

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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<b>IN THE MATTER OF: SUMMERFIELD OIL &amp; GAS DEVELOPMENT CORPORATION and MICHAEL PEARMAN</b>	) ) ) ) )	<b>FILE NO. C0600587</b>
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ORDER OF PROHIBITION

**TO RESPONDENTS:** SUMMERFIELD OIL & GAS DEVELOPMENT CORPORATION  
17810 SE 108<sup>th</sup> Court  
Summerfield, Florida 34491

MICHAEL PEARMAN  
17810 SE 108<sup>th</sup> Court  
Summerfield, Florida 34491

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 26, 2007 which prohibited Summerfield Oil & Gas Development Corporation and Michael Pearman ("Respondents") from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

**BACKGROUND FACTS**

1. Respondent, Michael Pearman, (hereinafter "Pearman" or collectively with (Summerfield "Respondents")) has a last known address of 17810 SE 108<sup>th</sup> Court, Summerfield, Florida 34491.
2. Respondent, Summerfield Oil & Gas Development Corporation, (hereinafter "Summerfield" or collectively with (Michael Pearman "Respondents")) has a last known address of 17810 SE 108<sup>th</sup> Court, Summerfield, Florida 34491.
3. At all times relevant to this Temporary Order of Prohibition, Respondent Pearman was a control person of Respondent Summerfield.
4. Investor is an Illinois resident.
5. In or around September 2005, Respondent Pearman cold-called Investor soliciting him to invest in Respondent Summerfield.
6. Respondent Pearman offered to sell to Investor an undivided 3.125 percent "working interest" per well per year and a 2.5 percent "net revenue interest" per well per year, in Respondent Summerfield's drilling program, for the sum of \$14,250.00 per unit.
7. On or about November 8, 2005, Investor gave to Respondents a check in the amount of \$14,250.00, for an undivided 3.125 percent "working interest" per well per year and a 2.5 percent "net revenue interest" per well per year in Respondent Summerfield's drilling program.
8. A few months after making the investment, Investor telephoned Respondent Pearman to check on the status of his investment, Respondent Pearman told Investor that drilling should begin in a few months.
9. In early 2006, Investor telephoned Respondent Pearman regarding the status of his investment. Respondent Pearman told Investor he was in the hospital but that drilling should begin soon.
10. After several months, Investor again telephoned Respondent Pearman concerning the progress of drilling and the status of Investor's investment. Respondent Pearman told Investor not to worry that he had to get more investors and that drilling would begin soon.
11. To date, Investor has not received any monies from his investment, either in profits or as a refund and Respondent Pearman continues to fail and refuses to provide Investor with the status of his investment.

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12. The activities described above constitute the offer and sale of a fractional undivided interest in oil, gas or other mineral lease, and therefore a security, as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
13. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
14. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
15. Section 12.A of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (the "Act") states that it shall be a violation of the provisions of this Act for any person to "offer or sell any security except in accordance with the provisions of this Act."
16. Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, ("the Act") provides, *inter alia*, that it shall be a violation of the Act to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to the Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
17. By virtue of the foregoing, Respondents violated 12.A and 12.D of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Summerfield Oil & Gas Development Corporation** and **Michael Pearman** are **PROHIBITED** from offering or selling securities in or from this State until the further Order of the Secretary of State.

**NOTICE:** Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five

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**(35) days from the date a copy of this Order is served upon the party seeking review.**

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

Dated: This 28th day of November 2007

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE  
Secretary of State  
State of Illinois

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