



NWT OFFICE OF THE REGULATOR OF OIL AND GAS OPERATIONS

Office of the Regulator of Oil and Gas Operations

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Mr. Patrick Kelly
Area Operations Manager
Paramount Resources Ltd.
4700 Bankers Hall West
888 3RD STREET SW
CALGARY AB T2P 5C5

January 17, 2017

Dear Mr. Kelly:

Additional Conditions for Facilities Removal in the Liard South Field

The Office of the Regulator of Oil and Gas Operations (OROGO) has received the Paramount Resources Ltd. (Paramount) proposed summary of activities under the existing Production Operations Authorization for the removal of facilities associated with the Fort Liard F-36, O-35 and N-01 well sites located in Liard South Field, dated January 5, 2017.

Following my review of the information provided, I have determined that additional conditions, attached, will apply to the facility removal operations.

Please note that, as per section 75 of the *Oil and Gas Drilling and Production Regulations*, it is the responsibility of the operator to notify OROGO at 867-445-8551 of any pollution or other incident or near-miss as soon as possible.

If you have any questions, please contact me at 867-767-9097 or by email at James.Fulford@gov.nt.ca.

Sincerely,

James Fulford
Chief Conservation Officer

Encl.

Bureau de l'organisme de réglementation des opérations pétrolières et gazières

B.P. 1320, Yellowknife, TNO X1A 2L9

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BUREAU DE L'ORGANISME DE RÉGLEMENTATION DES OPÉRATIONS PÉTROLIÈRES ET GAZIÈRES DES TN-0

ADDITIONAL TERMS AND CONDITIONS

For the removal of facilities associated with the Fort Liard F-36, N-01 and O-35 well sites

1. Paramount shall cause the approved work and activities to be conducted in accordance with all applicable legislation including the *Oil and Gas Drilling and Production Regulations* and the *Oil and Gas Occupational Safety and Health Regulations*.
2. Paramount shall cause the approved work and activities to be conducted in accordance with the specifications, standards and other information referred to in its application and subsequent submissions.
3. Unless otherwise directed by the Chief Conservation Officer, Paramount shall implement or cause to be implemented all of the policies, practices, mitigative measures, recommendations and procedures for the protection of the environment included in or referred to in the company's application and subsequent submissions and committed to by the company in the land and water board report for land use permit MV2016A0010.
4. Paramount shall provide OROGO with an updated, detailed schedule for the facility removal operations at least 10 days prior to any work or activity by email at orogo@gov.nt.ca.
5. Paramount shall notify OROGO at least 10 days prior to the start of facility removal operations by email at orogo@gov.nt.ca.
6. Paramount shall submit a daily summary of surface removal operations along with its daily activity reporting by email at orogo@gov.nt.ca.
7. Paramount's "Liard Field - Program to Remove Surface Facilities" indicates that Paramount will conduct Phase II site assessments. Prior to starting facility removal operations, Paramount shall provide OROGO with site schematic sketches of existing facilities, as are typically included with Phase I Site Assessments, for each of the Liard South well sites (F-36, N-01 and O-35).
8. Paramount shall file a summary report of all activities conducted under the "Liard Field – Program to Remove Surface Facilities" within 90 days of completion at orogo@gov.nt.ca. The report should include:
 - a. Summary of all activities conducted under the program;
 - b. Site schematic(s) showing both existing and removed surface and subsurface facilities/equipment/pilings, sampling locations, and excavations;
 - c. Manifests of all wastes and equipment removed along with their final waste disposal, recycling or reuse location(s);
 - d. Signed copies of Phase I and II Assessment(s) conducted by the independent consultant(s); and
 - e. Remediation plan(s) for any issues identified.