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

In the Matter of  
TARGET OIL & GAS CORPORATION,  
GAS FINDERS, MICHAEL SMITH,  
MERCEDES SMITH, and JEFFREY MOORE,  

Respondents.  

PETITION FOR ORDER  

File No. S-01082(EX)  

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

1. Target Oil & Gas Corporation ("Target") is a foreign business entity with a last known business address of 1000 E. Lexington Ave., Ste. 116, Danville, KY 40422.

2. Gas Finders is a foreign business entity with a last known business address of 18722 Ashford Lane, Huntington Beach, CA 92647.

3. Michael Smith is an individual who at all times material hereto has been President of Target, with a last known business address at that of Target.

4. Mercedes Smith is an individual who at all times material hereto has been Secretary of Target, with a last known business address at that of Target.

5. Jeffrey Moore ("Moore") is an individual who at all times material hereto has been the owner and controlling person of Gas Finders, with a last known business address at that of Gas Finders.

6. During the period of April 2001, Moore, on behalf of Target, Gas Finders, Michael Smith and Mercedes Smith, offered to at least one person in Wisconsin working interests in oil and gas wells.

7. Upon information and belief, investors can play a passive role in the company with no duties and responsibilities.

8. The working interests offered by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.

9. The Target investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

10. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

11. In connection with the offers of the securities described above, Gas Finders transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.
12. At no time has Gas Finders been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.

13. Respondent Gas Finders has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.

14. In connection with the offers of the securities described above, Moore transacted business in Wisconsin as an "agent" for Target, Gas Finders, Michael Smith and Mercedes Smith, as that term is defined by sec. 551.02(2), Wis. Stats.

15. At no time has Moore been licensed as a securities agent pursuant to Ch. 551, Wis. Stats.

16. Moore has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a securities agent without a license.

17. Target, Gas Finders, Michael Smith and Mercedes Smith have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.

18. On January 2, 2001, the State of Pennsylvania issued a Cease and Desist Order against Target and Michael Smith, based on allegations of securities law violations.

19. In connection with the offer of the securities described in Paragraph 6, the Respondents omitted to disclose the issuance of the order referred to in Paragraph 18.

20. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.

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

[Signatures]
Susan A. Kittel Moore 10/26/01
Legal Assistant
Enforcement Unit

[Signatures]
David A. Cohen 10/26/01
Supervising Attorney
Enforcement Unit