

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF OHIO

UNITED STATES OF AMERICA

Plaintiff,

v.

DANIEL D. WEDDINGTON; JAMES R.
EARL; MID-CON PETROLEUM, INC.,
AURORA CAPITAL GROUP, INC,
JEFFREY GAUMER

Defendants.

Civil No. 07-1221

STIPULATED PERMANENT INJUNCTION
AS TO DANIEL D. WEDDINGTON

The United States has filed a complaint for permanent injunction under 26 U.S.C. §§ 7402(a), 7407, and 7408 against defendants Daniel D. Weddington, James R. Earl, Mid-Con Petroleum, Inc., Aurora Capital Group, Inc., and Jeffrey Gaumer.

Defendant Daniel D. Weddington waives the entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure, and consents to the entry of this permanent injunction without further notice and agrees to be bound by its terms. Weddington understands that this permanent injunction constitutes the final judgment in this matter, and waives the right to appeal from this judgment.

Weddington further understands and agrees that the Court will retain jurisdiction over this matter for the purpose of implementing and enforcing this injunction and understands that if he violates the injunction, he may be subject to civil and criminal sanctions for contempt of court. The United States and Weddington agree that entry of this permanent injunction neither precludes the Internal Revenue Service from assessing

penalties against Weddington for asserted violations of the Internal Revenue Code nor precludes Weddington from contesting any such penalties.

ORDER

IT IS HEREBY ORDERED that defendant Daniel D. Weddington and his representatives, agents, servants, employees, and anyone in active concert or participation with him, is **PERMANENTLY ENJOINED**, pursuant to Internal Revenue Code (I.R.C.) (26 U.S.C.) §§ 7402, 7407, and 7408 from directly or indirectly:

- (1) Advising or assisting anyone with regard to any federal tax matter;
- (2) Representing anyone in any matter before the IRS;
- (3) Preparing or filing federal tax returns or forms for anyone other than himself or a corporation of which he is an officer;
- (4) Interfering with or obstructing IRS audits or investigations of participants in joint ventures in the Mid-Con IDC scheme.
- (5) Organizing, promoting, marketing, or selling the Mid-Con Petroleum IDC scheme, as described in the amended complaint, or any other scheme that is the same as or substantially similar to the IDC scheme;
- (6) Organizing, promoting, marketing, or selling any tax shelter, plan, or other arrangement that advises or assists customers to attempt to violate the internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities;
- (7) Causing or assisting other persons or entities to understate their federal tax liabilities on federal tax returns;
- (8) Engaging in any conduct subject to penalty under IRC § 6700 by organizing, promoting, marketing, or selling any tax shelter, plan, or other arrangement and, in connection therewith, making gross valuation overstatements (as defined in IRC § 6700)

or making statements that he knows or has reason to know are false or fraudulent about the allowability of any deduction or credit, the excludability of any income, or the securing of any tax benefit by reason of participating in such tax shelter, plan, or other arrangement;

(9) Engaging in activity subject to penalty under I.R.C. § 6701, including advising with respect to, preparing, or assisting in the preparation of a document related to a material matter under the internal revenue laws that he knows will, if used, result in an understatement of another person's tax liability;

(10) Altering or backdating documents or delaying the negotiation of checks in order to deceive the IRS;

(11) Issuing or selling letters of credit or soliciting or receiving any renewal fees or other funds relating to any old or new letters of credit with respect to the Mid-Con IDC scheme; and

(12) Engaging in any other conduct subject to penalty under any penalty provision of the IRC, or engaging in any other conduct that interferes with the administration or enforcement of the internal revenue laws.

IT IS FURTHER ORDERED that the Court retains jurisdiction to enforce this injunction and the United States may engage in post-judgment discovery to monitor Weddington's compliance with this injunction.

IT IS FURTHER ORDERED that each party shall be liable for its own costs of litigation and attorneys' fees.

Agreed to by:

CARTER M. STEWART
United States Attorney

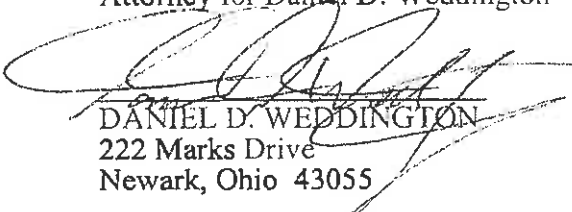
s/Shana M. Starnes
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See attached page.

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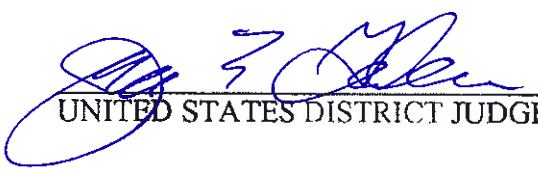

TERRENCE A. GRADY
Attorney for Daniel D. Weddington

4/21/11


DANIEL D. WEDDINGTON
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4/21/11

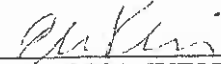
SO ORDERED this 12th day of may 2011.


UNITED STATES DISTRICT JUDGE

IT IS FURTHER ORDERED that each party shall be liable for its own costs of litigation and attorneys' fees.

Agreed to by:

CARTER M. STEWART
United States Attorney


ELLEN K. WEIS
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TERRENCE A. GRADY
Attorney for Daniel D. Weddington


DANIEL D. WEDDINGTON
222 Marks Drive
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SO ORDERED this ____ day of _____ 2011.

UNITED STATES DISTRICT JUDGE