

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 73526 / November 5, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16257

In the Matter of

Worthington Energy, Inc.

Respondent.

ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING A CEASE-AND-DESIST ORDER

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Worthington Energy, Inc. (“Worthington Energy” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. 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 Worthington Energy and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Company Background

1. Worthington Energy is a Nevada corporation headquartered in San Francisco, California. Worthington Energy is a smaller reporting company under Rule 12b-2 of the Exchange Act and has been registered with the Commission under Section 12(g) of the Exchange Act since April 27, 2007. Worthington Energy's last-filed periodic report was the Form 10-Q for the period ended March 31, 2014. Its shares are quoted on OTC Link (formerly "pink sheets") operated by OTC Markets Group Inc. under the symbol WGAS.

Applicable Reporting Requirements Concerning the Issuance of Unregistered Shares

2. Under Item 1.01 of Form 8-K, a registrant must disclose its entry into a material definitive agreement that provides for obligations that are material to and enforceable against the registrant. Under Item 3.02 of Form 8-K, a smaller reporting company must disclose the unregistered sales of equity securities unless such sales, in aggregate since its last report filed under Item 3.02 or its last periodic report, whichever is more recent, constitute less than five percent of the number of shares outstanding of the class of equity securities sold. For both items, the registrant must file within four business days of the date of the occurrence or when such agreement becomes enforceable against the registrant.

Worthington Energy Failed to Disclose the Issuance of Unregistered Shares and the Existence of the Related Financing Agreement

3. On April 24, 2014, Worthington Energy entered into an agreement with a financing company ("financing agreement") pursuant to which Worthington Energy issued shares of common stock to the financing company purportedly in reliance on a registration exemption found in Section 3(a)(10) of the Securities Act of 1933 ("Securities Act"). The financing agreement provided for obligations that were material to and enforceable against Worthington Energy.

4. Worthington Energy failed to file a Form 8-K with the Commission, on or before April 30, 2014, or thereafter, disclosing the financing agreement.

5. Between January 27, 2014 and April 9, 2014, Worthington Energy sold more than 210 million shares of its common stock in transactions that were not registered under the Securities Act. By January 28, 2014, the common stock sold, in the aggregate, exceeded five percent of the number of shares of common stock outstanding reported on Worthington Energy's January 24,

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

2014, Form 10-Q. Ultimately, the common stock sold exceeded 340 percent of the number of shares of common stock outstanding reported on Worthington Energy's January 24, 2014 Form 10-Q.

6. Worthington Energy failed to file a Form 8-K with the Commission between February 3, 2014 and April 15, 2014, disclosing the unregistered sales of equity securities.

7. Between April 17, 2014 and May 13, 2014, Worthington Energy sold more than 700 million shares of its common stock to the financing company and other parties in transactions that were not registered under the Securities Act. By April 21, 2014, the common stock sold, in the aggregate, exceeded five percent of the number of shares of common stock outstanding reported on Worthington Energy's April 16, 2014 Form 10-K, and ultimately, the common stock sold exceeded 170 percent of the number of shares of common stock outstanding reported on Worthington Energy's April 16, 2014 Form 10-K.

8. Worthington Energy failed to file a Form 8-K with the Commission between April 23, 2014 and May 19, 2014, disclosing the unregistered sales of equity securities.

9. Between May 21, 2014 and June 10, 2014, Worthington Energy sold more than 1.1 billion shares of its common stock to the financing company and other parties in transactions that were not registered under the Securities Act. On May 21, 2014, the common stock sold, in the aggregate, exceeded five percent of the number of shares of common stock outstanding reported on Worthington Energy's May 20, 2014 Form 10-Q, and ultimately, the common stock sold exceeded 13 percent of the number of shares of common stock outstanding reported on Worthington Energy's May 20, 2014 Form 10-Q.

10. Worthington Energy failed to file a Form 8-K with the Commission between May 27, 2014 and June 19, 2014, disclosing the unregistered sales of equity securities.

11. As a result of the conduct described above, Worthington Energy violated Section 13(a) of the Exchange Act and Rule 13a-11 thereunder, which require every issuer of a security registered pursuant to Section 12 of the Exchange Act to file with the Commission information as the Commission may require, including current reports on Form 8-K to disclose the occurrence of certain events.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Worthington Energy's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Worthington Energy cease and desist from committing or causing any violations and any future violations of Section 13(a) of the Exchange Act and Rule 13a-11 thereunder.

B. Respondent shall pay civil penalties of \$25,000 to the Securities and Exchange Commission. Payment shall be made in the following installments: \$10,000 on or before November 15, 2014; \$2,000 on or before December 15, 2014; \$2,000 on or before January 15, 2015; \$2,000 on or before February 15, 2015; \$2,000 on or before March 15, 2015; \$2,000 on or before April 15, 2015; \$2,000 on or before May 15, 2015; \$2,000 on or before June 15, 2015; and \$1,000 on or before July 15, 2015. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of civil penalties, plus any additional interest accrued pursuant to 31 U.S.C. 3717, shall be due and payable immediately, without further application. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Worthington Energy as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to William P. Hicks, Division of Enforcement, Securities and Exchange Commission, 950 East Paces Ferry Rd. N.E., Suite 900, Atlanta, Georgia 30326.

By the Commission.

Brent J. Fields
Secretary