STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
19TH JUDICIAL DISTRICT COURT

THE STATE OF LOUISIANA, THROUGH THE DEPARTMENT OF JUSTICE, *ex rel.* ATTORNEY GENERAL LIZ MURRILL AND THE DEPARTMENT OF ENERGY AND NATURAL RESOURCES, OFFICE OF CONSERVATION, **Plaintiff**	**DOCKET NO.:**_______________
versus	**DIVISION:** __________________
LOUISIANA OILFIELD RESTORATION ASSOCIATION, INC., ARKUS MANAGEMENT SERVICES, LLC, CHROMOS WEALTH SOLUTIONS LLC, LORA FOUNDATION, INC., WILLOW LAKE WELL SERVICES LLC, VAN R. MAYHALL, III, JACOB DICKINSON, ANDREW BERTHELOT, PHILLIP G. MARCHIAFAVA, LANCE CHAD LOTT, SR., AND JOHNNY W. ADAMS. **Defendants**	
FILED: ____________________	___________________________ **CLERK OF COURT**

VERIFIED PETITION FOR TEMPORARY RESTRAINING ORDERS AND INJUNCTIVE RELIEF

NOW INTO COURT, through undersigned counsel, comes Plaintiff, The State of Louisiana, through the Department of Justice, *ex rel.* Attorney General Liz Murrill, and the Department of Energy and Natural Resources, Office of Conservation ("State", "LDOJ", "LDENR", or "OC"), which respectfully submits this Petition for Temporary Restraining Orders and Injunctive Relief ("Petition") against Louisiana Oilfield Restoration Association, Inc., Arkus Management Services, LLC, Chromos Wealth Solutions LLC, LORA Foundation, Inc., Willow Lake Well Services LLC, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., and Johnny W. Adams ("Defendants"), and avers as follows:

INTRODUCTION

THE PLAINTIFF

1.

The Plaintiff in this Petition is The State of Louisiana, through the Department of Justice, *ex rel.* Attorney General Liz Murrill, and the Department of Energy and Natural Resources, Office of Conservation, duly authorized agencies and divisions of the State of Louisiana, which bring this action under La. Const. art. IX, §1, La. R.S. 15:1351 *et seq,* and La. R.S. 30:1 *et seq*.

2.

The State is a juridical person, having its seat of government in East Baton Rouge Parish, State of Louisiana. The Louisiana Department of Justice, the Louisiana Department of Energy and Natural Resources, and the Louisiana Office of Conservation are domiciled in East Baton Rouge Parish.

3.

The Louisiana Department of Energy and Natural Resources is charged with the duty to protect, conserve, and replenish the natural resources of the State. The Attorney General, as chief legal officer of the State, is the primary trustee for bringing litigation to enable and enforce such protection, conservation, and replenishment.

4.

The state entity responsible for the regulation of oil and gas resources in Louisiana is the Office of Conservation within Louisiana Department of Energy and Natural Resources, under the direction and leadership of the Commissioner of Conservation. *St. Tammany Parish Govt. v. Welsh,* 2015-1152 (La. App. 1 Cir. 3/9/16), 199 So.3d 3; *see also* La. R.S. 30:1- 4. The Louisiana Department of Energy and Natural Resources (LDENR) has the authority to require the plugging of oil and gas wells drilled in the state, to require operators of oil and gas wells to provide financial security covering plugging costs for their wells, and to restore any orphaned oilfield site that poses a threat to the environment or public safety. *See generally,* La. R.S. Title 30, Chapter 1.

THE DEFENDANTS

5.

Made Defendants herein are:

a. **Louisiana Oilfield Restoration Association, Inc.** ("LORA"), a Louisiana business corporation engaging in business in the State of Louisiana, domiciled and having its principal place of business in the Parish of East Baton Rouge;

b. **Arkus Management Services, LLC** ("ARKUS"), a Louisiana business corporation engaging in business in the State of Louisiana, domiciled and having its principal place of business in the Parish of East Baton Rouge;

c. **Chromos Wealth Solutions LLC** ("CHROMOS"), a Louisiana business corporation engaging in business in the State of Louisiana, domiciled and having its principal place of business in the Parish of East Baton Rouge;

d. **LORA Foundation, Inc.** (f/d/b/a Louisiana Oilfield Restoration Charitable Organization, Inc.) ("LORA FOUNDATION"), a Louisiana business corporation engaging in business in the State of Louisiana, domiciled and having its principal place of business in the Parish of East Baton Rouge;

e. **Willow Lake Well Services LLC** ("WILLOW"), a Louisiana business corporation engaging in business in the State of Louisiana, domiciled and having its principal place of business in the Parish of East Baton Rouge;

f. **Van R. Mayhall, III,** Director, President, and CEO of LORA, sole manager of ARKUS, President, CEO, and Manger of CHROMOS, initial Director, President, and CEO of LORA Foundation;

g. **Jacob Dickinson,** Director, Secretary, Chief Administrative Officer, and Vice-President for LORA;

h. **Andrew Berthelot,** Director, Treasurer, Chief Financial Officer for LORA, Manager of CHROMOS, and Registered Agent for WILLOW;

i. **Phillip G. Marchiafava,** Director of LORA;

j. **Lance Chad Lott, Sr.,** Director, Chief Operating Officer and Vice President of LORA; and

k. **Johnny W. Adams,** former Senior Attorney and Assistant Commissioner of the Office of Conservation.

(collectively, "Defendants").[1]

6.

Plaintiff files this suit seeking a temporary restraining order, as well as preliminary and

[1] Exhibit 1A, Louisiana Secretary of State Business Filings, Louisiana Oilfield Restoration Association, Inc.;
Exhibit 1B, Louisiana Secretary of State Business Filings, Arkus Management Services, LLC.;
Exhibit 1C, Louisiana Secretary of State Business Filings, Chromos Wealth Solutions LLC.;
Exhibit 1D, Louisiana Secretary of State Business Filings, LORA Foundation, Inc.; and
Exhibit 1E, Louisiana Secretary of State Business Filings, Willow Lake Well Services LLC.

permanent injunctive relief, and other equitable relief to which it is justly entitled, including but not limited to all such relief allowed under contract and the Louisiana Racketeering Act, La. R.S. 15:1351, *et seq*., and more specifically La. R.S. 15:1356.D., and asks this Court to issue:

a. A temporary restraining order and preliminary and permanent injunction prohibiting Defendants and any and all other persons acting or claiming to act on their behalf from:
    i. concealing, disposing of, wasting, encumbering, or removing funds;
    ii. concealing, disposing of, destroying, removing, or altering financial and business records and related communications;
b. An order to provide a complete accounting;
c. An order to deposit all disputed funds representing the financial security guaranteed by LORA and all revenues from said disputed funds with LDENR or, in the alternative, into the registry of the Court pending resolution of this matter;
d. All other orders necessary and just to maintain the status quo pending resolution of this matter.

JURISDICTION & VENUE

7.

This Court has subject matter jurisdiction over the claims and controversies asserted in this Petition pursuant to Louisiana Constitution Article 5, § 16, and Louisiana Code of Civil Procedure Articles 2 and 3601.

8.

Venue is proper in this Court pursuant to Louisiana Code of Civil Procedure Article 42.

BACKGROUND

THE HISTORY & PURPOSE OF LORA

9.

Orphaned wells are abandoned oil and gas wells for which no responsible operator can be located or for which the operator is financially unable to maintain compliance in accordance with state regulations. La. R.S. 30:82.9 and 82.11; La. R.S. 30:91.A. These wells deteriorate over time due to neglect and become susceptible to releasing oil, gas, saltwater, and other toxic chemicals which can pose threats to public safety, the environment, and subsurface oil or gas strata.

10.

In 1993, the Oilfield Site Restoration (OSR) program was created within LDENR to plug and abandon (commonly called "P&A") orphaned wells and to restore oilfield sites to appropriate regulatory standards in order to make them suitable for redevelopment. La. R.S. 30:80 *et seq.* Funding for the program is generated from a fee on oil and gas production paid by operators. Restoration project sites are generally prioritized to direct available funding to address sites posing a higher threat to public safety and the environment.

In 2000, the Office of Conservation (OC) began requiring new or non-compliant oil and gas operators to acquire financial security from financial institutions in favor of OC to cover P&A obligations on their wells. Operators who maintained compliance with OC regulations for four or more years were exempt from this requirement. See LAC 43:XIX.104.

11.

In 2014, the Louisiana Legislative Auditor issued a report on the OC's management of orphaned wells, concluding that there were too many wells for which OC did not require financial security to ensure P&A of their wells.[2] The report further concluded that when financial security was required, the amount was often too low to cover the actual costs of P&A. As a result of the audit, OC increased financial security amounts required and removed financial security exemptions for new and transferred oil and gas wells.

12.

To further address the growing number of orphaned wells, the Louisiana Legislature, in 2016, through House Concurrent Resolution No. 72, requested LDENR, through the Office of Conservation, to develop and implement a three (3) year pilot program to allow operators without contractor licensure or bonding to bid on plugging work from the OSR program. [3] In a memorandum by OC Commissioner of Conservation Richard Ieyoub to Governor John Bel Edwards dated July 31, 2018, OC determined that the requests in HCR 72 of 2016 were inconsistent with current bid laws and instead determined that creation of a unique non-

[2] Louisiana Legislative Auditor (LLA), "Regulation of Oil and Gas Wells and Management of Orphaned Wells: Office of Conservation – Department of Natural Resources", May 28, 2014. See also, LLA, "Progress Report: Regulation of Oil and Gas Wells and Management of Orphan Wells: Office of Conservation – Department of Natural Resources", March 11, 2020.

[3] HCR 72 of the 2016 Louisiana Legislative Regular Session.

governmental entity would be necessary to meet the goals of the resolution, namely to provide affordable financial security to more operators, to collect and use a portion of the fees to supplement the OSR program, and to develop a less expensive and more efficient means of plugging orphaned wells.[4] Thus, the pilot program sought to combine the functions of a financial institution and a contractor for plugging services into one entity.

13.

In 2019, OC Commissioner Ieyoub selected Van R. Mayhall, III, to lead the new entity. Upon information and belief, then OC Attorney Supervisor Johnny W. Adams was involved in the process leading to this selection by the Commissioner.

14.

On September 30, 2019, LORA was incorporated by Director, President, and Chief Executive Officer Van R. Mayhall, III.[5] Other LORA officers are: Jacob Dickinson, Director, Secretary, Chief Administrative Officer, and Vice President; Andrew Berthelot, Director, Treasurer, Chief Financial Officer; Phillip G. Marchiafava, Director; and Lance Chad Lott, Sr., Director, Chief Operating Officer, and Vice President. Upon information and belief, all five (5) officers are also shareholders of LORA and ARKUS and have been involved in the operations of all of the various entities named as defendants herein.[6]

15.

State e-mail records indicate that former OC Attorney Supervisor and former OC Assistant Commissioner Johnny W. Adams had pre-existing personal relationships with every officer and shareholder of LORA, with some e-mail records demonstrating a relationship between Mr. Adams and LORA's principals dating back as far as 2009. These e-mail records show Adams' personal relationships with all of LORA's principals dating back to 2012 or at least seven years prior to the creation of LORA.[7]

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[4] Exhibit 2, "Report on Oil and Gas Wells Management of Orphaned Wells," prepared for Office of Governor John Bel Edwards by Commissioner Richard P. Ieyoub, July 31, 2018, see pages 28 – 29.
[5] Exhibit 1A, Louisiana Secretary of State Business Filings, Louisiana Oilfield Restoration Association, Inc.
[6] See Exhibit 13A, NRTA Program Report, *Correspondence Exhibit*, Letter to Secretary Gray from Van Mayhall, III, dated January 10, 2025, at page 37; See Exhibit 13A, NRTA Program Report, page 17; See Exhibit 12, LLA Report, pages 3, 6-7.
[7] Exhibit 3, Various emails between Johnny W. Adams and the officers and owners of LORA.

The Cooperative Endeavor Agreement

16.

On November 4, 2019, just thirty-five (35) days after LORA was incorporated, LORA and OC entered into a cooperative agreement ("CEA").[8] Van R. Mayhall, III, executed the agreement as President of LORA, witnessed by Andrew Berthelot and the wife of Johnny W. Adams, when Mr. Adams was OC Attorney Supervisor.[9]

17.

Consistent with the purposes set forth in HCR 72, the CEA provides that LORA was established as a pilot program to provide financial security in accordance with OC requirements, collect fees from operators voluntarily participating ("Secured Operators"), and to plug wells secured by LORA ("Secured Wells") on the orphan list.[10]

18.

Pursuant to the CEA, LORA was to provide financial security in accordance with LAC 43.XIX.104 in exchange for accepting from regulated operators an annual contribution not to exceed 3.5% of the amount of financial security provided, a portion of which was to be used to P&A Secured Wells.[11]

19.

The CEA further provides that, for participating operators, LORA was to issue a letter of credit "in favor of OC to secure all its obligations hereunder, including without limitation any and all of the financial security obligations of the operators secured by LORA ("Secured Operators")."[12]

20.

Should a Secured Operator fail to make required fee payments, LORA was to provide notice to OC in order for OC to issue a compliance order. Should the operator then fail to comply by either paying LORA or acquiring financial security from a financial institution, it could ultimately result in OC orphaning the operator and their wells. When wells secured by a LORA

[8] Exhibit 4, CA 20-004. The agreement is titled a 'cooperative agreement" in an apparent effort to circumvent state oversight law. However, LORA's contract with the State was not competitively bid.
[9] Exhibit 4, CA 20-004, pages 6-7. Note that Johnny W. Adams notarized the Acknowledgment for both parties to the CEA.
[10] Exhibit 4, CA 20-004, page 2.
[11] Exhibit 4, CA 20-004, page 2.
[12] Exhibit 4, CA 20-004, page 2.

letter of credit were orphaned, LORA was given an opportunity to P&A its Secured Wells prior to OC calling on the letter of credit.[13] The agreement contained no provision for LORA to accept installment payments, to enter into alternative payment plan agreements with Secured Operators, or to waive notice to OC. The agreement does not authorize LORA to assess penalties or collect late fees from delinquent operators.

21.

Should Secured Wells be declared orphaned, LORA was given the opportunity to P&A the secured well in a "reasonable amount of time prior to OC calling on the letter of credit".[14] LORA also had the option to seek the transfer of viable Secured Wells to other operators. In the event OC called on the letter of credit, LORA was responsible for the amount of security required by LAC 43.XIX.104.[15] Notably, LORA was required under the CEA to address its Secured Wells as a priority.[16]

22.

The agreement required LORA to establish a Reserve Account. All fees collected were to be allocated as follows: "(1) A minimum of Eighty percent (80%) of all Fees shall be utilized as operating and reserve funds (the 'Operating and Reserve Funds'); and (2) A maximum of Twenty percent (20%) shall be utilized for the administrative day-to-day operating expenses of LORA."[17]

23.

The Operating and Reserve Funds, as defined by the CEA, were to be funded solely from fees collected from Secured Operators and not from other sources such as Site Specific Trust Accounts ("SSTAs).[18]

24.

However, until the Reserve Account reached five million dollars ($5,000,000.00) (the "Minimum Reserve Amount"), all Operating and Reserve Funds were to be deposited and maintained in the Reserve Account, except for those amounts necessary to expend on actual P&A of Secured Wells orphaned by OC or to pay OC the secured amount. After the Minimum Reserve

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[13] Exhibit 4, CA 20-004, page 3.
[14] Exhibit 4, CA 20-004, page 2.
[15] Exhibit 4, CA 20-004, page 2.
[16] Exhibit 4, CA 20-004, page 2.
[17] Exhibit 4, CA 20-004, page 3.
[18] SSTA funds are only to be used for the specific site for which that trust account was created. Accordingly, SSTA funds should remain independent of LORA's reserve account. *See*, La. R.S. 30:88 - 30:88.2.

amount was accumulated, LORA agreed to use up to eighty percent (80%) of the Operating and Reserve Funds to P&A other wells on the OC orphaned well list that were not secured by LORA, only when doing so would not endanger or impair LORA's obligations with respect to Secured Wells and Secured Operators.[19]

25.

Pursuant to the CEA, if at any time the Reserve Account fell below the Minimum Reserve Amount, LORA's obligation to P&A unsecured orphan wells was to be suspended until the Reserve Account again reached the Minimum Reserve Amount.[20]

26.

LORA agreed to submit annual reports of its contributions, expenses, and reserves to OC and "allow inspection" of its records by OC at any time to verify that its reports were accurate.[21] The agreement provided for termination in writing by the parties.[22]

27.

Further, the CEA was executed without review or approval by any staff of LDENR outside OC, including the Secretary and Undersecretary of LDENR or their staffs or the Louisiana Division of Administration. The agreement lacks provisions to ensure LORA operates in the State's best interest. The agreement lacks standard contractual language for state agreements, such as conditioning participation in the agreement upon maintaining books and records, compliance with the provisions of public records law, allowing full access to operational and financial records and audits by the Louisiana Legislative Auditor (LLA), and allowing OC and LLA to make copies of all records.

28.

The CEA lacks provisions addressing how LORA should invest the funds, how to spend investment income, and establishing measurable targets for evaluating LORA's performance. The CEA does not require LORA to prioritize plugging high-risk wells before low-risk wells, although the OSR program, in contrast, ensures that addressing high-risk wells is prioritized.

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[19] Exhibit 4, CA 20-004, pages 3-4.
[20] Exhibit 4, CA 20-004, page 4.
[21] Exhibit 4, CA 20-004, page 4.
[22] Exhibit 4, CA 20-004, page 5.

29.

The CEA also lacks terms on how to address termination of the CEA. So, if LORA ceased operations or entered into bankruptcy, there is no provision for transfer of coverage of secured operators and secured wells. The CEA fails to address how any remaining reserve balance is to be managed in the event of a termination.

30.

On September 7, 2022, OC and LORA executed an Act of Correction.[23] The Act of Correction addressed LORA's use of the Operating and Reserve Funds to P&A any wells on the OC orphan list. The Act of Correction does not remove or alter LORA's obligation to address its own Secured Wells as a priority. The Act of Correction does not alter the percentage of LORA's administrative fees. Importantly, the Act of Correction does not add any of the customary state contracting provisions omitted from the CEA, such as an audit clause.

31.

Upon information and belief, Johnny W. Adams was extensively involved in and greatly influenced, the construction and language of the CEA and Act of Correction on behalf of OC which produced an agreement that greatly favored LORA, while prejudicing the State.[24]

32.

In February 2024, OC and LDENR jointly sent a CEA amendment to LORA that would have added an audit clause to the CEA to require full access to operations and financial records for the purpose of any audit conducted by the legislative auditor.[25] LORA refused to sign the amendment.[26]

33.

Johnny W. Adams became Assistant Commissioner for OC on May 15, 2021. As Assistant Commissioner, Johnny W. Adams ran the day-to-day operations of OC until October 2024. This included oversight of the LORA pilot program.

34.

Upon information and belief, Johnny W. Adams took a commanding position over OC's

[23] Exhibit 5, Act of Correction.
[24] Exhibit 7, Various emails between Johnny W. Adams and Van Mayhall, III on CEA Language.
[25] Exhibit 6, OC/LDENR joint letter to LORA, Second Amendment, February 16, 2024; *See also* Exhibit 12, page 21.
[26] See Exhibit 12, LLA Report, pages 21-22.

monitoring of LORA and LORA's compliance with the CEA. Upon information and belief, Johnny W. Adams determined what was a "reasonable amount of time" for LORA to P&A Secured Wells[27] and provided or directed others to provide extensions to LORA's P&A timelines.

LORA OPERATIONS

35.

Upon information and belief, the Defendants made financial transactions with one another, performed work on each-other's behalf, and are operated as a single business enterprise.

36.

LORA is not a licensed "financial institution." Rather, it is a suretyship pursuant to La. C.C. art. 3035. As such, LORA is not subject to federal or state regulations and oversight that apply to other financial institutions. Oversight of the pilot program and, therefore, LORA's operations and solvency was to be conducted by OC.

37.

On October 31, 2019, just days before execution of the cooperative endeavor agreement with OC, ARKUS was incorporated by Van R. Mayhall, III, who is listed in Secretary of State filings as the sole manager of ARKUS.[28] LORA entered into a management agreement with ARKUS effective November 15, 2019, to perform all of LORA's operations, including day-to-day administration and management, overseeing financial operations and budgeting, implementing policies and procedures, serving as officers, acting with power of attorney, overseeing financial operations and budgeting, and providing employees.[29] LORA itself has no employees. Upon information and belief, ARKUS is the management arm of LORA and functions as a single enterprise along with LORA and CHROMOS.

38.

On June 16, 2020, CHROMOS was incorporated by Van R. Mayhall, III, and Andrew Berthelot.[30] Van R. Mayhall, III is listed as the President and CEO of CHROMOS, as well as being a manager of CHROMOS. The same business filings also list Andrew Berthelot as a manager of CHROMOS. CHROMOS does not have a website. Upon information and belief, CHROMOS is

[27] Exhibit 4, CA 20-004, page 2.
[28] Exhibit 1B, Louisiana Secretary of State Business Filings, Arkus Management Services, LLC.
[29] See Exhibit 12, LLA Report, page 3.
[30] Exhibit 1C, Louisiana Secretary of State Business Filings, Chromos Wealth Solutions LLC.

the investment arm of LORA. However, CHROMOS is not a registered investment firm regulated by the Securities and Exchange Commission (SEC) or the Financial Industry Regulatory Authority (FINRA).[31]

39.

Upon information and belief, LORA FOUNDATION is an arm of LORA, established as a non-profit charitable corporation to accept tax deductible donations to be used for the Defendants' operations. LORA FOUNDATION was incorporated on August 6, 2020, by Van R. Mayhall, III, who is listed as LORA FOUNDATION's initial Director, President and CEO.[32]

40.

WILLOW was incorporated on June 7, 2022, by Andrew Berthelot, its registered agent, listing its only member/manager as ARKUS.[33] WILLOW does not have a website. Upon information and belief, ARKUS and WILLOW employed both of Johnny Adams' children.[34]

41.

Upon information and belief, WILLOW was established for the Defendants to direct LORA's P&A service contracts.[35] WILLOW is not in good standing for failure to file its annual report with the Louisiana Secretary of State.[36]

42.

Defendants LORA, ARKUS, CHROMOS, and LORA FOUNDATION share a principal place of business at 10626 Linkwood Ct., Suite C, Baton Rouge, LA 70810.[37]

43.

Defendant WILLOW is domiciled and has its principal place of business at 425 Daventry Drive, Baton Rouge, LA 70810, a residential address owned by Van R. Mayhall, III.[38] The 425 Daventry Drive address is also associated with LORA, ARKUS, CHROMOS, and LORA FOUNDATION in their Louisiana Secretary of State business filings.[39]

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[31] Exhibit 13A, NRTA Program Report, page 12.
[32] Exhibit 1D, Louisiana Secretary of State Business Filings, LORA Foundation, Inc.
[33] Exhibit 1E, Louisiana Secretary of State Business Filings, Willow Lake Well Services LLC.
[34] Exhibit 8, Letter from Johnny W. Adams to Ben Bienvenu, Commissioner of Conservation, dated October 31, 2024.
[35] Exhibit 9, LORA Response to LDENR Request for Qualifications, September 26, 2022, page 16.
[36] Exhibit 10, Louisiana Secretary of State, Commercial Search Details for Willow Lake Well Services LLC, accessed June 25, 2025.
[37] Exhibits 1A, 1B, 1C, and 1D.
[38] Exhibit 11, Act of Cash Sale, East Baton Rouge Property Records, Page 875, Book 13076, filed 12/29/2020. *See also*, Exhibit 1E.
[39] See Exhibits 1A, 1B, 1C, and 1D; See Exhibit 13A, NRTA Program Report, page 18.

44.

Upon information and belief, the Defendants share officers and owners. Van R. Mayhall, III, is the Director or Manager of LORA, ARKUS, CHROMOS, and LORA FOUNDATION. Andrew Berthelot is a Director or Manager for LORA and CHROMOS and he is also an agent of WILLOW. Finally, ARKUS is the only listed manager of WILLOW.

45.

Upon information and belief, some or all of these five (5) individuals have administrative control over all business functions of the Defendant legal entities, as follows,:

a. **Van R. Mayhall, III** is the Manager, President, Director, and/or Chief Executive Officer of LORA, ARKUS, CHROMOS, and LORA FOUNDATION.

b. **Andrew Berthelot** is Director, Treasurer, Chief Financial Officer, Manager, and/or Agent of LORA, CHROMOS, and WILLOW.

c. **Jacob Dickinson** is Director, Secretary, Vice President, and Chief Administrative Officer of LORA.

d. **Phillip G. Marchiafava** is a Director of LORA.

e. **Lance Chad Lott, Sr.,** is Director, Vice President, and Chief Operating Officer of LORA.

46.

On October 24, 2024, the Louisiana Legislative Auditor issued its report "Oversight of the Louisiana Oilfield Restoration Association's (LORA) Efforts to Address Orphaned Oil and Gas Wells: Office of Conservation – Department of Energy and Natural Resources", copied herein *in extenso*.[40] The report details the Legislative Auditor's findings, conclusions, and recommendations with respect to LORA's operations and management of funds.

47.

On March 10, 2025, the Natural Resources Trust Authority[41] ("NRTA"), a part of LDENR, issued a report containing its findings and conclusions based upon its limited inspection of

[40] Exhibit 12, Louisiana Legislative Auditor, "Oversight of the Louisiana Oilfield Restoration Association's (LORA) Efforts to Address Orphaned Oil and Gas Wells: Office of Conservation – Department of Energy and Natural Resources", October 24, 2024.

[41] The Natural Resources Trust Authority was created by Act 727 of the 2024 Legislative Regular Session. It serves to provide guidance and oversight for the creation of financial instruments that provide security to operators for P&A obligations for orphan wells, resulting from the termination of the Oilfield Site Restoration Commission.

documents produced by LORA, said report with exhibits is copied herein *in extenso*.[42] LORA refused to send copies of bank and investment statements for review. Rather, LORA required NRTA to review the documents at the office of LORA's legal counsel.[43] NRTA's access was restricted to a limited number of documents provided by LORA, and NRTA was not provided access to all financial and operational records.[44] NRTA was not allowed to remove any documents or make copies, scans, or photos.[45]

48.

Both reports revealed LORA's failure to meet its contractual obligations, its failure to act in good faith and fair dealing, its basic lack of financial controls, violations of LORA's fiduciary duties to Secured Operators and the State, self-dealing by Defendants' owners and officers, breaches of corporate fiduciary duties by Defendants' owners and officers, and conflicts of interest.

49.

The LLA found that for calendar years 2020 through 2023,[46] OC did not sufficiently monitor LORA to protect operators and the state from the risk of LORA failing to fulfill its financial obligations or provide a process to monitor LORA's solvency and compliance with the CEA.[47] The LLA found that the CEA lacked provisions to address such deficiencies. Further, the LLA report noted that because of such deficiencies there was an increased risk that LORA may violate the CEA, misrepresent its financial condition, or take on more obligations than it could pay long-term – which the LLA and NRTA found did occur.

Failure to Notify of Non-Payment of Annual Fees and Charging Unauthorized Late Fees

50.

In breach of the CEA, LORA failed to provide OC with notice of non-payment of fees by some of the Secured Operators. For some of the operators who were delinquent in paying annual fees, LORA entered into installment plans with those operators, charging late fees,[48] which was

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[42] Exhibit 13, Natural Resources Trust Authority, "Internal Review of Louisiana Oilfield Restoration Association (LORA)", March 10, 2024. The report and exhibits are available at https://www.dnr.louisiana.gov/page/nrta.
[43] NRTA staff visited Kean Miller's offices on five (5) dates to view documents: December 20, 2024, January 3, 2025, January 6, 2025, January 30, 2025, and February 13, 2025.
[44] Exhibit 13A, NRTA Program Report, page 24.
[45] NRTA staff reported that some of the documents were provided with print so small that they brought a magnifying glass to read the documents after the first visit.
[46] Exhibit 12, LLA Report, page 1; also note that the NRTA was created after the time period reviewed by LLA being established by Act No. 727 of the 2024 Regular Legislative Session and DENR/OC/NRTA began providing oversight after the period of LLA review.
[47] Exhibit 12, LLA Report, pages 6, 8-10.
[48] Exhibit 14, LORA Financial Security Renewal Invoice, 4/15/2025.

neither authorized by the CEA nor permitted by OC.

51.

Upon information and belief, in part because OC can ultimately orphan operators' wells for non-compliance with financial security requirements, such as for non-payment of LORA's fees for financial security, LORA withheld reporting delinquent operators to avoid incurring additional P&A obligations, resulting in LORA carrying undisclosed liabilities, constituting a misrepresentation of its financial condition.[49]

52.

In addition, upon information and belief, by failing to report delinquent operators to OC, LORA was able to implement its unauthorized scheme of charging and collecting late fees. Upon information and belief, rather than deposit the late fees into the Reserve Fund, LORA transferred the collected late fees to ARKUS to be retained rather than allocate it to P&A covered wells.

53.

Failure to notify OC of non-payment of fees allowed delinquent operators to avoid their financial security obligations in violation of the law, diminished the funds available to P&A orphaned wells, increased LORA's insolvency, and increased the State's liability[50] to meet its obligation to P&A orphaned wells left under-secured by LORA.

Withdrawal of Excess Administrative Expenses

54.

From 2019 through 2021, LORA began withdrawing administrative expenses at the rate of twenty percent (20%), regardless of the actual expenses.[51] LORA paid the entire amount of withdrawn administrative fees directly to ARKUS as management fees.[52] ARKUS retained any remainder after expenses as profit.[53]

55.

In 2022, LORA began withdrawing administrative expenses at the rate of thirty-six percent

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[49] Exhibit 12, LLA Report, page 9, FN19.
[50] It should be noted that the obligation to plug orphaned wells lies with the Oilfield Site Restoration Fund and not the State or LDENR generally. See *Giorgio v. Alliance Operating Corporation*, No. 2005-C-0002, 921 So.2d 58 (La. 1/19/2006).
[51] Exhibit 12, LLA Report, pages 15-19; *See also*, Exhibit 12, LLA Report, Appendix C.1.
[52] Exhibit 12, LLA Report, pages 15-19.
[53] Exhibit 12, LLA Report, pages 15-19.

(36%), far in excess of the twenty percent (20%) allowed by the CEA.[54] An additional $2,062,921.29 in administrative expenses was withdrawn from June 2022 through December 2024 which should have been spent on P&A of orphan wells (or alternatively could have been used to pay OC for called financial security).[55] This is 50% of the amount actually spent by LORA on P&A in the same time period – $4,094,335.51, as reported in LORA's 2022-2024 annual reports.[56]

56.

The NRTA found that, in total, LORA withdrew an estimated $2,157,208.84 in excess of the authorized administrative expenses from 2022 through April 2025.[57] Upon information and belief, these funds were diverted to ARKUS to be retained as profit, greatly diminishing LORA's ability to meet its obligations to the State for Secured Operators' P&A activities.

57.

The LLA reported that, after LORA began retaining 36% of fees which were then transferred to ARKUS as administrative expenses, the five (5) owner/officers' quarterly earnings increased by an average of 151.5% from ARKUS, as evidenced by the Louisiana Workforce Commission wage data.[58]

Questionable Investment Practices: Excessive Investment Fees, Conflicts of Interest, Self-Dealing, and the Issuance of Unsecured Promissory Notes at Below-Market Rates

58.

LORA also retained all investment income earned from the fees it accrued, although the CEA contains no provision authorizing LORA to retain investment revenues.[59]

59.

LORA had no written investment policy.[60] Rather than use the investment income to P&A orphaned wells or to pay OC for called financial security, LORA paid all investment income directly to ARKUS as part of its management fees.[61]

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[54] Exhibit 12, LLA Report, Appendix C.1.
[55] Exhibit 12, LLA Report, page 16. *See also*, Exhibits 15 and 16.
[56] Exhibit 15, LORA Annual Statements of Fees Collected and Fund Reserve, 2022-2024; Exhibit 12, LLA Report, Appendix C.1.
[57] Exhibit 16, NRTA (2025), LORA Excess Administrative Fees. Retrieved from LORA internal company records.
[58] Exhibit 12, LLA Report, page 17.
[59] Exhibit 12, LLA Report, pages 4, FN12, page 20; Exhibit 13A, NRTA Program Report, pages 12-24.
[60] Exhibit 13A, NRTA Program Report, page 18.
[61] Exhibit 12, LLA Report, page 4, 20; Exhibit 13A, NRTA Program Report, page 23.

60..

Upon information and belief, Defendants did not employ licensed and regulated investment professionals to manage their investments.[62] Rather, Defendants through their owner/officers directed all investment activities. [63]

61.

Upon information and belief, CHROMOS and ARKUS bill LORA for "investment fees".[64] However, the invoices contain no detailed explanation of the services provided to justify the excessive amounts charged.[65] Moreover, upon information and belief, as the value of LORA's investments decreased, the investment management fees increased.[66]

62.

LORA paid investment management fees to ARKUS and CHROMOS totaling $380,976.81 in fiscal years 2020-2024.[67] LORA's Profit and Loss Statements 2022, 2023, and 2024 reported *Investment Management Fees* totaling $579,740.87. Yet, LORA provided no supporting invoices for $202,305.76.[68]

63.

Upon information and belief, by failing to add investment income to the Reserve Account and charging excessive investment fees, LORA, ARKUS, and CHROMOS deprived LORA of investment income, diminished the funds available to P&A orphaned wells, increased LORA's insolvency, and increased the State's liability to meet its obligation to P&A orphaned wells left under secured by LORA.

64.

Upon information and belief, LORA distributed funds totaling $2,386,266.49 to ARKUS and CHROMOS as questionable loans with some secured by promissory notes, constituting "arm-

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[62] Exhibit 13A, NRTA Program Report, page 24. See Exhibit 13D, Investment Management Fee Fees.
[63] Exhibit 13, NRTA Program Report, pages 19 & 20.
[64] Exhibit 12, LLA Report, page 4, 20; Exhibit 13A, NRTA Program Report, pages 12-24.
[65] Exhibit 13A, NRTA Program Report, page 23; See also Exhibit 13D, Investment Management Fees.
[66] Exhibit 13A, NRTA Program Report, page 23.
[67] Exhibit 13A, NRTA Program Report, pages 20-24.
[68] Exhibit 13A, NRTA Program Report, pages 20-24; See also Exhibit 13D, Investment Management Fees, Exhibit 21, NRTA Investment Management Fees Invoices (2025), LORA Investment Management Fees Invoices. Retrieved from LORA internal company records. After completion of the NRTA Program Report, it was discovered that amounts referenced on line 3, paragraph 1 of page 24 were incorrect for years 2023 and 2024, and should have been $134,855.02 for 2023, and $19,466.96 for 2024.

in-arm" transactions.[69] These notes were not recorded and are believed to be unsecured, with interest rates significantly below lower risk investments.[70] Accordingly, the loans of LORA funds constitute a conflict of interest and self-dealing – in breach of fiduciary duties.

66.

Upon information and belief, CHROMOS used funds loaned to it by LORA (at 2.80% annual interest rate) to make a loan to Johnny W. Adams (former Assistant Commissioner of OC) and his wife to purchase a house, all while Adams was still employed by OC.[71] The Adamses executed a promissory note on April 28, 2023, for $780,000.00 and at an annual interest rate lower than the annual interest rate of the loan from LORA to Chromos, with interest due annually, with no final maturity date noted on the promissory note.[72] Attached to the note is a "collateral mortgage" pledging six (6) brokerage accounts: three (3) Traditional IRA accounts, two (2) Roth IRA accounts, and a regular brokerage account.[73]

67.

The Adamses' collateral mortgage was unrecorded, therefore not protected from third-party liens; thus, the pledge was invalid, and the debt was not secured by a lien. Furthermore, the pledge of an IRA as security for a loan is considered a prohibited transaction by the IRS, and, for tax purposes, any portion of an IRA used as security for a loan is treated as being distributed to the individual so using it. 26 USC §408(e)(4).

68.

Upon information and belief, interest paid on at least one of the notes was not timely returned to LORA, depriving LORA of the investment earnings on the funds during this period.[74]

69.

Upon information and belief, the issuance of loans with unknown (or no) collateral with potential loss of principal at below-market rates deprived LORA of investment earnings on the

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[69] Exhibit 13A, NRTA Program Report, pages 12-24; Exhibit 17, NRTA (2025), LORA Promissory Notes. Retrieved from LORA internal company records.
[70] Exhibit 13A, NRTA Program Report, pages 12 - 17.
[71] Exhibit 13A, NRTA Program Report, pages 14-17; Exhibit 8, pages 4-5; Exhibit 17, LORA promissory notes.
[72] *Id.* Note that CHROMOS gave the Adamses a discounted interest rate.
[73] Exhibit 8, Letter from Johnny W. Adams to Ben Bienvenu, October 31, 2024, pages 4, 8, 13-19.
[74] Exhibit 13A, NRTA Program Report, page 15 (For the April 28, 2023 note, CHROMOS paid to ARKUS the interest 10 months after the final principal of the note was paid. ARKUS was not a party to the note. ARKUS later transferred the interest to LORA's main deposit account.); *See also*, Exhibit 17, LORA promissory notes.

funds had they been invested traditionally with a regulated investment company,[75] constituting a breach of fiduciary duties through self-dealing and a breach of their fiduciary duties to the Secured Operators and the State of Louisiana.

LORA Failed to Meet Its Obligations to P&A Its Secured Wells

70.

The LLA found that of the 12 letters of credit whose Secured Wells were orphaned through December 2023, there were only two for which LORA had plugged all orphaned wells as of October 2024.[76] Furthermore, of the 175 Secured Wells orphaned from December 2021 through December 2023, LORA had not plugged, paid the financial security amount to OC associated therewith, or transferred to new operators 130 of them, or 74.3%, as of October 2024.[77] LORA failed to timely address its orphaned Secured Wells, either by P&A, payment of the associated financial security amount to OC, or transfer to another operator, in breach of the CEA.

71.

In breach of the CEA requirements that LORA prioritize its Secured Wells, that LORA only plug non-covered State orphan wells when its Reserve Account reached $5 million, and that LORA do so viably without "endangering or impairing LORA's obligations for Secured Wells,"[78] LORA failed to prioritize the plugging of Secured Wells.[79] The LLA reported that of the 109 total wells plugged by LORA in 2022 and 2023, 75.2% (82) were State orphaned wells that were *not* secured by LORA.[80]

72.

In consequence of plugging wells it did not secure, LORA significantly reduced the amount of funding available to fulfill LORA's obligations to plug its Secured Wells and increased LORA's risk of insolvency, in breach of the CEA provision prohibiting LORA from "endangering or impairing LORA's obligations for Secured Wells".[81]

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[75] Exhibit 13A, NRTA Program Report, page 16.
[76] Exhibit 12, LLA Report, page 23, FN40.
[77] Exhibit 12, LLA Report, page 24, FN41 (For 103 Secured Wells, LORA had not plugged, paid the financial security or transferred the wells after one year, evidencing a lack of support for the additional administrative fees transferred to ARKUS.); Exhibit 12, LLA Report, page 27 (Only 11, or 6.3%, of LORA's orphaned Secured Wells were transferred to new operators.)
[78] Exhibit 4, CA 20-004, pages 3-4.
[79] Exhibit 12, LLA Report, pages 23-30.
[80] Exhibit 12, LLA Report, pages 24, 27 (Of the 10 unsecured State orphan wells OC allowed LORA to use reserve funds to plug in 2021, LORA did not plug any of the wells until 2023, and had not finished plugging all of them as of October 2024.)
[81] Exhibit 12, LLA Report, page 24. See Exhibit 4, CA 20-004, pages 3-4.

73.

Upon information and belief, the non-secured orphaned wells which LORA plugged were less costly to plug than LORA's Secured Wells, and low-risk wells were less costly to plug than high-risk wells.[82] Upon information and belief, LORA has mostly plugged lower-risk wells, both secured and unsecured, leaving a large number of high-risk Secured Wells neglected.[83]

74.

Upon information and belief, LORA delayed plugging its orphaned Secured Wells because its own Secured Wells generally cost more to plug.[84] In some cases LORA also failed to pay the financial security amount or transfer the wells to a new operator as an alternative to P&A under the CEA.[85]

75.

The LLA found that when LORA plugged orphaned wells, its costs per well far exceeded that of OSR, despite LORA's plugging of lower-risk land wells with shallower total depths.[86]

Co-Mingling of the Poydras Energy SSTA and Misrepresentation of Financial Condition

76.

On August 25, 2020, LORA, OC, and Poydras Energy Partners, LLC ("PEP") entered into an agreement to allow PEP to replace their cash and certificate of deposit-funded SSTA with OC with a financial security instrument provided by LORA in the amount of $2,403,832.00.[87]

77.

The Agreement Regarding Site Specific Trust Account (SSTA) required the cash in the SSTA to be held by LORA in a separate reserve account.[88]

78.

The NRTA found that in June of 2022, LORA co-mingled funds for the PEP SSTA into the LORA Reserve Account in violation of the Agreement Regarding Site Specific Trust Account[89]

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[82] Exhibit 12, LLA Report, page 25.
[83] Exhibit 12, LLA Report, pages 25-26.
[84] Exhibit 12, LLA Report, page 25.
[85] Exhibit 12, LLA Report, pages 23-24.
[86] Exhibit 12, LLA Report, pages 28-30. The LLA report notes that wells plugged by LORA had a median depth approximately half that of wells plugged by OSR.
[87] Exhibit 13A, NRTA Program Report, pages 1-11; See also Exhibit 13B Poydras Energy and Addendum: Agreement Regarding Site Specific Trust Account.
[88] Exhibit 13A, NRTA Program Report, page 1; See also Exhibit 13C, Account Balances and Annual Reports, pages 8, 20.
[89] Exhibit 13A, NRTA Program Report, pages 1-11; See also Exhibit 13B Poydras Energy and Addendum.

and in breach of the CEA's funding clause.[90]

79.

Because SSTAs are site specific, the funds are only to be used to satisfy the financial obligations of one operator and cannot be used to satisfy the obligations of other operators. Accordingly, co-mingling SSTA funds with other operator fees deceptively inflated the balance of LORA's Reserve Account to make it appear that more funds were available to P&A Secured Wells than were actually available.[91]

80.

Although the SSTA funds are not assets available for LORA to fund non-SSTA wells, LORA misrepresented in its financial reports that the Minimum Reserve Amount had been met. Upon information and belief, LORA misrepresented to OC and LDENR that LORA met the requirements to commence P&A activities of the less expensive unsecured orphaned wells.[92]

81.

Upon information and belief, LORA mis-categorized funds in financial reports and inflated the value of accounts, equating to a misrepresentation of LORA's financial condition and ability to meet its long-term obligations.[93]

82.

The NRTA additionally found that LORA transferred $654,000.00 to "Brandon Stanko PA IOLTA", noted on LORA's financial statements as distributions for Poydras Energy Partners, LLC. This payment does not appear to be connected to the required well work set forth in the Agreement Regarding Site Specific Trust Account. [94]

83.

Upon information and belief, LORA has not satisfied its obligations to P&A all of the PEP

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[90] Exhibit 4, CA 20-004, pages 2-3.

[91] Exhibit 13A, NRTA Program Report, pages 9-11, 25; See also Exhibit 13C, Account Balances & LORA Annual Reports, pages 2 and 3.

[92] Upon misrepresenting that the Minimum Reserve Amount had been met, LORA began deducting 36% in administrative fees, in breach of the CEA. At this time, ARKUS and CHROMOS excessively increased the investment service fees.

[93] Exhibit 12, LLA Report, page 9; Exhibit 13A, NRTA Program Report, pages 9-11.

[94] Exhibit 13A, NRTA Program Report, page 2. See also Exhibit 13B, Poydras Energy and Addendum. The Agreement Regarding Site Specific Trust Account Section 2(B) requires that distributions to the operator shall have "express written authorization and direction by OOC provided directly to LORA … upon the completion of certain work on or related to the Wells." The attached February 4, 2021, email from Johnny W. Adams to Van R. Mayhall, III, indisputably states that the third transfer of $255,000.00 was "for work to be done" in violation of the agreement to provide funds only upon the *completion* of work and not before.

wells and did not return any of the remaining money in the PEP SSTA.[95]

84.

The NRTA recommended termination of the CEA and recovery of any cash balance remaining for the PEP SSTA.[96] Among other significant findings and conclusions, the LLA concluded that LORA plugged fewer wells with high-cost characteristics compared to OSR and that LORA's high administrative expenses could prevent LORA from increasing the number of wells it plugs; thus, the LLA recommended that OC evaluate whether LORA's benefit to the State justified the risks posed by LORA providing financial security.[97]

Termination of the CEA

85.

The CEA was terminated on May 2, 2025.[98] LDENR demanded that LORA remit the funds held in the Reserve Account and monies equal to all securities called upon by OC for wells not plugged. LDENR also demanded preservation of all records and files of LORA and any affiliated companies.

86.

Subsequently, on May 9, 2025, LDENR requested a full accounting, to include: bank and investment statements to show that the funds LDENR is to receive matched the funds LORA held; a full list of all billings, past dues, and receivables for premium payments; and a certification from LORA that all invoices/payables due for LORA have been paid.[99] LORA has not fully complied with LDENR's requests.

87.

On May 20, 2025, LDENR sent a final demand for payment of funds and for accounting to LORA.[100]

88.

According to the records available to LDENR, prior to termination of the CEA with LORA, eleven forms of financial security provided by LORA naming OC as beneficiary were called by

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95 Exhibit 13A, NRTA Program Report, page 9.
96 Exhibit 13A, NRTA Program Report, page 25.
97 Exhibit 12, LLA Report, pages 28-30.
98 Exhibit 18, Termination letter from LDENR to LORA, May 2, 2025.
99 Exhibit 19, Email communication between LDENR and LORA's legal counsel, May 9-16, 2025.
100 Exhibit 20, Final Demand Letter from LDENR to LORA, May 20, 2025.

OC for which LORA neither paid the coverage amount nor plugged the entirety of the covered wells. The total amount covered under these forms of financial security equals $8,523,449.00. Just prior to filing this petition, LORA presumably made a partial payment to the Louisiana State Treasurer on behalf of LDENR of $5,000,000.00 on July 17, 2025 without notification to LDENR of the actual payment having been made in spite of requests that such notice be provided. The remainder of the called amount and the remainder of the PEP SSTA remain unpaid and unaccounted for.

89.

As of the filing of this pleading, LORA has not provided a full accounting, has not transferred the full amount of financial security funds called back to the State, nor provided assurances with respect to the preservation of records or funds of the Defendants.

POTENTIAL LOUISIANA RICO VIOLATIONS

90.

Furthermore, upon information and belief, the foregoing facts set forth herein above and developed upon initial evaluation and investigation, provide reasonable and probable evidence establishing the feasible existence of an enterprise and pattern of conduct supporting Louisiana Racketeer Influenced and Corrupt Organizations (RICO) statutory elements, as set forth in La. R.S. 15:1352. The forgoing facts additionally establish that the corporate and individual defendants are reasonably believed to have engaged in an enterprise that likely committed, attempted to commit, conspired to commit, or solicited, coerced, or intimidated other persons to commit predicate illicit RICO activity under La. R.S. 15:1351, *et seq*., including potential undue influence of a public official, namely Johnny W. Adams.

91.

On information and belief, the actions of the corporate and individual defendants show a likely pattern of racketeering activity involving at least two, and in this case potentially many more, incidents of racketeering activity as specified in La. R.S. 15:1352.A., with the same or similar results, principals, victims, or methods of commission or which were otherwise interrelated by distinguishing characteristics and not isolated incidents.

92.

On information and belief, this reasonable and probable evidence of a pattern of activity demonstrates continuity, with the last of such incidents occurring in the last several years' time, and, in any event, not greater than five years' time from a prior incident, which resulted in probable injury to LORA's ability to carry out its obligations and fiduciary duties owed to the Secured Operators as well as potential injury to the State of Louisiana , DENR, and its citizens through violation of the Public Trust Doctrine, various laws and regulations, and contractual obligations. Many communications were through electronic communications and online activity and this presumptively implicates interstate commercial activity.

93.

On information and belief, the evidence set forth herein reasonably and probably demonstrates foregoing acts were committed by the named corporate defendants through the involvement of the individual defendants, who operated, managed, and directed the enterprise of the corporate defendants through a structured enterprise that facilitated operations, with the same or similar purpose, namely to, in all probability, drain funds from LORA for their personal gain, resulting in potential injury to the State of Louisiana , DENR, and its citizens through violation of the Public Trust Doctrine, various laws and regulations, and contractual obligations.

94.

On information and belief, it is reasonable and probable that these defendants in their corporate and individual capacities have engaged in a likely pattern of conduct and/or enterprise prohibited under Louisiana's RICO statutes. Therefore, it is the duty of the State through the Attorney General and DENR to preserve all records and ill-gotten gains, proceeds, salaries, and other personal profit from any probable current and potentially future illicit activity and to ensure proceeds will be available for the plugging and abandonment obligations to be carried out in compliance with state law and regulations and associated contracts in the future. For this reason, the State seeks to enjoin all individual and corporate defendants from divesting such funds and from destroying and failing to preserve any and all documents, money, proceeds, and funds through placement into the registry of the Court or by turnover of proceeds, funds, and all requested documents to the State or combination thereof.

95.

Under La. R.S. 15:1356.D., the Court may issue injunctive relief to preserve any and all proceeds at issue in the possession, custody, or control of the corporate and individual defendants, and to preserve records of all corporate and individual defendants in this matter. Under the circumstances herein stated, it is critical that all funds at issue be secured and that the corporate and individual records of all defendants in this matter be provided to the State of Louisiana through the Attorney General and DENR in order to fully and accurately determine the extent of the illicit nature of the reasonably and probably established activities surrounding the operations of LORA, the related entities and involved individuals, assess the full extent of likely damages caused therefrom, and establish what further lawful actions should be instituted against some or all of the defendants named herein as is reasonably necessary to protect the State of Louisiana and its citizens from further harm, including but not limited to the Louisiana RICO statutes and the Louisiana Unfair Trade Practices Act.

THE PUBLIC TRUST DOCTRINE

96.

The Defendants' authority over the Reserve Account and investment funds (in any form in which they may now be found) and their own corporate powers are preempted by the State's constitutional authority to protect Louisiana's natural resources and environment under the Public Trust Doctrine.

97.

The creation of the extensive body of law giving the State control over natural resources and the environment is an exercise of the Public Trust Doctrine, which stems from Louisiana Constitution Article IX, § 1. The Public Trust Doctrine provides that public resources are held by the State for the trust and benefit of all people and establishes the duties and responsibilities of the State when managing these public resources.[101] The Public Trust Doctrine mandates the legislature to enact laws to implement this policy.[102]

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[101] *See*, *State v. Louisiana Land & Expl. Co.*, 2019-248 (La. App. 3 Cir. 5/6/20), 298 So. 3d 296, 317–18, *aff'd*, 2020-00685 (La. 6/30/21), 347 So. 3d 684, *aff'd on reh'g*, 2020-00685 (La. 6/1/22), 339 So. 3d 1163, *quoting* Coastal States Organization, PUTTING THE PUBLIC TRUST DOCTRINE TO WORK, at 3-4 (1990).

[102] *See, Save Ourselves*, 452 So. 2d 1152, 1156-57 (La. 1984). ("Louisiana Constitution article IX, §1 requires environmental protection 'insofar as possible and consistent with the health, safety, and welfare of the people.'").

98.

The P&A of orphaned wells falls squarely within the Public Trust Doctrine since it relates directly to the conservation and protection of public resources, oil and natural gas, fish and wildlife, and lands, air, and water.

99.

The State's actions under the Public Trust Doctrine serve to protect, preserve, and restore the State's environmental resources and, therefore, supersede and preempt contrary activities.[103]

REQUEST FOR INJUNCTIVE RELIEF

100.

During the pendency of an action for an injunction, the court shall issue a temporary restraining order ("TRO"), a preliminary injunction, or both when "irreparable injury, loss, or damage may otherwise result to the applicant."[104]

101.

As a state agency, LDENR is not required to post a bond under Louisiana Code of Civil Procedure Article 3610 in connection with its request for injunctive relief.[105]

102.

Upon information and belief, additional discovery will reveal an abundance of evidence further supporting that the Defendants are a single business enterprise, operating in breach and bad faith of its contractual obligations, operating in breach of fiduciary duties, committing fraud, and operating in violation of the Public Trust Doctrine and various laws and regulations, including but not limited to the Louisiana Unfair Trade Practices Act, La. R.S. 51:1401, *et seq.*, and the Louisiana RICO statutes, La. R.S. 15:1351*, et seq.*, all directly causing injury and damages to the State of Louisiana , DENR, and its citizens through the activities and actions alleged herein.

103.

Upon information and belief, additional discovery will also reveal an abundance of evidence further supporting that the corporate and individual defendants, as corporate directors, agents, and officers, acted to enrich themselves, depriving the Secured Operators and the State of

[103] *See, Avenal v. State*, 2003-3521 (La. 10/19/04), 886 So. 2d 1085, 1107.
[104] La. Code Civ. P. article 3601.
[105] See La. R.S. 13:4581.

their financial security and directly causing injury and damages to the Secured Operators and the State. Upon information and belief, additional discovery may also reveal corporate and individual defendants and/or their representatives have committed additional violations of state and/or federal law.

104.

Upon information and belief, the Defendants constitute a single business enterprise under Louisiana law, exposing all five (5) companies and six (6) individuals to the same liabilities.

105.

As a direct result of the Defendants' activities, the State of Louisiana and its citizens have been and continue to be harmed in a manner that money damages cannot adequately compensate. Every day of delay is another day that Louisiana orphaned wells are left unplugged, putting Louisiana's environment and the lives, property, and "health, safety, and welfare"[106] of the citizens of Louisiana further at risk. These delays severely obstruct the State's ability to protect the public and the environment and to conserve natural resources in the manner required by law.

106.

Despite demand to remit and account for the full amount of reserve funds, securities, and investments, LORA has either not paid or accounted for the full amount of LORA financial security that OC called prior to termination of the CEA. Based on the Defendants' mismanagement and misappropriation of funds entrusted to LORA and potential illicit activities, there is a significant and immediate risk of irreparable injury that, before the Defendants can be heard in opposition, will be caused by further potential illicit activities and the wasting, encumbering, concealment, disposal of, or removal of the disputed funds by the Defendants and other persons acting or claiming to act on the Defendants' behalf.

107.

As of the filing of this petition, it has been more than 10 weeks since termination of the CEA and LDENR's request for an accounting, business records, and funds. The State is unable to assess the full nature and extent of damages, or determine the amount, without a full accounting. This necessarily requires the preservation of, and access to, all Defendant's financial and

[106] La. Const. art. IX, §1.

operational records and communications.

108.

Based upon refusals to fully cooperate with the State's requests to provide all of LORA's books and records and the gravity of the mismanagement and misappropriation and illicit activities alleged herein, there is a significant and immediate risk of irreparable injury to the State if destruction, alteration, concealment, or removal of evidence, consisting of financial and corporate records and communications by the Defendants and other persons acting or claiming to act on the Defendants' behalf, occurs before the Defendants can be heard in opposition.

109.

Given the foregoing, in order to protect the interests of the State and the Secured Operators, the State, through the Attorney General and DENR, seeks and is entitled to a temporary restraining order during the pendency of this injunctive action, without the State having to post bond, prohibiting the Defendants and any and all other persons acting or claiming to act on the Defendants' behalf from:

a. concealing, disposing of, wasting, encumbering, or removing funds from their accounts; and
b. concealing, disposing of, destroying, removing, or altering financial records, business records, and related communications.

The State further seeks and is entitled to orders requiring Defendants to:

c. provide a complete accounting;
d. remit the remaining disputed funds to either the State or the Registry of the Court so that they may continue to be utilized for the intended purpose – P&A of orphaned Secured Wells;
e. Restitution for losses incurred due to the unlawful conduct and failure to timely provide requested funds and documents;
f. pay all costs and attorney's fees for these proceedings; and
g. all orders necessary, just, and equitable to maintain the status quo pending resolution of the dispute.

110.

Plaintiff further seeks and is entitled to a preliminary injunction and permanent injunctive relief in the same form and substance of the temporary restraining order and for such preliminary injunction to be made permanent.[107]

WHEREFORE, Plaintiff, the State of Louisiana, through the Department of Justice, *ex rel.* Attorney General Liz Murrill, and the Department of Energy and Natural Resources, Office of Conservation, prays that Defendants, Louisiana Oilfield Restoration Association, Inc., Arkus Management Services, LLC, Chromos Wealth Solutions LLC, LORA Foundation, Inc., Willow Lake Well Services LLC, Van R. Mayhall III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., and Johnny W. Adams, be duly served together with citation according to the law, and, after due proceedings are had, that this Honorable Court grant a judgment in favor of Plaintiff and against Defendants awarding Plaintiff the following relief:

a. Defendants be served with a copy of these pleadings at their designated addresses for service listed below;

b. A temporary restraining order, according to law and without bond, herein effective immediately upon execution and signing by the Court, prohibiting the Defendants, and any and all other persons acting or claiming to act on the Defendants' behalf, from:

   1. Concealing, disposing of, wasting, or encumbering all property, the Reserve Account, or any other accounts receiving fees from operators or revenues earned from these accounts;

   2. Concealing, destroying, or altering any and/or all financial, corporate, and other records and communications (including emails and text messages) of LORA, ARKUS, CHROMOS, LORA FOUNDATION, WILLOW, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on the Defendants' behalf, including without limitation:

      a. All records whether created or obtained in connection with loans, investments, and financing requests by, or business relationships among, one or more of the Defendants or in connection with loans, investments, and financing requests by, or business relationships with, any related person or entity, including documents referring to the actual or estimated value of any assets or collateral;

      b. All records that refer or relate to the business and lending relationships between or among the Defendants, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams and any and all other persons acting or claiming to act on one or more of the Defendants' behalf and any guarantor, other obligor, or party providing collateral;

      c. All records relating to any actual, proposed, or contemplated loan agreements, credit agreements, and financing for one or more of the

[107] *See,* La. Code Civ. P. article 3602.

Defendants, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on the Defendants' behalf, including documents relating to all related loan transactions, applications, amendments, modifications, lines of credit, repayments, mortgages, and security interests;

d. All records reflecting or evidencing any and all payments, specifically but not limited to payments for salary, bonus, dividends, distributions, services rendered, and reimbursements and benefits paid or provided by one or more of the Defendants to their officers, employees, agents, representatives, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on one or more of the Defendants' behalf;

3. Concealing or removing property, funds, and corporate or other related records from the jurisdiction of the court;

c. Order Defendants to show cause on the date and time fixed by this Court why a preliminary injunction in the form and substance of the temporary restraining order should not be issued and subsequently made permanent;

d. Order Defendants to submit to a complete accounting (including but not limited to all bank statements, check registers, invoices, and accounts payable and receivable) of all accounts of any kind (including but not limited to investment, operating, and any other accounts receiving fees from operators or revenues earned from said accounts) owned in whole or in part by or in the name of one or more of the Defendants;

e. Order Defendants to submit to a complete accounting of all payments, fees, charges, and collateral related to the eight (8) promissory notes listed in Exhibit 17 along with any documentation related thereto, including loan agreements and collateral documentation;

f. Order Defendants to wire the disputed funds representing the financial security guaranteed by LORA (including but not limited to *Investar* x9225, *Investar* x9233, and *Morgan Stanley* x028768-141) to the State Depository Account, Account No. XXXXXX5426, Routing Number 021000021, J.P. Morgan Chase Bank, Baton Rouge, Louisiana, or, in the alternative, or to deposit said disputed funds into the Court registry, pending resolution of this matter;

g. Restitution for losses incurred due to the unlawful conduct and failure to timely provide requested funds and documents;

h. All costs of these proceedings and attorneys' fees as permitted by law; and

i. All necessary, just, and equitable relief to which the Plaintiff may be entitled.

Respectfully submitted:
LIZ MURRILL
ATTORNEY GENERAL

By: ______________________
David A. Peterson (#22591)
Caroline H. Catchings (#18831)
Assistant Attorneys General
Louisiana Department of Justice
Civil Division, Lands & Natural Resources
P.O. Box 94005, Baton Rouge, LA 70821
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Counsel for the State of Louisiana and the Department of Energy and Natural Resources

/S/ J. Blake Canfield
J. Blake Canfield (#30426)
Executive Counsel
Morgan Rogers (#38883)
Louisiana Department of Energy and Natural Resources
617 North 3rd Street, 12th Floor
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Baton Rouge, LA 70804
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Blake.Canfield@la.gov
Morgan.Rogers@la.gov
Counsel for the State of Louisiana Department of Energy and Natural Resources

SERVICE PAGE TO FOLLOW

PLEASE SERVE:

Louisiana Oilfield Restoration Association, Inc.
Through its registered agent
Van Mayhall, III
10626 Linkwood Ct., Suite C
Baton Rouge, LA 70810

Arkus Management Services, LLC
Through its registered agent
Van Mayhall, III
10626 Linkwood Ct., Suite C
Baton Rouge, LA 70810

Chromos Wealth Solutions LLC
Through its registered agent
Andrew Berthelot
13134 Dutchtown Lakes Drive
Geismar, LA 70734

LORA Foundation, Inc.
Through its registered agent
Van Mayhall, III
10626 Linkwood Ct., Suite C
Baton Rouge, LA 70810

Willow Lake Well Services LLC
Through its registered agent
Andrew Berthelot
13134 Dutchtown Lakes Drive
Geismar, LA 70734

Van R. Mayhall, III
425 Daventry Drive
Baton Rouge, Louisiana 70808
or
Linkwood Ct., Suite C
Baton Rouge, LA 70810

Jacob Dickinson
70490 Gulch Street
Abita Springs, Louisiana 70420

Andrew Berthelot
13134 Dutchtown Lakes Drive
Geismar, LA 70734

Phillip G. Marchiafava
3106 Carol Jack Drive
Baton Rouge, Louisiana 70816

Lance Chad Lott, Sr.
5932 Glen Cove Drive
Baton Rouge, Louisiana 70809

Johnny W. Adams
8119 Oakbrook Drive
Baton Rouge, Louisiana 70810

TABLE OF EXHIBITS

Exhibit	Description
1A	Louisiana Secretary of State Business Filings, Louisiana Oilfield Restoration Association, Inc.
1B	Louisiana Secretary of State Business Filings, Arkus Management Services, LLC.
1C	Louisiana Secretary of State Business Filings, Chromos Wealth Solutions LLC.
1D	Louisiana Secretary of State Business Filings, LORA Foundation, Inc.
1E	Louisiana Secretary of State Business Filings, Willow Lake Well Services LLC.
2	"Report on Oil and Gas Wells Management of Orphaned Wells," prepared for Office of Governor John Bel Edwards by Commissioner Richard P. Ieyoub, July 31, 2018.
3	Various emails between Johnny W. Adams and the officers and owners of LORA.
4	CA 20-004, November 4, 2019.
5	Act of Correction, September 7, 2022.
6	OC/LDENR joint letter to LORA, Second Amendment, February 16, 2024.
7	Various emails between Johnny W. Adams and Van Mayhall, III on CEA Language.
8	Letter from Johnny W. Adams to Ben Bienvenu, Commissioner of Conservation, October 31, 2024.
9	LORA Response to LDENR Request for Qualifications, September 26, 2022.
10	Louisiana Secretary of State, Commercial Search Details for Willow Lake Well Services, LLC, accessed June 25, 2025.
11	Act of Cash Sale, East Baton Rouge Property Records, Page 875, Book 13076, Filed 12/29/2020.
12	Louisiana Legislative Auditor, "Oversight of the Louisiana Oilfield Restoration Association's (LORA) Efforts to Address Orphaned Oil and Gas Wells: Office of Conservation – Department of Energy and Natural Resources", October 24, 2024.
13A	Natural Resources Trust Authority, "Internal Review of Louisiana Oilfield Restoration Association (LORA)", March 10, 2024.
13B	Poydras Addendum CEA Act of Correction
13C	Account Balances & LORA Annual Reports
13D	Investment Management Fees
13E	Correspondence
14	LORA Financial Security Renewal Invoice, April 15, 2025.
15	LORA Annual Statements of Fees Collected and Fund Reserve, 2022-2024.
16	NRTA (2025), LORA Excess Administrative Fees. Retrieved from LORA internal company records.
17	NRTA (2025), LORA Promissory Notes. Retrieved from LORA internal company records.
18	Termination letter from LDENR to LORA, May 2, 2025.
19	Email communication between LDENR and LORA's legal counsel, May 9-16, 2025.
20	Final Demand Letter from LDENR to LORA, May 20, 2025.
21	Exhibit 21, NRTA (2025), LORA Investment Management Fees Invoices. Retrieved from LORA internal company records.
22	Outstanding Calls for LORA, July 10, 2025

Links:

Louisiana Legislative Auditor, “Regulation of Oil and Gas Wells and Management of Orphaned Wells: Office of Conservation – Department of Natural Resources”, May 28, 2014.
https://app2.lla.state.la.us/publicreports.nsf/0/d6a0ebe279b83b9f86257ce700506ead/$file/000010bc.pdf?openelement&.7773098

Louisiana Legislative Auditor, “Progress Report: Regulation of Oil and Gas Wells and Management of Orphan Wells: Office of Conservation – Department of Natural Resources”, March 11, 2020.
https://app2.lla.state.la.us/publicreports.nsf/0/c9d7297fea93568d86258528006ba4f8/$file/0001fa2e.pdf?openelement&.7773098

HCR 72 of the 2016 Louisiana Legislative Regular Session.
https://legis.la.gov/legis/BillInfo.aspx?s=16RS&b=HCR72&sbi=y

Natural Resources Trust Authority, “Internal Review of Louisiana Oilfield Restoration (LORA)”, March 10, 2024.
https://www.dnr.louisiana.gov/page/nrta

Louisiana Secretary of State, Commercial Search Details for Willow Lake Well Services, LLC.
https://coraweb.sos.la.gov/commercialsearch/CommercialSearchDetails.aspx?CharterID=1677501_E590B266E8.

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
19TH JUDICIAL DISTRICT COURT

THE STATE OF LOUISIANA, THROUGH THE DEPARTMENT OF JUSTICE, *ex rel.* ATTORNEY GENERAL LIZ MURRILL AND THE DEPARTMENT OF ENERGY AND NATURAL RESOURCES, OFFICE OF CONSERVATION,
Plaintiffs

DOCKET NO.:_______________

versus

DIVISION: __________________

LOUISIANA OILFIELD RESTORATION ASSOCIATION, INC., ARKUS MANAGEMENT SERVICES, LLC, CHROMOS WEALTH SOLUTIONS LLC, LORA FOUNDATION, INC., WILLOW LAKE WELL SERVICES LLC, VAN R. MAYHALL, III, JACOB DICKINSON, ANDREW BERTHELOT, PHILLIP G. MARCHIAFAVA, LANCE CHAD LOTT, SR., AND JOHNNY W. ADAMS.
Defendants

FILED: ____________________

____
CLERK OF COURT

VERIFICATION OF PETITION
FOR TEMPORARY RESTRAINING ORDER AND INJUNCTIVE RELIEF

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

Before me, the undersigned notary, personally came and appeared:

John C. Shiroda, Executive Director of the Natural Resources Trust Authority ("NRTA"), who, after being sworn, did depose and say that he has read the Petition for Temporary Restraining Order and Injunctive Relief and verifies that all factual allegations contained therein are true and correct.

He further attests that all documents attached to the Petition for Temporary Restraining Order and Injunctive Relief are true and correct copies of same kept in the ordinary course of the Natural Resources Trust Authority's business.

____
John C. Shiroda
NRTA, Executive Director

OFFICIAL SEAL
DAVID A. PETERSON
BAR ROLL # 22591
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
My Commission is for Life

SWORN TO AND SUBSCRIBED BEFORE ME THIS 8th DAY OF August, 2025.

____
NOTARY PUBLIC

David A. Peterson

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
19TH JUDICIAL DISTRICT COURT

THE STATE OF LOUISIANA, THROUGH THE DEPARTMENT OF JUSTICE, *ex rel.* ATTORNEY GENERAL LIZ MURRILL AND THE DEPARTMENT OF ENERGY AND NATURAL RESOURCES, OFFICE OF CONSERVATION, **Plaintiffs**	**DOCKET NO.:______________**
versus	**DIVISION: ________________**
LOUISIANA OILFIELD RESTORATION ASSOCIATION, INC., ARKUS MANAGEMENT SERVICES, LLC, CHROMOS WEALTH SOLUTIONS LLC, LORA FOUNDATION, INC., AND WILLOW LAKE WELL SERVICES LLC, VAN R. MAYHALL, III, JACOB DICKINSON, ANDREW BERTHELOT, PHILLIP G. MARCHIAFAVA, LANCE CHAD LOTT, SR., AND JOHNNY W. ADAMS. **Defendants**	
FILED: __________________	**________________________** **CLERK OF COURT**

TEMPORARY RESTRAINING ORDER AND RULE FOR PRELIMINARY INJUNCTION

It appeared from the verified petition in this case that the Plaintiff, The State of Louisiana, through the Department of Energy and Natural Resources, Office of Conservation ("State" or "LDENR" or "OC"), is entitled to a temporary restraining order and that immediate and irreparable injury, loss or damage will result to the State by virtue of the actions of Defendants, Louisiana Oilfield Restoration Association, Inc., Arkus Management Services, LLC, Chromos Wealth Solutions LLC, LORA Foundation, Inc., and Willow Lake Well Services LLC, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., and Johnny W. Adams (collectively, "Defendants") before notice can be served and a hearing on Plaintiff's application for a preliminary injunction.

IT IS ORDERED that a temporary restraining order be issued herein, without the need for security, directed to Defendants, and any and all other persons acting or claiming to act on the Defendants' behalf, restraining, enjoining, and prohibiting them from:

1. Concealing, disposing of, wasting, or encumbering all property, the Reserve Account and any other accounts held by one or more Defendants receiving fees from operators

in accordance with the CEA between OC and LORA dated November 4, 2019, and any revenues from the Reserve Account or said payments;

2. Concealing, destroying, or altering all financial, corporate, and other records and communications (including emails and text messages) of LORA, ARKUS, CHROMOS, LORA FOUNDATION, WILLOW, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on one or more of the Defendants' behalf, including without limitation:

    a. All records whether created or obtained in connection with loans, investments, and financing requests by, or business relationships among, one or more of the Defendants or in connection with loans, investments and financing requests by, or business relationships with, any related person or entity, including documents referring to the actual or estimated value of any assets or collateral;

    b. All records that refer or relate to the business and lending relationships between or among one or more of the Defendants, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on one or more of the Defendants' behalf and/or any guarantor, other obligor, or party providing collateral;

    c. All records relating to any actual, proposed, or contemplated loan agreements, credit agreements, and financing for one or more of the Defendants, their officers, employees, agents, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on one or more of the Defendants' behalf, including documents relating to all related loan transactions, applications, amendments, modifications, lines of credit, repayments, mortgages, and security interests;

    d. All records reflecting or evidencing any and all payments, specifically but not limited to payments for salary, bonus, dividends, distributions, services rendered, and reimbursements and benefits paid or provided by one or more of the Defendants to their officers, employees, agents, representatives, Van R. Mayhall, III, Jacob Dickinson, Andrew Berthelot, Phillip G. Marchiafava, Lance Chad Lott, Sr., Johnny W. Adams, and any and all other persons acting or claiming to act on one or more of the Defendants' behalf; and

3. Concealing or removing property, funds, and corporate and related records from the jurisdiction of the court.

This temporary restraining order expires at the end of ten (10) days from its date, unless extended by this Court prior to its expiration, for good cause shown and for the reasons entered.

IT IS FURTHER ORDERED that the Defendants show cause on the ______ day of ____________, 2025 at ______o'clock __.m. in the Nineteenth Judicial District Court, for the Parish of East Baton Rouge, in the State of Louisiana, as to why a preliminary injunction in the form and substance of the temporary restraining order above should not be issued, to be effective during the pendency of these proceedings, and why orders should not be issued ordering Defendants to:

A. Submit to a complete accounting (including but not limited to bank statements for all accounts, check registers, invoices, accounts payable and receivable), by LDENR or its designee, of all accounts of any kind (including but not limited to investment, operating, and any other accounts receiving fees from operators) owned in whole or in part by or in the name of one or more of the Defendants;

B. Submit to a complete accounting by LDENR or its designee of all payments, fees, and charges related to the eight (8) promissory notes listed in Exhibit 17, attached to the petition, to wit:

   1. LORA (promisee/lender) to Arkus (promisor/maker) signed by Van Mayhall, III on 03/19/2021 for $200,000.00;

   2. LORA (promisee/lender) to Chromos (promisor/maker) signed by Andrew Berthelot on 04/28/2023 for $780,000.00;

   3. LORA (promisee/lender) to Arkus (promisor/maker) signed by Van Mayhall, III, on 04/13/2021 for $139,000.00;

   4. LORA (promisee/lender) to Arkus (promisor/maker) signed by Van Mayhall, III, on 05/13/2022 for $98,400.49;

   5. LORA (promisee/lender) to Arkus (promisor/maker) signed by Lance Chad Lott, Sr., on 01/22/2021 for $100,000.00;

   6. LORA (promisee/lender) to Arkus or Chromos (promisor/maker) signed by Andrew Berthelot on 11/12/2021 for $89,400.00;

   7. LORA (promisee/lender) to Arkus (promisor/maker) signed by Van Mayhall, III, on 11/01/2022 for $347,466.00; and

   8. LORA (promisee/lender) to Arkus (promisor/maker) signed by Van Mayhall, III, on 05/18/2022 for $632,000.00;

C. Wire the disputed funds representing the financial security guaranteed by LORA (including but not limited to *Investar* x9225, *Investar* x9233, and *Morgan Stanley* x028768-141) to the State Depository Account, Account Number XXXXXX5426, Routing Number 021000021, J.P. Morgan Chase Bank, Baton Rouge, Louisiana, or, in the alternative, deposit into the Court registry, pending resolution of this matter;

D. Restitution for losses incurred due to the unlawful conduct and failure to timely provide requested funds and documents;

E. Pay all costs of these proceedings and attorneys' fees as permitted by law; and

F. For all necessary, just, and equitable relief to which the Plaintiff is entitled.

On the hearing of this rule, proof may be adduced in accordance with La. Code Civ. Proc. art. 3609 by verified pleadings, supporting affidavits, proof as in ordinary cases, or by any and all such methods at the election of the party offering proof.

Baton Rouge, Louisiana, this _____ day of ______________, 2025.

____
DISTRICT COURT JUDGE
19th Judicial District Court

PLEASE SERVE A COPY OF THE ORDER AND NOTICE OF HEARING TO DEFENDANTS

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
19TH JUDICIAL DISTRICT COURT

THE STATE OF LOUISIANA, THROUGH THE DEPARTMENT OF JUSTICE, *ex rel.* ATTORNEY GENERAL LIZ MURRILL AND DEPARTMENT OF ENERGY AND NATURAL RESOURCES, OFFICE OF CONSERVATION, **Plaintiffs**	**DOCKET NO.:______________**
versus	**DIVISION: ________________**
LOUISIANA OILFIELD RESTORATION ASSOCIATION, INC., ARKUS MANAGEMENT SERVICES, LLC, CHROMOS WEALTH SOLUTIONS LLC, LORA FOUNDATION, INC., WILLOW LAKE WELL SERVICES LLC, VAN R. MAYHALL, III, JACOB DICKINSON, ANDREW BERTHELOT, PHILLIP G. MARCHIAFAVA, LANCE CHAD LOTT, SR., AND JOHNNY W. ADAMS. **Defendants**	

FILED: ____________________ **________________________**
CLERK OF COURT

CERTIFICATION OF NOTICE

I HEREBY CERTIFY that a copy of the above and foregoing document and exhibits are being delivered to known counsel for Defendants by hand delivery to:

ERIC LOCKRIDGE
KEAN MILLER, LLP
400 CONVENTION STREET, SUITE 700
BATON ROUGE, LA 70802

Baton Rouge, Louisiana, this 8th day of August, 2025.

David A. Peterson, AAG, Section Chief
LABN: 22591

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE
19TH JUDICIAL DISTRICT COURT

THE STATE OF LOUISIANA, THROUGH THE DEPARTMENT OF JUSTICE, *ex rel.* ATTORNEY GENERAL LIZ MURRILL AND THE DEPARTMENT OF ENERGY AND NATURAL RESOURCES, OFFICE OF CONSERVATION, **Plaintiff**	**DOCKET NO.:_______________**
versus	**DIVISION: ___________________**
LOUISIANA OILFIELD RESTORATION ASSOCIATION, INC., ARKUS MANAGEMENT SERVICES, LLC, CHROMOS WEALTH SOLUTIONS LLC, LORA FOUNDATION, INC., WILLOW LAKE WELL SERVICES LLC, VAN R. MAYHALL, III, JACOB DICKINSON, ANDREW BERTHELOT, PHILLIP G. MARCHIAFAVA, LANCE CHAD LOTT, SR., AND JOHNNY W. ADAMS. **Defendants**	
FILED: ____________________	**___________________________** **CLERK OF COURT**

EXHIBITS
