

MIKE BEEBE
GOVERNOR

A. HEATH ABSHURE
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
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ARKANSAS SECURITIES DEPARTMENT

April 20, 2011

Mr. John S. Bryant
Jack, Nelson, Jones, Jiles & Gregory, P.A.
One Cantrell Center
2800 Cantrell Road, Suite 500
Little Rock, AR 72202

Re: Sally Brewer
No-Action 11-NA-0002

Dear Mr. Bryant:

The Arkansas Securities Department ("Department") has received your request dated March 22, 2011, and the supplemental information (collectively "Request") regarding the transfer of stock by Sally Brewer. The Request seeks confirmation that the Staff of the Department ("Staff") will not recommend that the Arkansas Securities Commissioner take enforcement action against Sally Brewer for violations of the Arkansas Securities Act ("Act"), with respect to the proposed transactions described in the Request. I have attached a copy of the Request to avoid reciting or summarizing the facts that you have presented.

Based upon the opinions and representations set forth in the Request, the Staff will not recommend enforcement action under Ark. Code Ann. § 23-42-501 should the transactions proposed take place as set forth in the Request. In issuing this no-action letter, the Staff considered the transactional exemption available under Ark. Code Ann. § 23-42-504(a)(1).

Please note that the Staff's position is based solely upon the representations in the Request and applies only to the transactions and facts as represented in the Request. Different facts or circumstances might, and often would, require a different response. The Staff only expresses its position as to the recommendation of formal enforcement action and does not purport to be a legal opinion or formal conclusion.

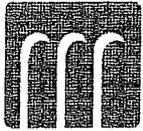
We also direct your attention to the anti-fraud provisions of the Act and Rules of the Arkansas Securities Commissioner ("Rules") that remain applicable to the transaction. Responsibility for compliance with the Act and Rules rests with the participants in the transactions described in the Request.

If you should have any questions or need additional information, please do not hesitate to contact me.

Sincerely,


Kaycee Wolf
Staff Attorney

Attachments



JACK NELSON JONES

JILES & GREGORY, P.A.

ATTORNEYS AT LAW
One Cantrell Center
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March 22, 2011

VIA HAND DELIVERY

A. Heath Abshure, Commissioner
Arkansas Securities Department
Heritage West Building, Suite 300
201 East Markham Street
Little Rock, AR 72201-1692

RECEIVED
11 MAR 22 PM 3:11
ARKANSAS SECURITIES DEPT.

Re: Request for No-Action Letter Interpreting Rule 504.01(A)(1)

Dear Mr. Abshure:

On behalf of our client, Sally Brewer, I respectfully request that your office issue a no-action letter, based upon the Facts and Discussion below, that Ms. Brewer's proposed transaction falls within the Isolated Non-Issuer Exemption under Arkansas Securities Act Rule 504.01(A)(1) as an exempt transaction under Ark. Code Ann § 23-42-504(a)(1).

FACTS

Sally Brewer owns 51.54 shares of non-public, restricted common stock (the "Stock") of a private company (the "Company") which has a total of 60,000 shares outstanding. Ms. Brewer owns .0859% of the Company. Ms. Brewer does not work for or hold any position as Director, Partner or Officer with executive responsibilities to the Company. Ms. Brewer's sole connection to the Company is her ownership of the Stock.

Ms. Brewer has agreed in principal to the terms of a business acquisition transaction whereby Ms. Brewer will transfer two and one half (2.5) of her Stock shares to the seller of the business (the "Transferee") as partial payment of the purchase price for the business.

DISCUSSION

It is the opinion of this firm that the proposed transaction between Ms. Brewer and the Transferee falls within the Isolated Non-Issuer Exemption under Arkansas Securities Act Rule 504.01(A)(1) as an exempt transaction under Ark. Code Ann §23-42-504(a)(1) and, therefore, the Arkansas Securities Department Commissioner should recommend that the Department take no action to enforce the registration provision of the Arkansas Securities Act with respect to the proposed transaction.

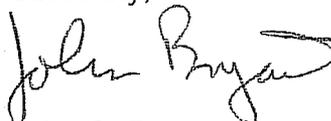
Ms. Brewer is not an issuer, nor is she in-control of, controlled by or under the common control with the issuer, the Company. Ms. Brewer owns only 51.54 shares of common stock of the Company – a total of .0859% of the Company. Additionally, Ms. Brewer does not work for or hold any position as Director, Partner or Officer with executive responsibilities to the Company and therefore has no control as defined in Arkansas Securities Act Rule 102.01(11), because she has no power to direct or cause the direction of the management or policies of the Company, whether through ownership of securities, by contract, or otherwise. The proposed transaction is a one-time exchange and, therefore, under Rule 504.01 (A)(1)(b), there will not be more than three (3) such transactions effected in this State during any twelve (12) month period. Ms. Brewer has not undertaken any similar such transactions within the preceding twelve (12) month period.

REQUEST FOR NO-ACTION LETTER

This firm respectfully requests a no-action letter on behalf of Ms. Brewer. It is our opinion that the proposed transaction, as outlined above, is an exempt transaction and requires no registration under the Arkansas Securities Act.

Thank you for your timely attention to this request. Should you require further information, please do not hesitate to contact me.

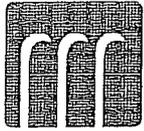
Sincerely,



John S. Bryant

JSB/jmb

cc: Ms. Sally Brewer
Mr. Brian Bowen



JACK NELSON JONES
JILES & GREGORY, P.A.

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April 6, 2011

VIA HAND DELIVERY

Ms. Kaycee Wolf
Arkansas Securities Department
Heritage West Building, Suite 300
201 East Markham Street
Little Rock, AR 72201-1692

Re: Supplement to No-Action Request dated March 22, 2011

Dear Ms. Wolf:

In response to our telephone conversation earlier today, I would like to supplement my letter, dated March 22, 2011, with the following information:

Ms. Brewer is an investor in an entity called [REDACTED] had working oil and gas interests with an affiliate of [REDACTED]. In the fall of 2010, [REDACTED] offered shares of [REDACTED] stock to the investors in [REDACTED] in exchange for the investor's working interests in [REDACTED], i.e., oil and gas leases, drilling opportunities, etc. Ms. Brewer choose to accept the exchange offer so that she would not be subject to capital calls associated with the drilling and other working interests of [REDACTED] moving forward.

I request the above information remain confidential and not be made publicly available to protect the confidentiality of the details of Ms. Brewer's investment activities.

I appreciate your assistance in this matter. Should you require further information, please do not hesitate to contact me.

Sincerely,


John S. Bryant

JSB/jmb

Enclosure

cc: Ms. Sally Brewer
Mr. Brian Bowen

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11 APR -6 PM 4:24
ARKANSAS SECURITIES DEPT.

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

IN THE MATTER OF:

Sally Brewer

AFFIDAVIT

BEFORE ME, the undersigned authority, on this day personally appeared Sally Brewer, who being of sound mind and legal age, and after being duly sworn, deposes and states as follows:

1. I, Sally Brewer, as the owner of 51.54 shares of non-public, restricted common stock of [REDACTED], request that the Staff of the Arkansas Securities Department ("Staff") not recommend that the Arkansas Securities Commissioner take enforcement action against me with respect to the proposed transactions described in the March 22, 2011 letter requesting no action pursuant to an exemption found in Ark. Code Ann. § 23-42-504(a)(1).

2. I purchased the [REDACTED] common stock in a transaction or a series of transactions, in which I possessed the intent to invest in [REDACTED]. At no time have I participated in a transaction or series of transactions with the purpose of distributing the [REDACTED] common stock to investors.

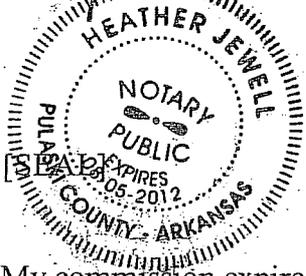
3. I swear and affirm that I know the contents of this affidavit signed by me and that the statements are true and correct.

DATED this 15 day of April, 2011.


Sally Brewer

STATE OF Arkansas)
COUNTY OF Pulaski)

SUBSCRIBED AND SWORN TO before me, a Notary Public, on this 15th day of April, 2011.



Heather Jewell
NOTARY PUBLIC

My commission expires: 8-5-2012