

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Aspen Exploration Inc.
Mark Rand; Greg Rand; William
Rand

FILE NO. 0700019

NOTICE OF HEARING

TO RESPONDENTS: Aspen Exploration Inc.
2901 Dallas Parkway
Suite 380
Plano, TX 75093

Mark Rand
2901 Dallas Parkway
Suite 380
Plano, TX 75093

Greg Rand
2901 Dallas Parkway
Suite 380
Plano, TX 75093

William Rand
2901 Dallas Parkway
Suite 380
Plano, TX 75093

You are hereby notified that pursuant to Section 11.E of the Illinois Securities law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602, on the 8th day of January, 2007, at the hour of 10:00 a.m., or as soon as possible thereafter, before James Kopecky, Esq. Or such duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered pursuant to Section 11.E of the Act prohibiting Respondent from selling or offering for sale securities in the State of Illinois and/or granting such other relief as may be authorized under the Act including

but not limited to imposition of a monetary fine in the maximum amount pursuant to 11.E(4) of the Act, payable within 10 (ten) days of the order.

The grounds for such proposed action are as follows:

Failure to File With The Illinois Securities Department Documents Required to be Filed Under The Provisions of The Illinois Securities Law

1. Aspen Exploration, Inc., (Respondent #1) is a Texas company with last known address of 2901 Dallas Parkway, Suite 380, Plano, TX 75093.
2. Mark A. Rand (Respondent #2) is Chairman of the Board of Aspen Exploration, Inc., with a business address of 2901 Dallas Parkway, Suite 380, Plano, Texas 75093.
3. Greg Rand (Respondent #3) is Chief Executive Officer of Aspen Exploration, Inc., with a business address of 2901 Dallas Parkway, Suite 380, Plano, Texas 75093.
4. William Rand (Respondent #4) is President of Aspen Exploration, Inc., with a business address of 2901 Dallas Parkway, Suite 380, Plano, Texas 75093.
5. That since March of 2006, Respondents solicited Illinois Investors to purchase a participation in an oil and gas-drilling projects initiated by Aspen Exploration, Inc.
6. That Respondents entered into a contract with several Illinois residents to solicit potential Illinois investors to invest in oil and gas drilling projects initiated by Aspen Exploration, Inc.
7. That more than one Illinois resident purchased participations in an oil and gas project initiated by Aspen Exploration Inc.
8. The activities described above constitute the offer of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
9. On or about June 4, 2007, the Illinois Securities Department sent a request for information pursuant to the authority provided under Section 11.C of the Illinois Securities Law of 1953 to Respondent Aspen Exploration's Chairman of the Board, Mark Rand.
10. That the aforesaid 11.C request was sent by means of certified mail, return receipt requested.
11. That the 11.C request required a written response within ten (10) business days from receipt.

12. That Mark Rand, Chairman of the Board for Aspen Exploration signed for receipt of the 11.C request on or about June 7, 2007.
13. That Respondents refused and continue to refuse to comply with the requirements of the aforementioned 11.C letter.
14. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
15. That by virtue of the foregoing, the Respondents have violated Section 12.D of the Act.

Failure to Disclose Material Information to Investors In Connection With the Sale of Securities

16. Paragraphs 1-13 are realleged and incorporated by reference.
17. That on June 25, 2004 Integrated Production Services, Inc., claimed a lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells identified as Rancho Blanco Corporation State Well #2 and Rancho Blanco Corporation State well #3.
18. That the lien claimed \$177,130.78, plus interest, against all oil, gas and mineral leasehold estates owned by Aspen Exploration and identified as Rancho Blanco Corporation State Well #2 and Rancho Blanco Corporation State well #3.
19. That on June 15, 2004 Jack Rettig, managing member of Professional Wireline Rentals claimed a lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells identified as Rancho Blanco Corporation State well #3.
20. That the lien claimed \$63,102.64, plus interest, against all oil, gas and mineral leasehold estates owned by Aspen Exploration and identified as Rancho Blanco Corporation State well #3.
21. That on March 22, 2005 Tubular Technology claimed a lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells identified as Rancho Blanco Corporation State well #4.
22. That the lien claimed \$31,1346.41, plus interest, against all oil, gas and mineral leasehold estates owned by Aspen Exploration and identified as Rancho Blanco Corporation State well #4.

23. That on November 30, 2005 Coil Tubing Services, L.L.C. claimed a lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells identified as Rancho Blanco Corporation State well #4.
24. That the lien claimed \$45,032.64, against all oil, gas and mineral leasehold estates owned by Aspen Exploration and identified as Rancho Blanco Corporation State well #4.
25. That on February 13th, 2006, Coil Tubing Services, L.L.C. filed suit against Aspen Exploration to enforce the lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells identified as Rancho Blanco Corporation State well #4.
26. That at no time did Respondents ever disclose to Illinois Investors the risks involved with investing in the securities that Respondents were recommending.
27. That specifically, Respondents did not disclose at the time of the sale that:
 - a. That the above mentioned creditors had filed liens against Aspen Exploration Inc. for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells.
 - b. That Aspen Exploration was a party to pending litigation whereby a creditor filed suit against Aspen Exploration to enforce a lien for services performed and for materials and equipment furnished under contract with Aspen Exploration, Inc. in connection with operations conducted by Aspen Exploration on oil or gas wells.
28. That the above-mentioned omissions of fact address the solvency, financial condition and competency of Aspen Exploration Inc.
29. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
30. That by virtue of the foregoing, Respondent violated Section 12.F of the Act.
31. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission 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.
32. That by virtue of the foregoing, Respondent violated Section 12.G of the Act.

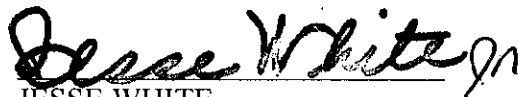
You are further notified that you are required pursuant to Section 1104 of the Rules to file an answer to the allegations outlined above, a Special Appearance pursuant to Section 1107 of the Rules, or other responsive pleading within thirty (30) days of receipt of this notice. Your failure to do this within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to appear shall constitute default by you.

A copy of the Rules promulgated under the Act and pertaining to Hearings held by the Office of the Secretary of State, Securities Department is included with this Notice.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This ~~23rd~~ day of October, 2007.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:
Illinois Securities Department
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Hearing Officer:
James L. Kopecky
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