

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: HEARTLAND RESOURCES, INC., )  
ITS OFFICERS, DIRECTORS, ) File No. 0700586  
EMPLOYEES, AFFILIATES, SUCCESSORS, )  
AGENTS AND ASSIGNS )

NOTICE OF HEARING

TO THE RESPONDENT: Heartland Resources, Inc.  
C/O Hunter Durham, Esq.  
130 Public Square  
P.O. Box 100  
Columbia, KY 42728-0100

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 et seq.] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 West Jefferson Street, Suite 300A, Springfield, Illinois 62702, on the 19<sup>th</sup> day of November, 2008, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis, or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order of Prohibition should be entered against Heartland Resources, Inc., its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns (the "Respondent") in the State of Illinois and granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to Section 11 of the Act, payable within ten (10) days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That Respondent, Heartland Resources, Inc., is a purported business entity, with a last known address of 942 Searcy Way, Bowling Green, KY 42103;
2. That between the dates of November 9, 2006, and June 6, 2007, Respondent Heartland Resources, Inc., by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to JT, an Illinois resident, four "units" of the Heartland-Razorback oil well development for a total investment amount of \$159,880;
3. That on or about April 24, 2007, Respondent Heartland Resources, Inc., by and through its Officers,

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Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to JT, an Illinois resident, one "unit" of the Heartland-Twelve Well oil well development for a total investment amount of \$79,900;

4. That the aforesaid offer and sale of the aforesaid oil well developments was made pursuant to and as a result of an initial and unsolicited phone made by Respondent to JT on or prior to November 9, 2006;
5. That prior to the aforesaid phone call and resulting offer and sale of the aforesaid oil well developments, JT had no prior knowledge of the Respondent, the Respondent and JT had no prior personal or business relationship, and therefore the aforesaid offer and sale was a result of general solicitation of JT by the Respondent;
6. That in regards to the aforesaid Heartland-Razorback oil well development, the records of the Department indicate that the Respondent filed a Notice of Sales pursuant to Regulation D of the Rules and Regulations of the Securities Act of 1933 (17 C.F.R. 230.501-230.508) (hereinafter, "Regulation D"), and specifically Section 506 of Regulation D; the effective dates of said filing was from December 5, 2006 through December 5, 2007;
7. That in regards to the aforesaid Heartland-Twelve Well oil well development, the records of the Department indicate that the Respondent filed a Notice of Sales pursuant to Section 506 of Regulation D; the effective dates of said filing was from June 14, 2007 through June 14, 2008;
8. That Respondent's private placement memorandum, dated August 3, 2006, and received by JT on or about the time of the sale of the aforesaid oil well developments, stated that Respondent is currently negotiating with the State of Alabama concerning a "temporary" Cease and Desist Order but does not disclose or identify the specific title/caption of said temporary order, the date it was entered or its case number;
9. That other than the aforesaid purported "temporary" order, the Respondent failed to disclose any other administrative actions entered against the Respondent by the State of Alabama;

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10. That on April 27, 2006, the Alabama Securities Commission entered against Heartland Resources an Amended Cease and Desist Order, DC-2006-0015A (hereinafter, "Order"), prohibiting Heartland Resources from further offers or sales of any security into, within or from the state of Alabama;
11. That the aforesaid Order does not contain the word "temporary" in its title or content, contains no language, terms, conditions or time limitations regarding its purported "temporary" nature and continues to be in effect as of this date;
12. That each of the aforesaid units 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");
13. That Section 502(c) under Regulation D of the Rules and Regulations of the Securities Act of 1933 (17 C.F.R. 230.501-230.508) (hereinafter, "Regulation D") provides, inter alia, that the exemption to registration provided under Regulation D is limited to the condition that, except as provided in Section 504(b)(1) of Regulation D, neither the issuer nor any person acting on its behalf shall offer or sell the securities by any form of general solicitation or general advertising;
14. 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;
15. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
16. 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;
17. That Section 12.G of the Act provides, inter alia, that it shall be a violation of the Act for any person to

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obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission 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;

18. That at all times relevant hereto, Respondent Heartland Resources, Inc., by and through its 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;
19. That at all times relevant, the conduct of Respondent Heartland Resources, Inc., by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, violated the conditions for the registration exemption provided under Regulation D in that Respondent employed general solicitation in its offer and sale of the aforementioned securities to JT, and therefore, the offer and sale of the aforementioned securities were not subject to said Section 506 Regulation D registration exemption;
20. That at all times relevant hereto, Respondent Heartland Resources, Inc., by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, obtained money or property from JT, an Illinois resident, by means of an untrue statement of material fact or an omission to state a material fact by representing to JT in its Private Placement Memorandum that Respondent was currently negotiating with the state of Alabama concerning a "temporary" Cease and Desist Order, when in fact the Alabama Securities Commission had entered an Amended Cease and Desist Order, that such Order does not contain the word "temporary" in its title or content, contains no language, terms, conditions or time limitations regarding its purported temporary nature, contains nothing to indicate that it is in fact "temporary" in nature, continues to be in effect as of this date, and is therefore not a "temporary" order; furthermore, other than the aforesaid purported "temporary" order, the Respondent failed to disclose any other administrative order which may have been issued against Respondent by the State of Alabama;

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21. That by virtue of the foregoing, Respondent Heartland Resources, Inc., by and through its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, has violated Sections 12.A, 12.D and 12.G of the Act;
22. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
23. That Section 11.E.(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is engaging or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
24. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as an order of public censure and the costs of investigation and reasonable expenses;
25. That by virtue of the foregoing, the Respondent Heartland Resources, Inc., its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, is subject to a fine of up to \$10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above or a Special Appearance pursuant to Section 130.1107 of the Rules, or other responsive pleading within thirty days of the receipt of this notice. Your failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

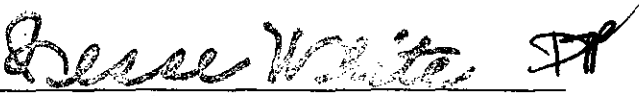
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Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated this 14<sup>th</sup> day of October, 2008.

  
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Jesse White  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
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