

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CANNABIS REGULATORY AGENCY

In the Matter of

Lance Creek Resources, LLC,
dba Divine Cannabis Company
License No. GR-A-000103

ENF No: 24-00084

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“CRA”) files this formal complaint against Lance Creek Resources, LLC dba Divine Cannabis Company (“Respondent”) alleging upon information and belief as follows:

1. The CRA is authorized under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MMFLA or administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the CRA’s authority to impose sanctions on the license.

FACTUAL ALLEGATIONS

3. Respondent held an active state operating license under the MMFLA to operate a medical marijuana class A grower facility in the state of Michigan at all times relevant to this complaint.

4. Respondent operated at 3180 W. Saginaw Road, Vassar Township, Michigan 48768, at all times relevant to this complaint.

5. Following an investigation, the CRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

6. On March 2, 2023, the CRA conducted a semi-annual inspection at Respondent's medical marijuana class A grower facility.

7. Following the inspection, on April 6, 2023, CRA staff went to Respondent's facility and discovered examples of Respondent not accurately tracking its marijuana inventory in the statewide monitoring system (Metrc). CRA staff provided Respondent with education regarding accurately tracking inventory in Metrc.

8. On December 5, 2023, CRA staff reviewed a Metrc report of Respondent's marijuana inventory. Per the report, Respondent should have had 178 flowering plants, 294 vegetative plants, and 69 immature plants in its physical inventory. The report also indicated that Respondent completed 16 harvests that were never packaged and weighed.

9. On December 7, 2023, CRA staff conducted a compliance check at Respondent's facility to discuss the status of the above-referenced plants and harvests. CRA staff observed no marijuana plants or products on site, and Respondent's owners indicated that the facility had not been operating.

10. When asked about the plants and harvests reflected in Respondent's Metrc inventory, Respondent's owners stated they destroyed all of the plants. Respondent's owner did not have a waste log or standard operating procedure on site regarding destruction of product. Respondent's owner could not provide any specific information regarding when the plants were allegedly destroyed.

COUNT I

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.108(8), which states a grower shall accurately enter all transactions, current inventory, and other information into the statewide monitoring system as required in the MMFLA, these rules, and the marihuana tracking act.

COUNT II

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.206a(1), which states a marihuana business must have up-to-date standard operating procedures on site at all times.

COUNT III

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.211(8), which states that a licensee shall maintain accurate and comprehensive records regarding marijuana product waste, and marijuana plant waste that accounts for, reconciles, and evidences all waste activity related to the disposal.

THEREFORE, based on the above, the CRA gives notice of its intent to impose fines and/or other sanctions against Respondent's license, which may include the suspension, revocation, restriction, and/or refusal to renew Respondent's license.

Under MCL 333.27407(4) and Mich Admin Code, R 420.704(2), any party aggrieved by an action of the CRA suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing upon request. A

request for a hearing must be submitted to the CRA in writing within 21 days after service of this complaint. Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Mich Admin Code, R 420.704(1) A compliance conference is an informal meeting at which Respondent has the opportunity to discuss the allegations in this complaint and demonstrate compliance under the MMFLA and/or the administrative rules. A compliance conference request must be submitted to the CRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of the following methods, with a copy provided to the assistant attorneys general named below:

By Mail: Department of Licensing & Regulatory Affairs
Cannabis Regulatory Agency
P.O. Box 30205
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs
Cannabis Regulatory Agency
2407 North Grand River
Lansing, Michigan 48906

By Email: CRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

Questions about this complaint should be directed to the undersigned
assistant attorneys general.

Respectfully submitted,

/s/Adam M. Leyton
Adam M. Leyton (P80646)
Assistant Attorney General
Attorneys for Cannabis Regulatory
Agency
Licensing and Regulation Division
525 West Ottawa Street
P.O. Box 30758
Lansing, Michigan 48909
Telephone: (517) 335-7569
Fax: (517) 241-1997

Dated: January 22, 2025

LF: 2024-0393737-A / Lance Creek Resources dba Divine, ENF 24-00084 / Formal Complaint / 2025-01-22

In the Matter of

Lance Creek Resources, LLC
dba Divine Cannabis Company
License No.: GR-A-000103

ENF No.: 24-00084

_____ /

PROOF OF SERVICE

I hereby certify that on _____, I mailed a copy of the Formal Complaint dated _____ in the above captioned case by certified mail (return receipt requested) to:

Lance Creek Resources, LLC
dba Divine Cannabis Company
6201 Miller Rd. Suite A
Swartz Creek, Michigan 48473

Courtesy copy sent to:
Charles Bird
Charlesbird56@yahoo.com

Departmental Technician
Cannabis Regulatory Agency