

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 98-12-27-0800

Yr - Mon - Day - Time

WELL NAME PARAMOUNT et al NETLA LOCATION M - 23

Day 12 Depth 1755

Metres last 24 hr 140

Rotating hrs 18

Activity at report time DIRECTIONALLY DRILLING 222 mm. MAIN HOLE

DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 915 Vis 54 WL 20 Gels 1/2.1 Solids 5.7 % PV 9 YP 1 pH
Oil 95.4 % Sand 0.005 % Cake 2 PPMCL PPMCa

BIT RECORD

BIT NO.	SIZE mm	MAKE & TYPE	SER. NO.	BIT		DEPTH OUT m	m DRLD TODAY	CUM m. DRLD	Rot hrs TODAY	CUM. Rot hr	m/hr	Dull Cond.		
				WT	RPM							T	B	G
4	222	GT-S30	C86ZB	14	MTR.	RUN	140	140	18.25	18.25	7.70			

CIRCULATION RECORD

BIT NO.	JETS - mm			PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS. kPa
	1	2	3	STROKE	SPM	LINER	m³/MIN	DP	DC			
4	11.1	11.1	11.1	203	100	165	1.24	35.9	54.3	71.19	0.14	10600

DEVIATION SURVEYS

MUD & CHEMICALS ADDED

8/9 " at 1610 m	2 1/9 " at 1668 m	SAWDUST : 10 sx.
2/3 " at 1620 m	2/3 " at 1687 m	CARBO - TEC : 1 sk.
4/5 " at 1629 m	1 2/5 " at 1707 m	DFE : 1 bbl.
1 2/5 " at 1639 m	1 8/9 " at 1717 m	

BOTTOM HOLE ASSEMBLY

TIME ANALYSIS

TOOL	ID mm	OD mm	LENGTH m	WEIGHT daN	OPERATION	TODAY	CUM.
BIT	N/A	222	0.25		1. Drilling	18.25	
MUD MOTOR	N/A	166	6.18		2. Trips	2.25	
X.O. SUB	0.72	156	0.26		3. Rig Service	0.50	
FLOAT SUB	0.58	164	0.71		4. Deviation Surveys	1.75	
MONEL DRILL COLLAR	0.83	160	9.37		5. Ream & Cond. Hole	1.00	
PULSER SUB	0.83	158	1.17		6. Mix & Cond. Mud		
MONEL DRILL COLLAR	0.83	162	9.19		7. Circulation		
X.O.SUB	0.82	153	0.36		8. Rig Repair		
6 - DRILL COLLARS	0.58	159	55.23		9. Run Casing & Cement		
DRILLING JARS	0.72	159	3.55		10. Fishing		
14 - DRILL COLLARS	0.58	159	129.15		11. Logging		
X.O. SUB	0.6	153	0.78		12. Coring		
					13. Formation Testing		
					14. Waiting on:		

COSTS

DAILY	\$28,675	15. Nipple Up & Test BOPS	0.25
CUMMULATIVE	\$600,202	16. Drilling Out	
		17. Lost Circ.	
		18. Laying Down DP & BOP's	
		19. Plug & Abandon	
		20. Rig up - Tear out	
		21.	
SUPERVISOR	AL IRONSIDE	TOTAL	24.00

HIGHWOOD WELLSITE SERVICES INC.
DAILY GEOLOGICAL WELL REPORT
1998-12-29

Paramount et al Netla M-23

Report To:	PAUL COLLENS	Report From:	JEFF BOULTER
		Telephone:	1600 700 5042
Spud Date:	December 1	Days from Spud:	12
Gd. Elevation:	273.1	K.B. Elevation:	278.25
Depth @ 6:00:	1889 m	Formation:	Nahanni
Status @ 8:00:	Running in hole with logging tool (HDIL)		
24 hr Progress:	2 m	Average ROP:	6 m/hr
Cumulative Cost:	701,576		

OPERATIONS SUMMARY - Last 24 Hours

Drilled to 1889.0 m , circulate bottoms up, and conditioned mud, wiper trip, circulate and add weight material to increase mud density to 960, pull out of hole to run open hole logs, rig in loggers, run in with first log run the HDIL tool

SURVEYS

1889.05 md / 1.50 Inc / 317.60 Az / 1887.86 TVD / 4.47 m N / -0.30 m E / 0.00 Dog leg

MUD PROPERTIES

Type: Invert
Density: 960 kg/m³
Viscosity: 54 s/L
Water Loss: 18 cm³/30 min
pH:
Filter Cake: mm

SAMPLE TOPS

Formation	Sample Depth	TVD	Subsea	Prognosis Subsea	Change
Garbutt	245.0	0.0		136.8	
Banff	297.0	0.0		34.8	
Exshaw	487.0	0.0		-207.2	
Kotcho	502.0	0.0		-221.2	
Tetcho	867.0	0.0		-598.2	
Kakisa	942.0	0.0		-690.2	
Fort Simpson	1057.0	0.0		-770.2	
Muskwa	1790.0	0.0		-1626.20	

FORECAST ACTIVITIES

Finish logging, rig out loggers, clean out trip, run casing

HIGHWOOD

WELLSITE SERVICES INC.

41 Riverview Circle

COCHRANE, Alberta

(403) 932-2916

COMPOSITE WELL HISTORY**DRILLING TIME****LITHOLOGY LOG**

COMPANY: PARAMOUNT RESOURCES LTD.

WELL: Paramount et al Netla M-23

FIELD:

PROVINCE: NorthWest Ter.

LOCATION: M-23 60 Deg 50' 123 Deg 00'

COORDINATES:

ELEVATIONS: GD 273.1 m

KB 278.25 m

LOG MEASURED FROM KB

5.1 m ABOVE GROUND

WELL TYPE: Gas Exploration

SPUD DATE: December 17,1998

LICENCE No.: WID 1841

TOTAL DEPTH:

T.D. DATE:

AFE No.: 17168

CONTRACTOR: Precision Drilling

MUD TYPE: Invert

MUD UP @: 500.0m

SAMPLES: 5 meter intervals

Paramount: 500.0 - Total Depth

N.E.B. : 500.0 - Total Depth

DSTs:

CORES:

OPEN HOLE LOGS:

SUPERVISION

GEOLOGICAL: JEFF BOULTER

DRILLING: AL IRONSIDE

CASING DEPTH

SURFACE: 499 m

INTERMEDIATE: 1840 m

MAIN: m

CASING SIZE

SURFACE: 320.42 mm

INTERMEDIATE: 177 mm

MAIN: mm

HOLE SIZE

SURFACE: 339.73 mm

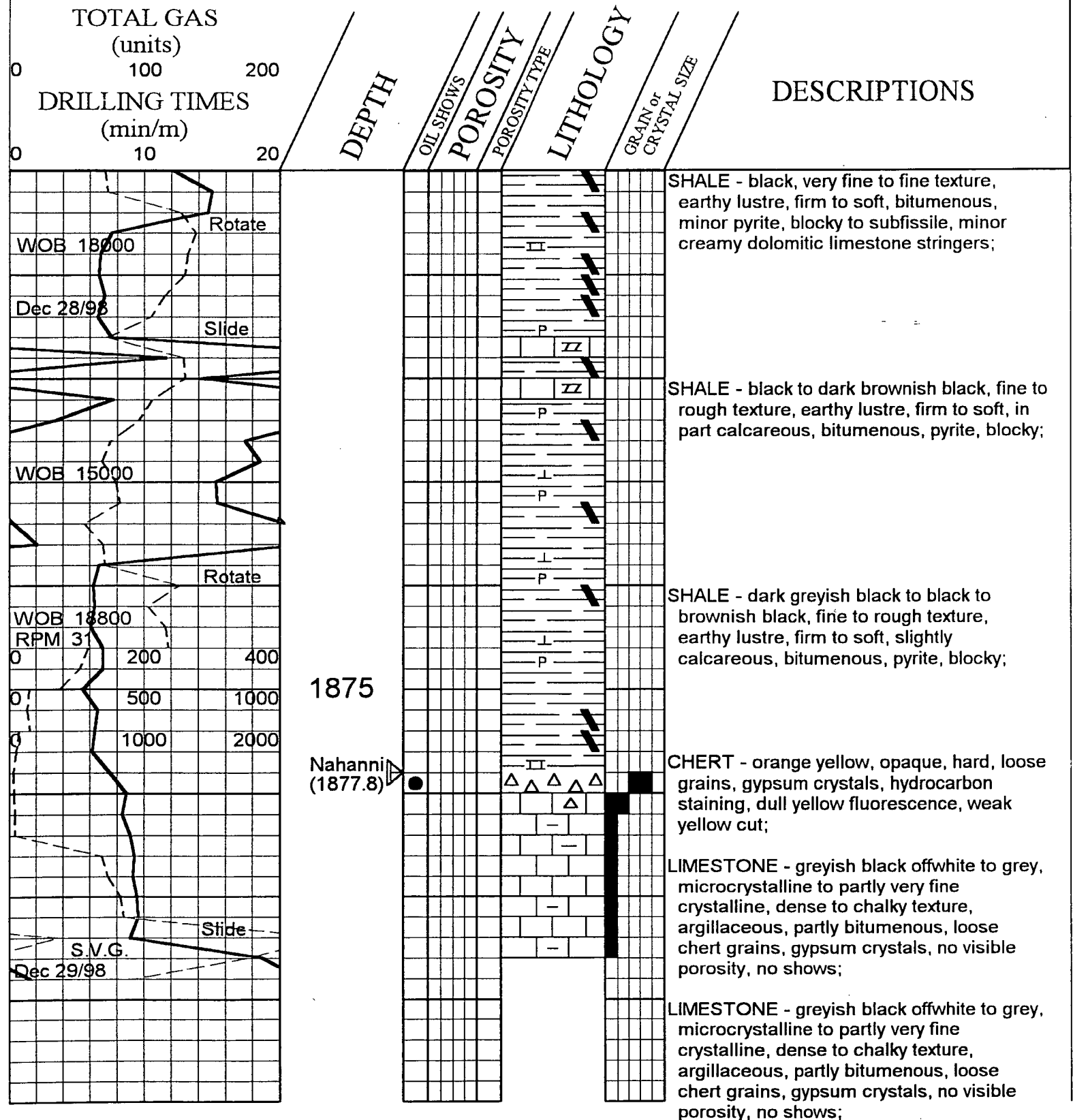
INTERMEDIATE: 222 mm

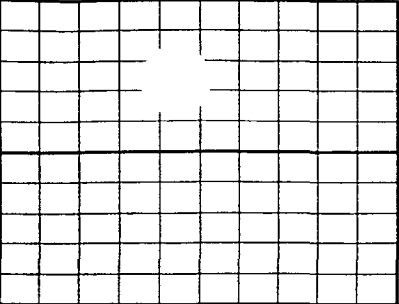
MAIN: mm

REMARKS:

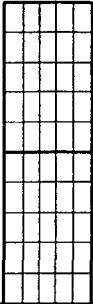
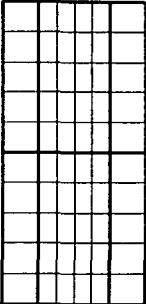
CANSTRAT SYMBOLS USED FOR LITHOLOGY AND SHOWS

SCALE 1:240





1900



DAILY COSTS

COMPANY: Paramount Resources Ltd.
WELL: Paramount Berkley Netla M-23
LOCATION: Lat 60° 42' 58.402" Long 123° 05' 12.126"
FIELD REP: Al Ironside

RIG: Precision 379
DATE: 12/20/98
FILE #: 9126
DIRECT'L SUPERVISOR: B. BASKIN

DESCRIPTION	PER UNIT	S 12/20/98	M 12/21/98	T 12/22/98	W 12/23/98	R 12/24/98	F 12/25/98	S 12/26/98	TOTAL
DIRECTIONAL SUPERVISOR 1	\$675.00								\$0.00
M.W.D. SUPERVISOR 1	\$625.00								\$0.00
SUBSISTANCE	\$150.00								\$0.00
METERS		50	50	50	50	50	50	50	350
MEN		2	2	2	2	2	2	2	
KILOMETERS CHARGE	\$0.75	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$525.00
MOTOR INSPECTION	\$350.00	\$350.00						\$350.00	\$700.00
MOTOR HOURS		2.75	16.75	23.50	11.25	23.25	23.25	13.25	114
MOTORS CHARGE 675-215	\$215.00	\$591.25	\$3,601.25	\$5,052.50	\$2,418.75	\$4,998.75	\$4,998.75	\$2,848.75	\$24,510.00
SYSTEM / OPERATING / DAY	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$23,100.00
EQUIPMENT / STAND-BY / DAY	\$1,200.00								\$0.00
FLOAT SUB 750									
PULSER SUB PS625-79									
PULSER SUB PS625-83									
LIFT SUB 625-001									
LIFT SUB MOTOR									
LIFT SUB MOTOR									
X/O SUB TX625-50									
NMDC 625-28									
C 625-24									
PIPE SCREEN	\$250.00	\$250.00							\$250.00
TOTAL:		\$4,566.25	\$6,976.25	\$8,427.50	\$5,793.75	\$8,373.75	\$8,373.75	\$6,573.75	\$49,085.00

"FIELD ESTIMATE ONLY"

PAGE TOTAL WITHOUT GST	\$49,085.00
PREVIOUS TOTAL WITHOUT GST	\$3,550.00
TOTAL TO DATE WITHOUT GST	\$52,635.00
GST	\$3,684.45
TOTAL INVOICE TO DATE	\$56,319.45