

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

**IN THE MATTER OF THE APPLICATION OF
REGENERATION ENERGY CORP. FOR A
NON-STANDARD SPACING AND PRORATION UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

RECEIVED OGD
2013 SEP 26 A 10:56

CASE NO. 15043

MOTION FOR CONTINUANCE

Chevron U.S.A. Inc. ("Chevron") moves the Division to continue the above reference case, currently scheduled for hearing on the October 3, 2013, to the October 31, 2013, Examiner docket.

In support of this motion, Chevron states:

1. Under Case No. 15043, Regeneration Energy Corp. ("Regen") seeks to create a non-standard spacing unit comprised of the E/2 E/2 of Section 17, Township 24 South, Range 34 East, NMPM, in Lea County, New Mexico for a proposed horizontal well in the Avalon Shale, a zone within the upper Bone Spring formation.

2. Chevron owns 75% of the working interest in the E/2 of Section 17, whereas Regen owns 12.5% of the working interest in this area.

3. Chevron and Regen have been in discussions about the development of the E/2 of Section 17 for several months. At Chevron's request, Regen agreed to continue its pooling case for two weeks to allow for additional talks. However, the parties are now at an impasse with respect to how the Bone Spring formation should be developed, as well as the company that should operate the acreage.

4. Chevron has informed Regen that it intends to formally submit to the working interest owners a competing development proposal for the E/2 E/2 of Section 17, as well as a development plan for the W/2 E/2 of Section 17. Chevron believes that its proposed plans will provide a more orderly development and well election process, provide for more efficient use of facilities, and prevent waste. Chevron also believes that because it has a 75% interest in the subject acreage, it should operate any wells drilled in the Bone Spring formation underlying its acreage.

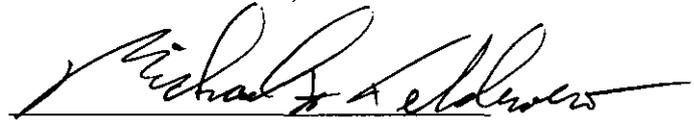
5. Chevron's competing development proposals will be ripe for consideration by the Division at the October 31, 2013 docket. No harm or prejudice will result if this matter is continued to the October 31st docket.

6. Regen has been contacted about this motion, and has indicated that it will oppose it.

WHEREFORE, Chevron requests that the Division continue the hearing on Case No. 15043 until the October 31, 2013, Examiner Docket.

Respectfully submitted,

HOLLAND & HART, LLP



Michael H. Feldewert
Adam G. Rankin
Post Office Box 2208
Santa Fe, NM 87504-2208
505-988-5521
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com

ATTORNEYS FOR CHEVRON U.S.A. INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served upon the following
counsel of record via electronic mail on the 26th day of September, 2013.

James Bruce
Post Office Box 1056
Santa Fe, NM 87504-1056
jamesbruc@aol.com

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert