

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

In the matter of the application of Quito Inc., for) Docket No.: 24-CONS-3338-CEXC
an exception to the 10-year time limitation of)
K.A.R. 82-3-111 for its Tom Appleby #1) CONSERVATION DIVISION
located in the SENENWNW of Section 30-33S-)
11E, Chautauqua County, Kansas.) License No.: 33594

MOTION TO DISMISS APPLICATION AND CLOSE DOCKET

The Staff of the Kansas Corporation Commission (Staff and Commission, respectively) moves the Commission to issue an order dismissing the application in this matter and closing the docket. In support of its motion, Staff states the following:

1. On April 26, 2024, Quito, Inc. (Quito) filed an application seeking an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Tom Appleby #1 well (Subject Well), API #15-019-23675.

2. Upon receiving the application, Legal Staff noted that Quito is not licensed by the Commission to conduct oil and gas operations within the State of Kansas. On February 9, 2023, the Commission affirmed its Order Denying Application for License in Docket 22-CONS-3115-CMSC because Quito failed to demonstrate that it was in compliance with all regulations adopted under chapter 55 of the Kansas Statutes annotated.¹ Quito has not held a valid license since the time its license expired on May 30, 2020.

3. The Commission has also issued a penalty order against Quito for having unplugged wells remaining on its expired license in Docket 24-CONS-3072-CPEN. While Quito has submitted a request for hearing in that docket, the Commission directed Quito to either transfer the wells on its license to another operator by filing the appropriate forms with the

¹ See Docket 22-CONS-3115-CMSC, *Final Order*, ¶9 (Feb. 9, 2023).

Commission or plug the wells on its license, as part of that order.² An exception application for the Subject Well follows neither of those directives.

4. Based upon the information above, Staff does not recommend approval of Quito's application. Further, Staff believes it would be appropriate for this application to be dismissed and for this docket to be closed.

WHEREFORE, for the reasons described above, Staff respectfully moves the Commission to issue an Order dismissing Quito's application and closing the docket in this matter.

Respectfully submitted,

/s/ Kelcey Marsh
Kelcey A. Marsh #28300
Litigation Counsel | Kansas Corporation Commission
266 N. Main, Suite 220 | Wichita, Kansas 67202
Phone: 316-337-6200; Fax: 316-337-6211
k.marsh@kcc.ks.gov

² See Docket 24-CONS-3072-CPEN, *Penalty Order - Quito, Inc.*, Ordering Clause B (Sept. 26, 2023).

CERTIFICATE OF SERVICE

24-CONS-3338-CEXC

I, the undersigned, certify that a true and correct copy of the attached Motion to Dismiss Application and Close Docket has been served to the following by means of first class mail and electronic service on May 14, 2024.

RYAN DULING
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
r.duling@kcc.ks.gov

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

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

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
j.myers@kcc.ks.gov

TROY RUSSELL
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 3
137 E. 21ST STREET
CHANUTE, KS 66720
t.russell@kcc.ks.gov

/s/ Paula J. Murray
Paula J. Murray
