BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the matter of the request to transfer wells)	Docket Nos. 25-CONS-3236-CMSC
from Quito, Inc. to Emerson Operating, LLC.)	
•)	CONSERVATION DIVISION
)	
)	License No. 33594 & 36165

EMERSON OPERATING, LLC POST-HEARING BRIEF

COMES NOW Emerson Operating, LLC ("Emerson"), by and through its counsel of record, and hereby provides the following Post-Hearing Brief. Emerson adopts and incorporates by reference the Post-Hearing Brief submitted by Quito, Inc. ("Quito's Brief"), as if set forth fully herein. In addition to the arguments and authorities set forth in Quito's Brief, Emerson directs the Commission's attention to the following testimony which establishes Emerson is able to fully and independently operate the leases on the wells subject to this transfer request.

The theme throughout the Commission staff's testimony was pure speculation and conjecture that Emerson is "really completely reliant on [Mark McCann] to be in compliance" [Tr. at 18:23-19:3], that Emerson is "Thor and Quito [in] different clothing" [Tr. at 19:16-20], and that "Mark will still continue to tell [Joe Harper] how to operate the wells, just like he always has" [Tr. at 40:7-10]. Commission staff refers to text messages between Joe Harper and Mr. McCann whereby Mr. McCann provides some suggestions, bank statements showing Mr. Harper requiring funds from Mr. McCann paid in advance, and the operating agreement that requires Mr. McCann to pay certain expenses (including the expenses of this action)—making a "totality of the circumstances" argument based on their opinion as support for this conjecture.

However, as set forth in detail below, the testimony establishes that Emerson is able to operate the leases independent of Mr. McCann. This conjecture completely disregards Mr.

Harper's testimony whereby he detailed his storied past with Mr. McCann and his reluctance to enter into a business arrangement with him, setting the backdrop for the financial arrangement between Mr. Harper and Mr. McCann in connection with Emerson (rather than the speculation thrown out by Commission staff). It also completely disregards Mr. Harper's pre-filed testimony whereby he sets out his experience in production since 1976—for just shy of 50 years.

Mr. Harper further testified at the hearing that he has the necessary equipment [Tr. at 95:19-22], that he refuses to be micromanaged by Mr. McCann [Tr. at 96:1-97:1], and that Emerson has financial resources necessary to operate the leases even if Mr. McCann refuses to pay under the terms of the Operating Agreement (although, in such a case, Emerson would have other remedies available to seek payment from Mr. McCann) [Tr. 105:20-107:10]. Mr. Harper unequivocally testified that he had "no doubt in his mind" that, along with lease history and well records from Mr. McCann, "Emerson Operating LLC will be able to operate the leases independent of influence of Mr. McCann or Kansas Production Company, Inc." [Tr. at 108:19-109:12]. See also Pre-Filed Direct and Rebuttal Testimony of Joe Harper for Emerson Operating, LLC. The assumptions of the Commission staff about Emerson were just that –assumptions—which were contradicted and uncontroverted by Mr. Harper's testimony.

WHEREFORE, based on the authorities and argument set forth in the Quito, Inc. Brief, as well as the additional argument set forth herein, Emerson respectfully requests the Commission approve the T1 transfer of operator request from Quito, Inc. to Emerson Operating, LLC.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on August 20, 2025, I transmitted the foregoing Emerson Operating, LLC Post-Hearing Brief by means of electronic service to the following:

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