

ORIGINAL

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

NO. 03-0360-H
FEB 21 2003
CIVIL ACTION NO. 03-0360-H

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

**LA MESA GEOSCIENCE, INC.,
LA MESA GROUP, L.P.,
LA MESA PARTNERS, L.C.,
KENNETH HOOPER,**

Defendants.

3 03 CV - 0360 H

**FINAL JUDGMENT AND ORDER OF PERMANENT INJUNCTION AND
OTHER EQUITABLE RELIEF AS TO KENNETH HOOPER**

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint for Injunctive and Other Equitable Relief in this matter, and Defendant Kenneth Hooper ("Hooper"), having admitted service of the Summons and Complaint in this matter, having admitted the jurisdiction of this Court over him and over the subject matter of this action, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and without admitting or denying any of the allegations of the Complaint, except as set forth herein, and without trial, argument or adjudication of any issue of law or fact, having consented to the entry of this Final Judgment and Order of Permanent Injunction and Other Equitable Relief ("Order"), and it appearing that this Court has jurisdiction over the parties and the subject matter of this action, and it appearing that no further notice for the entry of this Order need be given, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant Hooper and his agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, and each of them, are restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§77e(a) and 77e(c)]:

- (a) by making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any security through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such security;
- (b) by carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any security for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such security; or
- (c) by 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, or while a registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding of examination under Section 8 of the Securities Act of 1933, as amended [15 U.S.C. § 77h]; provided, however, that nothing in this Part I

shall apply to any security or transaction in any security that is exempt from the provisions of Section 5 of the Securities Act [15 U.S.C. § 77e].

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Hooper and his agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, and each of them, are restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] by, in the offer or sale of any security, making use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statement(s) made, in the light of the circumstances under which they were made, not misleading; or
- (c) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Hooper and his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, be and hereby are permanently restrained and enjoined, from violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §78j(b)] and

Rule 10b-5 [17 C.F.R. §240.10b-5], promulgated thereunder, by directly or indirectly, in connection with the purchase or sale of securities, by making use of any means or instrumentalities of interstate commerce or of the mails, or of any facility of any national securities exchange:

- (a) to employ any device, scheme or artifice to defraud;
- (b) to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Hooper and his agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, and each of them, are restrained and enjoined from violating and aiding and abetting violations of Section 15(a) of the Exchange Act, by directly or indirectly, through the use of any means or instruments of transportation or communication in interstate commerce or by mail, effecting transactions in securities unless registered with the Commission as a broker-dealer or as a person associated with a broker-dealer.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that a civil penalty in the amount of \$40,000 shall be imposed upon Defendant Hooper pursuant to Section 21 of the Exchange Act [15 U.S.C. § 78u]. Within 30 days of the entry of this Order, Defendant Hooper shall make an initial payment of \$10,000 in the form of a cashiers check, certified check or postal money order payable to the "Securities and Exchange Commission" under cover of a letter that identifies Defendant Hooper, the caption and case number of this action and the name of this Court. Further, within 180 days of the entry of this Order, Defendant Hopper shall make a balance payment of the remaining \$30,000 also in the form of a cashiers check, certified check or postal money order payable to the "Securities and Exchange Commission" under cover of a letter that identifies Defendant Hooper, the caption and case number of this action and the name of this Court. Defendant Hooper shall transmit all payments and accompanying cover letters to Spencer C. Barasch, Associate District Administrator, Securities and Exchange Commission, Fort Worth District Office, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102. At such time as Defendant Hooper pays such funds to the Commission, he relinquishes all legal and equitable right, title, and interest in those funds, and no part of such funds shall be returned to Defendant Hooper or his affiliates, heirs, successors, or assigns.

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Hooper's Stipulation and Consent filed herewith be, and the same is hereby, incorporated

herein with the same force and effect as if fully set forth herein, and therefore, a breach of the terms of the Stipulation and Consent shall constitute a breach of this Order.

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this matter and over Defendant Hooper for purposes of enforcing the terms of this Order and for all other purposes.

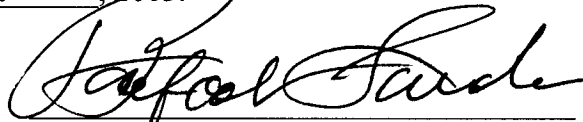
VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Order may be served upon Defendant Hooper in person or by mail either by the United States Marshall, the Clerk of the Court, or any member of the staff of the Commission.

IX.

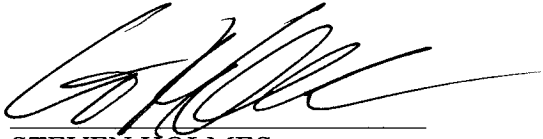
There being no just reason for delay, the Clerk of this Court is hereby directed to enter this Final Judgment and Order of Permanent Injunction and Other Equitable Relief as to Kenneth Hooper pursuant to Rule 54 of the Federal Rules of Civil Procedure.

SIGNED this 21 day of FEB., 2003.


UNITED STATES DISTRICT JUDGE

Agreed:


KENNETH HOOPER

A handwritten signature in black ink, appearing to read 'S. Holmes', written over a horizontal line.

STEVEN HOLMES
ATTORNEY FOR KENNETH HOOPER