

Exploratory Development

Delineation Service



APPROVAL TO DRILL A WELL

This application is submitted under Section 82 of the Canada Oil and Gas Drilling Regulations. When approved under Section 83 of the Regulations, it is the requisite approval for the commencement of drilling operations.

Well Name: Para et al Mount Coty I-02
 Operator: Paramount Resources Ltd. Drilling Program No.:
 Contractor: Precision Drilling Interest identifier: EL 383
 Drilling Rig or Unit: 3791 Estimated Well Cost: \$2,750,000.00
 Location-Unit: I Section: 02 Grid Area: 60° 20', 123° 30'
 Coordinates: Lat: 60° 11' 34.008" Long: 123° 30' 18.797"
 Area: Fort Liard, NWT Field/Pool: N/A
 Elevation-KB/RT: 374.6 m (ASL) GL/Seafloor: 369.4 m
 Approx. Spud Date: August 31, 2000 Est. Days on Location: 35
 Anticipated Total Depth: 1746 Target Horizons: Chinkeh, Mattson

EVALUATION PROGRAM

Ten-metre sample intervals
 Five-metre sample intervals Surface to total depth.
 Canned sample intervals Surface to total depth.
 Conventional cores at .8m core in Mattson.
 Logs and Tests HDIL/GR, MAC/GR/CAL, ZEL/ CNL/GR/ PE/XY CAL, EMT
1 DST in Frantasque, 2 DST's in Mattson

CASING AND CEMENTING PROGRAM

O.D. (mm)	Weight (kg/m)	Grade	Setting Depth (m KB)	Cementing Program (m³)
244.5	53.57	J-55	500	21.83m³ 0:1:0 "G"
177.8	38.69	J-55	1746	24.35m³ 0:1:0 "G"

B.O.P. Equipment: 21 mPa Class IV Stack and Manifold with one (1) Flow Diverter, one (1) annular preventer, three rams (1 double gate, and 1 single gate) and double choke manifold.

Other Information: This well was originally approved December 13, 1999 with WID 1884 and UWI 300I02 60 20 12330. Due to constraints the well was not drilled at this time, and is planned to spud August 31, 2000. The two changes to the program are; (a) the 177.8mm csg. will be run to total depth and (b) the well will be drilled with gel-chem mud system only.

Signed: Wayne R. Tomm Title: Sr. Drilling and Completion's Engineer
Responsible Officer

Name: Wayne R. Tomm Company: Paramount Resources Ltd.
 Date: July 18, 2000 Phone: (403) 290-3600

APPROVAL

An approved copy of this notice is to be posted at each wellsite.

Date: October 6, 2000 Signed: J. M. Baker
 File: 9211-P-33-16-1 Chief Conservation Officer

WID: 1884
 UWI 300I026020123300