

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

In the matter of the application of Quito LLC ) Docket No.: 25-CONS-3082-CMSC  
(Applicant) for an Operator's License. )  
) CONSERVATION DIVISION  
)  
) License No.: N/A

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**MOTION FOR THE DESIGNATION OF A PRESIDING OFFICER AND  
REQUEST FOR HEARING**

The Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) moves for the designation of a presiding officer and the scheduling of a prehearing conference in this matter. In support of its motion, Staff states the following:

1. On May 6, 2024, Applicant submitted a license application.<sup>1</sup>
2. On June 13, 2024, Staff Counsel mailed Applicant a letter stating there were issues which prevented Staff from administratively approving Applicant's license application. Specifically, the application indicates that Applicant is a Kansas corporation.<sup>2</sup> However, Applicant is not registered with the Kansas Secretary of State. Additionally, available records indicate a substantial relationship exists between Applicant and Mc C Oil Company, Inc., License #31411; Wildcat Energy, Inc., License #31507; and Quito, Inc. License #33594 (Associated Entities), which are not in compliance with all requirements of K.S.A. Chapter 55 as each of the Associated Entities have unplugged wells remaining on their expired licenses and are subject to various Commission Orders.<sup>3</sup> The letter gave Applicant a deadline of July 12, 2024, to resolve any compliance issues.<sup>4</sup>

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<sup>1</sup> Exhibit A.

<sup>2</sup> *Id.*

<sup>3</sup> Exhibit B.

<sup>4</sup> *Id.*

3. On June 17, 2024, Applicant's registered agent informed Staff that the LLC on the application was a typo and that Quito would get the application corrected and re-submitted shortly.<sup>5</sup> However, Applicant has not submitted an amended application to resolve this issue.

4. To date, Applicant does not appear to be registered with the Kansas Secretary of State and each of the Associated Entities appear to remain out of compliance with all requirements of K.S.A. Chapter 55. Thus, Staff recommends that Applicant's application be denied.

WHEREFORE, for the reasons described above, Staff recommends the captioned application be denied and respectfully moves for the designation of a presiding officer and the scheduling of a prehearing conference in this matter that will allow further development of a procedural schedule.

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 | Email: Kelcey.Marsh@ks.gov

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<sup>5</sup> Exhibit C.

**FOR KCC USE ONLY**

LICENSE NO: \_\_\_\_\_

EXPIR DATE: \_\_\_\_\_

**KANSAS CORPORATION COMMISSION**  
**OIL & GAS CONSERVATION DIVISION**  
**KCC LICENSE APPLICATION**

Received  
 KANSAS CORPORATION COMMISSION

**MAY 06 2024**

Form OPL-1  
 March 2021  
 Form must be Signed  
 Form must be Filled  
 WICHITA, KS

Notice: Read instructions before completing this information.

Name: Quito LLC Attention: \_\_\_\_\_  
 Address 1: 1613 W 6th Street Phone: ( 918 ) 331-6463 Email: mccanncompanies@yahoo.com  
 Address 2: \_\_\_\_\_ City/State/Zip: Bartlesville, Ok 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/Selsmic  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: ( 918 ) 337-4747  
 Address: 207 W Fourth Ave P.O. Box 560  
 City/State/Zip: Caney, KS 67333 Email: jrhorst48@yahoo.com

Item 5 NAME OF PARTNER(S) OR OFFICERS (Must list all. Include Name, Title, Address and Phone)  
Mark W. McCann -President

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.

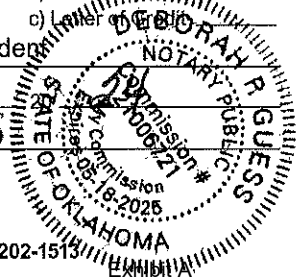
\_\_\_\_\_

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 \_\_\_\_\_  
 c) Letter of Credit \_\_\_\_\_

Item 11 I do hereby certify that, to the best of my knowledge, the foregoing facts and information are true and correct.  
 Signature of authorized individual, Officer or Agent: \_\_\_\_\_ Title: President

Item 12 Subscribed and sworn to before me this 26th day of April  
Deborah R Guess My commission expires: 5/18/25  
 (Notary Public)

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



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  
KANSAS CORPORATION COMMISSION

**MAY 06 2024**

CONSERVATION DIVISION  
WICHITA, KS

June 13, 2024

Quito LLC  
1613 W 6<sup>th</sup> Street  
Bartlesville, OK 74003-3712

**Re: KCC License Application**

Applicant,

Commission Staff received your license application on May 6, 2024. However, there appear to be several issues which prevent Staff from processing the application. First, the application indicates that Quito LLC is a Kansas corporation, but it does not appear to be registered with the Kansas Secretary of State based on our research. Additionally, available records indicate a substantial association with MC C Oil Company, Inc., License #31411; Wildcat Energy, Inc., License #31507; and Quito, Inc., License #33594 (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 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 July 12, 2024, shall result in your license application being denied.

Sincerely,

/s/ Kelcey Marsh  
Kelcey A. Marsh  
Litigation Counsel  
Kansas Corporation Commission  
[k.marsh@kcc.ks.gov](mailto:k.marsh@kcc.ks.gov)

cc: Nancy Borst

**From:** John Horst [jrhorst48@yahoo.com]  
**Sent:** Monday, June 17, 2024 3:11 PM  
**To:** Kelcey Marsh [KCC] [k.marsh@kcc.ks.gov]  
**Subject:** Re: Quito, Inc.

**This is an EXTERNAL EMAIL. Think before clicking a link or opening attachments.**

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Kelcey, the LLC was a typo on the application; I didn't look at the letter to Quito close enough initially before replying to you - my bad. Quito is getting the application corrected and will re-submit shortly. I will follow-up later on the associated parties mentioned in the letter, but need time to investigate that further.

John R. Horst  
P. O. Box 560  
Caney, KS 67333  
620-879-2146  
620-879-2148 FAX  
jrhorst48@yahoo.com

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On Monday, June 17, 2024 at 03:03:42 PM CDT, Kelcey Marsh [KCC] <k.marsh@kcc.ks.gov> wrote:

John,

I think Quito, Inc. was forfeited at the time the application was filed, but I see that it shows active and in good standing now. I don't know whether or not our licensing department has received a certificate of good standing.

Also, the application was submitted for Quito LLC, so it looks like they may need to send in an amended application or something similar if they are trying to file the application under Quito Inc. If it is meant to be Quito LLC, then the company name will need to be registered with the SOS.

Sincerely,

**Kelcey Marsh**

*Litigation Counsel*



Conservation Division

Kansas Corporation Commission

266 N. Main, Suite 220 | Wichita, KS | 67202-1513

Phone (316) 337-6200 | Fax (316) 337-6211 | <http://kcc.ks.gov>

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**From:** John Horst <jrhorst48@yahoo.com>  
**Sent:** Thursday, June 13, 2024 4:58 PM  
**To:** Kelcey Marsh [KCC] <k.marsh@kcc.ks.gov>  
**Subject:** Re: Quito, Inc.

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Kelcey, I just checked the SOS website. Quito Inc. is active and in good standing. Do I need to send you a certificate of good standing? It should have accompanied the license application.

John R. Horst

P. O. Box 560

Caney, KS 67333

620-879-2146

620-879-2148 FAX

[jrhorst48@yahoo.com](mailto:jrhorst48@yahoo.com)

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On Thursday, June 13, 2024 at 04:43:42 PM CDT, Kelcey Marsh [KCC] <[k.marsh@kcc.ks.gov](mailto:k.marsh@kcc.ks.gov)> wrote:

John,

I thought we had sent a letter, but it hadn't been placed in the mail yet. Here is a PDF copy of the letter Staff is mailing out today to Quito.

Sincerely,

**Kelcey Marsh**  
*Litigation Counsel*



Conservation Division  
Kansas Corporation Commission



266 N. Main, Suite 220 | Wichita, KS | 67202-1513  
Phone (316) 337-6200 | Fax (316) 337-6211 | <http://kcc.ks.gov>

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**From:** John Horst <[jrhorst48@yahoo.com](mailto:jrhorst48@yahoo.com)>  
**Sent:** Thursday, June 13, 2024 11:43 AM  
**To:** Kelcey Marsh [KCC] <[k.marsh@kcc.ks.gov](mailto:k.marsh@kcc.ks.gov)>  
**Subject:** Quito, Inc.

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Kelcey, on May 6, 2024 an application for issuance of a new operator's license was mailed in by Quito, Inc. So far as I am aware, Quito has received no response to the application. Can you tell me what the status of that pending license application is?

John R. Horst  
P. O. Box 560  
Caney, KS 67333  
620-879-2146  
620-879-2148 FAX  
[jrhorst48@yahoo.com](mailto:jrhorst48@yahoo.com)

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**CERTIFICATE OF SERVICE**

25-CONS-3082-CMSC

I, the undersigned, certify that a true and correct copy of the attached Motion for the Designation of a Presiding Officer and the Scheduling of a Prehearing Conference has been served to the following by means of first class mail and electronic service on August 29, 2024.

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  
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/s/ Paula J. Murray  
Paula J. Murray

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