

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the Matter of the Application of Quito,) Docket No.: 25-CONS-3245-CMSC
Inc. (Applicant) for an Operator's License.)
) CONSERVATION DIVISION
)
_____) License No.: N/A

ORDER DENYING APPLICATION FOR LICENSE

The Commission rules as follows:

I. JURISDICTION

1. Under K.S.A. 55-155, the Commission is authorized to license operators and contractors as defined by K.S.A. 55-150.

2. Under K.S.A. 55-155(c)(3), (4), and K.A.R. 82-3-120(g), to obtain approval of a license or license renewal, an applicant:

a. If registered with the federal securities and exchange commission, must demonstrate to the Commission's satisfaction that the applicant complies with all requirements of Chapter 55 of the Kansas Statutes Annotated, and amendments thereto, all rules and regulations adopted thereunder and all commission orders and enforcement agreements; or

b. If not registered with the federal securities and exchange commission, must demonstrate to the Commission's satisfaction that the following individuals comply with all requirements of Chapter 55 of the Kansas Statutes Annotated and amendments thereto, all rules and regulations adopted thereunder, and all

commission orders and enforcement agreements: (1) the applicant; (2) any officer, director, partner, or member of the applicant; (3) any stockholder owning in the aggregate more than 5% of the stock of the applicant; and (4) any spouse, parent, brother, sister, child, parent-in-law, brother-in-law, or sister-in-law of the foregoing.

3. K.A.R. 82-3-120(i) provides an application or renewal application shall be denied if the applicant has not satisfied the requirements of K.A.R. 82-3-120, denial of a license constitutes a summary proceeding under K.S.A. 77-537, and a denial pursuant to K.S.A. 55-155(c)(3) or (4) is considered a license revocation. K.S.A. 55-155(e) and K.A.R. 82-3-120(j) provide that upon revocation of a license, no new license shall be issued to that operator or contractor until after the expiration of one year from the date of the revocation.

II. FINDINGS OF FACT

4. On October 21, 2024, Applicant submitted an application to be licensed by the KCC.¹ Applicant does not appear to be currently registered with the federal securities and exchange commission.²

5. On December 2, 2024, Commission Staff Counsel mailed Operator a letter indicating Applicant was associated with MC C Oil Company, Inc., license #31411; Wildcat Energy, Inc., License #31507; Quito, Inc., License #33594; and Thor Operating, LLC, License #36020, which are not in compliance with all requirements of K.S.A. Chapter 55.³ Staff gave Operator until December 31, 2024, to resolve its compliance issues in order to prevent its license application from being denied.⁴

¹ Exhibit A.

² To reach this finding, the Commission takes notice of public records. *See* K.S.A. 60-409; K.A.R. 82-1-230(h).

³ Exhibit B.

⁴ *Id.*

6. The Commission takes administrative notice of its records, which indicate Applicant is associated with entities that are suspended for non-compliance with the Commission's rules and regulations. Specifically, Mark McCann appears as a partner or officer on Applicant's license application and appears to be substantially related to the companies identified above.

III. CONCLUSIONS OF LAW

7. Applicant's application does not meet the requirements of K.S.A. 55-155(c)(4) and K.A.R. 82-3-120(g)(2), because Applicant is not registered with the federal securities and exchange commission and has an officer, director, partner, or member who does not comply with all requirements of Chapter 55 of the Kansas Statutes Annotated and amendments thereto, all rules and regulations adopted thereunder, and all commission orders and enforcement agreements.

THEREFORE, THE COMMISSION ORDERS THAT:

A. Applicant's license application is denied. Operator may not reapply until at least one year from the date of this denial.

B. Applicant may request a hearing on the above issues by submitting a written request, pursuant to K.S.A. 77-537 and K.S.A. 77-542, to the Commission at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order. A request for hearing must comply with K.A.R. 82-1-219.

C. Failure to timely request a hearing will result in a waiver of Applicant's right to a hearing. If no party timely requests a hearing, then this Order shall become final. A party may

petition for reconsideration of a final order pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁵

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner (recused); Kuether, Commissioner

Dated: 01/28/2025



Lynn M. Retz
Executive Director

Mailed Date: 01/28/2025

KAM

⁵ See K.S.A. 77-529; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

OCT 21 2024

KCC LICENSE APPLICATION

Conservation Division, Wichita, KS

Notice: Read instructions before completing this information.

FOR KCC USE ONLY	
LICENSE NO:	
EXPIR DATE:	

Name: Quito, Inc Attention: _____
 Address 1: 1613 W 6th Street Phone: (918) 331-6463 Email: mccanncompanies@yahoo.com
 Address 2: _____ City/State/Zip: Bartlesville, Oklahoma 74003

ALL REQUIRED FORMS RELATING TO THE CONSERVATION DIVISION MUST SHOW SAME ENTITY AS ON THIS APPLICATION.

Item 1 TYPE OF LICENSE APPLICABLE: Operator Stratgraphic/Seismic Well Plugging Drilling Contractor Gas Storage
 (Check all the apply) Drilling, Workover, Service Units Case Puller Personal Use Gas Gatherer

Item 2 BUSINESS ENTITY: Individual General Partnership Limited Liability Partnership Kansas Corporation
 Limited Liability Company Foreign Corporation

Federal Employer Identification No. 33-1114471 or Social Security No. _____
 CORPORATIONS OR LIMITED PARTNERSHIPS are required to be authorized to engage in business in Kansas by the Office of the Secretary of State. Please enclose a Certificate of Good Standing from the Secretary of State's Office (785) 296-4564.

Item 3 As a business entity, are you registered with the Securities and Exchange Commission? Yes No

Item 4 REGISTERED RESIDENT AGENT (For Corporations, Limited Liability Companies, or Limited Partnerships Only)
 Name: John R. Horst Phone: (620) 879-2146
 Address: 207 W Fourth Ave P.O. Box 560
 City/State/Zip: Caney, KS 67333 Email: jhorst48@yahoo.com

Item 5 NAME OF PARTNER(S) OR OFFICERS (Must list all. Include Name, Title, Address and Phone)
Mark W. McCann- President
1613 W 6th St
Bartlesville, OK 74003

Item 6 EMERGENCY CONTACT PERSON (Must be other than Licensee) (Alternate Address and Phone)
 Name: Nicholas W. McCann Phone: (620) 515-2999
 Address: 620 Barclay
 City/State/Zip: Dewey, Ok 74029 Email: _____

Item 7 Dependent on type of entity, have you as an individual, partner or officer had a KCC Conservation Division License revoked, suspended or not renewed by the Commission? Yes No If yes, enclose a brief statement including name and date of revocation, suspension or non-renewal.

Item 8 Do you currently have any outstanding monetary penalties or compliance owed to the Commission or are you currently paying a monthly installment plan? Yes No

Item 9 EQUIPMENT TAG NUMBERS, YEAR, MAKE, MODEL AND TYPE OF EQUIPMENT AS LISTED ON PROPERTY TAX RENDITION ATTACH a copy of equipment assessment rendition sheets and paid personal property tax receipts ONLY on the drilling or movable well servicing equipment being licensed.

Item 10 Remittance enclosed: \$100.00 for license + \$25.00 per equipment tag = \$ 100.00 Financial Responsibility provided by:
 Remittance enclosed: \$25.00 for personal use license = \$ _____ a) Cash \$ _____
 b) Bond _____

Item 11 I do hereby certify that, to the best of my knowledge, the foregoing facts and information are true and correct. c) Letter of Credit _____
 Signature of authorized individual, Officer or Agent: Mark W. McCann Title: President

Item 12 Subscribed and sworn to before me this 17th day of October 20 24
 _____ My commission expires: Oct. 24, 2027
 (Notary Public)

Item 13 Well Inventory Required (Check one) Attached No wells

Mail to: KCC - Conservation Division, Licensing Department, 266 N Main St, Ste 220, Wichita, KS 67202-1515

SERENITI WRIGHT
 Notary Public - State of Oklahoma
 Commission Number 23014159
 My Commission Expires Oct 24, 2027
 Exhibit A

ATTACHMENT TO
KCC LICENSE APPLICATION

The Operator's License of Quito, Inc. was non-renewed in Docket No. 22-CONS-3115-CMSC on February 9, 2023. One year from the date of entry of that Final Order has expired.

**Received by
Kansas Corporation Commission**

OCT 21 2024

Conservation Division, Wichita, KS

December 2, 2024

Quito, Inc.
1613 W 6th Street
Bartlesville, OK 74003-3712

Re: KCC License Application

Applicant,

Commission Staff received your license application on October 21, 2024. However, there appear to be issues which prevent Staff from processing the application. Available records indicate a substantial association with MC C Oil Company, Inc., License #31411; Wildcat Energy, Inc., License #31507; Quito, Inc., License #33594; and Thor Operating, LLC, License #36020 (Associated Entities), which are not in compliance with all requirements of K.S.A. Chapter 55. Each of the Associated Entities have unplugged wells remaining on their expired licenses and/or are subject to various Commission Orders.

Under K.S.A. 55-155(c) and K.A.R. 82-3-120(g), no application or renewal shall be approved until the applicant has demonstrated to the Commission's satisfaction that the operator complies with all requirements of K.S.A. Chapter 55, all rules and regulations adopted thereunder, and all Commission orders and enforcement actions.

Staff cannot approve your application at this time due to your association with entities that are not in compliance with Commission statutes, regulations, and orders. If the underlying compliance issues are not resolved then Staff shall recommend to the Commission that your license renewal application be denied.

Failure to resolve any compliance issues by December 31, 2024, shall result in your license application being denied.

Sincerely,

/s/ Kelcey Marsh
Kelcey A. Marsh
Litigation Counsel
Kansas Corporation Commission
kelsey.marsh@ks.gov

cc: Nancy Borst

CERTIFICATE OF SERVICE

25-CONS-3245-CMSC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 01/28/2025.

NANCY BORST
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
nancy.borst@ks.gov

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
kelcey.marsh@ks.gov

MARK W. MCCANN
QUITO, INC.
1613 W 6th Street
Bartlesville, OK 74003-3712
mccanncompanies@yahoo.com

/S/ KCC Docket Room
KCC Docket Room