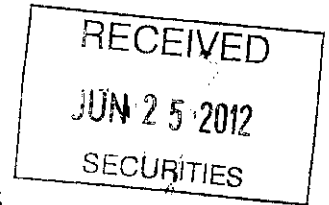


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2012-AH-0036



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

AGREED ORDER

vs.

HORNET OIL & GAS CORPORATION

RESPONDENT

STATEMENT OF FACTS

1. The Department of Financial Institutions ("DFI") is responsible for administering the provisions of Kentucky Revised Statutes (KRS) Chapter 292, the Securities Act of Kentucky ("the Act"), as well as any applicable rules, regulations and Orders entered pursuant to the Act.

2. The Respondent, Hornet Oil & Gas Corporation, is a Kentucky corporation. According to its most recent filing with the Kentucky Secretary of State, Hornet Oil & Gas Corporation's principal office is located at 208 Whippoorwill Rd, Glasgow, Kentucky 42141, but Hornet is not currently using that address. Within 120 days of the entry of this agreed order, the address for its registered agent shall be 130 Public Square, PO Box 100, Columbia, KY 42728.

3. As of August 24, 2011, Hornet Oil & Gas Corporation had three persons registered as issuer agents with the DFI. According to the U-4 for each registered agent, the office of employment address was 911 College Street, Bowling Green, KY 42101 (hereinafter "Hornet Oil & Gas Corporation's Bowling Green office").

4. On August 24, 2011, DFI's examiners went to Hornet Oil & Gas Corporation's Bowling Green office to conduct an examination but the office was vacant. A DFI examiner

called Hornet Oil & Gas Corporation and was informed that Hornet Oil & Gas Corporation was no longer operating from the Bowling Green office and that its three registered issuer agents' office of employment was in Hendersonville, TN.

5. As of the date of the entry of this Agreed Order, Hornet Oil & Gas Corporation does not have any issuer agents registered with the DFI.

CONCLUSIONS OF LAW

6. Pursuant to KRS 292.336(3), a firm employing issuer agents shall promptly file a correcting amendment if the information contained in any document filed with the DFI is or becomes inaccurate.

7. Hornet Oil & Gas Corporation violated KRS 292.336(3) because it failed to promptly update the office of employment address on the U-4 for each of its three agents registered with the DFI.

8. The DFI possesses a range of administrative authority in addressing violations of the Act, including the imposition of fines. See KRS 292.470 and KRS 292.500.

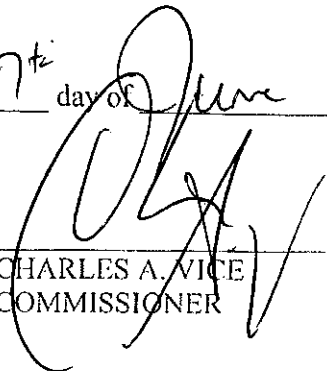
AGREEMENT AND ORDER

9. In the interest of economically and efficiently resolving this matter, the DFI and Hornet Oil & Gas Corporation agree as follows.

a. Hornet Oil & Gas Corporation agrees to a fine assessment in the amount of fifteen hundred dollars (\$1500.00);

b. Hornet Oil & Gas Corporation agrees to and shall pay the fine assessed herein prior to the entry of this Order, which shall be in the form of a certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department

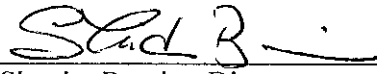
IT IS SO ORDERED on this the 27th day of June, 2012.




CHARLES A. VICE
COMMISSIONER

Consented to:

This 26 day of June, 2012. This ____ day of _____, 2012.



Shonita Bossier, Director
Division of Securities
Department of Financial Institutions

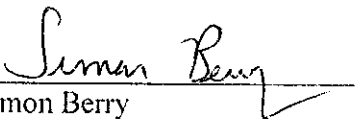


Hornet Oil & Gas Corporation
By Its President: Allen Murrell

Certificate of Service

I, Simon Berry, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 21st day of June, 2012, by certified mail, return receipt requested, to the following:

Hunter Durham
Durham & Zornes
130 Public Square
PO Box 100
Columbia, KY 42728
Respondent's attorney


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Department of Financial Institutions
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Frankfort, Kentucky 40601
502-573-3390 ext. 232 (phone)
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