

COPY

**COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2006-AH-024
ADMINISTRATIVE ACTION NO. 06-PPC-0206**

OFFICE OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

FINAL ORDER

ALLIED SYNDICATIONS, INC.
D/B/A ALLIED ENERGY GROUP
RICHARD UNDERWOOD
STEVE S. STENGELL
C. SHANE POLSON
COUNTY LINE PROSPECT

RESPONDENTS

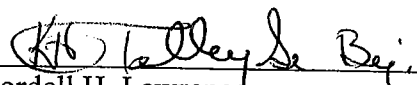
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The parties hereto having entered into a certain "Settlement Agreement" dated March 30, 2007 (a copy of which is attached hereto) resolving the issues raised by the Complainant's Complaint filed May 19, 2006; and the Executive Director of the Office of Financial Institutions being sufficiently advised in the premises;

Hereby Orders that the subject Settlement Agreement in this action dated March 30, 2007 is approved and the provisions thereof are incorporated herein by reference as the Executive Director's Final Order as if fully set out herein.

A copy of this Order shall be delivered to the Attorney General's Office of Administrative Hearings and the hearing officer, Hon. Michael Head, may close his file in this matter.

Entered this 9th day of April, 2007.


Cordell H. Lawrence
Ex. Dir., Off. of Financial Institutions

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AGENCY CASE NO. 2006-AH-024
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OFFICE OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

SETTLEMENT AGREEMENT

ALLIED SYNDICATIONS, INC.,
D/B/A ALLIED ENERGY GROUP
RICHARD UNDERWOOD
STEVE S. STENGELL
C. SHANE POLSON
COUNTY LINE PROSPECT

RESPONDENTS

* * * * *

Whereas an Administrative Complaint was filed herein by the Complainant against the Respondents on or about May 19, 2006; and,

Whereas the Respondents filed a Response to said Complaint calling into issue the allegations of same and requesting a hearing in this matter; and,

Whereas an evidentiary hearing is presently scheduled to be held March 29th and 30th, 2007 before Hon. Michael Head, Hearing Officer; and

Whereas the parties have reached a settlement of the issues raised by the Complaint sufficient to negate the need for a hearing;

NOW THEREFORE it is hereby agreed as follows:

1. The Respondent, C. Shane Polson, is dismissed as a party Respondent to this action and any further reference to "Respondents" herein shall not include C. Shane Polson.


2. The remaining Respondents (Allied Syndications, Richard Underwood, Steve Stengell, and County Line Prospect) are collectively assessed a civil fine of Twenty-Five Thousand Dollars (\$25,000). Of that sum, Fifteen Thousand Dollars shall be suspended on the condition that the Respondents abide by the terms of this Settlement Agreement and do not commit future violations of federal or state securities laws. The remaining Ten Thousand Dollars (\$10,000) shall be paid as a civil fine simultaneously with the execution of this Settlement Agreement.
3. The Respondents shall offer Rescission to all non-accredited investors in the County Line Prospect, an oil and gas exploration investment partnership, within thirty (30) days of the execution of this Settlement Agreement.
4. The Respondents acknowledge that legitimate concerns were raised in the Complainant's Complaint concerning the adequacy of disclosures in Allied's Private Placement Memorandum for County Line Prospect. The Respondents verify that they have taken steps to rectify such inadequate disclosures and they agree to supply the Complainant a copy of their revised Private Placement Memorandum for their latest oil and gas offering. Should the Complainant continue to find inadequate disclosures in said offering document, the Respondents agree to remedy any material omissions or misstatements of fact therein.
5. The OFI acknowledge that Steve S. Stengell, in negotiating this Settlement Agreement, requested to be dismissed as a party hereto. While the OFI will not agree to remove Steve S. Stengell as a party, the OFI does stipulate that such refusal is not based on any representations in the offering documents of Allied

relative to Mr. Stengell having "completed the Executive Management Program at Harvard University". Mr. Stengell's culpability for any material errors or omissions in the PPM is based on his position as Senior Vice-President for Operations of Allied.

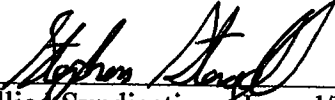
6. Upon execution of this Settlement Agreement by all parties, the Complainant will immediately request cancellation of the aforesaid administrative hearing.

The Respondents understand that this Settlement Agreement will be submitted to the Executive Director of the Office of Financial Institutions to be incorporated into a Final Order and that this Settlement Agreement and Final Order will be available for public inspection and WILL NOT BE APPEALABLE.

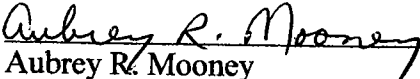
Executed this 30 day of March, 2007.




Colleen Keefe
Director, Division of Securities
Office of Financial Institutions



Allied Syndications, Inc., d/b/a Allied
Energy Group




Aubrey R. Mooney
Counsel, Office of Financial Institutions



Richard Underwood



Steve S. Stengel



Hunter Durham
Attorney for the Respondents