

PARAMOUNT RESOURCES LTD.

DAILY DRILLING REPORT

FOR 24 HR PERIOD ENDING 98-12-28-0800
Yr-Mon-Day-Time

WELL NAME PARAMOUNT et al NETLA LOCATION M - 23

Day 13

Depth 1897

Metres last 24 hr 142

Rotating hrs 21

Activity at report time DIRECTIONALLY DRILLING 222 mm. MAIN HOLE

DRILLING MUD PROPERTIES AT SHAKER/SUCTION/PIT

Wt 920 Vis 51 WL 18 Gels 1/2.1 Solids 5.7 % PV 9 YP 1 pH
Oil 96 % 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 Conc.		
				WT	RPM							T	B	G
4	222	GT - S30	C86ZB	16	MTR.	RUN	142	282	20.75	39.00	6.34			

CIRCULATION RECORD

BIT NO.	JETS - mm			PUMP				ANN. VEL.		JET VEL.	HHP	SURF. PRESS.	
	1	2	3	STROKE	SPM	LINER	m ³ /MIN	DP	DC			kPa	
4	11.1	11.1	11.1	203	100	165	1.24	36	54	71	0.14	10900	

DEVIATION SURVEYS

MUD & CHEMICALS ADDED

2 7/8 " at 1736 m	1 2/5 " at 1825 m	LIME	10 sx.
1 3/5 " at 1766 m	1 4/5 " at 1834 m	INVERT	13.7m3.
1 1/3 " at 1785 m	2 1/9 " at 1844 m		
2/3 " at 1805 m	2 1/9 " at 1854 m		

BOTTOM HOLE ASSEMBLY

TIME ANALYSIS

TOOL	ID	OD	LENGTH	WEIGHT	OPERATION		TODAY	CUM
	mm	mm	m	daN				
BIT	N/A	222	0.25		1. Drilling		20.75	
MUD MOTOR	N/A	166	6.18		2. Trips			
X.O. SUB	0.72	156	0.26		3. Rig Service		0.60	
FLOAT SUB	0.58	164	0.71		4. Deviation Surveys		2.25	
MONEL DRILL COLLAR	0.83	160	9.37		5. Ream & Cond. Hole			
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	CLN. SUCTION	0.60	
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			

COSTS

DAILY	\$39,111	15. Nipple Up & Test BOPS	
CUMMULATIVE	\$639,313	16. Drilling Out	
		17. Lost Circ.	
		18. Laying Down DP & BOP's	
		19. Plug & Abandon	
SUPERVISOR	AL IRONSIDE	20. Rig up - Tear out	
		21.	
		TOTAL	24.00

HIGHWOOD WELL SITE SERVICES INC. DAILY GEOLOGICAL WELL REPORT 1998-12-30

Paramount et al Netla M-23

Report To: PAUL COLLENS

Report From: JEFF BOULTER

Spud Date: December 17

Telephone: 1600 700 5042

Gd. Elevation: 273.1

Days from Spud: 13

Depth @ 6:00: 1889 m

K.B. Elevation: 278.25

Status @ 8:00: Pulling out of hole and laying down collars

Formation: Nahanni

24 hr Progress: 0 m

Average ROP: m/hr

OPERATIONS SUMMARY - Last 24 Hours

Open hole logged (2 runs), rigged out loggers, run in hole for clean out trip, start to pull out of hole and lay down collars

MUD PROPERTIES

Type: Invert
Density: 860 kg/m³
Viscosity: 55 s/L
Water Loss: 20 cm³/30 min
pH:
Filter Cake: mm

SAMPLE TOPS Formation

Formation	Sample Depth	TVD	Subsea	Prognosis Subsea	Change
Banff	297.0	0.0		34.8	
Exshaw	487.0	0.0		-207.2	
Kotcho	502.0	0.0		-221.2	
Tetcho	867.0	868.4	-588.2	-598.2	10.0
Kakisa	1030.0	1029.4	-751.1	-690.2	-60.9
Fort Simpson	1057.0	1056.5	-778.1	-770.2	-7.9
Muskwa	1790.0	1788.8	-1510.6	-1626.2	115.6
Nahanni	1879.0	1877.6	-1599.6	-1717.2	117.6

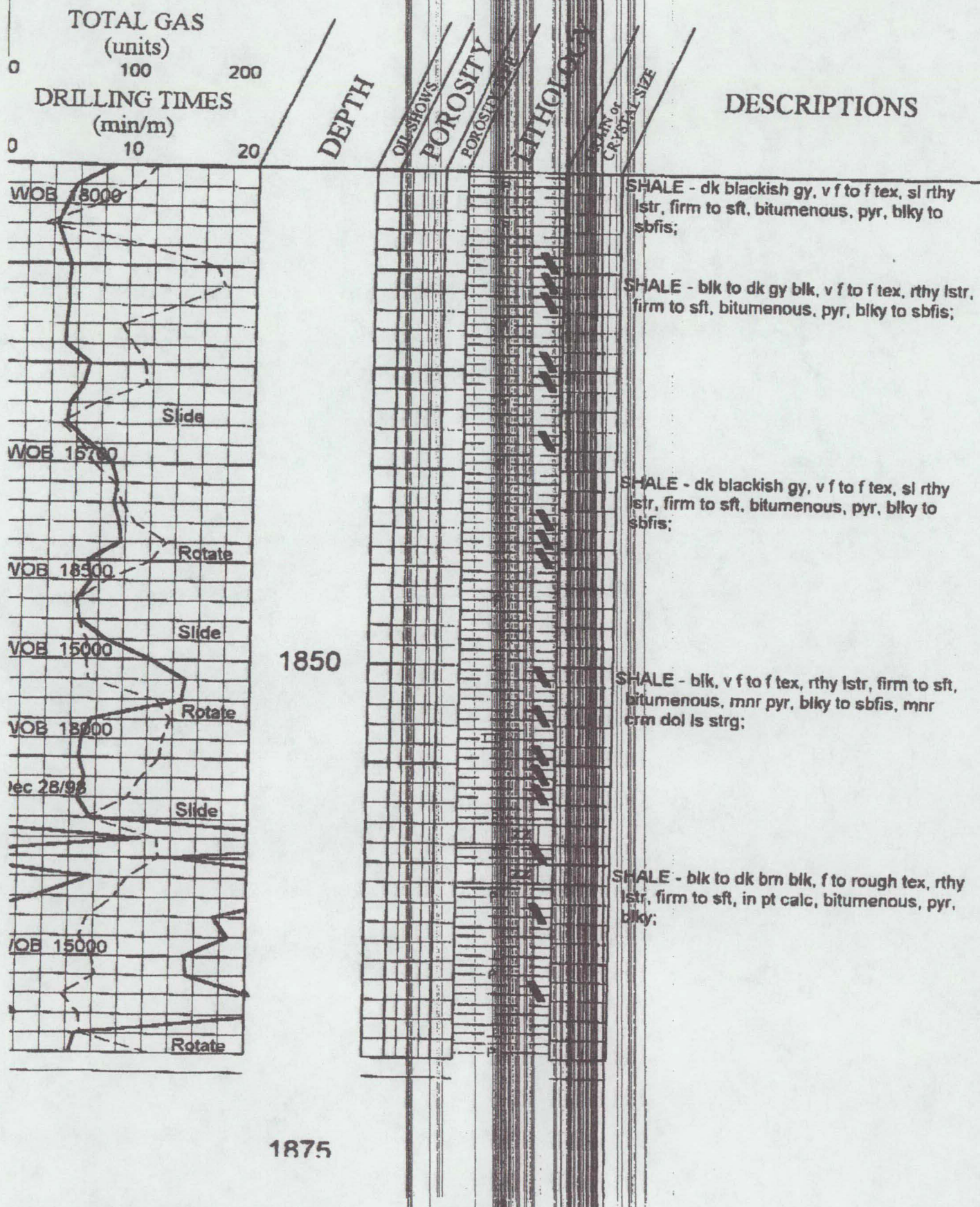
FORECAST ACTIVITIES

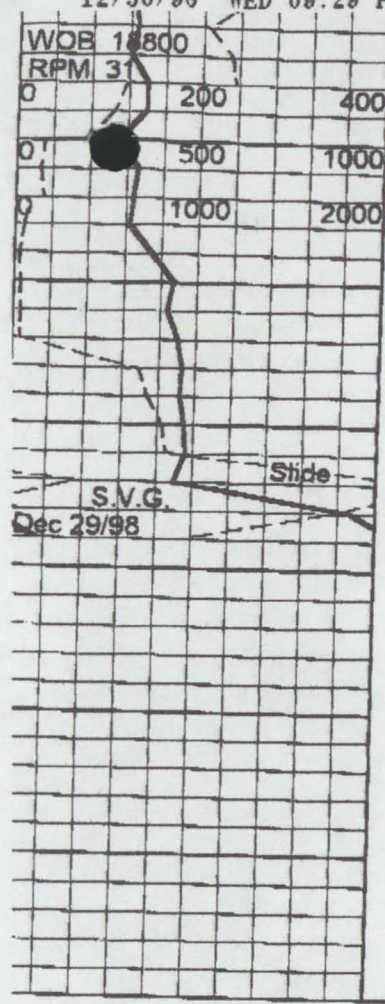
Finish pulling out of hole, lay down collars, run casing and cement casing

HIGHWOOD WELLSITE SERVICES INC. 41 Riverview Circle COCHRANE, Alberta (403) 932-2916		COMPOSITE WELL HISTORY DRILLING TIME LITHOLOGY LOG		CASING DEPTH SURFACE: 499 m INTERMEDIATE: 1840 m MAIN: m
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 278.25 m KB 278.25 m LOG MEASURED FROM KB 5.1 m ABOVE GROUND WELL TYPE: Gas Exploration TOTAL DEPTH SPUD DATE: December 17, 1998 T.D. DATE: LICENCE No.: WID 1841 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:		CASING SIZE SURFACE: 320.42 mm INTERMEDIATE: 177 mm MAIN: mm
SUPERVISION GEOLOGICAL: JEFF BOULTER		DRILLING: AL IRONSIDE		HOLE SIZE SURFACE: 339.73 mm INTERMEDIATE: 222 mm MAIN: mm REMARKS:

CANSTRAT SYMBOLS USED FOR LITHOLOGY AND SHOWS

SCALE 1:240





1875

Nahanni
(1877.8)

1900

SHALE - dk gy blk to blk to brn blk, f to rough
tex, rthy lstr, firm to sft, sl calc,
bitumenous, pyr, blk;

CHERT - orng yel, op, hd, lse gr, gyp xl, hydc
stn, dull yel flor, wk yel cut;

LIMESTONE - gy blk offwhite to gy, micxl to pt
v f xl, dns to chk tex, arg, pt bitumenous,
lse cht gr, gyp xl, n visible por, n shw;

LIMESTONE - gy blk offwhite to gy, micxl to pt
v f xl, dns to chk tex, arg, pt bitumenous,
lse cht gr, gyp xl, n visible por, n shw;

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	M 12/21/98	T 12/22/98	W 12/23/98	T 12/24/98	F 12/25/98	S 12/26/98	S 12/27/98	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
MOTOR HOURS		16.75	23.50	11.25	23.25	23.25	13.25	0.00	111.25
MOTORS CHARGE 675-215	\$215.00	\$3,601.25	\$5,052.50	\$2,418.75	\$4,998.75	\$4,998.75	\$2,848.75	\$23.50	\$23,942.25
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								\$0.00
TOTAL:		\$6,976.25	\$8,427.50	\$5,793.75	\$8,373.75	\$8,373.75	\$6,573.75	\$3,398.50	\$47,917.25

"FIELD ESTIMATE ONLY"

PAGE TOTAL WITHOUT GST	\$47,917.25
PREVIOUS TOTAL WITHOUT GST	\$8,116.25
TOTAL TO DATE WITHOUT GST	\$56,033.50
GST	\$3,922.35
TOTAL INVOICE TO DATE	\$59,955.85

07:07 12/28/98
De-----
05:14 AM

PathTracker 5.0.124
Survey Calculation Program

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Page 4 of 4

Company: Paramount Resources Ltd.
WellName: Paramount Berkley Netla M-23
Location: Latitude 60° 42' 58.402" Longitude 123° 05' 12.126"
co rep: Al Ironside

Vertical Section calculated on an Azimuth of: 0.0000
Survey Calculation Method: Minimum Curvature
FileName: C:\Bill\Work\PARAMOUNT\9126\FILES\1.sr5

#	Depth M	Inc Deg	AZM Deg	TVD M	SubSea M	North M	East M	Section M	Dogleg /30m	BUILD /30m	TURN /30m
107	1726.43	1.40	209.20	1725.29	-2003.64	2.07	-0.21	2.07	1.66	1.63	23.19
108	1736.22	0.30	171.10	1735.08	-2013.33	1.94	-0.27	1.94	3.61	3.37	116.75
109	1746.14	0.90	43.20	1746.00	-2023.26	1.97	-0.21	1.97	3.36	1.81	386.79
110	1756.06	1.60	44.40	1754.91	-2033.16	2.12	-0.07	2.12	1.82	1.82	3.63
111	1766.84	1.60	47.10	1764.69	-2042.94	2.31	0.12	2.31	0.38	0.31	8.27
112	1776.84	1.60	51.90	1774.69	-2052.94	2.49	0.33	2.49	0.40	0.00	14.40
113	1786.43	1.30	68.30	1784.28	-2062.63	2.61	0.64	2.61	1.59	0.94	61.30
114	1796.21	1.00	70.00	1794.06	-2072.30	2.68	0.72	2.68	0.93	0.92	5.21
115	1804.97	0.70	42.10	1803.81	-2082.06	2.75	0.84	2.75	1.55	0.92	86.76
116	1814.71	0.80	0.50	1813.65	-2091.80	2.87	0.88	2.87	1.67	0.31	128.13
117	1824.43	1.40	326.40	1823.27	-2101.62	3.03	0.82	3.03	2.66	1.86	106.26
118	1834.16	1.80	319.30	1833.00	-2111.26	3.26	0.66	3.26	1.37	1.23	21.89
119	1843.91	2.10	320.90	1842.74	-2120.99	3.50	0.44	3.50	0.94	0.92	4.92
120	1853.69	2.10	322.00	1852.61	-2130.76	3.78	0.22	3.78	0.12	0.00	3.37

Closure is 3.7881 meters on an Azimuth of 3.3067

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PULSER SUB	PS625-79								
PULSER SUB	PS625-83								
LIFT SLB	825-00:								
LIFT SUB	MOTOR								
LIFT SUB	MOTOR								
XOD SUB	TX625-60								
NMDC	625-28								
NMDC	625-24								
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