTA
CAPITAL LLC; and 1178137 B.C. LTD.,**

Relief Defendants.

No. 4-21CV-1310-O-BP

**ORDER APPROVING RECEIVER'S AMENDED MOTION TO APPROVE PROCEDURES
FOR TERMINATING BUSINESS RECEIVERSHIP ENTITIES**

Before the Court is the *Receiver's Amended Motion to Approve Procedures for Terminating Business Receivership Entities* (the "Motion"),¹⁶ filed by Deborah D. Williamson, Court-appointed Receiver in the Case, pursuant to the Court's *Order Appointing Receiver* [ECF No. 17] entered on December 2, 2021, in this Case, requesting approval of the procedures described in the Receiver's Motion. After considering the Receiver's Motion, all objections and responses thereto, if any, all evidence submitted to the Court, and all arguments of counsel; accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. All defined terms utilized by the Receiver in the Motion are hereby approved and incorporated in this Order.
2. Notice. The Receiver shall file Notice with the Court and post the Notice on the Case website, (www.heartlandreceivership.com).
3. Objection to Termination. The Court establishes a ten (10) calendar day deadline to Object to the Notice ("Objection to Termination Date"). If no objections are timely received, the Receiver may thereafter finalize the termination without further Order of the Court.
4. Objection Procedure.
 - a. Any person who wishes to object to the Termination must file a written response with this Court setting forth the objection (and claim of ownership or interest in the Receivership entity, identifying the source of such claim) and must file and serve the response on the Receiver within ten (10) calendar days

¹⁶ Capitalized terms used but not otherwise defined herein have the meanings respectively ascribed in the Motion.

of the date the Notice is filed with the Court. The objection or claim must state why the Notice should not be approved and the basis for such relief.

- b. If an Objection is timely filed and served, the Termination will not be completed until such Objection has been ruled upon by the Court.
- c. The Receiver's reply to an Objection must be filed within ten (10) calendar days of the Objection's filing.
- d. The Court may thereafter determine, with or without a hearing, whether to (i) overrule the Objection, or (ii) sustain the Objection. If a hearing is to be held, the Receiver may request an expedited hearing on the Objection.

5. Liability. Termination is not intended to allocate or otherwise impose liability for any formers members, managers, officers, equity members, or other person. The Receiver, at her sole discretion, a factor where a former officer, director, or other person may be exposed to increased financial or liability upon termination may be factored but this is not a determinative factor.

6. Reservation of Rights. Nothing herein will prejudice or limit any right of the Receiver to dispute, or assert defenses to, the extent or validity of an Objection.

Signed this ____ day of _____, 2024.

HAL R. RAY, JR.
UNITED STATES MAGISTRATE JUDGE

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