

1 STATE OF CALIFORNIA
2 BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
3 DEPARTMENT OF BUSINESS OVERSIGHT

4 TO: Texas Allied Petroleum, Inc.,
5 TAP Management, Inc.
6 Cody Davis
7 515 Congress Avenue, Suite 2525
8 Austin, Texas 78701

9 DESIST AND REFRAIN ORDER

10 (For Violations of Section 25110 of the Corporations Code)

11 The California Commissioner of Business Oversight (“Commissioner”) finds that:

12 1. At all relevant times herein, Texas Allied Petroleum, Inc. (“Texas Allied
13 Petroleum”) is a Texas corporation with its last known address at 515 Congress Avenue, Suite 2525,
14 Austin, Texas 78701. Texas Allied Petroleum operates a website at www.texasalliedpetroleum.com
15 and purportedly “produces petroleum and natural gas in the United States.” Texas Allied Petroleum
16 reputedly owns TAP Management, Inc. as described below.

17 2. At all relevant times herein, TAP Management, Inc. (“TAP Management”) is a
18 Nevada corporation located at 515 Congress Avenue, Suite 2525, Austin, Texas 78701, the same
19 office address as Texas Allied Petroleum. TAP Management maintains a website at
20 www.texog.com. According to its website and its offering materials, TAP Management is a wholly
21 owned subsidiary of Texas Allied Petroleum. TAP Management also claims to have
22 “approximately 80 producing oil and gas wells in Wyoming, Kansas, Oklahoma, Louisiana, and
23 Texas.”

24 3. According to Tap Management’s offering materials, Texas Allied Petroleum and
25 TAP Management were “formed for the principal purpose of reviewing drilling prospects upon
26 which partnerships and joint ventures sponsored by it would engage in oil and gas exploration,
27 development and production activities.”

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1 4. At all relevant times herein, Cody Davis is the chief operating officer of Texas Allied
2 Petroleum and serves as the chief executive officer and director of TAP Management. His last
3 known business address is at 515 Congress Avenue, Suite 2525, Austin, Texas.

4 5. According to TAP Management's offering materials, TAP Management is the
5 "Managing Venturer" of the "Tribbey B Joint Venture" ("Tribbey Venture"), a "Texas joint venture
6 formed to own working interest in and drill two oil and gas Prospect Wells, and if the Venturers
7 vote in favor, one salt water disposal well." TAP Management offers units of partnership interest in
8 the Tribbey Venture at \$62,500 per unit.

9 6. In or about November 2012, a representative of TAP Management cold-called at least
10 one California resident ("CA Resident") and offered securities in the form of units of partnership
11 interest labeled "units" and/or certificates of interest or participation in an oil, gas or mining title or
12 lease or in payments out of production under that title or lease in the Tribbey Venture. In addition,
13 the CA Resident was told that he would benefit from tax credits. The CA Resident was also told that
14 Cody Davis was the principal of TAP Management. Subsequently, the CA Resident received the
15 company's offering materials, including a "Confidential Information Memorandum" dated August
16 14, 2012. Shortly thereafter, the CA Resident received another telephone call from a TAP
17 Management representative who explained that the CA Resident could easily make 45% up to 234%
18 on the investment.

19 7. The units of partnership interest and/or certificates of interest or participation in an oil,
20 gas or mining title or lease or in payments out of production under that title or lease in the Tribbey
21 Venture were offered in this State in issuer transactions. The Department has not issued a permit or
22 other form of qualification authorizing any person to offer or sell these securities in this State.

23 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion
24 that the securities in the form of units of partnership interest and/or certificates of interest or
25 participation in an oil, gas or mining title or lease or in payments out of production under that title or
26 lease offered by Texas Allied Petroleum, Inc., TAP Management, Inc. and Cody Davis are securities
27 subject to qualification under the Corporate Securities Law of 1968 and are being or have been
28 offered or sold without first being qualified. Under Corporations Code section 25532, Texas Allied

1 Petroleum, Inc. TAP Management, Inc. and Cody Davis are hereby ordered to desist and refrain from
2 offering or selling or buying or offering to buy any security in the State of California, including but
3 not limited to units of partnership interest and/or certificates of interest or participation in an oil, gas
4 or mining title or lease or in payments out of production under that title or lease unless and until
5 qualification has been made under this law or unless exempt.

6 This Order is necessary, in the public interest, for the protection of investors and consistent
7 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

8 Dated: August 22, 2014
9 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

11 By _____
12 MARY ANN SMITH
13 Deputy Commissioner
14 Enforcement Division

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