

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION

MOUNTAIN LAND GROUP, LLC

ORDER NO. 98-054-S

FINDINGS OF FACT

1. On October 1, 1998, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of limited liability company interests (the "Interests") of Mountain Land Group, LLC (the "Company"), to Mountain Land Group, Sheeks Land & Cattle, LLC and the Morgan Family Trust (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).
2. The Company is a limited liability company organized under the laws of the State of Arkansas.
3. The investors will be organizers of the Company. The investors will be the Mountain Land Group, an Arkansas general partnership (the "Partnership"), Sheeks Land & Cattle, LLC, a Missouri limited liability company ("Sheeks LLC"), and the Morgan Family Trust, a revocable trust formed under Arkansas law ("Morgan Trust"). The Partnership, Sheeks LLC and the Morgan Trust are hereinafter collectively referred to as the "Organizers". The Partnership consists of nine individual residents of Arkansas. Sheeks LLC consists of Mr. and Mrs. Sheeks and their family trust, all residents of California. The Morgan Trust was created by Dorothy Morgan and has her children as the beneficiaries, all residents of Arkansas.
4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. § 23-42-504(a)(12). The Company and the Organizers have fully and completely been involved in the negotiation of an agreement for the sale of the Interests, and they have been, or had the opportunity to be represented in these negotiations by counsel. The Organizers have had access to financial and other information concerning the Company as is necessary to make an informed investment decision. Based upon the foregoing, the Transaction is not the type the Arkansas Securities Act (the "Act") was designed to protect by requiring registration.

CONCLUSIONS OF LAW

5. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 23-42-501 and 23-42-502 of the Act as not being necessary or appropriate in the public interest for the protection of investors.
6. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to register the Transaction under the Act for the purposes of the contemplated offering.
7. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to engage the services of a registered agent for the purpose of

making sales of the securities.

OPINION

8. In recognition of the representations made by the Company, it appears registration of this Transaction is unnecessary in this instance.
9. This order does not exempt the Company from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of October 1, 1998, and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 7TH day of October, 1998.

MAC DODSON

SECURITIES COMMISSIONER