



PARALLEL

Petroleum Corporation

1004 North Big Spring, Suite 400 • Midland, TX 79701 • Ph: 432-684-3727 • Fax: 432-684-3905

January 11, 2007

Sent via CMRRR# 7006 0100 0001 2440 2546

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

DIVISION CASE # 13864
EXHIBIT # 5
Submitted By: Parallel Petroleum
2/15/07

Re: Personally 1525-33 No. 1
T-15-S, R-25-E
Section 33: N/2
Chaves County, New Mexico

To Whom It May Concern:

Parallel Petroleum Corporation proposes the drilling of the above-captioned well to horizontally test the Wolfcamp formation in the N/2 of Section 33, Township 15 South, Range 25 East, N.M.P.M. in Chaves County, New Mexico. The well will be commenced at an off lease location in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. and will be drilled to an approximate vertical depth of 4, 750'. The well will then be drilled horizontally to encounter the Wolfcamp objective at a legal location in the NW/4 NW/4 of Section 33 and to a projected orthodox terminus in the NE/4 NE/4 of Section 33.

This well will share a drilling pad with a well operated by Parallel Petroleum in the NE/4 NE/4 of Section 32, Township 15 South, Range 25 East, N.M.P.M. The cost of facilities used by both wells will be allocated equally.

Based on an examination of the mineral ownership records it appears that you have taken in leases in Chaves County, New Mexico, covering the above referenced tract of land and that your interest in the proposed well would be a .00106101 decimal interest.

Enclosed please find an Authority for Expenditure estimating the cost of the proposed well. The total cost for the proposed well is estimated to be \$2,601,300.00. Please mark the appropriate space provided below indicating whether or not you intend to join in the drilling of the well. Should you elect to join in the drilling of the well you will be liable for your proportionate share of the actual cost of drilling which is estimated to be

\$2,760.00. If you elect to join, please return a signed copy of the Authority for Expenditure. Additionally, if you elect to join, please furnish us with your well information requirements.

Also enclosed with this letter please find a copy of our pro forma operating agreement for the drilling of this well. A completed "Exhibit A" and signature pages will be provided to all participating parties upon the completion of our compulsory pooling hearing.

If you have any questions or need anything further, please feel free to contact me at the above listed telephone number. Thank you.

Yours truly,

A handwritten signature in black ink, appearing to read "Aaron L. Myers". The signature is fluid and cursive, with a long horizontal stroke at the end.

Aaron L. Myers
Consulting Landman

MYCO Industries, Inc.

_____ I/We elect to participate in the proposed Personally 1525-33 No. 1 well and enclose an executed Authority for Expenditure.

_____ I/We elect not to participate in the proposed well.

MYCO Industries, Inc.

By: _____
Name

Title: _____

Date: _____

MYCO Industries, Inc.

_____ I/We elect to participate in the proposed Personally 1525-33 No. 1 well and enclose an executed Authority for Expenditure.

_____ I/We elect not to participate in the proposed well.

MYCO Industries, Inc.

By: _____
Name

Title: _____

Date: _____

Sent To **MYCO INDUSTRIES, INC.**
 Street, Apt. No., or PO Box No. **105 S. Fourth St.**
 City, State, ZIP+4 **ARTESIA, NM 88210**
 PS Form 3800, June 2002 See Reverse for Instructions

Apt. No., Box No., State, ZIP+4 **105 S. Fourth St. ARTESIA, NM 88210**
 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- 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.

Article Addressed to:

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
X

B. Received by (Printed Name) C. Date of Delivery

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

SENDER: COMPLETE THIS SECTION

- 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:

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
X Melissa Stearns

B. Received by (Printed Name) C. Date of Delivery

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

MYCO INDUSTRIES, INC.
105 S. FOURTH ST.
ARTESIA, NM 88210

2. Article Number
 (Transfer from service label)
N/2 33-15-25 (Passaway #1)

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, February 2004

7006 0100 0001 2440 2546

Domestic Return Receipt

102595-02-M-1540

Express Mail
 Return Receipt for Merchandise
 D.D.
 Fee) Yes

2546

102595-02-M-1540