

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

In the matter of the Application of Quito, Inc.)	Docket No. 25-CONS-3245-CMSC
(Applicant) for an Operator's License.)	
)	CONSERVATION DIVISION
)	
)	License No. N/A

PRE-FILED REBUTTAL TESTIMONY OF

NANCY BORST

ON BEHALF OF COMMISSION STAFF

JULY 14, 2025

1 **Q. Are you the same Nancy Borst that previously filed testimony in this docket?**

2 A. Yes.

3 **Q. What is the purpose of your rebuttal testimony in this matter?**

4 A. The purpose of my testimony is to discuss certain testimony provided by Mr. Mark McCann
5 on behalf of Quito, Inc. (Applicant).

6 **Q. On page 2 lines 8 through 11 of his testimony, Mr. McCann states that Quito was**
7 **previously issued a license which was suspended for a period of one year on February 9,**
8 **2023. Is that testimony correct?**

9 A. No. On February 9, 2023, the Commission affirmed its denial of Applicant's application for
10 license renewal in Docket 22-CONS-3115-CMSC pursuant to the application not meeting the
11 requirements of K.S.A. 55-155(c)(4). Under K.A.R. 82-3-120(i) a denial of a license
12 application pursuant to K.S.A. 55-155(c)(3) or (4) is considered a license revocation. Under
13 K.A.R. 82-3-120(j) once a license is revoked, no new license shall be issued to the operator
14 or contractor for one year from the date of revocation. In addition to the revocation,
15 Applicant's license has been suspended by Staff since October 23, 2024. Currently there are
16 a total of six dockets in which Applicant's license is suspended. Mr. Duane Sims addresses
17 the compliance status of the wells in his testimony, but it is my understanding that Applicant
18 has not paid any of the fines for the penalty orders assessed by the Commission.

19 **Q. Is Applicant able to have its license reinstated just because the one-year revocation**
20 **period has passed?**

21 A. No. Once the one-year revocation period has elapsed, an applicant must still meet all
22 requirements to receive a KCC license, including being in compliance with all Commission
23 rules and regulations. Here, Applicant does not meet all of those requirements for the reasons

1 discussed in my direct testimony. Applicant would need to resolve all outstanding suspensions
2 and resolve the conflicts with all of the other licenses with whom it appears to be associated.

3 **Q. Is there anything in Mr. McCann's testimony that causes you to change your**
4 **recommendations.**

5 A. No. The evidence provided in this matter supports the Order Denying Application for License
6 issued by the Commission. Nothing in Mr. McCann's testimony appears to be convincing in
7 a manner that would change my recommendation that the Commission's Order in this matter
8 be affirmed. Applicant's prior license is still suspended due to noncompliance with multiple
9 penalty orders and Applicant is now delinquent with the Secretary of State which prevents
10 Staff from granting the license application.

11 **Q. Does this conclude your testimony?**

12 A. Yes.

CERTIFICATE OF SERVICE

25-CONS-3245-CMSC

I, the undersigned, certify that a true and correct copy of the attached Testimony has been served to the following by means of electronic service on July 14, 2025.

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/s/ Paula J. Murray

Paula J. Murray