

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: MATRIX PETROLEUM, INC.,)
BASIN OIL AND GAS CORPORATION,)
THIER OFFICERS, DIRECTORS,) File No. 0800026
EMPLOYEES, AFFILIATES, SUCCESSORS,)
AGENTS AND ASSIGNS)

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS: Matrix Petroleum, Inc.
Basin Oil and Gas Corporation
207 E. Reynolds, Suite C
Lexington, KY 40517

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, having been fully advised in the premises by the staff of the Illinois Securities Department, Office of the Secretary of State, herein find:

1. That Respondents, Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, are purported business entities, with a last known address of 207 E. Reynolds, Suite C, Lexington, KY 40517;
2. That between the dates of November 29, 2001 and June 26, 2006, Respondents Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to JT, an Illinois resident, working interests in multiple oil well developments for a total investment amount of \$314,625;
3. That each of the aforesaid oil well interests is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
4. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
5. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to

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offer or sell securities except in accordance with the provisions of the Act;

6. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provisions of the Act;
7. That at all times relevant hereto, Respondents Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
8. That by virtue of the foregoing, Respondents Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, have violated Sections 12.A and 12.D of the Act;
9. That Section 11.F.(2) of the Act provides, inter alia, that the Secretary of State may temporarily suspend or prohibit the offer or sale of securities by any person if the Secretary of State in his or her opinion, based upon credible evidence, deems it necessary to prevent an imminent violation of the Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act;
10. That based upon the foregoing, the Secretary of State deems it necessary, in order to prevent imminent and additional violations of the Act, and to prevent losses to investors as a result of the referenced prior violation of the Act, to enter an order pursuant to the authority granted under Section 11.F of the Act which prohibits Respondents Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, from offering and/or selling securities in the State of Illinois; and
11. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order is in the public interest and is consistent with the purposes of the Act.

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NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents Matrix Petroleum, Inc. and Basin Oil and Gas Corporation, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, are hereby PROHIBITED from offering and/or selling securities in or from the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 West Jefferson, Suite 300A, Springfield, Illinois 62702. Such request must be made within thirty (30) days of the date of entry of this Temporary Order. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for ninety days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS TEMPORARY ORDER SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE TEMPORARY ORDER FINAL.

ENTERED: This 2 day of September 2008


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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