

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 8987 / November 26, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13109

In the Matter of

**Lexington Resources, Inc.,
Grant Atkins, and
Gordon Brent Pierce,**

Respondents.

**ORDER MAKING FINDINGS AND
IMPOSING CEASE-AND-DESIST
ORDERS PURSUANT TO SECTION 8A OF
THE SECURITIES ACT OF 1933 AS TO
LEXINGTON RESOURCES, INC. AND
GRANT ATKINS**

I.

In these proceedings, instituted on July 31, 2008 pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), respondents Lexington Resources, Inc. (“Lexington”) and Grant Atkins (“Atkins”) (collectively “Respondents”) both have submitted an Offer of Settlement (“Offer”) which the Securities and Exchange Commission (“Commission”) has determined to accept.

II.

Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Making Findings and Imposing Cease-and-Desist Orders Pursuant to Section 8A of the Securities Act of 1933 as to Lexington Resources, Inc. and Grant Atkins (“Order”), as set forth below.

III.

On the basis of this Order and the Offers of Respondents Lexington and Atkins, the Commission finds¹ that:

A. NATURE OF THE PROCEEDING

1. Between 2003 and 2006, Lexington and its CEO and Chairman Atkins issued or caused to be issued 4.7 million shares² of Lexington common stock to certain consultants who engaged

¹ The findings herein are made pursuant to Respondents’ Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

² All share amounts are adjusted for Lexington’s three-for-one stock split on January 29, 2004.

in promotional or capital-raising services for Lexington pursuant to an agreement between Lexington and a consulting firm, and to one individual who did not provide any services at all.

2. Lexington attempted to register these issuances of stock using Form S-8, a short-form registration statement that allows companies to register offerings made to employees, including consultants, using an abbreviated disclosure format. Form S-8 is to be used by issuers to register the issuance of shares to consultants who perform bona fide services for the issuer and are issued by the company for compensatory or incentive purposes. However, Form S-8 expressly prohibits the registration of the issuance of stock as compensation for stock promotion or capital-raising services. Because Lexington issued shares to consultants who engaged in stock promotion or capital-raising services and to an individual who provided no services at all, the attempted registration of these issuances using Form S-8 was invalid, and the issuances consequently were in violation of the registration provisions of the federal securities laws.

B. RESPONDENTS

3. Lexington is a Nevada corporation formed in November 2003 pursuant to a reverse merger between Intergold Corp. (“Intergold”), a public shell company, and Lexington Oil and Gas LLC, a private company owned by an offshore entity. In connection with the reverse merger, Intergold changed its name to Lexington Resources, Inc. and Lexington Oil and Gas became a wholly-owned subsidiary of Lexington Resources, Inc. Lexington’s common stock is registered with the Commission pursuant to Section 12(g) of the Exchange Act and quoted on the Pink Sheets operated by Pink OTC Markets, Inc. (“Pink Sheets”) under the symbol “LXRS” (from 2003 to 2007 the stock was quoted on the OTC Bulletin Board). On March 4, 2008, Lexington’s primary operating subsidiary, Lexington Oil and Gas, filed for Chapter 11 bankruptcy. The petition was converted to a Chapter 7 liquidation on April 22, 2008. Lexington’s only other operating subsidiary filed for Chapter 7 liquidation on June 11, 2008.

4. Grant Atkins has been CEO and Chairman of Lexington since its inception in November 2003 and was CEO and Chairman of Lexington’s predecessor, Intergold. Atkins, 48, is a Canadian citizen residing in Vancouver, British Columbia.

C. LEXINGTON AND ATKINS ISSUED 4.7 MILLION SHARES TO CERTAIN INDIVIDUALS USING FORM S-8

5. On November 19, 2003, Lexington Resources was formed through a reverse merger between Intergold (at that point a non-operational shell company) and Lexington Oil and Gas.

6. Within days after the reverse merger, Atkins, who was Lexington’s CEO and sole director at the time, caused Lexington to file a registration statement on Form S-8 and begin issuing stock to certain consultants and another individual. Between November 2003 and March 2006, Lexington issued 4.7 million shares to these individuals and attempted to register the issuances on Form S-8. Atkins caused the Form S-8 registration statements to be filed on behalf of Lexington and authorized the issuances of Lexington stock, pursuant to the instructions of the consulting firm. The recipients of these shares sold the majority into the public market less than one year after receiving them.

7. Form S-8 is an abbreviated form of registration statement that may be used to register an issuance of shares to employees and certain types of consultants; Form S-8 does not provide the extensive disclosures or Commission review required for a registration statement used for a public

offering of securities. A company can issue S-8 shares to consultants only if they provide bona fide services to the registrant and such services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the registrant's securities.

8. Lexington attempted to use Form S-8 to register issuances of shares to consultants who engaged in stock promotion or capital-raising services and to an individual who did not provide any services. The consultants to whom Lexington issued the shares prepared and distributed promotional materials about Lexington to potential investors, directed Lexington's investor relations efforts, and raised capital for Lexington's first year of drilling operations by finding investors to provide capital for the wells.

9. Lexington's attempts to register issuances of stock to these individuals on Form S-8 were invalid because the consultants were performing services expressly disallowed for Form S-8 registrations and the other individual did not provide any services at all. By failing to properly register the issuances of shares to these individuals, Lexington failed to make all of the disclosures to the public for the registration of the issuances of shares for capital-raising transactions as required by law.

D. VIOLATIONS

10. As a result of the conduct described above, the Commission finds that Respondents Lexington and Atkins violated Sections 5(a) and 5(c) of the Securities Act, which, among other things, unless a registration statement is on file or in effect as to a security, prohibit any person, directly or indirectly, from: (i) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; (ii) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or (iii) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed as to such security.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in the Offers of Respondents Lexington and Atkins.

Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 8A of the Securities Act, Respondent Lexington cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act; and

- B. Pursuant to Section 8A of the Securities Act, Respondent Atkins cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act.

By the Commission.

Florence E. Harmon
Acting Secretary