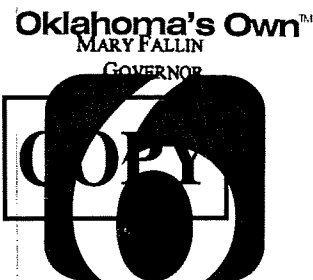


EDWARD L. EVANS  
INTERIM DIRECTOR



STATE OF OKLAHOMA

OKLAHOMA DEPARTMENT OF CORRECTIONS



January 14, 2014

NewsOn6.com

Brian Costello, President  
Avalon Tulsa, LLC  
13401 Railway Drive  
Oklahoma City, OK 73114

**Re: Freezing Count and Depopulating Avalon Tulsa**

*Hand delivered and sent by Certified Mail*

Dear Mr. Costello:

The Department of Corrections (Department) and Avalon have enjoyed a mutually beneficial partnership for a number of years. Consequently, we regret to inform you that we are freezing your count, effective immediately. As you know, the agency currently has three (3) active investigations looking into failures of the Avalon administration in the Tulsa facility. Preliminary evidence in the investigations have revealed serious infractions involving count, security, possession of contraband and offender safety.

The violations are so serious that the Department will begin depopulating Avalon Tulsa immediately without notice to cure, as provided by section 5.3e of the contract between the Department and Avalon. Further, we are convinced that the evidence reveals a breach which goes to the heart of the agreement, authorizing cancellation of the agreement. We expect Avalon Tulsa to be completely depopulated within ten (10) days. Agency field files will be preserved in good condition and will be surrendered to agency staff upon their arrival at the Tulsa facility.

The Department has lost confidence in the administration of the Tulsa facility. No offenders will be sent to the facility until after the investigations are complete and the evidence has been reviewed. The Department will then provide Avalon the requirements necessary for further contracting with the agency.

The agency's major concerns involve the Tulsa facility; however we will limit the count at Carver Center in Oklahoma City to 225. Any transfer of personnel from Tulsa to Carver Center must be approved by the Department.

We sincerely regret this action; however, we have no choice as we are responsible for public safety and for the well-being of offenders housed under our authority. You may refer any questions to the agency's General Counsel, Michael Oakley.

**COPY**

Sincerely,



Reginald Hines  
Deputy Director

copy: Edward L. Evans, Interim Director  
Michael T. Oakley, General Counsel