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U.S. DISTRICT COURT
 NORTHERN DISTRICT OF TEXAS
 FILED
 NOV 30 2007
 CLERK, U.S. DISTRICT COURT
 By NB Deputy

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

T-BAR RESOURCES, LLC, and
TOMMY EUGENE BARBER,

Defendants.

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COMPLAINT

Civil Action No.

3-07CV1994-B

Plaintiff Securities and Exchange Commission alleges:

SUMMARY

1. Between May 2006 and November 2007, Tommy E. Barber, acting through T-Bar Resources, LLC, engaged in the fraudulent offer and sale of securities in three oil and gas drilling projects known as Arrowhead, Sierra and Sidnee. Collectively, Barber raised nearly \$14 million from over 300 investors in connection with these projects.

2. Barber, and others acting at his direction, enticed investors into purchasing interests in the drilling projects, which he characterized as joint ventures, by making material misrepresentations and omissions of fact. For example, Barber oversold the Arrowhead project without disclosing this fact to his investors, and used some of the excess funds for his personal benefit; he misrepresented the production levels of the Arrowhead project in solicitations of new investors for the Sierra and Sidnee projects; and he misrepresented to the Sierra and Sidnee investors that T-Bar had appropriate lease and drilling contracts with a third party driller/operator, when in fact, T-Bar had no such arrangements.

3. Barber consistently misappropriated investor funds through hundreds of cash withdrawals and by paying personal expenses, including expenditures for travel and entertainment at casinos and men's clubs. Barber also used more than \$100,000 from the T-Bar account to purchase a \$500,000 personal residence.

4. By engaging in the conduct alleged in this Complaint, Defendants, directly or indirectly, singly or in concert, have engaged in, and unless enjoined will continue to engage in transactions, acts, practices and courses of business that constitute violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)] and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and of Rule 10b-5 [17 C.F.R. § 240.10b-5], promulgated thereunder.

JURISDICTION AND VENUE

5. The Commission brings this action pursuant to the authority conferred upon it by Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)], to preliminarily and permanently enjoin Defendants from future violations of the federal securities laws.

6. This Court has jurisdiction over this action, and venue is proper, pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)], and Section 27 of the Exchange Act [15 U.S.C. § 78aa].

7. Defendants, directly or indirectly, made use of the means or instruments of transportation and communication, and the means or instrumentalities of interstate commerce, or of the mails, in connection with the transactions, acts, practices and courses of business alleged herein. Certain of the transactions, acts, practices and courses of

business alleged herein took place in the Northern District of Texas.

8. The interests T-Bar sold in connection with the Arrowhead, Sierra and Sidnee projects constitute securities. T-Bar and Barber controlled all aspects of the purported joint ventures, and the investors had little, if any, control over operations.

DEFENDANTS AND RELIEF DEFENDANTS

9. Barber, age 30, is a resident of Flower Mound, Texas. He managed and controlled T-Bar's operations. Barber asserted his Fifth Amendment privilege during the Commission's investigation of this matter.

10. T-Bar is a Texas limited liability company with its principal place of business in Dallas, Texas.

THE FRAUDULENT SCHEME

T-Bar's Boiler Room Operation

11. Throughout the relevant period, representatives of T-Bar, acting at Barber's direction, offered and sold joint venture interests in projects known as Arrowhead, Sierra and Sidnee from three boiler rooms located in Dallas, Houston, and Shreveport.

12. T-Bar employed "cold-callers" to solicit prospective investors via telephone. The cold-callers, using prepared scripts, qualified prospective investors by determining whether they were accredited, liquid and interested.

13. If a prospective investor was qualified, T-Bar representatives would send written offering materials to them. "Closers" would place follow-up calls to discuss the details of the investment and attempt to close the deal by obtaining a commitment to purchase the investment.

14. The cold-callers and the closers split a 15 percent commission based on the amount of money invested.

15. T-Bar raised approximately \$14 million from 300 investors in connection with the offer and sale of the purported joint venture interests in the Arrowhead, Sierra and Sidnee projects.

The Arrowhead Offering

16. From approximately May 2006 to May 2007, Barber and his representatives offered and sold joint venture interests in the Arrowhead Lease project, collecting over \$9.2 million.

17. The Arrowhead offering materials, which included a private placement memorandum ("PPM"), represented that T-Bar was seeking to raise from prospective investors a total of \$4.125 million for the 15-well project.

18. The PPM assured investors that the offering proceeds would be held in an escrow account until 80 percent of the total offering, or \$3.3 million, had been raised. At that point, the PPM stated that T-Bar could break escrow and form the Arrowhead joint venture

19. According to the offering materials, T-Bar would use \$2.625 million of the offering proceeds to acquire a 50 percent working interest in the Arrowhead Lease and to fund a turnkey drilling agreement with Reliance Oil and Gas, Inc. ("Reliance").

20. T-Bar was entitled to receive a management fee of \$1.5 million once escrow was broken.

21. T-Bar and Barber did not comply with the escrow requirements. Barber systematically withdrew offering proceeds as they were deposited to pay business and

personal expenses. Further, Barber used investor funds to pay Reliance to start drilling operations before T-bar had sold 80 percent of the venture. Barber did not disclose these facts to investors.

22. Additionally, T-Bar and Barber oversold the Arrowhead joint venture project and continued to misappropriate investor funds. Barber did not disclose to Arrowhead investors that T-bar had oversold the venture and that he was misappropriating investor funds.

23. T-Bar and Barber used \$1.29 million of the Arrowhead offering proceeds to purchase for themselves an additional 14 percent interest in Arrowhead (\$990,000), and to pay a \$300,000 penalty to Reliance for T-Bar's untimely payment for drilling services. Barber did not disclose these facts to the investors.

The Sierra and Sidnee Offerings

24. Since June 2007, T-Bar, at Barber's direction, offered and sold interests in the Sierra and Sidnee joint ventures. T-Bar received over \$2.9 million for the Sierra offering and \$1.8 million for the Sidnee offering.

25. According to the offering materials, T-Bar was seeking to raise \$4.25 million for each of the 10-well projects. T-Bar was required to pay Reliance \$2.75 million to acquire the lease interest and fund the turnkey drilling contract.

26. Similar to the Arrowhead offering materials, the Sierra and Sidnee offering materials represented that T-Bar would accumulate investor funds in separate escrow accounts until T-Bar had collected 80 percent of the total offering for each project (approximately \$3.4 million).

27. Contrary to these representations, Barber routinely withdrew investor funds as soon as they were deposited in the escrow accounts. For example, T-Bar used \$100,000 of investor funds to prepare for drilling on the Sierra project.

28. With the exception of approximately \$100,000, Barber misappropriated in excess of \$4.5 million of Sierra and Sidnee investors' funds. Barber has used the funds to pay undisclosed business expenses, and has diverted at least \$500,000 for his personal use, including \$100,000 toward the purchase of a \$500,000 home.

29. In addition to breaking the escrow accounts prematurely and misappropriating the Sierra and Sidnee offering proceeds, T-Bar and Barber, and others acting at Barber's direction, made material misrepresentations in the Sierra and the Sidnee written offering materials and in oral communications with prospective investors. T-Bar cold-callers and closers claimed that the drilling of the Sierra and Sidnee wells was imminent or had already begun. In fact, because T-Bar has not paid Reliance for the lease interest or for the drilling contract, drilling had not commenced and was never imminent.

30. Additionally, beginning in September 2007, T-Bar and Barber included in the Sierra joint venture offering materials a letter representing that the Arrowhead "field is producing over 450 [barrels of oil per day] and over 300,000 cubic feet of gas per day." In reality, the 15 Arrowhead wells are producing an average of 10 to 55 barrels of oil per day, and are unable to produce any gas because there is no gas pipeline.

FIRST CLAIM
Violations of Section 17(a) of the Securities Act

31. Plaintiff incorporates paragraphs 1 through 30 of this Complaint by reference.

32. The Defendants, directly or indirectly, singly or in concert with others, in connection with the offer or sale of securities, by use of the means and instrumentalities of interstate commerce and by use of the mails have: (a) employed devices, schemes and artifices to defraud; (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in acts, practices and courses of business which operate as a fraud and deceit upon purchasers, prospective purchasers and other persons.

33. As a part of and in furtherance of their scheme, the Defendants, directly and indirectly, prepared, disseminated or used contracts, written offering documents, promotional materials, investor and other correspondence, and oral presentations, which contained untrue statements of material facts and misrepresentations of material facts, and which omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, those set forth in paragraphs 1 through 30 above.

34. With respect to violations of Sections 17(a)(2) and (3) of the Securities Act, the Defendants were negligent in their actions regarding the representations and omissions alleged herein. With respect to violations of Section 17(a)(1) of the Securities

Act, the Defendants made the above-referenced misrepresentations and omissions knowingly or with severe recklessness regarding the truth.

35. By reason of the foregoing, the Defendants violated and, unless enjoined, will continue to violate Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)].

SECOND CLAIM

Violations of Section 10(b) of the Exchange Act and Rule 10b-5

36. Plaintiff incorporates paragraphs 1 through 30 of this Complaint by reference.

37. The Defendants, directly or indirectly, singly or in concert with others, in connection with the purchase or sale of securities, by use of the means and instrumentalities of interstate commerce and by use of the mails have: (a) employed devices, schemes and artifices to defraud; (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in acts, practices and courses of business which operate as a fraud and deceit upon purchasers, prospective purchasers and other persons.

38. As a part of and in furtherance of their scheme, the Defendants, directly and indirectly, prepared, disseminated or used contracts, written offering documents, promotional materials, investor and other correspondence, and oral presentations, which contained untrue statements of material facts and misrepresentations of material facts, and which omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, those set forth in paragraphs 1 through 30 above.

39. The Defendants made the above-referenced misrepresentations and omissions knowingly or with severe recklessness regarding the truth.

40. By reason of the foregoing, the Defendants violated and, unless enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

THIRD CLAIM
Violations of Section 5(a) and 5(c) of the Securities Act

41. Plaintiff incorporates paragraphs 1 through 30 of this Complaint by reference.

42. Defendants, directly or indirectly, singly and in concert with others, have been offering to sell, selling and delivering after sale, certain securities, and have been, directly and indirectly: (a) making use of the means and instruments of transportation and communication in interstate commerce and of the mails to sell securities, through the use of written contracts, offering documents and otherwise; (b) carrying and causing to be carried through the mails and in interstate commerce by the means and instruments of transportation, such securities for the purpose of sale and for delivery after sale; and (c) making use of the means or instruments of transportation and communication in interstate commerce and of the mails to offer to sell such securities.

43. As described in paragraphs 1 through 30, the joint venture interests are securities and have been offered and sold to the public through a general solicitation of investors. No registration statements were ever filed with the Commission or otherwise in effect with respect to these securities.

44. By reason of the foregoing, the Defendants violated and, unless enjoined, will continue to violate Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)].

RELIEF REQUESTED

Plaintiff respectfully requests that this Court:

I.

Preliminarily and permanently enjoin Defendants from violating Sections 5(a), 5(c), and 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

II.

Enter an Order *instanter* freezing all the assets of Defendants, and directing that all financial or depository institutions comply with the Court's Order.

III.

Enter an Order *instanter* that Defendants shall file with the Court and serve upon Plaintiff Commission, no later than 10 days after notice of this Order, an accounting, under oath, detailing all of their assets and all funds or other assets received from investors and from one another.

IV.

Enter an Order *instanter* that Defendants be restrained and enjoined from destroying, removing, mutilating, altering, concealing or disposing of, in any manner, any of their books and records or documents relating to the matters set forth in the Complaint, or the books and records and such documents of any entities under their control, until further order of the Court.

V.

Order that the parties may commence discovery immediately, and that notice periods be shortened to permit the parties to require production of documents, or the deposition of any party or party-representative, on 72 hours notice.

VI.

Order the Defendants to disgorge an amount equal to the funds and benefits they obtained illegally as a result of the violations alleged herein, plus prejudgment interest on that amount.

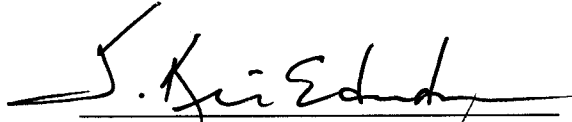
VII.

Order civil penalties against the Defendants pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)], for the violations alleged herein.

VIII.

Order such further relief as this Court may deem just and proper.

Respectfully submitted,



J. KEVIN EDMUNDSON ✓
Texas Bar No. 24044020 430746DE ✓
RONDA J. BLAIR
Nebraska Bar No. 19010 19010 ✓
CATHERINE E. CRENSHAW X
Texas Bar No. 24059625

SECURITIES AND EXCHANGE
COMMISSION

Fort Worth Regional Office
801 Cherry Street, Suite 1900
Fort Worth, Texas 76102
(817) 978-1411 (JKE)
(817) 978-4927 (Facsimile)
Attorneys for Plaintiff

ORIGINAL CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except provided by local rule of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

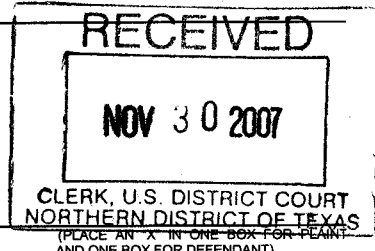
DEFENDANTS: T-Bar Resources, LLC and Tommy Eugene Barber

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF: (EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant: Dallas (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) ATTORNEY (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER): J. Kevin Edmundson, U.S. Securities and Exchange Commission, 801 Cherry Street, Suite 1900, Fort Worth, TX 76102, (817) 978-1411

ATTORNEYS (IF KNOWN): Patrick K. Craine, Bracewell & Giuliani, 1445 Ross Avenue, Suite 3800, Dallas, Texas 75202-2711, (214) 758-1048



3-07CV1994-B

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY): [X] 1 U.S. Government Plaintiff, [] 2 U.S. Government Defendant, [] 3 Federal Question (U.S. Government Not a Party), [] 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (For Diversity Cases Only): Citizen of This State [] 1 [] 1, Citizen of Another State [] 2 [] 2, Citizen or Subject of a Foreign Country [] 3 [] 3, Incorporated or Principal Place of Business in This State [] 4 [] 4, Incorporated and Principal Place of Business in Another State [] 5 [] 5, Foreign Nation [] 6 [] 6

IV. NATURE OF SUIT (PLACE AN "X" IN ONE BOX ONLY): CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES

V. ORIGIN (PLACE AN "X" IN ONE BOX ONLY): [X] 1 Original Proceeding, [] 2 Removed from State Court, [] 3 Remanded from Appellate Court, [] 4 Reinstated or Reopened, [] 5 Transferred from another district (Specify), [] 6 Multidistrict Litigation, [] 7 Appeal to District Judge from Magistrate Judge

VI. CAUSE OF ACTION CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING (DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY): Brief Description of cause: Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a), 77e(a), 77e(c)] and Section 10(b) Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND [] YES [] NO

VIII. RELATED CASE(S) (See Instructions): IF ANY JUDGE DOCKET NUMBER DATE 11/29/07 SIGNATURE OF ATTORNEY OF RECORD FOR OFFICE USE ONLY Receipt # AMOUNT APPLYING IFP JUDGE MAG. JUDGE