

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF AVANT OPERATING II, LLC
FOR APPROVAL OF A NON-STANDARD HORIZONTAL SPACING UNIT,
COMPULSORY POOLING, AND, TO THE EXTENT NECESSARY,
APPROVAL OF AN OVERLAPPING SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 26137–26138

**ORDER GRANTING JOINT UNOPPOSED MOTION FOR
CONTINUANCE AND TO AMEND PRE-HEARING ORDER**

Avant Operating II, LLC (“Avant”) and EOG Resources, Inc. (“EOG”) have jointly moved for a continuance of the contested hearing currently set for August 18, 2026, and for amendment of the Pre-Hearing Order. The Hearing Examiner, having reviewed the Joint Motion and supporting exhibits, and being fully advised in the premises, hereby issues the following findings of fact, conclusions of law, and order.

FINDINGS OF FACT

1. Avant filed the applications in Case Nos. 26137–26138 on May 1, 2026.
2. EOG entered its appearance and objected to Avant’s applications on May 28, 2026.
3. The Division issued a Pre-Hearing Order on June 18, 2026, setting the matter for contested hearing on August 18, 2026.
4. Avant and EOG have engaged in negotiations and have reached an **agreement in principle** to resolve EOG’s objection, subject to negotiation and execution of mutually acceptable definitive agreements. This is supported by the Self-Affirmed Statement of Cayla Gorski (Exhibit A) and the Self-Affirmed Statement of James Barwis (Exhibit B).
5. The evidence demonstrates that the parties are actively preparing necessary assignments, transaction documents, and conducting required title due diligence to finalize the agreement.
6. EOG Landman James Barwis testifies under penalty of perjury that the agreement is real, ongoing, and contingent only on completion of negotiations and documentation, and that both parties are working diligently toward final resolution.

7. The parties show that additional time is required to complete negotiations, finalize documents, and coordinate essential personnel availability.
8. The evidence indicates that the contested hearing is **likely to become unnecessary** upon completion of the transaction, and that a continuance will conserve Division resources and avoid unnecessary expenditure of effort by the parties.
9. No party opposes the Joint Motion.

CONCLUSIONS OF LAW

1. The Division has jurisdiction over the parties and subject matter pursuant to the Oil and Gas Act and applicable regulations.
2. Under the Division's authority to regulate hearing procedures, including continuances, it may amend the Pre-Hearing Order for good cause shown.
3. "Good cause" is established when granting a continuance promotes administrative efficiency, avoids unnecessary litigation, and protects the interests of the parties.
4. The Joint Motion, supported by Exhibits A and B, demonstrates a **realistic, imminent settlement** that will likely resolve the contested issues without the need for a hearing.
5. Because the parties are actively finalizing a definitive agreement and the evidence shows that a contested hearing will probably be unnecessary, continuing the hearing serves the interests of judicial economy and the Division's resource management.
6. Therefore, good cause exists to grant the Joint Motion for Continuance and amend the Pre-Hearing Order accordingly.

ORDER

IT IS HEREBY ORDERED:

1. The Joint Unopposed Motion for Continuance and to Amend the Pre-Hearing Order is **GRANTED**.
2. The contested hearing previously set for **August 18, 2026** is continued to the **October 20, 2026 special docket**. This is the **final setting** for this application, and no further continuances will be granted barring extraordinary circumstances outside the control of the applicant.

3. The Pre-Hearing Order issued June 18, 2026 remains in full effect, but is **amended solely to reflect the new contested hearing date and applicable deadlines.**
4. Parties shall continue to update the Division regarding the status of negotiations and provide any supplemental filings necessary should settlement be finalized prior to the new hearing date.

ORDERED AND ISSUED this 11th day of August, 2026.

GREGORY CHAKALIAN
HEARING EXAMINER