

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

In the Matter of
GULFTEX OPERATING INC., MASON #1-H JOINT
VENTURE, TIMOTHY P. BURROUGHS, DAVID YORK,
SHERRI K. CECOTTI, THEODORE JAHNS, and
DEREK S. WALLETS,

PETITION FOR ORDER

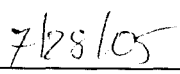
Respondent.

File No. S-04151(EX)

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

1. Gulftex Operating Inc ("Gulftex") is a Texas corporation with a last known business address of 3030 LBJ Fwy., Ste. 1320, Dallas, TX 75234.
2. Mason #1-H Joint Venture ("Mason") is a prospective joint venture to be formed under Texas partnership law, with a last known business address of 3030 LBJ Fwy., Ste. 1320, Dallas, TX 75234.
3. Timothy P. Burroughs (DOB 10/14/59; CRD #2108227) ("Burroughs") is an individual who at all times material hereto has been President of Gulftex, with a last known business address at that of Gulftex.
4. David York ("York") is an individual who at all times material hereto has been Executive Vice President and Director of Field Operations of Gulftex, with a last known business address at that of Gulftex.
5. Sherri K. Cecotti (DOB 7/3/64) ("Cecotti") is an individual who at all times material hereto has been Secretary-Treasurer of Gulftex, with a last known business address at that of Gulftex.
6. Theodore Jahns ("Jahns") is an individual who at all times material hereto has been an agent of Gulftex, Burroughs, York, and Cecotti, with a last known business address at that of Gulftex.
7. Derek S. Wallets (DOB 8/4/73; CRD #3252965) ("Wallets") is an individual who at all times material hereto has been an agent of Gulftex, Mason, Burroughs, York, and Cecotti, with a last known business address at that of Gulftex.
8. On February 14, 2005, the Division issued Summary Orders of Prohibition and Revocation against the Respondents.
9. Based on information later obtained by the staff of the Division, the staff has determined that it is not necessary to have an order in place in this matter.

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



David A. Cohen

Date

Supervising Attorney

Registration & Enforcement Bureau

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

In the Matter of
GULFTEX OPERATING INC., MASON #1-H JOINT
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SHERRI K. CECOTTI, THEODORE JAHNS, and
DEREK S. WALLETS,

ORDER REVOKING
PREVIOUS ORDER
(SUMMARY)

Respondents.

File No. S-04151(EX)

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

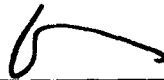
Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

The Summary Orders of Prohibition and Revocation issued against the Respondents are hereby revoked.

EXECUTED at Madison, Wisconsin, this 28th day of Dec, 2005.

(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 State of Wisconsin Department of Financial Institutions under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.