# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Dw	Commissioners: Andrew J. French, Chairperson Dwight D. Keen Annie Kuether	
In the matter of the application of Satchell Creek Petroleum, LLC (Operator) for an operator's license renewal.		Docket No.: 25-CONS-3147-CMSC
	) )	CONSERVATION DIVISION
	)	License No.: 35970

## 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 that 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 that an application or renewal application shall be denied if the applicant has not satisfied the requirements of K.A.R. 82-3-120, that denial of a license constitutes a summary proceeding under K.S.A. 77-537, and that 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 September 4, 2024, Operator submitted an application for license renewal. Upon review, Commission Staff determined the application did not meet the requirements of K.S.A. 55-155(c) and K.A.R. 82-3-120(g) because Operator's license was suspended for non-compliance with the Commission's Penalty Orders in Dockets 24-CONS-3352-CPEN and 24-CONS-3357-CPEN.<sup>1</sup>
- 5. On September 5, 2024, Commission Staff sent a letter to Operator stating Staff would recommend denial of Operator's application if the underlying compliance issues were not resolved by October 5, 2024.<sup>2</sup>
- 6. The Commission takes administrative notice of its records, which indicate Operator's license is still suspended for non-compliance with the Commission's Penalty Orders.<sup>3</sup>

#### III. CONCLUSIONS OF LAW

7. Operator'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 Operator is suspended for non-compliance with a Commission penalty order.

<sup>&</sup>lt;sup>1</sup> Staff subsequently suspended Operator's license on September 13, 2024, for non-compliance with the Commission's Penalty Order in Docket 25-CONS-3048-CPEN.

<sup>&</sup>lt;sup>2</sup> Exhibit A

<sup>&</sup>lt;sup>3</sup> See K.A.R. 82-1-230(h). Operator's license also remains suspended in Docket 25-CONS-3048-CPEN.

#### THEREFORE, THE COMMISSION ORDERS:

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

B. Operator's application is being denied via summary proceedings; thus, this Order Denying Application for License does not take effect until after the time for requesting a hearing has expired.<sup>4</sup> Any party may request a hearing on the above issues by submitting a written request setting for the specific grounds upon which relief is sought, to the Commission at 266 N. Main, Suite 220, Wichita, Kansas 67202, within 15 days from the date of service of this Order.<sup>5</sup> If a hearing is not requested, then this Order Denying Application for License shall become effective upon expiration of the time for requesting hearing.<sup>6</sup> A request for hearing must comply with K.A.R. 82-1-219.

C. If this Order Denying Application for License becomes effective, then any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>7</sup>

#### BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated:	10/24/2024	Lynn M. Ref
		Lynn M. Retz
		Executive Director

Mailed Date:	10/24/2024	

**TSK** 

<sup>&</sup>lt;sup>4</sup> See K.S.A. 77-537.

<sup>&</sup>lt;sup>5</sup> See K.S.A. 77-542.

<sup>&</sup>lt;sup>6</sup> See K.S.A. 77-537.

<sup>&</sup>lt;sup>7</sup> See K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

## ACTION REQUIRED: LICENSE RENEWAL

September 5, 2024

Michael J. Hopson Satchell Creek Petroleum, LLC 3032 N Cortina Street Wichita, KS 67205-7536

RE: Renewal of License No. 35970

## Operator:

Commission Staff is in receipt of your September 4, 2024, license renewal application. Available records indicate that your license is currently suspended for non-compliance with Commission orders in Dockets 24-CONS-3352-CPEN and 24-CONS-3357-CPEN.

Under K.S.A. 55-155(c)(4), 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.

<u>Staff cannot approve your application at this time.</u> If the underlying compliance issues are not resolved, then Staff will recommend to the Commission that your license renewal application be denied. Upon resolution of the underlying compliance issues, please contact the legal department at the number listed above, so that Staff may confirm they have been resolved.

Please resolve the underlying compliance issues by **October 5, 2024**, to avoid Staff recommending that your license renewal application be denied.

Sincerely,

/s/Tristan Kimbrell
Tristan Kimbrell, #27720
Litigation Counsel
Kansas Corporation Commission

cc: Casey L. Jones, Hinkle Law Firm LLC Nancy Borst, KCC Licensing

## **CERTIFICATE OF SERVICE**

#### 25-CONS-3147-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 _	10/24/2024
NANCY BORST	MICHAEL J. HOPSON
KANSAS CORPORATION COMMISSION	SATCHELL CREEK PETROLEUM LLC
CENTRAL OFFICE	3032 N CORTINA ST
266 N. MAIN ST, STE 220	WICHITA, KS 67205-7536

TRISTAN KIMBRELL, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 tristan.kimbrell@ks.gov

WICHITA, KS 67202-1513

nancy.borst@ks.gov

WICHITA, KS 67205-7536 mjh11holdings@gmail.com

/S/ KCC Docket Room

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