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ARKANSAS SECURITIES DEPARTMENT

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FOR IMMEDIATE RELEASE

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Contact Person: Theodore Holder

ARKANSAS SECURITIES COMMISSIONER ISSUES CEASE AND DESIST ORDER AGAINST TEXAS RESIDENT AND TWO COMPANIES IN FRAUDULENT OIL AND GAS INVESTMENTS

Arkansas Securities Commissioner A. Heath Abshure (Commissioner) issued a cease and desist order today against Randall R. Lyle, a Texas resident, and two Texas companies controlled by Lyle, Northwestern Ventures, LLP, (Northwestern) and South Platte Energy, LLC (South Platte). The Commissioner found that Lyle sold two Arkansas residents interests in a lease acquisition program involving the acquiring of mineral leases in the Gulf of Mexico from the federal government and selling the leases for a profit. Lyle represented the program as a joint operation between a Texas company then known as Cs Solutions, Inc. (CSI) and Northwestern.

CSI actually had such a lease acquisition program known as the Colt Project, but it was not jointly run by Northwestern. Northwestern and South Platte were investors in the Colt Project, but had no managerial control. Lyle promised the Arkansas resident referred to as AR1 a 2.5% interest in the Colt Project, plus a return of 1.5 times her initial investment of \$500,000. AR1 made two more investments with Lyle, one for \$500,000 and another for \$150,000. These investments were with South Platte, which Lyle represented to be Northwestern's parent company. AR1's initial \$500,000 investment was transferred to South Platte, and South Platte took the place of Northwestern. \$25,000 of the \$150,000 investment was contributed by AR2. The Arkansas investors received no return on their investments.

The order found that Lyle did not use the funds these Arkansas residents invested with him as he said he would. Rather than procuring AR1 a 2.5% interest in the Colt Project, Lyle invested most of the funds with CSI, but not in AR1's name, and he diverted some of the funds to his own use.

The Commissioner found that the three respondents had offered and sold unregistered securities in the form of interests in the Colt Project. The Commissioner found further that the representations that 1) the Colt Project had been a joint project of CSI and Northwestern, 2) AR1's initial investment would purchase her a 2.5% ownership interest in the Colt Project and 3) Lyle's diversion of some of the Arkansas investors' fund to his own use were all instances of securities fraud.

It is believed that there are no other Arkansas investors, but anyone with any more information about Lyle and the two companies named in this order are asked to contact Ted Holder at 501-324-8678 or at 1-800-981-4429. Copies of the orders are posted on the Arkansas Securities Department's website, listed below. Order No. S-11-0301-14-OR02, *In the Matter of Randall R. Lyle, et al.* (issued September 5, 2014).