



New Mexico Regulation and Licensing Department SECURITIES DIVISION

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FOUR CHARGED IN MULTI-MILLION DOLLAR ENERGY INVESTMENT SCAM

Albuquerque, N.M. – Four men were indicted yesterday by a Sandoval County grand jury after a months-long investigation by the New Mexico Regulation and Licensing Securities Division for racketeering, securities fraud, forgery, conspiracy and other fraud related charges. Investigators allege a multi-million dollar investment fraud case spanning 17 states and impacting more than 40 people and companies.

The men, all from out of state, were arrested by agents of the New Mexico Regulation and Licensing Securities Division and officers of the Rio Rancho Police Department last week after meeting with a Securities Division undercover agent posing as a potential investor.

The investment they were offering is not registered with state or federal authorities, and none of the four men charged are licensed to sell securities in New Mexico. Additionally, they provided several false or forged documents and fraudulent mineral leases and geologic data.

Arrested were Theodore “Ted” Hogan, age 64, also known as Ted Kills In The Fog, a resident of Sedona, Arizona; Brad Greenberg, age 53, of Charlotte, North Carolina; Grady J. Hunts Arrow, Sr., age 69, a resident of Pryor, Montana; and Loren E. Old Bear, age 58, a resident of Lodge Grass, Montana.

After arraignment in Sandoval County Magistrate Court last week, Hogan’s bond was set at \$1 million cash only. Hogan has a history of fraudulent activity and served time in prison on bank fraud and corruption charges in the 1990s. Grady Hunts Arrow and Loren Old Bear were released on a \$50,000 surety bond; Greenberg was released on a \$1,000 cash bond.

According to the indictment, the four men were offering interests in a limited liability company and an investment contract for the development of oil, gas or other mineral rights in a multi-million dollar plan to develop coal bed methane wells on the Crow Reservation in Montana.

The New Mexico Securities Division probe of Hogan and his associates was launched late last year in response to information provided by the Virginia State Corporation Commission.

The investigation revealed that a retired Rio Rancho woman had invested \$50,000 with Hogan.

“Hogan has hurt investors throughout the country,” said Superintendent Kelly O’Donnell. “This current scheme is only the latest in a complex and interwoven series of investment frauds Hogan has been perpetrating for more than seven years, all involving purported mineral development in Montana on the Crow Reservation.”

The U.S. Department of the Interior, Office of the Inspector General, the Rio Rancho Police Department, the Albuquerque Police Department’s Special Investigations Division, the Arizona Corporation Commission Securities Division, and the Virginia State Corporation Commission Division of Securities and Retail Franchising all were partners in the investigation.

“This case highlights the critical importance of doing a little independent research before making any investment,” said Securities Division Director Bruce R. Kohl. “A call to our office would have quickly revealed that Mr. Hogan was an unlicensed individual with a very dubious history.”

Securities Division

Form Name

By calling 800-704-5533, the Securities Division toll-free number, investors can find out whether an individual is a licensed financial professional and if that individual has been the subject of disciplinary action in New Mexico or other states. The Securities Division can also assist in determining if the investment offered is registered with state or federal regulators.

The Regulation and Licensing Department Securities Division protects New Mexicans from fraud and financial abuse by licensing investment professionals, registering securities offering made in the state, and investigating fraud and other violations of the state securities law. To learn more about investment fraud, visit the division's website at www.protectyourmoneynm.org