

ADMINISTRATIVE HEARINGS DIVISION

March 19, 2026

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. Nebadon, Inc.
Sally Bishop,
Pres/Sec/Treas/Dir/Stkhldr
dba **NEBADON**

(Producer)

OAR 845-025-8540(2)(a)(C)- On or about November 10, 2023, Licensee or its employee, agent, or representative intentionally or knowingly misrepresented the potency of a marijuana item to a consumer, licensee, laboratory licensee, or the public, when Licensee's employee, agent, or representative, Aaron Teplick, added resinous trichomes of marijuana that accumulated or fell off marijuana flower, of unknown origin, to the samples of usable marijuana taken for testing by PREE Laboratories, LLC (License #10087092BDA), and supplied resinous trichomes of marijuana that accumulated or fell off marijuana flower to Skylar Smith, a representative of laboratory licensee PREE Laboratories, LLC, with the intent, or with knowledge, that Skylar Smith would add the resinous trichomes of marijuana to the samples of Licensee's usable marijuana being taken for testing, and Skylar Smith added the resinous trichomes of marijuana to the samples. Resinous trichomes of marijuana have a higher THC content than the rest of the marijuana flower from which they are separated. Adding resinous trichomes to only the sample increases the potency of the marijuana sample compared to the overall batch of marijuana from which the sample is taken. The increased potency of the sampled marijuana is then attributed to the overall batch of marijuana. This results in the reported potency of the batch of marijuana being higher than the batch's actual potency and testing no longer accurately represents the batch's potency. By adding resinous trichomes of marijuana from unknown origin only to the portion of the marijuana sampled, Licensee misrepresented the potency of the overall batch to which the test results apply.

(Category I)

Note: Licensee was charged with these violations by Amended Notice dated October 8, 2025. The standard sanction is license cancellation and seizure and destruction of marijuana. Licensee requested a hearing and now wishes to enter into this settlement agreement.

(continue **NEBADON**)

OAR 845-025-5700(1) – On or about November 10, 2023, Licensee or its employees, agents, or representatives engaged in activity that violates a provision of ORS 475C, OAR 333-007-0300 through OAR 333-007-0500 or OAR 333, Division 64, specifically OAR 333-007-0360(1)(d), when Licensee’s employee, agent, or representative, Aaron Teplick, failed to make an entire batch of marijuana or usable marijuana available for sampling by PREE Laboratories, LLC, laboratory license #10087092BDA.

(Category I)

SYNOPSIS: Licensee was having batches of marijuana sampled by a laboratory licensee for testing. Licensee’s employee made four bags of marijuana, one bag from each of the four batches of marijuana to be sampled, and added kief, a cannabinoid concentrate, to each of the four bags. The bags were presented to the laboratory’s field representative, who took samples from the kiefed bags. Additional kief was supplied to the field representative by Licensee’s employee and was added to the marijuana samples while they were being weighed.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violations identified in the Notice.
2. Licensee admits the facts described in the Notice and accepts responsibility for the violations described in the Notice. These were Licensee’s first and second Category I violations within two years. Upon execution and final approval of this Settlement Agreement by the Commission, these violations shall become a permanent part of Licensee’s Commission file and may be considered in any future application for any license or permit by the Licensee.
3. The standard sanction for the violations described in the Notice is license cancellation and seizure and destruction of marijuana remaining at the former licensed premises after the effective date of the order of license cancellation.
4. As an alternative to the proposed penalty in the Notice:
 - a. Each licensee shall accept a Letter of Reprimand for the violations set forth in the Notice.
 - b. Licensee is in the process of a Change of Ownership for License No. 1002788E39D. Licensee hereby surrenders License No. 1002788E39D effective on the date the Change of Ownership application is approved and completed, or at 7:00 AM on June 19, 2026, whichever is earlier.
 - c. Licensee understands and agrees that the Commission is not representing or guaranteeing that a new owner will have an approved license on or before June 19, 2026, or at any time. Licensee understands and agrees that any new owner will have to fully complete the application process, and the application has to receive final approval by the Commission, prior to a license being issued.

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- d. Licensee understands and agrees that OLCC may seize and destroy any marijuana items that remain on the formerly licensed premises of License No. 1002788E39D, or in Licensee's METRC cannabis tracking system inventory, after the surrender of License No. 1002788E39D.
5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires or is transferred before the Commission issues the final order incorporating this Settlement Agreement, the Licensee agrees to accept a Letter of Reprimand for these violations. This reprimand becomes a permanent part of the Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
7. Licensee accepts this Settlement Agreement without any conditions or reservations. Licensee is aware of Licensee's right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review if this matter was not resolved through this Settlement Agreement. Licensee is aware of Licensee's right to seek judicial review of a final order issued in the matter. Licensee freely and voluntarily waives all such rights to a contested case hearing, judicial review, or to otherwise challenge this Settlement Agreement and the Final Order incorporating this Settlement Agreement. In full satisfaction and settlement of this matter, Licensee agrees to Commission's issuance of a Final Order incorporating this Settlement Agreement as described in paragraph 12.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their March 2026 meeting. If the Settlement Agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored.
9. The parties agree that this Settlement Agreement constitutes the sole, entire, and complete agreement between the parties to resolve the administrative proceeding commenced by the Notice and that no promises, inducements, or agreement not herein expressed have been made and that all terms of this Settlement Agreement are contractual and not a mere recital.
10. Licensee releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement, including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney's fees or costs.
11. Licensee of record is an Oregon Limited Liability Company. Sally Bishop is a Member of the Licensee of record. Licensee of record represents and warrants that Sally Bishop individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
12. The parties agree that this Settlement Agreement and Final Order Incorporating Settlement Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
13. The Settlement Agreement must be signed and received by the Commission by February 26, 2026.