

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: Stephen Walker
_____)

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) FILE NO. 0700019
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NOTICE OF HEARING

**TO RESPONDENTS: Stephen Walker (CRD# 725558)
4412 39th Ave.
Rock Island, IL 61201**

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 10th day of January, 2008, 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:

COUNT I:

PROVIDING FALSE STATEMENTS TO THE SECRETARY OF STATE

1. Respondent, Stephen Walker (hereinafter "Respondent") has a last known address of 4412 39th Ave., Rock Island, IL 61201.
2. Respondent has been registered with the Secretary of State, Securities Department ("the Department") from August 19, 1999 to present as an investment adviser representative, with Linsco/Private Ledger Corp.
3. Respondent is currently registered with the Secretary of State, Securities Department as a registered salesperson with Linsco/Private Ledger Corp., a broker-

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dealer located at One Beacon Street, 22nd Floor, Boston, Massachusetts 02108-3106.

4. Aspen Exploration, Inc., is a Texas company with last known address of 2901 Dallas Parkway, Suite 380, Plano, TX 75093.
5. Since, April, 2006, Respondent, solicited Illinois and Wisconsin Investors to purchase participations in an oil and gas-drilling project initiated by Aspen Exploration, Inc., Rancho Blanco State #6.
6. Since, April, 2006, Respondent, sold to Illinois and Wisconsin Investors participations in an oil and gas-drilling project initiated by Aspen Exploration, Inc., Rancho Blanco State #6.
7. Respondent's sale of the participations in the oil and gas-drilling project initiated by Aspen Exploration, Inc., to the investors were not recorded on the books of Linsco/Private Ledger Corp.
8. Pursuant to Illinois Securities Law of 1953 as amended (815 ILCS 5/1 et seq. the "Act"), an applicant wishing to be registered as a salesperson in the State of Illinois has an obligation to register with the Secretary of State, Illinois Securities Department, by having an application filed with The Secretary of State pursuant to Section 8.C of the Act.
9. Pursuant to Section 130.810 of the Rules and Regulations Under The Illinois Securities Law, in order to be properly registered in the State of Illinois, a salesperson must have that application, in the form of an NASD U-4 form, filed with the NASD utilizing the CRD System.
10. Pursuant to Section 8.C of the Act the U-4 form must be amended whenever a change occurs that renders inaccurate any information contained in the initial application.
11. The relevant portion of the U-4 form states the following:
 - a. Are you currently engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise? If YES, please provide the following details: the name of the other business, whether the business is *investment-related*, the address of the other business, the nature of the other business, your position, title, or relationship with the other business, the start date of your relationship, the approximate number of hours/month you devote to the other business, the number of hours you devote to the other business during securities trading hours, and briefly describe your duties relating to the other business.

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12. At no time has Respondent's U-4 form disclosed the fact that he is involved in any outside activity involving Aspen Exploration.
13. Section 12.E of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to make, or cause to be made, (1) in any application, report or document filed under this Act or any rule or regulation made by the Secretary of State pursuant to this Act, any statement which was false or misleading with respect to any material fact.
14. By virtue of the foregoing, Respondent violated Section 12.E of the Act.
15. Section 8.E(1)(h) of the Act provides, *inter alia*, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has made any material misrepresentation to the Secretary of State in connection with any information deemed necessary by the Secretary of State to determine a salesperson's business repute or qualifications, or has refused to furnish any such information requested by the Secretary of State.
16. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Section 8.E(1)(h) of the Act.

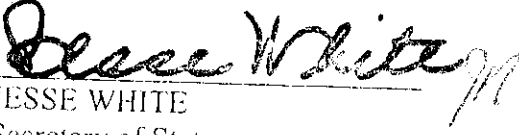
You are further notified that you are required pursuant to Section 1104 of the Rules to file an answer to the allegations outlined above, a Special Appearance pursuant to Section 1107 of the Rules, or other responsive pleading within thirty (30) days of receipt of this notice. Your failure to do this 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

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Illinois Securities Department
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