

**BEFORE THE DIVISION OF SECURITIES  
OF THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH**

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In the Matter of	:	<b>NOTICE OF PREHEARING CONFERENCE</b>
<b>Sedona Oil &amp; Gas Corporation,</b>	:	<b>AND SCHEDULING ORDER</b>
<b>Kenneth Crumbley, Jr.</b>	:	Case Nos. SD-05-0033
<b>Barry Spruiell, Ron Meyer, and</b>	:	SD-05-0034
<b>John T. Crumbley</b>	:	SD-05-0035
	:	SD-05-0036
	:	SD-05-0037

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**By the Administrative Law Judge:**

This adjudicative proceeding was initiated pursuant to the issuance of an August 8, 2005 notice of agency action. Respondents filed a September 7, 2005 response, which was received by the Division on September 8, 2005. Jeffrey S. Buckner, counsel for the Division, filed a September 21, 2005 request for a prehearing conference.

The Court conducted that conference on June 28, 2006 with Mr. Buckner and Richard M. Hewitt, counsel for Respondents. Upon the Court's inquiry, respective counsel stated there has been no contact between the parties in review of this case since the August 8, 2005 notice of agency action was filed. The Court reviewed the August 8, 2005 Order to Show Cause with respective counsel and the parties then informed the Court that they would pursue initial settlement negotiations as to possibly resolve this case by stipulation in lieu of any subsequent hearing.

The Court then scheduled the Division's disclosure of the relevant and nonprivileged contents of its investigative file. The Court also coordinated a schedule with the parties for the next prehearing teleconference to be conducted in this proceeding.

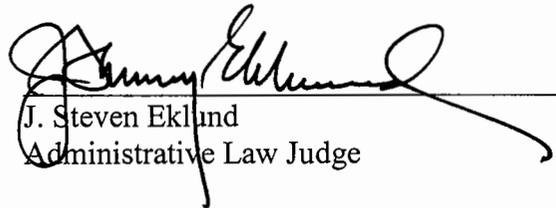
Based on the foregoing, the Court entered an Order, the terms of which are restated as follows:

**ORDER**

The Division shall provide the relevant and nonprivileged contents of its investigative file to Respondents by July 28, 2006. The Division and Respondents are granted ongoing leave to pursue initial settlement negotiations as to possibly resolve this case in lieu of a subsequent hearing. The Court will conduct another prehearing teleconference with respective counsel, commencing 10:00 a.m. (CDT)/9:00 a.m. (MDT) on August 2, 2006.

During that conference, the Court will review the status of settlement negotiations and address whether there is any reasonable likelihood that this case may be resolved in lieu of a subsequent hearing. If it appears no settlement is likely, the Court will schedule the Division's disclosure of its witness and exhibit lists to Respondent, address whether Respondent anticipates the need for further discovery and also address any other prehearing issues as warranted, including Respondent's submission of witness and exhibit lists.

Dated this 19<sup>th</sup> day of July, 2006.

  
J. Steven Eklund  
Administrative Law Judge

### Certificate of Mailing

I hereby certify that on the 20<sup>th</sup> day of July, 2006, a copy of the foregoing Notice of Prehearing Conference and Scheduling Order was sent, by regular mail, postage prepaid, to Richard M. Hewitt, 300 Trophy Club Dr., Ste 700, Trophy Club TX 76262. A copy of the Notice of Prehearing Conference and Scheduling Order was hand delivered to Jeffrey S. Buckner, Assistant Attorney General, 160 E. 300 So., 5th Flr., Salt Lake City, UT 84114-0872.

  
Diane M. Kimmerle  
Administrative Assistant