

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-16000

In the Matter of

HOUSTON AMERICAN ENERGY CORP.,
JOHN F. TERWILLIGER, JR.,
UNDISCOVERED EQUITIES INC., and
KEVIN T. McKNIGHT

Respondents.

JOINT MOTION TO STAY HEARING

Pursuant to Rule 161(c)(2) of the SEC Rules of Practice, the Division of Enforcement and Respondents Houston American Energy Corp. and John F. Terwilliger, Jr. (the "Houston American Respondents") jointly move the Law Judge to issue an immediate stay of the hearing in this proceeding, which is scheduled to commence on January 12, 2015, in Washington, DC. This stay would apply only as to the Houston American Respondents, and not as to Respondents Undiscovered Equities, Inc. and Kevin T. McKnight.

MEMORANDUM OF POINTS AND AUTHORITIES

Rule 161(c)(2) provides in pertinent part that "[i]f Commission staff and one or more respondents files a joint motion notifying the hearing officer that they have agreed in principle to a settlement on all major terms, then the hearing officer shall stay the proceeding as to the settling respondent(s) . . . pending completion of Commission consideration of the settlement offer." Although Rule 161(c)(2) makes the issuance of a stay mandatory when a proper motion has been filed, prudential considerations also strongly militate in favor of granting this motion.

First, a stay will afford sufficient time for the Commission to receive and evaluate the Houston American Respondents' signed offer of settlement. Second, a stay will conserve the resources of the parties and the tribunal and avoid unnecessary inconvenience to non-party witnesses. Third, a stay would not unduly compress the schedule in this proceeding in the event that a settlement ultimately is not concluded. The Order Instituting Proceedings in this matter was issued on August 4, 2014 and requires the issuance on the Initial Decision on a 300 day schedule, or by approximately June 1, 2015.

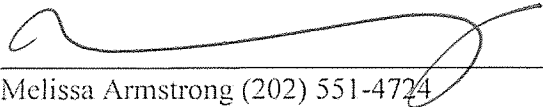
A stay pursuant to Rule 161(c)(2) is contingent on the Houston American Respondents' submission of a signed offer of settlement to Commission staff within fifteen (15) business days of the stay and on Commission staff submitting the settlement offer and its accompanying recommendation to the Commission within twenty business days of receipt of the settlement offer. *See* Rules 161(c)(2)(A) and 161(c)(2)(B).

For the reasons set forth above, the parties respectfully request that the Law Judge issue an immediate stay of these proceedings as to the Houston American Respondents.¹

¹ The Division intends to file a pre-hearing brief and proceed with the pre-hearing conference scheduled for January 6, 2015 as to Respondents Undiscovered Equities, Inc. and Kevin T. McKnight.

Dated: January 5, 2015

Respectfully submitted,



Melissa Armstrong (202) 551-4724
D. Mark Cave (202) 551-4694
Alfred A. Day (202) 551-4702
U.S. Securities and Exchange Commission
100 F. St., N.E.
Washington, D.C. 20549
Counsel for Division of Enforcement



Gerard G. Pecht
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
Telephone: (713) 651-5151
Facsimile: (713) 651-5246

Peter Stokes
Mark Oakes
98 San Jacinto Blvd., Suite 1100
Austin, Texas 78701
Telephone: (512) 474-5201
Facsimile: (512) 536-4598
*Attorneys for Respondents Houston
American Energy Corp. and John F.
Terwilliger*

