

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
PINPOINT PETROLEUM, LLC,
MICHAEL J. LORES SR., DAN VOLF,
and BRADLEY JOSEPH BYRAM,

PETITION FOR ORDER

Respondents.

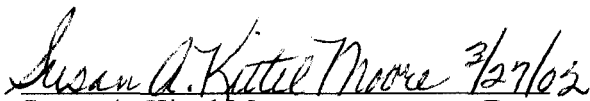
File No. S-01298(EX)

The staff of the Enforcement Unit, Bureau of Registration & Enforcement, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

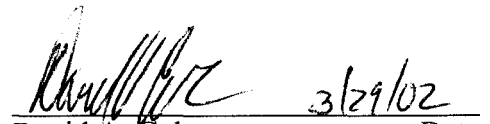
1. Pinpoint Petroleum LLC ("Pinpoint") is a foreign business entity with a last known business address of 155 Wilde Green Dr., Roswell, GA 30075-7118 and 1250 E. Hallandale Beach Blvd., #504, Hallandale Beach, FL 33009.
2. Michael J. Lores, Sr. (CRD #2927809; DOB 7/25/51) ("Lores") is an individual who at all times material hereto has been President and Managing Member of Pinpoint, with a last known business and residence address at that of Pinpoint in Roswell, GA.
3. Dan Volf (CRD#3209747; 2/7/76 ("Volf") is an individual who at all times material hereto has been an agent of Pinpoint and Lores, with a last known business address of FMS, Inc., 301 Yamato Rd., Ste. 1100/1200, Boca Raton, FL 33431 and a last known residence address of 1501 NE 191st St., #307, North Miami Beach, FL 33179.
4. Bradley Joseph Byram ("Byram") is an individual who at all times material hereto has been an agent of Pinpoint and Lores, with a last known business address at that of Pinpoint in Hallandale.
5. During the period of December 2001, Volf and Byram on behalf of Pinpoint and Lores, offered to at least one person in Wisconsin, who had no pre-existing relationship with any of the Respondents, the opportunity to purchase voting units of Pinpoint.
6. Pursuant to the offering materials received by persons in Wisconsin, Pinpoint will engage in the business of extracting oil and natural gas.
7. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.
8. Upon information and belief, each investor will not be involved in the day-to-day management of Pinpoint, since there are too many investors for them to each have any meaningful input, and they do not have the expertise or experience necessary to perform its duties.
9. Since the investors will be involved in a common enterprise with the expectation of profits to be derived from the essential managerial efforts of others, the voting units offered by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.

10. The Pinpoint investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
11. The Pinpoint offering memorandum states that the offers and sales of its securities in Wisconsin are transactions exempt from registration pursuant to the provisions of secs. 551.23(8)(g) and 551.23(11)(a) and that the transactions satisfy the requirements of Rule 506 of Regulation D promulgated pursuant to Section 4(2) of the Securities Act of 1933, as amended by adoption of the National Securities Markets Improvement Act of 1996.
12. As set forth in 551.29(2), Wis. Stats., transactions made in reliance on the exemption provided by Rule 506 of Regulation D under the Securities Act of 1933, no commission or other remuneration may be paid or given to any person other than broker-dealers and agents licensed in Wisconsin for soliciting or selling to any person in Wisconsin.
13. On December 20, 2001, during the offer of the securities referred to in Paragraph 5, Byram stated that Byram and his "satellite office" get 25% for a sales fee from Pinpoint.
14. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
15. In connection with the offers of the securities described above, Volf and Byram transacted business in Wisconsin as "agents" for Pinpoint and Lores, as that term is defined by sec. 551.02(2), Wis. Stats.
16. At no time have Volf and Byram been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.
17. Volf and Byram have violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.
18. Pinpoint and Lores have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

 3/27/02
 Susan A. Kittel Moore Date

Legal Assistant
 Enforcement Unit

 3/29/02
 David A. Cohen Date

Supervising Attorney
 Enforcement Unit

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
PINPOINT PETROLEUM LLC,

Respondent.

ORDER OF PROHIBITION
(CONSENT)

File No. S-01298(EX)

Based upon the attached Petition for Order and Waiver and Consent to Order I find that this action is necessary and appropriate in the public interest and for the protection of investors;

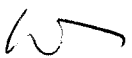
Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Pinpoint Petroleum LLC, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on its behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Pinpoint Petroleum LLC, its successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on its behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 15 day of April, 2002.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

RECEIVED

MAR 11 2002

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
PINPOINT PETROLEUM LLC,

WAIVER AND CONSENT
TO ORDER

Respondent.

File No. S- 01298(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, hereby waives its right to a hearing with respect to this matter and hereby consents to the issuance of the Order;

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a wilful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 6 day of March, 2002.

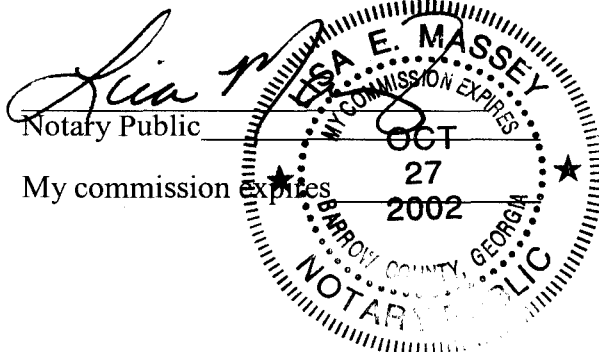
PINPOINT PETROLEUM LLC

Michael J. Lores, Sr.
by _____

MICHAEL J. LORES, MANAGING
(Type name and title) PARTNER

State of _____)
County of _____)

Subscribed before me this
6 day of March, 2002.



BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
MICHAEL J. LORES, SR.,

Respondent.

ORDER OF PROHIBITION
(CONSENT)

File No. S-01298(EX)

Based upon the attached Petition for Order and Waiver and Consent to Order I find that this action is necessary and appropriate in the public interest and for the protection of investors;

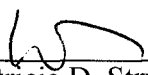
Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Michael J. Lores, Sr., his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Michael J. Lores, Sr., his agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on his behalf, are prohibited from employing an agent to represent them in Wisconsin unless the agent is licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.

EXECUTED at Madison, Wisconsin, this 1st day of April, 2002.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

RECEIVED

BEFORE THE
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES
STATE OF WISCONSIN

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STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
MICHAEL J. LORES, SR.,

Respondent.

WAIVER AND CONSENT
TO ORDER

File No. S-01298(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, hereby waives his right to a hearing with respect to this matter and hereby consents to the issuance of the Order;

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a wilful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 6 day of March, 2002.

MICHAEL J. LORES, SR.

Michael J. Lores, Sr.
Michael J. Lores, Sr.
(DOB 7/25/51)

State of)
County of)

Subscribed before me this
6 day of March, 2002.

Lisa M. Massey
Notary Public
My commission expires OCT 27 2002
BARROW COUNTY, GEORGIA
NOTARY PUBLIC

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
DAN VOLF,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-01298(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Dan Volf, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Dan Volf is prohibited from transacting business as a securities agent in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- c. Dan Volf shall resolve his civil liability under sec. 551.59, Wis. Stats., resulting from the unlawful sales of securities described in the Petition for Order prior to filing an application for a securities agent license in Wisconsin.

EXECUTED at Madison, Wisconsin, this 1st day of April, 2002.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

Under sec. 551.61(2), Wis. Stats., within thirty (30) days after any Order has become effective without a hearing, any interested party may file a written request with the Administrator of the

Division of Securities for a hearing in respect to any matters determined by the Order. A request for hearing shall be in the form of a petition for hearing and shall, under section SEC 8.01, Wis. Adm. Code, plainly admit or deny each specific allegation, finding, or conclusion in the Order and incorporated papers (unless the petitioner lacks sufficient knowledge or information to permit an admission or denial, in which case the petition shall so state, and such statement shall have the effect of a denial), and shall state all affirmative defenses.

You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
BRADLEY JOSEPH BYRAM,

Respondent.

ORDER OF PROHIBITION
(SUMMARY)

File No. S-01298(EX)

Based upon the attached Petition for Order I have reason to believe that unregistered securities have been offered or sold in Wisconsin by an unlicensed person in violation of Ch. 551, Wis. Stats., and that any further offer or sale of unregistered securities by or on behalf of the Respondent would be fraudulent to purchasers and I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to secs. 551.24(2), 551.60(2)(a) and (b) and 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Bradley Joseph Byram, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities are registered under Ch. 551, Wis. Stats., or successor statute, or properly exempted therefrom.
- b. Bradley Joseph Byram is prohibited from transacting business as a securities agent in Wisconsin unless licensed under Ch. 551, Wis. Stats., or successor statute, or excepted from the licensing requirement.
- c. Bradley Joseph Byram shall resolve his civil liability under sec. 551.59, Wis. Stats., resulting from the unlawful sales of securities described in the Petition for Order prior to filing an application for a securities agent license in Wisconsin.

EXECUTED at Madison, Wisconsin, this 1st day of April, 2002.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

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You are advised that any wilful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.