

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

**APPLICATION OF CHEVRON U.S.A. INC.
TO REOPEN CASE NO. 24185 (ORDER NO.
R-23684 (E.G.L. RESOURCES, INC.) AND
CASE NO. 24886 (ORDER NO. R-23685
PBEX, LLC) TO REQUIRE SUBMISSION
OF PROPER STATEMENTS OF WELL
COSTS BY OPERATOR AND RECOGNIZE
THE CONSENTING STATUS OF CHEVRON**

CASE NO. 25878

**EXPEDITED VERIFIED JOINT MOTION FOR CONTINUANCE BY
CHEVRON U.S.A. INC., PBEX, LLC AND E.G.L. RESOURCES, INC.**

Applicant Chevron U.S.A. Inc. and PBEX, LLC and E.G.L. Resources, Inc. (collectively, “Parties”) jointly request that the Oil Conservation Division (“Division”) amend the Prehearing Order entered in this matter to continue the contested hearing from May 13, 2026 to May 19, 2026.

As grounds therefore, the Parties state as follows:

1. This case is currently set for a 2-stage hearing set to start on May 13, 2026 at 1:00 p.m. continuing on May 19, 2026 at 9:00 a.m.
2. The Parties are engaged in serious settlement negotiations and believe they are close to reaching an agreement that will resolve all issues in this case and avoid the need for a hearing. However, the issues underlying the settlement are multifaceted and complex because they involve third parties and the negotiation of transaction documents with respect to real property interests.
3. Because there is insufficient time to reach a settlement and prepare for hearing, the Parties request that the May 13, 2026 setting be vacated, enabling the parties to devote time to negotiating and finalize a settlement agreement. If a settlement is not reached, the Parties will appear for hearing on May 19, 2026 as planned.

4. Given that a second date for this hearing is already set for May 19, 2026, granting this continuance will not unduly delay the hearing, especially in light of the Parties' good faith efforts to resolve the dispute between them. The Parties agree to immediately notify the Division if a settlement is reached, or, if no settlement is reached, that the hearing will proceed as planned on May 19, 2026.

5. Attached as Exhibit A is a declaration from Joe Naples, a Chevron employee, who has been involved in the settlement discussions, outlining the status of the Parties' discussions in support of this Motion.

6. A proposed form of order will be emailed to the Division upon filing of this Motion.

For the foregoing reasons, the Parties jointly request that the Division amend the Pre-Hearing Order to reschedule the contested hearing in this matter for May 19, 2026.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Earl E. DeBrine, Jr. and Deana M. Bennett

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HARDY MCLEAN LLC

By: /s/ Dana S. Hardy

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Attorneys for PBEX, LLC and E.G.L. Resources, Inc.

VERIFICATION

I, Deana M. Bennett state under penalty of perjury under the laws of the State of New Mexico that the foregoing is true and correct to the best of my knowledge.

/s/ Deana M. Bennett
Deana M. Bennett

Date: May 8, 2026

VERIFICATION

I, Dana S. Hardy, state under penalty of perjury under the laws of the State of New Mexico that the foregoing is true and correct to the best of my knowledge.

/s/ Dana S. Hardy

Dana S. Hardy

Date: May 8, 2026

CERTIFICATE OF SERVICE

We hereby certify that a true and correct copy of the forgoing pleading was served by electronic transmission to the following counsel this 8th day of May, 2026:

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MODRALL, SPERLING, ROEHL, HARRIS
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By: /s/ Deana M. Bennett
Deana M. Bennett

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SELF-AFFIRMED DECLARATION OF JOE NAPLES

1. I am in-house counsel for Chevron U.S.A. Inc. (“Chevron”). I have been employed by Chevron for 24 years.
2. I have been involved in the settlement negotiations to resolve the dispute between Chevron and PBEX, LLC and E.G.L. Resources, Inc. (“PBEX”) in the above captioned case.
3. The parties are involved in good faith negotiations to resolve the claims at issue in Case No. 25878. However, the issues underlying the settlement are multifaceted and complex because they involve third parties and the negotiation of transaction documents with respect to real property interests.
4. If the negotiations are successful, a contested hearing in this matter will no longer be necessary.
5. The parties need additional time to finalize negotiations, which the parties are undertaking in earnest but additional time is necessary.
6. Chevron and PBEX are filing a motion to continue Case No. 25878 to the May 19, 2026 docket to allow the parties time to finalize negotiations.

7. Chevron will immediately notify the Division if a settlement is reached, or, if no settlement is reached, that the hearing will proceed as planned on May 19, 2026.

8. Pursuant to Rule 1-011 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

Dated: May 8, 2026



Jody M. Phelps
Attorney