

**Daily Geological Report**

Date: 19th October 2000

Country: Canada

Paramount Resources Ltd.

Well: Paramount et al Mount Coty I-02

To	Attention	Fax Number
Paramount Resources Ltd.	Paul Price	(403) 266-6032

Report No: DGR 3	Rig: Akita Rig #51	Province: N.W.T.	LSD: I-02-60-20-123-30
Spud Date: 16-Oct-00	Days from Spud: 3	K.B. 372.95m aMSL	G.L. 367.90m aMSL

Hole Size: 311mm	Casing: n/a	Bit Type: GT-C1	Hours Drilling: 7.75
Mud Type: Gel chem	Drill Mode: Rotary	M.W.: 1080	Average ROP: 8.0m/hr
Vis: 78	pH: 9.5	F.L.: --	Cl: --

**24 Hour Operations Summary (00.00-24.00 hours)**

Drill from 195-208m, mix & pump LCM, drill from 208-232m, POOH for bit, RIH with Bit #2A, drill from 232-235m, trip for mud-ring, condition mud & circulate, drill from 235-257m, run deviation survey.		
Midnight Depth: 18-10-00	257m MD; 116m TVDSS	Progress: 62m

**Status at 0600 hours (19<sup>th</sup> Oct)**

Depth m MD KB	(TVD SS)	Formation
260m	113m	Lepine
Present Operation: Drilling 222mm pilot hole.		

**Stratigraphy**

Formation Tops	Sample (mKB)		Prognosed (mKB)		Log (mKB)		Hi/Lo (-)
	MD	TVDSS	MD	TVDSS	MD	TVDSS	
Lepine	92.5	280.5	168.4	204.6	-	-	75.9
Scatter							
Garbutt							

Next Operation (06:00 hours onwards): Drill ahead with 222mm pilot hole.

**Remarks:**

Good morning, Paul. We have been having some operation difficulties. We had further minor lost circulation problems after tripping for the bit. After dealing with that, we only drilled 3 metres and then had to trip again for a mud-ring and only got back drilling at -20:30hrs last night. We drilled another 22m and encountered hole deviation problems. Our last survey at 257m showed a 2 degree deviation, an increase of 0.75 degrees in 30m. Around midnight, a decision was made to trip for a 222m bit to drill a pilot hole to surface casing point. We resumed drilling at 05:00hrs this morning. We are currently drilling with low FOB (i.e., 1.5-3.5daN), consequently our ROP is under 4m/hr. We are likely looking at a few days before we run surface casing. There is nothing of geological interest to report since yesterday's report; we continue to drill in silty shale and argillaceous siltstone of the Lepine. There have been no shows.

Regards

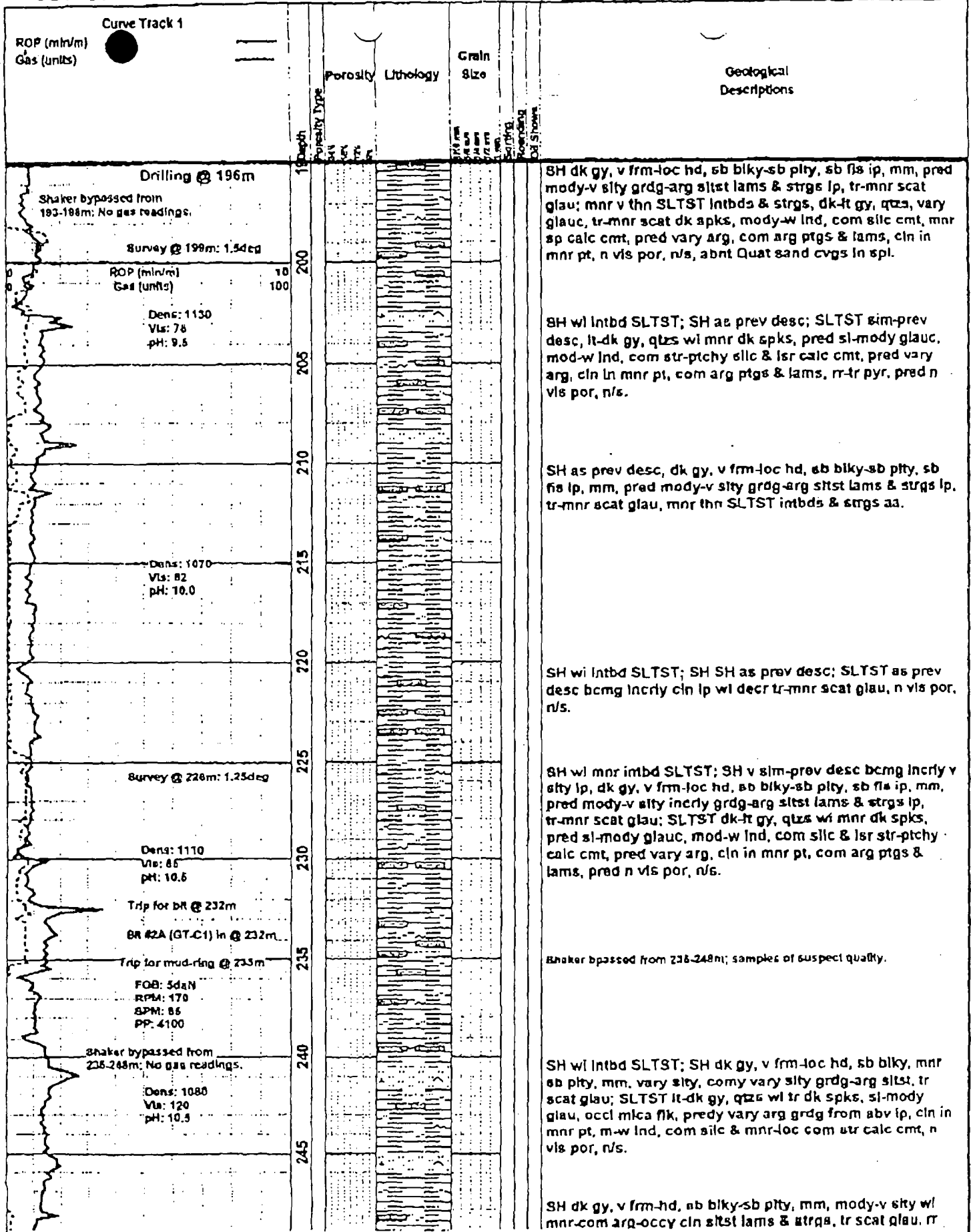
G. Johansson Wellsite Geologist

End of Report

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Shaker bypassed from 238-248m; samples of suspect quality.

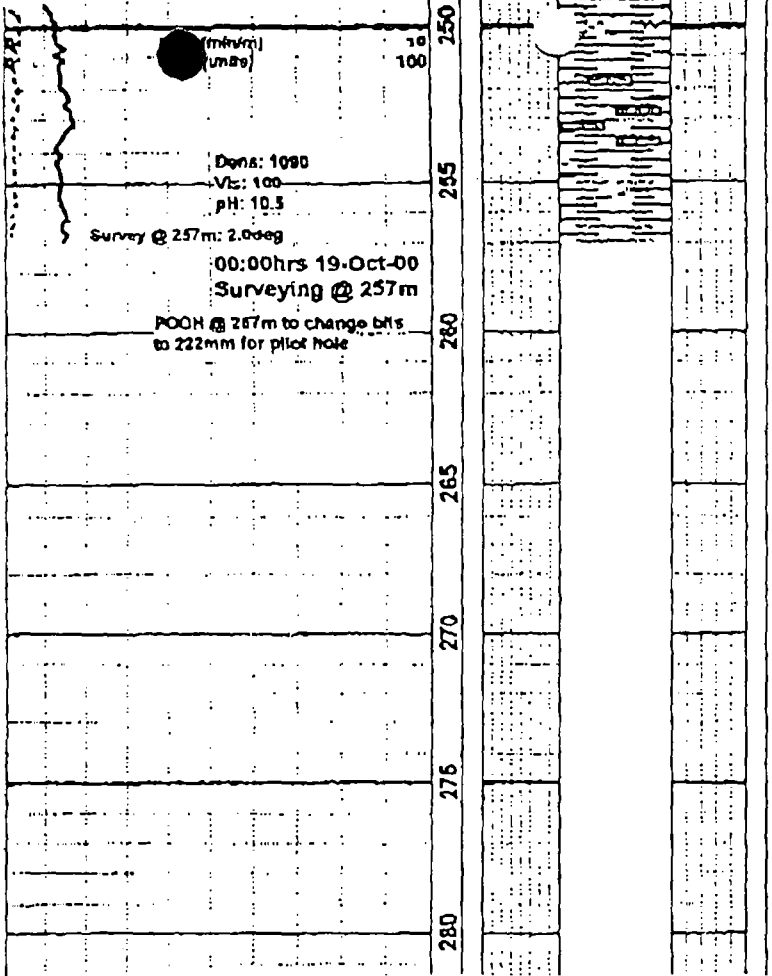
SH wl intbd SLTST; SH dk gy, v frm-loc hd, sb blkly, mnr sb pty, mm, vary sily, comy vary sily grd-g-arg sltst, tr scat glau; SLTST lt-dk gy, qtzs wl tr dk spks, sl-mody glau, occl mlca flk, predy vary arg grd-g from abv ip, clin in mnr pt, m-w lnd, com silc & mnr-loc com str calc cmt, n vis por, n/s.

SH dk gy, v frm-hd, sb blkly-sb pty, mm, mody-v sily wl mnr-com arg-occy clin sltst lams & strgs, tr scat glau, r

OCT-19-00 07:09 AM Gary Jonansson

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side stat lam.