

**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 ) Docket No.: 24-CONS-3114-CMSC  
Gateway Resources U.S.A., Inc. (Operator) )  
for an Operator's License Renewal. ) CONSERVATION DIVISION  
   )  
\_\_\_\_\_) License No.: 32353

**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 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 July 18, 2023, 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-approved Compliance Agreement in Docket 17-CONS-3474-CMSC.

5. On July 25, 2023, Commission Staff sent a letter to Operator stating Staff would recommend denial of Operator's application if the underlying compliance issue was not resolved by August 25, 2023.<sup>1</sup>

6. The Commission takes administrative notice of its records, which indicate Operator's license is still suspended for non-compliance with the Commission-approved Compliance Agreement.

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<sup>1</sup> Exhibit A.

### 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 order.

#### **THEREFORE, THE COMMISSION ORDERS THAT:**

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>2</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>3</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>4</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>5</sup>

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<sup>2</sup> See K.S.A. 77-537.

<sup>3</sup> See K.S.A. 77-542.

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

<sup>5</sup> See K.S.A. 55-606; K.S.A. 77-503(c); K.S.A. 77-531(b).

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

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 10/19/2023



Lynn M. Retz  
Executive Director

Mailed Date: 10/19/2023

KAM

Susan K. Duffy, Chair  
Dwight D. Keen, Commissioner  
Andrew J. French, Commissioner

Laura Kelly, Governor

**ACTION REQUIRED:  
LICENSE RENEWAL**

July 25, 2023

A Blaine Hanks  
Gateway Resources U.S.A., Inc.  
1821 Arbor Dr.  
Bartlesville, OK 74006-7004

RE: Renewal of License No. 32353

Operator:

Commission Staff is in receipt of your July 18, 2023, license renewal application. Available records indicate that your license is currently suspended for non-compliance with a Commission order in Docket 17-CONS-3474-CMSC.

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.

**Staff cannot approve your application at this time.** 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 **August 25, 2023**, to avoid Staff recommending your license application be denied.

Sincerely,

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

cc: Nancy Borst

## **CERTIFICATE OF SERVICE**

24-CONS-3114-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 10/19/2023.

NANCY BORST  
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A. BLAINE HANKS  
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/S/ KCC Docket Room  
KCC Docket Room