### STATE OF CALIFORNIA

## BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: Mario DiMartino, President Patriot Oil & Gas Co. 900 River Road Mohrsville, PA 19541

### AMENDED DESIST AND REFRAIN ORDER (For violations of section 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

- 1. Mario DiMartino ("DiMartino") is an individual residing in Mohrsville, Pennsylvania. He is the president of Patriot Oil & Gas Co. which he claims is a Kansas company that was founded in 2005. The records of the Kansas Secretary of State do not reflect any corporation by the name Patriot Oil & Gas Co. either incorporated in or qualified to do business in the state of Kansas. DiMartino claims that Patriot Oil & Gas Co. is located at 900 River Road in Mohrsville, Pennsylvania 19541.
- 2. DiMartino is presently offering investments to California residents by means of general solicitation in the form of unsolicited phone calls to persons whom he has no reason to believe are accredited investors and posting of offering materials at his company's Web site, <a href="https://www.bigcrude.com">www.bigcrude.com</a>. Initially DiMartino offered 132 partnership interests at a purchase price of \$6,000.00 per unit in a partnership which he claimed was being formed to drill two developmental wells on oil and gas properties in Gove County, Kansas. The investments were being offered by means of a Drilling & Operating Agreement.

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- 3. On or about November 19, 2005, DiMartino informed prospective investors that the offering had been altered. It now consists of twelve partnership interests at a purchase price of \$21,693.00 per unit in a partnership which DiMartino claims is being formed to drill one well on an oil and gas property in Gove County, Kansas.
- 4. The Drilling & Operating Agreement identifies "Mario DiMartino d/b/a/ Patriot Oil & Gas Co." as the "Operator" of the investment partnership and states that the "operator . . . shall conduct and direct and have full control of all operations" of all of the lands and oil and gas leasehold interests intended to be developed and operated for oil and gas purposes under the agreement. The Drilling & Operating Agreement does not identify any members of management and staff of Patriot Oil & Gas Co. other than company president DiMartino.
- 5. Neither the company Web site nor the Drilling & Operating Agreement sets forth DiMartino's education, experience or qualifications. Neither reveals that DiMartino filed Chapter 7 bankruptcy petitions on August 15, 2002 and May 20, 2003, the latter resulting in discharge on November 19, 2003.
- 6. The partnership interests offered by DiMartino and Patriot Oil & Gas Co. are securities within the definition of Corporations Code section 25019.
- 7. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer or sale the partnership interests offered by DiMartino and Patriot Oil & Gas Co. in this state.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the partnership interests offered by Mario DiMartino and Patriot Oil & Gas Co. are securities which are subject to qualification under the California Corporate Securities Law of 1968 which have been and are being offered without being qualified, in violation of section 25110 of the California Corporations Code. Pursuant to section 25532 of the Corporate Securities Law of 1968, Mario DiMartino and Patriot Oil & Gas Co. are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities including but not limited to partnership interests in the form of oil and gas investments unless and until qualification has been made pursuant to the Corporate Securities Law of 1968 or unless exempt.

The California Corporations Commissioner is of the further opinion that the partnership interests are being offered by Mario DiMartino and Patriot Oil & Gas Co. by means of communications which have omitted material facts necessary in order to make the statement made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968. They have failed to inform prospective purchasers of partnership interests that Mario DiMartino, president and principal of the "Operator," has filed Chapter 7 bankruptcy petitions in 2002 and 2003 and was discharged in bankruptcy in November 2003. Pursuant to section 25532 of the Corporate Securities Law of 1968, Mario DiMartino and Patriot Oil & Gas Co. are hereby ordered to desist and refrain from offering and selling or buying or offering to buy any security in the State of California, including but not limited to partnership interests, by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

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1	This Order is necessary, in the public interest, for the protection of investors and consistent
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4	Dated: February 22, 2006
5	Los Angeles, California
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7	WAYNE STRUMPFER Acting California Corporations Commissioner
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10	ByALAN S. WEINGER
11	Acting Deputy Commissioner
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#### STATE OF CALIFORNIA

# BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: Mario DiMartino, President Patriot Oil & Gas Co. 900 River Road Mohrsville, PA 19541

#### DESIST AND REFRAIN ORDER

(For violations of section 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

- 1. Mario DiMartino ("DiMartino") is an individual residing in Mohrsville, Pennsylvania. He is the president of Patriot Oil and Gas Co. which he claims is a Kansas company that was formed in 2005. The records of the Kansas Secretary of State do not reflect any corporation by the name Patriot Oil & Gas Co. either formed in or qualified to do business in the state of Kansas. DiMartino claims that Patriot Oil & Gas Co. is located as 900 River Road in Mohrsville, Pennsylvania 19541.
- 2. DiMartino is presently offering investments to California residents by means of general solicitation in the form of unsolicited phone calls to persons whom he has no reason to believe are accredited investors and posting of offering materials at his company's website, <a href="www.bigcrude.com">www.bigcrude.com</a>. Initially DiMartino offered 132 interests at a purchase price of \$6,000 per unit in a partnership which he claimed was being formed to drill two developmental wells on oil and gas properties in Gove County, Kansas. The investments were being offered by means of a Private Placement Memorandum dated November 6, 2005. The Private Placement Memorandum stated that the offering commenced

on November 6, 2005 and would end either when all 132 units were sold or July 6, 2006, whichever occured first, unless extended for an additional six months.

3. On or about November 16, 2005, DiMartino informed prospective investors that the offering had been altered. It now consists of an offering of twelve partnership interests at a purchase price of \$24,000 per unit in a partnership which DiMartino claims is being formed to drill one well on an oil and gas property in Gove County, Kansas. The Private Placement Memorandum has been amended but still states that the offering began on November 6, 2005 and will terminate either when all sixteen units are sold or July 6, 2006, unless extended for an additional six months.

- 4. Both the original and amended versions of the Placement Memorandum identify Patriot Oil & Gas Co. as the Managing Partner of the investment partnership and state that the partnership "will rely on the Managing Partner to finance the Program's operations from other sources if Subscriptions for fewer than [the specified number of units] are purchased by investors or if the costs of the Partnership's business are higher than estimated." Both the original and amended versions of the Private Placement Memorandum also state that "The ultimate success of the Partnership's drilling and field operations will, to a certain extent, be dependent upon the capabilities and judgment of the management and staff of the Managing Partner." Neither the original nor the amended version of the Private Placement Memorandum identify any members of management and staff of Patriot Oil & Gas Co. other than company president DiMartino.
- 5. Neither the original nor amended version of the Private Placement Memorandum sets forth DiMartino's education, experience or qualifications. Neither reveals that DiMartino filed Chapter 7 bankruptcy petitions on August 15, 2002 and July 14, 2003, resulting in discharge on November 19, 2003.
- 6. The partnership investment units offered by DiMartino and Patriot Oil & Gas Co. are securities within the definition of Corporations Code section 25019.

7. The Department of Corporations has not issued a permit or other form of qualification authorizing the offer or sale of partnership investment units offered by DiMartino and Patriot Oil & Gas Co.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the partnership units offered by Mario DiMartino and Patriot Oil & Gas Co. are securities which are subject to qualification under the California Corporate Securities Law of 1968 which have been and are being offered without being qualified, in violation of section 25110 of the California Corporations Code. Pursuant to section 25532 of the Corporate Securities Law of 1968, Mario DiMartino and Patriot Oil & Gas Co. are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities in the form of partnership units unless and until qualification has been made pursuant to the Corporate Securities Law of 1968 or unless exempt.

The California Corporations Commissioner is of the further opinion that the limited partnership units are being offered by Mario DiMartino and Patriot Oil & Gas Co. by means of communications which have omitted material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968. They have failed to inform prospective purchasers of limited partnership units that Mario DiMartino, president and principal of the Managing Partner Patriot Oil & Gas Co., has filed Chapter 7 bankruptcy petitions in 2002 and 2003 and was discharged in bankruptcy in November of 2003. Pursuant to section 25532 of the Corporate Securities Law of 1968, Mario DiMartino and Patriot Oil & Gas Co. are hereby ordered to desist and refrain from offering or selling or buying or offering to buy any security in the State of California, including but not limited to limited partnership units, by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

DESIST AND REFRAIN ORDER

1	This Order is necessary, in the public interest, for the protection of investors and consistent
2	with the purposes, policies, and provisions of the Corporate Securities Law of 1968.
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4	Dated: December 9, 2005
5	Los Angeles, California
6	WAYNE STRUMPFER Acting California Corporations Commissioner
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8	By ALAN S. WEINGER
9	ALAN S. WEINGER Acting Deputy Commissioner
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