

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE AT NASHVILLE**

TENNESSEE SECURITIES DIVISION,)	
Petitioner)	
)	Docket No.: 12.06-057713J
vs.)	Order No. 006-002
)	
WESTFORT ENERGY, LTD., and)	
NORRIS HARRIS,)	
Respondents.)	

CONSENT ORDER

The Tennessee Securities Division ("Division"), Petitioner, and Westfort Energy, Ltd., and Norris R. Harris, Respondents herein, agree to the entry of this Consent Order in accordance with Tenn. Code Ann. § 48-2-116 of the Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. ("Act"), which states that the Commissioner of Commerce and Insurance ("Commissioner") from time to time may make such orders as are necessary to carry out the provisions of the Act.

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.

2. This Consent Order is executed by the Respondents for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and

consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts or omissions not specifically addressed in this Consent Order for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. Respondents fully understand that this Consent Order will in no way preclude additional proceedings by the Commissioner or any other state government representative against the Respondents for violations of law under other statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Consent Order by the Respondents.

5. Respondents expressly waive all further procedural steps, and expressly waive all rights to seek judicial review of or to otherwise challenge or contest the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner.

FINDINGS OF FACT

1. The Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. ("Act"), places the responsibility for the administration of the Act on the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility. Tenn. Code Ann. § 48-2-115.

2. Respondent, Norris R. Harris (“Harris”), is a current citizen and resident of the State of Texas. Harris maintains his address at 2291 Highway 21 East, Paige, Texas 78569. Harris has never been registered in Tennessee with the Division pursuant to the Act.

3. Respondent, Westfort Energy, Ltd. (“WEL”), is a Mississippi for-profit corporation whose principal place of business was located at 2301 14th Street, Suite 900, Gulfport, Mississippi 39501. Said business location has been destroyed by Hurricane Katrina and WEL is currently inactive. WEL is not currently registered with the Division pursuant to the Act and was not so registered at the time of the sale of WEL stock in Tennessee.

4. In April 2003 the Division received a complaint from a Tennessee resident claiming that he and several other Tennessee residents had invested in a private placement memorandum offering sold to them at a meeting in Nashville by Norris R. Harris (“Harris”), representing Westfort Energy, Ltd. (“WEL”).

5. The complainant also claimed that substantial misrepresentations were made which induced the participants to invest. The claimed misrepresentations included statements that the stock would only be restricted for four (4) months and that a deal was already in place which would generate twenty-five million dollars (\$25,000,000) in revenue for the company in connection with the sale of carbon dioxide to an unnamed Texas company.

6. Seventeen investors invested a total of one hundred, eleven thousand, six hundred and sixty-three dollars (\$111,663) in WEL stock after Harris’ presentation.

7. A few months later, in March 2003, the stock was de-listed by the Toronto Stock Exchange. The Tennessee investors never received their stock certificates or copies of their subscription agreements.

CONCLUSIONS OF LAW

8. Pursuant to Tenn. Code Ann. §48-2-115(a), the responsibility for administration of the Act is upon the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

9. Tenn. Code Ann. § 48-2-104(a) provides that: It is unlawful for any person to sell any security in this state unless: (1) It is registered under this part; (2) The security or transaction is exempted under § 48-2-103; or (3) The security is a covered security.

10. Tenn. Code Ann. § 48-2-121(a) states, it is unlawful for any person, in connection with the offer, sale or purchase of any security in the state, directly or indirectly, to: (1) Employ any device, scheme, or artifice to defraud; (2) 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 are made, not misleading; or (3) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

11. The averments in paragraphs four through seven of this Consent Order, constitute practices by WEL and Harris which would provide grounds under Tenn. Code Ann. §48-2-104 for the entry of an order of sanctions against WEL and Harris.

12. The averments in paragraphs four through seven of this Consent Order, constitute practices by Harris which would provide grounds under Tenn. Code Ann. §48-2-121 for the entry of an order of sanctions against Harris.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and Respondents' waiver of their right to a hearing and appeal under the Tennessee Securities Act and Tennessee's Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 et seq., and Respondents' admission of jurisdiction of the Commissioner, the Commissioner finds that Respondents, for the purpose of settling this matter, neither admit nor deny the "Findings of Fact" as contained herein, have agreed to the entry of this Consent Order and that the following Consent Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to Tennessee Code Annotated § 48-2-116(a) of the Tennessee Securities Act that:

1. Respondents, Westfort Energy, Ltd., and Norris R. Harris, shall fully comply with the Tennessee Securities Act, as amended, and all rules promulgated thereunder;
2. Respondents, Westfort Energy, Ltd., and Norris R. Harris, shall permanently cease and desist in any further conduct as an issuer, broker-dealer, agent of a broker-dealer, investment adviser, or investment adviser representative from or in the state of Tennessee, beginning on the date this Consent Order is executed by the Commissioner for the Department of Commerce and Insurance.

3. Respondents, Westfort Energy, Ltd., and Norris R. Harris, shall cease and desist in conducting securities transactions on behalf of others from, in, or into the State of Tennessee, beginning on the date this Consent Order is executed by the Commissioner for the Department of Commerce and Insurance.

4. Respondents, Westfort Energy, Ltd., and Norris R. Harris, shall both be permanently barred from applying for or seeking registration with the Division as an issuer, broker-dealer, agent of a broker-dealer, investment adviser, or investment adviser representative, beginning on the date this Consent Order is executed by the Commissioner for the Department of Commerce and Insurance.

5. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Gary Tolivar and pay restitution, in the amount of three thousand, eight hundred and forty dollars (\$3,840), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Gary Tolivar
306 Wellington Ct.
Madison, TN 37115

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12^h Floor
Nashville, Tennessee 37243.

6. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Harold and Loretta Tolivar and pay restitution, in the amount of seven thousand, six hundred and

eighty dollars (\$7,680), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Harold and Loretta Tolivar
1183 Murfreesboro Hwy.
Manchester, TN 37355

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

7. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Sanford and Christy Whitehurst and pay restitution, in the amount of eleven thousand, five hundred and twenty dollars (\$11,520), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Sanford and Christy Whitehurst
851 High Point Ridge Road
Franklin, TN 37069

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

8. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Frank L. King, Jr.

and pay restitution, in the amount of nine thousand, six hundred dollars (\$9,600), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Frank L. King, Jr.
P.O. Box 6126
Texarkana, TX 75505

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

9. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Laura Davis King and pay restitution, in the amount of nine thousand, six hundred dollars (\$9,600), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Laura Davis King
P.O. Box 6126
Texarkana, TX 75505

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

10. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Lindy Lawrence and pay restitution, in the amount of one thousand, nine hundred and twenty dollars

(\$1,920), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Lindy Lawrence
9004 River Ridge
Texarkana, TX 75503

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

11. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Nathan and Janet Hoeft and pay restitution, in the amount of fifty dollars (\$50), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Nathan and Janet Hoeft
1125 Shelton Avenue
Nashville, TN 37216

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

12. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Amelia G. Harkness and pay restitution, in the amount of seven thousand, six hundred and eighty

dollars (\$7,680), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Amelia G. Harkness
5409 Cochran Drive
Nashville, TN 37220

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

13. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Thomas A. Jansing and pay restitution, in the amount of three thousand, eight hundred and forty dollars (\$3,840), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Thomas A. Jansing
1004 Cobble Place
Nashville, TN 37211

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

14. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of William G. and M. Elizabeth Davis and pay restitution, in the amount of one thousand, nine hundred and twenty dollars (\$1,920), upon execution of this document, but in no event later than July 1,

2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

William G. and M. Elizabeth Davis
5408 Cochran Drive
Nashville, TN 37220

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

15. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Oscar T. Nelson and pay restitution, in the amount of three thousand, eight hundred and forty dollars (\$3,840), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Oscar T. Nelson
P.O. Box 6212, Station B
Nashville, TN 37235

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

16. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of James A. and Patricia Carty and pay restitution, in the amount of three thousand, eight hundred and forty

dollars (\$3,840), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

James A. and Patricia Carty
310 Gaywood Drive
Nashville, TN 37211

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

17. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Reginald Stroupe and pay restitution, in the amount of seven thousand, six hundred and eighty dollars (\$7,680), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Reginald Stroupe
72000 Wilkinson
Chapel Hill, NC 27517-8490

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

18. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Billy and Virginia Griffin and pay restitution, in the amount of three thousand, eight hundred and forty dollars

(\$3,840), upon execution of this document, but in no event later than July 1, 2006.

Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Billy and Virginia Griffin
2423 Dawn Trail
Durham, NC 27712

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

19. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Douglas R. Herr and pay restitution, in the amount of two hundred and fifty-three dollars (\$253), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Douglas R. Herr
3319 West End Ave., Apt. 930
Nashville, TN 37203-6824

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

20. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of David S. and Betty Harkness and pay restitution, in the amount of thirty thousand, seven hundred and twenty dollars (\$30,720), upon execution of this document, but in no event later than July 1,

2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

David S. and Betty Harkness
939 Robertson Academy Road
Nashville, TN 37220

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

21. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, ARE ORDERED TO AND AGREE to rescind the investment of Kevin Haw and pay restitution, in the amount of three thousand, eight hundred and forty dollars (\$3,840), upon execution of this document, but in no event later than July 1, 2006. Payment in the form of a money order or cashier's check shall be mailed or delivered to:

Kevin Haw
111 Sanitarium Road
Madison, TN 37115

Proof of such payment shall be mailed or delivered within 10 days of payment to:

Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243.

22. Respondents, Westfort Energy, Ltd., and Norris R. Harris, jointly and severally, are hereby ASSESSED and AGREE to pay cost recovery related to the costs of the investigation in the amount of one thousand dollars (\$1000). Said sum shall be due and paid in full upon execution of this document, but in no event later than April 14, 2006.

Payment in the form of a cashier's check or money order made payable to the State of Tennessee, shall be mailed or delivered to:

State of Tennessee
Department of Commerce and Insurance
Securities Division
Attention: Barbara A. Doak, Attorney
500 James Robertson Parkway, 12th Floor
Nashville, Tennessee 37243

23. Respondents, Westfort Energy, Ltd., and Norris R. Harris, hereby agree that any failure to comply with all the requirements and prohibitions contained in this Order shall result in further enforcement action by the Division, the Department of Commerce and Insurance, and/or the State of Tennessee in order to enforce the provisions contained herein.

IT IS ORDERED that this Consent Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Commissioner against Westfort Energy, Ltd., and Norris R. Harris for violations of the Act alleged by the Tennessee Securities Division to have occurred with respect to the transactions involving the above referenced investors and the facts contained herein.

This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, Westfort Energy, Ltd., and Norris R. Harris affirmatively state that each has freely agreed to the entry of this Consent Order, that each waives the right to a hearing on the matters underlying this Consent Order

and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

ENTERED this 27th day of March, 2006.

Paula A. Flowers

Paula A. Flowers, Commissioner
Department of Commerce and Insurance

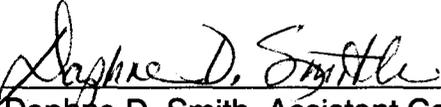
APPROVED FOR ENTRY:



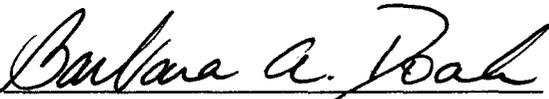
Norris R. Harris, Respondent



Norris R. Harris
President of Respondent Westfort Energy, Ltd.



Daphne D. Smith, Assistant Commissioner for Securities
Department of Commerce and Insurance



Barbara A. Doak (#015802), Attorney for Securities
Department of Commerce and Insurance
500 James Robertson Parkway, Twelfth Floor
Nashville, Tennessee 37243
(615) 741-2199/Fax (615) 741-4000