

Oil Firm, Once Called 'Wolf of Wall Street Type' Company, Sued By SEC for Fraud

The Dallas Morning News is **reporting** that Dallas-based Texas Coastal Energy Company defrauded 80 oil and gas investors out of more than \$8 million, according to a lawsuit filed Tuesday by the Securities and Exchange Commission, the stock market regulator.

The SEC alleges the company, its co-founder, Jefferey Gordon, and his sales representatives misrepresented the company's finances, exaggerated a geologist's background and inflated the reserves and expected production of its wells in Texas and Kansas, according to reporter **Jeff Mosier**.

"In an offering fraud, people who seek to steal investors' hard-earned money will often use cold calls and inflated promises to carry out their schemes," said Shamoil T. Shipchandler, director of the SEC's Fort Worth regional office. "Their self-serving statements are no substitute for an investor's due diligence."

Read the *Dallas News* article.