

DIVISION CASE # 13864
EXHIBIT # 40
Submitted By: Parallel Petroleum
2/15/07

KELLAHIN & KELLAHIN
Attorney at Law

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January 11, 2007

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW MEXICO
OIL CONSERVATION DIVISION CASE:

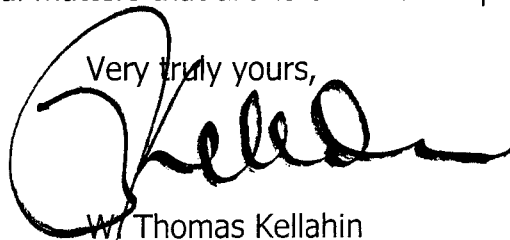
Re: Application of Parallel Petroleum Corporation
for Compulsory Pooling, Chaves County, New Mexico

On behalf of Parallel Petroleum Company, please find enclosed an application for an compulsory pooling order for the N/2 of Section 33, T15S, R25E to the dedicated to its Personally 1525-33 Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for 8:15 a.m. on February 1, 2007. The hearing will be held in Porter Hall in the Division's offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Rule 1208.B, you are further notified that if you desire to appear in this case or to oppose the proposed risk charge (See Order R-11992), then you are required to file a Pre-Hearing Statement with the Division not later than 5:00 PM on Thursday, January 25, 2007, with a copy delivered to the undersigned. The Pre-Hearing Statement should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and the identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,



W. Thomas Kellahin

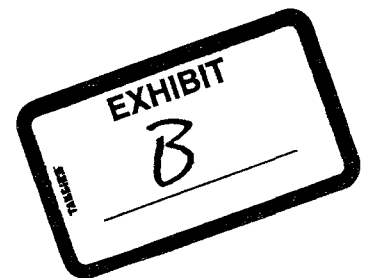


MYCO Industries, Inc.
105 S. Fourth Street
Artesia, NM 88210

Sharbro Oil, Ltd
104 S. Fourth Street
Artesia, NM 88210

N.R.L.L. Inc.
1 Mauchly
Irvine, CA 92618

EOR Resources, Inc.
P. O. Box 2267
Midland, TX 79702



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- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MYCO Industries, Inc.
105 S. Fourth Street
Artesia, NM 88210

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Melissa Stewart ☐ Agent
B. Received by (Printed Name) Melissa Stewart ☐ Addressee
C. Date of Delivery 1/16/01

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

184

102595-02-M-1540

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1. Article Addressed to:

N.R.L.L. Inc.
1 Mauchly
Irvine, CA 92618

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Bel ☐ Agent
B. Received by (Printed Name) Bel ☐ Addressee
C. Date of Delivery 1/16/01

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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1. Article Addressed to:

Sharbro Oil, Ltd
104 S. Fourth Street
Artesia, NM 88210

COMPLETE THIS SECTION ON DELIVERY

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B. Received by (Printed Name) Melissa Stewart ☐ Addressee
C. Date of Delivery 1/16/01

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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102595-02-M-1

COMPLETE THIS SECTION ON DELIVERY

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B. Received by (Printed Name) Bel ☐ Addressee
C. Date of Delivery 1/16/01

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

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