



Steven Stack, MD
Secretary

KENTUCKY OFFICE OF MEDICAL CANNABIS

Cabinet for Health and Family Services
500 Mero Street, 5SC14
Frankfort, Kentucky 40601

Cannon Armstrong
Executive Director

December 22, 2025

Natural State GreenGrass CannaCo
CULT0011114
3333 S Pinnacle Hills Parkway, STE: 220
Rogers, Arkansas 72758

Sent via Electronic Mail and Certified Mail

Natural State GreenGrass CannCo, LLC:

On November 10, 2025 at 8:19 AM EST, the Office of Medical Cannabis (OMC) received an email containing an additional inventory request from Gold Leaf Management, LLC, which has a Management Service Agreement (MSA) with the licensee Natural State GreenGrass CannaCo, LLC (CULT0011114). Specifically, the request sought approval to bring 176 clones into your licensed facility with an estimated date of delivery of November 10, 2025. The OMC approved this request to bring in additional inventory on November 10, 2025 at 3:32 PM EST with the following condition: Licensee shall provide the Office of Medical Cannabis (OMC) with the security footage showing the offloading of the clones into the licensed facility within three (3) business days of the offloading.

On November 10, 2025 at approximately 4:19 PM EST, licensee representative Casey Flippo contacted OMC Executive Director Cannon Armstrong to self-report the onboarding of the 176 clones had already taken place prior to receiving OMC approval. This verbal communication was followed by written confirmation of the occurrence that same day at 6:53 PM EST in an email from Dominic Dachille with Gold Leaf Management. Mr. Dachille confirmed to OMC that the clones subject to the additional inventory request had already been onboarded into your facility on Sunday, November 9, 2025 at 10:44 AM EST.

In sum, there is no dispute that prior to the receipt of the cabinet's approval of a written request to bring inventory into its facility, licensee Natural State GreenGrass CannaCo, LLC possessed and transported 176 clones into its licensed facility for processing on November 9, 2025, at 10:44 AM EST.

Consequently, in accordance with 915 KAR 1:020 Section 4(5) and 915 KAR 1:020 Section 12(1), OMC issues the following enforcement action to licensee Natural State GreenGrass CannaCo, LLC arising from the inventory discrepancy:

- A fine of seventeen thousand six hundred dollars (\$17,600), which equates to a fine of \$100 per clone improperly transported into the licensed facility prior to receiving OMC approval.

Please also note that the minimum performance standards for license renewal are contained in 915 KAR 1:010, Section 6. Pursuant to KRS 218B.080(5)(b), the renewal of a cannabis business license shall be contingent upon successful achievement of minimal performance standards established by the Office of Medical Cannabis. The minimum performance standards for licensees participating in the Kentucky Medical Cannabis Program include “[t]he licensee has not made false or misleading statements in: 1. A renewal application or any other application submitted to the cabinet; 2. Any document or written communication submitted to the cabinet; or 3. Any verbal communication to the cabinet.” Licensee Natural State GreenGrass CannaCo, LLC is reminded of the minimal performance standards contained in 915 KAR 1:010, Section 6, in particular the standard involving no false or misleading statements to the OMC, and ensure this standard is being maintained at all times.

Per KRS 218B.100(3), the OMC shall provide notice of suspension, revocation, fine, or other penalty, as well as the required notice of the hearing, by mailing, via certified mail, the same in writing to the cannabis business at the address on the license. **The cannabis business may, within thirty (30) days after the date of the mailing of the cabinet’s notice, file a written request for an administrative hearing regarding the suspension, revocation, fine, or other penalty. The hearing shall be conducted in compliance with the requirements of KRS Chapter 13B.**

The request for administrative hearing form is available on the website for the Kentucky Medical Cannabis Program, kymedcan.ky.gov, on the Business page under the Forms tab.

/s/ Chafic George

Chafic George

Director, Enforcement and Compliance

Kentucky Office of Medical Cannabis

